



Advocating for Canadians and Communities: Ensuring Charities' Voices are Heard

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Outline

1. Who is Imagine Canada and why are we here?
2. Why should charities engage in public policy?
3. How have charities influenced public policy?
4. What is the difference between charitable and political activity?
5. What are some of the most frequently asked questions?
6. What does it all mean for your Board and staff?
7. Where does the lobbyist registration come in?
8. How can we ensure our voices are heard?

Imagine Canada

A national charitable organization whose cause is Canada's charities and nonprofits.

- **Strengthen** the sector's **collective voice**.
- **Create opportunities** for charities and nonprofits to connect and learn from each other.
- **Build** the sector's **capacity** to succeed.
- **Supported** by more than 1300 **members** throughout the country

Imagine Canada Standards Normes



online database with detailed, searchable information about thousands of funders.

Public Policy Expertise



Stretch Tax Credit

Charitable exemption - anti-spam legislation

Reduced credit card fees

Postage rates for charities

A Foundational Narrative - Background

Current Issues
– reflect a
poor
understanding
our of sector:

- Bill C470 which would have capped salaries in our sector
- Involvement in Public Policy
- Focus on fund raising cost
- Ratings organizations – evaluating charities but on what metrics
- Criticism of international development, why isn't Haiti a G8 nation?

A Foundational Narrative - Background

- National Engagement Strategy
- National Summit
- Webinar
- Inaugural meeting of the Steering Committee
- Financial support from The Ontario Trillium Foundation, an agency of the Government of Ontario, The J.W. McConnell Family Foundation and the Agora Foundation
- **Additional support from the Max Bell Foundation and the Ivey Foundation**

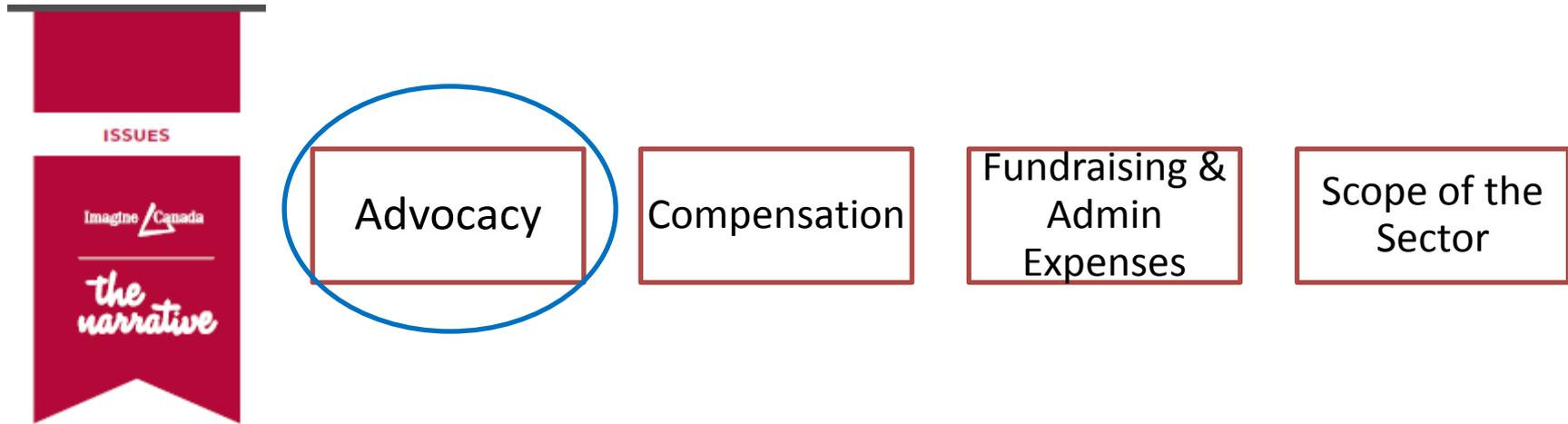
Narrative Tool Kit – First Elements, February 2014



Core Resource – details about the size, breadth and impact of the sector.

Highlights include: the sector's role in shaping public policy, the need for adequate compensation and an argument in favour of evaluating our work based on impact not overhead.

Issue Sheets



Why should charities engage in public policy?

