



Office of the Commissioner
of Lobbying of Canada

Commissariat au lobbying
du Canada

ANNUAL REPORT

2020-21



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Preface

This report is submitted to the Parliament of Canada pursuant to section 11 of the *Lobbying Act* (Act) R.S.C., 1985, c. 44 (4th Supp.).

Within three months after the end of each fiscal year, the Commissioner must prepare a report about the administration of the *Lobbying Act* during that fiscal year. The Commissioner is required to submit the report to the Speaker of the Senate and the Speaker of the House of Commons. Each Speaker tables the report in the Chamber over which they preside.

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MESSAGE FROM THE COMMISSIONER



Like almost every other organization in Canada – and in most places around the world – the global COVID-19 pandemic shaped our 2020-21 fiscal year in ways that we never anticipated.

We experienced a year that challenged my Office but, in the end, it reaffirmed the critical role we play and the important work that we do to ensure transparent and ethical lobbying of federal public office holders.

Despite working remotely for the entire fiscal year, my team continued to deliver high quality and relevant products and services to Canadians, as we ensured that stakeholders understood and respected the transparency goals of the *Lobbying Act* and the ethical standards of the Lobbyists' Code of Conduct.

The client services team barely missed a beat as it worked with stakeholders to support accurate and timely registration and reporting, while the IT team continued to make improvements to the Registry of Lobbyists. The compliance team monitored, verified, and investigated lobbying activity to ensure that lobbyists respected the *Lobbying Act* and Lobbyists' Code of Conduct. The outreach team shifted to a virtual model and developed new information products to foster awareness of Canada's lobbying regime. The hard work of the corporate services team supported all three.

While we delivered on our day-to-day commitments, I developed 11 recommendations to improve the *Lobbying Act* and submitted them to the House of Commons Standing Committee on Access to Information, Privacy and Ethics in February 2021 in response to its request. I look forward to discussing these recommendations. In November 2020, we launched a consultation process to gather stakeholder input on a planned revision of the Lobbyists' Code of Conduct.

In addition, I submitted a request to the government for additional funding to expand the team working on the IM/IT systems of the Office and the Registry of Lobbyists, specifically to ensure that they remain

modern, reliable, secure, and accessible. I am pleased that this funding to support transparency in lobbying was allocated in Budget 2021. This decision ensures that we have adequate resources to maintain and enhance the Registry of Lobbyists, while also updating, upgrading, and evergreening information technology systems and hardware.

Meanwhile, lobbyists communicated with federal decision-makers in record numbers as they offered input into the policies and programs that saw billions of dollars in funding commitments planned and delivered, sometimes in a matter of weeks. This underlines the importance of the Registry of Lobbyists in empowering Canadians with the information they need to review, examine, and scrutinize the interactions between the federal government and lobbyists.

This last fiscal year clearly demonstrated the quality and adaptability of the staff of the Office. Each adjusted quickly to new ways of doing things, and got on with the job of delivering on our mandate. I'm constantly impressed by the excellence and dedication demonstrated by the employees, and it's a privilege to lead them.

Nancy Bélanger
Commissioner of Lobbying

ENABLING TRANSPARENCY

THE PANDEMIC BACKDROP

The World Health Organization declared COVID-19 a global pandemic on March 11, 2020. By the beginning of the 2020-21 fiscal year, almost all Canadians found themselves subject to a stay-at-home order, lockdown, or restriction, and only essential businesses kept their doors open.

As the federal government began to develop and deliver support programs, stakeholders from all sectors provided input, and continued to register and report their lobbying activity in the Registry of Lobbyists. These publicly available filings not only shine a light on the interactions informing the government's response, but also reveal the sheer volume of communication between lobbyists and government officials occurring during the pandemic.

This fiscal year saw the largest total number of monthly communication reports published since 2008, when the Registry of Lobbyists began recording these interactions. We also saw new highs for the total number of active registrations and active lobbyists.



THE REGISTRY OF LOBBYISTS

Key players at a glance

Who lobbies

| | |
|-----------------------------|---|
| Consultant lobbyists | Individuals paid to lobby on behalf of a client (a private individual or group, corporation, or organization) |
| In-house lobbyists | Employees of corporations and organizations who lobby on behalf of their employer |

Who gets lobbied

| | |
|---|--|
| Public office holders | <p>Includes almost all federal government workers:</p> <ul style="list-style-type: none">• employees of departments and agencies• senators and members of the House of Commons, and their staff• most Governor in Council appointees• officers, directors, and employees of federal boards, commissions, and tribunals• members of the Canadian Armed Forces and the Royal Canadian Mounted Police |
| Designated public office holders | <p>A subgroup of public office holders that includes most high-level decision makers:</p> <ul style="list-style-type: none">• the prime minister, ministers, and their staff• senators• members of the House of Commons• deputy ministers, associate and assistant deputy ministers and equivalents• certain Governor in Council appointees• <u>positions designated by regulation</u><ul style="list-style-type: none">○ some staff in the Offices of the Leaders of the Official Opposition○ comptroller general of Canada○ some Privy Council positions○ some senior positions in the Canadian Armed Forces |

What is considered registrable lobbying

For in-house and consultant lobbyists, communicating with a public office holder directly (orally or in writing) or indirectly (grassroots) about:

- federal legislative proposals, legislation, and regulations
- programs and policies
- the awarding of grants, contributions, and other financial benefits

For consultant lobbyists, this also includes:

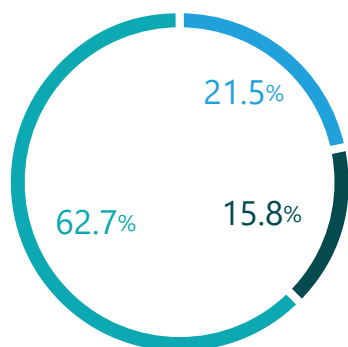
- communicating with a public office holder about the awarding of federal contracts
- arranging a meeting between a public office holder and another person

Certain oral and arranged communication with designated public office holders on these subject matters must be reported in the Registry of Lobbyists through monthly communication reports.

Who engaged in lobbying in 2020-21

3,269

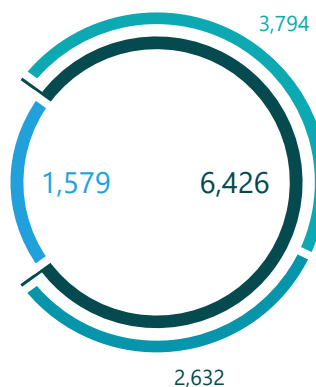
organizations and corporations
named in registrations



- 62.7% paid at least one consultant to lobby on their behalf
- 21.5% filed in-house registrations
- 15.8% filed in-house registrations and paid at least one consultant to lobby on their behalf

8,005

individual lobbyists
named in registrations



- 1,579 consultants
- 6,426 in-house
- 3,794 employed by in-house organizations
- 2,632 employed by in-house corporations

Who was lobbied (high-level officials)

| Designated public office holder or office | Total communication reports |
|---|-----------------------------|
| Prime minister only | 56 |
| Officials in the Prime Minister's Office (including the prime minister) | 1,404 |
| Senators | 762 |
| Ministers | 2,264 |
| Members of Parliament | 11,203 |
| Deputy ministers, associate deputy ministers and assistant deputy ministers | 5,534 |

Government institutions in registrations

| Position | Institution | |
|----------|---|--------|
| 1 | House of Commons | 39,495 |
| 2 | Innovation, Science and Economic Development Canada | 33,701 |
| 3 | Prime Minister's Office | 33,644 |
| 4 | Finance Canada | 27,985 |
| 5 | Senate | 25,435 |

Government institutions in monthly communications reports

| Position | Institution | |
|----------|---|-------|
| 1 | House of Commons | 9,401 |
| 2 | Innovation, Science and Economic Development Canada | 3,219 |
| 3 | Finance Canada | 1,637 |
| 4 | Natural Resources Canada | 1,515 |
| 5 | Global Affairs Canada | 1,400 |

Source: Registry of Lobbyists

REGISTRATION NUMBERS

While the number of active registrations and active lobbyists increases year over year, it's usually incremental rather than dramatic. Even as a global pandemic disrupted almost every aspect of Canadians' lives, the monthly average of registered and active lobbyists showed similar increases as previous fiscal years.

