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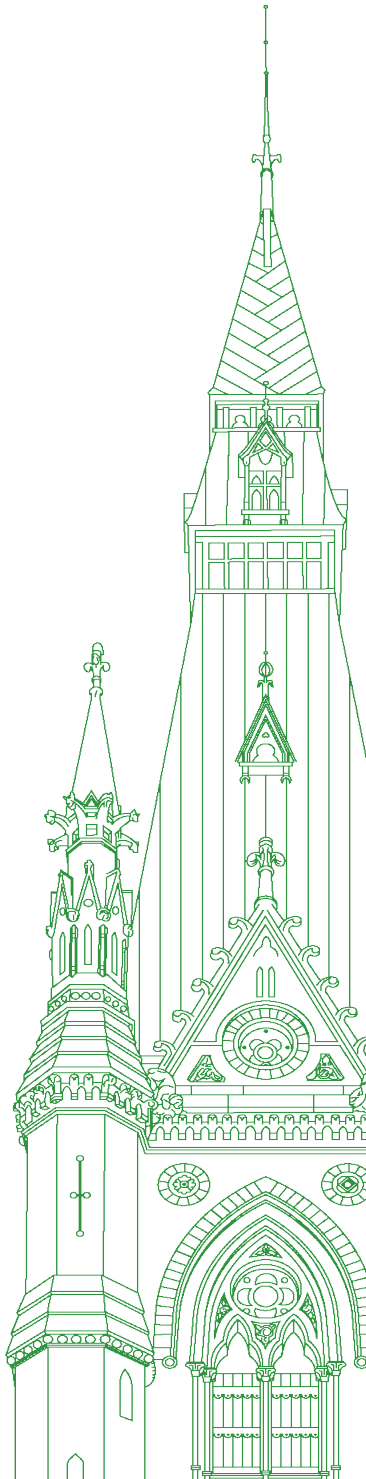
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Chair: John Brassard

Standing Committee on Access to Information, Privacy and Ethics

Monday, October 26, 2026

● (1100)

[*English*]

The Chair (John Brassard (Barrie South—Innisfil, CPC)): I call the meeting to order.

[*Translation*]

Welcome to meeting number 54 of the House of Commons Standing Committee on Access to Information, Privacy and Ethics.

[*English*]

Pursuant to the order of reference of Thursday, February 12, 2026, section 14.1 of the Lobbying Act and the motion adopted by the committee on Wednesday, September 17, 2025, the committee is resuming a statutory review of the Lobbying Act.

I'd like to welcome our witness with us today to complete the study, Nancy Bélanger, the Commissioner of Lobbying.

I know, Ms. Bélanger, for the sake of members of the committee, you've asked for a little more time to address the committee, given the scope of the study we've done. I'm going to give you that time.

I'd like to remind members of the committee that in the second hour of Ms. Bélanger's being here, we're going to reset the clock, and we'll have a six-minute rounds of questions for members of the committee.

Ms. Bélanger, go ahead. Please address the committee.

Nancy Bélanger (Commissioner of Lobbying, Office of the Commissioner of Lobbying): Thank you very much.

[*Translation*]

Good morning, Mr. Chair and committee members.

Thank you for inviting me today as you conclude your study of the Lobbying Act.

You have heard different perspectives from witnesses and received a variety of written submissions. I appreciate the time that you have taken in conducting this study and the participation of these stakeholders.

In these remarks, I will address my recommendations that received the most attention. I have also shared an additional written submission to address other representations and to provide details for each recommendation.

All my recommendations are informed by my experience of close to 20 years in the areas of ethics and transparency working for agents of Parliament and as Commissioner of Lobbying. They are also informed by the Office of the Commissioner of Lobbying's experience administering the Lobbying Act, the experience of my colleagues across the country and the standards set by the Organization for Economic Co-operation and Development, OECD.

As you have heard, Canada is recognized as a world leader in regulating lobbying. But the OECD testified that, while the “foundational elements” of Canada's lobbying regime are strong, “there remains scope for improvement in more detailed and technical aspects of the regime”.

The act has many unnecessary complexities and gaps that limit transparency and result in uneven application. Eighteen years have passed since the last substantive changes. Meanwhile, other jurisdictions both in Canada and abroad are adopting modern frameworks that address weaknesses observed in our federal law.

First, let me underscore that registration is not required when citizens seek your help or that of other officials, when they raise a personal issue or when they seek information. The act requires registration when a paid consultant lobbyist on behalf of a client—or an employee on behalf of their employer—communicates about specific matters identified in the act with public office holders, a category that includes not just MPs and their staff, but also senators, ministers, parliamentary secretaries and their respective staff, as well as public servants. My submission includes a graphic showing the types of communications that are covered by the act.

● (1105)

[*English*]

Let me now turn to some of my recommendations.

My first recommendation is to remove the registration threshold for employers and replace it with registration by default, subject to limited exemptions.

Currently, employers are required to file registrations if the volume of the lobbying activities engaged in by their employees, individually or collectively, amounts to a significant part of the duties of one employee. This threshold is not defined, and commissioners have had to issue interpretation bulletins to give it meaning. Even with the benefit of this guidance, in practice this registration threshold remains difficult to apply for both those who must register and my office when ensuring compliance.

As the OECD stated, “thresholds are always a matter of interpretation, and most importantly, they can be used to circumvent registration.” The RCMP testified that proceeding with its work “could be very challenging and complex” given the existing threshold.

I am alarmed that some witnesses called for legislating a registration threshold for employers of 32 hours of lobbying in a month. This would allow for more than 380 hours of lobbying activities in a calendar year to go unreported. Such an approach is inconsistent with the transparency objectives of the act and is not an acceptable baseline in an open and democratic society like ours.

We also recognize that in 2026, lobbying professionals have access to powerful artificial intelligence tools that significantly reduce the time and effort required to develop and carry out lobbying activities. The reality that AI will be used increasingly in lobbying is reason enough to eliminate an hour-based threshold.

To be clear, and despite what some have suggested, I have not recommended universal registration by default. My recommendation is to adopt registration by default with limited exemptions based on objective criteria. Smaller entities would be exempt from having to file registrations unless one of their main purposes is to engage in advocacy. This change would guarantee clarity and fairness in application.

Laws currently being developed in other countries do not contemplate registration thresholds. In Canada, the B.C. legislation provides registration by default with exemptions for small entities. The B.C. registrar of lobbyists testified that the strength of their model is its simplicity. New Brunswick, which recently adopted new legislation, has also replaced its former threshold with registration by default, subject to exemptions to be defined by regulation.

I recommend a model where employers of less than a specified number of employees are excluded, but only where advocacy is not one of their primary purposes. As you heard from witnesses generally, the requirements of the act must be clear so that employers know precisely when registration is required. Adopting this model would serve this objective.

You also heard concerns from stakeholders about requiring registration in relation to communications about the awarding of grants and contributions, particularly when these are the only communications they have with federal public office holders. These concerns have been addressed through recommendations three and four, where public and transparent processes already exist.

I would also like to address claims that registration creates an undue burden or excessive red tape, as well as the contention that the requirement to register might put a chill on communications with federal officials. To suggest that transparency must come at the cost of Canadians' ability to engage with you or any other federal official is at best speculative and at worst self-interested, particularly if clear exemptions are set out in the act.

Currently, what is burdensome is the effort needed to determine if the existing registration and reporting requirements are met. This can lead registrants to hire lawyers or to engage in extensive communication with my office to understand the intricacies of the law. This is where the burden lies. It's not in taking five minutes to open an account in the registry and another 25 minutes to add required information. Registration does require some effort, but it's a minimal effort that is necessary and clearly outweighed by the increased transparency and the related public confidence to be gained. Adopting this recommendation will effectively eliminate the effort required to determine whether an employer is required to register. It will also support and recognize Canadians' right to know who is lobbying which federal institutions and about what subjects.

Many of the witnesses stated that the accessibility and usability of the registry is one of its strengths. I would encourage you to listen to a recent podcast by CharityVillage, which is an organization that supports the not-for-profit sector, where they interviewed CEOs about their experiences with the lobbying regime. In my written submission, I've highlighted a few quotes in which these CEOs affirm that requiring more people to register is a good thing, as it reinforces the role and credibility of charities in Canada, and that registering is neither a barrier nor a burden.

To demonstrate the minimal effort required to register, I would be happy to arrange a demonstration for any or all members of this committee.

● (1110)

[*Translation*]

Let me turn to recommendations 12 and 13, which focus on the reporting requirements when designated public office holders are lobbied and which garnered much attention.

I am more convinced than ever that all communications with designated public office holders that amount, in substance, to lobbying should be disclosed, regardless of whether they are oral or written or arranged in advance and regardless of who initiated them. In my view, there is no compelling rationale for limiting disclosure based on these criteria. My recommended approach is consistent with what already exists in British Columbia and with the law recently passed in New Brunswick. The OECD testified that this is standard practice in OECD member countries.

I have also not been convinced by those who argued against eliminating the current “arranged-in-advance” criterion. It concerns me when I hear that requiring impromptu communications to be reported would “flood” the system. Such claims should raise serious concerns for you and all Canadians, as they suggest not only that a significant amount of nontransparent lobbying is taking place, but also that such unplanned lobbying may be of significant value. This recommendation is not, as some have suggested, about requiring lobbyists to report the pleasantries they exchange with designated public office holders in line at a coffee shop or at the airport. The reporting obligations should be exclusively with respect to lobbying communications.

I also want to address concerns that requiring the disclosure of impromptu meetings is problematic because communication reports do not convey the context or circumstances in which lobbying takes place, including that a given designated public office holder may not have agreed to be lobbied in the first place. In my view, the appropriate response to these concerns is not to allow for such instances of lobbying to go unreported, but rather to allow for important contextual aspects of lobbying communications to be disclosed. The requirements for filing monthly reports could be adjusted for contextual and simple information to be reported—such as whether the communication is written or oral, whether it was arranged in advance or occurred by happenstance, as well as who initiated it.

Currently, communication reports only require the names of all designated public office holders who were lobbied to be disclosed. These reports should also identify all those who participated in the lobbying. There is no reason that the identities of the clients and the employees, as well as any other public office holders who participated in a lobbying communication should not be disclosed.

[*English*]

Lastly, I will mention the additional compliance measures in recommendation 17. The act currently lacks basic administrative enforcement tools available in other federal and provincial legislation. The OECD testified that a graduated system of penalties promotes compliance. Amending the act to provide a range of measures would allow for greater flexibility and proportionality in achieving compliance. It would also enhance transparency in enforcement. Of course, as is the case in any other jurisdictions, the process for implementing any of these compliance measures would be subject to the rules of procedural fairness and judicial review by the Federal Court.

In closing, adopting the recommendations I have made would not only enhance transparency and clarity but also simplify the requirements of the act and make it easier for lobbyists to comply. It would also allow for my office's resources to be optimized to improve the registry, further educate and assist stakeholders, and monitor compliance.

[*Translation*]

It is my sincere hope that this study will lead to improvements to the Lobbying Act. Transparent and ethical lobbying is a cornerstone of a healthy democracy that supports citizen trust in public institutions. Amendments that enhance transparency will foster increased accountability, integrity and public confidence. They would also serve to ensure Canada remains a global leader in the regulation of transparent and ethical lobbying.

