



Office of the
Conflict of Interest and
Ethics Commissioner

Commissariat aux
conflits d'intérêts et
à l'éthique

ANNUAL REPORT

Conflict of Interest Act

2020
21

Mario Dion
Conflict of Interest and
Ethics Commissioner

Conflict of Interest and Ethics Commissioner – Annual Report 2020-2021, in respect of the
CONFLICT OF INTEREST ACT

For additional copies of this document, please contact:

Office of the Conflict of Interest and Ethics Commissioner
Parliament of Canada
66 Slater Street, 22nd Floor
Ottawa, Ontario K1A 0A6

Telephone: 613-995-0721

Fax: 613-995-7308

Email: info@cie.parl.gc.ca

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Office of the
Conflict of Interest and
Ethics Commissioner

Commissariat aux
conflits d'intérêts et
à l'éthique

June 2021

The Honourable George Furey, Q.C.
Speaker of the Senate
Senate of Canada
2 Rideau Street, Room E64-A
Ottawa, Ontario K1A 0A4

Dear Mr. Speaker:

I am pleased to submit to you my report on the performance of my duties and functions under the *Conflict of Interest Act* in relation to public office holders for the fiscal year ending March 31, 2021, for tabling in the Senate.

This fulfills my obligations under paragraph 90(1)(b) of the *Parliament of Canada Act*.

Sincerely,

Mario Dion
Conflict of Interest and Ethics Commissioner

PARLIAMENT OF CANADA
66 Slater Street, 22nd floor
Ottawa, Ontario, K1A 0A6

PARLEMENT DU CANADA
66, rue Slater, 22^e étage
Ottawa (Ontario) K1A 0A6

 ciec-ccie.parl.gc.ca
 @EthicsCanada | @EthiqueCanada

TEL/TÉL 613.995.0721
FAX/TÉLÉC 613-995.7308



Office of the
Conflict of Interest and
Ethics Commissioner

Commissariat aux
conflits d'intérêts et
à l'éthique

June 2021

The Honourable Anthony Rota, P.C., M.P.
Speaker of the House of Commons
House of Commons
West Block, Room 233-C
Ottawa, Ontario K1A 0A6

Dear Mr. Speaker:

I am pleased to submit to you my report on the performance of my duties and functions under the *Conflict of Interest Act* in relation to public office holders for the fiscal year ending March 31, 2021, for tabling in the House of Commons. The report is deemed permanently referred to the House of Commons Standing Committee on Access to Information, Privacy and Ethics, under Standing Order 108(3)(h)(v).

This fulfills my obligations under paragraph 90(1)(b) of the *Parliament of Canada Act*.

Sincerely,

Mario Dion
Conflict of Interest and Ethics Commissioner

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66 Slater Street, 22nd floor
Ottawa, Ontario, K1A 0A6

PARLEMENT DU CANADA
66, rue Slater, 22^e étage
Ottawa (Ontario) K1A 0A6

 ciec-ccie.parl.gc.ca
 @EthicsCanada | @EthiqueCanada

TEL/TÉL 613.995.0721
FAX/TÉLÉC 613-995.7308

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COMMISSIONER'S MESSAGE



I am pleased to report on the administration of the *Conflict of Interest Act* in 2020-2021.

In response to the changes brought by the COVID-19 pandemic, we fully adapted our processes to telework and moved to electronic paperless communications with regulatees, including the annual message to public office holders without reporting obligations. Modifications to our processes and technology, coupled with the diligence and hard work of employees, enabled the Office to successfully manage a high volume of work across all activity areas in support of its vision and mission. We ended the fiscal year with no significant backlogs of work anywhere in the organization.

We worked with ministers and ministerial staff to finalize their initial compliance process under the Act following the October 2019 election, while continuing to provide direction and advice to all public office holders to help them meet their obligations.

We supported transparency by maintaining the public registry, publishing quarterly statistical reports on our activities and tweeting administrative monetary penalties and compliance orders.

Much of the Office's enforcement work under the Act was taken up by the examinations of the conduct of Prime Minister Justin Trudeau and former Finance Minister Bill Morneau in relation to the selection of the WE organization as the administrator of the Canada Student Service Grant. We also reported on four referrals from the Public Sector Integrity Commissioner.

We were active in the area of education and public communications. We expanded our social media presence and changed our Twitter handle to [@EthicsCanada](https://twitter.com/EthicsCanada). We also engaged with our counterparts in Canada and around the world on various initiatives.

Building on the work accomplished by the Office in the past three years, we developed a new three-year strategic plan to help guide our activities going forward.

I remain honoured to serve Parliament and Canadians and am grateful to the employees of the Office for helping me fulfill my mandate.

A handwritten signature in dark ink, appearing to read "Mario Dion". The signature is fluid and cursive, written in a professional style.

Mario Dion
Conflict of Interest and Ethics Commissioner

OUR VISION

Offer exemplary services in support of a culture of integrity in order to achieve a high degree of public confidence in the integrity of federal institutions and Parliament.

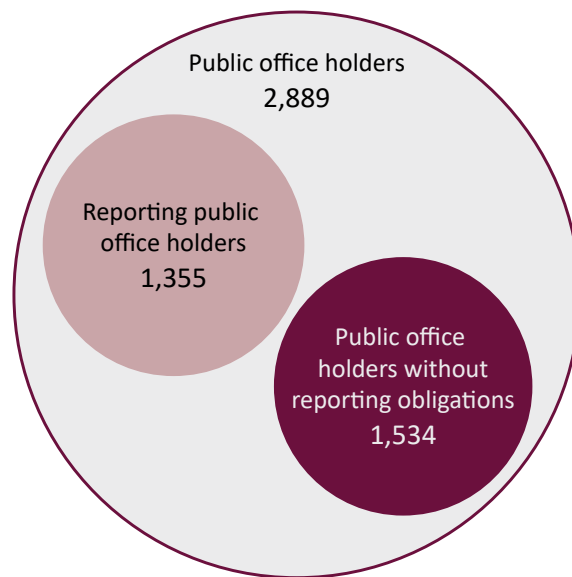
OUR MISSION

Our Office provides independent, rigorous and consistent direction and advice to Members of Parliament and federal public office holders, conducts investigations and, where necessary, makes use of appropriate sanctions in order to ensure full compliance with the *Conflict of Interest Code for Members of the House of Commons* and the *Conflict of Interest Act*.

OUR STAKEHOLDERS

The Office’s stakeholders include regulatees—the individuals subject to the conflict of interest regimes it administers—as well as Parliament, academics, ethics practitioners and others with an interest in the field, the media and the general public.

This report focusses on the public office holders who are subject to the [Conflict of Interest Act](#). As regulatees, public office holders are key stakeholders of the Office. One of its strategic objectives is to increase trust in and credibility of the Office with key stakeholders so that they become stronger allies in the delivery of its mandate and can effectively manage conflict of interest issues.