Monthly average active registrations

| Type | 2020-21 | 2019-20 | Change |
|--------------|---------|---------|--------|
| Total | 4,520 | 4,260 | +260 |
| Consultant | 3,440 | 3,261 | +179 |
| In-house | 1,072 | 999 | +73 |
| Corporation | 438 | 412 | +26 |
| Organization | 634 | 587 | +47 |

Source: Registry of Lobbyists

Monthly average active lobbyists

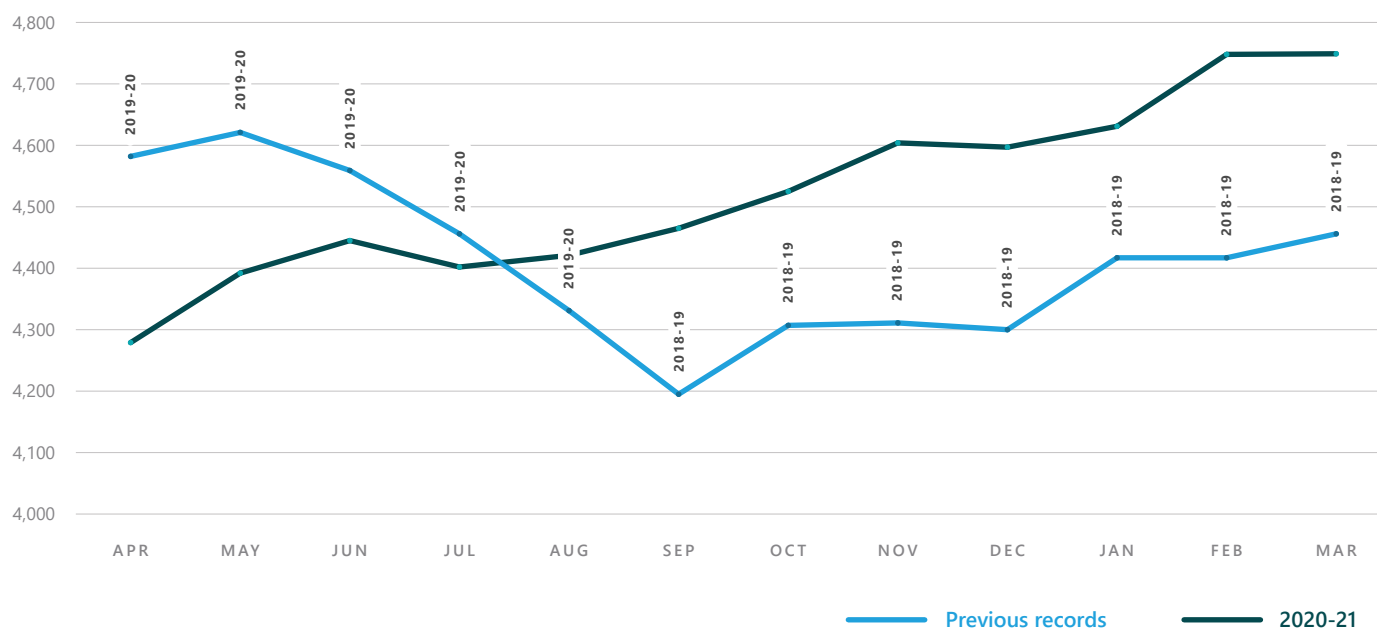
| Type | 2020-21 | 2019-20 | Change |
|--------------|---------|---------|--------|
| Total | 6,279 | 6,102 | +177 |
| Consultant | 1,060 | 1,020 | +40 |
| In-house | 5,218 | 5,082 | +136 |
| Corporation | 2,127 | 2,089 | +38 |
| Organization | 3,091 | 2,993 | +98 |

Source: Registry of Lobbyists

RECORD NUMBERS OF ACTIVE REGISTRATIONS

With the gradual increases over the years as a backdrop, the pandemic did appear to exert some upward pressure on registration numbers as the COVID-19 crisis unfolded. Except for slight dips in July and December, the number of active registrations rose steadily throughout the year. Usually, the numbers of active registrations decrease through the summer months during the Parliamentary recess, but 2020-21 saw a steady increase from July and set monthly records beginning in August, culminating in an all-time high in March 2021.

Active registrations: 2020-21 vs. previous records

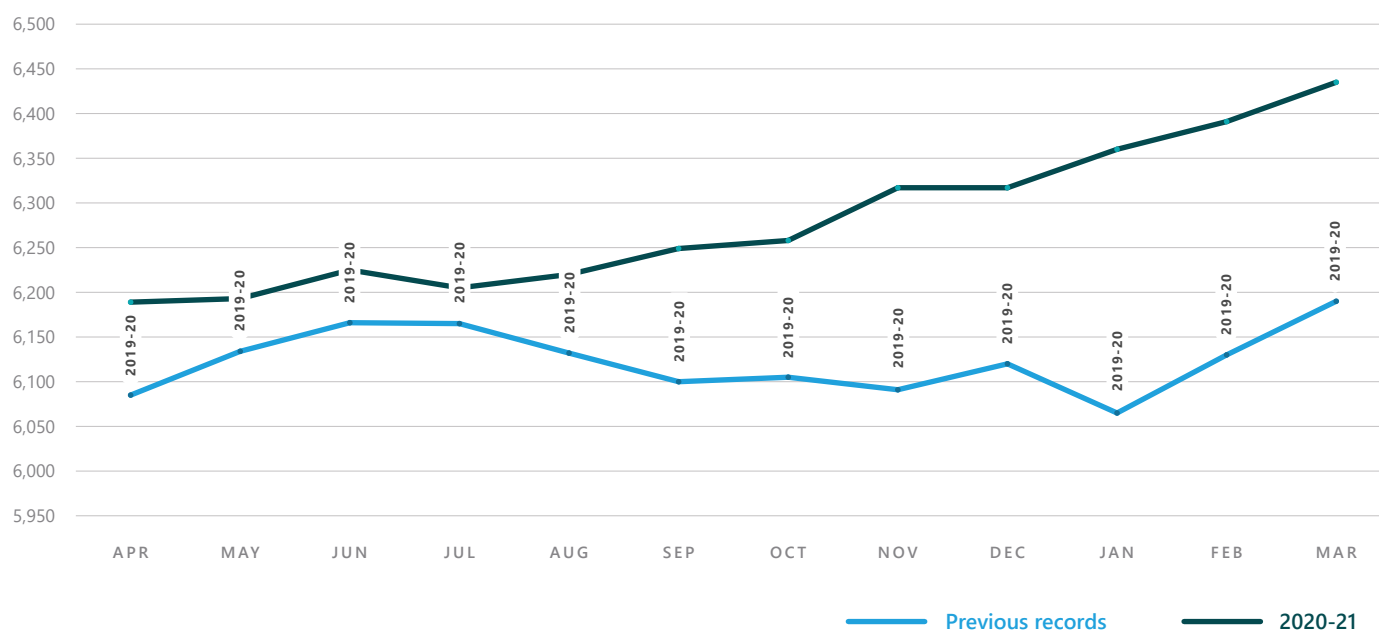


Source: Registry of Lobbyists

RECORD NUMBERS OF ACTIVE LOBBYISTS

Active lobbyists – the total number of lobbyists listed in all registrations – started the fiscal year with a record in April and then set new marks in 10 of the following 12 months. As a result, 2020-21 delivered the highest monthly average in the history of the Registry of Lobbyists at 6,279 and a record of 6,435 in March 2021.

