December 19, 2014

Lobbyists' Code of Conduct Consultation
Office of the Commissioner of Lobbying Canada
255 Albert Street, 10th Floor
Ottawa, Ontario
K1A 0R5
By e-mail: consultation@ocl-cal.gc.ca

Re: Proposed changes to the Lobbyists' Code of Conduct

Executive Summary

1. These comments are jointly submitted by the Government Relations Institute of Canada (GRIC) and the Public Affairs Association of Canada (PAAC).

2. GRIC and PAAC acknowledge and appreciate the seriousness with which the Office of the Commissioner of Lobbying (OCL) has approached consultations with affected stakeholders, both in this process, and in general. It speaks directly to the productive, transparent relationship between government and lobbyists that is the objective of the *Lobbying Act* and its supporting framework.

3. As GRIC and PAAC respectfully submitted in our joint December 20, 2013 submission to this process, overall, the principles of the Lobbyists' Code of Conduct (variously referred to below as 'the 1997 Code', 'the proposed Code' and 'the 2015 Code' as appropriate) remain valid, and are reflective of GRIC's own *Code of Professional Conduct*[1], and PAAC's *Statement of Principles*[2], which require members of our organizations to conduct their affairs in accordance with the highest standards of integrity, honesty, openness, and professionalism.

[1] http://gric-irgc.ca/about/code-of-professional-conduct-2/
[2] http://www.publicaffairs.ca/who-we-are/ethical-principles/

4. With respect to the proposed changes to the 1997 Code:

   i. Scope: The proposed Code would remove all references to the client/lobbyist relationship (i.e. removes former rules 4, 5, 6, 7 in the 1997 Code). This is in keeping with GRIC and PAAC recommendations to this process. GRIC and PAAC generally support this approach, but respectfully submit that it remains appropriate to maintain in the 2015 Code a rule requiring lobbyists to disclose any competing interests among clients (i.e. rule 6 in the 1997 Code). GRIC and PAAC also support the proposed rule 5 relating to confidential information, as it responds to questions we posed in our December 2013 submission to this proceeding (i.e. on whether the 1997 Code's reference to 'confidential information' was meant to apply to information received from a client, or from government, or both).

   ii. New Principle: The proposed Code would add a fourth principle *Respect for Democratic Institutions: Lobbyists should respect democratic institutions. They should act in a manner that does not diminish public confidence and trust in government.* This is in keeping with the spirit of GRIC's *Code of Professional Conduct* and PAAC's *Statement of Principles*, and would obviate the need for the 2015 Code to include problematic concepts such as 'political activities' and 'friends' (addressed at length below). As such GRIC and PAAC support this change.

   iii. Gifts: The proposed Code would prevent a lobbyist from providing or promising a gift, hospitality or other benefit that a public office holder is not allowed to accept. This change reflects GRIC and PAAC's standing position that the rules on what types of gifts a lobbyist can offer should be synched to the rules on what types of gifts a public office holder can accept. As such, GRIC and PAAC support this change.

   iv. Disclosure of obligations: The proposed Code would create a new obligation for "the most senior paid employee" of an organization or corporation to: "… inform employees who lobby on the organization's or corporation's behalf of the responsible officer's obligations under the *Lobbying Act* and the obligations of the employees under the Lobbyists' Code of Conduct." GRIC and PAAC oppose this new obligation as drafted, on the basis that it will not ensure any material increase in compliance or awareness, and is inconsistent with the Government of Canada's Red Tape Reduction Action Plan. At a minimum, we recommend that the language in the 2015 Code reflect the language in the registration requirements, such that the "most senior paid employee" may appoint an official representative to represent them in this function.

v. Improper Influence: The revised Code would incorporate specific examples of actions that would constitute an improper influence on a public office holder, and introduce broadly worded and undefined restrictions on who a lobbyist could communicate with for the purposes of lobbying, including "a public office holder who is a relative or friend of the lobbyist or has financial or business dealings with the lobbyist." GRIC and PAAC strongly oppose rules 7, 8 and 9 in the proposed Code for reasons elaborated below.

