

---

# The Lobby Monitor

---

Vol. 8, No. 15

May 26, 1997

At a recent conference in Toronto, the voluntary sector took stock of its position. What it decided is that it was time to work smarter with government. It also decided that the post-deficit era would signal the need for more advocacy on its part. See page 2

Super salespeople can turn their skills to becoming super lobbyists. At least that's what the Conference for Advanced Life Underwriters demonstrates. See page 2

Yet another lobby gravy train has gone the way of the square-rigger. Accelerated tariff reductions talk, which in early FTA days meant business, now hardly cause a ripple in the lobby community. See page 3

## Notes from USA

The costs of elections in the U.S. can be a burden on DC lobbyists. Just check out some of the price tags from the last round.

Chocolate chip versus fig newton: It may be a crummy lobby, but I'll bet it will be quite effective. See page 6

Given the pressures for harmonization, a lot of eyes from the financial services sector are watching events in Washington very closely. See page 7

## Industry changes

Edmond Chiasson makes big moves to his new Global perspective. See page 7

LM Shorts, page 8; Registration Notes, page 5; Registrations, page 4; Delta file, page 6

### Registrations in this issue

#### **Lobby Organizations**

Association House  
C.G. Management & Comm  
Felesky Flynn  
GPC Govt Policy Cons (Ott)  
GPC Govt Policy Cons (Tor)  
IGRG-Industry Govt ReIn  
Osler, Hoskin & Harcourt (Ott)  
SAMCI (Ott)

#### **Client Organizations**

3M Canada Inc.

AGT Limited  
Arc International Inc  
Avenor Inc.  
BCE Mobile Telecommunications  
CAE Inc  
Call-Net Enterprises  
Cdn Animal Health Institute  
Confertech Canada Inc  
Corel Corporation  
General Motors-Diesel Division  
Interprovincial Pipe Line Inc  
MacMillan Bloedel Ltd

Marathon Developments Inc  
Minnesota Mining & Mfr  
Monsanto Canada Inc  
Pelorus Navigational Systems  
Petrowest Petroleum Ltd  
PPG Canada Inc.  
Shell Canada Ltd  
Strait Crossing Joint Venture

# VS ready to strike back

One change over the last three years has been the growing weakness of third parties in the general lobbying effort in Ottawa. The many organizations that fall into the voluntary sector category have been hampered by the shortage of funds due to government cutbacks and diminished legitimacy in the eyes of policy-makers. However, the sector is regrouping, and preparing to come on strong in the next mandate.

The **Canadian Centre for Philanthropy** recently held a conference on the future role of the voluntary sector. More than 150 people met to set out the priorities for the voluntary sector vis a vis government and the private sector. Some of the recommendations to flow from that which will likely have an impact on government policy were:

- to strengthen the ability of the sector to consult with governments, including a list of pre-requisites that will have to be met before the sector will engage in any dialogue and;
- for the Voluntary Sector Roundtable to continue its review of tax policy and charitable status and to mobilize members on these issues.

## Increase Advocacy

But the most important decision was that, in the post deficit era, much more importance would be

given to advocacy on issues important to the voluntary sector. This advocacy would necessarily cover general government support for the sector. However, the main emphasis was on the role the voluntary sector plays in advocating for the causes they work with.

While conference attendees were supportive of the acknowledgment in the new Red book of the importance of the voluntary sector, it was noted that the emphasis on the "service provider" role were missing the most important element of voluntary service, namely, the **LM** strengthening of civil society.

---

## Organized Strength

You might call it LUAC on steroids, the members call it the **Conference for Advanced Life Under-writers**. What it represents is the cream of the crop of the **Life Underwriters Agents of Canada**. The Conference brings together the top underwriters in Canada, those who have incomes in excess of \$300,000. The members of this exclusive club are not simply insurance salespeople, they are financial planners who use life insurance as just one of many instruments in financial and estate planning.

The members of the Conference tend to work for, and make it their business to know, all of the

right people. They make it their business to ensure that government policy is in synch with sound financial planning for their clients. All the members recognize the importance of being active in the political sphere to make this possible.

