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# Standing Committee on Access to Information, Privacy and Ethics

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Chair: Mr. David Sweet





## Standing Committee on Access to Information, Privacy and Ethics

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• (1305)

[*English*]

**The Chair (Mr. David Sweet (Flamborough—Glanbrook, CPC)):** I call the meeting to order.

Colleagues, welcome.

We have something unique today in that we have two witnesses before us. I say it's unique because we've had lots of business without any witnesses. We're glad to have them.

Our first witness, from 1:00 to 2:00, will be the Conflict of Interest and Ethics Commissioner, Mr. Mario Dion.

Mr. Dion, we will let you go ahead with your remarks. Please keep them to seven minutes.

Thank you very much, sir.

[*Translation*]

**Mr. Mario Dion (Conflict of Interest and Ethics Commissioner, Office of the Conflict of Interest and Ethics Commissioner):** Thank you very much, Mr. Chair.

I would like to begin by thanking the committee for inviting me to appear today.

It has been a year and a half since my last appearance. This afternoon, the members of your committee and I will finally have the opportunity to exchange information and views.

The motion deals with issues of conflict of interest as they pertain to pandemic spending.

I have been the Conflict of Interest and Ethics Commissioner since January 2018. I applied for the position because I believed in it and wanted to play a role in helping improve the confidence Canadians have in their elected officials and public sector leaders. I still believe in it, even more so now that I have a full appreciation of the role and its potential.

[*English*]

Our mandate is twofold. Many members are new, so I will take the occasion to give you a brief overview.

We assist the House of Commons in managing the Conflict of Interest Code for Members of the House of Commons, which was adopted in 2004. We also do essentially the same work in relation to the Conflict of Interest Act, which dates back to 2007.

The purpose of the act is to set clear rules around conflicts of interest and post-employment activities for public office holders who

may be either ministers, parliamentary secretaries, members of their staff or Governor in Council appointees. There are currently about 2,400 public office holders, of whom 1,300 are reporting public office holders, which means they have additional, more stringent obligations. Of those 1,300, 700 are staff members in ministers' offices.

The pandemic has had and will continue to have an impact on the work of our office because of the two high-profile investigations related to the Canada student service grant. As well, it has had an impact, as we will discuss in a few minutes, through the issue involving Mr. MacNaughton, which of course has generated some work as well. It was pandemic related. In relation to that file, I ended up making an order against nine senior officials involved in the matter, basically prohibiting them from talking to Mr. MacNaughton for the next year.

The workload of our office has increased very significantly in the past year, but it's not mostly because of these things; it's because of a significant rise in the number of exempt staff. There's been an increase of 65% over the last year in relation to people who work in ministers' offices. This is in addition to the 98 new members who were elected. These were new members compared to the legislature at the last general election. I think it's fair to say that new ministerial staff and new members require more support because they have to quickly familiarize themselves with a complex set of rules and provide a lot of information to us.

Upon appointment, under the act, all public office holders are provided information about their obligations, and a compliance process is undertaken. Essentially it's the same thing as you've done under the code. When they have completed the initial process, we analyze this information. We also make sure there is an annual review that takes place with each reporting public office holder each year. Throughout their term, public office holders must be vigilant about any recusals, any gifts of \$200 or more or any material change to their situation, which they have to report to us in very short order.

Our role is not only to advise, to confirm exceptions or to explain requirements but also to engage in oversight activities to ensure compliance with the provisions set out in the act and the code as well. Our role is to guide members and senior officials individually, independently, thoroughly and consistently. That's where the lion's share of the office's resources is directed.

There was an important reduction in the advice given by our office in the first part of this fiscal year because of the shock caused to everyone's activities by the sudden onset of the pandemic. That's my diagnosis, at least. It has since picked up. I'm pleased to say that we anticipate a marked increase year over year. People come to us and seek advice. That's the way it should be. While I'm not hesitant to use the enforcement powers provided in the act, I believe compliance based on understanding one's obligations is always best.

For example, in the middle of the pandemic, in November, earlier this month, we organized an educational teleconference on the duty to recuse, because I sensed there may be a need for it. It's very important to be able to identify situations where one should recuse oneself. We had more registrants than we could accommodate on our Zoom licence. We had over 200 people who registered for this one-hour session on recusals.

● (1310)

I intend to do more in the future on subjects [*Inaudible—Editor*] return areas where it really matters that you understand your obligations.

Insofar as the pandemic is concerned, I've mentioned three related investigations, two of which have yet to be completed. We also had a few dozen requests for advice that have a link back to the pandemic. This is quite marginal.

In terms of post-employment—and we will talk about the MacNaughton file—there is a part of the act that applies. It's very short. It's 10 sections and it sets out basically that when you are a former public office holder, you have obligations, some of which are forever and some of which are limited for a period of one or two years after you've left.

I always invite people to read these provisions as they become public office holders, because they should prepare mentally to abide by them once they leave. However, it's very seldom that former officials seek advice from us.

They are prohibited from doing a number of things. I'm not here to give you an exhaustive list, because I don't have the time, but I think it's important to situate the MacNaughton matter to understand that Mr. MacNaughton, being a reporting public office holder, had left a while ago and basically engaged in some activities for which there were requirements in part 3 of the act, which he did not follow. He did violate certain aspects of his post-employment obligations and acknowledged, with the benefit of hindsight, that certain communications and meetings, to the extent that they could have furthered the interests of his new employer, Palantir Technologies, were contrary to section 33.

[*Translation*]

I bring up the issue of investigations because I know you understand that I have the authority to conduct investigations, whether

under the act or the code. Usually this is as a result of a complaint made by a member of Parliament. I can also initiate investigations on my own initiative when information provides me with reasonable grounds to believe that a contravention has occurred.

I will skip a few parts, because I see that I may have already exceeded my time.

In terms of Mr. MacNaughton's file, rather than continuing to investigate a case where there was a clear issue and a number of contraventions, I decided instead to issue an order to prevent the recurrence of these events. As a result, nine public office holders were prohibited from having official dealings with Mr. MacNaughton. This ensured that the situation would not happen again. The order is available on our public registry.

Since I have been in office, for almost three years, our goal has been to complete the investigation reports within one year, barring extraordinary complications. Since my appointment, we have been able to meet this objective and have completed 18 reports under either the act or the code.

Interest varies depending on the person involved or the seriousness of the offences. This serves as an important educational component—

[*English*]

**The Chair:** Mr. Commissioner, I—

[*Translation*]

**Mr. Mario Dion:** Yes, Mr. Chair?

[*English*]

**The Chair:** I always hate to interrupt anyone, but we gave you an extra couple of minutes. I know my colleagues are going to hold me to account, so we'll need to carry on to questions. If you have something you want to cover, you can certainly cover it during our question-and-answer period.

**Mr. Mario Dion:** Yes, of course. I'll stick to less than two minutes, as you will see, Mr. Chair.

**The Chair:** No, you're already two minutes over, sir.

**Mr. Mario Dion:** Oh, you mean we're over. Okay, that's fine. I will cover other aspects as part of the questions and answers.

**The Chair:** Time is always our enemy, sir.

**Mr. Mario Dion:** Yes, I know.

**The Chair:** Sorry. We'll move to questions now.

**Mr. Mario Dion:** I watch you on CPAC from time to time.

**The Chair:** Okay.

Mr. Barrett, go ahead for six minutes.

**Mr. Michael Barrett (Leeds—Grenville—Thousand Islands and Rideau Lakes, CPC):** Thank you, Chair, and thank you, Commissioner, for joining us today.

Speaking of time, Commissioner, I'm wondering if you could tell the committee the expected timeline for your office to report your findings on the investigations of the Prime Minister and the contraventions of subsection 6(1), section 7 and section 21 of the Conflict of Interest Act.

**Mr. Mario Dion:** No, I can't, for two reasons. First, the act prohibits me from exchanging any information while an investigation is in progress. Second, even if I was not barred, I frankly don't know at this point how many more months we will need to complete the examinations that we've started in relation to Monsieur Trudeau and Mr. Morneau.

• (1315)

**Mr. Michael Barrett:** Okay. Thank you very much.

Can you summarize section 9 of the Conflict of Interest Act for the committee?

**Mr. Mario Dion:** I will try, although sometimes it's more complex than it appears. I will try. I will do my best.

Here is section 9. I still use paper, because I was called in 1980, Mr. Barrett. I'll open up the page. It says essentially that "No public office holder shall use his or her position...to seek to influence a decision of another person so as to further the public office holder's private interests or those of [his] relatives or friends or to improperly further another person's private interests."

The focus is on seeking to influence a decision that has to be made by another person. You occupy a position. You try to influence somebody else who has to make a decision in order to further the private interests of a relative, a friend, or to improperly further another person's private interests.

I know I'm reading back the provision to you, but I'm trying to put some emphasis on the key aspects of it.

**Mr. Michael Barrett:** Thank you very much.

Section 9 of the act is one that you found Prime Minister Justin Trudeau had contravened. Is that correct?

**Mr. Mario Dion:** In the Trudeau II Report, yes, we did.

**Mr. Michael Barrett:** It was a personal interest of the Prime Minister to attempt to interfere in the criminal prosecution of SNC-Lavalin. That's a very brief summary of your finding in that report. Would that be fair?

**Mr. Mario Dion:** We found that he had improperly furthered the interests of SNC-Lavalin by seeking to influence the decision made by the Attorney General.

**Mr. Michael Barrett:** Not being a lawyer myself, on the face of it, it looks similar to section 139 of the Criminal Code, which states that "Every one who wilfully attempts in any manner to obstruct, pervert or defeat the course of justice in a judicial proceeding" is guilty of obstruction of justice.

Those are not your words, sir. That is my reading of the section from the Criminal Code.

The reason I bring it up is that I'm wondering if you are able to tell the committee if you were ever in contact with the RCMP regarding the Trudeau II Report.

**Mr. Mario Dion:** I am not able to tell the committee whether I was in contact with the RCMP.

**Mr. Michael Barrett:** Okay. Thank you very much.

We know that you had trouble. You stated as much in your Trudeau II Report. You had trouble collecting the information and you were blocked at certain points during the investigation. Was that unique to that investigation, or have those hindrances or obstructions persisted in past and current investigations, or more recent investigations?

