



Office of the Commissioner
of Lobbying of Canada

Commissariat au lobbying
du Canada

Report on Investigation

The Lobbying Activities of Bruce Rawson

February 2011

This publication is available upon request in accessible formats.

For a print copy of this publication, please contact:

Office of the Commissioner of Lobbying

255 Albert Street

10th Floor

Ottawa, Ontario K1A 0R5

Tel: 613-957-2760

Fax: 613-957-3078

Email: QuestionsLobbying@ocl-cal.gc.ca

This publication is also available electronically on the World Wide Web in HTML and PDF formats at the following address: www.ocl-cal.gc.ca

Permission to Reproduce

Except as otherwise specifically noted, the information in this publication may be reproduced, in part or in whole and by any means, without charge or further permission from the Office of the Commissioner of Lobbying of Canada, provided that due diligence is exercised in ensuring the accuracy of the information reproduced; that the Office of the Commissioner of Lobbying of Canada is identified as the source institution; and that the reproduction is not represented as an official version of the information reproduced, nor as having been made in affiliation with, or with the endorsement of, the Office of the Commissioner of Lobbying of Canada.

For permission to reproduce the information in this publication for commercial redistribution, please email:

QuestionsLobbying@ocl-cal.gc.ca

Cat. No. Lo5-3/3-2011E-PDF

ISBN 978-1-100-17953-7

Aussi offert en français sous le titre

Rapport d'enquête – Les activités de lobbying de Bruce Rawson

Commissioner of Lobbying



Commissaire au lobbying

Ottawa, Canada K1A 0R5

The Honourable Noël A. Kinsella
Speaker of the Senate
The Senate
Ottawa, Ontario
K1A 0A4

Dear Mr. Speaker:

Pursuant to section 10.5 of the *Lobbying Act*, I have the honour of presenting to you a Report on Investigation on the lobbying activities of Bruce Rawson for tabling in the Senate. The investigation was conducted in accordance with the provision of section 10.4 of the Act.

Sincerely yours,

A handwritten signature in black ink, consisting of a stylized, cursive 'K' followed by a horizontal line.

Karen E. Shepherd

Commissioner of Lobbying



Commissaire au lobbying

Ottawa, Canada K1A 0R5

The Honourable Peter Milliken, M.P.
Speaker of the House of Commons
Room 316-N, Centre Block
House of Commons
Ottawa, Ontario
K1A 0A6

Dear Mr. Speaker:

Pursuant to section 10.5 of the *Lobbying Act*, I have the honour of presenting to you a Report on Investigation on the lobbying activities of Bruce Rawson for tabling in the House of Commons. The investigation was conducted in accordance with the provision of section 10.4 of the Act.

Sincerely yours,

A handwritten signature in black ink, consisting of a stylized 'K' and 'S' followed by a horizontal line.

Karen E. Shepherd

Table of Contents

COMMISSIONER'S COMMENTS.....	2
ISSUE	2
INVESTIGATION	2
CONCLUSIONS.....	2
THE <i>LOBBYISTS' CODE OF CONDUCT</i>	3
INVESTIGATIONS OF ALLEGED BREACHES OF THE <i>LOBBYISTS' CODE OF CONDUCT</i>	4
BACKGROUND.....	5
HISTORY OF THE CASE PRIOR TO THE <i>LOBBYISTS' CODE OF CONDUCT</i> INVESTIGATION	5
INITIATION OF THE <i>LOBBYISTS' CODE OF CONDUCT</i> INVESTIGATION	5
THE SUBJECT	6
THE CLIENTS	6
THE REGULATORY PROCESS.....	7
PROCESS	8
LOBBYIST REGISTRATION	8
FINDINGS	10
REPORT OF THE INVESTIGATIONS DIRECTORATE	10
1. REDFERN RESOURCES LTD. AND THE TULSEQUAH CHIEF MINE	10
2. NORTHGATE MINERALS CORPORATION AND THE KEMESS NORTH MINE PROJECT	11
REGISTRATION	12
MR. RAWSON'S VIEWS AND MY PERSPECTIVE ON THOSE VIEWS	13
CONCLUSIONS.....	14
1. WHETHER MR. RAWSON ARRANGED A MEETING BETWEEN A PUBLIC OFFICE HOLDER AND ANY OTHER PERSON	14
2. WHETHER MR. RAWSON DID SO FOR PAYMENT	15
3. WHETHER MR. RAWSON COMMUNICATED WITH A FEDERAL PUBLIC OFFICE HOLDER IN AN ATTEMPT TO INFLUENCE SUBJECTS LISTED IN PARAGRAPH 5(1)(A) OF THE LRA	16
4. WHETHER MR. RAWSON ENGAGED IN ACTIVITY REQUIRING REGISTRATION UNDER THE LRA	17
5. WHETHER MR. RAWSON WAS IN BREACH OF THE PRINCIPLE OF PROFESSIONALISM	17
6. WHETHER MR. RAWSON WAS IN BREACH OF RULE 2 OF THE <i>LOBBYISTS' CODE OF CONDUCT</i>	17
7. WHETHER MR. RAWSON WAS IN BREACH OF RULE 3 OF THE <i>LOBBYISTS' CODE OF CONDUCT</i>	18
APPENDIX A – <i>LOBBYISTS' CODE OF CONDUCT</i>	19
PREAMBLE	19
PRINCIPLES.....	20
RULES	20

