



PROVINCE OF ALBERTA

**OFFICE OF THE
ETHICS COMMISSIONER**

ANNUAL REPORT 2004-2005

ABOUT THE OFFICE OF THE ETHICS COMMISSIONER

The Office of the Ethics Commissioner exists as a result of and operates under the *Conflicts of Interest Act* (Chapter C-23 of the Revised Statutes of Alberta 2000).

The Ethics Commissioner is an Officer of the Legislative Assembly. The Ethics Commissioner is appointed by Order-in-Council following passage of a motion in the Legislative Assembly approving the appointment. The motion follows a report and recommendation from the all-party Standing Committee on Legislative Offices.

The Ethics Commissioner reports to the Legislative Assembly through the Speaker with respect to annual reports, investigation reports, and matters relating to the Ethics Commissioner's jurisdiction or authority under the *Conflicts of Interest Act*, with the exception of administrative matters. The Ethics Commissioner presents budgetary estimates through the Standing Committee. The Legislative Assembly approves the budget for the Office of the Ethics Commissioner.

Upon receiving a report from the Ethics Commissioner, the Speaker is required to make the report public. If the Legislature is in session, the report is tabled at that time in the Legislature. If the Legislature is not in session, the report is released publicly and tabled when the Legislature next sits. (Reference: section 28 of the *Conflicts of Interest Act*.)

Under the *Conflicts of Interest Act*, the Legislative Assembly shall deal with an investigation report by the Ethics Commissioner within 60 days after the tabling of the report, or such other period determined by a resolution of the Legislative Assembly.

Under section 29 of the *Conflicts of Interest Act*, the Legislative Assembly may accept or reject the findings of the Ethics Commissioner or substitute its own findings and may if it determines that there is a breach

- (a) impose the sanction recommended by the Ethics Commissioner or any other sanction referred to in section 27(2) it considers appropriate, or
- (b) impose no sanction.

The Ethics Commissioner reports and recommends to the Assembly. The Legislative Assembly has full and final authority with respect to disciplinary matters relating to its Members.

Further information on the functions and responsibilities of the Office of the Ethics Commissioner may be obtained by contacting the office:

Office of the Ethics Commissioner
1250, 9925 - 109 Street, Edmonton, Alberta T5K 2J8
Phone: (780) 422-2273 Fax: (780) 422-2261
E-mail: generalinfo@ethicscommissioner.ab.ca
Website: www.ethicscommissioner.ab.ca

September 8, 2005

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, 2004 to March 31, 2005.

This report is submitted pursuant to section 46(1) of the *Conflicts of Interest Act*, Chapter C-23 of the 2000 Revised Statutes of Alberta.

Yours very truly,

Donald M. Hamilton
Ethics Commissioner

ETHICS COMMISSIONER'S REMARKS

Those of us in public service should be proud of what we do. We should be able to talk about our jobs with pride, with passion, and with a sense of accomplishment considering the general “peace, order and good government” that exists in this province and in this country.

This office has frequently provided its support for the work performed by Members of the Legislative Assembly of Alberta and Alberta’s public service both in our annual reports and in speeches or panel presentations. We have commented on the responsiveness of elected and senior officials regarding compliance with disclosure obligations, the diligence with which these individuals strive to meet all other obligations under the conflict of interest rules or legislation, and the cooperation we receive in obtaining information from them during investigations.

And yet trust levels in politicians and senior public servants does not change significantly from year to year.

The 2005 Profession Barometer report issued by Leger Marketing in late March 2005 revealed that public trust in politicians rose 2% from the 2004 survey. This profession remains at the bottom of that list for trust levels. As events were unfolding at the Gomery Inquiry into the federal sponsorship program at the end of this fiscal year, it is doubtful that any further gains in trust levels will be realized during 2005.

This is today’s reality in public service in Canada. Regardless of the best efforts of elected Members or public servants, cynicism and anger are increasing.

