



PROVINCE OF ALBERTA

**OFFICE OF THE
ETHICS COMMISSIONER

ANNUAL REPORT 1996-97**

May 5, 1997

Hon. Kenneth R. Kowalski
Speaker of the Legislative Assembly
325 Legislature Building
Edmonton, Alberta
T5K 2B6

Dear Mr. Speaker:

It is my honour and pleasure to submit to you the Annual Report of the Office of the Ethics Commissioner, covering the period from April 1, 1996 to March 31, 1997.

This report is submitted pursuant to section 44(1) of the *Conflicts of Interest Act*, Chapter C-22.1 of the 1991 Statutes of Alberta.

Yours very truly,

Robert C. Clark
Ethics Commissioner

ETHICS COMMISSIONER'S REMARKS

With this report, the Office of the Ethics Commissioner has reached its fifth anniversary and, with that anniversary, the expiration of my five-year appointment. I believe it would be appropriate in this report to reflect on the operations of the Office and to provide some comments on changes expected in the coming year.

I have enjoyed my five years as Alberta's first Ethics Commissioner. Embarking on a new initiative always results in a combination of exciting challenges and certain frustrations.

The Legislature passed the *Conflicts of Interest Act* in 1991, basing it largely on the limited experiences in Ontario and British Columbia. For the most part, I believe the legislation has worked well and that Members understand their obligations and strive to meet them. It is only through working with legislation over time, however, that one tends to find the areas that might have been handled differently.

In interpreting the legislation since it was proclaimed on March 1, 1993, it has been my practice to take a common sense approach. I sincerely believe that conflict of interest legislation ought to provide the public with

I have noted in previous reports that the title of this office causes some confusion in the general public. I have therefore recommended to the Standing Committee on Legislative Offices and to Legislative Counsel in the Justice Department that the title of the office be changed to "Conflict of Interest Commissioner." While that title will not eliminate all questions brought to

sufficient information to allow the public to determine whether public officials are acting in the public interest and not for personal gain, but it should not be so intrusive or onerous that it discourages people from public service.

I believe the disclosure forms we have been using have met the purposes of the Act. The forms provide enough information so that the public can determine where Members have interests but do not intrude on what are properly Members' private concerns. We have reviewed and refined the forms over the years and will continue to do so on an annual basis.

I am pleased with the use made of my office with respect to the provision of advice. As readers will note in the charts on pages 10 and 11 of this report, my office is regularly approached by MLAs, senior officials, public servants, and persons seeking elected office. For the past two years, we have received an average of just over two requests per week. I believe those statistics show that the office does serve a very useful purpose and we are pleased to provide our advice -- official and unofficial -- to those persons who wish to seek it. The statistics also demonstrate a continuing awareness of conflict of interest issues and a desire on the part of individuals affected to act responsibly.

my attention that are outside my jurisdiction, I believe it will clarify that my role within "ethics" is more limited to conflict of interest issues. It is my contention that on questions involving broader "ethical" considerations, the ultimate decision relating to Members' activities rests with the electorate.

Last year my annual report contained the recommendations of the *Conflicts of Interest Act* Review Panel. In December the Government issued its response to the Panel's report and attached as Appendix I to this year's report is that response.

Since the issuance of the Government's response, I have been consulted with respect to proposed amendments to the Act for the consideration of the Legislature. I have taken this opportunity to raise other minor amendments which, hopefully, will further improve the Conflicts Act. As I noted earlier, it is only through day-to-day administration of legislation that one is able to identify areas that are not as efficient, effective, or as clear as they perhaps ought to be or simply could be.

For example, the Review Panel noted that, while our "gift" section (section 7 of the Act) is similar to sections in British Columbia and Ontario, our legislation was not as clear as the other legislation. I believe the rewording that will be offered to the Legislature will meet the recommendation of the Review Panel and will assist my office in reviewing specific requests from Members.

I have commented in past reports that section 8 of the Act regarding contracts with the Crown is confusing. A complete revision of that section will be proposed and should state in clearer terms what is permissible and what is not.

Over the past four years that the Act has been fully in force, my office has conducted, on average, three investigations per year. The allegations raised have involved a wide variety of

issues and consideration of issues such as what constitutes a "private interest" and what is "normal constituency representation." The variety of issues that those terms may cover ensures that a precise definition will likely never exist; however, the debate that results from reviews and requests for advice helps to maintain some focus on the need to keep public responsibilities ahead of private interests.

