

CODE OF VALUES AND ETHICS

Managing Integrity
Respecting the Values

Business Affairs and Legal Services

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NATIONAL FILM BOARD

MANDATE

The National Film Board of Canada (NFB) was created by an Act of Parliament in 1939 and is a federal agency within the Canadian Heritage portfolio. The NFB's mandate is to produce and distribute original and innovative audiovisual works that add to our understanding of the issues facing Canadians and raise awareness of Canadian values and viewpoints across the country and around the world. Over the decades, it has become the standard for audiovisual innovation in Canada.

As a producer and distributor of audiovisual works, the NFB provides a unique perspective on Canada's cultural wealth and diversity. The NFB explores contemporary social issues through point-of-view documentaries, auteur animation and new-media content. Over the years, the NFB has played an important role in marking the major changes and events taking place in Canadian society.

CHAPTER I – VALUES AND ETHICS

1.1 INTRODUCTION

The Government of Canada is committed to ensuring that the federal public sector¹ remains professional, non-partisan and ethical, and worthy of the trust and respect of Canadians. As employees, we contribute to good governance, to democracy and to the well-being of Canadian society. We are committed to respecting the law and to upholding the highest standards of integrity and fairness.

In accordance with section 6 of the *Public Servants Disclosure Protection Act* (PSDPA), the *Values and Ethics Code of the National Film Board* (the Code) sets out the values and ethics that guide employees at the NFB in all their professional activities. It also provides a set of guidelines and principles to support ethical behaviour and decision making for all public servants. Established in consultation with the NFB's employees and bargaining agents, it is our common guide.

The employees at the NFB are proud to work together, drawing on the richness of the organization's diverse staff. As a group, we are conscious of the fact that Canadians expect transparency and respect for the principle of accountability from public authorities at all levels and that this has an impact on their work.

This firm commitment to the values and ethics enshrined in the Code will allow us to carry out the mandate of the NFB and build a healthy and productive work environment that fosters innovation, while at the same time meeting the high expectations of Canadians. This is our collective commitment, and it is our individual responsibility.

1.2 OBJECTIVES

The Code outlines the values and expected behaviours that guide employees at the NFB in all activities related to their professional duties. By committing to these values and adhering to the expected behaviours, employees strengthen the ethical culture of the public sector and contribute to public confidence in the integrity of all public institutions.

The Code provides guidance for common situations involving our work at the NFB. In all circumstances, each employee is expected to adhere to the highest ethical standards.

1.3 APPLICATION

The Code is inspired by the *Values and Ethics Code for the Public Sector* and is in conformity with the *Policy on People Management* and the *Directive on Conflict of Interest*. This document has been adapted to reflect the distinct culture and procedures of the NFB and to provide its employees with an integrated reference document that will guide them in matters of values and ethics. By respecting the Code, employees will be respecting the public sector document that it was based upon.

The Code applies to all employees at the NFB. Acceptance of the values and adherence to the expected behaviours contained within the Code are conditions of employment for every employee, regardless of their

¹ The *Public Servants Disclosure Protection Act* (PSDPA) defines the "public sector" as: (a) the departments named in Schedule I of the *Financial Administration Act* and the other portions of the federal public administration named in Schedules I.1 to V of that Act; and (b) the Crown corporations and other public bodies set out in Schedule I of the PSDPA. However, "the public sector" does not include the Canadian Forces, the Canadian Security Intelligence Service or the Communications Security Establishment, which are subject to separate requirements under the Act.

level or position. A breach of these values or behaviours may result in disciplinary measures being taken, up to and including termination of employment.

In addition to the requirements set out in the Code, employees must comply with any applicable specific codes and standards of their profession.

The Code came into effect on October 8th 2014 and has been updated in November 2016 and October 2020.

1.4 THE ROLE OF EMPLOYEES

Employees² have a fundamental role to play in serving Canadians, their communities and the public interest under the direction of the elected government and in accordance with the law. As professionals whose work is essential to Canada's well-being and the enduring strength of Canadian democracy, employees uphold the public trust.

The Constitution of Canada and the principles of responsible government provide the foundation for the role, responsibilities and values of the federal public sector.³ Constitutional conventions of ministerial responsibility prescribe the appropriate relationships among ministers, parliamentarians, employees and the public. A professional and non-partisan federal public sector is integral to our democracy.

1.5 THE ROLE OF MINISTERS

Ministers are also responsible for preserving public trust and confidence in the integrity of public sector organizations and for upholding the tradition and practice of a professional, non-partisan federal public sector. Furthermore, ministers play a critical role in supporting employees' responsibility to provide professional and frank advice.⁴

1.6 STATEMENT OF VALUES AND EXPECTED BEHAVIOURS

The following values guide employees at the NFB in everything they do. They cannot be considered in isolation from each other as they will often overlap. The Code is an important source of guidance for employees. Its values will guide us in our decisions, actions, policies, processes and systems. Similarly, employees can expect to be treated in accordance with these values:

- Respect for Democracy
- Respect for People
- Integrity
- Stewardship
- Excellence

The Code also describes clearly, though not exhaustively, specific behaviours that allow employees to respect these five values.

1. *Respect for Democracy*

² The *Public Servants Disclosure Protection Act* (PSDPA) defines "public servant" as every person employed in the public sector (this includes the core public administration, Crown corporations and separate agencies). Every member of the Royal Canadian Mounted Police and every chief executive (including deputy ministers and chief executive officers) are also included in the definition of public servant for the purpose of the PSDPA and the *Values and Ethics Code for the Public Sector*.

³ The *Values and Ethics Code for the Public Sector* is intended to clarify the role and expectations of public servants within the framework of Canadian parliamentary democracy as laid out in the *Constitution Act* and the basic principle of responsible government, which holds that the powers of the Crown are exercised by ministers who are in turn accountable to Parliament.

⁴ This text reflects the duties and responsibilities set out in *Open and Accountable Government* (Private Council 2015) *Conflict of Interest Act*, the *Lobbying Act* and the *Public Servants Disclosure Protection Act* (PSDPA).

