



Special Olympics
Ontario

Allen

18 Wynford Drive, Suite 300
Toronto, Ontario
M3C 3S2
416.447.8326
Toll-Free: 1.888.333.5515
Fax: 416.447.6336
www.specialolympicsontario.com



July 28, 2008

Privy Council and Secretary to the Cabinet
Langevin Block, 80 Wellington Street,
Ottawa, ON K1A 0A3

The Honourable Jim Prentice P.C., M.P.,
Minister of Industry,
C.D. Howe Building,
235 Queen Street,
Ottawa, ON K1A 0H5
Prentice.J@parl.gc.ca

The Honourable Gordon O'Connor P.C., M.P.,
Minister of National Revenue,
7th Floor, 555 MacKenzie Avenue,
Ottawa ON K1A 0L5
OConnor.G@parl.gc.ca

**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.**

Dear Sirs,

I am writing on behalf of Special Olympics Ontario regarding the above-referenced Petition to Cabinet regarding the impact of the above-noted CRTC decision on Canada's charities.

Special Olympics Ontario is a registered charity which provides year round sports training and competition for people with an intellectual disability. Special Olympics currently has over 16,000 registered athletes in the Ontario alone. We are a volunteer driven organization and rely heavily on our 6,000 plus volunteer base to ensure the continued success of this cause.

Special Olympics appreciates having access to this right to appeal to Cabinet and we wish to sincerely thank Cabinet for its consideration of our serious concerns about this decision. We appreciate that our elected officials have ultimate authority over public-policy making in Canada, and Special Olympics Ontario strongly believes 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.

To provide sports training & competition for people with an intellectual disability



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We establish charities to deliver important services to Canadians. Special Olympics provides athletes with an intellectual disability the opportunity to experience and succeed in sport. Special Olympics athletes gain self-confidence and transfer the success from the playing field to become more active citizens in society. Many charities function with few or no paid staff. Special Olympics Ontario currently has just 20 full time staff that work diligently and professionally to ensure the continued growth and success of this organization. As I mentioned earlier, with over 16,000 registered athletes and 6,000 registered volunteers this is quite an accomplishment! 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. Special Olympics Ontario 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 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 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.



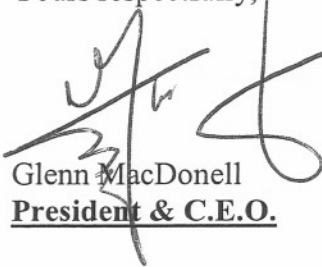
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For these reasons, we urge you to rescind the CRTC ruling insofar as it applies to charities. Thank you for your consideration of our strongly-felt concerns and your support of Canada's charities.

Yours respectfully,



Glenn MacDonell
President & C.E.O.

- cc. The Honourable Diane Ablonczy P.C., M.P.
Secretary of State (Small Business and Tourism)
C.D. Howe Building
235 Queen Street
Ottawa, Ontario K1A 0H5
ablond@parl.gc.ca
- cc. Director General, Telecommunications Policy Branch telecom@ic.gc.ca.
300 Slater Street, 16th Floor, Ottawa, Ontario K1A 0C8.

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Special Olympics Ontario is an accredited member of Special Olympics Inc. created by the Joseph P. Kennedy Jr. Foundation
Charitable Registration No 11906 8435 RR0001