



Twenty-Sixth Legislature
Third Session

Standing Committee on Government Services

NOVEMBER 2007

Report on Bill 2: *Conflicts of Interest Amendment Act, 2007*



Standing Committee on Government Services

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To the Honourable Ken Kowalski
Speaker of the Legislative Assembly of Alberta

The Standing Committee on Government Services has the honour to submit its Report containing recommendations on Bill 2, *Conflicts of Interest Amendment Act, 2007* for consideration by the Legislative Assembly of Alberta.

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Calgary Buffalo
Chair
Standing Committee on Government Services

Mo Elsalhy, MLA
Edmonton-McClung
Deputy Chair
Standing Committee on Government Services

Contents

Members of the Standing Committee on Government Services	1
1.0 Introduction	2
2.0 Order of Reference	2
3.0 Recommendations	
3.1 Proposed Amendments to Bill 2	3
Appendix A: Explanatory Notes	4
Appendix B: List of Submitters	5

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26th Legislature, Third Session

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Temporary Substitutions*

For Brian Mason:

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*Substitution pursuant to Temporary Standing Order 56(2.1-2.3).

1.0 Introduction

Bill 2: *Conflicts of Interest Amendment Act, 2007* was introduced by Dr. Neil Brown and received First Reading on April 18, 2007. The Bill passed Second Reading on May 9, 2007. It was referred to the Standing Committee on Government Services on May 30, 2007. The Committee invited written submissions on the Bill from stakeholders and advertised for written submissions from the public (See Appendix B: List of Submitters).

2.0 Order of Reference

Excerpt from the *Votes and Proceedings of the Legislative Assembly of Alberta*, Wednesday, May 30, 2007:

Government Motions

23. Moved by Hon. Mr. Hancock:

Be it resolved that the Legislative Assembly refer Bill 2, Conflicts of Interest Amendment Act, 2007, to the Standing Committee on Government Services for the committee's consideration, review, and comment, and request the committee to report to the Assembly on or before the first week of the Fall 2007 sitting.

A debate followed.

The question being put, the motion was agreed to.

3.0 Recommendations

3.1 Proposed Amendments to Bill 2:

The Standing Committee on Government Services recommends that Bill 2, *Conflicts of Interest Amendment Act, 2007*, proceed with the following proposed amendments:

CONFLICTS OF INTEREST AMENDMENT ACT, 2007

A Section 11 is amended in the proposed clause (b.1) by adding “of which the Member is aware” **after** “proceedings”.

B Section 20(1) is amended in the proposed subsection (2) by adding “or any other person” **after** “Member” **wherever it occurs.**

C Section 21(1) is amended

(a) in clause (e) in the proposed subsection (3)(a)(i) by striking out “activity,”;

(b) in clause (g) in the proposed subsection (7)

(i) by adding “or any other person” **after** “a former Minister”;

(ii) by adding “or any other person who has realized the financial gain” **after** “the former Minister”.

D Section 22 is amended

(a) in the proposed section 32.1(5)(a)(i) by striking out “activity,”;

(b) in the proposed section 32.1(8)

(i) by adding “or any other person” **after** “a former political staff member”;

(ii) by adding “or any other person who has realized the financial gain” **after** “the former political staff member”.

Appendix A: Explanatory Notes

Section 11 – Members’ Disclosure Statements

In the Proposed Clause (b.1)

A Member should only be required to disclose those legal proceedings of which he/she is aware. This proposed amendment would bring the provision more closely in line with the recommendations of the Select Special Conflicts of Interest Act Review Committee.

Section 20(1) – Breaches by Members

In the Proposed Subsection (2)

This proposed amendment would allow a person who has been financially affected by a Member’s breach of the Act to pursue an action against any person, including the Member, who has gained financially from the breach. The proposed amendment would bring the provision more closely in line with the recommendations of the Select Special Conflicts of Interest Act Review Committee.

Section 21(1) – Prohibitions on Former Ministers

In the Proposed Subsection 31(3)(a)(i)

The word “activity” is inappropriate in the context of this provision. An activity cannot be “awarded, approved or given.” This proposed amendment reflects a simple improvement in the drafting language.

In the Proposed Subsection (7)

This proposed amendment would allow a person who has been financially affected by a former Minister’s breach of the Act to pursue an action against any person, including the former Minister, who has gained financially from the breach. While the original recommendations of the Select Special Conflicts of Interest Act Review Committee did not contemplate claims against persons other than the former Minister, this proposed amendment would bring the provision in line with the restitutionary provision applicable to Members.

Section 22 – Prohibitions on Former Political Staff Members

In the Proposed Section 32.1(5)(a)(i)

The word “activity” is inappropriate in the context of this provision. This proposed amendment reflects a simple improvement in the drafting language.

In the Proposed Section 32.1(8)

This proposed amendment would allow a person who has been financially affected by a former political staff member’s breach of the Act to pursue an action against any person, including the former political staff member, who has gained financially from the breach. While the Select Special Conflicts of Interest Act Review Committee made a general recommendation that cooling-off periods should be introduced for senior policy officials, it did not address questions of punishment and restitution for violations of the cooling-off provisions. This proposed amendment would bring the provisions in line with the restitutionary provisions applicable to Members and former Ministers.

Appendix B: List of Submitters

The Standing Committee on Government Services invited written submissions on the Bill from identified stakeholders and advertised for written submissions from the public. The Committee received six written submissions. A list of those who made written submissions follows.

Name	Organization
1. Debra Evans	Private Citizen
2. Jonathan Moser	Dow Chemical Canada Inc
3. Duff Conacher	Democracy Watch
4. Morten Paulsen	Fleishman-Hillard Canada Inc.
5. Heather MacIntosh	Sheldon Chumir Foundation
6. Susan G. Durk	Prairie Breeze Inn, RV & Camping