As has been noted by many others – the media and academics, among others – what the public appears to want most from its leaders is accountability. It is not sufficient to only step forward when credit is due for good work. Canadians would like to see officials step forward immediately when mistakes are made or programs are not carried out in the manner intended. Citizens would like to know what went wrong and how it went wrong and, yes, they are interested in who was responsible. Simply assigning blame, however, is not enough (nor, obviously, is not accepting responsibility at all). I would agree with what I feel the majority of Canadians believe: officials need to demonstrate more accountability in providing Canadians with information about what government is doing, how decisions are made and carried out, and on results – good or bad.

New Brunswick’s Commission on Legislative Democracy, in its “Final Report and Recommendations” dated December 31, 2004, made this point in its Recommendation Appendix: C, General Principles of Personal Conduct on page 128:

9. Accountability and Openness
 - a) Members are accountable for their decisions and actions to the public. They have a duty to consider issues on their merits, taking account of the views of others.
 - b) Members should be as open as possible about their decisions and actions that they take and give reasons for their decisions and restrict information only when the wider public interest clearly demands. . . .

11. Leadership
Members have a duty to promote and support these principles by leadership and example.

I believe 2005 will be an interesting one as Albertans watch to see what lessons are learned and what changes are made following last year's elections at all three levels of government.

In October 2004, this office was involved with an ethics workshop co-sponsored by the Sheldon Chumir Foundation for Ethics in Leadership and the Ethics Practitioners' Association of Canada. The subject for discussion at the roundtables held in Edmonton and Calgary was public trust in the public service. The report from the event, prepared by Alison Dempsey of the Chumir Foundation, is accessible on our website: (www.ethicscommissioner.ab.ca/EPAC/Workshop%20Report.pdf).

As the current public service (at all levels of government) is aging, it is becoming critical to demonstrate that public service is an honorable profession and worthy of consideration by today's graduates. The fact that public service can offer opportunities in some fields that are not available to the same degree anywhere else was noted at the roundtable. For example, legal practitioners interested in constitutional law or persons who wish to dedicate themselves to environmental protection may find public service offers more opportunity to pursue those interests. There are many more examples but roundtable participants felt that not enough is done to promote the public service and its unique opportunities. Attracting and retaining good employees will be a challenge for Alberta's public service, and it is certainly my intention to continue to offer my support and commendation for the good work carried out on a daily basis by both our public servants and Alberta's elected representatives.

It was heartening to read a guest column in the *Globe and Mail* on May 3, 2005 by Matt Young, completing his Masters of Public Administration from Halifax's Dalhousie University. He concluded his article (to which the paper gave the headline "Bureaucrat is not a dirty word") with the following: "Nonetheless, I'm pleased to report that government institutions will be shortly infused with another eager cohort, a cohort that sees beyond the derision to the highest aspirations of our profession: integrity, commitment to the public interest, public service, and some of the best public programs in the world. This is our pledge, and your assurance, of the kind of Canada we want into the next generation." I hope there are many more Matt Youngs entering public service in Canada.

Since there was no Fall sitting of the Legislature in 2004, the anticipated establishment of a Special Committee to review the *Conflicts of Interest Act* did not occur. The committee was struck on March 8, 2005, and will be chaired by Dr. Neil Brown, Member for Calgary-Nose Hill. Under the motion establishing it, the Committee must submit its report within one year of commencing its review. We look forward to participating in this process as much as the Committee wishes.

We were also pleased to note the changes at the federal level relating to conflict of interest for Members of the House of Commons and the Senate. Dr. Bernard Shapiro became the Ethics Commissioner in 2004, reporting to the House of Commons, and Mr. Jean Fournier became the Senate Ethics Officer as of April 1, 2005.

The Alberta provincial election in November 2004 resulted in the usual flurry of requests for advice from this office – from departing Members regarding their post-employment obligations and from new Members relating to their new obligations under our legislation. I wrote to each caucus and to the sole Alliance Member, offering to conduct an orientation session for the new Members. All parties accepted the offer and I met with the Alliance Member. Several Members contacted my office immediately upon their election and met with me individually as well – a promising sign of their desire to meet their conflict of interest obligations.

