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Chair

Mr. Pierre-Luc Dusseault

Standing Committee on Access to Information, Privacy and Ethics

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• (1530)

[Translation]

The Chair (Mr. Pierre-Luc Dusseault (Sherbrooke, NDP)): Good afternoon and welcome to the 76th meeting of the Standing Committee on Access to Information, Privacy and Ethics.

I would like to thank the witnesses who have come today, that is the Commissioner of Lobbying, Ms. Shepherd, who is appearing on the main estimates 2013-2014, vote 45 under Treasury Board. She is accompanied by Mr. Bergen and Mr. Leblanc.

There will be 10 minutes for opening statements. Committee members will then have an opportunity to put questions to the commissioner.

Without any further delay, Mrs. Shepherd, you have the floor.

Mrs. Karen Shepherd (Commissioner of Lobbying, Office of the Commissioner of Lobbying): Good afternoon, Mr. Chairman and members of the committee.

[English]

I am pleased to be here today to discuss the main estimates for the Office of the Commissioner of Lobbying. I would also like to take the opportunity to highlight some of the recent accomplishments of my office and outline my priorities for this fiscal year.

I am joined by Deputy Commissioner René Leblanc, and Mr. Bruce Bergen, senior counsel.

The total for the 2013-14 main estimates for my office is \$4.4 million. It is made up of \$4 million, comprising the salary envelope and other operating expenditures, as well as \$0.4 million for the employee benefits plan. I have no discretion regarding the employee benefits plan, which is a statutory vote; therefore, I have \$4 million to deliver my mandate. I have a complement of 28 employees.

Even though the reference level for my office has remained constant since I became commissioner in July 2008, we absorbed the impact of the cost containment measures announced in Budget 2010. The cost containment measures meant that my office had to absorb the growth in salary costs from the ratification of collective agreements for the last three years. This has put pressure on my budget, particularly on the salary envelope. In addition, starting this year, my budget is now reduced by 5% as a result of Budget 2012.

[Translation]

The Registry of Lobbyists is at the core of the regime for ensuring the transparency of lobbying activities. Currently, there are more than 5,000 registered lobbyists. The registry contains information on

about 3,000 active registrations. These figures have remained fairly stable since 2008.

A budget of \$812,000, including salaries for seven full-time employees, is dedicated to maintaining the registry, providing guidance and technical support to registrants, and responding to inquiries.

[English]

During my last appearance on the main estimates in 2012, I explained how I would implement a 5% reduction in my budget. I mentioned to this committee that I would first defer development of the lobbyists registration system and, second, hire a system specialist to reduce my dependency on system consultants. This explains that a full-time employee was added to this program although this year's budget has decreased. Although system development will be deferred, essential maintenance work will continue. I have full confidence that the registry will continue to meet the needs both of Canadians and of lobbyists in ensuring transparency of lobbying activities.

Considerable work was done last year to upgrade key features of the system, focusing in particular on search and reporting capabilities. These features were launched in September 2012 and in February 2013. Users have told us that it is now a lot easier to mine the wealth of information that resides in the registry.

In 2012-13, an internal audit of the lobbyists registration system was conducted to examine the management controls and practices of the system. The scope of the audit included a range of activities: the governance of the system, the registration and reporting processes, registration staff training, and IT security. The audit concluded that appropriate measures were in place to support the lobbyists registration system. This means that the information provided by lobbyists is accurately captured in a timely and reliable manner.

Opportunities for improvements were found in the management of IT services in support of the registry, and this will be my focus in 2013-14. Our policies, directives, and procedures regarding IT management will be reviewed and revised as required. This will ensure that the integrity of the system will continue to be protected as we move forward. Moreover, the system documentation will be reviewed and updated, and a process will be established to ensure the documentation remains current in the future.

[Translation]

Let me now turn to education and research, which is another key component of my mandate.

The Lobbying Act is a fairly complex piece of legislation. The time and resources I invest in outreach are essential to fostering compliance. I allocate \$810,000 of my annual budget to public education activities, including salaries for seven full-time employees.

In 2012-2013, my staff and I met with more than 900 individuals, including lobbyists, public office holders, as well as parliamentarians and their staff.

• (1535)

Interestingly, I am frequently asked to address academics and students for various Canadian post-secondary institutions who want to know more about our regime and its impact on transparency.