The system of Canadian parliamentary democracy and its institutions are fundamental to serving the public interest. Employees recognize that elected officials are accountable to Parliament, and ultimately to the Canadian people, and that a non-partisan public sector is essential to our democratic system.

Expected Behaviours

Employees will uphold the Canadian parliamentary democracy and its institutions by:

- Respecting the rule of law and carrying out their duties in accordance with legislation, policies and directives in a non-partisan and impartial manner.
- Loyal carrying out the lawful decisions of their leaders and supporting ministers in their accountability to Parliament and Canadians.
- Providing decision makers with all the information, analysis and advice they need, always striving to be open, candid and impartial.

At the NFB, we advance the public good with pride and passion. For example:

- We take actions in a manner that inspires and maintains public confidence;
- We draw upon a diversity of perspectives to understand issues and make decisions in favour of the public interest; and
- We establish and maintain efficient and impartial working relationships with our stakeholders.

2. Respect for People

Treating all people with respect, dignity and fairness is fundamental to our relationship with the Canadian public and contributes to a safe and healthy work environment that promotes engagement, openness and transparency. The diversity of our people and the ideas they generate are the source of our innovation.

Expected Behaviours

Employees will respect human dignity and the value of every person by:

- Treating every person with respect and fairness.
- Valuing diversity and the benefit of combining the unique qualities and strengths inherent in a diverse workforce.
- Helping to create and maintain safe and healthy workplaces that are free from harassment and discrimination.
- Working together in a spirit of openness, honesty and transparency that encourages engagement, collaboration and respectful communication.
- Contributing to the creation of a culture within the workplace in which all employees, in all positions, work together to prevent conflicts or resolve them as early as possible in a constructive and creative manner.

At the NFB, we respect each other and create a healthy and productive environment. For example:

- We encourage the use of both official languages;
- We encourage rich and diverse exchanges of ideas;
- We recognize our potential and celebrate our accomplishments in fair and meaningful ways;
- We promote and support a healthy balance between work and personal life; and
- We resolve differences constructively in an environment free of reprisal.

3. Integrity

Integrity is the cornerstone of good governance and democracy. By upholding the highest ethical standards, employees conserve and enhance public confidence in the honesty, fairness and impartiality of the federal public sector.

Expected Behaviours

Employees will serve the public interest by:

- Acting, at all times, with integrity and in a manner that will bear the closest public scrutiny, an obligation that may not be fully satisfied by simply acting within the law.
- Never using their official roles to inappropriately obtain an advantage for themselves or to advantage or disadvantage others.
- Taking all possible steps to prevent and resolve any real, apparent or potential conflicts of interest between their official responsibilities and their private affairs in favour of the public interest.
- Acting in such a way as to maintain their employer's trust.
- Maintaining the confidentiality of information obtained through their position and respecting the rules governing information management.
- Conducting themselves in a manner that does not harm the reputation of the NFB, the Government of Canada, or the departments and agencies they support.
- Exercising caution when using social media or other collaborative tools facilitated by information technology so that their professionalism and their ability to perform their duties in a non-partisan way are not called into question.
- Limiting themselves to authorized and lawful uses of the NFB's systems and electronic networks.

At the NFB, we are motivated and guided by personal and professional integrity. For example:

- We evaluate all projects and requests for assistance in a neutral, non-partisan manner in accordance with established eligibility criteria and procedures;
- We produce and distribute our works with rigour and ethics while always respecting the rights of third parties involved in our works;
- We make or facilitate decisions based on sound evidence and knowledge; and
- We seek advice in situations when we foresee potential conflict of interest or the perception of a conflict of interest.

Off-duty conduct

Our values of Respect and Integrity guide the employees throughout their work day. They can also extend to their private time. This is especially true in terms of engaging in outside activities, on social media, and political activities.

We understand that employees outside activities and off-duty conduct are usually private matters. They could become work-related matters, however, if they have negative consequences on the NFB. Employees should ensure that they do not affect their ability to perform their duties as NFB employees.

Off-duty conduct that may result in administrative or disciplinary action includes conduct that is harmful to the NFB's reputation or is a violation of the Criminal Code and is injurious to the general reputation of the NFB and its employees.

4. Stewardship

Public servants are entrusted to use and care for public resources responsibly, for both the short term and long term.

Expected Behaviours

Employees will use resources responsibly by:

- Effectively and efficiently using the public money, property and resources managed by them.
- Considering the present and long-term effects that their actions have on people and the environment.
- Acquiring, preserving and sharing knowledge and information as appropriate.

At the NFB, we responsibly and wisely manage resources and information entrusted to us. For example:

- We use and allocate resources for all projects, requests for assistance, contracts and services in an open, fair and honest manner and in accordance with the established procedures;
- We identify and manage risk effectively; and
- We respect personal information and confidentiality.

5. Excellence

Excellence in the design and delivery of public sector policy, programs and services is beneficial to every aspect of Canadian public life. Engagement, collaboration, effective teamwork and professional development are all essential to a high-performing organization.

Expected Behaviours

Employees will demonstrate professional excellence by:

- Providing fair, timely, efficient and effective services that respect Canada's official languages.
- Continually improving the quality of policies, programs and services they provide.
- Fostering a work environment that promotes teamwork, learning and innovation.
- Consistently applying the policies and directives of the NFB and separate agencies.

At the NFB, we are committed to serving Canadians by continuously improving the quality of service. For example:

- We plan, implement and evaluate our activities relying on evidence-based information;
- We create an environment that promotes learning, innovation and initiative to continuously improve the way we do things; and
- Whatever position we assume within the organization, we act as leaders in applying, for example, the key leadership and technical competencies identified for the NFB.

1.7 AVENUES FOR RESOLUTION

The expected behaviours identified above are not intended to respond to every possible ethical issue that might arise in the course of an employee's daily work. When ethical issues arise, employees are encouraged to discuss and resolve these matters with their manager. They can also seek advice and support from other appropriate sources within the NFB, including the Human Resources Division and the Director of Business Affairs and Legal Services, or their union representative.

