

Annual Report of the
Office of the Lobbyist Registrar
for the Year 2016

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MESSAGE FROM THE LOBBYIST REGISTRAR

I am pleased to provide the Annual Report for the Office of the Lobbyist Registrar (OLR) for the period of January 1 to December 31, 2016. This is the 9th Annual Report to Toronto City Council (Council) of the OLR. The purpose of this report is to outline activities and key accomplishments in satisfaction of the OLR's mandate.

Lobbying regulation is a foundational component of transparency in city government. When conducted openly and transparently, lobbying is a legitimate activity, and is an integral part of a vibrant city government, committed to encouraging civic engagement and open democratic processes.

The Registry is the online disclosure tool which provides the public with information about who is lobbying City of Toronto Public Office Holders, and about what subject matters. The Lobbyists' Code of Conduct is the benchmark for ethical standards that must be followed in order to ensure professionalism and integrity in all lobbying activities.

As Lobbyist Registrar (Registrar), my duties are to promote and enhance transparency through administering and upholding the Lobbying By-law (By-law) in the public interest. The OLR has three core functions: maintaining the Registry, undertaking activities for stakeholder education and engagement for compliance with the By-law; and enforcing the By-law and the Lobbyists' Code of Conduct.

The OLR ensures the Registry is user-friendly and easily accessible. For the Registry to be effective as a tool for transparency, it is important that lobbying be disclosed according to the By-law, and that the information on the Registry is accurate, accessible and searchable. The OLR is also dedicated to providing training opportunities and educational tools for all stakeholders about the disclosure requirements for the Registry, and also about its search capabilities.

It is important that all stakeholders are aware of and understand the requirements of the By-law. Providing information and supporting best practices are key to achieving compliance, and are essential to building a strong ethical culture.

Lastly, the OLR upholds the provisions of the By-law and Lobbyists' Code of Conduct by ensuring that compliance issues are addressed through the investigation and prosecution of infractions. Effective enforcement mechanisms for the regulation of lobbying activities are important to guaranteeing transparency.

As I report on the activities undertaken by the OLR in 2016, I wish to thank our previous Registrar, Linda Gehrke, who retired in May. Linda served the City for almost eight years (August 1, 2008 to May 8, 2016). During her term, she contributed to the implementation of practices and procedures necessary for effective regulation. I also

wish to thank Stephen Littlejohn, who acted as Interim Registrar from May 9, 2016 to September 25, 2016, for his service and dedication to the OLR. Lastly, I wish to thank all of the OLR staff for their ongoing efforts to uphold the By-law in the public interest.

MANDATE OF THE OFFICE OF THE LOBBYIST REGISTRAR

Role of the Office of the Lobbyist Registrar

The Registrar is an Accountability Officer established by the City of Toronto to promote and enhance the transparency and integrity of city government decision-making in the public interest. The OLR mandate ensures transparency through the public disclosure of lobbying activities and regulation of lobbyists' conduct through the Lobbyists' Code of Conduct. The Registry and the Lobbyists' Code of Conduct are the two important tools in the By-law which guarantee transparency and integrity.

Legislative Framework

The OLR mandate is established by legislation. The *City of Toronto Act, 2006* (COTA), Toronto Municipal Code Chapter 140, Lobbying, and Toronto Municipal Code Chapter 3, Accountability Officers, outline the legislative authority and statutory requirements for the OLR.

Oversight of the Lobbying By-law Ensures Transparency

Transparency in lobbying activities is essential to building the public's confidence in city government. The Registry ensures the public knows who is meeting with whom and about what. The Lobbyists' Code of Conduct guarantees that lobbying is conducted with high standards of integrity, and professionalism. These two mechanisms provide the public with a view of city government working together with its citizens to solve problems.

THE PUBLIC REGISTRY AND THE LOBBYISTS' CODE OF CONDUCT AS TOOLS FOR GOOD GOVERNANCE

One of the strategic themes of Council's approved Strategic Actions for 2013-2018 is Good Governance. The Strategic Actions identified by Council in support of Good Governance are: Open Government by Design, Engage the Public, Strengthen Public Service Governance and Improve Customer Service. The OLR's activities to foster the disclosure of lobbying activities through the Registry, and to uphold the Lobbyists' Code of Conduct are cornerstones of Good Governance. The Registry and the Lobbyists' Code of Conduct are both tools for transparency and instruments for civic engagement. They support the following core components for Open Government: Transparency, Participation, Accountability and Accessibility. By enabling Open Data, Open Information and Open Engagement, the Registry and the Lobbyists' Code of Conduct are important tools which contribute to Council's Strategic Actions for Good Governance.

