



**HEART &  
STROKE  
FOUNDATION  
OF ONTARIO**

*Finding answers. For life.*

*Draft - VIP*

August 6, 2008

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Dear Sirs:

**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.**

On behalf of the Heart and Stroke Foundation of Ontario (HSFO), we are writing with regard to the Petition to Cabinet relative to the impact of the above-noted CRTC decision on Canadian charities.

HSFO is a volunteer-based health charity that leads in eliminating heart disease and stroke by reducing their impact - through the advancement of research and its application, the promotion of healthy living and advocacy.

We appreciate having access to this right to appeal and wish to sincerely thank Cabinet for considering our serious concerns surrounding this decision. We are pleased that our elected officials have ultimate authority over public-policy making in Canada and the Heart and Stroke Foundation of Ontario strongly believes that this ruling by the CRTC erodes important long-standing public policy principles that have underscored the relationship between governments

Lead: **SPS-TP**  
Action: **DRAFT REPLY**  
Issue: **TELECOM-POLICY-GEN**  
Doc/File Date: **2008-08-06**  
Document #: **0147514**

input: **2008-08-12**  
BF: **2008-08-26**  
C.C: **DM, PH, AL, MM**  
File#: **M-45000-1-1**  
Analyst: **AL**

Charities are established to deliver important services to Canadians. The Heart and Stroke Foundation has for more than 50 years established itself as a leading funder of world-class heart disease and stroke research that continues to have a global impact on people's heart health – across every generation. During this time, we've seen a decrease in the death rate from heart disease and stroke by 70% thanks to advances made possible through research and health education, but sadly our work is not complete. More than 50,000 strokes and 75,000 heart attacks still occur every year in Canada, and heart disease and stroke remain our leading cause of death, with one in three attributable to these devastating diseases.

Millions of Canadians and their healthcare providers look to the Foundation to help them prevent, treat and manage heart disease and stroke. Our ability to sustain this commitment relies on few or no paid staff, which can certainly be said for most Canadian charities. In Ontario alone, 39,000 committed volunteers devote endless hours of their time to support the work of the Foundation and without them we would not have been able to advance our mission to the level we have to date. Our vision is to create a province – a country – where health flourishes and future generations are active and healthy. Our Healthy Weights, High Blood Pressure and National Stroke Strategies are key to this success and we have proven our influence and ability to be successful with such milestone accomplishments as a strong advocate behind the Anti-Tobacco legislation, as well as raising our voice to the deadly issue of trans-fat in our food supply.

As 84,000 small enterprises, charities benefit most from red tape reduction – not more bureaucracy. Filling out forms under the *Telecommunications Act* is not something that we are well equipped to execute. We are sure that the Minister of Revenue will acknowledge that compliance with the T3010 regime at CRA is already quite challenging for many charities. HSFO was pleased to see the introduction in June 2008 of Bill C-62, a *Not-for-Profit Corporations Act* aimed at reducing the red tape burden placed by governments and regulatory bodies on Canada's charities and nonprofits. This ruling by the CRTC effectively undermines the spirit and impact of this important legislative initiative. It also undermines the spirit of Parliament's decision to exempt registered charities from the national Do-Not-Call List (DNCL), which is the principle component of the telemarketing rules that the new CRTC investigative body was set up to enforce.

Apart from red tape, Canada's charities should not be subjected to unnecessary fees, which serve as a *de facto* tax on charities. Under the *Income Tax Act*, charities are exempt from taxation. Further, they must apply their funding and resources to charitable objectives. We, and more importantly, our donors, do not consider registering with and financing a new enforcement body at the CRTC to be a charitable objective. Further, unlike commercial organizations, charities are not able to pass such fees on to customers.

We understand that it is an exceptional request to ask Cabinet to intervene in a decision of a regulatory body. However, there is a long history of federal, provincial and municipal "forbearance" and exemption of charities from fees and regulations that are burdensome and undermine charitable missions. Charities are exempt from income tax under the *Income Tax of Canada*; charities that own real estate, such as churches, are overwhelmingly exempt from property tax; charities are exempt from many corporate governance duties and benefit from distinct corporations law regimes; and in the telemarketing arena, charities secured an express

statutory exemption to the national DNCL, to avoid placing new constraints on the ability of charities to raise charitable donations and fund our work in our communities.

Our fundraising activities result in 22.2 million Canadians choosing to make donations to charities each year. The CRA database demonstrates that Canadians claim \$9B/ year in receipted donations to charities.

For these reasons, we urge you to rescind the CRTC ruling insofar as it applies to charities. Thank you for your consideration of our strongly-felt concerns and your support of Canada's charities.

Yours truly



Rocco Rossi  
Chief Executive Officer  
Heart & Stroke Foundation of Ontario

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