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The Efficacy and Challenges of Lobbying Regulation in Canada: A Comprehensive Analysis

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By

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ABSTRACT

Lobbying, often viewed skeptically and associated with corruption, plays a pivotal yet contentious role in modern governance. This paper examines the efficacy of Canadian federal lobbying legislation amid public disillusionment with governmental processes. While only 32% of Canadians express confidence in the Federal Parliament, concerns about lobbying's influence persist. Despite regulatory efforts, lobbying in Canada remains complex, with historical and political contexts shaping its regulation. This study undertakes a comprehensive investigation into Canadian federal lobbying legislation, exploring its ability to regulate lobbying activities effectively. It scrutinizes the regulatory framework, enforcement mechanisms, and identifies systemic barriers that impact trust, access, and perceptions of corruption within the Canadian political landscape. Analysis reveals a troubling trend of legislative stagnation punctuated by scandal-driven regulatory reforms. Despite recurrent scandals prompting regulatory reviews, meaningful reform is often delayed, perpetuating a cycle of distrust. Systemic barriers, including loopholes in registration requirements, disclosure deficiencies, and inadequate enforcement mechanisms, undermine transparency and accountability. Addressing these challenges necessitates closing loopholes, enhancing disclosure requirements, and providing adequate resources to regulatory bodies. Without meaningful reforms, the gap between lobbying regulations on paper and their implementation in practice will persist, threatening the integrity of Canada's political landscape.

DEDICATION

I dedicate this paper to my mother, father, and everyone who cares about the impact of lobbying on democracy.

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CHAPTER 1

INTRODUCTION

Lobbying, often perceived with skepticism and linked to notions of corruption, stands as a crucial yet contentious element in modern governance. The efficacy of such legislation remains to be examined. As of late 2023, only 32% of Canadians express confidence in the Federal Parliament (Gagnon, 2023), reflecting a broader disillusionment with governmental processes. While specific data on Canadians' perceptions of lobbying is lacking, insights from the United States indicate widespread concern, with 84% of Americans asserting that "special interest groups and lobbyists have too much say in what happens in politics" (Creda & Daniller, 2023).

Boucher (2018) characterizes lobbying as a "dynamic process of socialization between organizations and the government," emphasizing its role as a conduit for interests to engage with policymakers. Stos (2018) further explains lobbyists as translators, problem solvers, and advocates, underscoring their strategic function in representing clients' interests. However, the intricacies of lobbying, marked by its dynamic and social nature, pose challenges in quantification and enforcement of regulations.

Lobbying in Canada used to be an informal activity following the heavy emphasis of networks of elites that are a part of the old British tradition (Justice Laws Website, 2022). But since then, it has been regulated to create a more transparent system that organizes the interactions for the public to consume. In Canada, federal lobbying legislation serves as the primary mechanism to regulate lobbying activities, through the

Lobbyists Registration System enforced by the Office of the Commissioner of Lobbying with the primary aim to ensure transparency, accountability, and integrity in interactions between lobbyists and public officials.

The context surrounding lobbying regulation cannot be divorced from its historical and political underpinnings. The inception of the *Lobbying Act* in Canada was catalyzed by scandal, which led to a great deal of reforms including lobbying (Pross 2006, 184). The "Sponsorship Scandal" in 2004 was the event which catalyzed a wave of reforms in Canada, including measures pertaining to lobbying (Pross 2006, 184). This trend of focusing on regulation popped up again echoing recent discourse in 2021 precipitated by the WE charity scandal (Fry, 2022). This renewed scrutiny underscores the intrinsic link between trust, access, and the regulation of lobbying activities within the Canadian political landscape. This renewed scrutiny highlights the inherent connection between trust, access, and the regulatory framework governing lobbying activities within the Canadian political sphere.

This paper examines the scope and efficacy of Canadian federal lobbying legislation, aiming to shed light on its capacity to regulate lobbying activities effectively. Furthermore, it delves into overlooked issues that have the potential to shape trust, access, and the perception of corruption within the Canadian political landscape. By scrutinizing the regulatory framework, examining its enforcement mechanisms, and identifying gaps in addressing pertinent concerns, this study seeks to provide a nuanced understanding of the complexities surrounding lobbying regulation in Canada and its implications for democratic governance.

This paper seeks to explore the current landscape of lobbying regulations in Canada and if they have been effective. Chapter 2 delves into the current state of lobbying regulations in Canada and evaluates their effectiveness. A historical overview traces the evolution of regulatory frameworks, contextualizing their relevance within the Canadian landscape. Chapter 3 examines the shifts to a definition of lobbying and an exploration of the principles outlined in the Lobbyists' Code of Conduct, emphasizing their importance for subsequent analysis. Then there are systemic barriers within lobbying that are noted and explored as possible avenues of distrust and corruption. Chapter 4, provides a comparative examination features a detailed chart showcasing recommendations made in 2012 and 2021, aimed at enhancing lobbying regulations. This analysis seeks to identify similarities between the two sets of recommendations and assess their alignment with the overarching objectives of the Lobbyists Registration Act. By scrutinizing the degree to which these regulations achieve their intended goals, the policy's effectiveness is critically appraised. Lastly, in the final chapter, attention is turned towards an examination of federal convictions, providing insights into the enforcement mechanisms and consequences of regulatory violations. Through this comprehensive exploration, an understanding of the current regulatory landscape and its impact emerges.

CHAPTER 2

CONTEXT

History of Regulation - How it got started, reason for the change.

The focus of lawmakers through the process of creating lobbying regulations in Canada has been about making lobbying a transparent transaction for the public to feel confident about. "By confirming lobbying's legitimacy, parliamentarians implicitly recognized that it can contribute to enlightened decision-making by public office holders" (Cote 2006, 30). At the core of representative democracy is the concept that public office holders must make decisions that are beneficial for the public good (31) and therefore regulating lobbying is a step in creating an honest representation of who public office holders interact with.

The evolution of lobbying legislation reveals a notable shift away from defining lobbying activities to prioritizing the necessity of transparency. The frameworks surrounding creating lobbying legislation focus less on asking if certain activities constitute lobbying, but rather if certain activities require transparency (Pross & Shepherd 2017, 158). Cote states that "lobbying between the representative of special interests and the public office, there is in theory no such thing as a right to secrecy or privacy" (30).

The *Lobbyists Registration Act* was first proposed by the Mulroney Government after decades of MPs formulating its inception in September 1985, aiming to regulate lobbying activities in Canada (Pross 2006, 163). It wasn't until 1989 that the *Lobbying Registration Act* and the *Lobbyists' Code of Conduct* passed creating a set of rules and regulations surrounding the act of lobbying (Justice Laws Website, 2022). The frameworks surrounding creating lobbying legislation focus less on asking if certain

activities constitute as lobbying, but rather if certain activities require transparency (Pross & Shepherd 2017, 158). It is interesting to note that the "first acts gave scant direction and few powers to the regulators charged with implementing them" (Pross & Shepherd 2017, 165). The Act introduced key provisions such as the requirement for lobbyists to register and the establishment of a registry to track lobbying activities. The original LRA had several amendments made to it, a vital one being that in 2003, Bill C-15 added section 14.1 which mandated that a parliamentary review of the Act must be taken every five years (Holmes & Lithwick 2011, 10). Despite amendments however, events in subsequent years revealed major weaknesses in the Act, particularly its inability to ensure full disclosure of lobbying activities and the identification of lobbyists attempting to influence the government (Pross 2006, 184-185). These shortcomings led to a series of amendments to the Act, culminating in the introduction of the *Lobbying Act*.