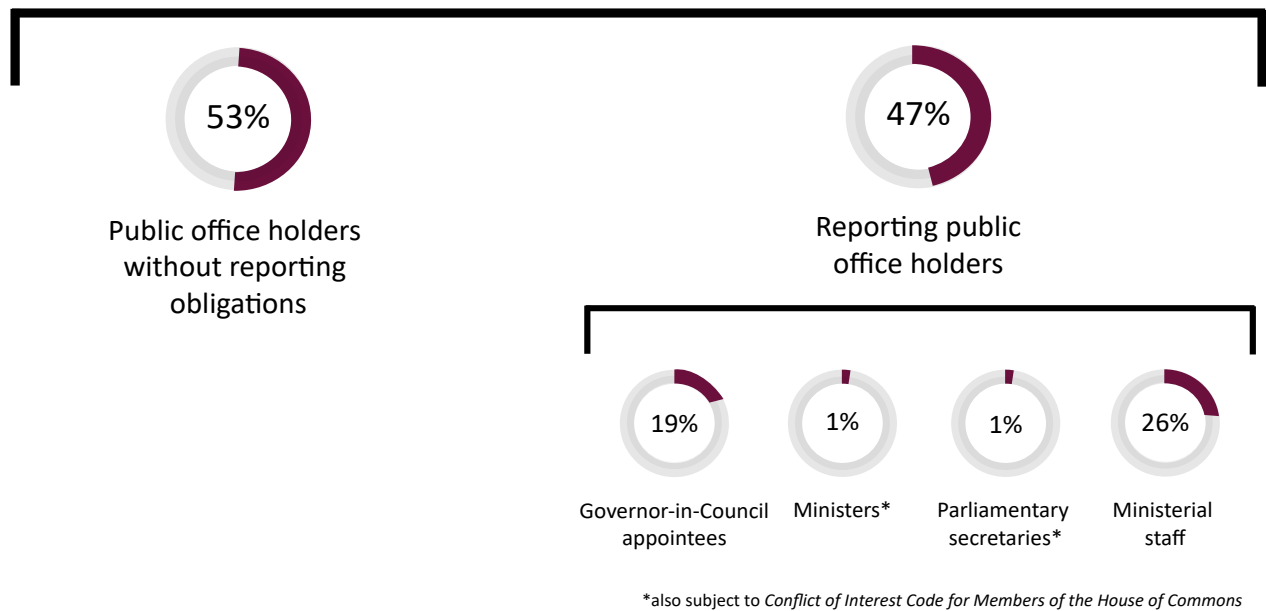


Individuals subject to the Act are collectively known as public office holders. They are all subject to the Act’s core set of conflict of interest rules (Part 1) and post-employment rules (Part 3).

Just over half of these individuals (53%) are subject only to those general rules. They are referred to as “public office holders without reporting obligations.” They include part-time members of federal boards, commissions and tribunals appointed by the Governor in Council and ministerial staff who work on average less than 15 hours a week.

The rest (47%) are also subject to additional rules set out in the Act (Part 2), including ongoing reporting and public disclosure provisions, and prohibitions against engaging in outside activities and holding controlled assets. They are referred to as “reporting public office holders” and include ministers and parliamentary secretaries, ministerial staff who work on average 15 hours or more a week and full-time Governor-in-Council appointees.

Snapshot of public office holders on March 31, 2021



Turnover in 2020-2021	Appointed or reappointed	Left office
Reporting public office holders	264	189
Public office holders without reporting obligations	242	150

The Office's [quarterly statistical reports](#) provide an accurate reflection of the fluctuations that occurred throughout the year. Compared to the previous fiscal year, there was an 8% increase in the number of individuals who were subject to the Act at the end of the 2020-2021 fiscal year.

OUR ACHIEVEMENTS

KEY ACTIVITIES

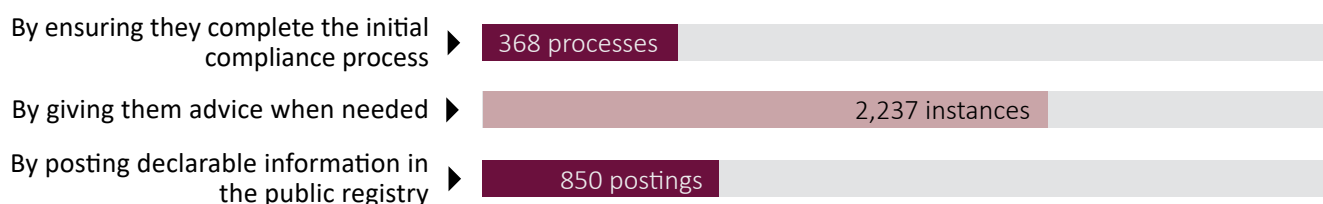
Compliance	Helping regulatees achieve and maintain compliance with the conflict of interest regimes
Direction and advice	Giving regulatees confidential guidance tailored to their individual situations
Education and outreach	Helping regulatees understand their obligations under the regimes
Enforcement	Applying investigation and other enforcement provisions of the regimes as appropriate
Public communications	Educating and informing regulatees, the media and the general public
Collaboration and best practices	Exchanging information with domestic and international counterparts
Contacts with Parliament	Reporting to Parliament and testifying before its committees

COMPLIANCE

In support of its mission to ensure full compliance with the conflict of interest regimes that it administers, the Office devotes most of its resources to helping regulatees achieve and maintain compliance with those regimes. Reflecting one of its strategic objectives, the Office is developing a more preventive approach to compliance assurance that provides proactive guidance to regulatees, including direction on ethical issues.

Employees in the Advisory and Compliance division guide public office holders through the compliance processes under the *Conflict of Interest Act*, give them confidential advice supported by legal opinions on individual files as necessary, post their publicly declarable information in the [public registry](#) and ensure they have the information they need to understand their obligations by delivering presentations to their organizations and hosting teleconferences.

How does the Office help public office holders comply with the Act?



The Office communicates frequently with reporting public office holders throughout their term of office and less often with those without reporting obligations. It aims to contact all public office holders within three days of being notified of their appointment or reappointment. In 2020-2021, this service standard was met in 80% of cases, meeting the target.

When are public office holders contacted by the Office?