Five keys reasons for charities to engage in public policy

We are on the front line

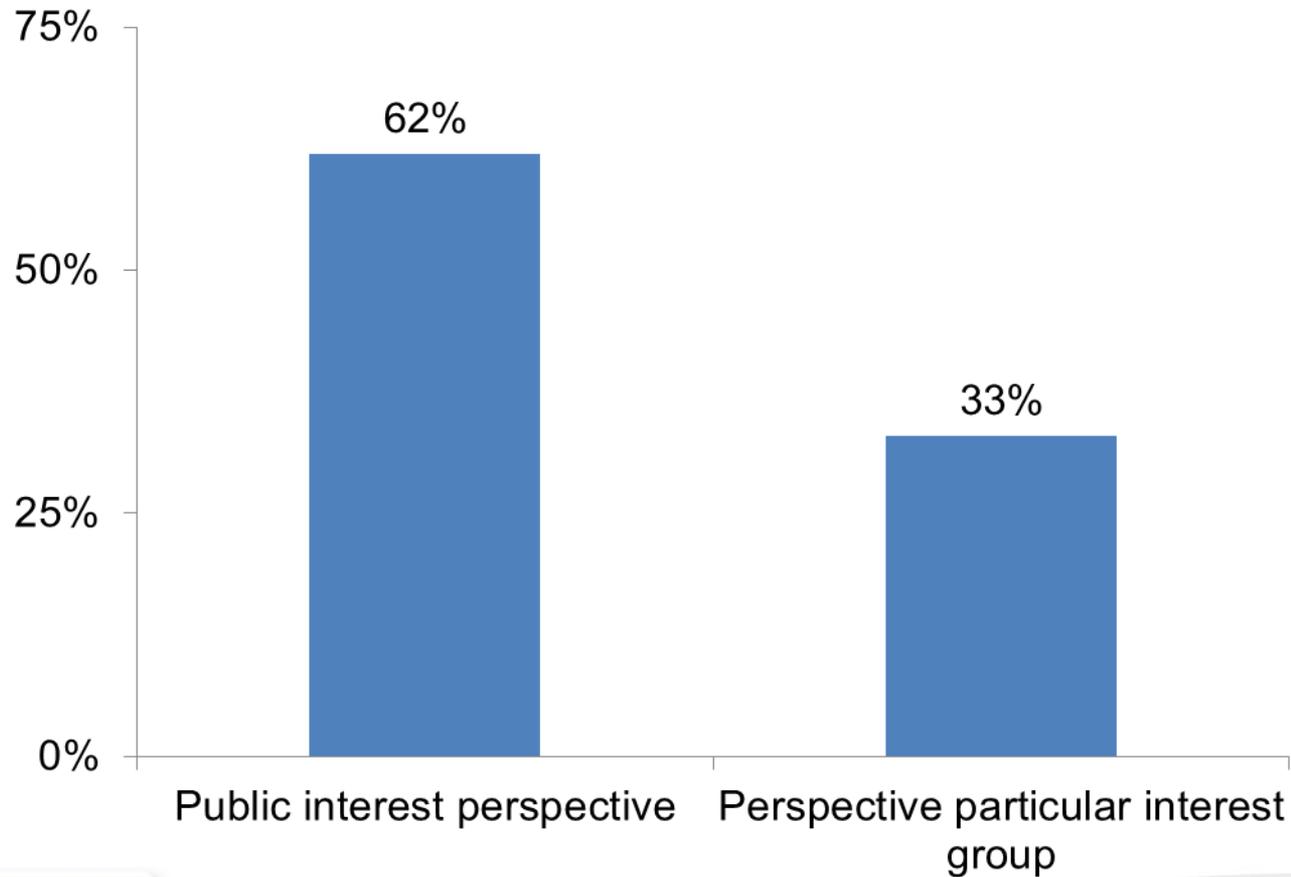
We bring a unique perspective

We bring people together and provide a voice for communities

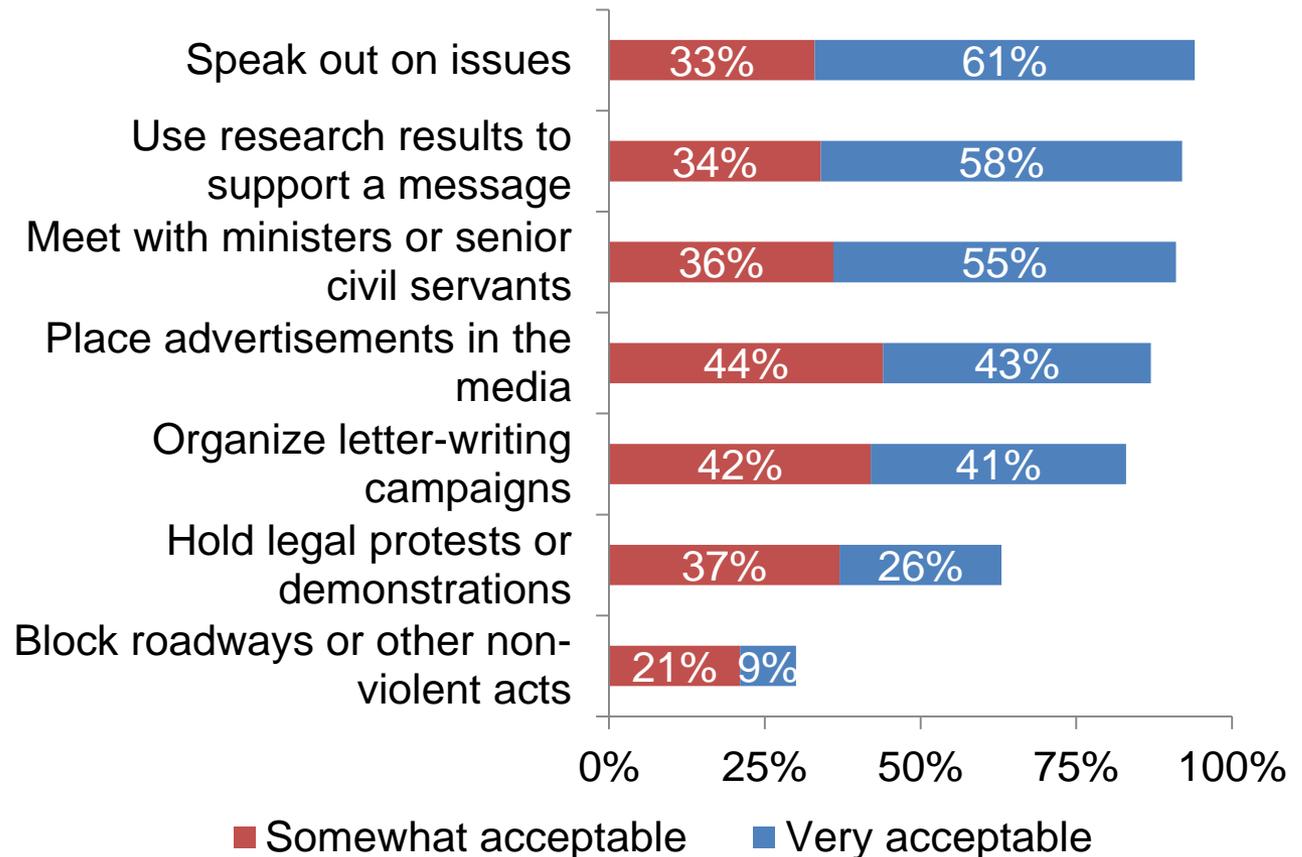
We have a long history of successfully informing and influencing government decisions