I have also, on a more personal level, noted that public expectations as they relate to elected officials have grown and changed over the years. The new standards -- as evidenced by the passage of the Conflicts Act itself -- reflect what the public wants and expects from its elected Members and are an important element in public accountability.

I look forward to the Government's response to the Review Panel's recommendations regarding senior officials and other senior-level officials. I am pleased that the Personnel Administration Office is reviewing the *Code of Conduct and Ethics for the Public Service* as recommended by the former Auditor General. My office has had limited involvement in conflict of interest issues within the public service, but I have enjoyed the involvement and will continue to make myself available for consultation to whatever extent my services are requested.

Another of the Review Panel's recommendations related to lobbyist registration. I believe the time has come for such a registry. It is fundamental to our system of government that people convey their needs and aspirations to their elected representatives; however, the public also has a right to know

who is attempting to influence public decisions. The registry would be another vehicle for holding public officials accountable for their decisions. Transparency is essential both from an accountability perspective but also as a method of building trust in our democratic system. Should my office be asked to play a role in this area in the future, I would be pleased to do so.

Overall, the work has been enormously challenging and it has been a pleasure to serve as Alberta's first Ethics Commissioner. As an independent Officer of the Legislature, I am mindful that my decisions will not please all people. During those times, "independent" can result in standing "alone." But the vast majority of the time I have felt the support and cooperation of Members and senior officials and I am grateful for the opportunity that has been given to me to serve in this office.

While much has changed over the last five years, two things have remained fairly constant.

My office continues to remain small, although it is now greatly assisted by staff employed through the budget of my office as Information and Privacy Commissioner. Karen South has been with me as Ethics Commissioner from day one and continues in her role as my senior administrator. My legal advisors -- Frank Work (in-house) and David Jones (outside counsel) continue to give my office quality representation and I thank them for their counsel and friendship. Leanne Levy and Doris Tan provide administrative support and I wish to acknowledge their professionalism in fulfilling their duties.

The other constant in my office over the years has been in financing. Each year, the office has been able to return a small percentage of its annual budget back to the Provincial Treasurer. I am pleased that once again my office has been able to meet its obligations within the estimates presented to the Legislature.

DISCLOSURE STATEMENTS

While the *Conflicts of Interest Act* Review Panel was reviewing the Act and practices in my office, we developed a form for material changes which has now been used for the past year. I believe that this new form has been useful to Members in that it requires them to identify both an asset acquired and any consequent liability at the same time. A number of Members have used the form this year and reporting of material changes has been prompt.

We have determined that it is unnecessary for Members and senior officials to provide the same information year after year when there is no change. The information is important on an initial filing with my office but in subsequent years, providing that same information may be viewed as tedious and unnecessarily time-consuming.

We have decided to require all new elected or appointed officials to file a complete and

detailed statement as has been done since 1993. Thereafter the official will receive a different form that will require the official to identify any changes. We have taken care that the forms still require a complete review of the official's holdings, but we believe the new forms will not result in an annual repetition of the complete information already on file.

In my past reports I have stated that both MLAs and senior officials have been extremely prompt in filing their statements as required by the legislation or Cabinet directive. Filings last year were not as prompt. I do not intend to allow officials -- and Members especially -- to become lax in meeting this obligation. Delays in receiving private disclosure statements result in delays in producing the public statements which in turn means that accountability is affected. I will continue to work with caucus whips to ensure that deadlines are met.

INVESTIGATIONS

When one looks at the news from around the world regarding ethics issues, one cannot help but conclude that Alberta has been well-served by its elected and senior officials. Again this year, my office has not been asked to conduct many investigations that fell within the mandate set out in the *Conflicts of Interest Act*.

As shown in the chart on page 10, we receive far more requests for investigations than we conduct. This year we conducted two investigations and they are summarized in the following sections. On March 5, 1997, I issued a news release relating to a third investigation but

that investigation was still underway at year's end and therefore will be reported upon in next year's annual report. A brief commentary on the other requests is also provided.

Case 1: Allegation involving David Coutts, Member for Pincher Creek-Macleod

Mr. Coutts, the Member for Pincher Creek-Macleod, advised me that he had discovered that his direct associate had entered into a contract with Alberta Treasury Branches (ATB). We discussed section 8 with the Member and the Member requested that the matter be investigated.

The Member provided the details of the situation to me and I spoke with ATB officials in Edmonton and with the loans officer who had dealt with the Member's direct associate. The information provided by ATB confirmed the details provided by the Member.

