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Lobbyists Registration Act, 1998 (Ontario)

ANNUAL REPORT

April 1, 2000 - March 31, 2001

Office of the Integrity Commissioner

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June 26, 2001

**The Honourable Gary Carr
Speaker of the Legislative Assembly
Room 180, Legislative Building
Queen's Park
Toronto, Ontario
M7A 1A2**

Dear Mr. Speaker:

I have the honour and pleasure to present the second Annual Report with respect to the administration of the *Lobbyists Registration Act, 1998, S.O. 1998, c.27* for the twelve-month period of April 1st, 2000 to March 31st, 2001.

This Report is submitted pursuant to s.10 of the *Lobbyists Registration Act, 1998*, and s. 24 of the *Members' Integrity Act, 1994*.

Yours very truly,

**Lynn Morrison,
Lobbyist Registrar**

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This is the second Annual Report of the *Lobbyists Registration Act, 1998, S.O. 1998, c.27* covering the twelve-month period, April 1st, 2000 to March 31st, 2001.

PURPOSE OF THE ACT

Lobbying is a legitimate activity. The *Act* provides lobbyists with free and open access to government while safeguarding the integrity of public office holders and protecting them from undue influence. The lobbyists' registration system provides the public, public office holders and lobbyists with the opportunity and means to know who is talking to whom in government about what.

DESCRIPTION OF THE ACT

Lobbying is defined as a communication between a paid lobbyist and a public office holder in an attempt to influence government decisions about:

- Legislative proposals, bills and regulations
- Changes to policies, programs and decisions
- Awarding of grants, contributions and other financial benefits
- Privatization and outsourcing

The *Act* recognizes that some communications between government and individuals, firms or organizations are purely consultative and essential to public policy making, however, for the purposes of this legislation, lobbying does not include:

- Oral and written submissions to legislative committees;
- Oral and written submissions made to a public office holder with respect to the enforcement, interpretation, or application of any act, policy, programme, directive, or guideline;
- Oral and written submissions made in direct response to written requests for advice or comment;
- Routine constituency communications between MPPs and constituents.

A public office holder is broadly defined and includes cabinet ministers, MPPs and staff, public servants under the *Public Service Act*, persons appointed to office by Order-in-Council, members of the Ontario Provincial Police and officers, directors and employees of provincial government agencies, boards and commissions. This does not include the broader sector entities such as hospitals, universities, local government institutions, Legislative Officers, judges and justices of the peace.

The *Act* provides for three categories of lobbyists:

- (1) A consultant lobbyist retained by a client for a fee to communicate with a public office holder in Ontario. Examples include government relations consultants, lawyers and accountants.
- (2) An in-house lobbyist employed by a corporation or partnership that carries on commercial activities for financial gain and lobbies as a significant part of his or her duties.
- (3) An in-house lobbyist employed by a non-profit organization. Examples include associations, Chambers of Commerce, community-based organizations, charitable organizations and advocacy groups. The most senior compensated officer of the organization is required to provide the name of each in-house lobbyist employed by the organization when the accumulated lobbying activity of all such employees constitutes a significant part of the duties of one employee.

All lobbyists are required to register within a specified time limit from the commencement of lobbying activities and provide information as set out in the *Act*, including, the name of the client or organization or corporate employer; the subject matter of lobbying; a description of the specific legislative proposals, bills, regulations, policies, programs, grants, contributions or contracts sought; the ministries, agencies, boards, and commissions and MPPs lobbied; the source and amount of government funding received by the lobbyist's client or employer; the name of any non-government entity or organization which, in the fiscal year prior to the date of filing, provided \$750 or more to the client/employer in support of the lobbying activity; and the communication techniques used to lobby. In-house corporate lobbyists and in-house organization lobbyists must also provide a general description of their business activities.

