

QUEEN
KE

4559
.C3
2003/04
c.2

Industry
Canada

Industrie
Canada

IC

LOBBYISTS REGISTRATION ACT

Annual Report

FOR THE YEAR ENDED
MARCH 31, 2004

Canada

LOBBYISTS REGISTRATION ACT

Annual Report

FOR THE YEAR ENDED
MARCH 31, 2004

Industry Canada
Library - Queen

OCT 20 2004

Industrie Canada
Bibliothèque - Queen

This publication can be made available in multiple formats upon request.
Contact the Information Distribution Centre at the numbers listed below.

Information Distribution Centre
Communications and Marketing Branch
Industry Canada
Room 268D, West Tower
235 Queen Street
Ottawa ON K1A 0H5

Tel.: (613) 947-7466
Fax: (613) 954-6436
E-mail: publications@ic.gc.ca

For additional copies of this publication, please contact:

Lobbyists Registration Branch
Industry Canada
4th Floor, East Tower
235 Queen Street
Ottawa ON K1A 0H5

Tel.: (613) 957-2760
Fax: (613) 957-3078
E-mail: lobbyists.reg@ic.gc.ca

This publication is also available electronically on the World Wide Web at the following address:
strategis.gc.ca/lobbyist

Permission to Reproduce

Except as otherwise specifically noted, the information in this publication may be reproduced, in part or in whole and by any means, without charge or further permission from Industry Canada, provided that due diligence is exercised in ensuring the accuracy of the information reproduced; that Industry Canada is identified as the source institution; and that the reproduction is not represented as an official version of the information reproduced, nor as having been made in affiliation with, or with the endorsement of, Industry Canada.

For permission to reproduce the information in this publication for commercial redistribution, please e-mail:
copyright.droitdauteur@pwgsc.gc.ca

Cat. No. Iu77-1/1-2004
ISBN 0-662-68271-8
54160B



50% recycled material



Industry Canada

Industrie Canada

Lobbyists Registration
Branch

Direction de l'enregistrement
des lobbyistes

235 Queen Street
4th Floor, East Tower
Ottawa, Ontario
K1A 0H5

235, rue Queen
4^e étage, tour Est
Ottawa (Ontario)
K1A 0H5

August 23, 2004

The Honourable David Emerson, P.C., M.P.
Registrar General of Canada
House of Commons
Confederation Building
Ottawa ON K1A 0A6

Dear Sir:

I have the honour of presenting you the fifteenth Annual Report by the Registrar on the administration of the information disclosure and public registry provisions of the *Lobbyists Registration Act* (R.S.C. 1985, c.44 (4th supp.) as amended by S.C. 1995, c.12). This report is presented in accordance with the provisions of subsection 11(1) of the Act. The report covers the fiscal year ending March 31, 2004.

Yours sincerely,

Michael Nelson
Registrar

Canada

Contents

| | |
|--|----|
| Purpose and Description of the Act | 1 |
| Bill C-15, <i>An Act to Amend the Lobbyists Registration Act</i> | 2 |
| Lobbyists Registration Branch | 3 |
| Electronic Filing | 4 |
| Public Registry | 5 |
| Statistical Review | 6 |
| Advisory and Information Services | 6 |
| Subject Matter of Lobbying Activities | 7 |
| Government Departments and Agencies | 8 |
| Registrations | 9 |
| Additional Information | 10 |

This is the fifteenth Annual Report by the Registrar on the administration of the information disclosure and public registry provisions of the *Lobbyists Registration Act* (R.S.C. 1985, c.44 (4th supp.) as amended by S.C. 1995, c.12). This report covers the period from April 1, 2003, to March 31, 2004.

Purpose and Description of the Act

Major amendments to the *Lobbyists Registration Act* and the *Lobbyists Registration Regulations* came into force on January 31, 1996, and require lobbyists to disclose more comprehensive information about their activities.

The Act provides for the public registration of those individuals who are paid to communicate with federal public office holders in attempts to influence government decisions, i.e., lobby. Public office holders are virtually all persons occupying an elected or appointed position in the federal government, including members of the House of Commons and the Senate and their staff, officers and employees of federal departments and agencies, members of the Canadian Armed Forces and the Royal Canadian Mounted Police.

Four basic principles are set out in the preamble to the Act:

- Free and open access to government is an important matter of public interest.
- Lobbying public office holders is a legitimate activity.
- It is desirable that public office holders and the general public be able to know who is attempting to influence government.
- The system for the registration of paid lobbyists should not impede free and open access to government.

Lobbying, or the activity that is subject to the requirements for registration as a lobbyist, is communicating with federal public office holders, whether formally or informally, in attempts to influence:

- The making, developing or amending of federal legislative proposals, bills or resolutions, regulations, policies, or programs; and
- The awarding of federal grants, contributions or other financial benefits.

