



Office of the Commissioner  
of Lobbying of Canada

Commissariat au lobbying  
du Canada

# Report on Investigation

## The Lobbying Activities of Graham Bruce

November 2011

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*Rapport d'enquête – Les activités de lobbying de Graham Bruce*

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 Mr. Graham Bruce 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 large loop and several horizontal strokes.

Karen E. Shepherd

Commissioner of Lobbying



Commissaire au lobbying

Ottawa, Canada K1A 0R5

The Honourable Andrew Sheer, 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 Mr. Graham Bruce 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, appearing to be 'K. Shepherd', with a large loop at the end.

Karen E. Shepherd

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## 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, the Registrar of Lobbyists. I decided to continue the ongoing administrative review following my appointment as Commissioner. At the conclusion of the administrative review, I decided to open an investigation under subsection 10.4(1) of the *Lobbying Act*.

### 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; the introduction, passage, defeat or amendment of any Bill or resolution; the making or amendment of any regulation; the development or amendment of any policy or program; the awarding of any grant, contribution or financial benefit; or, the awarding of any contract.

It was alleged that Mr. Graham Bruce, of Crofton, British Columbia, a consultant associated with Granneke Management and Consulting Services (Granneke), engaged in lobbying activity during a period when he was not registered as a lobbyist.

### Investigation

An administrative review concerning the allegations under the former *Lobbyists Registration Act*<sup>1</sup> and the *Lobbyists' Code of Conduct* was initiated by the Registrar of Lobbyists in 2007. It involved interviews, and a review of correspondence and payments made to Mr. Bruce. In September 2009, I opened an investigation based upon information provided to me in an administrative review report. I referred this matter to the Royal Canadian Mounted Police (RCMP) in October 2009, as I had reasonable grounds to believe that a breach of the *Lobbyists Registration Act* had occurred. In September 2010, the file was returned to my Office by the RCMP, with an indication that no charges would be laid in the matter. As I had formed the opinion that I had sufficient grounds to do so, I decided to continue the investigation. Upon completion of the investigation, Mr. Bruce was provided with an opportunity to present his views and, after considering his comments, I prepared this Report to Parliament.

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<sup>1</sup> The *Lobbyists Registration Act* was amended and renamed the *Lobbying Act* by the *Federal Accountability Act*, S.C. 2006, c. 9. The amendments came into force on July 2, 2008.

## **Conclusions**

In this report, I conclude that Mr. Bruce 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*. 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 *Lobbyists Registration Act*, and now the *Lobbying Act*, must also comply with the *Lobbyists' Code of Conduct*. The *Lobbyists' Code of Conduct* has not changed since its introduction.

During the period covered by this report, November 2005 to June 2007, individuals paid to communicate with federal public office holders concerning the subjects listed in the relevant registration sections of the *Lobbyists Registration Act*, or arrange meetings with federal public office holders, were required to register their activities in the Registry of Lobbyists. The same requirements are in place today, under the current *Lobbying Act*. The definition of “public office holder” in the legislation is broad, and includes 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 and Honesty, Openness and Professionalism are set out as goals that should be pursued by lobbyists and were intended as general guidance to the profession.

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 person or organization on whose behalf their representation is made, as well as the purpose of the representation. They must also disclose to their client, employer or organization 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 client, employer or organization. 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*. Under the *Lobbying Act*, the Commissioner is required to conduct an investigation if the Commissioner has reason to believe that an investigation is necessary to ensure compliance with the Act or the Code, as applicable.

Breaches of the *Lobbyists' Code of Conduct* do not result in sanctions of a penal nature, as they 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 in both Houses of Parliament. There is no limitation period for investigating breaches of the *Lobbyists' Code of Conduct*.

The following Report on Investigation concerns the activities of an individual who, I have concluded, should have registered under the *Lobbying Act* and was, therefore, subject to the *Lobbyists' Code of Conduct*.

## Background

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

During October 2007, a number of media outlets reported that former British Columbia Cabinet Minister Graham Bruce had lobbied on behalf of the Cowichan Indian Band without having registered as a lobbyist. On October 13, 2007, the Vancouver Sun reported that Mr. Bruce had performed paid lobbying work for the Cowichan Tribes since late 2005 but had not registered. The article indicated that Mr. Bruce had stated that he met several times with provincial and federal politicians, in order to secure funding on behalf of the Cowichan Band for various projects related to planning for British Columbia to host the North American Indigenous Games.

The following week, the Vancouver Sun reported that the British Columbia (B.C.) official opposition planned to call on the Government of B.C. to investigate Mr. Bruce for lobbying without being registered to do so in the provincial Registry of Lobbyists. At that time, the Investigations Directorate of the Office of the Registrar of Lobbyists conducted a search of the federal Registry of Lobbyists and determined that Mr. Bruce was not registered to lobby federal public office holders on behalf of the Cowichan Band or the Cowichan tribes. On November 1, 2007, an administrative review of the alleged lobbying activities of Mr. Bruce was commenced.

In September 2009, the Investigations Directorate completed its administrative review in this matter and submitted a report to me, recommending that an investigation under subsection 10.4(1) of the *Lobbying Act* be opened. Based on information obtained during that review, I had reason to believe that an investigation was necessary to ensure compliance with the Act and the *Lobbyists' Code of Conduct* and I opened an investigation. I also determined that I had reasonable grounds to believe that by failing to register his activities on behalf of his client, Mr. Bruce had committed an offence under the *Lobbyists Registration Act*. As a result, I referred the matter to the Royal Canadian Mounted Police (RCMP) on October 6, 2009, advising that there were reasonable grounds to believe that Mr. Bruce had contravened subsections 5(1) and 5(1.1) of the *Lobbyists Registration Act*. At that time, I also suspended the investigation as required by the *Lobbying Act*.