When they are first appointed or reappointed ▶	506 communications
Once a year ▶	2,374 reminders/reviews
When they leave office ▶	339 communications

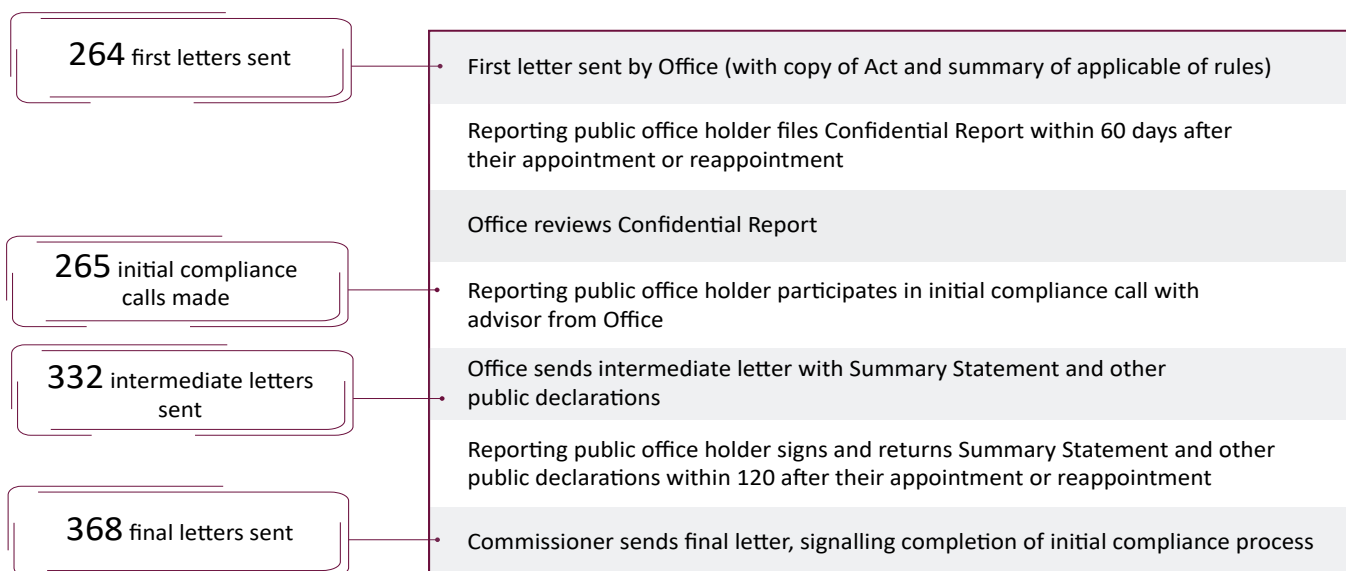
INITIAL COMPLIANCE PROCESS

All reporting public office holders must complete an [initial compliance process](#) under the *Conflict of Interest Act*, within 120 days after their appointment or reappointment (when there is an interruption between the appointment and reappointment).

As the Office guides reporting public office holders through the initial compliance process, it may establish any necessary measures under section 29 of the Act. These agreed compliance measures include the establishment of [conflict of interest screens](#) and the [divestment](#) of controlled assets. Reporting public office holders may not hold or acquire [controlled assets](#) during their term of office. They must divest any such assets within 120 days after their appointment, by selling them to a third party in an arm's-length transaction or by placing them in a [blind trust](#). In 2020-2021, there were 50 divestments of controlled assets, including 32 by sale and 18 by blind trust.

The Office issues [reimbursement](#) orders to reporting public officer holders' organizations for reasonable costs for establishing, maintaining and dismantling blind trusts. The Corporate Management division reviews and analyzes those costs as well as the costs for withdrawal of business and commission fees. It helps the Commissioner determine the reasonableness of fees incurred so reimbursement orders may be issued. In 2020-2021, the Commissioner issued 151 orders for reimbursement totalling \$872,705.22.

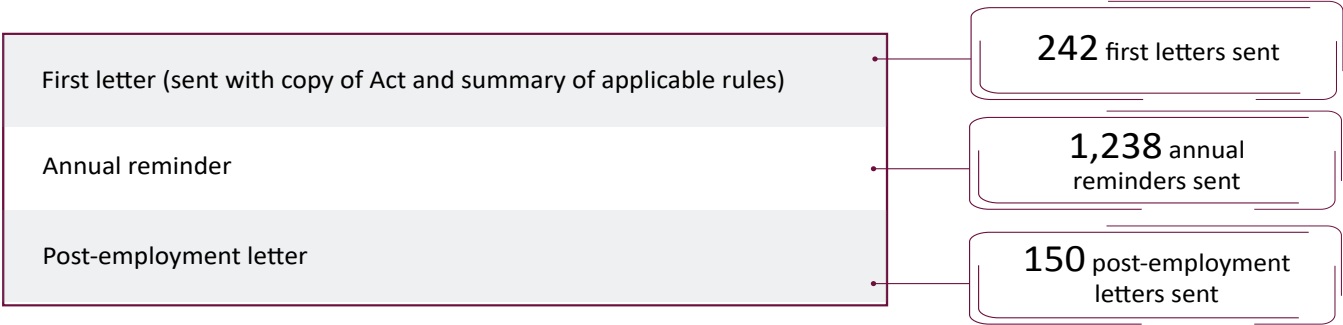
Initial compliance process for reporting public office holders



Once the initial compliance process has been completed, the Summary Statement and any required declarations are posted in the [public registry](#).

In 2020-2021, 368 initial compliance processes were completed and 350 summary statements were posted in the public registry. This represents a slight decrease in compliance processes completed compared to the previous year and an increase of 24% in the number of summary statements posted in the public registry. Some of those summary statements may have been part of initial compliance processes started in the previous fiscal year.

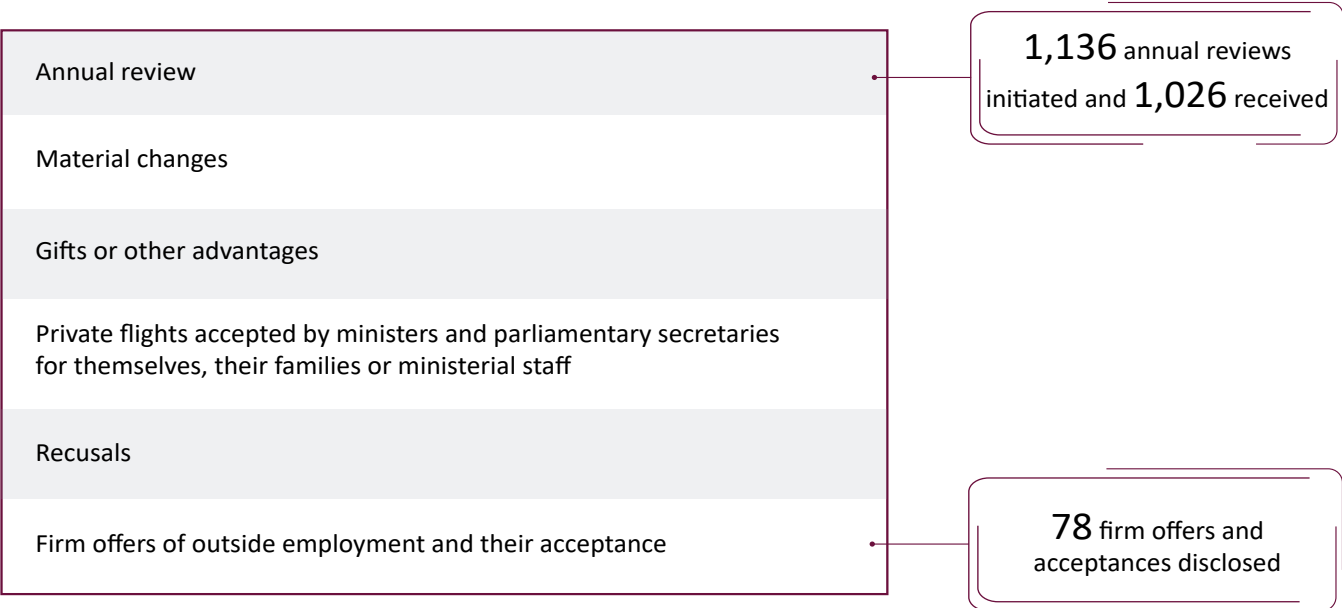
Process for public office holders without reporting obligations



