

# **Office of the Registrar of Lobbyists**

**2007-2008**

**Departmental Performance Report**

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The Honourable Vic Toews, P.C., Q.C., M.P.  
President of the Treasury Board

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## **SECTION I: OVERVIEW**

## *Commissioner's Message*

This is the second and final Departmental Performance Report (DPR) from the Office of the Registrar of Lobbyists (ORL). On July 2, 2008, the *Lobbying Act* came into force, creating the Office of the Commissioner of Lobbying (OCL) which will be responsible for producing next year's report. Because the *Lobbying Act* came into force prior to the finalization of the ORL's 2007-2008 DPR, the Interim Commissioner of Lobbying is the reporting authority on this report rather than the previous Registrar of Lobbyists.



In order to comply with the *Lobbying Act*, lobbyists require access to a registration system that incorporates the new legislative and regulatory registration requirements. Significant modifications were needed with respect to the Lobbyists Registration System, as a result, considerable time and effort were spent to prepare for the new registration requirements set out in the *Lobbying Act*. It is expected that this additional work will further enhance the system's usability thereby contributing toward improved transparency.

The 2007-2008 reporting period observed increased levels of activity regarding the administration of the *Lobbyists Registration Act* and the *Lobbyists' Code of Conduct*. Consequently, the ORL processed a total of 10,110 registrations compared to 9,656 registrations in 2006-2007. This represents an increase of five percent in the number of registrations processed for the three categories of lobbyist: consultant, in-house (organizations) and in-house (corporations).

The Investigations Directorate initiated 17 new cases in 2007-2008 and continued to make progress on existing cases opened in previous years. Moreover, it is encouraging to note that lobbyists are now registering in increasing numbers without sole reliance on increased compliance measures.

I am confident that all of the activities of the ORL during the reporting period will contribute significantly to the implementation of the *Lobbying Act*. By providing lobbyists and public office holders with the necessary tools and information they need to meet their new obligations, the Office is working to enhance the confidence of Canadians in the integrity of federal government decision-making.

Karen E. Shepherd  
Interim Commissioner of Lobbying

## **Management Representation Statement**

I submit for tabling in Parliament, the 2007-2008 Departmental Performance Report (DPR) for the Office of the Registrar of Lobbyists.

This document has been prepared based on the reporting principles contained in the Guide for the Preparation of Part III of the 2007-2008 Estimates: Reports on Plans and Priorities and Departmental Performance Reports:

- it adheres to the specific reporting requirements outlined in the Treasury Board Secretariat guidance;
- it is based on the department's Strategic Outcome and Program Activity Architecture that were approved by the Treasury Board;
- it presents consistent, comprehensive, balanced and reliable information;
- it provides a basis of accountability for the results achieved with the resources and authorities entrusted to it; and
- it reports finances based on approved numbers from the Estimates and the Public Accounts of Canada.

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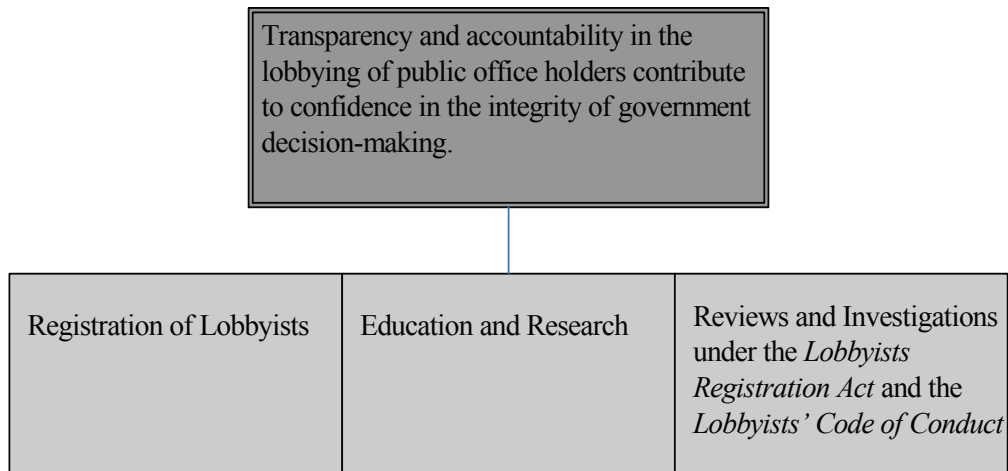
Karen E. Shepherd  
Interim Commissioner of Lobbying

## Strategic Outcome and Program Activity Architecture Structure for the ORL

The ORL's strategic outcome reflects the Office's mandate and vision and is linked to the Government of Canada Outcome Areas.

The Program Activity Architecture (PAA) for the ORL is its basis for reporting to Parliament. The PAA describes the relationship between the activities the Office undertakes and the strategic outcome it is working to achieve, in order to produce results for Canadians. In addition, the PAA also provides the framework that links the expected results and performance measures to individual program activities, clarifying why the ORL is doing what it does and how it will measure that results are achieved. Finally, the PAA also serves as a framework to link the financial resources to each program activity, indicating how the ORL manages the resources under its control to achieve its intended outcomes.

The graph below represents the ORL's PAA, used as the basis for reporting in this document.



### Legend

■ Strategic Outcome

□ Program Activity

## Summary Information

### Reason for Existence

The mandate of the Office of the Registrar of Lobbyists is derived from the *Lobbyists Registration Act* ([www.ocl-cal.gc.ca](http://www.ocl-cal.gc.ca)). Its purpose is to ensure transparency and accountability in the lobbying of public office holders with a view to contributing to confidence in the integrity of government decision-making.

### Financial Resources (in \$000)

| 2007-2008        |                   |                 |
|------------------|-------------------|-----------------|
| Planned Spending | Total Authorities | Actual Spending |
| 4,333            | 4,598             | 4,187           |

### Human Resources

| 2007-2008 |        |            |
|-----------|--------|------------|
| Planned   | Actual | Difference |
| 24        | 22     | (2)        |

### Departmental Priorities

| Name   | Type    | Performance Status |
|--|---------|--------------------|
| 1. Update the Registry and enhance its transparency                                | Ongoing | Successfully met   |
| 2. Increase awareness of Act and Code requirements                                 | Ongoing | Successfully met   |
| 3. Pursue enforcement of the Act and the Code and communicate the results achieved | Ongoing | Successfully met   |

