Appendix A – Disclosure to the Office of the Public Sector Integrity Commissioner of Canada

TekSavvy Solutions Inc. (“TekSavvy”) makes this disclosure of facts and circumstances that, in its submission, demonstrate that Ian Scott, Chairperson and Chief Executive Officer of the Canadian Radio-television and Telecommunications Commission (the “CRTC”), committed a wrongdoing within the meaning of the Public Servants Disclosure Protection Act (the “Act”). TekSavvy provides the facts below that, in its submission, establish that Mr. Scott committed a serious breach of the Values and Ethics Code for the Public Sector established by the Treasury Board pursuant to section 5 of the Act.

TekSavvy makes this disclosure in the belief that it provides sufficient information for the Commissioner to exercise its power to commence an investigation into an alleged wrongdoing pursuant to section 33 of the Act.

Ex Parte Meetings

Ian Scott held ex parte meetings with litigants with open CRTC files, apparently unaccompanied, according to lobbying records. For example, Mr. Scott held at least 11 reported solo meetings with Bell, Rogers or Shaw during the course of the CRTC’s open and active file concerning wholesale internet rates, a material regulatory proceeding affecting wholesale competition and, by consequence, retail Internet prices. Mr. Scott also apparently held various other ex parte solo meetings with Bell, Rogers, TELUS and Shaw while other important files relating to wholesale competition were open before the Commission.

As reported on June 12, 2021 by the Toronto Star, in one such meeting, Ian Scott met privately with the chief executive of BCE Inc. (Bell), Mirko Bibic, on December 19, 2019 (“December Meeting”). The December Meeting was photographed by an eyewitness; the photograph shows it took place at a bar. Two beers and a file folder are visible on the table in front of Mr.

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1 See Exhibit A to the Affidavit of Peter Nowak.
2 Bell filed its application to review and vary the CRTC’s Telecom Order 2019-288 (the “Rate-Setting Decision”) on December 13, 2019. The Rate-Setting Decision concluded a years-long review by the CRTC of the appropriate wholesale internet rates which wholesale competitors pay to incumbent carriers for access to their last-mile infrastructure. The Rate-Setting Decision found that Bell and other incumbent carriers had overinflated their costs, and decreased the wholesale rates, retroactively, to reflect the errors the CRTC found in those costs. These wholesale rates limit the retail Internet prices that wholesale competitors can charge to consumers, meaning that if the wholesale rates are too high, competitors cannot offer low-priced retail Internet to consumers, and the incumbents’ Internet prices are insulated from real competition. The Rates-Setting Decision also involved refunds to wholesale competitors of hundreds of millions of dollars.
4 Christine Dobby, “Is the CRTC getting too cozy with big telecom? Star analysis finds major telecoms met with government and CRTC officials hundreds of times prior to reversal on wholesale internet rates”, Toronto Star, June 12, 2021. See also Exhibit B to the Affidavit of Peter Nowak.
5 Mr. Bibic was announced as Bell’s CEO and President on January 6, 2020. At the time of the December Meeting, Mr. Bibic was its Chief Operating Officer.
6 See Exhibit G to the Affidavit of Peter Nowak. See also for example Alain McKenna, “Les tarifs d’accès à Internet devant la Cour d’appel fédérale”, Le Devoir, June 30, 2021; available online at: https://www.ledevoir.com/economie/614580/les-tarifs-internet-devant-la-cour-d-appel-federale.
Scott and Mr. Bibic. This private meeting took place approximately one week after Bell filed an application to the CRTC asking it to review and vary its decision regarding wholesale rates, which the CRTC later approved.

