

Mapping Political Influence

Political donations and lobbying by
the fossil fuel industry in BC

By Nicolas Graham, Shannon Daub and Bill Carroll

MARCH 2017



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Summary

One of the most direct ways that corporations participate in the political process is through donations to political parties. Few believe that such donations are an act of altruism, or that they represent mere “gifts.”

THIS STUDY EXAMINES THE POLITICAL REACH AND INFLUENCE of the fossil fuel industry in British Columbia, as evidenced in donations to political parties and lobbying efforts by oil, gas and coal corporations and industry groups. It finds a remarkable and disturbingly close relationship between industry and the provincial government—one that not only contradicts the province’s stated aim to fight climate change but also undermines democracy and the public interest.

Political donations

One of the most direct ways that corporations participate in the political process is through donations to political parties. Few believe that such donations are an act of altruism, or that they represent mere “gifts.” Instead, corporate contributions can be understood to be either ideological or pragmatic.

Ideological contributions are directed to political parties whose policies favour corporate needs and wishes. Pragmatic donations are more tightly connected to the particular interests of the corporation, helping them gain personal access to politicians, and ensuring their views on key matters are heard.

This paper draws on data from two key sources to analyze fossil fuel industry money in BC politics: Elections BC’s Financial Reports and Political Contributions (FRPC) System, and a database of fossil fuel corporations being developed as part of a larger multi-year research initiative, the Corporate Mapping Project.

We examined all fossil fuel industry donations to the BC Liberals and the BC NDP (the two leading parties) between 2008 and 2015, a period that covers the last two election cycles. Our key findings include:

- Forty-eight fossil fuel companies and industry groups donated a total of \$5,180,480 to the two parties over this eight-year period. Of this total, 92 per cent (\$4,769,769) went to the BC Liberals.
- The top 10 fossil fuel industry donors account for more than three-quarters (78 per cent) of total donations, with the two top firms—Teck Resources and Encana—contributing nearly half.

- Among these top 10 donors, there is a distinct geography of giving, with the majority of firms headquartered in Calgary, Alberta. Only two of the companies—Teck Resources and FortisBC—are headquartered in BC, and one company—Spectra Energy—is headquartered in the United States. Chevron Canada and Imperial Oil are, however, foreign-controlled subsidiaries of US-based parent companies.
- In 2014 and 2015, newly formed LNG operators made significant donations. Pacific NorthWest LNG, Steelhead LNG, Prince Rupert Gas Transmission and Woodfibre LNG gave combined contributions of \$110,650 to the BC Liberals and \$15,500 to the BC NDP.

Lobbying

Donations to BC political parties from fossil fuel firms allow corporations to secure access to key political decision-makers. They therefore work in tandem with, or may even be considered as part of, the lobbying process.

Information on lobbying became publicly available in BC starting in 2010 under a newly introduced Lobbyists Registration Act. The act requires lobbyists to register and report whenever they communicate with or intend to communicate with a public office holder in a lobbying effort. (Unfortunately, the act doesn't distinguish between actual and intended lobbying—thus all figures referenced here include both.)

We conducted an exhaustive search of the registry and found 43 fossil fuel corporations and industry groups with registered lobbying efforts between April 2010 and October 2016. Comprehensive data were gathered for the 10 most active organizations, which together account for more than three-quarters of the lobbying by the fossil fuel sector:

- The top 10 fossil fuel firms reported a total of 19,517 lobbying contacts with BC public office holders between 2010 and 2016. That's an average of 14 lobbying contacts per business day.
- There is substantial overlap between giving and lobbying, with seven of the top 10 political donors also ranking among the top 10 most active lobbyists.
- The amount of lobbying by environmental non-governmental organizations (ENGOS) pales in comparison. There are only eight such organizations with active lobbying efforts, reporting a total of 1,324 contacts over the same period.

Twenty-eight per cent of lobbying by the top 10 most active lobbyists is with cabinet ministers—an unrivalled level of access.

- Rich Coleman, Minister of Natural Gas Development (and Responsible for Housing), is the most targeted minister with 733 reported contacts by the top 10 firms. This amounts to an average of nearly three contacts per week for Coleman alone.
- The next most contacted are Premier Christy Clark (618 contacts), Minister of Energy and Mines Bill Bennett (437), Environment Minister Mary Polak (354) and Finance Minister Mike de Jong (330).

Almost half (48 per cent) of lobbying contacts are with ministries and government agencies (at the staff level, such as with deputy ministers).

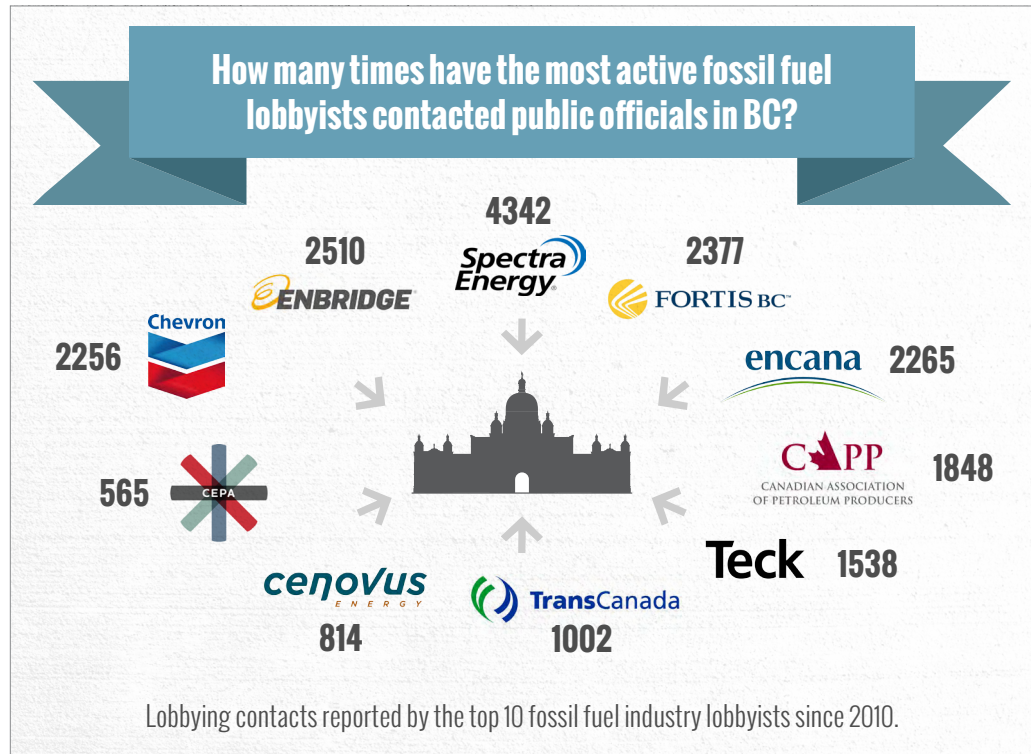
- The central lobbying targets are the Ministries of Energy and Mines, Natural Gas Development, and Environment. The Oil and Gas Commission (OGC) also figures

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prominently—the registry data show 984 contacts by the top 10 firms. The Ministry of Aboriginal Relations and Reconciliation, Ministry of Finance, and Ministry of Forests, Lands and Natural Resources also attract considerable attention.

- It is striking how many lobbying ties lead to the Ministry of Environment, whose responsibilities ought to be quite distinct from “dirt ministries” (like Energy and Mines), which typically facilitate business investment.

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The remaining 24 per cent of contacts are with MLAs.

- Spectra Energy and Teck Resources are particularly active with MLAs—unlike others in the top 10, the majority of their total lobbying contacts are with MLAs. This focus on MLAs may reflect the nature of their business operations, which are spread throughout the province.
- Both NDP and Liberal MLAs are heavily targeted. This is especially the case with the past and current leaders of the BC NDP, Adrian Dix and John Horgan, who are among the top three most contacted.