**Program Activities by Strategic Outcome**

|   | Expected Results  | Performance Status    | 2007-2008<br>(in \$000) |                 | Contributes to the following priority |
|---|---|-----------------------|-------------------------|-----------------|---------------------------------------|
|   |   |                       | Planned Spending        | Actual Spending |                                       |
| <b>Strategic Outcome:</b> Transparency and accountability in the lobbying of public office holders contribute to confidence in the integrity of government decision-making. |   |                       |                         |                 |                                       |
| Registration of Lobbyists   | 7,500 active registrations  | Successfully met      | 2,395                   | 2,489           | Priority No. 1                        |
| Education and Research  | 10% increase over previous fiscal year  | Exceeded expectations | 899                     | 881             | Priority No. 2                        |
| Reviews and Investigations under the <i>Lobbyists Registration Act</i> and the <i>Lobbyists' Code of Conduct</i>  | At least 80% of complaints received result in the initiation of an enforcement action | Successfully met      | 1,039                   | 817             | Priority No. 3                        |



## Departmental Performance

### Operating Environment and Context

In 2007-2008, the operating environment of the Office of the Registrar of Lobbyists (ORL) continued to evolve as the Office prepared for the coming into force of the *Lobbying Act* on July 2, 2008.

The lobbying provisions of the *Federal Accountability Act* required a considerable amount of management time to prepare for the increased responsibilities to operate as an independent office. In the 2007-2008 reporting period, the ORL continued to buy services such as finance, human resources and information technology from external providers. The Department of Justice remained as our provider of legal services.

The 2007-2008 Human Resources Plan was more comprehensive than the previous year's. The Plan was monitored and amended in recognition of the changing environment and the requirement to ensure that sufficient resources were available to prepare for the implementation and enforcement of the *Lobbying Act*. By the end of the reporting period, the staff complement of the ORL had grown to 23.

The ORL completed its first Estimates cycle as a department during the 2007-2008 reporting period. This included submission of a Departmental Performance Report, Supplementary Estimates, Report on Plans and Priorities and Main Estimates. Through the Estimates process, Parliament provided the ORL with an increase in resources for 2007-2008 and future years.

Over the 2007-2008 reporting period, significant staff time was required to continue the development and enhancement of the work to the Lobbyists Registration System commenced in 2006-2007. In addition, much of the ORL time and effort were expended to develop information documents such as the Implementation Notices for the coming into force of the *Lobbying Act*. Staff also provided advice to officials in the Treasury Board Secretariat on the development of policy and regulations related to the implementation of the lobbying provisions of the *Federal Accountability Act*.

### Performance

Despite operating in an environment of uncertainty and change, the ORL continued to make substantial progress in fulfilling its mandate. The ORL's strategic approach to the administration and enforcement of the *Lobbyists Registration Act* (Act) is reflected in its three priorities during the reporting period:

- Update the Registry and enhance its transparency
- Increase awareness of the Act and *Lobbyists' Code of Conduct* (Code) requirements
- Pursue enforcement of the Act and Code and communicate the results achieved

Additional improvements to the existing Lobbyists Registration System were implemented in 2007-2008, although fewer than the previous reporting period. Because of the additional reporting requirements in the *Lobbying Act*, the Lobbyists Registration System had to be completely re-designed and its architecture overhauled in order to ensure that it could process a significantly larger number of transactions such as the new monthly reports. In addition, efforts were directed at solving data management and efficiency issues related to these new volumes of transactions.

The total number of active registrations on March 31, 2008 were fewer than the number reported in the previous year. It is difficult to infer anything from the minor drop in total registrations as totals varied from month to month. Despite the small drop in total active registrations noted at the end of the fiscal year, the ORL recorded higher numbers of information requests and website visits during this reporting period. Notwithstanding a busy year preparing for the implementation of the *Lobbying Act*, the ORL was able to successfully meet its expected result for the program activity, Registration of Lobbyists, by processing 7,821 active registrations over the fiscal year.

The ORL continued to ensure that both lobbyists and registrants were aware of their obligations under the Act through various means such as advisory letters, the purpose of which is to inform potential lobbyists that their activities may be lobbying and require registration under the Act, information sessions, e-mails to registrants and by updating information on the ORL website. As well, presentations and meetings were held with groups of senior officials from various departments and agencies to explain the impact of the *Lobbying Act* on public office holders. A comprehensive communications and outreach strategy was also developed and employed to ensure that obligations in the *Lobbying Act* were clearly understood. As a result of these actions, the ORL exceeded its expected outcome for the Education and Research program activity. In 2007-2008, 156% more outreach activities were undertaken compared to the number of activities in the previous fiscal year.

While awareness of obligations is key to ensuring that most lobbyists register and act in an ethical manner, it is important to demonstrate that evidence of enforcement exists. The ORL conducts its reviews and investigations in private. Upon completion of these, written responses are sent to the parties involved. In cases where the complaints were made public by the complainant, the ORL's written responses to these complainants tended to be made public as well. Thus, both lobbyists and the public are made aware that the ORL acts upon received complaints. The program activity, Reviews and Investigations, successfully met its expected result of initiating enforcement action on at least 80% of received complaints in 2007-2008.

As a result of a decision rendered by the Federal Court on March 10, 2008 which questioned the Registrar's authority to investigate cases involving breaches of the *Lobbyists Registration Act*, work was temporarily suspended on most ongoing administrative reviews and investigations.

Details of performance against each of the three priorities are included in Section II of this report.

**SECTION II: ANALYSIS OF PROGRAM ACTIVITIES BY  
STRATEGIC OUTCOME**

## Analysis by Program Activity

### Strategic Outcome

Transparency and accountability in the lobbying of public office holders contribute to confidence in the integrity of government decision-making.

### Program Activity Name

Registration of Lobbyists

### Financial Resources (in \$000)

| Planned Spending | Authorities | Actual Spending |
|------------------|-------------|-----------------|
| 2,395            | 2,714       | 2,489           |

### Human Resources

| Planned | Actual | Difference |
|---------|--------|------------|
| 8       | 8      | 0          |

**Priority #1:** Update the Registry and enhance its transparency.

Lobbying the federal government is a legitimate activity but it must be done in an ethical and transparent manner. The purpose of the *Lobbyists Registration Act* is to contribute in an important way to confidence in the integrity of government decision-making. This purpose was reinforced as the *Federal Accountability Act* received Royal Assent on December 12, 2006, setting the stage for a series of amendments to the *Lobbyists Registration Act*, to be re-named the *Lobbying Act* on July 2, 2008.

In order to meet the increased disclosure requirements as set out in the *Lobbying Act*, the ORL's immediate priority was to develop a new architecture for its Registry of Lobbyists. To this end, the Registry required major modifications to allow efficient processing of significantly larger numbers of transactions. Additional functions have also been added to improve its usability, thus contributing to increased transparency.