Employees at all levels are expected to resolve issues in a fair and respectful manner and consider informal processes such as dialogue or mediation.

As provided by sections 12 and 13 of the *Public Servants Disclosure Protection Act (PSDPA)*, if employees have information that could indicate a serious breach of the Code, they can bring the matter, in confidence and without fear of reprisal, to the attention of their immediate supervisor or the *Public Sector Integrity Commissioner*.

Members of the public who have reason to believe that an employee has committed a serious breach to the Code can bring the matter to the *Public Sector Integrity Commissioner*.

1.8 REFERENCE DOCUMENTS

The following is a list of laws, policies and guides that further elaborate on the expected behaviours described in the Code. This list includes the most pertinent resources and reference materials available but does not necessarily include all available documents. Employees are encouraged to access other research material, and to seek the advice of their manager when questions or a need for clarification arise.

Acts

- Access to Information Act
- Canadian Charter of Rights and Freedoms
- Canadian Human Rights Act
- Canada Labour Code
- Conflict of Interest Act
- Constitution Act
- Copyright Act
- Criminal Code
- Employment Equity Act
- Financial Administration Act
- Lobbying Act
- National Film Act
- Official Languages Act
- Public Servants Disclosure Protection Act
- Public Service Employment Act
- Public Service Labour Relations Act
- Privacy Act

Policies, Publications of Separate Employers

- Communications Policy of the Government of Canada
- Contracting Policy
- Directive on Conflict of Interest
- Duty of Loyalty
- Employment Equity Policy
- Policy on Government Security
- Policy on People Management
- Guideline for External Use of Web 2.0
- Policy on Information Management
- Occupational Health and Safety Directive
- Official Languages Policy
- Policy on the Duty to Accommodate Persons with Disabilities in the Federal Public Service
- Policy on Interchange Canada
- Policy on the Use of Electronic Networks
- Political Activities
- Policy on Harassment Prevention and Resolution
- Values and Ethics Code for the Public Sector

NFB Policies and Guidelines

- IT Security Policy
- Code of Conduct for the Use of Social Media & the Intranet
- NFB Code of Conduct Social Medias March 2012
- Prevention and Resolution of Workplace Harassment and Violence Policy
- Human Resources Manual
- Accommodation Policy
- Policy Concerning the Identification and Treatment of Classified Information
- Policy Concerning the identification and treatment of Protected Assets and Information
- Internal Policy on the Management of Fixed Assets

NB: Employees are also required to observe any specific conduct requirements contained in the statutes governing the NFB and their profession, where applicable.

CHAPTER II – CONFLICT OF INTEREST AND POST-EMPLOYMENT

2.1 PURPOSE

- This chapter of the Code is inspired by the *Policy on People Management* and the *Directive on Conflict of Interest* of the Treasury Board, the objectives of which are to:
- ensure that, in situations of real, apparent or potential conflict of interest and situations where there is a conflict of duties, decisions are made in a manner which upholds the public interest;
- facilitate ethical decision making within organizations and by employees to resolve conflicts between private and public interests; and
- establish measures to help employees prevent, manage and resolve conflict of interest and post-employment situations that could impair either the integrity of the public service or the public's perception of its integrity.

This chapter must be read in tandem with Chapter I of the Code. NFB employees are not subject to the *Directive on Conflict of Interest*.

2.2 DEFINITIONS

Employee:

A person employed by the NFB. This includes indeterminate and term employees, employees on leave without pay, students participating in Student Employment Programs, casual, seasonal and part-time workers.

Order-in-Council appointees, such as Deputy Ministers, are subject to the *Conflict of Interest Act*, and are not subject to the *Directive on Conflict of Interest*.

Conflict of interest:

A situation in which the employee has private interests that could improperly influence the performance of his or her official duties and responsibilities, or in which the employee uses his or her office for personal gain.

A *real* conflict of interest exists at the present time, an *apparent* conflict of interest could be perceived by a reasonable observer to exist, whether or not it is the case, and a *potential* conflict of interest could reasonably be foreseen to exist in the future.

Conflict of duties:

A conflict that arises, not because of an employee's private interests, but as a result of one or more concurrent or competing official responsibilities. For example, these roles could include his or her primary public service employment and his or her responsibilities in an outside role that forms part of his or her official duties, such as an appointment to a board of directors, or other outside function.

2.3 REQUIREMENTS FOR PREVENTING AND DEALING WITH CONFLICT OF INTEREST AND POST-EMPLOYMENT SITUATIONS

The following are the conflict of interest and post-employment requirements that are a condition of employment for employees at the NFB. These requirements are grounded in and serve to uphold the values contained in the *Values and Ethics Code for the Public Sector* and reiterated in this Code. By upholding these ethical standards, employees conserve and enhance public confidence in the honesty, fairness and integrity of the public service. These requirements also form part of Canada's commitments as a signatory to international agreements on values and ethics.

2.4 PREVENTION OF CONFLICT OF INTEREST

An employee maintains public confidence in the objectivity of the public service by preventing and avoiding situations that could give the appearance of a conflict of interest, result in a potential for a conflict of interest or result in an actual conflict of interest. Conflict of interest does not relate exclusively to matters concerning financial transactions and the transfer of economic benefit. While financial activity is important, conflicts of interest in any area of activity can have a negative impact on the perceived objectivity of the public service. With the permanent and pervasive nature of information technology, employees should be particularly sensitive to real, apparent or potential conflicts of interest that may arise from messages and information transmitted via the Internet and other media.

It is impossible to foresee every situation that could give rise to a real, apparent or potential conflict of interest. When in doubt, employees should refer to the requirements found in the Code to guide appropriate action. Employees can also seek guidance from their manager and, if necessary, from another senior manager in their reporting structure. If after this step there is still doubt as to whether the activity or situation raises a conflict of interest, the employee must consult the Director of Business Affairs and Legal Services.