Since becoming elected, the Member has not taken a day-to-day interest in the management of the restaurant that is his direct associate. The Member was not personally involved in seeking the loan from ATB. The Member took immediate steps once he became aware of the possible breach of section 8 and notified my office. Additionally, he took steps to terminate the loan arrangement with ATB.

I found that the Member had breached section 8 of the Act, but pointed out that I felt it was inadvertent. Consequently, I recommended no sanction and I further acknowledged the steps taken by the Member in dealing with this matter.

Case 2: Allegation involving the Honourable the Premier

The Member for Calgary-North West requested an investigation relating to certain activities of the Premier involved during a Trade Mission to Hong Kong and China and a subsequent related visit to Alberta from an Asian official.

In announcing my decision to conduct this investigation, I set out the intended scope of the investigation and specifically pointed out that this investigation would not review any matters covered in my report of an investigation conducted in 1995.

Virtually all of the evidence I relied upon during this investigation was given by way of statutory declaration. Copies of the statutory declarations were attached to my final report.

I found that no breach of the *Conflicts of Interest Act* had occurred during any portion of the Trade Mission to Hong Kong or China, the side trip taken by the Alberta delegation to Guangdong Province, or during the later visit to Alberta by a Vice-Governor from Guangdong Province.

INVESTIGATIONS INVOLVING SENIOR OFFICIALS

I commented in my last annual report that I had serious concerns about my authority to conduct any investigation involving a senior official who files disclosure documents with me.

Several allegations were raised regarding decisions or actions taken by public service

During my investigation into allegations involving the Premier, suggestions were made through the media that certain public servants involved in the Trade Mission should be investigated in addition to the Premier. Having spent considerable time discussing the legal question of my authority to investigate senior officials, I believe it is now generally accepted that I do not have that authority.

This issue requires clear legislative authority or, alternatively, any investigation must be conducted by appointment under the *Public Inquiries Act*, and the report must be presented to the Government and not the Legislature.

It is my position that no investigation can be conducted by me solely under the present

OTHER INVESTIGATIONS REQUESTED

directive relating to conflict of interest for senior officials.

A wide variety of issues are raised with my office each year that fall outside my mandate. As noted in past reports, my office attempts to direct the callers or writers to an appropriate source for assistance.

During 1996-97, my office received a number of complaints relating to local government officials. The complainants were referred to the Minister of Municipal Affairs for whatever information or assistance that office could provide.

departments or boards. Referral to the

Ombudsman or the Minister responsible was provided.

Some questions were asked regarding the appropriateness of certain actions by Members of the Legislature. In those instances, my office explained the role played by the Legislative Assembly Office with respect to such programs as Members' communications allowance or constituency offices. Additionally, we pointed out the Conflicts Act refers to "normal constituency activities" and we sought further clarification from the complainant as to whether "private interests" were being furthered. In all such cases during the past year, no complainant provided any indication of a private interest being furthered.

CASE COMMENTARIES

The most used section of the Conflicts Act is section 42 relating to the provision of advice to Members. It has been very rewarding to see how Members continue to make use of this section on a regular basis and to receive their appreciation for the advice given.

Below are some general comments on some of the issues raised during the past year.

Private Interests

In determining whether a "private interest" exists, I maintain that the Member is in the best position to identify the interest and to take the appropriate course of action. Although Members are not under any obligation under the Act to advise my office when they remove themselves

from taking part in a decision, a number of Members have routinely kept me advised of those facts. The Member's actions are noted on his or her file and should any questions arise regarding the Member's activities, my office can respond quickly to support the position that the Member has met his or her obligations. Most Members request my advice in writing so that they can produce the letter should questions arise, and I encourage Members to do so.

Questions are occasionally raised concerning the activities of a Member's spouse. The Act does not set out any obligations on a spouse -- the obligations must be met by the Member. We therefore caution the Member that the spouse's activities must be kept in mind when issues arise and whenever the Member believes a matter before the Assembly or the Member might further the interests of the Member's spouse, the Member must take appropriate actions to avoid any conflict.

From time to time, a Member must deal with a personal matter that relates to a provincial agency. The Act is not intended to disadvantage any Member by preventing him or her from dealing with government; however, in some instances, to ensure that no improper influence is used, we have recommended that a Member seek the assistance of an agent, colleague, or other individual to pursue the matter on behalf of the Member.

Members of the Executive Council

Campaign Activities

The Premier announced during 1996 that he expected to announce a general election in the Spring of 1997. Throughout the Fall and up to the writ being issued on February 11, 1997, I met with persons interested in seeking a nomination or election.

