

INVESTIGATION REPORT 12-06

LOBBYIST: MICHAEL BAILEY

Summary: The Lobbyist was retained by Equifax as a consultant lobbyist and the information he supplied to the Registrar of Lobbyists in registering this lobbying activity was not inaccurate.

Statutes Considered: *The Lobbyists Registration Act*, S.B.C. 2001, c. 42, ss. 3(1), 4(1), 7.1, 7.2.

INTRODUCTION

[1] This report concerns an investigation under s. 7.1 of the *Lobbyists Registration Act* (“LRA”). This provision gives the Registrar of Lobbyists the authority to conduct an investigation to determine whether there has been compliance with the LRA or its regulations. In the event that, as a result of the investigation, the Registrar or her delegate believes that the person under investigation has not complied with a provision of the LRA or its regulations, s. 7.2 of the LRA requires her to give notice of the alleged contravention and the reasons for her belief that the contravention has occurred. The Registrar must also give the person a reasonable opportunity to be heard respecting the alleged contravention.

[2] Investigations comprise just one component of a larger compliance strategy that the Office of the Registrar of Lobbyists (“ORL”) has implemented for administering the *Lobbyists Registration Act* (“LRA”). The other components include: education and outreach, incentives, verification of registration information, environmental scanning, and administrative reviews of the Registry.¹ A formal investigation can commence as a result of a complaint from the public or other outside party, or from the Registrar’s mandate under s. 7(4)(a) to verify registration information. An investigation can also result from environmental scanning, which refers to proactive monitoring of government and organizations through reviewing news reports and websites to determine whether lobbying activity might be taking place, and comparing the outcome of these reviews with information on the Registry. This process can uncover evidence suggesting that further investigation is warranted to determine whether there is a matter of non-compliance.

¹ The “*Lobbyist Registration Act Compliance Strategy*” is available at:
<http://www.lobbyistsregistrar.bc.ca/images/pdfs/2011%2009%2007%20orlcompliance%20strategy.pdf>.

[3] This investigation was initiated as the result of an environmental scan of news media, which included a story that indicated that one of the organizations for which the Lobbyist had registered as a consultant lobbyist had denied that he was lobbying on its behalf.² This led the Deputy Registrar of Lobbyists to contact the organizations listed on his various registrations to enquire whether the information that he supplied was accurate.

[4] In this case, on November 2, 2011, the Deputy Registrar gave the required notice to the Lobbyist. Counsel for the Lobbyist responded on November 15, 2011. Shortly thereafter, the Deputy Registrar was unable to complete this investigation. In accordance with s. 7(4)(d) of the LRA, the Registrar has delegated to me, in my capacity as Acting Deputy Registrar, the authority to conclude this investigation. To this end, I have reviewed all of the correspondence between the Deputy Registrar and the Lobbyist, as well as her correspondence with the organizations he identified in his registrations. This documentation forms the basis on which I am issuing this decision.

ALLEGED CONTRAVENTION

[5] The question that I must determine is whether the Lobbyist contravened ss. 3(1) and 4(1) of the LRA by supplying inaccurate information on his return relating to purported lobbying activity on behalf of Equifax (Registration ID 1705556).

[6] Section 3(1) of the LRA reads as follows:

- 3(1) Within 10 days after entering into an undertaking to lobby on behalf of a client, a consultant lobbyist must file with the registrar a return in the prescribed form and containing the information required by section 4.

[7] Section 4(1) reads as follows:

- 4(1) Each return filed under section 3 must include the following information, as applicable:
- (a) the name and business address of the designated filer, and whether he or she is a consultant lobbyist or the designated filer for an in-house lobbyist;
 - (b) if the return is filed by a consultant lobbyist,
 - (i) the name and business address of the firm, if any, where the consultant lobbyist is engaged in business,
 - (ii) the date on which the undertaking with the client was entered into and is scheduled to terminate, and

² *Public Eye Online* May 13, 2011, <http://www.publiceyeonline.com/archives/006091.html>.

- (iii) the name of each individual engaged by the consultant lobbyist to lobby on behalf of the client; ...
- (d) the name and business address of the client or organization;
- (e) a summary of the business or activities of the client or organization;
- (f) if the client or organization is a corporation, the name and business address of each affiliate of the corporation that, to the designated filer's knowledge after making reasonable inquiries, has a direct interest in the outcome of the activities of each lobbyist named in the return who lobbies on behalf of the client or organization; ...
- (j) particulars to identify the subject matter concerning which a lobbyist named in the return has lobbied or expects to lobby, during the relevant period;
- (k) if a lobbyist named in the return has lobbied or expects to lobby, during the relevant period, a public office holder employed by or serving in a ministry of the government of British Columbia or a Provincial entity, the name of the ministry or Provincial entity;
- (l) if a lobbyist named in the return has lobbied or expects to lobby, during the relevant period,
 - (i) a member of the Legislative Assembly, or
 - (ii) a person on the staff of a member of the Legislative Assemblyconcerning a matter that involves the member's capacity as a member, the name of that member;
- (m) if a lobbyist named in the return has lobbied or expects to lobby, during the relevant period,
 - (i) a minister, or
 - (ii) a person on the staff of a ministerconcerning a matter that involves the minister's capacity as a minister, the name of that minister; ...

INVESTIGATION

[8] A review of the Lobbyist's registration activities led the Deputy Registrar to question whether all of the information that the Lobbyist had entered into the Registry was accurate. The Deputy Registrar initiated an investigation into Registration ID 1705556 under s. 7.1 of the LRA. This listed the "Stated Intended Outcome" as to arrange meetings with public office holders so that Equifax could brief government officials on consumer credit information services that it offered. The Deputy Registrar contacted the attorney for Equifax, who responded that, although it met with him once, "Equifax did not enter into any

agreement or arrangement with him for his services, and he was never authorized to conduct any lobbying on behalf of Equifax.”

[9] This led the Deputy Registrar to form the belief that the Lobbyist has supplied inaccurate information into the Registrar. In accordance with s. 7.2 of the LRA, the Deputy Registrar gave the Lobbyist notice of the alleged contravention, the reasons why she believed there had been a contravention, and provided him with an opportunity to be heard respecting the alleged contravention.

LOBBYIST’S RESPONSE

[10] The Lobbyist provided a formal response to his opportunity to be heard under s. 7.2 of the LRA. He stated that he disputes the contention that Equifax did not hire him as a consultant lobbyist. He submits that he arranged meetings between Equifax and government officials and provided documentation indicating the dates, times, and travel arrangements for the meetings. He also provided copies of invoices indicating Equifax paid him for these services.

FINDING

[11] Based on the evidence collected during the investigation, I conclude that the Lobbyist was lobbying on behalf of Equifax. Therefore, the information the Lobbyist included in the registration was accurate. As a result, I find that the Lobbyist did not supply inaccurate information into the Registrar.

ADMINISTRATIVE PENALTY

[12] No administrative penalty is warranted or applicable.

CONCLUSION

[13] Under s. 7.2 of the LRA, I find that the suspected contravention that the Lobbyist supplied false or misleading information in Registration ID 1705556 is not substantiated.

February 27, 2012

ORIGINAL SIGNED BY

Jay Fedorak
Acting Deputy Registrar