REPORT ON ACTIVITIES

Reports to Council on Inquiries

Under s.169 of *City of Toronto Act, 2006* (COTA) and s. 3-7 of the Toronto Municipal Code, the Registrar may make a public report to Council on an inquiry or investigation into whether the By-law has been breached. In 2016, the following report was submitted to Council:

- [Report on an Inquiry for Inaccurate and Misleading Registrations](#)

This report outlined the following:

1. Lobbyists must not knowingly mislead anyone and should use proper care when providing information to the public and to public office holders;
2. That information provided by lobbyists to the public through the Registry must be free of error; and
3. When communicating with public office holders, lobbyists must ensure that both the identity of who they are acting behalf of, and the purpose for the communication are disclosed correctly.

Interpretation Bulletins and Advice

Through s. 169 of COTA, and Chapter 140 of the Toronto Municipal Code, the Registrar may provide interpretations pertaining to the administration, application and enforcement of the By-law. In 2016, the following [Interpretations Bulletins](#) were released:

1. [Imposing Temporary Bans on Lobbying – Procedures](#)
2. [Imposing Conditions for Registration – Procedures](#)
3. [What Information Must a Consultant Lobbyist Provide About the Client?](#)
4. [When Must a Client of a Consultant Lobbyist Register?](#)
5. [Enforcement of the Lobbying By-law](#)
6. [Is Lobbying a Legitimate Activity](#)

The OLR also provided public office holders, lobbyists and members of the public with advice and interpretation of the By-law, in the following ways: in-person, by telephone, by mail and by email. OLR staff provided information about:

- Registrations;
- Searching the Registry;
- Requirements for registration;
- Lobbyists' Code of Conduct;
- Status of unions, broader public sector and not-for-profit organizations;
- Conduct of lobbyists at charitable and civic events;
- Lobbying by former senior public office holders;
- Grass-roots communications;
- Avoiding the placing of public office holders in a conflict of interest;
- Gifts and favours;
- Lobbying by former municipal election campaign team members; and
- Procurements.

Information about the application of the By-law with respect to many of these subjects is available in [Interpretation Bulletins](#) on the [OLR website](#).

New Amendments to the Lobbying By-law

In 2016, Council approved three significant changes to the By-law:

1. Consultant lobbyists must disclose their ultimate client;
2. The Registrar may impose certain conditions on new and existing registrations when a lobbyist has been found in breach of the By-law; and
3. The Registrar may impose a temporary ban against a lobbyist who has been found in breach of the By-law.

The OLR collaborated with the City Manager, City Solicitor and Council to facilitate these amendments. These important additions to the OLR's enforcement powers reflect Council's commitment to ensuring proper disclosure of lobbying activities and adhering to the Lobbyists' Code of Conduct. Council's expansion of the Registrar's enforcement tools will provide a broader range of enforcement measures from minor or incidental infractions to more punitive measures for serious, repetitive or egregious contraventions of the By-law.

STAFF

The staff of the OLR is a team of eight.

In addition to the Registrar, the OLR is staffed by three Lobbyist Registry Advisors, Inquiries and Investigations Counsel, a Lobbyist Compliance Investigator, and two Administrative Assistants.

Lobbyist Registry Advisors provide advice and interpretation; maintain the Registry; review, verify and approve registrations and updates; monitor compliance with registration and reporting requirements; develop and deliver information, training, and outreach programs and materials; and participate in the OLR's website projects.

Inquiries and Investigations Counsel provides advice on compliance issues; conducts assessments, inquiries and investigations on behalf of the Registrar; and develops policies and procedures to support OLR assessment, inquiry and investigation processes. The Lobbyist Compliance Investigator assists Inquiries and Investigations Counsel in these functions.

Two Administrative Assistants provide administrative support and assistance to the Registrar, Lobbyist Registry Advisors, and Inquiries and Investigations staff.

The OLR staff are engaged in continuous learning and sharing best practices in regulation, adjudication and professional ethics. OLR staff attended professional development provided by Workplace Institute, Ontario Bar Association (OBA) and Society of Ontario Adjudicators and Regulators (SOAR), Transparency International (TI) and Council on Governmental Ethics Laws (COGEL).