As has been my custom since 1992, I have agreed to meet with any potential candidates who have questions or concerns about conflict of interest matters. Additionally the political parties themselves have sought my advice on behalf of candidates.

I was pleased with the high level of persons interested in seeking public office and further pleased that these people are aware of the *Conflicts of Interest Act* and are eager to ensure that they avoid conflicts.

Constituency Work

Occasionally Members are asked by constituents to assist the constituent in an area where the Member is concerned that he or she has a interest. Where possible, the Member has advised the constituent of the interest and has recommended that a neighbouring colleague be asked to provide assistance.

In other cases, Members have assisted constituents but have withdrawn from certain discussions or meetings to avoid conflicts.

The *Conflicts of Interest Act* prohibits former Ministers from taking on certain employment within six months after leaving Executive Council. In view of the election and certain individuals not seeking re-election, my office issued a bulletin on "post-employment" issues. The bulletin provides general advice only since each Minister would have "significant official

Outside Employment

dealings" with different departments or agencies.

The *Conflicts of Interest Act* does not prohibit private Members from carrying on a business or other activities while being a Member. Many Members arrange for other family members or business partners to handle the day-to-day administration of a private corporation while the Member is in elected office. Occasionally, Members have questions concerning what matters they should avoid taking part in discussing or voting upon and together we discuss the extent of the "private interest" or the general applicability of the issue before the Member.

Blind Trusts

Sample blind trust agreement forms were provided to those Ministers interested in establishing a blind trust. During the past year, one new blind trust was established and approval was given for the Minister's choice of trustee.

Contracts with the Crown

One investigation was conducted this year relating to a prohibited contract with the Alberta Treasury Branches.

Other matters reviewed during 1996-97 included issues that relate particularly to rural Members and privately-owned land. Discussions on these issues dealt with whether the Member ought to enter into negotiations directly or whether using an agent would be preferable. Other concerns related to whether a program or benefit was available to other citizens and whether the Member would receive the same benefits as those other citizens.

Direct Associates

As described in the "Investigations" section, an issue arose this past year with respect to a contract entered into by a Member's direct associate. Other than that matter, no specific issues were raised over the past year for direct associates other than Members' spouses.

Fees, Gifts and Other Benefits

The most common question with respect to section 7 of the Conflicts Act dealing with fees,

gifts, and other benefits, continues to relate to a Member's ability to accept an invitation to attend a conference outside the province at the expense of a host jurisdiction or an association. It has been my practice to consider the request as it may relate to a possible conflict between the Member's public responsibilities and the acceptance of the invitation. In the cases considered by me during the past year, I found no conflict was likely by the Member's attendance at the conference.

Members are occasionally offered complimentary tickets to special events or facilities. I have approved acceptance only where the activity would not present a conflict or, in the case of a facility, where the Member might have an opportunity to meet with constituents. It is my continuing practice to refuse approval for the acceptance of complimentary passes that relate solely to the use of recreational or sporting facilities .

Senior Officials

Several senior officials and other public servants contacted my office over the past year to discuss outside activities. A number of the activities related to charitable foundations. I have advised public officials that they should not be actively involved in any fundraising activities that involve the Government of Alberta.

In other requests, my office has been pleased to provide general information to assist boards or agencies in the development of codes of conduct or conflict of interest guidelines.

PROFESSIONAL ASSOCIATIONS

I attended the annual meeting of the Council on Governmental Ethics Laws (COGEL) in Philadelphia, Pennsylvania, in December. That conference brings together officials involved in matters of ethics, lobbyist legislation, elections, and freedom of information and privacy. Alberta will be hosting this conference in September 1997. It will be co-sponsored by the Office of the Chief Electoral Officer and my joint offices of Ethics Commissioner and Information and Privacy Commissioner. We hope to receive some 200-250 delegates at that conference.

CCOIN (Canadian Conflict of Interest Network) met in Ottawa in October. A number of my colleagues have announced their intentions to leave their positions or have moved to new positions. I wish to express my gratitude for the assistance they have provided to me over the years. I value their wisdom and have enjoyed their friendship. Alberta will be hosting the 1997 annual meeting of CCOIN in September in conjunction with the COGEL conference.

PUBLIC INFORMATION

Speaking Engagements

I continue to accept speaking engagements throughout the province. These engagements provide an opportunity to promote a general understanding of the Act and obligations on Members and to offer advice on developing

codes of conducts for the group represented. I am also able to comment on the value of public service.