**Mr. Mario Dion:** It was unique to that investigation. That's why I decided to talk fully about it in the report itself. I was surprised and I wanted to take steps in the report to try to limit the potential for repeating the same situation.

**Mr. Michael Barrett:** Were you ever given any reasons? The Clerk of the Privy Council did make reference to this during his well-publicized testimony at the finance committee this summer. As an avid CPAC watcher, did you receive any insight into that obstruction or those difficulties on listening to Mr. Shugart's testimony?

**Mr. Mario Dion:** No, I didn't.

**Mr. Michael Barrett:** I think I'm just about out of time.

I'll ask how Mr. MacNaughton's meetings and communications might further the interests of Palantir, his employer. He said that in hindsight he recognized that they could have.

**Mr. Mario Dion:** You've read the order, I'm sure, Mr. Barrett, and I should speak through the chair, of course. We had 17 conversations involving those nine people who were directed not to speak to Mr. MacNaughton anymore. They were essentially offered the services of Palantir pro bono. Pro bono is often the first step to a more lucrative type of situation, so it's on that basis that we decided to impose the order.

• (1320)

**The Chair:** Thank you very much, Mr. Dion and Mr. Barrett.

Now we'll move to Mr. Fergus.

[Translation]

**Mr. Greg Fergus (Hull—Aylmer, Lib.):** Thank you, Mr. Chair.

Mr. Dion, it's a pleasure to see you again, just as it was a pleasure the first time we met. You had generously agreed to meet with me and advise me when I asked you to do so.

My questions are of a general nature. I would like to know why you think it is important to have an officer of Parliament, like you, who is independent, to work on ethical issues related to members of Parliament, in particular, and public office holders.

**Mr. Mario Dion:** I think it's important in terms of objectivity, as you said, and in terms of expertise. It's a task that requires a certain expertise, and that expertise is acquired over many years.

It's good to have someone who does only that. It's good to have someone who is non-partisan, so he's going to treat every issue the same, whether it's a member of party x or party y—it doesn't matter when it comes to seeking the truth.

It is also important in terms of the public credibility of the whole process of dealing with conflicts of interest. It has to be someone who has peace of mind, who is appointed for seven years and who has tenure, so they cannot be easily removed. They must decide whether or not someone has breached the provisions of the act or the code, as that person often holds a very important position, such as the Prime Minister or a Deputy Minister.

For all these reasons, I think it is good to have an officer of Parliament in this area. In the past, as you may know, until 2007, there were predecessors, but they didn't have the same formal independence, legal independence in fact.

**Mr. Greg Fergus:** Yes.

No matter how well intentioned my colleagues and I may be, we await the outcome of any investigation with some self-interest, whereas you work on the outcome free from self-interest. That's the advantage you have, isn't it?

**Mr. Mario Dion:** As I was saying earlier, only members of Parliament can legally file a complaint. Often, members of Parliament come to see us, and clearly, they are alleging something and are convinced of what happened. I think the member is often supported by his party's authorities.

Someone objective therefore has to receive the complaint and decide, first, whether or not they will launch an investigation. If they do, they will ensure that it is done in a way that is impartial to the person who is the subject of the complaint.

**Mr. Greg Fergus:** Okay.

[*English*]

If you were to come up with one conclusion and the committee were to arrive at a different conclusion on the same matter, would you consider that helpful to your work?

Do you think that could—

**Mr. Mario Dion:** I think the answer is....

First of all, we have different fora and different sets of rules, so even if everybody did their work in a very competent manner, it is very possible that the results in one forum might be different from those in another forum. I think it would not serve the credibility vis-à-vis the public that I was talking about if on the one hand the independent decision-maker made a decision and a committee—which is, by definition, partisan and displays partisanship—came to a different decision. I don't think that would be a positive result for anyone involved, let alone the impact on the person who would be investigated twice.

[*Translation*]

**Mr. Greg Fergus:** That's it.

[*English*]

Should it be other parliamentarians, or should it be you in your role as the Conflict of Interest and Ethics Commissioner?

Thank you for that. This brings me to an interesting understanding, because I'm wondering who, in your opinion, would be best suited to conduct these types of investigations to discuss the ethical behaviour of parliamentarians.

• (1325)

**Mr. Mario Dion:** I think Parliament has spoken, back in 2004, and until Parliament changes it, it's the code. The code essentially has decided that the commissioner would be doing this.

**Mr. Greg Fergus:** Would that be the best-suited person for the job?

**Mr. Mario Dion:** That's what Parliament thought in 2004, and I hope that continues to be the case.

**Mr. Greg Fergus:** Mr. Chair, how much time do I have left?

**The Chair:** You have less than a minute.

**Mr. Greg Fergus:** Let's see if I can get a quick question in.

Are we impeding your work by going to the same people you are speaking to in order to try to come up with a fair assessment as to whether they contravened the code that was set in place in 2004?

**Mr. Mario Dion:** It isn't impeding our work. In fact, we follow with interest what is said at each committee, and I am currently seeking permission from the finance committee to be able to use the testimonies made before the committee without having to interrogate again.

**The Chair:** Thank you very much, Mr. Fergus and Mr. Dion.

**Mr. Greg Fergus:** Thank you.

**The Chair:** Now we'll move on to Madame Gaudreau.

[*Translation*]

Ms. Gaudreau, you have the floor for six minutes.

**Ms. Marie-Hélène Gaudreau (Laurentides—Labelle, BQ):** Thank you, Mr. Chair.

Good afternoon, Mr. Dion. It is a pleasure to address you in French.

I will use my time to come back to our experience. I am fully aware that you are in the process of preparing your report, but I am going to ask a few questions to try to better understand what is happening at the moment.

We all remember that, at a media conference, the Prime Minister publicly apologized for not recusing himself when the Privy Council made the decision to award the management of the Canada student service grant program. He should have done so.

How will you address those allegations in your review? Was that an admission?

**Mr. Mario Dion:** We will assess whether it is a full admission, a qualified admission or a partial admission. We must analyze what was said and what was not said in a very rigorous way, and then come to a conclusion. Clearly, we will deal with this issue in our report.

**Ms. Marie-Hélène Gaudreau:** That's excellent.

This is an investigation launched under subsection 44(3) of the Conflict of Interest Act with respect to possible contraventions, in particular section 21. That section reads as follows:

21 A public office holder shall recuse himself or herself from any discussion, decision, debate or vote...

Based on your expertise, would you comment on whether there might be exceptions to this rule if, for example, because of the importance of a decision, the public office holder was advised not to comply with this section?

**Mr. Mario Dion:** The obligation described in section 21 is absolute. If the conditions are met, the type of decision does not matter. The obligation applies to any discussion. It is not just about decisions. Let me read the section, which is four lines long:

21 A public office holder shall recuse himself or herself from any discussion, decision, debate or vote on any matter in respect of which he or she would be in a conflict of interest.

In other words, this applies to any decision, discussion, and so on, regardless of the relative importance of the issue.

**Ms. Marie-Hélène Gaudreau:** Thank you.

My next question is about the criteria that define reasonable knowledge. It is set out in subsection 6(1) of the act. The subsection states that a public office holder reasonably should know that, in the making of the decision, he or she would be in a conflict of interest.

For example, if an elected public office holder decides to award a contract to an organization and may be in a conflict of interest situation, do you think that is reasonable knowledge? Under those circumstances, should he or she avoid awarding the contract?

**Mr. Mario Dion:** I read the section differently from the member, Mr. Chair.

Once again, I will quickly read a few passages:

6 (1) No public office holder shall make a decision... if the public office holder knows or reasonably should know...

That is what we do when we are called to this position. That is what I do in a report: I analyze the facts and come to a conclusion. So when you are in a situation like that, you have to see whether it was reasonable to think that the person should have known, based on the facts.

• (1330)

**Ms. Marie-Hélène Gaudreau:** Okay.

**Mr. Mario Dion:** Many factors are considered and there are times when it would be unreasonable to think that someone knew absolutely everything about family members or friends.

**Ms. Marie-Hélène Gaudreau:** Okay. Thank you very much.

How much time do I have left, Mr. Chair? I would like to ask another question.

**The Chair:** You have two minutes left, Ms. Gaudreau.

**Ms. Marie-Hélène Gaudreau:** Mr. Dion, at last Tuesday's meeting, we talked about your role as conflict of interest commissioner, but also as ethics commissioner.

From your comments, I understand that the ethics component is actually included in your title, but what about ethics in your role as commissioner?

**Mr. Mario Dion:** My role in ethics is relatively limited. In the act, there are one or two sections where the word "ethics" appears. One of my duties, which is not very well known to the public, is in section 43 of the act.

The act states:

43 In addition to carrying out his or her other duties and functions under this Act, the Commissioner shall

(a) provide confidential advice to the Prime Minister, including on the request of the Prime Minister, with respect to the application of this Act to individual public office holders; and

(b) provide confidential advice to individual public office holders with respect to their obligations under this Act.

I emphasize that the Commissioner provides advice to the Prime Minister on the request of the Prime Minister, but not always on his request. So I have the right to take the lead and give unsolicited advice, and I think that gives me some role in ethics, but that's about it.

**Ms. Marie-Hélène Gaudreau:** With all due respect, Mr. Commissioner, I was wondering about the following question.

Considering the fact that this pandemic is taking all the focus, and considering the increase in workload that you mentioned earlier in your speech, what can you tell me about the relationship that you have established with the Prime Minister to prevent this type of situation, knowing that part of your role is prevention?

You just said that the Prime Minister can make a request to you and that you can also be a watchdog.

**Mr. Mario Dion:** That's right, and we have an ongoing dialogue with public office holders. The higher the position, the greater the frequency of consultation.

**Ms. Marie-Hélène Gaudreau:** So I understand that what apparently happened should not have happened.

**Mr. Mario Dion:** We will see.

[English]

**The Chair:** The time is up.

[Translation]

Thank you very much, Mr. Dion and Ms. Gaudreau.