REGISTRY SERVICES

Website

In 2016, there were 18,619 visits to the OLR public website and 5,951 visits to the Registry Search webpage. The OLR answered 2,576 telephone inquiries, providing information, advice and interpretation of the By-law. See Table 1 below.

TABLE 1
Website Visits and Telephone Inquiries

	2016
Website Visits	18,619
Registry Search Page Visits	5,951
Telephone Inquiries	2,576

The OLR works continuously to make the OLR website as accessible and informative as possible. In addition to the Registry, the website provides a wealth of information to the public, public office holders and lobbyists, including:

- The By-law;
- An online registration tutorial;
- An online newsletter, The Registry Insider;
- FAQs;
- Interpretation Bulletins;
- Reports on investigations and inquiries;
- Annual Reports;
- Expense Reports;
- Links to the sites of other Accountability Officers; and
- Information about how to contact OLR for more information and advice.

The OLR maintains a Twitter account, [@TO_LobbyistReg](#), where information is posted about the By-law, Interpretation Bulletins, Reports to Council, upcoming training sessions, and best practices in government ethics and lobbying regulation across Canada and internationally. For 2017, the OLR is looking forward to extending its use of social media as an outlet for news and information by launching a presence on LinkedIn and Facebook. In 2017, the OLR website will be updated with added content and improvements for ease of use and better accessibility.

The OLR maintains and administers the Registry online at www.toronto.ca/lobbying. The Registry meets the requirements of s. 165 of COTA, that the City maintain a Registry of persons who lobby public office holders, and that this Registry be available for public inspection. Data from the Registry is also available in machine-readable format on the [City's Open Data](#) website at www.toronto.ca/open.

Education and Outreach to All Stakeholders

A key function of the OLR is to provide education and outreach to public office holders, the public and lobbyists about the By-law and registration system. Promoting awareness of the By-law and lobbyist registration system is important for effective regulation. Engaging in educational activities about the By-law's application encourages best practices and helps to nurture a vibrant ethical culture.

In 2016, the OLR engaged in numerous outreach activities, which included:

- Published one newsletter in 2016. [Newsletters](#) are posted on the OLR website at www.toronto.ca/lobbying;
- Used internet based tools to disseminate news about the Registry and the By-law, such as: email communications, regular updates to OLR website, and use of the OLR Twitter account at [@TO_LobbyistReg](#);
- Conducted 6 in-house training sessions for lobbyists and members of the public in 2016;
- Provided advice and interpretation of the By-law through personal meetings, email and telephone communication;
- Distributed OLR printed information materials to public office holders, including councillors and their staff, City staff and board and agency members. The materials remind lobbyists to register and report their communications with public office holders, and inform lobbyists how to contact the OLR;

- Conducted outreach sessions, including meetings and presentations, for public office holders, providing information about the By-law and registration system to members of Council and their staff, City employees and City agencies;
- Provided information about the By-law and registration system to external organizations, including the Lobbyist Registrars and Commissioners Network, Municipal Integrity Commissioners of Ontario, Office of the Ontario Integrity Commissioner, Office of Ontario Ombudsman, Ontario Conflict of Interest and Ethics Commissioner, Commissioner of Lobbying of Canada, PAAC and City of Vaughan;
- Shared information and best practices regarding emerging trends in government ethics and lobbying regulation across Canada and internationally with many organizations and governments including: Members of Lobbyist Registrars and Commissioners Network (LRCN), Council on Governmental Ethics Laws (COGEL) and Transparency International (TI); and
- Worked collaboratively with other Accountability Offices and City Divisions to implement the accountability framework established in Chapter 3 of the Toronto Municipal Code.

Registration Statistics

In 2016, 2,251 lobbyist registrations were processed and 8,463 subject matter registrations were processed. The total registration transactions processed in 2016 was 10,965. The total number of active subject matter registrations at year-end was 2,278. See Table 2, below.