Oil and gas industry associations play an important role in lobbying efforts:

- Associations like the Canadian Association of Petroleum Producers (CAPP) and the Canadian Energy Pipeline Association (CEPA) are central to the network of lobbyists and are far more active than other resource and manufacturing associations in the province.
- In less than a one-year period (October 2015 to August 2016), CAPP reported 201 expected lobbying contacts with government ministers and agencies in relation to development of the provincial government’s Climate Leadership Plan, which has been widely condemned as doing little to meaningfully tackle climate change.
- Alex Ferguson, the commissioner and CEO of the Oil and Gas Commission from 2006 to 2011, reported lobbying his former organization 19 times on behalf of CAPP.

Considering that a handful of organizations and state officials are the target of most lobbying by the fossil fuel industry, the network amounts to a small world, dominated by the few large corporations that control much of this economic sector. While it is not possible to determine the extent to which a given lobbying effort directly influences a specific policy outcome, what shines through is the extent to which well-funded and well-organized corporations (and their industry associations) exert continual pressure on, or work in tandem with, key decision-makers to develop policies that align with their interests.

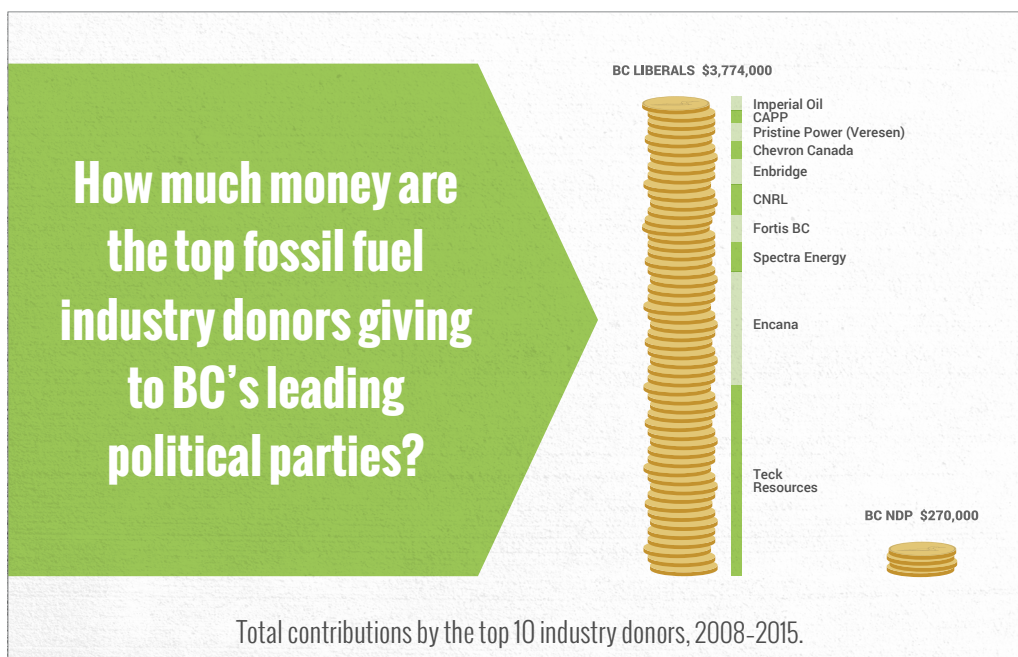
Recommendations

The fossil fuel industry is a major and consistent donor to the ruling BC Liberal Party, which has received nearly \$5 million from oil, gas and coal corporations and industry groups over the course of two provincial election cycles. Such donations help secure access to key decision-makers and offer the opportunity to exercise political influence, such as through lobbying.

BC stands out in Canada in terms of its weak regulations against corporations influencing public policy. At a minimum, and as an urgent priority, the provincial government should:

- Following the 2017 election’s conclusion, ban corporate and union donations to political parties outright, including the purchase of tickets to fundraising events and donations to party leadership campaigns. Individual donations should also be limited to people whose primary residence is in BC, and these should be capped at a modest level that prevents those with deep pockets from skewing the democratic process in their favour.
- Overhaul the Lobbyists Registration Act, which creates major loopholes that impede true transparency. A full review is warranted, but at minimum, lobbyists should be required to report who they have lobbied (rather than to list who they expect to lobby), including the specific date of a given communication and a more detailed description of the type of contact that occurred and its subject matter. Lobbyists should also be required to disclose meetings initiated by public officials. And disclosure of the costs of lobbying—fees paid to professional lobbyists and firms by clients—should be reported.

BC stands out in Canada in terms of its weak regulations against corporations influencing public policy.



Introduction

Current policy in the province primarily reflects the interests of domestic and foreign extractive corporations, which can most clearly be seen in the government's strong advocacy for the development of an LNG export industry.

THE SCIENTIFIC CONSENSUS HOLDS that to remain within 1.5 to 2 degrees of warming and thus avoid catastrophic climate change, a rapid shift away from fossil fuels is required over the next three decades. Despite Canada's ratifying of the Paris Agreement on climate change in 2016, and its commitment to reduce greenhouse gas emissions by 30 per cent below 2005 levels by 2030, plans to significantly expand fossil fuel development continue apace. While the Alberta tar sands represent one of the world's largest stores of fossil fuel reserves, BC is also home to significant reserves, in particular coal and natural gas. If proposed liquefied natural gas (LNG) processing and export facilities come to fruition, they would represent a major new source of emissions. BC is also traversed by numerous existing and proposed oil and gas pipelines, including Kinder Morgan's highly controversial Trans Mountain pipeline, which it is seeking to expand in order to facilitate export of Alberta tar sands oil.

At this climate crossroads any realistic strategy for tackling climate change must involve a gradual wind-down, rather than expansion, of fossil fuel industries, leaving the majority of oil, gas and coal reserves in the ground and fully transitioning to renewable energy sources.¹ BC's 2008 Climate Action Plan and the introduction of a province-wide carbon tax offered some positive steps in this direction. However, the provincial government's appetite for meaningful action proved short-lived. Current policy in the province primarily reflects the interests of domestic and foreign extractive corporations, which can most clearly be seen in the government's strong advocacy for the development of an LNG export industry.

This study investigates the political reach and influence of the fossil fuel sector on the BC government and its political leadership, as evidenced in political donations and lobbying efforts by the industry. It begins with a brief overview of fossil fuel extraction and production in BC, and key federal and provincial policies that enable their development. After highlighting the active role played by the government in facilitating the growth of the fossil fuel industry, it examines industry donations to the two leading political parties in the province—the BC Liberal Party and the BC New Democratic Party—between 2008 and 2015. It then takes an in-depth look at lobbying efforts by oil, gas and coal companies from 2010 to 2016. Finally, the paper considers the implications of these corporate methods of political influence, which are a significant obstacle to the rapid transition away from fossil fuels that is required if we are to take the science of climate change seriously.

¹ In a September 2016 study, Oil Change International found that between 68 and 85 per cent of known fossil fuel reserves must remain in the ground if we are to have a realistic chance of limiting global warming to 1.5 to 2 degrees Celsius (Muttitt, 2016).

BC's oil, gas and coal industries

BRITISH COLUMBIA HAS A LONGSTANDING FOSSIL FUEL INDUSTRY that includes oil, gas and coal. Oil production occurs exclusively in the northeast of the province and averages about 30,000 barrels a day, or about one per cent of Canada's production.² In addition to oil, 43 per cent of Canadian coal production occurs in BC. The majority of this is metallurgical (steel-making) coal, most of which is exported, especially to Asia.³ Prices for metallurgical coal have, however, steadily decreased in recent years due to oversupply in coal and steel markets. In the face of shrinking markets, rates of coal production have slowly decreased in the province, and exploration expenditures in 2015 were less than half that of 2012.⁴

Nearly 30 per cent of Canadian gas production occurs in BC, with most of the remaining taking place in Alberta (almost two-thirds) and just 6 per cent in the rest of Canada.⁵ With declining conventional reserves, the potential for future extraction lies in developing shale and tight gas, found in four substantial areas in BC: the Montney Formation, the Horn River Basin, the Cordova Embayment and the Liard Basin.⁶ These unconventional reserves have become accessible at a relatively low cost due to innovations in hydraulic fracturing or fracking.⁷

With declining conventional reserves, the potential for future extraction lies in developing shale and tight gas.

