



OPINION OF
THE COMMISSIONER OF CONFLICT OF INTEREST
PURSUANT TO SECTION 15(1) AND (1.1) OF
THE *MEMBERS' CONFLICT OF INTEREST ACT*

IN THE MATTER OF APPLICATIONS BY
JACK WEISGERBER, MEMBER OF THE LEGISLATIVE ASSEMBLY
FOR PEACE RIVER SOUTH, AND BY KIM EMERSON
WITH RESPECT TO ALLEGED CONTRAVENTION OF PROVISIONS OF
THE *MEMBERS' CONFLICT OF INTEREST ACT*
BY THE HONOURABLE MICHAEL HARCOURT, MEMBER OF THE
LEGISLATIVE ASSEMBLY FOR VANCOUVER-MOUNT PLEASANT

City of Victoria
Province of British Columbia
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INDEX

	<u>Page</u>
<u>I INTRODUCTION</u>	1
A. GENERAL	1
B. THE WEISGERBER APPLICATION	3
C. THE EMERSON APPLICATION	6
D. THOSE INTERVIEWED	7
<u>II BACKGROUND CONSIDERATIONS</u>	12
A. GENERAL	12
B. THE BLENCOE OPINION	13
<u>III DOES AN APPARENT CONFLICT OF INTEREST EXIST?</u>	17
A. WAS THE PREMIER'S PRIVATE INTEREST INVOLVED?	17
B. DID THE PREMIER EXERCISE AN OFFICIAL POWER OR PERFORM AN OFFICIAL DUTY OR FUNCTION THAT A REASONABLY WELL INFORMED PERSON WOULD PERCEIVE MUST HAVE BEEN AFFECTED BY HIS PRIVATE INTEREST?	22
1. What Was the Premier's Involvement?	22
2. Other Factors in Determining What the Reasonably Well Informed Person Would Perceive	24
(a) The Nature of the Official Power, Duty or Function	24
(b) The Nature of the Contract	28
C. THE CONTRACTS AWARDED TO NOW	30
1. Government Advertising and Communications Contracts Generally	30
2. Contracts Awarded After Competition	31
3. Contracts Awarded Without Competition	35
4. The Retainer Contracts	35
<u>IV CONCLUSION</u>	39

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I INTRODUCTION

A. **GENERAL**

This is an opinion requested by:

1. Member of the Legislative Assembly, Jack Weisgerber, MLA for Peace River South, pursuant to section 15(1) of the *Members' Conflict of Interest Act* (the *Act*) and
2. member of the public, Kim Emerson, pursuant to section 15(1.1) of the *Act*

each of them having expressed to me the grounds for the belief they hold and the nature of the contravention they allege that Premier Michael Harcourt, MLA for Vancouver-Mount Pleasant, is in contravention of provisions of the *Act*. Both identify section 2 of the *Act* as the section that they believe has been contravened.

Section 15(1) and (1.1) read:

- 15(1) A member who has reasonable and probable grounds to believe that another member is in contravention of this *Act* or of section 25 of the *Constitution Act* may, by application in writing setting out the grounds for the belief and the nature of the contravention alleged, request that the commissioner give an opinion respecting the compliance of the other member with the provisions of this *Act*.
- (1.1) A member of the public who has reasonable and probable grounds to believe that there has been a contravention of this *Act* or of section 25 of the *Constitution Act* may, by application in writing setting out the grounds for the belief and the nature of the contravention alleged, request the commissioner to give an opinion respecting the alleged contravention.

Sections 2(1) & (2) and 2.1 read:

- 2(1) For the purposes of this *Act*, a member has a conflict of interest when the member exercises an official power or performs an official duty or function in the execution of his or her office and at the same time knows that in the performance of the duty or function or in the exercise of the power there is the opportunity to further his or her private interest.
- (2) For the purposes of this *Act*, a member has an apparent conflict of interest where there is a reasonable perception, which a reasonably well informed person could properly have, that the member's ability to exercise an official power or perform an official function must have been affected by his or her private interest.
- 2.1 A member shall not exercise an official power or perform an official duty or function if the member has a conflict of interest or an apparent conflict of interest.

I will recite the significant parts of each application.

B. THE WEISGERBER APPLICATION

The following allegations are made:

- A real or perceived conflict appears to be inherent in respect to benefits received by NOW Communications Group Inc. (NOW) that will indirectly benefit the Premier.
- The question of how and why contracts were awarded to NOW and what role the Premier may have indirectly played in respect to those contracts is germane to the applicant's central concern. There are reasonable and probable grounds to believe that the Premier may have violated section 2 of the *Act* by virtue of contracts and funding provided to NOW by government employees acting on his behalf.
- There is a reasonable perception that the Premier's ability to exercise his official power and perform his duty with regard to the awarding of government contracts has been affected by his unique political relationship with Ron Johnson and NOW. This relationship is a private interest that is quite similar to the private interest that was determined to be implicit in the Robin Blencoe/ Bamberton case (the *Blencoe Opinion* of August 16, 1993).
- Johnson and others employed by NOW have had a long political history with the Premier and the New Democratic Party (the Party). Johnson has been a frequent candidate for the Party, was chair of its 1985 federal election campaign and was Communications Director for the 1991 provincial campaign and, in the latter capacity, played a key role in developing candidate Harcourt's election strategy,

producing his campaign ads, working with Shane Lunny Productions and Karl Struble (Struble) of Washington, D.C. Following the 1991 election, Johnson formed NOW as a full service advertising agency, his partners in that venture including Dennis McGann and Larry Huber who were also involved in Mr. Harcourt's 1991 election campaign.

- NOW will play a crucial role in Premier Harcourt's re-election campaign and the financial success of the company appears to confer an ongoing political benefit to Premier Harcourt and may well prove to be an important factor in indirectly financing Premier Harcourt's communications strategy in the next provincial election.
- The government's relationship with NOW has been carefully and quite deliberately managed so as to create a false perception of the Premier's relationship with the company. The Government Communications Office (the G.C.O.) and the Public Issues and Consultation Office (the P.I.C.) fall under the auspices of the Ministry of Government Services but they are headed by individuals who answer directly to the Premier's office and who, themselves, played important political roles in the Premier's election. The Director of Communications in the Premier's office has worked extensively with NOW and Struble who is employed indirectly by the government on retainer through a daily retainer paid to NOW.
- The nature of the work contracted with NOW through the G.C.O. and ministries of government relates to building the Premier's personal image and political appeal. Many of the contracts between NOW and the G.C.O. establish a clear relationship that could only have been established with the knowledge and blessing of the

Premier. Included in that category is the retainer contract awarded to NOW by the G.C.O. under which the services of Struble were obtained. This retainer smacks of political patronage for strategic political advice offered in the past, present and future. The primary beneficiary of that advice was intended to be the Premier and the retainer was paid at his behest with his tacit or formal approval. It has the appearance of a conflict under the *Act* because it offers a real monetary benefit to Johnson of NOW that, in turn, is intended to benefit the Premier in a political way.