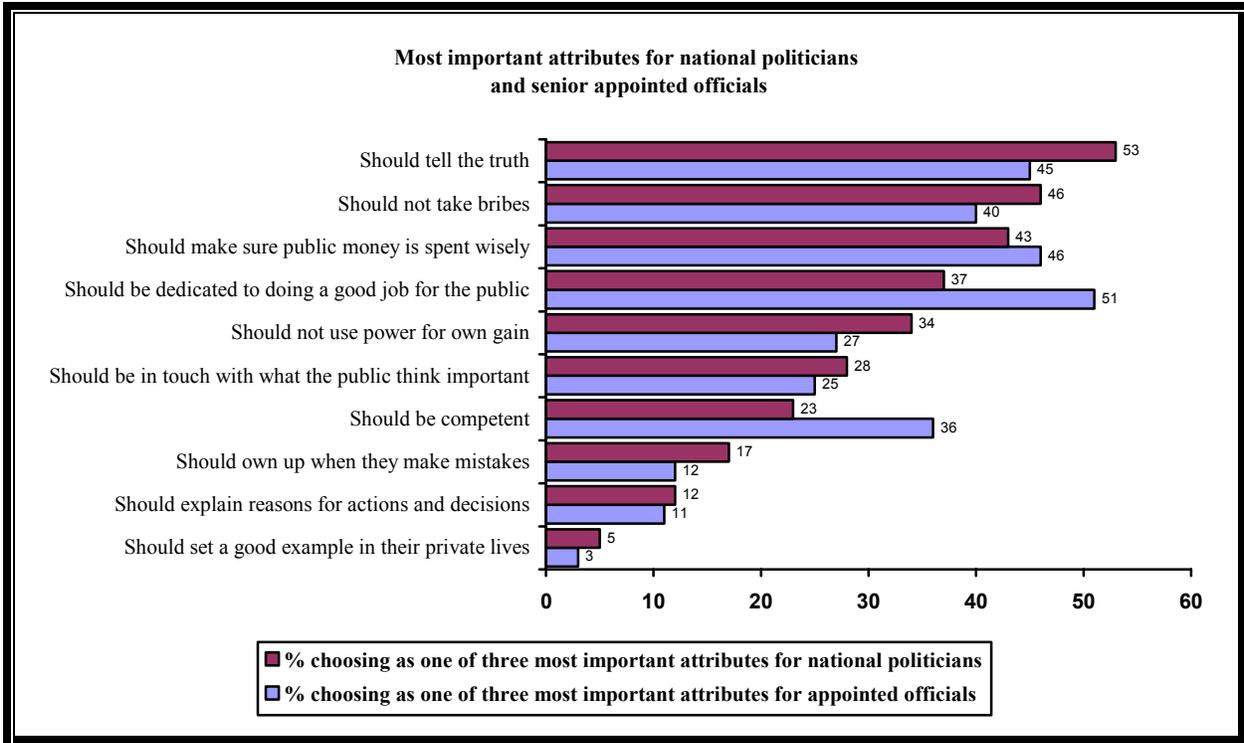
My office also conducted one investigation in 2004/05, and I will comment on that investigation later in this report.

In 2004/05, I accepted more speaking engagements. I would single out the requests I receive to speak to classes at the Alberta School at the Legislature. I enjoy these discussions very much. The students come from grade six classes and I find them to be well-briefed by their teachers on various processes, and I've been impressed by their participation in the classroom. The Legislature is to be commended for this initiative as I believe it will contribute significantly towards the next generation having an interest in public affairs in this province.

