



ACTIVITY REPORT

2014-2015



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2014-2015

Code of ethics and conduct
of the Members of the National Assembly
(chapter C-23.1)

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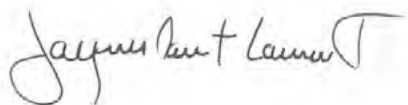
Québec, September 2015

Mr. Jacques Chagnon
President of the National Assembly
Hôtel du Parlement
1045, rue des Parlementaires
1er étage, Bureau 1.30
Québec (Québec) G1A 1A4

Dear Mr. President,

As Ethics Commissioner, I have the honour of presenting you with my Activity Report for the period extending from April 1, 2014, to March 31, 2015, along with financial statements to March 31, 2015. This is in accordance with section 79 of the *Code of ethics and conduct of the Members of the National Assembly* (Chapter C-23.1).

Yours sincerely,

A handwritten signature in black ink, reading "Jacques Saint-Laurent". The signature is written in a cursive, flowing style.

Jacques Saint-Laurent
Ethics Commissioner

TABLE OF CONTENTS

MESSAGE FROM THE COMMISSIONER	7
ATTESTATION OF RELIABILITY OF THE DATA IN THIS REPORT	9
1. INTRODUCTION	11
2. STATEMENTS.....	12
Disclosure statements.....	12
Gifts, hospitality and other benefits.....	13
Section 28 of the Code.....	14
3. ADVICE AND ADVISORY OPINIONS	14
Potential conflicts of interest.....	15
Use of social media.....	15
Gifts and benefits.....	16
Matters considered by an administrative tribunal	16
Spouse of a Cabinet Minister	16
Spouse of an MNA.....	17
Leave without pay.....	17
Political staff – Exercise of other posts	18
4. INQUIRIES	19
Filing an inquiry request.....	19
Political debates.....	19
Gathering information.....	20
Inquiries of the fiscal year 2014-2015.....	20
Post-term rules – Chief of staff of a minister	20
Post-term rules – Ethics Commissioner’s jurisdiction	21
Distinct private financial interests – Co-owner of an enterprise.....	22
Furthering private interests	23
5. OTHER ACTIVITIES.....	25
Gifts, hospitality and other benefits.....	25
Communications from citizens.....	25
Media consultations	26
Website	26
Training activities	27
Fondation Jean-Charles-Bonenfant	27
University training.....	27
CCOIN.....	27

Commission of Inquiry on the Awarding and Management of Public Contracts in the Construction Industry	28
6. OFFICE OF THE ETHICS COMMISSIONER	29
Acknowledgments.....	29
Advice and advisory opinions.....	29
Registry.....	29
Verifications and inquiries	30
ORGANIZATION CHART	31
STAFF BREAKDOWN	31
STATISTICS	32
FINANCIAL STATEMENTS.....	35
7. PROJECTS FOR 2015-2016	41
Report on the implementation of the Code	41
CCOIN.....	41
Training	42
Verification process.....	42
8. CONCLUSION	43

MESSAGE FROM THE COMMISSIONER

I am proud to introduce the fourth Activity Report of the Ethics Commissioner, which reviews my office's operations for 2014-2015. General elections were held just seven days after the beginning of this period. Inevitably, the activities of the Ethics Commissioner's office were affected by the election process, namely with the arrival of 44 new MNAs at the National Assembly.

I have found that the Code is generally well known and understood. It is now a part of everyday life for MNAs and their staff. The various political parties' caucuses have all taken steps to see to the Code's implementation by establishing a strong cooperation between MNAs. Moreover, questions that were initially sent to the Commissioner are now discussed between colleagues who draw on previously obtained opinions from the Commissioner and the Jurisconsult. In short, the efforts undertaken in the early years are bearing fruit.

The Commissioner's and the Jurisconsult's interventions are becoming increasingly specific, in response to questions by MNAs regarding very particular situations or unique circumstances. The stakes are nonetheless significant. As we shall see in the following pages, certain interpretations and inquiry reports will indeed have long-term effects.

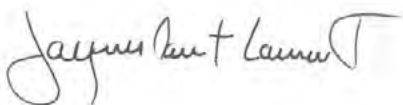
The year was punctuated by four investigations, the Ethics Commissioner's appearance before the Commission of Inquiry on the Awarding and Management of Public Contracts in the Construction Industry, as well as the filing of the Report on the implementation of the Code 2011-2014.

Throughout the year, the extensive and thorough collaboration of the Jurisconsult, the Honourable Claude Bisson, is greatly appreciated. In accordance with section 108 of the Code, the Jurisconsult is responsible for advising MNAs in matters of ethics and rules of conduct. His contribution is substantial. MNAs who consult him, as do I, benefit from a wealth of experience in ethics and rules of conduct, as well as advice full of wisdom and simplicity. He skillfully ensures the understanding of legal and ethical rules that can sometimes be very complex, given the particular factual context. On my behalf and on behalf of all MNAs, I wish to sincerely thank him for his support and generosity in the conscientious application of the values of the National Assembly and rules of conduct.

Lastly, in cooperation with the MNAs and their staff, we participated in the development of best practices in terms of ethics and conduct to assist in achieving the public interest mission they have accepted.

I have the privilege of working with them very closely and I can assure you that they are worthy of our trust.

Good reading!



Jacques Saint-Laurent

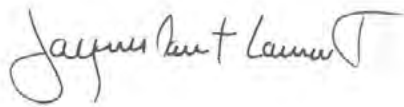
ATTESTATION OF RELIABILITY OF THE DATA IN THIS REPORT

As Ethics Commissioner, the results and information contained in this report are my responsibility. It is up to me to carry out the mission of the Ethics Commissioner in accordance with the laws and regulations that govern it. I hereby attest to the accuracy and reliability of the data contained in this report.

This activity report:

- accurately describes the mission, mandates, values and policy directions of the Ethics Commissioner;
- gives an account of the objectives and results; and
- presents accurate and reliable data.

I hereby declare that the data, information and explanations contained in this annual Activity Report for 2014-2015 reflect the situation of the Ethics Commissioner as it stood on March 31, 2015.



Jacques Saint-Laurent
Ethics Commissioner

Québec City, September 2015

1. INTRODUCTION

All MNAs, cabinet ministers and their staff are subject, as appropriate, to the following ethical provisions.

- The *Code of ethics and conduct of the Members of the National Assembly*¹
- The *Rules of conduct applicable to the staff of Members and House officers of the National Assembly*²
- The *Regulation respecting the rules of conduct applicable to the office staff of ministers*³

These are the ethical principles and rules of conduct that political actors must observe while carrying out their duties. Regardless of the function they hold, they all share the same values and are committed to improving the social and economic conditions of Quebecers. They must steer clear of conflicts of interest in order to maintain the population's trust in both themselves and the National Assembly.

Moreover, the Code, Regulation and Rules include specific obligations regarding conflicts of interest.

A conflict of interest can arise from countless situations, most of which remain very difficult to predict. Elected officials and their staff must set aside their private interests and be guided by the common good, i.e. public interest. Thus, it is prohibited to further one's private interests or those of a family member, or to improperly further another person's private interests. It goes without saying that it is also prohibited to indirectly further such interests by trying to influence another person.

The intent is for elected officials and their staff to maintain their independence of judgment with regards to their private interests, or in some cases the private interests of another person. Similarly, independence of judgment plays a crucial part in the decision to accept or refuse a gift, hospitality or other benefit in the exercise of one's office.

With prevention as the main objective, the rules of conduct include a private-interest disclosure process for MNAs, cabinet ministers and certain staff members⁴. The Legislature requires elected officials to produce an inventory of their private interests, so that they may anticipate the situations in which they are likely to be influenced. The Legislature also wanted this information to be communicated to the Ethics Commissioner, who then publishes on his website a disclosure summary for MNAs, and cabinet ministers and their family members. No summary is made public in the case of chiefs of staff of ministers and of House officers.

¹ Chapter C-23.1

² Decision No. 1690 of the Office of the National Assembly, dated March 21, 2013

³ Chapter C-23.1 r. 2

⁴ In accordance with the Rules (sections 17 to 20) and the Regulation (sections 18 to 21), only chiefs of staff of ministers or of House officers must file a disclosure statement of their private interests

The Code, Regulation and Rules offer the great advantage of affirming the main values of the National Assembly embraced by its MNAs, cabinet ministers and their staff. These values of benevolence, integrity, adaptability, wisdom, honesty, sincerity and justice must always be taken into account while interpreting and applying the rules of conduct in order to maintain the population's confidence.

The Ethics Commissioner is responsible for enforcing the Code, Regulation and Rules and has the necessary powers to fulfill this mandate, including providing advisory opinions to MNAs and their staff. He may also conduct inquiries, on his own initiative or in response to a request from a Member.

In the following pages, we will see that during 2014-2015, the National Assembly values and the rules of conduct of the Code, Regulation or Rules were applied by the Ethics Commissioner and the Jurisconsult in a variety of situations, while considering the commitment of MNAs, ministers and their staff to maintain public trust in both themselves and the National Assembly.

2. STATEMENTS

Among the various ethical obligations of the MNAs and their staff, statements must be filed with the Ethics Commissioner in certain circumstances.

Disclosure statements

Each year, MNAs, cabinet ministers, chiefs of staff of ministers and chiefs of staff of House officers must file a statement with the Ethics Commissioner disclosing their private interests and those of their family members⁵. The content of this disclosure statement varies for MNAs, cabinet ministers and chiefs of staff. This personal and financial information is disclosed to the Commissioner to prevent real or perceived conflict of interest situations. I then carry out a detailed analysis of these statements.

As provided in sections 37 and 51 of the Code, the disclosure statement of MNAs and, as appropriate, of cabinet ministers⁶, must be filed within 60 days after the notice of their election is published in the *Gazette officielle du Québec* or the swearing in of ministers, as the case may be.