Introduction

5. GRIC was founded in 1994 by government relations professionals in response to the growth and maturing of the industry over the past several decades. GRIC fosters high standards of practice through professional development and adherence to a code of business conduct. GRIC also speaks on behalf of Canada's government relations community on matters pertaining to the relationship between the lobbying industry and government. GRIC's membership includes consultant and in-house lobbyists from nongovernmental organizations (NGOs), national trade associations, crown corporations and private companies (both domestic and multinational), extending across the breadth and depth of the Canadian economy.

6. PAAC is a national, not-for-profit organization founded in 1984. Its principal objective is to help public affairs professionals succeed in their work by providing them with forums for professional development, the exchange of new ideas and networking. PAAC's growing membership represents a cross-section of the many disciplines involved in public affairs including policy development, government relations, lobbying, communications, opinion research and public relations. Our members come from both the private and public sectors, in areas such as industrial and financial companies, crown corporations, consulting firms, small business, ministries and municipalities, PR organizations, trade associations, educational institutions, law and accounting firms.

7. GRIC and PAAC work together on numerous events and issues of interest to our members. In 2013, we signed a memorandum of agreement, committing the organizations to collaborate on a range of activities, including where possible, developing joint submissions in response to government consultations. As such, we are pleased to jointly submit the following comments in response to this important consultation.

8. GRIC and PAAC maintain that the principles that underpin the 1997 Code remain valid. GRIC and PAAC note that as currently presented, the Preamble to the Code (which

reflects four concepts stated in the *Lobbying Act*), as well as its Principles (of integrity, openness and professionalism), and the main areas under which its rules are divided (transparency, confidentiality, and conflict of interest) are reflective of both organizations' own requirements of our members.

9. GRIC's *Code of Professional Conduct*, and PAAC's *Statement of Principles,* both reflect fundamental concepts of ethical behaviour, and are the yardsticks against which we measure the proposed changes to the 1997 Code, and respectfully submit our reactions to them.

Scope

10. In our December 20, 2013 submission to this process, GRIC and PAAC maintained that the scope of the Code did not need to be expanded. We respectfully disagreed with the premise of certain sections of the consultation document suggesting that the current eight rules could be expanded to ten, or that individuals not captured under the *Lobbying Act* could be saddled with new administrative requirements as a result of this process. We noted that clients of registered lobbyists are not subject to regulation under the *Lobbying Act,* except to the extent that they may also be registered lobbyists. We recommended that clients who are not registered lobbyists should not be subject to the Code. And we questioned whether the Code's original intent was to protect the confidence of information obtained from a client, or obtained from government.

11. Accordingly, GRIC and PAAC support proposed amendments to the Code that would remove all references to the client/lobbyist relationship (i.e. former rules 4, 5, 6 and 7). At the same time GRIC and PAAC submit that it remains appropriate to maintain in the Code a distinct rule requiring lobbyists to disclose any competing interests among clients (i.e. similar to rule 6 in the 1997 Code). We also support proposed rule 5, as it clarifies that the 'confidential information' rule applies to information received from public institutions.

New principle

12. GRIC's members and PAAC's members are reflective of the fact that governments remain a heavy presence in today's economy. Whether as legislators, as regulators or customers, governments interact with every sector of the economy on a daily basis. Efforts to ensure that these interactions are carried out in a transparent and ethical fashion are to be applauded.

13. Governments' legislative, regulatory and spending decisions impact every Canadian, every day. Lobbyists are a fundamental part of the process by which government and business interact. They provide advice and analysis to assist their clients and government, in their interactions with each other. They are translators, explaining business to government, and government to business.

14. At the end of the day, GR or PR professionals who do not comport themselves in a manner that is respectful of democratic institutions will not remain GR or PR professionals for very long. It is in no one's interest to engage with unethical, disrespectful lobbyists, period.

