

# Some Basics on Government Relations and Lobbying

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# Introduction

- Government Relations is a broader topic than Lobbying in that it is less focused, but the two terms are used interchangeably.
- Representative democracy requires some kind of ongoing contact between governors and governed. In an organized society, this means organized groups.
- Focus here is on business groups, but everybody does it.. poor, green, sick, devout, furriers and animal rights, tobacco and anti-smoking. All are competing for attention.

# Government Relations

- Lobbying= attempts to influence policy through contact with policy-makers
- 3 categories of business (and sometimes other) lobbying bodies
  - Government relations units in corporations
  - Trade associations
  - “Hired guns”--professional consultants

# In-House GR Units

- GR units in Canadian corporations date back to the 1960s
  - Function was traditionally done by CEOs in personal meetings with Ministers and senior civil servants
  - Often confused with public relations (PR is not GR)
  - Used primarily by regulated industries (e.g., utilities) and by those who sell a lot to government (military)
  - Provide information, educate politicians and c.s., lobby for advantages
  - Work with trade associations

# Trade Associations

- Trade Associations are very common
  - Not-for-profit corporations
  - Membership-based: interested outsiders can have 'associate' status
  - Wide or narrow focus--Chamber of Commerce vs. Wild Blueberry Growers' Association
  - Over 1000 in Canada: budgets total
    - \$2 billion+
    - Japanese spend more in the US alone than is spent on all domestic lobbying in Canada

# Trade Associations

- TA Members generally have divergent goals
- TA structure used by most ‘social’ and other interest groups. Same behaviour and problems.
- Major functions are to educate members and do research: governments rely on them for info
- Deal with feds, provs, and municipals
- Media relations are important: they are experts
- Often provide membership for their constituents on advisory bodies
- Biggest problem is board/staff relations
- Will employ ‘hired guns’ in big issues

# GR Consultants and Firms

- ‘Hired Guns’
  - Mostly former politicians, civil servants, back-room types and lawyers
  - Function like law firms (some are branches of them): take on clients on a retainer or for one-off jobs; some are 1-person shops
  - President tends to have good connections to the governing party. Presidents shift when governments shift.
  - Considerable female presence today
  - 702 consultants registered federally in 2000, 887 registered today (07), up 80% in 7 years. (Over 5300 registered in all 3 categories noted)

# GR Consultants and Firms

- Potential for revenues is huge.
  - Chretien promised to rein in lobbying in 1993--it is bigger than ever
  - Especially important for government contracts and regulatory changes
  - NAFTA has meant that more resources are diverted to US lobbying now, e.g. softwood lumber
  - Increasing size and complexity of Provincial and Municipal levels has led to more sophisticated and organized activity there.

# Government Relations

- 3 types of GR firms: content-oriented, contact-oriented, strategy-oriented
- Activities of GR firms has led to lobbyist registration laws in some provinces (NS included) and at the federal level.  
Borrowed the idea from the US.
- European firms are especially active in Brussels, the EU headquarters . Japanese lobbyists are notoriously effective in that country.

# Just in case you are interested...the behaviour of effective lobbyists

- Social characteristics: articulate, sensitive, socially adept, competent, popular, superb communicator, good listener, have integrity
- Good reputation: credibility, skill in presenting the truth, accuracy
- Create a dependency: give data, advice, subtle criticism, defer immediate gains
- Must understand issues and processes

# Behaviour of Effective Lobbyists

- Ability to cut a deal--mutual solution
- Need lots of personal contacts: loyalties, keep confidences, understand agendas
- Maintain good personal relations: don't burn bridges--you never know
- Be able to compromise: what is it that is truly important to the client?
- Must be in there for the long haul