A three-level project management process was put in place to oversee the development of the Registry and ensure that it met its technical, operational and financial requirements.

It was estimated in the 2007-2008 Report on Plans and Priorities (RPP) that the ORL could expect 7,500 active registrations processed in this reporting period. This estimation was exceeded by 321, resulting in a final count of 7,821 active registrations processed over the fiscal year.

During the 2007-2008 reporting period, the ORL completed a series of changes to the electronic Lobbyists Registration System to improve its overall efficiency and to make the approval process for registrations timelier. The ORL also implemented an automated termination process for overdue registrations, carried out development work on its internal reporting system and enhanced the Registry's administrative capabilities. These changes were made to allow the Registration Unit to focus on ensuring that submitted registrations were complete and accurate. As well, the Registry's search and sub-search capabilities and its user interface have been improved in order to facilitate the production of registration reports.

The ORL's software development team improved the registration system architecture to enable the Registry to support the expected increase in transactions with a communications log module for the monthly reporting requirements. Work was done to establish links between registrations for a particular registrant, which would improve the transparency of data contained in the Registry. The development team also made modifications to permit the automatic return of future incomplete registrations to registrants for corrections, eliminating the need for ORL staff to manually send correction requests to registrants via e-mail.

Registration results for 2007-2008 are presented in the table below. Registration results for 2006-2007 are included for comparison.

|  | 2007-2008    | 2006-2007    |
|--|--------------|--------------|
| <b>Individual Lobbyists - active as of March 31, 2008</b>    |              |              |
| Consultant lobbyists   | 867          | 860          |
| In-house lobbyists (corporations)                            | 1,754        | 1,882        |
| In-house lobbyists (organizations)                           | 2,439        | 2,539        |
|  |              |              |
| <b>Total registered individual lobbyists, all categories</b> | <b>5,060</b> | <b>5,281</b> |
|  |              |              |
| <b>Registration - active as of March 31, 2008</b>            |              |              |
| Consultant lobbyists (one registration per client)           | 2,857        | 2,975        |
| Corporations   | 283          | 313          |
| Organizations  | 442          | 457          |
|  |              |              |
| <b>Total active registrations, all categories</b>            | <b>3,582</b> | <b>3,745</b> |

## Analysis by Program Activity

### Strategic Outcome

Transparency and accountability in the lobbying of public office holders contribute to confidence in the integrity of government decision-making.

### Program Activity Name

Education and Research

### Financial Resources (in \$000)

| Planned Spending | Authorities | Actual Spending |
|------------------|-------------|-----------------|
| 899              | 985         | 881             |

### Human Resources

| Planned | Actual | Difference |
|---------|--------|------------|
| 8       | 7      | (1)        |

**Priority #2:** Increase awareness of the *Lobbyists Registration Act* (Act) and *Lobbyists' Code of Conduct* (Code) requirements.

The Office of the Registrar of Lobbyists (ORL) used a variety of means to promote and foster awareness of the requirements of the Act and the Code.

### Direct Communications

On a daily basis, the ORL responded to inquiries from lobbyists, the media, and the public. It provided updates to registered lobbyists via e-mail and through notices to registrants posted on its website. The ORL also organized a number of outreach and information sessions with lobbying firms and in-house lobbyists to improve the overall quality and reliability of the disclosures filed in the Registry of Lobbyists.

During the 2007-2008 reporting period, there was significant interest by registrants in the forthcoming *Lobbying Act*. To help them better understand their new reporting requirements, the ORL made efforts to enhance its external communications. It also upgraded its website to ensure it remained user-friendly and contained up-to-date information. For example, new sections were created for information documents, in particular, a section on the *Lobbying Act*. Presentations, interpretation bulletins and advisory opinions were also published on the website in preparation for the coming into force of the *Lobbying Act*. The ORL website is continuously updated and can be found at [www.ocl-cal.gc.ca](http://www.ocl-cal.gc.ca).

The ORL continued its education and enforcement initiative of sending advisory letters to lobbyists who were alleged to have conducted unregistered lobbying activities. These letters are meant to enhance the knowledge of organizations and corporations regarding the Act, to encourage them to visit the ORL's website, and to contact the Office directly for additional information on registration requirements. During the 2007-2008 reporting period, a total of 26 advisory letters were sent. This activity resulted in six respondents stating that they were not required to register and another six registering shortly after receiving an advisory letter. Although the ORL was pleased with the response rate on its advisory letters, it was felt that an increased response rate would be preferable. Changes were thus made to the letters to request that recipients now inform the ORL as to their decision of whether or not they should register.

### **Conferences, Learning Events and Presentations**

ORL senior staff participated in several panel discussions and conferences, including the Council on Governmental Ethics Laws (COGEL), as a means of sharing information and enhancing awareness of lobbying legislation. In addition, several national and international organizations, including the Canadian Study of Parliament Group and the Financial Management Institute of Canada, expressed interest in being better informed on federal Canadian lobbying issues resulting in the Registrar and senior ORL staff making presentations to them. Meetings were held with a Norwegian delegation studying the feasibility of implementing a registry in Norway, and a Chinese delegation from the Ministry of Supervision.

### **Media Relations**

On a day-to-day basis, the ORL's communications staff responded promptly to media inquiries, directed individuals to information relevant to their inquiries, liaised with other government departments and agencies as required and attended meetings of relevant Parliamentary Committees.

During this reporting period, a good deal of media attention was directed towards various allegations of breaches of the Act as well as court proceedings. On a regular basis, the ORL responded to media inquiries and provided clarifications about ongoing investigations and administrative reviews to the extent permissible under the Act. The ORL's communications staff also provided guidance for media interviews and presentations delivered by ORL senior staff.

As expected, there was substantial media interest in the *Lobbying Act*. Questions relating to the *Lobbying Act* and to the related regulatory approval process were referred to the Treasury Board Secretariat, which, until the new regulations were published in final form, remained the primary source of information. Through its website, the ORL provided users with access to key documents related to the *Lobbying Act*.

### **Briefings for Federal Government Institutions**

The ORL continued its outreach efforts within the federal government through briefings to senior management at a number of departments and other federal organizations. These sessions, provided at the institutions' request, were aimed at assisting senior staff in becoming familiar

with the provisions of the Act and the Code, as well as addressing specific issues faced by those institutions regarding lobbying and interactions with lobbyists.

### **Dialogue with Other Jurisdictions**

The ORL has continued its practice of exchanging best practices with provincial, municipal and foreign jurisdictions involved in the regulation of lobbying activities. The ORL met and shared information with officials from Newfoundland and Labrador, Nova Scotia, Québec, Ontario, British Columbia, as well as with representatives from various U.S. jurisdictions.