On some occasions, my participation included a combined presentation on my roles as Ethics Commissioner and Information and Privacy Commissioner.

Publications

As noted in last year's report, my office has begun publishing a document entitled "Ethics Bulletin." In 1996-97, the following issues were distributed:

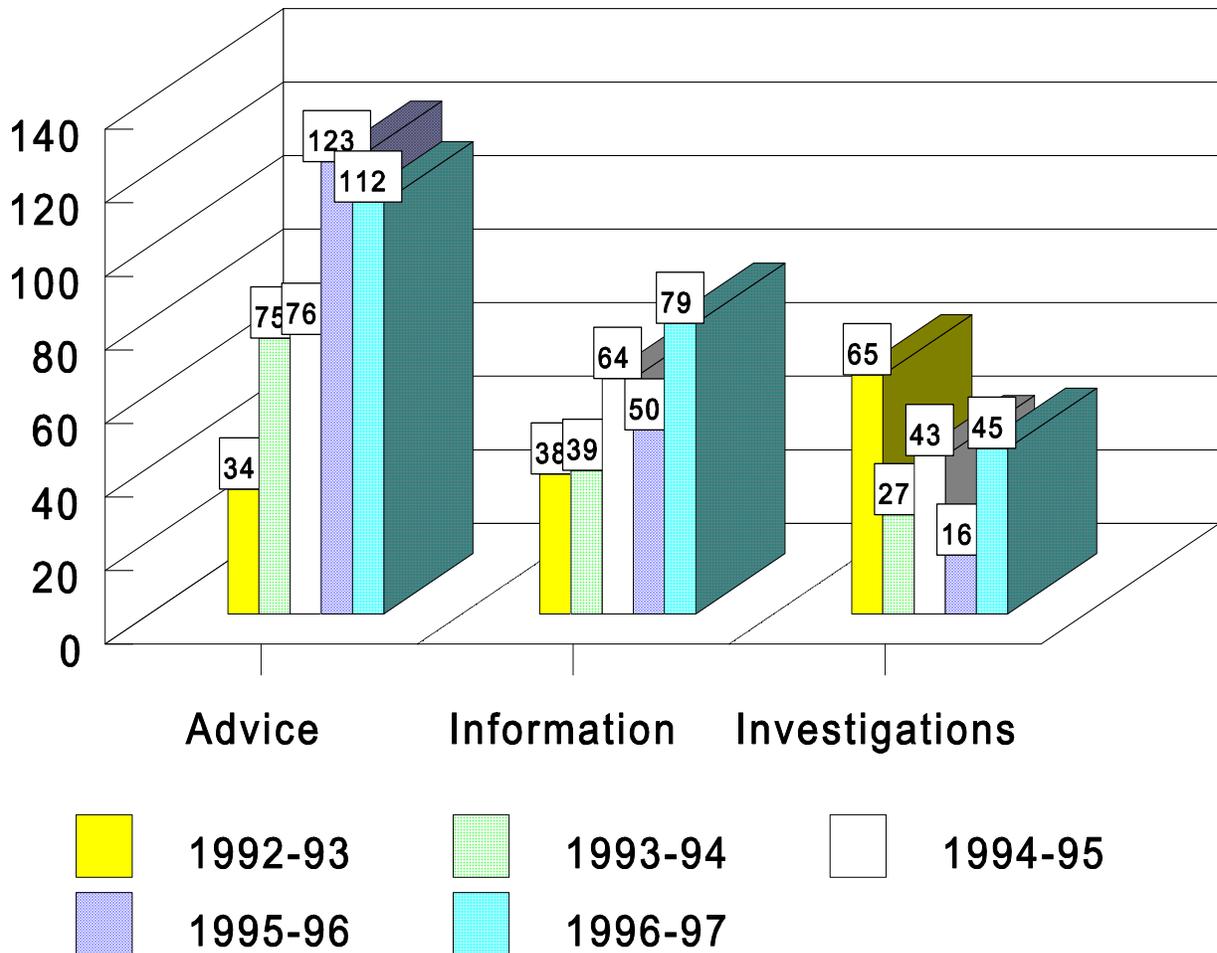
- April, No. 2 The Standard of "Apparent Conflict of Interest"
- July, No. 3 Investigations
- October, No. 4 Campaign Activities
- January, No. 5 Post-Employment

The text of the April issue on apparent conflict of interest was written by my colleague in British Columbia, Ted Hughes. It is my hope that other Canadian colleagues will agree to participate in providing remarks in future articles.