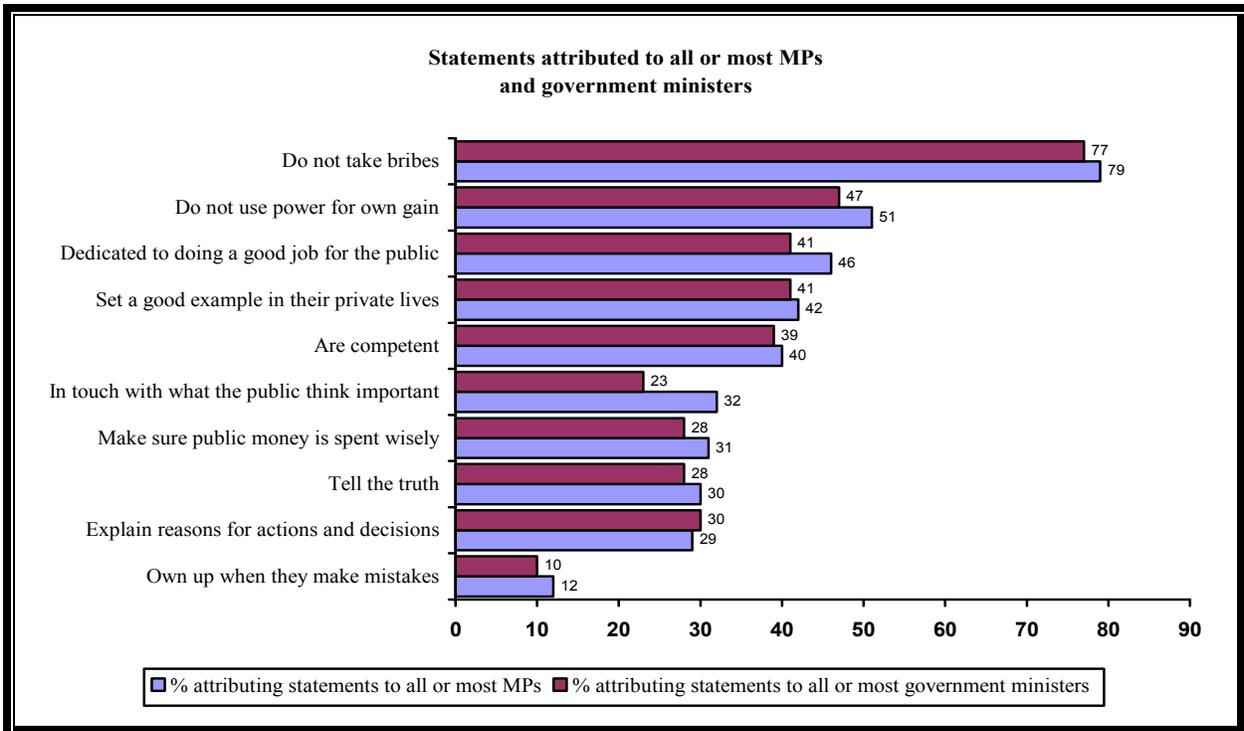
We anticipate 2005/06 will be a year of increased activity for us as a result of the Review Committee and our hosting of the annual meeting of the Canadian Conflict of Interest Commissioners (CCOIN). We will also be watching to see what actions Alberta's officials (and indeed all officials – whether elected or serving in public service – throughout Canada) take to improve public trust in our public institutions.

For the interest of readers of this annual report, the following page contains an excerpt from a report issued by the United Kingdom's Committee on Standards in Public Life, following a survey conducted on their behalf by BMRB Social Research and published in September 2004, on public attitudes towards conduct in public life, primarily relating to elected officials but also including senior appointed officials. I believe the views of Albertans and Canadians would be fairly similar.

We must trust that perception is not reality and that through commitment to public service, through the integrity demonstrated by individual politicians and public servants, and through dedication to openness and accountability, the results of surveys on public trust in elected officials and public servants will change for the better in the near future.



1: From "Survey of Public Attitudes Towards Conduct in Public Life," conducted on behalf of the Committee on Standards in Public Life by BMRB Social Research, United Kingdom, published in September 2004.