- The appearance is that G.C.O. and P.I.C., acting on the Premier's behalf, gave a \$109,000 political plum to the Premier's favoured polling company (Viewpoints Research which was used extensively by Harcourt in the 1991 election to do polling for him and his Party) at taxpayers expense which was not commissioned by either the contracting ministry (Forests) or NOW. A Ministry of Forests contract of which the Viewpoints Research contract appears to be a part, was essentially administered by the Premier's political aides possessed of political clout and exercised presumably on the Premier's behalf out of the G.C.O. and the P.I.C. That contract, awarded by those two offices, had an initial value of about \$500,000.00 which increased to about \$1.1 million because of unilateral extensions by the Premier's political advisors instead of being re-tendered and this was only tolerated because of who the contracts were going to and on whose behalf they were presumed to be initiated, namely, the Premier. Mention is made of a May 20, 1994 memo between two senior officials in the Ministry of Forests which expresses concern about an ongoing interference by the Office of the Premier, G.C.O. and P.I.C. with the statutory responsibilities of the Ministry of Forests under the Ministry of Forests.

C. THE EMERSON APPLICATION

The following allegations are made:

- The Premier has a long history with Ron Johnson through political party affiliation. Johnson has been a candidate for the Party and, during the 1991 election, was campaign manager. He worked closely with the Premier in that campaign and the two based their operations out of the Hotel Vancouver. Johnson also worked directly, during the campaign, with individuals who subsequently received appointments under the new administration to such positions as Chief of Staff, Associate Deputy Minister in charge of the G.C.O., Senior Communications Counsels in that office.
- Johnson is the President of NOW. The company is the recipient of approximately \$5 million of government contracts under the current administration. While many of those were won through public tendering process, some others individually in excess of \$50,000.00 were awarded to it without tender in contravention of the government's policy of tendering contracts worth more than \$50,000.00. Further, extensions have been granted and addenda have been made which have increased the value and lengths of contracts without going back to public tender.
- It appears that many of the contracts, extensions and addenda to NOW are being directed from the Premier's office through either G.C.O. or P.I.C. and that bills are sent back to various ministries by NOW without any indication of the Ministry having known about the contract or, having any controls over the work.

- NOW has been on a retainer contract from P.I.C., the value of which to date is about \$140,000.00. It is paid at the rate of \$556 per day from P.I.C. for work anytime during the day or night that is needed by the Premier. On March 6, 1995, the Premier indicated with reference to the retainer contract that it is time for the government's relationship with NOW to change and the retainer would be cancelled and, with respect to future work, the company would be required to bid in an open tendering process.
- The request for an opinion is made to me "given your decision of August 16, 1993 into the *Honourable Robin Blencoe, Minister of Municipal Affairs, Recreation and Housing*".

D. THOSE INTERVIEWED

In this inquiry all persons were interviewed in the presence of a verbatim reporter and the original and one copy of the transcripts will be made available to the Speaker at the time of filing this opinion. All those interviewed gave their answers under oath or affirmation except Struble whose interview was conducted by long distance telephone. Not everything I heard was necessarily relevant to the terms of my inquiry. My discussion of the facts is limited to those which I consider relevant. A large volume of documents were marked as exhibits. They too will be made available to the Speaker.

The following persons were interviewed and in the order in which their names appear:

1. Evan Lloyd - Associate Deputy Minister responsible for the G.C.O. G.C.O. coordinates communications operations across all ministries. It oversees the consistency of style and content in government publications including news releases; it contracts for government communications services including production, presentation and publication of information about government; and it also provides advice and support to the Communications staff in the respective ministries when they require the services of an outside advertising agency. Lloyd explained the functions of G.C.O. and the tendering policy of government and he provided detail on specific contracts awarded to NOW and other advertising agencies by G.C.O. and other offices and ministries.

2. Robert James Challenger - Manager of Visual Communications in the Ministry of Forests. Challenger explained his participation in the management and administration of the Agency of Record contract that had been awarded to NOW Communications through a tendering process and then subsequently extended.

3. Ron Johnson - Vice President, Strategic Planning at NOW. He has been involved in NOW from the time of its incorporation in December 1991 until the present. Johnson detailed his past involvement with the New Democratic Party and his experience in the communication and advertising fields. He reviewed the work carried out by NOW for the government of British Columbia since the time of the Company's incorporation.

4. Mark Stefanson - Executive Director of Communications and Public Affairs, Ministry of Environment, Lands and Parks. Stefan son was a member of the panel that selected NOW as the Agency of Record for the Ministry of Forests. He

explained his involvement in the tendering process that resulted in the awarding of that contract.

5. Laura Stringer - Director of Communications and Public Administration, Ministry of Energy, Mines and Petroleum Resources. Stringer had held the same position in the Ministry of Forests from 1985 until November 1994. She explained the process by which the Ministry of Forests Agency of Record contract was tendered and the process that led to the selection of NOW. She gave detail about the management and administration of the contract including the involvement and relationship of G.C.O. and the Ministry of Environment, Lands and Parks.
6. John Anderson - Communications Counsel in G.C.O. He has been in government service since 1979. He was involved as a panelist in a number of contracts on which NOW bid including the Ministry of Finance B.C. Savings Bond campaign, the C.O.R.E. campaign, the Forestry Agency of Record contract and the Health Agency of Record contract.
7. Robb Gibbs - Senior Communications Counsel in G.C.O. He was involved in the selection process for certain of the contracts awarded to NOW. These included the Ministry of Finance, B.C. Savings Bond campaign, and the Forestry Agency of Record contract. With respect to the latter contract, he explained difficulties that arose in the administration of the contract.
8. Sheila Fruman - Communications Director in the Office of the Premier. Fruman has held this position since August 1994 and previous to that was Director of Strategic Planning in the Policy Coordination Office of government, a position she

had held from November 1991. She described her involvement in a number of the NOW contracts. In particular, she was the principal contact with Struble in his work for the Premier's Office under retainer contracts that were entered into by the government through NOW.

