

WCB STANDARDS OF CONDUCT

A GUIDE TO HONEST, IMPARTIAL, AND ETHICAL
WORK PRACTICES FOR WCB EMPLOYEES

Revised February 6, 2004



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Executive Commitment

The Senior Executive of the Workers' Compensation Board is committed to creating an exemplary workplace where employees share a common set of values leading to superior service to our clients and to the community.

The stakeholders of the WCB have a right to expect high quality services. We must all behave in ways that help the Board accomplish its mandate and achieve its mission. Employees who exemplify the highest standards of professionalism, courtesy, and ethical business practices while representing the Board, improve the Board's image in the community it serves.

These standards are intended to protect both the Board and its employees by ensuring that circumstances do not arise that damage the reputation of either. The standards are also intended to help employees avoid or prevent activities that could impair their ability to perform their jobs, damage the Board's reputation, or cause others to think employees are receiving an improper benefit or are acting improperly in performing their jobs.

I encourage all Board employees to become familiar with this document and be fully committed to undertaking our responsibilities in an honest, impartial, and ethical manner.

Vaughan Bowser
Vice-President, Human Resources and Facilities
February 2004

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WCB STANDARDS OF CONDUCT

Statement of Principles

The Workers' Compensation Board is committed to creating an exemplary workplace where all employees share a common set of values leading to superior service to our clients and to the community. We must undertake our daily responsibilities in an honest, impartial, and ethical manner.

These Standards of Conduct apply equally to all Board employees (bargaining unit and management) who may also be governed by various professional codes of ethics or professional conduct. They also apply to persons working under contract with the Board. Failure to comply with the Standards of Conduct may lead to serious disciplinary action or contractual termination.

The statements and examples that follow flow from the basic principles of honest, impartial, and ethical behavior. These policies represent principles of good conduct central to the smooth functioning of the Board. Employees must generalize from these principles to determine proper conduct in individual cases.

We have developed a process in these Standards of Conduct to help employees identify and avoid conflict situations. As WCB employees, our conduct determines how people and the community view the Board.

We must all behave in ways that help the Board accomplish its mandate and achieve its mission. The Board encourages employees to participate fully in community affairs. Employees who exemplify the highest standards of professionalism, courtesy, and ethical business practices while representing the Board improve the Board's image in the community it serves.

These standards are intended to protect both the Board and its employees by ensuring that circumstances do not arise that damage the reputation of either. The standards are also intended to help employees avoid or prevent activities that could impair their ability to perform their jobs, damage the Board's reputation, or cause others to think employees are receiving an improper benefit or are acting improperly in performing their jobs.

It is important that employees not violate these standards or innocently create a perception in the minds of others that they have violated them. A procedure for dealing with perceived or real violations of these standards is detailed in a later section.

No provision of these standards is intended to abridge the statutory or common law rights of the Board or any person, or the rights of any employee under the terms of a Collective Agreement.

A chief ethics officer (currently the vice president of Human Resources) is responsible for providing advice, and where necessary, decisions related to these Standards of Conduct.

Safety

A safe and healthy workplace should be of the utmost concern to all Board employees. It is the responsibility of every employee to ensure appropriate practices and policies are in place and to report any violation of the Board's Occupational Health and Safety program.

Confidentiality

While the Board values openness and free access to information, all Board information not generally available to the public is confidential. Under section 95 of the *Workers Compensation Act*, employees are required to respect the confidentiality of all information they acquire by reason of their employment with the Board. Employees are required to sign an "Undertaking of Confidentiality" and must not disclose to any member of the public or to fellow employees, either orally or in writing, any confidential information in a Board file, except:

- When required by law or under the provisions of the *Freedom of Information and Protection of Privacy Act*
- When authorized by a higher authority in the Board, or
- When required in the performance of their duties

Particular care must be taken in casual conversations with relatives, friends or acquaintances not to unwittingly disclose personal information. For example, a supportive comment made in public to a claimant by someone working in adjudication or vocational rehabilitation, may disclose to someone overhearing that conversation, that the individual was a claimant (which by our statute is a private matter). Each Board employee should carefully consider their own role and the kind of circumstances in which he or she could inadvertently disclose private information in the course of what would otherwise simply be a polite friendly discussion.

