

Opinion / Commentary**Stephen Harper intimidates charities into silence: Goar**

As Ottawa widens its crackdown on advocacy, charities retreat into defensive silence.



ANDREW VAUGHAN / THE CANADIAN PRESS

Two years ago, Stephen Harper's Conservative government, angered that environmentalists were tying up pipeline project in the West, tightened the regulation of charities.

By: [Carol Goar](#) Star Columnist, Published on Tue Jul 15 2014

Voluntary agencies live in fear of the [Canada Revenue Agency](#). If it decides they have stepped over the line between good works and political activity — pointing out the link between poverty and government austerity for example — it can revoke their charitable status.

That means they can no longer issue [tax receipts](#) to their donors. They fall off the list of “[registered charities](#).” They lose their credibility and their funds dwindle.

Until 2012, this threat was largely theoretical. In rare instances, the Canada Revenue Agency (CRA) revoked an organization's charitable status, but it was clear why they were de-listed: they siphoned donations into their founders' own pockets, they provided a front for shadowy groups or they used most of their funds for administration.

Two years ago, the [rules changed](#). The Conservative government, angered that environmentalists were tying up pipeline projects in the West, tightened the regulation of charities. It required them to provide a detailed account of their political activities, imposed tough penalties on those that spent more than 10 per cent of their funds on advocacy and gave CRA \$8 million to conduct a special audit.

The announcement sent a ripple of unease through the non-profit sector, but there was no wholesale panic. Most charities assumed the government would target a handful of prominent

environmental organizations and leave the rest alone. That was a reasonable interpretation of the signals Stephen Harper and his colleagues were sending at the time. Joe Oliver, then natural resources minister, had lashed out at “[radical environmental groups](#)” for undermining the economy. Former environment minister Peter Kent had accused them of “[laundering offshore funds](#) for inappropriate use.”

But over time the scope of the blitz [widened](#). CRA is now auditing churches, human rights organizations, animal welfare groups and anti-poverty coalitions. There are fears the two-year crackdown will be extended, putting non-profit organizations under an indefinite regime of increased surveillance.

Already charities are reviewing their plans, bringing in lawyers, avoiding the spotlight. Even those that are not in Harper’s crosshairs are affected. They are struggling to draw a line between their charitable and political expenditures (a task CRA admits can be [difficult](#)). They are learning to report their activities in language that doesn’t raise red flags in Ottawa. (A whole new vocabulary of anodyne terms has developed). They are warning their volunteers to watch their words. And they are brushing up on Tory ideology to avoid inadvertent slips.

The net effect, according to [Gareth Kirkby](#), who just completed the [first national study](#) since the crackdown took effect, is an “uncharitable chill” in the political climate. The paper was originally intended as his master’s thesis for Royal Roads University in Victoria. But what his investigation showed was so troubling he posted it online.

Here are Kirkby’s conclusions: “I find that an advocacy chill is affecting charitable organizations that advocate on public policy issues though it varies in intensity and extent from organization to organization. I find that there is evidence in the data that the government is attempting, with some successes, to narrow society’s important policy conversations. Finally I find the data suggest that the current federal government is corrupting Canada’s democratic processes by treating as political enemies these civil-society organizations whose contributions to public policy conversations differ from government priorities.”

There is one development Kirkby noted but did not highlight. Many of the “political activity” audits launched by CRA since 2012 were triggered by complaints from [Ethical Oil](#), a lobby group with strong ties to the Harper government and the petroleum sector. This is a departure for CRA. Unlike the random audits it has always conducted — approximately 900 a year — the new ones are susceptible to external direction, compromising the fairness and professionalism in which the tax department has always taken pride.

The use of tax audits as a tool to intimidate or punish groups critical of the government’s agenda is as troubling as the developments Kirkby brought to the fore.

Currently, 52 audits are underway. With 86,000 charities operating in the country, the number sounds almost negligible. The trouble is no one knows who will be next or how it became so risky to stand up for a fairer, cleaner, more compassionate Canada.

Carol Goar's column appears Monday, Wednesday and Friday.