2: From "Survey of Public Attitudes Towards Conduct in Public Life," conducted on behalf of the Committee on Standards in Public Life by BMRB Social Research, United Kingdom, published in September 2004.

DISCLOSURE PROCESS

As mentioned earlier, a provincial general election was held in November 2004. Twenty-eight new Members were elected. Disclosure forms were provided to the new Members in January 2005 and all new MLAs met the filing deadline. By March 31, 2005, we met with the majority of the new Members. We advised them that in 2006, we would expect them to file disclosure statements according to the timeline previously established; that is, in future years, they would file as of April 15.

The Members who were returned to the Assembly were not provided with disclosure forms in January 2005. We indicated they would continue to file according to the previously established April to June timeline.

The disclosure forms for both elected and senior officials were all completed within the timelines in 2004/05. As always, we appreciate the cooperation we receive from the caucuses in ensuring that Members comply with the deadline.

As at the date of the issuance of the election Writ, provisions of the *Adult Interdependent Relationships Act* came into force with respect to amendments to the *Conflicts of Interest Act*. This meant that new Members and returning Members were now required to not only disclose “spouses” as defined in the *Conflicts of Interest Act* but also “adult interdependent partners” as defined in the *Adult Interdependent Relationships Act*.

For persons unfamiliar with this relatively new legislation, an “adult interdependent partner” is defined in section 3 of that Act:

3(1) Subject to subsection (2), a person is the adult interdependent partner of another person if

- (a) the person has lived with the other person in a relationship of interdependence
 - (i) for a continuous period of not less than 3 years, or
 - (ii) of some permanence, if there is a child of the relationship by birth or adoption,
- or
- (b) the person has entered into an adult interdependent partner agreement with the other person under section 7.

(2) Persons who are related to each other by blood or adoption may only become adult interdependent partners of each other by entering into an adult interdependent partner agreement under section 7.

“Relationship of interdependence” means “a relationship outside marriage in which any 2 persons (i) share one another’s lives, (ii) are emotionally committed to one another, and (iii) function as an economic and domestic unit.”

PROVISION OF ADVICE

The categories referred to in Figure 3 below reflect some of the variety of requests we receive. In a general election year, the statistics show an increase in the requests relating to “post-employment” matters and questions from new Members relating to former employers (including their ability to participate in matters relating to that employment), their ability to continue employment, or situations involving family members (primarily spouses).