2 Andrew Farris, "Oil," Energy BC, 2012, <http://www.energybc.ca/profiles/oil.html>.

3 Coal Association of Canada's fact sheet on coal mining in Canada, accessed June 10, 2016, <http://www.coal.ca/production/>. Currently, most coal mining occurs in the Rocky Mountain belt of eastern British Columbia. Farther west, coalfields are found in the interior of the province and on both Vancouver Island and Haida Gwaii. In southeastern BC, coal deposits are found in the Flathead, Crowsnest and Elk Valley coalfields. Teck Resources, the world's second-largest exporter of metallurgical coal, operates five large open-pit coal mines in the Elk Valley area (Ministry of Energy and Mines, 2016). Deposits in northeastern BC are in the Foothills and Plains coalfields, commonly referred to as the Peace coalfield.

4 Ministry of Energy and Mines, 2016.

5 Hughes, 2015.

6 Optimistic estimates suggest that up to 449 trillion cubic feet of marketable gas is contained in the Montney Formation with a further 78 trillion cubic feet, in the Horn River Basin, putting them on par with some of the larger basins in the United States (National Energy Board, 2013). This amounts to 71 per cent of the remaining recoverable gas in the Western Canada Sedimentary Basin, which contains the bulk of Canada's gas resources.

7 It should be noted that this "low cost" to industry is made possible only by externalizing the true costs: cheap energy and water, plus the unknown and immeasurable costs of groundwater pollution and earthquakes.

Since 2007, shale gas production has steadily increased, growing by over 60 per cent by 2016.⁸ Nearly half of the gas produced in BC moves by pipeline to Alberta, where the biggest industrial user is the tar sands industry. There, natural gas is burned as an energy source to mine bitumen (a mixture of sand, clay, and water saturated with a dense and extremely viscous form of petroleum); the liquids and by-products from burning the gas are also used to dilute bitumen so that it can flow through pipelines. An additional 15 per cent of BC's gas is consumed within the province, and 20 per cent is exported to the US Pacific Northwest. The remaining 20 per cent is attributed to total field losses, including flaring.⁹

The discovery of major unconventional reserves throughout North America has resulted in depressed natural gas prices throughout the region.¹⁰ Facing a North American gas glut, and to benefit from what appeared a few years ago to be a substantial markup between North American natural gas prices and those in Asia, BC's provincial government began aggressively pursuing the development of a number of LNG export facilities on the West Coast aimed at reaching Asian markets (discussed further in the next section). The development of a large-scale LNG export industry would require a massive expansion of fracked gas production in BC's northeast, a region covered by the traditional territories of First Nations. Licences and permits for exports are granted by the National Energy Board (NEB), which has to date approved 18 LNG export terminals in BC.¹¹ As a result, the province has seen some foreign investment and the announcement of joint ventures between large global oil and gas companies.¹²

Despite the government's aggressive pursuit and promotion of LNG, only one of the approved export terminals—the relatively small Woodfibre LNG project in Squamish—is currently slated to move ahead with development. Beyond this terminal, companies have postponed locking in financial decisions in the face of highly unfavourable market conditions. The low prices for LNG are expected to stagnate for years or to become as volatile as oil. Moreover, new LNG terminals already developed in Australia, Papua New Guinea and Angola have created an oversupply, while demand is falling in key markets like Japan, South Korea and China.¹³

8 Lee, 2017.

9 Stephenson, Doukas and Shaw, 2012.

10 Boersma and Johnson, 2012.

11 For a list of export licences approved and currently under review by the NEB, see "Export and Import Licence Applications," NEB, last modified February 7, 2017, <https://www.neb-one.gc.ca/pplctnflng/mjrpp/lngxprtlncc/index-eng.html>.

12 Aside from initial site preparation, to date there has been no actual sunk capital in these proposed projects. Companies have, however, purchased stakes in properties in the region (held mainly by Canadian gas and oil companies). For example, in 2010, Encana signed an agreement with Korea Gas that saw the Asian company buy a 50 per cent stake in properties in the Horn River Basin and Montney shale gas plays in BC. In August 2010, Penn West Energy Trust entered a gas joint venture with Japan's Mitsubishi Corporation to develop properties in the northeastern corner of BC. Malaysia's national oil company, Petronas, is investing \$1.07 billion to gain access to shale gas assets in northeastern BC.

13 Lee, 2014b.

The role of government in enabling fossil fuel development

THE BOOM IN UNCONVENTIONAL FOSSIL FUELS—especially bitumen from the Alberta tar sands and shale gas—has precipitated changes to the structure and composition of the Canadian economy, steadily elevating the importance of hydrocarbon resource extraction as a core industry.¹⁴ Indeed, by 2010 Alberta had eclipsed Ontario as the province with the largest share of the nation’s capital stock.¹⁵ As of 2014 the extractive sector accounted for nearly 25 per cent of private investment, up from less than 5 per cent in the early 1990s.¹⁶ With this shift has come a spate of federal regulatory rollbacks and new policies aimed at facilitating oil and gas development.¹⁷

Most notably, amendments in 2012 to the Canadian Environmental Assessment Act eliminated much of the core of federal-level environmental assessment in Canada.¹⁸ The amendments were characterized by then-Natural Resources Minister Joe Oliver as streamlining a “cumbersome” review process.¹⁹ In practice, the changes meant that approximately 90 per cent of major industrial projects that would previously have undergone a federal environmental review no longer do.²⁰ In the case of large pipelines and energy infrastructure projects, which cross provincial and international borders, the 2012 changes transferred responsibility for environmental assessments from the Canadian Environmental Assessment Agency to the NEB, which must also conduct its own “national interest” assessment.²¹

In BC, the pursuit of fossil fuel development is characterized by a tight coupling between the current provincial government and the needs of extractive corporations. Under the previous NDP

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14 MacNeil, 2014. “plainCitation”: “(MacNeil 2014

15 McCormack and Workman, 2015.

16 Pineault, 2016.

17 Carter, 2014.

18 Gibson, 2012.

19 Davidson, 2012.

20 Johnston, 2015.

21 The Trudeau Liberals have promised to revamp existing environmental assessment processes, and as of January 2016, they’ve announced additional steps for oil and gas pipeline projects currently undergoing regulatory review.

In addition to creating the legal and regulatory frameworks that support growing exploration and production, the provincial government has played a central role in seeking to legitimate fossil fuel extraction.

government, BC began the process of streamlining its fossil fuel sector by forming the Oil and Gas Commission (OGC) in 1998, which is funded by industry through industrial fees and levies.²² Following its election in 2001, the new BC Liberal government embarked on a program of dramatic cuts to the public sector—including reductions to the monitoring and enforcement of environmental and safety regulations in resource industries—along with rollbacks of environmental laws and successive rounds of restructuring the so-called dirt ministries (i.e., those having to do with environment and resources). With the downsizing of provincial ministries came a greater reliance on the OGC for expertise.²³ The OGC became a “one-stop shop” for industry, responsible for “reviewing and assessing applications for industry activity, consulting with First Nations, ensuring that industry complies with provincial legislation and all regulatory requirements and cooperating with partner agencies.”²⁴

In 2003, the Province launched its BC Oil and Gas Development Strategy, which included industry subsidies such as road infrastructure credits and royalty reductions, designed to optimize the operating environment for extractive industries. The 2008 Oil and Gas Activities Act further redefined the roles and responsibilities of the BC OGC, providing it with stronger enforcement powers and greater authority over a wide range of oil and gas activities.