Active lobbyists: 2020-21 vs. previous records



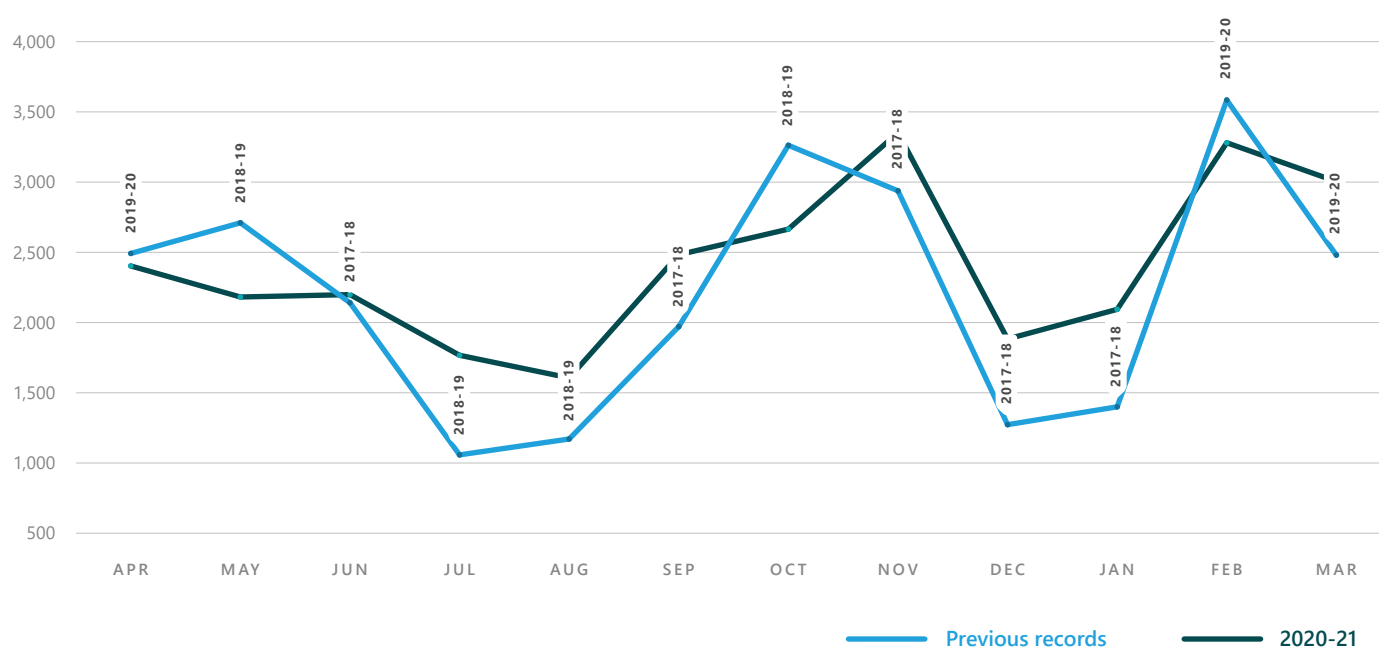
Source: Registry of Lobbyists

RECORD NUMBERS OF COMMUNICATION REPORTS

Certain oral communication with designated public office holders arranged in advance must be reported in the Registry of Lobbyists through monthly communication reports. The deadline for monthly communication reports to be filed in the Registry of Lobbyists is no later than 15 days after the end of the month in which the communication occurred. These reports list all registrable subject matters discussed and the designated public office holder with whom the communication occurred.

The 28,919 monthly communication reports published for 2020-21 established a record for the most in a fiscal year.

Monthly communication reports: 2020-21 vs. previous records



Source: Registry of Lobbyists

As noted in the Office's 2019-20 Annual Report, the 3,553 monthly communication reports filed in February 2020 made it the busiest month ever for the Registry of Lobbyists. March 2020 also posted a record for that month.

Although 2020-21 started below March's level, the volume of communication reports remained strong throughout the fiscal year. The strongest performer of 2020-21 turned out to be November 2020 at 3,347 communication reports.

Top subject matters in registrations

| Position | Institution | |
|----------|----------------------|--------|
| 1 | Economic Development | 20,871 |
| 2 | Industry | 20,544 |
| 3 | Health | 17,033 |
| 4 | International Trade | 16,758 |
| 5 | Environment | 16,403 |

Top subjects in monthly communication reports

| Position | Institution | |
|----------|----------------------|-------|
| 1 | Economic Development | 5,154 |
| 2 | Health | 4,404 |
| 3 | Industry | 3,945 |
| 4 | Environment | 3,677 |
| 5 | Energy | 2,754 |

Source: Registry of Lobbyists

SUBJECT MATTERS IN MONTHLY COMMUNICATION REPORTS

Economic development topped the list of most lobbied subjects in 2020-21 for the first time since communication reporting began in mid-2008, appearing in a record 5,154. It became the only subject matter to reach 5,000 mentions in monthly communications reports in a fiscal year, eclipsing the previous high of 3,831 for international trade in 2017-18.

Economic development also posted 2020-21's highest number of monthly communication reports for one subject in a single month when it appeared in 627 reports filed in November.

Overall, only two months – April 2020 and February 2021 – saw a subject matter other than economic development hold top spot for monthly communication reports in 2020-21. In both cases that subject was health.

Health dominated the early days and weeks of the fiscal year as the initial response to the pandemic unfolded. It took top spot in April after ending the previous fiscal year as the most discussed topic in February and March. In May, it gave way to economic development but remained strong throughout the year. Health regained top spot in February 2021 with 563 communication reports, which was also its highest monthly total of the fiscal year.

While it couldn't keep pace with economic development, health became only the second subject matter to appear in more than 4,000 monthly communication reports in a fiscal year at 4,404. Health was the most mentioned subject matter in monthly communication reports in 2019-20.

THE PANDEMIC IN REGISTRATIONS

To help Canadians track lobbying directly related to COVID-19, the Office added an information box on the Registry of Lobbyists that offered quick and easy access to registrations that included the pandemic as a subject matter.

This box shows the numbers of consultant and in-house registrations that list any of the following terms: "COVID," "COVID-19," "coronavirus," "pandemic," "pandémie," and "pandémique." It also links to a pre-populated search result of these registrations and enables further examination using different criteria, including the type of lobbyist and the government institution.

At the beginning of the 2020-21 fiscal year, 90 active registrations included at least one pandemic-related term.

The number of these registrations rose steadily. On January 1, 2021 it had reached 650 and by the end of the fiscal year, the number of registrations with pandemic-related lobbying activity increased to 699.

