



22 December 2016

The Honourable Diane Lebouthillier, P.C., M.P.  
Minister of National Revenue  
7th Floor  
555 MacKenzie Avenue  
Ottawa ON  
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RE Consultation by Canada Revenue Agency on political activities involving charities

Dear Minister,

I am sending the following reflections to your attention as well as forwarding a copy of this letter to the Canada Revenue Agency (CRA). The Canadian Conference of Catholic Bishops welcomes the decision by the Government of Canada to engage with charities in order to clarify the rules governing political activities, and was happy to learn of your announcement on 27 September 2016 of the start of the consultation process by the CRA. We hope this will presage more consultations and further opportunities for dialogue in the future. We are also grateful that the consultation period was extended by several weeks, ending 14 December 2016. Even so, we would note that the amount of time provided was insufficient for our own needs. We would suspect this is also the case for a number of other religious charities, at least those with which we are acquainted and with which we collaborate - not only other Catholic organizations and Christian groups, but also involving other religious traditions.

Each religion - and certainly our own - involves a variety of structures, interchanges among a number of leaders, a complex interaction of different institutions, and a major reliance on staff and volunteers who are more than already fully occupied and otherwise engaged. This means a consultation process among religious charities takes considerable time. Moreover, there is always a special need to address the current and often profound misunderstandings about religion in present-day Canadian society, and which in turn seem to be reflected in various efforts to impose categories and definitions that many religious charities find inadequate and even unfair. For all the above reasons, we wish to submit the following brief observations and reflections, even if this is after the consultation deadline, in the hope these will help contribute toward and encourage such conversations involving your office and the CRA in the future.

1. The very word charity, as well as the nature and importance of charitable activities, originates with the Judaeo-Christian tradition (the Greek word *xaris* and the deriving Latin word *caritas* both indicate generous love and benevolence). The continued use of the word and the significance that continues to be given to it reflect the important

social role of religion and the Christian Church in the development of Western civilization. Even today in Canada, according to the website *the Charities File* {<http://www.thecharitiesfile.ca/fastfacts/>}, under the heading “Fast Facts”, “Almost half of all dollars donated goes to religious organizations, yet the largest number of donations is given to health care organizations”, and “The 72,926 charitable organizations [registered in Canada] are comprised of, in descending order, Religion (31,757), Welfare (12,620), Benefit to Community (12,404), Education (11,801), and Health (4,340).” Religious organizations thus represent some half of the clients with which the Canada Revenue Agency deals each year.

From the above, it seems it would be of mutual benefit for the CRA and religious charities to be in more regular and sustained direct conversation, in addition to the exchanges of information which are made possible by organizations such as the Canadian Council of Christian Charities.

2. While the number of religious organizations registered in Canada as charities may seem amazingly large, this simply reflects how each religion is not only community-based but also remains a vital and important expression of society as a whole. For the Catholic Church in Canada, each of the approximately 10,000 parishes and missions across the country are registered as charities. Moreover, religious charities for years have provided our nation with teachers, health-care providers and social workers, serving all members of society, no matter their faith or ethnicity. Today religious organizations continue to be involved in similar charitable work, as can be seen in local soup kitchens, refugee sponsorship groups, and agencies providing international aid and development assistance, to give only some examples.

Faith-based communities thus make significant contributions to the life of local neighbourhoods and municipalities, as well as to Canadian society at both the regional and national levels. In most religious traditions the imperative to assist the wider community is a central aspect of faith, just as the communal activities themselves convey awareness of and reverence for the transcendent nature of human activity and the human person. From a specifically Christian perspective, the presence and activity of a parish or congregation in the local community through charitable works reflects the significance of the teaching of Jesus Christ when responding to the question “Teacher, which commandment in the law is the greatest?” Citing Deuteronomy 6:5 and Leviticus 19.18, “He said to him, ‘You shall love the Lord your God with all your heart, and with all your soul, and with all your mind.’ This is the greatest and first commandment. And a second is like it: ‘You shall love your neighbor as yourself.’ On these two commandments hang all the law and the prophets” (Matthew 22:36-40).

