



COMMISSAIRE
À L'ÉTHIQUE ET À
LA DÉONTOLOGIE

**ACTIVITY
REPORT**
2017-2018



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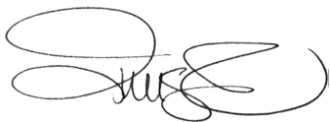
September 20, 2018

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

Dear Sir,

I have the honour of presenting the Activity Report of the Ethics Commissioner for the period April 1, 2017, to March 31, 2018, and the financial statements as at March 31, 2017, in accordance with section 79 of the Code of ethics and conduct of the Members of the National Assembly (chapter C-23.1).

Sincerely,

A handwritten signature in black ink, appearing to read 'Ariane Mignolet', with a large, stylized flourish at the end.

Ariane Mignolet
Ethics Commissioner

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ETHICS COMMISSIONER'S MESSAGE



I am honoured to present the Ethics Commissioner's activity report for 2017-2018. The following pages provide a picture of the work accomplished by the organization between April 1, 2017, and March 31, 2018, in carrying out the mission entrusted to it under the *Code of ethics and conduct of the Members of the National Assembly* (hereafter "the Code").

It should first be noted that the organization experienced significant changes this year. Indeed, the make-up of the Ethics Commissioner office changed considerably, partly due to my appointment as Commissioner in May 2017 by the Members of the National Assembly (MNAs), and also due to staff turnover mainly resulting from retirements. Four new employees joined our team during the year, bringing our headcount to eight, including the Commissioner, as of March 31, 2018.

Meanwhile, our organization regularly answered requests not only for guidance and advice, but also for inquiries and verifications. Once again this year, the statistics show that Members and their staff increasingly turn to the Ethics Commissioner's team to assess certain personal situations in light of their ethical obligations. This preventive aspect of our work, although less known to the public, is essential and contributes to the development of an ethical reflex among the political class. Our inquiry-related work also increased significantly, in particular due to more Member requests for inquiries. This year alone, our organization published five inquiry reports, which represent one third of all the reports submitted since the Code was adopted in 2010.

Clearly, the activities related to applying the Code and rules political staff must observe are at the heart of our work. We give special importance to fulfilling our mission objectively, in full confidentiality and in a spirit of trust. Readers will note that efforts were put in not only improving the services and support offered to Members, but also in educating the public about our mission and the issues relating to parliamentary ethics and conduct. This report is intended to provide an overview of these activities.

On another note, I would like to highlight the work of the Jurisconsult, Jean-Louis Baudouin. Under the Code, the Jurisconsult acts as an adviser to Members. The Members can benefit from his extensive experience by receiving guidance in carrying out their duties. Our organization and the Jurisconsult have an exceptional collaborative relationship, which is crucial for the services we provide Members.

This report presents the principal activities of the Ethics Commissioner for 2017-2018. The first section describes our mission and operation. The next section addresses the application of the rules of conduct under our purview. Section three details the activities related to training, communications and institutional relations. Finally, the last section presents the financial statements.

A handwritten signature in black ink, appearing to read 'Ariane Mignolet', written in a cursive style.

Ariane Mignolet
Ethics Commissioner

JURISCONSULT'S MESSAGE



In the past year, Ariane Mignolet took office as Ethics Commissioner, replacing Jacques Saint-Laurent, who was appointed in 2010. Ms. Mignolet has substantial management experience and is perfectly acquainted with the environment she now works in. Indeed, she has successively held the positions of Clerk of the Committee on Public Finance, Parliamentary Procedure Adviser, Director of the Assembly Secretariat and Director General of Legal and Parliamentary Affairs at the National Assembly.

As for my activities as Jurisconsult, this year I opened four new case files for parliamentarians with proceedings against them. One was settled out of court and the three others are pending. One relates to criminal law, while the remaining are civil proceedings.

Some cases were more problematic as the issues lay in the interpretation of Section 85.1 and subsequent sections of the *Act respecting the National Assembly* concerning legal assistance to parliamentarians. In this respect, it may be desirable that the latter review these regulatory and legislative provisions to clear up ambiguities.

I also had the opportunity to discuss diverse issues related to professional ethics with numerous parliamentarians.

This year again, I attended the Canadian Conflict of Interest Network's annual meeting in September. This meeting provides the opportunity for federal and provincial commissioners to exchange views and share their experience in terms of handling shared challenges.

Lastly, I would like to sincerely thank everyone at the Office of the National Assembly for their support, their great availability, their competence and their kindness.

A handwritten signature in black ink, appearing to read 'Jean-Louis Baudouin'. The signature is stylized with a long horizontal stroke at the end.

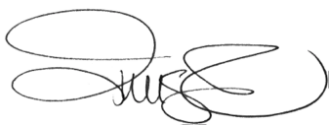
Jean-Louis Baudouin

DATA RELIABILITY STATEMENT

As Ethics Commissioner, I am responsible for the findings and information in this report. I must carry out the institution's mission in accordance with the laws and regulations that govern it. I hereby attest to the accuracy and reliability of the data reported.

