Allan

RECEIVED / REÇU

AUG 14 2008

TELECOM POLICY
POLITIQUE DES TÉLÉCOMS

CanadaDirect
fundraising

August 5, 2008

Mr. Kevin G. Lynch
Clerk of the Privy Council and Secretary to the Cabinet
Langevin Block, 80 Wellington Street
Ottawa, ON
K1A 0A3

Re: ***Canada Gazette, Part I, June 14, 2008, Telecommunications Act, Notice No. DGTP-002-2008 — Petition to the Governor in Council concerning Telecom Decision CRTC 2008-6, Vol. 142, No. 24.***

I am contacting you on behalf of CanadaDirect Database Marketing Inc., more specifically the division that provides direct marketing services to charities and nonprofit organizations, to provide you with our perspective on the impact of the above-noted CRTC decision on Canada's charities.

We have worked with charities and nonprofit organizations for over 20 years. The organizations we work with have missions that advance health, social, environmental and arts and cultural sectors here in Canada and overseas. They do this work with the charitable gifts that Canadians donate. Generally, our clients are understaffed. They often rely on volunteers to undertake recommended actions to support their fundraising efforts. These are not organizations that can afford to invest time or resources in addressing additional regulatory burdens.

734 Renaud Avenue
Montreal, Quebec H9P 2N1
514.422.8557, 1.800.263.2993, fax: 514.422.8835

These are organizations that provide Canadians with the significant personal benefits that supporting a cause of interest affords. Philanthropy provides an opportunity to unite Canadians together within the connectivity of contribution. Canadian public policy has long recognized and respected the role of charitable giving in composing the strong fabric of the country's communities. Charities are exempt from the Income Tax Act, aspects of property tax and many corporate governance duties have purposely been structured to exclude charities. In its modernization of the *Canada Corporations Act* with the June 2008 introduction of Bill C-62, a *Not-for-Profit Corporations Act*, Industry Canada intentionally circumvented undue regulatory requirements for Canada's non-for-profits. Further, registered charities secured an exemption from the national Do Not Call List (DNCL) regime established under the *Telecommunications Act*.

The CRTC's ruling that charities must register with the new national DNCL and help finance the costs of enforcing telemarketing regulations contravenes Parliament's decision to exempt charities from the DNCL, the primary aspect of the Telecommunications Act that the CRTC's new investigative body was established to enforce. This CRTC decision will effectively redirect Canadians' donations towards a federally legislated enforcement body and away from the causes they wish to support.

Registering with and financing a new enforcement body at the CRTC is not within the mission or mandates of any charitable or not-for-profit organization. Charities will have no option but to incur increased administrative costs in order to address the CRTC's requirements. The percentage of revenue invested in administration is a figure that our clients conscientiously monitor as it is often cited as benchmark of efficiency. Donor surveys repeatedly tell us that among the top five barriers to donations is donors' fear their money won't be used efficiently.[1]

---

[1] Lasby, David (2004). *The Philanthropic Spirit in Canada : Motivations and Barriers.* Toronto: Canadian Centre for Philanthropy.