The transition from the *Lobbying Registration Act* to the *Lobbying Act* happened in 2008 in the wake of ongoing critiques of the act as well as the "Sponsorship scandal". It was at this time that lobbying regulation through this act became an independent agent of Parliament with new provisions such as increasing the minimum time politicians could wait before going into lobbying and restricting gifts from lobbyists (Gold 2020, 30). These changes marked a significant step towards addressing the shortcomings of the former LRA.

The *Lobbying Act* introduced several key changes, including the establishment of a new Commissioner of Lobbying, monthly disclosure of lobbying activities by lobbyists, and a five-year post-employment prohibition for designated public office holders. This is also when a ban based on contingency fees, was added along with extending the period

during which infractions could be investigated (from two to ten years) and doubling the monetary penalties for lobbyists found in breach of the act (Office of the Registrar of Lobbyists 2008). These amendments were designed to improve compliance, enhance enforcement mechanisms, and mitigate concerns related to the revolving door phenomenon and insufficient disclosure of lobbying activities (Pross 2006). It is also with the second act, and the different regulation in provincial jurisdictions that expansive ideas that are ever-growing, changing and getting created based on the need of transparency and the shifting landscape of how government officials communicate with lobbyists.

After the *Lobbying Registration Act* came into full effect, there were multiple review's that took place. In 2010 The Designated Public Office Holder Regulations were amended and expanded to include all Members of Parliament and Senators, as well as any staff working in the office of the Leaders of the Opposition in the House of Commons and Senate to be defined as designated public office holders (Office of the Commissioner of Lobbying of Canada 2022, Lobbying Act). By 2012 the first statutory review happened that is supposed to take place every 5 years as per Bill C-15 happened. With this came the first of two official sets of recommendations presented to the ETHI committee who were appointed to do the Parliamentary Review. Nine recommendations made, the response from Parliament response was they were going to "take note" of three of the offered recommendations and "concurred" with the other six. None of them has led to legislative change to date (Holmes & Lithwick 2011, 10-13). In 2017 there was supposed to be another report made, but it got pushed and didn't come out until 2021. The Commissioner of the Office of the Commissioner of Lobbying of Canada released a report where eleven recommendations were made.

Lobbying Defined in Canada

The primary form of regulation in Canada for lobbying comes from the Lobbying Act. In an effort to regulate lobbying, in 1985 Canada passed the Lobbying Registration Act which explained lobbying to be:

> "WHEREAS it is desirable that public office holders and the public be able to know who is engaged in lobbying activities; AND WHEREAS a system for the registration of paid lobbyists should not impede free and open access to government;" (Office of the Commission of Lobbying of Canada 2023).

This gets to the heart of its creation in the first place, fostering transparency for everyone to see and participate in. In the aftermath of the 2008 creation of the *Lobbyists Ac*t, the Commissioner of Lobbying was empowered to be an entirely autonomous representative of Parliament, extended the waiting period before senior politicians could engage in lobbying activities, and imposed limitations on gifts from lobbyists, though not a complete ban. Embedded within this legislative framework are three fundamental components outlining the essence of lobbying: First, remuneration: the individual engaged in lobbying is compensated by either an employer or a client. Second, communication channels: lobbying entails direct communication, encompassing both written and oral forms, or indirect outreach through grassroots methods, with federal public office holders. Finally, third, subject matter: the individual engages in communication concerning various subjects, including the development of legislative proposals, the introduction, defeat, or amendment of bills or resolutions, the formulation or modification of regulations, policies, or programs, the allocation of grants,

contributions, or other financial benefits, the awarding of contracts (restricted to consultant lobbyists), or facilitation of meetings between public office holders and other parties (limited to consultant lobbyists) (Office of the Commissioner of Lobbying of Canada, 2023).

There are two distinct categories of lobbyists: consultant lobbyists and in-house lobbyists. Consultant lobbyists typically operate as independent contractors or are employed by firms specializing in government relations, law, or strategic consulting. Their primary responsibility is to engage with public officials on behalf of their clients, either by conveying messages or arranging meetings. Consultant lobbyists are mandated to register each instance of their lobbying activities. On the other hand, in-house lobbyists are divided into two sections of either "organizations" or "corporate", with the differentiating factor being that in-house corporate lobbyists bring financial gain through their lobbying and organizations pursue non-profit objectives. Registration becomes necessary when one or more employees engage with public officials regarding registrable subjects, and these activities collectively constitute a significant portion of one employee's responsibilities (Office of the Commissioner of Lobbying of Canada 2022).

In addition to this definition of lobbying, there are three categories of lobbyists described in the aforementioned *Federal Lobbying Act*: "a consultant (who lobbies on behalf of someone else in return for compensation), an enterprise (who lobbies on behalf of their enterprise), and an organization (such as non-profits or one at a parliamentary, government, or municipal levels)" (Stos 2018, 24). As this is a wide variety of positions lobbyists can take, they are by nature many things and hold influence over all parts of society and policy.

Lobbyists' Code of Conduct

Beyond regulations, a part of the effort to get the public's confidence in lobbying in Canada was to create the *Lobbyists' Code of Conduct*. The first Lobbyists' Code of Conduct was established in 1997 and created to complement the Lobbying Act's registration requirements as well as foster transparent and ethical lobbying of federal officials. The idea was that any individual who is identified as a lobbyist in the Registry of Lobbyists is required to comply with the Code (Renewing the Lobbyists' Code of Conduct 2022, 3). There was a second edition made in 2015 and then from 2020 to 2022 there were multiple rounds of consultations to create a third edition (4). The objectives of this code are to provide an ethnical framework for what is and is not acceptable in lobbying culture and is primarily for public confidence and to clearly lay out how to avoid conflict of interest situations.

As of the second edition, there were four principles laid out, along with eight total rules focused on transparency, use of information and conflict of interest (Renewing the Lobbyists' Code of Conduct 2022, 25). In the 2022 guide there are updated ideas and definitions that are reformulated on the previous sections. These categories are for discourse, trustworthiness, gifts and hospitality and close relationships. These updates came into force as of January 2023 with a publication in the Canada Gazette and educational materials provided by the Office of the Commissioner of Lobbying.

Analysis

The regulation of lobbying in Canada has long been characterized by periods of stagnation punctuated by moments of intense regulatory activity spurred by scandal. This cyclical pattern reflects a systemic issue where lobbying regulation is only taken seriously when public trust is low due to high-profile scandals.