Speaking on the Board's Behalf

Employees must exercise caution to ensure that they are not perceived to be speaking on the Board's behalf, unless they are authorized to do so as part of their job responsibilities.

Board employees are free to comment on public issues but must ensure, that by doing so, they do not jeopardize the perception of impartiality in the performance of their duties. For this reason, care should be taken in making comments or entering into public debate regarding Board policies. Board employees must not use their position in the Board to lend weight to the public expression of their personal opinions.

Employees are occasionally asked to act as witnesses because of their employment at the Board. Employees must not sign affidavits relating to procedures of the Board, or facts they learned in the course of their duties for use in court proceedings, unless the affidavit is approved by the Board or prepared by a lawyer acting for the Board in that proceeding.

A written opinion prepared on behalf of the Board by legal counsel is not to be released to persons outside the Board without prior written approval from the Board's general counsel. This restriction does not apply to situations where such opinions are required by law or through existing file disclosure policies within the Board.

Service to the Public

Board employees must provide service to the public in a manner that is courteous, professional, equitable, efficient, and effective. Employees must be sensitive and responsive to the changing needs, expectations, and rights of a diverse public while respecting the legislative framework within which service to the public is provided.

Community Service

All Board employees are encouraged to participate in a full range of community organizations, including churches, charity fund-raising drives, election campaigns, non-profit organizations, sports clubs, trade unions, professional associations, and the like. In the course of these activities, employees may send or receive the occasional mail or fax message and make the occasional phone call, all in the interests of advancing the cause of worthy organizations and endeavors.

Employees are to ensure that such activity does not interfere with their job performance; that the Board incurs no costs, such as long distance charges, photocopying costs, postage, or supplies, unless minor costs have been approved by the Board. Any lost time for meetings, phone conversations, or non-Board-related work is either made up by the employee or approved by the Board.

Political Activity

Board employees are free to participate in political activities including belonging to a political party, supporting a candidate for elected office and actively seeking elected office. Employees' political activities, however, must be clearly separated from activities related to their employment.

If engaging in political activities, employees must be able to retain the perception of impartiality in relation to their duties and responsibilities. Employees must not engage in political activities during working hours or use Board facilities, equipment, or resources in support of these activities.

Partisan politics at the local, provincial, or national levels are not to be introduced into the workplace. This does not apply to informal private discussions amongst co-workers.

Use of Board Assets

No Board equipment, automobiles, credit cards, service, tools, research papers, software, internet access, computer systems, materials, supplies (including Board letterhead and envelopes), space, or time is to be used by any employee at any time for personal gain or for any non-Board purpose without prior Board authorization.

This policy is not intended to prevent employees from making or receiving occasional brief electronic messages or private (local) phone calls.

Employees should be aware that computer software is licensed for exclusive use by the Board. Copying software is a criminal offense. Employees using the Board's internet facilities must adhere to this code and comply with the "WCB Internet-Policy Statement" and the "Internet Usage Agreement."

Conflict of Interest

Employees of the WCB should not engage in any business or transaction or have any financial or other personal interest that is, or may appear to be, incompatible with the performance of their official duties. Employees should take necessary steps to avoid any real, potential, or apparent conflict of interest situations.

Real conflict of interest exists if the opportunity for personal gain influences the way in which an employee carries out his or her official duties and responsibilities.

Potential conflict of interest exists if the opportunity for personal gain could influence the way in which an employee carries out his or her official duties and responsibilities, when the employee has not yet carried out such duty or responsibility.

Apparent conflict of interest exists if there is a reasonable perception that a conflict of interest exists, even when in fact there is neither a potential nor a real conflict of interest.

Board employees in positions of influence should notify their manager in writing, of any personal, family or other close relationships or interests they have which may constitute a real, potential, or apparent conflict of interest situation.

See Appendix A for an additional discussion of the concept of conflict of interest.

Conflict of Interest Inquiry

If the potential exists for a significant conflict of interest, or if a real conflict of interest arises, the employee involved must advise their manager in writing at the earliest opportunity, describing the nature of the conflict. This will include the written disclosure when employees find themselves doing business with firms, or individuals with whom they have a personal, close, or family relationship or interest.

The manager will then provide the employee with a written response stating whether a conflict of interest exists, and the options available to the employee.

