

# Think Tank Transparency in Canada: Lagging behind the US and UK

TRANSPARIFY



Tbilisi, Georgia and Bristol, UK  
05 December 2017

## Table of Contents

Canadian think tanks lag behind in funding transparency.....	3
Canada Rating Results.....	5
Transparency Trends in Canada.....	7
Annex: Ratings Methodology.....	8
About Transparify .....	12

# Canadian think tanks lag behind in funding transparency

Year after year, more think tanks around the world have become transparent about where their money comes from. However, Canadian think tanks lag behind their counterparts in the United States and the United Kingdom, in terms of funding transparency.

This presents a clear danger to Canadian democracy. At their best, think tanks are capable of strengthening democratic debate, developing policy solutions, and highlighting little-discussed problems. However, they can also distort public discourse.

In a democracy, players that wield strong political influence should open their books to public scrutiny. In Canada, the four think tanks we rated whose funding sources are highly opaque have sought to influence the policy making process through at least 216 appearances in front of parliamentary committees, and have generated 59,875 mentions in the national media.

Transparency of funding is necessary in enabling think tanks to make a positive contribution to public debate. Without it, citizens and policy makers are unable to distinguish whether research is likely to be arguing for an evidence-based policy or a policy primarily guided by a funder's vested interests. While not a panacea, transparency enables the public to identify potential conflicts of interest and funder bias, while also allowing think tanks to explain how they manage these relationships. Recognizing this, in 2014, the New York Times [publicly committed](#) to not quoting opaque think tanks in their pages.

More and more think tanks are discovering that transparency can bring significant benefits: signalling commitment to intellectual independence, integrity, and excellence in research, and drawing on the credibility that comes from respecting democratic norms while participating in democratic debates.

Yet, only about half of Canada's institutions signal that they have confidence in the quality of their research and the integrity of their policy recommendations through publicly disclosing their funding. In contrast, a clear majority of institutions that Transparify has rated in the United States and United Kingdom have already embraced transparency.

In this context, Transparify's role is to enable citizens, journalists, researchers and policy makers to distinguish, at a glance, the transparent from the opaque. By publicly revealing who is transparent about funding sources and who is not, we seek to bolster the credibility of the many Canadian think tanks committed to independent research, while pinpointing those players whose behaviour indicates that they may have something to hide.



Dr Hans Gutbrod  
Executive Director of Transparify



# What We Measure

Transparify rates the extent to which think tanks and other policy groups publicly disclose where their funding comes from through their websites. We visited institutions' websites and looked at donor information disclosed online, on dedicated funding pages and annual reports. Transparify used the same rating criteria as in previous global, sectoral and national-level assessments.

**Institutions rated with the maximum of five stars are highly transparent about who funds them.** Those with four stars are broadly transparent; typically, they do not disclose the precise amounts given, but instead group their donors into several funding brackets. On the opposite end of the spectrum, the funding of institutions with zero stars or one star is highly opaque as they fail to disclose even the names of some or all of their donors. The category "deceptive" is applied under exceptional circumstances to institutions whose disclosure of funding sources appears to be transparent but conceals one or more key donors.

Multiple steps reinforce the reliability of Transparify's rating results:

- Ratings by two separate raters;
- Adjudication process;
- Respondent validation;
- Full replicability of results by third parties.

The rating results for the institutions in this report capture the status quo as of 14 November, 2017.

	<b>Five Stars</b>	<b>highly transparent:</b> all donors listed, clearly identifying funding amounts for, and sources of, particular projects
	<b>Four Stars</b>	<b>broadly transparent:</b> all donors above USD 5,000 listed in 4+ precise funding brackets, with anonymous donors no more than 15%
	<b>Three Stars</b>	all or most donors listed in 2 or 3 broad contribution brackets, [e.g. "USD 5,000 to 15,000, the following donors"] *
	<b>Two Stars</b>	all or many donors listed, but little or no financial information
	<b>One Star</b>	some donors listed, but not exhaustive or systematic
	<b>Zero Stars</b>	no relevant or up-to-date information**
	<b>Deceptive</b>	disclosure appears comprehensive but conceals key donor(s)

\*Transparify also awarded three stars to institutions that were fairly transparent yet did not fully meet four star criteria.