Mr. Chair and committee members, I will always remain available during the drafting of your report should you require additional information.

Thank you and I welcome your questions.

● (1115)

[*English*]

The Chair: Thank you, Commissioner. There was a lot of value in that opening statement. I can tell that you and your staff have been watching the deliberations—clearly.

We're going to start our opening questions with a six-minute round. We're going to go to Mr. Gunn first.

Go ahead, Mr. Gunn.

Aaron Gunn (North Island—Powell River, CPC): Thank you, Mr. Chair.

Thank you, Commissioner, for coming and presenting here today.

To start off, in your position, are you able to give us an update on how many files have currently been referred to the RCMP, or what has changed since the last time you presented to this committee?

Nancy Bélanger: I think that, since...I actually sent a file to the RCMP last week. There currently are three files with the RCMP, plus one in which charges have been laid and they're awaiting a trial, so they have four.

Aaron Gunn: Thank you.

In terms of what you previously mentioned, do you believe there's an argument that it would be easier if you had the ability to impose monetary penalties or policies when you believe a contravention of the act has taken place, as opposed to always having to refer to the RCMP?

Nancy Bélanger: Of the 20 files I've now referred to the RCMP, most, if not all, could have been dealt with a lot quicker through administrative monetary penalties, through training and possibly through a prohibition on lobbying. There are no tools in my tool box. If I investigate and I have reason to believe, I have to refer to the RCMP. I do believe that right now it's very costly and time-consuming to have full-blown investigations for every single allegation.

I think it would be a lot more efficient. It would also ensure compliance. Most of my decisions would also be made public, so there would be a lot more transparency in relation to the work we do. One of my frustrations is that I can't talk about any of the investigations I do.

It's your frustration too, I know.

Aaron Gunn: Right. I understand.

Speaking to those investigations, my Bloc colleague and I wrote to you back in August, I guess, requesting that you look into the federal government's so-called condo bailout program, where they're buying up a bunch of unused condos in British Columbia. Our questions were always surrounding who stands to benefit, who may have asked for the policy, who wrote or shaped the policy and whether unregistered lobbying took place.

Are you able to guide the committee on what you're able to look into, what you're not able to look into and what you would hypothetically be looking into for something like that?

Nancy Bélanger: Obviously, I will not comment on this particular file, but I can tell you that most times, when any one of you write to me, I'm already aware of what's going on. Most often, I open files to look into everything. I open them through preliminary assessments. If I think I need to investigate further, after I review what's available in the public domain, I open an investigation and I proceed.

I have a very active team. We do look at and watch what's going on outside. We use the media. Very often, we'll be communicating with you to find out whether you were lobbied, and if so, about what. Then we'll continue our investigation.

Aaron Gunn: I'll give you an example. I'm sure you can't comment on this specifically. There's this one individual, Duncan Wlodarczak, who's the chief of staff at Onni Group, which is a big development firm. He's also chair of the Liberal Party in British Columbia.

Does the act run into issues or deficiencies when it comes to people being able to wear two different hats, taking one hat off and putting on another one when conducting a form of lobbying?

Nancy Bélanger: Obviously, any former designated public office holder can't lobby. If anyone leaves office, they can't lobby for five years. I need to evaluate whether lobbying has occurred and whether there's a breach of that particular section. I can tell you that of the 20 files I have sent to the RCMP, five of them were in relation to former DPOHs who lobbied in the past.

When somebody is a lobbyist and comes into office, then I ensure that their former colleagues won't be lobbying them. If the firm is a lobbying firm, then they can't lobby them. We have rules in place to ensure that there are cooling-off periods in the revolving door.

● (1120)

Aaron Gunn: Okay.

Nancy Bélanger: I may not be answering your question. I'm not sure.

Aaron Gunn: If somebody is appointed by the government into some kind of volunteer role and is obviously communicating with the government on a particular policy, do they have to register and disclose their lobbying activities, or is it just assumed by their appointment?

Nancy Bélanger: No. If they're appointed in a government role, they themselves possibly become public office holders, so anyone else lobbying them may have to register. It depends on what they're appointed to do. Anyone appointed as an officer or agent of the Crown by a minister or by GIC becomes a public office holder themselves.

Aaron Gunn: I'm talking about someone who is given some kind of advisory title.

Nancy Bélanger: If they become an adviser without an official title, without an appointment, then they would have to be careful to make sure that in whatever lobbying they do, if it's going to benefit their employer, they would need to register.

Sometimes, these people who are appointed on the advisory are already registered lobbyists. That happens as well.

Aaron Gunn: Thank you.

The Chair: Thank you, Mr. Gunn.

Mr. Al Soud, I have you next. Go ahead for six minutes.

Fares Al Soud (Mississauga Centre, Lib.): Thank you, Chair.

Thank you, Commissioner, for taking the time to join us today.

I want to start with this. First and foremost, I will take you up on that offer for a demonstration on how to register. I think that's an invaluable experience, and I would advise my colleagues to do the very same.

Because you've been following along so clearly in the course of what we've heard here in testimony, you will have heard that Jacques Shore and Suzanne Sabourin of Gowling WLG raised concerns about your recommendation 20. In their brief, they wrote that:

> Granting the Commissioner of Lobbying independent regulation-making authority would constitute a significant institutional overreach, blurring the line between enforcement and law-making in a manner that is seriously inconsistent with foundational principles of Canadian administrative law.

Ms. Sabourin also told the committee that “those who enforce the law should not also make it.”

In your opening remarks, you made mention of this notion of a baseline democratic society like ours and the values that it carries. How would you respond to those concerns that were highlighted?

Nancy Bélanger: I'm not convinced I completely agree with their analysis, and I'll tell you why. I did not ask for unilateral regulation-making power. I've asked for the possibility to recommend regulations that would be subject to the same usual process—Governor in Council approval. That's what I recommended. They extrapolated, dramatized, I'm not sure. They did not read the portion where I said “appropriate” process.

It's not true to say that regulatory bodies do not have that authority. The CRTC does. The Canadian Transportation Agency does. The Competition Tribunal does. Most of these regulatory bodies have the power to recommend or suggest, and then GIC approves it and we would simply apply.

My recommendations are really in relation to what should be on the registry and how we could offer some recommendations. For example, the regulations have not been looked at since 2010. I've had to use the category “other” to add climate, budget and economic development as items of subjects. It's really to be able to offer, as an independent agent of Parliament, some recommendations of what should be on the registry. I just don't agree with their position.

Fares Al Soud: I think, at its core, we all share a similar commitment to that notion of transparency. Maybe there are distinctions as to how we believe we should go about it, but I think in large part that's why conversations like this are so valuable.

As we review the Lobbying Act, as we head to the closure of this, there are fundamental considerations that should be granted to ensuring that stakeholders clearly understand their obligations and that the framework remains predictable and accessible.

Are there areas where you believe that we as Parliament could provide clearer statutory direction in the act itself to reduce reliance on guidance documents or administrative interpretations?

Nancy Bélanger: Absolutely. The first one is the threshold for employers. I think that one right now is “significant part of the duties”. What's interesting is this committee back in 2012 recommended that the threshold should be eliminated, and nothing has happened. I think that threshold needs to go. There needs to be a clear statutory obligation to register. This committee needs to decide what it wants excluded. What should be the exemptions? It can be the size. That's clear. It's objective. What is the size? It's over. There's no debate.

The other two recommendations I've made that would help are to decide what types of communications you don't think should be subject to the Lobbying Act. Those who apply for simple grants through a portal should be excluded, but right now they're included. Those are recommendations three and four. Those are all recommendations that would help to simplify what we really mean by lobbying and then exclude those that are particularly small, that don't do this as a business, really.

● (1125)

Fares Al Soud: Do you have immediate thoughts on what guiding principles might help determine the way that we should address certain responses—that is, legislation, regulation, administrative guidance?

As a general rule of thumb—we spoke about transparency earlier—are there other pieces that you can imagine tying into this puzzle?

Nancy Bélanger: Simplify. For anything that's clear, do not add exemptions to exemptions. The answer to every question we get in the office right now is always “it depends.” Let's remove the “it depends”. Honestly, most of my recommendations aim to do that. Simplify, focus, make clear and enhance accountability. Right now, corporations don't have to list all of their employees who lobby, but organizations do. Why is that? Why is there a distinction? It should be the same for everybody. Keep it simple.

Fares Al Soud: Is it fair to say you deal with quite a bit of material that has a lot of substance and substantiation? That is, there are areas of vagueness, so to speak. Is it valid to say there are certain areas where your ability to recognize that vagueness is also beneficial?

Nancy Bélanger: Absolutely.

Fares Al Soud: In the very little time I have left, the not-for-profit sector is an area I value tremendously, and I have no doubt you do the same. In several instances, we heard testimony from them that they feel at times there's a lack of consultation on some of these pieces.

Is it accurate that, perhaps, there is an area where there could be improvement? How do you currently go about consultation?

Nancy Bélanger: To be frank, I don't think it's my role. I don't think I should get involved in consultations with respect to changes to the act. I've been in this office now for nine years, and I've met thousands and thousands of people. Just since I issued my new interpretation, I've probably met 2,000 people.

I have met with and spoken to many not-for-profits, and I will tell you that what you heard is one side. I really want you to go and look at the quotes I put in my submission this morning. Some have said adding their names to the registry has enhanced their credibility and visibility.

The Chair: Thank you, Ms. Bélanger.

Mr. Al Soud, I gave you the 20 seconds Mr. Gunn had left.

[*Translation*]

Mr. Thériault, go ahead for six minutes.

Luc Thériault (Montcalm, BQ): Thank you, Mr. Chair.

Welcome, Ms. Bélanger. You gave a fairly exhaustive presentation. There were a lot of questions to which I heard a number of answers.

I want to come back to what Mr. Gunn raised earlier. When the Conservative Party and I wrote to you about the issue of condos in British Columbia, you replied to us. I wanted to discuss the issue of transparency with you.

Unfortunately, I don't have the document on hand, but I remember the reply because it made an impression on me. Beyond citing specific provisions of the act, it basically said that it's quite common for matters to already be under review. I understood that you had already reviewed or been made aware of this. However, you told us that, if you decided to move forward, the matter would not be made public. You wouldn't disclose, so we wouldn't be able to know that this matter is under review. To me, that poses a problem in terms of transparency and trust, an issue you raised earlier. Indeed, if a situation warrants your attention, it seems to me that, in the interest of transparency, it would be important for the public to know that it warrants your attention, as there are many things that do not.

I was wondering how we could ensure greater transparency. Right now, you're enforcing a piece of legislation that ensures everything happens in secrecy.

I want to come back to recommendation 17. Some people tell us it's not important for you to have this power, while others are saying that you should have been even more coercive. I'll come back to that later. What this tells me is that if you have to send your investigations to the Royal Canadian Mounted Police, the RCMP, we can't even know that they've reached that point, and everything gets lost in a muddle of weeks, months and sometimes years.

What do you have to say about that? You're not to be blamed; I imagine you're simply enforcing the act. However, what could be done to change that?

