

The word "HALIFAX" is written in a bold, white, sans-serif font against a dark blue background. The background of the entire slide features a geometric design with diagonal lines in shades of blue and white, creating a sense of depth and movement.

# HALIFAX

## **Between a Rock and a Hard Place**

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# DISCLAIMER

HALIFAX

# Underlying Principle

**“No man can serve  
two masters.”**

**HALIFAX**

For a municipal councillor a conflict of interest arises when he or she is called upon to make a decision that may affect their personal or close relatives' interests either directly or indirectly.

# ***Municipal Conflict of Interest Act***

*Municipal Conflict of Interest Act* requires a member of Council having any **direct or indirect pecuniary interest** in a matter being decided to:

1. Disclose the interest and the general nature thereof;
2. Withdraw as member for the discussion of that issue
3. Refrain from taking part in discussion **and** from voting
4. Refrain from attempting to influence the decision

## Possible consequences where contravention of the *Act*:

### Individual

- Forfeiture of office
- Disqualification for office for 10 years
- Restitution (where personal financial gain)
- Max \$25,000 fine or 12 months imprisonment

### Municipality

- A Court can quash the decision

# Direct Pecuniary Interest

- not defined in the *Act*
- relates to an actual or intended personal financial interest of the councillor or a member of the councillor's family in a matter before the Council

# Indirect Pecuniary Interest

- Councillor is a shareholder or director in a private company
- Councillor has a substantial interest or is a director in a public company
- **Councillor is “a member of a body, whether incorporated or not, that has an interest in any matter in which the council is concerned.”**



# Who Decides?

- Individual councillor at first instance
- An individual approved by Minister of Justice with powers of a commissioner under the *Public Inquiries Act*
- Judge of the Supreme Court

# Mitigation

- Removal
- Disclosure
- Recusal
- Third Party Evaluation

# Impediments

- Past practice
- Community involvement
- Few removals of office to date

**The Act does not apply** to some interests that a Councillor may have, including:

- An interest they have as an elector;
- Where they are entitled to receive services, commodities or other benefits offered by the municipality or a local board in the same way as people who are not councillors;
- Where they have been appointed by the council to a board, committee or other body;
- With respect to monies to which the Councillor is entitled because: a) they are a member of Council, or b) they were appointed by council to a local board, other board, committee or other body;
- Pecuniary interests that are interests in common with electors generally; or
- Where the interest is “so remote or insignificant in its nature that it cannot reasonably be regarded as likely to influence the member”.

# Relief from Forfeiture of Office

- Inadvertence; or
- *Bona fide* error

# Conclusion

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**Questions?**

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