

10 March 2025

The Honourable Pierre Poilievre, P.C., M.P Leader of the Conservative Party of Canada Leader of the Opposition House of Commons Ottawa, Ontario K1A 0A6

## Subject: Important Concerns Regarding Recommendations 429 and 430 on Charitable Status

Dear Mr. Poilievre,

As members of the Permanent Council of the Canadian Conference of Catholic Bishops (CCCB), we wish to express our grave concerns regarding recommendations 429 and 430 made by the Standing Committee on Finance in its December 2024 report (<u>Pre-Budget Consultations in Advance of the 2025 Budget</u>). We commend the Official Opposition's <u>public rejection of Recommendation 430</u> in December 2024 but we urge you to continue opposing *both* Recommendation 429 *and* 430 because of their potential to harm Canada's charitable sector and the millions of Canadians who depend on these organizations for support and services.

The Catholic charitable sector in Canada, anchored by dioceses and parishes across the country, includes a wide range of community services and ministries, including foodbanks, soup kitchens, refugee resettlement programs, climate and social justice programs, daycares and schools, hospitals, long-term care homes and palliative care centres, to name but a few examples. These compassionate, purpose-driven, and accessible Catholic services are available to all Canadians, regardless of religious affiliation; these charities meet essential and sometimes complex social needs within communities nationwide. A recent study found that the cost of replacing the services offered by faith congregations in Canada is \$16.5 billion.<sup>1</sup> Simply put, places of worship provide benefits to society that radiate far beyond their congregations. For "every dollar that a congregation spends, the local community receives an average of \$3.39 in economic benefit."<sup>2</sup>

The very existence of the kinds of Catholic charitable organizations and services listed above would be threatened by the implementation of Recommendations 429 and 430, which propose respectively to amend the *Income Tax Act* by no longer providing charitable status to "anti-abortion organizations" (cf. #429) and by removing "the privileged status of 'advancement of religion' as a charitable purpose" (cf. #430).

<sup>&</sup>lt;sup>1</sup> Wood Daly, Mike. 2024 "Why Religious Tax Exemptions Benefit All Canadians." Cardus. 12 November 2024. <u>https://www.cardus.ca/research/spirited-citizenship/reports/why-religious-tax-exemptions-benefit-all-canadians/</u>

<sup>&</sup>lt;sup>2</sup> Ibid.

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Recommendation 429 is open to broad interpretation and targets a subgroup within the charitable sector. It risks granting preferential treatment to organizations that align with a sitting government's agenda rather than basing charitable status on established legal principles. Although the inspiration for this proposed policy is not explicit, it appears to be informed by the government's intention to revoke the charitable status of "anti-abortion organizations that provide dishonest counselling." Putting aside the questionable nature of the claim against so-called "anti-abortion organizations," we have no objection to the necessity of transparency and accountability within the charitable sector. However, such requirements should not negatively prejudice charitable organizations that operate on the basis of valid moral positions which may diverge from those of a sitting government at any point in time.

Recommendation 430 threatens the very future of Canada's entire charitable sector, as **40%** of all charitable organizations in Canada are faith-based. To deprive faith-based organizations of charitable status would decrease donations, causing their revenue to dwindle, thus crippling their ability to continue inspiring, operating, and maintaining essential social services that benefit the wider community.<sup>3</sup> Since the late 19<sup>th</sup> century, advancing religion has been recognized as a charitable purpose in Canada along with the relief of poverty, the advancement of education, and other purposes beneficial to the community.

Given the fundamental and contributing role of religious charities in Canadian society, we urge the Conservative Party of Canada to oppose both Recommendations 429 and 430. Furthermore, we respectfully call upon you to take a stand against *any legislative changes* that would disproportionately target, destabilize, or harm faith-based organizations, inadvertently affecting the millions of Canadians who benefit from their initiatives. Recommendations 429 and 430 were advanced by the Committee without meaningful public consultation with the charitable sector. Any changes to the *Income Tax Act* affecting faith-based charities must involve proper consultation to ensure they strengthen rather than hinder our collective capacity to serve Canadians.

Thank you for taking the time to consider this important matter. We welcome the opportunity to discuss our concerns further with you. Be assured of the CCCB's desire to work with our elected officials to preserve the integrity and effectiveness of Canada's entire charitable sector. We remain hopeful that Canadians will continue to enjoy freedom of religion and expression while maintaining a vibrant and sustainable charitable sector for the benefit of all.

Yours sincerely,

The Most Rev. William T. McGrattan Bishop of Calgary and CCCB President

The Most Rev. Pierre Goudreault Bishop of Sainte-Anne-de-la-Pocatière and CCCB Vice President The Most Reverend Lawrence Huculak, OSBM Eparchial Archbishop of Winnipeg and Metropolitan for Ukrainian Catholics in Canada

The Most Rev. Wayne Kirkpatrick Bishop of Antigonish

<sup>&</sup>lt;sup>3</sup> Ibid.

The Most Rev. Gerard P. Bergie Bishop of St. Catharines and CCCB Co-Treasurer	The Most Reverend Daniel Jodoin Bishop of Nicolet
The Most Rev. Christian Rodembourg, M.S.A. Bishop of Saint-Hyacinthe and CCCB Co-Treasurer	The Most Reverend Daniel J. Miehm Bishop of Peterborough
His Eminence Frank Cardinal Leo Metropolitan Archbishop of Toronto	The Most Reverend Mark A. Hagemoen Bishop of Saskatoon
His Eminence Gérald Cyprien Cardinal Lacroix Metropolitan Archbishop of Québec and Primate of Canada	The Most Rev. Guy Desrochers, C.Ss.R. Metropolitan Archbishop of Moncton
The Most Reverend Christian Lépine Metropolitan Archbishop of Montreal	The Most Rev. Pierre-Olivier Tremblay, O.M.I. Bishop of Hearst-Moosonee
c.c.: The Right Hon. Justin Trudeau, P.C., M.P., Prime Minister of Canada	

c.c.: The Right Hon. Justin Trudeau, P.C., M.P., Prime Minister of Canada The Hon. Arif Virani, P.C., M.P., Minister of Justice and Attorney General of Canada The Hon. Élisabeth Brière, P.C., M.P., Minister of National Revenue Mr. Jagmeet Singh, M.P., Leader of the New Democratic Party of Canada Mr. Yves-François Blanchet, M.P., Leader of the Bloc Québécois Ms. Elizabeth May, M.P., Leader of the Green Party of Canada Mr. Peter Fonseca, M.P., Chair, Standing Committee on Finance Mr. Jasraj Singh Hallan, M.P., Conservative Shadow Minister for Finance Mr. Don Davies, M.P., NDP Critic, Finance Mr. Gabriel Ste-Marie, M.P., Bloc Critic, Finance