In addition to the requirements outlined in this chapter, employees are also required to observe any specific conduct requirements contained in the statutes governing the NFB and their profession, where applicable.

1. General Responsibilities and Duties of an Employee

Employees have general responsibilities and duties, which include the following:

- Taking all possible steps to recognize, prevent, report, and resolve any real, apparent or potential conflicts of interest between their official responsibilities and any of their private affairs;
- Unless otherwise permitted in this chapter, refraining from having private interests that would be unduly affected by government actions in which they participate or of which they have knowledge or information;
- Not knowingly taking advantage of, or benefiting from, information that is obtained in the course of their duties and not available to the public;
- Refraining from the direct or indirect use, or allowing the direct or indirect use, of government property of any kind, including property leased to the government, for anything other than officially approved activities;
- Not assisting private entities or persons in their dealings with the government where this would result in preferential treatment of the entities or persons;
- Not interfering in the dealings of private entities or persons with the government in order to inappropriately influence the outcome;
- Maintaining the impartiality of the public service and not engaging in any outside or political activities that impair or could be seen to impair their ability to perform their duties in an objective or impartial manner; and

- Ensuring that any real, apparent or potential conflict that arises between their private activities and their official responsibilities as an employee is resolved in the public interest.

2. Requirements for Preventing and Dealing with Situations of Conflict of Interest during Employment

Employees are required to provide a Confidential Report to the Commissioner, via the Director of Business Affairs and Legal Services, on all outside activities, assets and interests that might give rise to a real, apparent or potential conflict of interest in relation to their official duties. Such a report is to be made within 60 days of their initial appointment or any subsequent appointment, transfer or deployment.

On a regular basis thereafter, and every time a change occurs in their personal affairs or official duties, every employee is required to review his or her obligations under the Code. If a real, apparent or potential conflict of interest exists, he or she is to provide a Confidential Report in a timely manner.

When negotiating financial arrangements with outside parties, employees are to comply with the requirements listed in this chapter as well as other related directives or policies issued by the Treasury Board. When in doubt, employees are to immediately report the situation to their manager in order to seek advice or direction on how to proceed.

The NFB encourages employees to participate in outreach activities and personal and professional development promoted by their respective professional associations or relevant to their areas of private interest. No matter what form these outside activities might take, however, the employee must ensure beforehand that they are not likely to result in a real, apparent or potential conflict of interest.

In general, conflicts of interest may arise in relation to the following:

- owning assets
- receiving gifts, hospitality and other benefits
- participating in outside activities such as:
 - speaking at a conference;
 - offering services outside the federal public service;
 - volunteer work;
 - other paid employment;
 - participation on a board;
 - political activities;
 - teaching;
 - publishing documents; and
 - other educational activities;
- organizing fundraising activities or solicitation;
- owning or operating a business.

The above list is not exhaustive, but these are some of the more common examples of situations that could give rise to a real, apparent or potential conflict of interest. In such situations, if there is any doubt, it is recommended that the employee discuss the matter with their manager and, if necessary, with another senior manager in their reporting structure. If doubt persists as to whether the activity or situation raises a conflict of interest, the employee must consult the Director of Business Affairs and Legal Services to obtain advice or a formal decision.

Furthermore, if an outside individual or entity with whom the NFB has past, present or potential official dealings offers a commission, reward, advantage or benefit of any kind to an employee or the NFB, employees are to consider whether any real, apparent or potential conflict of interest exists, and obtain the consent in writing of the Commissioner prior to accepting any such offers. This provision is designed to ensure that this chapter is consistent with paragraph 121(1) (c) of the *Criminal Code*.

2.1 Assets

Employees are required to evaluate their assets, taking into consideration the nature of their official duties and the characteristics of their assets. If there is any real, apparent or potential conflict of interest between the carrying out of their official duties and their assets, they are to submit a Confidential Report on this matter to the Commissioner, via the Director of Business Affairs and Legal Services, in a timely manner.

Where the Commissioner or his or her delegate determines that any of these assets result in a real, apparent or potential conflict of interest in relation to their official duties, employees may be required to divest those assets, or to take other measures to resolve the conflict. Employees may not sell or transfer assets to family members or anyone else for the purpose of circumventing the compliance requirements.

The types of assets that should be reported and the procedures for reporting and managing such assets are set out in Annex B of this Code (Assets, Liabilities and Trusts) and Annex B of the *Directive on Conflict of Interest*.

2.2 Outside employment or activities

Employees may engage in employment outside the public service and take part in outside activities unless the employment or activities are likely to give rise to a real, apparent or potential conflict of interest or would undermine the impartiality of the public service or the objectivity of the employee.

Employees are required to provide a Confidential Report for Conflicts of Interest to the Commissioner, via the Director of Business Affairs and Legal Services, when their outside employment or activities might subject them to demands incompatible with their official duties or cast doubt on their ability to perform their duties or responsibilities in a completely objective manner. The Commissioner or his or her delegate may require that the outside activities be modified or terminated if it is determined that a real, apparent or potential conflict of interest exists.

Employees who receive a benefit or income either directly or indirectly from a contract with the Government of Canada are required to provide to the Commissioner, via the Director of Business Affairs and Legal Services, a Confidential Report for such contractual or other arrangements. The Commissioner or his or her delegate will determine whether the arrangement presents a real, apparent or potential conflict of interest, and may require that the contract be modified or terminated.

Political Activities

Any employee considering involvement in a political activity should seek the advice of their manager, the designated departmental official within the NFB, the Public Service Commission (PSC) or a human resources advisor before acting. If there is any real, apparent or potential conflict of interest situation, or there is any question as to whether the situation might exist, it must be reported to the Commissioner, via the Director of Business Affairs and Legal Services.

Employees are required to seek and obtain permission from the Public Servant Commission (PSC) to seek nomination for or be a candidate in a federal, provincial, territorial, or municipal election, in accordance with Part 7 of the *Public Service Employment Act* (PSEA). The employee must contact the designated official in the NFB, who will seek the input of the Commissioner and work closely with the person making the request and the PSC to process the request.