Pandemic-related registrations

| Date | Total |
|-------------------|-------|
| April 1, 2020 | 90 |
| June 1, 2020 | 300 |
| September 1, 2020 | 594 |
| March 1, 2021 | 655 |
| March 31, 2021 | 699 |

Source: Registry of Lobbyists

Pandemic-related registrations – Subject matter of the lobbying activity

| | Apr. 1, 2020 | Sept. 1, 2020 | Mar.1, 2021 | Mar. 31, 2021 |
|-------------------------|---------------------|----------------------|--------------------|----------------------|
| Health | 61 | 287 | 357 | 360 |
| Economic development | 37 | 278 | 333 | 333 |
| Employment and training | 37 | 179 | 238 | 249 |
| Industry | 35 | 259 | 311 | 320 |
| International trade | 32 | 175 | 225 | 229 |
| Taxation and finance | 26 | 249 | 276 | 286 |

Source: Registry of Lobbyists

Pandemic-related registrations – Government institutions lobbied

| | Apr. 1, 2020 | Sept. 1, 2020 | Mar.1, 2021 | Mar. 31, 2021 |
|--|---------------------|----------------------|--------------------|----------------------|
| Prime Minister's Office | 81 | 456 | 509 | 527 |
| House of Commons | 63 | 452 | 540 | 565 |
| Finance Canada | 61 | 403 | 449 | 472 |
| Innovation, Science, and Economic Development Canada | 57 | 421 | 486 | 496 |
| Senate | 46 | 271 | 337 | 362 |
| Health Canada | 43 | 257 | 329 | 329 |

Source: Registry of Lobbyists

LOBBYISTS ADAPT TO PANDEMIC REALITY

The Office sought the views of a few lobbyists and government relations professionals on the changes brought by the pandemic, and the potential longer-term implications. Some participants also completed a short survey, but the small sample size does not reflect comprehensive or scientific polling results.

Generally, lobbyists indicated that the pandemic forced a shift in their approach when it came to interactions with federal officials, especially early on. Many indicated that they stepped back and only responded to requests for input from government officials, especially in the initial months when routine communication quickly dropped off the agenda in favour of a strategy of interjecting only when information might be crucial.

As the pandemic continued, lobbyists played key roles in studying programs and policies and in offering insights to improve or identify areas where the response may fall short. With programs being devised and delivered in days and weeks rather than several months as is the usual process, the lobbying community understood that it could help tweak policies and programs and fill some gaps.

While conversations with public office holders about routine and ongoing issues increased after the initial period, many insisted that they still applied a "COVID lens" to most communication. In many cases, lobbyists indicated that many elected officials were more available, especially as virtual meetings gained in popularity.

Virtual technology proved attractive since it eliminated most of the logistical challenges when arranging meetings with public office holders, for example only being able to book meetings within a certain window when clients are in Ottawa. Lobbyists also reported that designated public office holders showed the flexibility and willingness to engage virtually.

Although most lobbyists believe that the convenience of virtual meetings will likely ensure their staying power, how that will play out remains unclear. Some feel that it will continue to be a valuable option, but only when in-person conversations and meetings are not possible; others envision a hybrid model developing post-pandemic with a good mix of in-person and virtual.

While new ways of working and connecting developed and flourished, one highly popular pre-pandemic lobbying tool known as "lobby days" – lobbyist-hosted receptions for Parliamentarians and their staffs usually held on or near Parliament Hill – completely disappeared after mid-March. Some lobbyists began to look at hosting virtual events as the year progressed.

In addition to virtual meetings, new informal lobbyist coalitions developed to create a single point of contact for relaying common concerns to federal officials. This strategy also unified and strengthened individual voices, as well as demonstrating that the recommendations delivered held sector-wide support. Although it likely saved some time for government officials, the industry's main preoccupation was to use coalitions as an effective means "to amplify lobbying efforts" and not as a way to reduce overall contacts for government officials.

One lobbyist said that speaking with a collective voice through a coalition also helped to highlight the broader impact issues have on sectors and communities.

REGISTRATION AND CLIENT SERVICES

The Registration and Client Services team reviews all new registrations to ensure that they meet all the disclosure requirements of the *Lobbying Act*. The same process applies to updated and reactivated registrations.

Between April 1, 2020 and March 31, 2021, the team reviewed and posted 8,487 new, reactivated and updated registrations, for an average of 707 per month. In particular, the 2,362 new registrations increased more than 41% from the previous fiscal year, while the overall registration activity went up by 24%.

Registrations

| Type | Filed on time | Filed late | Total | Percent on time |
|-------------|---------------|------------|-------|-----------------|
| New | 2,362 | 95 | 2,457 | 96.1% |
| Reactivated | 412 | 24 | 436 | 94.5% |
| Updated | 5,372 | 221 | 5,594 | 96.0% |

(Source: Office of the Commissioner of Lobbying)

Before posting the registration, the Registration and Client Services team may ask registrants to modify the information provided, such as including additional details about their lobbying activities. In the 2020-21 fiscal year, the team returned 1,717, or 20%, of the new, reactivated, and updated registrations for additions, clarifications, and corrections. In addition, it returned to the registrant 356 registrations, or about 4%, more than once to ensure the completeness of the information submitted. Once reviewed and approved, the team makes all registrations available to the public by publishing them to the Registry of Lobbyists.

LATE COMMUNICATION REPORTS

During the 2020-21 fiscal year, 2,211 of the communication reports posted to the Registry of Lobbyists were filed late – after the 15th of the month following the communication. About half of these were 15 or fewer days late.

This 7.7% falls within the range of late communication reports over the past few years which fluctuated between 5.7% and 7.9% since 2015-16.

REGISTRATION INFORMATION AND ADVICE

The Registration and Client Services team helps to foster transparency by assisting lobbyists as they register, by offering them information sessions on the registration and reporting process, and by ensuring they understand their responsibilities and obligations under the *Lobbying Act* and the Lobbyists' Code of Conduct.

As part of this effort, the team responded to 5,781 calls and emails from stakeholders in 2020-21, or an average of 482 per month. Email inquiries jumped substantially from last year, up 118% from 994 in the 2019-20 to 2,167 this year.

Inquiries by source

| Type | Calls | Emails | Combined | Percent |
|---|--------------|--------------|--------------|-------------|
| Lobbyist (incl. representatives) | 3,295 | 1,577 | 4,872 | 84.3% |
| Potential lobbyist or client of a lobbyist | 115 | 118 | 233 | 4.0% |
| Public office holder (current and former) | 94 | 170 | 264 | 4.6% |
| General public | 94 | 235 | 329 | 5.7% |
| Other (academics) | 16 | 67 | 83 | 1.4% |
| Totals | 3,614 | 2,167 | 5,781 | 100% |

Source: Office of the Commissioner of Lobbying



Inquiries by topic

| Type | Calls | Emails | Combined | Percent |
|--|--------------|--------------|--------------|-------------|
| Registration support and details | 3,037 | 1,693 | 4,729 | 70.1% |
| <i>Lobbying Act</i> and regulations | 702 | 761 | 1,463 | 21.7% |
| Other (mandate, complaints, outreach requests) | 108 | 444 | 552 | 8.2% |
| Totals | 3,847 | 2,897 | 6,744 | 100% |

Source: Office of the Commissioner of Lobbying

In addition, the Registration and Client Services team reaches out to potential lobbyists, for example, when announcements appear concerning recent hires at firms that engage in federal lobbying, to ensure that they understand the *Lobbying Act*'s registration requirements. In 2020-2021, the team contacted 22 individuals through this initiative.

SERVICE STANDARDS

Over the years, the Registration and Client Services team enjoyed an excellent track record in meeting its service standards. In fact, the team exceeded them substantially in most fiscal years.

With that in mind, the Office recognized that teleworking might have an impact on these standards. After shifting to a remote model late in the last fiscal year, the Office posted a notice on its website concerning the potential delays the pandemic may cause in relation to client service responses. It informed stakeholders that the staff continued to be available to answer questions but, despite its best efforts to meet the Office's service standards, they may not be met due to the exceptional circumstances.


To its credit, the Registration and Client Services team continued to deliver on two of the three service standards, meeting its targets when processing new registrations and responding to inquiries.