**Ms. Marie-Hélène Gaudreau:** Thank you.

**The Chair:** Mr. Angus, you now have the floor for six minutes.

[English]

**Mr. Charlie Angus (Timmins—James Bay, NDP):** Thank you, Mr. Chair, and thank you, Mr. Dion, for coming back to our committee. It's good to see you in such good health.

**Mr. Mario Dion:** Thank you.

**Mr. Charlie Angus:** When our parliamentary committees, the finance and ethics committees, began looking at the questions around the WE and the granting of the \$912 million, the Prime Minister testified that when this was brought to him, he became aware that there were potential conflicts because he was so closely tied to them and that he asked for a period for them to do due diligence.

In that time, did anyone from the Prime Minister's Office or Bill Morneau's office reach out to you with regard to whether there was a question of conflict of interest or the duty to recuse?

**Mr. Mario Dion:** The advice we give to people such as Mr. Morneau, Mr. Trudeau or any of the 2,400 people I was talking about is confidential. I am simply not at liberty to discuss whether they approach us or they don't approach us under the act.

**Mr. Charlie Angus:** I totally understand. It is just that whether or not that due diligence was done is very germane to the parliamentary investigation. We will continue to look.

What's been very complex for parliamentarians in dealing with the WE issue is that we are dealing with a group that is very complex in its corporate structure. There are multiple companies, and we are trying to get a clear sense out of something that's difficult.

When we were first told about the role of Margaret Trudeau and Sacha Trudeau, we were told they weren't paid. The board of directors was told they weren't getting paid. That was false. The committee testimony found out that upwards of \$350,000 was being paid, but the Kielburgers said that they weren't paid to do public speaking; they were paid to do ancillary corporate events. That's the big work afterwards in terms of the corporate sponsorships, which would be very lucrative to their organization.

I know you can't reveal much, but would the issue of the ancillary events and being paid to work corporate events for an organization be something you would consider part of your investigation?

• (1335)

**Mr. Mario Dion:** We will look at everything that's related, even if it's somewhat remote, and I'm not saying this is remote. We take a very wide approach, and we will be looking at that issue for sure.

**Mr. Charlie Angus:** I thank you so much for that.

I understand that Madame Grégoire Trudeau, who has been a strong advocate for youth, was given the dispensation to be a goodwill ambassador with WE to run their blog. Are you aware if she was given permission to work corporate events on behalf of the WE group?

**Mr. Mario Dion:** I am not aware. If I was aware as a result of our work to date, I would not be able to tell you anyway.

**Mr. Charlie Angus:** I totally understand. Thank you.

I was very interested in reading your investigation into Mr. MacNaughton, and I thank you so much for your positive response when I asked for an investigation. I found it very troubling, because Mr. MacNaughton has a long history of lobbying in Ottawa, so he's very familiar with the rules.

He had said that he had cleared this with you, and in paragraph 4 of your report, you said that Mr. MacNaughton, following consultations with the Office of the Conflict of Interest and Ethics Commis-

sioner, was named president of Palantir Technologies Canada effective September 4, 2019.

Did he discuss with you the parameters of his role? If he had spoken with you, would it not have been clear that he was not to do lobbying?

**Mr. Mario Dion:** Every time I meet someone who wishes to discuss an offer of employment under the act when they're still a public officeholder and they're planning their future, I invariably go through part 3 completely. I'm sure I did the same thing with Mr. MacNaughton, going through every section, including section 37, which was key in this case.

**Mr. Charlie Angus:** While I would never second-guess you, I am sure that you were very thorough. I just wanted to clarify that.

When I read your order, I find it very interesting, because the order is against public figures speaking with Mr. MacNaughton, which I found interesting. The subject matter mentions that Rick Theis, who is one of the Prime Minister's key advisers, was involved in a discussion about the Centers for Disease Control in talking with other senior officials. It was all supposedly about COVID.

Palantir lists itself as a defence contractor. Were there discussions with the chief of the defence staff? What would that have to do with COVID? Are you aware that they were talking about COVID or other contracts?

**Mr. Mario Dion:** I'm not aware. When I say it's COVID-related, I mean the period and not the theme. The order itself should reflect it, but I cannot answer your question today. I simply don't remember.

**Mr. Charlie Angus:** Okay, that's fair.

One thing I notice is that it seemed that doors were open in a very short time. He met with all the senior officials, but he never met with anyone from the health minister's office, which was surprising. If he was offering to do work pro bono for COVID, it's surprising that he didn't bother to meet with the health minister, but he was meeting with the chief of the defence staff and even up to the Deputy Prime Minister.

My sense of concern with Mr. MacNaughton is that this seems to be a disturbing pattern that we do not want to go back to, in which someone who is very powerful, who is connected to the Prime Minister, who worked as a lobbyist and who becomes a public office holder, walks right back in and is invited right into the Deputy Prime Minister's office.

How do we ensure that people comply with the law and do not abuse their political connections and the knowledge they developed while serving as ambassadors?



**The Chair:** Mr. Dion, you'll have to save that answer for another member. Time is up.

Thank you, Mr. Angus.

**Mr. Charlie Angus:** Thank you.

[*Translation*]

**The Chair:** Mr. Gourde, you have the floor for five minutes.

**Mr. Jacques Gourde (Lévis—Lotbinière, CPC):** Thank you, Mr. Chair.

Thank you, Mr. Commissioner, for appearing before the committee.

We have had much debate in the committee over the last few weeks. The point was raised that we could not talk about certain issues because your investigation was ongoing.

Do you take into account the testimony that has been provided to committees on a matter that is ongoing or of interest to you? Do you follow the work of our committee? If you find something of interest, can you take it into consideration?

• (1340)

**Mr. Mario Dion:** We do follow the work of the committee very closely, since its core mandate is to study ethical issues. It is my committee, if I can put it that way. As far as the act is concerned, this is the committee I report to. We follow the work of this committee, and of other committees but to a lesser extent. We follow, for example, the work of the Standing Committee on Procedure and House Affairs, which administers the Conflict of Interest Code for Members.

We take careful note of testimony, but we cannot use it directly as it is protected by the principle of parliamentary privilege. As I said earlier, we asked the Speaker for permission to use them and he referred us to the Standing Committee on Finance to seek that permission, which we did three days ago.

If something has been said before the Standing Committee on Access to Information, Privacy and Ethics, we will take the same steps with your committee.

**Mr. Jacques Gourde:** Thank you.

**Mr. Mario Dion:** However, we cannot directly use what is said by a witness in our report. One of the fundamental differences is that, when I speak to a witness, the testimony of the witness is invariably under oath, which is not the case for witnesses appearing before a parliamentary committee.

**Mr. Jacques Gourde:** Thank you very much, Mr. Dion. This will clarify some aspects of a broad discussion we had here in the committee.

Furthermore, a former member of Parliament left when the last election was held in 2019. He was reportedly awarded a contract of more than \$200 million during the pandemic crisis.

Given the privileged information he had access to, can this be considered a conflict of interest?

**Mr. Mario Dion:** The difference between the code and the act is that, once a member of Parliament leaves their parliamentary functions, they are no longer subject to the code in any way.

You didn't refer to the member in question by name, but it was Mr. Baylis. As a former member of Parliament, he is no longer subject to the Conflict of Interest Code for Members of the House of Commons and was not subject to it when the contract was being discussed or awarded. Nevertheless, the contract was not concluded with him.

As far as the code is concerned, it simply does not apply to Mr. Baylis. We also looked at the public office holders who were involved in awarding the contract and we decided that, at this point, there are no reasonable grounds to believe that the act may have been breached.

**Mr. Jacques Gourde:** In the summer, back in August, the Clerk of the Privy Council appeared before the committee. In the course of our discussions pertaining to the WE Charity, I asked him where the idea to use the organization had come from and how the organization had gotten on the government's radar. He told us that it had been at the request of the Prime Minister's Office.

The day the Prime Minister made the public announcement regarding the Canada student service grant program, the WE Charity had already submitted its proposal and practically had the contract in the bag a few hours later.

I asked him how the WE Charity had gotten a hold of the information, and the Clerk of the Privy Council told us that the WE Charity people knew about it because they had been involved in developing the eligibility criteria for the program in conjunction with the people at the Privy Council and the Prime Minister's Office.

When an architect designs a bridge, is it normal to give the architect the contract to build the bridge as well?

**Mr. Mario Dion:** It's important to look at the situation and, above all, to have the real facts. I don't comment on hypothetical situations. Obviously, we examine the circumstances leading up to the awarding of the contract. I am sure you'll find our report to be an interesting read when it comes out next year.

**Mr. Jacques Gourde:** Thank you, Mr. Dion.

I'm going to give the rest of my time to my fellow member Chris Warkentin.

[*English*]

**The Chair:** Thank you very much, Mr. Gourde. I will add 30 seconds to your next colleague.

We'll move on to Mr. Dong for five minutes.

**Mr. Han Dong (Don Valley North, Lib.):** Thank you, Chair.

Thank you, Commissioner Dion, for being here today. It's my first time speaking to you in person or virtually.

First, could you clarify for members of this committee and folks who are watching right now if there is any indication that anything has been done by anyone in the public service, either the executive branch or elsewhere, or by members of this Parliament, that has prevented you from fully performing your work in this case?

**Mr. Mario Dion:** There is no indication whatsoever of anything like that at this juncture.

• (1345)

**Mr. Han Dong:** Thank you.

Mr. Dion, do you feel you have the full power to investigate issues on your own?

**Mr. Mario Dion:** Yes, I do. Until such time as I face a big obstacle, I'm perfectly happy with the powers I have now.

**Mr. Han Dong:** You don't need a letter from the opposition to tell you which section to investigate or any suggestion like that, correct?

**Mr. Mario Dion:** No. In fact, it would be contrary to the law for me to even read your letter—at the committee, I mean.

**Mr. Han Dong:** As a new member, I'm quite fortunate that thus far I have not required your service and that of your office, other than making the annual disclosure. I do know that for some of my colleagues it is a regular practice, a habit perhaps, to call your office for advice, mostly just as a matter of practice.