“Political activities” are defined in Part 7 of the PSEA as “any activity in support of, within or in opposition to a political party; carrying on any activity in support of or in opposition to a candidate before or during an election period; or, seeking nomination as or being a candidate in an election before or during the election period.”

Any employee who wishes to engage in a political activity not covered by Part 7 of the PSEA that could constitute a conflict of interest is required to provide a Confidential Report for the proposed activity to the Commissioner, via the Director of Business Affairs and Legal Services.

Similarly, any employee, including casual and part-time workers who is subject to the *Directive on Conflict of Interest but who is not subject to Part 7 of the PSEA*, who wishes to engage in any political activity that could constitute a conflict of interest, is to provide a Confidential Report for the proposed activity to the Commissioner, via the Director of Business Affairs and Legal Services.

2.3 Gifts, hospitality and other benefits

Employees are expected to use their best judgment to avoid situations of real, apparent or potential conflict of interest by considering the following criteria on gifts, hospitality and other benefits and in keeping with the *Values and Ethics Code for the Public Sector* and the *Directive on Conflict of Interest*, which are reflected in this Code.

Employees are not to accept any gifts, hospitality or other benefits that may have a real, apparent or potential influence on their objectivity in carrying out their official duties and responsibilities or that may place them under obligation to the donor. This includes activities such as free or discounted admission to sporting and cultural events, travel or conferences.

The acceptance of gifts, hospitality and other benefits is permissible if they are infrequent and of minimal value, within the normal standards of courtesy or protocol, arise out of activities or events related to the official duties of the employee concerned, and do not compromise or appear to compromise the integrity of the employee concerned or that of the NFB.

Employees are to seek written direction from the Commissioner, via the Director of Business Affairs and Legal Services, where it is impossible to decline gifts, hospitality or other benefits that do not meet the principles set out above, or where it is believed that there is sufficient benefit to the NFB to warrant acceptance of certain types of hospitality.

2.4 Solicitation

With the exception of fundraising for such officially supported activities as the Government of Canada Workplace Charitable Campaign (GCWCC), employees may not solicit gifts, hospitality, other benefits or transfers of economic value from a person, group or organization in the private sector that has dealings with the government. When fundraising for such official activities, employees should ensure that they have prior written authorization from the Commissioner in order to solicit donations, prizes or contributions in kind from external organizations or individuals.

The Commissioner or his or her delegate may require that the activities be modified or terminated where it is determined that there is a real, potential or apparent conflict of interest or an obligation to the donor.

2.5 Avoidance of preferential treatment

Employees are responsible for demonstrating objectivity and impartiality in the exercise of their duties and in their decision making, whether related to staffing, financial awards or penalties to external parties, transfer payments, program operations or any other exercise of responsibility.

This means that they are prohibited from granting preferential treatment or advantages to family, friends or any other person or entity. They are not to offer extraordinary assistance to any entity or person already dealing with the government without the knowledge and support of their supervisor. They also are not to disadvantage any entity or person dealing with the government because of personal antagonism or bias.

Providing information that is publicly accessible is not considered preferential treatment.

3. Requirements for Preventing Post-Employment Conflict of Interest Situations Before and After Leaving Office

All employees have a responsibility to minimize the possibility of a real, apparent or potential conflict of interest between their most recent responsibilities within the federal public service and their subsequent employment outside the public service.

3.1 Before leaving employment

Before leaving their employment with the public service, all employees are to disclose their intentions regarding any future outside employment or activities that may pose a risk of a real, apparent or potential conflict of interest with their current responsibilities and discuss potential conflicts with their manager, or the Commissioner or his or her delegate.

3.2 Post-employment limitation period for employees in designated positions

The Commissioner is responsible for designating positions of risk for post-employment conflict of interest situations in accordance with the *Directive on Conflict of Interest*.

The positions that have been designated as positions of risk at the NFB are level DE1, DE2, DE3, DE4 and GC8 positions, along with the position of Head or Director, Research and Development.

Employees in these designated positions are subject to a one-year limitation period after leaving office. Before leaving office and during this one-year limitation period, these employees are to report to the Commissioner in writing, via the Director of Business Affairs and Legal Services, all firm offers of employment or proposed activity outside the public service that could place them in a real, apparent or potential conflict of interest with their public service employment. They are also to disclose immediately the acceptance of any such offer. In addition, these employees may not, during this one-year period, without the authorization of the Commissioner:

- accept appointment to a board of directors of, or employment with, private entities with which they had significant official dealings during the period of one year immediately prior to the termination of their service. The official dealings in question may either be directly on the part of the employee or through their subordinates;
- make representations to any government organization on behalf of persons or entities outside of the public service with which they had significant official dealings, during the period of one year immediately prior to the termination of their service.⁵ The official dealings in question may either be directly on the part of the employee or through their subordinates;
- give advice to their clients or employer using information that is not publicly available concerning the programs or policies of the NFB or organizations with which they had a direct and substantial relationship.

3.3 Waiver or reduction of limitation period

An employee or former employee may apply to the Commissioner, via the Director of Business Affairs and Legal Services, for a written waiver or reduction of the limitation period. The employee is to provide sufficient information to assist the Commissioner or his or her delegate in making a determination as to whether to grant the waiver taking into consideration the following criteria:

- The circumstances under which the termination of their service occurred;
- The general employment prospects of the employee or former employee;
- The significance to the government of information possessed by the employee or former employee by virtue of that individual's position in the public service;

⁵ Assistant deputy ministers and their equivalents are subject to the *Lobbying Act*. In the case of any conflict between this Policy and the Act, the Act takes precedence.

- The desirability of a rapid transfer of the employee's or former employee's knowledge and skills from the government to private, other governmental or non-governmental sectors;
- The degree to which the new employer might gain unfair commercial or private advantage by hiring the employee or former employee;
- The authority and influence possessed by that individual while in the public service; and/or
- Any other consideration at the discretion of the Commissioner.