Canadians want and expect us to speak up

Canadians believe that charities prioritize the *public* interest, not their own



How do Canadians want charities to engage?



How have charities influenced public policy?

Tobacco policy



NO SMOKING

**IT IS AGAINST THE
LAW TO SMOKE IN
THESE PREMISES**

Acid Rain Treaty



Land mines treaty



Children's Tax Credits: Fitness



Impaired driving



Arts



What type of public policy
does Imagine Canada do?

What type of public policy work does Imagine Canada do?

- Focus on cross-cutting issues of importance to charities
- Play primarily at the federal and pan-Canadian level
- Educate charities on how to engage effectively
- Develop original proposals and respond to those advanced by others
- Rally charities to ensure our voices are heard and our contributions are recognized
- Believe that public policy is better when charities are at the table!

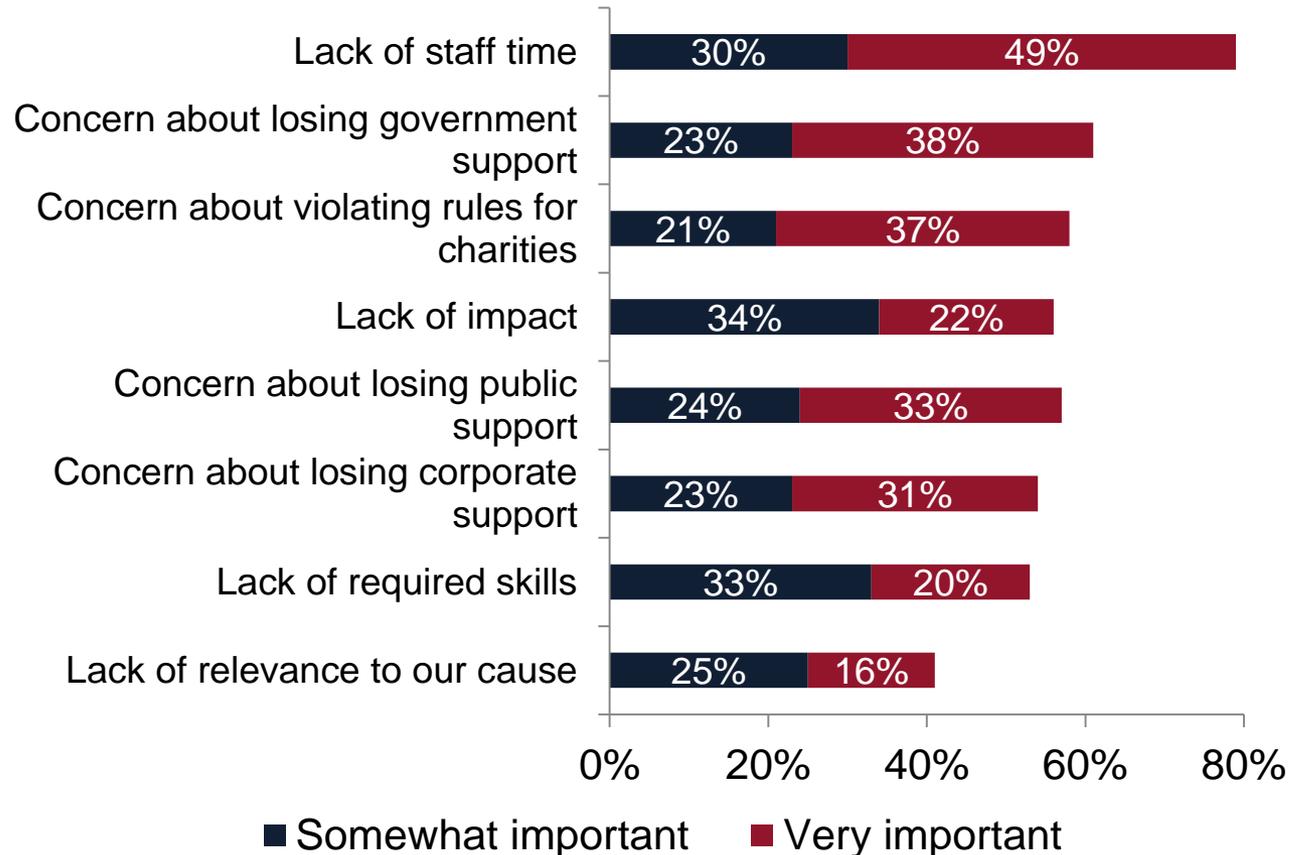
Sometimes we need to react...

- Bill C-470
- anti-spam regulations
- GST/HST on hospital parking
- Charities' right to speak out publicly on issues

And sometimes we forward our own agenda...