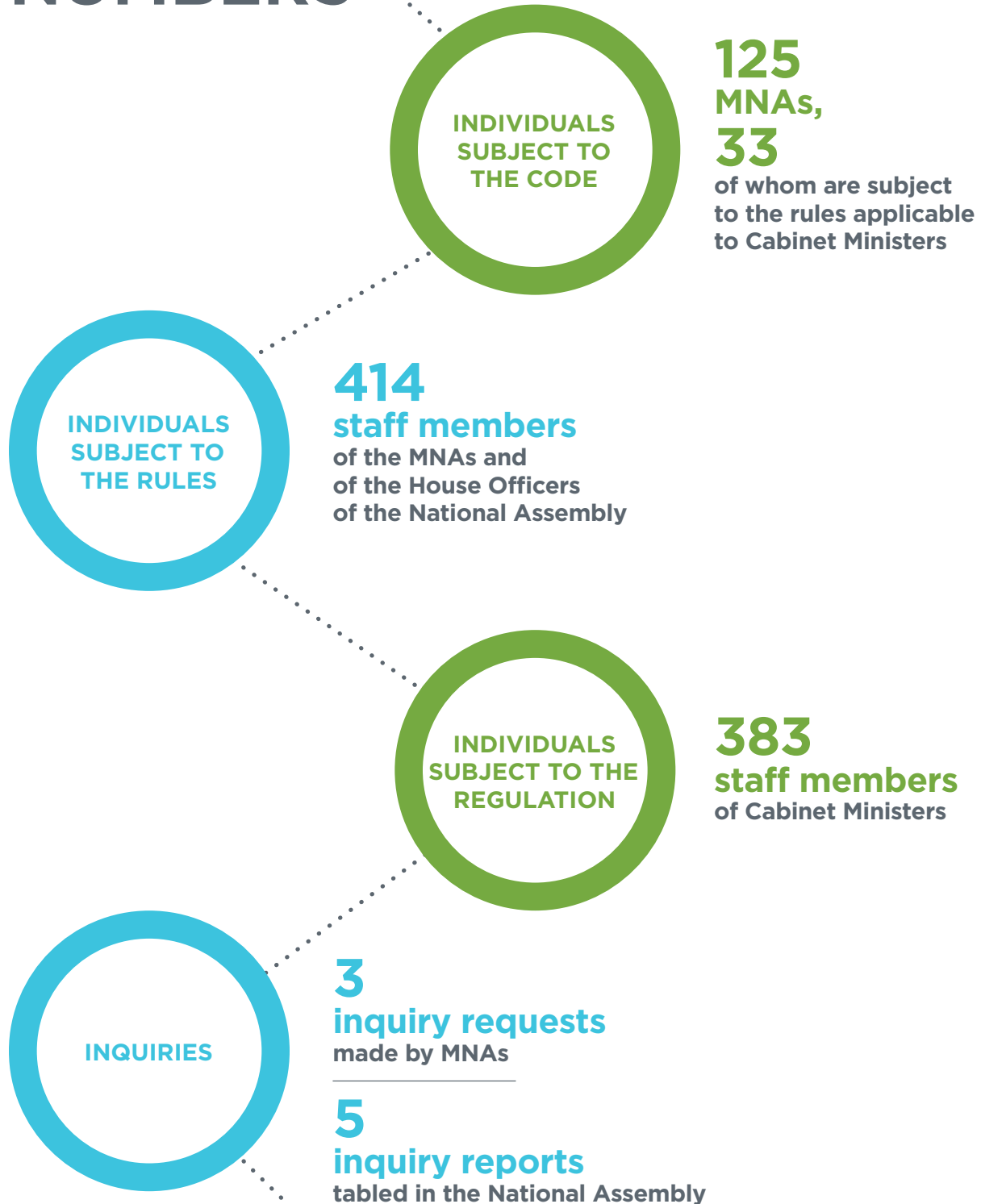
This activity report accurately describes the mission and operation of the organization and presents the results of its various activities, particularly those regarding the implementation of the legislative and regulatory measures under its responsibility. The report also provides information on the financial statements for the period in question.

To my knowledge, the data, information and explanations in this annual activity report reflect the situation of the Ethics Commissioner as of March 31, 2018.



Ariane Mignolet
Ethics Commissioner
Québec City, September 20, 2018

A FEW NUMBERS





118 requests
for opinions from MNAs

104 verbal opinions + 14 written opinions

98 requests for
opinions from political staff

67 verbal opinions + 31 written opinions



111 gifts published
on our website

19
statements submitted
by staff members



186
statements
handled



28
communications from citizens

23
requests
made by journalists

I. THE ORGANIZATION

Mission, operation and values

The Ethics Commissioner is an independent authority responsible for enforcing and applying the ethical provisions prescribed by:

- the *Code of ethics and conduct of the Members of the National Assembly* (hereafter “the Code”);
- the *Rules of conduct applicable to the staff of Members and House Officers of the National Assembly* (hereafter “the Rules”)²; and
- the *Regulation respecting the rules of conduct applicable to the office staff of Ministers* (hereafter “the Regulation”).³

The Code, Rules and Regulation set out the ethical principles and rules of conduct Members of the National Assembly (hereafter “MNAs”) and their staff must observe in carrying out their duties.

In carrying out its mission, the Ethics Commissioner fulfills three major roles:

- Advises and guides the MNAs and their staff in the fulfillment of their obligations by providing advisory opinions, publishing guidelines and ensuring the Members produce the required statements;
- Conducts inquiries or verifications when there are reasonable grounds to do so; and
- Informs the general public of the rules and what they mean for MNAs and the work of their staff.

The Ethics Commissioner plays a major role in promoting a political culture respectful of the ethical principles and rules of conduct inherent to a healthy democracy, for both the MNAs and Québec citizens. Integrity, rigour, independence, trust, respect and objectivity guide the organization and its staff in their mission.

Clientele

The Ethics Commissioner’s authority extends to all MNAs with regard to the implementation of the Code. This includes members of the Conseil exécutif (Cabinet Ministers). In this regard, anyone who is a member of the Conseil exécutif but not of the National Assembly is deemed to be a Member under the Code.

As at March 31, 2018, 125 MNAs were bound by the provisions prescribed in the Code. Of them, 33 were subject to the rules specifically concerning Cabinet Ministers.

1 CQLR, c. C-23.1.

2 Decision 1690 of the Office of the National Assembly of March 21, 2013.

3 CQLR, c. C-23.1 r. 2.

As for political staff, the Regulation applies to ministerial staff, including constituency and regional staff. The Rules apply to the staff of the MNAs and of the House Officers of the National Assembly such as the Leader, House Leader or Whip of a parliamentary group. The Rules also apply to staff hired to assist a political party or independent member with research and administrative work.

As at March 31, 2018, nearly 800 political staff members were bound by the provisions prescribed in the Rules and Regulation. Of them, 383 were ministerial staff and 414 were staff of MNAs and of House Officers of the National Assembly.

Staff

As at March 31, 2018, Ariane Mignolet was acting as Ethics Commissioner, and has been since May 2017. She was accompanied in her duties by seven full-time employees. In addition, services for the management of human, material, financial and information resources were provided by the National Assembly, as stipulated in Section 74 of the Code.

