



Opening Statement before the House of Commons Standing Committee on Access to Information, Privacy and Ethics

Mary Dawson – Conflict of Interest and Ethics Commissioner

Ottawa, Ontario, May 3, 2016

Mr. Chair and honourable members of the Committee, thank you for inviting me to appear before you today as the Committee considers my Office's budgetary submission for the 2016–17 Main Estimates.

I am accompanied by Lyne Robinson-Dalpe, Director of Advisory and Compliance, and Denise Benoit, Director of Corporate Management.

When I appeared before you this past February, I reviewed the mandate and activities of my Office, and our interactions with the Committee. Today, I will briefly describe my Office's organization and operations and the accountability framework within which it operates before discussing our current budgetary requirements and highlighting some of our activities in the past year.

Organization and Operations

I have organized my Office into five divisions to best support my mandate to administer the *Conflict of Interest Act* (Act) for public office holders and the *Conflict of Interest Code for Members of the House of Commons* (Members' Code).

Advisory and Compliance is the largest division, reflecting my primary goal of helping Members and public office holders meet their obligations through education and guidance. This division provides confidential advice to public office holders and Members, reviews their confidential reports, maintains internal records of that information, and administers a system of public disclosure. In 2015–16, our Advisory and Compliance staff had close to 4,000 communications with Members and public office holders.

The Communications, Planning and Outreach division coordinates education and outreach activities. It also contributes to policy development, compiles research, conducts public communications and media relations, and coordinates my Office's interactions with Parliament and external organizations.

Although the major focus of my Office is on the prevention of conflicts of interest, we also investigate possible contraventions of the Act and the Members' Code. The Investigations division has a leading role in this area. In 2015–16, my Office dealt with 36 investigation files. I initiated most of those files, many on the basis of communications from the general public.

The Legal Services division also plays a critical role in our examinations and inquiries, and provides strategic legal advice on all facets of the work of my Office.

The Corporate Management division oversees the development and implementation of internal management policies, and the delivery of services and advice on human resources, finance, information technology, information management, and the management of Office facilities. It also administers our shared services agreements.

Finally, my own small team called the Commissioner's Office provides general administrative and logistical support for the Office.

The number of staff positions in my Office totals 49 across all divisions. There remain two vacant positions.

Accountability Framework

My Office is an entity of Parliament and is therefore not generally subject to legislation governing the administration of the public service, or to Treasury Board policies and guidelines.

I have ensured, however, that our resource management practices are informed by the principles followed in the public service and in Parliament. Those principles are reflected in an internal management framework that I will discuss in a few moments.

Previous Budgetary Requirements

In order to provide some context for my current budgetary submission, I note that after its first year of operation, my Office was allocated an annual operating budget of \$7.1 million that remained unchanged for five years.

We have returned some funds to the federal treasury at the end of each year. Those surpluses have resulted, in part, from cost-saving practices such as not always staffing vacant positions immediately and maintaining a budgeted reserve. I maintain a reserve to cover unexpected operational pressures and to internally fund projects and initiatives that lead to greater efficiencies. There were lapsed funds again in 2015–16, mainly because certain positions were vacant for a period of time and because there were no major projects that needed to be funded from the reserve.

I was able to proactively offer an overall budget reduction of 1.4% in 2013–14 and the same in 2014-15, when a budget of \$6.94 million was approved for my Office. Last year, I sought and received a slight upward adjustment to \$6.95 million to cover an increase in contributions to the employee benefit plans, as determined by Treasury Board.

2016–17 Main Estimates

For 2016–17, I am seeking a budget of \$6.97 million. Again, the slight variance compared to last year is directly due to an increase in contributions to the employee benefit plans. This amount will enable me to continue to fulfil my mandate and further strengthen the effectiveness of my Office by implementing strategic priorities in key areas such as client service, outreach and information management.

I have again budgeted a reserve, but a smaller one than last year. In 2016–17, my Office could be asked to help pay for the implementation of a new financial system, and this project would be funded from the reserve.

Given the nature of my mandate, salaries are by far the largest expenditure. Non-salary expenditures are mostly related to the standard costs of running an office and the costs of our shared services agreements with external partners. Through such agreements, we benefit from the expertise of the House of Commons, the Library of Parliament, and Public Services and Procurement Canada in various areas, resulting in greater efficiency.

Management Initiatives

In 2015–16, my Office continued to strengthen the internal management framework that helps it to ensure the effective, efficient and economical use of public resources. Among other measures, we implemented a *Policy on Internal Control* and a *Directive on Account Verification*.

We also continued to follow good management practices in other areas of our operations, including information management and information technology.

We implemented an internal *Policy on Information Management* and a related guide. Working with the House of Commons IT team, we launched an online portal for reporting public office holders and Members of the House of Commons to submit their public declarations electronically.

Although we are not bound by Treasury Board policies on performance measurement, as a good governance practice, we have developed a performance measurement framework that we are now starting to implement.

We continue to be transparent. We publish detailed financial information on our website, and our annual financial statements are audited by an independent auditor.

November 2015 Election

The workload of my Office increased significantly as a result of last fall's federal election, which resulted in a large turnover of ministers, parliamentary secretaries, ministerial staff and Members of the House of Commons.

We communicated with departing reporting public office holders about their post-employment obligations under the Act, and worked with incoming reporting public office holders and Members to help them complete the initial compliance process under the Act and the Members' Code. Just over a third of the Members have completed this process. All new ministers and parliamentary secretaries have completed the process within the timelines set out in the Act. We are processing the ministerial staff as they continue to be appointed.

My Office participated in the Members' Orientation Program, the House of Commons Service Fair, and a Library of Parliament seminar. I also offered presentations to all caucuses in the House of Commons and made presentations to the Liberal and Conservative caucuses.

Conclusion

I have touched on some of the activities and initiatives undertaken by my Office in the last fiscal year. Later this spring, I will release my annual reports under the *Conflict of Interest Act* and the Members' Code, which will provide detailed information about those activities and initiatives. I will be pleased to discuss my annual report under the Act with the Committee if it so wishes.

In closing, I wish to thank the Committee again for inviting me to discuss my Office's budgetary submission for 2016–17. I will now be pleased to answer your questions.