ONGOING REPORTING REQUIREMENTS

After completing the initial compliance process, reporting public office holders must meet various reporting requirements throughout their terms of office. Failure to meet some of the reporting deadlines could result in an administrative monetary penalty of up to \$500.

Ongoing reporting requirements



In February 2021, the Office released an updated [information notice](#) that captures the Commissioner’s interpretation of “outside employment” referred to in [section 24](#) of the Act. It clarifies that the term refers to employment that falls outside the scope of the Act’s substantive conflict of interest rules and only includes positions that create an employer/employee relationship. Outside employment encompasses employment with federal public sector entities as a public servant, as well as employment with a political party or with the private sector.

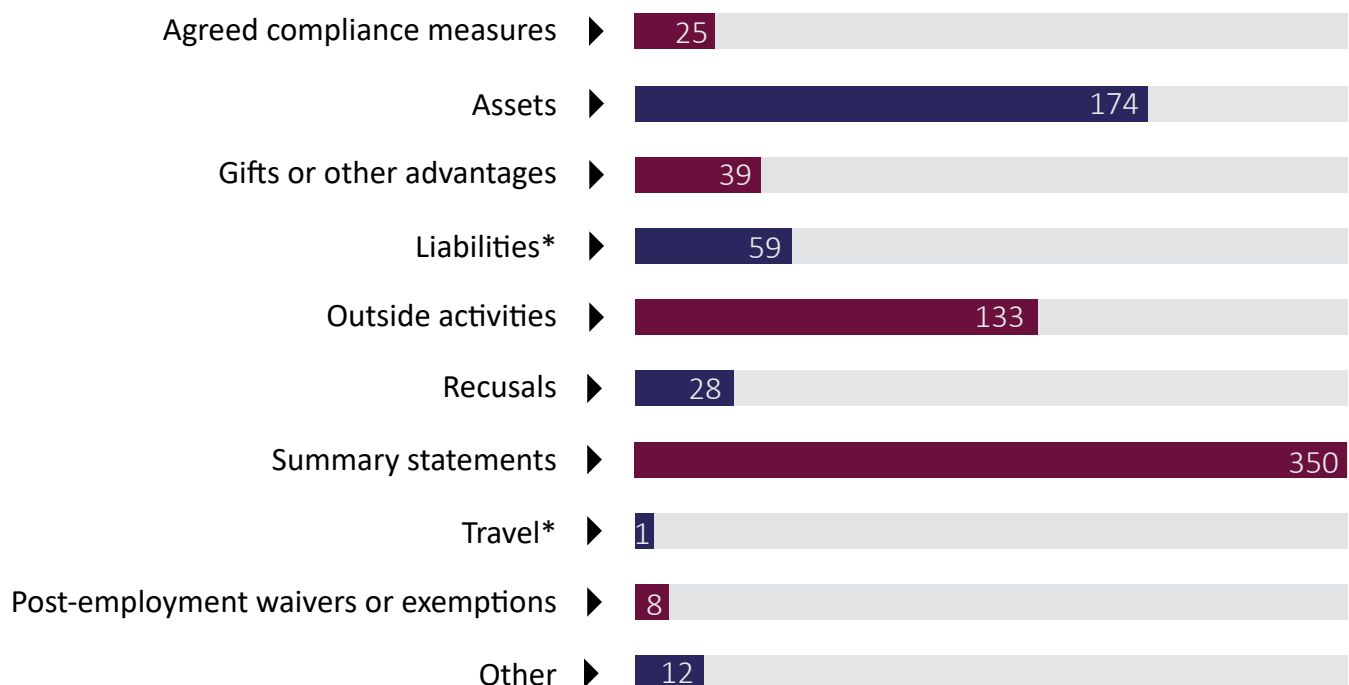
PUBLIC REGISTRY

The [public registry](#) supports transparency, a pillar of effective conflict of interest regimes. It is a searchable database of compliance documents required under the *Conflict of Interest Act* and the *Conflict of Interest Code for Members of the House of Commons*. The registry contains all the information about individual regulatees that the Commissioner is authorized to make public.

The total number of public registry postings increased by more than 200%. Factors included the completion of the initial compliance process by Members and changes to some internal processes that resulted in additional postings.

There were 39,296 public registry visits in 2020-2021, up 59% from the previous fiscal year. The Office actively sought to draw attention to the registry in the interests of transparency and public education. For example, it tweeted about compliance matters, such as compliance orders and administrative monetary penalties under the Act and a monthly compliance status report under the *Conflict of Interest Code for Members of the House of Commons*.

What did public office holders declare in 2020-2021?



*ministers and parliamentary secretaries only

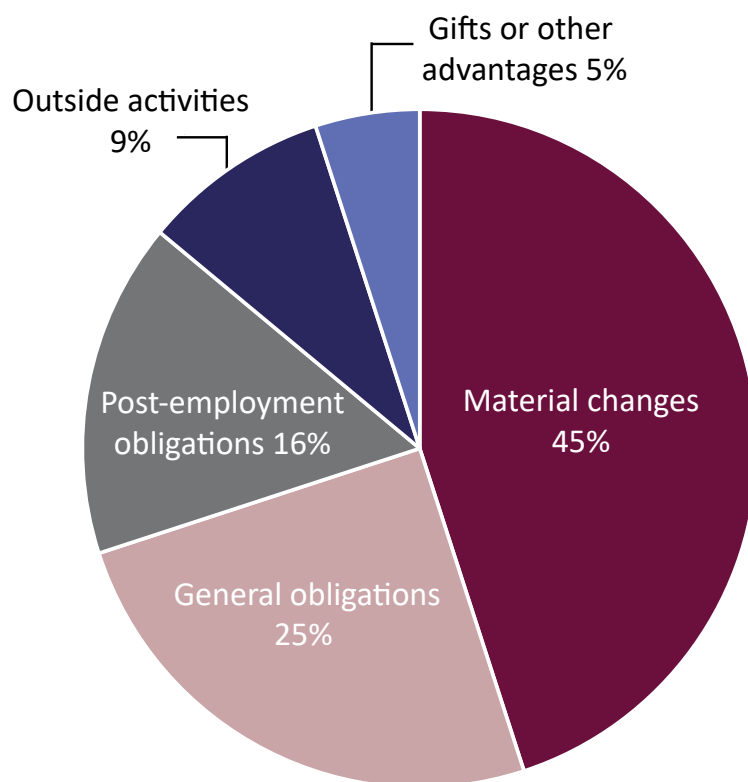
DIRECTION AND ADVICE

Public office holders, and especially reporting public office holders, frequently consult the Office for consistent, fair and appropriate advice.