Discussions were also held with officials from Alberta, the most recent Canadian province to adopt lobbying legislation. The ORL helped the City of Toronto to establish its Registry of Lobbyists by demonstrating the ORL's Lobbyists Registration System, exchanging information, and sharing best practices.

The Registrar took part in the work of the Organization for Economic Co-operation and Development (OECD) Expert Group on Conflict of Interest. In early June 2007, he co-chaired a special session on lobbying that brought together a group of officials from foreign administrations that are in charge of legislation and policy related to lobbying. The group reviewed different approaches and options for regulating lobbying and developed principles aimed at increasing transparency and accountability in relation to lobbying activities.

During this reporting period, the ORL developed a comprehensive communications and outreach strategy to ensure that the new reporting requirements of the *Lobbying Act* would be effectively communicated to affected parties. The ORL expected a 10% increase in its outreach activities for the period 2007-2008. This outreach goal was not only met but exceeded as the ORL increased its outreach activities from 30 to 77 in this reporting period, resulting in an increase of 156%. This increase can be explained in part by the need for the ORL to inform its various audiences of the new requirements of the *Lobbying Act* through its comprehensive communications and outreach strategy. For example, during 2007-2008, ORL senior staff made presentations on the *Lobbying Act* to 21 different audiences inside and outside of the federal public service. These audiences were comprised of lobbyists and companies representing a variety of jurisdictions. The ORL also sent out mass e-mails to lobbyists informing them of changes in the Lobbyists Registration System and providing tips about the new registration process.



## Analysis by Program Activity

### Strategic Outcome

Transparency and accountability in the lobbying of public office holders contribute to confidence in the integrity of government decision-making.

### Program Activity Name

Reviews and Investigations under the *Lobbyists Registration Act* and the *Lobbyists' Code of Conduct*.

### Financial Resources (in \$000)

| Planned Spending | Authorities | Actual Spending |
|------------------|-------------|-----------------|
| 1,039            | 899         | 817             |

### Human Resources

| Planned | Actual | Difference |
|---------|--------|------------|
| 8       | 7      | (1)        |

**Priority #3:** Pursue enforcement of the Act and the Code and communicate the results achieved.

The Office of the Registrar of Lobbyists (ORL) validates information provided by the registered lobbyists to ensure accuracy. Allegations of non-registered activity or misconduct by lobbyists are reviewed and formal investigations are carried out when required.

The ORL continued to use the set of procedures developed in 2006-2007 to govern administrative reviews and investigations. Administrative reviews are initiated by either the ORL or complaints received from external sources alleging contraventions of the Act or the Code. An administrative review typically involves reviewing all registration files in the Registry, available correspondence and other forms of communication between the ORL and the lobbyist; and confirming with public office holders, whether registrable activities have indeed taken place.

If the Registrar determines following an administrative review that there are reasonable grounds to believe a breach of the Act has occurred, the matter is referred to the Royal Canadian Mounted Police (RCMP). If the contravention occurred outside of the Act's stipulated two-year limitation period for contraventions, the ORL may still initiate an investigation under the Code, which has no limitation period.

During the 2007-2008 reporting period, the ORL initiated 17 administrative reviews of which 16 related to possible breaches of the Act, and one related to a possible breach of the Code. Twelve of the 17 administrative reviews were initiated as a result of complaints received from external sources and five were ORL initiated.

It is impossible to predict how many external complaints the ORL will receive or how many self-initiated allegations of breaches of the Act or Code will surface in any given reporting year. Therefore, it is impossible to estimate the number of enforcement actions required to deal with them. However, it is possible to forecast the number of enforcement actions resulting from received complaints. Although no historical data existed for 2006-2007, the ORL estimated that 80% of received complaints would result in enforcement action. For the 2007-2008 reporting period, files were opened and action commenced on all complaints received. Thus, the ORL met its expected result by undertaking action on 100% of the complaints received.

As previously mentioned, one of the 17 administrative reviews dealt with a possible breach of the Code. The complaint alleged that a registered lobbyist had provided confidential information without consent. This review is ongoing.

The remaining 16 administrative reviews broke down into 14 dealing with unregistered lobbyists, one of which was completed and referred to the RCMP. The remaining two files were initiated based on allegations that registered lobbyists were in breach of the Act by filing registrations that did not include full disclosure of the members of a client coalition and public funding. At the end of the reporting period, 14 of the files remained ongoing.

In addition to the progress made on the 17 administrative reviews opened in 2007-2008, six files were closed from the previous reporting period.

A Federal Court decision rendered on March 10, 2008 questioned the Registrar's authority to investigate cases involving alleged breaches of the *Lobbyists Registration Act*. This resulted in the ORL suspending work on all administrative reviews pending the receipt of clearer guidance from the Federal Court regarding the ORL's ability to investigate alleged breaches of the Code in cases where the lobbyist has not registered.

### **Investigation under the Code**

During the 2007-2008 reporting period, the Registrar did not initiate any new investigations. However, several investigations initiated in previous years remained active. Two investigation reports were finalized and forwarded to the Registrar, one of which involved a complaint by the Democracy Watch, and was opened as an investigation in 2006-2007. The Registrar shared these reports with the individuals reported upon so as to provide them a reasonable opportunity to respond in writing. As with the aforementioned suspended administrative reviews, these two cases and the active investigations have been temporarily suspended pending receipt of clearer guidance from the Federal Court regarding investigations under the Code.

### **SECTION III: SUPPLEMENTARY INFORMATION**

## Departmental Link to Government of Canada Outcome Areas

| <b>Strategic Outcome:</b> Transparency and accountability in the lobbying of public office holders contribute to confidence in the integrity of government decision-making. |   |                           |              |  |
|---|---|---------------------------|--------------|--|
|   | <b>Actual Spending 2007-2008<br/>(in \$000)</b> |                           |              | <b>Alignment to Government of<br/>Canada Outcome Areas</b> |
|   | <b>Budgetary</b>                                | <b>Non-<br/>budgetary</b> | <b>Total</b> |  |
| Registration of Lobbyists   | 2,489   | -                         | 2,489        | All Government of Canada Outcome Areas                     |
| Education and Research  | 881   | -                         | 881          | All Government of Canada Outcome Areas                     |
| Reviews and Investigations  | 817   | -                         | 817          | All Government of Canada Outcome Areas                     |

Parliamentarians intended the *Lobbyists Registration Act* (Act) to contribute in an important way to confidence in the integrity of government decision-making. The Act provides for a regime of transparency and accountability for those who communicate with public office holders with respect to a wide range of government decisions on legislation, regulations, policies, programs, grants, contributions and other areas of importance. Through administration and enforcement of federal lobbying legislation during the reporting period, the ORL has contributed to all Government of Canada Outcome Areas.