The Act provides for three categories of lobbyists — consultant lobbyists, in-house lobbyists (corporate), and in-house lobbyists (organizations).

Consultant lobbyists are individuals who, for payment, lobby on behalf of a client. Consultant lobbyists are also required to register if they undertake to arrange a meeting between their client and a public office holder, and if they lobby for the awarding of a federal contract. Consultant lobbyists may include government relations consultants, lawyers, accountants or other professional advisors who provide lobbying services for their clients.

In-house lobbyists (corporate) are employees of corporations that carry on commercial activities for financial gain who lobby as a significant part of their duties. These employees of a company are usually full-time officers who devote a significant part of their duties to public affairs or government relations work.

For non-profit organizations such as associations, the senior paid officer must register as an in-house lobbyist (organizations) when one or more employees lobby federal public office holders and where the accumulated lobbying activity of all such employees would constitute a significant part of the duties of one employee.

Specifically excluded from the registration requirements are public proceedings before parliamentary committees or other federal bodies; submissions to a public office holder with respect to the enforcement, interpretation or application of a federal law or regulation by that official; and submissions in direct response to written requests from a public office holder for advice or comment.

All lobbyists are required to disclose certain information within time limits specified in the Act. The information includes the name of the client, corporate or organizational employer; the names of the parent or subsidiary companies that would benefit from the lobbying activity; the organizational members of coalition groups; the specific subject matters lobbied; the names of the federal departments or agencies contacted; the source and amount of any government funding received; and the communication techniques used, such as grass-roots lobbying. Corporations and organizations must also provide a general description of their business or activities.

The *Lobbyists Registration Regulations* set out the detailed forms that lobbyists must complete and file. Lobbyists may complete and file these registration forms electronically, free of charge. The fee schedule for processing of forms submitted in paper format was published in the *Canada Gazette* Part I, December 16, 1995.

Separately, the Act also provides for a mandatory code of conduct for lobbyists, and the submission of an Annual Report on this code. The *Lobbyists' Code of Conduct*, which took effect March 1, 1997, is the responsibility of the Ethics Counsellor.

Bill C-15, *An Act to Amend the Lobbyists Registration Act*

Bill C-15 received royal assent on June 11, 2003. As it is necessary to update the Lobbyists Registration Regulations as well as the electronic filing system for on-line registrations used by almost all registered lobbyists, the date of coming into force was not set then.

More information relating to Bill C-15 is available on the Internet by consulting:
strategis.gc.ca/lobbyist

Lobbyists Registration Branch

Responsibility for administration of the information disclosure provisions of the Act and maintenance of the public registry is assigned to a Registrar designated by the Registrar General of Canada (Minister of Industry). The Registrar heads the Lobbyists Registration Branch.

Under the Act, lobbyists must provide clarification of any information they submit in their registration forms in response to a request from the Registrar. The Registrar also has the authority to verify this information. All forms submitted for registration are checked for completeness and clarity. Inconsistencies or obvious omissions are communicated to the lobbyist for correction or for supplementary information.

The Act authorizes the Registrar to issue advisory opinions and interpretation bulletins in order to provide greater certainty regarding the registration provisions.

All of the publications and bulletins issued on the Act, as well as those on the code of conduct for lobbyists, and reports relating to the parliamentary review and Bill C-15, *An Act to Amend the Lobbyists Registration Act*, are available on the Internet (strategis.gc.ca/lobbyist).

The Registrar continued an active public information campaign to discuss and provide advice to lobbyists and potential lobbyists about the requirements for registration and to encourage firms, companies and associations to review their situations. The Lobbyists Registration Branch also disseminated information on the Act and its Regulations through interviews with the media, and discussions with professional and industry associations, universities and government officials.

During the year, the Registrar responded to queries from various groups about Bill C-15, *An Act to Amend the Lobbyists Registration Act*. Most of the queries sought clarification relating to the changes brought by the amendments as well as the timing for their coming into force.

The Registrar also continued to participate actively in the work of an international council of government administrators of ethics laws. As well, during the year the Registrar met and consulted with officials from the provinces and met with officials from other countries who were interested in understanding how the Canadian federal lobbyists registration system operates.

Electronic Filing

Lobbyists may file their registration forms electronically, free of charge, through the Internet (strategis.gc.ca/lobbyist). This user-friendly interactive technology validates basic data such as names and addresses, reminds lobbyists to complete all required information and permits them to easily edit their own forms. Data, once verified, are moved immediately to the registry database where the general public can search for information and produce reports from their own computers.