On September 17, 2010, the RCMP advised me that they had decided not to lay charges against Mr. Bruce. On September 30, 2010, I decided that I had sufficient information to continue with an investigation in relation to the *Lobbyists' Code of Conduct*.

## **The *Lobbyists' Code of Conduct* Investigation**

The *Lobbyists' Code of Conduct* investigation of Mr. Bruce covered his activities on behalf of the Cowichan Indian Band, the Cowichan Tribes and the Cowichan Tribes Journey of a Generation Society (CJOG) during the period of his engagement by those organizations. It involved an examination of various materials obtained from public sources, as well as information provided by Mr. Bruce, including contracts between those clients and Mr. Bruce and his consulting business, Granneke Management and Consulting Services (Granneke). The investigation also involved an examination of invoices for services rendered, correspondence with federal public office holders and interviews with federal public office holders and the clients of Mr. Bruce.

### **The Subject**

Mr. Bruce has had a long-term involvement in politics on Vancouver Island. He served on North Cowichan Municipal Council for 11 years, eight of them as mayor, before his election to the British Columbia Legislative Assembly.

Mr. Bruce served two terms in the Legislative Assembly. He was first elected in 1986 and in 1991, he was appointed Minister of Municipal Affairs, Recreation and Culture. He was defeated in the general election later that year. Mr. Bruce was re-elected in the riding of Cowichan-Ladysmith in May 2001 and shortly thereafter was appointed Minister of Skills Development and Labour. In December 2004, he became Government House Leader. He was defeated in the 2005 election.

Mr. Bruce has had a “long-time interest in First Nations issues and involvement in the community.”<sup>2</sup> Granneke Management and Consulting Services (Granneke) is Mr. Bruce’s consulting firm.

### **The Clients**

#### **Cowichan Indian Band, Cowichan Tribes and the Cowichan Journey of a Generation Society**

The Cowichan Indian Band is also known as the Cowichan Tribes. It is the largest First Nation in British Columbia and includes 3,800 registered members, half of whom live on the Cowichan Reserve. It is made up of nine separate reserves and is located in southern Vancouver Island, near the town of Duncan.

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<sup>2</sup> Opinion of the Conflict of Interest Commissioner (British Columbia) in the matter of a request by Leonard Krog, MLA for Nanaimo, under section 19(2) of the *Members' Conflict of Interest Act* to review the alleged actions of the Executive Council under section 8(1)(a) of the *Act*, February 25, 2009, at page 10.

The Cowichan Tribes are governed by a Chief and 12 councillors under the *Indian Act* framework. The Cowichan Tribes have established a society known as the Cowichan Journey of a Generation Society (CJOG). The Board of Directors of the CJOG included the Chief, two councillors and the General Manager of the Cowichan Tribes during the period of time covered by this Report on Investigation.

During the course of the investigation, Mr. Bruce provided the Investigations Directorate with copies of two agreements with the Cowichan Band, and another agreement with the Cowichan Tribes Journey of a Generation Society. The CJOG was an organization created by the Cowichan Tribes to prepare for the 2008 North American Indigenous Games to be held in British Columbia.

The first agreement, dated November 1, 2005, is entitled “Granneke Consulting Agreement.” It is an agreement between the Cowichan Band, referred to in the agreement as the “Cowichan Tribes,” and Granneke Management and Consulting Services, referred to as the “Contractor.” The term of the agreement is from November 1 to December 31, 2005. The contractor’s fee was set at \$12,500 per month and included provision for an office and payment of other expenses. The list of services to be performed by the contractor is set out in Schedule A and includes:

- identify potential government programs and funding initiatives to address pressing issues in the Cowichan Tribes; and
- develop a \$10 million Cowichan legacy plan for the 2008 North American Indigenous Games, which could include seeking government donors for additional facilities at the Games.

The section of the agreement entitled “Independent Contractor,” contains a clause that states: “The Contractor will be an independent contractor and not the servant, employee, or agent of Cowichan Tribes.” The employment status of Mr. Bruce became an issue in this investigation and is discussed in more detail in this Report on Investigation.

The agreement provides that, while the Cowichan Band is to instruct the contractor, the contractor is free to determine the manner in which the instructions are to be executed. In addition, the contractor agrees that Mr. Graham Bruce will carry out the agreed services. The agreement stipulates that during the term of the agreement, Mr. Bruce will be the employee of the contractor and not of Cowichan Tribes, and the contractor is responsible for payments – such as Employment Insurance, Canada Pension Plan, and taxes – arising from the employer-employee relationship between the contractor and Mr. Bruce.

A subsequent agreement was signed by Granneke and the Cowichan Band, covering the period from January 1 to March 31, 2006. The list of services covered by that agreement includes developing and implementing a plan to sign a treaty reconciliation agreement involving land, compensation, and funding components, including government funding. The other material elements of the agreement were the same as the first one between Granneke and the Cowichan Band.

