

Submission to the Standing Committee on Access to Information, Privacy and Ethics - Statutory Review of the Lobbying Act

Submitted by: Professional Association of Canadian Theatres

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Introduction

The [Professional Association of Canadian Theatres \(PACT\)](https://pact.ca) welcomes the opportunity to provide input to the Standing Committee on Access to Information, Privacy and Ethics as part of its statutory review of the Lobbying Act.

PACT is the national arts service organization representing professional theatre companies across Canada. Our members include large, mid-sized, small, and rural theatre organizations that operate in communities across the country. Many are registered charities or not-for-profit organizations with small staff teams, limited administrative capacity, and a strong reliance on public, private, and earned revenues to support their work.

PACT supports the objectives of transparency, accountability, and public confidence in federal decision-making. We have supported efforts to ensure organizations understand and comply with the lobbying rules that came into effect in January 2026. Our concern is not with the principle of transparency. Rather, it is with an unintended consequence of the current interpretation of the Act, which captures routine federal grant applications in a way that does not serve the core purpose of the lobbying systems.

PACT's primary recommendation is that the Standing Committee support the Commissioner of Lobbying's recommendation to amend the Act to exclude certain communications related to grants, contributions, and other financial benefits, particularly where those communications occur through established and transparent application processes or recurring operational funding models.

The Issue for Theatre Organizations

Many PACT members do not lobby Members of Parliament, Senators, ministerial staff, or departmental officials in the traditional sense. However, they do apply for and depend upon federal grants and contributions through programs administered by Canadian Heritage, the Canada Council for the Arts, Employment and Social Development Canada, and other federal departments, agencies, and Crown entities.

These applications are often submitted through formal program streams, established deadlines, published eligibility criteria, and online portals. In most cases, the applicant is not seeking special access to the government, decision makers, or funds. They are

responding to a public call for applications in the same manner as other eligible organizations.

PACT recently sought clarification from the Office of the Commissioner of Lobbying on how the current rules apply to federal grant applications. Based on the response received, our understanding is that communications related to the awarding of a federal grant, contribution, or other financial benefit will be considered lobbying activity under the Act, including where the communication is submitted through a portal or formal application process.

More significantly for our members, we understand that time spent preparing for such communications is included in the calculation of the registration threshold. This means that time spent writing and preparing a federal grant application will count toward the eight-hour threshold over a consecutive four-week period.

This is the central concern for PACT and its members.

Grant applications are not incidental tasks. They often require significant time to prepare. A theatre company applying for federal support may need to draft detailed project descriptions, prepare financial information, develop budgets, gather supporting documents, confirm project partners, prepare workplans, align the application with program criteria, and coordinate internal review and approvals. This work can easily exceed eight hours, particularly where more than one staff member is involved.

Because the threshold is cumulative across employees, a small theatre company could meet the threshold through the normal preparation of a single federal grant application. This would be the case even if the organization had no meetings with public office holders, no direct advocacy strategy, and no intention to influence public policy outside of the application process itself.

The Impact on Small and Mid-Sized Organizations

For many theatre organizations, this interpretation creates a practical compliance challenge.

Most PACT members do not have dedicated government relations staff. Grant writing is typically carried out by executive directors, artistic directors, general managers, development staff, or other employees whose primary responsibilities are not lobbying. These individuals are focused on keeping their organizations open and operating, supporting artists and arts workers, serving audiences, and delivering programming in their communities.

Under the current interpretation, these organizations will need to track staff time across the preparation of federal funding applications to determine whether they have crossed

the registration threshold. If they do, the most senior paid officer may be required to register the organization as an in-house lobbyist.

For small and mid-sized organizations, this adds a new layer of administrative burden to an already complex funding environment. It also creates uncertainty. Organizations may not know whether a particular activity counts toward the threshold, whether they have tracked time appropriately, or whether they are at risk of non-compliance.

The likely outcome is either over-registration, where organizations register out of an abundance of caution, or reduced participation, where smaller organizations avoid engaging with federal programs or policy processes because the compliance burden feels disproportionate.

Neither outcome improves transparency.

The Risk of Cluttering the Registry with False Positives

PACT is concerned that the current interpretation could result in the Registry of Lobbyists being filled with organizations whose only “lobbying” activity is preparing routine federal grant applications through public and transparent processes.

This would not provide Canadians with a clearer picture of who is seeking to influence federal decision-making. Instead, it risks obscuring meaningful lobbying activity by adding a significant number of false positives to the Registry.

Routine applications for federal support are fundamentally different from lobbying for a policy change, legislative amendment, regulatory change, or discretionary decision outside of an established process. Grant applications are often made in response to government-designed programs with published objectives, criteria, and assessment processes. They do not confer special access or privilege on the applicant.

This issue also extends beyond the theatre sector. As currently interpreted, the rules could affect thousands of charities, not-for-profit organizations, community organizations, and municipalities that access federal support programs. This could include the 26,000+ employers who access the Canada Summer Jobs program, as well as recurring operating and project-based funding programs across federal departments and agencies.

The result would be a significant administrative burden for organizations that are trying to access public programs, not influence government decision-making in the way the Lobbying Act is generally understood to address.

The Commissioner has Recognized the Issue

PACT believes the Committee should give significant weight to the fact that the Commissioner of Lobbying has already recognized this problem as part of the statutory review.

In her recommendations to the Standing Committee, the Commissioner recommended that the Act be amended to exclude communications with public office holders about the awarding of grants, contributions, and other financial benefits where the funding is below a defined monetary threshold, or where it is awarded through an “established and transparent process” or a “recurring operational funding model.”

PACT strongly supports this recommendation.

This proposed direction is directly responsive to the reality faced by theatre organizations and many other community-serving organizations. It recognizes that not all communications about funding are the same. There is a meaningful difference between seeking a discretionary financial benefit through direct advocacy, and applying to an established federal program through a transparent process.

PACT’s Recommendation

PACT recommends that the Committee support and strengthen the Commissioner’s Recommendation by amending the Lobbying Act to exclude routine grant and contribution applications from the definition of registrable lobbying activity where the funding is:

1. Below a defined monetary threshold;
2. Awarded through an established and transparent application process; or
3. Provided through a recurring operational funding model.

This exemption should apply to communications made by charities, not-for-profit organizations, municipalities, and other public-benefit organizations in response to federal program criteria, including applications submitted through portals, standardized forms, recurring program intakes, or other transparent application mechanisms.

PACT also recommends that any amendment be accompanied by clear, plain-language guidance for organizations. This guidance should include practical examples of when grant-related activity does and does not require registration. This is particularly important for small organizations that do not have legal counsel, compliance staff, or government relations professionals.

A Proportionate Approach

PACT supports a lobbying regime that promotes transparency and accountability. However, the system must also be proportionate.

Requiring registration because a small theatre organization spent more than eight cumulative staff hours writing a federal grant application does not meaningfully advance the purpose of the Act. It does not reveal hidden influence. It does not increase public understanding of lobbying. It simply adds a compliance obligation to an organization that is following a public application process created by the government.

The Committee has an opportunity to address this issue in a practical and targeted way. By adopting the Commissioner's recommendation on grants and contributions, Parliament can preserve transparency where it matters while avoiding unnecessary administrative burden for community-serving organizations.

With the aim of finding a positive and collaborative path forward, PACT would welcome the opportunity to appear before the Committee to further discuss these points and share insights on how Canada's cultural sector is impacted by these policies.

Respectfully submitted,

A handwritten signature in black ink that reads "Brad Lepp". The signature is written in a cursive, slightly slanted style.

Brad Lepp
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Professional Association of Canadian Theatres