Job category	Staff	Female representation	Under the age of 35
Executives	1	1	-
Public servants	2	2	1
Professionals	5	4	4
TOTAL	8	7	5

The professional staff includes four lawyers, one of whom acts as a coordinator. The Ethics Commissioner's lawyers handle the inquiry requests concerning actual or potential situations made by the MNAs and their staff. They provide legal opinions and draft opinions to the Commissioner and assist her in performing her duties. More generally, they contribute to informing the Members and the public on the Ethics Commissioner's role and on the implementation of the Code, Rules and Regulation. Their activities focus on prevention and are accomplished under strict confidentiality.

During the past fiscal year, it was established that inquiries would now be conducted primarily by the Ethics Commissioner's legal team. As a result, the Commissioner's lawyers are also responsible for collecting, researching and analyzing facts relevant to a particular context or a potential breach of the Code. Formerly, the organization contracted professional services based on its actual needs. The objective now is to limit the use of external resources to special and very specific needs, to ensure the development of advanced expertise within the organization and of a refined approach based on the parliamentary environment.

The Ethics Commissioner's professional team is completed by the Commissioner's executive assistant, who is responsible for MNAs services, administrative planning, communications and relations with the media as well as with the National Assembly and the Ethics Commissioner's various partners.

JURISCONSULT OF THE NATIONAL ASSEMBLY

By unanimous decision of the Office of the National Assembly, a Jurisconsult responsible for providing advice to MNAs who request advisory opinions on matters of ethics and professional conduct is appointed.

II. IMPLEMENTATION OF THE CODE, RULES AND REGULATION

To ensure adherence to the provisions set out in the Code, Rules and Regulation, the Ethics Commissioner is responsible for receiving and analyzing the various statements required from MNAs and their staff, for providing advice and advisory opinions upon request and for conducting inquiries when there are reasonable grounds to believe that the Code has been violated.

Statements filed by Members of the National Assembly and their staff

Individuals subject to provisions of the Code, Rules and Regulation must send the Ethics Commissioner a statement of their private interests and of the gifts, tokens of hospitality or benefits they receive.

Private-interest disclosure statements

Each year, MNAs, including Cabinet Ministers, must file with the Ethics Commissioner a disclosure statement of their private interests and those of their family members.⁴ Under the Rules and Regulation, the House Officers' and Ministers' chiefs of staff must also file such a statement.⁵ The content of these statements varies according to whether one is a Cabinet Minister, an MNA or a chief of staff.

This personal and financial information is disclosed confidentially to the Ethics Commissioner to prevent real or potential situations of conflict of interest.

MNAs must include the following in their private-interest disclosure statements:

- Income and/or benefits
- Immovable property
- Notice of expropriation
- Professional, commercial or industrial activities
- Interests in an enterprise

With respect to these statements, the Ethics Commissioner is responsible for the following:

1. Providing MNAs and chiefs of staff the form used to produce their statements;
2. Carrying out a detailed analysis of the statements and ensuring that they contain all the required information; and
3. Producing a summary of the statements provided by all MNAs, except for those of chiefs of staff. The MNAs' summaries are published on our website.

4 Members' private-interest disclosure statements must be produced pursuant to Sections 37 and 38 of the Code. Cabinet Ministers' private-interest disclosure statements must be produced in accordance with Sections 51, 52 and 53 of the Code.

5 The private-interest disclosure statements of House Officers' chiefs of staff are provided for by Sections 17, 18 and 19 of the Rules. The private-interest disclosure statements of Ministers' chiefs of staff are provided for by sections 18, 19 and 20 of the Regulation.

At the beginning of the 2017–2018 fiscal year, the Ethics Commissioner was thus analyzing the statements filed for 2016. The summaries of the MNAs' statements were published online in August 2017, whereas those of the Cabinet Ministers were published a few months later, in October 2017, thereby ending the statement analysis process for 2016.

At the end of the fiscal year, the Ethics Commissioner provided the forms to produce statements for the period from January 1 to December 31, 2017, to MNAs and chiefs of staff of the National Assembly and of ministerial cabinets. In accordance with the provisions in the Code, Rules and Regulation, every year the Commissioner sets the deadlines for filing the annual statements. The dates for 2018 are April 16 for MNAs and May 14 for chiefs of staff of the National Assembly and of ministerial cabinets. These statements will then be analyzed, and their summaries produced, during the following fiscal year.

In addition to updating the private-interest disclosure statements annually, the Ethics Commissioner must also ensure that newly elected MNAs or newly appointed chiefs of staff fill out an initial statement of their private interests.

*In 2017–2018, the Ethics Commissioner collected the initial statements of **two** MNAs elected in by-elections, **six** Members appointed Cabinet Ministers during the year and **twelve new** chiefs of staff.*

Gifts, hospitality and other benefits

It is generally possible for MNAs or a member of their staff to accept a gift, token of hospitality or benefit. However, the Code, Rules and Regulation state that MNAs and their staff are prohibited from accepting a gift when it is offered in exchange for speaking or taking a certain position, or when it may influence the MNA's or the staff member's independence of judgment or compromise his or her integrity.

Any gift, token of hospitality or benefit accepted by MNAs or their staff worth over \$200 must be disclosed in a statement filed with the Ethics Commissioner. These statements of gifts accepted by MNAs are published on the Commissioner's website.

*For the period covered, the Ethics Commissioner published on its website **111 statements** relative to gifts accepted by MNAs. The Commissioner also received **19 statements** from MNAs and Cabinet Ministers' staff. However, these statements are not made public.*

Furthermore, the Ethics Commissioner also received two statements relating to gifts refused by MNAs and returned to their donors. These statements are not entered on the public register the Commissioner keeps.

PROJECT INITIATED IN 2017-2018—DEVELOPMENT OF A PLATFORM TO FILE STATEMENTS ONLINE

During the current year, the Ethics Commissioner began to develop, with the assistance of the Computer Services, Debates Broadcasting and Telecommunications Directorate of the National Assembly, a project to create an online platform where MNAs and chiefs of staff can file their statements. The Ethics Commissioner hopes this project will simplify the statement filing process and improve the process's security.