Moreover, a number of sociological studies indicate that membership and participation in a religious tradition have a correlation with involvement in voluntary work in general. One perspective on this is evident in the “Canadian Volunteer Landscape” by Volunteer Canada and its use of data from Statistics Canada: 15 per cent of volunteer hours in Canada are given to religion, making it the third most frequent area for volunteer work, compared with 20 per cent of volunteer hours for social services and 18 per cent for sports {<https://volunteer.ca/blog/landscape>}. Religion has significant impact on the voluntary sector.

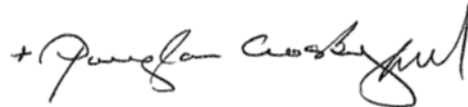
3. At times religious organizations find themselves misunderstood, restricted and even unrecognizable in the categories and definitions used by the CRA to identify what it considers distinct charitable activities. As listed on its website, the four categories are “the relief of poverty”, “the advancement of education”, “the advancement of religion”, and “certain other purposes that benefit the community in a way the courts have said is charitable”. But religion by its very nature involves, provides and furthers a perspective and vision on all human life, and thus attempts to engage the whole person and the whole community. For this reason, the range of activities in which a religion is engaged is all-encompassing. Be it through a parish, a religious congregation, a synagogue, a mosque, or a temple, the activities of various religious traditions encompass worship and prayer; spiritual, moral and social teaching; and community engagement and service, including both personal involvement and interaction with others, together with efforts to improve and transform society. The Catholic Bishops of Canada would respectfully disagree with instances in the past when the CRA ruled that activities involving social engagement, ethical education, peace building and social solidarity or the promotion of the common good and respect for human life do not “advance religion” and so do not meet the CRA definition of “religious activities”.
4. From the perspective of the Catholic Church, “the political community and the Church are *autonomous and independent* of each other in their own fields, and both are, even if under different titles, ‘devoted to the service of the personal and social vocation of the same human beings’” (*Compendium of the Social Doctrine of the Church*, 50). I think that most, if not all, Catholic Bishops in our country would agree that for the above reasons of mutual autonomy and independence, Catholic dioceses, eparchies and parishes, even apart from being registered as charities, should not be engaged in partisan politics. However, it is evident that not all charities agree whether or to what extent there should be limitations or restrictions to their participation in a democratic society. For this reason it could be opportune for a broader reflection on this question, involving not only charities but all Canadians. In addition, I would note that among religious charities there are occasions when their members and staff are not always completely clear on how to comply with current CRA guidelines and definitions on political activity.

5. One criticism and concern is frequently and particularly expressed by a number of religious charities. The language, terminology and communications approach regularly used by the CRA are not easily understandable by the ordinary person who is serving in the local offices of a religious charity. Most of the staff and volunteers involved with religious charities come from areas of expertise generally not involved with legal interpretations or with terminology often used in accounting and auditing. To be truly effective and educational for most religious charities, it is important for CRA guidelines and documents to use language and terminology that are easily accessible and comprehensible to the ordinary citizen.

I write these reflections as we prepare for the Christmas festivities, a period of the year which remains one of the most important for fundraising by all charities, whether religious or not. This is but one more instance of how religion continues to offer an important perspective not only in terms of charitable work but also in terms of motivation, identification of needs, and community involvement. One would hope that this dynamic would be more expressly recognized in all surveys and analyses of Canadian charities. Perhaps in the future, representation from religious charities might be included more directly in consultations by your office or by the CRA, and even appointed on any further panels to be tasked to lead conversations on charities and their experiences.

Again, Madam Minister, congratulations to you and the Government of Canada for the consultation on political activities involving charities. We hope it will truly be a significant first step in helping you and the CRA in meeting the expectations set out in the mandate letter from Prime Minister Justin Trudeau at the beginning of his government: namely, to “ensure that the CRA is fairer, more helpful, and easier to use” and “a client-focused agency”, as well as to “modernize the rules governing the charitable and not-for-profit sectors,” including “clarifying the rules governing ‘political activity,’ with an understanding that charities make an important contribution to public debate and public policy.”

Sincerely,

A handwritten signature in black ink, appearing to read "Douglas Crosby".

(Most Rev.) Douglas Crosby, OMI  
Bishop of Hamilton and  
President of the Canadian Conference of  
Catholic Bishops