

correctly recognized that that kind of behaviour gave the wrong message to the Canadian public. He recognized that it not only was not right but it was not seen to be right, and he promised legislation following the cabinet meeting in Vancouver in late August 1985. He did not leave it at the response to a media question in Vancouver. He tabled a statement in this House on Monday, September 9, 1985, and I will read what he said about lobbying legislation.

● (1120)

The fifth component of this comprehensive approach to public sector ethics is the undertaking of this Government to introduce into the House of Commons, at an early date, legislation to monitor lobbying activity and to control the lobbying process by providing a reliable and accurate source of information on the activities of lobbyists. We will require, among other things, paid lobbyists to register and identify their clients. This will enable persons who are approached by lobbyists for Canadian corporations, associations and unions, and by agents on behalf of foreign governments and other foreign interests, to be clearly aware of who is behind the representation.

I have accordingly asked my colleague, the Minister of Consumer and Corporate Affairs, to prepare, on an urgent basis, legislation to govern lobbying activity.

That was on September 9, 1985. As it turned out, we did not get the promised legislation. However, what we got was a study by the Standing Committee on Elections, Privileges and Procedure chaired by the Hon. Member for Peace River (Mr. Cooper), and I should add, admirably chaired. We carried out the study of lobbying and we very quickly recognized as we held hearings that there were considerable numbers of Canadian lobbyists. That was the first discovery.

We further discovered that very few of them wanted to have a registry set up. Indeed, Mr. Frank Moores, of Government Consultants International, appeared before the committee and said: "Oh, we do not have a problem with having a register of lobbyists, but we want to keep our clients secret". That was the line that most lobbyists used. They wanted a register of lobbyists but all it would have was the name of the lobbyist, which we would already know. They wanted no information with respect to their clients, the issue they were lobbying, and how much.

We also went to the United States and interviewed lobbyists. There is a system of registering lobbyists in the U.S. not only at the national level but at the state level. We very quickly discovered that while the need to register lobbyists was recognized, in fact there were so many loopholes in the system that an elephant could get through. For example, we discovered that in Washington, while there was a registry of lobbyists, it only covered Senators and Congressmen. The lobbyist registration did not cover lobbying being done with bureaucrats. It did not cover lobbying being done with the staff of Senators and Congressmen. It also excluded the White House.

We also discovered there was no provision for enforcement, there was no system for verification of the registry. Sure, they had to do it, but the clerk who had responsibility for the registry had no power to verify the information in the registry.

### Motions

The clerk certainly had no power to follow up and enforce the registry. There were no sanctions.

We then went to California because we understood that was a state which had very tough lobby registration. We heard witnesses and found out California had gone to the other extreme. It had surrounded its lobbyists legislation with a lot of very finite details which became very cumbersome and indeed very bureaucratic. For example, lobbyists had to declare any expenditure of more than \$10. If they took a state legislator out to lunch, they had to take out a little black book and put down the amount they spent for lunch and so on.

**Mr. Riis:** The result of the McDonald's lobby, probably.

**Mr. Rodriguez:** Very probably so they could all go and eat at McDonald's, as the Hon. Member for Kamloops—Shuswap (Mr. Riis) suggests. We found that was going too far and it could become very bureaucratic and cumbersome.

When we interviewed the lobbyists in California we were told that if we Canadians were going to put a lobbyists' registration in place, they would advise us to make it tough and make sure that we get a registry which reflects every aspect of lobbying but without the ridiculous nature of picayune amounts to be registered, and so on. They pointed out the need to cover the sort of indirect lobbying which goes on through mass mailings. They thought we should pay some attention to that. They also pointed out we should ensure we outlawed contingency lobbying which is where a lobbyist will lobby for a contract and if it is successful receives 10 per cent of the value of the contract. They told us to stay away from that.

Of course, the question which came up constantly in our committee was, do we really need this legislation? Do we really need to register lobbyists? Is it that much of a problem? I pointed out the example of Frank Moores. However, there is also a very insidious kind of lobbying which goes on in Canada and touches on Hon. Members of the House. That has to be these friendship associations. There was an article by Linda Diebel which appeared in the *The Gazette*. It clearly outlines the power and influence that the South Koreans have in our Government. The article points out how powerful the South Korean lobby is. It points out that the South Korean Government has set up a Canada-South Korea friendship association and that a considerable number of MPs belong to it. As a matter of fact, more than one-quarter of Canada's MPs and Senators—a greater number than in any other country's friendship force on Parliament Hill—are members of the Canada-South Korea Parliamentary Association. The honorary president of the organization is the former Minister of National Defence. The Sergeant-at-Arms sits on the board of the association. The Hon. Member for Verdun—Saint-Paul (Mr. Chartrand) said: "They are very nice to you". Of course they are very nice. They are nice because they are trying to make a good impression. They are trying to become friends with Members of Parliament and trying to improve their image. That becomes extremely important when matters such