[English]

During the last fiscal year my office started reaching out actively to new registrants. When a lobbyist registers for the first time with my office, a registration adviser contacts the new registrant to provide personal assistance and offer guidance and training on the registration system. This approach resulted in increased efficiency and accuracy when inputting the requested information into the system. It is also an excellent way to ensure greater awareness of requirements of the Lobbying Act, which translates into better compliance.

In addition to administering the act, I am also responsible for ensuring compliance with the Lobbyists' Code of Conduct. The code is important because it ensures that lobbying is done with the highest ethical standards. The lobbying legislation has been reviewed several times in the last decade, yet the code has remained unchanged since it was instituted in 1997.

The act states that I shall develop a lobbyists' code of conduct. Based on my experience in administering the code, I felt it was time to review the code to ensure that it was clear for the lobbyists who must be in compliance with it. I plan on launching a consultation this fall to help inform my review of the Lobbyists' Code of Conduct. Next year will be dedicated to sharing the results of the consultation and to proposing amendments, if any, to the code. I plan to consult with stakeholders on any amendments. I will keep the committee members informed as the process is progressing.

[Translation]

I would like to now turn to my office's compliance function.

Review and investigation activities are allocated \$1.1 million including salaries for the equivalent of eight full-time employees. This year, I submitted two reports on investigation for tabling in

Parliament. I also continue to refer files to the RCMP when I have reasonable grounds to believe that a breach of the act has occurred. For the first time since the coming into force of the Lobbying Act, charges have recently been laid against an individual for a breach of the act.

[English]

Overall, the number of administrative reviews that I close continues to keep pace with the number that I open. When I became Commissioner on July 2, 2008, I inherited a caseload of 40 administrative review files and six investigation files. I have dealt with all of but two of them. Since becoming Commissioner, I have initiated 101 administrative review files and completed 105.

During 2012-13, a new approach was developed by my office to determine the priority level of each file. The new process is designed to help manage the workload in the office and to estimate file completion dates. As new cases are opened, the priority standing of existing cases is reassessed, based on a range of factors, with a view to avoiding any given file becoming too old. The objective is to ensure that priority cases are dealt with in a timely manner and to reduce the inventory of older files.

In addition, in the coming year it is my intention to develop a more strategic approach to compliance verification. The current compliance monitoring practices will be improved by introducing a risk-based approach that includes in-depth analyses of registration behaviours within selected areas of the economy, or related to specific issues. This will assist in determining where resources need to be allocated in terms of either education or compliance.

[Translation]

Internal services are allocated about \$1.7 million, including salaries of six full-time employees. Given the small size of my office, my approach is to acquire the majority of internal services from other organizations.

• (1540)

The service arrangements I have put in place are working well. They provide me with access to the broad range of expertise I need in corporate services to meet my accountabilities as deputy head, at an affordable cost.

[English]

Work was done to establish a program evaluation function over the last year. My office will continue to implement this program in the coming year. It is a critical component in my ability to offer further evidence of the effectiveness of our activities. This will also help me to identify where further improvement can be made in order to become even more effective.

As you may know from my presentation, I have managed to put in place the appropriate structure to mitigate the impact of the budget reduction on my ability to deliver on my mandate. As I mentioned at last year's appearance on main estimates, my office is a lean organization. My focus is on the priorities necessary to deliver on my mandate, which I have outlined in my opening remarks. Should the government decide to make changes to the Lobbying Act in the coming year, I will need to adjust my priorities accordingly.

[Translation]

I am looking forward to the activities and opportunities that this year will bring.

Mr. Chair, this concludes my remarks. I look forward to answering any questions you and the committee members may have.

The Chair: Thank you very much for your opening statement.

I will now give the floor to Mr. Angus for seven minutes.

[English]

Mr. Charlie Angus (Timmins—James Bay, NDP): Thank you, Mr. Chair.

Thank you, Madam Shepherd, for again gracing our committee with your presence. We have enormous respect for the work you do. We understand that you do this on a tight budget that seems to get tighter all the time.

I'm interested in the issue of the compliance function and whether or not, in the important work you do, you have the tools you require, both financially and legislatively.