OFFENCES AND PENALTIES

A lobbyist as defined under the *Act* may be committing an offence if:

- (1) lobbying activities as defined in the *Act* are conducted and a registration form is not submitted within the time frames set out in the *Act*;
- (2) the required information is not provided in a registration form;
- (3) changes to a registration form, new information or clarification of information as requested by the Lobbyist Registrar is not provided;
- (4) false or misleading statements are provided;
- (5) the lobbyist knowingly places a public office holder in a position of real or potential conflict of interest.

Any person who contravenes the Ontario *Lobbyists Registration Act* is liable on summary conviction to a fine of up to \$25,000, a penalty which is consistent with the provisions of other provincial statutes for serious provincial offences.

We are pleased to advise that since proclamation on January 15, 1999, there have been no violations under the *Lobbyists Registration Act*.

LOBBYIST REGISTRAR

The responsibility for the administration of the public registry has been assigned to the Integrity Commissioner, who has authority to delegate his or her powers and duties under the *Act*.

The *Act* provides that the Registrar review all registrations, identify omissions and/or inconsistencies and seek clarification of information submitted by the lobbyist where necessary; and has the authority to verify the information provided. The Registrar is also required to ensure public accessibility to the lobbyist register and submit Annual Reports on the administration of the *Act* to the Legislative Assembly.

Discussions with public office holders, consultant lobbyists and industries and associations regarding the interpretation of the *Act* have continued throughout this fiscal year and we welcome the opportunity to meet with any individual or group to discuss the *Act* or provide advice under the *Act*.

In addition to the above responsibilities, the Lobbyist Registrar may issue advisory opinions and interpretation bulletins as required with respect to the enforcement, interpretation or application of the *Act*.

We continue to receive inquiries with respect to the definition of lobbying as it applies to broader sector entities. Generally speaking, where entities in the broader sector have a specific statutory mandate to conduct certain activities related to legislation, these activities are not considered to be lobbying. However, any communication activities outside the activities identified in the legislation may meet the definition of lobbying under the *Act*, and would require registration if the entity meets the definition of significant part of their duties.

Since proclamation, one advisory opinion was issued with respect to the definition of “public office holder” and its application to Ontario Hydro, which under legislation was divided into five successor corporations.

Interpretation Bulletins Nos. 1 and 2 were also issued with respect to:

- (1) the definition of “the period for which the return is filed” and “the next following six-month period”; and
- (2) the definition of “a significant part of duties” .

All Opinions and Bulletins are available on the LRO website <http://lobbyist.oico.on.ca>

REGISTRATION PROCESS

All persons who meet any of the definitions of lobbyist under the *Lobbyist Registration Act, 1998* must register their activities on the lobbyist registry, which is accessible through the LRO website <http://lobbyist.oico.on.ca>. This site is the principal means of disseminating information relevant to public office holders, the public and lobbyists with respect to those working to influence government activities.

Lobbyists are required to file registration forms and have a choice to file manually or electronically, through the LRO website.

A. Electronic Filing

The electronic format permits the lobbyist to submit via the Internet the required information for approval purposes. Before a lobbyist can use the electronic filing process, identification information and an executed User Agreement must be submitted. The lobbyist is then provided with a unique identification and secure access to their registration.

The Registrar's approval is acknowledged with the lobbyist by email and the registration is automatically placed on the public registry.

Registration on-line is free of charge and in accordance with the *Act* gives lobbyists the ability to electronically file Initial Registrations, Notices of Change to Information, Renewals and Terminations.

Although not required to do so by legislation, the LRO has implemented an automatic email reminder system to all lobbyists when registrations are due for renewal. The *Act* provides that consultant and in-house commercial lobbyists must renew on an annual basis and in-house organizations are required to renew every six months.

B. Manual Filing

Those lobbyists who do not have the required computer resources are able to use the facilities available in the Lobbyists Registration Office to file registrations electronically, failing which, paper forms are available from the LRO. A registration fee applies to manual registrations.

Upon receipt of a manual registration, the information is entered into the database by the LRO staff and once approved by the Registrar, is automatically placed on the public registry. Lobbyists who use this form of filing are notified by mail with respect to approvals and renewal notices.

