

Information Notice for public office holders

Gifts or other advantages

Here is some general information to help public office holders understand the <u>Conflict of Interest Act</u>. This information notice explains when you may or may not accept a gift or other advantage. You should also read other <u>information notices</u> about the Act's rules. Get confidential advice by calling 613-995-0721 or by <u>sending an email</u>.

Source: Section 11, section 23 and subsection 25(5) of the Conflict of Interest Act.

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You and your family members may be offered gifts or other advantages directly or indirectly by individuals, trusts, and organizations, including non-profits and charities, and by provincial, territorial or municipal public sector organizations.

Before accepting a gift, you must consider the *Conflict of Interest Act*. After accepting a gift, you may have to tell the Commissioner's Office about it, publicly declare it, or even forfeit it.

If you are a Member of the House of Commons, you must also follow the gift rules in the Conflict of Interest Code for Members of the House of Commons.

1. What is a gift or other advantage?

Gifts or other advantages can take many forms, including:

- Money (if you do not have to repay it and nobody expects you to)
- Consumer goods such as books, flowers, artwork, furniture or wine
- Property such as vehicles, offices, houses or cottages
- The use of property or facilities at no cost or for less than their commercial value
- Membership in a club or other organization at no cost or for less than its commercial value
- Services, such as dry cleaning or a haircut, at no cost or for less than their commercial value
- Meals, travel or accommodation costs paid for by another individual or organization
- Invitations or tickets to attend an event, such as a sports match, gala, concert, play or fundraiser, at no cost or for less than its commercial value.

Invitations or other advantages offered by a public sector entity as <u>defined in the Act</u> are **not** considered gifts or other advantages for purposes of the Act. This means they are not subject to the acceptability test (see below), and you do not need to publicly declare them. Public sector entities include departments, agencies, and Crown corporations, but not the Senate and the House of Commons.

2. What is the Act's gift rule?

The Act's **gift rule** prohibits you and your family members from accepting any gifts or other advantages that might reasonably be seen to have been given to influence you in the exercise of an official power, duty or function.

Simply put, you and your family members cannot accept a gift if it could look like the donor wanted to affect how you do your job.

Your family members are your spouse or common-law partner, your dependent children, and the dependent children of your spouse or common-law partner.

3. Are there exceptions to the gift rule?

There are three exceptions to the Act's gift rule:

Gifts or other advantages permitted under the Canada Elections Act

The *Canada Elections Act* contains rules about gifts or other advantages that apply to candidates during an election period, or during a nomination or leadership campaign.

Elections Canada can advise you on how to follow those rules.

Gifts or other advantages from a relative or friend

You are allowed to accept gifts or other advantages given by a relative or friend that they have personally paid for. Examples are those offered in a personal setting and on a personal occasion, such as a birthday, wedding, anniversary or retirement. You do not need to tell the Commissioner's Office about these or publicly declare them.

If the Commissioner's Office learns you have received a gift from a friend that it believes is excessive, it may ask you to have them sign a declaration form.

The Commissioner has interpreted "friend" to mean individuals with whom a public office holder shares a close bond of friendship, a feeling of affection or a special kinship. It does not include members of a broad social circle of business associates or colleagues unless such a relationship has developed.

You are not allowed to exercise an official power, duty or function that provides an opportunity to further the private interests of your relatives or friends.

• Gifts or other advantages received as courtesy, protocol or customary standards

Examples of gifts or other advantages received as a normal expression of **courtesy or protocol**:

- A token expression of appreciation received in the context of some official interaction (where you are performing a ceremonial or representational role at an event, as a speaker, presenter, host or government representative).
- Trinkets or favours, such as pins, pens, notepads, key chains, T-shirts or inexpensive carrying cases given to event attendees.
- A ceremonial gift or other advantage, given by a visiting official from a foreign or international organization, that is reasonably proportionate to the official duties or functions you exercise during that interaction.

Examples of gifts or other advantages that are within the **customary standards** that normally accompany your position:

- Entrance fees to a conference where you are a keynote speaker in your official capacity.
- Low-value gifts or hospitality (i.e., with a commercial value of less than \$40 before taxes or shipping) received from interested parties or registered lobbyists during an inperson gathering. Such cumulative gifts or hospitality received from the same source must not exceed \$200 in a 12-month period. To ensure consistency of application, both the Act and the Lobbyists' Code of Conduct (2023) have adopted the same meaning for low-value amounts and annual limits on gifts.

4. How do I decide whether to accept a gift?

When you are offered a gift or other advantage, you should ask yourself if a reasonable person might think it was given to influence you. The question is **not** whether the person or organization who gave it to you intended to influence you, or if you were indeed influenced.

This is known as the acceptability test.

You should consider **who** is offering the gift, and **why** it is being offered. The donor's current or future relationship with you and your office is particularly important.

Gifts or other advantages that could reasonably be seen to have been given to influence include those from:

- someone who is registered to lobby you or your office. You should consult the federal <u>Registry of Lobbyists</u>;
- someone whose interests could be affected by a decision you may be called upon to make.

5. Do I have to report the gifts I accept?

If you are a reporting public office holder, you must do the following.

Publicly declare:

Any single gift of other advantage that you or a member of your family accepts (other than
one from a relative or friend), if it has a commercial value of \$200 or more. You must
submit a <u>public declaration</u> within 30 days after you or your family member accepted it.

Disclose to the Commissioner's Office (by sending an email):

 Multiple gifts from one source that you or a member of your family accepts, when their total commercial value in a 12-month period adds up to more than \$200. You must disclose them within 30 days after the day on which the value exceeds \$200.

Acceptable gifts worth less than \$200 do not need to be publicly declared or disclosed to the Office.

The commercial value is the amount one would have to pay in Canada to purchase a similar item.

If you miss these deadlines, you risk an administrative monetary penalty.

It is a good idea to speak with your advisor in the Commissioner's Office whenever you or a family member accepts a gift or other advantage that was given in connection with your public duties.

6. Do I have to forfeit any gifts?

You may accept gifts or other advantages received as a normal expression of **courtesy** or **protocol** or that are within the **customary standards** that normally accompany your position.

You must forfeit them if they have a commercial value of \$1,000 or more, unless you apply for and receive an exemption from the Commissioner. Your department is responsible for managing forfeited gifts and other advantages.

7. When should I ask for advice?

Any gift or other advantage that does not pass the acceptability test and does not fall within the exceptions is prohibited. You or your family member must refuse it.

You may, however, face situations where refusing the offer of a gift, hospitality or other advantage may cause offence to the donor, or its acceptance may contravene the acceptability test.

In such instances, you have the options of:

- returning it immediately
- reimbursing the donor for its commercial value, or
- redirecting it to a registered charity of your choosing, provided you do not get a benefit from the donation.

8. Has the Commissioner done any investigations about gifts?

These examination reports focus on the acceptability of gifts under the *Conflict of Interest Act*:

- The Trudeau Report (December 2017)
- <u>The Bennett Report</u> (November 2016)
- <u>The Vennard Report</u> (September 2016)
- <u>The Bonner Report</u> (February 2015)
- <u>The Paradis Report</u> (August 2013)
- <u>The Raitt Report</u> (April 2012)
- <u>The Dykstra Report</u> (September 2010)
- <u>The Raitt Report</u> (May 2010)