Commissioner's Comments

As Commissioner of Lobbying, I have the responsibility to investigate allegations of activities that might be in breach of laws and rules surrounding lobbying at the federal level. This case first came to the attention of my predecessor. I decided to continue the investigation following my appointment as Commissioner.

Issue

Lobbyists have certain legal and professional obligations to follow when they work on behalf of clients or employers. Individual consultant lobbyists are required to file a return with the Commissioner if, for payment, they undertake to arrange meetings or communicate with public office holders in respect of the development of any legislative proposal; introduction, passage, defeat or amendment of any Bill or resolution; making or amendment of any regulation; development or amendment of any policy or program; or the awarding of any grant, contribution or financial benefit. It was alleged that Mr. Bruce Rawson, a former public office holder, actively represented two British Columbia mining companies during a period when he was not registered as a lobbyist.

Investigation

The *Lobbyists' Code of Conduct* investigation was initiated by the Registrar of Lobbyists in 2005. It involved interviews, and a review of correspondence and payments made to Mr. Rawson. Mr. Rawson was provided with an opportunity to present his views and after considering his comments, I prepared this Report to Parliament.

Conclusions

In this report, I conclude that Mr. Rawson arranged client meetings with public office holders, received payment for his services, engaged in activities that required him to register as a lobbyist and breached the *Lobbyists' Code of Conduct*, specifically the Principle of Professionalism, Rule 2 (Accurate Information) and Rule 3 (Disclosure of obligations).

The *Lobbyists' Code of Conduct*

Lobbying is a legitimate activity. When carried out ethically and transparently, and in conformity with the highest standards of conduct, it can provide a useful dialogue between government and Canadians.

The *Lobbyists' Code of Conduct* came into effect on March 1, 1997, as a complement to the former *Lobbyists Registration Act* (the LRA). It was instituted to assure Canadians that the lobbying of federal public office holders is carried out in a manner that ensures public confidence and trust in the integrity, objectivity and impartiality of government decision-making. Individuals who engaged in activity deemed registrable under the LRA, and now the *Lobbying Act* (the Act), must also comply with the *Lobbyists' Code of Conduct*.

During the period covered by this report, individuals paid to communicate, or arrange meetings, with public office holders *in an attempt to influence* government decisions, were required to register in a registry of lobbyists. (The phrase *in an attempt to influence* has since been removed from federal lobbying legislation.) Public office holders are defined as being virtually anyone occupying a position in the Government of Canada, including members of the Senate and the House of Commons and their staff, as well as employees of federal departments and agencies, members of the Canadian Forces and members of the Royal Canadian Mounted Police.

The *Lobbyists' Code of Conduct* establishes mandatory standards of conduct for individuals who engage in activity deemed registrable under the Act. Like most professional codes, the *Lobbyists' Code of Conduct* begins with a preamble that states its purpose and places it in a broader context. Next, a body of overriding principles sets out, in positive terms, the goals and objectives to be achieved, without establishing precise standards. The principles of Integrity, Honesty, Openness and Professionalism are set out as goals that should be pursued, and were intended as general guidance.

