

By-Law No. 2
being the Conflict-of-Interest By-Law
for the Skilled Trades Ontario Board of Directors

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ARTICLE 1 – DEFINITIONS AND INTERPRETATION

1.1 In this by-law, unless otherwise defined or required by context:

“Act” means the *Building Opportunities in the Skilled Trades Act*, S.O. 2021, Chapter 28.

“Board” means the board of directors of the Corporation, consisting of all board members appointed from time to time under section 41 of the Act by, and still serving a term of office at the pleasure of the Lieutenant Governor in Council.

“Board Chair” is the Board member who is designated as chair of the Board by the Lieutenant Governor in Council under subsection 41(4) of the Act.

“Committee” means each of the committees of the Board established in accordance with subsection 42(2) of the Act. For the purposes of this by-law, the term also includes each ad hoc working group established by the Board in accordance with article 8.13 of the Corporation’s General By-Law No. 1.

“Corporation” means Skilled Trades Ontario (STO).

“Member” means each member of the Board.

“Minister” means the member of the Executive Council to whom responsibility for the administration of the Act is assigned or transferred under the *Executive Council Act*, R.S.O. 1990, Chapter E.25.

1.2 In this by-law, unless otherwise defined or required by the context, the terms shall have the same meaning and interpretation as given to those terms in the Corporation’s General By-Law No. 1.

1.3 Except as otherwise provided in this by-law, a conflict of interest exists when the interests of a Member, or their family, or their business associate could influence or be seen to influence the Member’s decision or impair their ability to act fairly, impartially and without bias. These conflicts include financial or other interests and are not limited to situations where a Member could personally benefit as a result of a decision by the Board. A conflict of interest may be real or perceived, actual or potential, direct or indirect. A conflict of interest includes, but is not limited to, the following situations:

- (i) situations in which a Member is a party to a material contract or transaction or proposed material contract or transaction with the Corporation; and
- (ii) a situation where the Member is an officer or director of, or has a material interest in any person who is a party to a material contract or transaction or proposed material contract or transaction with the Corporation.

1.4 For the purpose of this by-law, a reference to a Member’s family includes a Member’s spouse or common law partner (including two persons who live together in a conjugal relationship outside marriage) and a Member’s parent, grandparent, child, sibling, or the Member’s spouse or common law partner’s parent, grandparent, child, sibling, or spouse.

1.5 For the purpose of this by-law, when the Corporation’s Registrar attends or participates in Board or Committee proceedings, the Registrar has the same duties and obligations regarding conflicts of interest under this by-law as those applicable to Members and Committee members.

ARTICLE 2 – PRINCIPLES

- 2.1 This by-law shall be interpreted and applied in a manner that is consistent with the provisions and the spirit of the *Public Service of Ontario Act*, S.O 2006, Chapter 35 (“PSOA”), regulations under the PSOA, and Treasury Board/Management Board of Cabinet directives and policies stemming from the PSOA (collectively the “PSOA Framework”). Members’ obligations under the PSOA Framework apply notwithstanding this by-law and its coming into effect. If there is any contradiction between this by-law and the PSOA Framework, the latter shall prevail to the extent of the contradiction only. Absent such a contradiction, Members shall abide by whichever requirements are more stringent.
- 2.2 Members must act honestly and uphold the highest ethical standards in order to maintain and enhance public confidence and trust in the integrity, objectivity and impartiality of the Corporation.
- 2.3 Members must perform their duties and conduct themselves in a manner that will bear the closest public scrutiny. Members cannot fulfil this obligation simply by acting within the confines of the law but rather, must seek to meet public expectations and standards, codified in law or otherwise.
- 2.4 Members shall not have private interests that could be affected, particularly, or significantly, by the Corporation’s decisions or actions in which Members participate.
- 2.5 While appointed to the Corporation’s Board, the Members must arrange their private interests so as to prevent conflict of interest.
- 2.6 A Member is expected to follow the “business judgement rule” which requires the individual to act at all times in accordance with what the Member believes to be in the best interests of the Corporation.

ARTICLE 3 – PROCESS

- 3.1 Where a Member or Committee member is in doubt as to whether they have a conflict of interest, the Member or Committee member shall consult with an appropriate person such as the Board Chair or the chair of the relevant Committee.
- 3.2 If a Member or Committee member believes that they have a conflict of interest in a particular matter, they shall:
 - (i) prior to any consideration of the matter, declare to the Board or the Committee that they have a conflict of interest that prevents them from participating;
 - (ii) not take part in the discussion of or vote on any question in respect of the matter;
 - (iii) leave the room for the portion of the meeting relating to the matter; and
 - (iv) not attempt in any way to influence the voting or do anything which might be reasonably perceived as an attempt to influence other Members or Committee members or the decision relating to that matter.
- 3.3 If a Member determines that a conflict of interest exists during consideration or voting of a matter, they shall immediately declare the conflict and adhere to the process as set out in article 3.2.

- 3.4 Where a Member or Committee member declares a conflict of interest, that fact shall be recorded in the minutes.
- 3.5 Where a Member or Committee member believes that another Member or Committee member has a conflict of interest that has not been declared despite any appropriate informal communications, the first Member or Committee member shall advise the Board Chair or the chair of the relevant Committee.
- 3.6 Where a Member or Committee member believes that another Member or Committee member has acted in or is in an ongoing conflict of interest, they shall advise the Board Chair or the chair of the relevant Committee.
- 3.7 Where the Board or a Committee concludes that one of its members has a conflict of interest that has not been declared, it can direct that the Member or Committee member does not participate in the discussion or decision, leave the room for that portion of the meeting and not try to or otherwise exert influence in the matter.
- 3.8 A person other than the Member with the possible and actual conflict of interest may assert that there is a conflict of interest with respect to a matter before the Board if that assertion is made in writing to the Board Chair prior to the meeting at which the matter will be discussed. A non-member asserting the conflict of interest in these circumstances does not have the right to address the Board.

ARTICLE 4 – GENERAL

- 4.1 Members shall not knowingly take advantage of, or benefit from, information that is obtained in the course of their official duties and responsibilities, and that is not generally available to the public.
- 4.2 After leaving office, a Member shall not act in such a manner as to take improper advantage of their previous position as a Member.

ARTICLE 5 – EFFECTIVE DATE AND AMENDMENT PROCEDURES

- 5.1 This by-law becomes effective on the earlier of: (i) the date the Minister approves the by-law and informs the Corporation of the approval in writing; and (ii) the seventy-fifth (75th) day after the Corporation delivers the by-law to the Minister for review and approval, provided that within sixty (60) days after such delivery the Minister does not reject the by-law or return it to the Corporation for further consideration.
- 5.2 This by-law may be added to, amended or repealed at any meeting of the Board, by a two-thirds majority vote of the Board members in attendance, as long as the addition, amendment or repeal of the by-law is properly on the draft agenda sent by the Registrar as part of the notice for the Board meeting.
- 5.3 Unless the addition or amendment of this by-law, made in accordance with article 5.2, provides for a later effective date, any such addition or amendment shall become effective on the earlier of: (i) the date the Minister approves the by-law addition or amendment and informs the Corporation of the approval in writing; and (ii) the seventy-fifth (75th) day after the Corporation delivers the Board's

addition or amendment of the by-law to the Minister for review and approval, provided that within sixty (60) days after such delivery the Minister does not reject the addition or amendment or return it to the Corporation for further consideration.

By-law No. 2, being the Conflict-of-Interest By-Law for the Skilled Trades Ontario Board of Directors, certified by:



Michael Sherrard
Chair, Board of Directors



Candice White
Registrar and Chief Executive Officer