## Political Activity

Conference members are expected to be active at all political levels, locally, provincially and federally. When it comes to election time, they manage what amounts to a Canadian version of a PAC (political action committee). The conference GR committee creates a list of 20 candidates it feels merit support. This list is mailed to all the members who are encouraged to write out a check for the candidate of their choice and return it to the GR committee chairman. The checks are forwarded to the ridings where they are hand delivered by a local Conference member who reminds the candidate of the work that the Conference wishes to support. They are being. Last election, the Conference distributed \$50,000. This time, the target was \$100,000. Those sorts of dollars can make a difference in a local campaign.

## Coalitions

The Conference also leverages its own efforts by lending its organization skills to coalitions. At the moment, they are active on two fronts. One is working with groups such as medical, dental, pharmaceutical and health and life insurance groups to stop taxation of insurance benefits. Another coalition includes pension fund manag-

ers, real estate association and others to safeguard retirement income.

The crowning event for the Conference, however, is when they make their annual appearance in Ottawa to visit with policy-makers and drive their points home. Conference members say they have been very effective in winning changes to many "technical points" such as the taxation of premiums on insurance to cover capital gains associated with business succession.

The Conference is a good example of what a well-organized and committed group can achieve.

LM

---

## Tariffs slow down

In early days of FTA, when tariffs were close to MFN levels, any chance to get tariffs lowered more quickly attracted lots of attention — both for and against. The annual rounds to consider accelerated tariff reductions attracted noticeable lobby traffic as hundreds of firms wound put proposals forward, with many others saying no.

The latest announcement at the beginning of May for another round of NAFTA tariff reductions, though generating some interest, is providing hardly any lobby fodder. According to Finance officials, not only is it a case that there isn't

nearly the huge gaps between existing tariffs and where they will end up in a few years, so the incentive to push isn't as great. As well, people have gotten used to the process and recognize that Finance is pretty thorough in canvassing the community to test the waters before doing anything.

It's a good thing trade lobbyists still have plenty of hot-button issues like softwood, wheat, steel and sugar to keep them going.

LM

## Strategic Briefings

*An intelligence report for  
government relations strategists*

- Designing strategies?
- Forecasting trends?
- Organizing campaign?
- Monitoring policy
- Planning marketing?

**If you are doing any of the above, you will find our new Strategic Briefings indispensable.**

**Strategic Briefings deliver a synopsis of events and people, inside and outside of government, that will shape the agenda and responses of government in the next year.**

**Available as a complete set, (\$199) or by department (\$100/report), Strategic Briefings will be available at the rate of three every two weeks beginning May 1.**

**For more information,  
contact Jane Pelletier at 613-230-3029**



# REGISTRATION NOTES

## *Downsview getting him down*

What the federal government allows to happen to its immense piece of property in Downsview is cause for concern for a client of **C.G. Management and Communications Inc.** A team of four people including president *Don Gracey*, VP *Nancy Coldham* and staffers *Utilia Amaral* and *Lisa Parr* are working on behalf of **ARC International Inc.** (No relation to ARC Publications), to ensure that what happens to the Downsview Airport property doesn't adversely affect ARC's properties across the street from the Downsview site.

## *What to do*

**Petrowest Petroleum Ltd.** is an intermediate-sized oil and gas company located in Calgary. The company distributes petroleum products to other small independent companies. It has hired *Gary LeRoux* and *Ramsey Withers* of **IGRG Industry Government Relations Group** to make certain that its business practices are in compliance with various federal statutes.

## *Looking for better luck*

**Corel Corporation**, still smarting from the loss of the DND contract to arch-rival **Microsoft**, has brought in some professional counsel for the next round of government procurement battles. Veteran *Art Silverman* of **Association House** has been called in to work on the file. Few in the business would relish the prospects of a good battle more than Silverman, who believes that in any match-up, his product will win hands down.

Where, LM asked, will the next showdown take place? Silverman's best bets were the new food inspection agency and, perhaps, Natural Resources Canada. But, with government, Silverman says it is hard to pin down exact timing.

## *Overcoming distance*

*Gerald Berger* of **GPC Government Policy Consultants** has registered to help **Confertech Canada Inc.** get a larger foothold in the government teleconferencing market. Berger has also registered for **Marathon Developments Inc.** which, for a while, was in the running to expand the Vancouver Trade and Convention Centre. Marathon spokesperson *Jeff Herold* said that shortly after the registration was filed, Marathon withdrew from the competition.