15. As such, GRIC and PAAC support the proposed addition of a fourth principle to the 2015 Code: *Respect for Democratic Institutions: Lobbyists should respect democratic institutions. They should act in a manner that does not diminish public confidence and trust in government.*

Gifts

16. In our joint March 4, 2013 presentation to the House of Commons Standing Committee on Access to Information, Privacy and Ethics (ETHI), GRIC and PAAC submitted that the rules around what types of gifts a lobbyist can offer a public office holder should be synched to the rules around what types of gifts a public office holder can accept from a lobbyist. We further noted that in September 2012 (in response to an earlier report from the same Committee), the government committed to legislation "… specifying the value and nature as to what types of gifts would be prohibited and permitted."

17. We have not yet seen that legislation, but as it is in keeping with GRIC and PAAC's standing position on this issue, we support the proposed rule 10 preventing a lobbyist from providing or promising a gift, hospitality or other benefit that a public office holder is not allowed to accept.

Disclosure of obligations

18. In our December 20, 2013 submission to this process, GRIC and PAAC submitted that this review of the Code should not create undue red tape for business. We further submitted that this process must adhere to the tenets of the Government of Canada's Red Tape Reduction Action Plan, including: (i) the 'one-to-one rule' that requires

regulators to remove a regulation each time they introduce a new regulation that imposes new administrative burden on business, and (ii) the rule requiring that when a new or amended regulation increases administrative burden on business, regulators will be required to offset – from their existing regulations – an equal amount of administrative burden cost on business. The fact that it may be difficult to quantify the new administrative burden does not excuse a regulator from its obligations in this regard.

19. The proposed Code would indeed create a new obligation for 'the most senior paid employee' of an organization or corporation to "… inform employees who lobby on the organization's or corporation's behalf of the responsible officer's obligations under the *Lobbying Act* and the obligations of the employees under the Lobbyists' Code of Conduct."

20. This new requirement will not ensure any material increase in awareness or compliance of the rules. It appears designed to underline the point that the CEO of a corporation or organization is ultimately responsible for compliance with the law. This is an obvious point, and it is unnecessary to underline it. This new obligation, as drafted, will simply create red tape for organizations and corporations, which should be free to implement compliance plans as they see fit, and at their own risk.

21. Furthermore, the language of the new requirement suggests that the 'most senior paid officer' of a corporation or organization would personally contact all employees who are included on the related registration, and personally describe to each of them of their obligations under the Act. This is an unrealistic requirement in the case of corporations with large numbers of employees, and/or corporations where the 'most senior paid officer' is based outside of the country, overseeing thousands, or tens of thousands, of employees around the world.

22. Moreover, as drafted this new requirement stands to be offside with the tenets of the Government of Canada's Red Tape Reduction Action Plan, cited above. Although the revised Code would introduce a new requirement of the most senior paid employee of a corporation or organization, it does not propose to eliminate any requirement of corresponding administrative burden.

23. In light of the above, GRIC and PAAC oppose this new requirement as drafted. At a minimum we recommend that the language in the revised Code reflect the language in the registration requirements, such that the 'most senior paid employee' may appoint

an official representative with respect to this function. We also maintain that generally speaking, any new regulatory requirements introduced in the 2015 Code must be offset by the removal of an obligation carrying a corresponding administrative burden.

Preferential access

24. Several proposed changes to the 1997 Code attempt to clarify concepts around preferential access and political activities by attempting to circumscribe several points of contact between lobbyists and government. GRIC and PAAC do not support proposed rules 7, 8 and 9, which have the same effect: lobbyists shall not lobby or arrange for another person to lobby a public office holder "who is a relative or friend of the lobbyist or has financial or business dealings with the lobbyist" or where a sense of obligation exists because of a lobbyist's current or prior 'political activities.' This unprecedented clamp down on lobbyists' ability to interact with government would extend to entire departments, or conceivably, all of government, depending on the definition of 'area of responsibility'.