Another agreement was signed between Granneke and the Cowichan Journey of a Generation Society. The term of that agreement is from July 1, 2006 until June 30, 2007, although Mr. Bruce indicated that it was extended by agreement between the parties into early 2008. Granneke's fees are set at \$16,666 per month plus office costs and other expenses. The list of services provided is virtually identical to the second agreement between Granneke and the Cowichan Band. In all other material respects, the elements of this agreement are the same as the previous two agreements.

## Process

The *Lobbyists' Code of Conduct* investigation of Mr. Bruce covered his activities on behalf of the Cowichan Indian Band, also known as the Cowichan Tribes, during the period November 2005 to June 2007. It included an examination of Mr. Bruce's activities on behalf of the Cowichan Journey of a Generation Society during that period. The investigation involved an examination of the following:

- materials obtained from public sources, as well as information provided by Mr. Bruce, including contracts between those clients and Mr. Bruce and his consulting business, Granneke Management and Consulting Services (Granneke);
- an examination of invoices for services rendered and correspondence with federal public office holders; and
- interviews with federal public office holders and the clients of Mr. Bruce.

Following the investigation, a copy of the Investigations Directorate's report was sent to Mr. Bruce to give him an opportunity to present his views. He provided his response in a letter dated May 19, 2011.

The report of the Investigations Directorate and Mr. Bruce's views were taken into consideration, and form the basis of my Report on Investigation.

## Lobbyist Registration

### The Requirement to File a Return (Consultant Lobbyists)

Subsection 5(1) of the *Lobbyists Registration Act*, which was in effect during the period covered by this Report, set out the requirement for consultant lobbyists to register their lobbying activities. It provided as follows:

5. (1) An individual shall file with the registrar, in the prescribed form and manner, a return setting out the information referred to in subsection (2), if the individual, 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 financial 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,

An individual shall file the return referred to in subsection (1) not later than 10 days after entering into the undertaking.

### **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 *Lobbyists Registration Act* took place:

- An individual undertook to:
  - communicate with a public officer holder in respect of subjects listed in paragraph 5(1)(a) of the *Lobbyists Registration Act*; or
  - arrange a meeting between a public officer holder and any other person.
- 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. Bruce engaged in activities requiring registration as a lobbyist. Evidence was obtained from various sources, including federal public office holders, Mr. Bruce, and his clients, supporting the following findings.

In February 2007, the Cowichan Band proposed a reconciliation agreement for negotiation between the Cowichan Tribes and the governments of Canada and British Columbia (B.C.), to be known as the Cowichan Reconciliation Agreement. The proposal asked the Honourable Michael de Jong, then B.C. Minister of Aboriginal Relations and Reconciliation and the Honourable Jim Prentice, then federal Minister of Indian and Northern Affairs to assign senior officials and commit the necessary resources to have an agreement signed by August 2007.

The Cowichan Reconciliation Agreement proposal was to cover Crown lands and resources, including housing, forestry, economic development, and cultural and sacred lands and provide for capital transfers, including for housing and infrastructure. The Cowichan Reconciliation Agreement was also to provide for Cowichan governance and accountability. The proposed agreement was to lead to the conclusion of a final treaty agreement under the tripartite British Columbia Treaty Commission process, by 2010. According to the document, the proposed Cowichan Reconciliation Agreement "... seeks to combine various aspects of treaty negotiations, socio-economic advancement and health and education initiatives." The capital transfer would involve an initial payment of \$75 million from the federal government.

As a part of his mandate on behalf of the Cowichan Tribes, Mr. Bruce communicated with both provincial and federal public office holders.

The British Columbia Ethics Commissioner was asked to look into Mr. Bruce's activities in January 2008, after his term as a member of the Legislative Assembly had ended. The Ethics Commissioner's report, entitled "Opinion of the Conflict of Interest Commissioner (British Columbia) in the matter of a request by Leonard Krog, MLA for Nanaimo, under section 19(2) of the *Members' Conflict of Interest Act* to review the alleged actions of the Executive Council under section 8(1)(a) of the Act" was dated February 25, 2009. The report did not concern any of Mr. Bruce's activities in relation to federal public office holders.

During the course of the investigation by my Office, Mr. Bruce provided details of his communications with federal public office holders, setting out dates, a list of attendees, the purpose of a meeting, and the name of the public office holder that he communicated with during the period of his engagement by the Cowichan Tribes.

On April 2, 2007, Mr. Bruce sent an e-mail message to the Special Assistant in the British Columbia regional office of the Honourable Chuck Strahl, then Minister of Agriculture and Agri-Food, attempting to arrange a meeting with the Minister. In the message, he noted that the Chief of the Cowichan Band would not be in attendance, and stated that, since a meeting the previous year, the Cowichan Tribes Reconciliation Agreement had been developed. He indicated that he was seeking "... advice as to how best to carry it through to Canada."

The following day, April 3, 2007, Mr. Bruce sent an e-mail message to the Senior Regional Assistant in the office of the Honourable David Emerson. Mr. Bruce indicated that he sought to arrange a meeting with Minister Emerson, who was the Minister responsible for International Trade, the Pacific Gateway and the 2010 Vancouver Winter Olympics at the time. He stated that he wanted to update the Minister on the Cowichan Tribes Reconciliation Agreement and "... seek his advice on certain aspects of it."

Also on April 3, 2007, Mr. Bruce sent an email to the British Columbia Assistant to the Honourable Gary Lunn, then the Minister of Natural Resources. He wrote that he wished to set up a meeting with the Minister. As with his request to meet Minister Emerson, he stated that he wished to update Minister Lunn on the Cowichan Tribes Reconciliation Agreement and "... seek his advice on certain aspects of it."