**Table 1: Comparison of Planned to Actual Spending (including Full-Time Equivalents)**

| (in \$000)  | 2005-2006<br>Actual | 2006-2007<br>Actual | 2007-2008         |                     |                      |                  |
|---|---------------------|---------------------|-------------------|---------------------|----------------------|------------------|
|   |                     |                     | Main<br>Estimates | Planned<br>Spending | Total<br>Authorities | Total<br>Actuals |
| Registration of Lobbyists                         | -                   | 1,460               | 1,425             | 2,395               | 2,714                | 2,489            |
| Education and Research                            | -                   | 744                 | 899               | 899                 | 985                  | 881              |
| Reviews and Investigations                        | -                   | 899                 | 1,039             | 1,039               | 899                  | 817              |
| <b>Total</b>                                      | -                   | <b>3,103</b>        | <b>3,363</b>      | <b>4,333</b>        | <b>4,598</b>         | <b>4,187</b>     |
| Less: Non-respondable<br>revenue                  | -                   | 755                 | N/A               | 2                   | N/A                  | 1                |
| Plus: Cost of services<br>received without charge | -                   | 108                 | N/A               | 145                 | N/A                  | 376              |
| <b>Total Departmental<br/>Spending</b>            | -                   | <b>2,456</b>        | <b>N/A</b>        | <b>4,476</b>        | <b>N/A</b>           | <b>4,562</b>     |
| Full-time Equivalents                             | -                   | 20                  | N/A               | 24                  | N/A                  | 22               |

**Note:** On February 6, 2006, the Office of the Registrar of Lobbyists was designated as a department for the purposes of the *Financial Administration Act* and was transferred from Industry Canada to the Treasury Board portfolio as an independent organization. Consequently, Actuals for 2005-2006 are included in Industry Canada's Actuals for that period.

**Table 2: Voted and Statutory Items****(in \$000)**

| Vote or<br>Statutory Item | Truncated Vote<br>or Statutory Wording     | 2007-2008         |                     |                      |                  |
|---------------------------|--|-------------------|---------------------|----------------------|------------------|
|                           |  | Main<br>Estimates | Planned<br>Spending | Total<br>Authorities | Total<br>Actuals |
| Vote 30                   | Program expenditures                       | 3,026             | 3,996               | 4,297                | 3,886            |
| (S)                       | Contributions to employee<br>benefit plans | 337               | 337                 | 301                  | 301              |
|                           | <b>Total</b>                               | <b>3,363</b>      | <b>4,333</b>        | <b>4,598</b>         | <b>4,187</b>     |

### **Table 3: Sources of Non-Respendable Revenue**

For supplementary information on the department's sources of spendable and non-spendable revenue, please visit: <http://publiservice.tbs-sct.gc.ca/dpr-rmr/2007-2008/index-eng.asp>.

### **Table 4A: *User Fees Act***

For supplementary information on the department's User Fees, please visit: <http://publiservice.tbs-sct.gc.ca/dpr-rmr/2007-2008/index-eng.asp>.

### **Table 4B: Policy on Service Standards for External Fees**

For supplementary information on the department's Service Standards for External Fees, please visit: <http://publiservice.tbs-sct.gc.ca/dpr-rmr/2007-2008/index-eng.asp>.

### **Table 5: Travel Policies**

The Office of the Registrar of Lobbyists follows the Treasury Board of Canada Secretariat (TBS) *Travel Directive*, Rates and Allowances and the TBS *Special Travel Authorities* outlining travel provisions pertaining to, among others, deputy ministers, and Governor-in-Council appointees.

### **Table 6: Financial Statements of the Office of the Registrar of Lobbyists (unaudited)**

ORL's financial statements are prepared in accordance with accrual accounting principles. The unaudited supplementary information presented in the financial tables in the DPR is prepared on a modified cash basis of accounting in order to be consistent with appropriations-based reporting. Note 3 on page 28 of the financial statements reconciles these two accounting methods.

## Statement of Management Responsibility

Responsibility for the integrity and objectivity of the accompanying financial statements for the year ended March 31, 2008 and all information contained in these statements rests with the management of the Office of the Registrar of Lobbyists (ORL). These financial statements have been prepared by management in accordance with Treasury Board accounting policies which are consistent with Canadian generally accepted accounting principles for the public sector.

Management is responsible for the integrity and objectivity of the information in these financial statements. Some of the information in the financial statements is based on management's best estimates and judgement and gives due consideration to materiality. To fulfill its accounting and reporting responsibilities, management maintains a set of accounts that provides a centralized record of the ORL's financial transactions. Financial information submitted to the *Public Accounts of Canada* and included in the ORL's *Departmental Performance Report* is consistent with these financial statements.

Management maintains a system of financial management and internal control designed to provide reasonable assurance that financial information is reliable, that assets are safeguarded and that transactions are in accordance with the *Financial Administration Act*, are executed in accordance with prescribed regulations, within Parliamentary authorities, and are properly recorded to maintain accountability of Government funds. Management also seeks to ensure the objectivity and integrity of data in its financial statements by careful selection, training and development of qualified staff, by organizational arrangements that provide appropriate divisions of responsibility, and by communication programs aimed at ensuring that regulations, policies, standards and managerial authorities are understood throughout the department.

The financial statements of the Office of the Registrar of Lobbyists have not been audited.

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Karen E. Shepherd  
Interim Commissioner of Lobbying

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Johanne Blais  
Senior Financial and Planning  
Officer

Ottawa, Ontario

August 19, 2008

**Office of the Registrar of Lobbyists  
Statement of Operations (unaudited)  
For the year ended March 31, 2008**

| <b>(in dollars)</b>  | <u><b>2008</b></u>        | <u><b>2007</b></u>        |
|--|---------------------------|---------------------------|
| <b>Expenses (Note 4)</b>   |                           |                           |
| Registration of Lobbyists  | \$1,729,539               | \$1,014,498               |
| Education and Research   | 1,005,362                 | 908,330                   |
| Reviews and Investigations under the<br><i>Lobbyists Registration Act</i> and the<br><i>Lobbyists' Code of Conduct</i> | <u>882,671</u>            | <u>1,224,510</u>          |
| <b>Total Expenses</b>  | <u><b>3,617,572</b></u>   | <u><b>3,147,338</b></u>   |
| <b>Revenues</b>  |                           |                           |
| Registration of Lobbyists  | 1,011                     | 750                       |
| Education and Research   | <u>10</u>                 | <u>5</u>                  |
| <b>Total Revenues</b>  | <u><b>1,021</b></u>       | <u><b>755</b></u>         |
| <b>Net cost of operations</b>  | <u><b>\$3,616,551</b></u> | <u><b>\$3,146,583</b></u> |