Categories of Requests for Advice

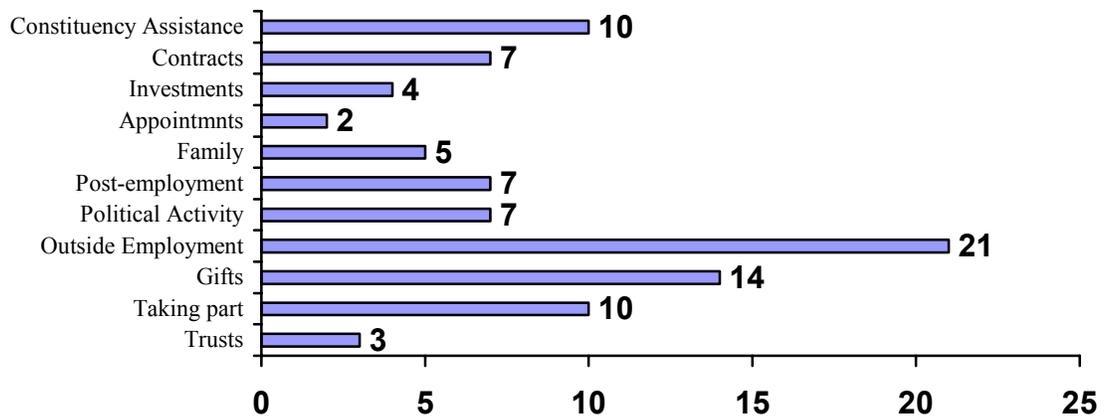


Figure 3

As mentioned in previous years, requests for advice come from both Members of the Legislative Assembly and Senior Officials. Additionally, the figures may include questions that we receive from candidates seeking elected office. The advice figure relating to “appointments” relates to requests we received regarding a potential appointee to a government committee or other similar mechanism that would be outside the jurisdiction of this office relating to Senior Officials and, most likely, not within the Alberta public service. Requests from public servants are occasionally received but in responding to those requests, the requester is also directed to the Public Service Commissioner’s office for her advice under the *Code of Conduct and Ethics for the Public Service of Alberta*.

CONDUCT OF INVESTIGATIONS

One investigation was conducted in 2004/05. For the first time, this office conducted an investigation at the request of a citizen. Previously, all investigations were conducted on requests received from Members of the Legislative Assembly.

In this case, a citizen had noted certain media articles relating to the Member for Edmonton-Norwood and his obligations under the *Maintenance Enforcement Act*. The citizen was also aware that the Legislature had amended that Act and believed that the Member was in a conflict of interest for participating in that process. I conducted the investigation and found that the Member was in breach of the Act even though the Member was in favour of the amendments and his private interests would have been furthered if he had voted against them. Members were reminded that they are obligated to remove themselves wherever they have a private interest and not only when those private interests might be furthered. The report of the investigation may be obtained from our website at <http://www.ethicscommissioner.ab.ca/investigationslist/2004/MasykReport.pdf>.

The non-jurisdictional “complaints” raised with my office in 2004/05 fall into the following broad categories:

Requests for Investigations

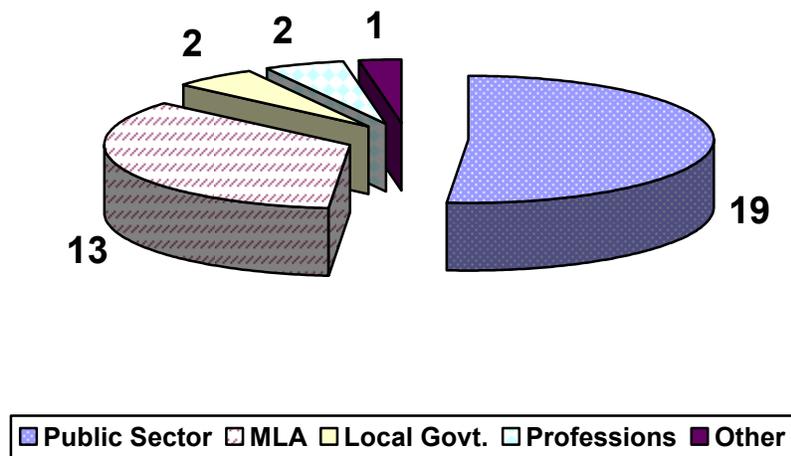


Figure 4

A number of citizens complained about the conduct or decisions of public servants. Where the citizen indicated the complaint related to a decision, the citizen was directed to the Ombudsman for possible assistance. In some cases, the citizen may have been directed to a Ministry or to the person’s own Member of the Legislative Assembly.

Where the complaint related to a profession (primarily health sector or legal field), the citizen may have been directed to the Registrar for a professional oversight body, the Law Society, or to the ministry responsible for Professions and Occupations.

The majority of “complaints” relating to Members of the Legislative Assembly are not matters that would fall within my jurisdiction. Typically, a caller will criticize the actions of a Member or the Government. In this fiscal year, there were criticisms relating to election activities, a failure by a Member to respond to a constituent’s concerns or criticism of the Member’s response to that constituent, and issues involving former Members. In each case, the jurisdiction of this office was explained.

EDUCATIONAL INITIATIVES

I. Ethics Events or Conferences

A. Canadian Conflict of Interest Network (CCOIN)

The annual meeting of CCOIN was held in Halifax in September 2004. Karen South, Senior Administrator, and I attended this meeting. Dr. Bernard Shapiro, Ethics Commissioner, Ottawa, was welcomed to our association and CCOIN was able to say farewell to Howard Wilson, who served as Canada's Ethics Counsellor until the new conflict of interest legislation came into force in 2004.