● (1130)

Nancy Bélanger: It's as frustrating for me as it is for all of you that you can't know what I'm investigating, but the current act states that all investigations must be conducted in private and in secret, particularly because these are all criminal offences. I can't make public what I sent to the RCMP, as that could jeopardize an RCMP investigation. When asked whether I've launched a preliminary investigation, I can confirm that I have. However, as to whether, in the course of an investigation, I have grounds to send it to the RCMP, I cannot say.

That's one of the reasons why we need other options for making more administrative decisions public. When someone violates the act, a conclusion is reached. If I could present that to Parliament through reports, or publish a list of people who have violated the act, that would help me a great deal. We do a lot of work; we work hard, but unfortunately, I'm unable to discuss this with you and, just like you, I don't like that.

Luc Thériault: What do you recommend so that you can have the right to talk about it?

Nancy Bélanger: If there were a range of penalties for acts that are not all criminal offences, we could resolve the issue and make everything public. In all Canadian models that include a range of penalties, decisions must be made public.

Luc Thériault: However, before even determining whether the offence is criminal or not, an investigation must first be conducted and the facts examined. If, subsequently, it turns out to be a criminal matter, I understand, but failing to make it clear that you're conducting an analysis and examining the facts leaves citizens in the dark.

Nancy Bélanger: I actually confirm that when I launch a preliminary investigation. If I didn't do so in the letter I sent you, I apologize, but I always confirm that when I launch a preliminary investigation. However, once I launch an investigation, I can no longer discuss it.

Luc Thériault: My first question is this: Have you launched an investigation into condos in British Columbia?

Nancy Bélanger: Yes, I have launched a preliminary investigation, but I can't discuss it any further.

Luc Thériault: Okay.

Still on the subject of additional compliance measures, Mr. Conacher from Democracy Watch says that the RCMP and you let 99.9% of lobbyists caught violating the act off the hook. To support that claim, he cites statistics from the Office of the Commissioner's annual report, which show that, since January 2018, you have let nearly 20,000 violations of the Lobbying Act and the Lobbyists' Code of Conduct go unpunished, without the lobbyists in question being identified or penalized. According to him, you could have determined that the lobbyists in question had violated the act, publicly named them and shamed them.

What do you have to say in response to Democracy Watch?

The Chair: Please keep your answer very brief.

Nancy Bélanger: First of all, I have no idea where these statistics come from.

If we're talking about delays, I do accept any late registrations, for transparency's sake. I don't think those late registrations should be sent to the RCMP. If you want to know who is late, that information is published in our registry. The names of the individuals who are late are listed there. It's not a secret. You can determine who is late by checking the registry.

The Chair: Thank you, Ms. Bélanger and Mr. Thériault.

Mr. Hardy, you will begin our second round of questions. You have the floor for five minutes.

Gabriel Hardy (Montmorency—Charlevoix, CPC): Thank you for joining us, Ms. Bélanger. It's always a pleasure to ask you questions and gain insight.

I think we all agree that we want more transparency. That's the problem for many commissioners who appear here: They want more transparency. On October 6, 2025, about a year ago, you said, “I did what I could in terms of ethics, but we really have a transparency issue here”.

A year later, do you feel that things are improving? This is supposed to be a new government. Do you feel that the legislation and structure put in place are leading to more transparency than before?

● (1135)

Nancy Bélanger: My enabling legislation hasn't changed, so from my perspective, it's the same issue with respect to the Lobbying Act.

Gabriel Hardy: Beyond compliance with an act, do you feel that there is more collaboration than before or that not much has changed, that you are in the same process and just playing catch-up with requests? Have you noticed any slight progress or is it, as you say, the same legislation, and therefore the same results?

Nancy Bélanger: When it comes to the enforcement of the act, it's the same thing. I've increased the level of transparency by establishing a new threshold of eight hours. So I would say that more organizations are registering. Other than that, it's the status quo; the act hasn't changed.

Gabriel Hardy: Okay.

Everyone here may think they're doing just fine when we talk among ourselves and tell ourselves we have the right to do certain things, but when the public doubts our institutions, we have a problem. We need to get back on the right track to meet people's expectations. In fact, institutions are fundamentally supposed to serve the public.

You told me, when we met, that asking the government for a contract is not lobbying; applying for grants is. You confirm that this is still the case.

This summer, we reconvened in committee because something unusual happened. On June 18, the government announced a partnership to buy back condos in British Columbia. However, we also know that, previously, in February 2026, the Prime Minister had a meeting with a group of people in a room. You'll see where I'm going with this. Someone filled a room with people who have interests in real estate. They had a fundraiser. That's not lobbying; it's a fundraising event where people want to ask questions and hear about the government's major projects. We're not entirely sure what was said behind closed doors, but oddly enough, a few months later, the Government of Canada decided to buy back condos. It's a bit peculiar, as it very much aligns with what happened at that meeting.

Do you think it's normal that this loophole exists and that someone, supposedly to give a talk or hold a fundraiser, can fill a room with people who have very strong interests and put them in touch with decision-makers, without the public knowing what happened because certain criteria are not met?

Nancy Bélanger: As far as conversations in rooms go—whether it was there, in a room, your office, or at an event—if the communication is a lobbying communication, it must be transparent.

If the communication about a contract involves a consultant lobbyist, they should register. Organizations that have communications about the awarding of a contract are currently not required to register, and that is indeed a problem. This is addressed in one of my recommendations, specifically recommendation 3. I believe all communications about contracts should be included. Quebec told you this was the biggest loophole in the federal legislation; these communications should be included.

However, communications in the context of a public process could be excluded.

Gabriel Hardy: At this time, it's impossible for you to demand that people tell you what happened during that conversation. In reality, no one had to keep any records; no notes were taken—it was informal. That's a problem.

According to the act, these people are following the rules, because the act allows them to fill a room with people with special interests and to connect them with decision-makers. A few months later, there's nothing anyone can say, but everyone raises their eyebrows slightly.

Nancy Bélanger: It's an obvious problem if these communications aren't transparent.

Gabriel Hardy: Excellent.

I have another quick question. For example, let's say I own a large company that would benefit from working with the government; however I'm simultaneously working for a political association—regardless of which party. If I attend big annual conventions and have access to decision-makers, is it a conflict of interest for me when it comes to discussions I may have or the interests I represent? These are ultimately my friends. We chat. I tell them that Canada would be so much better off if it did this instead of that, or if it moved into sector x or y. I could tell them I know it's an up-and-coming sector because I work in it.

Are those discussions registered? Do you have access to that information? Are you able to say we need to be careful because lobbying took place? Or do you only realize afterward that some key projects happen to align remarkably well with some companies?

● (1140)

[*English*]

The Chair: Go ahead quickly, Ms. Bélanger.

[*Translation*]

Nancy Bélanger: What I would say is that lobbyists must first register. Once they're registered as a lobbyist, they're subject to the lobbyists' code of conduct. Therefore, they wouldn't be allowed to lobby their friends or people with whom they have a close relationship. Consequently, this matter should be reviewed.

The Chair: Okay, thank you.

Nancy Bélanger: It's their responsibility, but we also conduct monitoring.

The Chair: Thank you, Ms. Bélanger and Mr. Hardy.

[*English*]

Ms. Tesser Derksen, you have five minutes. Go ahead.

Kristina Tesser Derksen (Milton East—Halton Hills South, Lib.): Thanks so much, Mr. Chair.

Thank you very much for being here today. This is actually my first time engaging with a witness at this committee, as I just joined a few weeks ago, and we've been busy reviewing other matters.

I want to start with a question about compliance in general. You may recall that one of our witnesses, Brian Gear from the Treasury Board, indicated that there was some doubt about non-compliance.

We go through these exercises because we want to be current. We want to make sure we're serving Canadians and making sure that legislation is updated, but at the same time, if I could play devil's advocate, some people might say, “Are we creating work where there isn't actually a problem to address?” I think that's what Mr. Gear was getting at in his testimony.

In your opinion—and I could probably guess what your answer will be—as far as non-compliance goes, what would you say about Mr. Gear's comments? Are those fair comments, that non-compliance is not necessarily an issue?

Nancy Bélanger: First of all, when it comes to registration, I think consultant lobbyists know their obligations. They're professionals. They know.

The issue is with employers. There's now a threshold, and they do not know if they meet the threshold or not. There's a lack of clarity as to whether they should. Maybe some of them are not registered and should be. There might be a compliance issue. One of the reasons why I reduced 32 hours to eight hours was that people were having lobby days and were not registered. There was an issue of a lack of transparency.

With respect to compliance—and that's exactly what Mr. Thériault's question was about—there are a lot of people who are late. They're late in registering.

My submission has some statistics, but people are late. In the registrations last year, 1,148 people were late. Actually, 860 people were late for 1,148 late registrations. That's a lot of tardiness. In the monthly communication reports, out of the 40,000, 2,000 were late. There are some compliance issues with respect to meeting the deadlines, because I don't send those to the RCMP, and I shouldn't have to send those to the RCMP. My annual reports every year talk about tardiness in reporting. That's where the compliance lies as well.

Kristina Tesser Derksen: I take your point that there may be minimal problems that we're not actually identifying because the legislation is not permitting us to.

Have I encapsulated it?

Nancy Bélanger: I can tell you that there are many people who are late. It's in our registry that people are late, but I will not be sending those to the RCMP. First of all, I don't have the manpower to do a report to the RCMP every time someone is late, so we accept it for transparency. I monitor them. I write them letters. I meet with them and say, “Hey, these are offences under the act”, but I can't do anything about it.

Kristina Tesser Derksen: I guess that goes to your point about having more power to identify what you want to be able to investigate in-house and to impose more administrative penalties.

Nancy Bélanger: Yes.

Kristina Tesser Derksen: I have a question about that. If you can't get terribly specific, I understand.

I'm curious as to how that process would sort itself out within your office. If you have a matter that could potentially be something you'd refer to the RCMP, you'd propose doing a file on your own and then referring it to the RCMP if it ends up being something you deem criminal.

Take me through that process. What are the check marks you're looking for?

Nancy Bélanger: First of all, we monitor what's going on in the news. We get letters from members of Parliament. We get a lot of letters from Canadians saying, “Look, here's a picture of this person with that person, and they're clearly not registered.” We look into it. We look at what's publicly available. We write to federal officials all the time to get information. Then we evaluate whether the communication is a lobbying communication. Is it actually a volunteer association? If so, they're not subject to the Lobbying Act.

We do our preliminary work. If we have reason to believe an investigation is necessary to ensure compliance, I open one. We do more investigative work, and then I write a full-blown report to the RCMP with the evidence I've obtained. They have testified that our reports are quite thorough and well done. That's what I do.

With respect to tardiness, people call us. They volunteer. They admit, “I should have registered six months ago or a year ago. I'm sorry.” They're 15 days late. They were missing information. That happens all the time, and we accept those. I'm not going to say that I will investigate them. It's on a volunteer basis. We accept that for transparency purposes. However, when people are constantly late, at some point, there would be a process in place. In the legislation that has administrative or monetary processes, there are things to look at. How often are they late? Have they been late before?