While advisors in the Office are the usual point of contact for these consultations, the Commissioner is actively engaged in compliance files and pays special attention to those that may be particularly complex or sensitive. He is always available to speak personally with regulatees about their individual situations.

The Office responded to 2,237 requests for advice from public office holders, an increase of 15% from the previous year. It did so within three business days in 90% of cases in 2020-2021, surpassing the targeted 80% mark for this service standard.

What did public office holders ask about?



EDUCATION AND OUTREACH

In 2020-2021, the Office issued three updated [information notices](#) that explain how various provisions of the *Conflict of Interest Act* apply and, where relevant, the Commissioner's interpretations, to help public office holders understand their obligations. One on the [divestment of assets and blind trusts](#) and one on the [reimbursement of costs](#) associated with the divestment of assets and withdrawal of activities were released in June 2020. An information notice on [offers of outside employment](#) was released in February 2021.

The Office gave nine presentations to offices and organizations with regulatees subject to the Act, and in October 2020 the Commissioner hosted a teleconference on [recusals](#), reaching more than 300 participants.

The Office also used Twitter ([@EthicsCanada](#)) to let public office holders know about new information that can help them understand and comply with the Act. The Office tweeted 52% more times compared to the previous year.

In a January 2021 [op-ed](#) published in *The Hill Times*, the Commissioner reached out to regulatees who might be thinking of changing jobs, reminding them of the Act's post-employment rules and noting the importance of understanding and complying with them.

ENFORCEMENT

Administrative Monetary Penalties

The Commissioner can impose [administrative monetary penalties](#) of up to \$500 for failures to meet certain reporting requirements of the Act within established deadlines. In 2020-2021, the Office issued 11 administrative monetary penalties.

If the Commissioner believes on reasonable grounds that a public office holder has contravened a reporting requirement of the Act, he may issue a [notice of violation](#) in which a proposed penalty is set out. The regulatee has [30 days](#) to pay the penalty or submit written representations. If representations are received, the Commissioner will decide, on a balance of probabilities, whether a violation was committed and whether there were mitigating circumstances. After allowing regulatees some flexibility in meeting their reporting deadlines in the early days of the COVID-19 pandemic, the Commissioner issued 17 notices of violation in 2020-2021.

When a penalty is issued, the Act requires that the Commissioner make public the nature of the violation, the name of the public office holder and the amount of the penalty. The Office posts penalties in the [public registry](#) and, in support of the Commissioner's commitment to being open and transparent, shares them with a wider audience via [Twitter](#).

3 failures to report Confidential Report within 60 days

7 failures to report a material change

1 failure to sign a Summary Statement within 120 days of appointment

Compliance Orders

Under section 30 of the *Conflict of Interest Act*, the Commissioner may order a public office holder to take any compliance measure the Commissioner determines is necessary to comply with the Act, such as submitting documents for the annual review, ceasing prohibited outside activities or divesting [controlled assets](#).

10 compliance
orders issued

Under section 41 of the Act, if the Commissioner determines that a former reporting public office holder is not complying with their post-employment obligations, the Commissioner may order any current public office holder not to have official dealings with that former reporting public office holder.

In September 2020, the Commissioner ordered nine current public office holders, including ministers, ministerial staff members and senior departmental officials, not to have official dealings with former reporting public office holder David MacNaughton for a period of one year. This was the first time a section 41 order was issued.

Mr. MacNaughton served as Canada's Ambassador to the United States. His last day in public office was August 22, 2019, after which he became a former reporting public office holder subject to the Act's post-employment rules. He became President of Palantir Technologies Canada on September 4, 2019.

As a former reporting public office holder, Mr. MacNaughton was required, under section 37 of the Act, to report to the Commissioner any communication referred to in paragraph 5(1)(a) of the [Lobbying Act](#) and any meeting referred to in paragraph 5(1)(b) of that Act that he had or arranged in the year following his last day in office. Mr. MacNaughton reported that between March 2 and May 1, 2020, he communicated with or arranged multiple meetings with several public office holders to offer Palantir's *pro bono* assistance with the Government of Canada's response to the COVID-19 pandemic, although no contracts were awarded to Palantir as a result. The Commissioner, having determined that Mr. MacNaughton contravened section 33 of the Act, which prohibits former public office holders from acting in such a manner as to take improper advantage of their previous public office, issued a section 41 order.

Examinations

Under [section 44](#) of the *Conflict of Interest Act*, the Commissioner can launch an examination of a possible contravention of the Act at the request of a Senator or Member of the House of Commons who provides reasonable grounds to believe the Act has been contravened.

The Commissioner also has the discretion under [section 45](#) of the Act to conduct an examination on his own initiative if he has reason to believe that a public office holder or former public office holder has contravened the Act. The Commissioner may decide to do so based on information from various sources, including media reports and complaints from members of the public. In March 2021, the Office created a [Request for an Examination](#) form for use by members of the public who wish to submit information about alleged contraventions of the Act. It is supported by a new [How to Request an Examination](#) page that also includes information for parliamentarians.

As of March 31, 2021, the Office was working on three examinations under the Act. They included two examinations, launched in July 2020, of the conduct of Prime Minister Justin Trudeau and former Finance Minister Bill Morneau in relation to the administration of the Canada Student Service Grant by the WE organization.

Average of 8 months to
complete an examination report

The Office is often asked for information about examinations that are in progress, but strict confidentiality requirements set out in the Act prevent it from providing any information.

The Commissioner issues a [public report](#) when an examination is completed. When the Commissioner decides to discontinue an examination launched under [section 44](#) of the Act in response to a request from a Senator or Member, a discontinuance report is issued. However, when the Commissioner discontinues an examination that he launched on his own initiative under [section 45](#) of the Act, he is not required to issue a report.

Examination Case Files

The Office may open a case file when it receives information about a possible contravention of the Act, whether from a Senator or Member of the House of Commons, or through media reports or complaints from members of the public. Some of these initial reviews lead to [examinations](#). Barring exceptional circumstances, the Office's target is to conduct examinations within a 12-month timeframe. In others, an examination is not found to be warranted and the files are closed.

