

**Submission to the Standing Committee on Government Services, Bill 1, the Lobbyists Act 2007**

Carol Wodak, September 28, 2007

1. My primary concern is the fundamental right of citizens to know which organizations and individuals are influencing public policies, and to have the opportunity to discuss and debate the principles and priorities of those issues. I note that I seem to be the only person making a presentation to you who does not have some organization affiliation.

2. My concerns with respect to lobbying arise from a dozen years of trying to understand why and how Government policy about long term care has developed the way it has. What I've learned is that the decision-making has been highly selective, with little meaningful public reporting, and an astonishing absence of public discussion or debate.

3. Let me describe an actual situation: two organizations which we know have lobbied for policy and legislative changes in long term care.

Both provide residential care services; the majority of their revenue comes from public funding sources, with some from resident fees. Both show significant growth in revenue and capital assets, and both show healthy excess of revenue over expenses.

Both use paid staff to provide services, with a limited number of volunteers to assist with supplementary services. Both accept gifts and donations, although these are a tiny portion of revenue; both get Government grants to off-set as much as half the capital costs of facilities, and other Government grants and Lottery Fund grants for renovations. Both have had Executive Officers appointed to Government Committees to review policy or legislation.

Both are executive members of the long term care operators' non-profit association, which lobbies Government and MLAs for policy, regulation, and legislative changes. The association also has received funding from Government. It has an impressive list of Corporate Members, including construction, power, pharmaceutical and service providers (including subsidiary or partner companies of some of its members), who are also entitled to access facility information and "government liaison" services<sup>1</sup>.

One is a not-for-profit service provider and a registered charity. The other is a private business, which pays dividends to shareholders and also funds and staffs a Charitable Foundation.

A third organization, which is a wholly-owned subsidiary of a health authority, operates in the same way – and belongs to the same trade association. The health region itself, which controls this organization, will probably be exempt from the lobby registry.

All 3 "types" of organizations lobbied, separately and collectively, for the same changes to resident fees; they may have had different motives – public interest, reducing public expenditure, or increasing shareholder profits – but they had the same goal, and there is certainly not agreement in the public that the goal was in the public interest.

In fact, the primary stakeholders (the residents and their families, and the public) were not consulted.

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<sup>1</sup> ALTCA website, 2005.

4. Restricting the definition to “paid lobbyist” doesn’t do a lot to meet the objectives of openness and transparency in Government. As the Committee has already heard, this Bill allows simple ways around the requirement for lobbyists to register<sup>2</sup>; and it isn’t going provide transparency or accountability for the most pervasive lobbying.

5. The non-profit organization I described is one of a very small category (certainly less than 4%) of the 19,000 Alberta non-profits. The differences between these few organizations and commercial organizations offering the same service have been decreasing rapidly in the last decade. There is less and less to distinguish them, and they tend to operate competitively.<sup>3</sup> The broad exemption proposed in the Muttart report would only perpetuate the secrecy with which “non-profits” who run a commercial business with public funding, influence public policy. It would also exempt organizations which have an enormous influence on government<sup>4</sup>, including those who have been delegated authority and responsibility for the public interest<sup>5</sup> and the “astroturf” groups<sup>6</sup>, funded by corporate interests, who promote initiatives involving corporate profits.

Perhaps, if it is necessary to try to distinguish who’s in and who isn’t, charitable or organization status are not as important as size, purpose and influence - what we want is a rebalancing of power, least risk, and value for the money spent. This legislation must cater to the “worst-case” scenario.

6. Advice and consultation from groups with specific vested interests (the “stakeholders”) is not necessarily representative of the public’s interests. There has been a strong tendency for Government to rely on invitations to “stakeholders” to substitute for public input.<sup>7</sup> These

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<sup>2</sup> Government Services Committee minutes, September 13, 2007:

*“The Chair. . . If the chairman of a board who is a volunteer lobbies Government on behalf of his organization, but the organization has paid staff, is he a volunteer lobbyist? Ms Neatby: If he is not paid, including that he receives no stipend, he is not a lobbyist and is not required to register. His paid staff, if they engage in lobbying activity, will have to register.”*

<sup>3</sup> A Workforce Strategy for Alberta’s Nonprofit and Voluntary Sector

Prepared for the Edmonton Chamber of Voluntary Organizations and the Calgary Chamber of Voluntary Organizations by Shari Narine Samster Communications June 2007

Defining and Classifying the Nonprofit Sector 1999; Statistics Canada

Canadian Council on Social Development <http://www.ccsd.ca/pubs/2003/fm/chapter4.pdf>

Chapter 4: Financial Diversification and Volatility in the Nonprofit and Voluntary Sector

Cornerstones of Community: Highlights of the National Survey of Nonprofit and Voluntary Organizations Statistics Canada 2004

Satellite Account of Nonprofit Institutions and Volunteering Statistics Canada 2006 (1997 – 2003)

Registered Charities: Education, Advocacy and Political Activities Revenue Canada.