The first example of this would be the change from the Lobbyists Registration Act to the Lobbyists Act in 2003 due to the "Sponsorship scandal" during which flaws with the previous Act were exposed and taken seriously due to the scandalous nature of the moment. The Act's ability to ensure transparency and accountability in lobbying activities was questioned and the Auditor General's report underscored the inadequacies of the Act, particularly in terms of keywording and prosecution, signaling a dire need for reform (Pross 2006, 184).

Then, there was a clear example of this regulation not being prioritized when *The Lobbing Act* was supposed to have its first statutory review in 2011. Due to various reasons, this review was postponed until 2012 (ETHI 2020). This delay exemplifies a recurring theme of legislative stagnation in lobbying regulation. The Commissioner at the time, presented nine recommendations in her report to the Standing Committee on Access to Information, Privacy and Ethics, aimed at improving the Lobbying Act. Yet, despite these recommendations, the legislative process remained slow-moving and ineffective.

The subsequent parliamentary review was scheduled to take place in 2017, but got pushed once again, to 2021. This case was brought up also following a scandal, the WE Charity controversy. It was with the pressure from another public relations issue that the Standing Committee on Access to Information, Privacy and Ethics, prompted by official

opposition invited the lobbying commissioner to address challenges within the Act. That testimony highlighted recurring issues, including deficiencies in penalties for contraventions, discrepancies between different types of lobbyists, and administrative shortcomings (Fry 2022, 84).

In essence, the history of lobbying regulation in Canada illustrates a troubling trend: Meaningful reform is often delayed until scandalous events force policymakers to address systemic weaknesses. The "Sponsorship scandal" is cited as a turning point for the expansion of federal lobbying regulations and the Office of the Commissioner of Lobbying (Fry 2022, 76). This reactive approach perpetuates a cycle of legislative stagnation and undermines the effectiveness of lobbying regulation in ensuring transparency and accountability in government decision-making.

Systemic Barriers that have not been addressed

In the dynamisms of democratic governance, access to the corridors of power often tilts in favor of lobbyists over regular voters. While Canadian lobbying regulations and enforcement mechanisms exist, numerous critical issues remain unaddressed, casting shadows on trust, access, and the image of corruption. This section embarks on a deep dive into the underexplored dimensions of corporate influence, monetary dynamics, relational intricacies, and the persistence of status quo biases, all of which exert profound yet overlooked impacts on the Canadian political landscape (Cote 2006, 30).

At the heart of the discussion lies the concept of public interest—a concept explored and debated by a myriad of voices and interests of stakeholders affected by governmental decisions. The regulatory framework governing lobbying in Canada

ostensibly prioritizes transparency and informational access, aiming to reinforce trust and facilitate public engagement in the democratic process. However, despite these intentions, the efficacy of such measures remains open to scrutiny, with gaps revealing systemic shortcomings.

Foremost among these deficiencies is the limited purview of the Lobbying Act, which, while providing a semblance of oversight, falls short in probing the underlying motivations of lobbyists and the intricacies of their interactions with policymakers (Boucher & Cooper 2021, 686). This lack of transparency not only fuels skepticism but also engenders feelings of exclusion among segments of the populace, eroding the very trust the legislation seeks to cultivate.

Compounding all these concerns are the omissions within the Canadian Lobbying Registry, where crucial data on lobby spending and political contributions remain conspicuously absent (Boucher 2018, 334). Despite regulations prohibiting corporate political contributions in Canada, the lack of transparency surrounding systematic levers within lobbying. The motivations of corporate interests, money, relational dynamics as well as status quo biases raises significant questions regarding their potential sway over policy decisions.

These gaps underscore broader anxieties within the public sphere regarding the influence wielded by lobbyists and interest groups in shaping policy trajectories. While some advocate for lobbyists as conduits that amplify public voices, others fear their involvement may subvert democratic principles (Hopkins et al. 2019, 623). Paradoxically, the lack of transparency shrouding lobbying practices and the inadequacies of regulatory oversight serve only to deepen public mistrust, necessitating

the implementation of more robust measures to ensure transparency and accountability in the lobbying process.

Corporate Interests

In the realm of lobbying, two distinct forms emerge, as explained by Hopkins (2019): cause and sectional. Cause groups rally around overarching societal issues, often embracing inclusive participation and striving to extend benefits beyond their active membership (Hopkins et al 2019, 623). In contrast, sectional lobbying focuses on advancing the interests of specific entities, such as business groups, catering to a narrower set of beneficiaries (Hopkins et al. 2019, 623). It is within this realm of sectional lobbying that the majority of corporate influence is situated.

The landscape of corporate lobbying in Canada has witnessed notable shifts in recent years. Business entities and corporations now constitute nearly 70 percent of all lobbying engagements (Graham et al. 2023, 992), marking a significant decline from the apex observed in 2002 when they comprised over 90 percent of such activities (Young and Everitt 2014, 90). However, despite this apparent reduction, Graham's findings underscore a concerning trend: the disproportionate influence wielded by sectional interests, particularly within the private sector.

Graham's analysis reveals a pervasive overrepresentation of sectional groups and their agendas within the Canadian lobbying landscape (Graham et al. 2023, 992). This prevalence of business-driven lobbying is particularly pronounced at the federal level, where corporate interests dominate the lobbying discourse. When juxtaposed against the lobbying efforts of public interest organizations and unions, the dominance of business

interests becomes even more glaring, constituting a staggering 81 percent of lobbying activities over the past 11 years (2023, 992). Moreover, Graham's study highlights a concerning pattern of lobbying concentration, primarily orchestrated by a select group of large corporations and collective business entities. This concentration of lobbying power within the private sector mirrors the broader trend of capital consolidation, further exacerbating concerns regarding the undue influence wielded by corporate interests in shaping public policy (Graham et al. 2023, 992). This could not only look problematic to the general public but be problematic in having undue influence.

However, it's crucial to acknowledge that the influence of corporate interests is contingent upon the boundaries set by Parliament. While corporate lobbyists may exert sway, it ultimately hinges on the discretion afforded to them by decision-makers within the legislative framework. If there's a genuine desire for change, it becomes imperative to hold policymakers accountable for their actions and decisions. In Graham's research, the volume of interest group contacts surged from an average of 19,117 between 2011 and 2015 to 35,516 from 2016 to 2022 (Graham 2023, 987). These stark disparities underscore the varying levels of engagement between different political parties, the Conservative and Liberal administrations. Such findings highlight the agency of officeholders in determining the extent of their interactions with cause groups. Therefore, if there's a collective aspiration for increased engagement and responsiveness from decision-makers, it necessitates proactive communication and accountability measures directed towards elected officials.