In early 2014, we began receiving the disclosure statements of cabinet ministers and MNAs for 2013. Between February 14 and 25, 2014, I met with three cabinet ministers and 21 MNAs regarding their disclosure statements for the previous year. However, on March 5, 2014, these efforts were interrupted by the announcement of

⁵ The disclosure statements of MNAs must be produced in accordance with sections 37 and 38 of the Code. The disclosure statements of cabinet ministers are produced in accordance with sections 51, 52 and 53 of the Code. The disclosure statements of chiefs of staff of House officers are set out in sections 17 to 19 of the *Rules of conduct applicable to the staff of Members and House officers of the National Assembly*. The disclosure statements of chiefs of staff of ministers is set out in sections 18 to 20 of the *Regulation respecting the rules of conduct applicable to the office staff of ministers*

⁶ The disclosure statement forms prescribed by the Ethics Commissioner for the members of the National Assembly can be found on the website www.ced-qc.ca

general elections. Naturally, during an election campaign, the Ethics Commissioner must abstain from meeting with MNAs and cabinet ministers regarding their disclosure statements and, for this period, must postpone the publication of disclosure summaries on his website. As a result, after the general elections of April 7, 2014, we started the process again from the beginning.

The cabinet ministers were sworn in on April 23, 2014, and the filing of their own and their family members' disclosure statements was due no later than June 23, 2014. Consequently, we received all of the cabinet ministers' disclosure statements within the prescribed period.

In August and September 2014, after having prepared the disclosure summaries, I met with the cabinet ministers to ensure that adequate disclosure had been made and to discuss their obligations under the Code. These summaries were published on the Ethics Commissioner's website on October 7, 2014.

As for MNAs, the results of the general election of April 7, 2014, were published in the *Gazette officielle* of May 3, 2014. The filing of disclosure statements for themselves and their family members was due no later than July 3, 2014. After preparing summaries of these statements, I met with the MNAs to ensure that adequate disclosure had been made and to discuss their obligations under the Code. These meetings took place between August 19 and October 22, 2014, and the summaries were published on the Ethics Commissioner's website on October 28, 2014.

Mr. Christian Dubé, MNA for Lévis, resigned August 15, 2014. On October 20, 2014, Mr. François Paradis was elected to fill in the position. After receiving within the prescribed period a disclosure statement for himself and for his family members, and meeting him, a summary was published on January 23, 2015.

Ms. Éline Zakaïb, MNA for Richelieu, resigned on September 29, 2014. On March 9, 2015, Mr. Sylvain Rochon was elected to take the same function. Given the deadline prescribed by section 37 of the Code, his first disclosure statement, for himself and his family members, was received during the subsequent financial year.

In accordance with the Rules and Regulation, the chiefs of staff of ministers and the chiefs of staff of House officers were asked, after the general elections of April 7, 2014, to file a statement with the Ethics Commissioner disclosing their private interests and those of their family members. After analyzing these statements, the jurists of the advice and advisory opinion unit met with them to ensure that adequate disclosure had been made and to discuss their obligations under the Rules or Regulation, as applicable.

Gifts, hospitality and other benefits

The Code, Rules and Regulation also provide a disclosure mechanism for acceptable gifts, benefits and hospitality worth over \$200. It is prohibited to accept a gift if the circumstances mentioned in sections 29 and 30 of the Code, and in the corresponding sections of the Rules and Regulation apply. In short, one must refuse a gift given in exchange for speaking or taking a certain position on an issue, or a gift that could influence the independence of judgment or compromise the integrity of an MNA or staff member.

The disclosure statements for gifts accepted by MNAs are published on the Commissioner's website. For staff members, however, there is no publication. Of course, if a gift is offered in the context of a purely private relationship, no disclosure statement is required.

From April 1, 2014, to March 31, 2015, the Ethics Commissioner posted 56 disclosure statements for gifts on his website, as prescribed by section 31 of the Code. The Commissioner also received three disclosure statements for gifts refused by MNAs and returned to the donors. These disclosure statements are not subject to registration in the Commissioner's public register.

Section 28 of the Code

Section 28 of the Code provides a disclosure process for certain revenues when a Member ceases to hold office at the National Assembly. This process enables follow-up of the prohibition for MNAs and cabinet ministers to receive, during their time in office, remuneration from another source such as an authorized political party or a party authority⁷. The Ethics Commissioner is responsible for ensuring the compliance of MNAs and cabinet ministers with this prohibition.

After leaving office, former MNAs must disclose, if applicable, any amount corresponding to a salary, a benefit or other remuneration arising from their prior office⁸. This enforcement measure ensures that actions that were not permitted during the exercise of MNA and Cabinet Minister functions are not indirectly carried out after leaving office, without the Commissioner's knowledge.

So far, we have sent explanatory letters to 42 former MNAs and cabinet ministers who have ceased to exercise their functions at the National Assembly. These letters informed them of the rule prescribed by section 28 of the Code and invited them, if necessary, to inform the Commissioner using the included form. No disclosure statement of this nature was received.

3. ADVICE AND ADVISORY OPINIONS

The Code places utmost importance on the possibility for any Member of the National Assembly and their staff to obtain a written advisory opinion from the Ethics Commissioner or Jurisconsult and to consult them as often as needed. In fact, the Code provides consultation measures specific to the Ethics Commissioner (section 87 of the Code) and Jurisconsult (section 108 of the Code)⁹.

⁷ Section 27 of the Code

⁸ Section 28 of the Code

⁹ Section 30 of the Rules and section 31 of Regulation have essentially the same wording as section 87 of the Code, concerning the advisory opinions available to the staff

“ **87.** In response to a request in writing from a Member on any matter respecting the Member’s obligations under this Code, the Ethics Commissioner provides the Member with a written advisory opinion containing reasons and any recommendations the Ethics Commissioner considers appropriate. The advisory opinion must be given within 30 days after the Member’s request, unless otherwise agreed by the Member and the Ethics Commissioner.

An advisory opinion of the Ethics Commissioner is confidential and may only be made public by the Member or with the Member’s written consent, subject to the Ethics Commissioner’s power to conduct an inquiry and report on the facts alleged in or discovered in connection with the Member’s request.”

“ **108.** The Office of the National Assembly appoints a juriconsult by a unanimous vote of its members to be responsible for providing advisory opinions on ethics and professional conduct to any Member who requests it. The juriconsult may not be a Member.”

Following the general elections of April 7, 2014, 44 new MNAs joined the National Assembly. As was the case in September 2012, we responded to advisory opinion requests from these new MNAs and those who had been re-elected. This consisted in considering the particular situation of each MNA, Cabinet Minister or staff member, based on the rules of conduct. Many were unsure of the information required in disclosure statements. Others consulted on the measures to be taken as Cabinet Minister regarding interests in an enterprise. The consultations also covered the rules for hiring staff, contracts with the State and the links to be known between the rules of conduct on gifts and benefits and the Volunteer Support Program.

Potential conflicts of interest

Members of the National Assembly and their staff must always preserve their independence of judgment by putting aside their personal interests in favour of the common good. In practice, they cannot, directly or indirectly, further their private interests, those of a family member, or improperly further another person’s private interests. To avoid being placed in a conflict of interest situation, it is also necessary to preserve the confidentiality of any information obtained in the exercise of their duties and not be party to a contract with the Government or a department or public body.

To this end, it is necessary to maintain a sealed and clearly defined border between any interest that could influence independent judgment and the duties of office, by taking into account both the perspective of an MNA or staff member and that of a reasonably well-informed person.

Use of social media

All MNAs, ministers and their staff must remain aware of the influence they can have through their public communications. Elected officials enjoy authority, credibility and notoriety that have the potential to influence those around them. In this regard, they play a vital role for the common good. However, some risks are worth considering. For example, regardless of the medium used, an elected official has a duty to avoid being used as an advertising tool.

When using social media, an MNA's behavior must be guided by rigour and based on facts and accurate knowledge of the views expressed on either side. Due to the importance of the functions and mandates related to the duties of MNAs and ministers, it is vital that messages released on social media reflect the National Assembly values, the rules of conduct as well as the principles of civil responsibility. Indeed, maintaining the trust of the population towards both MNAs and the National Assembly requires great caution.

Gifts and benefits

Many examples have been considered since the coming into force of sections 29 to 34 of the Code regarding gifts, benefits, and hospitality. Over the course of the fiscal year, one of the things we considered was invitations made by communications companies. On behalf of the private companies they represent, these communications firms invite elected officials and their staff to participate in cocktails or other receptions. However, these private sector companies usually have ties with the Government or a department or public body. For an elected official, participating in a cocktail offered by a company with contractual ties or other ties with the State can be problematic.

For this reason, the Ethics Commissioner recommends, in keeping with the Code, Regulation and Rules, that MNAs, cabinet ministers and their staff remain mindful of the purpose of these events. When the purpose is linked directly or indirectly with the exercise of their office or with an issue before them, the invitation can be perceived as a potential influence or a risk to their independence of judgment. If only in considering appearances, the invitation must be refused.

Matters considered by an administrative tribunal

Sometimes, politicians can go the unusual lengths because they hold great importance in achieving tangible and positive results for their citizens. For instance, the Ethics Commissioner was approached by an MNA who wanted to provide financial assistance for attorney fees for a party to a dispute before an administrative tribunal. While recognizing the value of the MNA's commitment toward the citizens of his constituency, we advised him to proceed carefully by considering the following facts.

Although MNAs and ministers has full discretion in the use of the annual expense allowance they receive while in office, could paying a share of legal fees in a civil litigation be considered an expense incurred by the MNA in the exercise of his office, under the rules prescribed by the National Assembly?

Furthermore, before granting financial assistance to a party to the dispute, we advised the MNA to review the information note "Letter of support or recommendation" dated September 2013, in particular the importance of abstaining from intervening in litigation before an administrative tribunal. The MNA's indirect intervention could be perceived as being at risk of undermining the administrative tribunal's independence.

