# SUMMARY

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## Big Oil's Political Reach

MAPPING FOSSIL FUEL LOBBYING FROM HARPER TO TRUDEAU

THIS STUDY PROVIDES A NETWORK ANALYSIS of federal lobbying by the fossil fuel industry in Canada over a seven-year period from 2011 to 2018. The period studied allows for a comparison of lobbying patterns under the Conservative government of Stephen Harper and the Liberal government of Justin Trudeau. The network this research uncovers amounts to a small world of intense interaction among relatively few lobbyists and the designated public office holders who are their targets. In comparing lobbying across the Harper and Trudeau administrations, we find a pattern of continuity-inchange: under Trudeau, the bulk of lobbying was carried out by the same large firms as under Harper while the focus of the lobbying network was concentrated on fewer state agencies. The study also examines the timing and intensity of lobbying across the sector and among select firms to the formation of important policy frameworks and in relation to specific projects such as pipeline proposals and decisions. We argue that the strategic,

organized and sustained lobbying efforts of the fossil fuel sector help to explain the past and continuing close coupling of federal policy to the needs of the fossil fuel industry.

### Lobbying and the fossil fuel sector

This study looked at contacts registered with the Office of the Commissioner of Lobbying of Canada and focuses on contacts made by the oil and gas industry. In Canada, the oil and gas industry dominates the lobbying agenda and within that sector lobbying activity is revealed to be concentrated in a handful of corporations and industry associations.

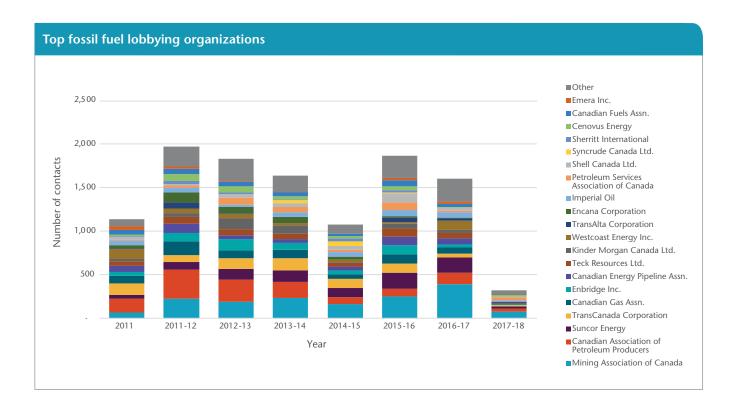
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Past empirical studies, cited in our research, show that lobbying increases when salient policy issues arise or when there are big stakes for organized interests. Our research demonstrates intensified lobbying by the fossil fuel sector, showing, for example, an increase in lobbying by the industry during the 2011-12 period when the Harper government made sweeping changes to the Canadian Environmental Assessment Act.

The research looks at the two ends of the lobbying relationship: the fossil fuel firms (and industry associations) doing the lobbying and their targets within the state.

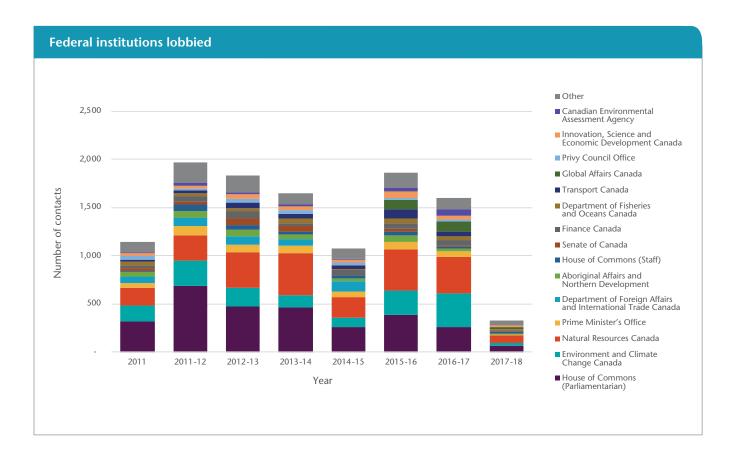




To track lobbying within the fossil fuel sector, we began with 260 organizations: the 239 fossil fuel companies based in Canada with assets of at least \$50 million and 21 carbon-sector industry associations. Of these, 32 companies and 14 industry associations were found in the Canadian Registry of Lobbyists. Examining the full seven-year period from January 4, 2011 to January 30, 2018, we found that:

- The fossil fuel industry in Canada recorded 11,452 lobbying contacts with government officials.
- When compared to other resource industry groups, including the forestry, automotive
  and renewable energy industries, fossil fuel industry associations are far more active in
  lobbying activity. The fossil fuel industry also lobbied the federal government at rates
  five times higher than environmental non-governmental organizations (ENGOs).
- Lobbying is highly concentrated among large fossil fuel firms and key industry associations with 20 organizations accounting for 88 per cent of the total lobbying contacts by the industry and the other contacts spread among 26 less active organizations.
- The leading lobbyists during this period were the Mining Association of Canada (MAC) and the Canadian Association of Petroleum Producers (CAPP), which contributed 1,596 and 1,268 contacts respectively, comprising a quarter of the total contacts. Both MAC and CAPP represent prominent fossil fuel firms.
- The four most active industry associations under both administrations are MAC, CAPP, the Canadian Energy Pipeline Association and the Canadian Gas Association, each of which represents very large corporations. Together they account for 76.8 per cent of all lobbying by 14 industry groups over the time period studied.

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### A troubling shift in lobbying patterns

To enable a further comparative analysis across the Harper and Trudeau administrations, the data are divided into two parts with the dividing point at November 4, 2015 when Trudeau's government took office. While the federal government was lobbied by the fossil fuel industry at similar rates across both the Harper and Trudeau administrations, a shift in the pattern of lobbying emerges when the two administrations are compared. Under Harper, we find a large number of contacts between lobbyists and elected officials, who were the most lobbied category when compared to senior public servants and mid-level government staff. Once Trudeau was elected, however, the focus of lobbying shifted away from parliamentarians and toward senior public servants or mid-level staff.

With the shift to Trudeau's government, senior government bureaucrats became the targets of extensive lobbying and at an increased rate when compared to the previous four years of this study. This pattern of shifting focus points toward a "deep state" whereby key government institutions and actors become integrated with private firms and interest groups that together co-produce regulation and policy. This pattern is concerning as it indicates that the influence of industry actors—like those in the fossil fuel sector—are likely to far outlast election cycles and potentially the stated platforms of elected officials and may undermine processes for meaningful consultation with First Nations peoples.

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### Our research found:

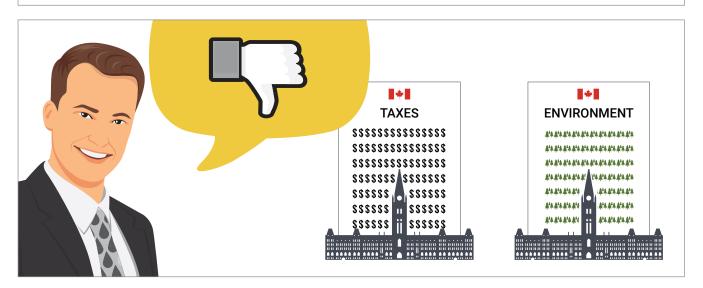
• In the Harper years, high volume lobbying activity was focused on Natural Resources Canada, the House of Commons and, to a lesser extent, Environment Canada, Foreign

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Affairs, Aboriginal Affairs and Northern Development, and the Prime Minister's Office. CAPP, MAC, TransCanada Corporation and several other firms maintained high-volume lobbying relationships with core state organizations during this period.

- Under Trudeau, high-volume lobbying relations continued to target Natural Resources
   Canada, the House of Commons and Environment Canada.
- Among the top 10 senior government bureaucrats who remained in their positions
  after the change in government, their annual contacts with the fossil fuel industry
  rose from an average of 144.5 contacts under Harper to 228.5 under the Trudeau
  government.
- Across both time periods we find a network core of a small world of leading industry
  associations and targeted offices and individuals within government that are in regular
  contact with each other.