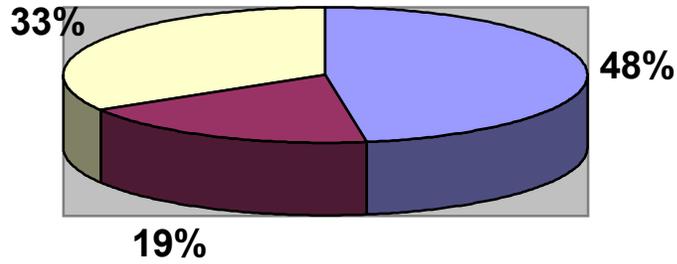
STATISTICS

The chart below shows use of this office for information, advice, or to raise concerns. I am most pleased with the requests for advice from Members, senior officials, candidates, and other interested citizens.

REQUESTS

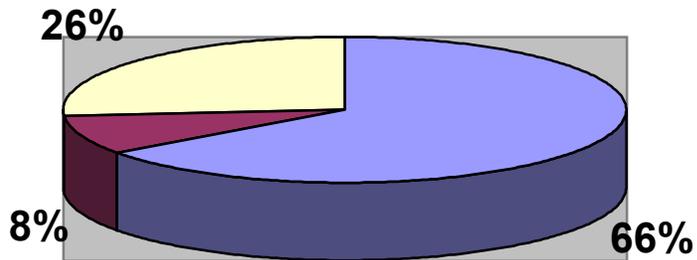


Statistics 1996-97



■ Advice ■ Investigations ■ Information

Statistics 1995-96



■ Advice ■ Investigations ■ Information

BUDGET

	1993/94 Actual Expenditures	1994/95 Actual Expenditures	1995/96 Actual Expenditures	1996/97 Estimate
SALARIES, WAGES AND EMPLOYEE BENEFITS	\$120,409.94	\$114,886	\$114,110	\$113,276
Travel	\$ 11,966.61	\$ 13,190	\$ 11,724	\$ 12,000
Insurance	0	0	600	2,500
Freight and Postage	179.51	149	329	300
Rental of Property, Equipment & Goods	5,335.96	4,612	4,975	3,800
Telephone & Communications	1,310.63	1,049	1,488	1,500
Repair & Maintenance of Equipment	0	465	60	300
Professional, Technical & Labour Services	16,366.61	14,354	19,867	23,000
Data Processing	0	27	512	500
Hosting	372.77	494	324	400
Materials and Supplies	2,581.14	2,202	8,751	4,000
SUPPLIES AND SERVICES	\$ 38,113.23	\$ 36,542	\$ 48,630	\$ 48,300
PURCHASE OF FIXED ASSETS	\$ 803.00	\$ 0	\$ 0	\$ 0
TOTAL EXPENDITURE	\$159,326.17	\$151,428	\$162,740	\$161,576

APPENDIX I

Government of Alberta's response to the
Conflict of Interest Act Review Panel
Proposed Integrity in Government and Politics Act

RECOMMENDATION	RESPONSE
<p>1. The Integrity in Government and Politics Act should begin with a clear statement of purpose that indicates to Members of the Legislative Assembly, appointed officials and the citizens of Alberta, the ethical obligations of public office holders.</p>	<p>The Government ACCEPTS the recommendation and will introduce the appropriate amendments to the Conflicts of Interest legislation.</p>
<p>2. The Integrity in Government and Politics Act should state that Members of the Legislative Assembly and appointed officials will avoid both real and "apparent" conflicts of interest.</p>	<p>The Government ACCEPTS the recommendation that the Conflicts of Interest Act should state that Members of the Legislative Assembly and appointed officials will avoid real conflicts of interest. The Government is unable to develop any satisfactory wording that would address the issue of "apparent" conflicts of interest without interfering with the fundamental right of elected officials to represent their constituents.</p>
<p>3. The Integrity in Government and Politics Act should establish an obligation on Members of the Legislative Assembly and appointed officials to act impartially on behalf of all Albertans. The present Act does not have such an obligation.</p>	<p>The Government ACCEPTS the recommendation and will introduce the appropriate amendments to the Conflicts of Interest legislation.</p>
<p>4. Under the proposed Integrity in Government and Politics Act, the obligations now imposed on Members of Executive Council and the restrictions now imposed on "former Ministers" should be extended to those Members of the Legislative Assembly who chair Standing Policy Committees and/or who chair or supervise in significant ways agencies of the Government of Alberta.</p>	<p>The Government DOES NOT ACCEPT the recommendation that the obligations currently imposed on Members of Cabinet should extend to members of the Legislative Assembly who chair Standing Policy Committees. Further consultation with the Ethics Commissioner will be required as to whether those obligations should extend to those who chair "significant" agencies of Government, and which agencies that might include.</p>
<p>5. Under the Integrity in Government and Politics Act, the Leader of the Official Opposition should operate under the responsibilities and obligations imposed on</p>	<p>The Government ACCEPTS the recommendation and will introduce the appropriate amendments to the Conflicts of Interest legislation.</p>