The disproportionate representation of sectional lobbying interests not only underscores the prevalence of corporate influence but also raises profound concerns

regarding transparency, accountability, and the potential for corruption. As large corporations and business entities commandeer the lobbying arena, the voices of ordinary citizens and smaller interest groups risk being drowned out, fostering perceptions of an unequal playing field and undermining public trust in the integrity of the policymaking process. Thus, addressing the lack of transparency and imbalances inherent in corporate lobbying practices emerges as a critical imperative for safeguarding the principles of democratic governance and fostering a more equitable and inclusive political landscape.

Money

The landscape of corporate lobbying in Canada is intertwined with the substantial financial resources wielded by business entities, alongside large-scale advocacy groups. The strength of institutions with significant financial prowess extends far beyond mere fiscal might; it encompasses a disproportionate capacity to engage lobbyists and exert influence over the policymaking apparatus (Carroll & Sapinski, 2018). In contrast, ordinary voters find themselves constrained by financial limitations, lacking the means to partake in lobbying endeavours on a comparable scale. The glaring asymmetry in financial resources between businesses and large interest groups compared to grassroots advocacy translates into starkly divergent success rates in achieving lobbying objectives, perpetuating an unequal playing field fraught with implications for trust and democratic integrity (McKay 2012, 914).

Indeed, the connection between financial resources and lobbying efficacy unveils a multitude of auxiliary benefits that heighten the influence of well-funded lobbyists. These advantages encompass the wealth of expertise, expansive networks, and the sheer

intensity of lobbying efforts, all of which are catalyzed by ample funding (McKay 2012, 913). While the causal link between financial resources and lobbying success may not always be linear, the infusion of greater funding undoubtedly fuels more robust lobbying endeavours, potentially yielding favourable policy outcomes (McKay 2012, 913). Moreover, financially robust corporations and institutions often underwrite external policy research conducted by think tanks and policy groups, further amplifying their sway over the policymaking process (Plehwe, 2014).

This financial hegemony not only affords lobbyists representing businesses a suite of advantages, including enhanced access to time, expertise, and resources but also perpetuates systemic inequalities within the lobbying arena (McKay 2012, 914). It suggests that the influence of political money is most palpable in low-salience votes or issues where its impact remains elusive and difficult to track (871), underscoring the pivotal role of visibility and transparency in mitigating the pernicious effects of financial clout on democratic governance.

Moreover, marginalized groups, particularly those with limited financial resources, encounter formidable barriers to formal and informal access in the lobbying arena (Young & Everitt 2014, 90). The difference in financial resources between affluent entities and marginalized groups perpetuates an inherently lopsided landscape, wherein the former can operate in the advantages of expertise and resources while the latter may struggle on the fringes of influence. Addressing these glaring disparities is imperative not only for fostering transparency and accountability but also for upholding the principles of equitable representation in Canada's policymaking processes.

Relational

From the vantage point of citizens, the interactions between lobbyists and public officials often raise concerns about undue influence, perceived cozy relationships between decision-makers and special interest representatives, and suspicions of public institutions deviating from their mandate to serve the broader public interest (Cote 2006, 30). These concerns are exacerbated by the inherently relational nature of politics, where personal connections and loyalties can blur the lines between public duty and private interest. As Atkinson (2013, 761) notes, the sense of debt or loyalty that often accompanies lobbying efforts can blur the boundaries between political duty and personal allegiance.

Relational access, alongside financial resources, emerges as a linchpin in shaping the landscape of lobbying in Canada. Lobbyists rely not only on the depth of their pockets but also on the strength of their relationships with government officials to navigate the corridors of power effectively (Cote 2006, 29). This relational dynamic harkens back to historical courtier-like relationships, reminiscent of ancient monarchies, where intermediaries wielded influence through proximity to authority figures.

While financial resources are undoubtedly crucial for facilitating lobbying efforts, relational access to government officials is equally vital. Lobbyists employed by wealthier entities leverage their connections with supportive allies within government ranks, thereby amplifying their effectiveness (McKay 2012, 910). Access to resources such as lobbyists assists policy advocates in acquiring a deeper comprehension of the

political landscape and the knowledge ecosystem within which they function (Baumgartner 2009, 226).

Geographic positionality also plays a significant role in relational access. Lobbyists who spend more time in Washington D.C. tend to report higher levels of success, as they have greater opportunities to interact with government officials and leverage public opinion (McKay 2012, 913). This applies to Ottawa just as clearly where the hub of Canadian politics lies. Conversely, lobbyists from rural areas face more obstacles due to their geographic distance from centers of power.

Furthermore, relational access assumes a positive relationship between lobbyists and government officials. A Danish study highlighted that interest groups combine direct access to bureaucrats with indirect strategies to apply pressure, with minority interest groups resorting to direct action and disruptive tactics (Binderkrantz 2005, 10). Relational access necessitates an open dynamic wherein lobbyists foster constructive relationships with government officials, enhancing their ability to influence policymaking processes and outcomes. However, such dynamics also raise concerns about the potential for undue influence, further underscoring the need for transparency and accountability in the lobbying arena.

Revolving Door

Revolving door lobbying, a practice wherein government officeholders transition to roles within interest organizations, raises significant concerns regarding fairness and transparency in the policymaking process (McKay & Lazarus 2023, 178). Canada's rule is that there is a five-year prohibition on lobbyists working in ministerial offices or

communicating with public offices, and ex-government officials. But despite that, they can still provide strategic advice to lobbyists, potentially leveraging their relational access (Stos 2018, 24). The distinction of Designated Public Office Holder (DPOH) in the *Lobbying Act* was a ground-breaking yet contentious addition aimed at curbing revolving-door lobbying and illuminating access points crucial for lobbying efforts (Fry 2022, 80). However, inherent loopholes, such as the 20% threshold rule for in-house lobbyists, present challenges to effective regulation (Office of the Commissioner of Lobbying of Canada 2021, 1). This practice blurs the lines between public duty and private interest, casting doubts on the true allegiance of newly appointed public officers (Yates & Cardin-Trudeau 2021, 316).

The issue of revolving door lobbying extends beyond mere relational access, offering unfair advantages to lobbyists and their employers by granting them connections to individuals in positions of power (Yates & Cardin-Trudeau 2021, 302-303). These revolving-door lobbyists can also enhance their firms' negotiating prowess on political issues, accruing a form of "bureaucratic capital" (Brezis, 2016, 54). Moreover, conflicts of interest may arise as public officeholders possess privileged information about government strategies and perspectives, potentially benefiting their employers (Yates & Cardin-Trudeau 2021, 310).

The transition of public officeholders into lobbying or consultancy roles may incentivize them to offer favours or yield to sector requests, thus influencing their future career opportunities (Yates & Cardin-Trudeau 2021, 303). This compromised position not only breeds unfair biases toward well-connected individuals but also creates a dynamic where interpersonal relationships can be leveraged. Additionally, government

regulators with industry backgrounds may exhibit biases toward industry interests due to their prior immersion in the industry environment (Yates & Cardin-Trudeau 2021, 305).