The principles are followed by a series of eight rules that place specific obligations and requirements on lobbyists. The rules are organized into three categories: Transparency; Confidentiality; and, Conflict of Interest. Under the rules of Transparency, lobbyists have an obligation to provide accurate information to public office holders, and to disclose the identity of the persons or organizations on whose behalf their representation is made, as well as the purpose of the representation. They must also disclose to their clients, employers or organizations their obligations under the *Lobbying Act* and the *Lobbyists' Code of Conduct*. Under the rules of Confidentiality, lobbyists may not divulge confidential information, nor use insider information to the disadvantage of their clients, employers or organizations. The Conflict of Interest rules prohibit lobbyists from representing conflicting or competing interests without the consent of those whose interests are involved; or placing public office holders in a conflict of interest by proposing or undertaking any action that would constitute an improper influence.

Investigations of Alleged Breaches of the *Lobbyists' Code of Conduct*

Lobbyists have a legal obligation to comply with the *Lobbyists' Code of Conduct*. During the period covered by this report, January 2004 to January 2005, the former Registrar of Lobbyists had the authority to initiate an investigation if he believed on reasonable grounds that there had been a breach of the *Lobbyists' Code of Conduct*.

Breaches of the *Lobbyists' Code of Conduct* do not carry fines or jail sentences, but the Commissioner's report of the investigation – including the findings, conclusions, and reasons for those conclusions – must be tabled before both Houses of Parliament. There is no limitation period for investigating breaches of the *Lobbyists' Code of Conduct*.

The *Lobbying Act* replaced the *Lobbyists Registration Act* on July 2, 2008. On that day, the Commissioner of Lobbying replaced the Registrar of Lobbyists. Transitional provisions in the *Lobbying Act* authorize the Commissioner to continue to conduct investigations initiated by the Registrar of Lobbyists under the previous legislation.

The following report relates to one of those investigations.

Background

History of the Case Prior to the *Lobbyists' Code of Conduct* Investigation

On December 23, 2004, the Lobbyists Registration Branch, as it was then known, received an email alleging that Bruce Rawson had engaged in unregistered lobbying on behalf of one or more mining companies. The email contained information that Mr. Rawson had arranged meetings between a client, Redfern Resources Ltd., and federal public office holders at Environment Canada and the Department of Fisheries and Oceans.

On January 28, 2005, a British Columbia based web magazine, *The Tyee*, published a special report on lobbying containing statements from Bruce Rawson and one of his clients, further demonstrating his involvement in the arrangement of meetings with federal public office holders.

The Office of the Registrar of Lobbyists (ORL) conducted an Administrative Review. Based on information obtained during the review, the Registrar found a basis to believe on reasonable grounds that, by failing to register his activities on behalf of his client, Mr. Rawson had committed an offence under the *Lobbyists Registration Act* (LRA). On July 29, 2005, the matter was referred to the Royal Canadian Mounted Police (RCMP).

On March 20, 2006, the RCMP informed the ORL that, after reviewing material provided to them by the Office, they were unable to proceed any further with an investigation.

Initiation of the *Lobbyists' Code of Conduct* Investigation

On June 28, 2006, Michael Nelson, Registrar of Lobbyists, instructed the Investigations Directorate to initiate a *Lobbyists' Code of Conduct* investigation pursuant to subsection 10.4(1) of the LRA.

During the course of the Directorate's investigation into Bruce Rawson's alleged lobbying activities on behalf of Redfern Resources Ltd., evidence was found of unregistered lobbying by Mr. Rawson on behalf of another mining company, Northgate Minerals Corporation.

This report covers Bruce Rawson's activities on behalf of both companies.

The Subject

Bruce Rawson is the President of Rawson Group Initiatives Inc., a corporation registered in the Province of Ontario and located in Ottawa. The company is listed in the Yellow Pages under Government Relations Consultants. He is a former public office holder who held senior positions in the federal government, including Deputy Minister of five departments.

As of November 2010, Mr. Rawson has registered as a consultant lobbyist on 67 occasions. He had registered 15 unrelated consultant lobbyist undertakings prior to the period covered by this investigation.

The Clients

Redfern Resources Ltd. (Redfern) is a Vancouver-based mineral development company. It is a wholly owned subsidiary of Redcorp Ventures Ltd. (Redcorp) and is not publicly-listed. Redfern's principal asset is the Tulsequah zinc-copper-silver-gold mine re-opening project located in northwestern British Columbia. Since 1994, Redfern has sought permission from federal and provincial regulators to bring the project to the mine development approval stage through advanced exploration, feasibility studies and an environmental assessment process.