How is your advice being provided to members? Is it in writing, phone calls, emails, a website? How do you provide that advice?

**Mr. Mario Dion:** We never actually calculated the preferred mode of communication, but I have a very clear impression that it's email, followed by telephone, followed very distantly by letters. People don't like to write letters anymore. It's mostly email, which is good, because it's good to have a written trace of the advice we give you, and it's good for us to have a trace of what you told us when you sought the advice so we can both remember the same thing a year from now when something happens.

**Mr. Han Dong:** Say, for example, a member of an opposition party or the general public thinks that your advice was to set up a screen, and the general public feels that doesn't live up to public scrutiny. Would you feel compelled to defend your recommendation, especially when that could mean big reputational consequences for the person involved? Why or why not?

**Mr. Mario Dion:** Our role is to provide advice to MPs and to public office holders. We do not discuss in any way, shape or form the advice we've given them with the media or with members of the public. The only body to which I have to defend my advice and my decisions is Parliament itself, and maybe the Federal Court of Appeal, if somebody seeks judicial review. That's it.

We don't have to justify, and we basically are barred from revealing any information, without which it's impossible to understand the advice anyway.

**Mr. Han Dong:** Thank you.

I want to go back to the conversation you had with my colleague, MP Ferguson.

I was listening carefully about the role of the committee and your role. In your opinion, should the committee not do these types of studies?

**Mr. Mario Dion:** By “these types of studies”, do you mean today's study, today's motion?

**Mr. Han Dong:** Yes, I mean that, or running an investigation parallel to what you're doing.

**Mr. Mario Dion:** I think today's motion is very different. It doesn't amount to an investigation. Of course, I would not welcome...but the committee is free to do whatever the committee wants to do, but I would not be happy that the committee was investigating something that was identical to what I was investigating. However, the committee's free to do so.

**Mr. Han Dong:** Thank you.

The reason I'm asking this question is that if the committee and your investigation on the same matter yield different results, outcomes, decisions or recommendations, would you feel in that case that there's any requirement for you to defend your decision or your rationale publicly?

**The Chair:** Sorry, I have to interrupt. The time has expired.

I'll need to go to Madame Gaudreau now. You have two and a half minutes.

[*Translation*]

**Ms. Marie-Hélène Gaudreau:** Thank you, Mr. Chair.

I have three questions for you, Mr. Dion.

I would like clarification on something. Earlier you said that, when a witness appears before a committee, they are not necessarily giving sworn testimony, contrary to when you speak with a witness. In that case, the witness's testimony is given under oath from the outset.

Did I understand that correctly?

• (1350)

**Mr. Mario Dion:** That is indeed what I said.

**Ms. Marie-Hélène Gaudreau:** Very good.

Practically speaking, I think we can all agree that writing a report is arduous work. You said your investigation findings would be released next year.

We are in the midst of a pandemic, when everything is moving so fast. The public trust needs to be restored and the government has a duty to account for its actions in relation to the pandemic. Taking all of that into account, would it not be possible to release the report sooner?

**Mr. Mario Dion:** When I said “next year”, I was speaking in legal terms. It could be as early as January of next year. It does not mean it's a year away; it just means sometime next year.

**Ms. Marie-Hélène Gaudreau:** We might get a nice surprise early in the new year, then. Is that right?

**Mr. Mario Dion:** My aim is to ensure the work we do is fair and top-notch, and that we comply with the act in doing that work. The sooner we complete the process, the better.

**Ms. Marie-Hélène Gaudreau:** My last question has to do with section 44 of the act. I want to make sure I'm clear on something. Subsection 11(1) refers to possible contraventions and reads as follows:

11 (1) No public office holder or member of his or her family shall accept any gift or other advantage, including from a trust....

Explain that provision to me, if you would, particularly what “advantage” means.

**Mr. Mario Dion:** The term “advantage” is defined in the act, so it's easy to explain.

Sorry, I thought it was defined in the act, but it isn't. However, the expression “gift or other advantage” is defined and can refer to a situation where an amount of money is loaned and there is no obligation to repay it.

It can also refer to “a service or property, or the use of property or money that is provided without charge or at less than its commercial value”. In other words, if someone charges you \$19 a night to rent a condo in Mont-Tremblant, that would constitute an advantage given what the rate would normally be.

I hope that answers your question.

**Ms. Marie-Hélène Gaudreau:** Therefore—

[*English*]

**The Chair:** Mr. Dion, Madame Gaudreau, thank you. Two and a half minutes went blisteringly fast.

[*Translation*]

**Ms. Marie-Hélène Gaudreau:** Thank you, Mr. Dion.

**Mr. Mario Dion:** You're welcome.

[*English*]

**The Chair:** Mr. Angus, you have two and a half minutes.

**Mr. Mario Dion:** Mr. Angus, would you like me to finish my answer on what we can do to prevent former public office holders...?

**The Chair:** Mr. Angus, it's up to you for two and a half minutes, sir.

**Mr. Charlie Angus:** I will take my two and a half minutes.

I think it's very interesting that my Liberal colleagues are very much trying to get Mr. Dion to tell us that we should not do our investigations because of course it's their MPs who are under investigation. It's an old standard.

You said you're interested in the testimony. I would refer you to the testimony on July 22 of Mr. Bill Morneau. There were two fascinating points. One, I asked him if he'd ever read the Conflict of Interest Act, and he seemed very surprised. He said he'd been given a bunch of documents when he was first elected, so I'm surprised that there was no follow-up with him on conflict of interest. That was the point where he told the public, and you became aware of it for the first time, that he had received \$40,000 in travel.

You have cleared Mr. Morneau. I understand that—well, actually, I don't understand that—but that's your decision, and I accept your decision. It's not so much that it's a gift but that it's the creation of a relationship with the Kielburgers.

On April 10, 2020—and I wrote to you on November 17 about this—Craig Kielburger wrote directly to Bill Morneau, asked about his family, wrote in a very familiar tone and 11 days later had a \$12-million contract. I find that to be extraordinary.

Would you not agree that these kinds of relations, with people are being flown around and feted and gifted.... Mr. Morneau may have forgotten that it was \$40,000, but it created a relationship that could have influenced his decision. I think that in light of section 7, the obligation not to show preferential treatment, that's an extraordinary amount of money to have been granted in a very short space of time.

**Mr. Mario Dion:** In 2021, there will also be a report called the Morneau II report, in which we will discuss all the various aspects of what went on between WE Charity and Mr. Morneau. That will be covered in the report itself, including the reason that led me to discontinue that portion of the investigation. The reason will be in the report as well.

• (1355)

**Mr. Charlie Angus:** I thank you for that.

I guess my concern here is that we're dealing with a very different type of political group. All the key ministers involved in the decision were feted and brought out to WE events. There were very close sets of relationships that made them able to call favours in. It was never seen as lobbying. I haven't seen a situation like this before in terms of gifting events where people are invited to big rallies and get to be public speakers and meet all kinds of famous people—

**The Chair:** Mr. Angus, I apologize, but you are way over. I need to move on.

**Mr. Charlie Angus:** Thank you.

**The Chair:** Now we go on to Mr. Warkentin. We're in the second round. It's five minutes, Mr. Warkentin.

**Mr. Chris Warkentin (Grande Prairie—Mackenzie, CPC):** I know I'm going to run out of time here.

Mr. Dion, we appreciate your coming and testifying. You have a tough job, and I understand that. I've learned a little bit about how difficult it must be.

When we first started hearing about the WE Charity organization and hearing the testimony of the different players, we heard some information. Then it was contradicted by other members of the organization.

You may not want to comment in terms of who you're listening to or how you corroborate the testimony in this case, but when you get conflicting information from different sources, what process do you undertake to get to the root of it and to figure out the actual facts? Obviously, we as a committee are doing that. We are requesting additional documentation to corroborate the testimony. How would you do it?

**Mr. Mario Dion:** We do the same thing, and sometimes we end up interviewing somebody we thought we would not have to interview when something like this arises. At the end of the day, if there are conflicting versions, it's my role to determine, on the balance of probabilities, who is telling the truth and who isn't.

That's how it would happen in practice. It's not always easy. It's a difficult job, but that's essentially how we would solve it. It's by asking for additional documents, as you've mentioned, and by interviewing additional people. At the end of the day, I make a determination as to whom I believe and whom I don't believe.

**Mr. Chris Warkentin:** In terms of the testimony, obviously one person's version of events may impact on the code and the act differently from somebody else's interpretation of the events. I'm thinking specifically about the Trudeau family's testimony that they were paid for speaking events, and then the organization said that it wasn't in fact for speaking; it was actually to have a relationship with corporations that in many cases the government would have some relationship with or would regulate.

In those cases, how would you make a determination with regard to whether or not they broke the code and the act, when one testifies that they were simply speaking to a bunch of youths and the other testifies that they were there to serve a corporate interest?

**Mr. Mario Dion:** I look at the totality of the facts and basically came to a conclusion, which I share in my report with the Speaker of the House in the case of the code and with the Prime Minister in the case of the act. That's how it works.

The interpretation I give to the act essentially cannot be attacked anywhere—it's final—although there are several grey zones. As in any other field of law, it's not always black or white.

**Mr. Chris Warkentin:** You're the final arbitrator on a lot of this. We understand that.

Mr. Chair, were you indicating that my time was up?

**The Chair:** No. You have less than two minutes now.

**Mr. Chris Warkentin:** Okay, I apologize. I thought maybe you were intervening there.

In terms of the larger picture, in terms of the amounts of money that were committed to the WE organization, and then the decision by the WE organization to not only discontinue its relationship when scrutiny started to be levelled against it but even to shut down their organizations in Canada, is there any risk that their ceasing operations in Canada will have an impact on the continuation of your review of those events?

**Mr. Mario Dion:** You see, there is a risk, but we haven't come across the real situation yet.

**Mr. Chris Warkentin:** There is a risk that if they completely curtail operations—

• (1400)

**Mr. Mario Dion:** It's pure speculation, because we haven't come across that situation and we have not... Anyway, it's not relevant at this moment.