Addressing these challenges requires Canada to implement stricter regulations on revolving-door lobbying to mitigate conflicts of interest and ensure transparency. Clear guidelines should be established to regulate the transition of public officeholders into lobbying roles, including extended cooling-off periods and restrictions on post-government service activities. Enhanced accountability and oversight mechanisms are essential to monitor revolving-door lobbyists and prevent undue influence on policymaking processes. Strengthening disclosure requirements and increasing public transparency about lobbying activities can help restore trust in the integrity of the lobbying system. Furthermore, efforts should be made to diversify access to decision-makers by promoting inclusive representation and providing greater opportunities for cause groups and advocacy organizations to engage in the policymaking process through initiatives such as public funding and increased resources for public interest lobbying.

Access Peddling and Biased Representation

Canadian lobbying is marked by the prevalence of sector-focused perspectives and the influence of lobbyists, prompting concerns about access, accuracy, and transparency in the policymaking process. One prominent aspect of lobbying in Canada is the prevalence of sector-focused perspectives among lobbyists, often characterized by what is colloquially known as "access peddling" (Boucher & Cooper 2019, 342). Unlike general consultants, these lobbyists specialize in facilitating access to decision-makers rather than offering comprehensive policy expertise. This emphasis on access can

inadvertently marginalize groups with fewer financial resources, limiting their ability to engage meaningfully in the policymaking process (Young and Everitt 2014, 90).

Moreover, the lobbying landscape often operates in a manner that deviates from conventional political processes, where policy changes rarely impact a single group but instead have multidimensional effects that influence various stakeholders simultaneously (Young 2011, 179). This dynamic underscores the importance of coalitions in effecting meaningful change, highlighting the potential shortcomings of access-focused lobbying strategies.

Since lobbyists are not subject to the same standards of accuracy and legitimacy as academics or government officials, leading to the dissemination of potentially misleading information. Stark's analysis of the lobbying registration legislation debate illustrates how lobbyists strategically employ rhetoric to promote their interests, often without substantive evidence or verifiable metrics (Stark 1992, 515). Such practices raise significant concerns about the reliability and trustworthiness of lobbying efforts and their impact on the integrity of policy decision-making processes.

The influence of lobbyists can skew policy-making in favour of business interests, monopolizing officials' attention and constraining the variety of perspectives they are exposed to. This pro-business bias can result in the distortion of issue priorities and the propagation of misinformation perceived as accurate by lobbyists (Gold 2020, 172). Additionally, businesses invest considerable resources in shaping the intellectual landscape of political decision-makers through financing think tanks and lobbyists, thereby promoting specific policy agendas aimed at advancing their preferred solutions (Drutman 2015, 35).

The phenomenon of the revolving door, where government officials transition into lobbying roles, exacerbates this bias by fostering proximity between lobbyists and decision-makers. This proximity has the potential to influence politicians' perspectives, potentially prioritizing economic goals over other considerations (Yates & Cardin-Trudeau, 2021, 316). Such dynamics showcase the urgent need for robust regulations to mitigate conflicts of interest and ensure transparency in lobbying practices.

Addressing the influence of corporate lobbying in Canada requires a comprehensive reassessment of existing regulations and practices. Efforts to promote inclusive representation, transparency, and accountability in the lobbying process are crucial to upholding democratic principles and preventing the undue influence of special interests. By examining the mechanisms through which corporate interests gain access to decision-makers and advocating for reforms that prioritize the public interest, Canada can move towards a more equitable and transparent policymaking process.

Maintaining Status Quo

The preference for maintaining the status quo among lobbyists, particularly those representing business interests, not only undermines trust and transparency in the policymaking process but also has the potential to cultivate a perception of corruption because it may move against necessary changes being advocated for. These lobbyists often advocate for stability in the political system while actively opposing significant changes, demonstrating greater efficacy in mobilizing resources against change rather than for it (Gold 2020, 189). Their preference for maintaining the status quo is further

reinforced by their support for incumbent politicians known for delivering tangible results, perpetuating a cycle of stability and continuity in policymaking processes.

Furthermore, sectional interest groups inherently favor the status quo, particularly when existing policies align with their interests. These groups typically seek to uphold the current governmental focus rather than advocating for change, as the status quo already benefits them (Hopkins et al., 2019, 632). In contrast, cause groups, despite facing challenges in insider access and knowledge, often prioritize the broader public interest over maintaining the status quo (Hopkins et al., 2019, 626). This inherent bias favoring the status quo among sectional interest groups highlights the entrenched interests that lobbyists representing these groups seek to preserve.

Corporate lobbyists derive significant benefits from the inertia of the status quo, while other advocacy groups may struggle to effect change. The decline in public engagement, civic involvement, and volunteerism over the past four decades, coupled with the rise of privatization ideologies like supply-side economics, has reshaped the landscape of lobbying and campaign financing (Gold 2020, 217). Legislative and judicial decisions have further exacerbated this trend by reducing public campaign funding relative to inflation and election expenses, while funding for citizen advocacy groups has also diminished. This trend, observable in both the United States and Canada, underscores the disproportionate influence wielded by wealthy corporations in shaping government policies and priorities.

Moreover, the existing government structure also perpetuates the preference for maintaining the status quo. Young's analysis of lobbying and policy change suggests that struggles over policy inherently involve efforts to change the status quo, which are

statistically uncorrelated with pre-existing levels of power or mobilization (Young, 2011, 179). This observation implies that biases in policymaking processes may stem from the system itself rather than from specific policy decisions or lobbying efforts. If elected officials have the predisposition to favour certain models of governance, they are likely to perpetuate the status quo even in the absence of direct lobbying influence.

The entrenched preference for maintaining the status quo among lobbyists representing business interests and sectional interest groups, coupled with systemic biases in the policymaking process, raises significant questions about the transparency, fairness, and integrity of government decision-making. Addressing these challenges requires a clear effort to promote inclusive representation, transparency, and accountability in the lobbying process, thereby ensuring that policymaking reflects the broader public interest rather than the narrow preferences of entrenched interests.

CHAPTER 3

METHODOLOGY

To comprehensively examine the efficacy and challenges of lobbying in Canada, this study delves into the recommendations provided by the Office of the Commissioner of Lobbying in Canada (OCL). Understanding these recommendations offers insights into internal issues and identifies areas requiring attention. Consequently, this analysis presents both sets of recommendations issued by the OCL.

The data utilized in this study were sourced from official recommendation documents published by the Office of the Commissioner of Lobbying (Office of the Commissioner of Lobbying of Canada, 2011) (Office of the Commissioner of Lobbying of Canada, 2021). These documents encompass all recommendations made for 2012 onwards, sequentially arranged for clarity. Instances where a recommendation reappeared in both 2012 and 2021 were juxtaposed to discern any changes or continuities in focus.

Notably, the presence of certain recommendations from the 2012 dataset in the 2021 dataset suggests resolution or a lack of ongoing concern as perceived by the OCL. Conversely, the emergence of new recommendations in the 2021 dataset signifies evolving challenges or areas previously overlooked.