Spouse of a Cabinet Minister

If the spouse of a Cabinet Minister has important functions in a very committed public body in the region for which the Minister is responsible, a number of measures must be undertaken to ensure that the Minister and their spouse are not involved in the same file in the exercise of their respective offices. However, during a consultation for a specific situation, I was keen to point out that preventive measures have limitations. They

are not meant to be applied in an absolute and systematic manner, regardless of the situation. Rather, the use of protective measures against potential conflicts of interest requires an analysis tailored to the circumstances of each case.

For example, if the Minister contributes, out of his own discretionary budget, to a foundation that provides support to students, we must have objective grounds to conclude that this Minister should not be granting the financial assistance because of a perceived conflict of interest between the foundation and the spouse. Even if they are part of the same establishment, the foundation to which the Minister intends to contribute and the organization that employs the spouse are two different entities. The foundation is fully autonomous and the spouse is not a member of the foundation's board of directors and is not involved, directly or indirectly, in the financial assistance process granted to students by the foundation. Therefore, we concluded that the financial assistance proposed by the Minister could be given to the foundation. In addition, the Minister may award the scholarship to the student during a public event, since he was not involved in selecting the winner.

Spouse of an MNA

When the spouse of an MNA is a business owner whose customers include the Government, a department, or a public body, the rules of conduct on conflicts of interest include no conditions to be met. However, specific rules are mentioned in the Code regarding the spouse of a Cabinet Minister.

In the case of MNAs, a company owned by the spouse can, theoretically, be party to a contract with the State. MNAs are however not entirely free in their actions as they must respect certain boundaries, since the general rules on conflicts of interest still apply.

Although a contract with the State is not prohibited for the spouse's company, MNAs must keep their distance. For example, the private interest of an MNA in the commercial success of their spouse's company should not influence their independence of judgment in carrying out the duties of office (section 15 of the Code). Similarly, through their actions or their influence, the MNA must not attempt to influence another person's decision in favour of their spouse's company (section 16 of the Code). Finally, the MNA must keep in mind that they cannot participate in negotiations related to the contract of their spouse's company with the State. This is prohibited by section 18 of the Code.

Leave without pay

When they choose to submit their application with the goal of being elected MNA of a constituency, some candidates obtain a leave without pay from their employer for the period during which they exercise the duties of office, if elected. Provided that they respect the general rules concerning conflicts of interest, particularly those relating to incompatibility of posts or offices, MNAs may be granted leave without pay from their employer. However, if an MNA becomes Minister, specific measures must be applied.

Cabinet ministers must observe the exclusivity of duties required by section 43 of the Code, and the unpaid leave must be clear. Cabinet ministers may not carry on activities other than their ministerial duties. Moreover, compliance with the rules of conduct of the Code requires the ministers on unpaid leave to be completely free in their actions and be able to "displease," even involuntarily, the employer that must reinstate them. Thus,

the decision to reinstate cabinet ministers in their previous functions should not be left to the discretion of the employer who authorized their absence. Cabinet ministers must be able to hold office without fear of compromising their return to their former employer because of the decisions taken while in office.

In all circumstances, a Minister on an unpaid leave must remain vigilant and attentive to the risks of occasionally being placed in a conflict of interest situation. For example, if they must act in a matter that could be linked to the activities of their former employer with whom they are on leave without pay, they may be required to withdraw from the case pursuant to section 49 of the Code and respect the fundamental rules of conduct regarding conflicts of interest prescribed by sections 15, 16 and 17 of the Code, among others.

Political staff – Exercise of other posts

Since April 30, 2013, the Rules and Regulation apply to the staff of MNAs and ministers, and the Code oversees the ethical obligations of the members of the National Assembly. In these texts, the fundamental principles of ethics and conduct are the same. However, some rules are different.

For example, nothing prevents the staff member of an MNA from engaging in other activities, in parallel with their functions with the MNA. Unlike the Code, the Rules and Regulation do not provide for incompatibility of posts or offices or exclusivity applicable to staff members. For example, a person hired as an MNA's staff member can continue to perform certain functions with a non-profit organization for which they have been working in the past years.

In theory, this person can continue to attend the board meetings of the non-profit organization, while also working at their constituency office. However, for this particular political attaché, the ethical principles mentioned in the *Rules of conduct applicable to the staff of Members and House officers of the National Assembly* apply, especially with respect to conflicts of interest. The same goes for the MNA that hired them, who must respect the rules pertaining to conflicts of interest prescribed by the Code. Consequently, each must remain careful and cautious about the risks of being placed in a conflict of interest situation. We must make sure to always distinguish the functions of the political attaché in a non-profit organization, and their functions as political attaché.

Indeed, the political attaché must not turn into a liaison officer and promote the non-profit organization to the MNA, or represent the MNA within the non-profit organization. Similarly, caution is required in the application of a financial assistance program such as the Volunteer Support Program. MNAs must be careful not to inadvertently give the impression that the non-profit organization administered by their political attaché is favoured. These circumstances impose great caution and objectivity on the part of the MNA who, subject to objective reasons, should never give the impression of favouring this non-profit organization.

4. INQUIRIES

An inquiry by the Ethics Commissioner is initiated on his own initiative or at the request of an MNA who has reasonable grounds for believing that another MNA has violated the rules of conduct prescribed by the Code.

“**91.** A Member who has reasonable grounds for believing that another Member has violated a provision of Chapters I to VII of Title II or a provision of Title III may request that the Ethics Commissioner conduct an inquiry into the matter.

The request must be made in writing and set out the reasonable grounds for the belief that this Code has not been complied with. The Ethics Commissioner sends a copy of the request to the Member named in it.

“**92.** The Ethics Commissioner may, on the Ethics Commissioner’s own initiative and after giving the Member concerned reasonable written notice, conduct an inquiry to determine whether the Member has violated this Code.”

During 2014-2015, four inquiry reports were submitted to the President of the National Assembly. Under the Code, three involve MNAs and, under the Regulation, one involves a member of a minister’s office staff. Two of these inquiries were conducted at the request of MNAs and the other two were conducted on my initiative. I will get back to the content of these inquiry reports after some general comments.

Filing an inquiry request

Section 91 of the Code specifies that MNAs must have reasonable grounds for believing that a violation of the rules of conduct has occurred. Their inquiry request must set out these reasonable grounds.

To this end, MNAs must substantiate their request with specific facts to support reasonable grounds for believing that a violation of the rules of conduct has occurred. The Code does not authorize MNAs to request an inquiry from the Ethics Commissioner based on suspicion alone, without having gathered and analysed facts. Because of the risk of causing an MNA serious harm resulting from another MNA’s inappropriate intervention, the Legislature insisted on the importance of having reasonable grounds for believing that a violation was committed before asking the Commissioner to conduct an inquiry. This is why the Legislature delegates to the Commissioner the power to conclude to a violation of the Code if, after reviewing the evidence, he finds that an MNA has made an inquiry request in bad faith or with intent to harm (sections 97 and 100 of the Code).

Political debates

The Ethics Commissioner is authorized to intervene regarding the values of the National Assembly and the rules of conduct prescribed by the Code. Although the dividing line is sometimes difficult to draw, the Commissioner is not authorized to intervene on political issues, which are nonetheless very important.

It should be noted that the Commissioner must refuse to give advisory opinions or conduct inquiries for issues that have no connection with the ethical framework prescribed by the Code, Regulation and Rules. The refusal to issue an opinion or to intervene must not be interpreted as an indirect opinion on the part of the Commissioner concerning the issue or the public debate at hand. Rather, the Commissioner's silence is required by the Code.

Gathering information

When verifying whether a violation of the Code has occurred, as Commissioner, I analyse all the elements I am given with great attention. If MNAs and citizens take the time to provide me with facts, the circumstances under which they learned them, and any other relevant element, I attentively follow up on that information. I analyse this information based on the values of the National Assembly and the rules of conduct, with a concern for confidentiality, objectivity and impartiality.

The population's contribution is essential to the Commissioner's enforcement mission and should be acknowledged. Indeed, the facts provided by the public and the media are essential information sources to the Commissioner's supervision mandate.

Inquiries of the fiscal year 2014-2015

Post-term rules – Chief of staff of a minister

The first inquiry report involves a former chief of staff. It was sent to the President of the National Assembly on September 10, 2014¹⁰. The inquiry was conducted on my initiative and pertains to the application of the post-term rules of conduct. The former chief of staff had accepted a position within a company and a question arose regarding the possibility that this position was covered by the prohibition prescribed by section 26 of the Regulation. We had to determine whether, in the year preceding his departure from office, the chief of staff had official, direct and significant dealings with the company that latter hired him.

The inquiry revealed that the chief of staff had in fact had dealings with the company's representatives with which he was now employed. However, the Minister's office he was head of had not directly and significantly been involved in handling the file related to this company. In fact, the department was consulted in dealing with this file, but the office and the Minister did not intervene and were not solicited on the matter.

The file was processed by the Premier's office. The Minister's office intervened only as an intermediary between the department staff and the Minister who, ultimately, had to sign an agreement. I therefore concluded that these circumstances could not be considered as "official, direct and significant" dealings under the Regulation. Therefore, the chief of staff has not violated the rules of conduct by accepting a function in this company in the year after leaving his duties at the Minister's office.

¹⁰ DE-02-2014

Post-term rules – Ethics Commissioner's jurisdiction

The second inquiry report of November 17, 2014, involves Nathalie Normandeau, MNA for Bonaventure and Cabinet Minister until September 6, 2011¹¹. Under section 59 of the Code, after leaving office as cabinet minister, a person may not act in the same proceeding, negotiation or other transaction for which they acted while in office. On January 16, 2009, Ms. Normandeau was Ministre des Affaires municipales, des Régions et de l'Occupation du territoire when an agreement was reached regarding the operating rules of the urban agglomeration of Québec City, between the cities of Québec, Saint-Augustin-de-Desmaures and L'Ancienne-Lorette. However, on October 28, 2014, the City of L'Ancienne-Lorette hired Nathalie Normandeau, on a contract basis, to offer recommendations for improving the present and future functioning of the urban agglomeration of Québec City. Thus, the inquiry request of the MNA for Taschereau claimed that this was a violation of the post-term rules of conduct, since the former MNA had accepted a mandate to intervene in a particular case for which she had acted as cabinet minister.

