



**Chambre de commerce
du Montréal métropolitain
Board of Trade of Metropolitan Montreal**

Brief presented to the

**Committee on Public Finance
National Assembly of Quebec**

**Consultation on the five-year review
of the Lobbying Transparency and Ethics Act**

by

the Board of Trade of Metropolitan Montreal

May 2008

© Board of Trade of Metropolitan Montreal, 2008

Preamble

The Board of Trade of Metropolitan Montreal has some 7,000 members. Its mission is to represent the interests of the Greater Montreal business community and offer an integrated range of specialized services helping individuals, merchants, and businesses of all sizes realize their full potential in terms of innovation, productivity, and competitiveness. The Board of Trade is the largest private organization in Quebec devoted to economic development.

Introduction

It is with great interest that the Board of Trade of Metropolitan Montreal has reviewed the report from the Ministre de la Justice as well as that from the Lobbyists Commissioner and shares its comments concerning the application of the Lobbying Transparency and Ethics Act (the "Act").

As a non-profit organization (NPO) whose members are for the most part profit-seeking businesses or their representatives, the Board of Trade falls into the category of organization lobbyist and has therefore complied with the Act since its introduction in 2002. Based on our experience as an organization lobbyist and our familiarity with the process of updating our filings in the registry, our comments primarily target two points:

1. Make the Act applicable to more organizations;
2. Increase adherence to the Lobbying Act.

1. Make the Act applicable to more organizations

At this time, the Act applies only to those organization lobbyists "whose job or function consists in lobbying on behalf of an association or other non-profit group constituted to serve management, union or professional interests or the majority of whose members are profit-seeking enterprises or representatives of profit-seeking enterprises." Like the Lobbyists Commissioner, we believe it important that more organizations be covered by the Act. In our opinion, the current parameters do not entirely reflect the diversity of players whose role is to influence government decisions. Extending the applicability of the Act would be one way to increase lobbying transparency among NPOs.

The Board of Trade also supports the recommendation by the Lobbyists Commissioner that any coalition conducting lobbying activities should be obliged to register the lobbyists acting on its behalf. For organization lobbyists, this signifies, among others, that in the case of a coalition, the lobbyists would have to "register the name and address of the bodies or agencies forming the coalition." We maintain that this addition would also increase transparency.

This being said, extending the Act's application to more NPOs should be done with due consideration given to practicality and feasibility. As many observers might note, numerous associations and NPOs have limited resources and depend largely on volunteers, and obliging them to adhere to the lobbyist registration procedures would be inappropriate and probably unrealistic. A regulation should therefore allow some organizations—such as certain NPO categories whose vocation is essentially one of charity—to be exempt from the Act.

2. Increase adherence to the Lobbying Act

Since the legislation came into force, the Board of Trade has been committed to making regular entries in the register that accurately reflect the lobbying activities it conducts. We are therefore

concerned to see that the same discipline is not being exercised by all of the organizations covered by the register. As the Minister of Justice noted, "it appears that the number of lobbyists registered is still not reflective of the magnitude of the phenomenon." (Loose translation)

We should add that in fully complying with the rules of transparency, the Board of Trade makes public certain strategic information that could be of particular interest to competing organizations. Therefore, to ensure that a healthy competitive environment exists among organizations, it is essential that this transparency is reciprocated.

Given that five years after the introduction of the register participation in it is at best unequal, we believe that it would be fully appropriate to intensify audit and investigation activities for lobbyists who are already registered, as well, of course, for those who are not yet part of the register. For this reason we support the following observation by the Commissioner:

In view of the many awareness campaigns in place, the development of information management tools on lobbying activities, and greater familiarity with the areas where influence is exerted, it is to be expected that the number of inquiries leading to penal proceedings should increase over the next few years.

This being said, we also believe that any intensification of audit and investigation activities should be preceded by an information and awareness campaign, which, in addition to further compelling lobbying organizations to register, would also clearly explain the consequences of not registering.

In addition, the Board of Trade believes it is vital to further educate lobbyists about the requirements included in the Act, notably with respect to the importance of updating the information contained in the registry. The Commissioner has suggested that if, through the Act, he was granted a mandate to educate, this would allow him to develop and implement programs associated with the Act's requirements. We also find this suggestion interesting, as more information and training initiatives would result, which in turn would impact positively on the participation of lobbyists in the register. Clearly, if additional public funds were to be earmarked to execute this mandate, we believe that a periodic assessment should be planned to ensure that the monies invested are genuinely leading to the anticipated results.

A third element to consider in the effort to increase participation in the register is to make reasonable demands of the lobbyists themselves. From this perspective, the Board of Trade cannot support the recommendation by the Commissioner to shorten the registration period. The Commissioner has recommended, notably for organization lobbyists, a period of 30 days to file an initial return and 10 days to then make modifications. With respect to a renewal, the Commissioner proposes that for all lobbyists this be done no later than 10 days following the anniversary of the initial registration. The Board of Trade believes that this measure would impede the initiative to encourage more lobbyists to register. We therefore recommend that the current time frames be maintained. For organization lobbyists, these time frames are 60 days for the initial registration and 30 days for any changes to the filing. With respect to the annual registration renewal period for this category of lobbyists, this should be maintained at 60 days, as is currently stipulated in the Act.

Conclusion

In summary, the Board of Trade believes that to promote the achievement of the transparency objectives inherent in the Act and the registering of lobbyists, it is particularly important that the number of organizations covered by the Act be increased and that their participation in the

registry be both more pronounced and more consistent. For just as transparency is no longer an option in business but rather an obligation, the Act should not be considered as "optional" by representation groups.