**Mr. Chris Warkentin:** I appreciate that. I just got a sense that when members resigned, your investigations were impacted, so I worried that if they continued to curtail their operations here in Canada, that may have an impact on your study as well. I guess we'll cross that bridge when we get there.

Thank you so much.

**The Chair:** Thank you very much, colleagues.

Commissioner, thank you very much for taking the time to testify before our committee. We greatly appreciate it. We need a little bit of time to transition now to our next meeting because, of course, it's hybrid like this one. It will take a couple of minutes.

**Mr. Mario Dion:** Thank you.

**The Chair:** Colleagues, unless you need a break, while we transition, I wanted to read you something. Because of a question that was asked by—

Sorry, colleagues, we can officially suspend.

• (1400)

(Pause)

• (1405)

**The Chair:** Welcome to the committee, Madame Bélanger. As you can see, we're one of the most entertaining committees on Parliament Hill.

We will start with your remarks and then go into questions and answers. I think you know the drill, so please go ahead. You have seven minutes for your opening remarks.

**Ms. Nancy Bélanger (Commissioner of Lobbying, Office of the Commissioner of Lobbying):** Good afternoon, Mr. Chair. This is the first time we have had an opportunity to meet. Committee members, *bonjour*.

I am very pleased to appear before you today to discuss the administration and enforcement of the Lobbying Act over the past several months.

As the Commissioner of Lobbying, I am accountable to Parliament. My mandate includes three areas of activity.

[Translation]

First, I must establish and maintain a registry of lobbyists. As the main tool for enabling transparency of lobbying activities, the registry provides Canadians with information about who is communicating with public officials and about what subjects.

On any given day, there are about 6,200 active lobbyists registered. Since February 2020, of the over 6,000 posted registrations, 1,757 were new. Since then, lobbyists have also provided details with respect to more than 21,000 arranged and oral communications.

When compared with the same period in 2018-19, it's clear that more communications are occurring in 2020. While health was the top subject registered and communicated in February, March and April 2020, economic development became the top subject in May and has remained so ever since.

To make it easier for Canadians to identify and track lobbying activities directly related to the pandemic, the office created an easy to access search feature of registrations for that topic. There are currently 640 such registrations.

Second, my mandate includes raising awareness of the Lobbying Act and the Lobbyists' Code of Conduct with lobbyists, public office holders and other stakeholders.

Since the beginning of the pandemic, to assist those who are new to the registration process, our client services team provided assistance. As the government announced funding programs related to COVID-19, we published guidelines to ensure continued compliance from lobbyists.

We also gave presentations to lobbyists and public office holders on the lobbying regime. This means that more than 300 individuals now know more about the requirements of the act and the code.

The office's website remains the main tool to reach lobbyists and the public. A new website was launched in April 2020.

[English]

Third, I enforce the act and code.

Allegations of non-compliance with the act and the code are dealt with in two steps. First, a preliminary assessment is undertaken to evaluate the nature of the alleged contravention, obtain initial information and determine whether the subject matter falls within my jurisdiction. Following this assessment, and when necessary to ensure compliance with the act or the code, an investigation is commenced.

When I complete an investigation under the code of conduct, I table a report to Parliament. When I have reasonable grounds to believe an offence under the act has been committed, I must refer the matter to a peace officer, most often someone in the RCMP.

Offences under the Lobbying Act include failing to register, failing to file a monthly communication report, providing inaccurate information and lobbying while subject to the five-year prohibition.

Since April 2020, I have opened 16 preliminary assessments, and I currently have five ongoing investigations. Also since April, I have referred three investigation files to the RCMP. As of today, there are 11 files with the RCMP.

When such a referral is made, I must suspend my investigation until the matters have been dealt with. Only once this has occurred can I complete my investigation and report to Parliament.

The act is clear that I must conduct my investigations in private. That means that I cannot comment. These matters may become criminal investigations, and I cannot jeopardize them.

Although I'm unable to comment on cases, I'd like to highlight certain aspects of the act as it relates to some of the issues that the committee is studying.

• (1410)

Under the Lobbying Act, communications in relation to the awarding of a contract is a registerable activity, but only for consultant lobbyists, not for in-house lobbyists.

As well, for in-house lobbyists, the act requires the most senior paid officer of the organization or corporation to file a registration when the collective lobbying activities of the organization or corporation represent "a significant part of the duties of one employee". The "significant part of the duties" threshold has been established at 20% or more of overall duties. When this threshold is met, the senior officer has two months to register these activities.

When it comes to the five-year ban on lobbying for former designated public office holders, the act prohibits these former officials from lobbying as a consultant or as an in-house lobbyist for an organization. However, if a former designated public office holder is employed by a corporation, this individual is entitled to lobby as long as the communications do not amount to a significant part of his or her work.

Like any other allegations of non-compliance, these elements are all assessed when conducting a preliminary assessment or an investigation.

[Translation]

As I have stated to the committee in the past, the significant part of the duties threshold should be removed from the Lobbying Act, and this will be one of my recommendations should the Lobbying Act be reviewed.

I would also recommend the elimination of discrepancies related to in-house lobbyists regardless of whether they are employed by a corporation or organization. I believe that this would increase fairness and clarity in ensuring that both corporations and organizations are subject to the same requirements.

Finally, with respect to the impact of the pandemic on the results achieved by my office. I have been impressed by the team's ability to work together and continue to deliver excellence during a time of heightened stress and insecurity.

Not only did the employees of my office adjust quickly to a new way of working and find ways to support each other virtually, but they also continued to ensure the delivery of all aspects of the mandate. For this I am very grateful to each and every member of my staff.

Mr. Chair and committee members, thank you, and I welcome your questions.

**The Chair:** Thank you, Ms. Bélanger.

[English]

We're now on to Mr. Barrett for six minutes.

**Mr. Michael Barrett:** Commissioner, thank you very much for joining us today. It's a pleasure to see you again, even though it's only in virtual format.

Can you tell the committee how long it usually takes your office to compile and release a report on alleged illegal lobbying once you've started it?

**Ms. Nancy Bélanger:** That is a good question. Do you mean to issue a report to Parliament or to issue a report to the RCMP?

**Mr. Michael Barrett:** I mean to issue a report to Parliament.

**Ms. Nancy Bélanger:** I haven't done one yet.

**Mr. Michael Barrett:** Okay.

**Ms. Nancy Bélanger:** My reports to Parliament have been on the code of conduct.

On breaches of the act, offences, I have sent 10 reports to the RCMP. Therefore, I can't report to Parliament until either individuals are charged or the RCMP comes back to me because they don't plan on charging them.

**Mr. Michael Barrett:** Right. It would vary each time, once you detect or suspect criminality and you make that referral to the RCMP. That could happen at any juncture during your investigation.

**Ms. Nancy Bélanger:** If we consider that I've been in office for a little less than three years and I have sent 10 investigations to the RCMP, I would say that on average, some may have taken three months to send there and some may have taken less than a year, obviously.

• (1415)

**Mr. Michael Barrett:** Okay.

In your view, should post-employment restrictions for designated public office holders in the Lobbying Act be extended to apply to former public office holders, such as members of Parliament who are not currently covered?

**Ms. Nancy Bélanger:** I'm not sure I fully understand the question. Every former designated public office holder is subject to the five-year prohibition, unless, of course, they work for a corporation and the activities of lobbying would be less than 20%. There is a small exemption there, and I find that there is no explanation for that exemption. It should be the same whether or not you work for an organization or a corporation. Currently, everyone who's a former designated public office holder is subject to the five-year prohibition.

**Mr. Michael Barrett:** Do you believe that all members of the House should be included?

**Ms. Nancy Bélanger:** Members of the House are currently included.

**Mr. Michael Barrett:** Okay.

In the Lobbying Act, with respect to an organization with in-house lobbyists, there's a requirement to register within two months

of the time when the combined lobbying activities of all employees over a period of 30 days amounts to at least 20% of the work of a single full-time employee. Could you clarify for us what that usually looks like? I appreciate that you did touch on this aspect during your opening remarks.

**Ms. Nancy Bélanger:** What this means is that if you look at the total of the communications of all employees and you added this all up, it would amount to approximately one day of an employee's work per week, which is about 32 hours a month, if you look at it over a month's time.

When we calculate it, it's not an easy task. It is a bit of a burden, because we have to look at how many communications occurred and how much time was spent on these communications. It is also about the preparation time. It's the presentations that are being done, the length of the communications and then the meetings. We add all this up to determine whether or not 30 hours was met within a month.

**Mr. Michael Barrett:** As you know and have stated, there was a review of the act set to take place in 2017, and three years later that has yet to take place.

We have just about two minutes left in my questions to you. Could you share with us what recommendations you have for the act, because in a minority context we don't know when the next election might be and we might have another election before the review that was due three years ago actually takes place.

**Ms. Nancy Bélanger:** If you've ever taken the time to read the Lobbying Act, you saw that it's extremely complicated and has lot of little issues that should be fixed. I can't fix it all in the context of a review, so the approach I have taken is values based, which means that unless a recommendation enhances transparency, efficiency, fairness and clarity, I'm not going to bother.

I've come down with approximately 13 recommendations for it. I'm consistently looking at them again and adapting as my experience grows and as time goes by. Clearly, there's the eliminating of a significant part of duties and hopefully enhancing a spectrum of sanctions, because right now it's either a report to Parliament or the RCMP. Also, there's certainly harmonizing the time limits between 10 days for a consultant to register versus 60 days for an in-house lobbyist, and eliminating the inconsistencies between what in-house corporations and organizations have to disclose on the website.

What other ones do I have? I have....

**Mr. Michael Barrett:** If I can just interrupt, I think I have about 30 seconds left.

**Ms. Nancy Bélanger:** Sure.

**Mr. Michael Barrett:** I do appreciate your responses and I have looked at your recommendations, and thank you for sharing some of them with us today.

I have a last question, and while I know the answer, I'd just like you to share for folks who are listening that you cannot in fact confirm what investigations are ongoing in your office.