If the manager is unable to determine if a conflict of interest situation exists, or if there is a disagreement as to whether the situation gives rise to a conflict of interest, the issue may be referred to the Chief Ethics Officer for a decision.

The Chief Ethics Officer will communicate any finding and recommendations to the manager and employee in writing, and a copy of the decision will be kept by the Chief Ethics Officer for record keeping.

Contracting with Former Employees

The Board, when entering a contractual relationship with a former employee, defined as an individual who was employed by the Board within the preceding one-year period, must ensure the process is conducted in an honest, impartial, and ethical manner. Any appearance of real or perceived preferential treatment, or privileged access to contracts with the Board by former employees, is to be avoided.

To protect the integrity of the Board, the requirements of the Board's Corporate Supply Management Policy are to be met to ensure that all contracting for services is done through a "visibly fair, open, competitive, ethical and prudent process."

A manager seeking to contract with a former employee must have the decision vetted and approved by the Chief Ethics Officer. Where the Chief Ethics Officer is the hiring manager the decision will be vetted and approved by the CEO and President.

See Appendix B for an additional discussion on the considerations and process for contracting with former employees.

Close Relationships

For the purpose of these Standards of Conduct, the term "close relationships" includes relationships with:

- Parents
- A spouse or common-law spouse
- Son/daughter and in-laws
- Brother/sister and in-laws
- Grandparent or equivalent in-law
- Cousins, aunts, or uncles
- Any person who has acted in the place of a parent to the employee
- Any person who lives in the same household as the employee
- Close friends or associates

Employees of the Board with a “close relationship” to one another, as defined above, will not normally be employed in situations where:

- A reporting relationship exists where the superior has influence, input, or decision-making power over an employee’s performance evaluation, salary, premiums, special permissions, potential for promotion, conditions of work, and other similar matters.
- The relationship affords an opportunity for collusion (or the appearance of potential collusion) between the employees which could have a detrimental effect on the Board.

Where employees are in or are considered for a position where a reporting relationship may exist, the onus is on the employees to disclose the relationship, seek a waiver, or remove themselves from the reporting relationship. The President of the Board (or in cases involving employees in areas reporting to the Chair, the Chair, Board of Directors), in consultation with the Chief Ethics Officer, may waive this policy when:

- It is essential to meet operational needs
- Sufficient safeguards are in place to ensure that the Board’s interests are not compromised

Similarly, it is necessary for employees to disclose the existence of “close relationships” with principals or employees of firms or suppliers with whom the employee does business or might foreseeably do business. These situations apply particularly to those employees who hire consultants, suppliers, or service providers or refer business to them, or order from them. In most cases it will be quite simple to establish a protocol procedure or review process that will protect the employee and the Board from the appearance of a conflict of interest.

It is understood that employees who interact with external suppliers may develop friendly professional relationships with those suppliers. This kind of relationship is not a conflict and there is no real need to declare it unless it grows into a close relationship in which the parties socialize outside the normal supplier/client relationship.

Personal, Business, or Financial Interest

No conflict or perception of conflict should exist between the private interests of employees and the discharge of their Board duties.

When performing official duties, employees must not give or appear to give preferential treatment to anyone, including persons with whom they have a “close relationship,” or to any organization in which they or the people with whom they have a “close relationship” have an interest, financial or otherwise.

Example:

- An employee may not wish to deal with a client or claimant who is a neighbour or acquaintance.

Employees must not use their positions of authority, or confidential information obtained by reason of employment with the Board, to secure an improper benefit for themselves or others.

Employees must avoid real or perceived conflicts of interest in situations where an employee’s private or financial interests are in conflict with their duties, responsibilities, or obligations to the Board.

Examples:

- A Board employee in a position to award external service contracts must notify their manager prior to awarding a contract to a company operated by a person with whom the Board employee has a “close relationship.”
- An employee should not make a decision affecting a company in which they own shares if the decision could affect the value of those shares. (An exception to this would be where the shares may be owned through a mutual fund.)

Employees must avoid situations which impair or appear to impair their abilities to act impartially in the Board’s interest.

Example:

- An occupational safety officer must notify their manager prior to inspecting a business operated by a person with whom they have a “close relationship.”

If an employee has any doubt about whether their circumstances create a real, apparent, or potential conflict of interest, they should discuss the subject with their manager or the Chief Ethics Officer.