Mr. Rawson eventually registered as a consultant lobbyist acting on behalf of Redcorp, effective January 28, 2005. The registration relates to an undertaking to lobby public office holders in the Federal Environmental Assessment Review Office (now the Canadian Environmental Assessment Agency), the Department of Fisheries and Oceans (DFO) and Indian and Northern Affairs Canada, in respect of the Tulsequah Chief Mine. The lobbyist registration return identifies Aboriginal issues, environment and fisheries as areas of concern.

On March 4, 2009, Redcorp and Redfern were granted court protection from creditors under the *Companies Creditors Arrangement Act* (Canada).

Northgate Minerals Corporation (Northgate) is a gold and copper mining company, known prior to May 17, 2004 as Northgate Exploration Limited. The company's principal asset is the Kemess North Mine located in north-central British Columbia.

Mr. Rawson eventually registered as a consultant lobbyist acting on behalf of Northgate Exploration Limited, effective January 27, 2005. The registration relates to an undertaking to lobby public office holders at Environment Canada and DFO regarding the expansion of the Kemess North Mine. The lobbyist registration return identifies mining as the area of concern.

The Regulatory Process

Several pieces of federal legislation and regulation contain provisions which must be respected during the development of a mine in Canada. These include, but are not limited to, the *Metal Mining Effluent Regulations*, the *Navigable Waters Protection Act* and the *Canadian Environmental Assessment Act*. Certificates and/or permits are required before and during the development of a mine. Obtaining these documents may involve dealing with officials from a number of federal departments and agencies, as well as organizations in other jurisdictions.

Process

The *Lobbyists' Code of Conduct* investigation of Bruce Rawson covered his activities on behalf of the two mining companies during the period January 2004 to January 2005, and involved an examination of the following:

- materials provided by the complainant;
- correspondence between federal public office holders and Mr. Rawson;
- correspondence between Mr. Rawson and Redfern;
- correspondence between Mr. Rawson and Northgate;
- payments by Redfern to Rawson Groups Initiatives Inc. or Mr. Rawson;
- payments by Northgate to Rawson Groups Initiatives Inc. or Mr. Rawson;
- an interview with Mr. Rawson;
- interviews with public office holders from the Department of Fisheries and Oceans (DFO) and the Department of Transport (TC);
- an interview with the President and CEO of Redfern;
- the Registry of Lobbyists; and
- publicly-available information (websites, news reports).

Following the investigation, a copy of the Investigations Directorate report was sent to Mr. Rawson to give him an opportunity to present his views. He provided his response in a letter dated January 30, 2008.

The Investigations Directorate report and Mr. Rawson's views were taken into consideration, and form the basis for my Report.

Lobbyist Registration

The Requirement to File a Return (Consultant Lobbyists)

Pursuant to subsection 5(1) of the *Lobbyists Registration Act* (LRA) in force during the period covered by this report, every individual who, for payment, on behalf of any person or organization (in this section referred to as the "client"), undertakes to

- (a) communicate with a public officer holder in an attempt to influence
 - i. the development of any legislative proposal by the Government of Canada or by a member of the Senate or House of Commons,
 - ii. the introduction of any Bill or resolution in either House of Parliament or the passage, defeat or amendment of any Bill or resolution that is before either House of Parliament,

- iii. the making or amendment of any regulation as defined in subsection 2(1) of the *Statutory Instruments Act*,
- iv. the development or amendment of any policy or program of the Government of Canada,
- v. the awarding of any grant, contribution or other benefit by or on behalf of Her Majesty in right of Canada, or
- vi. the awarding of any contract by or on behalf of Her Majesty in right of Canada, or

(b) arrange a meeting between a public officer holder and any other person,

shall, not later than ten days after entering into that undertaking, file with the registrar, in the prescribed form and manner, a return setting out the information referred to in subsection (2).

The Elements of Registrable Activity for Consultant Lobbyists

The following two elements were considered in the analysis of whether an activity deemed registrable under subsection 5(1) of the LRA took place:

- An individual undertook to:
 - Communicate with a public officer holder in an attempt to influence subjects listed in paragraph 5(1)(a) of the LRA; or
 - Arrange a meeting between a public officer holder and any other person; and
- The individual did so for payment and on behalf of any person or organization.