9. Allan Brent Humphrey - Senior Communications Counsel in G.C.O. He explained his work in that office, which did not involve tendering or assigning any contracts to NOW.
10. Karl Struble - A principal of Struble Totten Communications of Washington, D.C. Struble's expertise is in the area of public policy communications and campaigns with an emphasis on television. He explained his role in the 1991 New Democratic Party election campaign. He also detailed the work done by his firm for the government of British Columbia since 1991.
11. Larry Huber - Vice President and Chief Financial Officer for NOW. Huber oversees the accounting and some contract negotiations for NOW. In that capacity, he has been involved in administrating NOW's contracts with the government. He provided information about billing and payment procedures under a number of contracts, including the retainer contracts between NOW and the government under which the services of Struble were made available to the government.
12. Christopher Chilton - Chief of Staff to the Premier. He has held this position since August 1993. Previous to that he was Deputy Minister of Government Services responsible for the Policy Coordination Office. That was a position he had held

from November 1991. He explained the background of a number of contracts. He discussed the services that Struble provided to the government and the Premier.

13. John Scott Heaney - Assistant Deputy Minister of P.I.C. in the Ministry of Government Services. He explained his role in the administration of the retainer contracts with NOW through which Struble's services were obtained.
14. Premier Harcourt - Premier of British Columbia since November 1991. He explained his past relationship with Johnson and his dealings with Struble in the 1991 campaign and after. He outlined his role in the awarding of government contracts generally and in particular to NOW. He responded directly to the allegations in the Weisgerber and Emerson applications.
15. Shawn Thomas - Executive Director of Communications, Ministry of Employment and Investment. Previously Thomas had held the same position in the Ministry of Finance and Corporate Relations. He provided information about NOW contracts with which he had been involved at both Ministries.
16. Garth Cramer - Executive Director of Communications and Public Affairs in the Ministry of Health. Cramer provided information about the various contracts awarded to NOW by the Ministry. He explained the tendering process used in awarding the Health Agency of Record contract to NOW and described some of the work done by NOW under the contract.
17. Honourable Glen D. Clark - Minister of Employment and Investment. Clark provided information about his involvement in the awarding and administration of

certain contracts between NOW and the Ministries over which he has presided.

18. Dennis McGann - Vice President of Social Marketing at NOW. McGann explained his professional background and his association with the New Democratic Party. He explained his involvement in the 1991 NDP election campaign and his responsibilities as a principal of NOW. He talked about his and his colleagues' various efforts to obtain business. He spoke specifically about his work on a number of contracts with the government.

II BACKGROUND CONSIDERATIONS

A. GENERAL

An important goal of the *Members' Conflict of Interest Act* is to promote public confidence in our elected public officials insofar as that public confidence may be enhanced by eliminating conflict of interest, actual and apparent, from the exercise of a Member's official duties, powers or functions.

The Auditor General, the Ombudsman, and the Information Privacy Commissioner, as Officers of the Legislature, may have similar goals, broadly speaking, of promoting that public confidence. Their activities are directed at other areas of government action whether it is ensuring the economic, efficient, and proper use of public money, requiring that government bodies act in accordance with the principles of administrative fairness or upholding the information and privacy rights of citizens. It is my responsibility to confine

my investigation to those matters directly relevant to conflict of interest allegations, actual and apparent, and to render my opinion based on factors relevant to them.

I feel somewhat constrained about saying too much about that which is more properly within the jurisdiction of the Auditor General particularly given the inquiry he has initiated in order to answer for the Legislative Assembly the following three questions:

1. Does the government treat contracts with NOW in the same way it treats contracts with other firms supplying similar services to government?
2. Does the government appropriately manage and control its contracts with NOW?
3. Does the government appropriately classify and report the payments it makes to NOW?

It should be said at the outset that I have received no information to support any contention that the Premier is or was in an actual conflict of interest. Accordingly, the issue before me is whether the Premier has an apparent conflict of interest as defined in section 2(2) of the *Act*.

B. THE *BLENCOE OPINION*

Both Weisgerber and Emerson placed reliance on the *Blencoe Opinion* in making their allegations. That opinion involved a finding of an apparent conflict of interest, rather than an actual one. I concluded in essence the following:

- (a) in addition to the traditional definition of "private interest" as being pecuniary in nature, a private interest could be non-pecuniary, providing it

confers a real and tangible personal benefit on the Member;

- (b) private interest is not limited to one that is contemporaneous with or subsequent to the exercise of an official power, duty, or function by a Member. At least insofar as an apparent conflict of interest is concerned, it is enough that the Member be a recipient of a past benefit amounting to a private interest. Where a Member's decision can be perceived to create a scenario, perhaps usefully described as a "*quid pro quo*" for past favours, that is also caught by the *Act*;
- (c) the private interest of others can also be, in some circumstances, a private interest that is attributed to the Member encompassing those persons who are in a close and proximate relationship to the Member where it is reasonable to assume that the Member would benefit directly or indirectly from the benefit to the third party.

Adopting a more narrow view of private interest would not be consistent with the legislative intent. My conclusion with respect to that intent and the overall purpose of the *Act* is drawn in large part from the review I made of Hansard in the *Blencoe Opinion*, both when the *Act* was enacted in 1990 and at the time of its extensive amendment in 1992, when for the first time, an "apparent conflict of interest" was introduced by way of definition and made a proscribed act. For example, Opposition Leader Harcourt (as he was when the *Act* was first enacted) said:

New Democrats believe that our Province deserves the toughest conflict of interest laws that we can come up with.

Attorney General Colin Gableman, when shepherding the 1992 amendments through the House, said:

Conflict of interest rules that are strong and fair are essential to insure that the conduct of government is open and honest, and is seen to be so by British Columbians.

...

We are, as far as statute law is concerned breaking new ground. It raises questions that have not been answered before in this country - how you determine this apparent conflict.

Indeed, British Columbia is the only jurisdiction in the country where a Legislature has enjoined Members from placing themselves in a position of apparent conflict of interest.

In the context of conflict of interest the requisite standard of conduct must always reflect one overriding concern: that Members not use their public office for private gain; neither should there be that perception in the mind of the reasonably well informed person.