Relative or friend

25. The proposed Code would introduce limits on the ability of a lobbyist to communicate for the purposes of lobbying with a relative, a person with whom the lobbyist has a business relationship, or a friend (proposed rules 7, 8).

26. While the definition of 'relative' is expansive, it is on the surface sufficiently precise as to be enforceable. Similarly, business relationships are governed by contracts and consideration, and can be clearly delineated. However, GRIC and PAAC are strongly opposed to proposed rules 7 and 8 where they seek to prohibit communication between 'friends'.

    i. First, the proposed 'friend' rules are inconsistent with the view that lobbying is a legitimate activity. They presuppose that (i) any friendship creates a *de facto* obligation between friends, (ii) that that obligation will outweigh the objectivity of any public office holder in the discharge of their duties and (iii) that public office holders are incapable of acting in good faith, or of following their own Conflict of Interest rules and regulations, when dealing with lobbyists with whom they have a friendship. These are wildly inaccurate and unfair premises on which to base a sweeping prohibition on professional communication between lobbyists and public office holders who happen to be friends. Moreover,

we note that OCL has not pointed to any real-world evidence that obligation-based decision making among friends is a systemic dilemma requiring heavy handed regulation. These rules are a solution in search of a problem.

ii. Second, the 'friend' rules will not contribute to increased clarity or transparency in the system. 'Friends' as a concept is entirely subjective, meaning the new rules will be impossible to enforce with any measure of objectivity and predictability, however 'friends' is formally defined. As a result, the potential for unintended consequences is high – maintaining the 'friend' rules in the 2015 Code will lead to a chill in legitimate communications between public office holders and lobbyists, and could even drive legitimate communications underground, out of concern they may violate rules few will be able to understand or apply with any degree of confidence.

iii. Third, we note this is the first time the Code has been reviewed since 1997, nearly 18 years ago. It is therefore reasonable to assume that many of the lobbyists who will one day be bound by the 2015 Code are currently in grade school, or beginning their careers in government, business, academia, or the charitable sector. To this millennial, on-line, social media generation, 'friend' has come to indicate something other than the 'close personal friend' concept that seems to be in play in this process. Eighteen years from now 'relative' and 'business associate' will still mean the same thing. However, to the next generation of lobbyists, public office holders and regulators, 'friend' may well infer something very different than what is intended now.

iv. Fourth, the 'friends' rule would mean that for the first time, OCL would be regulating who a lobbyist can lobby. There is nothing the *Lobbying Act* to indicate that this was Parliament's intent when creating provisions relating to the registration and reporting of lobbying activities, or when empowering the Commissioner to develop a Code setting out ethical guidelines for how communications should occur. The Act has always had a primary purpose of ensuring transparency and accountability, and where it limits the activities of a citizen by limiting who can be a registered lobbyist, it does so explicitly in the Act (e.g. the five year prohibition on registerable lobbying activities by DPOHs). There is

nothing explicit in the Act that would empower OCL to limit completely any communication between a registered lobbyist and any public office holder. It is an unwarranted expansion of the authority vested in the Commissioner of Lobbying by Parliament.

v. Fifth, the 'friends' rule does not contribute to parity or synchronization between frameworks. Where the concept of 'friends' appears in the Conflict of Interest framework, it is not used to prohibit public office holders from being lobbied by friends. It is used in the Conflict of Interest framework to clarify a <u>permissible</u> range of behaviour on the part of public office holders, certainly not in the <u>prohibitive</u> sense in which it would be used in the proposed rules 7 and 8. There is simply no corollary rule in any other relevant framework limiting communication between 'friends' with which the 2015 Code needs to be synched.

27. Compounding these serious concerns is the fact that the 'friends' rules are linked to "areas of responsibility" within government. Left undefined, "areas of responsibility" could reasonably prevent a 'friend' of, for example, the Prime Minister or the Clerk of the Privy Council from lobbying anyone in government, ever. Again, Parliament's intent in establishing the *Lobbying Act* was not to prevent communication (or to empower the Commissioner to prevent communication) for the purposes of lobbying to entire classes of individuals, or to entire departments. It was to establish rules and regulations to ensure those communications occur in a transparent fashion. Where limits are established (e.g. on former DPOHs) they are explicit in legislation, and time-limited.

