

# STANDARDS, PROCEDURES AND PUBLIC APPOINTMENTS COMMITTEE

## INQUIRY INTO LOBBYING

### SUPPLEMENTARY EVIDENCE FROM ALLIANCE FOR LOBBYING TRANSPARENCY

Following the evidence session on 16 January 2014, as part of the inquiry into lobbying, please find below supplementary information requested by the Committee on the costs associated with various overseas registers, and examples of registration forms from overseas registers.

#### **Information on the costs of registers overseas**

Below are the costs I have collated relating to various overseas registers. The figures are either from public sources or have been provided by officials in these countries, either directly or under freedom of information law.

#### **Canadian Registry of Lobbyists**

The UK government has stated that the Canadian system is overly costly. Lord Wallace, for example, described it as a 'large and expensive system'. Both he and the Leader of the House, Andrew Lansley, have claimed that it 'costs the equivalent of £3 million a year'.<sup>1</sup>

The government is right to point out that Canada has a robust system that puts a lot of information on lobbying activity in the public domain. However, according to the Office of the Commissioner of Lobbying of Canada, which administers the register:

An annual budget of \$1.1 million [£600,000] is spent on the administration of the Registry, including salaries for the equivalent of six full-time employees dedicated primarily to providing registration assistance for lobbyists. The budget covers between \$400,000 to \$500,000 [£220-270k] invested annually in technical work to maintain and upgrade the system.<sup>2</sup>

Changes to the Canadian law in 2005 led to the establishment of an entirely new register of lobbyists because of the extensive changes to registration requirements. Further amendments in 2008 also required a system redesign. The cost of these upgrades *combined* came to approximately CA\$2 million (£1.1m).<sup>3</sup> This gives us an indication of the scale of investment needed to introduce of a system of lobbying registration. These figures put the total costs of the Canadian system well below the UK government's estimate.

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<sup>1</sup> Committee (1st Day); Transparency of Lobbying, Non-Party Campaigning and Trade Union Administration Bill

<http://www.publications.parliament.uk/pa/ld201314/ldhansrd/text/131105-0001.htm#13110570000410>

<sup>2</sup> Office of the Commissioner of Lobbying of Canada: 'Administering the Lobbying Act', December 2011; <http://www.ocl-cal.gc.ca/eic/site/012.nsf/eng/00442.html>

<sup>3</sup> Office of the Commissioner of Lobbying of Canada: 'Administering the Lobbying Act', December 2011; <http://www.ocl-cal.gc.ca/eic/site/012.nsf/eng/00442.html>

## **Joint European Commission / Parliament transparency register**

The costs associated with the EU figure have not been published as far as we are aware. Following a request to the European Commission for information on the operating budget of the register, I was told it amounted to €130,000. No breakdown of this was available.

I have subsequently been contacted by a Commission official to clarify that this figure concerns IT maintenance only, not IT developments or human resources. I have been told that the equivalent of four full-time staff (two per institution) are employed to carry out the work associated with the Register. Their salaries or pay grades have not been released, nor the costs of IT development.

From this, however, it could be concluded that costs associated with the joint register are not vast. If you were to add the cost of 4 full time staff to the €130,000 in IT administration; and used the figures from the Canadian register as a guide to IT development expenditure, bearing in mind that the EU register is far less sophisticated than the Canadian one, the costs of the register would fall far short of the government's estimates for the UK system.

## **US register of lobbyists: costs**

The US Congressional Budget Office, an independent congressional support agency that specializes in budgetary and spending projections, said the following about the US's most recently passed lobbying law: "CBO estimates that Congressional offices and committees would spend about \$1 million annually to collect, maintain, and disseminate information provided by lobbyists". It is thought by people familiar with the US system that this is likely to a high estimate and it is likely to cost less.

## **Examples of registration forms overseas**

The Committee said it would be very helpful to have sight of a template registration form from Canada or the US. Exploring an already operating register is an effective way of understanding the value of lobbying registration, as well as getting a feel for the relatively light burden registration places on lobbyists.

Blank registration forms, however, are not readily available<sup>4</sup> from the various systems. In place of this, below are some sample completed forms for the purpose of demonstrating how registers work. I have pulled the filings of Philip Morris International (PMI) from the US and Canadian registers.