Mrs. Karen Shepherd: In terms of resources, this year I'm spending \$1.1 million. That includes the funds for a director, four investigators, and a compliance officer. The strategic operating review done in 2011 shows that this is sufficient for managing the caseload, and I see that from the progress we're making in terms of keeping pace with the files while managing to deal with the old ones.

In terms of the tools, I would say yes. What I've mentioned in regard to review of the legislation of the act, what would facilitate the latter would be having the ability to administer administrative monetary penalties, showing a continuum of compliance measures for the different breaches of either the act or the code.

Mr. Charlie Angus: Thank you.

The AMPs seem to work well in other jurisdictions where they're being used, in ensuring that people understand the importance of registering and following the rules. Am I not correct?

Mrs. Karen Shepherd: The two provinces in Canada that have the ability to issue administrative monetary penalties are Alberta and B.C. To date, I don't believe that Alberta has issued any, but B.C. has, and I would say yes.

Mr. Charlie Angus: You've mentioned with regard to the RCMP that it's the first time that charges have been laid. When we looked at the statutory review of the act, one of the things that was of concern to us was the issue that if you begin an investigation and then it's taken over by the RCMP, your investigation is suspended.

Yet up until the charging of Mr. Bruce Carson with influence peddling on July 27, 2012, the RCMP had never followed through

on any single investigation. We felt that was a problem. I don't know what stage the work is at in dealing with Mr. Carson, but if the RCMP doesn't follow up, is that the end of the road for you?

Mrs. Karen Shepherd: When I refer a file to the RCMP, it's because I have reasonable grounds to do so. If the RCMP chooses not to proceed, which they have done in a number of cases that I've sent over, then I can look at a file when it comes back and determine whether I have sufficient grounds to continue with a Lobbyists' Code of Conduct investigation, which I have done and have tabled reports to Parliament on.

Mr. Charlie Angus: Thank you.

On the statutory review that was done by this committee last year, what is your view of our recommendations, and what is your view of the response you've heard from government?

Mrs. Karen Shepherd: I was very pleased with what I saw come out of the committee. It seemed to quite accurately consider the recommendations I had put forward and to be based on what was heard from other witnesses.

In terms of the government's response, as well, I think it quite seriously considered all of the things that had been put forward. They said an outright yes, I guess, in a couple of cases, with clear intent to follow through on others, and some are under further consideration.

In all cases, I think, any of the changes that are being looked at will strengthen the act in terms of increased transparency and perhaps enforcement powers.

• (1545)

Mr. Charlie Angus: Do you have ongoing consultations with the government about implementing the recommendations, or was that just an initial response? Are you planning on meeting with them?

Mrs. Karen Shepherd: In terms of the independence of the office, what I would expect is that because I'm the administrator of the act, I will be consulted as to what will actually transpire in terms of how much time it might take me to, for example, make changes to the registration system, in order to do some of the changes that the government may intend to do, or how much it might cost.

Mr. Charlie Angus: Thank you.

On page 7 of the report on your plans and priorities, you've identified, as one of the priorities, the need to take this more strategic approach for compliance verifications.

Can you give us a better understanding of the need for this approach? What are you looking at doing?

Mrs. Karen Shepherd: Right now when we open...we do what I call "media monitoring". We also do further analysis to determine for organizations, for example, where, maybe after a little bit of analysis, we determine maybe they should be sent an advisory letter to let them know that there is an act, and so they can make determinations. We also will open administrative reviews or investigations based on either complaints or what we see in the media.

Those are reactive measures. The idea was to ask how we can be more proactive. For example, can we look at particular sectors of the economy? With the wealth of information that exists in the registry, and looking at the information to compare and contrast, let's say, with companies of a particular sector, are there any patterns? Is there something we want to maybe issue letters about or follow up on, to see if we can get better compliance in terms of disclosure? Or are there emerging issues that might be coming up in terms of policies or programs? Also, are the groups that we are expecting to be registered actually registered?

So it's just being a little bit more proactive and trying to ensure compliance.

Mr. Charlie Angus: You had cost containment measures in 2010, and you're facing it again. As you say, salaries still have to go up, and there are the other issues you still have to deal with.

Maybe I'm throwing you a softball here, but given the amount of 5,000-plus lobbyists, if we're going to actually be able to ensure that government is clean and that back doors are not being opened to friends, do you have the resources you need to do that job fully?

