

1979 BILL 202

First Session, 19th Legislature, 28 Elizabeth II

THE LEGISLATIVE ASSEMBLY OF ALBERTA

BILL 202

THE CODE OF ETHICS AND CONDUCT ACT

MR. NOTLEY

First Reading -----

Second Reading -----

Committee of the Whole -----

Third Reading -----

Royal Assent -----

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Bill 202
Mr. Notley

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THE CODE OF ETHICS AND CONDUCT ACT

(Assented to _____, 1979)

HER MAJESTY, by and with the advice and consent of the
Legislative Assembly of Alberta, enacts as follows:

1. In this Act,

- (a) "asset" means any property of value, including land or any interest in land, personal or intellectual property, shares in a company, interest in a business, any security or interest therein or a directorship in a company doing business in Alberta, but shall not include
 - (i) any residence actually used as such by the person or his family;
 - (ii) any part of a farm or business premises which are actually used as a residence by the person or his family;
 - (iii) any recreational home used by the person or his family;
 - (iv) any personal household effects or other property, including the normal physical contents of his residence or recreational home used for ordinary living and enjoyment by the person or his family including vehicles, boats and aircraft;
 - (v) cash and bank or savings accounts;
 - (vi) bonds or securities of any level of Government of Canada or of any agency of any such government;
 - (vii) a registered retirement savings plan;
 - (viii) a registered home ownership savings plan;
 - (ix) land or any interest therein or physical personal property located outside Alberta;
 - (x) any interest or directorship in a business or a company doing business only outside Alberta;
 - (xi) any security given by a company doing business only outside Alberta or given on assets located outside Alberta;

Explanatory Notes

1. Definitions.

- (xii) an insurance policy or benefit;
- (xiii) a pension, annuity or interest therein.
- (b) "blind trust" means a trust over which the beneficiary has no control, other than by way of receipt of income;
- (c) "business" means the carrying on of a profession, trade, occupation or undertaking of any kind whatever and includes an office or employment;
- (d) "conflict of interest" means a situation where an individual's private interests conflict with his public duty;
- (e) "executive staff member" means a person appointed by a Minister to serve on his executive staff, whether or not of the status of a Deputy Minister, and who is paid out of public funds, but does not include secretarial or clerical staff;
- (f) "family" means a spouse or dependent relative living with a person;
- (g) "head of a Crown Corporation" means the Chief Executive Officer of a Crown Corporation listed in the Schedule;
- (h) "shareholder" means a person holding directly or beneficially, otherwise than through a blind trust, more than 5% of the issued share capital of a company.

CONFLICT OF INTEREST

2. No member of the Legislative Assembly, Minister or executive staff member shall request or accept payment or other benefit for functions which are part of their public duties other than the remuneration and benefits accruing to his position.

3. No member of the Legislative Assembly may take supplementary employment other than as authorised by or pursuant to any Act,

- (a) which is performed in such a way as to appear to be an official act, or to directly represent the Government of Alberta; or
- (b) which unduly interferes with his responsibilities as a member.

4. No Minister may carry on business other than as a Minister, except

- (a) a family farm; or
- (b) a business carried on through a blind trust.

5. No executive staff member or head of a Crown Corporation shall

- (a) carry on any business other than as an executive staff member or head of a Crown Corporation, except
 - (i) a family farm, or
 - (ii) a business carried on through a blind trust;

2. This section provides additional sanctions concerning matters covered by the *Criminal Code (Canada)*, sections 107-111.

3. This section provides prohibition concerning outside employment in addition to those contained in *The Legislative Assembly Act*.

4. Ministers are prohibited from carrying on major business activities while they are in office.

5. Restrictions on outside employment by executive staff members and heads of Crown Corporations.

- (b) be a person, or be a director, officer or shareholder of a company, holding or engaged in any contract or agreement with Her Majesty under which any public money of the Province is expended for any service or work, matter or thing other than the contract under which he holds his position as executive staff member or head of a Crown Corporation.

PUBLIC DISCLOSURE

6. (1) At the time of assuming office every member of the Legislative Assembly, Minister, executive staff member and head of a Crown Corporation shall file with the Clerk of the Legislative Assembly a declaration of

- (a) his assets, and
- (b) every position that he has held as director of a company doing business in Alberta within the previous 5 years.