I have chosen PMI partly because it operates in both regions, but partly because it has also recently stepped up its lobbying in Scotland. This follows the decision by the Scottish Government in late 2013 that it would press ahead with plans to introduce plain packaging. In the absence of a Scottish lobbying register, PMI's lobbying activity in Holyrood is not openly declared, nor is the scale of the investment by the tobacco company known. It is only through investigation that this activity –

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<sup>4</sup> A sample form is embedded from page 52 of this official guide to the electronic filing system operating in the US: [http://lobbyingdisclosure.house.gov/ld\\_user\\_guide.pdf](http://lobbyingdisclosure.house.gov/ld_user_guide.pdf)

which includes events for MSPs, the lobbying of MSPs with industry-funded research, and a media campaign – is made public.<sup>5</sup>

By contrast, the registers in the US and Canada reveal a wealth of information on PMI's lobbying. For example, the US filing (no.1 below) shows that PMI spent \$2.7m in Q1 of 2013 lobbying on issues regarding immigration reform, a US law imposing new warnings on cigarette packaging, and 'US trade obligation issues related to excessive regulatory proposals'.

The US register also reveals that PMI hired a further 8 lobbying firms to assist its lobbying in 2013, such as American Continental Group. Its filing (no.2 below) shows that it alone was paid \$50,000 by PMI in Q3 of 2013 to lobby on issues including, Intellectual Property and 'Tax Policy and Reform'. This filing also shows the revolving door between this individual lobbying firm and the US government. In total, PMI spent over \$8m last year on lobbying in the US.

Similarly, the Canadian filing (no.3 below) shows that PMI subsidiary, Rothmans, Benson & Hedges Inc, has been lobbying 9 public bodies, including the Prime Minister's Office and Health Canada; seeking to influence 5 specific pieces of legislation; employing 8 registered lobbyists, including the President of the company and its Senior Legal Advisor.

You can search the US register for other filings [here](#), or the Canadian register [here](#).

**TAMASIN CAVE**  
**ALLIANCE FOR LOBBYING TRANSPARENCY**  
**10 FEBRUARY 2014**

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<sup>5</sup> Information on recent lobbying in Scotland by the tobacco industry to oppose plain packaging can be found here: [http://www.tobaccotactics.org/index.php/Plain\\_Packaging\\_Opposition\\_in\\_Scotland](http://www.tobaccotactics.org/index.php/Plain_Packaging_Opposition_in_Scotland)

**No.1: Sample US registration: Philip Morris International: in-house**  
 (pages 1-3 only. The rest of the filing can be found [here](#) on the US register)

Clerk of the House of Representatives Legislative Resource Center B-106 Cannon Building Washington, DC 20515 <a href="http://lobbyingdisclosure.house.gov">http://lobbyingdisclosure.house.gov</a>	Secretary of the Senate Office of Public Records 232 Hart Building Washington, DC 20510 <a href="http://www.senate.gov/lobby">http://www.senate.gov/lobby</a>
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**LOBBYING REPORT**

Lobbying Disclosure Act of 1995 (Section 5) - All Filers Are Required to Complete This Page

1. Registrant Name <input checked="" type="checkbox"/> Organization/Lobbying Firm <input type="checkbox"/> Self Employed Individual PMI Global Services Inc.			
2. Address Address1 1399 New York Avenue NW Address2 Suite 400 City Washington State DC Zip Code 20005 Country USA			
3. Principal place of business (if different than line 2) City New York State NY Zip Code 10017 Country USA			
4a. Contact Name Ms. Brandie Davis	b. Telephone Number 2024952665	c. E-mail brandie.davis@pmi.com	5. Senate ID# 400265213-12
7. Client Name <input checked="" type="checkbox"/> Self <input type="checkbox"/> Check if client is a state or local government or instrumentality PMI Global Services Inc.			6. House ID# 401470000