TekSavvy was provided with an electronic copy of the original photograph from the eyewitness photographer. The electronic photograph contains a time stamp showing that the photo of the December Meeting was taken at 5:25pm on December 19, 2019.7

The December Meeting was reported as a lobbying communication in a BCE Inc. communication report filed on December 20, 2019 (i.e., the day immediately following the meeting). The subject matter was reported by BCE Inc. as “broadcasting”.8

Responses to the December Meeting

On February 1, 2022, Mr. Scott told media that no rule was broken, and that the December Meeting was simply a beer with a friend.9 He stated that the meeting initially had nothing to do

7 See Exhibit G to the Affidavit of Peter Nowak.
9 See Exhibit H to the Affidavit of Peter Nowak.
with business, but that he “went for a beer with someone [he] [has] known for many years.” Mr. Scott also asserted that the December Meeting was documented in his agenda.

The December Meeting has garnered much public attention. Following the article reporting on Mr. Scott’s explanation, he was questioned before the House of Commons Standing Committee on Industry and Technology (“INDU”) on February 8, 2022. In that questioning, Mr. Scott again insisted that he did nothing wrong by meeting with Mr. Bibic. He stated that the approach he takes with respect to meetings is grounded in well-established rules and he “meet[s] with everyone pursuant to the rules.” He went on to state that whether he has meetings with Bell, Shaw or Rogers, the same process is followed in all cases. Mr. Scott did not clarify which rules he was referring to, or how the December Meeting could have followed these rules. The questioning of Mr. Scott in the INDU meeting was reported by numerous media outlets.

As set out in greater detail below, the December Meeting did not in fact comply with applicable rules, including the CRTC’s internal rules for ex parte meetings, the Values and Ethics Code for the Public Sector and the rule of law.

Access to Information Act Requests

Shortly after news of the December Meeting was published, on June 14, 2021, a TekSavvy employee made a request to the CRTC’s Access to Information and Privacy Coordinator under the Access to Information Act (“ATIA”). The request read as follows:

BCE Inc. posted a communication on the topic of broadcasting with CRTC chair Ian Scott on Dec. 19, 2019: communication report 4971-462069. I would like to know where this communication took place (venue), what time the communication took place, the length of the communication, and who from BCE and the CRTC was present.

The TekSavvy employee received a response to this request by email on September 16, 2021. The response included a letter from the CRTC’s Access to Information and Privacy Coordinator along with one document responsive to the request: an email from an employee of the Chairperson’s Office to a redacted recipient sent on December 19, 2019 at 5:57 pm. The email read as follows:

I am writing to confirm your meeting with Mr. Ian Scott on December 19, 2019. May I take this opportunity to remind you that it would not be appropriate to discuss any matter that is currently or imminently before the Commission. In addition, you should take the necessary steps to comply with the Lobbying Act, if applicable. Mr. Scott is a designated public office holder under the Act. In the Commission’s efforts to promote transparency in its processes and in recognition of its obligations under the Access to Information Act (ATIA), the date,
the name of your company/organization and the subject matter of this meeting will be made available to anyone requesting such information. The names of meeting participants and any related documents, including those you may provide, will also be released unless they are exempt under the ATIA.

Over four months following this initial response, on February 3, 2022, the CRTC provided one further record in response to the ATIA request above. The record appears to be an internal calendar entry in Mr. Scott’s calendar documenting the meeting; it is not a meeting invitation including any other attendees. Because it was not sent to any attendees, it does not show a record of the time the agenda entry was created:

Curiously, the CRTC did not release the internal calendar entry in full. It redacted the location, start and end date and a word from the subject line, claiming this information is withheld pursuant to section 21(1) of the ATIA. Section 21(1) is an exemption from disclosure for certain categories of information related to internal government operations.

The full text of Section 21(1) of the ATIA reads:

Operations of Government
Advice, etc.
21 (1) The head of a government institution may refuse to disclose any record requested under this Part that contains
(a) advice or recommendations developed by or for a government institution or a minister of the Crown,
(b) an account of consultations or deliberations in which directors, officers or employees of a government institution, a minister of the Crown or the staff of a minister participate,
(c) positions or plans developed for the purpose of negotiations carried on or to be carried on by or on behalf of the Government of Canada and considerations relating thereto, or
(d) plans relating to the management of personnel or the administration of a government institution that have not yet been put into operation, if the record came into existence less than twenty years prior to the request.