Mrs. Karen Shepherd: When I did the strategic operating review, it did indicate that I had a lean organization but that I had the right resources and competencies. In areas where I didn't, that's why I made, as I announced last year, the difficult decision to cut two positions in order to hire...and I've now hired that capacity.

If things stay... I can't afford to be cut further. As I mentioned, I think being cut further would affect my ability to deliver on the mandate.

[Translation]

The Chair: Thank you.

Mr. Angus, your seven minutes are up.

I will now give the floor to Mr. Butt for seven minutes.

[English]

Mr. Brad Butt (Mississauga—Streetsville, CPC): Thank you very much, Mr. Chair.

Thank you, Commissioner, and your colleagues, for being here today and for giving us as a committee a better sense, I think, of the role that your office is playing and the challenges that you are facing.

I see in the main estimates that all but \$430,000 of your authorities are voted. Can you explain what the \$430,000 is? Was that the employee benefits and so on that you were referring to in your opening?

Mrs. Karen Shepherd: Yes.

Mr. Brad Butt: Okay. So that's statutorily mandated. I mean, that's obviously what has to be paid for the benefit plans for each of the 28, I think you said, you had...

Mrs. Karen Shepherd: I have a complement of 28 FTEs, yes.

Mr. Brad Butt: I think you also said that seven of those are dedicated to what you would call the "public education" aspects of your office.

Can you give me a little bit more detail? What are those seven individuals within the organization doing on a day-to-day basis?

What is their specific role versus the other 21 who are there, who have, I assume, positions that are driven more by compliance and administration? Perhaps you could give me a better sense of what their role is in your office.

• (1550)

Mrs. Karen Shepherd: Sure. In terms of those seven, what's interesting for reporting purposes is that it's part of the program alignment architecture, which is done for reporting purposes.

The actual individuals consist of a senior communications officer, a senior policy analyst, and a policy analyst. The rest of the component is actually made up of part of the time of other individuals within the office, time that is dedicated to that particular function. For example, it consists of a portion of my time and my deputy's time, which helps to make up the remaining part of that.

Mr. Brad Butt: Do you see it as the role of your office that you are to proactively get out and educate? Or are you relying on these 5,000 lobbyists who are part of this system to make sure that they're making sure they know what the rules are, what the dos and don'ts and the compliance requirements are?

Are you playing a more proactive role to get to them to make sure they are complying? We want to assume that most people want to play by the rules. They want to know what the rules are and they want to be clear on them so that nobody is getting caught up in a situation that they shouldn't be caught up in. Is it a role where you're proactively reaching out into the lobbyist community, or are you waiting for the phone to ring and then just answering a question that somebody might have?

Mrs. Karen Shepherd: Well, I have an education mandate and, as I've said before at committee, I believe that one of the best ways of ensuring compliance is making sure that everybody understands the rules. I very much take a proactive approach. We've looked at doing a policies and procedures manual and also working on a strategic plan in terms of outreach.

As I mentioned in my opening remarks, on the registration side, for example, when a new registrant is coming forward, we actually follow up with them. Webinars are being done by the registration unit on a pretty regular basis, and they are being met with success.

I've mentioned that my team and I met with 900 individuals last year, including lobbyists, public office holders, and parliamentarians. We're very much getting the word out that "Here is the Lobbying Act", and we're also emphasizing the fact that there is a Lobbyists' Code of Conduct as well. So it's not just that lobbyists are to ensure that they are complying with the act, but also that they are complying with the Lobbyists' Code of Conduct.

Mr. Brad Butt: We just had the Privacy Commissioner here. One of the things she mentioned was that her office was going to be moving.

One of the reasons for that was to take advantage of some shared services, in that perhaps she could share with other agencies in the new building in Gatineau they're to move to, in order to get a few agencies under the same umbrella and then share some services, which hopefully would help everybody. I mean, we are in a situation of restraint now, and we're trying to minimize the growth of government, or at least freeze the costs.

Through your estimates, you've indicated your 28 FTEs for the next couple of years and your base budget. Actually, you're doing a good job of coming forward with some minor reductions in your core budget.

Is that part of the strategy as well? Have you looked at other agencies or government departments in which you can have better cooperation and shared services to actually reduce your overhead and your administrative expenses?