**TYPE OF REPORT**

8. Year 2013 Q1 (1/1 - 3/31)  Q2 (4/1 - 6/30)  Q3 (7/1 - 9/30)  Q4 (10/1 - 12/31)

9. Check if this filing amends a previously filed version of this report

10. Check if this is a Termination Report  Termination Date \_\_\_\_\_ 11. No Lobbying Issue Activity

**INCOME OR EXPENSES - YOU MUST complete either Line 12 or Line 13**

12. Lobbying INCOME relating to lobbying activities for this reporting period was: Less than \$5,000 <input type="checkbox"/> \$5,000 or more <input type="checkbox"/> \$ _____ Provide a good faith estimate, rounded to the nearest \$10,000, of all lobbying related income from the client (including all payments to the registrant by any other entity for lobbying activities on behalf of the client).	13. Organizations EXPENSE relating to lobbying activities for this reporting period were: Less than \$5,000 <input type="checkbox"/> \$5,000 or more <input checked="" type="checkbox"/> \$ 2,690,000.00 14. REPORTING Check box to indicate expense accounting method. See instructions for description of options. <input checked="" type="checkbox"/> Method A. Reporting amounts using LDA definitions only <input type="checkbox"/> Method B. Reporting amounts under section 6033(b)(8) of the Internal Revenue Code <input type="checkbox"/> Method C. Reporting amounts under section 162(e) of the Internal Revenue Code
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Signature Digitally Signed By: Brandie Davis, Director, U.S. Affairs Date 04/22/2013

# No.1: Sample US registration: Philip Morris International: in-house

Page 2

LD-2 Disclosure Form

22/01/2014 11:57

**LOBBYING ACTIVITY.** Select as many codes as necessary to reflect the general issue areas in which the registrant engaged in lobbying on behalf of the client during the reporting period. Using a separate page for each code, provide information as requested. Add additional page(s) as needed.

15. General issue area code IMM

16. Specific lobbying issues

Discussions related to reforms of the H-2A Visa Program for migrant farm workers as part of comprehensive immigration reform.

17. House(s) of Congress and Federal agencies  Check if None

U.S. HOUSE OF REPRESENTATIVES, U.S. SENATE,

18. Name of each individual who acted as a lobbyist in this issue area

First Name	Last Name	Suffix	Covered Official Position (if applicable)	New
Brandie	Davis			<input type="checkbox"/>
Jon	Huenemann			<input type="checkbox"/>

19. Interest of each foreign entity in the specific issues listed on line 16 above  Check if None

**LOBBYING ACTIVITY.** Select as many codes as necessary to reflect the general issue areas in which the registrant engaged in lobbying on behalf of the client during the reporting period. Using a separate page for each code, provide information as requested. Add additional page(s) as needed.

15. General issue area code TOB

16. Specific lobbying issues

Discussions related to the Sec. 911 of the Family Smoking Prevention and Tobacco Control Act (Public Law 111-31, 111th Congress) concerning modified risk tobacco products.

17. House(s) of Congress and Federal agencies  Check if None

U.S. HOUSE OF REPRESENTATIVES, U.S. SENATE

18. Name of each individual who acted as a lobbyist in this issue area

First Name	Last Name	Suffix	Covered Official Position (if applicable)	New
Brandie	Davis			<input type="checkbox"/>
Jon	Huenemann			<input type="checkbox"/>
Stephen	Jacobs			<input type="checkbox"/>

19. Interest of each foreign entity in the specific issues listed on line 16 above  Check if None

**No 2: Sample US registration: Philip Morris International: client of American Continental Group**  
 (pages 1-2 only. The rest of the filing can be found [here](#) on the US register)

LD-2 Disclosure Form

22/01/2014 12:00

Clerk of the House of Representatives Legislative Resource Center B-106 Cannon Building Washington, DC 20515 <a href="http://lobbyingdisclosure.house.gov">http://lobbyingdisclosure.house.gov</a>	Secretary of the Senate Office of Public Records 232 Hart Building Washington, DC 20510 <a href="http://www.senate.gov/lobby">http://www.senate.gov/lobby</a>
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**LOBBYING REPORT**

Lobbying Disclosure Act of 1995 (Section 5) - All Filers Are Required to Complete This Page