The accompanying notes form an integral part of these financial statements



**Office of the Registrar of Lobbyists  
Statement of Financial Position (unaudited)  
At March 31, 2008**

| <b>(in dollars)</b>                               | <u><b>2008</b></u>        | <u><b>2007</b></u>        |
|---|---------------------------|---------------------------|
| <b>Assets</b>                                     |                           |                           |
| <b>Financial Assets</b>                           |                           |                           |
| Accounts receivable and advances (Note 5)         | \$ 68,145                 | <u>-</u>                  |
| <b>Total financial assets</b>                     | <u><b>68,145</b></u>      | <u>-</u>                  |
| <b>Non-Financial Assets</b>                       |                           |                           |
| Tangible capital assets (Note 6)                  | <u>2,057,220</u>          | <u>\$1,068,882</u>        |
| <b>Total non-financial assets</b>                 | <u><b>2,057,220</b></u>   | <u><b>1,068,882</b></u>   |
| <b>Total</b>                                      | <u><b>\$2,125,365</b></u> | <u><b>\$1,068,882</b></u> |
| <b>Liabilities</b>                                |                           |                           |
| Accounts payable and accrued liabilities (Note 7) | \$ 241,551                | \$ 171,739                |
| Vacation pay and compensatory leave               | 93,224                    | 97,063                    |
| Employee future benefits (Note 8)                 | <u>352,434</u>            | <u>307,043</u>            |
| <b>Total liabilities</b>                          | <u><b>687,209</b></u>     | <u><b>575,845</b></u>     |
| <b>Equity of Canada</b>                           | <u><b>1,438,156</b></u>   | <u><b>493,037</b></u>     |
| <b>Total Liabilities and Equity of Canada</b>     | <u><b>\$2,125,365</b></u> | <u><b>\$1,068,882</b></u> |

The accompanying notes form an integral part of these financial statements

**Office of the Registrar of Lobbyists  
Statement of Equity of Canada (unaudited)  
For the year ended March 31, 2008**

| <b>(in dollars)</b>  | <u>2008</u>                | <u>2007</u>              |
|--|----------------------------|--------------------------|
| <b>Equity of Canada, beginning of year</b>                       | <b>\$ 493,037</b>          | -                        |
| Equity adjustment  | -                          | \$ 487,935               |
| Net cost of operations   | (3,616,551)                | (3,146,583)              |
| Current year appropriations used (Note 3)                        | 4,186,928                  | 3,102,701                |
| Change in net position in the Consolidated Revenue Fund (Note 3) | (391)                      | (57,773)                 |
| Revenue not available for spending (Note 3 (c))                  | (1,021)                    | (755)                    |
| Services provided without charge (Note 9)                        | <u>376,154</u>             | <u>107,512</u>           |
| <b>Equity of Canada, end of year</b>                             | <b><u>\$ 1,438,156</u></b> | <b><u>\$ 493,037</u></b> |

The accompanying notes form an integral part of these financial statements

**Office of the Registrar of Lobbyists  
Statement of Cash Flow (unaudited)  
For the year ended March 31, 2008**

| <b>(in dollars)</b>   | <u><b>2008</b></u>        | <u><b>2007</b></u>        |
|---|---------------------------|---------------------------|
| <b>Operating activities</b>   |                           |                           |
| Net cost of operations  | \$3,616,551               | \$3,146,583               |
| <b>Non-cash items:</b>  |                           |                           |
| Services provided without charge  | (376,154)                 | (107,512)                 |
| Amortization of tangible capital assets                                 | (155,090)                 | (67,932)                  |
| <b>Variations in Statement of Financial Position:</b>                   |                           |                           |
| Increase in assets  | 68,145                    | -                         |
| Increase in liabilities   | <u>(111,364)</u>          | <u>(575,845)</u>          |
| <b>Cash used by operating activities</b>                                | <u><b>3,042,088</b></u>   | <u><b>2,395,294</b></u>   |
| <b>Capital investment activities</b>                                    |                           |                           |
| Assets under construction   | 1,083,881                 | 152,000                   |
| Acquisitions of tangible capital assets                                 | <u>59,547</u>             | <u>496,879</u>            |
| <b>Cash used by capital investment activities</b>                       | <u><b>1,143,428</b></u>   | <u><b>648,879</b></u>     |
| <b>Financing activities</b>   |                           |                           |
| <b>Net cash provided by Government of Canada</b><br><b>(Note 3 (c))</b> | <u><b>\$4,185,516</b></u> | <u><b>\$3,044,173</b></u> |

The accompanying notes form an integral part of these financial statements

**Office of the Registrar of Lobbyists  
Notes to the Financial Statements (Unaudited)  
For the year ended March 31, 2008**

**1. Authority and Objectives**

The Office of the Registrar of Lobbyists' (ORL) mandate is derived from the *Lobbyists Registration Act*. Its purpose is to ensure transparency and accountability in the lobbying of public office holders in order to contribute to confidence in the integrity of government decision-making.

Registration of Lobbyists

Lobbying the federal government is a legitimate activity but it must be done transparently. The *Lobbyists Registration Act* requires that individuals who are paid to lobby public office holders must disclose certain details of their lobbying activities. The Office approves lobbyists' registrations and makes them available for searching in an electronic registry that is accessible on the Internet.

Education and Research

ORL develops and implements educational and research programs to foster awareness of the requirements of the *Lobbyists Registration Act* and the *Lobbyists' Code of Conduct*. The primary audiences for programs are lobbyists, their clients and public office holders.

Reviews and Investigations under the *Lobbyists Registration Act* and the *Lobbyists' Code of Conduct*

ORL validates information provided by registered lobbyists to ensure accuracy. Allegations of non-registration or misconduct by lobbyists are reviewed and formal investigations are carried out when required.

**2. Summary of Significant Accounting Policies**

The financial statements have been prepared in accordance with Treasury Board accounting policies which are consistent with Canadian generally accepted accounting principles for the public sector.

Significant accounting policies are as follows:

- (a) Parliamentary appropriations – ORL is financed by the Government of Canada through Parliamentary appropriations. Appropriations provided to ORL do not parallel financial reporting according to generally accepted accounting principles since appropriations are primarily based on cash flow requirements. Consequently, items recognized in the statement of operations and the statement of financial position are not necessarily the same as those provided through appropriations from Parliament. Note 3 provides a high-level reconciliation between the bases of reporting.

