



Abortion Rights
Coalition of Canada

Coalition pour le droit à
l'avortement au Canada

Your Voice for Choice

Canada's only national political pro-choice advocacy group

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December 1, 2016

National Leads Centre
Business Intelligence and Quality Assurance Division
Canada Revenue Agency
200 Town Centre Court
Scarborough ON M1P 4Y3

Dear Madam/Sir:

Could we please request audits on 34 charities in Canada that are either reporting their government funding incorrectly, or not at all, as well as other possible irregularities?

There are 112 charities across Canada that operate what we term "Crisis Pregnancy Centres" (CPCs). They have various names and most are not affiliated with each other, but they all seek to provide services to pregnant women. However, they operate using an anti-abortion bias, which unfortunately causes most of them to provide misinformation on abortion and try to dissuade women from abortion, often in scare-mongering ways. Many present themselves as professional unbiased clinics when in fact most are run by untrained volunteers and are Christian ministries. We wondered if this kind of deception and dishonesty might extend to their financial practices and records as well, so we did our own investigation using CRA records and other data searches.

We found that thirty-four (34) or 30.4% of these CPC charities are either reporting their government funding incorrectly or not at all on the government funding line of their charity tax returns. As not all government funding is easily found online, it is very likely that the number of incorrectly reporting pregnancy centre charities is even higher. Details of our investigation follow.

Method:

We reviewed the years 2011 to 2015. We searched for government grants and traced back to the charity return and found that the amounts did not correspond for many of the charities even when varied year-end dates were taken into account. We have excluded the charities that reported more government funding than showed up in the searches (government funding is not always searchable or transparent).

Reasons for discrepancies:

There are many reasons that these charities would not report government funding correctly. Some reporting irregularities may be due to incompetence. Some may be deliberately deceiving donors and interested parties because they want to appeal to donors and they want to avoid pressure on the government levels to stop their funding. Donors and other interested parties are entitled to know how much of the total charity funding is government-based.

Other concerns:

An additional concern is charity relationships and transactions to affiliates outside their province and outside of Canada. Some of these transactions appear to be part of "Gifts to Qualified Donees", but others do not appear to be reported. Donors may not be aware that their money is leaving the province and possibly the country. Donors may also be unaware that their donations might be used for different purposes than disclosed (i.e., not directly helping in their community).

- 1) All affiliates of the Canadian Association of Pregnancy Support (CAPSS) (880400221RR0001) services pay a fee to CAPSS for affiliation. On their behalf, CAPSS pays an affiliation fee to the U.S.-based companies Heartbeat International and CareNet. Some of the CAPSS-affiliated centres have reported \$0 in gifts to qualified donees, but others have reported significant amounts (Outreach for Life gave \$20K in 2014). Consistency in reporting affiliate fees appears to be lacking.
- 2) Birthright charities are also affiliated with Birthright International (Toronto-based) and will have transactions with them. Ten Birthrights had their status revoked status in the 2011-2015 reporting period. The treatment of remaining funds will be of concern to donors.

Attachments:

- 1) Complete CPC Listing (lists all CPC charities in our study including business numbers).
- 2) Listing of CPCs with reporting discrepancies (lists CPC charities that underreported or did not report government funding on their charity return).
- 3) Listing of grants received by CPCs (listing of grant name/type for each of the reported CPCs).
- 4) Gifts to Qualified Donees (listing of yearly amounts reported by CPC charities for Qualified Donees, identifies if they are a CAPSS affiliate).
- 5) Detailed data sheet for reported CPCs (this is the data pulled from government websites and the CRA returns and used in the pivot tables to produce the reports).
- 6) Lethbridge Birthright Fall Newsletter (Bingo proceeds).
- 7) Lethbridge Birthright Spring-Summer newsletter (Bingo Proceeds).
- 8) Charitable Status and CPCs Position Paper (background on why *Anti-Choice "Crisis Pregnancy Centres" Should Not Have Charitable Tax Status*)

Additional issues:

Lethbridge & District Birthright Society (119018190RR0001) estimates they receive \$12,000 to \$15,000 annually from Alberta Gaming Bingo proceeds.:

<http://birthright.org/files/591/FallWinter2016.pdf>.

This does not match the amount that is reported on their CRA returns. 2015 return showed \$0.

If you have any general questions on our complaint, please contact the undersigned. For questions on the specific information we have provided on the CPCs, you may contact Kathy Dawson in Edmonton, as she compiled all the attached data. (home: 780-431-0337; cell: 780-914-4695; email: blueskies100@yahoo.com)

Thank you very much for your consideration.

Sincerely,



Joyce Arthur

Executive Director

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