It is pertinent to highlight that while scholars may have proposed regulatory measures for lobbying in Canada prior to 2012, this study primarily focuses on the official recommendations of the OCL. These documents hold significance as they coincide with the establishment of the office and the revision of the *Lobbyists Act*, thereby warranting closer scrutiny than previous criticisms or proposals.

CHAPTER 4

RESULTS

Table 1 illustrates the striking parallels between recommendations presented in 2012 and those reiterated in 2021. It suggests that several recommendations proposed in 2012 were primarily for superficial or self-reflective purposes, rather than genuine prioritization for policy implementation.

Table 1: Comparison of Commissioner's Recommendations During Statutory Review for 2012 and 2021 recommendations

Recommendations by OCL in 2012	Recommendations by OCL 2021
Recommendation 1: The provisions regarding the 'significant part of duties' should be removed from the *Lobbying Act* and consideration should be given to allowing limited exemptions	**Recommendation 1:** **Amend the in-house lobbyist registration threshold** Amend the *Lobbying Act* to remove the "significant part of duties" registration threshold for in-house lobbyists and replace it with an obligation to register lobbying activities by default unless a limited exemption based on objective criteria applies.
Recommendation 2: The Act should be amended to require that every in-house lobbyist who actually participated in the communication be listed in monthly communication reports, in addition to the name of the most senior officer.	**Recommendation 5:** **Expand reporting requirements for monthly communication reports** Amend the Lobbyists Registration Regulations so that monthly communication reports are required for all oral communications with designated public office holders and list all those who participated in the communication. [At present, in-house lobbyists who participate in a communication with a designated public office holder are not required to be identified in reported communications. Consequently, it is not possible to determine which specific in-house lobbyist(s) participated in a given reported communication. (OCL report , 2021, p19)]
Recommendation 3:	**Recommendation 5:** **Expand reporting requirements for monthly communication reports**

The prescribed form of communications for the purposes of monthly communication reports should be changed from 'oral and arranged' to simply 'oral'	Amend the Lobbyists Registration Regulations so that monthly communication reports are required for all oral communications with designated public office holders and list all those who participated in the communication. [monthly communication reports are required where an oral communication with a designated public office holder is "arranged in advance" and "initiated" by a lobbyist…The inclusion of these criteria significantly narrows the scope of the communications that lobbyists are required to report in the Registry of Lobbyists. All oral communications with designated public office holders should be reported in the Registry of Lobbyists, regardless of who initiated them and whether or not they were arranged in advance. (OCL report , 2021, p17)
Recommendation 4: The Act should be amended to require lobbyists to disclose all oral communications about prescribed subject-matters with DPOHs, regardless of who initiates them.	**Recommendation 5:** **Expand reporting requirements for monthly communication reports** Amend the Lobbyists Registration Regulations so that monthly communication reports are required for all oral communications with designated public office holders and list all those who participated in the communication. [monthly communication reports are required where an oral communication with a designated public office holder is "arranged in advance" and "initiated" by a lobbyist…The inclusion of these criteria significantly narrows the scope of the communications that lobbyists are required to report in the Registry of Lobbyists. All oral communications with designated public office holders should be reported in the Registry of Lobbyists, regardless of who initiated them and whether or not they were arranged in advance. (OCL report , 2021, p17)]
Recommendation 5: The Act should be amended to make explicit the requirement for consultant lobbyists to disclose the ultimate client of the undertaking, as opposed to the firm that is hiring them.	x

Recommendation 6: The provision of an explicit outreach and education mandate should be maintained in the *Lobbying Act* to support the Commissioner's efforts to raise awareness of the legislation's rationale and requirements.	x
Recommendation 7: The Act should be amended to provide for the establishment of a system of administrative monetary penalties for breaches of the Act and the Code, to be administered by the Commissioner of Lobbying.	**Recommendation 8** **Introduce new compliance measures** Amend the *Lobbying Act* to add a range of compliance measures, including training, administrative monetary penalties and temporary prohibitions, to allow for greater flexibility and proportionality in addressing contraventions of the Act.
Recommendation 8: The requirement for the Commissioner to conduct investigations in private should remain in the Lobbying Act.	x
Recommendation 9: An immunity provision, similar to that found in sections 18.1 and 18.2 of the Auditor General Act, should be added to the Lobbying Act	**Recommendation 11** **Provide immunity against civil or criminal proceedings** Amend the *Lobbying Act* to provide immunity against civil or criminal proceedings for the Commissioner of Lobbying and those acting on behalf or under the direction of the Commissioner
x	**Recommendation 2** **Harmonize registration time limits** Amend the *Lobbying Act* to harmonize the registration deadline for consultant and in-house lobbyists to 15 days**.**
x	**Recommendation 3** **Make reporting requirements the same for all in-house lobbyist registrations** Amend the *Lobbying Act* to make all corporations and organizations subject to the same registration requirements

x	**Recommendation 4** **Deem members of boards of directors to be employees of corporations and organizations** Amend the Lobbying Act to deem paid members of boards of directors to be employees of corporations and organizations for the purposes of the Act.
x	**Recommendation 6** **Add reporting of additional contextual information in monthly communication reports** Amend the *Lobbying Act* to require that registrants disclose prescribed contextual information in their monthly communication reports.
x	**Recommendation 7** **Harmonize the five-year prohibition on lobbying** Amend the *Lobbying Act* to harmonize the five-year post-employment prohibition on lobbying by making former designated public office holders subject to the same post-employment restrictions regardless of whether they are employed by a corporation or an organization.
x	**Recommendation 9** **Make orders enforceable** Amend the *Lobbying Act* to allow orders, i.e. summonses and production orders, issued by the Commissioner of Lobbying to become orders of the Federal Court.
x	**Recommendation 10** **Allow referrals to appropriate authority** Amend the *Lobbying Act* to allow referrals relating to alleged offences under the *Lobbying Act* or other federal or provincial legislation to be made not only to peace officers, but also to any other appropriate authority, including the Commissioner of Lobbying's provincial counterpart

(Office of the Commissioner of Lobbying of Canada 2011) (Office of the Commissioner of Lobbying of Canada, 2021).

Note about table: information in the square brackets is further expanded information from the original document to provide necessary context.

As evidenced in Table 1, it is apparent that a significant portion of the recommendations proposed in 2012 resurfaced in the more comprehensive set of recommendations in 2021. This indicates not only a failure to address many

recommendations over the nearly decade-long interim period but also underscores the low prioritization of lobbying reform by Parliament. Many of the loopholes identified in these documents are substantial and, in some cases, render the entire Registry ineffective. The systemic neglect from Parliament, coupled with the limited authority vested in the Office of the Commissioner of Lobbying, results in a notable dearth of convictions, highlighting the lack of significant penalties for non-compliance.

