



Government  
of Canada

Gouvernement  
du Canada

Registrar  
of Lobbyists

Directeur  
des lobbyistes

Ottawa, Canada  
K1A 0R5

**SEP - 7 2007.**

Mr. Duff Conacher  
Co-ordinator  
Democracy Watch  
1 Nicholas Street, Suite 420  
P.O. Box 821, Postal Station B  
Ottawa, Ontario  
K1P 5P9

Dear Mr. Conacher:

As you are aware, the November 9, 2000 Democracy Watch complaint, concerning the alleged involvement of non-elected employees of the Liberal Party of Canada in consultations connected with the awarding of Transitional Jobs Fund (TJF) grants in the province of Quebec, was transferred to the Office of the Registrar of Lobbyists for review. Your complaint related to issues which fell under the *Lobbyists Registration Act* (the Act), the *Lobbyists' Code of Conduct* (the Code) and the *Conflict of Interest and Post-Employment Code for Public Office Holders*. As I explained to you in my letter of February 25, 2005, as Registrar of Lobbyists I am only able to address allegations which fall under the Act and the Code.

We have now completed an Administrative Review of the allegations you raised in your letter, namely that non-elected employees and members of the Liberal Party of Canada involved in a review of TJF grant applicants violated the Principle of Professionalism, and Rules 3 and 8 of the Code.

To determine whether a breach of the Code occurred, it is first necessary to establish if there was a requirement to register. During the period in question, organizations employing one or more individuals any part of whose duties was to communicate with public office holders may have been required to file a return with the Registrar if the employees communicated with public office holders on

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behalf of the organization in an attempt to influence matters listed in paragraphs 7(1)(a) to (e) of the Act. This was the case if those duties constituted a significant part of the duties of one employee, or constituted a significant part of the duties of one employee if they were performed by only one employee. The threshold after which lobbying represents a significant part of duties has been established at 20 percent of overall duties.

If the threshold had been met or exceeded, the most senior paid officer of the organization was required to file an in-house organization lobbyist's registration no later than two months after the day on which the requirement to file a return first arose and renew this registration not later than thirty days after the expiration of each six month period.

Our examination included a review of media reports and Parliament of Canada Hansard from the period in question, excerpts from a report by the Auditor General of Canada, files compiled by the Ethics Counsellor during a 1997 assessment of the TJF consultations, and transcripts from the 2005 *Commission of Inquiry into the Sponsorship Program and Advertising Activities* (Gomery Commission). Information was also obtained during interviews and correspondence with an Ethics Counsellor official involved in their 1997 assessment, a public office holder involved in the TJF consultations, and a representative of the Quebec wing of the Liberal Party of Canada (LPC(Q)).

Based on information gathered during the course of the review by my office, it is evident that non-elected employees of the Quebec wing of the Liberal Party of Canada communicated with public office holders in the Quebec regional minister's office. This communication took place during a process of consultation regarding Transitional Jobs Fund grant applicants. However, there is no basis to conclude on reasonable grounds that communication with public office holders in respect of matters listed in paragraphs 7(1)(a) to (e) of the Act constituted a significant part of their duties, or would have constituted a significant part of the duties of one employee were those duties to be performed by only one employee. The LPC(Q) was therefore not obligated to register in-house organization lobbyists under the *Lobbyists Registration Act*, nor were the employees subject to the principles and rules of the Code.

In the absence of any requirement to register, a breach of the principles and rules set out in the Code could not have occurred. I have therefore decided that there will be no further action taken on this file.

Thank you for bringing this matter to our attention.

Sincerely yours,

A handwritten signature in blue ink, appearing to be 'Michael Nelson', written over the printed name.

Michael Nelson  
Registrar of Lobbyists