The inquiry request raised two questions. First, what was the Commissioner's jurisdiction over the actions of the former Cabinet Minister, more than three years after she had ceased to perform her duties as MNA and minister? Second, was this a violation of section 59 of the Code?

First, to answer the question of the Commissioner's jurisdiction after three years, it is necessary to refer to section 81 of the Code, which provides that:

“81. The Ethics Commissioner retains his or her authority in respect of a former Member for a period of five years after the end of the person's term. Even after the expiry of that period, the Ethics Commissioner may continue an inquiry that had already begun.”

Thus, the Commissioner has jurisdiction over the events that occur in the exercise of functions as MNA. In addition, where circumstances warrant, in particular for the application of post-term rules, this jurisdiction remains for a period of five years following the end of mandate of an MNA or cabinet minister. Beyond this five-year period, only the application of a sanction for a violation of the Code can apply, as provided in subparagraph 2 of the second paragraph of section 2 of the Code.

“2. This Code applies to all Members of the National Assembly (“Members”). It also applies to the members of the Conseil exécutif (“Cabinet Ministers”) when carrying out their duties as Ministers.

For the purposes of this Code,

- (1) a Cabinet Minister who has not been elected to the National Assembly, or
- (2) as far as the imposition of a sanction for a violation of this Code is concerned, a person who has ceased to be a Member.”»

¹¹ DE-05-2014

As for the question of the application of section 59 of the Code, I terminated the inquiry process without taking position. Ms. Nathalie Normandeau chose to renounce the consulting contract with the City of L'Ancienne-Lorette.

Distinct private financial interests – Co-owner of an enterprise

The third inquiry report of December 1, 2014, involves the MNA for Mirabel¹². At the request of the MNA for Berthier, the Ethics Commissioner examined the enforcement of section 25 of the Code in the context of the MNA for Mirabel's intervention in the consideration of Bill 8, *An Act to amend the Labour Code with respect to certain employees of farming businesses*.

“ **25.** A Member who knowingly has a private financial interest, not shared by the other Members or the general public, in a matter that is being discussed in the National Assembly or a committee of which he or she is a member must, if present, publicly and without delay declare the general nature of the interest and withdraw from the meeting or sitting without participating in debate or voting on the matter.

The Member must also inform the Secretary General of the National Assembly and the Ethics Commissioner.”

The MNA for Mirabel was co-owner of an enterprise that operated a vegetable farm, a vineyard and a bistro. However, she participated in the discussion of Bill 8 in the National Assembly and in the parliamentary committee. She also voted on the matter.

The inquiry focused on examining the possibility that the MNA for Mirabel held a private financial interest not shared by the other MNAs or the general public, preventing her from participating in debate or voting on the matter, as provided in section 25 of the Code.

Within the meaning of this rule of conduct, the farm co-owned by the MNA for Mirabel constitutes a private financial interest. Furthermore, with regard to the issue before the Legislature, this enterprise was subject to the legislative changes introduced by Bill 8.

Regarding the expression “not shared by the other Members or the general public,” (i.e. distinct) mentioned in the Code, the MNA's farm was not unique, as several other individuals or enterprises were in the same situation. The enterprise was also part of a group involving smaller farms whose number of employees normally assigned to the farm on a regular basis was less than three. However, this element is not, by itself, sufficiently distinctive in the context of the consideration of Bill 8 and the conditions prescribed by section 25 of the Code.

¹² DE-04-2014

In considering the distinct context of the MNA's private financial interest, I observed that she was in an unusual situation, acting both as spokesperson for the Second Opposition Group and as co-owner of a farm. At the time of her interventions regarding Bill 8, in many respects, the Mirabel MNA behaved in a manner which gave her private financial interest a distinct character from that of the other MNAs or the general public. Therefore, under section 25 of the Code, she could not participate in debate or vote on this bill.

Furthering private interests

The fourth inquiry report of December 5, 2014, involves the MNA for Saint-Jérôme¹³. This report focuses on interventions with a public body and in parliamentary committee, and relates to the rules of conduct on conflicts of interest.

The MNA for Saint-Jérôme held, directly or through holding companies, interests in the enterprises Québecor Inc., Québecor Média Inc. and Groupe TVA Inc. During discussions regarding a possible acquisition of Vision Globale A.R. Ltd. (Vision Globale), questions were raised about the possibility of a violation of the rules of conduct prescribed by the Code, since the MNA for Saint-Jérôme had intervened with Investissement Québec and in parliamentary committee about the possible sale of Vision Globale.

The rules of conduct violation submitted for analysis by the Commissioner involved the application of sections 16 and 25 of the Code.

“ **16.** When carrying out the duties of office, a Member must not

1) act, attempt to act or refrain from acting, so as to further his or her private interests or those of a family member or non-dependent child, or to improperly further another person's private interests; or

(2) use the position of Member to influence or attempt to influence another person's decision so as to further the Member's private interests or those of a family member or non-dependent child, or to improperly further another person's private interests.”

“ **25.** A Member who knowingly has a private financial interest, not shared by the other Members or the general public, in a matter that is being discussed in the National Assembly or a committee of which he or she is a member must, if present, publicly and without delay declare the general nature of the interest and withdraw from the meeting or sitting without participating in debate or voting on the matter.

The Member must also inform the Secretary General of the National Assembly and the Ethics Commissioner.”

¹³ DE-03-2014

When interventions subject to an ethical concern relate to corporations and not the MNA personally, is it considered a private interest under the Code? In this inquiry report, I indicated that the private interest of an MNA can be devoid of any quantified financial or economic value. For example, an MNA's strong attachment to a person or property, regardless of financial considerations, could also constitute a private interest, in part because of the importance attached to this interest. For example, the MNA for Saint-Jérôme openly expressed the importance he attached to Québecor Inc. and to various companies connected with it. It is the company that his father bequeathed him and he has publicly said that he is committed to keeping his interests in Québecor. The MNA's clearly expressed interest with regard to this important asset allows us to fully understand the situation and conclude that this corporation constitutes a private interest under the Code.

Section 16 of the Code allows MNAs to further the interests of citizens and enterprises in their constituency, provided that it is not done "improperly." However, as other sections of the Code, this section prohibits in all circumstances MNAs or ministers to act so as to further their private interests or those of a family member or non-dependent child. In these cases, it is not a question of acting "improperly" or not. It is simply prohibited to act to further such interests.

The intervention of the MNA for Saint-Jérôme with Investissement Québec could benefit Québecor Média Inc. in the acquisition process of Vision Globale. Since this intervention could benefit an enterprise of the MNA, he was therefore required to abstain, even though his intent was to defend the economic interests of the region's citizens. We considered that the MNA for Saint-Jérôme could anticipate that his comments with Investissement Québec could further his private interest in Québecor Média Inc., in violation of section 16 of the Code.

The inquiry report also indicates that the MNA for Saint-Jérôme committed a violation of section 25 of the Code by intervening before the Committee on Labour and the Economy on July 2, 2014. The MNA for Saint-Jérôme explained that his intervention resulted from the most recent information published by the media indicating that Vision Globale Inc. was about to be sold to a American investor. However, section 25 of the Code does not allow the Commissioner to consider the appropriateness of the motives behind an MNA's intervention in the National Assembly or a parliamentary committee.

We had to examine whether, faced with the issue before the National Assembly or a parliamentary committee in which the MNA is a member, if the latter had a distinct private financial interest to take into account before participating in debate and voting on the matter.

Consequently, the inquiry report indicates that the MNA for Saint-Jérôme indeed had a private financial interest. In addition, it was not shared by the other MNAs or the general public in the context of a possible acquisition of Vision Globale by Québecor Média Inc. For this reason, the intervention of the MNA for Saint-Jérôme in the Committee on Labour and the Economy constituted a violation of section 25 of the Code.

The inquiry report recommended that no sanction be imposed on the MNA for Saint-Jérôme.

5. OTHER ACTIVITIES

A few other activities have received attention during the year. However, the topics that follow are not intended to be exhaustive. They simply provide an overview of what our team has accomplished this year.

Gifts, hospitality and other benefits

When MNAs, cabinet ministers, or staff members receive a gift, it is advisable for them to ask themselves why the gift is being offered. Is the person receiving the gift at risk of being influenced or of being placed in a situation in which he or she might feel obligated toward a person or an organization because of the gift?

The rules on gifts and benefits are set out in sections 29 to 34 of the Code, sections 10 to 15 of the Rules, and sections 11 to 16 of the Regulation. There are also the *Guidelines on gifts, hospitality and other benefits*, published in 2012. In applying the rules relating to gifts and benefits, we invite the MNAs and the political staff to rely on their good judgment and take into account the opinion that a reasonably well-informed person could have in the same situation. For example, examining ties that may exist between the donor and the State or connections between the recipient's responsibilities and the donor's gift, as well as the perception that the latter might expect something in return, can all help in deciding to accept or refuse a gift. In case of doubt, it is always possible to refuse a gift or benefit even if it is acceptable under the rules of conduct previously mentioned.

Between April 1, 2014, and March 31, 2015, the Commissioner published 56 disclosure statements for gifts on his website, under section 31 of the Code. He also received three disclosure statements from MNAs for refused or returned gifts. The latter are however not recorded in the Commissioner's public register.

Communications from citizens

Communications addressed to the Ethics Commissioner by citizens can be grouped into two categories. First, some citizens seek clarification on a matter, wish to express a point of view regarding a topical issue, or have questions about the behavior of an MNA or minister.