The third standard of answering calls within 30 seconds, 80% of the time, proved more difficult to achieve.

An ambitious target under normal conditions, the Commissioner recognized that meeting this challenging goal while coordinating work at home would be difficult, especially after a 21% jump in calls and emails compared to the previous fiscal year.

Despite the high standard and increased call volume, the team posted an average of almost 64% in answering calls within the 30-second standard. When calls went to the Office's voicemail system, clients received a response within one business day.

Registration service standards results

| STANDARD | PERFORMANCE | NOTE |
|--|---|--|
| 1. Registrants receive a response within three business days of completing new registration and updates. |  100% | The team achieved a perfect record on this standard for the second consecutive year. |
| 2a. Responses to simple email inquiries within two business days . |  99.3% | 60% of all email inquiries received same day responses. |
| 2b. Responses to complex email inquiries within 10 business days . |  96% | 70% of complex emails were responded to within five business days. |
| 3. Calls to the registration information number during business hours are answered within 30 seconds, 80% of the time . |  63.7% | The previous fiscal year was 83%. |

Source: Office of the Commissioner of Lobbying

ENSURING COMPLIANCE

COMPLIANCE ACTIVITIES

The Compliance Directorate conducted a total of 135 activities related to the enforcement of the *Lobbying Act* and the Lobbyists' Code of Conduct in 2020-21. This includes activities such as preliminary assessments, investigations, and referrals to the RCMP. In addition to investigation efforts, the Office initiates compliance assessments to address late filings of registrations and late reporting of monthly communications. Most of these involve some combination of warning letters, education sessions, and monitoring registration and reporting activities for a one-year period to ensure compliance.

The Office also sends advisory letters to inform former designated public office holders of the five-year prohibition on lobbying after they leave office, and to direct lobbyists to correct or clarify inaccuracies in their registrations.

Compliance Directorate initiated 28 preliminary assessments in 2020-21, with 40% of these commencing as a result of monitoring by the Office. This almost doubled the number of preliminary assessments from the previous fiscal year when the Office initiated a total of 15. Six preliminary assessments proceeded to the investigation stage, while twelve were closed.

As of March 31, 2021, the Office had 39 investigation-related files open: 10 suspended after referral to the RCMP, 24 ongoing preliminary assessments, and 5 ongoing investigations. Some of these files were carried over from previous years.



Compliance activities by the numbers for 2020-21

| Activity | | Total |
|--|--|-------|
| Preliminary assessments initiated | <ul style="list-style-type: none"> 17 due to external allegations 11 resulting from internal monitoring | 28 |
| Cases closed at the preliminary assessment stage as an investigation was not necessary to ensure compliance with the <i>Lobbying Act</i> | <ul style="list-style-type: none"> 6 registration/reporting not required 2 lobbyists accurately registered/reported as required 1 no jurisdiction to investigate 1 registration error corrected 1 insufficient evidence in anonymous referral 1 following a Supreme Court of Canada decision | 12 |
| Investigations initiated | | 6 |
| Investigations ceased | | 4 |
| Report on Investigation | <ul style="list-style-type: none"> Five-year prohibition, David MacNaughton, Palantir Canada (March 2021) | 1 |
| Files sent to the RCMP | | 3 |
| Compliance assessments | | 72 |
| Advisory letters | | 26 |

Source: Office of the Commissioner of Lobbying



REPORT ON INVESTIGATION

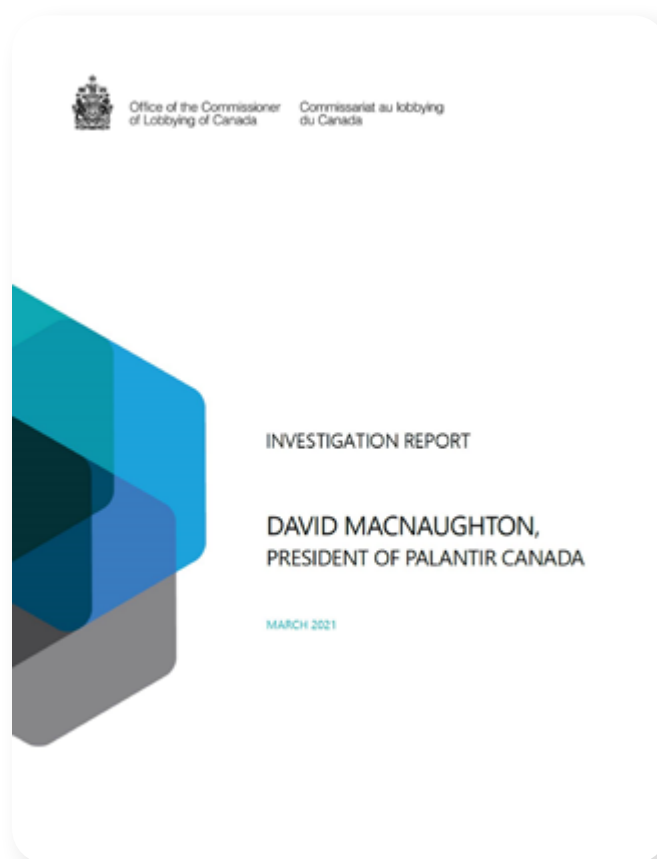
In March, the Commissioner submitted a [Report on Investigation](#) to the Speaker of the Senate and the Speaker of the House of Commons on Mr. David MacNaughton, President of Palantir Canada, who was Canada's Ambassador to the United States from March 3, 2016 to August 31, 2019. It was tabled in Parliament on March 23, 2021.

As a former designated public office holder, the five-year prohibition on lobbying set out in paragraph 10.11(1)(c) of the *Lobbying Act* applied to Mr. MacNaughton when he left office. Mr. MacNaughton assumed his role with Palantir Canada on September 1, 2019.

While the five-year prohibition bars former designated public office holders from performing consultant lobbying activities or in-house lobbying activities for an organization, it offers an exception to those employed by corporations. These individuals may engage in registrable lobbying on behalf of their employer as long as it does not constitute a "significant part of their work."

Based on all of the information gathered and examined, the Commissioner determined that Mr. MacNaughton did not contravene the five-year prohibition, but the investigation did highlight that there exists no discernable reason for the inconsistent application of the restriction on lobbying to former designated public office holders employed by corporations as compared to organizations.

The Commissioner proposes in her report entitled "Improving the *Lobbying Act*: Preliminary Recommendations," [Recommendation 7](#), that the *Lobbying Act* should be amended to harmonize the five-year post-employment prohibition on lobbying by making former designated public office holders subject to the same post-employment restrictions regardless of whether they are employed by a corporation or an organization.



MONTHLY COMMUNICATION REPORT VERIFICATION

To ensure that monthly communication reports are accurate and complete, the Office verifies a 5% sample of all reports submitted every month with the designated public office holders mentioned in them. The *Lobbying Act* requires designated public office holders to participate in this verification.

The Office uses a completely digital verification process that allows designated public office holders to verify the reports quickly and easily from their desks – or even their kitchen tables.

The Office verified 1,250 monthly communication reports in 2020-21, up 42.2% from 879 in the previous fiscal year. The average in 2020-21 was 104 verifications per month. In previous years, the usual average of monthly communications reports verified fell somewhere between 50 and 70 per month.

Monthly communication report verification



Source: Office of the Commissioner of Lobbying

Common inaccuracies in monthly communication reports

| Category | Issue |
|-----------------|--|
| Over-reporting | <ul style="list-style-type: none">Included individuals who are not designated public office holders: 15Included designated public office holders who did not attend: 25 |
| Under-reporting | <ul style="list-style-type: none">Did not include designated public office holders who attended: 13 |
| Errors | <ul style="list-style-type: none">Wrong name or title: 29Incorrect date: 21 |

Source: Office of the Commissioner of Lobbying

When a discrepancy does arise, the Office contacts the lobbyist who filed the monthly communication report containing an inaccuracy to advise them of the need for a correction. These corrections are due within 10 days.

