



L'Arche Winnipeg, Incorporated

providing homes for
persons with
developmental disabilities
since 1973

offrant, depuis 1973,
des maisons d'accueil
pour personnes ayant un
handicap mental

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Charitable Reg. No.
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L'ARCHE Winnipeg, Incorporated

July 29, 2008

Director General
Telecommunications Policy Branch
300 Slater Street, 16th Floor
Ottawa, ON K1A 0C8



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 writing on behalf of L'Arche Winnipeg regarding the above-referenced *Petition to Cabinet regarding the impact of the above-noted CRTC decision on Canada's charities.*

L'Arche Winnipeg is a registered charity. We create homes for people with and without developmental disabilities, giving them a place of belonging, where they can live, work and share life together in a spirit of respect, love and celebration. Creating such an environment does not come easy, but it is one we have successfully achieved. However, it would not be possible without the support of our donors and volunteers.

We certainly appreciate having access to the right to appeal to Cabinet, and thank Cabinet for considering the concerns of charities like L'Arche Winnipeg before making their decision. We appreciate that our elected officials will listen to and hear our voice and belief that this ruling by the CRTC erodes important long-standing public policy principles that have underscored the relationship between governments and charities since Confederation. We urge you to rescind the CRTC's ruling insofar as it applies to charities.

Charities provide important services to Canadians. Like L'Arche Winnipeg, which creates loving homes for people with developmental disabilities and honours their gifts and supports those who choose to live with them. Many charities function with few or no paid staff. At L'Arche, the assistants who live with members, are not paid staff, they are volunteer live in assistants. They live in the homes 24 – 7 and receive a monthly stipend allowing them to participate in community outings and activities. Most administrative jobs are also carried out by volunteer assistants receiving a monthly stipend – those who have lived in our homes and chosen to stay with L'Arche and support the organization, as their talents allow.

For the last seven years I have been a half time paid employee responsible for our Communications and Fund Development Program. I've increased annual fundraising revenues since my predecessor from \$10,000 annually to an average of \$250,000 to \$300,000 per year, to meet program and capital needs that government won't fund. To raise the necessary funds, I have averaged one month a year in overtime hours for the last seven years. If I were to count my volunteer hours, the hours worked would total more than a full time job. Small charities often have extremely devoted staff and supporters, but when too much is placed on too few people – there's bound to be a burn out. Even those who are extremely committed and compassionate can lose hope, choosing the easier route, taking a job with a lot less responsibility and double the pay, as was recently the case. After training an employee for 10 months, she left to take a government job. SMALL CHARITIES NEED YOUR HELP!

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. I am sure that the Minister of Revenue will acknowledge that compliance with the T3010 regime at CRA is already quite challenging for many charities.

L'Arche 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 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. As charities, we can not pass such fees on to our customers.

Perhaps 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 our 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 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 data base demonstrates that Canadians claim \$9B/year in receipted donations to charities.

For these reasons and the ever increasing burden on charities to do more, we urge you to rescind the CRTC ruling as it applies to charities. We need your support and help at this time. We trust you have heard our voice, united with the voice of other charities, and you will care enough to act upon it. We look forward to a positive response from you, which will support Canada's charities.

Respectfully Submitted,



Mrs. Terry Wiebe
Director, Communications and Fund Development
L'Arche Winnipeg