For this category, we received 30 communications from citizens, most in writing. Although a citizen cannot ask the Commissioner to conduct an inquiry, we try to answer these questions with a customized explanatory message based on the queries received.

Second, the Commissioner receives information from citizens and remains interested in receiving these communications. Indeed, citizens are the most likely to witness situations that may constitute Code violations and hold information that can be extremely valuable to the Ethics Commissioner's mission. Our enforcement role is undoubtedly greatly enhanced when we can count on the population's support. Although the Code does not clearly express this, I believe it is necessary to clear up any doubt on the subject and insist on the importance of communicating, with complete confidentiality, with the Commissioner, when circumstances require.

In 2014-2015, communications from citizens mainly concerned issues relating to conflicts of interest and incompatibility of posts or offices. There were also matters regarding gifts, hospitality and other benefits, disclosure statements and inquiries.

Media consultations

During this election year, the number of requests submitted to the Ethics Commissioner by the media increased significantly. In total, we responded to 146 requests.

During these communications, the Commissioner blows hot and cold. On one hand, he must keep in mind the importance of informing the public on the implementation of the Code. Hence, communication with members of the media represents an important means of informing the public. On the other hand, the Commissioner cannot answer questions about the particular situation of elected officials or members of their staff, as this information must remain confidential. This process can sometimes be frustrating for journalists who would like the Commissioner to talk openly about an elected official's particular situation. Nevertheless, we sought to rigorously respect the absolute confidentiality imposed by the Legislature.

The main topics that were discussed during these exchanges with journalists involved conflicts of interest, the inquiry process, exclusivity of duties, disclosure statements and the post-term rules.

Website

This year, the Ethics Commissioner's website averaged about 335 visits per month. As soon as the documents issued by the Commissioner's office can be made public, they are published on the website so that MNAs, their staff, the media and the public may access them quickly. For example, on June 12, 2014, we published an information note relating to the *Guidelines respecting gifts, hospitality or other benefits* in order to clarify the procedure when the donor is a public body. On the same day, an information note on the rules of conduct applicable to the office staff of ministers was also published on the website. This information note summarized the main ethical aspects that the staff members of a minister's office must observe under the *Regulation respecting the rules of conduct applicable to the office staff of ministers*.

On September 28, 2014, the Ethics Commissioner's Activity Report for 2013-2014, including financial statements, was published after being tabled in the National Assembly. In addition, on October 7, 2014, the disclosure statement summaries of the cabinet ministers and their family members were published on the Commissioner's website under section 55 of the Code. Three weeks later, on October 28, 2014, the disclosure statement summaries of MNAs were also published on the website, under section 40 of the Code.

On February 24, 2015, the *Report on the implementation of the Code of ethics and conduct of the Members of the National Assembly 2011-2014* was tabled in the National Assembly and published on our website. The report made 23 recommendations inviting parliamentarians to consider the advisability of amending the Code.

Finally, three inquiry reports were published on the website: on November 17, 2014, for the report involving Ms. Nathalie Normandeau; on December 1, 2014, for the report involving the MNA for Mirabel, Ms. Sylvie D'Amours; and on December 5, 2014, in the case of the report on the MNA for Saint-Jérôme, Mr. Pierre Karl Péladeau. The inquiry report of September 10, 2014, involving a minister's office staff member was not made public. It is therefore not available on the Commissioner's website.

Training activities

Under section 90 of the Code, the Ethics Commissioner is required to educate MNAs and the public on the Commissioner's role and the application of the Code. These educational activities can be carried out when MNAs and their staff communicate with the Commissioner seeking advice of all kinds, including written advisory request under section 87 of the Code. During these discussions, the Commissioner provides information on the interpretation and application of the values of the National Assembly and the rules of conduct prescribed by the Code. In addition, training activities are also offered.

During the year, the Commissioner appreciated the request from the caucus of MNAs forming the Government for an ethics and conduct-related training session. With the collaboration of jurists from my office, this training took place in October 2014. In addition, the chiefs of staff of ministers and the staff of the Premier's office both participated, at the request of the Commissioner, in training activities held respectively in May and November 2014. It was a privilege to meet everyone and provide them with information on observing the rules of conduct and the values of the National Assembly. My goal was for them to be better informed in terms of ethics and professional conduct in carrying out their duties.

Fondation Jean-Charles-Bonenfant

In September 2014, accompanied by the jurists of the Ethics Commissioner's office, I had the privilege of meeting with the parliamentary interns from the Fondation Jean-Charles-Bonenfant program. As is the case every year, they wanted to meet the official responsible for applying the Code and learn more about its guiding principles. I enjoy these discussions, which focus on current events as they relate to the fundamental principles of our democracy.

University training

In November 2014, I participated in a Université Laval training session for political science students. I was assisted by the clerk responsible for the registry of the Commissioner's office, Ms. Dominique Baron. Based on the experiences of previous years, our objective was to convey our enthusiasm for implementing the rules of conduct and ethical principles that guide MNAs, cabinet ministers and their staff. We also discussed the Ethics Commissioner's enforcement mechanisms in connection with certain current events. I love these meetings with students, especially when we talk about practical questions of interest to them. It is important for me to hear their points of view and take them into account in the exercise of my duties.

CCOIN

The Canadian Conflict of Interest Network (CCOIN) consists of all of the federal, provincial and territorial conflict of interest commissioners. A meeting was held in Winnipeg from September 3 to 5, 2014. As it has every year, this annual meeting between Canadian colleagues, who share responsibility for applying rules on conflict of interest and ethics, helped me further my knowledge on these fundamental issues. The issues we have to consider are very similar. We are all pursuing the same objectives of integrity and confidence for MNAs, ministers and their staff.

I sincerely thank Me Ronald S. Perozzo, the Conflict of Interest Commissioner of Manitoba, for organizing this annual meeting, and for the generous welcome extended to us. I also appreciated the topics addressed, which allowed me to further my understanding of the ethical challenges of elected officials.

The 2015 meeting of the CCOIN will take place in Québec City from September 2 to 4.

Commission of Inquiry on the Awarding and Management of Public Contracts in the Construction Industry

In early summer of 2014, the Commission of Inquiry on the Awarding and Management of Public Contracts in the Construction Industry (Charbonneau Commission) informed me that the commissioners wished to hear the Ethics Commissioner. The assistant counsel proposes that I attend a meeting in Montréal with an attorney of the Commission to clarify the purpose of the appearance and prepare my testimony. In fact, I attended meetings in Montréal on July 17, August 26, and September 19, 2014. The subpoena signed by the Honourable France Charbonneau, President of the Commission, stated that I was to personally appear before the commissioners:

[Translation] “To speak on any relevant matters relating to the mandate of the Commission of Inquiry on the Awarding and Management of Public Contracts in the Construction Industry, in accordance with Order in Council No. 1119-2011 of the Government of Québec of November 9, 2011.”

I was heard in Montréal on October 6, 2014.

The commissioners first wished to be informed on the Ethics Commissioner’s mandate and the effective powers conferred for the application of the rules of conduct prescribed by the Code, particularly regarding conflicts of interest and contracts with the State. They also wished to hear me on the circumstances surrounding the implementation of the Code, including the rules of conduct in force since January 1, 2012. In this context, we analysed the inquiries that have been conducted and considered the adequacy of the powers delegated to the Ethics Commissioner to conduct these inquiries and, if necessary, recommend appropriate sanctions.

The intent was to verify not only the adequacy of the rules of conduct and corresponding inquiry powers, but also the quality of the Ethics Commissioner’s commitment in the earnest and effective implementation of the ethical framework applicable to MNAs, cabinet ministers and their staff. I described the situation as it stood, openly expressing the ways in which the implementation of the ethical principles and rules of conduct could be improved, as well as the recommended legislative changes.

On January 27, 2015, I appreciated having the opportunity to submit additional comments in response to questions that had occurred to the members of the Committee during their analysis.

At the time of filing of this Activity Report, the report of the Commission of Inquiry on the Awarding and Management of Public Contracts in the Construction Industry has not been filed.

6. OFFICE OF THE ETHICS COMMISSIONER

Under section 74 of the Code, the National Assembly provides the Ethics Commissioner with human, physical, financial and information management resource services at no charge. This collaboration has been in effect since early 2011. We are very grateful for the consulting services and operational support we have received from various National Assembly experts. This collaboration has enabled us to maintain a very small staff since the beginning of the Ethics Commissioner's activities.

The Ethics Commissioner's office is divided into three units whose responsibilities align with the main Titles of the Code. These units are advice and advisory opinions, registry, and verifications and inquiries.

Acknowledgments

I would like to take this opportunity to highlight the work that has been carried out and sincerely thank our administrative assistant, Ms. Doris Dion. She is at the heart of all our activities and performs a wide range of duties to assist the entire team, to the benefit of all. Thanks to her, we have the necessary tools to do our work. She is also responsible for the quality of the documents issued by the Ethics Commissioner's office.

Advice and advisory opinions

Two jurists make up the advice and advisory opinions unit of the Ethics Commissioner's office. I highly value the cooperation of Me Élodie Gagné-Lafrance and Me Bruno Fontaine who provide necessary legal support to the implementation of the Code, Regulation and Rules. They assist me in providing advisory opinions to MNAs and their staff, whether the situations they submit are real or apprehended. They also submit legal opinions and draft advisory opinions, and advise and assist my staff and myself in the exercise of our overall duties. I entrust them, in particular, with the responsibility to respond to requests from staff members, to analyse the disclosure statements of chiefs of staff and meet with them. The jurists are also involved in informing MNAs and the general public about the Ethics Commissioner's role and the enforcement and administration of the Code, Regulation and Rules. Their duties are carried out in with a concern for prevention and high standards of confidentiality.