EXEMPTION REQUESTS

In 2020-21, the Office received nine applications for exemptions to the five-year prohibition on lobbying from former designated public office holders. Two requests were also carried over from the previous fiscal year.

Two individuals received limited exemptions which allowed them to communicate with public office holders from Global Affairs Canada and the Prime Minister's Office solely to obtain or provide documents and information and to arrange meetings regarding the Honourable Bill Morneau's candidacy for Secretary-General of the Organization for Economic Cooperation and Development. Both limited exemptions expired on March 17, 2021. Of the remaining requests, two were withdrawn, four were denied, and three remained open at the end of the fiscal year.

The Office strives to achieve service standards during the process of exemption reviews for the five-year post-employment prohibition on lobbying and the compliance team delivered a perfect record against its standards.

Exemption review service standards

| Standard | Performance | Note |
|---|-------------|---|
| A letter sent by the Commissioner within 60 days of receiving an accurately completed application to either grant or to obtain further representations. | 100% | The Commissioner informs the applicant of the decision. In cases where the recommendation by the Directorate is to deny the request, the applicant is offered the opportunity to submit additional information. |
| Applicant informed of the Commissioner's final decision within 30 days of the applicant's submitting further representations. | 100% | The Commissioner sends a letter informing the applicant of the final decision. |
| Exemptions granted are made publicly available within 48 hours of the effective date of the Commissioner's decision. | 100% | All exemptions are published online. |

COURT DECISIONS

Two significant Supreme Court of Canada decisions that affected the Office were issued in 2020-21. The first came on July 30, 2020, when the Supreme Court dismissed Democracy Watch's leave to appeal in relation to the appointments of the Conflict of Interest and Ethics Commissioner, Mario Dion, and the Commissioner of Lobbying, Nancy Bélanger. This upheld a January 2020 Federal Court of Appeal decision to dismiss Democracy Watch's application for judicial review of the appointments.

The second decision, issued on October 15, 2020, upheld the Federal Court of Appeal decision in which it was determined that the *Lobbying Act* does not create a complaints process and, accordingly, a member of the public has no right to mandate the Commissioner to investigate a complaint.

ENHANCING AWARENESS

Fostering awareness among stakeholders about the transparency goals and requirements of *Lobbying Act* and the ethical obligations of the Lobbyists' Code of Conduct continues to be key pillars of the Office's education mandate.

The Office engages in several different outreach and education activities to ensure that all stakeholders understand their obligations under Canada's lobbying framework and take appropriate action, if required.

In addition, the Commissioner appears before the House of Commons Standing Committee on Access to Information, Privacy and Ethics. In 2020-21, this occurred during the [Committee's meeting on November 27, 2020](#), where the Commissioner appeared as part of its study into "Questions of Conflict of Interest and Lobbying in Relation to Pandemic Spending."

OUTREACH AND EDUCATION IN A PANDEMIC

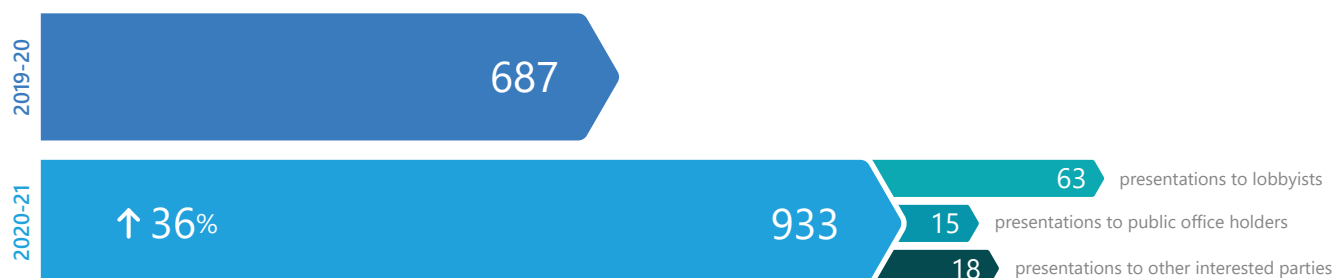
With the global pandemic beginning in March 2020 and extending past the end of the 2020-21 fiscal year, the Office organized no in-person outreach activities for the entirety of the period covered by this report. As a result, it turned to virtual engagement as its means of reaching stakeholders.

Since the Office already delivered some of its outreach and education online as a normal course of business, the team's existing capacity allowed it to make a seamless transition to a virtual-only model.

In 2020-21, the office engaged a total of 933 stakeholders through 96 presentations to lobbyists, public office holders, and other interested parties, such as universities and international organizations. This represented an increase of 36% from 2019-20.

Included in the lobbyist interactions was a May 29, 2020, seminar hosted by the Government Relations Institute of Canada, which invited the Commissioner to participate as a guest presenter and answer questions from its members. The Office also took part in the Library of Parliament's orientation program for parliamentarians following the 2019 election where the Commissioner joined other Agents of Parliament to speak about her role and mandate. The attendees were mostly staff of members of Parliament.

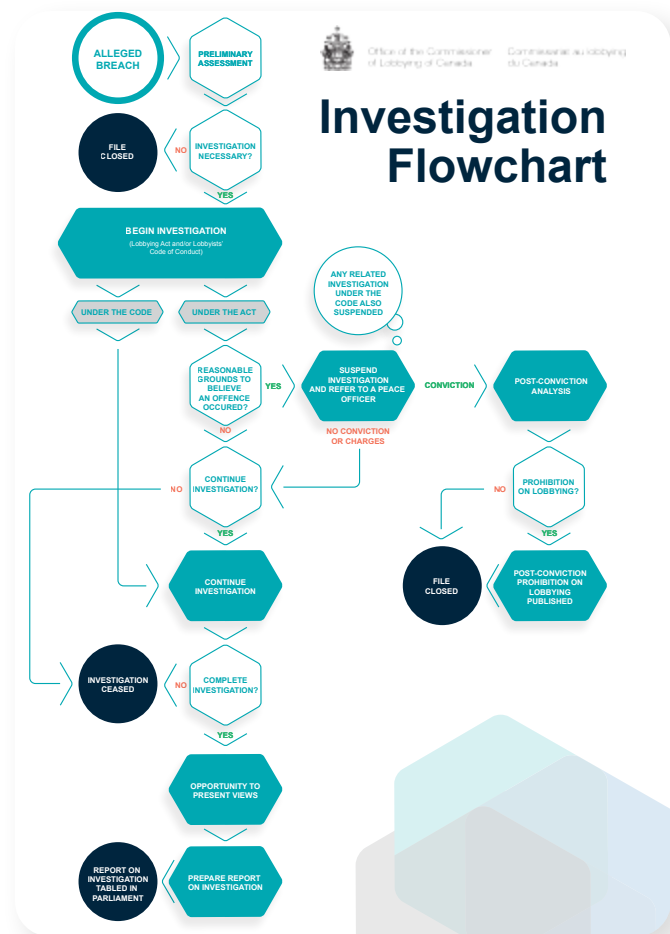
Engagements with stakeholders



The shift to virtual-only outreach also enabled several instances where the Commissioner addressed international audiences about Canada's leadership in lobbying regimes, including a session for the Organization for Economic Cooperation and Development (OECD) on the importance of transparency in communications with public officials, a presentation to members of the European Parliament about Canada's lobbying regime, and an update on developments in the Canadian lobbying landscape to the Council on Governmental Ethics Laws (COGEL). These presentations allowed the Commissioner to expand her outreach activities to new international audiences without incurring any costs.