4. Resolution

With respect to the arrangements necessary to prevent a real, apparent or potential conflict of interest, or to comply with the requirements set out above, it is expected that situations will be resolved through discussion and agreement between the employee and the Director of Business Affairs and Legal Services. When an employee and the Director of Business Affairs and Legal Services disagree on the appropriate arrangements to resolve a real, apparent or potential conflict of interest, the matter will be referred to the Director General, Institutional Services, Legal Services and Human Resources for resolution. If not resolved, the Ethics, Governance and Human Resources Committee of the Board of Trustees will review the Report and will make a recommendation. In the event of failure to resolve the issue, the disagreement will be resolved through the grievance procedures established by the NFB for a situation involving an employee represented by a union. In the case of a non-represented employee, the Commissioner will ultimately review the matter and emit a decision.

5. Consequences

The NFB fully trusts employees in the exercise of their professional duties and expects that each employee will comply with the Code and the related policies and guidelines.

An employee who does not comply with the requirements set out in the Code may be subject to disciplinary measures, up to and including termination of employment. Any disciplinary measures will be based on the seriousness of the breach.

ANNEX A – DUTIES AND OBLIGATIONS

EMPLOYEES

Employees are expected to abide by the Code and demonstrate the values of the NFB in their actions and behaviour. If an employee does not abide by these values and expectations, he or she may be subject to administrative or disciplinary measures up to and including termination of employment.

As provided by sections 12 and 13 of the *Public Servants Disclosure Protection Act* (PSDPA), if employees have information that could indicate a serious breach of the Code, they can bring this matter, in confidence and without fear of reprisal, to the attention of their immediate supervisor or the Public Sector Integrity Commissioner.

It is the responsibility of every employee to review the Code regularly—at least once a year and more often if there is a change in their circumstances (e.g., when changing positions or undertaking a new activity)—and to be familiar with their duties and obligations.

MANAGERS

Employees who are also managers are in a position of influence and authority that gives them a particular responsibility to exemplify the values of the public sector and the NFB. Managers are expected to:

- promote a culture based on the values of the public sector and of the NFB, and encourage dialogue on related issues;
- provide advice and guidance as needed to employees under their supervision on issues related to values and ethics, including occasions where employees find themselves faced with a situation that could give rise to a conflict of interest;
- review submissions from employees and provide input as requested by the Director of Business Affairs and Legal Services for the purpose of making a decision relating to conflict of interest and post-employment;
- monitor employees' compliance with decisions or other measures established to prevent or minimize risks related to conflict of interest;
- notify the Director of Business Affairs and Legal Services of breaches under this Code and non-compliance with established measures to prevent conflict of interest; and,
- advise employees departing from the public service of their post-employment obligations. Discuss their intentions for future outside employment or activities that may give rise to a real, apparent or potential conflict of interest situation.

GOVERNMENT FILM COMMISSIONER AND CHIEF EXECUTIVE OFFICER ("COMMISSIONER")

The Commissioner has specific responsibilities under the PSDPA, including establishing a code of conduct for the NFB, and an overall responsibility for fostering a positive culture of values and ethics. The Commissioner ensures that employees are aware of their obligations under the Code. The Commissioner officer also ensures that employees can obtain appropriate advice within the NFB on ethical issues, including possible conflicts of interest.

The Commissioner ensures that the Code and the internal disclosure procedures are implemented effectively within the NFB, and that they are regularly monitored and evaluated.

The Commissioner is responsible for ensuring the non-partisan provision of programs and services by the NFB.

The Commissioner is subject to the *Values and Ethics Code for the Public Sector* and to the *Conflict of Interest Act*.

Director General, Institutional Services, Legal Services and Human Resources

The Commissioner has delegated to the Director General, Institutional Services, Legal Services and Human Resources (ISLSHR) the responsibility to manage the activities related to values and ethics at the NFB, who in turn support the Commissioner as part of his or her functions by playing an important role in leading the NFB in matters of values and ethics.

In particular, the Director General ISLSHR has the responsibility, with the consent of the Commissioner, to refer for advice, to the Ethics, Governance and Human Resources Committee of the NFB Board of Trustees, any situation of unsolved conflict of interest.

DIRECTOR OF BUSINESS AFFAIRS AND LEGAL SERVICES

The Commissioner has delegated responsibility for overseeing activities relating to values and ethics at the NFB to the Director of Business Affairs and Legal Services, who in turn supports the Commissioner as part of his or her functions by playing a central role in leading the NFB in matters of values and ethics.

In particular, the Director of Business Affairs and Legal Services is charged with managing the office responsible for values and ethics and, in accordance with the authority delegated to him or her, for reviewing and dealing with requests for advice and submissions related to conflict of interest and post-employment on behalf of the Deputy Minister.

The Director of Business Affairs and Legal Services is responsible for:

- providing advice to employees and managers on issues related to the Code and values and ethics in general;
- processing and providing recommendations on submissions under the Code related to conflict of interest, post-employment and political activities;
- providing information, tools and training to ensure that employees understand their duties and obligations; and
- working in partnership with key stakeholders and partners on issues related to Treasury Board of Canada Secretariat's Office of the Chief Human Resources Officer (OCHRO).

TREASURY BOARD OF CANADA SECRETARIAT – OFFICE OF THE CHIEF HUMAN RESOURCES OFFICER

In support of the Treasury Board President's responsibilities under section 4 of the PSDPA, the Office of the Chief Human Resources Officer (OCHRO) is responsible for promoting ethical practices in the public sector.⁶ The OCHRO will work with all relevant partner organizations to implement and promote the *Values and Ethics*

⁶ Section 4 of the PSDPA assigns this responsibility to the Minister responsible for the Public Service Human Resources Management Agency of Canada (subsequently the Canada Public Service Agency [CPSA]). With the creation of the Office of the Chief Human Resources Officer within Treasury Board of Canada Secretariat on February 6, 2009, the functions of the CPSA were transferred to the OCHRO.