**Ms. Nancy Bélanger:** I can't. I can't confirm. I'm doing the best to be as transparent as I can by giving you numbers, which I hope gives some comfort to the committee that we are really on top of the files, but no, I can't confirm which investigations I'm looking at.

**Mr. Michael Barrett:** I appreciate that very much, Madam. Thank you.

• (1420)

**The Chair:** Thank you, Madam Bélanger. Even though it's public knowledge, if you do table those recommendations with the clerk, then we could very well incorporate them into whatever report we do after the study.

Now we'll move onto Madam Shanahan for six minutes.

**Mrs. Brenda Shanahan (Châteauguay—Lacolle, Lib.):** Thank you, Chair, and thank you, Madam Bélanger, for appearing before us today.

I just want to clarify something for the committee and those listening to us. What is the difference between a designated public office holder and a member of the House? I'm not sure that I caught that in the last exchange.

**Ms. Nancy Bélanger:** The Lobbying Act identifies two groups of people, public office holders and then designated public office holders. Public office holders are practically all public servants, members of Parliament, senators and their respective staff, and GIC appointments. If somebody communicates with any of them, they must register as a lobbyist.

Designated public office holders are ministers and their staff, senators, members of Parliament. When the lobbyist communicates with them, they have an additional burden to do a monthly communication report. They actually have to go in the system to add that they've had a discussion with these people, but these designated public office holders are also individuals who are prohibited from lobbying when they leave office.

**Mrs. Brenda Shanahan:** Do I understand correctly that it is the responsibility of the lobbyists to make sure that they have complied with those rules?

**Ms. Nancy Bélanger:** Yes, absolutely. When they communicate with you, it's on their shoulders to make sure that they register those communications.

However, I would add that we do have a system imposed by the act whereby we need to verify the content of those monthly communication reports, so you may sometimes receive an email from me asking you to verify something, and you have the obligation to answer me to confirm whether or not the information that has been put in the registry is accurate. We do a 5% sample every month, so you may or may not have been contacted before. I don't know, but that is a heads-up that you may get that once in a while, and it is not to be thrown into your junk box.

**Mrs. Brenda Shanahan:** I hope it isn't thrown into the junk box. Thank you for that.

Again, for the purpose of clarity, does your mandate—and you did mention the three major tasks that you have—include overseeing all buying and selling transactions with the Government of Canada?

**Ms. Nancy Bélanger:** No. Procurement is not part of my mandate. However, communication about awarding of contracts is a registerable activity if you're a consultant lobbyist; it's not if you're an in-house lobbyist. I do not regulate procurement in government.

**Mrs. Brenda Shanahan:** For the Buyandsell website, for example—

**Ms. Nancy Bélanger:** No.

**Mrs. Brenda Shanahan:** For the businesses that register there, you do not oversee that?

**Ms. Nancy Bélanger:** No.

**Mrs. Brenda Shanahan:** How would you rate the lobbying disclosure regime in Canada, Ms. Bélanger? Are we on par with other countries or are we ahead of the curve?

**Ms. Nancy Bélanger:** I think we're ahead of the curve in the sense that internationally we are a model. People look up to us quite a bit, and we have fantastic people who have been working on this registry. People have only good things to say about the registry. It works well.

That said, there needs to be improvement, and I would highly recommend that the committee look at the new B.C. legislation that was adopted in May. Their law has changed and has fixed some of the issues that I have with our rules.

The registry works well, but some of it needs to be fixed up.

**Mrs. Brenda Shanahan:** Thank you.

Ms. Bélanger, you did give us some figures about the number of activities you would have had to deal with in an average year prior to the pandemic. Could you compare that quantity with what your office is experiencing now during the pandemic, and maybe talk a little bit about the quality? You clearly indicated that the quantity has increased dramatically.

**Ms. Nancy Bélanger:** Comparing it to 2019 would not really be fair, because that was an election year, so the numbers would always go down in any event. If I compare the numbers from 2018, for the full year of 2018 there were 27,000 monthly communications. We're already at 21,000, and there are still four months left in the year.

For summer months, the numbers are usually in the 1,500s. This past summer the numbers per month were closer to 2,000 communications. I could share statistics per month if you want, but for sure, if you compare summers and if you compare totals, the last few months have been extremely busy.

• (1425)

**Mrs. Brenda Shanahan:** Do tell us about that, because obviously we were in an extraordinary period. I remember when the COVID-19 mobilization call for action went out. Can you talk about what all of the emergency programs and the extraordinary response of industry and commerce to that call by the government have meant for your office?

**Ms. Nancy Bélanger:** I have a team of only three individuals in client services. In fact, I have a team of 28 employees, so we're very small. These three employees were extremely busy helping out the 1,700 new registrants who had really no idea how to do this. We were front and centre in helping them to register.

We also very quickly developed guidance for individuals to know whether or not they should register, because sometimes all that people do is apply to get a grant, and just applying is not lobbying. We had to clarify that—

**The Chair:** I'm sorry to cut you off, Commissioner. I gave you some extra time to finish. It was an important answer, but we're way over on that segment.

Now we'll move on to Madame Gaudreau.

[*Translation*]

**Ms. Marie-Hélène Gaudreau:** Thank you, Mr. Chair.

Good afternoon, Ms. Bélanger.

**Ms. Nancy Bélanger:** Good afternoon.

**Ms. Marie-Hélène Gaudreau:** We are very glad to see you again. You met with us during the first session of Parliament. It's always easier to meet in person than remotely. Don't you think?

**Ms. Nancy Bélanger:** Absolutely.

**Ms. Marie-Hélène Gaudreau:** I have a few questions for you.

In carrying out your responsibilities, do you ever work with other commissioners? I am talking about helping one another in terms of monitoring for potential red flags. How does that work?

**Ms. Nancy Bélanger:** Each commissioner has their own specific mandate and their own obligations when it comes to confidentiality.

However, I will say that the officers of Parliament have met twice since the pandemic began to gauge how employees were doing and see how everyone was feeling. We also wanted to see how we could help one another, so we discussed some ideas.

For instance, I had put together a guide in preparation for an eventual return to work, and I shared it with my fellow commissioners. When I need to provide French-language education, I contact them because I don't have enough people on my small team to deliver that service, so that's how we help each other out.

**Ms. Marie-Hélène Gaudreau:** Sorry to interrupt, but I really wanted to talk about monitoring. You aren't talking about the same type of monitoring Mr. Dion was referring to earlier. He said that, as a matter of course, he kept a close eye on the committee's proceedings.

I'll give you an example of something that happened this summer: we found out that Sofia Marquez was not in the registry of lobbyists. Is that the kind of information that comes to you automatically? Can you take immediate action?

**Ms. Nancy Bélanger:** Yes, absolutely. My apologies, but I hadn't quite understood your question.

As you can see from my statistics, I initiated 16 preliminary assessments this summer. I certainly stay on top of what all the parliamentary committees are doing. I also watch committee meetings, which I find quite interesting. I pay attention to media reports as well.

All that to say I am abreast of what is happening in Parliament, and very often, that prompts me to take a deeper look at what is happening elsewhere.

**Ms. Marie-Hélène Gaudreau:** I have a question specifically about Palantir Technologies. Mr. MacNaughton, Canada's former ambassador to the U.S., was also involved in negotiating the Canada—U.S.—Mexico agreement, or CUSMA. He was reprimanded for improper lobbying.

My point is that Mr. MacNaughton had no trouble gaining access to the Deputy Prime Minister or Minister Bains. What is your take on the situation? Are you surprised by how easily Mr. MacNaughton was able to get meetings with them?

• (1430)

**Ms. Nancy Bélanger:** I don't think I'm the right person to ask.

My job is to determine whether a designated former public office holder, who is prohibited from lobbying, did any lobbying.

Unfortunately, that is all I can say about that.

**Ms. Marie-Hélène Gaudreau:** I see.

I will move on to another question.

The WE Charity communicated with 19 federal institutions over a period of 18 months. You know that; we all do. However, it was not until August—right before three of the organization's representatives appeared before the committee—that the organization registered to lobby the federal government. Since 2015, the WE Charity has received millions of dollars in contributions.

How do you explain such a major lobbying violation?

**Ms. Nancy Bélanger:** Again, I can't comment specifically on that case.

What I am willing to say, however, is that there seems to be some misunderstanding of the obligations in the Lobbying Act. A few times, I did hear the WE Charity representatives say that the government had contacted them, not the other way around.

Who contacts who isn't really germane to whether any lobbying took place. Generally, I would say there may be a lack of understanding of the act.

I also saw news stories claiming that the organization might be cleared of any wrongdoing because it had registered. Someone who decides to register has to be transparent, which is what I encourage. We were able to see what the communications were, but that does not mean that any review I might be conducting stops because the individual has registered.

**Ms. Marie-Hélène Gaudreau:** Your efforts are appreciated. Thank you for all your hard work.



With all the grey areas, we are realizing how important it is to provide people with education because the repercussions can be many. As I told Mr. Dion earlier, we are the stewards of public money. I think your 13 recommendations should be given priority. Sometimes, in committees, we waste time; you would know that as someone who watches committee proceedings. Implementing your recommendations is so important because it would help save us from what we are engaged in today.

[English]

**The Chair:** You're pretty much done, Madame Gaudreau.

[Translation]

Thank you.

**Ms. Marie-Hélène Gaudreau:** Thank you, Ms. Bélanger.

**Ms. Nancy Bélanger:** Thank you.

[English]

**The Chair:** Now we'll move on to Mr. Angus for six minutes.

**Mr. Charlie Angus:** Madam Bélanger, thank you so much for coming.

In September, you stated that you'd begun a preliminary investigation into the WE issue. Is that investigation complete, or is it ongoing?

**Ms. Nancy Bélanger:** I cannot answer that question, unfortunately.

**Mr. Charlie Angus:** I understand. I was just wondering if it was set aside and there was no problem.

**Ms. Nancy Bélanger:** If I can clarify on that point. It would never be set aside without my reporting to Parliament at some point. I want the committee to know that I am very much aware of what's of interest to you, and when I'm able to report to Parliament on these issues, I will.