- House of Commons Finance Committee – 2012 hearings on tax incentives for charitable giving
- 2013 federal budget – First Time Donor's Super Credit
- Stretch Tax Credit for Charitable Giving – [local mobilization campaign](#)
- credit card interchange fees – 40 per cent reduction
- Elimination of 80/20 disbursement quota rule
- Access to federal business development and assistance programs

Why don't charities engage more?



CRA political activity audits

- Audits can come about in a number of ways
 - complaints from public
 - random selection
 - screening of charities reporting political activities
- Should you be worried?
 - 86,000 registered charities
 - 403 charities screened
 - 52 political activity audits
- Big impact on those being audited – cost, reputation
- Public policy – get involved and do it wisely!

What do charities need to keep in mind when they engage in public policy?

Types of activity

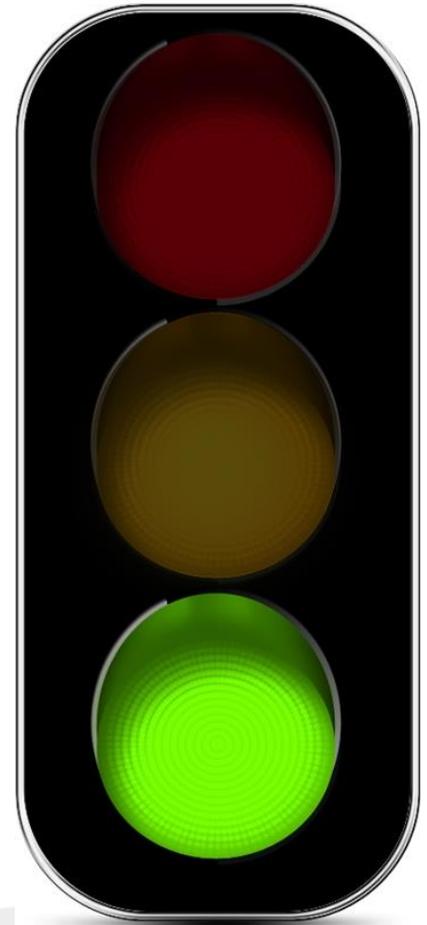
- Charitable activity – advocacy that charities can carry out that is considered part of their charitable mission
- Political activity – advocacy that charities can carry out – but there are limits to keep in mind and the activity **MUST** be reported on the T3010
- Prohibited activity – charities must **NOT** engage in these – includes partisan activity

Pop quiz – charitable, political, or prohibited?

- Writing a letter to an MP or Minister
- Meeting an MP or Minister
- Testifying in front of a Parliamentary Committee or public tribunal
- Newsletter item saying Law X needs to change
- Organizing a rally
- Talking to the media
- Organizing a petition
- Full-page newspaper ad reprinting a letter or submission you've made
- Organizing an all-candidates meeting
- Endorsing a political party's position on an issue

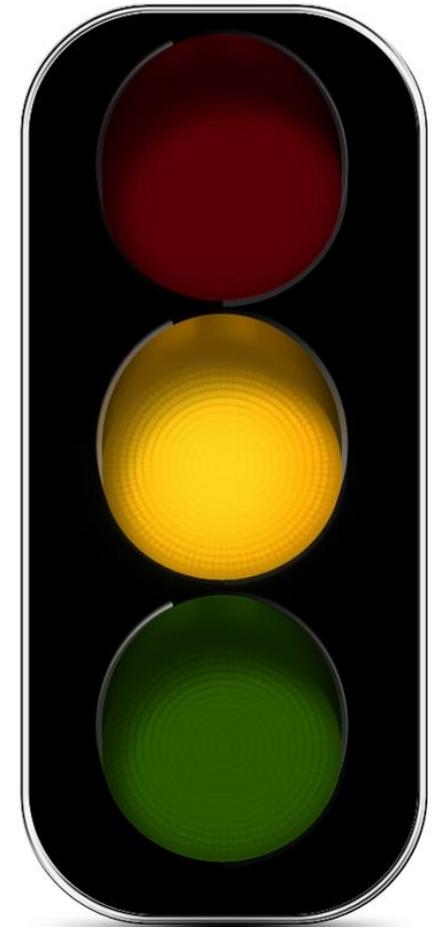
Charitable activities

- Meeting with or writing to MPs, cabinet ministers, public servants
- Appearing in front of a Parliamentary committee
- Appearing in front of a public tribunal
- *Activities must be:*
 - *Connected and subordinate to charitable purpose*
 - *Non-partisan*
 - *Based on a well-reasoned position*
 - *No call to political action*



Political activity

- Organizing a rally, petition, or letter-writing campaign
- Buy ads to pressure the government
- Publicly share views that a law or policy should be changed or retained
- Essentially, a public call to action
- Funding others to do political activity
- *All of these are fine with certain conditions*
 - *No more than 10% of resources used in any year*
 - *Related and subordinate to charitable purpose*
 - *T3010 reporting – even if there is no expenditure*



CRA definitions of political activity

When a charity:

- ***“explicitly communicates a call to political action (i.e., encourages the public to contact an elected representative or public official and urges them to retain, oppose, or change the law, policy, or decision of any level of government in Canada or a foreign country)”***

CRA definitions of political activity

When a charity...