Members of Executive Council, those other Members of the Legislative Assembly noted in recommendation 4 and former Ministers.	
6. The Integrity in Government and Politics Act should employ a clear definition of the financial instruments in which Ministers and designated others should not be involved.	The Government ACCEPTS the recommendation and will introduce the appropriate amendments to the Conflicts of Interest legislation.
7. The present section on Members' contractual dealings with government is too complex. It requires clarification and simplification especially as "contracting out" of government services is now a major part of public management in Alberta.	The Government ACCEPTS the recommendation and will introduce the appropriate amendments to the Conflicts of Interest legislation.
8. The present obligation on Members, outlined in Section 12 of the Conflicts of Interest Act, to report the financial status of their spouses and minor children "so far as is known to the Member" is too weak. The Panel therefore recommends that Members be obliged to make "reasonable efforts" to ascertain the facts. Otherwise public disclosure cannot be effective.	The Government ACCEPTS the recommendation and will introduce the appropriate amendments to the Conflicts of Interest legislation.
9. When Members withdraw from their legislative duties because of conflicts of interest or apparent conflicts of interest, the general circumstances and times of such withdrawals must be part of the public record.	The Government ACCEPTS the recommendation and will introduce the appropriate amendments to the Conflicts of Interest legislation.
10. The present restrictions on the activities of former Ministers are legitimate safeguards of the public interest. The existing six month "cooling off" period is too short. It should be 12 months.	The recommendation is NOT ACCEPTED. The Government believes that the six month "cooling off" period is appropriate. An extension to one year would be too onerous a penalty in terms of future employment and earning opportunities.
11. Members must seek advice from the Ethics Commissioner when they are uncertain about what constitutes a gift, fee or other benefit or about the circumstances in which a gift, fee or benefit may be accepted. The onus is on them. Other Canadian governments deal with gifts in a manner similar to Alberta. No obviously superior policy alternative presents itself,	The Government ACCEPTS the recommendation and will introduce the appropriate amendments to the Conflicts of Interest legislation.

although other jurisdictions, notably British Columbia and Ontario, employ much clearer statutory language when dealing with gifts.	
12. Income, gifts or other benefits received from a political party are covered by the Act and must be reported and disclosed. Leaders of political parties must be especially mindful of their obligations in this regard.	The Government ACCEPTS the recommendation and will introduce the appropriate amendments to the Conflicts of Interest legislation.
13. The Integrity in Government and Politics Act should be reviewed by a committee of the Legislature every five years.	The Government ACCEPTS the recommendation and will introduce the appropriate amendments to the Conflicts of Interest legislation.
14. Consideration should be given to separating the Offices of the Ethics Commissioner and the Office of the Access to Information and Privacy Commissioner.	The Government ACCEPTS the recommendation and will continue to monitor the need for a separation of the Offices of the Ethics Commissioner and the Office of the Access to Information and Privacy Commissioner.
15. The educational activities of the Ethics Commissioner should be enhanced. The Commissioner should meet with each caucus at least twice annually. Candidates for elected office should be informed of their ethical obligations when they are nominated or even earlier if possible.	The Government ACCEPTS the recommendation and will introduce the appropriate amendments to the Conflicts of Interest legislation.
16. Members' unpaid property taxes should be publicly disclosed.	The Government ACCEPTS the recommendation and will introduce the appropriate amendments to the Conflicts of Interest legislation.
17. The disclosure forms used by the Office of the Ethics Commissioner must be continuously reviewed and updated. The forms should clearly state the Members' obligations and the purposes served by the information being requested.	The Government ACCEPTS the recommendation and will introduce the appropriate amendments to the Conflicts of Interest legislation.
18. The legitimate costs of Members for complying with the Act should be paid for by public funds.	The Government ACCEPTS the recommendation and will introduce the appropriate amendments to the Conflicts of Interest legislation.
19. The Integrity in Government and Politics Act must be drafted as clearly and as	The Government ACCEPTS the recommendation and will ensure that the