TABLE 2
Registration Activities

	2016
Lobbyist Registration Transactions	
New Lobbyists Submitted	614
Lobbyist Updates Submitted	1,361
Lobbyist Registrations Closed	276
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<i>Lobbyist Registrations Processed</i>	<i>2,251</i>
Subject Matter Registration Transactions	
New Subject Matters Submitted	1,236
Subject Matter Updates Submitted (reports of lobbying activities)	6,351
Subject Matters Withdrawn	130
Subject Matters Closed	746
<hr/>	
<i>Subject Matter Registrations Processed</i>	<i>8,463</i>
TOTAL Registration Transactions Processed	10,965
Active Lobbyists	1,467
Active Subject Matters	2,278

TABLE 3
Top Ten Registered Subject Matters

This table lists the ten most frequently registered subject matters as of December 31, 2016:

Rank	Subject Matter Category	Number of Active Registrations
1	Planning and Development	1,102
2	Economic Development; Technology	184 184
3	Transportation – Roads/Bridges	122
4	Procurement	119
5	Transit/TTC	111
6	Building Permits	102
7	By-law/Regulation	90
8	Signs	89
9	Environment	83
10	Water	73

INQUIRIES AND INVESTIGATIONS

In 2016, 23 new assessments were conducted; 5 new inquiries were opened (5 were carried forward from 2015) and 6 inquiries were completed. Of the 6 completed inquiries, 4 were substantiated, 2 were not substantiated and 1 resulted in a report to Council. Other actions taken included: providing advice and training, accepting apologies, securing commitments to comply, and permitting the filing of late registrations or updates.

The Registrar is responsible for conducting, in private, inquiries or investigations¹ to determine whether contraventions of the By-law have occurred. When the OLR receives a report of a potential contravention of the By-law, Inquiries and Investigations staff conduct an assessment to determine whether it is necessary to conduct an inquiry. Often, the matter can be resolved quickly at the assessment stage. If there is sufficient

¹The term “inquiries” includes “investigations”.

evidence to indicate a potential contravention of the By-law, and it is not appropriate to resolve the matter less formally (for example, by permitting a late registration), the Registrar may authorize an inquiry to be conducted. Inquiries and Investigations staff conduct the inquiry in the strictest confidence, in accordance with the requirements of COTA. OLR [Compliance Inquiry Procedures](#) are found at www.toronto.ca/lobbying. If in the course of an inquiry the Registrar forms the opinion that there may have been a breach of another law, for example a breach of the Criminal Code, she must suspend the inquiry and refer the matter to the authorities.

An assessment or inquiry may be commenced as a result of a request of Council, a member of Council or their staff, an Accountability Officer, a member of the public, or a lobbyist. Assessments and inquiries may also be initiated by the OLR, based upon information in the Registry or received through other sources such as the media.

TABLE 4
Source of Information or Request for Inquiry

This table shows the source of requests for the 23 new assessments and 5 new inquiries in 2016:

Source of Requests	New Assessments	New Inquiries
Member of Council or their staff	12	0
City staff	3	2
OLR	5	2
Other Accountability Offices	2	0
Member of the Public	0	0
Lobbyist	1	1

TABLE 5

Assessments, Inquiries and Report to Council

The following table shows the assessments, inquiries and report to Council in 2016:

	2016
Assessments (new)	23
(completed)	23
Inquiries (new)	5
(completed)	6
Report to Council on Inquiries	1

TABLE 6

Outcomes of Completed Assessments

This table shows the outcomes of the 23 preliminary assessments completed in 2016:

Outcomes of the Preliminary Assessments	Completed Assessments
Inquiry Files Opened	5
Advice Given	15
Late Registration or Update Permitted	9
No Further Action Taken	3

TABLE 7
Outcomes of Completed Inquiries

This table shows the outcomes of the 6 inquiries completed in 2016:

Outcomes of Inquiries Completed	Completed Inquiries
Allegations Substantiated	4
Allegations not Substantiated	2
Advice Given	4
Lobbying By-law Training Recommended/Attended	2
Apology Provided	1
Commitment to Comply	2
Late Registration or Update Permitted	2
Report to Council	1

TABLE 8
Contraventions of Lobbying By-law

For the 4 substantiated inquiries in 2016, the table below shows the sections of the By-law found to be contravened:

Sections of the Lobbying By-law	No. of Contraventions
140-10 Registration requirement. (Unregistered lobbying)	3
140-21D Duty to file return; transitional. (Duty to report lobbying within three business days)	1
140-40 Disclosure of Identity and Purpose (Duty to disclose the identity of the corporation on whose behalf you are acting and the reason for the communication)	1
140-41A Compliance with policies restricting communication. (Lobbying in relation to a procurement process)	1

OLR BUDGET

In accordance with Chapter 3 of the Toronto Municipal Code, the Registrar submits the OLR Operating and Capital Budget requests directly to Budget Committee for consideration and recommendation to Council.