- *“**explicitly communicates to the public** that the law, policy, or decision of any level of government in Canada or a foreign country should be retained (if the retention of the law, policy or decision is being reconsidered by a government), opposed, or changed”*

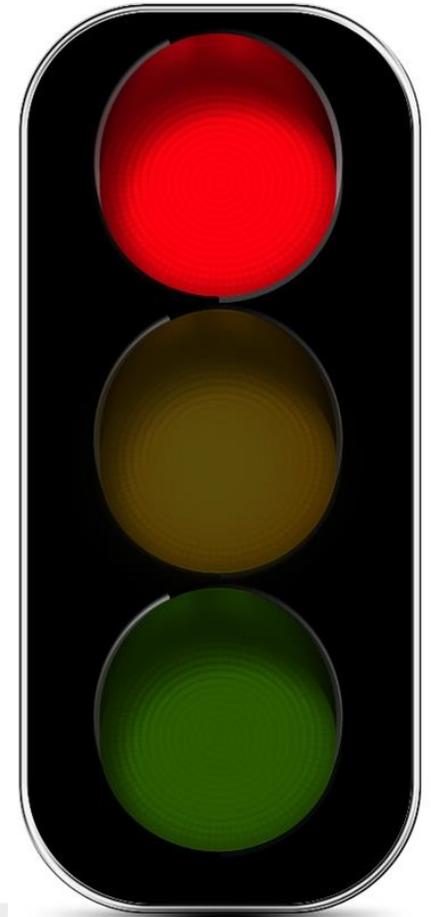
CRA definitions of political activity

When a charity...

- ***“explicitly indicates in its materials (whether internal or external) that the intention of the activity is to incite, or organize to put pressure on, an elected representative or public official to retain, oppose, or change the law, policy, or decision of any level of government in Canada or a foreign country”***

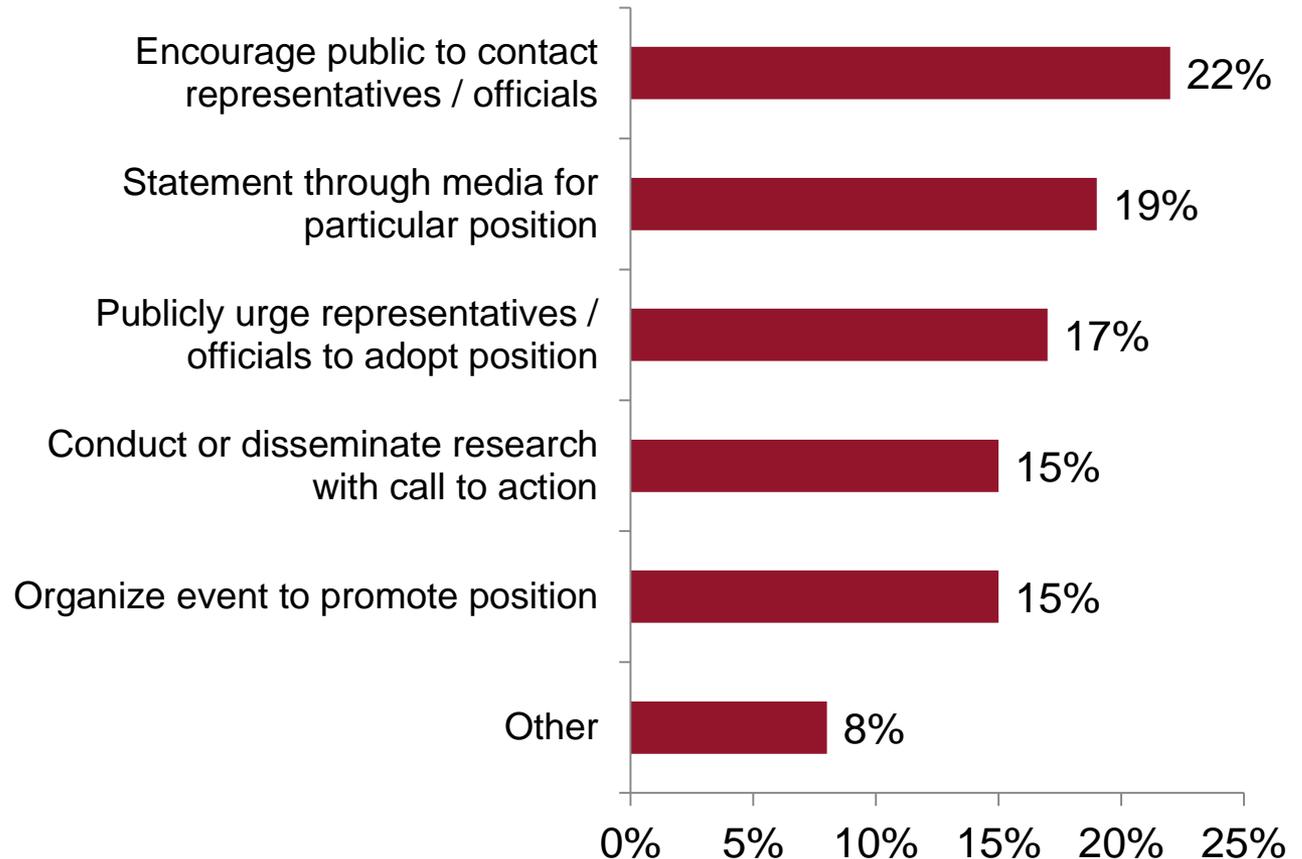
Prohibited activity

- Illegal protests
- Partisan activity -- directly or indirectly supporting or opposing a political party or candidate
 - Endorsing or opposing a party platform
 - Encouraging supporters to vote for or against a party or candidate
 - Unequal treatment of candidates during an election period



