

Viewpoint*

The Voluntary Sector in Canada's New Social Contract: More Responsibility But No Voice?

GORDON FLOYD

Director, Public Affairs, The Canadian Centre for Philanthropy

The Issues

The federal government is reducing funding and considering other measures to restrict the advocacy activities of "interest groups", which are primarily voluntary organizations. Some provincial governments are repeating the same themes. A significant effect of these measures will be to reduce the voice of the voluntary sector in the public policy process. At the same time, the voluntary sector is expected to play a larger role in the delivery of programs that serve Canadians' collective needs as governments "offload" many responsibilities.

Background and Analysis

Many political leaders in Canada, including many members of the current government, believe that "interest groups" play too large a role in the public policy process. This view crystallized in the aftermath of the defeat of the Charlottetown constitutional proposals in October 1992—a defeat that traumatized the leadership of all national political parties in Canada.

Many politicians publicly voiced their opinion that interest groups were responsible for the defeat of the Charlottetown proposals. They characterize the positions of these interest groups as self-serving, lacking national vision, and unrepresentative of their alleged constituencies. The most often cited example of such an "interest group" is NAC, the National Action Committee on the Status of Women. The role of aboriginal groups, ethnocultural organizations, environmental groups, and social action groups—many of which loudly opposed the Charlottetown proposals—was also deeply resented, and perhaps feared, by the country's political leaders after they lost the constitutional referendum vote.

*"Viewpoint" offers a forum for personal opinion and does not necessarily reflect the views of the authors' organizations.

The present Liberal government assumed office less than a year after the referendum defeat and, as key players on the losing “yes” side, many Liberals’ wounds were still fresh. Like many other observers, they interpreted the referendum defeat as a vote against the political decision-making process in Canada more than as a rejection of the substance of the Charlottetown proposals. Specifically, they said they believed (and still seem to believe) that Canadians rejected the system of brokerage politics that has developed in Canada since the 1960s.

In brief, Canada’s brokerage system involves voluntary organizations, business and labour groups, advisory bodies and others who advocate policy positions that, supposedly, represent the views and interests of their respective constituencies in government decisions. Decision-making often involves finding compromises and negotiating trade-offs, or brokering, among these often-disparate viewpoints. Critics of this system say that it distorts the decision-making process by giving undue influence to organized interests and professional advocates, while excluding “ordinary” Canadians, or “the silent majority”.

Opposition to brokerage politics and the role of “special interests” in the policy-making process has found its loudest Canadian political expression in the Reform Party. Reformers argue for “direct democracy” or “grassroots politics” as the alternative to brokerage. They advocate referenda, provisions to recall members of Parliament, widespread use of town hall forums, and other mechanisms to ensure that elected politicians both understand and adhere to the views of their constituents. Reformers in general regard voluntary organizations and other “interest groups” (and the media) as unrepresentative “mediators” that distort the true nature of public opinion in order to advance an agenda based on their own self-interest and political ideology.

Prime Minister Chrétien and his Liberal colleagues are said to believe that their Conservative predecessors’ fate was sealed when Canadians started to see them as the “captives” of special interests, a view that solidified in the Meech Lake constitutional negotiation process which preceded the development of the Charlottetown proposals. Chrétien’s Liberals know that they will also be portrayed as “captives” if “special interests” in Ottawa continue to be perceived as too powerful, especially since the 1993 federal election left the Reform Party as the Liberals’ strongest national opponent.

Many in the government believe the simplest solution to gridlock in Canada’s system of brokerage politics is to limit the role of interest groups in the policy-making process. This is more easily done with some interest groups than with others. Business, professional and trade associations mostly finance their own lobbying efforts, so it would require a direct confrontation to curtail their public policy role. Politically, a direct confrontation with such powerful

forces would be very risky, especially if the government's objective is to silence them. (The *Charter of Rights and Freedoms* also limits the government's ability to restrict advocacy directly.) Tighter registration laws for lobbyists will at least give the appearance that their power is being reduced.