Outside Remuneration

All Board employees are expected to devote their full energy during work hours to Board business. Employees who own, or are directors of a business or who work for other employers who have a business, that is in any way related to the business of the Board (other than as potential claimants) must disclose that fact to their manager.

Employees who also work for another employer, who operate their own business, who are directors of an organization, or who receive funds for personal activities outside the Board must ensure:

- It does not interfere with the performance of their duties, including hours of work or travel, as Board employees
- It does not bring the Board into disrepute
- It does not give rise to or represent a conflict of interest as stated in this policy
- It does not adversely affect their capacity to perform their duties at the Board in an objective way
- They do not gain an advantage through information derived solely from their employment as Board employees
- It is not performed in such a manner as to appear to be officially supported by or connected to the Board, or to represent Board opinion or policy, and
- It does not involve the use of Board personnel during their work hours for the Board, Board premises, services, equipment, information, or supplies to which they have access by virtue of their employment with the Board

Examples:

- A Board medical adviser or psychologist should not provide opinions to the Board regarding a WCB claimant seen in a professional capacity outside the Board by the medical adviser or by the medical adviser's partner in private practice.
- A manager, vocational rehabilitation consultant, physician, or others involved in the process who own shares in a third-party service provider agency, or who has a close relationship with someone who does, should declare that fact and make appropriate arrangements with his or her manager to ensure that he or she does not refer claimants or influence others to refer claimants to that agency.

Gifts and Benefits

The honesty and impartiality of employees must be above suspicion. Employees must not place themselves in situations where they are obligated to any person who might benefit from or who might seek to gain special consideration or favor in relation to a decision at the Board.

An employee or close relative must not either directly or indirectly ask for or accept a gift, favor, service, or promise of future benefit from any individual or organization which has, or is likely to have, a relationship with the Board.

These Standards of Conduct do not prohibit the infrequent exchange of hospitality such as tokens exchanged as part of protocol (i.e. speakers or other honorary gifts), generally available promotional items, or gifts of nominal value.

These Standards of Conduct do not prohibit the normal presentation of gifts to persons participating in public functions, or the normal exchange of gifts between friends that does not result in any real or perceived conflict of interest. Nor would it apply to car pool situations with non-Board personnel, or the receipt of competition honor or awards sponsored by corporations or other organizations.

Some examples of gifts or exchanges that, if received infrequently and in the normal course of business meetings or promotional activity, are not prohibited by this policy include such things as:

- Promotional gifts of nominal value
- Tokens of appreciation (i.e., flowers, cards, chocolates, candies), and
- Tickets to trade shows, public events, promotional events, etc. of nominal value

No definitive list or definition can be provided to describe every situation that may occur. In the final analysis, it is up to every employee to exercise good judgement and if there is any doubt regarding the propriety of accepting or offering any gift or benefit, employees should consult with their manager, director, or the Chief Ethics Officer.

Business Hospitality

The Standards of Conduct do not prohibit participation in normal business hospitality. Attending lunches, dinners, or public events, of a common and reasonable nature, infrequently, in the company of external suppliers or clients is an acceptable business practice. For example, attending a formal dinner event with a supplier might be quite appropriate – doing so every two weeks would not be. Attending an

annual charity event as a guest of a supplier would be appropriate – attending a weekend fishing derby in the Queen Charlottes as a supplier’s guest clearly would not be appropriate.

The decision criteria to be applied is whether attendance at such an event constitutes a real or reasonably perceived conflict of interest.

Whistle Blowing

Any employee who fairly believes that there has been a contravention of the law, a danger to public health or safety, a waste of funds or assets, or a breach of this policy, is obligated to raise the issue in confidence with the senior executive member of the department involved, or in the case of the Legal Department, with General Counsel. The senior executive member will respond in writing, advising how the matter is or will be dealt with.

An employee engaged in the area of financial accounting and auditing who fairly believes that an accounting procedure(s) or entry(s) or an audit procedure(s) has been adopted for the purpose of misstating the Board’s finances is obligated to report the matter to the Audit Committee of the Board of Directors. A twice yearly reminder will be sent out to employees, and will include the route for disclosure. An employee reporting in good faith in this manner is protected from any reprisal.

An employee wishing to report a breach involving his or her senior executive member should make a report to the WCB’s President and CEO.