16 The letter received on February 3, 2022 from the CRTC’s Access to Information and Privacy Coordinator in response to the ATIA request, and the responsive records, are attached as Exhibits E and F respectively to the Affidavit of Peter Nowak.
17 The full text of Section 21(1) of the ATIA reads:
Each of those categories clearly contemplate records conveying substantial meaning, rather than basic factual information about the existence of a meeting.\(^{18}\) In any case, unlike the public, the Integrity Commissioner would be able to review this record in its unredacted form should it choose to investigate.

Beyond Mr. Scott’s redacted internal agenda item and the email to Mr. Bibic after the meeting was witnessed, no other records have been provided establishing how the meeting was set up, such as a formal request for a meeting and the intended topic, a calendar invitation to Mr. Bibic or emails between Mr. Scott’s office to any Bell employee confirming the date or time of the December Meeting. The only records disclosed relating to the meeting appear to have been created after the meeting was already underway.

In TekSavvy’s submission, there is only one logical inference that can be drawn based on the foregoing facts. The December Meeting was apparently arranged personally between Mr. Scott and Mr. Bibic, or possibly their staff, without producing any written records of these arrangements. It was apparently not scheduled through usual channels typically employed when scheduling such meetings. The meeting was only acknowledged through usual official channels (via the 5:57pm email) once it was already underway. In the photograph of the December Meeting, Mr. Bibic appears to notice that he is being photographed; this appears to have prompted Mr. Scott to ask a member of his office staff to send an email confirming the meeting (notably without confirming its start time), containing the usual language advising the other party not to discuss any matter that is currently or imminently before the Commission. This after-hours email, sent only after the meeting had already begun and not by the usual staff member who sends emails of this type, appears to be a retroactive attempt at ensuring the meeting followed proper protocol.\(^{19}\)

Adding to the odd circumstances surrounding the December Meeting is the fact that it was reported as a lobbying meeting by Bell the very next day. Typically, Bell lobbyists file a single monthly report for their reportable federal lobbying activities in a given month. Under the *Lobbying Act*, a monthly report for all communications in a given month must be filed not later than 15 days after the end of the month.\(^{20}\) Consistent with this timing, up until December 2019, all of Bell’s reported lobbying meetings in 2019 were reported in monthly communication reports filed between the 12\(^{nd}\) and 15\(^{th}\) of the subsequent month.\(^{21}\) No meetings were ever reported in the same month (let alone the very next day). Deviating from this pattern, in December 2019, the December Meeting was reported, along with one other lobbying communication, in a

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\(^{18}\) This was confirmed by the Federal Court of Appeal for example in *3430901 Canada Inc. v. Canada (Minister of Industry)*, 2001 FCA 254, in holding that: “the benefit of paragraph 21(1)(a) should be reserved for the opinion, policy or normative elements of advice, and should not be extended to the facts on which it is based. I also accept that, whenever reasonably practicable, the factual component of advice must be severed under section 25 and disclosed.”

\(^{19}\) This is the only rational conclusion that TekSavvy can draw from the facts and records it has obtained. Should there be some other rationale, TekSavvy is of the view that the Integrity Commissioner is best placed to investigate, including to obtain any other pertinent records which may exist but have for some reason not been disclosed to TekSavvy.

monthly lobbying report filed on December 20, 2019 – the day after it occurred. The remaining six of Bell’s reported lobbying communications for the month of December 2019 were reported, as normal, in a separate monthly lobbying report on January 16, 2020. This January 16, 2020 report included meetings which occurred earlier in December than the December Meeting. This deviation from Bell’s usual Lobbying Act compliance behaviour begs the question: why was the December Meeting treated any differently? Together with the totality of the circumstances, it suggests that this oddly timed reporting was yet another measure designed to quickly obscure the impropriety of the meeting, by quickly reporting it before it might otherwise have become public.