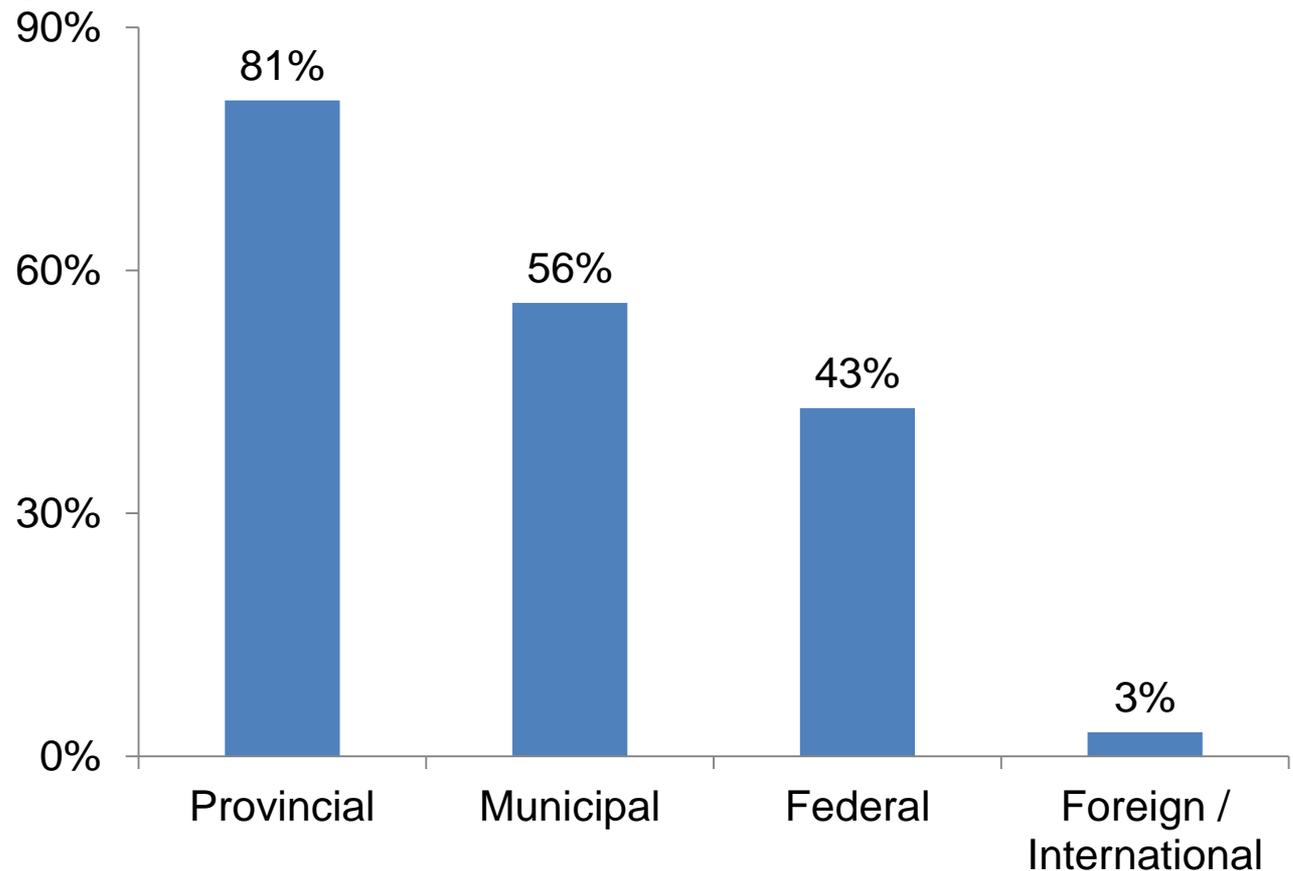
Don't be afraid, but don't forget to report.

Types of activity charities report doing that may be political



ALL of
these
need to
be
reported!

Levels of government targeted in political activity



What are some frequently asked questions?

What do we need to know when conducting research?

- If the research was carried out to better understand an issue and **does not contain a call to action**, it is **charitable**.
- If the research was carried out to better understand an issue, but **includes recommendations that constitute a call to action**, a portion of it **may need to be counted as political activity**.

Being “indirectly” partisan seems a bit broad. Does that mean we can’t criticize the government?

- Speak to the issue and your policy position, not for or against a party, candidate, or politician.
- Refer to governments and institutions in a neutral way. For example, “the federal government” rather than “the Conservative/Green/Liberal/NDP government.”
- If you’re reporting on how MPs voted on something, give the complete list – don’t single one party out.

How do we to stay within the rules during the federal election campaign?

- Avoid partisan activity
 - Endorse policies, not parties or candidates
 - Do not point out a party or candidate that does not support a policy you like; do not emphasize a party or candidate that does
 - If organizing an event, ensure that all candidates are invited – they don't all have to show up, but they all need to be invited
 - If you, as an individual, are publicly supporting a party or candidate, do not imply that you speak on behalf of the charity
- “Get out the vote” telephone campaigns will need to be registered with Elections Canada

What does this mean for
you?

As a board member...