This Policy Prevails

In the event of conflict between any provision contained in this policy and any provision contained in other Board policies, whether made before or after this policy, the provision of this policy prevails. Contravening these Standards of Conduct is serious, and the employee may be subject to disciplinary action up to and including dismissal.

Good Faith or Inadvertence

If an employee has violated this policy in good faith or unknowingly through inadvertence, those factors are taken into consideration in determining if discipline is imposed and the disciplinary sanction warranted.

Violation of Policy

If there is an allegation of a violation of this policy, the matter is referred to the senior executive member responsible for the department in which the alleged violation has occurred (or in cases involving employees in areas reporting to the Chair, the equivalent senior representative from their area).

Following a review, the senior executive member (or in cases involving employees in areas reporting to the Chair, the equivalent senior representative from their area), in consultation with the Chief Ethics Officer, prepares a written report and determines the appropriate disciplinary sanction to be imposed, if any. Where disagreement is reached at this level, matters may be referred to the President and Chief Executive Officer. In cases where there is a disagreement between the Chief Ethics Officer and the senior representative from an area reporting to the Chair, the matter will be referred to the Chair, Board of Directors.

Copies of that report are provided to the employee who was alleged to have breached this policy. Where disciplinary action is taken, a copy of the report will be placed in the employee's personnel file and filed with Chief Ethics Officer for record keeping.

APPENDIX A — Additional Information on Conflict of Interest

This appendix is intended as an information document to provide a summary of some thoughts on the general subject of conflict of interest. Much of the information is gathered from *The Responsible Civil Servant*, by Kernaghan & Langford – Institute of Public Administration of Canada. The following information is intended augment, not replace, the *WCB Standards of Conduct, 1998*.

Alternate Definitions of Conflict of Interest

“A conflict of interest can be defined as a situation in which a public official has a private or personal interest (financial or otherwise), sufficient to influence or appear to influence the objective exercise of his or her official duties.”

Kernaghan – *Guidelines For Government Employees 1975 – Ethical Conduct*

“A conflict of interest exists when the private interests of an individual are at variance with his or her official duties and responsibilities to the government.”

Government of Canada – *Ethical Conduct in the Public Sector:
Report of the Task Force on Conflict of Interest*

“ A situation in which a public employee, either for himself/herself or some other person(s), attempts to promote a private interest which results or appears to result in the following:

- an interference with the objective exercise of his/her duties in the public service
- the receipt of a gain or advantage by virtue of his/her position in the public service.”

Saskatchewan Government – *Conflict of Interest Guidelines*

“Public employees should not engage in any business or transaction, or have any financial or other personal interest that is, or may appear to be, incompatible with the performance of their official duties.”

Statement of Principles of the Institute of Public Administration of Canada

“Employees of the WCB should not engage in any business or transaction or have any financial or other personal interest that is, or may appear to be, incompatible with the performance of their official duties.

Employees should take necessary steps to avoid any real, potential, or apparent conflict of interest situations.

Board employees in positions of influence should notify their manager in writing, of any personal, family or other close relationships or interests they have which may constitute a real, potential, or apparent conflict of interest situation.”

WCB of BC – *WCB Standards of Conduct 1998* – Conflict of Interest

What is a “Private or Personal Interest”?

A “private or personal interest” exists if there is:

- A personal financial investment
- A personal financial stake or interest
- The ability to profit or avoid loss, or
- A personal gain, other than financial

What characterizes “Personal and Private Interest”?

- Personal interest obviously applies to oneself.
- Personal interest also applies to “persons with whom you have a close relationship” – i.e., they get the benefit. For example, family or close personal friends.
- “Persons with whom you have a close relationship” does not include persons with whom you do business, and as a result, become friends until and unless you and they cross a threshold from business acquaintances or friends to close personal friends.
- How do I know if what I am involved in is a personal and private interest? Ask yourself, what would a rational outsider think?

What is a “Personal gain, other than financial”?

“Personal gain” includes gratitude, popularity, respect, favour, etc. from or with others. This gain may be derived from:

- The achievement of a goal generated by an interest in or loyalty to an organization, cause, group or person – other than the “employer organization”, or
- An interest or motivation, no matter how legitimate, beneficial and legal – that derives from other than the motivation to achieve the best outcome for the public organization or its legitimate client or stakeholders interests

Is it the Nature of the Benefit that Defines a Conflict of Interest?