(2) The Clerk shall maintain the information available for public scrutiny.

(3) A person who is requested to file a declaration pursuant to subsection (1) shall also file any change to it.

7. Every member of the Legislative Assembly shall disclose to the Assembly the nature of any significant asset that he has, where the value of such investment is likely to be affected by a resolution of the Assembly, and the member shall refrain from voting on the resolution.

EMPLOYMENT FOLLOWING PUBLIC OFFICE

8. (1) Every executive staff member and head of a Crown Corporation shall

- (a) disclose to his Minister all serious offers of positions outside Government service which would put him in a position of conflict of interest;
- (b) disclose to his Minister any job offer under serious consideration that has been received from an individual, organization or interest group with a commercial orientation in the private sector and with which he has had official dealings.

(2) In seeking or negotiating a position outside Government service every executive staff member and head of a Crown Corporation shall ensure that such endeavours do not interfere with his official duties or place him in conflict of interest.

9. No Minister, executive staff member or head of a Crown Corporation shall, for a period of 2 years following his employment in that capacity

- (a) accept a directorship of a company which was, as a matter of course, in a special relationship with the department or agency with which he was last employed, whereby the com-

6. Corporate directorships held within the previous 5 years and assets held while in office are to be disclosed.

7. This section enacts an existing provision of the Standing Orders of the Legislative Assembly.

8. Requires executive staff and heads of Crown Corporations to disclose job offers which place the individual in a conflict of interest, or which is under serious consideration and made by a group or individual with which he has had official dealings.

9. Ministers, their executive staff and heads of Crown Corporations are prohibited for a period of 2 years from taking employment with companies or with respect to matters with which they have been officially involved.

pany was subject to regulation by the department or agency, or received subsidies, loans or other financial assistance from the department or agency, or

- (b) act for or on behalf of any person in connection with any specific proceeding, transaction, cause or other matter to which the Government of Alberta is a party and with which he had a personal and substantial involvement on behalf of a department or agency of the Government;
- (c) lobby on behalf of any person before any department or agency with which he was employed or with which he had a direct and substantial official relationship during the period of 2 years prior to the termination of his employment.

10. No Minister, executive staff member or head of a Crown Corporation shall, within a period of 1 year following employment in that capacity,

- (a) accept employment with a person with whom he had significant direct official dealings during the last year of his employment;
- (b) act for or on behalf of any person in connection with any specific proceeding, transaction, cause or other matter which came under authority of his department or Crown Corporation during the period of 1 year prior to the termination of his employment;
- (c) give advice on the programs or policies of the department or agency with which he was employed or with which he had a direct, substantial relationship during the period of 1 year prior to the termination of his employment, where the advice is to be used for commercial purposes.

11. (1) No former Minister, executive staff member or head of a Crown Corporation shall be appointed to a position in the public service of Alberta without there being a competition for that position.

(2) In appointing persons to offices or commissions, the Lieutenant Governor in Council shall ensure that no former Minister, executive staff member or head of a Crown Corporation is appointed without prior consideration of other potential applicants with similar or greater qualifications.

12. The Lieutenant Governor in Council may make regulations establishing procedures for carrying out the purposes of this Act.

13. Anyone who violates a provision of this Act is guilty of an offence, and liable on summary conviction to be removed from his capacity as Minister, executive staff member or head of a Crown Corporation or to be declared ineligible to be a member of the Legislative Assembly, as the case may be, and to a fine of up to \$10 000.

14. This Act comes into force on the day upon which it is assented to.

10. Ministers, their executive staff and heads of Crown Corporations are prohibited from accepting employment in areas where they have had general involvement in the government service, for a period of 1 year.

11. Former Ministers, their executive staff and heads of Crown Corporations are eligible for employment with the Government following their service provided that it is ensured that the appointments are seen to be fair.

12. Regulations.

13. Penalties.

SCHEDULE

Pacific Western Airlines
Alberta Energy Company
Alberta Agricultural Development Corporation
Alberta Educational Communications Corporation
Alberta Government Telephones
Alberta Hail and Crop Insurance Corporation
Alberta Housing Corporation
Alberta Municipal Financing Corporation
Alberta Oil Sands Technology and Research Authority
Alberta Opportunity Company
Alberta Research Council
Alberta Resources Railway Corporation