

Study cites 'chill' from tax agency audits of charities' political activities

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The Harper government's "ramp-up of anti-activist rhetoric," as it's been called, has drawn criticism in media and academic circles since 2012, but the targets themselves — environmental charities and others — have been muted and self-censored.

That's largely because they've been subject to new, high-stakes tax audits into their political activities that could strip them of their coveted charitable status.

- [List of charities undergoing tax audits related to political activities](#)

But perhaps for the first time, some of their voices are being heard unfiltered.

Gareth Kirkby, a former journalist and now graduate student in communications, interviewed the leaders of 16 such groups for a master's thesis at Victoria's Royal Roads University, offering them anonymity in return for candid assessments of their predicaments.

Kirkby found evidence for what he called "advocacy chill" among charities who've been subject to some of the dozens of political-activity audits being conducted by the Canada Revenue Agency.

"The data suggest that the current federal government is corrupting Canada's democratic processes by treating as political enemies those civil-society organizations whose contributions to public policy conversations differ from government priorities," concludes Kirkby's MA thesis, accepted last month by the university after vetting by academic supervisors.

"What is unprecedented is the... coupling of that rhetoric with action. This action entails specifically politicized use of the associated governmental regulatory body (the Charities Directorate at CRA) to pursue harassing actions seemingly designed to 'muffle' and 'distract.'"

3 charitable sectors singled out

The study found that many organizations have toned down their public communications in the wake of the audits, whether in brochures, on the web, public statements or elsewhere.

"There's definitely more caution going on," Kirkby said in an interview from his home in Vancouver.

"It's hurting us. It's not about what this is doing to the charities. It's about what this is doing to what we need in society, which is vigorous policy debates about important issues that we face."

'There is evidence that three specific charitable sectors are being singled out for CRA attention — environmental, development and human rights, and charities

receiving donations from labour unions'- *Gareth Kirkby, a graduate student working on a master's thesis*

The 16 leaders he interviewed represent a broad range of subject areas, from environment and international development, to social services, research and conservation.

"Pervading the data is the presence of strong emotions that ... highlight a strong sense of confusion, fear, and vulnerability," he wrote in the study entitled "An Uncharitable Chill."

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Kirkby said some organizations are contemplating joint legal action, such as a lawsuit. Many are also paying closer attention to the internal tracking systems that record whenever they engage in political activity, to ensure the 10 per cent limit is respected to the letter.

And some are creating non-charity, non-profit arms to handle political activity, insulating them from charity audits, he found.

"It says something about the health of our democracy when these moderate organizations who many people donate to and support, peaceful organizations, are demonized ... as being criminal or terrorist organizations ... and then find themselves under threat of audits," he said in an interview.

[Click here for a list of charities undergoing tax audits related to political activities](#)

- 2012 revenues: **\$10.2 million**
- Expenses for political activities: **2%**

Audit began in 2011, includes political activities. Continues.

Subject of formal complaint by Ethical Oil to Canada Revenue Agency in August 2012 regarding political activities.

David Suzuki Foundation (<http://www.cra-arc.gc.ca/ebsci/haip/srch/t3010form22quickview-eng.action?r=http%3A%2F%2Fwww.cra-arc.gc.ca%3A80%2Febci%2Fhaip%2Fsrch%2Fbasicsearchresult-eng.action%3Fk%3DDavid%2BSuzuki%2BFoundation%26amp%3Bs%3Dregistered%2008-31&b=127756716RR0001&n=THE%20DAVID%20SUZUKI%20FOUNDATION>),

Vancouver

- Environmental charity
- 2012-2013 revenues: **\$9.9 million**
- Expenses for political activities: **5%**

Audit began in May 2013, including into political activities. Continues.

Subject of several formal complaints by Ethical Oil to Canada Revenue Agency, starting April 2012, regarding political activities.

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