● (1145)

The Chair: Thank you, Ms. Tesser Derksen and Madame Bélanger.

[*Translation*]

Mr. Thériault, you have only two and a half minutes left in this hour, but in the next hour, I'll give you five minutes during the second round.

Please begin.

Luc Thériault: My comments still pertain to your recommendation 17. In his brief, Mr. Thurlow questions the effectiveness of administrative monetary penalties. He claims that they are not a decisive factor.

What's your response to the claim that the effectiveness of administrative monetary penalties is not a decisive factor?

Nancy Bélanger: In some cases, it may not be necessary.

Personally, I'd still like to start with mandatory training. Then, if someone registers late again, we could impose an administrative penalty. I agree the penalty itself may not be the deterrent; rather, it's the fact that it's made public. It becomes a way for the person to remember that, next time, they'll respect the deadline.

I would say that these regimes exist elsewhere and they should be part of our tool kit. We can assess whether it's actually the most effective approach for the situation.

Mr. Thurlow is entitled to his opinion. Personally, I'd prefer administrative penalties to having to refer everything to the RCMP.

Luc Thériault: He also testified that granting you the authority to impose administrative penalties could put you in a position of being both judge and jury.

Could the power to impose administrative penalties affect procedural fairness? What's your take on this?

Nancy Bélanger: This situation exists in other regulatory regimes where such a procedure is in place. Then there are appeal processes within the organization itself. Next there's the judicial review at Federal Court. This process—in which a regulatory body can impose an administrative penalty—is therefore not new.

Luc Thériault: How would you guarantee this?

Nancy Bélanger: We would establish a process and make it public. I worked on the Conflict of Interest Act process when I worked in that sector. When someone is late, they receive a notification and are asked to provide the reasons for the delay. If the explanation is accepted, that's the end of it. If it continues, a penalty is imposed. The individual can then submit comments. If they don't accept the penalty, they can choose the internal appeal process. I'd likely have an administrative team handle it; the individual could then appeal to me and subsequently apply to the Federal Court for a judicial review.

Luc Thériault: However, right from the start, it would mean making that information public.

Nancy Bélanger: Yes, whenever a penalty is imposed, that would be the case.

The Chair: Thank you, Mr. Thériault.

[*English*]

Mr. Jivani, you have five minutes. Go ahead.

Jamil Jivani (Bowmanville—Oshawa North, CPC): Thank you, Mr. Chair.

Thank you for being here. I think your office is very important for making sure there's a fair playing ground for Canadians to have a say in their government.

I have a question to follow up on one Mr. Gunn asked about volunteer roles. Let's take an example. The federal government has a volunteer-based AI strategy task force that has a lot of corporate executives sitting on it. What rules are there to shape how those corporate executives may influence or communicate with the federal government?

Nancy Bélanger: When I am made aware that these groups are set up, I often write to them to say, “You might be on this board, but any communications you have that could benefit your employer, whoever you're with, could be considered a lobbying activity, and you would need to register about it.”

Jamil Jivani: Do any of them take you up on that opportunity to register?

Nancy Bélanger: Yes, there are some who are registered.

Jamil Jivani: Are the rules different for someone who's unpaid versus someone who is paid as a lobbyist?

Nancy Bélanger: Yes. They're on this board as a volunteer. However, without their employment, they wouldn't be on this board. It's hard to separate.

I'm of the view that if you're actually getting paid by your employer and you happen to be on this board, it's as if you're getting paid if the communications you're having would benefit your employer.

● (1150)

Jamil Jivani: If they emailed a minister for something that maybe isn't obviously related to their employer's interest, that wouldn't be covered.

Nancy Bélanger: No.

Jamil Jivani: What if they ran into a minister at a reception in Ottawa or some kind of social event? Would that be covered?

Nancy Bélanger: It's covered if they're communicating on behalf of their employer and the employer would be the one benefiting from whatever they're asking for. They would need to register. If it's a minister, then they would have to do a monthly report as well.

Jamil Jivani: Would you say there's a lot of deference paid to the person involved to make that determination of whether something would be—

Nancy Bélanger: Absolutely. I have a team of 32 people, and I don't attend any of the events that you are attending, so of course.

The amount of information that we can find in the public domain is incredible. The fact that Canadians write to us.... They're concerned about this. Transparency.... People use the registry, and it's important that the interactions you have with Canadians be known so that Canadians can evaluate, investigate and determine the impact of those communications on our policy at the federal level.

Jamil Jivani: Your recommendation 12 seems to touch on a lot of this.

Nancy Bélanger: Yes.

Jamil Jivani: Can you explain what Canadians don't get access to currently that, if recommendation 12 is adopted by the government, might be known to Canadians after that?

Nancy Bélanger: All of the impromptu meetings are not covered. When you get an actual letter.... Right now, the registry is “if I intend to lobby” and “I do lobby”, but we have no idea when an actual letter is written or when an actual oral communication has occurred. There is a gap in transparency.

It also depends on who arranged the meeting. That's another thing that needs to be taken out. There are a lot of discrepancies and complexities that are unnecessary, and it limits transparency.

Jamil Jivani: You mentioned charities earlier. Is it true that corporations are actually held to a lower standard of disclosing who might be communicating with the government than a charity is? How does that work?

Nancy Bélanger: Organizations need to list every single in-house employee who lobbies for them. Corporations only need to list their senior officials and employees who lobby as a "significant part" of their work—those words come back again. Any employee in a corporation who lobbies less than eight hours doesn't have to be listed. Accordingly, they're not subject to the code of conduct.

Jamil Jivani: What possible reason could there be for that?

Nancy Bélanger: I have no clue, and my submission will say that I have no—

Jamil Jivani: Do you care to speculate as to why that might be the case?

Nancy Bélanger: There must have been someone who wrote the law and thought this would be a good exemption. I have no idea.

Jamil Jivani: That corporations should have a bigger say with their government than charities sounds ridiculous.

Nancy Bélanger: There are a couple of places in the law where there is a different exception for corporations as compared to organizations, and I do not understand the rationale. My submission speaks to that.

Jamil Jivani: My final question is about the late registrations you mentioned. I think that last year there were 3,200. Why not fine someone more frequently?

What's stopping you from doing more fines for late registrations?

Nancy Bélanger: I don't have the power to do fines. I do not have the power to fine anyone in breach of the act.

Jamil Jivani: That doesn't set a good example for following the rules.

Nancy Bélanger: The only thing I can do.... They're all offences, and if I think there's a breach and offence, I can send it to the RCMP. It's not a good use of our time—or the RCMP's time—to send tardiness files to the RCMP.

Jamil Jivani: Thank you.

Nancy Bélanger: Thank you.

The Chair: Thank you, Mr. Jivani.

Mr. Bains, you have up to five minutes. Go ahead.

Parm Bains (Richmond East—Steveston, Lib.): Thank you, Mr. Chair.

Thank you, Commissioner, for joining us today.

This past summer, Andrew Wade, the executive director of the Richmond Arts Coalition, reached out to me with serious concerns about your recent interpretation of federal lobbying regulations, where communications related to the awarding of a federal grant, contribution or other financial benefit may be considered a lobbying activity under the Lobbying Act. This includes time spent writing and preparing a federal grant application. This counts towards the eight-hour threshold over a consecutive four-week period.

Most Professional Association of Canadian Theatres members do not have dedicated government relations staff. They're often community-led organizations. Grant writing is typically carried out by executive directors, artistic directors, general managers, development staff or other employees whose primary responsibilities are not lobbying. These individuals are focused on keeping organizations open and operating, supporting artists and arts workers, serving their audiences and delivering programming in their communities.

Can you please inform the committee about how the previous status quo was insufficient and required this new interpretation?

● (1155)

Nancy Bélanger: Absolutely.

I've met a lot of people in the last year. I heard that concern and have made a recommendation to fix it. That's recommendation four.

Communicating about the awarding of grants and contributions is already in the act. I have not changed that. It's always been in the act that communications about the awarding of grants and contributions is a lobbying activity. The issue is this: When we had a threshold of 32 hours a month, people ignored the law. They figured they didn't meet the 32-hour threshold. Therefore, they simply did not register their communications about the awarding of grants and contributions. I will tell you, though, that some did register if they knew their communications about getting a grant were taking up more than 32 hours.

By reducing the threshold to eight hours, we're now capturing a lot more people, and I hear them. I've told them that I understand this concern. I've met a lot of them, which is why they're getting a lot of support in my recommendation three. I believe that if all they do is apply to a public grants or contributions program, they should be excluded. I've heard them. I've met with them. I've supported them in registering.

The thing is that some people have told me that they don't even meet the eight hours because AI does the applications for them. There's that, but I understand the concern and think we need to fix it.

Parm Bains: Okay.

You're ultimately saying that it wasn't your intention to capture the cultural, charity and community-focused organizations in that interpretation but that you would compel these groups to comply with the costly and restrictive interpretations of the act. Is that—

Nancy Bélanger: I don't know that it's costly. It doesn't take that long to register, so I think that is a bit of an overstatement.

I'll tell you that a lot of the people who have registered have told me that the enhanced visibility and credibility they've had since they've registered is incredible.

I'm not sure that it's costly, but I understand they should not need to register, particularly those getting grants or contributions when these are the only communications they have. However, the words in the act are there now. I didn't invent them.

Parm Bains: Ideally, what kind of message would you suggest go back to some of these organizations that are in this...?

Nancy Bélanger: I personally have done presentations to many of these groups. I have told them that if they think they meet the threshold, communicate that with us and we will help them register.

Parm Bains: Okay.

How much time do I have?

The Chair: You have a minute and 15 seconds.

Parm Bains: I'll cede my time.

Thank you so much.

[*Translation*]

The Chair: Would you like the remainder of the speaking time, Mr. Thériault? You have one minute to ask a question, if you so wish.

Luc Thériault: Yes.

I'd like to talk about registration by default. On this point, the Canadian Federation of Independent Business has raised concerns regarding its members and their relationship with their members of Parliament.

What kind of interactions with a member of Parliament might these people have? What would trigger the registration-by-default requirement?

Nancy Bélanger: It would be any communication about program or policy development, program or policy changes, or communications for funding. The Lobbying Act regulates such communications.

Luc Thériault: We're talking, then, specifically about funding.

Nancy Bélanger: We’re talking about funding, programs, policies, legislation or regulations. If we want to make any changes, these communications are all covered in the act. So, whenever we want to develop legislation or programs, or make a change to legislation, programs, policies or regulations, or secure funding, that communication that must be registered. That's how it stands now.

The Chair: Thank you.

[*English*]

That completes our first hour.

Ms. Bélanger, are you okay? Do you need a break?

Nancy Bélanger: I'll just grab some water.

The Chair: Go ahead.

Why don't I suspend for a couple of minutes and give us a break? That way, people can gather their thoughts.

We'll come back in two to three minutes.

● (1155)

_____(Pause)_____

● (1200)

The Chair: I call the meeting back to order.

We are with the lobbying commissioner, Nancy Bélanger.

We are starting our second hour in relation to the statutory review of the Lobbying Act.

[*Translation*]

Mr. Hardy, you may begin this second hour. You have six minutes.