**Values and Ethics Code for the Public Sector**

As federal public servants, CRTC Chairpersons are subject to the Values and Ethics Code for the Public Sector ("Code of Conduct"). The Code of Conduct describes the “values and expected behaviours that guide public servants in all activities related to their professional duties.” One of the values enumerated in the Code of Conduct is that of integrity. The Code of Conduct provides that:

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

In its description of expected behaviours, the Code of Conduct elaborates that:

> Public servants shall serve the public interest by:
> 3.1 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.
> 3.2 Never using their official roles to inappropriately obtain an advantage for themselves or to advantage or disadvantage others.
> 3.3 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.
> 3.4 Acting in such a way as to maintain their employer’s trust.

Notably, the Code of Conduct also provides that it should be read in conjunction with organizational codes of conduct.

**Interpretation of the Integrity Expectations Applicable to CRTC Commissioners**

The Federal Court has issued decisions that address the appropriateness of *ex parte* meetings by CRTC Commissioners, as well as the CRTC’s rules and expected processes for such meetings. These decisions provide important context as to the integrity expectations of Commissioners when it comes to *ex parte* meetings. In short, the decisions make clear that the CRTC has internal written guidelines setting out basic requirements and guidance for managing meetings with stakeholders. These guidelines are designed to carefully manage perceived conflicts of interest and public scrutiny. These guidelines would appear to also be the “well-established rules” that Mr. Scott told a parliamentary committee he followed. As detailed below, Mr. Scott’s actions surrounding the December Meeting appear to have fallen very short of these expectations.

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rules.

In *Shoan v. Canada (Attorney General) (2018)*, the Federal Court summarized the CRTC internal guidelines in respect of *ex parte* stakeholder meetings as follows:

[… ] if a meeting was held there should be a clear record generated of what was discussed and meetings should be held in a business setting, meaning boardrooms not restaurants, and to the extent possible should not be held alone.

The Court in *Shoan v. Canada (Attorney General) (2017)* also referenced an internal CRTC presentation outlining specific expectations for *ex parte* meetings with industry stakeholders. Among other things, the presentation provides that in seeing up such meetings, CRTC Commissioners should:

- “always check with Senior General Counsel and the relevant Executive Directors to determine whether accepting the meeting invitation creates a real or perceived conflict and how or if the risk can be mitigated”;
- “ask staff to conduct internal research for any files that involve or may involve the requestor”;
- “ask if other Commissioners have received the same meeting request” and
- “invite a CRTC employee to be present at the meeting”.

Moreover, the Federal Court found the presentation provided that “meetings should also be confirmed in writing and directions in that regard are set out”, and that the “appearance is just as important as reality during public hearings.”

As set out above, at the December Meeting, Mr. Scott met alone with an executive of a company with a recently opened and highly significant application before the CRTC. In so doing, Mr. Scott does not appear to have complied with any of the CRTC’s ethical guidelines discussed by the Federal Court. Based on the records disclosed in response to TekSavvy’s employee’s ATIA request:

- No clear record of what was discussed at the December Meeting appears to have been generated.
- The meeting was not held in a boardroom or other business setting, but instead a bar.
- The meeting was held alone. Mr. Scott does not appear to have invited a CRTC employee to be present.
- No records were disclosed showing that Mr. Scott asked staff to conduct research before the meeting.
- No records were disclosed showing that Mr. Scott asked other Commissioners if they had received a similar request.

The only disclosed effort relating to compliance with any of the CRTC’s internal requirements appears to be Mr. Scott’s retroactive attempt to meet the barest of requirements: “meetings should also be confirmed in writing”. Notably, the only confirmation in writing that appears to have been sent to Mr. Bibic was sent only once Mr. Scott was aware that the meeting was witnessed. Mr. Scott’s internal agenda entry does not reveal when it was created, and nor was it apparently sent to Mr. Bibic. As the agenda entry attaches the email sent after the meeting was

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23 2018 FC 476, para 145 [*Shoan 2018*].
24 2017 FC 426 [*Shoan 2017*].
25 Further, no records were disclosed evidencing an internal request for legal advice, however, TekSavvy recognizes that such records may have been withheld on solicitor-client privilege grounds.
already witnessed and underway, presumably it was also only created after the December Meeting had already started. Due to redactions the CRTC has made to the internal calendar entry, the agenda entry does not even reveal the time the meeting purported to begin or where it was planned to take place.

