



THE CANADIAN  
BAR ASSOCIATION  
L'ASSOCIATION DU  
BARREAU CANADIEN

May 3, 2010

Ms Cathy Hawara  
Director General  
Canada Revenue Agency  
Director General's Office  
320 Queen Street  
Ottawa, ON K1A 0L5

Dear Ms Hawara,

**Re: Migration of charities from *Canada Corporations Act* to *Not-for-Profit Corporations Act* or other corporate governance legislation**

I am writing on behalf of the Charities and Not-for-Profit Law section of the Canadian Bar Association (the CBA Section) about the Charities Directorate's plans for dealing with the large number of charities that will transition to the new *Not-for-Profit Corporations Act (NPCA)* when it is proclaimed in force. The CBA Section shares your interest in having the process for charities moving to the *NPCA* or other corporate governance legislation be as efficient and equitable as possible.

The CBA is a national association representing approximately 37,000 jurists, including lawyers, notaries, law teachers and students across Canada. The Charities and Not For Profit Law Section is comprised of leading practitioners from across Canada and has a great deal of expertise, experience and energy to contribute to collaboration with you. We would be happy to provide input on this at the appropriate time. As well, the CBA Section could be helpful in outreach and communications to charities about the transition process. We would be pleased to offer any input or assistance we can to you or Directorate staff in ensuring development of a smooth process. There may be other ways we can be of assistance and we would welcome your suggestions in this regard.

Given the number of charities that must migrate and the limited resources available to the Directorate for reviewing these types of changes to charities, this is likely to be a challenging undertaking for both the sector and the Directorate. Whatever process is adopted, we urge that the principle that all charities be treated equally be maintained. The anticipated repeal of the *Canada Corporations Act* means that all charities currently constituted under it must move to some other corporate governance legislation. They should not be arbitrarily penalized for doing so.

We believe there are opportunities to accelerate the review process. Acceleration would be appropriate especially for organizations not making substantive changes to their constating documents and, additionally or alternatively, not changing the scope of their current operations.

The CBA Section will also be liaising with Industry Canada both on substantive matters, such as the content of *NPCA* regulations, and on that Department's contemplated processes in rolling out the legislation.

Peter Broder chairs the CBA Section Committee addressing these issues. Please feel free to contact me (email [tcarter@carters.ca](mailto:tcarter@carters.ca) or phone 519-942-0001 ext. 222) or Peter (email [pbroder@muttart.org](mailto:pbroder@muttart.org) or phone 780-425-5356) if you would like to discuss this further.

Thank you for your attention to this matter, and we look forward to further discussions on opportunities for input and how we can be of assistance.

Yours truly,

(Original signed by Rebecca Bromwich for Terry Carter)

Terry Carter  
Chair, National Charities and Not-for-Profit Law Section