Of the total registrations received as of March 31, 2004, 99.7 percent of the consultant lobbyists actively lobbying registered electronically, a slight increase from the previous year. This year, 99.2 percent of in-house lobbyists (organizations) filed their registrations electronically while 98 percent of in-house lobbyists (corporate) filed their registrations electronically.

Before lobbyists can use the computer systems to file the registration forms required by the Act, they must provide identification for system access. They must then also sign a contractual agreement acknowledging the responsibility for security of their electronic signature or password used to certify the validity of the information they submit.

To expedite the renewal process, the Lobbyists Registration Branch issues renewal notices via electronic mail. The implementation of this practice has resulted in a faster response rate in having registrants complete their renewals within a shorter time frame thus eliminating time lags and substantially decreasing the need for follow-up calls.

A total of 853 renewal notices were issued representing 469 reminder letters addressed to in-house lobbyists (organizations) and 384 reminder letters addressed to in-house lobbyists (corporate). These notices were sent via e-mail, conventional mail and faxes. As a result of these notices, the Lobbyists Registration Branch sent 14 termination letters for failure to file a renewal within the required time period. Upon being advised of the termination of their registration only two (2) of the individuals in question immediately proceeded to re-register thereby acknowledging the need to maintain the registration and have it appear on the public register. The remaining cases did not renew either due to the individuals having left their employment and no longer holding their position or re-evaluating the need to maintain their registration.

Public Registry

The concept of openness is one of the fundamental principles that underlie the registration system of the *Lobbyists Registration Act*. All information collected under this Act and its Regulations is a matter of public record. The objective of the registry is to ensure that the general public and public office holders know who is paid to attempt to influence government decisions.

The registry database is available to all Canadians (strategis.gc.ca/lobbyist). Anyone can use their own computer to easily search and retrieve information on who lobbies for which firms, corporations, organizations or associations; the parent and subsidiary companies or corporations that benefit from the lobbying; the organizational members of coalition groups; a general description of the activities of corporations and associations; which government departments or agencies are contacted; and the name or description of the specific legislative proposals, bills, regulations, policies, programs, grants, contributions or contracts sought.

As well, users can produce their own summary reports of lobbyists registered as well as copies of the individual registration forms. It is also possible to access a list of recent registrations that includes all new registrations, amendments and terminations that were processed within the past 30 days.

Users who search and retrieve the data directly from their own computers may do so free of charge. If registry staff are requested to search and retrieve information, a service charge is applicable.

Statistical Review

ADVISORY AND INFORMATION SERVICES

The Lobbyists Registration Branch provides advice on the registration requirements, reminds lobbyists to update and refile their registration forms, and verifies that all forms are consistent and complete. During the past year, 1827 registrations were processed, of which 891 were consultant lobbyist registrations, 326 were in-house lobbyist (corporate) registrations and 610 were in-house lobbyist (organizations) registrations.

Although Bill C-15 *An Act to Amend the Lobbyist Registration Act* received royal assent in June 2003, it has not been proclaimed into force. As a result, the Lobbyists Registration Branch received numerous calls inquiring as to the status of the Act and the expected time for its coming into force. Other callers sought information on the amendments to the Act and their impact. General information and compliance calls were also received.

The number of calls for technology assistance increased from last year. Branch staff and the Industry Canada Strategis help desk personnel responded to calls concerning the lobbyists registry site address, navigational assistance, forgotten passwords, broken links and other technical problems. This year, there were 918 help line calls, compared to 688 calls last year. This demonstrates a 33 percent increase from the previous year.

The key principle of the *Lobbyists Registration Act*, transparency, is that public office holders and the public should be able to know who is attempting to influence government. The lobbyists registry is directly accessible through Strategis for searches and information retrieval. Users are gaining their own expertise in how to directly access and search the computerized registry system.

This year, there has been an increase in the number of visits to Strategis, as well as an increase in the number of pages accessed. The previous year there were 34 369 visits and 228 756 pages accessed. In 2003–2004, there were 39 102 visits to the Lobbyists section of the site, during which some 238 251 pages were accessed.

SUBJECT MATTER OF LOBBYING ACTIVITIES

All lobbyists are required to identify the broad subject matter of their lobbying activities from a pre-selected checklist. The following list identifies, in descending order from active registrations, the 20 subject areas most frequently identified by lobbyists in their registrations as of March 31.

| | <u>2002-2003</u> | <u>2003-2004</u> |
|-------------------------|------------------|------------------|
| Industry | 1 | 1 |
| International trade | 2 | 2 |
| Taxation and finance | 3 | 3 |
| Environment | 4 | 4 |
| Science and technology | 5 | 5 |
| Health | 6 | 6 |
| Transportation | 7 | 7 |
| Employment and training | 8 | 8 |
| Consumer issues | 9 | 9 |
| Energy | 11 | 10 |
| Internal trade | 10 | 11 |
| International relations | 14 | 12 |
| Government procurement | 16 | 13 |
| Regional development | 13 | 14 |
| Intellectual property | 12 | 15 |
| Infrastructure | 15 | 16 |
| Agriculture | 17 | 17 |
| Labour | 18 | 18 |
| Aboriginal affairs | 19 | 19 |
| Small business | 20 | 20 |