Code for the Public Sector (VECPS), and will provide advice to Deputy Ministers and designated departmental officials with respect to its interpretation.

The Chief Human Resources Officer may issue directives, standards and guidelines related to the VECPS.

The OCHRO will monitor the implementation of the VECPS within organizations with a view to assessing whether the stated objectives have been achieved.

PUBLIC SERVICE COMMISSION

The Public Service Commission is responsible for conducting staffing investigations and audits to safeguard the integrity of the public service staffing system and administering certain provisions related to political activities to maintain the non-partisanship of the public service in accordance with the *Public Service Employment Act*.

ANNEX B – ASSETS, LIABILITIES AND TRUSTS

REPORTABLE ASSETS AND LIABILITIES

Employees must carefully evaluate on a regular basis whether their assets and liabilities need to be reported. In doing so, they must take into consideration the nature of their official duties and the characteristics of their assets and liabilities. If there is any real, apparent or potential conflict between the carrying out of their official duties and their assets and liabilities, a Confidential Report must be submitted to the Director of Business Affairs and Legal Services. If there is no relationship, no report is required.

Any assets and or direct and contingent liabilities that might give rise to a conflict of interest must be reported by submission of a Confidential Report within 60 days of the employee's first appointment or any subsequent appointment, transfer or deployment. Any measures required to manage or resolve a conflict of interest will normally be completed or in place within 120 calendar days, or such other appropriate time period as determined by the NFB after a determination that a real, apparent or potential conflict of interest exists. More information is available in Annex B of the *Directive on Conflict of Interest or in Annex C of this Code*.

The following is a list of examples of assets and liabilities that must be reported if they do, or could, constitute a conflict of interest. **This list is not exhaustive.**

- Publicly traded securities of corporations and foreign governments, and self-administered Registered Retirement Savings Plans (RRSPs), self-administered Registered Education Savings Plans (RESPs), tax-free savings accounts, and Registered Disability Savings Plans (RDSPs), or similar tax-related saving vehicles, that are composed of these securities, where these securities are held directly and not through units in mutual funds;
- Interests in partnerships, proprietorships, joint ventures, private companies and family businesses, in particular those that own or control shares of public companies or that do business with the government;
- Interests in labour-sponsored venture capital corporations or similar entities;
- Commercially operated farm businesses;
- Real property that is not for the private use of employees or their family members;
- Commodities, futures and foreign currencies held or traded for speculative purposes;
- Assets placed in trust or resulting from an estate of which the employee is a beneficiary;
- Secured or unsecured loans granted to persons other than to members of the employee's immediate family;
- Any other assets or liabilities that could give rise to a real, apparent or potential conflict of interest due to the particular nature of the employee's official duties or the non-public information to which he or she has access;
- Direct and contingent liabilities in respect of any of the assets described in this section.

NON-REPORTABLE ASSETS

Assets and interests for the private use of employees and of their family members, as well as non-commercial assets, are not subject to the compliance measures.

Such assets include the following examples:

- Residences, recreational properties and farms used or intended for use by employees or their families;
- Household goods and personal effects;
- Works of art, antiques and collectibles;
- Automobiles and other personal means of transportation;
- Cash and deposits;
- Canada Saving Bonds and other similar investments in securities of fixed value issued or guaranteed by any level of government in Canada or agencies of those governments;
- Registered Retirement Savings Plans and Registered Education Saving Plans that are not self-administered;
- Investments in open-ended mutual funds;
- Guaranteed investment certificates and similar financial instruments;
- Annuities and life insurance policies;
- Pension rights;
- Money owed by a previous employer, client or partnership;
- Personal loans receivable from members of employees' immediate families and small personal loans receivable from other persons where employees have loaned the moneys receivable;
- Any liability, such as a car loan, home renovation loan or credit card account, from a financial institution or business entity granted on terms available to the general public.

ANNEX C — STANDARD ON PREVENTING AND RESOLVING FINANCIAL CONFLICTS OF INTEREST

The present standard provides details on the requirements set out in section 4 of the *Directive on Conflict of Interest*.

Standards are as follows:

1. Reportable assets and liabilities

When identifying and updating the list of reportable assets and liabilities, a risk analysis must be done for each type of asset and liability that may present a risk of real, apparent or potential conflict of interest based on the organization's operations and current investment products and practices.

2. Financial mitigation strategies

2.1 Divestment

2.1.1 When a person employed divests their asset or liability to completely eliminate any risk of a real, apparent or potential conflict of interest situation, it must be done through a sale or transfer to another person at arm's length, by relinquishing the asset, or by paying the debt or extinguishing the liability.

2.1.2 Any divestment must be documented and must consist of the total interests in the asset or liability of the person employed.

2.1.3 Copies of documentation verifying the sale or transfer must be provided to the designated senior official within the time frame determined.

2.2 Activity withdrawal measures

2.2.1 An activity withdrawal measure where a person employed recuses themselves from an outside activity related to their assets or liabilities to mitigate a conflict of interest must be documented and provided to the *Director, Business Affairs and Legal Services* within the time frame determined.

2.2.2 When sharing necessary financial information of the person employed with internal parties for the effective implementation of the recusal measure, the personal concerns of the person employed will be taken into account.

2.3 Blind trust agreements

2.3.1 Assets placed in a blind trust must be managed by a trustee who is empowered to exercise all of the rights and privileges associated with the assets, including the power to sell, with no direction from or control by the person employed.