Gabriel Hardy: Thank you again for joining us, Ms. Bélanger.

I just want to clarify something: the Lobbying Act was last updated in 2012, so some 14 years ago, correct?

Nancy Bélanger: The act was passed in 2008 and reviewed in 2012, but there were no changes.

Gabriel Hardy: There have been no changes since 2012. No changes have been made for 14 years then.

Nancy Bélanger: There have been no changes since 2008.

Gabriel Hardy: Oh, since 2008. Okay.

Nancy Bélanger: Correct. The legislation was reviewed in 2012, but no changes were made.

Gabriel Hardy: That's even worse. Okay. That's fine—it takes a while to get things started.

You said at the beginning that it's sometimes difficult to define what constitutes lobbying—the so-called threshold—because there are often “yes, but” situations. That entire part of your opening remarks was in English. That said, often in those “yes, but” situations, loopholes are used—intentionally or unintentionally—to push issues forward. We discussed one such loophole that we find suspicious and that appears to have been exploited in the case of the condos.

Recently, on October 8, 2026, the government announced the national heat pump rebate program. It jumped into the heat pump market. It seems like this is a profitable business sector. We're watching how things play out. We're talking about $2 billion in funding over eight years. As you know, the Standing Committee on Access to Information, Privacy, and Ethics has often discussed Brookfield, a company in which our Prime Minister holds shares or has an interest. Now, it turns out that Brookfield owns a company in this sector.

This brings me to my question.

As you said, it's sometimes hard to see the threshold. Let's say a company—my example is hypothetical—takes certain steps, but the company itself wouldn't directly benefit from the government's investment. In this case, the government invests and sends the money to citizens. People have the option to buy a heat pump on the market. However, in this market, there happens to be a very well-known company that will benefit indirectly, and then indirectly again, and so on.

How many times does the money have to change hands indirectly before the situation is brought to your attention, before you look into it and realize that there's clearly something wrong and that you need to investigate?

● (1205)

Nancy Bélanger: We're talking about any communications made on behalf of an employer. That doesn't necessarily mean that the employer benefits from it. I would say it's any communication on any matter related to lobbying activities. If it's to get a contract, it's not covered by the Lobbying Act.

Gabriel Hardy: In my example, we can agree that this is a key initiative taken by the government and that it will help an industry in which Brookfield has significant interests. It didn't happen directly. There was no specific action where someone said that they or their employer would benefit from it. It wasn't a request. However, we need to look at the objective: Ultimately, one market will be worth more. So business owners in that market will benefit.

Could this aspect represent an issue that has never been raised and that, in your position, you would have some authority to investigate?

Nancy Bélanger: Depending on how the act is worded, I would be able to include all communications on a program. It could be a program, a policy, or an approach; my interpretation of the act is quite broad. I believe I would be able to include it within the scope of what is regulated by the Lobbying Act.

Gabriel Hardy: You may not be able to answer my question—I don't know—but let's take the specific case of a company like Brookfield, which we have a frequent interest in. Can you tell us whether you regularly see this name come up and have to investigate or look into it, or whether, over the past year or two, it hasn't been a name that's come up often? Charges haven't been filed; it's simply a case file. You say that, when you open a case, you make it public.

How many cases have been opened in the past year involving Brookfield or one of its subsidiaries? There are 2,200 companies.

Nancy Bélanger: Have there been any preliminary investigations into Brookfield? I'm not sure if there have been any, to be honest. Brookfield has various subsidiaries, and they are listed in the lobbyists registry.

Gabriel Hardy: Are you saying that Brookfield didn't lobby the government, or that you've seen a lot of—

Nancy Bélanger: The company has certainly lobbied the government, but it has measures in place to ensure that it doesn't lobby those with whom it has a close relationship.

Gabriel Hardy: All right. On that front, everything looks good—or at least, no red flags have been raised. That's perfect.

Let's continue along those lines. If a company or consortium owns between 2,000 and 2,200 companies, the eight-hour threshold applies each time. That means lobbying could take place 2,000 times for seven hours, and it would fly under the radar. In that case, you have no obligation or you don't have to go there.

Nancy Bélanger: In fact, if each of these companies lobby for less than seven hours a month, they are not currently required to register. That needs to change.

Gabriel Hardy: Maybe that's why there aren't any problems right now.

Nancy Bélanger: It should be registration by default, with the exemptions you wanted to discuss.

Gabriel Hardy: You're referring to what I just presented to you. Okay.

How much time do I have left, Mr. Chair?

● (1210)

The Chair: You have one minute left.

Gabriel Hardy: All right.

Let's use the example where, as we said earlier, an individual is voluntarily appointed and they represent what are key issues for the government or measures the government will implement. That person must record any lobbying activities they engage in or any lobbying activities directed at them by others. If, a few months later, they become an elected official, do they have to go back over everything that happened, or do they start from scratch? Clearly, lobbying activities directed at them may have occurred. At that time, the individual wasn't an elected official. Suddenly, they've become one. If this influences their decisions, we end up in a sort of grey area between the two.

Nancy Bélanger: Up until the time that person is elected, it's my responsibility to ensure that, if any lobbying activity takes place, they are registered in the lobbyists registry. Once they become an elected official, my colleague, the Conflict of Interest and Ethics Commissioner, takes over. What I can do, however, is notify people in the organization where that individual previously worked and inform them that, if they are indeed engaging in lobbying, they cannot lobby this individual—who was their former colleague—under the lobbyists' code of conduct.

The Chair: Thank you, Mr. Hardy and Ms. Bélanger.

[*English*]

Mr. Rana, you have six minutes. Go ahead, please.

Aslam Rana (Hamilton Centre, Lib.): Thank you, Chair.

Thank you, Madam Commissioner, for your valuable time.

I'm a class of 2025 MP. This is my first time, as well, to be sitting at this committee.

If someone enters my office for lobbying, how do I know if they are registered or not? Does my office have the right to ask them, or do we have the right to refuse if they are not registered?

Nancy Bélanger: You have all the rights in the world to manage your calendar as you wish and, absolutely, you can ask them if they're registered or not. I would invite you, before you meet with them, to have your staff consult the registry. The registry will tell you if they've met other people before and about what. If they're not registered, it does not mean they're doing anything illegal, because they are likely possibly under the threshold.

It's not because they're not registered that you should not meet with them. I know that some people insist that people be registered for the meetings. That is up to you to decide. You can ask them, if they're not registered, why not, and they will give you the answer as to why they're not registered. They're either volunteers or they're under the registration threshold.

Aslam Rana: Thank you very much.

You have recommended that your office be granted immunity—

Nancy Bélanger: Yes.

Aslam Rana: —which we have heard that many other agents of Parliament already have.

Can you tell us how this would help your office carry out this work and—only if you're able to speak to this—have there been situations where your office faced legal proceedings in which this kind of protection would have helped?

Nancy Bélanger: I have not had a situation where I've been threatened with legal action. I've been very lucky so far. I really believe this was a simple oversight. All agents of Parliament have immunity. They all regulate departments, and they feel as though they have immunity. I regulate the private sector. It should have been obvious that it should have been in the law. It's clearly, to me, an oversight. If there's an actual reason it wasn't there, I don't know it, and I think that should be fixed.

Aslam Rana: Several witnesses, including Scott Thurlow, suggested that rules on grassroots lobbying should apply to those who organize and direct companies, not to the individuals who simply take part. In Ontario, managing a grassroots campaign is treated as lobbying, but participating is not. Do you agree with that approach?

Nancy Bélanger: That's the approach that exists now. Grassroots is a lobbying communication. It's a method of communication currently in the Lobbying Act. When people register, they need to check that they are intending to use grassroots lobbying. My recommendation is not to have every individual who takes up signing letters or sending you letters have to register. That's not what I've asked for.

What I'm saying is that the registry.... Once a lobbyist has checked that they intend to use grassroots lobbying, when they actually do it, they should go back in the registry and say, “We are having a campaign right now targeting members of Parliament, targeting this particular department,” so if you get many letters, you will know who's behind it.

I understand that this is an issue right now. I think, with AI, it's going to become even more of an issue. If people are going to use grassroots, when they actually do, they should indicate it in the registry. That's one of my recommendations. I think it's recommendation nine.

Aslam Rana: Scott Thurlow also suggested sharing the federal lobbying registry infrastructure with the provinces and municipalities to reduce duplication and cost. What are your views on this? Are there particular legal barriers?

Nancy Bélanger: Yes, there's probably the Constitution. I think the Lobbying Act.... It would be wonderful if every province had the exact same requirements as the federal level, and the municipalities. I do not know when that will ever happen.

Could we have one registry in which a lobbyist goes in and clicks, “I'm lobbying the province” versus “I'm lobbying the federal government”? That would be wonderful, but somebody would need to have the resources to undertake that project, and I certainly don't.

Aslam Rana: Thank you very much.

Small business and non-profit witnesses stressed the importance of guidance before penalties. Christina Santini of the Canadian Federation of Independent Business urged the committee to “educate first”. The Treasury Board Secretariat recognized your office's strong work on education and guidance. If your office is given additional compliance tools, do you agree that an education-first approach should apply?

● (1215)

Nancy Bélanger: Absolutely. That is what we do now. The fact that we accept.... We do a lot of outreach. I never say no to any requests for a presentation. Just in the last six months, I think we've done 93. We're very active, and we are really trying to.... It's a big country in terms of trying to reach everyone to figure out if the Lobbying Act applies to them, so absolutely.

Aslam Rana: Thank you very much.

Thank you.

The Chair: Thank you, Mr. Rana.

[*Translation*]

Mr. Thériault, you have the floor for six minutes. Please go ahead.

Luc Thériault: Thank you, Mr. Chair.

I want to come back to the issue of registration by default. Several witnesses opposed it, arguing that it would be an administrative burden for small businesses and non-profit organizations. In your introduction earlier, you mentioned that you were aware that registration by default could be a burden or that it was something to consider, since you told us that it wasn't universal and that you had considered exemptions.

I would like to know what type of exemption could be included in the act if registration were to be by default.

Nancy Bélanger: That was perhaps one of my biggest frustrations when I was listening to the witnesses. From the beginning, I've been recommending registration by default with exemptions. I never recommended that it be registration by default without exemptions.

What should the exemptions be? That's the question.

I think you can start with the size of an organization. In British Columbia, there are six employees.

We can also determine what kinds of communications are not important to Canadians. Then it would be exemptions such as those addressed in recommendations 3 and 4. For example, if we are talking about communications that are already done in a transparent manner, we would not need to include them.

Can there be other exemptions? We could talk about an organization's budget or look at its sales figures. There may be amounts that could be reduced.

I would also recommend that you look at the various statistics that the Department of Industry and Statistics Canada have on the size of organizations and businesses in Canada. For example, 77% of businesses have fewer than nine employees. That might be an appropriate number. I would recommend a threshold of six employees, as in British Columbia, but there are different options.

It would really be a matter of looking at the size of organizations and excluding communications that we want to exclude, as I propose to do in recommendations 3 and 4.

Luc Thériault: Speaking of British Columbia, you've opened a door for me. A committee tasked with reviewing the Lobbyists Transparency Act every five years has recommended returning to a registration threshold. What are your thoughts on that?