The voluntary sector, on the other hand, relies heavily on federal government funding to support the national offices of many of its organizations, which is where most of the sector's federal policy activity occurs. This reliance on government funding for advocacy has arisen for two reasons: voluntary organizations have allocated most of their fund-raising revenues to direct service and program delivery rather than to other costs such as advocacy, and federal policymakers in the 1970s and 1980s believed that funding the advocacy role of voluntary organizations was the most effective means to give a public policy "voice" to Canadians who lacked power, money or media access.

The result, however, is that the voluntary sector's voice can now be limited simply by cutting federal funding. Although it may be theoretically possible to maintain the sector's voice by diverting some of its fund-raising revenues from direct service delivery to advocacy, any such reallocation is practically impossible in the sector's current environment of an overall decline in revenues (due in large part to across-the-board government funding cuts) and pressure to expand programs (due in large part to government downsizing).

Funding cuts, actual and proposed, are not the only evidence that the federal government is giving less attention to the views of voluntary organizations. For instance, Environment Canada officials recently undertook national consultations that employed paid facilitators instead of working with existing local environmental groups. Indicative of Ottawa's current position on the advocacy role of voluntary groups is this statement from the communications strategy for the Social Security Review, an initiative that touched the voluntary sector at many points, "The public at large is sceptical of the motives of special interest groups".

The Importance of a Strong Voice for the Voluntary Sector

As challenges to the voluntary sector's public policy role become more fundamental and more insistent, it is timely to recall the rationale that has sustained tax-funded support for interest group advocacy since the late 1960s. The core belief is that active participation by voluntary organizations in public policy debates is vital to balanced decision-making in a pluralistic democracy. This is because voluntary organizations are:

1. Representative

Fundamentally, voluntary organizations are among the most basic units of citizenship in our society, the first level of community beyond the family.

Their role in the public policy process is at least as important as their service delivery role. They provide multiple mechanisms for Canadians to define their communal needs and to decide how those needs can best be met. They are the mechanism that enables Canadians to articulate the richly-varied views and interests of our regionalized, multicultural, and politically diverse country. They give collective voice to communities of interest, while requiring individuals to find common ground and accommodate the views of others in their communities.

When communities of interest are spread throughout the country, voluntary organizations with allied interests often form national coalitions, in part so that they can act as advocates for shared public policy concerns. These national voluntary organizations are a vital part of the intricate web of networks that holds Canadians together and connects them to the nation's political centre in Ottawa. They give our political system the capacity to recognize and accommodate the diversity of Canadians' public policy views. As such, they are part of Canada's system of "checks and balances". They ensure a wide range of input to public policy decisions. Finally, apart from the media, they represent the only organized effort to secure continuous, extra-parliamentary accountability from legislators.

2. *Accountable*

Voluntary organizations enable Canadians to meet the collective needs of their communities whether those communities are based in geography or common interest. They are part of the structure by which Canadians govern themselves, closely connected to governments, but lacking any of the elements of compulsion (such as taxation and universality) that are part of government. They are also one of the primary means by which individual Canadians voluntarily assume responsibility for improving the quality of life in their own communities, without relying upon governments.

Although any collective effort involves some surrender of individual rights and power, citizens maintain much more control in voluntary organizations than is generally possible in governmental agencies, including the freedom not to participate through donations of either their time or their money. Larger voluntary organizations typically employ staff and are governed by a volunteer board of directors, and therefore require individual members to delegate some responsibility for the organizations' operations. However, the delegation involved in a voluntary organization is far less than that involved in delegation to a federal or provincial government if only because the organization is so much smaller and more accessible. Also, the fact that citizens can voluntarily withdraw their support forces a higher standard of accountability on these organizations than is usually exhibited by parliamentary governments.

3. *Experienced*

Voluntary organizations existed before governments; they were the first means by which groups of people acted to meet their mutual needs, whether in the form of a hunting party or a warrior band. In Canada, voluntary organizations developed and initially delivered most of the educational, health and social programs that have, during the past century, been taken over by governments.

The transfer of programs from the voluntary sector to government accelerated during World War II and continued aggressively in the post-war years. The growth of Canada's "welfare state" during the twentieth century has largely consisted of replacing programs that were delivered selectively by voluntary organizations with programs that are available universally through governments. An expanding economy has made it feasible constantly to lower the threshold that defines "need" in Canada, so that programs originally developed to meet urgent needs in one community have been transformed into programs to which all Canadians are "entitled".