Findings

Report of the Investigations Directorate

The Investigations Directorate examined whether Mr. Rawson engaged in activities requiring registration as a lobbyist. Evidence was obtained from various sources, including federal public office holders, Mr. Rawson, and his clients, supporting the following findings:

1. Redfern Resources Ltd. and the Tulsequah Chief Mine

Mr. Rawson was hired by Redfern Resources Ltd. (Redfern) in February 2000, to provide strategic advice and government relations services with respect to the Tulsequah Chief Mine. In a letter to Redfern dated February 17, 2000, Mr. Rawson confirmed that he had been retained by the company and stated that: “During the course of this work we may have to register under the *Lobbyist (sic) Registration Act*. This action will not be taken, prior to your notification and approval.”

Services performed by Rawson Group Initiatives Inc., on behalf of Redfern were interrupted from July 2000 to December 2003 because of a Supreme Court of Canada case involving an environmental assessment challenge. The court dismissed the challenge in a November 2004 ruling.

Meeting with the Department of Fisheries and Oceans, May 31, 2004

On May 7, 2004, Mr. Rawson requested a meeting via conference call with the Deputy Minister (Fisheries and Oceans Canada), a provincial official employed by the British Columbia Environmental Assessment Office, and the CEO of Redfern. The May 31st meeting was requested by Mr. Rawson to discuss Redfern’s development of the Tulsequah Chief Mine and Northgate’s proposal for the Kemess North Mine. According to the Deputy Minister’s notes, Mr. Rawson requested the meeting and prepared the agenda. Legal counsel representing Redfern also confirmed to investigators that Mr. Rawson had organized this meeting.

On December 11, 2006, the CEO of Redfern informed investigators that Mr. Rawson had organized the meeting on his behalf. He further stated that Mr. Rawson had never advised Redfern of his obligation to register as a lobbyist under the *Lobbyists Registration Act*.

Meeting with Environment Canada (EC), June 1, 2004

The agenda for the May 31st meeting included discussion items for a subsequent meeting the next day, involving a Redfern representative, Mr. Rawson, and government officials from Environment Canada.

Legal counsel for Redfern confirmed that Mr. Rawson set up a meeting in Ottawa on June 1, 2004 between Redfern's CEO and the Assistant Deputy Minister of Environment Canada's Environmental Protection Service. The meeting was arranged to discuss site remediation.

Meeting with Natural Resources Canada (NRCan), June 1, 2004

Mr. Rawson organized a second meeting in Ottawa the same day between the CEO of Redfern and senior officials at Natural Resources Canada. On May 26, 2004, Mr. Rawson sent a letter to public office holders at NRCan, and on May 28, 2004, he contacted NRCan to explain a strategy discussion and particulars for the meeting.

2. Northgate Minerals Corporation and the Kemess North Mine Project

In early 2004, Northgate hired Mr. Rawson as a consultant to assist them with an environmental assessment process and a feasibility study for their proposed Kemess North Mine project.

According to documentation provided by Northgate, Mr. Rawson prepared a "Federal Contact Program", describing the various government relations activities he would undertake on the company's behalf. In it, Mr. Rawson indicated that his role would be to stay in close contact with officials and political staff in order to press for early progress on the file.

Meetings with the Department of Fisheries and Oceans, March 30 and May 31, 2004

On March 15, 2004, Mr. Rawson contacted the Deputy Minister, DFO, to request a meeting to discuss an environmental assessment and regulatory decision regarding the Kemess North Mine proposal. The meeting occurred on March 30, 2004 and was attended by the President of Northgate and Mr. Rawson.

Mr. Rawson also organized a May 31, 2004 meeting, with the same officials to discuss various issues relating to Northgate. The company provided the investigators with documents confirming that Mr. Rawson contacted DFO on four occasions during the month of May to set up the meeting.

Northgate officials informed investigators that Mr. Rawson did not advise them of his obligations under the *Lobbyists Registration Act*.

Registration

Mr. Rawson was not registered as a consultant lobbyist for either Redfern or Northgate when the activities described in this chapter took place.

According to the Registry of Lobbyists, he first registered his undertaking as a consultant lobbyist acting on behalf of Northgate on January 27, 2005. He registered as a consultant lobbyist acting on behalf of Redcorp from January 28, 2005 through January 25, 2006. Subsequent registrations identified Redfern, a subsidiary of Redcorp as the client.

Mr. Rawson's Views and my Perspective on those Views

Subsection 10.4(5) of the *Lobbyists Registration Act* (LRA) provides that, before finding that a person under investigation has breached the *Lobbyists' Code of Conduct* (the Code), the Registrar must give that person a reasonable opportunity to present their views.