Registration requirements have glaring loopholes that do NOT uphold transparency

The landscape of lobbying regulation in Canada is marred by glaring loopholes that undermine transparency and accountability. One such loophole pertains to the 20% threshold rule, which has been an unresolved issue that has been continuously brought up time and time again as a recommendation since the 90's (Office of the Commissioner of Lobbying of Canada 2021, 2). This issue was salient as recommendation 1 in both 2012 and 2021 and still has not been addressed (Table 1). It allows individuals to engage in lobbying activities without registering as lobbyists if less than 20% of their time is spent on such activities. While ostensibly designed to prevent undue influence, this threshold creates a significant gap in oversight, enabling former designated public office holders (DPOH) to skirt lobbying regulations.

Under this rule, DPOHs can transition into roles where lobbying accounts for less than 20% of their work, maintaining access and insider information without facing the regulatory scrutiny imposed on registered lobbyists. This not only perpetuates the revolving door phenomenon, where individuals move between public office and private sector roles, but also fosters an environment of unequal access and influence. The

enforcement and monitoring of this 20% rule present significant challenges, further exacerbating the loophole and undermining transparency in lobbying activities (Office of the Commissioner of Lobbying of Canada, 2021).

Another loophole stems from the treatment of board members who engage in lobbying activities on behalf of corporations or organizations. If these board members are not considered employees and receive payment beyond expense reimbursement, they are classified as consultant lobbyists rather than in-house lobbyists. Consequently, their lobbying activities are filed separately, obfuscating the overall lobbying efforts of the corporation and impeding public visibility into lobbying activities. This regulatory distinction creates a loophole wherein the lobbying activities of board members may go unnoticed or underreported, hindering efforts to track and monitor corporate influence on government decision-making processes (Office of the Commissioner of Lobbying of Canada 2021, 15).

These loopholes in lobbying regulation not only undermine the transparency and integrity of the political process but also perpetuate disparities in access and influence. Addressing these loopholes requires robust enforcement mechanisms and regulatory reforms to ensure that lobbying activities are conducted transparently and accountably, without undue influence from vested interests.

Disclosure Requirements Insufficient

There are discrepancies in reporting requirements for lobbyists, particularly concerning oral communications with designated public office holders (DPOH). This is another recurring recommendation as it was touched upon in both 3 and 4 in 2012 and

then as 5 in 2021. Monthly communication reports only require disclosure when oral communications are arranged in advance and initiated by the lobbyist, omitting "happenstance" meetings where crucial information may be exchanged (Office of the Commissioner of Lobbying of Canada, 2021). This limitation in reporting oral communications hinders transparency and accountability in the lobbying process.

The disclosure requirements on monthly communication reports are incomplete, omitting crucial contextual details such as whether lobbying activities occurred during sponsored trips, if gifts were exchanged, or if political donations were provided to DPOHs (Office of the Commissioner of Lobbying of Canada, 2021). This lack of comprehensive information undermines public understanding of lobbying activities and prevents meaningful scrutiny of potential conflicts of interest.

Another loophole arises from the treatment of board members who engage in lobbying activities on behalf of corporations or organizations. Once again, it is an ongoing issue as it was recommendation 2 in 2012 and popped up again as recommendation 5 2021. If these board members are not considered employees and receive payment beyond expense reimbursement, they are classified as consultant lobbyists rather than in-house lobbyists (Office of the Commissioner of Lobbying of Canada, 2021). If their lobbying activities are filed separately, obfuscating the overall lobbying efforts of the corporation and impeding public visibility into lobbying activities.

It has been clear for the last decade that for the interests of transparency and accountability, there is a pressing need to address these loopholes and strengthen disclosure requirements. These points that can in some cases invalidate the entire point of

the Registry are forgotten, showcasing that the multitudes of regulations are weak and can be worked around quite easily. By closing these loopholes and enhancing disclosure requirements, the federal lobbying regime can better ensure transparency, integrity, and public trust in the political process.

Lack of enforcement mechanism

The Office of the Commissioner of Lobbying (OCL) faces significant limitations in its ability to effectively regulate lobbying practices due to constraints imposed by Parliament and the Lobbying Act. The OCL has been hampered in its capacity to carry out its duties, with stagnant funding exacerbating the challenge of ensuring greater accountability. Recommendation 9 in 2021 was not laid out in the 2012 report but there have been academic's pointing out this issue for decades. These constraints have persisted since at least 2006, as noted by Pross (2006, 217), who observed that the Registrar's enforcement power is strictly limited, subject to budgetary pressures and organizational decisions.

Enforcement of lobbying regulations is further complicated by the OCL's constrained authority. While breaches of the *Lobbying Act* and the *Lobbyists' Code of Conduct* are subject to investigation, the Commissioner's ability to enforce compliance is restricted. The only penalty that can be independently imposed is to file a report of an investigation with Parliament (Pross, 2006). This limited enforcement power has resulted in only four individuals ever being convicted, underscoring the inefficacy of the current regulatory framework.

Moreover, the OCL's ability to collect evidence during investigations is impeded by the lack of a specific mechanism for enforcing orders issued pursuant to its powers (Office of the Commissioner of Lobbying of Canada 2021, 32). While the *Lobbying Act* grants the Commissioner powers equivalent to a superior court, the absence of a clear enforcement mechanism undermines the effectiveness of investigations and hampers efforts to address non-compliance. In response to these challenges, the OCL has repeatedly recommended the addition of compliance measures, such as monetary penalties and temporary prohibitions as recommendation 7 in 2012 and recommendation 8 in 2021 (Office of the Commissioner of Lobbying of Canada 2021, 31). These measures would provide the Commissioner with greater flexibility to address instances of non-compliance and enhance transparency and accountability in lobbying practices.

The current regulatory framework falls short in empowering the OCL to enforce lobbying regulations effectively. The limited enforcement power and inadequate resources undermine the Act's ability to uphold transparency and integrity in the lobbying process. Addressing these limitations is crucial to ensuring that lobbying activities are conducted ethically and in the public interest.

OCL is underfunded

One of the major limitations of the OCL is simply that it finds itself in a precarious position, grappling with limited resources and mounting demands for greater accountability. The OCL's capacity to effectively regulate lobbyists has been hindered by constraints imposed by the Lobbying Act. The Commissioner herself has raised concerns

before Parliament, highlighting the challenges posed by stagnant funding and outdated budget allocations (Fry 2022, 74).

A critical issue exacerbating the OCL's challenges is the underfunding of the regulatory body tasked with overseeing lobbyists. Despite its pivotal role in maintaining the lobbyist registry and enforcing the *Lobbyists' Code of Conduct,* the OCL has been operating within financial constraints. This was underscored by the Commissioner's testimony before the Standing Committee on Access to Information, Privacy and Ethics in 2020, where she revealed that the office was operating with a budget set in 2005, severely impeding its ability to fulfill its mandate.