\*\*Out-of-date information (from 2014 or older) was rated with 0 stars. Information from 2015 resulted in a one-star deduction from an institution's overall score.

**Note:** Organizations may exceptionally list privacy-minded donors as "anonymous", but in order to qualify as transparent (4-5 stars), an organization needs to disclose the sources of over 85% of its funding volume.

# Canada Rating Results

Out of the 14 Canadian institutions we assessed, six are currently transparent. A seventh institution, the Canadian Centre for Policy Alternatives, is on the path to becoming transparent in the foreseeable future.

Four policy groups are highly transparent, typically disclosing the precise amount given by each donor and the purpose of each donation:

- Centre for International Governance Innovation
- DeSmog Canada
- International Institute for Sustainable Development
- Publish What You Pay - Canada

These transparency leaders received the maximum 5-star rating for modeling the gold standard for the sector.

A further two policy groups are broadly transparent. They received a 4-star rating for disclosing their donors and grouping them into broad funding brackets so that external stakeholders can identify their main sources of financial support. By voluntarily disclosing their funding, all of these groups demonstrate confidence in their intellectual independence and research integrity.

At the bottom of the table are four highly opaque policy groups that fail to disclose the identities of their donors. Worryingly for Canadian democracy, during 2000-2015, these four think tanks – Conference Board of Canada, Fraser Institute, Montreal Economic Institute, and Pembina Institute – were cited by the national media 59,875 times, and directly sought to influence the policy making process through at least 216 appearances in front of parliamentary committees (please see the Annex for more details).



## Results table

POLICY GROUP	SCORE	COMMENT
Centre for International Governance Innovation	★★★★★	HIGHLY TRANSPARENT
DeSmog Canada	★★★★★	
International Institute for Sustainable Development	★★★★★	
Publish What You Pay - Canada	★★★★★	
Asia Pacific Foundation of Canada	★★★★	BROADLY TRANSPARENT
Canada West Foundation	★★★★	
Transparency International Canada*	★★★	
Canadian Centre for Policy Alternatives**	★★	
C.D. Howe Institute	★★	
Public Policy Forum	★★	
Fraser Institute	★	HIGHLY OPAQUE
Conference Board of Canada	0	
Montreal Economic Institute	0	
Pembina Institute	0	

Note: Within rating levels, organizations are listed in alphabetical order.

\* TI Canada has a 5-star disclosure format, but more than 15% of its funding comes from an anonymous source.

\*\* The Canadian Centre for Policy Alternatives has committed to disclosing its funding to a 4-star standard by August 2019 at latest.

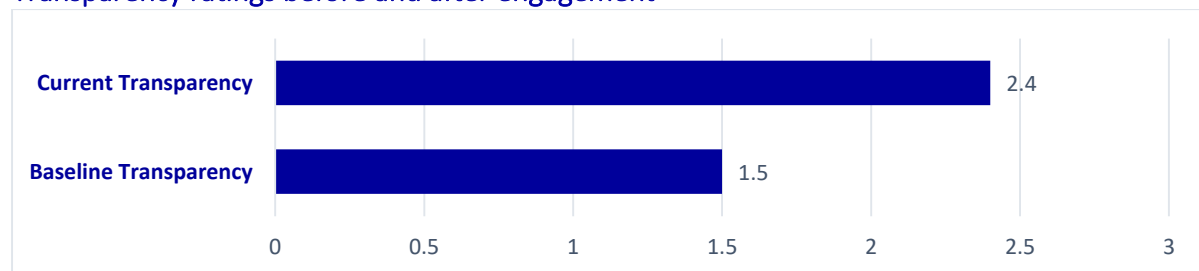
# Transparency Trends in Canada

## Recent trends

Transparify engaged with Canadian policy groups several months prior carrying out final ratings, providing them with a rating of their transparency and encouraging them to put additional funding information online. Many groups took advantage of this opportunity and updated their websites.

When we conducted a baseline assessment of the 14 groups engaged with in April 2017, the average transparency score across all policy groups was just 1.5 stars. Today, the average transparency score of the same groups is 2.4 stars.

