

# Introduction to the Lobbying Act (Canada)

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## Introduction

The *Lobbying Act* (Canada) (the “**Act**”) came into force on July 2, 2008. The Act has brought in significant changes from the former federal Lobbyists Registration Act. The following summary is intended only as an introductory guide for lobbyists and corporations and organizations that want a basic understanding of the rules and requirements that apply when lobbying federal public office holders. It is not to be relied upon as legal advice.

If you have an issue involving the Act, or are unsure if the Act applies to you, please [contact me](#).

## Does the Lobbying Act apply to me or my organization?

The Act distinguishes between two types of lobbyist: consultant lobbyists and in-house lobbyists.

You are a consultant lobbyist if you are paid by a client to (a) arrange a meeting between a federal public office holder and another person, or (b) communicate with a federal public office holder in respect of a legislative proposal, bill, resolution, regulation, policy, program, grant, contribution or contract.

Your corporation or organization is deemed to have an in-house lobbyist if it employs one or more individuals whose duties involve communicating with federal public office holders in respect of a legislative proposal, bill, resolution, regulation, policy, program, grant or contribution, and those duties constitute 20% of the overall duties as if performed by one employee.

If you are a consultant lobbyist, or if your corporation or organization employs an in-house lobbyist, the Act requires that you or a senior officer of your organization file a return with the Commissioner of Lobbying setting out certain particulars with respect to your lobbying activities.

## What are the reporting requirements?

If you are a consultant lobbyist, you are required to file a return with the Commissioner of Lobbying within 10 days of agreeing to lobby for a client.

If you are an officer of a corporation or organization responsible for filing lobbying returns, you must file a return within 2 months of employing an in-house lobbyist. These returns must include, among other things, the name and business address of the lobbyist and the client or corporation or organization, and particulars of who will be lobbied and the subject matter.

In addition to the initial return, lobbyists must file a monthly report of certain communications with a select group of designated federal public office holders. Examples of these designated public office holders are Ministers, Deputy Ministers, Associate and Assistant Deputy Ministers and senior executives of the Crown.

If, during a certain month, a consultant lobbyist has oral communications which were arranged in advance with a designated public office holder that were (a) initiated by a person other than a public office holder in respect of a legislative proposal, bill, resolution, regulation, policy, program, grant, contribution or contract, or (b) initiated by a public office holder in respect of a grant, contribution or contact, the consultant lobbyist must file a return setting out such communications during such month.

In-house lobbyists have similar monthly reporting requirements, with the notable exception that in-house lobbyists do not have to file monthly returns in respect of the awarding of crown contracts.

Consultant lobbyists and in-house lobbyists are also required to file a monthly return if any information they filed has changed.

If no monthly return has been filed in six months, lobbyists must file a return stating that no monthly returns have been filed during the time period.

### **What about contingency fees?**

The Act prohibits consultant lobbyists from receiving contingency fees. In their returns, consultant lobbyists must confirm that the undertaking with their client does not provide for contingency fees.

However, the prohibition on contingency fees does not apply to in-house lobbyists.

### **What is the Lobbyists' Code of Conduct and what is its significance?**

The Lobbyists' Code of Conduct is a set of standards that lobbyists must meet with respect to their interactions with federal public office holders. These standards are not law, as they are established by the Commissioner of Lobbying, not Parliament. While there are no fines or penalties for violations of the Code of Conduct, the Commissioner has the power to investigate alleged breaches of the Code of Conduct, which will be tabled in a report to both Houses of Parliament.

### **What are the penalties if I fail to comply with the Act?**

If you fail to file a return, or knowingly make a false or misleading statement in a return, you may be subject to a fine of up to \$200,000 and up to 2 years imprisonment.

Violations of the other provisions of the Act may result in a fine of up to \$50,000.

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