Mr. Bruce stated that he had "... aided in arranging the meetings with Minister Strahl and Senator St Germain [sic]." He also advised the Investigations Directorate that, infrequently, he would arrange meetings with government officials "... to review work undertaken as it relates to CJOG but more specifically the CRA [Cowichan Reconciliation Agreement] and housing reports."

The Investigations Directorate determined that Mr. Bruce had met with the Assistant Deputy Minister, Claims and Indian Government of the Department of Indian Affairs and Northern Development. Mr. Bruce represented the Cowichan First Nation at a meeting held on June 28, 2006. The meeting concerned the issue of negotiations with the federal government. Mr. Bruce sought an interim arrangement on behalf of his client, the Cowichan First Nations. The First Nation was in need of housing and had requested that provincial Crown land be transferred to the First Nation by the Province of British Columbia. The B.C. government supported the transfer of the land to the band, and Mr. Bruce asked for federal support as well. This communication took place within the context of British Columbia treaty negotiations, as the Cowichan Tribes are one of the six First Nations in the Hul'qumi'num Treaty Group, involved in the British Columbia Treaty Process.

Senator Gerry St. Germain is a member of the Senate and the Chairperson of the Senate Standing Committee on Aboriginal Peoples. Mr. Bruce met with Senator St. Germain on two occasions in June 2006 and June 2007. The Investigations Directorate determined that Mr. Bruce advised Senator St. Germain that he was looking to the Government of Canada to make a difference for First Nations. The Senator indicated that Mr. Bruce

sought his advice, and that they had discussed the upcoming 2008 Indigenous Games. However, he did not recall that Mr. Bruce asked him for anything in particular.

During the investigation, Mr. Bruce contended that the *Lobbyists Registration Act* did not apply to his activities because he was an employee of an Indian band or aboriginal government and thus covered by the restriction on application provided under subsection 4(1) of the *Lobbyists Registration Act*. Paragraphs 4(1)(d) and (d.1) provide as follows:

4. (1) This Act does not apply to any of the following persons when acting in their official capacity, namely,

...

(d) members of the council of a band as defined in subsection 2(1) of the *Indian Act* or of the council of an Indian band established by an Act of Parliament, persons on their staff or employees of such a council;

(d.1) members of an aboriginal government or institution that exercises jurisdiction or authority under a self-government agreement, or under self-government provisions contained in a land claims agreement, given effect by or under an Act of Parliament, persons on the staff of those members or employees of that government or institution; ...

The Investigations Directorate concluded that Mr. Bruce was not an employee of the Cowichan Band, on the basis that the contracts between Granneke Management and Consulting Services and the Cowichan Tribes indicate that the Cowichan First Nation was not Mr. Bruce's employer. On the contrary, the contracts stated explicitly that Granneke was an independent contractor and not the employee of Cowichan Tribes and that Graham Bruce was the employee of Granneke and not of Cowichan Tribes.

The Investigations Directorate concluded that Mr. Bruce's activities did not fall within the restriction on application of the Act provided in subsection 4(1) of the *Lobbyists Registration Act*. The Directorate also concluded that Mr. Bruce was not an employee of the Cowichan First Nation or an affiliated organization. The Directorate concluded that since Mr. Bruce was not an employee of the First Nation, he could not be an in-house lobbyist under the *Lobbyists Registration Act*, as the employee of a corporation or organization. As a result, if he conducted activities requiring registration under the *Lobbyists Registration Act*, he did so as a consultant lobbyist under the *Lobbyists Registration Act*.

In order to determine whether Mr. Bruce communicated with a public office holder regarding a matter described in paragraph 5(1)(a) of the *Lobbyists Registration Act*, the Investigations Directorate considered Mr. Bruce's efforts on behalf of the Cowichan Tribes. The Directorate concluded that Mr. Bruce communicated with federal public office holders in an effort to obtain a financial benefit for the First Nation, a subject matter that is listed in subparagraph 5(1)(a)(v) of the *Lobbyists Registration Act*.

This conclusion was based upon reasoning that Mr. Bruce's work on behalf of the Cowichan Tribes related to the Cowichan Reconciliation Agreement, a trilateral agreement with the governments of Canada and British Columbia. The Cowichan First Nation took the view that the purpose of the Cowichan Reconciliation Agreement was to combine various aspects of treaty negotiations, socio-economic advancement and health and education initiatives and would include a \$75 million contribution from the federal government. The Cowichan Reconciliation Agreement proposed the transfer of land, resources and money from the federal government. Consequently, and as described in the "Quw'utsun 'A' Lh Silanum" Project Summary and "Concept Proposal for Cowichan Reconciliation Agreement," this involved communications with the federal government.

The contracts between Granneke and the Cowichan Tribes provided that Mr. Bruce would communicate with public office holders. The contracts from January 1 to March 31, 2006 and from July 1, 2006 until June 30, 2007 both required Granneke to develop and implement a plan to negotiate and conclude a treaty reconciliation agreement involving land, compensation, and funding components, including government funding.

Mr. Bruce communicated with at least five public office holders on the matters for which he was retained. The nature of the discussions included obtaining federal government approval for the Cowichan Tribes to obtain title to provincial Crown land, which affected a broader set of negotiations involving the Cowichan Tribes and the federal government.

