



December 19, 2014

Ms. Karen E. Shepherd
Commissioner of Lobbying
255 Albert Street
10th Floor
Ottawa, Ontario K1A 0R5

Re: Proposed Revisions to the Lobbyists' Code of Conduct

Dear Ms. Shepherd,

The Automotive Industries Association (AIA) of Canada appreciates the opportunity to provide you with feedback on your proposed changes to the Lobbyists' Code of Conduct.

AIA Canada is the national trade association representing the automotive aftermarket industry in Canada. The aftermarket is a \$19.4 billion industry that employs more than 420,000 people. The industry is composed of companies that manufacture, distribute and install automotive replacement parts, accessories, tools, and equipment.

Our Association's mandate is to promote, educate and represent members in all areas that impact the growth and prosperity of the industry. As the voice of the automotive aftermarket in Canada, our staff and many of our members are regularly involved in lobbying activities.

AIA has reviewed the Background Paper outlining the rationale behind the proposed changes to the Code and respectfully submits the following comments for your consideration.

Scope

AIA supports the proposed amendments to the Code that would remove references to the client/lobbyist relationship (i.e. rules 4, 5, 6 and 7). The interactions between clients of lobbyists and public office holders need not be governed by the Code. AIA is also in favour of the new rule that supports the expectation that lobbyists should avoid acting in a manner that diminishes public confidence in federal institutions.

New Principle

AIA supports the proposed addition of a fourth principle to the Code: *Respect for Democratic Institutions: Lobbyists should respect democratic institutions*. Lobbyists should act in a manner that does not diminish public confidence in public institutions and government decision-making.

Preferential Access

Newly proposed Rules 7 and 8 would prohibit lobbying by friends of, relatives of, or persons with business dealings with public office holders. AIA submits that the term 'friend' is so subjective it will mean that the new rules will be impossible to enforce with any level of predictability or objectivity. What is the trigger for determining when a peer, colleague, or acquaintance becomes a friend? Society functions on relationships and some people in those relationships will define their association as a friendship while others do not. The lack of clarity around the term 'friend' will surely make compliance and enforceability difficult, if not impossible. AIA does not believe that being a friend to someone creates a sense of obligation.

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In regards to restrictions around lobbyist interactions with relatives and those with business dealings with officials, AIA submits that these two categories may be less contentious since both relatives and business associates can be defined with a level of specificity. However, lobbying is a legitimate activity and likewise, those public office holders that are being lobbied are also capable of acting in good faith and following their own Conflict of Interest rules and regulations, when dealing with lobbyists with whom they have a relationship. Hence, AIA questions whether 'relatives' and business associates need to be included in the revision of the Code.

In regards to the 'friends', 'relatives' and 'those with business dealings' being linked to 'areas of responsibility' within government, AIA is concerned with the lack of clarity around the definition. Where is the line drawn? A lobbyist cannot be expected to know each of their 'friends' areas of responsibility even if it is better defined. AIA believes that the Commission's monthly reporting requirements already address the transparency sought by this new rule.

As such, AIA respectfully suggests that new Rules 7 and 8 be removed from the proposed revisions to the Code.

Political Activities

Regarding new Rule 9, AIA believes that a lobbyist should maintain the right to meaningfully participate in the electoral system. Limiting who a lobbyist can speak to on the basis that they volunteered their time in an electoral context creates a de facto obligation on the part of the public office holder is unwarranted. AIA respectfully suggests that Rule 9 be removed completely. Alternatively, more clarity around the specific activities that present a concern should be outlined. Under that scenario, AIA would submit that a five-year cooling off period would be appropriate similar to that applied to former designated public office holders.

Gifts

AIA supports the new wording as it relates to gifts. Lobbyists should not be permitted to provide or promise a gift, hospitality or other benefit that a public office holder is not allowed to accept.

Clarifying the Role of the Responsible Officer

The new requirement states that the 'most senior paid officer' of a corporation or organization would personally contact all employees who are included on the related registration, and personally describe to each of them of their obligations under the Act. For an association the size of AIA, this is not an unreasonable rule. AIA is a small association, and as such, this requirement is not a tedious one. However, for many of AIA's more than 900 member companies, this could be a complex and unrealistic requirement especially for those very large organizations or where the corporation's global headquarters resides outside Canada. AIA respectfully submits that under the new rule, the 'most senior paid employee' be permitted to assign their responsibilities to an official representative.

Once again, we appreciate the opportunity to provide you with our perspective on the proposed changes to the Code. Should you have any questions regarding our submission, I will be happy to speak with you.

Sincerely,

Marc Brazeau
President & CEO

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