Registry

Likewise, my thanks go to Ms. Dominique Baron, responsible for the registry, and her assistant, Ms. Doris Robichaud. The services for which the registry is responsible for at the Commissioner's office are mainly intended for MNAs and ministers and their staff members. Elected officials and political staff members regularly express their appreciation for the services received and the communications they had with the registry. These comments are the result of the meticulous, efficient and very respectful work of Ms. Baron and Ms. Robichaud, of which I am proud.

The registry unit receives, analyses and reviews annual disclosure statements filed by MNAs regarding their own and their family members' private interests. The unit ensures that MNAs' questions are answered in this regard and serves as intermediary between them and the Ethics Commissioner. It also helps prepare disclosure summaries and maintain the various registers that the Ethics Commissioner is required to keep

and update under the Code. The records preserved in the registry are confidential. Finally, the registry also handles media communications. It receives requests from journalists, analyses them and advises the Commissioner.

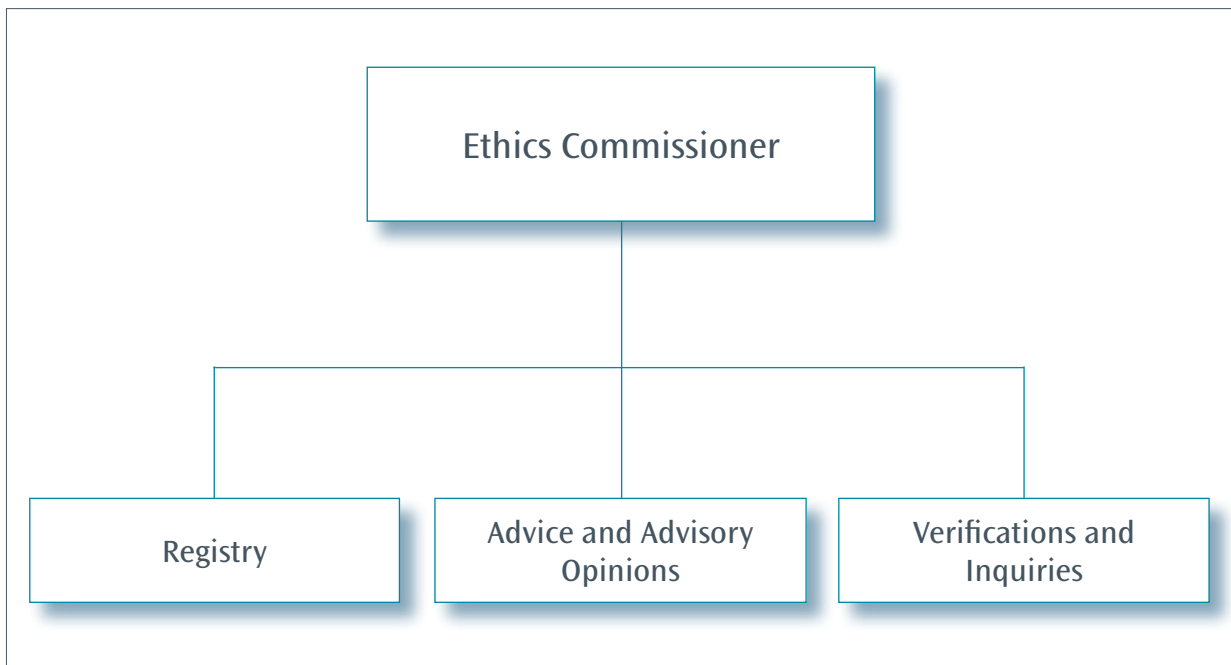
Verifications and inquiries

No member of the Commissioner's regular office staff is part of the verifications and inquiries unit. In fact, for this unit, I rely on the services of professionals on a contract basis, when necessary. During 2014-2015, I relied mainly on Mr. Alain Gagné, whose committed and highly structured collaboration meets high standards of professionalism. His work has been very helpful and I wish to thank him.

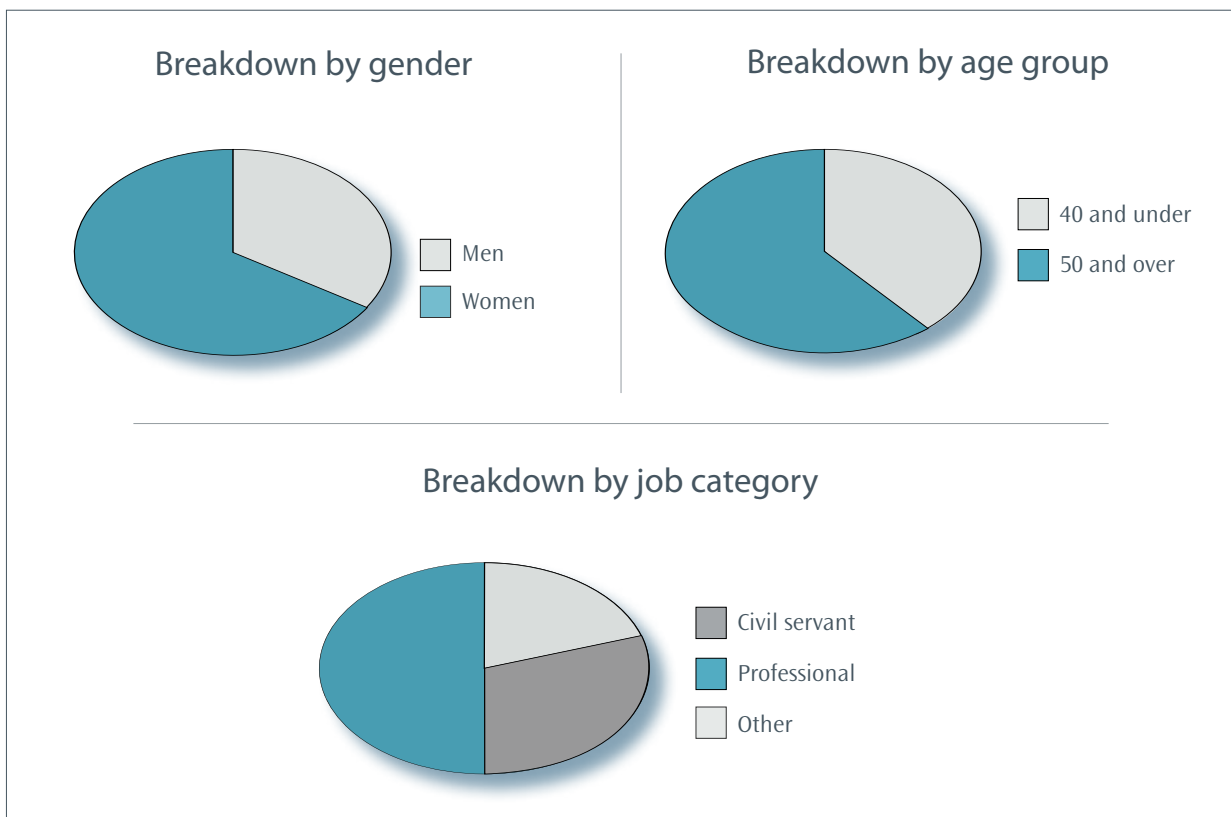
The verifications and inquiries unit is responsible for gathering information, conducting research, and analyzing the relevant facts with regard to a specific context or a potential violation of the rules of conduct. Just as the Ethics Commissioner and the regular staff members, the professionals of the verifications and inquiries unit exercise their duties while remaining fully impartial and objective, and with the same high standards of confidentiality. The unit takes part in implementing and updating the tools used for verifications and inquiries in the application of the Code, Regulation and Rules.

In fulfilling his mandate of enforcing the Code, Regulation and Rules, the Ethics Commissioner is currently assisted by a team of employees consisting of three professionals and two public officers, in addition to one other professional providing their services on a contract basis. The organization chart and table of the staff distribution provide additional details on the matter.

ORGANIZATION CHART



STAFF BREAKDOWN



The statistics for the period extending from April 1, 2014, to March 31, 2015, and the financial statements for the same period are presented in the following section.

STATISTICS

Period:
April 1, 2014 to March 31, 2015

■ Advice and advisory opinions

Consultations, requests for information and advisory opinions	Verbal or written requests	Requests in application of section 30 of the Rules, 31 of the Regulation and 87 of the Code	Total
From MNAs	256	32	288
From MNAs' staff	140	5	145
From the general public	30	0	30
Total	426	37	463

■ Requests from the media

	146
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■ Disclosure statements of the private interests of MNAs and their family members for 2014