Advice and advisory opinions

The Ethics Commissioner plays a key role in supporting and advising MNAs. The Code, Rules and Regulation provide a mechanism for consulting with the Commissioner. Indeed, MNAs and their staff can request a written opinion on any issue concerning their ethical obligations.

Written opinions formulated by the Ethics Commissioner are confidential and must be provided to MNAs within 30 days of the request. Although the Rules and Regulation do not specify a deadline for political staff members' requests, the Commissioner also strives to deliver these opinions within 30 days.

*In 2017-2018, the average time to produce written opinions was **19 days** for opinions requested by MNAs, and **13 days** for those requested by members of their staff.*

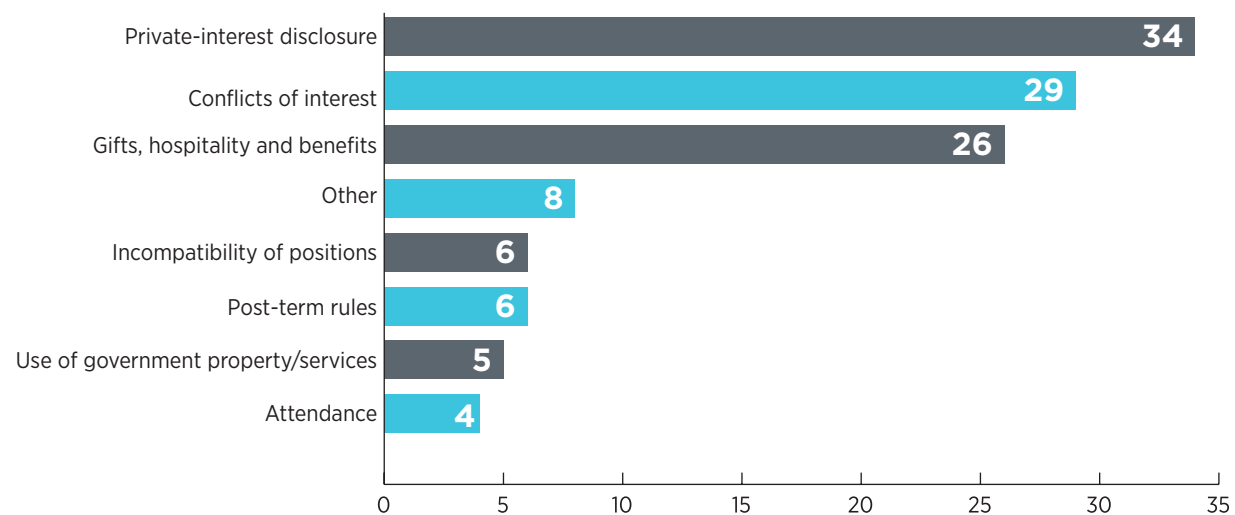
The Ethics Commissioner also receives many requests for advice and advisory opinions by phone. These requests are often answered immediately or following a few verifications. If a request is more complex, it is sometimes recommended to solicit a written opinion.

The Code also stipulates that MNAs can request opinions from the Jurisconsult of the National Assembly. These advisory opinions are, however, not binding on the Ethics Commissioner.

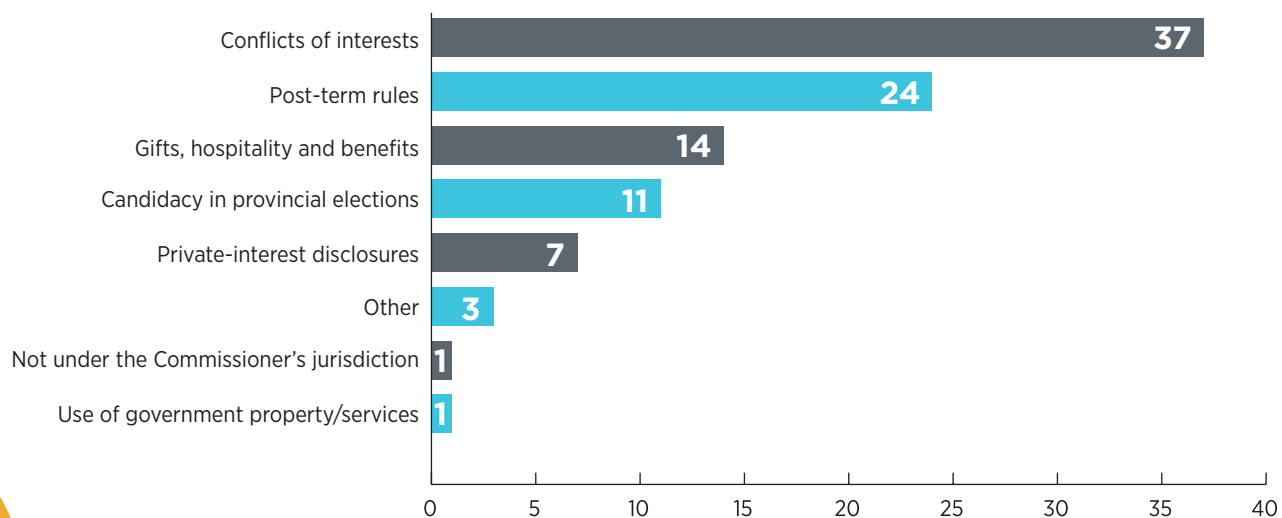
The following table compiles the requests for which the Ethics Commissioner formulated advice or advisory opinions throughout the year. The subsequent charts present the topics addressed by the Members of the National Assembly and their staff.

Consultations, requests for information and opinions	Verbal advice and opinions	Written opinions	Total
From MNAs	104	14	118
From staff members of Members and of House Officers of the National Assembly and ministerial offices	67	31	98
TOTAL	171	45	216

Requests from Members, by Subject



Requests from staff members of Members and House Officers of the National Assembly and Ministers, by Subject



Furthermore, the Ethics Commissioner can publish guidelines to help MNAs and their staff perform their duties in accordance with the ethical rules in place. As illustrated by the charts above, this year was marked by a significant increase in requests concerning post-term rules and the possibility of staff members running for office in the next provincial election. As a result, two guideline projects were initiated this year: the first relates to candidacies and was published in February 2018, whereas the second project relating to post-term rules was still underway as at March 31, 2018, and will be published during the following fiscal year.