Because it is relevant to this matter I want to repeat what I said in the *Blencoe Opinion* on the issue of whether campaign contributions can be a "private interest":

Whether campaign contributions and assistance are described as pecuniary or non-pecuniary interests or some hybrid, given the circumstances leading to this complaint, it is necessary to consider them. Campaign contributions and assistance, whether financial or otherwise, can, in my opinion, in some circumstances, be a "private interest". I am conscious of the very real purpose and difference between these kinds of contributions and other kinds of pecuniary or non-pecuniary benefits that could pass to a Member. Indeed in our system of parliamentary democracy, campaign contributions and assistance are to be encouraged and fostered and must be seen in a positive light as an interest accruing not only to a political party but also to the public generally; it is thus an interest clothed with the public interest. Nevertheless, it would be

wrong to deny that in some circumstances it is also an interest that accrues to individual candidates and is thus also a private interest. This is particularly the case where the financial contribution is specifically directed to the candidate even though it is payable to the party. It is also the case where the non-financial contribution or assistance is of particular benefit to the candidate. The non-financial contribution on behalf of a specific candidate (notwithstanding that it is also on behalf of the party that the candidate represents) can include an array of activities from distributing leaflets, knocking on doors, developing campaign strategies, public endorsements and fundraising. While these factors may constitute a "private interest", the mere receipt of a private interest does not constitute a breach of the *Act* for reasons which I set out below.

I want to emphasize that I do not intend that anything that I have said or will say hereafter to be interpreted as in any way discouraging or disapproving of campaign contributions or assistance. Indeed, I wish to express my complete support for those who choose to participate in the democratic process in this way. Political parties are essential to properly functioning parliamentary democracies. To be effective, they require membership and resources. I start from the premise that those who contribute to political party viability through contributions of time or resources or both, to either the party or one of its candidates, should not be prejudiced in subsequent dealings with government as private citizens, regardless of whether the political party they support does or does not form the government of the day. Similarly, those who choose not to participate in the political process should not be, nor be seen to be, prejudiced in their dealings with government as a result of their non-participation in the political process. It is to be emphasized, however, that a Member who has received a campaign contribution, financial or otherwise, must not, at least in some circumstances, discussed in more detail below, thereafter put him or herself in a position to confer an advantage or a benefit on the person who made that contribution. As I will elaborate below, the Legislature has provided a simple and sensible solution in section 9.1 of the *Act* for the Member, in those circumstances, to step aside and allow the business of government to proceed unimpeded by having another Member exercise the official power, function or duty.

In the *Blencoe Opinion* I emphasized that the mere fact that the Member's private interest was advanced did not by itself constitute a contravention of the *Act*. It was necessary to consider as well whether there was a reasonable perception, which a reasonably well informed person could properly have that the Minister's ability to exercise his official

power must have been affected by his private interest. In answering that question I said that it would be relevant to consider a number of additional factors which included:

the timing of the contribution (the closer in time the more relevant), the significance of the contribution in relation to both the candidate and the contributor, the motive for the contribution if that can be discerned and whether the candidate (now Minister) was aware of the contribution prior to the exercise by the Minister of the impugned official power, duty or function.

In the *Blencoe Opinion* it was the accumulation of a number of factors that caused me to conclude that the Member had an apparent conflict of interest. In this case I have likewise considered all of the relevant factors to enable me to reach a conclusion whether Premier Harcourt had an apparent conflict of interest and I will now proceed with a discussion of them.

III DOES AN APPARENT CONFLICT OF INTEREST EXIST?

A. WAS THE PREMIER'S PRIVATE INTEREST INVOLVED?

Both Weisgerber and Emerson appear to anchor their argument, with respect to the possession by Premier Harcourt of a "private interest", by relying on the *Blencoe Opinion*. Their position must be that there existed some real or tangible benefit that enured to the personal benefit of the Premier. As I have already indicated, the *Blencoe Opinion* stated that in some circumstances campaign contributions and assistance to a candidate who at the time is or who subsequently becomes a Member can be a "private interest" and that the cumulative effect of financial and other support to a candidate could

be seen as advancing the "private interest" of a Member.

In my opinion there was no such accumulation of factors arising from the relationship between Premier Harcourt and NOW or its principals. Save for one possible situation that I will discuss, I have discovered no personal benefit that passed to Premier Harcourt from Johnson or anyone else connected with NOW. There were no financial contributions to Harcourt's personal election campaigns and there was no direct effort or personal support given to the Member in his endeavour to win election to the Legislature in either 1986 or 1991.

That Premier Harcourt and Messrs. Johnson and McGann have political affiliations in common, there is no doubt. All three have belonged to the New Democratic Party for years. Johnson and McGann have worked for the Party and have financially contributed to it. However, neither one played any role in candidate Harcourt's election campaign of 1986. Johnson, however, did some work for M.L.A. Harcourt in the latter's 1987 successful bid for the leadership of the New Democratic Party. He was on the election committee and wrote a brochure. Johnson described it as not being a difficult campaign in that leader Harcourt was elected unanimously. Johnson said he could not confirm whether he contributed financially to that leadership campaign but he thought it logical that he would have made a small contribution. No records exist today which could confirm it.

In the 1991 provincial election campaign both Johnson and McGann were active in the New Democratic Party provincial campaign. In 1989 Johnson had become Communications Director for the provincial Party. This was a paid position that he continued to hold until after the election. That position seated him on the election

planning committee and candidate Harcourt also sat on that committee as leader of the Party. As Communications Director Johnson supervised and prepared the advertising campaign. The Communications Committee on which he sat also included McGann. The Committee retained the services of a creative director and they subcontracted with Shane Lunny Productions for work on television advertisements. They hired Struble of Struble Totten of Washington, D.C. whom they recognized as an expert in dealing with negative advertising. During this campaign Johnson centred his activities in the Burnaby office of the Party. He was not on the Leader's Tour and had little direct contact with it. He did not base his operations out of the Hotel Vancouver. McGann was a volunteer in the election working with Johnson. He had no input into candidate Harcourt's individual campaign nor into the Leader's Tour. Huber had no political affiliation or involvement.

Over the years since 1986, Johnson has made annual contributions to the NDP in amounts ranging from \$670.00 to \$1,380.00. Over the same years McGann has also contributed to the New Democratic Party annually. His contributions in those years have ranged from \$5.00 to about \$500.00. The contributions of both Johnson and McGann have been subject to a formula by which the provincial and federal divisions of the Party share in the proceeds. Under normal circumstances part of the provincial Party's share goes to the donor's home constituency association. Neither Johnson nor McGann has ever lived in Premier Harcourt's constituency and neither has ever redirected any of their contributions, as they could have done, from their home constituency to that of the Premier.

NOW has, in both 1994 and 1995, bought ten tickets for an "Annual Chinese Banquet" held by the (Premier's) Vancouver Mount Pleasant New Democrats' Constituency

Association. The tickets were \$40.00 each. After deducting expenses, the Constituency Association apparently receives the balance of the proceeds. Premier Harcourt, himself, attends the event.