**Mr. Charlie Angus:** Thank you for that clarification.

For many of us who got involved in the investigation, it was quite the surprise. The extent of the WE group, the multiple corporate entities and the complexity of their organization certainly took me aback. I thought they just did stuff with kids, but it's very organized.

The Kielburger brothers have really specific interpretations of the Lobbying Act. They said that because a good percentage of their income didn't come from government contracts, they didn't need to register. Is there a financial threshold in the Lobbying Act at which they could have avoided registering?

**Ms. Nancy Bélanger:** No, there is no registration threshold. The act is written in such a way that you have to be a paid employee or a paid consultant, and you have to be communicating on behalf of your employer. Therefore, there is no threshold with respect to salary. If someone is clearly a volunteer for an organization, then they don't need to register.

• (1435)

**Mr. Charlie Angus:** That was the second reason. Craig Kielburger contacts Bill Morneau on April 10 and says, "Hey, Bill. I hope you, Nancy, Henry, Clare, Edward and Grace are enjoying

some well-deserved down time", and then begins to negotiate a \$12-million deal. There are multiple meetings, and Craig Kielburger is the key person. He says that he doesn't need to register because he's just a volunteer.

He's the founder. They can fire their board of directors. WE is a very complex corporate structure. We don't know how they get paid. Would it be reasonable to assume that he was just volunteering like any volunteer—just helping out—as opposed to someone who's actually playing a key role in getting these contracts? Would that be considered lobbying?

**Ms. Nancy Bélanger:** If someone is being paid by somebody, and the organization that is paying them may benefit from the lobbying, I would consider that to be someone who needs to register.

I'm very much aware of the facts that you're raising and I would prefer leaving it at that for now.

**Mr. Charlie Angus:** I totally understand because, again, we're trying to find out through all these corporate structures who actually pays the Kielburgers. There's a lot of money going through.

Sofia Marquez is listed as their director of government relations. That seemed to me to be something that would be considered a standard lobbyist. They said she didn't do enough work to cover that, but in January of 2020 they were hiring a manager of government relations.

Would you consider an organization that has two people dedicated to government relations to be involved in lobbying, hypothetically?

**Ms. Nancy Bélanger:** With respect to any organization that has anyone doing government relations, we would have to look at the number of communications they have had, the number of oral and arranged meetings that have occurred, and how many presentations they have done to calculate whether or not they meet the threshold. Someone who's full-time and communicating every day possibly—likely—meets the threshold, but it's looked at on a case-by-case basis.

**Mr. Charlie Angus:** I'm glad you asked that, because after we asked these questions at committee, they did register, and I count 44 meetings. They met with everybody: assistant deputy ministers, senior ADMs, Madam Chagger or Madam Ng, the PCO and right into the Prime Minister's office. This was pretty extensive, and what was being negotiated was a \$912-million contract.

They said they registered after the fact because they were being a good charity. Because they register after the fact and after Parliament shines a spotlight and asks why they had all these meetings and didn't register, are they absolved? Hypothetically, for an organization that gets found out and then registers, would that be okay?

**Ms. Nancy Bélanger:** They're not absolved.

**Mr. Charlie Angus:** Okay.

I'm running out of time.

I know you probably can't answer, but I notice that Democracy Watch asked that questions of illegal lobbying by WE be referred to the RCMP.

Would you feel that if you had enough evidence, this would be a case that could be referred to the RCMP? You said you referred a number of cases to them.

**Ms. Nancy Bélanger:** So far this year, I've referred three matters.

Absolutely, if the evidence gives reason for me to believe that an offence has occurred, I will refer the matter.

I've referred 10 matters since I've joined this office. The threshold is not very high, so when I have reason to believe that an offence has occurred, once I've started looking into it, I will refer the matter.

**Mr. Charlie Angus:** We thank you for your dedication.

**Ms. Nancy Bélanger:** Thank you.

**The Chair:** Thank you very much, Mr. Angus and Madame Bélanger.

Now we'll move to the second round, which is a five-minute round.

[*Translation*]

Mr. Gourde, you may go ahead. You have five minutes.

**Mr. Jacques Gourde:** Thank you, Mr. Chair.

Thank you for being here, Ms. Bélanger. It's always a pleasure to see you and hear what you have to say.

I'm delighted to know that the work we do as a committee is followed so closely because the relevance of our work has been called into question. Knowing that our work can inform and help you is very useful going forward.

You said something I find rather odd. I know you can't reveal too much. When organizations and individuals communicate with federal institutions, seldom are they not required to register as lobbyists, whatever their reason for reaching out. They may be looking to obtain information, promote a product or service, or be referred to the appropriate government contact.

It is very telling when an organization does not feel the need to register as a lobbyist simply because the government reached out to it and not vice versa. It underscores just how close an organization can be to the highest levels of government. I find that very worrisome. This is the first time I have heard of an organization not having or not wanting to register on the so-called basis that it was contacted directly by the government and was not soliciting anything. Does that closeness worry you?

• (1440)

**Ms. Nancy Bélanger:** Of course it worries me when people have a poor understanding of the obligations prescribed in the act. Fortunately, the number of individuals registered proves to me that most people from organizations and corporations understand the act.

I often hear organizations say that they are sure they are not meeting the criterion concerning the important part of work, but they are still registering in the interest of transparency.

Yes, it worries me when the act is not well understood. So I continue to work with my team to better inform people.

**Mr. Jacques Gourde:** Some officials are awarding small contracts of under \$25,000. They can award those contracts directly without going through a bidding process, as those are not really expensive contracts and it is sometimes faster to do things this way. Over time, we have noted that this way of doing things was fair.

Beyond a certain threshold, contracts cannot be awarded directly. Is the threshold still \$25,000, or do you have other examples for us?

**Ms. Nancy Bélanger:** Contract awarding is not at all within my purview. A consultant who communicates with the government regarding contract awarding must be registered as a lobbyist. However, organizations and corporations who communicate with regard to contract awarding do not lobby. That's not lobbying because I assume there are rules in place for contracting, which strikes something of a balance and also requires some transparency. Communications to do with contract awarding do not constitute lobbying for organizations and corporations.

**Mr. Jacques Gourde:** When the government implements a program or a contract worth hundreds of millions of dollars, for example, there are specifications where bidders or suppliers must provide certain details. So it is really important to ensure that the supplier is capable of completing the contract when large amounts are involved.

However, it is still rare to see a supplier extol their specialties and strong points in a contract so that, in the end, only the business owner's name would be missing, indicating that just one business owner can win it.

Do you find that strange?

**Ms. Nancy Bélanger:** There is contracting, but there are also contribution agreements, which constitute lobbying. I am not sure we are talking about the same thing.

If we are talking about simple contracting, I would recommend that you discuss this with the procurement ombudsman, as he is the one who ensures the integrity of rules in that area.

**Mr. Jacques Gourde:** I have one last question. We saw in your presentation that the registry was very popular and that the number of registered individuals has greatly increased.

Which are the four or five most popular departments when it comes to the currently tracked issues?

**Ms. Nancy Bélanger:** The House of Commons is not a department, but it is ranked first out of all the institutions. I think that Innovation, Sciences and Economic Development Canada is second. Then come the Department of Finance and Health Canada.

**Mr. Jacques Gourde:** Thank you very much.

• (1445)

**The Chair:** Thank you, Ms. Bélanger and Mr. Gourde.

[*English*]

Ms. Lattanzio, please go ahead for five minutes.

**Ms. Patricia Lattanzio (Saint-Léonard—Saint-Michel, Lib.):** Thank you, Mr. Chair, and thank you, Commissioner Bélanger, for being present among us today. I'm new on this committee, and I must admit this is quite the meeting, and very informative to say the least.

Would you say there is a pervasive problem in Canada with regard to lobbyists trying to circumvent registration and reporting requirements?

**Ms. Nancy Bélanger:** No. I meet lobbyists a lot, and they are government relations experts. They work on their reputation, and nobody wants to be on the front page news as possibly having committed a criminal offence, so no, I don't believe that.

**Ms. Patricia Lattanzio:** I've listened to the questions posed by my colleagues and your answers. Since it is the lobbyist that has the obligation to register, how about the reporting of interactions with someone such as myself, since I am a designated public office holder? Where does the onus lie in regard to the tracking and the reporting of the interactions that we've had?

**Ms. Nancy Bélanger:** Lobbyists have the obligation to go into the registry and record that they've met with you, and about what topic. They'll put in the date, your name and the topic of conversation.

I do a sample check, so you may get an email from me asking you to verify information. My recommendation, every time I meet any designated public office holder, is to please keep your calendar, your agenda, very clear about whom you met and about what, so that when we do reach out to you, you are able to confirm the information. It's really to ensure you keep your information live about who you met and about what topic.

**Ms. Patricia Lattanzio:** Obviously, the onus of the registration, the tracking of it, is on the lobbyist.

**Ms. Nancy Bélanger:** It is, although in the act, you have an obligation to reply to me when I ask you to verify.

**Ms. Patricia Lattanzio:** Just to make sure I understand, I would like to run a quick check of the following scenario based on my understanding of the answers. Clearly, I'm a designated public office holder, and I do from time to time meet with people, with different associations and people and parties that are interested and classify themselves as lobbyists. When I do meet with them, I typically take their meeting with me at face value. Mainly, they have registered, as required, as you said a few minutes ago, and I have to log the intervention I had with them.

If in fact they were not registered and had not logged the interaction, that error or omission is on them. Am I correct to assume that?

**Ms. Nancy Bélanger:** Yes, absolutely.

**Ms. Patricia Lattanzio:** Okay. Do I have any requirements to look into their registration status myself?

**Ms. Nancy Bélanger:** You do not have that obligation under the law currently, although I encourage you to do so, but only because it has happened very often that I have allegations and will reach out to every one of you because you become witnesses in my preliminary assessments and in my investigations. If I ask, "How was this meeting?", it's not up to you to check that they're registered lobbyists, but I highly recommend that you do.

