

February 16, 2016

Via email: Bill.Morneau@canada.ca; Diane.Lebouthillier@parl.gc.ca

The Honourable William Morneau, P.C., M.P. Minister of Finance 17th floor 90 Elgin Street Ottawa, ON K1A 0G5

The Honourable Diane Lebouthillier, P.C., M.P. Minister of National Revenue Connaught Building, 7th Floor 555 Mackenzie Avenue Ottawa. ON K1A 0L5

Dear Ministers:

On behalf of the Charities and Not-for-Profit Law Section of the Canadian Bar Association (CBA Section), I would like to congratulate you on your appointments. We look forward to working with you and your departments.

The CBA is a national association representing over 36,000 jurists, including lawyers, notaries, law teachers and students across Canada. Our primary objectives include improvements in the law and the administration of justice. The CBA is dedicated to the evolution of a fair and efficient system reflecting the principles of natural justice and Canadian interests. The CBA Section has members across Canada practising in all areas of charities and not-for-profit law, and in every size of practice, from large national firms to small and solo practitioners.

We are writing in particular about the reference to charities in your mandate letters, that the government will "allow charities to do their work on behalf of Canadians free from political harassment, and modernize the rules governing the charitable and non-for-profit sectors. This will include clarifying the rules governing 'political activity', with an understanding that charities make an important contribution to public debate and public policy. A new legislative framework to strengthen the sector will emerge from this process."

We appreciate the tone and substance of this commitment and laud the recent news by the Minister of National Revenue about winding down the review by the Canada Revenue Agency (CRA) of registered charities' political activities. The CBA Section has studied the issue of political activities and their treatment by CRA and its counterparts throughout the Commonwealth. We would be pleased to assist in clarifying the rules around political activities and their application.

The CBA Section previously has made and will continue to make pre-budget submissions and to review Guidance from the Charities Directorate. We are working to develop recommendations for charity law reform in Canada. Enabling social finance initiatives and acceptance of social enterprise strategies are needed in a sector looking for alternative funding sources.

We would be pleased to share our work with you. We encourage and would assist with any work you undertake on a modernized regulatory framework. Thank you for considering the CBA's views as you each tackle your new mandates. We would greatly appreciate the opportunity to meet with you and your officials to further discuss these important issues.

Yours truly,

(original letter signed by Gaylene Schellenberg for C. Yvonne Chenier)

C. Yvonne Chenier, Q.C. Chair, CBA Charities and Not-for-Profit Law Section