The later 2000s and the 2010s saw the provincial government focus increasingly on supporting the growing shale gas industry in BC’s northeast. In 2012 the government introduced both its Natural Gas Strategy and its Liquefied Natural Gas Strategy. The government refined and expanded these in 2013 and created a new Ministry of Natural Gas Development (and Responsible for Housing). In late 2014, in an effort to entice LNG developers despite poor global market conditions, the Province lowered and then locked in a near-negligible LNG tax rate for 25 years, and brought in a corporate income tax credit for LNG producers and other industry subsidies.²⁵ In addition to creating the legal and regulatory frameworks that support growing exploration and production, the provincial government has played a central role in seeking to legitimate fossil fuel extraction. Nowhere is this more visible than in the case of shale gas and LNG, where the government has worked tirelessly to build social licence for exports by promoting and exaggerating the industry’s economic and environmental benefits.²⁶ It has also sought to dismiss and discredit critics concerned with the social and environmental consequences of carbon extraction.²⁷

What explains this close coupling between BC’s provincial government and the fossil fuel industry? There are numerous possible explanations, including ideological alignment between industry and political leaders, the sheer economic power of the industry in a province whose economy has traditionally been reliant on resource extraction, and/or the many ties that knit together corporations and economic elites with government leaders and managers in what can be viewed as a

22 Parfitt, 2011.

23 Garvie and Shaw, 2014.

24 “About Us,” BC Oil and Gas Commission, accessed September 22, 2016, <https://www.bcogc.ca/about-us>.

25 The BC government estimates it will collect \$139 million in royalties from natural gas in 2015/16, already factoring in the credits it provides industry for deep drilling and road infrastructure assistance. Natural gas royalties have plummeted in BC since 2008/09 despite substantial increases in production levels. See Lee (2017). In October 2014 the BC Liberal government cut its proposed LNG income tax in half (from 7 to 3.5 per cent). This made its already highly unlikely claim of a \$100 billion “Prosperity Fund” arising from LNG over 30 years (Office of the Premier, 2013) even more far-fetched. In addition to a reduced LNG income tax, companies can deduct the full capital costs of their LNG plant investment before they pay the full tax (locked in at 3.5 per cent) (Lee 2014a).

26 For detailed assessments of the provincial government’s claims about LNG, see Hughes (2015) and Lee (2015, 2016).

27 The BC government has referred to critics of LNG development as the “forces of no,” a label designed to divide Canadians on the issue of LNG and cast opponents as irrationally opposed to all development (Meissner, 2016).

“state-capital nexus.”²⁸ We investigate a further related dynamic—the direct political influence exerted by corporations via donations to political parties and lobbying of public officials. Because these are regulated—at least to some extent—they provide a visible means by which to measure corporate influence.

28 Van Apeldoorn and de Graaff, 2012.

Donations by the fossil fuel industry to BC political parties

Remarkably, BC is also one of the few jurisdictions in Canada that does not limit either foreign political donations or donations from outside of the province.

ONE OF THE MOST DIRECT WAYS THAT CORPORATIONS participate in the political process is through political party donations. A standard response from corporations as to why they donate is that they are contributing to the “democratic process” or demonstrating good corporate citizenship. Few believe, however, that donations are an act of altruism, or that they represent mere “gifts.” Instead, business contributions are recognized to be “interested gifts”²⁹ for which corporations expect general policy returns.³⁰

Donations, in this view, can be understood to stem from either ideological or pragmatic considerations.³¹ Ideological contributions are directed to political parties perceived by corporations as advancing policies that prioritize their needs and wishes, regardless of a party’s position or record on specific matters. Conversely, such ideological contributions may also serve to keep parties viewed as inhospitable to corporate interests out of power. Pragmatic donations, on the other hand, are more tightly connected to the particular interests of the corporation and are aimed at securing contracts, specific government policies or access to politicians. Such donations do not necessarily result in specific actions being taken by governments—but what they do afford is *access* to key decision-makers. Large and consistent donations help corporations gain personal access to politicians and ensure their views on key matters are heard.

As of 2003, campaign finance legislation in Canada barred corporations and unions from making federal-level donations. Yet several Provinces, including BC, place no limits on how much corporations can donate to political parties or candidates.³² Remarkably, BC is also one of the few jurisdictions in Canada that does not limit either foreign political donations or donations from outside of the province.

Using Elections BC’s Financial Reports and Political Contributions (FRPC) System, we gathered data of all political donations by fossil fuel companies and organizations to the two leading political

29 Ansolabehere, de Figueiredo and Snyder, 2003.

30 Brownlee, 2005.

31 Enoch, 2012; McMenamin, 2012.

32 In addition, Saskatchewan, Newfoundland and Labrador, the Yukon and Prince Edward Island do not have donation limits on how much money unions, corporations or individuals can give to political parties. While Saskatchewan allows contributions from outside the province, it requires that the contributor be a Canadian resident, company or citizen.

parties in the province—the BC Liberal Party and the BC New Democratic Party (NDP)—between 2008 and 2015. These include companies involved in fossil fuel production (conceived broadly to include the extraction, transport, refining and distribution of oil, gas and coal), as well as industry associations representing the interests of the sector. The selected time period covers two electoral cycles (2009 and 2013) and also corresponds to the steady increase in natural gas production within the province, which began in earnest in 2008/09. We did not include BC’s third political party of significance, the BC Greens, since it receives a negligible amount of corporate donations.³³

Donations data revealed 48 fossil fuel companies and industry groups that made contributions over this eight-year period. In total, these firms donated \$5,180,480. This accounts for just under 10 per cent of all donations from corporations and business associations. It is just over half the total donations made by real estate firms, which are the largest sectoral contributors, giving approximately \$9.1 million during the same period.

As Table 1 shows, contributions from the 48 firms are concentrated in a few donor organizations, and they are largely directed to the BC Liberals. The top 10 corporations represent 21 per cent of the total number of firms in our sample (48), but they account for 78 per cent of contributions from the fossil fuel industry. The top two firms alone—Teck Resources and Encana—account for nearly half (48 per cent) of the fossil fuel industry’s donations during this period.

Table 1: Top 10 fossil fuel industry donors to the BC Liberals and BC NDP, 2008–15

Company/Organization	BC Liberals (\$)	BC NDP (\$)	Total (\$)	Headquarters	Primary activity
Teck Resources	1,502,444	60,090	1,562,534	Vancouver, BC	Mining (diversified)
Encana	896,466	63,775	960,241	Calgary, AB	Oil and gas production
Spectra Energy	232,955	51,725	284,680	Houston, TX	Oil and gas pipelines
FortisBC	210,073	56,440	266,513	Surrey, BC	Gas distribution
Canadian Natural Resources Ltd.	242,000	5,500	247,500	Calgary, AB	Oil and gas production
Enbridge	198,415	12,650	211,065	Calgary, AB	Oil and gas transport
Chevron Canada	140,363	9,675	150,038	Calgary, AB & Vancouver, BC	Oil and gas production and retail
Pristine Power (Veresen)	137,475	0	137,475	Calgary, AB	Gas transport and distribution
Canadian Association of Petroleum Producers (CAPP)	101,950	10,375	112,325	Calgary, AB	Oil and gas lobby
Imperial Oil	111,790	0	111,790	Calgary, AB	Oil and gas production and retail
Top 10 total donations	\$3,773,931	\$270,230	\$4,044,161		

Source: Elections BC’s Financial Reports and Political Contributions (FRPC) System.

³³ In September 2016, the BC Green Party also announced that it would no longer accept any donations from corporations or unions.

Donations data revealed 48 fossil fuel companies and industry groups that made contributions between 2008 and 2015, totalling almost 5.2 million.