There is no fee charged for Notices of Change and Terminations, however, there is a fee for each Renewal.

Over the past year, the LRO improved the registration process by replacing the PKI (Personal Key Infrastructure) method of authentication with a more familiar User ID and password system, similar to banking and other e-commerce sites that require secure transactions over the internet. This improvement has resulted in 99.5% of lobbyists registering electronically.



When this legislation was introduced, the Chair of Management Board stated,

“A public record of paid lobbyists will ensure that the process of lobbying government is kept open and transparent and that the public interest is protected from undue influence.”

All information submitted by lobbyists on the registration forms becomes part of the public record and is available in the lobbyists registry through the LRO website. The public can access information as to who has lobbied, who is lobbying, the clients and employers of lobbyists, parent and subsidiary companies of corporations that benefit from the lobbying, a description of the corporation and association business activities, what subject matters are the focus of the lobbying activities, including legislative proposals, bills, resolutions, regulations, policies, programs, decisions, and grants, privatization and outsourcing decisions, and the government ministries or agencies being lobbied. Also available is information as to whether a client or organization is funded in whole or in part by any government, whether there is any private funding related to the lobbying activities and the communication techniques being used.

Users can search the registry to produce their own reports and obtain copies of a lobbyist's registration form, free of charge, either through their own computers or through the facilities available at the Lobbyists Registration Office. However, if the report is produced by the staff at the Lobbyists Registration Office, a service fee is applied.

STATISTICS

A. Registrations

As of March 31st, 2001, active registrations increased by 38% to 1,097 and inactive registrations have increased 55% to 659. Inactive registrations include undertakings which have been completed or terminated.

Consultant lobbyists are required to file a registration for each client and undertaking, and 193 active consultant lobbyists were registered as of the fiscal year end, representing a total of 914 registrations.

As of the date of this Report, 76 employees registered on behalf of their corporate employer when their lobbying activity represented a significant part of their duties. These employees represented the interest of 43 corporations.

As of March 31st, 2001, 107 senior officers were registered on behalf of their in-house organizations and the paid employees who lobby the Ontario government as a significant part of their duties. This group included industry, business and professional groups, together with charitable organizations.