In regard to the Banquets, and other social gatherings organized by the NDP and attended by the principals or staff of NOW, Mr. Johnson said:

... it's my understanding that legal firms, accounting firms, all kinds of businesses purchase tickets to these kinds of events and because I have at these events seen others, including people from various industries in British Columbia, who are there clearly not as supporters necessarily of the NDP but simply there at the event to be seen and to talk to people and so on.

The purchase of the Banquet tickets leads me to refer to an earlier confidential opinion that I gave to a Member under section 14 of the *Act* subsequent to the *Blencoe Opinion*. In that opinion I addressed the issue of a single relatively minimal contribution made to a Member charged with exercising powers under a particular statute, which powers might be exercised in favour of the person who made the contribution. I believe it will be useful to repeat what I wrote on that occasion but I will not disclose any information that would reveal the identity of the Member as that opinion is, by virtue of section 14(4) of the *Act*, to be kept confidential by me. I said:

In my previous [Blencoe] opinion I emphasized the many and cumulative factors that not only caused me to conclude that what the member received was a private interest but more importantly, to conclude that there existed a reasonable perception which a reasonably well-informed person could properly have that the member's ability to exercise his official power, duty or function would be, and in some cases was, affected by that private interest. Your case is very different. From what you have communicated to me it is apparent that there is no such accumulation of factors but, rather one very minimal contribution and it alone would give rise to no such

reasonable perception. Further, for me to rule that your receipt of this modest contribution forever precludes you from meeting your statutory obligations ... would not coincide with the views that I have expressed about the importance of encouraging campaign contributions as an interest clothed with the public interest.

I appreciate that reaching the foregoing conclusion unavoidably involves me in drawing lines between campaign contributions and assistance that give rise to a conflict or, alternatively, to a reasonable perception of the kind already discussed and those that do not give rise to either of those situations. It will depend on all of the circumstances in each case.

Just as it was clear to me that the cumulative effect of the numerous factors in the former case resulted in the line being crossed, it is just as clear to me, given the information you have supplied to me, that in your case the line has not been crossed.

This passage illustrates that in deciding whether an apparent conflict of interest exists I must consider not only whether the Member is in receipt of a benefit amounting to a private interest but as well and most importantly whether in all of the circumstances the reasonably well informed person could perceive that this private interest could affect the exercise or performance of an official power, duty or function. The purchase of the Banquet tickets to a constituency fund raiser is substantially similar to the circumstances presented to me by the facts in the private opinion just quoted. Even if I were to find that the purchase of Banquet tickets did enure to the personal benefit of the Premier I would characterize that fact as only one factor to consider in determining whether there has been an apparent conflict of interest.

Finally, in response to Weisgerber, I am of the opinion that the role that NOW might play in future New Democratic Party campaign endeavours can have no relevance. NOW has made a presentation to the Party's election committee to be its advertising agency for the campaign. If successful, it expects to be paid for its professional services. I do not accept

the suggestion that a choice of an agency for the next provincial election campaign for the New Democratic Party can be equated to the private interest of the Premier. Not only is it based on speculation but it is not sufficiently personal to Premier Harcourt to satisfy the requirements of a private interest.

Some may say that contributions to the Party may benefit the Premier more than they would benefit any particular Member. That may be so but I am of the opinion that the distinction that I drew in the *Blencoe Opinion* between contributions to the candidate (or redirected to his or her constituency) and contributions to the Party must be maintained. Indeed, to fail to make that distinction when the Premier is the Member concerned would not only be unfair to the Premier but could hamstring the operation of government. Further, sight must not be lost of the fact that this is the *Members' Conflict of Interest Act* we are dealing with - not a statute that goes beyond that important limitation. It is thus only the private interest of the Member that is relevant.

B. DID THE PREMIER EXERCISE AN OFFICIAL POWER OR PERFORM AN OFFICIAL DUTY OR FUNCTION THAT A REASONABLY WELL INFORMED PERSON WOULD PERCEIVE MUST HAVE BEEN AFFECTED BY HIS PRIVATE INTEREST?

1. What was the Premier's Involvement?

In the *Blencoe Opinion* the Member was personally positioned to exercise an official power, namely the approval of a proposed development pursuant to section 948 of the *Municipal Act*. In the present case, the only thing that could arguably amount to the exercise of an official power or the performance of an official duty or function would be the awarding of government contracts to NOW.

There were a number of contracts awarded by the government to NOW. I have no doubt that Premier Harcourt was aware that some of the government's advertising or communications work was being carried out by NOW. However, there is nothing to suggest that Premier Harcourt himself directed the awarding of any such contracts or played any role at all in the awarding of contracts generally. Indeed, all the decisions respecting who would be awarded the contracts, why they were awarded and on what terms, were quite properly left to senior officials in G.C.O., P.I.C., the Premier's Office or other government offices. In response to my asking whether he had played a role in the awarding of contracts to NOW, the Premier replied:

I very specifically have tried to play no role, to not be involved personally in knowing about or in the awarding of advertising contracts or contracts of any sort.

The mere fact that decisions about awarding contracts were made by government officials accountable to the Premier does not mean that the Premier exercised an official power or performed an official duty or function in relation to those contracts. While the principle of ministerial responsibility may mean that the Premier is accountable to the Legislature for the conduct of his staff, I do not think that such a parliamentary principle has any application in the context of the *Act*. This is particularly the case when the Member/Minister has no knowledge of the facts that might give rise to the apparent conflict of interest or where the governmental function (here, the awarding of contracts) is commonly exercised by senior officials without any Ministerial involvement. In my view, the reasonably well informed person would not perceive that the Premier would be involved in such bureaucratic minutiae or, in the words of one senior official, an issue of "micro-management."

2. **Other Factors In Determining What the Reasonably Well Informed Person Would Perceive**

(a) The Nature of the Official Power, Duty or Function

Amongst other factors that I consider to be worthy of consideration in determining what the reasonably well informed person would perceive in the circumstances is the nature of the governmental function to be exercised. In the *Blencoe Opinion*, the principal issue was whether the Member should exercise his statutory powers under section 948 of the *Municipal Act* to approve a development project. This would have undoubtedly involved the exercise of an "official power or ... function" and indeed one that has about it the very essence of a governmental function. When the exercise of such a governmental function is at issue the public expects and is entitled to expect a high degree of impartiality in the decision making process.

The power or function at issue here is contracting on behalf of the government. I do not say that contracting on behalf of government does not involve the exercise of an official power or function because I believe that it does and section 9.2 of the *Act* lends some support to that view. Nevertheless, I do believe that the power to contract is one that is somewhat different from other governmental functions that may be described as legislative or involving the exercise of executive or administrative powers pursuant to a statute. It seems to me that the reasonably well informed person would take into account the differentiation that I have noted and will consider that the government must have a certain amount of latitude in deciding from whom it purchases goods or services.