Mrs. Karen Shepherd: The answer is yes. I'm also part of the agents of Parliament. Collectively, we are looking at ways in which we can do shared services. There is a group that's moving first and is probably going to be able to put some things in place faster.

It's still in the preliminary stages, so I don't have specific examples at this point, but what I can say is that I'm already in a number of arrangements with service providers. For example, HR, finance, and IT are actually provided through service agreements. I am taking advantage of Public Works, for example, which has shared services on their HR side.

Mr. Brad Butt: Do I still have some time, Mr. Chair? Yes?

I noticed some year-over-year fluctuations in the office's internal services program activity. Can you explain the reduced spending authorities between 2011-12 and 2012-13? Can you also explain why this year's request for authorities has increased?

Mr. René Leblanc (Deputy Commissioner, Office of the Commissioner of Lobbying): What page are you on?

• (1555)

Mr. Brad Butt: It's the internal services program.

Mrs. Karen Shepherd: I think, if I'm recalling....

Mr. Brad Butt: I'm sorry, but I don't have the page number.

Mr. René Leblanc: Page 10? Is it where it says "1,749" and then "1,705"?

Mr. Brad Butt: Yes.

Mrs. Karen Shepherd: Some of the expenditures that we have had in the main estimates before were because we've had some of the superannuation payments and the terminations that occurred in I think 2012-13—last year's.

Mr. Brad Butt: They're one-time smaller fluctuations because of certain circumstances. We all know that when you put a budget together, you do your best guesstimate, right?

Mrs. Karen Shepherd: Yes.

Mr. Brad Butt: Things can happen. The actuals aren't always what the budget numbers are, and that's because you've had an anomaly in one year, or because something has happened. As long as you can properly report back as to why that is, then I think that's certainly fine.

Is that it, Mr. Chair?

[*Translation*]

The Chair: Mr. Butt, your time is up.

Mr. Brad Butt: Thank you very much, Mr. Chairman.

The Chair: Mr. Andrews, you have the floor for seven minutes.

[*English*]

Mr. Scott Andrews (Avalon, Lib.): Thank you, Mr. Chair.

Welcome again, Commissioner, and thanks for coming in.

In your opening statement, you mentioned the new search features that are available. Could you just give us a little more of an idea of how these new search features are working? Do you have any statistics on who is using the search features? Have you noticed increased traffic through your website on the search features?

Mrs. Karen Shepherd: In terms of the question, on searches that were done last year, I think there were 175,000 actual searches. In terms of users of the system, I think the media is using it quite a bit. We're seeing a lot of stories now in *The Lobby Monitor*, for example, on a day in the life of the registry.

In terms of what it's allowing you to do, it allows you to search any field. For any field that has been inputted, such as public office holders or departments, those searches can be done. Trends can be looked at. It's easier to search communication reports. It's making it a lot easier. It's possible to do downloads and stuff like that as well now.

Mr. Scott Andrews: How quickly are you getting the data into the search engine?

Mrs. Karen Shepherd: As soon as the registration is up on the system, I believe. That's something I can verify; my understanding is that it's once the registration data is live.

Mr. René Leblanc: It searches the live database.

Mr. Scott Andrews: Okay.

You talked about the consultation you're doing on the Lobbyists' Code of Conduct. Do you have any outline of how that consultation is going to work this fall and who you are going to try to target for consultations?

Mrs. Karen Shepherd: Well, because of the limitations of the budget, I'm going to take advantage of the web, largely, so anybody checking the site will be able to.... That said, in my outreach that I've been doing now, especially with public office holders, I've been mentioning the fact that I am going to be launching this consultation and that I will be writing to particular groups, letting them know that this is up on then website, and encouraging them to participate.

So for parliamentarians, for example, I'm hoping that they will look at it as well and provide comments.

Mr. Scott Andrews: The outcomes will go in the code of conduct or you'll make those recommendations to go—

Mrs. Karen Shepherd: With the consultation that I launched in the fall, what I'm expecting is that I will be able to make an informed view of what people's opinions are. Does it need to change? Are there amendments that I need to make? Then I would go back, and it would say in the second year that these are the results of the consultation, and also any possible amendments, if that comes out from the review.

