

1983 BILL 206

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First Session, 20th Legislature, 32 Elizabeth II

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THE LEGISLATIVE ASSEMBLY OF ALBERTA

# **BILL 206**

## **CODE OF ETHICS AND CONDUCT ACT**

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MR. MARTIN

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First Reading . . . . .

Second Reading . . . . .

Committee of the Whole . . . . .

Third Reading . . . . .

Royal Assent . . . . .

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*Bill 206*  
*Mr. Martin*

## **BILL 206**

1983

### **CODE OF ETHICS AND CONDUCT ACT**

*(Assented to , 1983)*

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

#### Definitions

#### **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 a person or his family,

(ii) any part of a farm or business premises which are actually used as a residence by a person or his family,

(iii) any recreational home used by a person or his family,

(iv) any personal household effects or other property, including the normal physical contents of a residence or recreational home used for ordinary living and enjoyment by a person or his family including vehicles, boats or aircraft,

(v) cash and bank or savings accounts,

(vi) bonds or securities of any level of government in 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,
- (xii) an insurance policy or benefit, or
- (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 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 deputy minister, assistant deputy minister or a person appointed by a Minister to serve on his executive staff, 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

Fee to perform  
official duty

**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.

Conflicting outside  
activities

**3** No member of the Legislative Assembly may take supplementary employment other than as authorized 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.

Restriction on  
Ministers' outside  
activities

**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.

Restriction on  
officials' outside  
business activities

**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, or

(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 an executive staff member or head of a Crown Corporation.

## PUBLIC DISCLOSURE

Disclosure by  
officials

**6(1)** Within 30 days 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 required to file a declaration pursuant to subsection (1) shall also file a declaration of any change to it within 30 days of the change.

Disclosure by  
M.L.A.'s

**7** Where the value or income from any asset owned by a member of the Legislative Assembly will be or is likely to be affected by a resolution before the Legislative Assembly, the member shall disclose the nature of the asset to the Legislative Assembly and shall not vote on the resolution.

## EMPLOYMENT FOLLOWING PUBLIC OFFICE

Outside positions  
after official  
employment

**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.

Related positions  
forbidden for 4  
years

**9** No Minister, executive staff member or head of a Crown Corporation shall, for a period of 4 years following his employment in that capacity

(a) accept a directorship of a company which was in a special relationship with the department or agency with which he was last employed, whereby the company was subject to regulation by the department or agency, or received subsidies, loans or other financial assistance from the department or agency,

(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, or

(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 position during the period of 4 years prior to the termination of his employment or position.

Related positions  
forbidden for 2  
years

**10** No Minister, executive staff member or head of a Crown Corporation shall, within a period of 2 years 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, or

(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.

Subsequent public  
service  
appointments

**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 publicly advertised competition for that position.

(2) In appointing a person to an office or commission, 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.

Regulations

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

Penalties

**13** Any person 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 a head of a Crown Corporation and remain ineligible for appointment to any such position for up to 7 years or to be declared ineligible to be a member of the Legislative Assembly for up to 7 years, as the case may be, and to a fine of up to \$10 000.

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*In accordance with section 4(1) of the Interpretation Act,  
this Bill comes into force on the date it receives Royal  
Assent.*

## 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 Home Mortgage 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