Nancy Bélanger: I think this committee has been convinced—as you have, if you're convinced—by the people who are there, but I have yet to see a response from the government. We'll see. The government has just changed in British Columbia. We'll see what its response will be, but I think it would be a step backward.

Luc Thériault: It proposes a 50-hour threshold.

Nancy Bélanger: Yes. In fact, you heard from the Integrity Commissioner of Ontario, who mentioned 49 hours of lobbying. That province's threshold is 50 hours a year, and that's far too much. We really shouldn't be using an hourly threshold, especially given the rise of AI.

Luc Thériault: If everyone had to register by default and you were to grant exemptions, would you be able to manage that, in terms of administration and managing the exemptions? What impact would that have on you, from an administrative standpoint?

Nancy Bélanger: I reduced the threshold to eight hours, and we've been able to manage that so far. As a result of that, about 200 more organizations have registered.

While the criteria under the Lobbying Act are clear, it won't be up to me to manage them. What will happen is that there will be a registration by default, but if the organization has fewer than six employees, it won't need to register. People won't register, so it will be simple. It will be a kind of self-determination, but it will be a lot easier than figuring out whether we've reached a set threshold.

Luc Thériault: Okay.

How much time do I have left, Mr. Chair?

The Chair: You have two minutes and ten seconds.

Luc Thériault: Okay.

Ms. Bélanger, I would like to come back to Ms. Santini's statement. Earlier, you told me that there are three requirements when an organization or corporate executive meets with a member of Parliament. Ms. Santini was saying that sometimes these meetings are simply to express frustration or make recommendations, and that the conversation is very brief. Do these people really have to register?

● (1220)

Nancy Bélanger: If the substance of the communication isn't lobbying, they don't have to register. However, it's a different story if their frustration means that they're asking you to vote—

Luc Thériault: —to change the legislation.

Nancy Bélanger: Yes. If they ask you to change the legislation or to vote a certain way during certain votes in committee, then that's lobbying.

So it depends on the substance of the conversation.

Luc Thériault: So, given that there would be exemptions, it wouldn't be a universal system at that point. If people understand that, then it shouldn't be a problem. It wouldn't be a problem for you either, from an administrative standpoint, to manage that.

Do you think that some cases will slip under your radar because of the exemption criteria?

Nancy Bélanger: That's highly likely, because it's possible that an organization with four employees would have to register. That's why I think the exemption shouldn't apply to an organization if one of its ultimate goals is precisely to engage in advocacy. If that's the organization's goal, and it's part of its mandate, then it should simply register.

Will some cases slip under our radar? Could it be that someone in an organization with three employees might spend 100 hours lobbying? That may be the case. When that happens, we'll have to talk to these people, and they may choose to register voluntarily.

Luc Thériault: Regarding the administrative burden issue, you said you could give us a demonstration. I'm very interested in that.

Thank you.

Nancy Bélanger: Absolutely. I will reach out to you and to those who have expressed an interest in this.

The Chair: Thank you, Mr. Thériault and Ms. Bélanger.

[*English*]

We will now go to our second hour, starting with five-minute rounds.

Mr. Gunn, I have you on the list. Go ahead.

Aaron Gunn: Thank you, Chair.

Commissioner, just as a point of clarification, maybe you can help me understand something. If you are lobbying an official office-holder, you have to register that lobbying activity. Is that correct?

Nancy Bélanger: If you are lobbying a public office holder, you need to register that you're lobbying that department.

In terms of the monthly report and additional conversations, if you have an oral and arranged conversation with a designated public office holder—all of you are designated public office holders, as are senators, ministers and staff, deputy ministers or associate deputy ministers—then you have an additional obligation to then record that particular conversation.

Aaron Gunn: What happens, then, if you have somebody...? This is interesting, because it actually affects the Prime Minister from before he was Prime Minister.

Let's say you are designated as an official economic adviser, as he was, but that position is housed within a political party, in that case the Liberal Party. If you were lobbying that individual—if someone was lobbying the Prime Minister when he was in his former position of economic adviser to Prime Minister Trudeau—would you have to register that activity?

Nancy Bélanger: Those in positions in a political party are not public office holders under the federal regime. Anyone who has communication with them would not be covered under the Lobbying Act.

Aaron Gunn: Does it open up a bit of a loophole, where individuals who are housed within political parties can basically be lobbied as intermediaries? Would you then not have to register...?

Again, the Prime Minister, when he was in his role as economic adviser, could have basically an unlimited number of people lobby him, and then he would be able to have an unlimited number of conversations with designated office holders within the political party.

Nancy Bélanger: You mean because of the political party. The Lobbying Act is meant to regulate the communications with federal officials in their role of directing policy and financial programs. In terms of all of the communications that happen with political parties and then are transferred, that is not covered—no. It would become difficult, I believe, to try to regulate that. Where do you put the line? Is it a political party? Then it's your neighbour who ends up talking to you. I don't know how we would regulate that.

Aaron Gunn: I guess it opens up a little bit of a loophole.

Nancy Bélanger: Of course.

Aaron Gunn: I appreciate your frankness in communicating that.

I have another question for you. You conduct a preliminary investigation and then you refer to the RCMP. Is that correct?

What is the threshold you need to reach internally to refer an investigation to the RCMP?

Nancy Bélanger: The threshold under the act is that I need to have reason to believe that an offence has occurred. It's a pretty low threshold.

Aaron Gunn: Would that be on the balance of probabilities?

● (1225)

Nancy Bélanger: Yes, exactly.

Aaron Gunn: Okay.

Do you have any statistics or even have a rough estimate of the percentage of investigations referred to the RCMP that lead to prosecution?

Nancy Bélanger: I sent one just last week, so let's put that one aside. Of the 19 that I have referred, two have led to prosecution.

Aaron Gunn: Obviously, they have to reach a threshold of reasonable probability of conviction, I suppose, to pursue with charges.

Nancy Bélanger: Yes.

Aaron Gunn: How does Canada's lobbying legislation compare with other countries in the western world? Are there other best examples out there that we could borrow from?

Nancy Bélanger: There are a few examples. I would highly recommend that you have a look at the OECD's testimony. They referenced a number of countries. All the new legislation that's being adopted does not have the threshold. They go with registration by default with exemptions. They practically have a spectrum of sanctions.

We do very well in Canada. It's mainly because we're the first country in the world to have ever had a lobbying act or a registration requirement, dating back to 1989. We're very much a point of contact, based on our experience. As the OECD testified, we have room for improvement. I'm hoping that the recommendations I have made will bring us there in order to improve and go back to being one of the best ones in the world. We're lagging right now in some of the elements.

Aaron Gunn: Maybe I'll ask a final question very quickly.

With regard to the loophole I identified before, through indirect lobbying, do you think there's an argument to be made that the number of individuals that have to register who they're going to lobby should be extended to also cover political parties?

Nancy Bélanger: That's a good question.

I mean, how much do political parties actually affect the policy positions of the federal government? That's a decision you need to decide on. I don't really take a view on that. I haven't put enough thought into it to express an opinion.

The Chair: Thank you, Mr. Gunn.

Ms. Chagger, you have five minutes. Go ahead.

Hon. Bardish Chagger (Waterloo, Lib.): Thank you, Mr. Chair.

Commissioner, welcome back. It's always great to see you. It's great to see some of your team here as well.

I'll tell you that as a member of Parliament for the riding of Waterloo, I often have challenging conversations with constituents, because how I perceive things and where I'm at and what they're undergoing are very different. Oftentimes, I'll say, well, it's not complicated, but the individuals I am representing and who I'm here to serve would disagree. I have to say that anyone who's been in government, especially for a long time, is quite disconnected from the real world out there, and that's why we talk about the "Ottawa bubble".

I would love to know just a bit of your background as to what you've done prior to this role, perhaps, because when you say that it's not complicated, I really do want to get into what that other side is. I understand the big firms that have a lot of resources, but I also know the not-for-profits and I know the small businesses. I would like to start to understand what the burden is on them.

It's just a quick answer as to whether you have ever had to register for any kind of federal department or agency.

Nancy Bélanger: No, I have not had to register. I've been a public servant for 35 years plus and am getting very close to retirement.

No, I have not had to register, but I have met thousands of people. I have also met and spoken to people who have registered and who have told us, "Do you know what? I was scared. I thought it was going to be difficult and it's not."

You did get testimony that the registry is not that hard. Yes, it's an effort. They're going to have something else to add to the to-do list, absolutely, but for the purposes of transparency, I think it's a minimal effort.

Hon. Bardish Chagger: Just to help me understand, when is "lobbying" lobbying? If I run into an old-time friend, which I just did this weekend, and we're having a quick conversation, when are they lobbying and when are they not lobbying?

Nancy Bélanger: It depends on the conversation you're having. Are they asking you for a change, a new policy or a new program? Are they asking you for money? Also, are they paid to be asking you for that? If that's the position they take when they're talking to you, that's lobbying.

Hon. Bardish Chagger: The definition would be if they're being paid to ask you to do something.

Nancy Bélanger: Yes. In my submission, I inserted a really cute little graph that really sets this out. It's someone paid by a client or by an employer to communicate about a change in law, program, policy or regulation. They want a change. They want something new. They want you to take a position on a particular issue.

● (1230)

Hon. Bardish Chagger: Within the riding of Waterloo, I have three post-secondary institutions: two universities and a college. There are people on campus who are registered lobbyists and others who are not.

There seems to be a challenge in trying to determine when you are obtaining information about funding and grants versus when you are lobbying. If you think about the definition you've just provided, oftentimes they might want you to change the goalposts slightly. They are encouraging perhaps a change, but they're just trying to obtain information as to what is the government program and can their institution be successful in it. How do you unravel that?

Nancy Bélanger: It's interesting, because I meet with universities very often, and I think it is challenging for them to sometimes figure it out. We do have advisory opinions on that. If whoever for the university is communicating with any one of you or with federal officials and departments in order for a particular program to be changed, that's lobbying. If all they're doing is asking for information, that is not lobbying.

Also, if a professor is looking for his own research money, he's not doing it on behalf of the institution, and that person would not need to register. There are some distinctions within universities.

Hon. Bardish Chagger: You believe that answer is pretty black and white.

Nancy Bélanger: No, it's not always black and white. It's sometimes very difficult to figure out, and they call us. They say, "This is the communication I'm having. Should I be registering this?" We help them out. We talk through it. There's nothing that's black and white in the Lobbying Act in the way it's written now, for sure.

Hon. Bardish Chagger: I'm not sure that even what's being recommended is going to really make it black and white, and I think that's part of the challenge that I'm having with people I'm dealing with. The answers do seem quite.... Well, they're not black and white answers.

A lot of it would be contacting your office and so forth, and people's resources are really tight. As much as we sit here in Ottawa thinking that it's not complicated, that we only answer the phone during certain hours and that we only do certain things during certain hours, the rest of the world operates around the clock. A lot of the people who are doing this kind of work are not working the hours that Ottawa is working. I just think it's important to recognize that because there has to be an ability to really serve the people we are here to serve. I am elected to the House of Commons after all, so I just want to put that on the record.