The Office also continued creating information products to help support its outreach and education efforts. Some products helped to enhance stakeholder awareness with respect to their obligations while others focused clearly on pandemic-related issues.

The team also published an [online Investigation Flowchart](#) to help stakeholders understand the Office's investigation process.



COVID-19 EMERGENCY FUNDING AND REGISTRATION REQUIREMENTS

In June, the Office published an information product that outlined the [registration requirements related to COVID-19 emergency funding](#) and the potential need to update registrations following an application to or an award from any COVID-19 funding program. In their registrations, in-house lobbyists must list all funding received from governments or government agencies. Consultant lobbyists must include their client's government funding.

Although the information did not signal a change in the application of the legislation, the Commissioner took the opportunity to explain the requirements in light of the increased number of programs that were being rolled out.

CONSULTATION ON FUTURE CHANGES TO THE LOBBYISTS' CODE OF CONDUCT

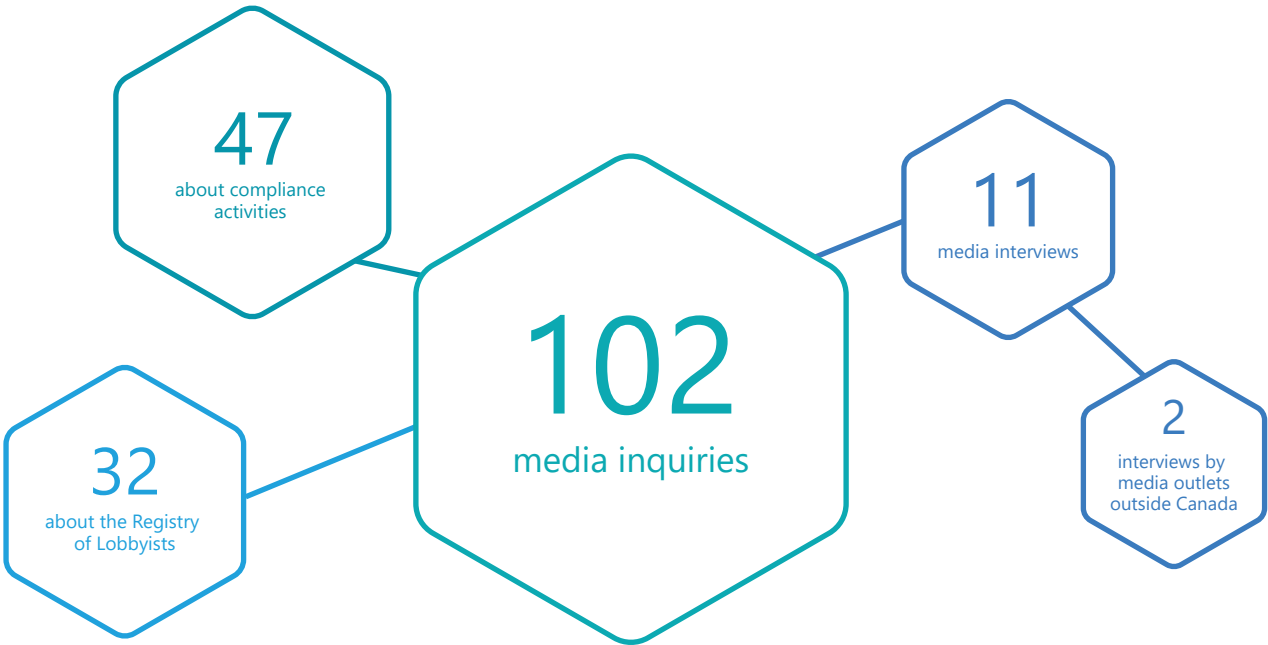
In November 2020, the Commissioner launched a first phase of consultation to explore changes to the Lobbyists' Code of Conduct. This code of conduct defines ethical standards that lobbyists must respect when they engage in lobbying activities at the federal level.

During the first phase of consultation, the Office received five submissions from stakeholders presenting their views. Based on this feedback and the Commissioner's experience administering the Lobbyists' Code of Conduct, the Office began developing revisions and will seek comments on the proposed changes. An updated Lobbyists' Code of Conduct is expected to be referred to the House of Commons Standing Committee on Access to Information, Privacy and Ethics and take effect before the end of the 2021-22 fiscal year.

MEDIA ENGAGEMENT

The Office responded to 102 media inquiries in 2020-21, up slightly from last year. Of these, 47 asked about compliance activities, such as preliminary assessments or investigations, while 32 inquired about the Registry of Lobbyists. The Office also participated in 11 media interviews, including 2 by media outlets outside Canada that focused on the transparency fostered by the Canadian lobbying regime.

The Office appeared in 16 news articles as a result of media engagement surrounding the publishing of reports and the consultation on the Lobbyists' Code of Conduct, as well as contributing an opinion article to the *Hill Times* newspaper. In all, the Office's activities and the Registry of Lobbyists garnered hundreds of news mentions articles, including in regular features in several outlets, such as *Lobby Monitor*, *iPolitics* and *Hill Times*.



PRELIMINARY RECOMMENDATIONS ON IMPROVING THE *LOBBYING ACT*

On February 23, 2021, the Commissioner submitted a list of 11 preliminary recommendations for changes to the *Lobbying Act* and associated regulations to the House of Commons Standing Committee on Access to Information, Privacy and Ethics (ETHI) and provided a copy to the Senate Committee of Ethics and Conflict of Interest for Senators.

The submission responded to a request in November 2020 from the ETHI Committee. The 11 recommendations in the submission propose avenues to improve Canada's lobbying framework by enhancing transparency, fairness, clarity, and efficiency.

Based on the experience of the Office of the Commissioner of Lobbying in administering the federal lobbying regime, the 2012 statutory review, and taking into account the lobbying regimes in other Canadian jurisdictions, the recommendations touch on all aspects of Canada's federal lobbying framework: the *Lobbying Act*, the Lobbyists Registration Regulations, and the Lobbyists' Code of Conduct.

As the ETHI Committee reviews the recommendations, the Office will continue to engage with stakeholders to discuss the document.

Improving the *Lobbying Act*



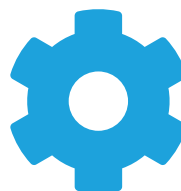
Transparency



Fairness



Clarity



Efficiency

WORKINGS OF THE OFFICE

EXCEPTIONAL WORKPLACE

The results of the 2020 Public Service Employee Survey demonstrate the efforts made to create an exceptional workplace. The Office scored well in areas related to a safe workplace, work-life balance, and employee engagement. Almost all respondents said that they would recommend the Office to others as an exceptional workplace, while a wide majority indicated that they like their job.

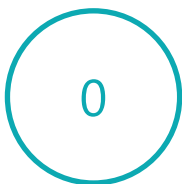
The care taken in this area is reflected in the fact that not one employee indicated they had been the victim of harassment or discrimination in the past 12 months.

The Office also delivered a perfect score in the area of Official Languages, with all employees responding that they have the tools and resources to work in the language of their choice and that their managers encourage the use of both languages in the workplace.

In addition, all indicated that they have the tools and equipment needed to do their work, which reflects the planning during the Office's move in 2019 to support a mobile and adaptable workforce with new technology. This was a key factor in the team's ability to telework effectively for the entire 2020-21 fiscal year.