<u>Political activities</u>

28. With respect to political activities and their treatment under proposed rule 9, GRIC and PAAC continue to share the concerns of other commentators who have criticized OCL's interpretation (not supported by Elections Canada) that an electoral district association (EDA) is a personal asset of a politician, or that politicians only seek elected office for personal gain, and thus work by a campaign volunteer is equivalent to a personal contribution to the assets of the candidate, such that a personal sense of obligation is created in the performance of any political activity by the lobbyist. EDAs are a creature of statute and are governed by section 403.1 of the *Canada Elections Act*. There are many examples where an EDA has acted against the 'personal interests' of a sitting Member of Parliament. MPs serve at the pleasure of the EDA, not the other way around.

OCL's treatment of EDAs in its framework is misplaced and displays a lack of understanding of their role in the electoral system.

29. Moreover, GRIC and PAAC submit that proposed rule 9 has the potential to touch upon and implicate important Charter protected values and interests, inasmuch as they serve to meaningfully restrict the full range of expressive activities and political participation in which a lobbyist can freely engage.

30. Political activity includes the right to meaningfully participate in an election. It includes the right to be a member of the executive of an EDA. It includes the right to engage in free speech of political ideals or preferences. It includes freely assembling with others to assist in promoting the election of a specific person or party. The same activity – be it placing a lawn sign, or chairing an election campaign—can represent different manifestations of Charter rights. These Charter rights are jeopardized by the language of the proposed Code without sufficient justification to demonstrate the limitations in question.

31. Although OCL's October 2014 Background Paper states that "… for individuals who lobby public office holders, placing limits on the subsequent lobbying is warranted, when political activities create a conflict of interest for the public office holder. This is consistent with the Federal Court of Appeal's decision" (i.e. *Campbell)*, GRIC and PAAC submit that OCL has not adequately justified this assertion. No rationale is provided, and no precedent is cited, to back up OCL's claim that these limitations on Charter rights are warranted, or that they are consistent with court's findings in *Campbell*.

32. GRIC and PAAC note that the only political activity that has been found by the Federal Court to be violation of the Code was the organization of a fundraiser for a Cabinet Minister. This is the issue at the heart of *Campbell* and remains the only concrete example from which registrants can draw guidance. To extrapolate from the decision in *Campbell* that there is now a whole range of political activities from which lobbyists should refrain is unwarranted, and represents a violation of lobbyists' Charter rights.

33. GRIC and PAAC also note that proposed rule 9 operates from the same cynical premise as proposed rules 7 and 8: that volunteering one's time in an electoral context creates a *de facto* obligation on the part of the public office holder to forgo their primary duty to the public interest whenever they make decisions that stand to impact former campaign volunteers. This is an unwarranted assumption and does nothing to invoke public trust or confidence in the system.

34. Attempts to establish a scale of legal peril from the performance of different political activities (including the Commissioner's August 2010 clarification) have not provided any meaningful guidance, and do not address the pertinent Charter issues.

35. In the September 2011 *Journal of Parliamentary and Political Law*, Froc and Mitchell address the shortcomings of the August 2010 Guidance, in a passage that bears quoting at length[3]:

> The clarification raises as many questions as it answers. Are "low risk" activities always permissible, either individually or in combination? If so, why are they designated "low risk" rather than "no risk," and if not, then what are the circumstances in which these low-level activities would run afoul of the Code?
>
> What of the amorphous middle category--would combining any one of these factors with some of the "low risk" factors result in a violation? Combining them with one another? Does stuffing envelopes or answering telephones in a campaign office, the kind of mundane activities that the Supreme Court criticized as being caught by the law against political participation by civil servants, constitute "limited participation in a political campaign"?
>
> If so, then how can placing such activities in the medium risk category conform to the ruling in *Osborne*, and if not, then what does "limited participation" mean? When does "limited participation" become substantial participation? For the high risk activities, why, for example, would the lobbyist acting as a "member at large" of a constituency association be considered "high risk" and not a high-level executive position in a political party? Does time matter for any of these factors-- will activities in which the lobbyist engaged last week be treated as the same as activities in which she was engaged ten years ago? In particular, does it matter whether, at the time of the political activities, the lobbyist was not a registered lobbyist and or the public office holder was not a public office holder defined by the *Lobbying Act* (or its predecessor legislation)?
>
> Further, the clarification states:
>
>> A lobbyist who advances the private interest of a public office holder to a low degree, or does not interact with that specific public office holder (or, in the case of a Minister or Minister of State, the department or agency for which they are responsible) when conducting registrable lobbying

[3] Froc, Kerri A. and Mitchell, Graeme G., QC. *Kafka and the Lobbying Commissioner's Policy Against Political Participation by Lobbyists.* Journal of Parliamentary and Political Law. September 2011. Copyright 2011 Thomson Reuters Canada Limited.

> activity, has a low risk of creating a real conflict of interest or the appearance of a conflict of interest.

This passage raises the spectre of a conflict of interest being found *even where the political activities in which the lobbyist has engaged has nothing to do directly with the public office holder or department or agency that the lobbyist is lobbying*.

Despite the indication that such activities are "low risk," the fact that the clarification specifies that there is any risk at all is surprising and further underscores the imprecision and breadth of the Guidance. It may also have the perverse result of penalizing lobbyists based on their party affiliation, as presumably those who engage in political activities supporting the governing party (or who may ultimately form the governing party) may fall under this "indirect" zone of risk. For all of these reasons, the clarification does not allow the Guidance to pass constitutional muster.

The Supreme Court has said that wide-ranging prohibitions against political activity are contrary to freedom of expression under the Charter. Even if important legislative objectives are involved, limitations on political activity must be strictly delineated to serve that purpose, and no more. There are good reasons for lobbyists to adhere to a code of conduct to prevent public office holders from being tempted to serve their private interests over the public good. That does not support a blanket denial over citizens' participation in determining the kind of society they want to live in because of the kind of job they do.

36. GRIC and PAAC strongly submit that OCL should take this opportunity to remove the concept of 'political activity' from the Code. It is not justified by the Federal Court of Appeal's findings in *Campbell*. Moreover, the proposed Code would promote a more specific purpose than its stated objective of promoting public trust in the integrity of public institutions and government decision-making. It would specifically seek to eliminate the possibility of a real or apparent conflict of interest, which in our view is the purview of another Officer of Parliament, the Conflict of Interest Commissioner.

37. On their face, the proposed rules 7, 8 and 9 would violate lobbyists' freedom of expression as they specifically limit who a registered lobbyist can speak to. While the limitation of that right flows from the fact the lobbying activity is for remuneration, it is nevertheless a limitation of that right.

38. The issue for many registrants is that under both the current and proposed Code it remains unclear what constitutionally protected activities remain permissible, and

which ones would give rise to further scrutiny or an investigation. The extent to which important Charter protected interests of lobbyists are unreasonably curtailed, in our view, will depend on the scope that the limitations in the Code of Conduct are given by OCL (and any subsequent reviewing court). OCL has not provided this clarity in the proposed Code, or the background document. To the contrary, the proposed Code fails to adequately define what behaviour will give rise to a violation of the Code of Conduct, and fails to adequately define who that undefined behavior might apply to. OCL has consistently refused to provide meaningful advance rulings or guidance or to adequately ground its approach in an appropriate constitutional framework.