Among these top donors, there is a distinctive geography of giving, with firms mostly headquartered in Calgary, Alberta. Only two of the companies—Teck Resources and FortisBC—are headquartered in BC, and one company—Spectra—is headquartered outside of Canada.³⁴ Chevron Canada and Imperial Oil are, however, foreign-controlled subsidiaries of US-based parent companies.³⁵ Five of the top donors—Teck Resources, Encana, Canadian Natural Resources, Enbridge and Imperial Oil—rank among the top 10 most profitable Canadian fossil fuel corporations.³⁶

In addition to these 10 companies and associations, there are substantial donations from oil and pipeline companies without significant operations in BC, but whose “adjacent interests” (i.e. the desire for oil from Alberta tar sands to reach BC “tidewater”) are presumed to motivate giving. In this category of donors, notable contributions (again, with the vast majority directed to the BC Liberals) over this period came from Cenovus Energy (\$85,425) and MEG Energy (\$65,510). Texas-based Kinder Morgan also gave \$20,000 and Suncor gave \$60,420. In 2014–15 newly formed LNG operators made significant donations; Pacific NorthWest LNG, Steelhead LNG, Prince Rupert Gas Transmission, and Woodfibre LNG gave combined contributions of \$110,650 to the Liberals and \$15,500 to the NDP.

More interesting perhaps is the annual breakdown of donations and how they are dispersed between political parties. As indicated in Table 2, the vast majority of political donations—92 per cent—went to the BC Liberals, the ruling party in the province since 2001.

Table 2: Political donations from the fossil fuel industry to BC Liberals & BC NDP, 2008–15

Year	BC Liberal Party's % of donations	BC NDP's % of donations	Total donations (\$)
2008	100%	0	238,321
2009	98%	2%	608,066
2010	98%	2%	673,925
2011	98%	2%	733,501
2012	87%	13%	746,732
2013	78%	22%	1,026,245
2014	95%	5%	715,990
2015	95%	5%	437,700
Total	92%	8%	\$5,180,480

34 Spectra operates natural-gas pipelines throughout North America, including a system in BC that stretches from Fort Nelson to the Canada-US border and accounts for 55 per cent of gas produced in the province. At the time of writing, Enbridge is in the process of a friendly takeover of Spectra, which will create “a \$12 billion energy infrastructure company” (Pulsinelli, 2016).

35 Chevron Canada has two components - Chevron Canada Resources, headquartered in Calgary, and Chevron Ltd, headquartered in Vancouver. Both are wholly owned subsidiaries of Chevron Corp, headquartered in California.

36 As of 2014, these are the top 10 fossil fuel companies in Canada, based on US revenue (in 1,000s):

- 1 Suncor Energy (\$34,487,065)
- 2 Enbridge (\$32,474,298)
- 3 Imperial Oil (\$31,236,313)
- 4 Husky Energy (\$20,785,069)
- 5 Cenovus Energy (\$16,945,887)
- 6 Canadian Natural Resources Ltd. (\$16,273,815)
- 7 Shell Canada (\$12,575,966)
- 8 TransCanada (\$8,786,980)
- 9 Encana (\$7,644,712)
- 10 Teck Resources (\$7,418,679)

While the NDP received a mere 8 per cent of total donations from fossil fuel corporations and industry groups between 2008 and 2015, donations spiked in 2012 and 2013, with the party receiving 13 per cent and 22 per cent of the total share in those respective years. Firms were “hedging” donations in advance of the 2013 election, in which fossil fuel development (especially shale gas and LNG) became a central election issue, and which the NDP was widely predicted to win. Hedged donations indicate a pragmatic donation strategy—in the run-up to the election, funds were distributed based on the potential of short-term changes in the distribution of political power. Indeed, companies not only increased the size of donations to the NDP in advance of the election, but more companies gave to both parties. In 2011 only 15 per cent of fossil fuel corporations gave to both the NDP and the Liberals, whereas in 2012, 75 per cent gave to both parties, and in 2013, 64 per cent gave to both.³⁷ These contributions to the NDP occurred alongside continued high levels of financial support to the corporate-oriented Liberal party, reflecting industry’s ongoing general ideological alignment with that party.

Donations from fossil fuel firms also doubled in 2009 compared to 2008, and remained high thereafter before spiking again in 2013. This period parallels increasing rates of natural gas production, and the introduction of regulations that were implemented only slowly and reactively in response to the growth in unconventional gas development.³⁸

Facing increased public scrutiny and criticism surrounding corporate political contributions, the BC Liberal Party recently made an early disclosure of its donations for 2016, which would not usually be submitted to Elections BC until March 31. While we cannot draw comparisons with the NDP, which has not yet released its funding results, the pattern of donations from fossil fuel organizations to the BC Liberal Party in 2016 is consistent with that of previous years, as contributions are concentrated in the same few donor organizations. Teck Resources and Encana continue to be the top fossil fuel industry donors, giving \$133,250 and \$65,250 respectively. The next largest donations come from FortisBC (\$35,390), Chevron Canada (\$29,880), Imperial Oil (\$23,000), Woodfibre LNG (\$21,000), AltaGas (\$19,475), Spectra Energy (\$19,400), TransCanada (\$16,850), Steelhead LNG (\$15,500), Canadian Natural Resources (\$12,200), CAPP (\$11,225) and Enbridge (\$9,600).

Hedged donations indicate a pragmatic donation strategy—in the run-up to the election, funds were distributed based on the potential of short-term changes in the distribution of political power.

37 The BC NDP party has committed to banning corporate and union donations if in power and has tabled several private members’ bills that propose such a ban, but it continues to accept donations as the official opposition. The acceptance of donations is deemed necessary to compete with the Liberals (CBC News, 2016).

38 Garvie and Shaw, 2014.

Political lobbying by the fossil fuel industry

There is substantial overlap between giving and lobbying, with seven of the top 10 political donors also ranking among the top 10 most active lobbyists.

DONATIONS TO BC POLITICAL PARTIES FROM FOSSIL FUEL FIRMS allow corporations to secure access to key political decision-makers. They therefore work in tandem with or may be considered as part of the lobbying process.³⁹ Part of the benefit of financial contributions may be an increased likelihood of successful lobbying.

Information on lobbying became publicly available in BC starting in 2010 under a newly introduced Lobbyists Registration Act. The act requires lobbyists to register and report whenever they communicate with or intend to communicate with a public office holder in a lobbying effort. These reported activities are made publicly available in an online registry. Public office holders are defined in the act as including ministers, deputy and associate deputy ministers, ministry staff and members of the legislature (MLAs), as well as crown corporations and provincial regulators at organizations such as the Oil and Gas Commission and Agricultural Land Commission. Communications refer to meetings, as well as written communications and reports sent to public officials.

Unfortunately, there are omissions and significant limitations to the registry, which ultimately lead to a lack of transparency in the way lobbying is disclosed in BC. Despite a series of internal reviews calling for reform and improvements, the most serious limitation surrounds the reporting procedure. Lobbyists are required to file a report whenever they have lobbied or expect to lobby a public office holder within a six-month period. Based on this reporting schedule, it is impossible to determine an exact date when a lobbying event took place, and *planned/expected* communications and meetings are not distinguishable from those that *actually* took place. Reporting in advance of lobbying also means that lobbyists are often able to list ministries as their target (rather than specific ministers, or branches within a ministry) and only the intention to lobby, leading to incomplete information as to precisely which government officials are being lobbied.

Further, only meetings that are initiated by the lobbyist must be disclosed. Meetings initiated by public officials with corporations or industry groups do not need to be reported (unlike the federal lobbying rules, which require disclosure of any meetings between lobbyists and government, regardless of who initiated them). As a result of this loophole, the only means to determine

³⁹ McMenamin, 2012.

the full extent of corporate access to public officials is by submitting Freedom of Information (FOI) requests. However, in addition to being highly time-consuming and placing the onus of transparency on the public, the extensive and serious problems with BC's FOI legislation and compliance with it have been well documented by BC's Information and Privacy Commissioner.

We conducted an exhaustive search of the registry and found 43 fossil fuel corporations and industry groups with registered lobbying efforts between April 2010 and October 2016. Comprehensive data were gathered for the 10 most active organizations, which together account for over 75 per cent of lobbying by the fossil fuel sector.⁴⁰ Each of these organizations employ either in-house lobbyists (a lobbyist directly employed to influence government) or consultant lobbyists (lobbyists employed by a third-party agency or firm, hired by the organization to lobby on its behalf) or both. The vast majority of lobbying is carried out by in-house lobbyists.