During the investigation, Mr. Bruce indicated that he attended a number of meetings on behalf of the Cowichan Tribes with federal public office holders and with others, namely the Chief of the Cowichan Tribes. In particular, Mr. Bruce wrote that he "... aided in arranging the meetings with Minister Strahl and Senator St Germaine [sic]." The Investigations Directorate determined that Mr. Bruce himself arranged these meetings. The Investigations Directorate determined that Mr. Bruce performed his services for the Cowichan Tribes for payment. His first two contracts with the Cowichan Tribes covered the period from November 1, 2005 until December 31, 2005 and January 1 to March 31, 2006. Granneke charged a fee set at \$12,500 per month, in addition to office and other expenses. The contract with the Cowichan Journey of a Generation Society, for the period of July 1, 2006 until June 30, 2007, set Granneke's fees at \$16,666 per month plus office and other expenses.

Pursuant to subsection 5(1) of the *Lobbyists Registration Act*, an individual shall file a lobbyist registration return, if the individual, for payment, on behalf of any person or organization, undertakes to communicate with a public office holder in respect of subjects listed in paragraph 5(1)(a) of the Act, or (b) arrange a meeting between a public office holder and any other person. Pursuant to subsection 5(1.1) of the *Lobbyists Registration Act*, an individual engaged in activity requiring registration as a consultant lobbyist shall file a return not later than 10 days after entering into the undertaking.

The Investigations Directorate did not determine the exact date on which Mr. Bruce entered into an undertaking on behalf of the Cowichan Tribes. The term of the first contract between Granneke and the Cowichan Tribes commenced on November 1, 2005.

Mr. Bruce was required to register within 10 days of entering into an undertaking with his clients. As of June 19, 2009, neither Mr. Bruce nor Granneke Management and Consulting Services had filed a return in the Lobbyists Registration System.

## **Registration**

Mr. Bruce was not registered as a consultant lobbyist for the Cowichan First Nation, Cowichan Tribes or the Cowichan Journey of a Generation Society when the activities described in this Report took place.

## Mr. Bruce's Views and my Perspective on those Views

Subsection 10.4(5) of the *Lobbying Act* provides that, before finding that a person under investigation has breached the *Lobbyists' Code of Conduct* (the Code), the Commissioner must give that person a reasonable opportunity to present their views. On April 7, 2011, I sent a copy of the report of the Investigations Directorate to Mr. Bruce and requested that he provide written comments within 30 days.

Mr. Bruce replied on May 19, 2011, in a letter from his legal counsel, Ludmila B. Herbst of Farris, Vaughan, Wills & Murphy LLP of Vancouver. The letter addressed the issues raised in the report of the Investigations Directorate. The following points were addressed in some detail:

- “1. the *Lobbyists Registration Act* did not apply to Mr. Bruce/Granneke as he was an employee of the band council for the purpose of s. 4(1)(d) of the *Lobbyists Registration Act*;
2. in any event of that, (a) Mr. Bruce/Granneke did not undertake the activities listed in s. 5(1) of the *Lobbyists Registration Act*; and, further or alternatively, (b) the *Lobbyists Registration Act* did not apply to the activities of Mr. Bruce/Granneke given s. 4(2) of that statute;
3. the *Lobbyists' Code of Conduct* did not apply, and in any event was not breached; and
4. if our submissions on any of the above are not accepted, any breach was inadvertent and, while we do not wish to diminish the regret that any such breach would occasion, not of a substantial nature.”

I have reviewed and considered the arguments that were raised on behalf of Mr. Bruce by his counsel. My perspective follows.

### ***Issue 1: Whether the Lobbyists Registration Act applied to Mr. Bruce/Granneke***

Mr. Bruce made the argument that he was not actually a consultant to the Cowichan Tribes, as set out in the two consulting services contracts with the Cowichan Band and one with the Cowichan Journey of a Generation Society (CJOG). Mr. Bruce made this argument because paragraphs 4(2)(d) and (d.1) of the *Lobbyists Registration Act* create a restriction upon application of the *Lobbyists Registration Act*, as does the *Lobbying Act* today. The legislation does not apply to certain persons, when they are acting in their official capacity, including:

- (d) members of the council of a band as defined in subsection 2(1) of the *Indian Act* or of the council of an Indian band established by an Act of Parliament, persons on their staff or employees of such a council; (and)

(d.1) members of an aboriginal government or institution that exercises jurisdiction or authority under a self-government agreement, or under self-government provisions contained in a land claims agreement, given effect by or under an Act of Parliament, persons on the staff of those members or employees of that government or institution; ...

The argument of Mr. Bruce that he was an employee of the Cowichan Band or the CJOG, or both, is supported by a number of factors raised by Mr. Bruce. They include the representations of the Cowichan in response to questioning by the Registrar of Lobbyists of British Columbia during the investigation of the B.C. Conflict of Interest Commissioner<sup>3</sup> in 2009, the evidence of a number of indicia of employment of Mr. Bruce by the Cowichan Band or the CJOG, along with a legal argument based upon the long-established case law in Canada that “(t)reaties and statutes relating to Indians should be liberally construed and doubtful expression resolved in favour of the Indians.”<sup>4</sup>

Mr. Bruce also supported his argument by listing the following factors as evidence of his employment status:

- Mr. Bruce’s billable efforts were dedicated to projects related to the Cowichan Tribes and the CJOG, once it had been established by the Cowichan Tribes;
- others in the Cowichan Tribes and the CJOG had close involvement in the planning and implementation of Mr. Bruce’s efforts;
- Cowichan Tribes and the CJOG provided the necessary financial and physical foundation for Mr. Bruce to perform his work;
- Mr. Bruce’s contract included a requirement for mentoring services, the support of an executive assistant, and the payment of office expenses and travel costs;
- the provision for copyright of various materials to remain with the Cowichan Tribes or CJOG;
- a provision for confidentiality regarding information acquired by Mr. Bruce while engaged by Cowichan Tribes and the CJOG;
- the fact that Cowichan Tribes and CJOG specifically required Mr. Bruce’s involvement, rather than another contractor chosen by Granneke; and
- the payment of a fixed monthly fee rather than a success fee, even prior to the prohibition on contingency fees now contained in the *Lobbying Act*.