PROJECT INITIATED IN 2017-2018—PROVISION OF TRAINING

The Ethics Commissioner has decided to emphasize training to improve the support provided to MNAs and their staff members. In this regard, general training is systematically offered to the teams of newly elected Members or of new chiefs of staff. In 2017-2018, six political staff training activities were held, for a total of 70 trained individuals. During the 2017-2018 fiscal year, the Ethics Commissioner also initiated a reflection on the best training tools to effectively reach its clientele.

Inquiries

The Ethics Commissioner may begin an inquiry on her own initiative or at the request of a MNA. For inquiries concerning MNAs, requests can be made by any other MNA who has reasonable grounds to believe that the rules of the Code have been violated. As for political staff, it is stipulated that inquiry requests must be made by the MNA or Cabinet Minister with whom the political staff member works or the leader of the party to which the staff member belongs.

When verifying if the Code was violated, whether the Ethics Commissioner conducts an inquiry on her own initiative or at the request of a MNA, the Commissioner carefully considers and analyzes all the elements received. She verifies all the facts and circumstances brought to her attention and analyzes them based on the values of the National Assembly, the ethical principles and the rules of conduct. These verifications are done in a way that ensures confidentiality, objectivity and impartiality.

Inquiry reports tabled in the National Assembly

In 2017-2018, five inquiry reports concerning MNAs were submitted to the President of the National Assembly. These reports were made public and are available on the Ethics Commissioner's website. All these inquiries were initiated during the previous fiscal year. The former Ethics Commissioner, Jacques Saint-Laurent, produced four of these reports. He began these inquiries during his term and completed them while acting as *ad hoc* Commissioner following Ariane Mignolet's appointment as the new Ethics Commissioner.

The reports produced are as follows:

- *The September 25, 2017, ad hoc Ethics Commissioner's report with regard to Mr. Gaétan Barrette, Minister of Health and Social Services and Member for La Pinière*
- *The November 8, 2017, ad hoc Ethics Commissioner's report with regard to former minister Mr. Yves Bolduc and the following ministers: Ms. Christine Saint-Pierre (Acadie), Ms. Lise Thériault (Anjou—Louis-Riel), Mr. Pierre Arcand (Mont-Royal), Mr. Sébastien Proulx (Jean-Talon) and Mr. Jean D'Amour (Rivière-du-Loup—Témiscouata)*
- *The November 8, 2017, ad hoc Ethics Commissioner's report with regard to Ms. Carole Poirier, Chief Official Opposition Whip and Member for Hochelaga-Maisonneuve*
- *The November 16, 2017, ad hoc Ethics Commissioner's report with regard to Mr. Donald Martel, Whip of the Second Opposition Group and Member for Nicolet-Béancour*
- *The November 30, 2017, ad hoc Ethics Commissioner's report with regard to Mr. Claude Surprenant, Member for Groulx*

PROJECT INITIATED IN 2017-2018—ETHICS COMMISSIONER'S CASEBOOK

The Ethics Commissioner has begun to put together a reference document to round up the case law developed by the organization over the years regarding the various provisions of the Code, Rules and Regulation. Until now, the main interpretations adopted appeared each year in the Ethics Commissioner's activity report. This new tool will better inform MNAs and the public of the interpretations that have been adopted regarding the obligations of Members and their staff.

III. TRAINING, COMMUNICATION AND INSTITUTIONAL RELATIONS ACTIVITIES

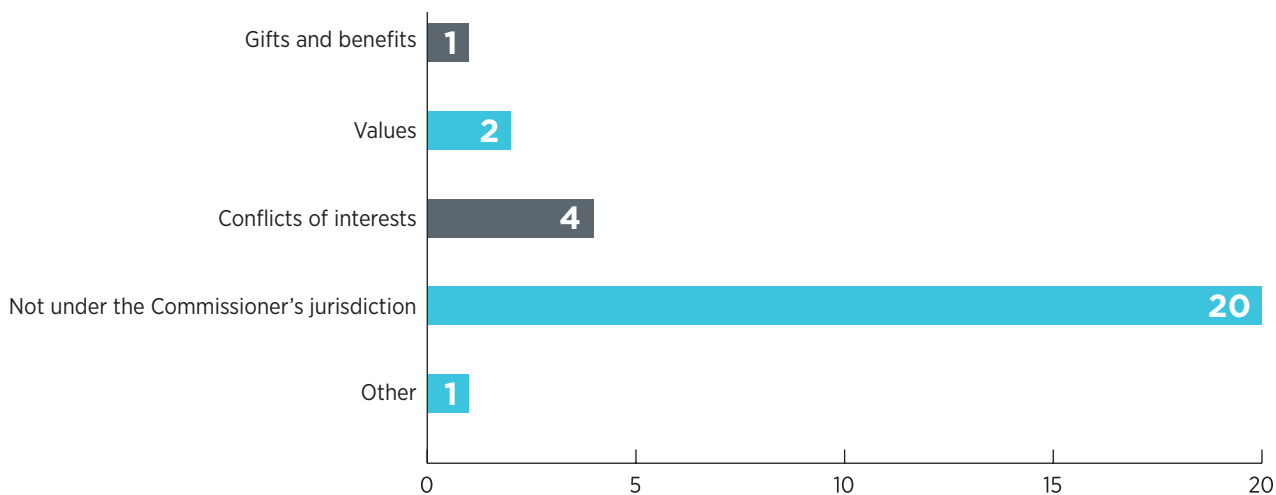
Besides implementing the Code, Rules and Regulation, the Ethics Commissioner takes part in various training, communication and cooperation activities related to the organization’s mission.

Communications with the public and the media

The Ethics Commissioner is called upon regularly to respond to citizens’ and the media’s information requests.

