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## CRA denies agency audits target charities with anti-government political leanings

**NP** DEAN BEEBY, CANADIAN PRESS | August 3, 2014 3:49 PM ET  
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David Suzuki is pictured in Toronto on January 12, 2014. at least half of the 10 political-activity audits slated for 2012-2013 were conducted on charities in one narrow category — environmental groups, all of whom oppose government energy policies. This group of initial audits included Tides Canada Foundation, Tides Canada Initiatives Society, Ecology Action Centre, Equiterre, Environmental Defence Canada Inc., with the David Suzuki Foundation following early in the 2013-2014 fiscal year. THE CANADIAN PRESS/Mark Blinch

The Canada Revenue Agency says it pays no attention to pro-government or anti-government political leanings when it chooses which charities to audit for their political activities.

But charities targeted in the first wave of agency audits were largely opponents of the Harper government's energy and pipeline policies, an analysis shows.

"The CRA does not conduct research into the political views of any charity, and it does not base its decision to audit any charities on this criterion," said agency spokesman Noel Carisse.

The head of the charities directorate, Cathy Hawara, said last month that political ideology was indeed a factor, telling a Toronto newspaper: "We also gave consideration to ... what you might call political leanings, to make sure that we weren't only focusing on one side of the political spectrum."

Hawara later said she had mischaracterized the CRA's selection process.

"What position a charity might take on any given issue, what views they might have, what perspective they have on a particular policy issue, isn't really of concern to us — and isn't a

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Environmental groups, international activist organizations and think tanks left and right have all been subject to tax audit by federal tax officials.

But hell hath no fury like journalists and writers who feel that their precious right to an unconditional free ride might be

triggering factor,” she said in an interview with The Canadian Press.

Rather, Hawara said, the agency seeks balance by targeting groups from each of four charitable categories, that is, relief of poverty, advancement of religion, advancement of education and benefit to the community — the last a grab-bag that includes environmental and human-rights groups.

She said the agency also considers any formal complaints from citizens, lobby groups, MPs or even cabinet ministers. Such external complaints were taken seriously enough to have generated some 30 “leads” for further investigation, though the CRA will not provide details.

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encumbered, which totally explains why members of the Canadian media intelligentsia, or at least the left-wing of it, are in full fury over the news that PEN Canada, a registered charity, is to be audited by the Canadian Revenue Agency.

According to its official motto, PEN Canada is an association of Canadian writers that “envision[s] a world where writers are free to write, readers are free to read, and freedom of expression prevails.”

On a world scale, Canada would rank at or near the top of any PEN freedom ratings on the freedom to read and write. But now that CRA is auditing PEN to make sure it is not in breach of its legal status as a charity, Canada is allegedly in the grip of the Harper government’s freedom-killing, Putin-like campaign against free expression. Columnists, oped writers and editorialists are falling over themselves in search of the appropriate killer comparisons.

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The newly formed political-activity audit group, consisting of nine people in Ottawa and six auditors across Canada, set itself a goal of 10 audits for 2012-2013, its first year of operation.

The agency does not publicly identify which charities it targets, citing confidentiality provisions of the Income Tax Act.

But information gathered by The Canadian Press shows at least half of the 10 political-activity audits slated for 2012-2013 were conducted on charities in one narrow category — environmental groups, all of whom oppose government energy policies.

This group of initial audits included Tides Canada Foundation, Tides Canada Initiatives Society, Ecology Action Centre, Equiterre, Environmental Defence Canada Inc., with the David Suzuki Foundation following early in the 2013-2014 fiscal year.

A Nova Scotia charities lawyer with several hundred clients also says the political-activity audits he knows about are all in the environmental sector.

“The organizations I am aware of that have been audited, or are still in process, are in the environmental community,” said Richard Bridge in Middleton, N.S.

CRA’s initial focus on environmental groups closely follows inflammatory statements by Conservative cabinet ministers shortly before and after the 2012 federal budget, which announced \$8 million for the new political-activity audits.

Environmental groups had a “radical agenda,” Joe Oliver at Natural Resources said in January that year. The groups were used to “launder offshore funds,” said Environment Minister Peter Kent in May.

EthicalOil.org, an energy-sector promoter founded by a Conservative political aide, also formally complained about three of the five environmental groups caught in the first wave of audits — suggesting their letters turned into CRA “leads.”

The Canada Revenue Agency, which is planning 60 political-activity audits by 2016, has since expanded the scope to include anti-poverty, foreign-aid, human rights, and even animal-welfare groups.

CRA is watching for any group that uses more than 10% of its resources on political activities, or that engages in any kind of partisan activity, such as endorsing a candidate, which is forbidden.

Most charities that have self-identified as being under audit have opposed government policy at one time or another, raising the question of whether CRA’s widened auditing scope remains politically skewed.

Ottawa charities lawyer Adam Aptowitz, with several hundred clients, says he is aware of some on the right side of the political spectrum who are being audited for political activities, but who decline to make it public.

“I know that they are disinclined from coming forward because there’s nothing to be gained,” he said in an interview.

Some well-known conservative think-tanks that are registered as charities have confirmed to The Canadian Press they are not being audited by CRA for political activities, including Toronto’s C.D. Howe Institute and the Macdonald-Laurier Institute in Ottawa.

The Fraser Institute in Vancouver declined to say one way or another; others did not immediately respond.

Hawara, who met in person with Revenue Minister Kerry-Lynne Findlay in June this year to discuss the political-activity audits, says she did not provide any lists of targeted charities to the minister.

“She or her office has not asked me to audit any particular charities,” Hawara said. “We have not been subject to any kind of direction.”

But Gareth Kirkby, who recently completed a master’s thesis on political-activity audits, suggests the government has effectively targeted its political opponents simply in the way it set policy guidelines for the CRA.

“By speaking publicly about the need for CRA to respond to public complaints, the government created a funnel that led CRA auditors to charities with relatively higher self-reported ‘political activities’ and charities with complaints in their files,” Kirkby said in a recent blog post.

“These will very strongly tend to be organizations with different public policy perspectives than the government.”



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Flying Goose • 2 hours ago

The CRA doesn't target environmental groups and CSIS doesn't read their email. Anyone claiming the contrary will be audited and bugged.

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J West Hardin • 2 hours ago

Media...please expand on who is funding Green Peace and which foreign sovereign nations are funding the green litigation against Canadian companies. We already know that American, Euro and Arab countries are paying these 'green groups' millions to sneak their protracted agenda across the border.

Canada is a competitor to the US, Euro and Arab interests that seek hegemony around the world.....Canada is not a bad actor. Suzuki takes money from the Rockefeller Foundation....etc etc etc etc . The hypocrisy makes me sick. Canadian 'film makers' are getting paid by Arab countries to produce negative propaganda about Canada.....that's just sick.

Even our CBC bobble heads are calling out our governments disagreement over questionable academic papers on climate....labeling all those that question as derogatory.... 'deniers'....along with the Obamatons south of the border.....and by

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