It is worth noting that the only place that the Legislature has expressly proscribed the awarding or approving of contracts is in section 7 of the *Act* which pertains to contracts with former members of the Executive Council and former parliamentary secretaries.

This may in fact be a provision that is more concerned with "patronage" than with conflict of interest. This raises the question of what, if any, relationship there is between patronage and conflict of interest. Given the many comments that have been made, in the media and in the House about the issue of patronage, I believe it is appropriate that I expound briefly on it.

I do so in the knowledge, as do Professors Langford and Tupper in their recent text *Corruption, Character and Conduct* at p. 1, that "Government ethics is an area where difficult questions come easier than convincing answers." This is particularly the case when it comes to attempting to understand the role of patronage in a political system which proscribes apparent conflicts of interest.

Patronage has been described in many different ways but one common way offered by Professor Ian Stewart in *Despoiling the Public Sector* (chapter 5 in Langford and Tupper at p. 92) is "the giving of employment, grants, contracts and other government perquisites on the basis of party affiliation". There may be other definitions that carry with them more negative connotations. Professor Norman Ward in a paper entitled *Patronage: Gentle Reflections (1987) 22 J. of Canadian Studies 177* said that it is "hard to consider 'patronage and corruption' as synonymous. They can be: but as parts of working government they need not be and frequently are not."

Jeffrey Simpson in his book *Spoils of Power* (1988 at p. 6) likewise reveals the many sides of patronage. He likens it to the "... pornography of politics, enticing to some, repulsive to others...". He says that "... patronage is endemic to organized human society because everyone naturally prefers and trusts the company of friends to that of adversaries. The problem for political practitioners and observers has always been

finding the point at which preference injures the public interest, a shifting uncertain notion."

Nevertheless, patronage has been a fact of political life in Canada since Confederation; and there are many well respected academics who would defend many forms of patronage as a legitimate force in that political life.

As Professor Ward notes in the same paper:

... in the Confederation period and the following decades patronage was considered the only possible tool through which responsible government could be carried on: if ministers could not have the final word in appointments and contracts, how could they reasonably be held responsible for anything? *The Bad Things then were not patronage as such, but electoral corruption and, however contracts were let, the providing of shoddy goods and services to the government.* (emphasis added)

Jeffrey Simpson who says in his book that he does not find patronage "terribly tasteful" nevertheless has described it as "ubiquitous" and admits to being "... more sanguine about its more benign forms such as those involving appointments". He concludes at p. 4:

Patronage remains with us and always will as long as governing means making choices and exercising discretion. An alert, well informed public is the best check I can think of against the abuses of patronage.

Margaret Young, Barrister and Solicitor in the Library of Parliament in Ottawa, in a recent research paper notes that the line between conflict of interest and patronage was left open in the *Blencoe Opinion*:

Underlying the [Blencoe] decision is the perceived unethical conduct of preferential treatment; that is, the principle that decisions should not be made using factors irrelevant to the intrinsic merit of a matter. It accurately reflects the principle of impartiality, which ... has been posited as one of the underlying principles of all conflict of interest rules. As noted, the degree to which impartiality should extend is currently unclear and subject to public debate. ***Particularly unclear is the degree to which the principle of impartiality extends in the face of patronage decisions and the degree to which ministers (and cabinets?) can go in dealing with, let alone showing favouritism to, party supporters.*** (emphasis added)

Under the *Act* and particularly section 2 my concern is with determining whether a Member has a conflict of interest or an apparent conflict of interest. It is neither express nor implicit in those sections that I am to act as a "watchdog on patronage" and thus it is generally not my duty to monitor whether government contracts are awarded on the basis of party affiliation. It becomes my concern however if a government decision, in which a Member has had a role to play, is made or reasonably perceived to have been made after a personal benefit amounting to a "private interest" has been conferred upon the Member by someone who stands to gain from the decision. This will amount to either a conflict or an apparent conflict of interest.

Some confusion respecting the relationship between patronage and conflict of interest may arise when campaign contributions of various kinds are in issue. Where such campaign contributions are for the direct and particular benefit of the Member and the Member awards a contract to the contributor, that can, in some circumstances, give rise to an apparent conflict of interest. That might also involve or be described as patronage. Where, however, the campaign contributions are for the Party and not for the direct and particular benefit of the Member then any subsequent contract awarded by the Member or any other government official to the contributor may raise an issue of patronage but it

does not raise an issue of conflict or apparent conflict of interest. As such it is not my concern under the Act.

(b) The Nature of the Contract

The nature of the contract is another important factor to be considered in determining what the reasonably well informed person would perceive. Some contracts awarded by government by their nature involve sensitive policy matters. In relation to those contracts, Members and their senior staff might reasonably seek out persons with whom the government has a high level of comfort, trust and confidence, which may be based in whole or in part upon sharing similar political views. In a government system dependent on political parties this fact cannot be ignored. I believe that the reasonably well informed person can be expected to understand this fact and to take it into account in determining whether an apparent conflict of interest exists.

Furthermore, it is an important fact that advertising agencies, public relations and communications firms provide a service to government that is political in the broadest sense of that term. It makes sense that, in some instances, contracts for such services would be given to persons who share the same political or ideological point of view of the government in power. It has become apparent to me in the course of this inquiry that such persons are sometimes privy to very sensitive political or governmental information (e.g. McGann, one of the principals of NOW was asked to appear before Cabinet) and such persons must therefore enjoy the complete trust and confidence of the government and its officials. In my view, the reasonably well informed person would take all of this into account.

It may very well be that contracts of the type discussed in the preceding paragraph ought not to be characterized as involving patronage at all, let alone raising an issue of apparent conflict of interest. Yet in some of the academic writings, advertising contracts are often singled out as an area where patronage is both common and essential. In other words, if this does involve patronage, then to borrow from Professor Ward, it is of an acceptable kind. For example, Professor S. Noel states in *Dividing the Spoils: The Old and New Rules of Patronage in Canadian Politics* (1987) 22 *J. of Canadian Studies* 72:

For the rise of media-dominated politics has brought forth a critical new element in the electoral process which has taken over precisely where the old party machines have left off: namely, the patronage-fuelled advertising agencies, polling firms, media consultants, and influence brokers whose sole claim to reward is that they - not the party organizations - are now essential instruments in the struggle for political power, that they alone possess the expertise required to mount successful election campaigns. It is from them that party leaders and those who aspire to be party leaders, now recruit the teams of advisors, fundraisers and campaign designers upon whom they believe their fortunes rest.