The extensive government funding of voluntary groups (56 per cent of the budgets of registered charities are government-funded, according to a 1994 study by The Canadian Centre for Philanthropy) is evidence of the collaboration that has evolved between the two sectors. Voluntary organizations deliver many services that are either mandated by government or would have to be provided by government in the absence of voluntary sector service delivery. Voluntary agencies are on the frontlines for these programs; they are closest to the people who use them; they are much closer to both community needs and impacts than are any legislators or other policy makers in Ottawa. As those responsible for implementing many federal policy decisions, it is only logical that voluntary organizations should have a major role in the public policy process.

4. *Not-For-Profit*

The voluntary sector consists entirely of organizations that serve the interests of many people beyond their own members and they specifically do not provide financial gain to their members. They are governed by unpaid volunteer boards of directors. They are staffed by comparatively low-paid personnel. Their public policy role, therefore, is not coloured by any significant financial interest, unlike the public policy activities of trade associations, professional organizations or private sector companies. As participants in the public policy process, voluntary organizations add input from a public interest perspective that, at least in part, balances the self-interested positions of business lobbyists. Their access to the policy-making process, while not a substitute for communication among individual Canadians, will be represented forcefully and without the distortion arising from financial self-interest.

The Need to Balance Powerful and Wealthy Advocacy Voices

Of course, nobody is actually saying that voluntary organizations should have no voice in public policy. Even those who propose eliminating all government funding for interest groups' advocacy activities avoid suggesting that those activities are not legitimate; they argue only that interest-group advocacy should be paid for by those who support the group, rather than by all taxpayers. Such a simple argument has obvious appeal, but its premise—that the opportunity to join in public policy discourse should be linked to one's ability to pay—is, quite simply, undemocratic.

As noted earlier, the elimination of government funding for advocacy would leave some interest groups relatively unscathed—especially business lobbies, trade and professional associations. These are precisely the interest groups that most Canadians believe are already too influential.

Both the extent to which private sector interest groups dominate government agendas, and the extent to which most Canadians disagree with those agendas, are captured in a study entitled *Rethinking Government '94*, published by Ekos Research Associates in mid-1995. This study compared the opinions of government and business elites in Canada with those of Canadians as a whole. When asked to rank priorities for the federal government, the elites gave a higher ranking than Canadians as a whole to only two priorities: debt and deficit, and the level of taxation. Canadians generally would give much higher priority than their governing elites to the following: health care, environment, consumer protection, personal privacy, and regulating business.

When asked to rank values for the federal government, the business/government elites ranked the following much higher than the survey of all Canadians did: competitiveness, minimal government, excellence, prosperity, and thriftiness. These are not the values reflected by Canadians as a whole, who ranked the following much higher than the business/government elites did: equality for all regions, individual rights, clean environment, collective rights, heritage preservation, freedom, and a healthy population.

Given these results, it is hardly surprising that only one-third of Canadians surveyed by Ekos feel that they have any influence on the political process in Canada or any impact on government actions. Their complaint is not, however, with advocacy activities by the voluntary sector. In fact, Canadians agreed two-to-one that single-issue advocacy groups “help ordinary Canadians make their views known to government”. The report's authors note that “special interest groups ... continue to provide an important voice for the relatively powerless in society (who continue to strongly support these groups and who are largely unreachable through most alternative consultative mechanisms)”.

It seems likely, therefore, that weakening the advocacy voice of voluntary organizations will achieve the opposite of its intended effect. It will strengthen, not overcome, Canadian voters' disenchantment with their governments and the system of brokerage politics. They believe that system already works too much for the interests of those with political and economic power and too little for ordinary people.

Although proposals to "fix" Canada's system of political brokerage are beyond the scope of this article, legislators should be encouraged to focus on the apparent lack of balance in their own role as "brokers". The problem seems to be less with the input from interest groups—especially those from the voluntary sector—and more with how that input is handled, and often overwhelmed, by the views of those with economic and political power, once the brokerage process begins. Restoring credibility to Canada's political process and respect for our system of government will most likely require expanding, not diminishing, the role and influence of voluntary groups in Canada's public policy process.