On February 17, 2016, Council approved the OLR Operating Budget request for the year 2016 of \$1,143.1 thousand net. Council also approved the OLR's Capital Budget and Plan of \$1.201 million over the period from 2016 to 2025 for Lobbyist Registry State of Good Repair (SOGR). The State of Good Repair project commenced in 2015. Project implementation is in progress with project completion expected in 2017. For information about SOGR, please see "2. Improving the Online Lobbyist Registry" on page 15.

FINANCIAL INFORMATION

OLR business, travel and PCard expenses are posted on the [Expense Disclosure](#) page of the [OLR website](#).

Each year, the OLR undergoes an external compliance audit and is part of the City's annual attest audit. These audits are required under Chapter 3 of the Toronto Municipal Code to be conducted annually by independent auditors and are reported directly to Council. [The external compliance audit report for the year 2015 was adopted by Council on July 12, 13, 14 and 15, 2016.](#) [The independent auditor found the OLR to be compliant with the City's applicable policies, procedures and delegated authorities.](#) The compliance audit for the year 2016 is not yet available.

LOOKING TOWARDS THE YEAR AHEAD (2017)

1. Bill 68 – Modernizing Ontario’s Municipal Legislation Act, 2016

In 2016, Bill 68, *Modernizing Ontario’s Municipal Legislation Act, 2016* was introduced by the Ontario government. The Bill proposes to grant Council’s request to amend COTA to expand the range of sanctions to ensure compliance with the By-law. Two significant amendments to COTA have been proposed by the Bill:

- A. Extension of the limitation period for prosecutions under the *Provincial Offences Act* (POA) from six months to two years; and
- B. Authority to impose administrative sanctions, including administrative monetary penalties.

The Registrar uses various strategies to require and enforce compliance with the By-law, including advice and training, reports to Council and prosecutions under the POA. If passed, these enforcement tools may be utilized in the public interest on an escalating scale depending on the facts of the case and the seriousness of the breach.

2. Improving the Online Lobbyist Registry

The OLR is engaged in a State of Good Repair Project (SOGR) in order to update and improve the online Registry and its search mechanisms. The main objective of the project is to upgrade the existing technology that drives the Registry. The SOGR is scheduled for completion in 2017. In 2016, OLR staff worked in collaboration and in consultation with City Clerk’s Office, Technology Planning Unit (City Clerk’s IT) to move the SOGR project forward.

Once completed, the SOGR will enable the Registry to continue to function, comply with statutory obligations, meet requirements of users, and conform to City and industry technological standards. By updating the Registry’s search capacity, the public can access the information in the Registry more effectively. Along with other pending improvements, there will be an addition of a mobile interface as an upgrade to the existing system. The completion of the SOGR will ensure that the Registry will be able to continue to deliver the transparency and accuracy required by the By-law. Its completion will also help to prevent undue delays in registration and reporting. The OLR is looking forward to completing the SOGR in 2017.

Special thanks to the OLR staff and all contributors to the SOGR from City Clerk’s IT for their dedication and commitment to the project.

3. Continuous Review of the Lobbying By-law

The OLR makes recommendations for possible improvements and amendments to the By-law as part of its mandate. Ongoing review of the By-law's provisions ensures its effectiveness, currency, and consistency with best practices in the fields of Governmental Ethics and Lobbying Regulation. In 2017, the Registrar will continue to work with the City Manager, City Solicitor and Council to ensure the efficacy of the By-law provisions.

4. Achieving OLR Mandate in a Fair, Accessible, Timely and Effective Manner

The OLR will continue to strive for the review and approval of registrations, conduct of inquiries and investigations and enforcement the By-law in a fair, accessible, timely and effective manner.

5. Updating, Improving and Strengthening the City's Accountability Framework

The Registrar will continue to work collaboratively with fellow Accountability Officers, City Manager, City Solicitor and Council in order to update, improve and strengthen the City's accountability framework.

6. Education and Outreach

The OLR hopes to increase its work in education and outreach in 2017 by undertaking the following:

- A. Increase the frequency and number of training sessions for lobbyists and the public;
- B. Increase the stakeholder engagement within the public service with more frequent training opportunities and new tools;
- C. Develop new online tools for dissemination of educational materials;

- D. Expand the OLR's use of social media as a platform for engaging stakeholders; and
- E. Continue to share and learn best practices in lobbying regulation and government ethics across Canada and internationally.

This report is made in the public interest.

Respectfully Submitted,

Cristina De Caprio
Lobbyist Registrar
City of Toronto