Not necessarily. It is simply whether your “interests were conflicted.” Was your first loyalty and obligation to your organization tainted by a personal interest, to a degree that it affected or appeared to affect your decisions or actions?

However, the nature of the interest does matter. Consider the following:

- The more personal it is, the more serious it is
- The more financial it is, the more serious it is
 - The more it could affect your objectivity, the more serious it is
 - The more it appears to others to have affected your objectivity, the more serious it is
- Conflict of interest issues are not confined to issues over which you have complete control or authority, and
- They include issues over which you have, or a reasonable outsider would logically assume you have, influence or the ability to significantly impact

Three Basic Categories of Conflicts

1. Real
2. Potential
3. Apparent

Real Conflict of Interest

A real conflict of interest is defined as:

- When you (or someone with whom you have a close personal relationship) gain some “benefit” directly from a transaction or relationship
- When the potential to gain some “benefit” influences your decisions
- When three conditions occur:
 - The existence of a private interest
 - Your knowledge of it
 - A connection to your duties sufficient to influence your decisions, and (Government of Canada – *The Parker Commission*)
- “A situation in which a public official has knowledge of a private economic or personal interest that is sufficient to influence the exercise of his or her public duties and responsibilities” (*Parker Commission*)

NOTE: The failure to actually achieve a benefit does not “forgive the attempt.”

Potential Conflict of Interest

- A potential conflict of interest is one that may develop into an actual conflict.
- “The potential for conflict arises as soon as the public official can reasonably foresee that he or she has a private interest that may be sufficient to influence a public duty or responsibility.” (*Parker Commission*)
- “As soon as the potential for conflict of interest is apparent, the individual must take all appropriate steps to extricate himself/herself from the predicament.” (*Parker Commission*)

- “If the caution signs are ignored and the office holder proceeds to discharge their responsibilities that could be affected by the private interests – the line is crossed into a real conflict of interest.” (*Parker Commission*)

Apparent Conflict of Interest

- “An apparent conflict of interest exists when there is a reasonable apprehension, which reasonably well informed persons could properly have, that a conflict exists.” (*Parker Commission*)
- “Would an informed person, viewing the matter realistically and practically, and having thought the matter through, think it more likely than not that the public servant, whether consciously or unconsciously, will be influenced in the performance of his official duties by considerations having to do with his private interests?” (Justice Mahoney – *Federal Court of Canada*)

Is Being in an Apparent or Potential Conflict Inherently Wrong?

- There is no inherent wrongdoing in the fact that someone is involved in a potential or apparent conflict of interest.
- The world is a complicated place, we all have family and friends, who have a right to earn a living or make investments. We can’t always prevent their activities from intersecting with ours.
- The wrongdoing lies in not taking the necessary steps to remove the potential or appearance of conflict once it arises – and most importantly, to avoid a real conflict.

Declaring a Conflict of Interest

- When a conflict becomes apparent, or the appearance of a conflict comes into existence, it should be declared to the appropriate person (your manager is always an appropriate person).
- The declaration should be in writing and receipt should be acknowledged.
- Any appropriate, mitigating, defensive, or “conflict elimination” action should be taken.
- NOTE:
 - The obligation isn’t to compile, submit and keep current a complete list of potential conflicts or a complete list of all possible situations in which some individual might consider that your involvement, interests or relationships could affect some future exercise of your duties.
 - It is not an “offense” to have failed to identify all possibilities before they arise. A potential or apparent conflict can be declared when it arises.
 - The obligation is to declare it in a timely fashion i.e., ideally, not after a contract is awarded or actions are taken.

What Should I Declare?

The following are some examples of situations that should be declared. This is not a definitive list.

- Personal investments in firms with which you or your colleagues do business
- Other financial interests in firms with which you or your colleagues do business
- A personal investment or financial interest, of someone with whom you have a close personal relationship, in firms with which you or your colleagues do business
- A close personal relationship with a person who is employed in a key position in a firm or organization with which you or your colleagues do business, such that it might reasonably create an impression that you will be influenced in the conduct of your business, by your concern for that person’s interests

- You find yourself involved in making a decision or recommendation or taking some action that will have an impact on your personal interests or the personal interests of someone with whom you have a close personal relationship
- You or someone with whom you have a close personal relationship has an interest or involvement that a reasonable observer might think would compromise your ability to be objective

When Should I Declare A Conflict?

