

Timeline of political-activity audits

OTTAWA - Timeline of key events surrounding the Canada Revenue Agency's launch of political-activity audits of charities:

- Jan. 9, 2012 — Joe Oliver, then Natural Resources minister, issues an open letter denouncing "environmental and other radical groups" who "threaten to hijack our regulatory system to achieve their radical agenda."
- March 21, 2012 — EthicalOil.org, founded in 2011 by Alykhan Velshi, who currently works in the Prime Minister's Office, files formal complaint to CRA about the political activities of Environmental Defence Canada Inc., an environmental charity.
- March 29, 2012 — Federal budget announces new restrictions on political activities by charities, including more disclosure of funding by foreign sources. The Canada Revenue Agency is also provided with \$8 million over two years largely to establish a new political-activity audit program, with 10 such audits planned for the first fiscal year. Funding later increased to \$13.4 million over five years.
- April 1, 2012 - March 31, 2013 — First wave of 10 political-activity audits includes at least five environmental charities, including Environmental Defence Canada, Tides Canada Foundation, Tides Canada Initiatives Society, Ecology Action Centre, Equiterre. CRA will not itself release list, citing confidentiality provisions of the Income Tax Act.
- April 24, 2012 — EthicalOil.org files formal complaint to CRA about the alleged political activities of the David Suzuki Foundation, an environmental charity.
- May 1, 2012 — Peter Kent, environment minister at the time, suggests Canadian charities have been illegally used "to launder offshore funds for inappropriate use against Canadian interest," that is, by obstructing the environmental assessment process.
- July 23, 2012 — CRA issues a warning letter to the publisher of Canadian Mennonite, a monthly magazine, saying the Canadian Mennonite Publishing Service risks revocation of its charitable status for publishing recent pieces "that appear to promote opposition to a political party, or to candidates for public office." The agency later identifies several problem pieces, including one criticizing then-Public Safety Minister Vic Toews.
- July 24, 2012 — CRA concludes an audit begun in 2004, revoking the charitable status of Physicians for Global Survival because the group's work is "inherently political." The audit was not conducted as part of the new political-activity program, but under the standard financial audit that also examined political activities wherever necessary.
- Aug. 8, 2012 — EthicalOil.org files formal complaint to CRA about the political activities of Tides Canada Foundation and Tides Canada Initiatives Society, two related environmental charities.
- April 1, 2013 - March 31, 2014 — Audits slotted for second year of the political-activity audit program appear to broaden targets to include more groups fighting poverty and human-rights abuses, and promoting international aid.
- Feb. 12, 2014 — Then-Finance Minister Jim Flaherty responds to a question about why the CRA is auditing charities that oppose oil-pipeline projects by saying "charities are not permitted to accept money from terrorist organizations."
- April 9, 2014 — Pen Canada, a Toronto-based freedom-of-expression charity, receives call from CRA saying the group is to undergo an audit that will include a review of its political activities. Three auditors show up at their offices on July 28, 2014.
- April 10, 2014 — Canadian Council of Churches sends letter to Prime Minister Stephen Harper raising concerns about the "chilling effect of threats to revoke the charitable status of organizations that draw attention to policies that harm our world."
- May 27, 2014 — Lawyers' Rights Watch Canada sends letter to UN Human Rights Council raising a "particularly troubling trend ... the selective targeting of organizations by Canadian revenue authorities to strip certain organizations of their charitable status."
- June 2014 — Gareth Kirkby, graduate student at Royal Roads University, completes master's degree identifying "advocacy chill" resulting from the political-activity audits of 16 charities he examined, after offering them anonymity. Kirkby cites evidence indicating three charitable sectors singled out for CRA attention: environmental, development/human rights, and charities receiving donations from labour unions.

July 16, 2014 — NDP sends letter to Kerry-Lynne Findlay, national revenue minister, calling for an independent inquiry into whether CRA is conducting its political-activity audits at arm's length and free of political interference. "These targeted audits are effectively muzzling public interest groups," say MPs Murray Rankin and Megan Leslie.