How many case files were opened and closed?	
Total case files (a case file is a concern that is reviewed by the Office)	46
Ongoing	7
Closed without an examination	35
Closed with publication of report	4
Who was the subject of each case file?*	
Current or former minister and parliamentary secretary	26
Current or former public office holder	23
Person not subject to the Act	1
What was the source of these case files?	
Member of the general public	15
Within the Office	12
Member of the House of Commons	9
Media	5
Office of the Public Sector Integrity Commissioner	5
What was the nature of the concern?*	
Furthering a private interest	23
Duty to recuse	11
Post-employment rules	9
Influence	8
Preferential treatment	7
Private air travel	3
Prohibited activities	3
Public declaration	3
Insider information	2
Gifts and other advantages	2

*some case files have more than one subject or concern

Referrals from the Public Sector Integrity Commissioner

Matters may be referred to the Commissioner by the Public Sector Integrity Commissioner under subsection 24(2.1) of the [Public Servants Disclosure Protection Act](#). When such a referral is received, the Commissioner is required, under section 68 of the *Conflict of Interest Act*, to issue a report, which is made public. The report must set out the facts in question, the analysis of the situation and the conclusion, whether or not an examination is launched.

In 2020-2021, the Office issued four reports as a result of referrals from the Public Sector Integrity Commissioner. None of those referrals resulted in an examination:

In the [Qualtrough Report](#), issued on April 22, 2020, the Commissioner found no reason to believe the Act may have been contravened and decided not to pursue a formal examination. An allegation of conflict of interest had been made against the Honourable Carla Qualtrough, then Minister of Public Services and Procurement Canada, in relation to the appointment of Ms. Moreen Miller as Chairperson of the Board of Directors of Defence Construction Canada.

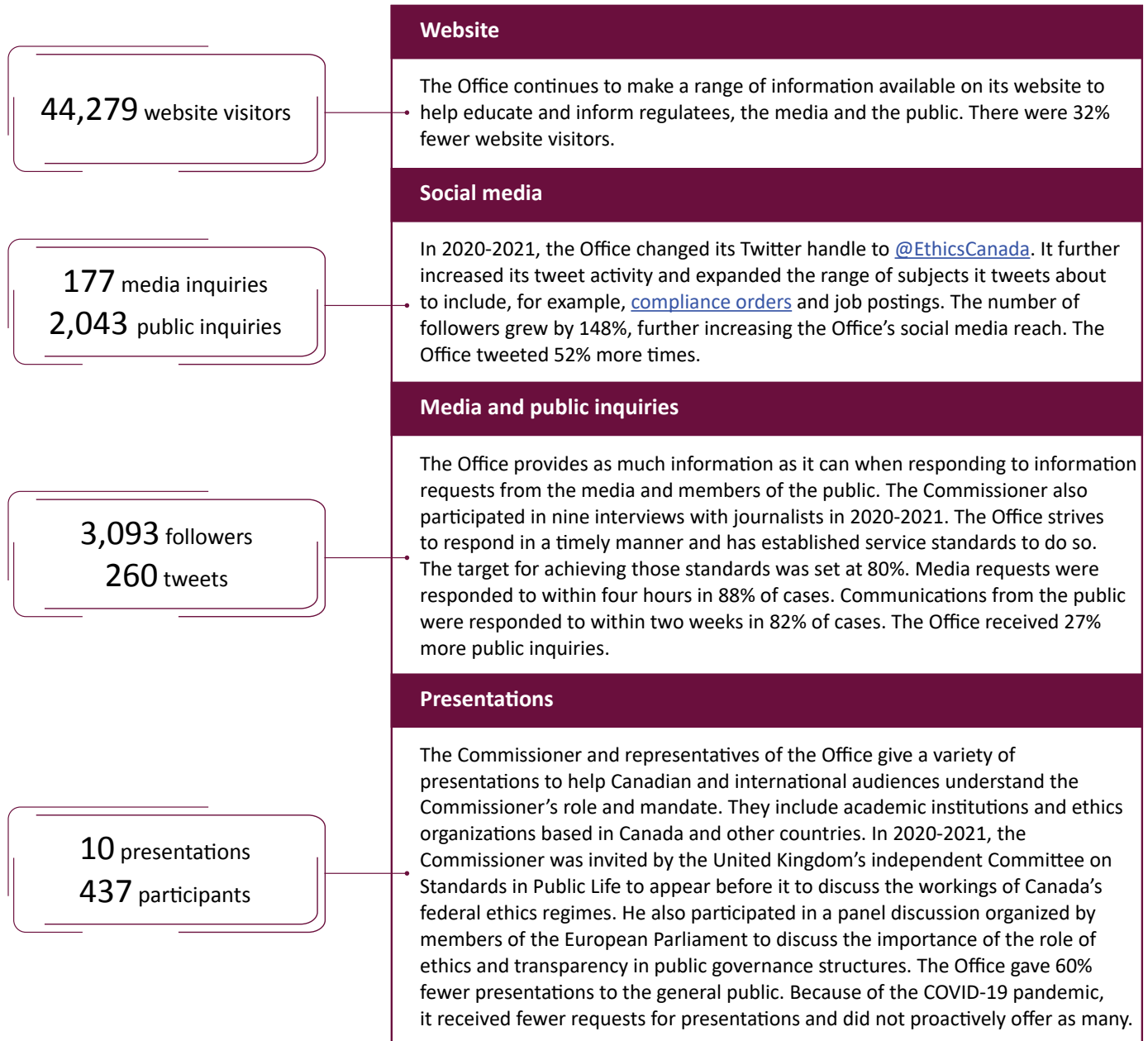
In the [Miller Report](#), issued on April 22, 2020, the Commissioner found no reason to believe the Act may have been contravened and decided not to pursue a formal examination. Allegations of conflicts of interest had been made against Ms. Moreen Miller, Chairperson of the Board of Directors of Defence Construction Canada.

In the [Report on alleged wrongdoing by a tribunal member](#), issued on July 9, 2020, the Commissioner concluded there was no reason to believe the Act may have been contravened and decided not to pursue a formal examination. Allegations of a conflict of interest had been made by two members of a federal administrative tribunal against another member of the same tribunal in relation to the selection of members for an internal training opportunity.

In the [Report on alleged wrongdoing by a Deputy Minister](#), issued on September 30, 2020, the Commissioner concluded there was no reason to believe the Act may have been contravened and decided not to pursue a formal examination. Two allegations had been made by some federal department employees against their deputy minister. The first was that the deputy minister interfered in the hiring process for a senior level position in their department to benefit a friend. The second was that they intervened in an internal investigation conducted under the [Public Servants Disclosure Protection Act](#). The Commissioner found that the second allegation was outside of his mandate so did not consider it further. Regarding the first allegation, he had no reason to believe that the deputy minister may have contravened the Act.