- (b) Net Cash Provided by Government – ORL operates within the Consolidated Revenue Fund (CRF), which is administered by the Receiver General for Canada. All cash received by ORL is deposited to the CRF and all cash disbursements made by ORL are paid from the CRF. The net cash provided by Government is the difference between all cash receipts and all cash disbursements including transactions between departments of the federal government.
- (c) Change in net position in the Consolidated Revenue Fund is the difference between the net cash provided by Government and appropriations used in a year, excluding the amount of non-respendable revenue recorded by ORL. It results from timing differences between when a transaction affects appropriations and when it is processed through the CRF.
- (d) Revenues from registration are recognized in the accounts based on the services provided in the year.
- (e) Expenses are recorded on the accrual basis:
- (i) Vacation pay and compensatory leave are expensed as the benefits accrue to employees under their respective terms of employment.
  - (ii) Services provided without charge by other government departments for accommodation and the employer's contribution to the health and dental insurance plans are recorded as operating expenses at their estimated cost.
- (f) Employee future benefits
- (i) Pension benefits: Eligible employees participate in the Public Service Pension Plan, a multiemployer plan administered by the Government of Canada. ORL's contributions to the Plan are charged to expenses in the year incurred and represent the total departmental obligation to the Plan. Current legislation does not require ORL to make contributions for any actuarial deficiencies of the Plan.
  - (ii) Severance benefits: Employees are entitled to severance benefits under labour contracts or conditions of employment. These benefits are accrued as employees render the services necessary to earn them. The obligation relating to the benefits earned by employees is calculated using information derived from the results of the actuarially determined liability for employee severance benefits for the Government as a whole.
- (g) Accounts receivables are stated at amounts expected to be ultimately realized; a provision is made for receivables where recovery is considered uncertain.

(h) Tangible capital assets – All tangible capital assets having an initial cost of \$2,000 or more are recorded at their acquisition cost. ORL does not capitalize intangibles, works of art and historical treasures that have cultural, aesthetic or historical value; assets located on Indian Reserves and museum collections.

Amortization of tangible capital assets is done on a straight-line basis over the estimated useful life of the asset as follows:

| <b>Asset class</b>        | <b>Amortization period</b>                     |
|---------------------------|--|
| Machinery and equipment   | 10 years                                       |
| Furniture and fixtures    | 10 years                                       |
| Informatics Software      | 10 years                                       |
| Assets under construction | Once in service, in accordance with asset type |

(i) Measurement uncertainty — The preparation of these financial statements in accordance with Treasury Board accounting policies which are consistent with Canadian generally accepted accounting principles for the public sector requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses reported in the financial statements. At the time of preparation of these statements, management believes the estimates and assumptions to be reasonable. The most significant items where estimates are used are the liability for employee severance benefits and the useful life of tangible capital assets. Actual results could significantly differ from those estimated. Management’s estimates are reviewed periodically and, as adjustments become necessary, they are recorded in the financial statements in the year they become known.

### **3. Parliamentary Appropriations**

ORL receives most of its funding through annual Parliamentary appropriations. Items recognized in the statement of operations and the statement of financial position in one year may be funded through Parliamentary appropriations in prior, current or future years. Accordingly, ORL has different net results of operations for the year on a government funding basis than on an accrual accounting basis. The differences are reconciled in the following tables:

**(a) Reconciliation of net cost of operations to current year appropriations used**

| <b>(in dollars)</b>   | <b><u>2008</u></b>        | <b><u>2007</u></b>        |
|---|---------------------------|---------------------------|
| <b>Net cost of operations</b>   | <b>\$3,616,551</b>        | <b>\$3,146,583</b>        |
| Adjustments for items affecting net cost of operations but not affecting appropriations:<br>Add (Less): |                           |                           |
| Services provided without charge (Note 9)   | (376,154)                 | (107,512)                 |
| Revenue not available for spending  | 1,021                     | 755                       |
| Employee severance benefits (Note 8)  | (45,391)                  | (307,043)                 |
| Amortization of tangible capital assets (Note 6)  | (155,090)                 | (67,932)                  |
| Vacation pay and compensatory leave   | 3,839                     | (97,063)                  |
| Other   | (1,276)                   | -                         |
| Justice Canada expenditure reversals  | -                         | (113,966)                 |
| Adjustments for items not affecting net cost of operations but affecting appropriations:<br>Add:        |                           |                           |
| Acquisitions of tangible capital assets   | <u>1,143,428</u>          | <u>648,879</u>            |
|   | <u>570,377</u>            | <u>(43,882)</u>           |
| <b>Current year appropriations used</b>   | <b><u>\$4,186,928</u></b> | <b><u>\$3,102,701</u></b> |

**(b) Appropriations provided and used**

| <b>(in dollars)</b>                     | <b><u>2008</u></b>        | <b><u>2007</u></b>        |
|---|---------------------------|---------------------------|
| Vote 30 - Operating expenditures        | \$4,296,292               | \$3,161,666               |
| Statutory amounts                       | 301,304                   | 244,808                   |
| Less:                                   |                           |                           |
| Lapsed appropriations: Operating        | <u>(410,668)</u>          | <u>(303,773)</u>          |
| <b>Current year appropriations used</b> | <b><u>\$4,186,928</u></b> | <b><u>\$3,102,701</u></b> |

(c) **Reconciliation of net cash provided by Government to current year appropriations used**

| <b>(in dollars)</b>                                     | <u><b>2008</b></u>        | <u><b>2007</b></u>        |
|---|---------------------------|---------------------------|
| Net cash provided by Government of Canada               | \$4,185,516               | \$3,044,173               |
| Revenue not available for spending                      | 1,021                     | 755                       |
| Change in net position in the Consolidated Revenue Fund |                           |                           |
| Variation in accounts payable and accrued liabilities   | 69,812                    | 171,739                   |
| Variation in accounts receivable and advances           | (68,145)                  | -                         |
| Variation in vacation pay and compensatory leave        | (3,839)                   | -                         |
| Other adjustments                                       | 2,563                     | -                         |
| Justice Canada expenditure reversal                     | -                         | (113,966)                 |
|   | <u>391</u>                | <u>57,773</u>             |
| <b>Current year appropriations used</b>                 | <u><b>\$4,186,928</b></u> | <u><b>\$3,102,701</b></u> |