2.3.2 The trustee must be at arm's length from the person employed.

2.3.3 The terms of the blind trust agreement must contain the following provisions:

2.3.3.1 The assets placed in the trust shall be listed on a schedule attached to the agreement. The list of assets must include, at a minimum, all assets giving rise to a real, apparent or potential conflict of interest;

2.3.3.2 The assets to be placed in trust shall be registered to the trustee or held and administered by the trustee under law, unless they are in a Registered Retirement Savings Plan account;

2.3.3.3 The trustee can, at their discretion, modify the composition of the trust estate or the account;

2.3.3.4 The person employed shall have no power of management or control over the trust assets;

2.3.3.5 The person employed cannot offer or provide advice to the trustee, or in any way participate in any of the trustee's decision-making processes, except as set out in subsection 2.3.4 of this standard, or through written notices or advisements permitted under the trust agreement;

2.3.3.6 The trustee shall not seek or accept any instruction or advice from the person employed on how to manage or administer the assets, except as set out in subsection 2.3.4 of this standard;

2.3.3.7 The trustee shall not provide information about the trust, including its composition, to the person employed, except for information that the person employed is required to file by law and for periodic reports on the overall value of the trust;

2.3.3.8 The term of the trust shall be for as long as the person employed is required to comply with this directive and as long as the conflict of interest relating to the assets continues;

2.3.3.9 The trustee shall deliver the trust assets to the person employed or other person identified in the agreement when the trust is terminated; and

2.3.3.10 Within 60 calendar days following the anniversary date of the blind trust agreement's execution or other date provided in the agreement, the trustee must provide the *Director, Business Affairs and Legal Services* with an annual report containing the information required under the agreement.

2.3.4 General investment instructions may be included in an additional schedule to the trust agreement that provide for proportions to be invested in various categories of risk, but may not be industry-specific.

2.3.5 The person employed must provide a copy of the executed agreement to the *Director, Business Affairs and Legal Services* in the time frame set by said director.

2.3.6 The person employed cannot have access to the annual report as long as the measures to manage the conflict of interest are required.

2.3.7 Within 60 calendar days following each 10th anniversary date of the blind trust agreement, the *Director, Business Affairs and Legal Services* shall ensure that the terms are still valid with respect to mitigating the conflict of interest.

2.4 **Blind management agreements**

2.4.1 A blind management agreement must be managed by a manager who is empowered to exercise all of the rights and privileges associated with the assets.

2.4.2 The manager must be at arm's length from the person employed.

2.4.3 The terms of the blind management agreement must include the following:

- 2.4.3.1 The assets to be managed under the agreement shall be listed on a schedule attached to the agreement. The list of assets must include, at a minimum, all assets giving rise to a real, apparent or potential conflict of interest;
- 2.4.3.2 The person employed shall have no power of management or control over the managed assets;
- 2.4.3.3 The manager of the agreement shall not seek or accept any instruction or advice from the person employed concerning the management of the assets. The person employed cannot offer or provide advice to the manager, nor can the person employed participate in any discussion or decision-making processes, wherever they may arise, that may particularly or significantly affect the assets that are subject to the agreement;
- 2.4.3.4 The person employed is prohibited from contacting the manager of the agreement. However, the person employed is entitled to be kept informed of the overall value of the assets for the duration of the agreement;
- 2.4.3.5 Within 60 calendar days following the anniversary date of the blind management agreement's execution or other date provided in the agreement, the manager of the agreement must provide the *Director, Business Affairs and Legal Services* with an annual report containing the information required under the agreement.

2.4.4 Despite subsection 2.4.3.4 of this standard, the agreement may also contain the following provisions:

- 2.4.4.1 If the manager of the agreement believes that an extraordinary corporate event is likely to materially affect the value of the assets, the manager of the agreement must inform the *Director, Business Affairs and Legal Services* of that fact. If the *Director, Business Affairs and Legal Services* concludes that the circumstances may cause significant undue loss or hardship to the person employed, financial information as approved by the *Director, Business Affairs and Legal Services*, with the authorization of the Commissioner, may be provided to the person employed;
- 2.4.4.2 In exceptional circumstances only, the person employed may personally intervene, but only after the *Director, Business Affairs and Legal Services* has determined that the intervention would not give rise to a conflict of interest situation and that failure to intervene would cause the person employed undue loss or hardship.

2.4.5 The term of the agreement shall be for as long as the person employed is required to comply with this directive and, as long as the conflict of interest relating to the assets continues.

2.4.6 A copy of the executed agreement must be provided to the *Director, Business Affairs and Legal Services* within the time frame set by said director.

2.4.7 The person employed cannot have access to the annual report as long as the measures to manage the conflict of interest are required.

2.4.8 Within 60 calendar days following each 10th anniversary date of the blind management agreement, the *Director, Business Affairs and Legal Services* must ensure that the terms are still valid with respect to mitigating the conflict of interest.

2.5 Other trusts and management agreements

Other forms of trust or management agreements shall comply with the requirements provided in this standard for blind trusts or blind management agreements, respectively.

2.6 Agent arrangements

An agent arrangement, such as powers of attorney or mandates that empower someone to act on behalf of another person, must be governed by and interpreted under Canadian laws.

2.7 Asset-freezing arrangements

2.7.1 An asset-freezing agreement is between the person employed and the deputy head and must be in writing.

2.7.2 Under an asset-freezing arrangement, a person employed cannot have direct control over the assets that give rise to a conflict of interest.

2.7.3 The person employed must select a trustee, agent, manager or investment advisor who is at arm's length from the person employed to administer the asset-freezing arrangement.

2.7.4 The terms of the asset-freezing agreement must contain the provisions in subsection 2.3.3 if it is in the form of a trust, along with the following provisions:

2.7.4.1 At least once a year, the person employed must provide the *Director, Business Affairs and Legal Services* with a statement received from a trustee, an agent, a manager of the agreement, or an investment advisor, indicating that there has been no activity on the part of the person employed in relation to the assets;

2.7.4.2 The trustee, agent, manager of the agreement or investment advisor issuing the statement must be in a position to know whether the person employed has been involved in the assets;

2.7.4.3 The person employed must provide the *Director, Business Affairs and Legal Services* with a copy of the statement within the time frame set out in the agreement.

2.8 Cost reimbursement

2.8.1 Reimbursement of reasonable administrative costs incurred on behalf of the person employed as a result of implementing any of the financial mitigation strategies described in this annex will be determined by the Commissioner.

2.8.2 Any income tax adjustment or other adjustment that may result from the administration cost reimbursement must be borne by the person employed.