All that I have heard as I conducted my interviews preparatory to this opinion tells me that this "critical new element in the electoral process" may well be with us in British Columbia in 1995.

As I will demonstrate below, most of the contracts were awarded to NOW on the basis of merit; i.e. because it was considered to be well qualified for the tasks at hand and the company enjoyed the trust and confidence of various persons in government. That does not mean that there might not have been other qualified or even more qualified agencies - there may have been. Nor does it mean that the political affiliation, activities or contacts of the principals of NOW did not assist in getting NOW's "foot in the door" in some cases. But none of that detracts from the proposition that most of these contracts were

ultimately given on the basis of merit and not because of mere past contribution to the Party or any particular Member. However, there were certain so-called "retainer contracts", about which I will say more later, that cause me some concern.

C. THE CONTRACTS AWARDED TO NOW

1. Government Advertising and Communications Contracts Generally

Between January 1991 and January 1995, pursuant to its various contracts, NOW billed the government a grand total of about \$4.7 million. Of that, a substantial portion (at times as much as two-thirds) was paid out directly by NOW to various subcontractors and suppliers of goods and services.

It is significant to me and no doubt it would be significant to the reasonably well informed person that NOW has not been the sole recipient of government advertising and communication contracts. Indeed, far from it. In that regard the following facts are to be appreciated.

In the fiscal year 1991/92 NOW billed the government approximately \$154,000.00 under all its contracts. That amounted to something under 1% of all government advertising and communications expenditures.

In 1992/93 fiscal year NOW billed the government approximately \$1.1 million under all its contracts. That amounted to about 3% of the total government advertising and communications expenditures in that year.

In 1993/94 fiscal year NOW billed the government approximately \$1.9 million under all of its contracts. That amounted to about 6% of the total government advertising and communications expenditures in that year.

In the 1994/95 fiscal year NOW billed the government approximately \$1.6 million under all of its contracts. That amounted to about 4% of the total government advertising and communications expenditures in that year.

Overall in those four fiscal years, NOW's billings to the government amounted to something under 4% of the total government advertising and communications expenditures. Over that period, at least three other firms received a greater proportion of the total expenditures. One of those four, the government's Agency of Record, received more than \$31 million, which amounts to approximately 22% of all government expenditures for advertising and communications over that four year period.

All of these contracts fall within one of the three following categories: contracts awarded after competition; contracts awarded without competition; and the retainer contracts. I will discuss each of them.

2. Contracts Awarded After Competition

Of all NOW's billings to the government, the majority relate to eight contracts (and extensions to them) which NOW won after some form of competitive process. In every case that I examined the extensions were made after satisfactory performance by NOW under the original contracts. The total of billings under these tendered contracts and the extensions to them was just in excess of \$3.2 million.

In addition to those eight contracts where NOW was the successful bidder, it also bid unsuccessfully between June 1992 and February 1995 in at least thirteen other competitions for major government contracts. This was so even though they only chose to bid on contracts where they thought they were very well qualified and could win the competition.

During my inquiries, a number of questions were asked and answered about the four largest contracts NOW won after a competition: Ministry of Forests, Agency of Record; Ministry of Health, Agency of Record; Ministry of Finance, B.C. Savings Bonds Campaign; and Government Communications Office, C.O.R.E. Campaign. Everything I heard led me to conclude that those contracts were fairly awarded on the basis of merit. With respect to each of those four contracts, what career public servants had to say contributed substantially to the comfort level that I have in making the immediately preceding statement. John Anderson has been in Government service since 1979. He sat on the selection panel in all four instances. He was definite that merit alone was the only factor at work in the selection of a successful bidder and that neither political interference nor political connections were involved. He detailed how in each instance he considered the presentation of NOW to have been superior to all others.

Similar expressions were made by public servants Challenger, Stefanson and Cramer. Speaking about the Ministry of Forest Agency of Record contract, Challenger expressed his opinion that the services supplied by NOW resulted in the Government receiving "Good value for their money - for what they were billed". With respect to the same contract Stefanson after saying that NOW clearly had the best presentation said:

It was comprehensive. Had a good sense of appreciation as to the multi-faceted nature of the forestry issue and sustainable development and it was, you know, it had a lot of depth to it in terms of its analysis it was not superficial in its potential approach.

Of the awarding of the Ministry of Health, Agency of Record contract Cramer said:

In fact it was, again, the unanimous view of the panel, I believe, that they were far and away clearly the most suitable candidate of the agencies that made the presentations.

As to performance under this contract Cramer said:

I think it is of the highest - I have been in the communications business for, gee, 17 to 18 years. I have worked in the private sector as a, as a consultant. I have worked in the public sector in a government. I have worked with dozens upon dozens of communications agencies in my experience and my view that the work and performance of NOW Communications is commensurate with the high standards of the people and the personnel and the work that I am familiar with provided by full service communications agencies.

Of the CORE contract Anderson was clear that NOW's presentation was the most impressive and as I have had an opportunity to review the various presentations I would not quarrel with that assessment. He was also adamant that the B.C. Savings Bonds contract was awarded on the basis of merit alone.

In my view where a contract is subject to some *bona fide* competitive process (and where the Member has no involvement in that process) then it should rarely raise an issue of conflict or apparent conflict of interest.

Before moving on to a consideration of untendered contracts awarded to NOW I pause to record some observations and conclusions with respect to the Ministry of Forests' Agency of Record contract.

Weisgerber singled out for special mention certain correspondence respecting the Ministry of Forests' Agency of Record contract as well as the work of Viewpoints Research Ltd. carried out under the contract. At the time that this contract was entered into there were a number of key cross-government initiatives centred in the forestry sector of the provincial economy that required professional communications advice and strategic assistance. The Ministry of Forests had not set aside adequate funds for that purpose and the required expertise was not available from the Ministry staff. Accordingly, G.C.O. became a partner with the Ministry in the communications venture and the former contributed most of the funding to it. That relationship and the joint management of the contract were provided for in the terms of the contract.

The joint management arrangement did not always run smoothly and administration problems resulted. That is what gave rise to the May 20, 1994 memorandum from Challenger to Stringer referred to by Weisgerber. For a considerable time, G.C.O. was unaware of the concerns of Forests but when they were ultimately discussed, an agreement was reached between the parties that generally allayed the outstanding concerns.

Viewpoints Research was named as an approved sub-contractor under the main contract and work by it was contemplated by the parties to the contract. Once again, the management of this aspect caused a problem but like the other problems, this matter was ultimately resolved between the parties.

I find no basis to suggest that there was political interference by the Premier or his staff in the management of the Ministry of Forests' Agency of Record contract, the work performed under it or the extension of it.