## *MMM = 3M*

Lawyer *Glen Bloom* from the Toronto office of **Osler Hoskin & Harcourt** is working for the parent **Minnesota Mining and Manufacturing Company** and its subsidiary **3M** on a couple of issues. Bloom is seeking an amendment to Section 50 of the Trade Mark Act for both corporate entities. He is also looking to obtain some DIN numbers from Health Canada for some 3M cough lozenges that contain herbal remedies.

## *Organizational view*

Some corporate and organizational registrations showing signs giving indications of future campaigns are those from **GE Canada** and the **Crop Protection Institution (CPI)**. The GE lobby, led by *Bob Weese*, VP of Government and External Relations, has signaled its involvement with, among other things, the upcoming helicopter purchase. John King, president of CPI, along with VP of Government Relations *Charles Milne*, are focussing much of their efforts on the cost-recovery proposals of the **Pest Management Regulatory Agency**.

LM

# Cheaper in Canada

Lobbyists in both Canada and the U.S. are the work-horses for much of political fundraising activity that takes place. Naturally, lobbyists are expected to be big contributors, ready to buy a table at \$200 a plate dinners and then fill the chairs with people who might be willing to donate even more. For those wanting to get in the big leagues, particularly in Washington, it's considered the price of admission — and some price.

Lobbyists in Canada can take heart that our elections come at a bargain. As noted in the Political Finance & Lobby Reporter, congressional candidates raised a record \$790.5 million for the last election, \$444 million from individuals and \$201 million from PACs. FEC filings show that the big spenders were Newt Gingrich, who spent \$5.6 MILLION to win reelection. Some might say he was forced to spend that much since the man running against him, Democrat Michael Coles, spent \$3.3 million.

Big spender on the Senate side, and for a losing cause at that, was Mark Warner in Virginia, who spent \$10.3 million

# The way the cookie crumbles

Can it be true that Massachusetts is about to make the Fig Newton the official cookie of the state? According to an AP report, it is, and such a move is being countered by a grass-roots lobby of primary school kids. Grade three students were handing out chocolate chip cookies to legislators and asking "when was the last time your mother baked you a warm batch of Fig Newtons?"

The legislative committee targeted by the tot's lobby is also considering making broccoli the official state vegetable. Whatever happened to Boston brown beans?

## The Delta File

New lobbyists added to the registry

**Consultant Lobbyist:**

Lisa Parr                                      Consultant                                      C.G. Management & Comm

**Organizational Lobbyist:**

Carolyn Bodnar-Evans	Dir, Finance	Canadian Cancer Society
Barbara Sheedy	Sr Comm Off	Canadian Cancer Society
Arlette Bourque	Sr Advisor	Canadian Electricity Association
Roy Staveley	V-P, Pub Aff	Canadian Electricity Association
Anne Marie Quinn	Mgr, Govt Aff	Cdn Inst Chartered Accountants
Colin Hunt	Dir, Policy	Cdn Nuclear Association
Kristen Plater	Dir, Comm	Cdn Nuclear Association
Murray Stewart	President	Cdn Nuclear Association
Carolyn Karpoff	Exec Dir	Natl Assoc of Women & Law

**Corporate Lobbyist:**

Robert D. Weese                                      V-P, Govt Rel                                      GE Canada

**What do you get when you combine departmental programs with stakeholder priorities and environmental factors?**

**Strategic Briefings!**

## Watching Uncle Sam

The task force set up to study what should happen next in restructuring the financial services sector is stuck in neutral until the dust of the election settles. Lobbyists were all primed and ready to go with the release of the task force discussion paper which was to have come out at the beginning of May. However, the election forced a postponement of its release.

That's not to say that the financial services lobby has little to do. In fact, quite the opposite. Assessments of the sector have been underway in many jurisdictions, not the least of which is the U.S.A.

Insurance lobbyists *Mark Yakabuski* agrees that what happens in the U.S. could have a profound influence here and that's why he and others are monitoring it closely. However, he argues that the immense differences between the two countries means that solutions for the Americans (with 10,000 chartered banks) may not be solutions here (with many fewer banks and much greater concentration).

Similar or not, everyone has been watching the latest moves down in Washington where there were already two bills before Congress on this issue. Last Wednesday, the U.S. administration came out with its position on the question of ownership and legitimate activities of financial institutions. Canadian lobbyists were quick to pick up on the announcements and begin assessing whether the proposed changes might have a chance of making it through all the legislative hurdles and, if so, how much the new arrangements might influence Canadian thinking.