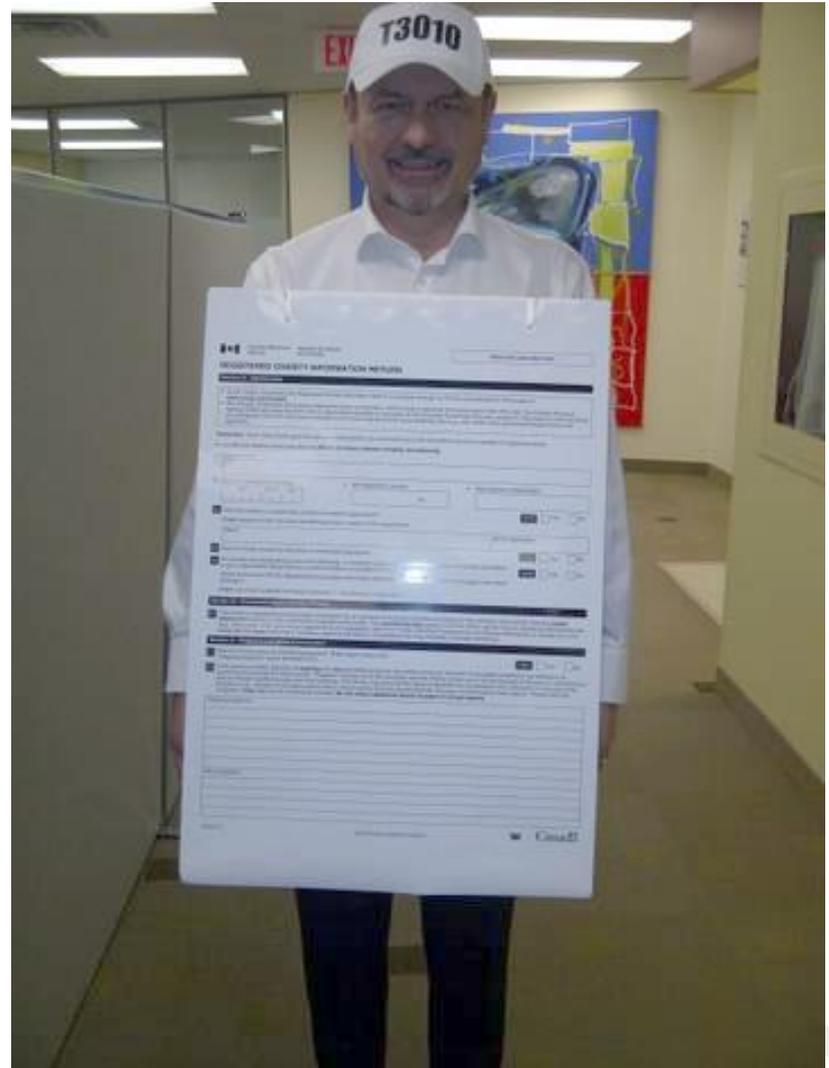
- Be aware of, involved in, and supportive of, the organization's decisions to engage in public policy.
- Be aware of the distinction between political activity and other types of activity.
- Don't just rubber-stamp the T3010 – know what questions to ask, and don't be afraid to ask them.

As senior staff...

- educate relevant staff
- keep track of activities that need to be reported
- track direct expenditures (e.g. permit costs, advertisements if organizing a rally)
- track staff time devoted to political activities
- if you make grants to another charity, with the intent that a portion be used for political activity, track and report
- no “one size fits all” method, no prescribed method from CRA – whatever you do should be consistent and reasonable

Fill in your T3010 correctly

- Make sure that someone involved in your public policy efforts is also involved in preparing the T3010.
- Consult resources like the CRA guidance, or the CharityFocus T3010 quick prep tool, for assistance



Include volunteer and capital resources

- T3010 requires you to report if volunteers or capital resources were used in political activity
- You are not required to quantify these or assign a value
- However, if requested, be able to provide a reasonable explanation of how volunteers were used, or how capital resources (e.g. office space, IT systems) were used

If you remember just one slide about political activity reporting...

- Even if there is no direct expenditure, political activity needs to be reported on the T3010
 - eg. statements to the media calling for a law or policy to be changed or retained
- Not just federal activity! Political activity includes all levels of government, in Canada or abroad
- When in doubt about whether something is political activity...
 - the CRA will provide anonymous advice
 - over-reporting is probably better than under-reporting

Keep on top of the issues

Imagine Canada's *Early Alert* provides members with breaking news from Parliament and across the federal government affecting charities as a whole.

imaginecanada.ca/earlyalert

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Early Alert

Imagine Canada's parliamentary monitoring service

Issue 59 | 02/09/2015 | [Français](#)

In this issue:

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- [Long-form census](#)
- [Political activity by charities](#)
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- [Charitable revocations](#)

"Civil Society Partnership Policy" launched

On February 5, International Development Minister Christian Paradis [announced](#) a new engagement policy, intended to promote greater collaboration with sector organizations to achieve Canada's international development goals. While this announcement is specific to organizations working in the international development field, it could be a significant precedent for charities operating in other areas.