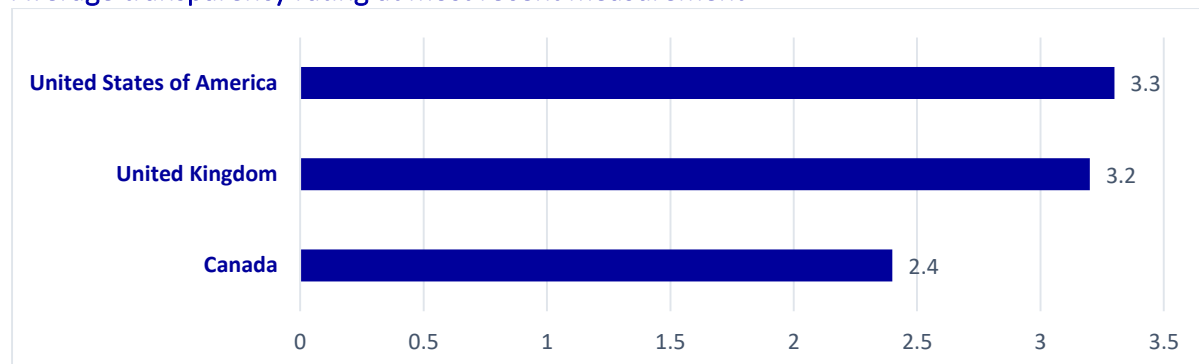
## Transparency ratings before and after engagement



## International comparison

As a national cohort, Canadian policy groups are still less transparent than their counterparts in the United States and United Kingdom.

## Average transparency rating at most recent measurement\*



\* The most recent data available was used. For the United States and European Union, this was the Transparify 2016 global report ratings. For the United Kingdom, this was the 2017 Think Tanks in the UK report.

## Outlook

Transparify's experience in other countries suggests that transparency levels in Canada are likely to increase substantially in the near future, as more policy groups follow the positive example set by the leaders in the field and transparency becomes entrenched as the norm across the sector nationally. For example, in the United States, the average level of disclosure documented in our first assessment in 2014 was 2.5 stars (comparable to Canada's current level of 2.4 stars), but when [we assessed the same cohort of U.S. think tanks](#) the following year, the average disclosure level had risen to 3.2 stars. We will re-rate the same cohort of Canadian policy groups (and possibly add more groups) in 2018 and 2019 to track progress.

# Annex: Ratings Methodology

## What we measure

Transparify rates the extent to which policy research and advocacy groups publicly disclose through their websites where their funding comes from.

We visited policy groups' websites and looked at the funding and donor information disclosed online, including in online annual reports. Institutions rated with the maximum of five stars are highly transparent about who funds them. Policy groups with four stars are broadly transparent; typically, they do not disclose the precise amounts given, but instead group their donors into several funding brackets. On the opposite end of the spectrum, the funding of policy groups with one or no stars is highly opaque as they fail to disclose even the names of some or all of their donors.

## Rating criteria

Transparify used the same rating criteria as in previous global, sectoral and national-level assessments.

The rating criteria for the number of stars to award are defined as follows:

	<b>Five Stars</b>	<b>highly transparent:</b> all donors listed, clearly identifying funding amounts for, and sources of, particular projects
	<b>Four Stars</b>	<b>broadly transparent:</b> all donors above USD 5,000 listed in 4+ precise funding brackets, with anonymous donors no more than 15%
	<b>Three Stars</b>	all or most donors listed in 2 or 3 broad contribution brackets, [e.g. "USD 5,000 to 15,000, the following donors"] *
	<b>Two Stars</b>	all or many donors listed, but little or no financial information
	<b>One Star</b>	some donors listed, but not exhaustive or systematic
	<b>Zero Stars</b>	no relevant or up-to-date information**
	<b>Deceptive</b>	disclosure appears comprehensive but conceals key donor(s)

\*Transparify also awarded three stars to institutions that were fairly transparent yet did not fully meet four star criteria.

\*\*Out-of-date information (from 2014 or older) was rated with 0 stars. Information from 2015 resulted in a one-star deduction from an institution's overall score.