Mr. Scott Andrews: Okay.

On the investigation side, how many investigations do you have ongoing right now?

Mrs. Karen Shepherd: I believe there are five investigations ongoing.

Mr. Scott Andrews: What's the average timeframe on an investigation from start to finish?

Mrs. Karen Shepherd: That's difficult to answer. As I've explained in the past, I have a stage from the administrative review to when I decide whether an investigation is necessary to ensure compliance with the act or the code. The complexity of the files, the availability of witnesses...but also, if I have reasonable grounds to believe that the act has been breached, then I'm required to send it to the RCMP. Once it's there, the file is in a state of suspension. The average for being over there has been about seven to eight months, so it's very hard, then, to predict.

If I'm tabling a report on the Lobbyists' Code of Conduct to Parliament, there's also the opportunity to present views stage, which can take time as well, at the end.

• (1600)

Mr. Scott Andrews: How many have you referred to the RCMP?

Mrs. Karen Shepherd: Since I became commissioner? Ten.

Mr. Scott Andrews: Okay. When you refer them to the RCMP, do you make a public statement that you've gotten to this stage in this investigation?

Mrs. Karen Shepherd: I do not. As I've said in the past, the act requires that I conduct my looking into a file in private. I think it's important for a couple of reasons. One, it protects the integrity of my investigation. It also protects the integrity of a future police investigation. Saying where I am in the process and that I've maybe transferred it over perhaps could jeopardize the investigation being done by the police.

Mr. Scott Andrews: So to anyone who comes back from the police where they don't act on it, you will report that you did send it to the RCMP?

Mrs. Karen Shepherd: Well, if I decide, when I'm looking at it, that I have sufficient grounds to continue with a lobbyists' code of conduct investigation, then I will mention it in my report. For example, in the Rahim Jaffer case, I said, you know, that file had been transferred to the RCMP. When it came back...and so on.

So those reports would actually contain that information. If I do not proceed, I usually have a mark in my annual report that refers to the fact that I had sent something over. That's how I would report.

Mr. Scott Andrews: Thank you.

[Translation]

The Chair: Thank you Mr. Andrews.

I will now give the floor to Mrs. Davidson.

[English]

Mrs. Patricia Davidson (Sarnia—Lambton, CPC): Thanks very much, Mr. Chair.

Commissioner, welcome back to you and your colleagues. It's always a pleasure to have you here.

I want to spend most of my time asking you some questions on your opening remarks, to get some clarification on those.

In the first part, you spoke about how you told us the last time you were here, in 2012, you were going to be rearranging your department with a couple of different staff. First, you were deferring the development of the registration system, and secondly, you were hiring a system specialist.

Can you tell us a little bit about how this happened? I know you feel it's working well. Perhaps you can tell us why you feel it's working well, and also if there has been any downside to this.

Mrs. Karen Shepherd: When I was here before the committee last year, I talked about the two positions, which I cut in order to increase my capacity in financial management and in performance measurement and program evaluation. What I can say about the two posts I cut is that there were two individuals sitting in those positions. One took the opportunity to retire. The other individual has found employment elsewhere.

In terms of hiring the system specialist, that was the result of reducing dependency on consultants. That individual started with us on April 1. They fit in very well with the organization. I'm quite confident that we'll be able to do what we need to do with the registry this year in terms of the integrity of the documentation and so on.

Mrs. Patricia Davidson: So it was April 1 of this year that the person started?

Mrs. Karen Shepherd: It was April 1, 2013, because that's when my budget was actually cut.... The process last year was very much in writing the job description and staffing the position by April 1. That was all done. As I said, the other two positions have been filled and the individuals are fitting in very well with the organization.

Mrs. Patricia Davidson: Next year we will hear more about how that has worked out, I expect.

Mrs. Karen Shepherd: Yes.

Mrs. Patricia Davidson: You talked about the internal audit. Who did that? Was it consultants, or...?

Mrs. Karen Shepherd: A consulting firm came in and did it.

Mrs. Patricia Davidson: And you were satisfied with the conclusions of it? You felt it was justifiable, what was happening within the department?

Mrs. Karen Shepherd: I was satisfied, because it showed, in terms of the things we had put in place, that we very much have a robust system. The system is accurately capturing the data, and we have processes in place that are being followed in terms of being able to retrieve the data and report on it.