Our proposal to host the event in Edmonton in 2005 was accepted during the 2003 annual meeting and we look forward to hosting our colleagues in September of this year.

B. Council on Governmental Ethics Laws

I attended the conference of the Council on Governmental Ethics Laws (COGEL) in San Francisco, California, in December 2004. During the conference, I participated on two panels: the Ethics Update and a session on Pay-to-Play Contracts. The 2005 conference will be held in Boston, Massachusetts, in December.

C. Sheldon Chumir Foundation for Ethics in Leadership / Ethics Practitioners' Association of Canada (EPAC)

As mentioned in my opening comments, this office was pleased to support an event co-hosted by the Sheldon Chumir Foundation for Ethics in Leadership and the Ethics Practitioners' Association of Canada. Two half-day roundtables were held in October 2004; one in Calgary and one in Edmonton. Participants heard from a panel composed of the Hon. E.N. (Ted) Hughes, Q.C., Commissioner on Conflict of Interest for the Northwest Territories; Mary Pat MacKinnon, Director of the Public Engagement Network of the Canadian Policy Research Network; and Mr. Pierre Martel, Executive Director of the Public Service Integrity Office, Government of Canada. Discussions revolved around five themes and participants offered their views and suggestions on those themes. A moderator (Donna McElligott of the CBC in Calgary and Graham Thomson of the Edmonton Journal in Edmonton) then led the panelists in a final summation and commentary on the roundtable discussion. The response to this format was very positive. The report of this event is available on our website as noted earlier.

D. St. Paul's University Symposium, Ottawa

Following the CCOIN meeting in Halifax, the Senior Administrator and I attended the National Ethics Symposium held at the Ethics Centre at St. Paul's University in Ottawa. Speakers included current and former Auditor Generals, representatives from the senior public service, journalists, academics and a representative from a European ethics organization. The Senior Administrator also attended the Annual General Meeting of the

Ethics Practitioners' Association of Canada held in conjunction with the St. Paul's symposium.

E. Other

We also attended a half-day presentation on "Ethical Leadership: Presentations on Organizational Integrity" sponsored by the Alberta Catholic Health Corporation and the Caritas Health Group at the Providence Renewal Centre in Edmonton. The featured presenter was Wm. James S. Spencer from Minnesota.

II. Tanzanian Ethics Promotion Project

In the second and final phase of the Tanzanian Ethics Promotion Project, funded by the Canadian International Development Agency (CIDA) and being carried out primarily by the University of Calgary's International Centre and IRIS Environmental Systems Inc., a second group of four Fellows traveled to Calgary to study at the University of Calgary and work with various agencies in Calgary.

The four Fellows – Adieu Nyondo, Peter Mushi, Cathlex Makawia, and Waziri Kipacha – visited Edmonton for one week and were able to meet with officials within the offices of the Legislature Officers, the Alberta public service, the City of Edmonton, Workers' Compensation Board, and the University of Alberta. Additionally, they attended at the Alberta Legislature and observed a portion of a day's proceedings.

III. Speaking Engagements

Date	Event/Speaking Engagement
April 6	Legislative Assembly Page Development Seminar Program, Edmonton
April 16	Southern Alberta Ministers Conference, Calgary
April 21	School at the Legislature - Terrace Heights Elementary, Edmonton
May 27	Executive Development Forum on Ethics, Provincial Museum, Edmonton
June 15	Speech & Luncheon – to Probus Club, Mayfair G&CC, Edmonton
September 14	Corporate Ethics Management Council session on "Managing Whistle-blowing Mechanisms", Calgary
October 12	Rundle School, Edmonton (Senior Administrator)
October 14	School at the Legislature
October 27	Ethics Awareness Week at WCB -- lunch presentation, Edmonton
November 16	National Standards System Conference, Calgary
December 5-8	COGEL Conference, San Francisco: participation on panels
March 8	School at the Legislature
March 15	School at the Legislature

IV. Publications

The Business Plan was updated for 2005-2006 and was submitted to the Standing Committee on Legislative Offices to assist them in their consideration of our budget submission.