3. Contracts Awarded Without Competition

The remainder of NOW's billings to the government, something under \$1.5 million, related to contracts directly awarded to them. Insofar as I am aware in all but four cases, these directly awarded contracts were worth \$50,000.00 or less and therefore pursuant to government policy that had been in place since the 1980's did not require the involvement of a competitive process. While I did not examine each of those contracts in detail, I am satisfied that NOW was qualified and trusted to do the work and had the capacity to do it. Likewise, in regard to those four contracts over \$50,000.00, it would appear that they were awarded to NOW because of a belief by the Government Officials involved that time constraints or NOW's particular expertise justified the direct award. The Honourable Glen Clark participated in the process with respect to one of those four contracts but since I am satisfied that the Premier was in no way involved, I need not pursue it further.

4. The Retainer Contracts

By "retainer contracts" I mean all those contracts under which the government arranged to have the services of Struble of Washington D.C. made available on an ongoing basis to the senior members of the Premier's staff and, at times, to the Premier. Under this category I understand there were at least seven separate contracts, covering January, 1993, and the entire period between April 1, 1993 and March 31, 1995. The retainer contracts were entered into on behalf of the government by the P.I.C. While that Office is

attached the Ministry of Government Services, the staff in it are directly and solely answerable to the Premier and Cabinet through the Premier's Chief of Staff.

Struble, apparently, has considerable experience in assisting governments and politicians in various parts of the world to communicate their messages to the public. His art is one that, apparently, is more advanced in the United States than it is in Canada. It was very apparent to me that the services of Struble are highly valued by the members of the Premier's staff and indeed the Premier himself.

All of the retainer contracts were, on their face, between the government and NOW. No reference was ever made to Struble or his company either in the contract forms or appendices or, even, in the invoices delivered to the government by NOW. This is so even though everyone concerned, including the Premier's staff, the principals of NOW and Struble himself, knew from the outset that Struble and his company would perform most of the services and receive most of the remuneration under these contracts. Indeed, in respect to two of them, covering the period from January to March, 1994, all of the services were provided by Struble who then received all of the remuneration. Nevertheless, neither his name nor that of his company appears anywhere in the documents relating to those retainer contracts.

With respect to the retainer contracts between April 1994 and March 1995, Struble received approximately \$10,000.00 per month to NOW's \$1,500.00 per month. This became identified as a total daily rate of \$556. While NOW's share is relatively modest it is also clear that NOW did very little under these contracts. NOW's responsibility was said to be to "administer" the contracts. That included no more than sending out a pro forma invoice to the government once a month; providing Struble with an office and a

phone on the few occasions when he visited Vancouver; and, from time to time, consulting with Struble to help keep him abreast of current issues in British Columbia.

I contrast these retainer contracts with NOW's other government contracts, under which NOW provided substantial and tangible communications services to the government. Under those other contracts, NOW also provided significant details of the kinds of services provided by subcontractors under the contracts. Under the retainer contracts, however, the invoices were cast in very general terms, without any detail about the nature or amount of work done or by whom. In this regard, the invoices simply mirrored the appendices to the retainer contracts, which were crafted by the Premier's staff. For example, the terms of reference for each of the contracts between April 1994 to March 1995 stipulated: "To provide advice on key public concerns and issues demanding government attention and action". The invoices were cast in exactly the same terms.

Moreover, unlike NOW's other contracts with government, the retainer contracts provided for the government to be invoiced for the total maximum value of the contracts, without Struble having to account for his time and, indeed, that was so even if Struble spent no time and performed no services at all.

Ultimately, it was explained to me that it may well have been more cost effective for the government to retain Struble in this way. According to what I heard, it could have cost the government more to retain him on a fee-for-service and project-by-project basis. As well, I was told that the retainer contracts were put in place to ensure that at least some of Struble's time would be available so that the government could call upon him as required.

However, no satisfactory explanation was ever given as to why, at the behest of the Premier's staff, NOW was interposed as a notional contracting party between the government and Struble; nor was there any satisfactory explanation for the complete lack of documentation which would have revealed the nature and extent of Struble's involvement. Despite denials from members of the Premier's staff, the only rational conclusion that I am able to draw is that the retainer contracts were written as they were because the Premier's office did not want to be seen to be contracting directly with an American public relations firm. When that suggestion was put to Johnson he candidly conceded that "it's hard to disagree with that perspective."

I had to ask myself whether NOW was thus being used and allowing itself to be used by the Premier's Office to mask the arrangement with Struble. I believe that it was. I also asked myself whether the reasonably well informed person could perceive that NOW might expect or anticipate some favourable treatment in return for going along with this arrangement. I believe that this may well be a reasonable perception. However, I do not see how this situation creates even an apparent conflict of interest for the Premier and I say that for two reasons.

Firstly, while the Premier knew Struble's advice was sought and received by the government no one I interviewed suggested that the Premier himself had any role to play in or even any knowledge of the contractual arrangements under which Struble's services were provided to the government.

As I have alluded to earlier, I do not believe that a Member can have an apparent conflict of interest where the Member has no personal knowledge of the facts which give rise to it.

I am satisfied that the Premier had no personal knowledge of the manner in which these contracts were structured nor any reason to know.

Secondly, even if one could attribute to the Premier full knowledge of these retainer contracts I do not see how they bestowed upon him any real and tangible personal benefit. Presumably the Premier's staff thought that the retainer contracts were advantageous to the government but there is no basis for me to conclude that they created a benefit to the Premier which could amount to a private interest.

IV CONCLUSION

As noted at the outset, I have received no information to support any contention that the Premier is or was in an actual conflict of interest as defined in section 2(1) of the *Act*. Accordingly, he is not, insofar as an actual conflict of interest is concerned, in contravention of section 2.1 of the *Act*.

For all of the reasons noted above, it is my opinion that the Premier neither is nor was in an apparent conflict of interest as defined in section 2(2) of the *Act* and accordingly, he is not, insofar as an apparent conflict of interest is concerned, in contravention of section 2.1 of the *Act*. I am satisfied that he was not in receipt of any real or tangible benefit of significance from NOW or any of its principals. I am satisfied that he exercised no official power nor performed any official function or duty in relation to NOW. In light of all of the facts and circumstances that I have reviewed, it is my opinion that a reasonably well informed person would not perceive that the awarding of contracts to NOW must have been affected by the Premier's private interest.

Dated at the City of Victoria in the Province of British Columbia,
April 17, 1995

E.N. (Ted) Hughes, Q.C.
Commissioner of Conflict of Interest