Preliminary Submissions to the Roundtable on the Regulation of the Voluntary Sector

Canadian Bar Association - Ontario Charities and Not-for-Profit Law Section

[http://www.queensu.ca/sps/current\\_students/MPA/courses/mpa880/cba\\_o\\_draft\\_response.php](http://www.queensu.ca/sps/current_students/MPA/courses/mpa880/cba_o_draft_response.php)

Working Together A Government of Canada/Voluntary Sector Joint Initiative 1999

[http://www.vsi-isbc.org/eng/knowledge/working\\_together/index.cfm](http://www.vsi-isbc.org/eng/knowledge/working_together/index.cfm)

<sup>4</sup> For example: The Canadian Association of Petroleum Producers, the Canadian Federation of Independent Business, Chambers of Commerce, the Fraser Institute.

<sup>5</sup> The Alberta Medical Association, the Law Society of Alberta, the College of Physicians and Surgeons.

<sup>6</sup> Marching to Different Drummers: Health Advocacy Groups in Canada and Funding from the Pharmaceutical Industry; Sharon Batt; <http://www.whp-apsf.ca/pdf/corpFunding.pdf>; Selling Sickness, Cassels and Moynihan.

<sup>7</sup> Government Services Committee minutes, September 13, 2007:

*“. . .some 570 stakeholders identified the last time to which a discussion guide was sent, a very extensive discussion guide which indicated all of the various issues in some depth and asked for public input. . . . So I’m opposed to the motion to rescind the previous well-considered motion not to advertise and solicit input on the deliberations, as I said, because of the fact that we’ve already sought public input on these very issues.”* Note: the discussion guide and request for response

organizations, which may believe that they represent “the public interest”, always have a special interest – and describing their interactions with Government as “partnerships” or “collaborative initiatives” instead of “lobbying” is a semantic exercise.

7. This Bill is not designed to do more than try to limit concerns arising from conflict of interest involving paid lobbyists. It contributes very little to “transparent and accountable” Government. If the Government and the MLAs have a responsibility to act as trustees for the public, they should be much more concerned with making sure that the public knows what they’re considering. The same is true for School Boards, Regional Health Authorities, post-secondary institutions, and all other agencies to whom Government has delegated authority and responsibility.

Perhaps a better approach would be to reverse the onus<sup>8</sup>: make the public officials responsible for reporting, publicly, who is lobbying them, how, and for what.

8. Public discourse<sup>9</sup> requires a sharing of all relevant information; clear definitions; respect for the interests and concerns of all participants; the chance to talk together. We can all learn from each other, and the goal should be policy and legislation that serves all of the public.

Kudos – for making the submissions public on your website. Now, if only we could have that kind of information at the beginning of the process, instead of too late for substantive changes. . .

***In a democracy, citizens must know which organizations and individuals influence public policy, the techniques they employ, who in Government they meet and when, and the extent of their efforts to shape public policy.***<sup>10</sup>

Carol Wodak

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referred only to the Conflict of Interest Act (Government Services Committee minutes, June 27, 2007.)

Select Special Conflicts of Interest Act Review Committee Final Report May 2006 “*The Discussion Guide was distributed to 575 known stakeholders, including all municipal governments in the province, ethics commissioners across Canada, consultant lobbyists registered in Alberta, as well as to any individual or group upon request.*”

Attached unpublished article, written after an initial “public consultation” re: the proposed Supportive Living Accommodation Act.

<sup>8</sup> Doug Conacher, Democracy Watch, quoted in Do We Really Know Who's Lobbying? Scott Deveau, The Tyee, January 26, 2006

<sup>9</sup> [http://www.cprn.org/documents/44061\\_en.pdf](http://www.cprn.org/documents/44061_en.pdf) Democracy is a Contact Sport 2006.pdf  
<http://www.cprn.org/doc.cfm?doc=1398&l=en> Getting the Public into Public Policy (OECD definition 2001) “*Active participation recognizes the capacity of citizens to discuss and generate policy options independently. It requires governments to share in agenda-setting and to ensure that policy proposals generated jointly will be taken into account in reaching a final decision.*”

Requirements for Successful Citizen Engagement: • Clarity of purpose and objectives; • Adequate resources and realistic timeframe; • Commitment to respectful listening; • Transparency and feedback; • Opportunities for learning and contribution

<sup>10</sup> Select Special Conflicts of Interest Act Review Committee Final Report May 2006; attributed to the Tupper Report.