As any audit does, there are always suggestions as to what you can do to improve things. On the training side, it recognized that we had a lot of things in place, but suggested that we formalize things a little better. We had been without a CIO—I think that's the name—in charge of the computer system for a period of time, so there were some things that it felt could have been better. You “speak the speak” when you're dealing with the service provider, if I can put it that way, so we now have a full-time service CIO. That's been taken care of.

It suggested some improvements in IT. When you're looking at the fact that technology keeps advancing, you want to ensure that the system is well protected.

Those are things we will be looking at this year and following up on.

• (1605)

Mrs. Patricia Davidson: When you talked about education and research, you talked about the amount of money you allocate to public education activities. I'm wondering what those activities are and how you do public education.

Mrs. Karen Shepherd: Part of that is the actual salaries of the individuals who are involved. It's the cost of maintaining the website, of any of the documents that are done, and any travel and so on that's allocated towards that activity.

Mrs. Patricia Davidson: What are the activities that you do? Are they going out having speaking engagements? What types of organizations do you speak to?

Mrs. Karen Shepherd: There's a variety. I've been invited to speak to certain universities, for example, meeting the public office holders. There were 900 people that we reached through doing presentations. We've spoken at the Canada School of Public Service as well, which is offering courses to public servants. It's another great way of getting the outreach.

On the registration side, we've met with particular lobbying firms and so on, and we did a little bit more in-depth analysis with them. The registration side is doing webinars with some of the first-time registrants, or others who may not be close to the city. Taking advantage of technology is, I think, a wonderful thing.

Mrs. Patricia Davidson: Is the education portion of it divided between the personal—hands-on, actually being there, giving a seminar, or education—and the website and information that's available to access at any time?

Mrs. Karen Shepherd: Exactly. It's a mixture of all of those different components.

Mrs. Patricia Davidson: When you talked about the review and the investigations, you said that since you'd become commissioner, you'd initiated 101 administrative review files and completed 105. Is that 105 out of the 110 total?

Mrs. Karen Shepherd: I inherited 40 administrative review files and six investigation files. So this is not only closing files that I'm opening under my tenure since 2008, but also closing some of the administrative review files that I inherited from my predecessor in 2008.

Mrs. Patricia Davidson: Would some of those still be there from before 2008?

Mrs. Karen Shepherd: All of them have been completed except for two.

Mrs. Patricia Davidson: So there are just the two. You went on to say that you wanted to avoid having any file become too old. What would be too old? What's the normal timeframe?

Mrs. Karen Shepherd: When files come in, some tend to have more serious allegations, which you want to get out there as quickly as possible. But at the same time, you don't want to have the old files just sitting there.

Mrs. Patricia Davidson: So it's a case of making sure that something doesn't get put aside and never dealt with.

Mrs. Karen Shepherd: That's right. The investigation team is handling at any one time between 50 and 60 files. That includes exemption reviews, which have service standards associated with them. They are done quite quickly because people are making decisions on jobs, for example. Then you're determining priority files and evaluating the seriousness of the allegation. That's one example that would be used for the prioritization of the file. We also estimate how long it's going to take to complete. From looking at files at the outset, you can see that some are going to be very complex, with a number of interviews involved and maybe some travel. All of that is factored in. The investigation team is constantly triaging or moving files around as necessary.

Mrs. Patricia Davidson: Thank you.

• (1610)

[*Translation*]

The Chair: Thank you Mrs. Davidson and Mrs. Shepherd.

Mr. Boulerville now has the floor for five minutes.

Mr. Alexandre Boulerville (Rosemont—La Petite-Patrie, NDP): Thank you, Mr. Chairman.

Good afternoon Mrs. Shepherd; thank you for coming here today. You always have interesting and intriguing testimony to provide.

I am going to give you some background. In Quebec, over the past several months, we have been watching the rather painful spectacle of the Charbonneau Commission, which has undertaken a sweeping investigation and will continue to investigate into collusion and corruption in the construction industry. Now we are seeing that is reaching even further. There have been several examples of testimony from individuals at the municipal level and this is also implicating individuals at the provincial level.