## Lobbying intensifies when relevant policies are being drafted by government.



Studies have shown that higher levels of lobbying are related to lower tax rates, reduced environmental regulations and increased likelihood of government bailouts.



### Recommendations

While it is not possible to determine with certainty the extent to which lobbying by any one group or sector directly influences public policy outcomes, industry continues to find value in employing lobbyists to exert continual pressure on decision-makers to develop policies that align with their interests.

It is important to note that while lobbying can serve the public interest, the financial resources available to the fossil fuel industry seem to put those actors at a distinct advantage in the system as it is currently designed. Changes in the regulation and conduct of lobbying are needed to ensure that lobbying better serves the public's interest.

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The current federal Registry of Lobbyists does not require lobbyists to provide detailed information about their communications with state officials and there is a lack of detailed description in the current registry of the nature of meetings held. Additionally, the names of the individual lobbyists involved in meetings and the full disclosure of the costs of lobbying should be reported. Changes that enhance transparency in lobbying are necessary to help ensure that lobbying activities do not overly exert influence on government policy.

Transparency, while needed, will not be enough to level the playing field in a landscape with very powerful players like those representing big oil. Policies that would proactively support more equal access to political influence are needed to ensure industry is not over-represented when shaping policy. This could be accomplished through increased support for public interest or public advocacy lobbying by way of a model similar to that in place in British Columbia where the BC Office of the Seniors Advocate represents the interests of British Columbia seniors on issues of health care, housing, income, independence, transportation and mobility. Advocacy offices with similar powers could be created to address a range of major issues that matter to Canadians and would help even the balance of power that currently heavily favours corporations as we have clearly shown is the case for the fossil fuel sector.

In this time of climate crisis, transitioning away from fossil fuels in a rapid, democratic and socially just manner is required. If we do not acknowledge and address the influence that the fossil fuel industry holds over government policy, we will not be able to take the steps necessary to adequately address the crisis with the urgency it requires.

Table: Most contacted federal public office holders (January 4, 2011 to January 30, 2018)

DPOH Name	Title	2011	2011–12	2012–13	2013–14	2014–15	2015–16	2016–17	2017–18	Total
Mike Beale	ADM	43	84	40	41	33	46	41	11	339
Jay Khosla	ADM	19	21	28	58	24	52	43	6	251
Marlo Raynolds	Chief of Staff	0	0	0	0	0	51	67	7	125
Serge Dupont	DCPC	23	23	36	33	0	5	2	0	122
M. Campbell- Jarvis	ADM	0	0	8	23	25	31	25	0	112
Joe Oliver	Minister	25	35	32	8	12	0	0	0	112
Bob Hamilton	Deputy Minister	2	6	36	23	15	19	0	0	101
Mark Corey	ADM	28	41	27	0	0	0	0	0	96
Dave Forestell	Chief of Staff	21	54	20	0	0	0	0	0	95
Greg McFarlane	Chief of Staff	0	15	52	24	3	0	0	0	94
Christopher Praught	Advisor	3	7	34	22	19	0	0	0	85
James Carr	Minister	0	0	0	0	0	42	29	13	84
Michael Keenan	Deputy Minister	5	8	21	23	5	13	7	0	82
Jason Kenney	Minister	23	22	15	14	5	2	0	0	81
Guillaume Julien	Advisor	0	0	0	0	0	11	52	17	80
Stephen Lucas	Deputy Minister	1	6	11	12	5	11	30	1	77
Other	N/A	945	1,650	1,474	1,362	928	1,582	1,305	270	9,516
Total	1,138	1,138	1,972	1,834	1,643	1,074	1,865	1,601	325	11,452

Note: DCPC and ADM refer to Deputy Clerk of the Privy Council and Assistant (or Associate Assistant) Deputy Minister, respectively.



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