In Shoan 2017, the Federal Court confirmed that “ex parte contact with stakeholders must be carefully managed as it potentially exposes the CRTC to legal challenges and may raise serious concerns about its integrity and reputation”.26 The Court further found Commissioner Shoan’s one-on-one meetings “invited the concern of a reasonable apprehension of bias”.

It is worth noting that in the case underlying Shoan 2017 and Shoan 2018, the Commissioner in question appeared to have done even more to comply with CRTC guidance than has Mr. Scott in the case of the December Meeting. According to the Federal Court’s judgment in the Shoan cases, in one of the two impugned meetings, the Commissioner “had sent a note to see if there were any in-house applications that he should avoid discussing”27 and “obtained confirmation in writing that an open file before the CRTC would not be discussed at the meeting”. Nonetheless, the Federal Court found that once Mr. Shoan was aware that an open application was under consideration by the CRTC, it “should have triggered the Applicant to either refuse the meeting or, at least, consult with internal counsel to determine if the meeting should proceed, and if so, that it be held in-house with all necessary risk mitigation.”28

Further, the two ex parte meetings underlying Shoan 2017 and Shoan 2018 involved parties with far less consequential underlying applications before the CRTC. One involved a public interest group’s application alleging that the conditions for accessing the “shomi” subscription service were unlawful and that the service should not benefit from a regulatory exception.29 The other involved a market assessment of the appropriateness of issuing a call for radio applications for a local Ontario region.30 In contrast, Bell’s open application with the CRTC involved its request to review and vary a CRTC decision of critical importance to Canada’s retail internet pricing nationally. The Rate-Setting Decision was not just important to wholesale competitors and consumers – Bell considered it so important that it sought to overturn it in 4 ways: (i) it appealed to the Federal Court of Appeal, (ii) when its appeal failed at the Federal Court of Appeal, it appealed to the Supreme Court of Canada, (iii) it petitioned to the Governor in Council, and (iv) it applied to the CRTC to review and vary its decision. Notably, all these avenues to overturn the decision failed, except for the avenue in the forum over which Mr. Scott presided.

Not only did Mr. Scott not even, apparently, follow the required steps to preserve the integrity of the CRTC in setting up the meeting, but he appears to have made an effort, after the fact, to conceal that proper protocols were not followed. If the December Meeting were not witnessed and photographed, it may well never have been confirmed in writing or reported to the Lobbying registry. If the photograph were not time-stamped, it may also not have been apparent that the meeting was only confirmed in writing after it was already well underway. This raises even more serious ethical concerns, as it calls into question whether any other ex parte stakeholder meetings were not witnessed and thus not reported.

26 Shoan 2017, para 155.
27 Ibid.
30 Ibid.
Finally, one of Mr. Scott’s apparent explanations (notably only provided once articles were published about the meeting and its odd circumstances) was that the December Meeting was a beer with a friend. It is not acceptable, in a country that upholds the rule of law, for a regulator in a quasi-judicial role to have a one-on-one social engagement with a person with an active file before him.\(^3\) Social meetings of this type erode public trust in institutions that are expected to maintain independence and impartiality. If Mr. Scott does indeed maintain a friendship with Mr. Bibic, it should have been obvious to him that he cannot act as an impartial decision-maker on major regulatory decisions involving the company Mr. Bibic leads. Moreover, the photograph of the meeting itself belies the explanation Mr. Scott puts forward: Mr. Bibic has a file folder before him, an accessory one would not bring to a social engagement with a friend. Mr. Scott’s calendar entry is not worded as one would expect of a social engagement — it uses Mr. Bibic’s business title instead of his name: “meeting with incoming CEO of Bell.”