- Sooner rather than later
- When the appearance of, or potential for, conflict of interest becomes foreseeable
- Better late than never
 - It is better for the individual and the organization to pro-actively disengage from a conflict than to leave it in place.
 - It is better for the individual and the organization to declare, even after the fact, that there was a real, potential, or apparent conflict involved in some decision or action (people make mistakes, which is usually forgivable where there is no dishonest intention).
- When in doubt – declare and discuss

What are the Consequences of Being in Conflict?

Consequences will depend on the “conflict,” and may include:

- No action required
- Implementation of some procedures to eliminate or reduce the conflict
- Feedback or direction to the individual involved
- A warning or statement of expectation
- Disciplinary action, or
- Termination

In many cases, a significant factor will be the perceived intentions of the persons involved, which often will manifest itself in the degree of honesty and forthrightness with which the individuals conduct themselves, both in the conduct from which the conflict arises, and any subsequent review.

Why Does Society Care?

- The primary reason for concern about conflicts of interest is that they reduce public trust and confidence in the integrity and impartiality of government institutions.

APPENDIX B — Additional Information on Contracting with Former Employees

This appendix provides information and guidance on considerations and the procedure to be followed when contracting for services with a former employee.

A former employee is an individual who was employed by the Board within the preceding one-year period.

Procedure:

1. Considerations

When considering contracting for services with a former employee, the manager must consider:

- The contents of the Standards of Conduct Policy, specifically, the sections regarding conflict of interest, confidentiality, personal business or financial interest.
- The economic impact of the decision: will the cost of the contract exceed the cost of hiring another employee or retaining an existing employee? Will there be a need to retrain another employee?
- Revenue Canada considerations: will the individual under contract direct their own work? Is the work for a specific project/deliverable or is it ongoing? Is this work that could or would normally be done by employees?
- Is the work of a sufficiently specialized nature that no other bidder would be qualified? If long term in nature, consider training existing personnel or ensuring transfer of knowledge to existing staff.
- Does the Board have the assurance that the cost would be competitive if it were tendered to competitive bidders?
- Given that the Board will be subject to the payment of Superannuation and/or severance and/or costs of hiring staff behind the former employee, can the additional payment be justified?
- The duration of the contract.

2. Review by the Chief Ethics Officer

A manager seeking to contract with a former employee must have the decision vetted and approved by the Chief Ethics Officer. Where the Chief Ethics Officer is the hiring manager, the decision will be vetted and approved by the CEO and President.

The Chief Ethics Officer will undertake a review of the submission pursuant to the Standards of Conduct. The main focus of the review will be to ensure that there is no appearance of real or perceived conflict, and/or of a former employee having received preferential treatment or privileged access in the awarding of the contract. In applying these criteria to the review, the Chief Ethics Officer shall ensure that the appearance of ethical actions takes precedence over the operational needs of the Board, where such are in conflict.

Specifically, approval by the Chief Ethics Officer will be made if:

- The submission demonstrates compliance with the Standards of Conduct
- The submission demonstrates economic benefit to the Board
- The submission demonstrates compliance with the *Public Sector Employers Act*, Bill 20 – Employment Termination Standards, and
- The submission can be supported if otherwise competitive bidders challenge the decision

Where possible, the decision will be rendered within five working days of the request reaching the Chief Ethics Officer.

3. Decision of the Chief Ethics Officer

Based on the application of the principles and criteria contained in the Standards of Conduct, the Chief Ethics Officer will make a determination on the ethical nature of the possible contractual relationship between the Board and the former employee.

In the case where the Chief Ethics Officer determines that the request to enter into a contract with a former employee violates the Standards of Conduct, the request will be rejected.

Should the Chief Ethics Officer find that there is no violation of the Standards of Conduct, the request to enter into a contract with a former employee shall be approved.

4. Communication of the Decision

The Chief Ethics Officer will communicate his decision in writing to the requesting manager, where possible the decision will be rendered within five working days of the request reaching the Chief Ethics Officer. All decisions will also be copied to the Manager Corporate Supply, or their designate.