Together, these 10 organizations reported a total of 19,517 lobbying contacts with public office holders over the six-and-a-half year period—an average of 14 lobbying contacts per business day. Not surprisingly, there is substantial overlap between giving and lobbying, with seven of the top 10 political donors also ranking among the top 10 most active lobbyists.

Together, these 10 organizations reported a total of 19,517 lobbying contacts with public office holders over the six-and-a-half year period—an average of 14 lobbying contacts per business day.

Table 3: Top 10 fossil fuel industry lobbyists (actual & expected contacts), 2010–16

Organization	Contacts with ministries/agencies	Contacts with cabinet ministers	Contacts with MLAs	Total # of contacts made or planned
Spectra Energy	936	1,176	2,230	4,342
Enbridge	1,318	1,006	186	2,510
FortisBC	1,234	438	705	2,377
Encana	1,405	784	76	2,265
Chevron Canada	1,348	834	74	2,256
CAPP	1,546	127	175	1,848
Teck Resources	267	318	953	1,538
TransCanada	457	355	190	1,002
Cenovus	547	240	27	814
CEPA	393	151	21	565
Total	9,451	5,429	4,637	19,517

Source: Active and terminated lobbyists, Lobbyists Registry, Office of the Registrar of Lobbyists for BC, April 2010–October 2016.

⁴⁰ The top 10 firms were identified based on previous research that examined lobbying in the province as of 2013 (Skelton, 2014), in addition to an analysis of currently active registered lobbyists (covering a period from 2015–present). Spot checks of pre-2013 lobbying efforts were performed to ensure that the sample included the most active firms.

In addition to total contacts, Table 3 displays the distribution of lobbying efforts across three categories: 1) cabinet ministers, 2) government ministries (including deputy ministers, assistant deputy ministers and various ministry staff) and agencies; and 3) members of the legislative assembly (MLAs).⁴¹ We analyze each category in more detail below.

The high volume and frequency of reported communications with key decision-makers reveal the pressure that these corporations put on public officials and their sustained effort to influence the public policy process. As seen in Table 3, 28 per cent of the lobbying targets cabinet ministers—a level of contact that provides companies an unrivalled opportunity to shape policy outcomes. In Table 4, we display the network of top lobbying organizations and their contacts with the most targeted cabinet ministers.

Table 4: Number of lobbying contacts with the most heavily-lobbied members of the BC government, 2010–16

	Rich Coleman	Christy Clark	Bill Bennett	Mary Polak	Mike de Jong	Shirley Bond	John Rustad	Steve Thomson	Terry Lake	Blair Lekstrom
CAPP	33	6	13	8	8	3	2	2	7	9
Cenovus	31	33	31	31	30	0	31	0	0	0
CEPA	26	13	15	17	8	15	12	1	2	1
Chevron Canada	89	294	71	78	96	52	60	1	11	7
Enbridge	61	70	44	60	49	83	48	63	28	17
Encana	210	64	9	25	20	23	7	51	78	53
FortisBC	55	12	41	30	18	27	0	19	20	22
Spectra Energy	102	91	90	70	71	64	41	41	38	65
Teck Resources	48	8	42	25	11	1	0	30	36	21
TransCanada	78	27	81	10	19	11	39	31	4	11
Total	733	618	437	354	330	279	240	239	224	206

Source: Active and terminated lobbyists, Lobbyists Registry, Office of the Registrar of Lobbyists for BC, April 2010–October 2016.

⁴¹ In the totals shown in Tables 4, 5 and 6, these three categories are treated as being mutually exclusive. Therefore, the totals for ministries displayed in Table 5 do not include contacts with cabinet ministers. Also, contacts reported with MLAs who are also members of cabinet ministers are not counted toward a given minister's total (which is displayed in Table 4). As a result, the volume of lobbying in each of the tables is conservative.

Rich Coleman, Minister of Natural Gas Development (and Minister Responsible for Housing), is the most targeted minister with 733 actual and expected contacts from the most active firms. This amounts to an average of nearly three contacts per week for Coleman alone over the six-and-a-half-year period. The next most contacted are Premier Christy Clark and Minister of Energy and Mines Bill Bennett. Chevron Canada and Spectra Energy targeted Clark heavily, while Encana targeted Coleman in particular. Environment Minister Mary Polak and Finance Minister Mike de Jong (both lobbied heavily by Chevron, Enbridge and Spectra) are also key targets. Other cabinet ministers are lobbied less often, although as we see, ministers like Shirley Bond (Minister of Transportation and Infrastructure from 2009 to 2011) have been extensively lobbied.⁴²

Almost half (48 per cent) of lobbying contacts are with ministries and government agencies (see Table 3). Table 5 displays the most contacted ministries and agencies by the top 10 fossil fuel organizations.

Table 5: Most lobbied ministries and agencies by the fossil fuel industry (actual & expected contacts) 2010–16

	Energy & Mines	Natural Gas Development	Environment	Oil & Gas Commission	Office of the Premier	Aboriginal Relations & Reconciliation	Finance	Lands & Natural Resource Operations	BC Hydro	Jobs, Tourism & Skills Training	Transportation & Infrastructure	Agricultural Land Commission
CAPP	162	336	195	236	92	63	86	115	23	71	27	19
Cenovus	76	74	75	0	80	74	67	0	0	1	0	0
CEPA	55	67	42	51	25	46	14	11	0	22	22	0
Chevron Canada	127	74	105	222	249	62	162	0	220	12	26	0
Enbridge	142	155	161	75	211	171	103	128	0	109	106	0
Encana	256	77	140	264	18	44	78	132	36	47	48	43
FortisBC	259	96	84	22	61	14	57	15	60	27	38	0
Spectra Energy	77	101	137	85	59	82	51	45	59	70	40	58
Teck Resources	114	0	50	0	27	2	14	19	0	0	0	0
TransCanada	85	65	37	29	42	100	5	25	0	9	5	0
Total	1353	1045	1026	984	864	658	637	490	398	368	312	120

Source: Active and terminated lobbyists, Lobbyists Registry, Office of the Registrar of Lobbyists for BC, April 2010–October 2016.

⁴² The lobbying numbers for Blair Lekstrom are prior to the 2013 election, in which he did not run.

It is striking how many lobbying ties lead to the Ministry of Environment, whose remit is ostensibly quite distinct from “dirt ministries” (like Energy and Mines), which typically facilitate business investment.

The central lobbying targets are the Ministries of Energy and Mines, Natural Gas Development and Environment. The Oil and Gas Commission (OGC) also figures prominently in this category—the registry data show 984 expected and actual contacts made by the most prominent firms. As Table 5 shows, these contacts come from both fossil fuel firms and industry associations, with Encana, Chevron Canada and CAPP leading the way. The Ministry of Aboriginal Relations and Reconciliation, Ministry of Finance and Ministry of Forests, Lands and Natural Resources also attract considerable attention. It is striking how many lobbying ties lead to the Ministry of Environment, whose remit is ostensibly quite distinct from “dirt ministries” (like Energy and Mines), which typically facilitate business investment. Also intriguing is the extensive contact between Chevron Canada and BC Hydro.

The remaining 24 per cent of contacts are with MLAs (see Table 3). Table 6 shows the top 10 most contacted in this category. Spectra Energy and Teck Resources are particularly active with MLAs—indeed, as Table 3 shows, they are unique in so far as the majority of their total lobbying contacts are with MLAs. This perhaps reflects the nature of their business operations, which are spread throughout the province and therefore require communication and consent with public office holders in numerous regions and ridings throughout BC. Spectra, for example, operates natural gas pipelines throughout North America, including an expansive system in BC that stretches from Fort Nelson to the Canada-US border on the west coast, and natural gas plants throughout the northeast. Similarly, Teck has active mining operations in northwest and northeast BC, as well as in southeast and south central regions of the province.