LOBBYISTS AND REGISTRATIONS AS OF MARCH 31, 2001

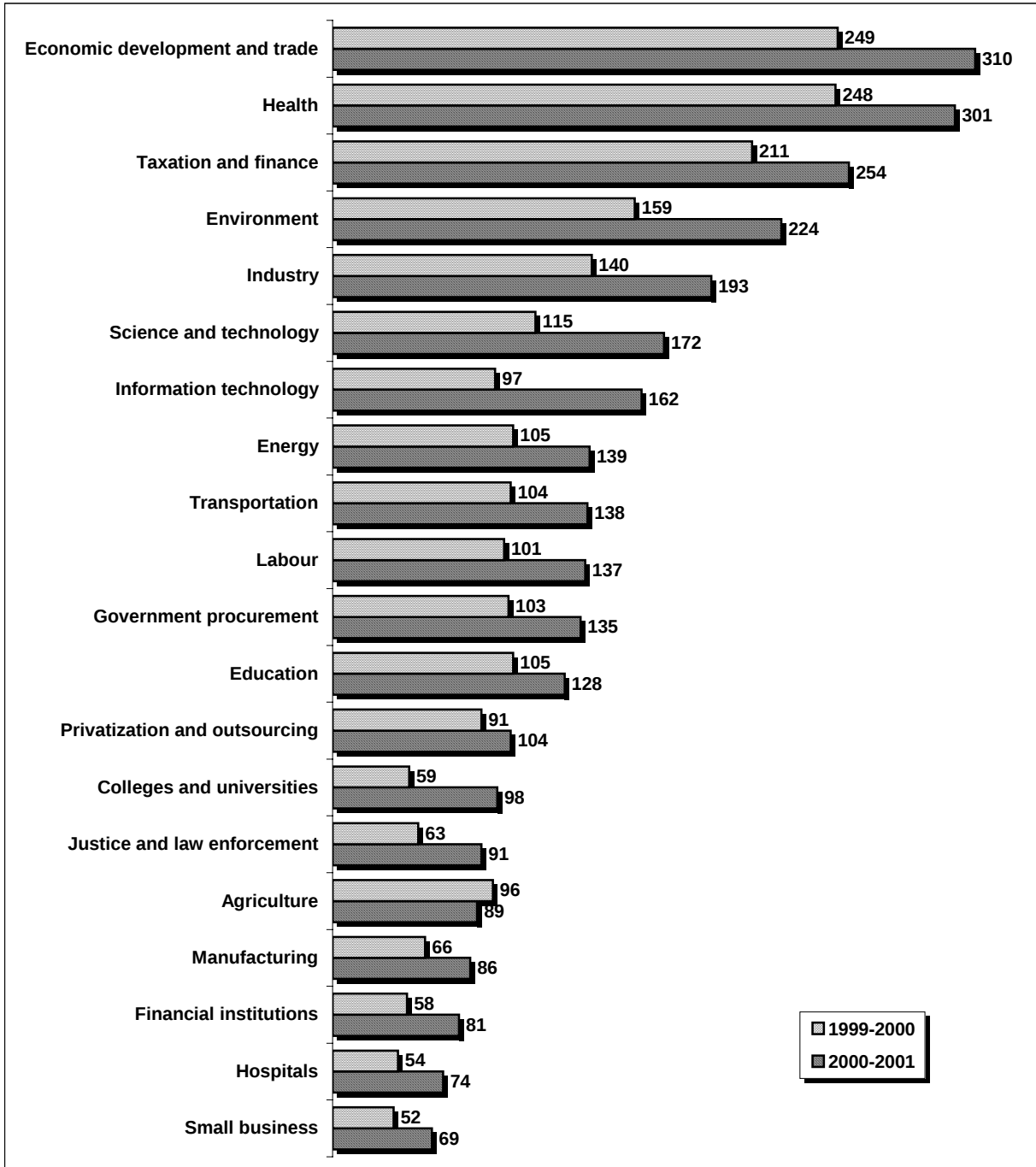
	Consultant Lobbyists	In-House Lobbyists (Persons & Partnerships)	In-House Lobbyists (Organizations)
Lobbyists	193	76	401
Registrations	914	76	107
Terminations	628	25	6

ACTIVE COMPANIES AS OF MARCH 31, 2001

Consultant Lobbyists - Firms	127
Consultant Lobbyists - Clients	540
In-House Lobbyists (Persons & Partnerships) Employers	43
In-House Lobbyists (Organizations) Employers	107