Although the overall results reflect the steps made to create an exceptional workplace, some areas for improvement emerged. The Office experienced small drops related to job satisfaction, feeling valued, and employees being proud of their work. Of particular concern is that the Office fell below the core public service in all three responses.

These areas were discussed as part of the planning consultations with employees. The Office will attempt to develop measures that offer opportunities to acquire, develop, and apply skills and talents, increase their job satisfaction, and advance their careers.



reported instances
of harassment
or discrimination
in 12 months



Official Languages
compliance and
satisfaction



necessary tools
and equipment



Job fit and development

| | Office of the Commissioner of Lobbying | | Federal public service |
|---|--|------|------------------------|
| | 2020 | 2019 | 2020 |
| I get the training I need to do my job. | 65% | 88% | 73% |
| My department or agency does a good job of supporting employee career development. | 73% | 80% | 61% |
| I believe I have opportunities for promotion within my department or agency, given my education, skills and experience. | 40% | 30% | 55% |

These issues will be a key area of focus for 2021-22 after career development and training emerged as key topics of discussion during the Office's planning process. This process also identified the telework model as partly responsible for a shortfall in training, especially when it related to new hires. The Office will strive to enhance training and career advancement opportunities for employees.

A psychologically healthy workplace

| | Office of the Commissioner of Lobbying | | Federal public service |
|---|--|------|------------------------|
| | 2020 | 2019 | 2020 |
| My immediate supervisor supports my mental health and well-being. | 92% | – | 88% |
| My department or agency does a good job of raising awareness of mental health in the workplace. | 96% | 96% | 81% |
| I would describe my workplace as being psychologically healthy. | 96% | 92% | 68% |

The Office performed well in relation to ensuring a psychologically healthy workplace, improving or equaling its scores from previous surveys and outperforming the public service by a substantial margin. The excellence in this area continued despite the team adapting to a new telework model and the feeling of isolation that reality may bring.

Managers made concerted efforts to engage staff in 2020-21 and keep lines of communication open as the team worked remotely. For example, the Commissioner sent two weekly email messages throughout the fiscal year with encouragement, tips, reading suggestions, and exercises to help staff cope during the pandemic. The Office also explored ways to improve avenues for collaboration among a teleworking staff that would not have a significant impact on bandwidth. With a solution implemented, the Office continues to look for ways to improve and to meet employees' needs.

All-staff training also continued in several areas to promote a healthy workplace, such as harassment and violence prevention, mental health awareness, and inclusive writing. Corporate services developed an emergency procedures manual and all employees received training in this area in 2020-21.

In addition, the Office worked with the different employee unions on policies designed to help support a psychologically healthy workplace for all employees, including a Harassment and Violence Policy planned for completion and implementation in 2021-22.

MENTAL HEALTH STRATEGY

The Office continued with the implementation of its Mental Health Strategy, which was developed and launched in the 2019-20 fiscal year. The plan strives to create a workplace that supports employee health, safety and well-being through collaboration, inclusiveness, respect and continuous learning.

With the rapid shift to telework and the loss of in-person interactions having the potential to cause additional stress, the Office took measures to help alleviate the impact it had on the staff through virtual social events that connected them to their co-workers in an open and relaxed atmosphere. Regular all-staff meetings also occurred virtually, which helped increase the cohesion of the distributed workforce and the communication between directorates.

The Office's Mental Health Committee also organized three events designed to raise awareness of mental health issues and a Mental Illness Awareness Week event in September. The mental health champion also sent several emails with relevant information and resources during the fiscal year. The committee also invited expert speakers on four occasions to address the staff on issues related to mental health. Representatives from the Ombudsman of Mental Health and Well-Being, Small Department and Agencies (Public Services and Procurement Canada) gave three presentations to the staff including presentations on stress and mindfulness. The committee also invited the Employee Assistance Services to present information concerning the services it makes available to employees.



Kimberley Murray, Staff

"Although we were fortunate to have technology in place that allowed us to work at home, the real support from the Office came in the form of taking care of our mental health. The flexibility and compassion the Office exhibited as we attempted our best to work productively from home, while supporting our virtual learning children or busy toddlers, vying for bandwidth and dining room table space with a spouse, amidst the chaotic home life background, was amazing. The Office gave us the time and space necessary to merge our work with our home lives in order to create the best possible outcome. This created a sense of control in a world where there was seemingly little, and greatly reduced employee stress level, where there was potential to be an abundance."

PLANNING AND RESULTS

The Office implemented an updated results framework in 2019-20 that helps make it easier for the public to understand what we aim to achieve as an organization. The team began using this new framework as it gathered the data for the Office's 2020-21 Departmental Results Report.

The 2020-21 fiscal year also marked the end of the Office's first three-year strategic plan. That plan laid out the Office's roadmap for the three years beginning in 2018, and identified the key results areas with desired outcomes for the organization, as well as high-level actions needed to deliver on them. Each directorate created annual operational plans to help deliver on the stated targets.

Several consultations occurred with staff and that input played a central role in the identification of the three key result areas for 2021-24:

- a flexible and responsive Registry of Lobbyists;
- an integrated approach to fostering awareness and compliance; and,
- a highly skilled workforce in an exceptional workplace.

The 2021-24 Strategic Plan launched on April 1, 2021.

SUBMISSION FOR ADDITIONAL FUNDING

While the Registry of Lobbyists offers the ability to provide this important information to Canadians, it also requires upgrades and improvements to ensure the Commissioner can continue to deliver on her transparency mandate. For these reasons, the Office requested additional funding for the next five years to help ensure that the Registry of Lobbyists remains modern, reliable, secure and accessible.

A positive response in Budget 2021 means the Office will move forward with five indeterminate positions focusing on maintaining and enhancing the Registry of Lobbyists and updating, upgrading, and ever-greening information technology systems and hardware. This funding will also augment the Office's information management capabilities to analyze and leverage the data in the Registry of Lobbyists and other internal databases.

The increase to the Office allocated in Budget 2021 totals \$4-million over the next five years.



LOOKING AHEAD

The global pandemic brought rapid and dramatic change to the way we lived and worked in 2020-21 and it's clear that the new COVID-19 reality will shape at least half of the next fiscal year.

As we look back on the record numbers seen in 2020-21 that clearly underlined the value of the transparency fostered by the *Lobbying Act*, it brings a great sense of accomplishment to know that the Office, through the information in the Registry of Lobbyists, ensured – and will continue to ensure – that Canadians have the tools they need to examine the conversations that shape their government's decisions. This is true whether these conversations are related to responses to an ongoing crisis or about issues that affect Canadians' everyday lives.

In this new fiscal year, we will continue with our efforts to look for ways to improve the lobbying regulatory framework. We look forward to engaging with Parliamentarians on the changes that I proposed with a view to improving the *Lobbying Act* and assisting, when the time comes, in this important review of the legislation.

The second phase of the consultation on the Lobbyists' Code of Conduct will engage stakeholders on new rules and guidelines to help clarify the ethical standards expected from those lobbying the federal government. I hope to submit an updated Lobbyists' Code of Conduct to the House of Commons Standing Committee on Access to Information in 2021-22 and have it in force before the end of the fiscal year.

The positive response in Budget 2021 means the Office will move forward with staffing new positions to improve capacity related to the Registry of Lobbyists and the Office's information management.

This decision comes as we implement our new results framework and strategic plan that will shape our operations over the next three years.

After watching the members of my team not miss a beat as COVID-19 turned their lives upside down and forced them to adapt to a new reality, we begin 2021-22 knowing that we have built an organization that can show great resolve and excel no matter the circumstance.

As we prepare for another year of successes, I look forward to continue working with them to deliver on our mandate.

Nancy Bélanger
Commissioner of Lobbying