The impact of this underfunding is evident in the staffing levels at the OCL. Over the past 15 years, from 2009 to 2024, the number of full-time and contract employees has increased from 27 (Fry 2022, 81) to 35 (Personal Communication May 1, 2024), which is not enough to meet the growing demands placed on the office amidst a significant rise in lobbying activity across Canada. In 2009, there were 5,626 lobbyists (Wild 2011, 7), whereas by 2022-2023, this number had surged to 9,120 according to the annual report (2022, 12), almost double while the office remains stagnant. This disparity between the increasing workload and limited resources underscores the urgent need for adequate funding and support for the OCL. Without sufficient resources, the office faces significant challenges in effectively regulating lobbyists, maintaining transparency, and upholding the integrity of the lobbying process. Addressing these funding constraints is essential to ensuring the OCL can fulfill its crucial role in safeguarding the integrity of Canada's political landscape.

Notably Few Convictions

The efficacy of lobbying regulations in Canada raises crucial questions about enforcement and oversight. While regulatory frameworks like the *Lobbying Act* impose penalties ranging from fines to bans, the actual enforcement of these regulations remains limited (Stos 2018, 23). Despite the potential consequences for breaches of the Lobbying Act, only a handful of convictions have been secured, reflecting a gap between regulations on paper and their implementation in practice (Stos 2018, 23). With only four convictions under the federal act, (Office of the Commissioner of Lobbying of Canada, 2022), there is space to question if the regulations are being implemented and investigated to their fullest extent.

Uneven application of penalties also exists across provinces which highlights inconsistencies in enforcement practices. While some jurisdictions have implemented administrative monetary penalties and lobbying bans, others have refrained from doing so (Stos 2018, 25). This patchwork of enforcement measures not only creates regulatory gaps but also undermines the effectiveness of lobbying regulations on a national scale. In Quebec, where enforcement of lobbying legislation is comparatively more aggressive, the only convictions under this law have occurred (Stos 2018, 25). However, inter-provincial differences in enforcement raise concerns about regulatory disparities and the potential for lax enforcement in certain jurisdictions.

Amidst these challenges, landmark cases such as the conviction of Andrew Skaling in July 2013 underscore the importance of enforcing compliance with lobbying regulations. Skaling pleaded guilty to failing to register an undertaking to perform lobbying activities as a consultant on behalf of the Canadian Network of Respiratory

Care (CNRC), resulting in a fine of $7,500 (Office of the Commissioner of Lobbying of Canada, 2022). This seminal case, though rare, sent a resounding message about the repercussions of contravening the act, highlighting the need for consistent enforcement and robust regulatory oversight to uphold transparency and accountability in lobbying practices.

Subsequent convictions under the *Lobbying Act* serve to underscore the infrequency of legal recourse in cases of non-compliance. In April 2016, James Carroll was convicted for failing to register his lobbying activities on behalf of La Vie Executive Health Centre, culminating in a fine of $20,000 (Office of the Commissioner of Lobbying of Canada, 2022). Similarly, in late 2016, Hervé Pouts pleaded guilty to failing to register four undertakings as a consultant lobbyist, resulting in a fine of $9,000 (Office of the Commissioner of Lobbying of Canada, 2022). These cases spotlight the sporadic nature of enforcement actions and the limited deterrent effect of existing penalties.

Moreover, the case involving Bruce Carson exemplifies the formidable challenges of enforcing compliance with lobbying regulations. Carson, a former designated public office holder, was convicted in 2016 for carrying out lobbying activities while subject to a five-year prohibition on lobbying. Despite the severity of the violation, Carson was fined a total of $50,000, a penalty that may be perceived as lenient given the gravity of the offense (Office of the Commissioner of Lobbying of Canada, 2022).

The rarity of convictions under the federal *Lobbying Act* underscores the multifaceted challenges inherent in enforcing regulatory compliance within the lobbying sphere. While regulatory frameworks are designed to uphold transparency and accountability, the scarcity of legal recourse in cases of misconduct casts doubt on the

efficacy of existing mechanisms. Addressing these challenges necessitates a comprehensive approach, including the enhancement of enforcement capabilities, the imposition of more substantial penalties for non-compliance, and the cultivation of a culture of ethical lobbying practices. By bolstering regulatory oversight and strengthening accountability mechanisms, Canada can strive to fortify its lobbying regulations and restore public trust in the integrity of the political process. Overall, ensuring the effective enforcement of lobbying and campaign finance regulations in Canada requires a coordinated approach, consistent enforcement practices across provinces, and adequate resources to support regulatory bodies in their oversight responsibilities. By addressing these challenges, Canada can enhance transparency, accountability, and integrity in its democratic processes.

CHAPTER 5

CONCLUSION

This paper delved into the efficacy of Canadian federal lobbying legislation, revealing a wide variety of overlooked issues and a cyclical pattern of stagnation that could significantly shape trust, access, and perceptions of corruption within the Canadian political arena. This reactive approach perpetuates a cycle of legislative inertia, where meaningful reform is delayed until public trust in the political process is severely eroded. The inception of the Lobbying Act in Canada, catalyzed by events such as the "Sponsorship scandal" in 2004 and the WE Charity controversy in 2021, showcases the intrinsic link between trust, access, and the regulation of lobbying activities within the Canadian political sphere.

Recent trends indicate a gradual convergence between business and public interest lobbying, highlighting the effectiveness of initiatives aimed at broadening access to lobbying avenues for cause groups such as environmental NGOs, unions, charities, and service-oriented NGOs. While business entities may historically enjoy greater access to decision-makers, true influence should be gauged not merely by face time but by the capacity to shape policy outcomes (Graham, 2023; Drutman, 2015). Studies reveal that cause groups, despite their comparatively limited resources and insider access, wield substantial influence by representing broader public interests and mobilizing public opinion to sway legislative decisions (Hopkins et al., 2019, 632). Despite the absence of regulations addressing critical concerns such as financial influence and relational dynamics, it is crucial to acknowledge that lobbying is not solely the domain of the

affluent and powerful. Avenues for effective lobbying exist for a diverse array of public interest groups, including those from less privileged backgrounds (Graham, 2023). This showcases that lobbying can be a force for equality if given the correct systemic support.

Efforts must be made by Parliament to promote transparency and accountability in lobbying activities. Implementing stricter disclosure requirements for lobbyists and public officials, alongside enhancing enforcement mechanisms for existing regulations, can help ensure that lobbying efforts are conducted ethically and in the public interest. A proactive approach to lobbying regulation, rather than a reactive one driven by scandal, is necessary to break the cycle of legislative inertia and foster a more inclusive and transparent political landscape in Canada. Additionally, fostering greater public engagement and awareness of lobbying activities can empower citizens to hold decision-makers accountable and advocate for policies that align with their interests (Graham, 2023).

By recognizing and addressing systemic inequities within the lobbying landscape, policymakers can foster a more inclusive and transparent political process that upholds democratic principles and safeguards against the undue influence of special interests. By addressing systemic barriers and prioritizing reforms that enhance transparency, accountability, and integrity, policymakers can cultivate a more equitable and participatory democratic process that upholds the public interest and safeguards against the undue influence of special interests.

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