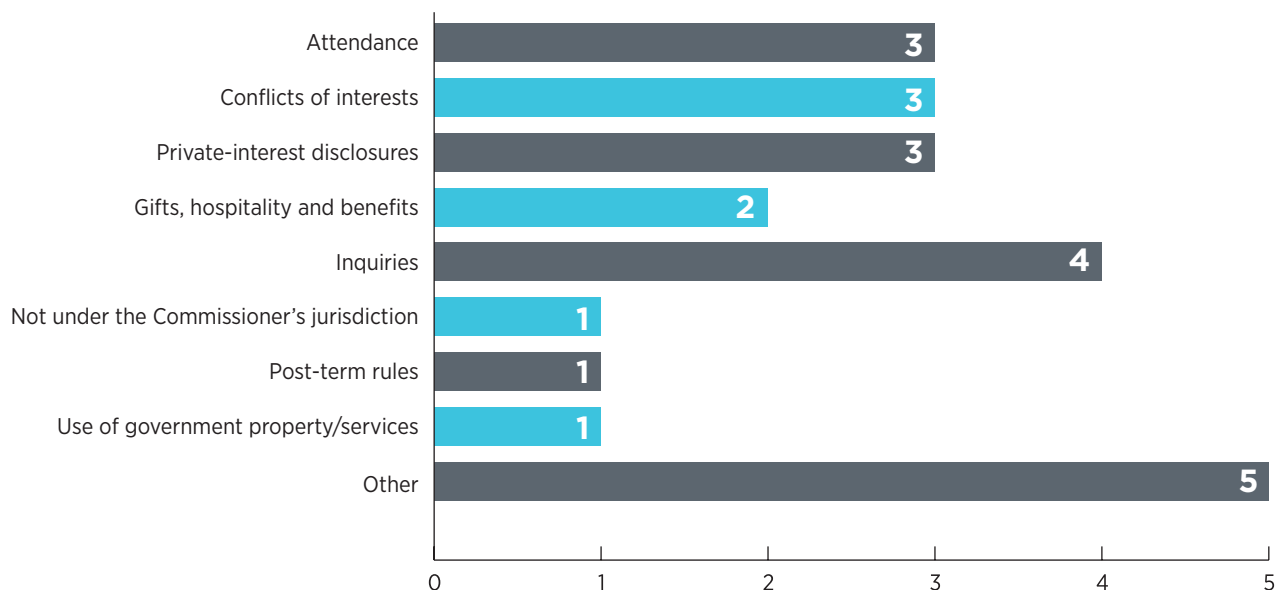
Throughout the 2017-2018 fiscal year, the Ethics Commissioner responded to 28 information requests from the public. Generally speaking, citizens contact the organization to ask for explanations, express their opinion on a topical issue or inquire about a MNA’s or a Minister’s behaviour. The Ethics Commissioner provides clarifications about the rules in place, but never comments on specific cases. When requests are not under the Commissioner’s jurisdiction, the organization directs the citizens toward the appropriate authorities whenever possible. The following chart gives a picture of the topics addressed in the requests the Commissioner received.

Communications from Citizens, by Subject



Media representatives addressed 23 requests to the Ethics Commissioner, and inquiries were the dominant topic. Although part of the Ethics Commissioner’s mission is to inform the media, the Commissioner also must respect the absolute confidentiality imposed by the Code, the Rules and the Regulation.

Requests from the Media, by Subject



PROJECT INITIATED IN 2017-2018—WEBSITE REDESIGN

To improve access to information concerning the Code, Rules and Regulation and to raise awareness about the institution's mission, the Ethics Commissioner began redesigning its website in 2017-2018. In addition to reviewing the website's layout, and in conjunction with the Communications, Educational Programs and Visitor Services Directorate, its content will be enhanced to make more information available to individuals interested in our activities.

Public education and awareness activities

As part of her duty to inform the public, the Commissioner also takes part in certain activities aimed at educating people about the organization and the ethical rules that apply to the Members of the National Assembly and their staff.

In October 2017, the Ethics Commissioner welcomed the fellows of the Fondation Jean Charles Bonenfant. As part of a 10-month internship at the National Assembly, the fellows took part in training sessions developed by Officers of the National Assembly to learn about their mission and activities. The Ethics Commissioner presented the inner workings of the organization during one of these sessions to the five students and young graduates.

A few weeks later, the Ethics Commissioner gave a similar lecture to the 10 interns in the Parliamentary Internship Programme of the House of Commons of Canada, who were having an exploratory visit in Québec City to study the workings of the province's parliamentary institutions.

In November 2017, the Commissioner provided a training session to political science students from Université Laval. This session was part of their Ethics and Public Administration course, offered to graduate and postgraduate students. The lecture focused on the implementation of ethical principles and rules of conduct that guide the conduct of MNAs, ministers and members of their staff. Many discussions revolved around topical issues, the enforcement mechanisms under the Ethics Commissioner's responsibility and various practical matters that interested the students.

In December 2018, as part of a conference held at Université Laval on the role of parliaments in fighting corruption, the Commissioner took part in a session focused more specifically on parliamentarians' responsibility in the matter. To an audience comprised mainly of academics from Commonwealth countries, the Commissioner presented Québec's framework for ethics and rules of conduct in the parliamentary milieu and discussed the issues and challenges associated with implementing such rules.

Collaboration with the academic community

The year 2017-2018 saw the emergence of several projects aimed at developing collaboration with the academic community. In December 2017, the Ethics Commissioner signed a memorandum of understanding with Université Laval to build a partnership with the Research Chair on Democracy and Parliamentary Institutions. Such a partnership already exists between this Chair and the National Assembly, as well as with the other Officers of the National Assembly. Through this agreement, the Ethics Commissioner:

- supports research activities on topics in line with the organization's mission;
- commits to participate in training activities, conferences, lectures and communications organized by the Research Chair; and
- has the possibility of accommodating interns or students for short periods.

Also in December 2017, the Commissioner met with the director of the Institut d'éthique appliquée (IDEA) of Université Laval to discuss avenues for collaboration between the two organizations.

