

News / Canada

NDP wants MPs to probe charity audit crackdown

Federal NDP revenue critic writes letter saying the audits give the appearance that the CRA is being 'misused for political purposes.'



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The New Democrats are pressing for an unusual summer meeting of a parliamentary committee to clear the air over the auditing of charities for their political activities. Murray Rankin, the party critic for national revenue, wants the finance committee to convene before Parliament resumes, calling the matter urgent.

By: Mike De Souza Ottawa Bureau, Published on Tue Aug 05 2014

OTTAWA—The federal New Democrats are urging Parliament to probe whether the Canada Revenue Agency is doing [politically motivated audits](#) of charities that disagree with Prime Minister Stephen Harper's policies.

NDP revenue critic Murray Rankin requested the investigation Tuesday in a letter sent to James Rajotte, chair of the House of Commons finance committee.

“The singling out of a number of organizations who have been critical of government policies has the appearance of the CRA being misused for political purposes,” wrote Rankin, the MP for Victoria, in the letter.

“Canadian charitable organizations have long engaged in non-partisan advocacy on issues such as the environment, human rights and poverty. This sort of advocacy is an important part of our democracy and any effort to silence it should be taken very seriously.”

In its 2012 budget, the Harper government announced an \$8-million plan for a special unit of auditors to focus on charities suspected of engaging in excessive political activity. It subsequently added about \$5 million in additional funding to pursue the audits.

Organizations that register with the tax agency as charities can issue tax receipts to their donors but must refrain from spending more than 10 per cent of their resources on political activity if they wish to maintain their charitable status.

A spokeswoman for Revenue Minister Kerry-Lynne Findlay said Tuesday that the agency has a legal responsibility to ensure charitable donations are used for charitable purposes, noting Canadian charities collectively reported more than \$14 billion in tax-receipted gifts in 2012.

[Dozens of groups have been audited](#) since 2012, including several prominent environmental groups that spoke out against the dangers of excessive resource development and weaknesses in federal oversight of industry. Their campaigns have clashed with the government's enthusiastic support for expansion of oil, gas and pipeline projects.

Rajotte told the Star it was up to the MPs to decide whether to go ahead with the probe, but he added that Rankin could force emergency hearings if he jointly made a request with two other MPs from the NDP or the other parties that sit on the committee.

But Rajotte, an Edmonton-area Conservative MP, noted the committee has already questioned senior agency officials about allegations of government interference.

"All of them were exceptionally clear that they take no political direction whatsoever," he told the Star. "Obviously, I take them at their word. So I don't know what a hearing would do, but obviously it's up to members of the committee if they want to convene a meeting on this topic."

Rankin, who has also asked the minister to launch an independent external investigation of the agency, said that parliamentary hearings could also re-examine the overall rules and clarify the role of charities — including definitions that date back to the 19th century — and what constitutes political activity.

"That's what parliamentarians are supposed to do: recommend policy changes," he said.