I would love to also understand this threshold for hospitality: $40. What calculation was taken to determine, in today's day and age, a $40 hospitality threshold?

Nancy Bélanger: When we adopted the code back in 2023, I decided.... It was through consultations, and I spoke to the Senate Ethics Officer and the Conflict of Interest and Ethics Commissioner. Forty dollars was deemed to be a reasonable amount where anything under that could not be seen to be given to influence, but anything above that could be seen to be given to influence. The $40 is just really a threshold; it's a standard. It's a message to say that anything under that is okay but that anything above could be perceived to have been given by a lobbyist to influence.

Therefore, if someone wants to give something higher, they have to give us a call and ask for an exemption. We've raised it. We looked at inflation, and we raised it to $43.

The Chair: Thank you, Ms. Bélanger and Ms. Chagger.

[*Translation*]

Mr. Thériault, you have the floor for five minutes.

Luc Thériault: Thank you, Mr. Chair.

On expanding the definition of “designated public office holder”, there were witnesses who objected to recommendation 11. That's the case for Mr. Jordan in particular, who felt that it would create an additional volume of monthly communication reports.

Nancy Bélanger: Yes, but it would also provide more transparency.

Luc Thériault: Mr. Shore, on the other hand, feels that expanding the definition could hinder fruitful dialogues with public servants before ideas are submitted to senior officials.

Nancy Bélanger: If these are fruitful conversations, there should be transparency.

Luc Thériault: Mr. Shore also said that, if the five-year prohibition on lobbying were implemented, some people could be discouraged from working for the Government of Canada.

Nancy Bélanger: I recognize that. That's why I say in my recommendation that we should examine whether a five-year term is appropriate for directors general. They have an important role in the departments, and they meet with a lot of people, but do they have the same network and have access to the same information as other designated public office holders? Probably not. Therefore, my recommendation is that the five-year term would not necessarily apply to them.

However, in terms of transparency, why wouldn't this measure be applied?

● (1235)

Luc Thériault: There is also Ms. Sabourin, who said that including directors general would dilute the targeted oversight of senior officials that the Lobbying Act is intended to provide.

Nancy Bélanger: If it's indicated that the communication was with a director general, I don't see the problem.

Luc Thériault: Okay.

As for the five-year period, what would you recommend?

Nancy Bélanger: It could be reduced to two or three years, perhaps. It depends on the person's role. I really like the fact that I now have the discretion to impose a restriction or scale it back. It will really depend on the role of the individuals, their years of service, the department in question and the type of lobbying activities they want to engage in.

Luc Thériault: Recommendation 15, the five-year restriction on lobbying, harmonizes the five-year prohibition for former designated public office holders, whether they work as consultant lobbyists or as employees of an organization or corporation. Some witnesses have suggested that the Commissioner of Lobbying should have broad powers to grant exemptions to the prohibition and that it be limited to the department where the individual worked.

Nancy Bélanger: I'm not sure I fully understand.

Currently, what happens is that there is a complete prohibition if a person wants to work as a consultant lobbyist or with an organization. However, if that person goes to work for a corporation, lobbying may be carried out up to the threshold where, once again, these are the key words to remember, it constitutes a significant part of the person's duties. Therefore, if a former designated public office holder goes to work for a corporation, that person is able to engage in lobbying despite the prohibition.

So what I'm proposing is that the same rule apply to everyone. I already have criteria for granting an exemption. I like those criteria, because we also need to consider, for example, the length of time the person held office. Someone who worked for four months in a designated position should not be exempt from lobbying for five years. There are already criteria in place, and I think we should keep them.

Luc Thériault: So the recommendation is to give the Commissioner of Lobbying broad powers to grant exemptions from the five-year prohibition, but that already exists.

Nancy Bélanger: Yes.

Luc Thériault: What do you think of the recommendation that the five-year prohibition be limited to the department where the individual worked?

Nancy Bélanger: That's what I'm not quite sure I understand. If I understand correctly, once a person leaves their position, they would be limited in their ability to lobby the department where they worked, but they could lobby other departments. Is that what you mean?

Luc Thériault: Yes.

Nancy Bélanger: I would say that most people don't stay in the same place for very long, so I think it would be difficult to enforce.

Luc Thériault: Okay.

Nancy Bélanger: People move around a lot.

The Chair: Thank you, Mr. Thériault.

[*English*]

Mr. Jivani, I have you for five minutes. Go ahead, please.

Jamil Jivani: Thank you, Mr. Chair.

I'd like to get back to the idea of the volunteer or, let's say, the person with a role of influence not being compensated by the government but who nonetheless has quite a lot of say—at least, many Canadians might perceive it that way. There would be two examples that have been in the news recently. These are the chair of Invest in Canada, Dominic Barton, and the Government of Canada's new ocean envoy, Diana Fox Carney.

These are two roles where there would be, I think, reasonable concerns about potential backdoor lobbying, with people, and corporations in particular, trying to get to these folks with their ideas, and it would not be covered because these roles are not considered public office holders.

Can you speak to what rules are in place for those types of roles?

Nancy Bélanger: With respect to volunteers, it's when they play the role in the private sector and then they lobby public office holders. If they're not paid, they're not covered. Anyone who is appointed by a minister or Governor in Council becomes a public office holder themselves, in my view, irrespective of whether or not they're paid. They're an officer because they've been appointed by a minister or a Governor in Council. They become public office holders, so anyone who lobbies them will need to register.

Jamil Jivani: For Canadians who are concerned about that kind of backdoor lobbying possibility, what would you say about how your recommendations would address those concerns?

Nancy Bélanger: I think the act already covers anyone who is appointed to be a public office holder. The Lobbying Act applies to them, and anyone who communicates with them will have to register currently.

● (1240)

Jamil Jivani: Got it.

Can I ask a question about something that's not covered in your recommendations, but I'm curious to get your opinion on?

Nancy Bélanger: Yes.

Jamil Jivani: It's about the idea of disclosing the amount of money paid to lobbyists. In other jurisdictions, that information is publicly disclosed. If a company spends *x* thousands or millions of dollars on lobbying, the public has the ability to know that. What do you think of that idea? Is this something Parliament should consider in terms of the changes that you'd like to see?

Nancy Bélanger: It is actually one of my recommendations, recommendation eight, that there should be disclosure of entities that fund lobbying activities. Right now, corporations, organizations and consultants, on behalf of their clients, must disclose the government funding they get. I have recommended that they should also include funding that they get to perform their lobbying activities. That exists in Ontario, in Alberta and in British Columbia. In Ontario, it's for anything over $750, and in the other two provinces it's anything over $1,000 that you have to identify those entities. I have recommended that.

Jamil Jivani: A lot of our conversation today has been about some specific changes that might be beneficial to our country, but I'm curious to get your thoughts on the reasoning behind it. I would say many of my constituents are generally concerned that big business and big corporations have too much influence over public policy-making. Is that why this is important?

How would you explain why these changes are so necessary?

Nancy Bélanger: To me, enhanced transparency is a cornerstone of a healthy democracy, and right now, there is clearly a gap in transparency. I am amazed at the amount of information you could find in the registry if it was there. It allows Canadians to evaluate, investigate, comment and know who, in fact, is influencing our decision-makers. I think that is absolutely important. Canadians have a right to know that.

My recommendations are to enhance transparency and make the law easier, because right now it is complicated.

Jamil Jivani: Getting back, in conclusion, to the idea of backdoor lobbying, if we take the idea of transparency to someone like Dominic Barton, chair of Invest in Canada.... He sits on two large corporation boards: LeapFrog Investments and Rio Tinto. He is also an adviser to a multinational organization, the Eurasia Group. I just think it's difficult for the average person to accept that there's no possibility that backdoor lobbying could be taking place when someone in such an important role also wears so many other hats.

What could be done to better address that?

Nancy Bélanger: Right now, for any lobbying done that would benefit any of the corporations, he would have to register as a consultant lobbyist.

I have told this committee, as a recommendation, to consider whether volunteers on boards should also be subject to the Lobbying Act, because whether they're paid or not becomes somewhat irrelevant if they have some form of clout and if people listen to them. There is that concept of “directing minds” in the Yukon. That's something you could look at.

Jamil Jivani: Thank you.

The Chair: Thank you, Ms. Bélanger and Mr. Jivani.

Mr. Al Soud, I have you for five minutes. Go ahead, please.

Fares Al Soud: Thank you, Chair.

Rebonjour, Commissioner.

The course of the conversation we've had today has been very interesting. I'd like to pick up on something my colleague Ms. Chagger said earlier.

It's this idea that we have a really bad habit, sometimes, as politicians, of assuming that every one of our constituents lives in the same bubble that we do, that they see politics in the same way and that they speak to these topics in the same fashion. What I think is interesting, though, is that your average Canadian is actually just busy living life. They have work to go to, whether they work for a non-profit or a corporation, and whether or not they run it. They too have things they do on a day-to-day basis. They have their own jobs. They live in their own bubbles.

However, what I find interesting is that they also, in certain instances, look to engage with civil and civic discourse. They may want to engage with us in their own capacity. That certainly takes place, which is why we're having this study. They also want to engage with us in the capacity of caring about their community. They understand that politics is an important way of engaging with the things that happen around us.

How does the current system treat those individuals who, yes, lobby on a regular basis but who are also regular Canadians who care deeply about their communities, particularly in the course of engaging with political campaigns, for instance?

Nancy Bélanger: Anyone who is engaged on their own behalf, as a personal interest, is not required to register as a lobbyist, and I would encourage that to continue. That's not a problem.

If they're paid to communicate with you because they want a particular position to be taken at the federal level, Canadians across this country should know about it. Some people have told me, once they found out about it, that they were able to pick up the phone and call someone across the country to do a coalition of their thoughts together.

Transparency is a good thing, but in no way are we trying to stop people from engaging for their own personal interests—absolutely not.

● (1245)

Fares Al Soud: Thank you, Commissioner.

This speaks to something else that I found quite interesting today: this notion of good faith. Our system seems to rely on good faith to a tremendous extent, rather than on enforceable rules or safeguards. What I'm effectively asking here is how we might best balance the presumption of good faith with the need for independent verification, transparency and meaningful consequences for misconduct. I don't think any of us disagree with the idea that, yes, we should be operating within a transparent system, that individuals should be reporting those activities and that Canadians should have a good line of sight on what's happening around them.

At the same time, our system does rely on good faith. That this tends to work well is what we heard from you earlier, if I recall correctly.

Nancy Bélanger: I believe there's good faith. It is somewhat voluntarily that people choose to register. I have a team of 32 employees. We're trying to regulate and ensure compliance as best we can, but those who lobby as a profession need to know they should be on time doing this, in particular without tardiness. To me, transparency delayed is transparency denied almost.

I think it's important. That's why we should continue to rely on good faith, but we should also have tools to ensure compliance at the point where people are simply not respecting the rules.

Fares Al Soud: Where I wholeheartedly agree with you, above all else, is that there is—there's no way of avoiding it—a need to ensure that our rules are being followed and that people are being as transparent as humanly possible.