On January 15, 2008, the Registrar of Lobbyists sent a copy of the Investigation Directorate's Report to Mr. Rawson and requested that he provide written comments within 30 days.

Mr. Rawson's reply, received on January 30, 2008 contained the following statement:

“Thank you for your letter of January 15, 2008, in which you enclosed your Investigation Report including your findings:

I do not dispute the findings of the Investigation Report to the Registrar with respect to work I performed for Northgate Minerals Corporation and Redfern Resources Ltd. relating to the period May 2004 to the date of registration in January 2005. Failing to register was a serious mistake.

May I say this:

1. That mistake was an isolated incident and did not occur either earlier in my work nor has it been repeated during the past four years.
2. I had no intent to mislead anyone or to breach the principles of the *Lobbyist (sic) Code of Conduct* of integrity, honesty, openness, or professionalism.
3. The unintentional mistake was mine alone and must not reflect negatively on either Northgate or Redfern.
4. I have cooperated fully with the investigation from its initiation.”

I believe that Mr. Rawson is sincere in his statement, and correct in stating that he has had a history of compliance with the LRA and the Code. I do not take the view that his intention was to mislead public office holders or his clients, nor act as a lobbyist in breach of the Code. I note that Mr. Rawson did cooperate with the Investigations Directorate during the course of this investigation.

Conclusions

Companies attempting to obtain licences and certifications required under federal law sometimes hire lobbyists to assist them through the process. These individuals may also arrange meetings between the company and officials and/or communicate with officials to clarify technical details of a company's proposal or to negotiate the terms of an agreement.

These are legitimate actions on the part of companies and those they hire. The *Lobbying Act* (the Act) and its predecessor, the *Lobbyists Registration Act* (LRA), acknowledge this legitimacy but impose certain obligations of disclosure and behaviour on those who, for payment, undertake to assist companies in this way.

I have taken both the report of the Investigations Directorate and the representation of Mr. Rawson into consideration in reaching my conclusions. I have concluded that Mr. Rawson was paid to arrange meetings between federal public office holders and his clients and failed to register his undertakings as required under the *Lobbyists Registration Act*. He also neglected to provide accurate information and inform one of his clients of his obligations under the *Lobbyists' Code of Conduct*.

This chapter summarizes my conclusions on seven separate issues, and my reasons for reaching these conclusions.

1. Whether Mr. Rawson arranged a meeting between a public office holder and any other person

Evidence obtained during the course of this investigation reveals that, on several occasions between January 2004 and January 2005, Mr. Rawson arranged meetings between federal public office holders and officials of Redfern and Northgate. This is a registrable lobbying activity pursuant to paragraph 5(1)(b) of the LRA and the current Act.

Meetings arranged on behalf of Redfern:

Mr. Rawson, on behalf of Redfern Resources Ltd., contacted senior officials in the Department of Fisheries and Oceans (DFO) to arrange a May 31, 2004 meeting with his client to discuss issues related to Redfern's Tulsequah Chief Mine project. Departmental officials and a Redfern representative confirmed this information during interviews and provided documentary evidence. Mr. Rawson also confirmed to investigators that he had made contacts to organize a meeting in May 2004.

Documentary evidence indicates that Mr. Rawson, on behalf of Redfern, also contacted senior officials of Environment Canada and Natural Resources Canada to arrange two separate meetings with Redfern's CEO on June 1, 2004. The purpose of these meetings was to discuss federal environmental enforcement actions relating to Redfern's project.

Meetings arranged on behalf of Northgate

Mr. Rawson, on behalf of Northgate, contacted DFO officials to arrange a March 30, 2004 meeting with the company President.

Documentary evidence supports that Mr. Rawson, on behalf of Northgate, contacted federal and provincial officials to arrange a meeting on May 31, 2004.

2. Whether Mr. Rawson did so for payment

Evidence obtained during the course of the investigation demonstrates that the work performed by Rawson Group Initiatives Inc. on behalf of Redfern and Northgate was for payment.

The Redfern Undertaking

There was no formal written proposal or contract between Mr. Rawson and Redfern. However, Mr. Rawson voluntarily provided investigators with a copy of a letter he sent to Redfern, dated February 17, 2000, confirming that Rawson Group Initiatives Inc. would provide the company with strategic advice and government relations services.

According to documentary evidence provided by the legal counsel representing Redfern, Mr. Rawson, via Rawson Group Initiatives Inc., was paid for professional consulting services. A summary of work performed by Mr. Rawson for the month of May 2004, substantiates that he was paid to organize meetings on behalf of Redfern.