GOVERNMENT DEPARTMENTS AND AGENCIES

All lobbyists are required to identify the names of the government departments and agencies that they contact or expect to contact in the course of their lobbying activities. The following list identifies, in descending order from active registrations, the 20 departments and agencies most frequently identified by lobbyists in their registrations as of March 31.

| | <u>2002-2003</u> | <u>2003-2004</u> |
|---|------------------|------------------|
| Industry Canada | 1 | 1 |
| Finance Canada | 2 | 2 |
| Foreign Affairs and International Trade | 3 | 3 |
| Environment Canada | 4 | 4 |
| Privy Council Office | 5 | 5 |
| Health Canada | 6 | 6 |
| Revenue Canada | 7 | 7 |
| Human Resources Development Canada | 8 | 8 |
| Transport Canada | 9 | 9 |
| Natural Resources Canada | 10 | 10 |
| Public Works and Government Services Canada | 14 | 11 |
| Treasury Board of Canada | 12 | 12 |
| Agriculture and Agri-Food Canada | 13 | 13 |
| Canadian Heritage | 11 | 14 |
| National Defence / Justice Canada | 18 / 16 | 15* |
| Indian and Northern Affairs Canada | 15 | 16 |
| Fisheries and Oceans Canada | 17 | 17 |
| Western Economic Diversification Canada | 19 | 18 |
| National Research Council** | n/a | 19 |
| Statistics Canada** | n/a | 20 |

*These two government institutions were equally identified by lobbyists in their registrations for the reporting period.

** This government institution was not of the most frequently identified for the previous reporting period.

REGISTRATIONS

On March 31, 2004, there were 980 registered active consultant lobbyists, an increase of 7.9 percent from the 908 consultants registered last year. These consultants, who work for 571 firms across Canada, include government relations consultants, lawyers, accountants, and other professionals who provide lobbying services for their clients.

On March 31, 2004, there were 294 employees registered as lobbying the federal government on behalf of their corporate employer as a significant part of their duties. These in-house lobbyists (corporate) include 27 presidents/chief executive officers. The total has remained the same from the previous year. The interests of 164 corporations were represented in the registry systems.

Senior paid officers had registered as in-house lobbyists (organizations) for 328 non-profit societies and interest groups as well as business, trade, industry, and professional organizations or associations, an increase of 3.7 percent since last year.

| | <u>2002-2003</u> | <u>2003-2004</u> |
|--|------------------|------------------|
| Lobbyists active as of March 31 | | |
| Consultant lobbyists | 908 | 980 |
| In-house lobbyists (corporate) | 294 | 294 |
| Organizations (senior officers) | 311 | 324 |
| Registrations active as of March 31 | | |
| Consultant lobbyists | 3095 | 3287 |
| In-house lobbyists (corporate) | 296 | 298 |
| In-house lobbyists (organizations) | 316 | 330 |

Additional Information

For the legal text of the Act and Regulations, consult:

- *Lobbyists Registration Act*, R.S.C. 1985, c.44 (4th supp.);
- *Lobbyists Registration Regulations*, *Canada Gazette* Part II, December 27, 1995; and
- *Lobbyists Registration and Service Fees*, *Canada Gazette* Part I, December 16, 1995.

Publications available on the Internet include the *Guide to Registration*, which covers the basic requirements of the *Lobbyists Registration Act* and contains a summary *Quick Reference Guide to Registration*; the advisory opinions and interpretation bulletins; an informal consolidation of the Act; previous annual reports; the *Lobbyists' Code of Conduct*; reports by the Registrar; and information relating to the parliamentary review of the Act and information relating to the passage of Bill C-15 *An Act to Amend the Lobbyists Registration Act*.

The lobbyists registry data are accessible free of charge on the Internet for viewing, searching, and production of summary reports.

Consult: strategis.gc.ca/lobbyist

For further information, please contact:

Lobbyists Registration Branch
Industry Canada
4th Floor, East Tower
235 Queen Street
Ottawa ON K1A 0H5

Tel.: (613) 957-2760

Fax: (613) 957-3078

E-mail: lobbyists.reg@ic.gc.ca



Industrie
Canada

Industry
Canada

LA LOI SUR L'ENREGISTREMENT DES LOBBYISTES

Rapport annuel

POUR L'EXERCICE SE TERMINANT
LE 31 MARS 2004

Canada

