

## Backgrounder Conflict of Interest Act

## Initial Compliance Process for Ministers and Parliamentary Secretaries

The <u>Conflict of Interest Act</u> sets out the rules and reporting requirements that help ministers and parliamentary secretaries avoid conflicts of interest. Ministers and parliamentary secretaries have additional reporting requirements compared with other public office holders.

*Reporting Requirements.* Ministers and parliamentary secretaries are responsible for ensuring they are in compliance with the Act. The initial compliance process begins as soon as they are appointed to office.

Ministers and parliamentary secretaries must submit to the Commissioner a confidential report outlining their assets, liabilities, income, current and past activities and any other information the Commissioner considers necessary, within 60 days of their appointment. They must make reasonable efforts to provide this information for their spouse, common-law partner and dependent children. Advisors in the Office of the Conflict of Interest and Ethics Commissioner review these reports and discuss with them any measures that may be needed to ensure compliance with the Act. These may include:

- Divesting controlled assets through a blind trust or selling them through an arm's length transaction. Ministers and parliamentary secretaries may not hold any controlled assets.
- Stepping down as a director or officer in a corporation or organization, unless the position is required as part of one's official duties or functions.
- Securing approval from the Commissioner to continue as or become a director or officer in a philanthropic, charitable or non-commercial organization.
- Determining appropriate compliance measures such as setting up conflict of interest screens or other undertakings. These require the Commissioner's approval.

The Office prepares a summary statement, and where applicable, a public declaration of assets, liabilities, outside activities and other appropriate measures. These documents must be signed by the reporting public office holder within 120 days of his or her appointment. They are placed in the public registry, which is accessible through the Office website.

Ministers and parliamentary secretaries who are Members of the House of Commons, must also comply with the *Conflict of Interest Code for Members of the House of Commons*.

The Office contacts ministers and parliamentary secretaries annually to review and, if necessary, update their confidential reports, summary statements and relevant public declarations.

\* Other backgrounders relating to the initial compliance process for reporting public office holders and for Members of the House of Commons are available.