**Note:** Organizations may exceptionally list privacy-minded donors as "anonymous", but in order to qualify as transparent (4-5 stars), an organization needs to disclose the sources of over 85% of its funding volume.



## Data quality

Multiple steps reinforce the reliability of Transparify's rating results:

- Systematic and transparent approach with clear categories
- Ratings by two separate raters
- Adjudication process
- Respondent validation
- Full replicability of results by third parties

To date, more than 500 data points across multiple reports stand unchallenged, highlighting the strength of the methodology and the quality control process.

## Cohort selection

Transparify selected the ten active think tanks most cited by the media during 2000-2015 as listed in Professor Donald Abelson's book "Northern Lights: Exploring Canada's Think Tank Landscape". The table below additionally lists the appearances of those think tanks before parliamentary committees during the same time period.

Think tank	Media mentions 2000-2015	Committee appearances 2000-2015
Conference Board of Canada	25,078	143
Fraser Institute	22,888	73
C.D. Howe Institute	11,444	98
Pembina Institute	8,772	No data
Canadian Centre for Policy Alternatives	7,196	46
Canada West Foundation	4,576	26
Montreal Economic Institute	3,137	No data
Centre for International Governance Innovation (CIGI)	2,898	No data
Asia Pacific Foundation of Canada	2,818	No data
Public Policy Forum	2,615	28

Source: Donald Abelson, Northern Lights (2016), Table A.1 and A.2.I

Two of these organizations, CIGI and Fraser Institute, had already been assessed by Transparify during previous global ratings. Most recently, in 2016, CIGI had received a 5-star rating and Fraser a 1-star rating.

Transparify included two additional institutions not included in Abelson's list but previously assessed by Transparify, the International Institute for Sustainable Development (IISD) and Publish What You Pay - Canada (PWYP-CA). Both organizations had proactively contacted Transparify asking to be rated and had been assessed as 5-star transparent in 2016.

In addition, Transparify included two high profile organizations explicitly dedicated to promoting transparency in Canada:

- [DeSmog Canada](#) is an online news magazine “dedicated to cutting through the spin” in order to “help restore healthy public conversation on energy and environment”. While there are similar organizations using the DeSmog name in the United States and the UK, DeSmog Canada is incorporated as a non-profit society under the Society Act of British Columbia and thus a stand-alone organization.
- [Transparency International Canada](#) (TI Canada) is the national chapter of Transparency International, the global anti-corruption network. TI Canada is registered as a Canadian Registered Charity and thus a stand-alone organization. This organizational setup is common within the global TI network. Transparify had previously assessed three other TI chapters (in Georgia, the UK, and Brussels/EU) in the course of its global ratings; all three chapters were found to be 5-star transparent at the time. However, this is the first time we engaged with and assessed TI Canada.

## Timeline

We first contacted all policy groups covered by this report in early April 2017 to inform them of the forthcoming rating and invited them to contact us with questions or requests for assistance in updating the funding data on their websites. All institutions were contacted using the organizational email address of the individual they listed online as the key contact for media enquiries; the only exceptions were DeSmog Canada and Transparency International Canada, whose websites only listed role-based emails. Several policy groups took up the invitation and engaged in exchanges with Transparify’s team. Five months later, during September 2017, two Transparify raters separately visited all policy groups’ websites and rated their transparency. We sent out respondent validation emails to all policy groups in October 2017 to inform them of their rating result and invited them to contact us in case we had rated them incorrectly, providing a one week time window for responses.

## Rating policy groups

Transparify’s rating team consisted of two core members of the Transparify team, Dr Till Bruckner and Dustin Gilbreath. Both had already assessed numerous policy groups worldwide during previous Transparify rating rounds, and were thus familiar with the rating criteria and methodology. Dr Hans Gutbrod, who had already overseen hundreds of past ratings as Transparify’s Executive Director, acted as the adjudicator.

In total, we assessed 14 policy groups. The two raters assessed each institution independently from each other. They visited policy groups’ websites and searched for financial data following a standard protocol, and then awarded between zero and five stars according to the type and extent of information available on how the policy group was funded. The criteria for the number of stars to award were clearly defined (see above). Each rater separately entered a rating score of 0-5 stars, links to the webpages assessed, and comments into an Excel spreadsheet.