1. Registrant Name <input checked="" type="checkbox"/> Organization/Lobbying Firm <input type="checkbox"/> Self Employed Individual American Continental Group			
2. Address Address1 900 19th Street, NW Address2 Suite 800 City Washington State DC Zip Code 20006 Country USA			
3. Principal place of business (if different than line 2) City State Zip Code Country			
4a. Contact Name Ms. BETH ANNE COLE	b. Telephone Number 2023278100	c. E-mail cole@acg-consultants.com	5. Senate ID# 2057-1005662
7. Client Name <input type="checkbox"/> Self <input type="checkbox"/> Check if client is a state or local government or instrumentality PMI Global Services Inc.			6. House ID# 316480289

**TYPE OF REPORT** 8. Year 2013 Q1 (1/1 - 3/31)  Q2 (4/1 - 6/30)  Q3 (7/1 - 9/30)  Q4 (10/1 - 12/31)

9. Check if this filing amends a previously filed version of this report

10. Check if this is a Termination Report  Termination Date \_\_\_\_\_ 11. No Lobbying Issue Activity

INCOME OR EXPENSES - YOU MUST complete either Line 12 or Line 13	
12. Lobbying INCOME relating to lobbying activities for this reporting period was: Less than \$5,000 <input type="checkbox"/> \$5,000 or more <input checked="" type="checkbox"/> \$ <u>50,000.00</u> Provide a good faith estimate, rounded to the nearest \$10,000, of all lobbying related income from the client (including all payments to the registrant by any other entity for lobbying activities on behalf of the client).	13. Organizations EXPENSE relating to lobbying activities for this reporting period were: Less than \$5,000 <input type="checkbox"/> \$5,000 or more <input type="checkbox"/> \$ _____ 14. REPORTING Check box to indicate expense accounting method. See instructions for description of options. <input type="checkbox"/> Method A. Reporting amounts using LDA definitions only <input type="checkbox"/> Method B. Reporting amounts under section 6033(b)(8) of the Internal Revenue Code <input type="checkbox"/> Method C. Reporting amounts under section 162(e) of the Internal Revenue Code

Signature Digitally Signed By: David J. Urban - Managing Director Date 07/10/2013

## No 2: Sample US registration: Philip Morris International: client

Page 2 (table below details any prior public office – ‘covered official position’ – held by the lobbyist)

LD-2 Disclosure Form

22/01/2014 12:00

**LOBBYING ACTIVITY.** Select as many codes as necessary to reflect the general issue areas in which the registrant engaged in lobbying on behalf of the client during the reporting period. Using a separate page for each code, provide information as requested. Add additional page(s) as needed.

15. General issue area code CPT

16. Specific lobbying issues

Intellectual Property Enforcement.

17. House(s) of Congress and Federal agencies  Check if None

U.S. HOUSE OF REPRESENTATIVES, U.S. SENATE

18. Name of each individual who acted as a lobbyist in this issue area

First Name	Last Name	Suffix	Covered Official Position (if applicable)	New
Chris	Israel		US Court for Int'l IP Enforcement	<input type="checkbox"/>
Chris	Israel		Dep Chief of Staff, Dept of Commerce	<input type="checkbox"/>
Chris	Israel		Dep Asst Sec for Tech Policy, Dept of Commerce	<input type="checkbox"/>
David	Pearce		Legislative Counsel for US Rep Arno Houghton	<input type="checkbox"/>
David	Pearce		Legislative Counsel for US Rep Michael Castle	<input type="checkbox"/>
Shawn	Smeallie		Special Asst to Pres Bush for Legislative Affairs	<input type="checkbox"/>
Shawn	Smeallie		Special Asst to Director for Leg. Affairs at OMB	<input type="checkbox"/>
David	Urban		Chief of Staff, Senator Arlen Specter	<input type="checkbox"/>

19. Interest of each foreign entity in the specific issues listed on line 16 above  Check if None

# No. 3: Sample Canadian registration: Philip Morris International: in-house Page 1

Rothmans, Benson & Hedges Inc. / John Barnett, President - 12-Month...tration System - Office of the Commissioner of Lobbying of Canada 22/01/2014 11:53



Office of the Commissioner  
of Lobbying of Canada

Commissariat au lobbying  
du Canada

Français

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## 12-Month Lobbying Summary - In-house Corporation