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<sup>3</sup> *Supra*, footnote 2

<sup>4</sup> (*Nowegijick v. The Queen*, [1983] 1 SCR 29, at p. 36)

The legal characteristics of the employer-employee relationship have been elaborated upon by courts in many cases and Mr. Bruce's counsel set out a number of them in her reply on Mr. Bruce's behalf.<sup>5</sup>

On consideration of all of the information before me, I have a different perspective from Mr. Bruce. In my view, the question of whether or not Mr. Bruce was an employee of the Cowichan Band or the CJOG is a question of fact.

There is no question that Mr. Bruce performed work for the Cowichan Band directly, or for the Cowichan Journey of a Generation Society. He was paid for his efforts, directed in his work by the Cowichan Tribes and the CJOG, provided with resources to enable him to perform his work and subject to the requirements of the contracts regarding mentoring services, copyright and confidentiality.

However, arguments submitted by Mr. Bruce of an employment relationship are not definitive, from my perspective. The letter from the General Manager of the Cowichan Tribes dated December 12, 2007 (found as Appendix "B" to the Opinion of the Conflict of Interest Commissioner (British Columbia)<sup>6</sup>) described Mr. Bruce as "1) ...an employee by virtue of his contracts...". However, the letter also stated that "7) Payments to Granneke were paid through invoices submitted by Graham to the Cowichan Tribes administration. Cheques were issued to reflect the invoice amounts." From my perspective, this is not indicative of an employer-employee relationship. Employees are paid a salary or an hourly wage by their employer, who also has responsibilities such as taking deductions to make contributions for CPP, Employment Insurance and other benefits, and taxes if applicable. While this may not be entirely determinative of the matter, it is a strong indicator to me that no employer-employee relationship was intended to be created.

In addition, I did not receive an indication that Mr. Bruce declared his income from the Cowichan Tribes as employment income, as opposed to income from other sources – against which he would have been able to make deductions for reasonable business expenses. The other factors that are cited as evidence of employment status, including the

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<sup>5</sup> [1997] 1 SCR 1015, headnote. In *Pointe-Claire (City) v. Quebec (Labour Court)*, the Supreme Court of Canada identified some of the factors to be considered in determining whether an employer – employee relationship existed, in the context of a dispute involving an employment agency and the City of Pointe-Claire, Québec. The factors listed included, among others:

To identify the real employer ... a comprehensive approach must be taken. The criterion of legal subordination, which basically encompasses the notion of actual control by a party over the employee's day-to-day work, and the criterion of integration into the business must not be used as exclusive criteria for identifying the real employer. ... This approach requires a consideration of the factors relevant to the employer-employee relationship, including: the selection process, hiring, training, discipline, evaluation, supervision, assignment of duties, remuneration and integration into the business.

<sup>6</sup> *Supra*, footnote 2



manner in which expenses were paid by Cowichan Tribes or the CJOG, the manner in which Mr. Bruce performed his work, questions of copyright and ownership of the Tribes' information and payment on a monthly basis are not determinative, in my view. The Investigations Directorate relied upon the explicit wording of each of the contracts between Mr. Bruce and his clients stating in each case that "The Contractor will be an independent contractor and not the servant, employee, or agent of Cowichan Tribes." In my view, that was a wholly reasonable approach to take by the Investigations Directorate. The contract is explicit and each party may be intended to have entered into such a contract wilfully. My perspective from the consulting services agreements is that the parties clearly intended to contract out of an employment relationship.

From my perspective, it is more reasonable to conclude that Mr. Bruce was a contractor for the Cowichan Tribes and the CJOG, rather than an employee. As a result, the *Lobbyists Registration Act* would apply to Mr. Bruce as a consultant lobbyist, as he was not an employee of the Cowichan Tribes.

***2. Whether Mr. Bruce/Granneke engaged in registrable lobbying activities under subsection 5(1) of the Lobbyists Registration Act, and whether the Act applied at all***

Mr. Bruce has argued that he did not engage in registrable lobbying activity under section 5 of the *Lobbyists Registration Act*. The Investigations Directorate identified eight meetings with public office holders that took place between June 28, 2006 and June 27, 2007, involving Mr. Bruce. Mr. Bruce's written statements to the Investigations Directorate indicated that he attended a number of meetings on behalf of the Cowichan Tribes with public office holders by himself and with others, including the Chief of the Cowichan Tribes. In particular, Mr. Bruce wrote<sup>7</sup> that he "... aided in arranging the meetings with Minister Strahl and Senator St Germaine [sic]." In email correspondence he also indicates that he arranged these meetings himself. The Investigations Directorate concluded that Mr. Bruce had engaged in registrable lobbying activity, for payment, and that as a result, despite the fact that he did not register as a lobbyist, the *Lobbyists' Code of Conduct* applied to Mr. Bruce.