Can you say with any confidence that we are sheltered from this at the federal level? In other words, with the legislation and your office's resources, are we able to say that we do not need to worry and that what is happening in Montreal and Laval could not happen here in Ottawa?

Mrs. Karen Shepherd: Mr. Chairman, it is important to show that there will be consequences. That is why I tabled 10 reports in Parliament. When I did submit those reports, the telephone starting ringing off the hook because many people wanted to make sure that they were compliant with the law.

Awareness-raising was mentioned earlier and that is very important in making sure that individuals properly understand their responsibilities under the law and under the Lobbyists' Code of Conduct. As I have always said to everyone, I take all allegations seriously and I am ready to do what is necessary. I hope this helps resolve situations that could be problematic.

Mr. Alexandre Boulerice: You were appointed in 2008?

Mrs. Karen Shepherd: Yes.

Mr. Alexandre Boulerice: You referred 10 cases...

Mrs. Karen Shepherd: In fact I was filling the position on an interim basis for the first year.

Mr. Alexandre Boulerice: Fine.

So over the past five years you have only referred 10 cases to the RCMP.

Mrs. Karen Shepherd: Yes.

Mr. Alexandre Boulerice: Given that the federal government is a significant provider of contracts, that it has infrastructure plans and programs, and that 5,000 lobbyists work on Parliament Hill full time, does this mean that all is well? Or does it mean that we do not have the tools we require to ensure that there are no conflicts of interest, and that there are no individuals who are able, for monetary considerations, to obtain contracts from the federal government? Given what we have seen at the Charbonneau Commission in Quebec, it is difficult to believe that we have 5,000 angels on Parliament Hill here in Ottawa.

Mrs. Karen Shepherd: That is why I raise awareness not only amongst lobbyists, but also parliamentarians. People always ask me what a best practice is. I tell them that it is really up to parliamentarians and other public officials to ask the person with whom they are meeting whether they are aware of the Lobbying Act. If the person says they are, then they should be asked whether they are in compliance with the act. Such an approach would help avoid problematic situations.

Mr. Alexandre Boulerice: On May 14, 2012, the committee tabled its report on the Lobbying Act in the House of Commons. In its September 17, 2012, response, the government supported recommendations 5 and 9. However, with respect to recommendations 1, 3, 4, 6, 7 and 8, the government stated that it had reviewed the various approaches for implementing those recommendations. The government further stated it planned to consider recommendations 2, 10 and 11 and continue to study their merits.

What follow-up do you suggest for the legislative review of the Lobbying Act? What is your analysis of the report and, especially, the government response?

Mrs. Karen Shepherd: The government has stated that it wishes to make changes which in my opinion, will strengthen the act. It is

important, in the case of administrative penalties, for example, to check what my provincial counterparts are doing, including whether things are working well and whether criteria have been established.

Furthermore, I am prepared to offer the government advice if it has questions for me pertaining to the application of the act. In fact, I wonder—and this is also a concern of mine—whether the rules and changes are clear for lobbyists as well as for public officials who may consult the act's provisions. That is really the context in which decisions must be clear.

• (1615)

Mr. Alexandre Boulerice: Thank you very much.

The Chair: Thank you, Mr. Boulerice.

The committee seems satisfied with the answers received today.

Before adjourning, I must put the question to a vote. I will do so in English.

[English]

Shall vote 45 under Treasury Board carry?

TREASURY BOARD

Office of the Commissioner of Lobbying

Vote 45—Program expenditures.....\$3,988,757

(Vote 45 agreed to)

[Translation]

The Chair: All right.

I would like to remind you that we will be meeting again next Wednesday. We will be hearing a summary of testimony heard so far and the report on conflicts of interest. The deadline for presenting the witness list is Tuesday, that is tomorrow, at noon.

Mrs. Shepherd, do you have anything to add?

Mrs. Karen Shepherd: I would like to clarify one thing.

I mentioned a charge laid against a lobbyist. I would like to specify that I was not talking about Mr. Carson. Should the committee wish, I could provide it with the charge which is now public and before the courts.

The Chair: Yes indeed, if it is public information, you may send it to the clerk who will ensure the committee members receive the information.

And that brings our meeting to an end.

Mrs. Shepherd, thank you once again for coming here today and having been willing to take the time to meet with us and answer our questions.

On that note, the meeting is adjourned.

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