PUBLIC COMMUNICATIONS

The volume of communications from the media and members of the public was slightly lower in the spring of 2020. It rose significantly in mid-summer when Parliament began studying the administration of the Canada Student Service Grant by the WE organization and the Commissioner launched two related examinations under the *Conflict of Interest Act*. The following chart tracks how some of the Office's key public communications in 2020-2021 compared to the previous year.



COLLABORATION AND BEST PRACTICES

Public health restrictions imposed by the COVID-19 pandemic prompted a shift from in-person to online interactions throughout the year. Thanks to the technology that makes it possible to have productive and effective meetings virtually, the Office continued to maintain and strengthen connections with officials and organizations in Canada and other countries.



Mario Dion, *Conflict of Interest and Ethics Commissioner*

Domestic Outreach

The Commissioner participated in the annual meeting of the Canadian Conflict of Interest Network ([CCOIN](#)) in September 2020 and in its semi-annual meeting in March 2021.

The Commissioner continued to liaise occasionally with other agents of Parliament and Office employees did the same with their counterparts in those agents' offices.

In 2020-2021, the Commissioner spoke about his role and mandate with classes at several Canadian universities: Carleton, Dalhousie, Ottawa, Queen's, Thompson Rivers and York.

International Outreach

In 2020-2021, the Office remained active in the Réseau francophone d'éthique et de déontologie parlementaires ([RFEDP](#)) [link in French only] within the Organisation internationale de la Francophonie. In November 2020, the Commissioner and several members of the Office participated in the RFEDP's first annual general meeting. The Office is now involved in two RFEDP working groups, one focussed on training and the other on best practices.

In November 2020, a senior Office representative participated in a meeting of the Organisation for Economic Co-operation and Development (OECD)'s Working Party of Senior Public Integrity Officials ([SPIO](#)).

In December 2020, a senior Office representative attended the annual conference of the Council on Governmental Ethics Laws ([COGEL](#)), a U.S.-based international not-for-profit organization of government ethics practitioners. The Office is a member and other Canadian conflict of interest and integrity offices are also active in it.

In March 2021, Office representatives attended in the OECD's [Global Anti-Corruption and Integrity Forum](#).

At the invitation of the Committee, the Commissioner appeared before the United Kingdom's independent Committee on Standards in Public Life ([CSPL](#)) in March 2021 to [discuss](#) how Canada's federal ethics regimes work and to note the similarities and differences between Canada's regime and the Seven Principles of Public Life (also known as the [Nolan Principles](#)) that underpin the U.K. rules. The Commissioner was asked about his role in building public trust and informing public debate on ethical standards.

The Commissioner, together with the Office's Director of Communications, Outreach and Planning, participated in a March 2021 [panel discussion](#) organized by members of the European Parliament. Canada's Lobbying Commissioner and the Secretary General for the French High Authority for Transparency in Public Life also participated in this open conversation about democratic systems that support transparency and the integrity of public officials in their respective countries.

The Office provided input for international surveys and peer reviews about the United Nations Convention against Corruption ([UNCAC](#)), the Mechanism for Follow-Up on the Implementation of the Inter-American Convention against Corruption ([MESICIC](#)) of the Organization of American States ([OAS](#)), and a G-20 questionnaire on corruption measurement. It also reviewed a document for the OECD's Working Party of Senior Public Integrity Officials: a draft report on progress made by the OECD and selected countries in implementing the OECD's 2010 recommendation on [Principles for Transparency and Integrity in Lobbying](#).

CONTACTS WITH PARLIAMENT

The Conflict of Interest and Ethics Commissioner is an independent officer of the House of Commons who reports directly to Parliament, through the Speaker of the House of Commons, on behalf of Canadians.

The Commissioner is required to submit an annual report on the administration of the *Conflict of Interest Act* to Parliament by June 30 for tabling with the Speakers of the Senate and the House of Commons. He reports on examinations under the Act to the Prime Minister. The Office sends communiqués to parliamentarians when reports are tabled or released. Eight communiqués were sent in 2020-2021.

The Commissioner also testifies before parliamentary committees about the Office and its work. He did so virtually this year because of the COVID-19 public health restrictions.

On November 24, 2020, the Commissioner [appeared](#) before the House of Commons Standing Committee on Finance, in the context of its study on government spending, the WE organization and the Canada Student Service Grant.

On November 27, 2020, the Commissioner [appeared](#) before the House of Commons Standing Committee on Access to Information, Privacy and Ethics on questions of conflict of interest and lobbying in relation to pandemic spending.

OUR TOOLS

The Office's accomplishments result from the hard work, dedication and resilience of its employees in implementing the Commissioner's vision, with the support of a sound internal management framework.

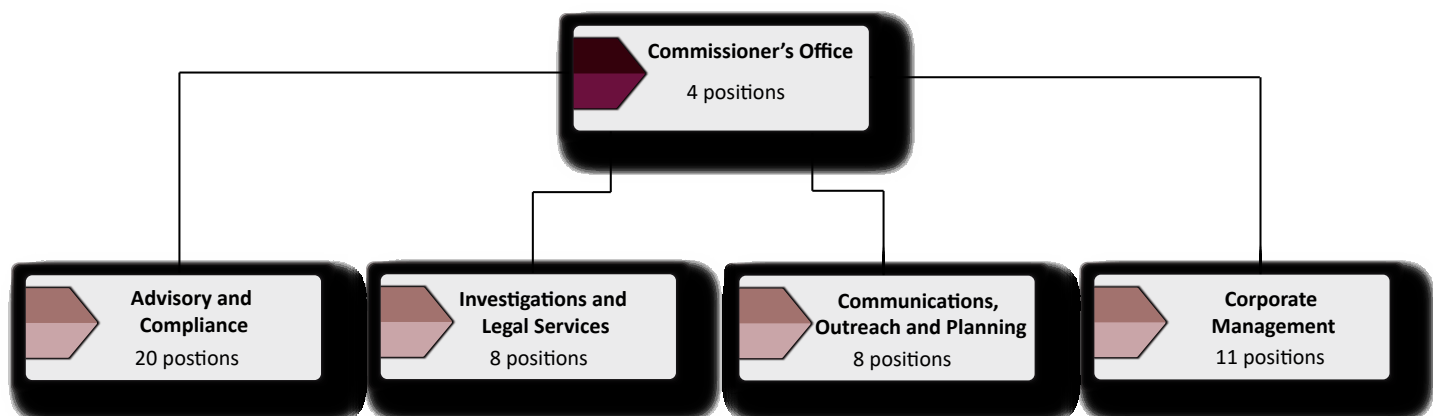
OUR PEOPLE

To ensure the Office has the human resources it needs to fulfill its vision and achieve its mission, 13 staffing processes were completed or initiated in 2020-2021. To increase the reach of its job postings, in November 2020 it started announcing [employment opportunities](#) on [Twitter](#).

