



**Opening Statement before the Senate Standing Committee on National Finance during the consideration of the expenditures set out in the Main Estimates for the fiscal year ending March 31, 2014**

**Mary Dawson – Conflict of Interest and Ethics Commissioner**  
Ottawa, Ontario, February 4, 2014

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Mr. Chair, thank you for inviting me to appear before you today. With me this morning is Denise Benoit, Director of Corporate Management and Lyne Robinson-Dalpé, Assistant Commissioner, Advisory and Compliance.

I will begin by briefly outlining my mandate and how my Office is organized and resourced in support of it. Then, I will review our spending for the current fiscal year in the context of my broader management approach.

I administer the *Conflict of Interest Act* and the *Conflict of Interest Code for Members of the House of Commons*. These two regimes seek to prevent conflicts between the public duties of elected and appointed officials and private interests.

The Act applies to over 2500 public office holders. All of them are subject to the Act's core set of conflict of interest and post-employment rules. Over 1100 public office holders—including ministers, ministers of state, parliamentary secretaries, ministerial staff and full-time Governor-in-Council appointees—are called reporting public office holders and, unlike the non-reporting public office holders, are subject to reporting and public disclosure provisions, as well as some additional rules of conduct.

The Members' Code applies to all 308 Members of the House of Commons. It includes rules similar to those found in the Act, and indeed, to the *Senate Ethics Code*, but does not include some of the more onerous rules that apply to reporting public office holders. Ministers and parliamentary secretaries are subject to both the Act and the Code.

I report annually to Parliament on my activities under the Act and the Members' Code, and prepare, for tabling in the House of Commons, a list of sponsored travel by Members each year.

To fulfill my mandate as effectively and efficiently as possible, I have organized my Office into five divisions.

Advisory and Compliance is the largest division, accounting for about one-third of my staff. This group provides confidential advice to public office holders and Members about their obligations under the Act and the Code. It reviews their confidential reports, maintains internal records of this information, and administers a system of public disclosure.

Our Policy, Research and Communications division coordinates a range of education and outreach activities, which are important in helping public office holders and Members meet their obligations. It also contributes to policy development, compiles research, conducts external communications and media relations, and coordinates our dealings with Parliament.

While the major focus of my Office is on prevention, we also investigate possible contraventions of the Act and the Code. Our Reports and Investigations division leads our investigations and coordinates the preparation of my annual reports.

Our Legal Services unit provides strategic legal advice on all facets of our work, including in particular investigations.

Our Corporate Management division oversees the development and implementation of internal management policies and service delivery in the areas of human resources, finance, information technology and management, and the management of Office facilities. It also manages our shared services agreements with the House of Commons, Library of Parliament, and Public Works and Government Services Canada.

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

My Office performs all of these activities with a maximum staff complement of 49 full-time employees.

### ***Expenditure Management***

I understand the Committee is meeting with all agents and officers of Parliament. Unlike most other agents, the Commissioner is appointed under the *Parliament of Canada Act* and the Commissioner's Office is an entity of Parliament.

For this reason, my Office is not subject to most Treasury Board policies and guidelines, and most legislation governing the administration of the public service does not apply to it. However, in the interests of good governance, and recognizing the importance of responsible stewardship of public funds, we follow many of the management practices used in the public service.

For example, we have established an internal management framework based on the principles followed in the public service. We have a strong human resource policy framework in place. We publicly disclose our travel and hospitality expenses in the interests of transparency. We document our internal practices and have our annual financial statements audited. And we are in the process of developing a performance measurement strategy to demonstrate the effectiveness of my Office in fulfilling its mandate.

We also augment our resources by taking advantage of external capacity where practical. For example, we have in place a number of agreements with the House of Commons, the Library of Parliament and the Department of Public Works and Government Services to provide shared services in the areas of information technology, finance and compensation. These arrangements provide for greater efficiencies, as well as an additional level of security.

### ***2013-14 Expenditures***

For the first five years after my Office was created in July 2007, we maintained expenditures well within an unchanged operating budget of \$7.1 million.

Last year, in recognition of the climate of fiscal restraint, we conducted a spending review to identify opportunities for efficiencies and also reduced the amount set aside as a reserve. As a result, we reduced the non-salary portion of our budget by an amount equivalent to 3% of our operating budget, and next year expect to reduce it further, amounting to a 4% cut overall. Although that reduction was partially offset by an increase in our salary envelope to cover the economic increases that came into effect on April 1, we were able to proactively offer a budget reduction of 1.4 per cent for 2013-14. This lowered our total spending authorities to \$7.035 million.

I hope these remarks have been helpful. Again, I thank the Committee for inviting me to appear. I look forward to answering your questions.