From cabinet ministers	29
From MNAs	98
Total	127

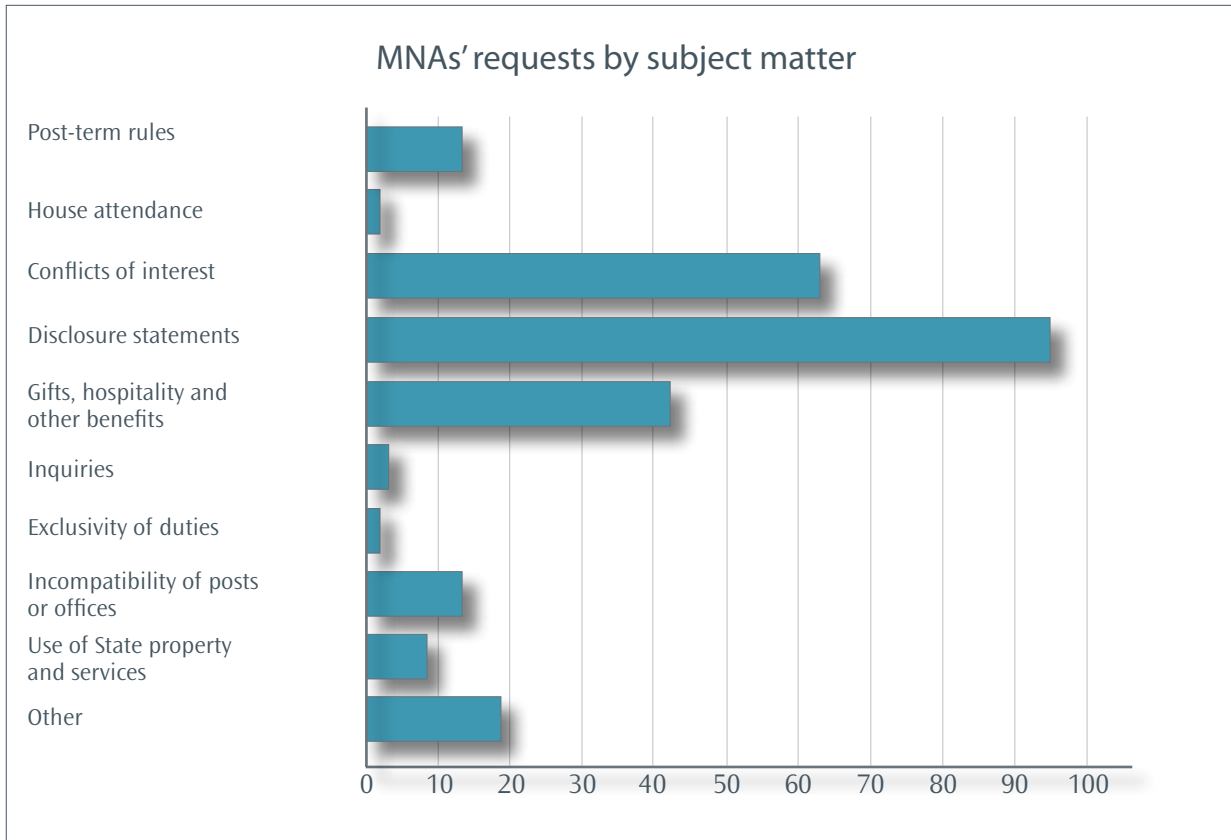
■ Summaries of disclosure statements for 2014

For cabinet ministers and their family members	29
For MNAs	98
Total	127

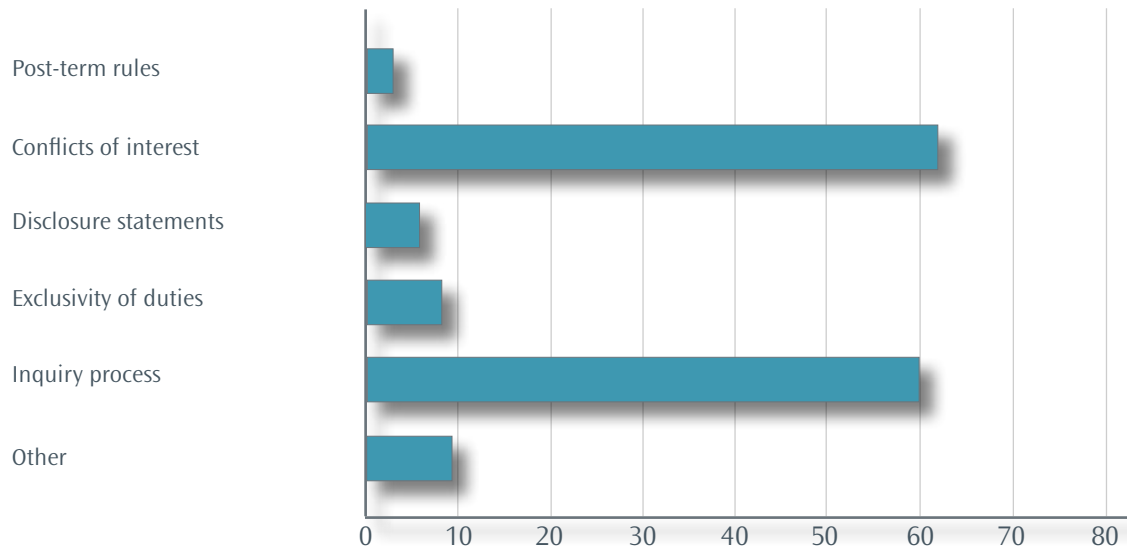
■ Disclosure statements concerning gifts, hospitality and other benefits for 2014–2015

	Statements received and published	Notification of refusal under section 30 or 31 of the Code
Number	56	3
Total	59	

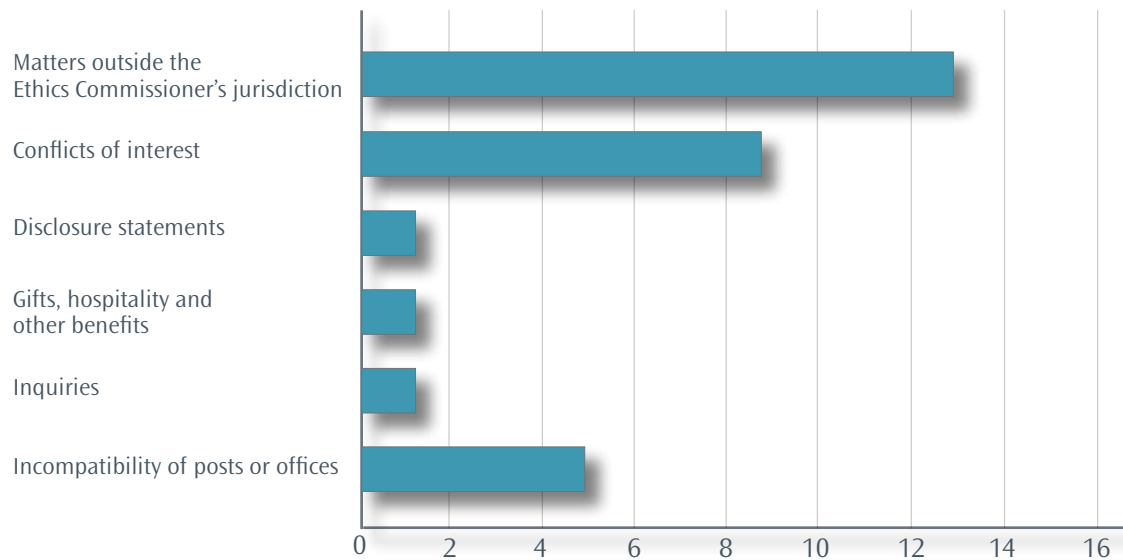
STATISTICAL GRAPHS



Media requests by subject matter



Communications from citizens by subject matter



FINANCIAL STATEMENTS

Management Report

The Ethics Commissioner's financial statements, including estimates and assumptions, have been prepared by management, as per its responsibility for preparing and presenting them. This responsibility includes choosing the appropriate accounting methods, which are based on Canadian generally accepted accounting principles.

In fulfilling its responsibilities, management has maintained internal control systems designed to provide reasonable assurance that assets are safeguarded, and that transactions are properly authorized and recorded so as to achieve reliable financial statements.

As Ethics Commissioner I recognize that it is my responsibility to manage my affairs in accordance with the laws and regulations that govern my office.

Ethics Commissioner

(S) Jacques Saint-Laurent
JACQUES SAINT-LAURENT

Québec city, September 2015

FINANCIAL STATEMENTS

Results for the fiscal year ended March 31, 2015

(in thousands of dollars)

	2015	2014
Revenue (note 3)	698.5	640.0
Expenses		
Remuneration	529.6	514.5
Transportation and communication	16.2	13.9
Professional, administrative and other services	58.3	9.7
Rent paid to the Société québécoise des infrastructures	88.3	88.9
Other rental payments	1.9	4.7
Materials and supplies	4.2	6.7
Expenses using appropriations	698.5	638.4
Amortization of tangible capital assets	37.6	39.4
	736.1	677.8
Annual deficit:	(37.6)	(37.8)
Accumulated surplus at beginning of year	226.9	—
Accumulated surplus at end of year	189.3	226.9

The accompanying notes are an integral part of these financial statements.

Financial position as at March 31, 2015

(in thousands of dollars)

	2015	2014
Financial assets		
Cash entitlement	26.1	11.0
Prepaid expenses	0.0	7.4
	26.1	18.4
Liabilities		
Accounts payable and accrued liabilities (note 4)	26.1	18.4
	26.1	18.4
Net debt	—	—
Non-financial assets		
Tangible capital assets (note 5)	189.3	226.9
Accumulated surplus (note 6)	189.3	226.9
Contractual obligations (note 7)		

The accompanying notes are an integral part of these financial statements.

Change in net debt for the fiscal year ended March 31, 2015

(in thousands of dollars)

	2015	2014
Annual deficit	(37.6)	(37.8)
Change due to capital assets:		
Acquisition of tangible capital assets	0.0	(1.6)
Amortization of tangible capital assets	37.6	39.4
	37.6	37.8
Change in net debt	—	—
Net debt at beginning of year	—	—
Net debt at end of year	—	—

The accompanying notes are an integral part of these financial statements.

Cash flow statement for the fiscal year ended March 31, 2015

(in thousands of dollars)

	2015	2014
Operating activities		
Annual deficit	(37.6)	(37.8)
Non-cash items:		
Amortization of tangible capital assets	37.6	39.4
Change in operating assets and liabilities:		
Prepaid expenses	7.4	(7.4)
Accounts payable and accrued liabilities	7.7	4.9
Cash flows from operating activities	15.1	(0.9)
Capital asset investment activities		
Acquisition of tangible capital assets	0.0	(1.6)
Increase (decrease) in cash entitlement	15.1	(2.5)
Cash entitlement at beginning of year	11.0	13.5
Cash entitlement at end of year	26.1	11.0

The accompanying notes are an integral part of these financial statements.