The Office expanded purchasing to provide all employees with equipment at home to support their physical work requirements in the telework environment. It spent \$28,000, an average of \$560 per employee, on equipment such as desks, chairs and computer monitors, to support telework. Those costs were more than offset by pandemic-related savings totalling \$45,000 on travel, printing and postage, for net savings of \$17,000.

It also made resources available to help them deal with any possible negative effects on their mental health of the COVID-19 pandemic and the transition to telework. This and other initiatives were supported by the Office's Quality Workplace Promotion Committee.

A comprehensive plan was developed to strengthen and expand internal communications, whose importance has only grown in the telework environment.



OUR INFRASTRUCTURE

The Office continued to update its suite of policies and guidelines in line with those of other parliamentary entities and the wider public service.

To make internal operations more efficient, the Office implemented a new document management system and a new human resources management system.

The Office's financial statements are audited each year by an independent external auditor. The Financial Resources Summary appended to this report outlines its financial information for the 2020-2021 fiscal year.

OUR PLAN

Upholding a strong culture of integrity in government decision making is essential to safeguard the public interest and strengthen public trust and confidence in democracy. A culture of integrity aims to foster an environment in which everyone is encouraged to actively identify and avoid conflicts of interest by taking the appropriate mechanisms to address them and to solve ethical dilemmas. The Office contributes to the achievement of this goal by administering key components of Canada's federal conflict of interest prevention and management system.

In 2020-2021, the Office developed a new three-year strategic plan with a view to reinforcing and expanding the culture of integrity that it seeks to foster while continuing to move forward with core projects.

The plan identifies specific outcomes and priorities that will help guide projects and activities in support of the Office's mission.

The following key focus areas were established for 2021-2024, to be supported by identified projects, activities and performance indicators.

- Stakeholder communications and engagement
- People and culture
- Information management
- Information technology
- Approach to compliance assurance

The strategic plan is an evergreen tool that is meant to capture the Commissioner's vision.

OUR CHALLENGES

External developments can impact the way the Office implements its mandate. The Commissioner believes challenges are opportunities that carry the potential for positive change.

ADAPTING TO PANDEMIC IMPERATIVES

As a result of public health restrictions introduced in response to the COVID-19 pandemic in spring 2020, the Commissioner suspended in-office operations and directed employees to telework. While some employees worked on-site from time to time as necessary, the work-from-home model remained in effect for the Office as a whole throughout the 2020-2021 fiscal year.

At the same time, the House of Commons and its committees adopted a hybrid remote/in-person approach to meeting and conducting parliamentary business.

No major issues were encountered, and the Office was able to successfully meet its mandate, while maintaining confidentiality at all times. While the Office dealt with its workload, it continued to meet its established service standards.

The Office adopted new tools to support employees and the needs of regulatees, reordered some priorities to meet evolving circumstances and, in the early days of the pandemic, allowed regulatees some flexibility in meeting compliance deadlines. It also adapted the investigations process. It was important to ensure the Office could continue to conduct investigations with due dispatch while still executing them thoroughly, with proper diligence and respect for procedural fairness. This meant, for example, being able to conduct interviews remotely and securely, receive and review documentary evidence and maintain the confidentiality of the investigative process.

The Office's investigation adaptations were put to the test with the launch of two high-profile, resource-intensive examinations under the Act. In July 2020, in response to examination requests submitted by parliamentarians, the Commissioner started investigating the conduct of Prime Minister Justin Trudeau and that of former Finance Minister Bill Morneau in relation to the administration of the Canada Student Service Grant by the WE organization. Adding to the challenge was the exceptionally large scope of work that these examinations entailed. As the Commissioner noted during his [appearance](#) before the Standing Committee on Finance on November 24, 2020, the Office had received tens of thousands of pages of documentary evidence. When [testifying](#) before the Standing Committee on Access to Information, Privacy and Ethics on November 27, 2020, he discussed the approach to reviewing documents and witness testimony.

The modified working conditions under which the Office and others were operating also had other positive results for the Office that had not been anticipated.

Office representatives were able to participate remotely in events and presentations in Canada and around the world, conveniently and at low cost, which they might otherwise not have attended in person. For example, in March 2021, the Commissioner participated in a discussion with members of the European Parliament and testified before the United Kingdom’s independent Committee on Standards in Public Life. Participating in both events, which took place on the same day, would have been logistically impossible had they been held in-person. Videoconferencing technology also enabled the Commissioner to meet with university classes in several Canadian provinces.

The Office also went fully paperless in its communications with regulatees, building on earlier moves to expand its use of electronic communications.

COURT MATTERS

Matters involving the Office have been the object of several applications for judicial review. While dealing with them can consume a significant amount of resources, they can also be opportunities to clarify the Commissioner’s mandate and powers.

Only one court matter is outstanding as of March 31, 2021:

Democracy Watch v. Canada (Attorney General) (A-331-19): Democracy Watch filed an application for judicial review challenging the Commissioner’s findings in the [Trudeau II Report](#). The applicant seeks to quash the findings of the report on the basis that the Commissioner erred in law, failed to exercise his jurisdiction and failed to observe a principle of natural justice by not acknowledging a request for examination received by Ms. Elizabeth May, Member of Parliament for Saanich–Gulf Islands. The applicant further argues that the Commissioner, who was appointed by the Governor in Council, failed to exercise his jurisdiction and exhibited a reasonable apprehension of bias in his decision not to examine the conduct of other public office holders involved in the matter. A hearing date has not been set.

APPENDIX

FINANCIAL RESOURCES SUMMARY

(thousands of dollars)					
Program Activities	2019-2020 Actual Spending	Main Estimates	2020-2021 Total Authorities	Actual Spending	Alignment to Government of Canada Outcomes
Administration of the <i>Conflict of Interest Act</i> and the <i>Conflict of Interest Code for Members of the House of Commons</i>	6,199	6,715	6,715	6,305	Government Affairs
Contributions to employee benefit plans	687	800	800	756	
Total spending	6,886	7,515	7,515	7,061	
Plus: cost of services received without charge	1,134	n/a	n/a	1,127	
Net cost of department	8,020	7,515	7,515	8,188	

The budget process for the Office of the Conflict of Interest and Ethics Commissioner is established in the *Parliament of Canada Act*. Before each fiscal year, the Commissioner has the Office prepare an estimate of its budgetary requirements. The estimate is considered by the Speaker of the House of Commons and then transmitted to the President of the Treasury Board, who lays it before the House with the estimates of the Government of Canada for the fiscal year. The mandate of the Standing Committee on Access to Information, Privacy and Ethics includes reviewing and reporting on our Office's effectiveness, management and operations, together with its operational and expenditure plans.

The figures in this summary have not been audited. Complete audited financial statements will be available on our website at ciec-ccie.parl.gc.ca.