

Submission to the House of Commons Standing Committee on Industry, Science and Technology Review of Canada's Anti-Spam Law October 25, 2017

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Our Position

Calgary Chamber of Voluntary Organizations (CCVO) supports the recommendations put forward by Imagine Canada for the 2017 review of Canada's Anti-Spam Law (CASL). These recommendations are:

- 1. Exempt all electronic communications sent by or on behalf of a *registered charity* (as defined in subsection 248(1) of the Income Tax Act) from the consent provisions of CASL.
- 2. Exempt all electronic communications sent by or on behalf of *public-benefit nonprofit* organizations¹ from the consent provisions of CASL.
- 3. Exempt registered charities and public-benefit nonprofit organizations from the *Private Right of Action* provisions of CASL.

Rationale

Imagine Canada's recommendations recognize the expectations of the Canada Revenue Agency (CRA), and Canadians, of registered charities and public-benefit nonprofit organizations. To maintain their status, registered charities must fulfill a charitable purpose, generate public good, and ensure that no private benefit results from their activities. Registered charities must demonstrate that they meet the high standards placed upon them by the CRA when they file financial information on an annual basis, information that is subject to audit.

Organizations considered public-benefit nonprofit operate in a similar fashion, also work with tight financial margins and high expectations placed upon them. These organizations, such as public housing corporations, recreational sports organizations, or financial literacy agencies, provide the same vital services as registered charities in Canadian communities. They exist for the purposes of social welfare and civic improvement of the community at large, and no part of their income is made available for the personal benefit of any member.

Both charities and public-benefit nonprofits use a variety of ways to communicate with the public to offer their services and generate the income they need to provide programs and services. Currently, there is no exemption for commercial electronic messages sent by public-benefit nonprofits. In addition, since the legislation provides for damages of up to \$1 million per day for infractions of CASL, the private right of action provisions place volunteer directors of charities and nonprofits in a highly precarious position. We believe that the existing penalties within CASL are sufficient deterrents to any violations of the regulation by charities and public-benefit nonprofits.

To foster an enabling environment for charities and public-benefit nonprofits to do their vital work, we support Imagine Canada's recommendations that the above exemptions be created in the legislation.

¹ The term "public-benefit nonprofit" organizations has no legal recognition in Canada. It has been proposed recently by some as one way to differentiate organizations that serve the general public from those that benefit a select group of members. CCVO has no position whether "public-benefit nonprofits" is the proper term, however we agree with Imagine Canada that organizations that: "(i) have a public purpose and mission; (ii) operate for the public good, not personal gain; (iii) reinvest excess revenues into their public mission; and (iv) retain assets in the public domain for the public good" should be exempt as recommended herein.