Chances seem slightly better than 50-50 for the U.S. changes to be adopted. While accepting Clinton's overall direction, the powerful chairman of the House Banking Committee said that:

"Financial services modernization legislation cannot and should not move in Congress unless it primarily will serve the public by increasing competition and efficiency to make more products available to more people and businesses - particularly small business owners - at lower costs. It is, after all, the interests of the public - those consumers of financial services and those dependent on a safe, stable and robust financial system - not the private interests of certain industrial concerns or industrial groupings that must be the foremost concern of a legislative body."

These views reflect the presence of powerful lobby groups not belonging to the financial community. The same cannot be said for the Canada, where it is the balance between the banking and insurance lobbies that usually determines the outcome. That might be even more the case since the task force charged with making recommendations to government does not plan to hold hearings. Instead, Chairman *Jim Baillie* has asked for written submissions, which are to be followed by a series of closed meetings to discuss the various proposals.

LM

## Industry events

### *Globals got it*

*Edmond Chiasson* has announced a new business arrangement. Chiasson, who bought **Government Business Consulting Group** from *Fred Doucet* has decided to do a total remake and change nearly everything but the phone numbers. GBCG will now be known as **Global Public Affairs** and its new offices are on the 16<sup>th</sup> floor of the World Exchange Plaza.

Chiasson has been joined in his new venture by *Randy Pettipas*. Pettipas is a former staffer in the PMO before going to Transport where he and was given much of the credit for helping to make *David Anderson* into the success that he was. Pettipas becomes vice president and, according to Chiasson could, in future, become a partner. Still with the new Global are *Vic Little*, *Jaffray Wilkins*, *Maurice Lafontaine* and *Kenneth Taylor*. Taylor spends most of his time in New York.

Staying behind in the old digs on Laurier is *Fred Doucet* who has filed some registrations under the old company name of **FDCI - Fred Doucet Consulting International**.

### *Greener pastures*

*Robert Bolduc* of **Industry Government Relations Group** has gone to work for long time client **Harris Farinon Canada**.

LM

## LM Shorts

### *Filling in*

The departure of two consultants from SAMCI has led to a reassignment of responsibilities among new and old consultants at the firm. The changes are reflected in the most recent registrations.

### *Mr. Smith goes to Ottawa*

Left over from last issue, **Intersect Alliance** lobbyist *Barry Smith* is a former Director of Food Regulatory Affairs at **Health Canada**. The Issue which he is working on for **P&G** is food additives and ingredients.

### *MMT Update*

After a hard fought lobby campaign, the MMT lobby forces are taking a short pause and counting off the 60 days that must pass before the legislation comes into effect. The companies, meanwhile, must make plans about what to do.

The new law prohibits the importation or interprovincial trade of MMT. It does nothing, however, about the use of MMT in gasolines, so long as those gasolines don't cross provincial boundaries. The reality is, as well, that a little of this stuff goes a long way, and that refineries could run a long time on the supplies that could easily have been stockpiled.

How long will MMT be around, some might ask? Others might ask who might enforce the act, and how?

It is highly likely that MMT will be around as **Ethyl Corporation** pursues redress through provincial challenges to unlawful restriction on interprovincial trade and its own NAFTA challenge to the MMT bill.

© ARC Publications  
1997

The Lobby Monitor is published  
22 times a year by:  
ARC Publications,  
63 Sparks Street, Suite 800,  
Ottawa, Ontario,  
K1P 5A6.

phone (613) 230-3029  
fax (613) 237-9617  
e-mail: [arc@arcpub.com](mailto:arc@arcpub.com)

Subscription: \$519 per year plus  
7% GST or (15% HST).

Editor: John Chenier

No part of this publication may be reproduced or transmitted by any means, electronic or mechanical, including photography or any storage and retrieval system, without written permission from ARC Publications. Permission is hereby granted to reviewers or reporters to quote brief passages, with proper attribution to The Lobby Monitor, in connection with news or commentary, with the stipulation that a copy of the story where the passages appear is provided to ARC Publications under similar conditions.

## ARC Publications Election Site

[www.arcpub.com/election97](http://www.arcpub.com/election97)