Mr. Bruce argued against this conclusion, on the basis that the Cowichan Tribes did not consider that he was a lobbyist, but rather that he was an employee of the Tribes. Mr. Bruce also made the argument that because he was an employee of Granneke Consulting Inc., any lobbying activities that he may have engaged in would have been less than a significant part of his duties. I have addressed the first argument regarding Mr. Bruce's status as an employee of Cowichan Tribes above.

The second argument, that Mr. Bruce was an employee of his consulting company, and thus subject to the registration requirements of subsection 7(1) of the *Lobbyists Registration Act*, not subsection 5(1), is a legitimate legal argument. However, the *Lobbyists Registration Act*, and now the *Lobbying Act*, have been applied in a manner that, I believe, best reflects the intention of Parliament. The approach to the interpretation

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<sup>7</sup> Letter dated February 23, 2008.

of section 5 is that, under the legislative scheme, the lobbying activities of individual lobbyists on behalf of clients, whether they are persons or organizations as defined in the *Lobbyists Registration Act* and the *Lobbying Act*, are personal undertakings on behalf of their clients. This is what distinguishes the undertakings of consultant lobbyists from the lobbying activities of “in-house” lobbyists on behalf of their employer, whether a corporation or organization, under section 7 of the *Lobbyists Registration Act* or *Lobbying Act*. The obligation of a consultant lobbyist to register under section 5 of the Act arises when such an individual undertakes, on behalf of a client, to perform activities that are registrable lobbying activities under the legislation. In Mr. Bruce’s case, it is clear that the purpose of the alleged lobbying activities of Mr. Bruce was to further the interests of the Cowichan Tribes and the CJOG, not the interests of Granneke Management and Consulting Services.

***a) Communications under paragraph 5(1)(a) of the Lobbyists Registration Act***

Many of the meetings and discussions that Mr. Bruce participated in appear to have been concerning the negotiation of a “Cowichan Reconciliation Agreement” or other matters related to the mandate of the Cowichan Journey of a Generation Society. Discussions concerning the negotiation of modern treaties and self-government agreements, and the settlement of various claims and grievances by Aboriginal groups, do not constitute registrable lobbying activity under paragraphs 4(2)(d) and (d.1) of the *Lobbyists Registration Act* and the *Lobbying Act*. Even in cases in which an Aboriginal group has hired lawyers, accountants and other experts to negotiate with the Government concerning the content of a treaty, the settlement of a land claim or the application of the *Indian Act* or other federal legislation or regulations to Aboriginal people, First Nations or communities, those discussions would also appear to fall under the exception set out in paragraph 4(2)(b) of the *Lobbyists Registration Act*, below:

4 (2) This Act does not apply in respect of

...

(b) any oral or written communication 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 by that public office holder with respect to that person or organization; ... .

It may be possible to determine that some of the meetings and discussions that Mr. Bruce participated in concerned “... the awarding of any grant, contribution or other financial benefit by or on behalf of Her Majesty in right of Canada...”. In itself, this would constitute registrable lobbying activity under subparagraph 5(1)(a)(v) of the *Lobbyists Registration Act*. However, the information obtained by the Investigations Directorate and provided by Mr. Bruce indicates that some or all of the meetings and discussions that Mr. Bruce participated in concerned matters that did not require registration.

From my perspective, it is not correct to interpret the registration provisions of subsection 5(1) of the *Lobbyists Registration Act* as separating the “financial benefit” aspect of a proposed treaty settlement agreement from discussions that may take place regarding

the potential for negotiation of a treaty, settlement agreement or agreement in principle with the Cowichan Tribes such as those that apparently took place at the time of Mr. Bruce's engagement. From my perspective, it is more reasonable to conclude that the communications that Mr. Bruce engaged in did not concern registrable lobbying activities under the *Lobbyists Registration Act*, for the reasons set out above.

***b) Arranging a meeting under paragraph 5(1)(b) of the Lobbyists Registration Act***

I take the view that Mr. Bruce has not refuted the findings of the Investigations Directorate that he arranged meetings on behalf of his clients. He indicated that was the case in correspondence.<sup>8</sup> The interviews with the public office holders carried out by the Investigations Directorate established that Mr. Bruce arranged meetings on behalf of his clients. From my perspective, the information obtained by the Investigations Directorate and provided by Mr. Bruce confirms the application of paragraph 5(1)(b) of the *Lobbyists Registration Act*.

***Issue 3: Application of the Lobbyists' Code of Conduct***

Mr. Bruce's position is that the *Lobbyists' Code of Conduct* does not apply in this case because he was not required to register as a lobbyist. However, if his activities when communicating with public office holders required registration, or if he was required to register because he arranged meetings with public office holders on behalf of his clients, then the *Lobbyists' Code of Conduct* would apply.

I disagree with Mr. Bruce's assertion that he was never engaged in registrable lobbying activity. He arranged meetings with federal public office holders on behalf of his clients, for payment. I take the view that those who are engaged in registrable lobbying activity, whether they have registered or not, must comply with the *Lobbyists' Code of Conduct*.

The Federal Court of Appeal has confirmed the application of the *Lobbyists' Code of Conduct*,<sup>9</sup> ruling that the Code applies to individuals who engage in lobbying activities without registering those activities as required.