Table 6: Most lobbied MLAs by the fossil fuel industry (actual & expected contacts) 2010–2016

	John Horgan	Pat Pimm	Adrian Dix	Bruce Ralston	Doug Donaldson	Rob Fleming	John Rustad	Blair Lekstrom	Jennifer Rice	Robin Austin
CAPP	13	4	9	12	5	6	0	2	0	1
Cenovus	2	0	0	2	0	2	0	0	0	0
CEPA	1	0	1	1	0	0	0	0	0	0
Chevron Canada	20	0	17	2	0	6	0	6	0	0
Enbridge	41	4	32	26	7	1	18	0	7	8
Encana	10	23	21	2	0	11	0	0	0	0
FortisBC	36	6	14	12	7	7	6	9	0	6
Spectra Energy	52	68	26	22	40	26	44	71	10	40
Teck Resources	8	23	0	33	38	28	21	0	3	5
Trans-Canada	71	0	6	0	10	8	0	0	67	22
Total	254	128	126	112	107	95	89	88	87	82

Source: Active and terminated lobbyists, Lobbyists Registry, Office of the Registrar of Lobbyists for BC, April 2010–October 2016.

Figure 1: Top five lobbied BC ministers

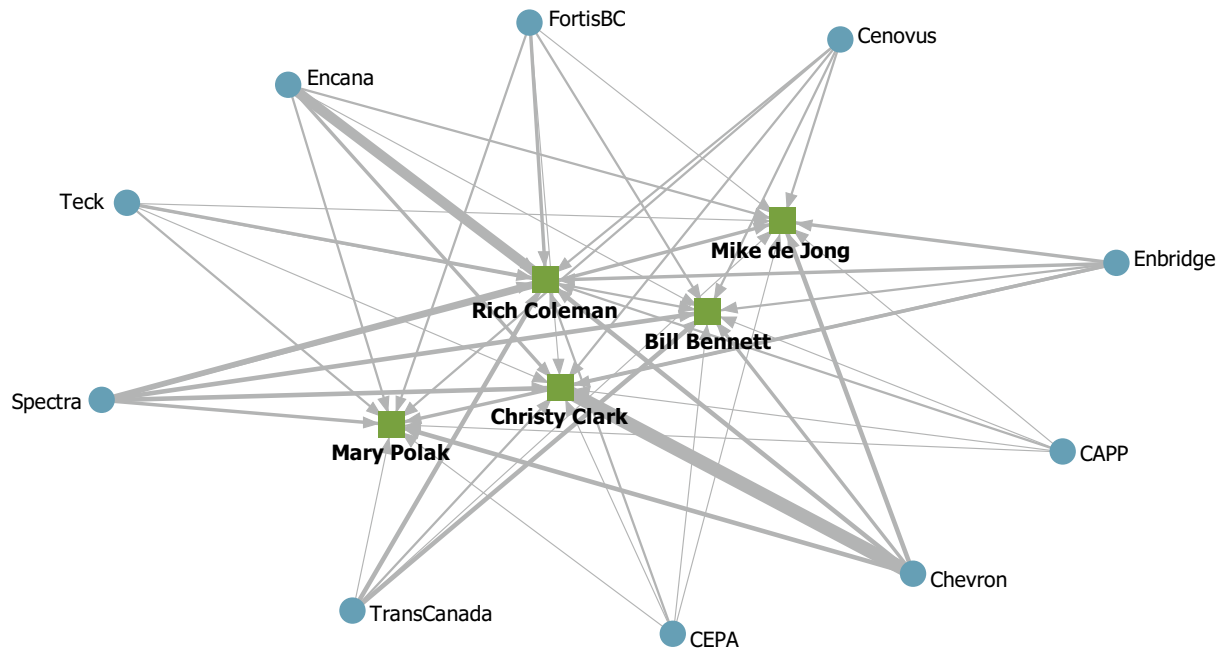
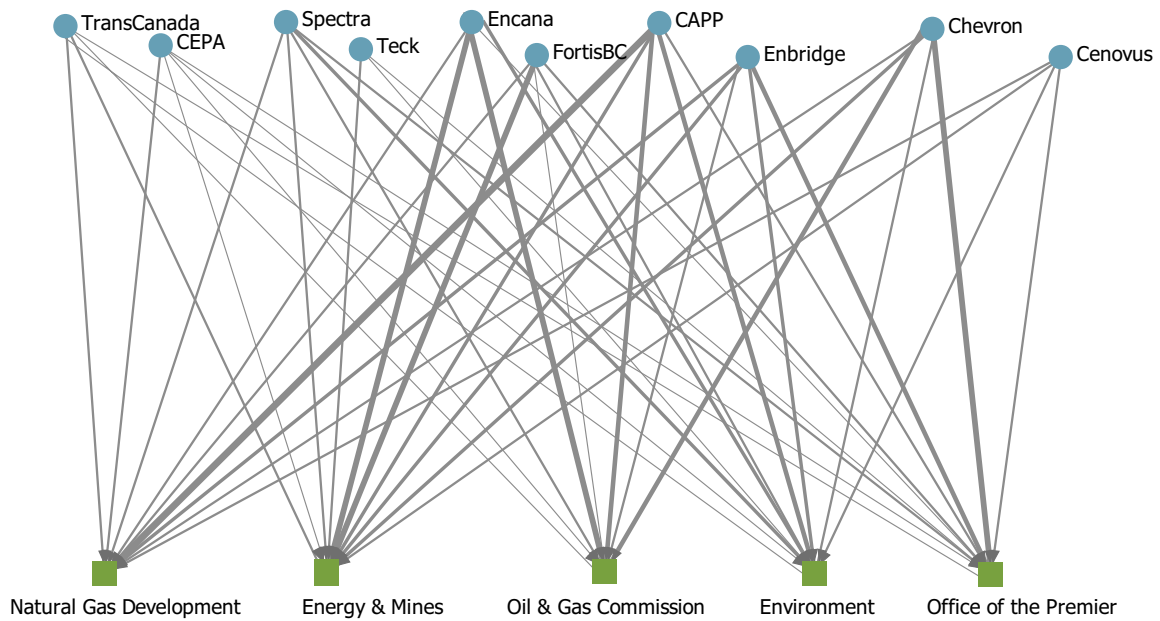


Figure 2: Top five lobbied BC ministries



It is also notable that NDP MLAs are heavily targeted. This is especially the case with the past and current leaders of the party, Adrian Dix and John Horgan, who are among the top three most contacted. The strategic targeting of these leaders of the official opposition is consistent with the “hedging” approach observed above in regards to political donations. Indeed, 77 percent of reported contacts with Dix, MLA for Vancouver-Kingsway, occurred in 2012-13. Here we can see fossil fuel organizations attempting to develop closer relations with the potential future premier of the province in advance of the 2013 election. Contacts with John Horgan are slightly more spread out. Nearly 50 percent of his contacts as MLA for Juan de Fuca occurred since he became leader of the NDP in May 2014, but prior to becoming leader he served as the official opposition critic for Energy and Mines.

Considering that the handful of organizations and state officials depicted in Tables 4 and 5 are the target of the majority of lobbying by the fossil fuel industry, the network amounts to a small world, dominated by the few large corporations that control much of this economic sector (see Figures 1 and 2).

In comparison with other resource and manufacturing associations, oil and gas industry associations are the most active lobbyists.