[✉ Email](#)

### Rothmans, Benson & Hedges Inc. / John Barnett, President

● Currently active - Last Updated: **2013-04-15**

#### Who is lobbying?

##### Who is lobbying?

**Rothmans, Benson & Hedges Inc.** ([Address & business activities](#))

##### Responsible Officer Name

John Barnett, President

##### Business Relationships

**Rothmans, Benson & Hedges Inc.**  
is a subsidiary of the following  
parent companies

- Philip Morris International Inc.  
([Address information](#))

##### Received Government Funding

No

##### Beneficiaries of the Lobbying Activity

- Rothmans, Benson & Hedges Inc. does not have any subsidiaries that could have a direct interest in the outcome of the undertaking

#### What is being lobbied?

##### Subject Matters

- Agriculture
- Constitutional Issues
- Consumer Issues
- Financial Institutions
- Health
- Industry
- Justice and Law

##### Subject Matter Details

###### Legislative Proposal, Bill or Resolution

- Customs Act/Customs Tariff - with regard to customs duties on tobacco products.
- Excise Act, 2001 -with regard to tobacco duties, stamps or collection.
- Excise Tax Act - Part IX
- Income Tax Act - Part II

https://ocl-cal.gc.ca/app/secure/arl/lrrs/do/clnt5mmryj;sessionid=0Qy5qfDEcbOPL-WdH8I:-8AQ48?clientNumber=689&sMdky=1384069680979

Page 1 of 2

## No. 3: Sample Canadian registration: Philip Morris International: in-house Page 2

Rothmans, Benson & Hedges Inc. / John Barnett, President - 12-Month Registration System - Office of the Commissioner of Lobbying of Canada 22/01/2014 11:53

<p>Enforcement</p> <ul style="list-style-type: none"> <li>Small Business</li> <li>Taxation and Finance</li> </ul>		<p><b>Legislative Proposal, Bill or Resolution, Regulation</b></p> <ul style="list-style-type: none"> <li>The Tobacco Act - Tobacco Products Information Regulations and Tobacco Reporting Regulations</li> </ul>
<p><b>Who is being lobbied?</b></p> <p><b>Government Institutions</b></p> <ul style="list-style-type: none"> <li>Agriculture and Agri-Food Canada (AAFC)</li> <li>Canada Border Services Agency (CBSA)</li> <li>Canada Revenue Agency (CRA)</li> <li>Finance Canada (FIN)</li> <li>Health Canada (HC)</li> <li>Industry Canada (IC)</li> <li>Prime Minister's Office (PMO)</li> <li>Public Safety and Emergency Preparedness Canada (PSEPC)</li> <li>Royal Canadian Mounted Police (RCMP)</li> </ul> <p><a href="#">Communication techniques</a></p>	<p><b>Who are the lobbyists?</b></p> <p><b>List of Senior Officers whose lobbying activities represent less than 20% of their Duties</b></p> <ul style="list-style-type: none"> <li><b>John Barnett</b>, President   No public offices held</li> <li><b>Bob Carew</b>, Senior Legal Advisor   No public offices held</li> <li><b>Steve Chapman</b>, Manager Lab &amp; Regulatory Compliance   No public offices held</li> <li><b>Eunmi Chau</b>, Manager Taxation and Insurance   No public offices held</li> <li><b>Mike Klander</b>, Manager Corporate Affairs   No public offices held</li> <li><b>Edward McCloskey</b>, Manager Communications   No public offices held</li> <li><b>Martin Von Wuthenau</b>, Director Corporate Affairs   No public offices held</li> <li><b>Edward Woo</b>, Manager, Corporate Affairs   No public offices held</li> </ul> <p><b>List of Senior Officers and Employees whose lobbying activities represent 20% or more of their Duties</b></p> <p>No lobbyists added</p>	
<p>Registration number: 777267-689  <a href="#">View all registrations versions</a></p> <p><b>What oral and arranged communications have taken place?</b>            No monthly communications reports have been submitted for the last 12 months.  <a href="#">View all monthly communication reports</a></p>		

[Return to 12-Month Lobbying Activity Search Results](#)

Date Modified:  
2013-09-19