Annual conference of the Canadian Conflict of Interest Network

The Canadian Conflict of Interest Network consists of ethics commissioners from the various Canadian jurisdictions. Each year, they, and some of their staff members, meet to discuss topics of common interest and share best practices.

This year's conference was held from September 6 to 8, 2017, in Charlottetown, Prince Edward Island. In addition to various round tables on the latest developments in ethics throughout the country, the commissioners discussed many topics such as the role of commissioners in developing regulations and codes of conduct concerning parliamentary ethics and conduct, the commissioner appointment process and the question of blind trusts and mandates.

Development of a Francophone network project on parliamentary ethics and conduct

Since February 2017, the idea of setting up a network of organizations responsible for parliamentary ethics and conduct has been circulating among the Assemblée parlementaire de la Francophonie (hereafter “the APF”). This project was proposed by the former commissioner, Jacques Saint-Laurent, and his counterpart of the Assemblée nationale française, Ferdinand Mélin-Soucramanien.

In 2017–2018, the Ethics Commissioner had the opportunity to continue discussion on the network. Among other things, she took part in a session of the Parliamentary Affairs Committee of the APF, a body in charge of these matters. In conjunction with the Déontologue of the Assemblée nationale française, the Commissioner stressed the importance and desirability of such a network, which would facilitate the sharing of expertise and best practices among organizations with similar missions.

This meeting, held in Brussels in March 2018, was also an opportunity for the Commissioner to solicit interviews with leaders of organizations with similar activities and responsibilities as the Ethics Commissioner. These organizations are:

- the Haute autorité pour la transparence de la vie publique (France)
- the Commission fédérale de déontologie (Belgium)
- the Comité consultatif sur la conduite des députés (European Union)

Discussions on the creation of this network have continued into the following fiscal year.

Training of the Ethics Commissioner’s staff

To support the Ethics Commissioner’s professional staff and foster their development, training activities were organized throughout the fiscal year, in particular thanks to the collaboration of other government agencies. Professional staff members thus had the opportunity to take part in training sessions on corruption, securities and interview techniques for inquiries, among other things.

Participation in the annual conference of the Council on Governmental Ethics Laws

In the past few years, the Ethics Commissioner has taken part in the annual conference of the Council on Governmental Ethics Laws (hereafter “COGEL”), a professional association that brings together individuals, agencies and organizations responsible for or concerned about governmental ethics, lobbying, elections and freedom of information. COGEL aims to facilitate the exchange of expertise, the sharing of knowledge and the dissemination of the latest developments in these fields, notably by holding this annual conference that brings together a few hundred North American professionals.

Two Ethics Commissioner representatives attended the conference in Toronto, in December 2017. In addition to participating in several thematic workshops on ethics, they had the opportunity to attend more-technical roundtable discussions about training, inquiries and the use of new technologies in the workplace.

IV. FINANCIAL STATEMENTS

Management's report

The Ethics Commissioner's financial statements were prepared by management, which is responsible for their preparation, presentation and the estimates and judgements included therein, and for choosing the appropriate accounting policies in accordance with the Public Sector Accounting Standards.

To fulfil its mandate, management maintains a system of internal controls to provide reasonable assurance that assets are safeguarded and that transactions are properly approved and accurately recorded in a timely basis and result in reliable financial statements.

As Ethics Commissioner, I recognize that I am responsible for conducting my affairs in accordance with the statutes and regulations governing my office.



Ariane Mignolet
Ethics Commissioner
Québec City, September 20, 2018

Operations and accumulated surplus for the fiscal year ended March 31, 2018

(in thousands of dollars)

		2018	2017
	Budget (note 3)	Results	Results
Revenue (note 4)	1 187.7	1 033.9	693.2
Expenses			
Remuneration	834.2	756.0	455.0
Transportation and communication services	28.5	18.5	8.9
Telecommunications	15.3	8.2	8.2
Professional, administrative and other services	188.0	139.0	125.8
Rent paid to the Société québécoise des infrastructures	95.5	95.5	88.3
Other rental payments	4.5	1.6	1.9
Materials and supplies	6.7	15.1	2.6
Expenses using appropriations	1 172.7	1 033.9	690.7
Amortization of tangible capital assets	45.0	26.8	32.4
	1 217.7	1 060.7	723.1
Annual deficit	(30.0)	(26.8)	(29.9)
Accumulated surplus at beginning of year		122.7	152.6
Accumulated surplus at end of year		95.9	122.7

The notes are an integral part of these financial statements.

Financial position as at March 31, 2018

(in thousands of dollars)

	2018	2017
Financial assets		
Cash entitlement	53.0	30.5
	53.0	30.5
Liabilities		
Accounts payable and accrued liabilities (note 5)	17.8	30.5
Deferred appropriations (note 6)	35.2	-
	53.0	30.5
Net debt	-	-
Non-financial assets		
Tangible capital assets (note 7)	95.9	122.7
	95.9	122.7
Accumulated surplus (note 8)	95.9	122.7
Contractual obligations (note 9)		

The notes are an integral part of these financial statements.

Change in net debt for the fiscal year ended March 31, 2018

(in thousands of dollars)

		2018	2017
	Budget (note 3)	Results	Results
Annual deficit	(30.0)	(26.8)	(29.9)
Change due to capital assets:			
Acquisition of tangible capital assets	(15.0)	-	(2.5)
Amortization of tangible capital assets	45.0	26.8	32.4
Change in net debt	-	-	-
Net debt at beginning of year		-	-
Net debt at end of year		-	-

The notes are an integral part of these financial statements.

Cash flow statement for the fiscal year ended March 31, 2018

(in thousands of dollars)

	2018	2017
Operating activities		
Annual deficit	(26.8)	(29.9)
Non-cash items:		
Amortization of tangible capital assets	26.8	32.4
Change in operating assets and liabilities:		
Accounts payable and accrued liabilities	(12.7)	26.3
Deferred appropriations	35.2	-
Prepaid expenses	-	1.5
Cash flows from operating activities	22.5	30.3
Tangible capital asset investment activity		
Acquisition of tangible capital assets	-	(2.5)
Increase in cash entitlement	22.5	27.8
Cash entitlement at beginning of year	30.5	2.7
Cash entitlement at end of year	53.0	30.5

The notes are an integral part of these financial statements.