**4. Expenses**

| <b>(in dollars)</b>               | <u><b>2008</b></u>        | <u><b>2007</b></u>        |
|-----------------------------------|---------------------------|---------------------------|
| Salaries and employee benefits    | \$2,297,001               | \$2,131,318               |
| Professional and special services | 556,445                   | 548,027                   |
| Accommodation (Note 9 (a))        | 252,992                   | -                         |
| Repair and Maintenance            | 205,857                   | 223,007                   |
| Amortization                      | 155,090                   | 67,932                    |
| Utilities, materials and supplies | 44,969                    | 36,022                    |
| Furniture and equipment           | 39,549                    | 16,878                    |
| Telecommunication Services        | 24,317                    | 20,434                    |
| Travel                            | 23,552                    | 25,052                    |
| Information Services              | 11,400                    | 68,466                    |
| Rental                            | <u>6,400</u>              | <u>10,202</u>             |
| <b>Total Expenses</b>             | <u><b>\$3,617,572</b></u> | <u><b>\$3,147,338</b></u> |



## 5. Accounts Receivable and Advances

| (in dollars)   | <u>2008</u>             | <u>2007</u>     |
|--|-------------------------|-----------------|
| Receivables from other Federal Government departments and agencies | \$ 65,979               | -               |
| Receivables from external parties                                  | 1,966                   | -               |
| Employee advances  | <u>200</u>              | <u>-</u>        |
| <b>Total accounts receivable and advances</b>                      | <b><u>\$ 68,145</u></b> | <b><u>-</u></b> |

## 6. Tangible Capital Assets

| (in dollars)              | Cost               |                    |                    |
|---------------------------|--------------------|--------------------|--------------------|
| Capital asset class       | Opening balance    | Acquisitions       | Closing balance    |
| Machinery and equipment   | \$ 15,928          | \$ 5,860           | \$ 21,788          |
| Furniture and fixtures    | -                  | 53,687             | 53,687             |
| Informatics software      | 1,015,279          | -                  | 1,015,279          |
| Assets under construction | 152,000            | 1,083,881          | 1,235,881          |
| <b>Total</b>              | <b>\$1,183,207</b> | <b>\$1,143,428</b> | <b>\$2,326,635</b> |

| Capital asset class       | Accumulated amortization |                  |                  | 2008               | 2007               |
|---------------------------|--------------------------|------------------|------------------|--------------------|--------------------|
|                           | Opening Balance          | Amortization     | Closing Balance  | Net Book Value     | Net Book Value     |
| Machinery and equipment   | \$ 3,186                 | \$ 1,828         | \$ 5,014         | \$ 16,774          | \$ 12,742          |
| Furniture and fixtures    | -                        | 2,572            | 2,572            | 51,115             | -                  |
| Informatics software      | 111,139                  | 150,690          | 261,829          | 753,450            | 904,140            |
| Assets under construction | -                        | -                | -                | 1,235,881          | 152,000            |
| <b>Total</b>              | <b>\$114,325</b>         | <b>\$155,090</b> | <b>\$269,415</b> | <b>\$2,057,220</b> | <b>\$1,068,882</b> |

There were no disposals or write-offs during the year ended March 31, 2008.

The amortization expense for the year ended March 31, 2008 is \$155,090 (\$67,932 in 2007).

## 7. Accounts Payable and Accrued Liabilities

| (in dollars)  | <u>2008</u>              | <u>2007</u>              |
|---|--------------------------|--------------------------|
| <b>External</b>   |                          |                          |
| Accounts payable  | \$ 71,699                | -                        |
| Accrued liabilities   | 3,216                    | -                        |
| Accrued salaries and wages  | <u>105,075</u>           | <u>\$ 34,161</u>         |
| <b>Total External</b>   | <b><u>179,990</u></b>    | <b><u>34,161</u></b>     |
| <b>Internal</b>   |                          |                          |
| Accounts payable to other Federal Government departments and agencies | <u>61,561</u>            | <u>137,578</u>           |
| <b>Total accounts payable and accrued liabilities</b>                 | <b><u>\$ 241,551</u></b> | <b><u>\$ 171,739</u></b> |

## 8. Employee Future Benefits

a) Pension benefits: ORL employees participate in the Public Service Pension Plan, which is sponsored and administered by the Government of Canada. Pension benefits accrue up to a maximum period of 35 years at a rate of 2 percent per year of pensionable service, times the average of the best five consecutive years of earnings. The benefits are integrated with Canada/Québec Pension Plans benefits and they are indexed to inflation.

Both the employees and ORL contribute to the cost of the Plan. The 2007-08 expense amounts to \$219,650 (\$219,103 in 2006-07), which represents approximately 2.1 times (2.2 in 2006-07) the contributions by employees.

ORL's responsibility with regard to the Plan is limited to its contributions. Actuarial surpluses or deficiencies are recognized in the financial statements of the Government of Canada, as the Plan's sponsor.

b) Severance benefits: ORL provides severance benefits to its employees based on eligibility, years of service and final salary. These severance benefits are not pre-funded. Benefits will be paid from future appropriations. Information about the severance benefits, measured as at March 31, is as follows:

| (in dollars)                                   | <u>2008</u>              | <u>2007</u>              |
|--|--------------------------|--------------------------|
| Accrued benefit obligation, beginning of year  | \$ 307,043               | -                        |
| Expense for the year                           | <u>45,391</u>            | <u>\$ 307,043</u>        |
| <b>Accrued benefit obligation, end of year</b> | <b><u>\$ 352,434</u></b> | <b><u>\$ 307,043</u></b> |

## 9. Related party transactions

The Office of the Registrar of Lobbyists is related as a result of common ownership to all Government of Canada departments, agencies, and Crown corporations. ORL enters into transactions with these entities in the normal course of business and on normal trade terms. Also, during the year, ORL received services, which were obtained without charge from other Government departments as presented in part (a).

### (a) Services provided without charge:

During the year ORL received without charge from other departments, accommodation and the employer's contribution to the health and dental insurance plans. These services without charge have been recognized in the ORL Statement of Operations as follows:

| (in dollars)                              | <u>2008</u>              | <u>2007</u>              |
|---|--------------------------|--------------------------|
| Accommodation                             | \$ 252,992               | -                        |
| Employers contribution to insurance plans | <u>123,162</u>           | <u>\$ 107,512</u>        |
| <b>Total</b>                              | <b><u>\$ 376,154</u></b> | <b><u>\$ 107,512</u></b> |

The Government has structured some of its administrative activities for efficiency and cost-effectiveness purposes so that one department performs these on behalf of all without charge. The costs of these services, which include payroll and cheque issuance services provided by Public Works and Government Services Canada, are not included as an expense in ORL's Statement of Operations.

## 10. Comparative Information

Comparative figures have been reclassified to conform to the current year's presentation.