The adjudicator then reviewed the two rating results for each institution. In cases where the raters returned different results, or where at least one rater flagged a policy group as being difficult to rate, the adjudicator revisited the policy group’s website and determined the final score based on Transparify’s assessment criteria. In total, ratings for seven out of the total of 14 policy groups were adjudicated. Adjudication of results was completed by the end of September 2017.

## Respondent validation

We sent out respondent validation emails on 23-24 October 2017. The emails informed policy groups of their rating result and invited them to contact us in case we had overlooked relevant information on their websites or otherwise rated them incorrectly. The emails were sent to addresses used during Transparify's preceding communications to ensure that they reached a relevant member of staff within each institution.

One policy group challenged the accuracy of its rating result, and shared links to several webpages containing information on its funders. In response, Transparify's adjudicator reviewed the notes made by the two original raters and the webpages flagged by the institution. Based on that information, the adjudicator upheld the original rating result. He provided a written explanation of the rating result that was shared with the institution in question.

Four policy groups informed us that they were currently in the process of updating their websites:

- In three cases, Transparify re-visited the groups' websites after the updates had been completed, and two team members separately assessed their new disclosure formats. In all three cases, both raters awarded a higher result based on the updated websites. The current report lists the most recent rating result for these three institutions.
- Another policy group informed us that it was engaged in a long-term process of institutional change, and that it had concrete plans to measurably increase its transparency by August 2019 at the latest. In line with the approach taken during past Transparify projects, and after consultation with that institution, Transparify has flagged this positive commitment alongside the institution's (unchanged) current rating result.

Over the course of this project, only two policy groups did not respond to (multiple) emails sent by Transparify. In both cases, the emails were sent to three different individuals within these institutions, using email addresses listed on the institutions' websites. Transparify is thus confident that these policy groups have received notice of their rating results, but have chosen not to challenge them.

## Opening our findings to public scrutiny

Anyone can visit the website of any policy group rated by Transparify and compare the information provided there against our rating criteria. Thus, the results can be verified and replicated by any interested third parties, keeping in mind that Transparify's ratings period covered web content available during the assessment time periods outlined above.

If Transparify gets notified of a rating result that was incorrect at the time of rating, we will follow up and, if applicable, correct that result and announce the corrected result as quickly as possible on our blog and Twitter account. To date, after having conducted over 500 ratings worldwide, we have not had to correct any ratings post-publication.

# About Transparify

## Who we are

Transparify promotes transparency and integrity in policy research and advocacy worldwide.

Our team members have combined experience in think tank management, policy analysis, grant making, academia, journalism, advocacy and fundraising. Thus, we understand both the constraints that policy groups face and the opportunities for positive change. Transparify is part of the [On Think Tank Labs](#), a collection of innovative ventures in policy research.

## The Transparify team

Dr Hans Gutbrod	Executive Director
Dr Till Bruckner	Advocacy Manager
Dustin Gilbreath	Communications Manager
Tiko Ambroladze	Ratings Coordinator (on maternity leave)
Ian Goodrich	Project Developer

Brief bios of our team members can be found [on our website](#).

## Our Funding

This report was compiled by the Transparify team without any external financial support. The contents of this report are the sole responsibility of Transparify. In the past, Transparify's work has received the support of the Think Tank Fund of the Open Society Foundations; this grant was closed out in 2016. We have disclosed all details of this funding as well as Transparify related funding, including the original project proposal [on our website](#).

## A big thank you to...

All the policy groups who engaged with us in detailed and constructive discussions from which we have learnt much. We want to thank Enrique Mendizabal and his team at [On Think Tanks](#) for their support and providing a forum for policy group debates, Francesc Ponsa and Jaime Gonzalez of the [Spanish Think Tank Observatory](#) for many stimulating debates and for independently rating dozens of policy groups in Spain, and all our colleagues at the [Caucasus Research Resource Centers \(CRRC\) Georgia](#) who have helped in the logistics and the operations for Transparify.

## Connect with Transparify

- Sign up for [email updates](#)
- Follow us on [Twitter](#)
- Like us on [Facebook](#)