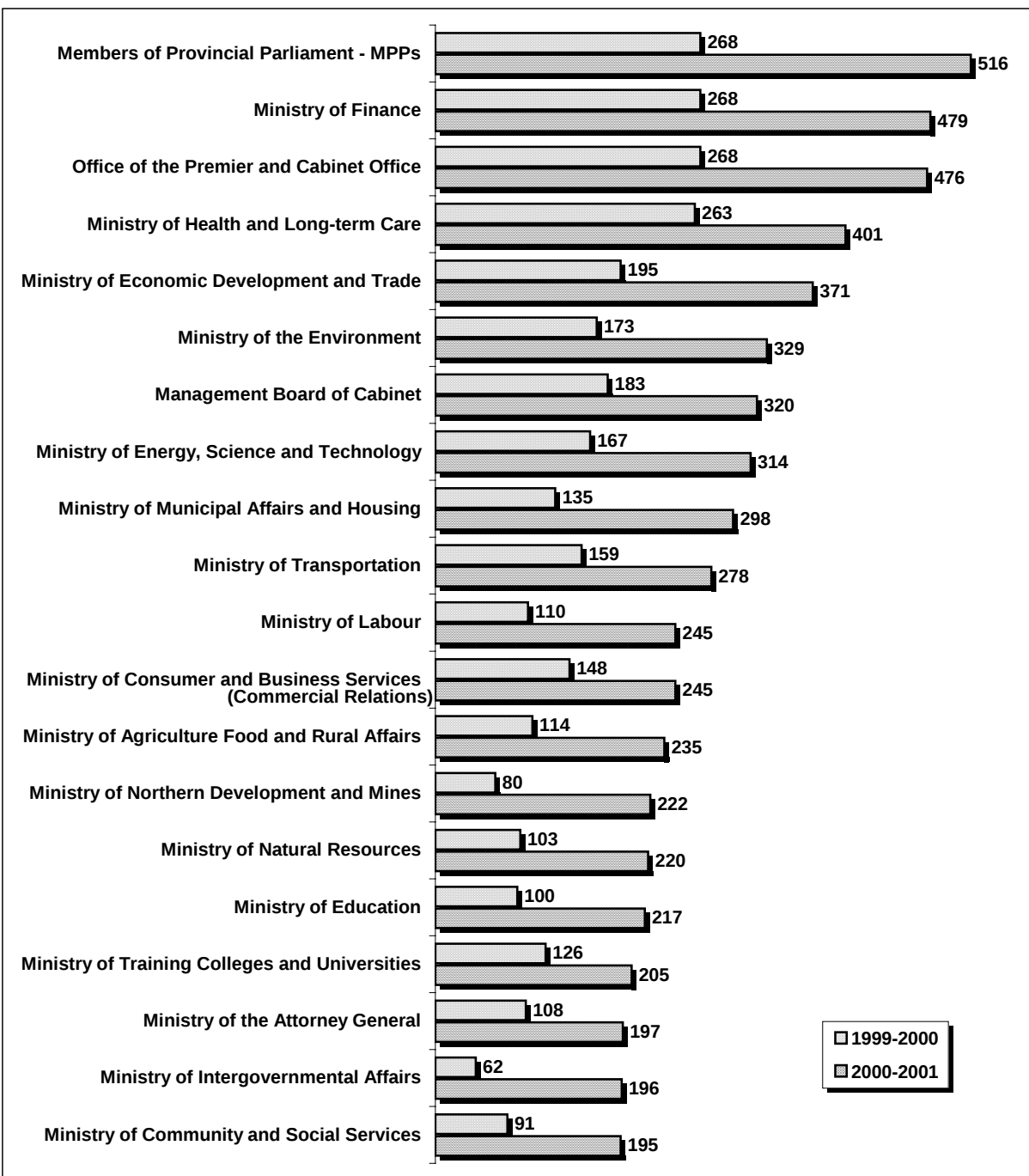
B. Subject Matter of Lobbying Activities

All lobbyists are required to disclose the areas of interest that identify the subject matter of their lobbying activities, the following chart compares the last two fiscal years and represents the 20 areas of interest most frequently identified by the lobbyists in active registrations as of March 31st, 2001.



C. Government Ministries and Agencies

All lobbyists are required to disclose the names of the ministries and agencies that they are in contact with or expect to be in contact with during the course of their lobbying activities. The chart below represents those 20 Ontario government ministries and agencies most frequently identified by the lobbyists as of March 31st, 2001 comparing the last two fiscal years.



CONTACT INFORMATION

Address: Lobbyists Registration Office,
Suite 1701,
415 Yonge Street,
Toronto, Ontario, M5B 2E7

Telephone: (416) 327-4053

Fax: (416) 327-4017

Website: <http://lobbyist.oico.on.ca>

Lobbyist Registrar: Lynn Morrison lobbyist.registrar@oico.on.ca

Technical Support: Charles Hastings charlie.hastings@oico.on.ca

Administrative Assistant: Claire Miller claire.miller@oico.on.ca