Accompanying notes**March 31, 2015**

(in thousands of dollars)

1. Nature of operations

The mission of the Ethics Commissioner is to oversee the implementation of the *Code of ethics and conduct of the Members of the National Assembly* (chapter C-23.1). The Commissioner serves all members of the National Assembly by providing information on the values, ethical principles and rules of conduct they must observe and by helping them avoid conflict of interest situations. When requested to do so, the Commissioner also gives advice or an advisory opinion regarding MNAs' obligations under the Code. The Commissioner publishes guidelines for MNAs to follow. At the request of an MNA or on his own initiative, the Commissioner may conduct an audit or inquiry to determine whether a violation of the Code has occurred. The Commissioner files the inquiry reports with the President of the National Assembly. On finding that a violation of the Code has occurred, the Commissioner may recommend that sanctions be imposed.

2. Main accounting policies

To prepare these financial statements, the Ethics Commissioner used the Canadian Institute of Chartered Accountants (CICA) Public Sector Handbook. Any other generally accepted accounting principle used was consistent with the Handbook.

Preparing financial statements according to Canadian public sector accounting standards requires management to make significant estimates and judgments. These have an impact on reporting assets and liabilities, presenting contingent assets and liabilities as at the date of the financial statements, and reporting revenues and expenses for the period presented in the financial statements. The most significant area requiring the use of estimates is the service life of tangible capital assets. Actual results may differ from management's best estimates.

Cash entitlement

The financial operations of the Ethics Commissioner are carried out through the Consolidated Revenue Fund of the Gouvernement du Québec. The cash entitlement represents the amount of cash the Ethics Commissioner is entitled to draw from the Fund to discharge liabilities out of the appropriations granted to him.

Tangible capital assets

Tangible capital assets are reported at cost and are amortized over their service life using the straight-line depreciation method:

	Duration
Leasehold improvements	10 years
Equipment other than computer equipment	5 and 10 years
Computer equipment	3 years

Revenues

Revenues are accounted for using the accrual method, that is, in the fiscal year in which the operations or events giving rise to them occur. Parliamentary appropriations are reported as revenue when they are authorized and used.

3. Revenues

The Ethics Commissioner is funded by annual parliamentary appropriations. Initial appropriations comprise expenditure and investment estimates approved by the Office of the National Assembly. The revenues presented in the income and accumulated surplus statement are reported in accordance with Canadian generally accepted accounting principles.

	2015	2014
Parliamentary appropriations		
Initial	1,148.7	1,126.6
Lapsed	(450.2)	(486.6)
Appropriations used	698.5	640.0

4. Accounts payable and accrued liabilities

	2015	2014
Suppliers	7.0	2.2
Salaries	19.1	14.4
Other accounts payable	0.0	1.8
	26.1	18.4

5. Tangible capital assets

				2015	2014
Cost of capital assets	Leasehold improvements	Equipment other than computer equipment	Computer equipment	Total	Total
Opening balance	233.4	71.6	14.7	319.7	318.1
Acquisitions	0.0	0.0	0.0	0.0	1.6
Closing balance	233.4	71.6	14.7	319.7	319.7
Accumulated amortization					
Opening balance	54.4	28.4	10.0	92.8	53.4
Amortization for the year	23.3	11.8	2.5	37.6	39.4
Closing balance	77.7	40.2	12.5	130.4	92.8
Net book value	155.7	31.4	2.2	189.3	226.9

6. Accumulated surplus

The accumulated surplus is invested in tangible capital assets.

7. Contractual obligations

The Ethics Commissioner leases premises from the Société québécoise des infrastructures under an occupancy agreement. Commitments under this agreement for the next five years are as follows:

Fiscal year ended March 31		
	2016	88.3
	2017	88.3
	2018	88.3
	2019	88.3
	2020	88.3

8. Related party transactions

In addition to the related party transactions already disclosed in the financial statements and reported at exchange value, the National Assembly provides administrative services to the Ethics Commissioner free of charge. This contribution is not mentioned in the financial statements. The National Assembly cannot reasonably estimate the fair value of these services.

7. PROJECTS FOR 2015-2016

Each year, the activity report provides an opportunity to present activities on which the Ethics Commissioner plans to focus in the next fiscal year. Last year, I wrote about the Report on the implementation of the Code, the meeting of the Canadian Conflict of Interest Network (CCOIN) in Québec in 2015, as well as organizing training activities.

Report on the implementation of the Code

The *Report on the implementation of the Code of ethics and conduct of the Members of the National Assembly*, for the period extending from January 6, 2011 to December 31, 2014, was tabled at the National Assembly on February 24, 2015. The filing of this first report on the implementation, in accordance with section 114 of the Code, concluded a considerable project started the previous year. The Report was an opportunity to present the Ethics Commissioner's activities over the past four years, focusing on the period following the coming into force of the rules of conduct on January 1, 2012. To this historical aspect we added essential information for the understanding of the directions that were chosen in the implementation of the Code. For example, when specific factual situations were analyzed by the Commissioner, a summary of the interpretation of the Code in this context appears in the applicable sections of the Report. A total of 19 interpretations are presented in this way. Furthermore, 23 recommendations on the advisability of amending the Code were submitted to the members of the National Assembly.

In accordance with section 114 of the Code, the Commissioner appeared on May 26, 2015, before the Committee on Institutions to answer questions from parliamentarians, in particular regarding the recommendations addressed to them. The analysis of the *Report on the implementation of the Code of ethics and conduct of the Members of the National Assembly* by the Committee on Institutions is expected to continue during the subsequent fiscal year.

Moreover, given the issues raised during the meeting with the members of the Committee and the Jurisconsult's hearing, we are considering the possibility of proposing, if authorized, additional comments to the members of the Committee on Institutions, as part of a written statement. Finally, certain administrative changes may be introduced to support the vision proposed by the Report on the implementation of the Code.

CCOIN

The next meeting of the Canadian Conflict of Interest Network will be held in Québec city in early September 2015. In preparing for this conference, I benefited from the collaboration of Me Bruno Fontaine. For this purpose, Me Fontaine accompanied me to the meeting of the Canadian Conflict of Interest Network held in Winnipeg in September 2014. He contacted the collaborators of the House of Commons and Senate and of other provinces and territories, in order to become acquainted with the discussion content and the operating mode chosen by the commissioners.

The more formal preparatory work began at the end of 2014 and will intensify in the lead up to the meeting, during the 2015-2016 period.

Training

The objective to provide useful training activities to the members of the National Assembly and their staff regarding the Code, Regulation and Rules, as well as the jurisprudence developed over the years, continues. With the exception of the training sessions discussed in a previous section, we have not been able to complete our objective of offering subject-specific briefing sessions, upon request. While reiterating our availability, the challenge remains for the Commissioner to offer a training model adapted to the circumstances and needs of those involved.

Verification process

The filing of the Report on the implementation of the Code and the discussions held before the Commission of Inquiry on the Awarding and Management of Public Contracts in the Construction Industry, and the Committee on Institutions reaffirmed the importance of the administration and enforcement measures of the Code. After an educational period with MNAs, cabinet ministers and members of their staff, many have suggested moving from education to more formal monitoring of the actions of MNAs and their staff.

In the context of maintaining the population's trust towards members of the National Assembly, it is beneficial to periodically monitor the activities of elected officials, even if there are no reasonable grounds to believe that a violation was committed.

As part of the inquiry undertaken concerning the expenses of senators, the Auditor General of Canada demonstrated that external review is absolutely essential. This allows the preventing and correcting of errors resulting from an incorrect interpretation of the applicable rules, among others. The audit conducted by the Auditor General of Canada found that while several senators believed they were strictly observing the applicable rules, this was not the case. One can imagine the senators' surprise when later informed of an interpretation they had not anticipated.

In these circumstances, the 2015-2016 fiscal year will be an opportunity to start a project to implement certain preventive monitoring processes of compliance with the rules of conduct and the values of the National Assembly for MNAs, ministers and members of their staff.

8. CONCLUSION

For the Ethics Commissioner, the general elections of April 7, 2014, marked the beginning of a busy year with the disclosure statement process, meeting with MNAs, and numerous reports. Based on the experiences of previous years, we can now say that the MNAs and their staff, as well as the Commissioner, have transitioned from the early stages of application of the National Assembly values and rules of conduct to a level of understanding and autonomy that could be considered at cruising altitude.

Generally, when reaching this altitude, we can switch to autopilot. However, in terms of ethics and professional conduct, this is a pitfall we must avoid. Since January 2011, the most problematic situations encountered were those involving MNAs or their staff who were mistakenly convinced of having acted properly. They had switched to autopilot, relying solely on their personal assessment. This is precisely what we must avoid.

Ethics and professional conduct are fascinating because of the challenges of learning to maintain a distance from oneself in order to be able to assess a situation with regards to ethics not only from a personal standpoint, but instead, by asking what would be the opinion of a reasonably well-informed person in the same situation.

Consider the example of individuals entering the political arena as MNAs or staff members. They must quickly learn to develop a number of political reflexes. Indeed, it is necessary to anticipate how what they say or do could be perceived in the political context in which they have chosen to work. The relentless surveillance of citizens and media forces them to quickly develop these political reflexes to anticipate as accurately as possible what could be perceived.

In matters of ethics and professional conduct, the challenge is the same. It would be a mistake to believe that we can assess our own behavior to determine if it complies with the values of the National Assembly or the rules of conduct. Like the political reflexes mentioned earlier, MNAs and their staff must, at all costs, develop appropriate ethical reflexes adapted to the public duties they perform. There is no way around it. By accepting a public office, elected officials must put aside their private interests for the benefit of the common good and be wary of influences. Undoubtedly, this cannot be achieved on autopilot.

By remaining very attentive to the situations they encounter, MNAs and their staff are responsible for maintaining appropriate ethical reflexes and constantly taking into account the opinion that a reasonably well-informed person could have in the same situation.

I greatly appreciate the generous and dedicated cooperation of all elected officials and their staff, subject to the application of the values of the National Assembly and rules of conduct. I also acknowledge the numerous efforts undertaken to develop appropriate reflexes, according to each situation. I wish to sincerely thank them for their support and assure them of my own.

The Ethics Commissioner
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