Redfern also provided copies of invoices issued by Rawson Group Initiatives Inc., for the period of January 2004 to January 2005. During that period, Redfern issued 11 cheques to Mr. Rawson totalling \$63,263.72.

The Northgate Undertaking

There is no formal proposal or signed contract between Mr. Rawson and Northgate, with the exception of a document entitled *Federal Contact Program, a Federal Government Relations Update* prepared by Mr. Rawson.

However, Northgate voluntarily provided the copies of Rawson Group Initiatives Inc. billing invoices, requesting payment for consulting services provided during the period from January 1, 2004 to January 1, 2005. The cost of Mr. Rawson's services for that period totalled \$107,113.54.

3. Whether Mr. Rawson communicated with a federal public office holder in an attempt to influence subjects listed in paragraph 5(1)(a) of the LRA

Documentary evidence obtained during the investigation shows that Mr. Rawson was actively communicating with public office holders on behalf of Redfern Resources Ltd. and Northgate Minerals Corporation during the period from January 1, 2004 to January 27, 2005.

Mr. Rawson did not register his undertakings on behalf of the mining companies until January 27 and 28, 2005.

His role on behalf of both clients was to assist them in obtaining permits and certification required under federal laws to proceed with the development of their respective mining projects.

However, the *Lobbyists Registration Act* (LRA) specifies types of communication that are not subject to the registration requirements. The following communication is not deemed to require registration pursuant to paragraph 4(2)(b) of the LRA:

Any oral or written submission made to a public office holder by an individual on behalf of any person or organization with respect to the enforcement, interpretation or application of any Act of Parliament or regulation thereunder by that public office holder and with respect to that person or organization.

Oral and written communication between Mr. Rawson and various federal public office holders, on behalf of Redfern and Northgate, appear to have been entirely with respect to the application and enforcement of the *Metal Mining Effluent Regulations*, the *Navigable Waters Protection Act* and the *Canadian Environmental Assessment Act*.

In my view, discussions between Mr. Rawson and federal public office holders with respect to the application and enforcement of the above-mentioned legislations and regulations were subject to the restriction on application set out in paragraph 4(2)(b) of the LRA, and did not necessitate the filing of a consultant lobbyist registration return. Therefore, I cannot conclude that Mr. Rawson communicated with a federal public office holder in an attempt to influence subjects listed in paragraph 5(1)(a) of the LRA.

4. Whether Mr. Rawson engaged in activity requiring registration under the LRA

Mr. Rawson engaged in activity requiring registration as a consultant lobbyist pursuant to paragraph 5(1)(b) of the *Lobbyists Registration Act*. His clients paid him to arrange meetings with federal public office holders. He was, therefore, required to file a lobbyist registration return with the Registrar not later than 10 days after entering into his undertakings, but failed to do so.

5. Whether Mr. Rawson was in breach of the Principle of Professionalism

Individuals who conduct activities requiring registration as a lobbyist must comply with the *Lobbyists' Code of Conduct* that is based on a body of overriding principles, one of which is the Principle of Professionalism.

Professionalism

Lobbyists should observe the highest professional and ethical standards. In particular, lobbyists should conform fully with not only the letter but the spirit of the *Lobbyists' Code of Conduct* as well as all the relevant laws, including the *Lobbyists Registration Act** and its regulations.

By failing to file a lobbyist registration return within time limits prescribed in the LRA, Mr. Rawson's activity on behalf of Northgate Minerals Corporation and Redfern Resources Ltd. was in breach of the Principle of Professionalism.

6. Whether Mr. Rawson was in breach of Rule 2 of the *Lobbyists' Code of Conduct*

Individuals who engage in activity requiring registration must also comply with a series of eight rules set out in the *Lobbyists' Code of Conduct*. In an effort to promote transparency, Rule 2 provides that lobbyists must provide accurate information:

Accurate information

Lobbyists shall provide information that is accurate and factual to public office holders. Moreover, lobbyists shall not knowingly mislead anyone and shall use proper care to avoid doing so inadvertently.

* This version of the *Lobbyists' Code of Conduct* was in effect during the period covered by this Report (January 2004 to January 2005).