COMPARATIVE STATISTICS

The pie chart below shows the percentage of requests received by our office that dealt with information, investigations, or provision of advice.

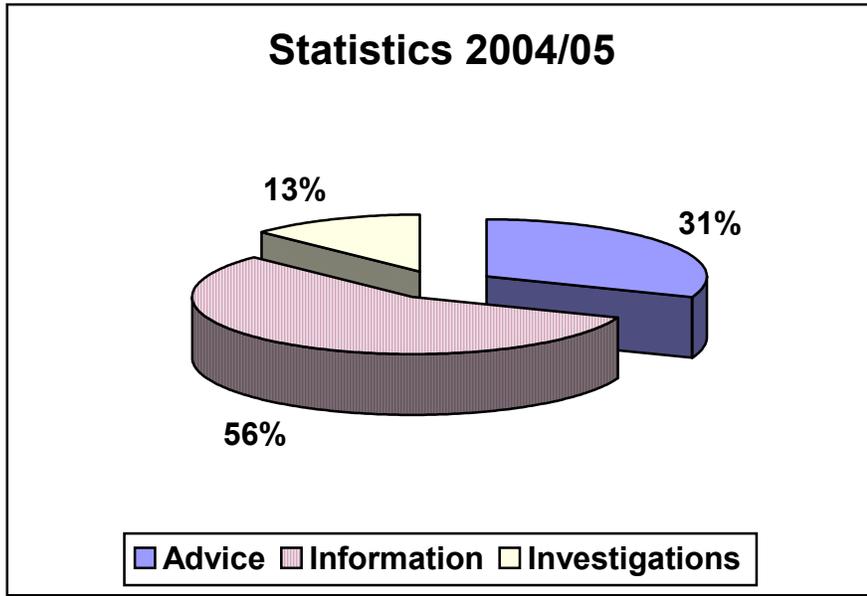


Figure 5A

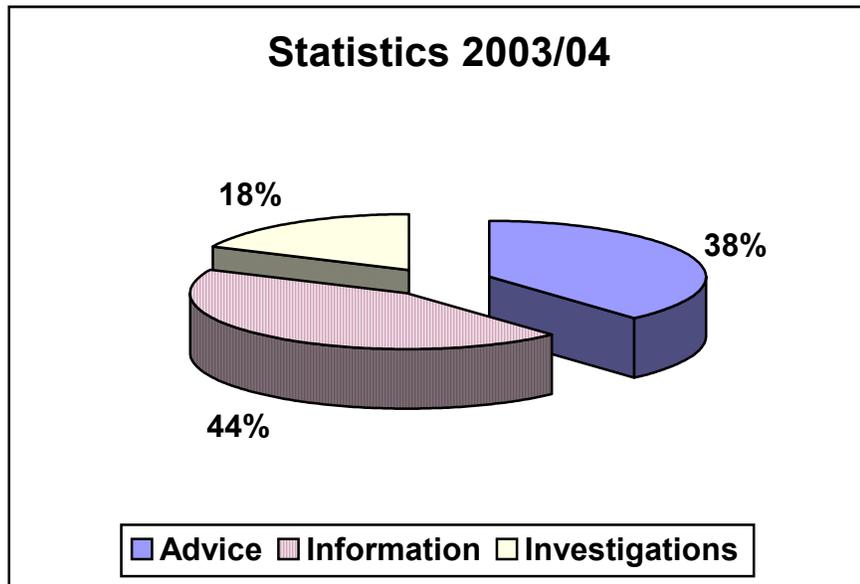


Figure 5B