

## CHAPTER 4

### Who should Register

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#### A. THE DISTINCTION BETWEEN TIER I AND TIER II LOBBYISTS

The LRA provides for the registration of lobbyists — individuals who, for pay, engage in certain types of lobbying activities. As mentioned earlier, the Act divides lobbyists into two categories, each with its own reporting requirements.

Many commentators on the LRA have been highly critical of the division of lobbyists into two tiers. Indeed, one identified the two tier system as the most serious weakness in the Act. When the *Lobbyists Registration Act* was before Parliament in 1988, the then Minister of Consumer and Corporate Affairs justified the two-tier approach on the basis of administrative simplicity. It was felt that subject-matter disclosure for Tier II lobbyists would overload the Registry with unnecessary information. Those who favoured more disclosure by Tier II lobbyists, however, argued that one could not discern all the matters of interest to a Tier II lobbyist merely by knowing the name of the lobbyist's employer.

The current Minister of Consumer and Corporate Affairs told the Committee that it would be reasonable to require Tier II lobbyists to disclose the subject-matter of their lobbying. While a few witnesses wanted the current Tier II provisions maintained, several supported the Minister's suggestion. Still others, however, advocated the abolition of any distinction between the Tier I and Tier II disclosure requirements. One Tier I lobbyist felt that merging the two categories of lobbyists would make the Act easier to administer and enhance transparency.

The current disclosure requirements for Tier II lobbyists are, in the Committee's view, clearly inadequate. The requirement to report only the name of the lobbyist and the name and address of the organization does not provide insight into the types of issues that might be of concern to that organization. Many interest groups and corporations have diverse interests and one cannot assume that these are transparent. We support the proposal that Tier II lobbyists should be required to disclose the subject-matter of their lobbying efforts. Such disclosure would enhance transparency and reduce the incentives for organizations to hire Tier II lobbyists in order to circumvent the more stringent Tier I disclosure requirements.

We would go further, however, than merely requiring Tier II lobbyists to report the subject-matter of their lobbying activities. Tier I and Tier II lobbyists perform many of the same functions and the distinction between the two is largely artificial. We believe the differentiation between the tiers should be eliminated and the registration requirements for all lobbyists made uniform.

In order to continue to register lobbyists who are hired under contract and those who are employees, the current definitions of lobbyists in the LRA should be maintained, but they should be amalgamated into one. Collapsing the two-tier structure of the current Act and creating uniform disclosure requirements would significantly improve transparency. The Committee recognizes that its proposals would increase the paper burden for in-house lobbyists and require them to file information with the Registrar more frequently than they do now; however, we believe that the additional requirements will not be particularly costly or burdensome. Moreover, they should not impair administrative simplicity or require an increase in the size or budget of the Lobbyists Registration Branch.