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3rd SESSION, 65th GENERAL ASSEMBLY  
Province of Prince Edward Island  
67 ELIZABETH II, 2018

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**(Bill No. 5)**

**An Act to Amend the Conflict of Interest Act (No. 2)**

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Hon. Jordan K. M. Brown  
Justice and Public Safety and Attorney General

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GOVERNMENT BILL

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Carol Mayne  
Acting Queen's Printer  
Charlottetown, Prince Edward Island





## AN ACT TO AMEND THE CONFLICT OF INTEREST ACT (NO. 2)

**BILL NO. 5**

**2018**

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BE IT ENACTED by the Lieutenant Governor and the Legislative Assembly of the Province of Prince Edward Island as follows:

**1. Clause 1(g) of the *Conflict of Interest Act R.S.P.E.I. 1988, Cap. C-17.1*, is repealed.**

**2. Section 2 of the Act is amended by the addition of the following after subsection (8):**

**Acting Commissioner, conflict**

(8.1) If the Commissioner determines that he or she should not exercise a power or perform a duty under this Act in relation to a particular matter, the Commissioner shall appoint an acting Commissioner in relation to that matter, whose appointment comes to an end when the matter is concluded.

**3. The Act is amended by the addition of the following after section 11:**

**11.1 Furtherance of private interest**

(1) For the purposes of sections 9 and 11, a decision is considered to further the private interest of a member or another person where, in respect of the member or other person, the decision results in

- (a) an increase in, or the preservation of, the value of an asset;
- (b) the extinguishment or reduction of a liability;
- (c) the acquisition of a financial interest; or
- (d) an increase in income.

**Exception**

(2) Notwithstanding subsection (1), a decision is not considered to further the private interest of a member or another person if

- (a) the decision
  - (i) is of general application,
  - (ii) affects the member or other person as one of a broad class of persons, or
  - (iii) concerns the remuneration or benefits of a member or of an officer or employee of the Legislative Assembly; or

(b) the private interest is so remote or insignificant in its nature that a decision affecting the private interest cannot reasonably be regarded as likely to influence the member.

**4. Subsections 13(3) and (4) of the Act are amended by the deletion of the words “\$500” and the substitution of the words “\$200”.**

**5. Subsection 14(6) of the Act is amended by the deletion of the words “except a pension resulting from prior service in the Legislative Assembly”.**

**6. Section 18 of the Act is amended by the addition of the following after subsection (3):**

**Reimbursement**

(4) A Minister is entitled to be reimbursed from the Operating Fund for reasonable fees and disbursements paid to establish and administer a trust established pursuant to subsection (3), as approved by the Commissioner, but is responsible for any income tax liabilities that may result from the reimbursement.

**7. Clause 25(2)(d) of the Act is amended**

(a) in subclause (i), by the deletion of the word “and” after the comma;

(b) in subclause (ii), by the deletion of the semicolon and the substitution of the words “, and”; and

(c) by the addition of the following after subclause (ii):

(iii) with respect to a private company, state the name and address of each officer, director and shareholder of the private company;

**8. Subsection 26(2) of the Act is amended by the addition of the following after clause (c):**

(c.1) list the name and address of each officer, director and shareholder of a private company in which the member or a person who belongs in the member’s family holds shares, except a shareholder, other than the member or a person who belongs in the member’s family, who

(i) does not hold more than a 10% voting interest in the private company, or

(ii) owns non-voting preferred shares of the private company with a total value not exceeding \$5,000;

**9. The Act is amended by the addition of the following after section 34:**

**35. Review**

(1) Within one year following ordinary polling day in each general election, a committee of the Legislative Assembly, either designated or established for the purpose of this section by the Legislative Assembly, shall

(a) undertake a review of the provisions and operation of this Act; and



- (b) submit a report on the review, including any recommendations for changes to the Act, to the Legislative Assembly.

**Public input**

- (2) A review conducted pursuant to subsection (1) shall include an opportunity for members of the public to make representations or submissions to the committee on the provisions and operation of this Act.

## **EXPLANATORY NOTES**

**SECTION 1** repeals the definition of “private interest” in the Act, which actually describes what is not a private interest in relation to a decision. The new section 11.1 of the Act sets out circumstances in which a decision is or is not considered to further a private interest.

**SECTION 2** adds a provision to the Act that requires the appointment of an acting Commissioner in relation to a matter where the Commissioner determines that he or she should not exercise a power or perform a duty under this Act.

**SECTION 3** adds a new section 11.1 to the Act, which sets out circumstances in which a decision is or is not considered to further the private interest of a member or another person.

**SECTION 4** reduces the value of a gift or personal benefit that must be disclosed to the Commissioner by a member or a person who belongs to the member’s family from one that exceeds \$500 to one that exceeds \$200.

**SECTION 5** allows a member to receive a pension for prior service in the Legislative Assembly while serving as a current member.

**SECTION 6** entitles a Minister to be reimbursed from the Operating Fund for reasonable fees and disbursements paid to establish and administer a trust to manage his or her assets, but provides the Minister is responsible for any resulting income tax liabilities.

**SECTION 7** adds a requirement to state on a private disclosure statement the name and address of each officer, director and shareholder of any private company mentioned in the private disclosure statement.

**SECTION 8** requires the Commissioner to list on a public disclosure statement the name and address of each officer, director and shareholder of a private company in which the member or a person who belongs in the member’s family holds shares, with an exception for certain shareholders.

**SECTION 9** requires a committee of the Legislative Assembly to undertake a review of the Act and submit a report that includes any recommendations for changes to the Act, within one year following ordinary polling day in each general election. The review shall include an opportunity for public input.





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(Bill No. 5)

**An Act to Amend the  
Conflict of Interest Act (No. 2)**

<i>STAGE:</i>	<i>DATE:</i>
<i>1st Reading:</i>	April 5, 2018
<i>2nd Reading:</i>	
<i>To Committee:</i>	
<i>Reported:</i>	
<i>3rd Reading and Pass:</i>	
<i>Assent:</i>	

**SIGNATURES:**

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Honourable Antoinette Perry, Lieutenant Governor

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Honourable Francis (Buck) Watts, Speaker

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Charles H. MacKay, Clerk

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Hon. Jordan K. M. Brown  
Justice and Public Safety and Attorney General

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