After the top 10, the next most active fossil fuel lobbyists in BC by reported contacts are Talisman Energy (515), Kinder Morgan Canada (462), Pacific NorthWest LNG (417), Canadian Natural Resources (399), Shell Canada (298), Imperial Oil (282), Penn West Exploration (252), Husky Energy (215), Suncor Energy (148) and AltaGas (106). In addition to Pacific NorthWest LNG, other newly formed LNG operators and industry advocacy groups are also highly active in fossil fuel industry lobbying. The most reported contacts issue from BC LNG Alliance (101), LNG Canada Development (89), Woodfibre LNG (87) and Steelhead LNG (16). Australian-owned Woodside Energy (a major stakeholder in the Kitimat LNG and Grassy Point LNG projects) reported 74 contacts, and Malaysian-owned Petronas Energy (partner in Pacific NorthWest LNG) reported an additional 42 contacts. The high volume of lobbying reinforces findings reported by the *Vancouver Sun* in 2014 that fossil fuel companies are the top lobbyists in the province.⁴³ The amount of lobbying by environmental non-governmental organizations (ENGOs)—the groups most likely to oppose increased fossil fuel development—pales in comparison. There are only eight such organizations with active lobbying efforts, reporting a total of 1,324 contacts over the same six-and-a-half-year period.⁴⁴

A closer look at lobbying by industry associations

Prominent within the network of lobbyists are fossil fuel industry associations. Groups like the Canadian Association of Petroleum Producers (CAPP) and the Canadian Energy Pipeline Association (CEPA) exist to advance the interests of the oil and gas sector as a whole. By representing a host of fossil fuel companies, they are able to mediate potential conflicts among extractive firms, allowing these corporations to speak with a single voice. In addition to efforts to influence public opinion and debate (through media relations, research, advertising and public relations efforts), such groups play an important role in political agenda-setting and advocacy through lobbying.⁴⁵

In comparison with other resource and manufacturing associations, oil and gas industry associations are the most active lobbyists. CAPP and CEPA together reported 2,413 lobbying contacts

43 Skelton, 2014.

44 These are the David Suzuki Foundation (615), Tides Canada Initiatives Society (537), BC Wildlife Federation (94), Organizing for Change (35), the Nature Conservancy (34), the Wilderness Society (5), the WILD Foundation (3) and Environmental Defence Canada (1).

45 Stritch, 2007.

between 2010 and 2016, nearly four times that of the most active forestry associations (Council of Forest Industries at 470 contacts and Coast Forest Products Association at 175 contacts), more than seven times that of automotive associations (Automotive Retailers Association at 231 contacts and the New Car Dealers Association of BC at 101) and more than 25 times that of the two most active mining associations (the Mining Association of BC at 21 contacts and the Association for Mineral Exploration BC at 67 contacts). In addition (as noted above) the BC LNG Alliance is increasingly active (with 101 contacts).

In a striking example of a “revolving door” relation or close personal tie between the corporate sector and government, one of CAPP’s most active lobbyists, Alex Ferguson, is a former commissioner and CEO of the Oil and Gas Commission, where he served from 2006 to 2011. Mr. Ferguson reported lobbying his former organization 19 times. CAPP also employs the largest number of lobbyists among all organizations in the sample, listing a total of 29 in-house active lobbyists.

The goal of lobbying by the fossil fuel industry is to promote policies that increase the potential for making profit while blocking policies and regulations that impede its interests.⁴⁶ Table 4 provides a sample of lobbying topics that were reported as the “intended outcomes” of lobbying by some of the most active firms.

CAPP	Propose that the government review the royalty programs for unconventional oil and gas drilling. Review the BC Infrastructure Royalty Credit Program. Review greenhouse gas policy. Promote the establishment of a new LNG export industry in BC. Promote proposals related to the Climate Leadership Plan.
CEPA	Discuss Aboriginal relations issues in regards to energy and pipeline development.
Spectra Energy	Improve fiscal and regulatory competitiveness for natural gas gathering, processing and transmission pipelines, including pipelines to export liquefied natural gas.
Enbridge	Encourage government policies that would support Enbridge’s interests in BC (pipelines, natural gas, LNG and renewable energy).
Chevron Canada	Advocate for provincial climate change and greenhouse-gas reduction policies and strategies that fully recognize the cost implications for industry and the practical availability of viable alternative technologies.
Encana	Propose a competitive and practical fiscal framework for resource development, including those related to corporate income tax. Discuss access and infrastructure for resource development, including power generation and supply.
TransCanada	Seek the BC government’s support or regulatory approvals for the Prince Rupert Gas Transmission pipeline.

Source: Lobbyists Registry, Office of the Registrar of Lobbyists for BC, April 2010–October 2016.

⁴⁶ Cayley-Daoust and Girard, 2012; Faber, 2009; Miller and Harkins, 2010.

As the range of topics suggests, lobbying efforts seek to influence policy related to issues such as royalty rates from hydrocarbon extraction, land access, corporate taxation, consultation processes with First Nations, greenhouse gas emissions and LNG development, among other extractive interests. We also find lobbying efforts aimed at influencing broad policy frameworks, such as the 2016 Climate Leadership Plan. Indeed, from October 2015 to August 2016, CAPP reported 201 expected lobbying contacts with government ministers and agencies in relation to the plan, which has been widely condemned by environmentalists and which does little to reduce global warming pollution for at least a decade.

Given the tight coupling between public policy in British Columbia and the interests of extractive corporations, these lobbying efforts appear to be highly successful. Of course, at this level of analysis (and given limitations of the registry data), it is not possible to determine the extent to which a given lobbying effort directly influences specific policy outcomes. However, what shines through these numbers is the extent to which well-funded and well-organized corporations (and their industry associations) exert continual pressure on, or work in tandem with, key decision-makers to develop policies that align with their interests.

Conclusion

The fossil fuel industry is a major and consistent donor to the ruling BC Liberal Party, which has received nearly \$5 million from oil, gas and coal corporations and industry groups over the course of two provincial election cycles. Such donations help secure access to key decision-makers and offer the opportunity to exercise political influence. The purchasing of access to key politicians is complemented by and often works in concert with the lobbying process, which seeks to establish close links with government officials and torque policy and political decision-making in favour of the fossil fuel industry. Reflecting the concentration of corporate power in a small number of entities, most of the lobbying in the sector occurs within a tight network of top corporations, industry groups and government bodies. The same holds for political donations, which are funnelled toward the BC Liberals, with the NDP collecting what amounts to chump change. As top lobbyists and political donors, the fossil fuel industry enjoys access to provincial decision-makers that everyday citizens and public-interest organizations can only dream about.

Reflecting the concentration of corporate power in a small number of entities, most of the lobbying in the sector occurs within a tight network of top corporations, industry groups and government bodies.

BC stands out in Canada in terms of its weak regulations against corporations influencing public policy. Recent controversy about the problem of big money in politics has heightened calls for reform.⁴⁷ At a minimum, and as an urgent priority, the provincial government should:

- Follow several other provinces in banning corporate and union donations to political parties outright, including the purchase of tickets to fundraising events and donations to party leadership campaigns. It should simultaneously limit individual donations to those whose primary residence is in BC, and cap individual donations at a modest level that prevents those with deep pockets from significantly influencing election outcomes.
- Strengthen the Lobbyists Registration Act, which creates major loopholes that impede true transparency. The BC reporting regime should be made more like the federal system, requiring lobbyists to register who they have lobbied, rather than to list who they expect to lobby. This should include the date of a given communication and describe the type of contact that occurred between lobbyists and public office holders. It should also be required that meetings initiated by public officials with corporations or industry groups be disclosed. Finally, disclosure of the costs of lobbying—fees paid to lobbyists by clients—should be reported, as is done in the United States.

In this report, we considered only two of the most direct and obvious means by which corporations influence the political process. A complete accounting of such processes would also

⁴⁷ Levin, 2017.

track “revolving door” relations or close personal ties between the corporate community and various government departments, agencies, boards and commissions. It would also consider the importance of corporate-funded policy and research (such as research produced by think tanks and industry associations in particular) and the ties between industry and the wider range of corporate-friendly organizations that seek to influence governments. Together, these multiple means of influence help link corporations and economic elites together with government leaders and managers, creating significant barriers to the development of robust environmental policies, including those aimed at meaningfully tackling climate change.

While these multiple means of influence exert a strong pressure on governments to promote corporate interests, they in no way ensure that governments will always do so. Popular organization and social activism can be successful even in the face of large-scale fossil fuel projects promoted by powerful corporate players, as we saw with the successful defeat of Enbridge’s proposed Northern Gateway pipeline. As the analysis here suggests, reclaiming governments and public agencies (at the local, regional, national and international levels) from corporate interests is critical to the effort to transition away from fossil fuels in a rapid, democratic and socially just manner.

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