I actually tell your staffers, whenever I meet with them—and I met a number of them yesterday—to check the registry before they meet with somebody. You'll see who they've met with before and about what topic. It's an interesting—

**Ms. Patricia Lattanzio:** Sorry, I don't mean to cut you off.

Speaking of staff, I'm going to take it further and basically ask you the same question. Of course my staff will not have that obligation either, correct?

**Ms. Nancy Bélanger:** That is correct.

**Ms. Patricia Lattanzio:** For the sake of clarification, I'll give you another example. Do companies and individuals selling products to the government have to register as lobbyists? For example, do Microsoft salespeople need to register the meetings they had with government officials? Do they have that obligation?

• (1450)

**Ms. Nancy Bélanger:** If all they're doing is selling a product, because it's a contract issue, then no. If they're meeting with you to try to get you to develop a program or policy or want to talk to you about a regulation you're working on or legislation you're working on, then yes. If they're selling products, then no.

**Ms. Patricia Lattanzio:** How about if they're selling—

**The Chair:** Thank you very much, Madam Lattanzio.

**Ms. Patricia Lattanzio:** Thank you.

**The Chair:** We're going to move on to a rapid-fire round.

Go ahead, Madame Gaudreau.

[*Translation*]

Go ahead for two and a half minutes.

**Ms. Marie-Hélène Gaudreau:** Thank you, Mr. Chair. You said it very well.

I will tie this in to what was just mentioned.

Ms. Bélanger, you were talking about recommendations. If something was recommended to a member without specific duties or to a member of the government with extensive public duties who must ensure the public's confidence, your recommendation would be very valuable to show leadership responsibility. That is my understanding.

In the act, the responsibility is not prescribed....

[English]

**Mr. Han Dong:** Mr. Chair, on a point of order, I think Madame Gaudreau didn't switch her channel to French. Her voice is much louder on my microphone than the interpreter's voice. I can't hear what the interpreter is saying.

I'm sorry about that, Madame Gaudreau.

**The Chair:** Okay, we'll just check with Madame Gaudreau. I'll add to your speaking time.

[Translation]

Continue, Ms. Gaudreau.

**Ms. Marie-Hélène Gaudreau:** Okay.

Therefore, what is stated in this recommendation could potentially become law.

Do you agree with me in saying that, to show our responsibility and lead by example, we must follow that recommendation?

**Ms. Nancy Bélanger:** Your responsibility is currently to answer me and confirm the information in the registry. To meet that obligation, you have to take note of the people you have met with and the topics discussed.

In answer to one of my questions on this, if someone tells me they have no idea, do not remember that meeting and don't know who was there, I must rely on the word of the lobbyist who wrote down the actual information. Lobbyists do this within 15 days following the meeting scheduled for the month. They very often do so when they come out of a meeting.

If I ask you, you must confirm whether it is true or not. That is why my recommendation is to take good notes.

**Ms. Marie-Hélène Gaudreau:** Duly noted.

There are many grey areas in your work. How can you show that is being done with transparency and impartiality? Can any mechanisms attest to your neutrality?

**Ms. Nancy Bélanger:** I have been a public servant my entire life, and I am a very neutral individual. I have no political affiliation and I have never had any.

What is more, I have a great deal of integrity and I really take to heart enforcing the act as it is written. My work is very important to me, and I work hard. I have a team of 28 employees, who are also very neutral. I evaluate the evidence as it appears before me, based on the criteria set out in the act. I am also a legal expert, as I am a lawyer by profession. I promise you....

**Ms. Marie-Hélène Gaudreau:** I have on last question.

**Ms. Nancy Bélanger:** Okay.

**Ms. Marie-Hélène Gaudreau:** In fact, in the penalties....

[English]

**The Chair:** We're already over time, Madame Gaudreau.

[Translation]

**Ms. Marie-Hélène Gaudreau:** I lost time because of the interruption earlier. Can I ask my question? It will only take 20 seconds?

[English]

**The Chair:** No, I gave you extra time. I stopped my timer and gave you extra time.

[Translation]

**Ms. Marie-Hélène Gaudreau:** I will be brief.

Ms. Bélanger, what would be the potential penalties if someone violated the act, for example, by failing to register or to produce a report? What reference mechanism would make it possible to check that?

[English]

**The Chair:** Give a very brief answer, please, Madame Bélanger.

**Ms. Nancy Bélanger:** Right now it's a referral to the RCMP, and there is really nothing else. Otherwise, if it's a breach of the code, it's a report to Parliament. I have no spectrum of sanctions, which is why that will be one of my recommendations.

[Translation]

I apologize for answering in English. I am sorry about that.

[English]

**The Chair:** There is translation. Don't worry.

Mr. Angus can go ahead for two and half minutes, please.

• (1455)

**Mr. Charlie Angus:** Thank you, Mr. Chair.

I'm very interested, Madame Bélanger. You were talking about obligations and when you need to register and when you don't. I meet with all kinds of charities, local and national. You said if a group is trying to develop a program, is meeting with ministers or meeting with ministers' staff about developing a program, it has to register. Is that correct?

**Ms. Nancy Bélanger:** It has to register if it meets the 20% threshold, yes.

**Mr. Charlie Angus:** Right. In the case of the Kielburger group, the group was trying to develop two programs. One was the entrepreneurship program with Minister Bill Morneau, which was \$12 million, and the Canada student services grant, eventually for \$900 million. That's a lot of money.

We talked about this issue. They classified themselves as volunteers, which I think is kind of difficult to figure out, given their structure, but you said—and I found it really interesting—that if someone is getting paid by somebody, it may meet the threshold. That's interesting.

I would ask you if you've looked at the contracts that were signed between the Government of Canada and the holding company that was set up, because the Kielburgers in testimony said, again and again, that 100% of the money was going for young people. They were not taking a dime. They made that very clear, but the contract showed easily a 15% administration fee for their organization. They have many staff, and all their organizations are intertwined, but also the Government of Canada was going to pay \$560,000 in rent. That's half a million dollars. We know that the Kielburgers had multiple real estate holdings in the City of Toronto that they were trying to hold on to.

Hypothetically, if people are getting paid for their real estate, if they're getting paid for their staff in one of their organizations, if \$50-plus million is being funnelled through an organization, somebody's getting paid. Is it possible that this could meet the threshold for someone getting paid and needing to register?

**Ms. Nancy Bélanger:** The requirement to register is that you're paid by somebody to lobby about something so that your company will benefit. If that happened—

**Mr. Charlie Angus:** Yes. I was just thinking about the Kielburgers specifically here—

**Ms. Nancy Bélanger:** I do not want to talk about specific cases. I can't. I really can't.

**Mr. Charlie Angus:** I know.

**Ms. Nancy Bélanger:** What I will tell you is that our investigations, our preliminary assessments and everything we do, we do extremely thoroughly.

**Mr. Charlie Angus:** I bet you do. Thank you so much.

**The Chair:** Thank you very much, Madame Bélanger and Mr. Angus.

Mr. Warkentin, we only have three minutes left in our meeting, so you have three minutes.

**Mr. Chris Warkentin:** Thank you, Mr. Chair, and thank you, Commissioner. I'll keep this tight.

I do have a question, and it is this: What conditions could lead you to abandon an investigation midway? Is there anything that could happen outside of your control that would lead you to discontinue an investigation?

**Ms. Nancy Bélanger:** I can tell you the only time...and it has happened. I've ceased an investigation, because the law permits me to do so. It's when it becomes extremely clear that we began possibly under a false assumption. For example, we'll start an investigation because we believed someone arranged a meeting. We start it, and then clearly find that no arranging of a meeting occurred. I will cease it. There is no point in pursuing something and possibly reporting to Parliament on something that really wasn't happening.

It doesn't happen very often, but it does happen. With the staff and resources that I have, when it's not worth it because clearly there is nothing there—when the foundation from which we started is no longer there—I will cease it.

**Mr. Chris Warkentin:** If a company ceased to exist that had been paying a lobbyist you were investigating, would you cease it then?

**Ms. Nancy Bélanger:** No.

**Mr. Chris Warkentin:** That's very helpful.

In terms of trying to weed through, if a company is being paid by one organization to benefit an affiliate that—

[*Translation*]

**Ms. Marie-Hélène Gaudreau:** I have a point of order, Mr. Chair.

[*English*]

**Mr. Chris Warkentin:** Pardon me, I think something's wrong with my—

[*Translation*]

**Ms. Marie-Hélène Gaudreau:** Mr. Chair, if the microphone is not properly positioned, close to the mouth, the interpretation volume is very low and it's impossible to hear what is being said.

[*English*]

**Mr. Chris Warkentin:** I'm going to give it a shot here.

[*Translation*]

**Ms. Marie-Hélène Gaudreau:** Thank you.

[*English*]

**Mr. Chris Warkentin:** Let's test that. No, it's still doing it, Mr. Chair.

It's probably best that I discontinue, then.

**The Chair:** Thank you very much, then, Madame Bélanger. We appreciate your taking the time to testify before the committee.

I have a brief announcement. I was thinking about something with regard to your training staff, etc. As you were talking to my colleagues, I thought maybe when I confirm appointments, I will put at the bottom of the confirmation email that if you're a lobbyist and you haven't registered with the Commissioner of Lobbying, you could be committing an offence.

Would you welcome something like that on an email confirming a meeting?

• (1500)

**Ms. Nancy Bélanger:** That will certainly scare people. Absolutely.

**The Chair:** It's serving them due notice.

**Ms. Nancy Bélanger:** Absolutely.

**The Chair:** Thank you very much, again, Madame Bélanger.

Colleagues, we're going to adjourn, but I want you to know that we will begin our meeting at noon on Monday, not at 11. We only have one witness, so I figured that rather than starting at 11 and going till noon, we'll start at noon and go till 1:00. That'll give those of you who travel to Ottawa an extra hour for your travel.

We'll begin then with our single witness that we were able to...  
We've done everything we could. Kudos to the clerk for trying to  
cajole and encourage them, phoning back and emailing repeatedly,  
but that's all we were able to do for Monday. We do have our meet-  
ing starting at noon on Monday.

Have a great weekend. Please be safe.

[*Translation*]

Have a good day.

[*English*]

The meeting is adjourned.

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