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<sup>8</sup> *Supra*, footnote 7

<sup>9</sup> *Attorney General of Canada v. Neelam Makhija*, 2008 FCA 402; and *Neelam Makhija v. Attorney General of Canada*, 2010 FCA 342

## Conclusions

Companies and other organizations attempting to put forward their views on federal laws, regulations and policies, or 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 or organization and government officials or communicate with government officials to clarify the details of a company's proposal or to negotiate the terms of an agreement.

These are legitimate actions on the part of companies and organizations and those they hire. The *Lobbying Act* and its predecessor, the *Lobbyists Registration Act*, 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 representations of Mr. Bruce into consideration in reaching my conclusions. I have concluded that Mr. Bruce 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 failed to provide accurate information and inform his clients of his obligations under the *Lobbyists' Code of Conduct*.

This chapter summarizes my conclusions regarding the activities of Mr. Bruce on behalf of his clients, and my reasons for reaching these conclusions.

### **1. Whether Mr. Bruce communicated with a federal public office holder in respect of subjects listed in paragraph 5(1)(a) of the *Lobbyists Registration Act***

The evidence indicates that Mr. Bruce's role on behalf of both clients was to assist them in obtaining access to federal public office holders that might be able to facilitate a positive outcome regarding the issues that the Cowichan Tribes sought to advance, primarily the proposed Cowichan Reconciliation Agreement.

The *Lobbyists Registration Act* 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 *Lobbyists Registration Act*:

Any oral or written communication 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 by that public office holder and with respect to that person or organization.

In my view, oral and written communication between Mr. Bruce and various federal public office holders, on behalf of his clients, were in respect of the potential negotiation of the Cowichan Reconciliation Agreement, a proposal that was intended to settle some of the Cowichan Tribes' outstanding grievances with the Government of Canada. Accordingly, those communications appear to me to fall within one of the exceptions set out in the *Lobbyists Registration Act*.

Therefore, I have concluded that the work undertaken by Mr. Bruce on behalf of his clients did not involve communications with federal public office holders of a nature that falls within the definition of registrable lobbying activity in the *Lobbyists Registration Act*, and now, the *Lobbying Act*. As a result, I take the view that Mr. Bruce was not required to register as a lobbyist under the provisions of paragraph 5(1)(a) of the *Lobbyists Registration Act*.

## **2. Whether Mr. Bruce 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 November 2005 and June 2007, Mr. Bruce arranged meetings between federal public office holders and his clients, the Cowichan Tribes and the Cowichan Journey of a Generation Society (CJOG). This is a registrable lobbying activity if performed for payment pursuant to paragraph 5(1)(b) of the *Lobbyists Registration Act*. It remains registrable lobbying activity under the current Act.

### **Meetings arranged on behalf of the Cowichan Tribes and the CJOG:**

Mr. Bruce, on behalf of the Cowichan Tribes and the Cowichan Journey of a Generation Society, for payment, arranged one or more meetings between public office holders involved in discussion concerning the proposed "Cowichan Reconciliation Agreement".

Therefore he engaged in activity requiring registration under paragraph 5(1)(b) of the former *Lobbyists Registration Act*.

## **3. Whether Mr. Bruce did so for payment**

Evidence obtained during the course of the investigation demonstrates that the work performed by Mr. Bruce on behalf of both the Cowichan Tribes and the Cowichan Journey of a Generation Society was for payment.

### **The Undertaking for the Cowichan Tribes and the Cowichan Journey of a Generation Society**

Mr. Bruce was engaged by the Cowichan Tribes and the Cowichan Journey of a Generation Society on three occasions. The contracts were for services provided from November 1, 2005 to June 30, 2007. Each of the contracts for services provided that

Mr. Bruce would be paid based upon invoices for services rendered by Mr. Bruce at agreed fees. The Cowichan Tribes and the Cowichan Journey of a Generation Society paid Mr. Bruce during the duration of those contracts for the services that he rendered.

#### **4. Whether Mr. Bruce engaged in activity requiring registration under the *Lobbyists Registration Act***

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

#### **5. Whether Mr. Bruce 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 *Lobbyists Registration Act*, Mr. Bruce engaged in activity on behalf of the Cowichan Tribes and the Cowichan Journey of a Generation Society that was in breach of the Principle of Professionalism in the Code.

#### **6. Whether Mr. Bruce 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:

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\* This version of the *Lobbyists' Code of Conduct* was in effect during the period covered by this Report (November 2005 to June 2007).

### **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.

By failing to register as a lobbyist, Mr. Bruce did not appropriately identify himself as a lobbyist and as a result, he did not provide accurate information to public office holders. As a consequence, individuals and organizations with an interest in the lobbying activities of the Cowichan Tribes and the CJOG were misled about the existence of lobbying activity. I have concluded that Mr. Bruce was in breach of Rule 2 of the Code (Accurate information).

## **7. Whether Mr. Bruce 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. Bruce's clients, the Cowichan Tribes and the CJOG, were 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 *Lobbyists Registration Act* and Code and, therefore, I have concluded that he was in breach of Rule 3 of the *Lobbyists' Code of Conduct* with respect to these undertakings.

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\* This version of the *Lobbyists' Code of Conduct* was in effect during the period covered by this Report (November 2005 to June 2007).

## **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 engaged in lobbying activities; 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.

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\* This version of the *Lobbyists’ Code of Conduct* was in effect during the period covered by this Report (November 2005 to June 2007).



## **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 *Lobbyists 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.