Where I have a slight challenge, in the context of the outcome of this, is here: Do we then, potentially, in the course of these recommendations you've brought forward, risk creating a system that is primarily geared towards the few who are not operating in good faith, rather than continuing to incentivize the system we currently have, which does operate on good faith, by and large?

That's not to say that everything is perfect, by any stretch of the imagination, but if things are, to an extent, going relatively well as they pertain to transparency requirements, are we currently risking this with certain recommendations being brought forward?

Nancy Bélanger: If we go through each of my recommendations, I think for the most part it's to simplify, to focus and to make accountable, which are all these priorities that we've been hearing. It's actually an opportunity right now. The last time this act was looked at was in 2008.

Let's make it better. I do think there's a way to simplify it. Some of the way the act is right now—we can't explain why it's like that. If we can't explain it, that's a problem. You don't need to accept all my recommendations, but certainly there's a number of them that really should be, just to make it easier and to make it easier for people to follow. Right now we spend a lot of time answering questions. To every question we get, the answer is, “It depends.” We need to figure it out together.

The Chair: Thank you.

We'll go back to Mr. Hardy.

[*Translation*]

If I understand correctly, you're going to share your time with Mr. Jivani.

Gabriel Hardy: Yes, thank you.

I have two quick questions that haven't been asked so far, and I'd like to ask them.

Do you think you have the necessary funding to take actions that meet these evolving needs? As mentioned earlier, it's been a few years since the Lobbying Act was last amended, but the needs themselves have evolved. Do you have the necessary team? Do you feel that you're able to do your job to the standard that's expected of you?

Nancy Bélanger: We're doing a great job. We have 35 employees, and I currently have 32. I'd say I have a dream team. It's a fantastic team that works very hard to fulfill our mandate.

Could we do more? Absolutely. I could do more outreach. If I had more funding, I could reduce my 21 compliance cases and keep that number down to just five.

In addition, I think there should be independent funding, but that's another matter.

● (1250)

Gabriel Hardy: Yes. You're an oversight body. Your job shouldn't depend on the people you're overseeing.

I also like your point about prevention. We shouldn't always wait for a problem to arise; we need to be able to act proactively.

What do you think are the two or three things that urgently need to be done or changed? We have several proposed amendments, but what do you think needs to happen quickly, within the next year?

Nancy Bélanger: My 21 recommendations are good. I want them all.

However, I think that registration by default, combined with recommendations 3 and 4, to really restrict and clarify who must register, is one of the most important elements.

I also believe that recommendation 17 would be very helpful to me, as it would give us a tool kit that would allow us to move more quickly on compliance and make that information public.

Gabriel Hardy: Thank you very much.

[*English*]

Jamil Jivani: Thank you.

I have another one of those ideas for you that I'm curious to get your feedback on. One thing that I find very fascinating about how the intersection between big business and the government works is that it's possible for large companies like Rogers and Bell to own TV and radio stations and for them to have political influence through the ownership of those media channels, yet there's very little transparency involved in where there's a connection between what would go out on the airways and what might be good for their core business, which is overcharging Canadians for their cellphones.

Do you have any concerns about how businesses might grow so big that it becomes a little bit obfuscated as to what their area of influence is, where it begins, where it ends and how media might be manipulated to serve the interests of a big company?

Nancy Bélanger: I don't think I will comment on that. To me, again, my job is to make sure that if there are communications that must be transparent, they are transparent, irrespective of the size of the organization—unless it's an exemption, of course.

I don't regulate. People often ask me that: You have to stop big corporations. We need more time for the little ones. I don't regulate your calendars or who you meet with or who you should meet with. What's important to me is that if you do, Canadians can look at the registry and say, “Okay, these groups are having more time than these groups are.” That's the purpose of transparency.

Jamil Jivani: That's a fair point. Let me give you another example, though.

Let's say, hypothetically speaking, some lobbyist shows up on television for the evening news, and is.... What's a professional way to say this? They're glazing—just being very positive toward the Prime Minister in an absurd manner. Isn't it a weird thing that a lobbyist can go on TV, essentially openly and publicly lobby, and benefit from being given that platform, knowing that many other lobbyists don't have the same opportunity and the corporation, Bell or Rogers, gets to make the choice of which lobbyists get those platforms and which ones don't? Isn't that an area of concern?

Nancy Bélanger: To me, if that platform is open.... There's freedom of expression here, so we have to be careful what I regulate.

Jamil Jivani: I would agree.

Nancy Bélanger: If, after that, there is an actual lobbying communication between these people and whomever they commented favourably about, then I need to look at whether there is a close relationship. There is a code of conduct that you shouldn't be lobbying with people who would have a sense of obligation towards you. Maybe there's a relationship there. I don't get to regulate that, no, but I understand what you're saying.

Jamil Jivani: You can see where people would be concerned.

Nancy Bélanger: Yes.

Jamil Jivani: I would go so far as to say, appreciating the freedom of speech concerns, that it's about transparency. If Bell and Rogers are able to use their control over television and radio stations to promote their business interests and bring lobbyists onto their platforms to say good things about Mark Carney, there seems to be an obvious potential conflict of interest there that the public should be informed on. That would be my point.

The Chair: Thank you.

Ms. Tesser Derksen, you have five minutes. Please go ahead.

I understand that you're splitting your time with Mr. Al Soud.

Kristina Tesser Derksen: Thank you very much, Mr. Chair.

Yes, I'm going to share my time.

[*Translation*]

The Chair: Afterwards, Mr. Thériault, if you want the floor for two and a half minutes to end the meeting, I'll give it to you.

Go ahead, Ms. Tesser Derksen.

[*English*]

Kristina Tesser Derksen: This is more of a comment, but I might have a question too. I want to follow up with respect to this “Ottawa bubble” that Ms. Chagger mentioned.

It is true that it's a simple process—I understand that—but sometimes just the fact that there's another bureaucratic step or another government requirement creates an obstacle for a small business or not-for-profit, which frankly are already quite resource-stretched. It does create an obstacle, whether it's a mental obstacle or it's finding someone else to learn how to do it, ask the questions and look into it. There could be a lot more time and resources that go into someone just finding out that they have to do this.

My concern is that the message the public or these folks will be getting is that “there's now one more obstacle that I have to go through to reach my elected representative”. I fear that it will have a chilling effect, and I fear that it will also result, because oftentimes the public doesn't differentiate between the bureaucracy and the elected people, in people saying, “It's another screen that I have to get through and it's their way of locking me out.” That's a concern as well.

All that being said, I want to give you a chance to take us through the process. If I were a small business or a very small nonprofit and learned about this requirement that I don't know a lot about, how would I go about finding the information I need? What would the process look like for me to determine that I had to register? What would I go through to actually register?

● (1255)

Nancy Bélanger: Assuming right now that you meet the threshold, we have lots of information online. People can communicate with us. We also proactively offer information sessions answering that question: Do I need to register? This is all on our website. We are on LinkedIn. We have all the different ways. We've done 93 sessions so far, just since April 1. I do sessions. I meet 80 people at a time, in which we sort of hold their hand and explain what the regime is.

Once you've determined that the type of communication you are having is actually a lobbying communication.... It's not just to say, “I need help.” It's not just to say, “Here's my problem and my issue” or a personal.... It's actually a request. It's a lobbying communication, which is particularly defined. Then we do one-on-one sessions to help them register.

The burden, to me, is that, yes, it's an effort, but it's amazing that once people do it, they realize that it was no big deal. The transparency that comes out of it, for them as well.... People call them up after that and say, “Hey, you have this interest. I also have this interest. Let's align our conversations.” If that's what they do for an employer or for a client.... I mean, it's not about their personal issues.

The Chair: You have two minutes and 10 seconds, Mr. Al Soud.

Fares Al Soud: Thank you, Chair.

Admittedly, I'm not over the fact that the word “glazing” has made its way to Parliament Hill, but alas.

Earlier, my colleague Mr. Rana asked a question on an education-first-plus-guidance approach. For the millions watching us at home right now, could you speak a bit to what that might look like?

Nancy Bélanger: Every time someone raises their hand to say that maybe they need to register, we go through information sessions. We have them online if people want to use them, and we meet with them. We do a lot of outreach to educate, and a lot of people we educate don't come back to register because they realize that it doesn't apply to them. That's what we do.

Fares Al Soud: That's amazing.

You mentioned earlier, in response to Mr. Gunn's question, that we do very well here in Canada. We've spent a lot of time discussing areas for improvement, which is certainly more than appropriate. That's the point of the study, in many ways, but in the minute that remains, I would like to offer you the chance to speak to what works well comparable to other countries but also, from a practical lens, some of the things in our system that make you say, “Thank God we live in Canada.”

Nancy Bélanger: I think one of the elements at the international level that people are jealous of is the fact that I'm in an independent office. That's pretty rare, and it's something that people look up to. There's also the fact that we have, generally, postemployment rules.

However, we're weak on some of the financial information we disclose, as well as on the spectrum of sanctions.

People look up to us because we have experience. We've been doing this for a very long time. I do a lot of presentations for many countries around the world to show what our experience has been, how our act works and what the challenges are. I always tell them, “Make sure that in your legislation, you have an outreach mandatory obligation.” That, to me, is paramount. If you don't educate, then it's not a very good regime.

● (1300)

The Chair: Thank you, Mr. Al Soud.

For your information, Ms. Bélanger, we have a group coming from Indonesia. I don't know if you're meeting with them as well. We're having an informal meeting with them to discuss the lobbying regime in Canada. Some of us will be meeting with them, including me.

[*Translation*]

Mr. Thériault, you have the floor for two and a half minutes.

Luc Thériault: I have one last question.

One of your recommendations, which is supported by the Canadian Federation of Independent Business, is to exclude communications with public office holders about the awarding of grants, contributions or other financial benefits that are below a defined monetary threshold or that are awarded in the context of either an established and transparent process or a recurring operational funding model.

What are we talking about? What would constitute a reasonable monetary threshold?

Nancy Bélanger: With respect to adding communications relating to the awarding of a contract to the activities considered to be lobbying activities, I recognize that many people bid on contracts through a fully public process. Once a contract is awarded, that too is a matter of public record. If such communications were added, the threshold could be set at $25,000, or even $40,000, which is the threshold for sole-source contracts. We wouldn't concern ourselves too much with activities relating to contracts below that threshold, but any activity above it might need to be considered a lobbying activity.

The same applies when trying to influence the selection criteria. From a lobbying perspective, it is primarily the communications that take place before and after that concern us. However, if a bid is submitted through a process that is already public and the bidder is one of only four companies capable of providing those services, I don't think that needs to fall under the Lobbying Act.

Luc Thériault: So it would be $40,000 or less.

Nancy Bélanger: Yes, that could be it.

Luc Thériault: Thank you.

Nancy Bélanger: Thank you.

[*English*]

The Chair: That completes today's meeting.

Ms. Bélanger, I want to thank you on behalf of the committee for coming before us today. You've wrapped a very nice bow around the review of the Lobbying Act that this committee has been engaged in for some time. In speaking with the analysts, you provided us with some valuable information today that I know will find its way into the recommendations and the report that the committee will be dealing with soon.

That's it for now.

Again, thank you for your time.

This meeting is adjourned.

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