

SEPARATING CHARITY FROM POLITICS!

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The philanthropist who rattles charities

Conservative senator has waged a campaign to make charities more accountable, calling for an end to ‘influence peddling’

By ANNE McILROY

Nicole Eaton’s wealth, connections and passion for charitable causes have made her a force on the boards of the National Ballet of Canada, the St. Michael’s Hospital Foundation in Toronto and other non-profit organizations..

But the Conservative senator is also known for her strongly held opinions and willingness to take on anyone who disagrees with her, which helps explain why someone who is a generous patron and an A-list guest at fundraisers has also played a leading role in a political drama that has rattled charities across the country.

A fundraiser for the Conservative Party she is married to Thor Eaton, a member of the famous Eaton family, and was named to the Senate by Prime Minister Stephen Harper in 2008. She has used her seat in the red chamber to wage a campaign against environmental groups that get funding from American foundations and that oppose a pipeline that would connect British Columbia to Alberta’s oil sands. But her sharp attacks— and those of cabinet ministers Joe Q1ier and Peter Kent— have been characterized by critics as a smear campaign and left many charities in Canada reassessing if they should play a political role.

The chill is being felt well beyond the environmental movement. This week Marcel Lauzière, president of Imagine Canada, a national umbrella group for charities and non-profits, told the House of Commons finance committee that organizations involved in poverty alleviation, social services, social housing, the arts and many other causes are worried about whether they can push for changes in public policy or even appear before parliamentary committees. But Mrs. Eaton is not sympathetic. “I don’t understand their fear of a chill – I wouldn’t say there is hysteria, but there are a lot of misconceptions,” she said in an interview.

Long-standing rules that allow charities to spend no more than 10 per cent of their funds on advocacy haven’t changed, although the recent budget gave the Canada Revenue Agency several million extra for enforcement. Non-profits will also be required to provide more information on their political activities, including the extent to which these are funded by foreign sources.

“When the average Canadian gives to – and I will put this word in quotes- ‘charity,’ there is still 10 per cent of monies that can be used for advocacy or political purposes, if you wish,” she said. “I don’t think anybody worries about people lobbying the government about eating less salt or anti-smoking campaigns.” But she said Canadians have a right to know where charities are getting their money and how they are spending it.

Canadian charities have a strong record on transparency, Mr.:Lauzière told MPs this week. He said he hopes the new disclosure rules won’t lead to higher administration costs, and added that the inflammatory language being used by some ministers and senators has charities rethinking their involvement in public policy.

Mrs.Eaton launched an inquiry in the Senate with these words: “There is political manipulation. There is influence peddling. There are millions of dollars crossing borders masquerading as charitable foundations into bank accounts of sometimes phantom charities that do nothing more than act as a fiscal clearinghouse”.

She is an eager soldier in a campaign that has dismayed many people in the non-profit sector, which she has been involved with for much of her life. Her father, Jacques Courtois, was a wealthy Montreal lawyer and prominent Conservative who encouraged her to make a difference through charitable work. “Daddy always said to us, ‘When you do public good don’t look for the reward and ‘noblesse- oblige”

As a young woman, she succumbed to Trudeaumanla and was a go-go dancer at one Liberal rally, prompting Pierre Trudeau to ask, “Does your father know you are here?” She began her shift to the right in the late 1970S and married into a Conservative family. People who have worked with her, including National Ballet of Canada artistic director Karen Kain, describe Mrs. Eaton as a committed and dedicated volunteer. Robert Howard, the chief executive officer of St. Michael’s Hospital, said she is “a force.”

“If she has a belief in something you better be well versed if you have a different view,” he said. Mrs. Eaton said she doesn’t see any conflict between her philanthropic role and the one she has taken on in the Senate. “This is about transparency,” she said. “As a fundraiser, I believe in transparency”