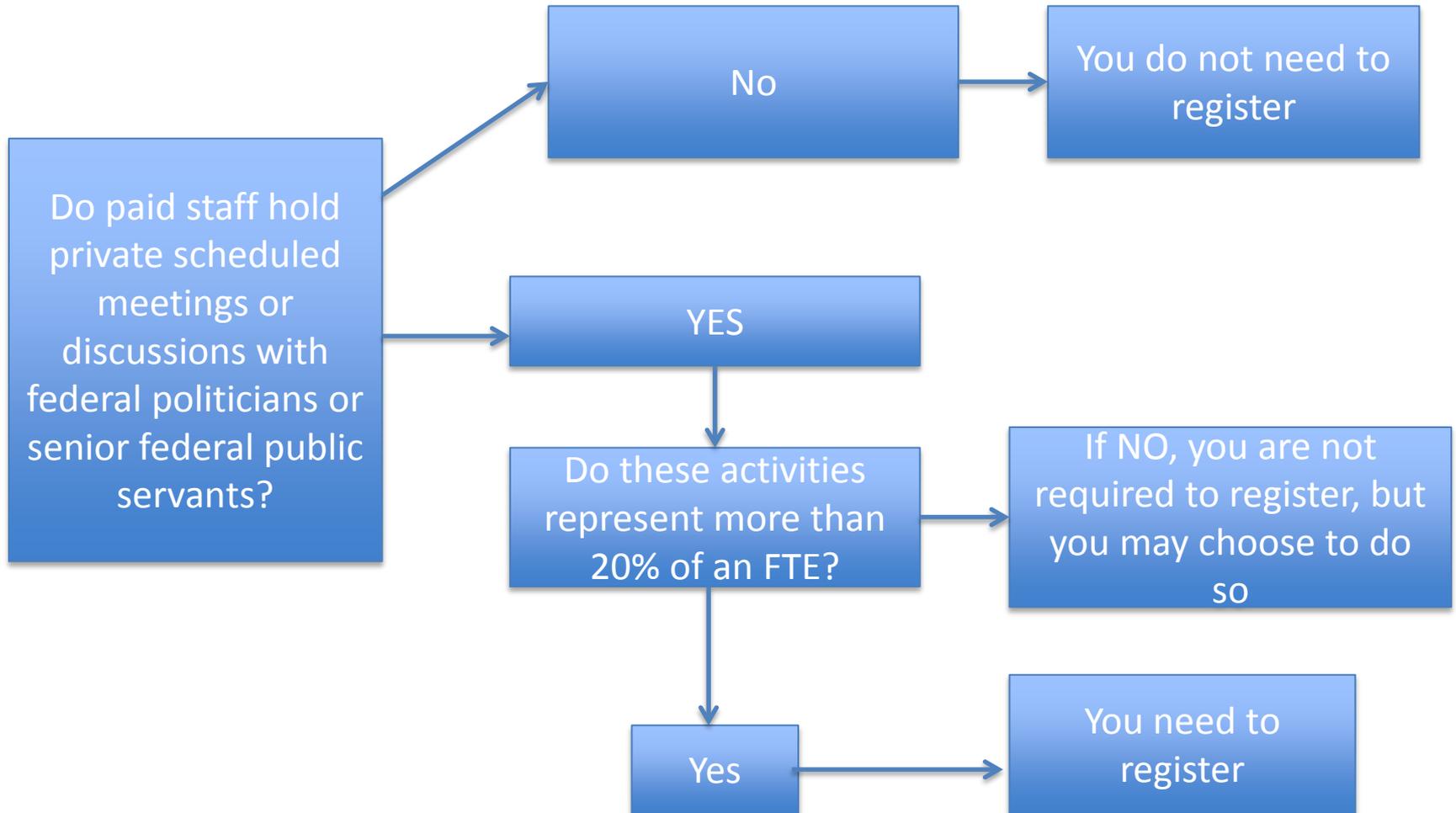
PM announces changes to the ministry

Where does the lobbyist
registration come in?

What counts as lobbying?

- Lobbying is communicating, with public office holders, for payment with regard to:
 - the making, developing or amending of federal legislative proposals, bills or resolutions, regulations, policies or programs
 - the awarding of federal grants, contributions or other financial benefits
- Asking for information is NOT lobbying
- Written communication is NOT lobbying
- Appearing in front of a tribunal or parliamentary committee is NOT lobbying
- Face-to-face discussions, pre-arranged telephone calls

Do you need to register?



Federal lobbyist registration requirements

- Information about organization
 - Issues or contracts you are lobbying on
 - List of staff doing the lobbying
 - Methods you use
 - Reporting contacts – as they happen or monthly
 - Completely electronic, no fees
-
- Note: provincial and municipal governments may have their own requirements

How can we ensure our voices
are heard?

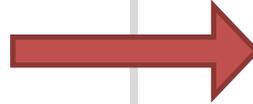
Keys to engaging constructively with governments

- Present the solution, not just the problem
- Frame your request in terms of the government's and the public's interests
- Identify champions – inside government and from other sectors
- Be in it for the long haul
- Be opportunistic – if you have several priorities, be ready to switch your focus depending on circumstances
- Treat politicians, staffers and officials as you would like to be treated
- Get involved – Canada and the world will be better for it!

The Evolving Landscape

Then

- Less external demand for transparency and accountability
- Focus on grants and contributions
- Funding for umbrella organizations
- Sector silos
- History of entitlement
- Dependence on government
- Reaction to government



Now

- Heightened demand for transparency and accountability
- Focus on tripartite partnerships
- Funding issues and priorities
- Sector unified
- Culture of contribution
- More self-reliance
- More proactive leadership

Resources

- [Canada Revenue Agency, Policy Statement, “Political Activities” \(CPS-022\)](#)
- CRA, [“Political activities self-assessment tool”](#)
- CRA, [“Resources for charities about political activities”](#)
- CharityFocus [T3010 QuickPrep Tool](#)
- Imagine Canada Issue Alert, [“Charities’ Engagement in Public Policy”](#) (May 2012)
- Imagine Canada Issue Alert, [“Advocacy, Political Activity and Foreign Funding”](#) (March 2013)
- The Muttart Foundation, [Talking About Charities 2013](#)
- [Office of the Commissioner of Lobbying of Canada](#)
- Imagine Canada, [Narrative Toolkit](#)
- [The Philanthropist](#) public policy issue (2014)

Thank You

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For more information about Imagine Canada visit:

www.imaginecanada.ca