39. In light of the above, GRIC and PAAC respectfully recommend that proposed rules 7, 8 and 9 be removed entirely from the 2015 Code. The activities they are meant to curtail will already be preventable under other sections of Code relating to respect for democratic institutions and conflicts of interest, and OCL will still be in a position to apply the specific facts of a case to its findings under other sections of the framework, without the inclusion of heavy handed and overreaching attempts to regulate Charter-protected expression and association, however well intentioned.

Conclusion

40. In conclusion, GRIC and PAAC submit that OCL has an opportunity in this review of the 1997 Code to ensure public confidence in the framework around communication between lobbyists and public holders. A Code that inspires confidence must strike a balance between encouraging transparency and limiting behavior that could reasonably give rise to concerns over undue access and preferential treatment. It must avoid complexity, without being so vague as to result in unintentional breaches. We submit that it is possible to achieve this balance by providing clear expectations of transparent, ethical behavior, by issuing clear advance rulings that underline these expectations, but without layering on unnecessary red tape, and without unduly restricting freedom of expression and/or association.

41. GRIC and PAAC respectfully submit that the proposed changes to the ‘scope’ and ‘principles’ of the 1997 Code achieve this balance. The proposed treatment of ‘gifts’ is practical and clear. As drafted, the proposed ‘disclosure of obligations’ section will generate more red tape than results, and should be removed or modified. And the ‘improper influence’ section vastly overreaches its purpose, promotes cynicism rather than confidence, and should be removed.

42. Specifically:

i. Scope: The proposed Code would remove all references to the client/lobbyist relationship (i.e. removes former rules 4, 5, 6, 7 in the 1997 Code). This is in keeping with GRIC and PAAC's recommendations to this process. GRIC and PAAC generally support this approach, but respectfully submit that it remains appropriate to maintain in the 2015 Code a rule requiring lobbyists to disclose any competing interests among clients (i.e. rule 6 in the 1997 Code). GRIC and PAAC also support the proposed rule 5 relating to confidential information, as it responds to questions we posed in our December 2013 submission to this proceeding (i.e. on whether the 1997 Code's reference to 'confidential information' was meant to apply to information received from a client, or from government, or both).

ii. New Principle: The revised Code would add a fourth principle *Respect for Democratic Institutions: Lobbyists should respect democratic institutions. They should act in a manner that does not diminish public confidence and trust in government.* This is in keeping with the spirit of GRIC's *Code of Professional Conduct* and PAAC's *Statement of Principles*, and would obviate the need for the 2015 Code to include problematic concepts such as 'political activities' and 'friends' (addressed at length above). As such GRIC and PAAC support this change.

iii. Gifts: The revised Code would prevent a lobbyist from providing or promising a gift, hospitality or other benefit that a public office holder is not allowed to accept. This change reflects GRIC and PAAC's standing position that the rules on what types of gifts a lobbyist can offer should be synched with the rules on what types of gifts a public office holder can accept. As such, GRIC and PAAC support this change.

iv. Disclosure of obligations: The revised Code would create a new obligation for "the most senior paid employee" of an organization or corporation to: "… inform employees who lobby on the organization's or corporation's behalf of the responsible officer's obligations under the *Lobbying Act* and the obligations of the employees under the Lobbyists' Code of Conduct." GRIC and PAAC oppose this new obligation as drafted, on the basis that it will not ensure any material increase in compliance or awareness, and is inconsistent with the Government of Canada's Red Tape Reduction Action Plan. At a minimum, we recommend that the language in the 2015 Code reflect the language in the registration requirements, such that the "most senior paid employee" may appoint an official representative to represent them in the discharge of this function.

v. Improper Influence: The revised Code would incorporate specific examples of actions that would constitute an improper influence on a public office holder, and introduce broadly worded and undefined restrictions on who a lobbyist could communicate with for the purposes of lobbying, including “a public office holder who is a relative or friend of the lobbyist or has financial or business dealings with the lobbyist.” GRIC and PAAC oppose rules 7, 8 and 9 in the proposed Code for reasons elaborated above.

43. GRIC and PAAC appreciate the opportunity to participate in this important proceeding.

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