Mr. Scott’s second explanation of the meeting, to a parliamentary committee, was that all his meetings, including the December Meeting, follow the same processes and well-established rules. As set out above, the December Meeting did not in fact comply with almost all of the CRTC’s internal rules for ex parte meetings. Mr. Scott did not explain to INDU what these rules were or how he could possibly have met them. He did not explain how what he states was merely drinks with a friend could also have followed the same usual processes of other meetings he has with stakeholders (unless Mr. Scott conducts all meetings with stakeholders in pubs). Mr. Scott appears to have misled a parliamentary committee.

**Mr. Scott’s Actions Constitute a Wrongdoing within the Meaning of the Act**

Based on the foregoing, it is clear that Mr. Scott’s actions constitute a wrongdoing within the meaning of section 8 of the Act. A wrongdoing is defined to include a “serious breach” of the Code of Conduct. Mr. Scott’s actions show he failed to meet even the scantest of the CRTC’s own requirements for upholding the CRTC’s integrity and avoiding perceived conflicts of interest. This in turn constitutes a serious breach of the Code of Conduct’s expected behaviours, including to act “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”.

Allegations involving similar but less serious conduct by a past Commissioner were found by a past Chairperson to be an “extremely important [issue] as it went to the integrity of the institution”. [emphasis added] The Federal Court also noted that this almost identical conduct “potentially exposes the CRTC to legal challenges and may raise serious concerns about its integrity and reputation.” [emphasis added]. The Federal Court found it was reasonable to find Mr. Shoan’s “lack of recognition and/or disregard of concern about ex parte communications, and its impact on the integrity of the CRTC, was a basis for dismissal with cause.”

Mr. Scott’s actions were also serious enough to attract the attention of numerous media outlets

\(^{31}\) Mr. Scott himself stated in the INDU meeting that the CRTC is a quasi-judicial agency that follows administrative law principles. See the transcript of the February 8, 2022 INDU meeting, attached as *Exhibit M* to the Affidavit of Peter Novak. Of course, one of the central tenets of administrative law is that an adjudicator should be free from the appearance of bias. As explained by the Supreme Court of PEI in *Griffin v. Summerside (Director of Police Services for the City)* (1998) 9 Admin LR (3d) 295:

> “Administrative law natural justice is a well defined concept which comprises two fundamental rules of fair procedure. […] The first sub-rule, *nemo judex in sua causa debet esse,* is the rule against bias. A judge is disqualified from hearing any case in which he is, or may fairly be suspected to be, biased.”
and a parliamentary committee.\textsuperscript{32} As reported by the media, during Mr. Scott’s INDU testimony, Conservative MP Bernard Généreux said that “the impression that a meeting like that produces reflects very badly on you and your organization.”\textsuperscript{33} Liberal MP Nathaniel Erskine-Smith similarly suggested the December Meeting negatively impacted public perception of the CRTC, asking Mr. Scott, “[d]oes it not give you pause to have meetings like that, knowing that the decisions you make are so consequential for companies in this space and for Canadians who care about affordability of an essential service in this space—which depends in some ways on increased competition—and not necessarily to be friendly to Bell and the big three?”\textsuperscript{34} The National Post’s article on the December Meeting so far has attracted 42 comments from the public about Mr. Scott’s behaviour. Many of these comments impugn the integrity of the CRTC; none are positive.

It is difficult to see how conduct that has been recognized by courts as raising serious concerns about the CRTC’s integrity and reputation, amounted to a basis for dismissal with cause, and attracted scrutiny from media and parliamentary committees about its propriety could not amount to a serious breach of the integrity provisions of the Code of Conduct. Importantly, the Chairperson of the CRTC should not be held to a lower ethical standard than a previous CRTC Commissioner. To leave Mr. Scott’s behaviour unaddressed further damages the integrity of the government.

It is TekSavvy’s hope that this disclosure is helpful to the Integrity Commissioner and provides sufficient information to warrant further investigation into this wrongdoing.

\textsuperscript{32} See for example Exhibits I - L to the Affidavit of Peter Nowak.
\textsuperscript{33} Exhibits I, M to the Affidavit of Peter Nowak.
\textsuperscript{34} Exhibit M to the Affidavit of Peter Nowak.