Notes to the financial statements

March 31, 2018

(in thousands of dollars)

1. Nature of operations

The mission of the Ethics Commissioner is to oversee implementation of the Code of ethics and conduct of the Members of the National Assembly (chapter C-23.1) (Code), the Rules of conduct applicable to the staff of Members and House officers of the National Assembly (Rules) and the Regulation respecting the rules of conduct applicable to the office staff of ministers (chapter C-23.1, r. 2) (Regulation). The Commissioner serves all MNAs and their staff 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 MNA's obligations under the Code or staff members' obligations under the Rules or the Regulation. The Commissioner publishes guidelines for Members and their staff to follow in order to comply with the Code. At a MNA's request or on her own initiative, the Commissioner may conduct an audit or inquiry to determine whether a violation of the Code, Rules or Regulation has occurred. When she intervenes under the Code, the Commissioner must file an inquiry report 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.

The Ethics Commissioner is funded by annual appropriations from the National Assembly and is not subject to federal and provincial income tax laws.

2. Main accounting policies

Accounting reference

To prepare the financial statements, the Ethics Commissioner uses the CPA Canada Public Sector Accounting Handbook. Any other generally accepted accounting principles used must be consistent with the Handbook.

Use of estimations

Preparing the Ethics Commissioner's financial statements according to Canadian public sector accounting standards requires management to make significant estimates and judgements. 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 main element requiring the use of estimates is the service life of tangible capital assets. Actual results may differ from management's best estimates.

Notes to the financial statements March 31, 2018

(in thousands of dollars)

2. Main accounting policies (continued)

Revenue

Revenue is accounted for using the accrual method, that is, in the fiscal year in which the operations or events giving rise to it occur. Parliamentary appropriations are recognized as revenue when authorized and all eligibility criteria are met, unless these credits contain stipulations that create an obligation that meets the definition of liability. In these cases, they are recognized as revenue as the liability conditions are settled.

Assets

Cash entitlements

The financial transactions of the Ethics Commissioner were effected through the general fund of 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 general fund to discharge his or her obligations out of the appropriations granted to him or her.

Liabilities

Deferred appropriations

Some unused parliamentary appropriations may be carried forward only to the subsequent year. This postponement must be authorized beforehand by the Bureau of the National Assembly.

Notes to the financial statements

March 31, 2018

(in thousands of dollars)

2. Main accounting policies (continued)

Non-financial assets

By their nature, non-financial assets are generally used to provide future services.

Tangible capital assets

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

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

When conditions indicate that a tangible capital asset no longer contributes to the capacity to provide goods and services, or the value of the future economic benefits associated with the tangible capital assets is less than its net book value, its cost is reduced to reflect its decline in value. Capital losses on tangible capital assets are reflected in the book figures for the year. No reversal of allowance for impairment is recorded.

Services received without charge

The cost of certain support services is borne by the National Assembly and is not recognized in the results of the fiscal year.

3. Budget

The detailed budget, prepared by the management of the Ethics Commissioner, was approved by the Office of the National Assembly on April 13, 2017.

Notes to the financial statements March 31, 2018

(in thousands of dollars)

4. Revenue

The Ethics Commissioner is funded by annual parliamentary appropriations.

	2018	2017
Parliamentary appropriations		
Initial	1 187.7	1 169.3
Lapsed	(118.6)	(476.1)
Deferred to the next fiscal year	(35.2)	-
Appropriations used	1 033.9	693.2

5. Accounts payable and accrued liabilities

	2018	2017
Suppliers	2.0	17.1
Salaries	15.8	13.4
	17.8	30.5

6. Deferred Appropriations

For the year ended March 31, 2018, the Ethics Commissioner deferred \$ 35,181 in appropriations. There were no carry-overs in 2017.

	2018	2017
Opening balance	-	-
Deferrable credits	35.2	-
Lapsed credits	-	-
Transfer to the income of the exercise	-	-
Closing balance	35.2	-

Notes to the financial statements

March 31, 2018

(in thousands of dollars)

7. Tangible capital assets

				2018	2017
	Leasehold improvements	Equipment other than computer equipment	Computer equipment	Total	Total
Cost of capital assets					
Opening balance	233.4	71.6	17.2	322.2	319.7
Acquisitions	-	-	-	-	2.5
Adjustments	-	-	0.1	0.1	-
Closing balance	233.4	71.6	17.3	322.3	322.2
Accumulated amortization					
Opening balance	124.3	60.0	15.2	199.5	167.1
Amortization for the year	23.3	2.6	0.9	26.8	32.4
Adjustments	0.2	-0.1	-	0.1	-
Closing balance	147.8	62.5	16.1	226.4	199.5
Net book value	85.6	9.1	1.2	95.9	122.7

	2018	2017
Initial budget of tangible assets	15.0	15.0
Acquisitions of the fiscal year	-	(2.5)
Lapsed parliamentary appropriations	(15.0)	(12.5)

Notes to the financial statements March 31, 2018

(in thousands of dollars)

8. Accumulated surplus

The accumulated surplus is invested in tangible capital assets.

9. Contractual obligations

The Ethics Commissioner leases premises from the Société québécoise des infrastructures under an occupancy agreement ending on October 31, 2021. Commitments under this agreement for the next years are as follows:

2019	102.1
2020	102.1
2021	59.6

10. Related party transactions

In addition to the related party transactions already disclosed in the financial statements and reported at exchange value, the Ethics Commissioner is related for accounting purposes with all departments and special funds and with all public bodies and corporations controlled directly or indirectly by the Québec government or subject to joint control or to a notable joint influence on the part of the Quebec government. The Ethics Commissioner has not entered into any business transaction with these related parties other than in the normal course of business under normal commercial conditions. These transactions are not disclosed separately in the financial statements.

Division de la reprographie et de l'imprimerie
de l'Assemblée nationale du Québec

September 2018



Papier fabriqué au Québec