Mr. Rawson was aware of the requirement to register activity deemed registrable under the LRA. By failing to do so, he did not appropriately identify himself as a lobbyist and, therefore, did not provide accurate information to public office holders. As a consequence, individuals and organizations with an interest in the status of the Redfern and Northgate mining projects were misled about the existence of lobbying activity. Therefore, Mr. Rawson was in breach of Rule 2 (Accurate Information).

7. Whether Mr. Rawson was in breach of Rule 3 of the *Lobbyists' Code of Conduct*

Transparency is also enhanced by requiring that lobbyists advise their clients of their obligations under the federal lobbying registration regime.

Disclosure of obligations

Lobbyists shall indicate to their client, employer or organization their obligations under the *Lobbyists Registration Act*^{*}, and their obligations to adhere to the *Lobbyists' Code of Conduct*.

Mr. Rawson's client, Northgate Minerals Corporation, was unaware of his obligation to register as a consultant lobbyist acting on their behalf. It may be inferred that he did not disclose his obligations under the LRA and Code and, therefore, was in breach of Rule 3 of the *Lobbyists' Code of Conduct* with respect to this undertaking.

During an interview, the CEO of Redfern Resources Limited stated that Mr. Rawson did not disclose his obligations under the Act. However, in a letter to Redfern dated February 17, 2000, Mr. Rawson advised his client that he may need to register under the *Lobbyists Registration Act*. In view of this, I cannot conclude that he was in breach of Rule 3 with respect to this undertaking.

^{*} This version of the *Lobbyists' Code of Conduct* was in effect during the period covered by this Report. (January 2004 to January 2005).

Appendix A – *Lobbyists' Code of Conduct*

Preamble

The *Lobbyists' Code of Conduct* is founded on four concepts stated in the *Lobbyists Registration Act*:

- Free and open access to government is an important matter of public interest;
- Lobbying public office holders is a legitimate activity;
- It is desirable that public office holders and the public be able to know who is attempting to influence the government; and,
- A system for the registration of paid lobbyists should not impede free and open access to government.

The *Lobbyists' Code of Conduct* is an important initiative for promoting public trust in the integrity of government decision-making. The trust that Canadians place in public office holders to make decisions in the public interest is vital to a free and democratic society.

To this end, public office holders, when they deal with the public and with lobbyists, are required to honour the standards set out for them in their own codes of conduct. For their part, lobbyists communicating with public office holders must also abide by standards of conduct, which are set out below.

Together, these codes play an important role in safeguarding the public interest in the integrity of government decision-making.

* This version of the *Lobbyists' Code of Conduct* was in effect during the period covered by this Report (January 2004 to January 2005).

Principles

Integrity and Honesty

Lobbyists should conduct with integrity and honesty all relations with public office holders, clients, employers, the public and other lobbyists.

Openness

Lobbyists should, at all times, be open and frank about their lobbying activities, while respecting confidentiality.

Professionalism

Lobbyists should observe the highest professional and ethical standards. In particular, lobbyists should conform fully with not only the letter but the spirit of the *Lobbyists' Code of Conduct* as well as all the relevant laws, including the *Lobbyists Registration Act* and its regulations.

Rules

Transparency

1. Identity and purpose

Lobbyists shall, when making a representation to a public office holder, disclose the identity of the person or organization on whose behalf the representation is made, as well as the reasons for the approach.

2. Accurate information

Lobbyists shall provide information that is accurate and factual to public office holders. Moreover, lobbyists shall not knowingly mislead anyone and shall use proper care to avoid doing so inadvertently.

3. Disclosure of obligations

Lobbyists shall indicate to their client, employer or organization their obligations under the *Lobbying Registration Act*, and their obligation to adhere to the *Lobbyists' Code of Conduct*.

Confidentiality

4. Confidential information

Lobbyists shall not divulge confidential information unless they have obtained the informed consent of their client, employer or organization, or disclosure is required by law.

5. Insider information

Lobbyists shall not use any confidential or other insider information obtained in the course of their lobbying activities to the disadvantage of their client, employer or organization.

Conflict of interest

6. Competing interests

Lobbyists shall not represent conflicting or competing interests without the informed consent of those whose interests are involved.

7. Disclosure

Consultant lobbyists shall advise public office holders that they have informed their clients of any actual, potential or apparent conflict of interest, and obtained the informed consent of each client concerned before proceeding or continuing with the undertaking.

8. Improper influence

Lobbyists shall not place public office holders in a conflict of interest by proposing or undertaking any action that would constitute an improper influence on a public office holder.