

August 16, 2018

PFC Welcomes the Federal Government's Announcement Concerning Political Activities

PFC welcomes the federal government's <u>announcement</u> concerning the political activities of charities and charitable funders. This announcement is an important step in responding to the recommendations of the Consultation Panel on the Political Activities of Charities. Over a year ago, this Panel reported to the Minister of National Revenue, after hearing from hundreds of charitable organizations and funders across the sector.

A key Panel recommendation was to introduce legislative changes with respect to the engagement of charities in political activities. These changes will ensure that charities and foundations are encouraged to fully participate, *in pursuit of their charitable objectives*, in public advocacy, dialogue and policy development. We believe that public policies can benefit from the unique contribution of charities who have deep knowledge of communities and of the issue areas in which they work. The intrusive and difficult-to-understand rules around so-called "political" activities have restricted charitable funders and their partners who are working to support informed and effective public policy in any field. A legislative amendment is the best way to ensure that the rules are clear and can be complied with effectively, while enabling charities to contribute fully to policy debates and not deterring charitable funders from providing support for this work.

We are eager to pursue a continuing dialogue with the federal government on the Panel's fourth recommendation, which is to "modernize the legislative framework governing the charitable sector to ensure a focus on charitable purposes rather than activities and adopt an inclusive list of acceptable charitable purposes to reflect current social and environmental issues and approaches." PFC will continue to work closely with Imagine Canada and other sector organizations to participate fully in this important dialogue on a much-needed modernization of a severely outdated and overly rigid regulatory framework for our sector.