<p>tersely as possible. It must be "reader friendly." Such an important Act should be readily comprehensible to citizens and to those whose activities are governed by it.</p>	<p>amended Conflicts of Interest Act will be worded "... as clearly and as tersely as possible."</p>
<p>20. The Code of Conduct and Ethics for the Public Service must continue to be systematically reviewed and modernized in light of changing circumstances. Provincial public employees must know their obligations under the Code. Training and development activities in this area should be reviewed continuously to determine their effectiveness.</p>	<p>The Government ACCEPTS the recommendation and will introduce appropriate amendments to the Code of Conduct and Ethics as a regulation pursuant to the Public Service Act.</p>
<p>21. A new group of officials is proposed as the basis for a revised policy for appointed officials. The group will be called "policy officials." In addition to the obligations imposed by the Code of Ethics and Conduct for the Public Service, "policy officials" will be subject to obligations and restrictions outlined in the Integrity in Government and Politics Act. "Policy officials" means all present "senior officials," all assistant deputy ministers, executive assistants, senior staff in the Office of the Leader of the Opposition and a further group who, in the view of their Minister and the Premier, wield enough policy or administrative influence to be included.</p> <p>(The response to the right, reflects the Government's response to Recommendations #21 to #26 inclusive.)</p>	<p>In the Annual Report of the Auditor General dated September 16, 1996, pages 28-29, the Auditor General noted the following:</p> <p>I am pleased to be able to report that the Personnel Administration Office is close to finalizing a draft of a revised Code of Conduct and Ethics for employees appointed under the Public Service Act ... My general impression is that the revision will result in an improved Code that will be more useful in determining appropriate behaviour in today's public service environment ... Once the revised Code is finalized and issued, it would be appropriate, in my opinion, for the organizations referred to above, which receive significant public funds, to consider adopting the principles of the Code and its policies as the minimum standard of behaviour expected from their employees.</p> <p>The Government believes that the revised Code of Conduct and Ethics for employees appointed under the Public Service Act will meet the intent of the recommendations #21 to #26 inclusive. Once the revised Code is finalized, it will be reviewed with the Ethics Commissioner to determine if further action is required. The Government</p>

	will also develop a separate Code of Ethics for Ministerial staff and senior staff in the Office of the Leader of the Opposition.
22. "Policy officials' will be covered by a section of the Integrity in Government and Politics Act. The section will establish the disclosure obligations, post-employment restrictions and other obligations under which such officials should operate. To the extent possible, "policy officials" should be subject to the same obligations as Members of the Legislature and the same restrictions as Ministers and those other elected officials noted in recommendations 4 and 5.	
23. "Policy officials" should be subject to post-employment restrictions comparable to those imposed on Members of Executive Council and others specified in recommendations 4 and 5. This means a one year "cooling off" period.	
24. The disclosure statements of "Policy officials" should be disclosed to the public through the Ethics Commissioner.	
25. In the event of an alleged breach of the law by a "policy official," the Commissioner will investigate. If necessary he will recommend sanctions to the responsible minister, or party leader, who will decide on action to be taken, if any.	
26. Conflicts of interest rules are needed for those persons who hold significant positions in public institutions but who are not covered by the Integrity in Government and Politics Act. This policy would address the status of those in institutions that are extensively funded by the Government of Alberta like universities and colleges, school boards and regional health authorities. There are many other examples.	
Persons who hold positions of power and	

<p>public trust in such institutions must work under conflicts of interest rules that are clear, fair to the Albertans involved, and that promote the integrity of public institutions. Conflicts of interest rules are needed whenever persons in public institutions influence policy, have access to important information and influence the allocation of public money. As soon as possible, the Government should outline a detailed policy that covers these organizations and the people that serve in them.</p>	
<p>27. The Integrity in Government and Politics Act should require the registration of lobbyists and set standards for their conduct. Such legislation will make governments more transparent and more accountable.</p>	<p>The Government DEFERS consideration of this recommendation, and requests the Ethics Commissioner to review lobbyist registration guidelines in other jurisdictions as to their effectiveness, and report back. The Government also notes that a Private Members Bill on this matter is to be introduced in the 1997 Spring Session of the Legislature, at which time all Members will have the opportunity to debate this matter.</p>