
MAJOR FINDINGS

To understand the evidence presented to the Commission and my analysis of it, the Fact Finding Report must be consulted. It is those facts that allow me to draw the following conclusions:

The Commission of Inquiry Found:

- clear evidence of political involvement in the administration of the Sponsorship Program;
- insufficient oversight at the very senior levels of the public service which allowed program managers to circumvent proper contracting procedures and reporting lines;
- a veil of secrecy surrounding the administration of the Sponsorship Program and an absence of transparency in the contracting process;

- reluctance, for fear of reprisal, by virtually all public servants to go against the will of a manager who was circumventing established policies and who had access to senior political officials;
- gross overcharging by communication agencies for hours worked and goods and services provided;
- inflated commissions, production costs and other expenses charged by communication agencies and their subcontractors, many of which were related businesses;
- the use of the Sponsorship Program for purposes other than national unity or federal visibility because of a lack of objectives, criteria and guidelines for the Program;
- deliberate actions to avoid compliance with federal legislation and policies, including the *Canada Elections Act*, *Lobbyists Registration Act*, the *Access to Information Act* and *Financial Administration Act*, as well as federal contracting policy and the Treasury Board Transfer Payments Policy;
- a complex web of financial transactions among Public Works and Government Services Canada (PWGSC), Crown Corporations and communication agencies, involving kickbacks and illegal contributions to a political party in the context of the Sponsorship Program;
- five agencies that received large sponsorship contracts regularly channelling money, via legitimate donations or unrecorded cash gifts, to political fundraising activities in Quebec, with the expectation of receiving lucrative government contracts;

- certain agencies carrying on their payrolls individuals who were, in effect, working on Liberal Party matters;
- the existence of a “culture of entitlement” among political officials and bureaucrats involved with the Sponsorship Program, including the receipt of monetary and non-monetary benefits;
- a pattern of activity whereby a public servant in retirement did extensive business with former recipients of Sponsorship Program contracts; and
- the refusal of Ministers, senior officials in the Prime Minister’s Office and public servants to acknowledge their responsibility for the problems of mismanagement that occurred.

