

Backgrounder:

There will be concurrent amendments to *The Municipalities Act*, *The Cities Act* and *The Northern Municipalities Act, 2010* to strengthen conflict of interest standards.

1) Amendments Addressing the Barclay Report Recommendations:

- a. Require more detailed declaration of conflicts of interest
 - The amendments will require council members to disclose the general nature of a conflict of interest and any details that could reasonably be seen to materially affect that member's impartiality in the exercise of his or her office.
 - In addition, a declaration must be made when any conflict of interest exists, which is defined to encompass a wider range of situations beyond financial or pecuniary interest.
- b. Require mandatory public disclosure statements be filed by all members of council
 - The amendments propose to extend the mandatory public disclosure statement requirements currently in *The Cities Act* to the other two municipal Acts. The statements will continue to require updates annually and whenever there is a material change or a declaration of a conflict of interest made.
 - In addition, the information required in the statement will be clarified to include details of contracts or agreements, such as the sale, lease or development of land or a property, employment and other involvement in business that may be seen to affect the member's impartiality. This information includes the member's family, which is defined to mean the member of council's spouse and dependent children.
 - The statement will continue be a public document, as is the case for city council members and council members in other jurisdictions across Canada.
- c. Require adoption of model code of ethics
 - The proposed amendments will require every council to adopt a code of ethics that includes, at minimum, a model code that will be prescribed in regulation. Councils will have the ability to expand and add to their codes of ethics as they consider appropriate
 - The ministry will work with the municipal sector in drafting the contents of the code of ethics to be prescribed in regulations under each of the municipal Acts.
- d. Clarify what constitutes a conflict of interest, a private interest and the inappropriate use of office and influence
 - New provisions will define conflict of interest and private interest, and limit the use of office and influence on employees and other members of council. These provisions are modelled on those in place for Members of the Legislative Assembly (MLAs).
 - This will provide clearer direction for elected officials regarding the use of office and influence to advance private interests beyond abstaining from voting and discussion during council meetings.
- e. Expand Provincial Ombudsman mandate - Municipal Conflict of Interest Ombudsman
 - Amendments to *The Ombudsman Act, 2012* are proposed to add municipal entities to the jurisdiction of the provincial ombudsman. Any persons, including members of the public or the Minister, could submit complaints to the ombudsman regarding administrative/procedural matters or alleged conflict of interest or code of ethics breaches.
 - The ombudsman may investigate and issue a report if warranted, upon which the

Minister could act or issue a directive.

2) Other Amendments

- The proposed amendments also include suggestions from stakeholders for improvements such as replacing ‘pecuniary’ interest with ‘financial’ interest so it is better understood by elected officials as well as amendments that improve practices such as the following:
 - ensuring councils consider the impacts and cost/benefit a proposed development, will have on servicing and infrastructure, in addition to or as part of its official community plan (consequential amendments to *The Planning and Development Act, 2007*).
 - requiring a code of conduct with conflict of interest guidelines for municipal employees, the details of which are to be decided by individual councils;
 - defining meetings for the purposes of conflict of interest situations to include any meeting of council or committee or other body established by council on which a member sits in his/her capacity as councillor; and
 - requiring declaration of conflict of interest, even if absent from a meeting in which the matter initially arose (i.e. at the next attended meeting) and require continuing disclosure whenever the matter or issue arises in a meeting.
- Other proposed amendments will improve the abilities of the Minister and Cabinet to deal with conflict of interest situations in the future and take action as necessary, including:
 - enabling the Minister to suspend or limit a council member’s powers and duties during the course of an inspection or inquiry;
 - clarifying and making consistent the ministerial authority to release results of an official examination or allow a council to do so, to direct the repeal of a bylaw, resolution, fee or approval that may have been improperly considered or influenced and to apply to court to quash an illegal bylaw; and
 - disqualifying any persons removed from office by the Minister or Cabinet from running in a local election for twelve years (three general elections) and standardizing this disqualification period in all three municipal Acts.