

News Release

Budget Commits \$24 Million Over Two Years to Strengthen Charities Sector

Ottawa, March 29, 2004...The 2004 federal budget committed \$24 million over two years to improve the regulation of charities. The first milestone is the creation of the Charities Advisory Committee. This Committee will provide advice and guidance to the Canada Revenue Agency (CRA) and will promote communications between the CRA and the charitable sector.

“This forum will provide us with an opportunity to engage key members of the sector as we implement better regulations for charities,” said Stan Keyes, Minister of National Revenue. “This Committee will be the sounding board for implementing these significant changes to charities regulation. With the funding committed in the budget, we will be putting better information out into the public domain, giving Canadians access to better information so they can make more informed decisions about their donations.”

“The Government of Canada recognizes the essential role of charities,” said Liza Frulla, Minister of Social Development. “In the past five years, individuals and organizations across government and the voluntary sector have worked to strengthen relationships and improve services to Canadians. These regulatory reforms are some of the concrete results of our ongoing collaboration.” The Department of Social Development has the lead in coordinating the Government of Canada’s activities under the Voluntary Sector Initiative (VSI) (www.vsi-isbc.ca). The 2004 budget has allocated \$6 million over the next two years to build on the work of the VSI.

The VSI and charities regulatory reform both aim to strengthen the charitable sector. Under the VSI, a Joint Regulatory Table worked with the sector to study the current status of charity regulation to propose comprehensive reform measures. Of the 75 recommendations made on how to improve the legislative and regulatory environment within which the charitable sector operates, 60 will be fully implemented and nine partially implemented.

The Charities Advisory Committee will provide key information and feedback on a number of topics including the reform of charities regulations. Other areas on which the Committee will be engaged include emerging issues and trends in the charitable sector, the administration of new sanctions, and the revised appeals process. For more information about charities regulatory reform, please see www.cra.gc.ca/tax/charities.

Co-chairing the Committee are Ms. Lois Hollstedt, former CEO of the Vancouver YWCA and former member of the Joint Regulatory Table, and Ms. Maureen Kidd, Director General of the Charities Directorate within the CRA. All of the Committee members are from the charitable sector. For more information about the membership of the Charities Advisory Committee, please see www.cra.gc.ca/tax/charities/cac/members-e.html.

The Charities Advisory Committee will hold three meetings per year, with the first meeting scheduled for April 2004. The activities and findings of the Committee, along with information about the regulation of charities, will be reported annually and available on the CRA web site.



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