

HOME OFFICE

BRANCH/DIVISION:

No.



CHA 95 0054/0004/00001/

When papers require action by noter, the word NOTE should be inserted in one of the boxes. (see comment on flap)

1. 2. 3.

RELATED PAPERS (See Inside Front Cover)

FILE BEGINS: 23/2/95 ENDS: 28/11/95



HOF000446182

TNT

FILE TITLE:

CHARITABLE STATUS

SCIENTOLOGY ✓

CLOSED

DO NOT DESTROY WITHOUT THE PERMISSION OF THE HOME OFFICE UNIT CONCERNED

INDEX HEAD

SEND TO	DATE	SEND TO	DATE	SEND TO	DATE
---------	------	---------	------	---------	------

CLOSED

CLOSED

CHA 95 0054/0004/00001/

en

CHA

S111

From: Mr Richard Fnes
Chief Charity Commissioner

c.c. Home Office;

Date: 23 February 1995

Charity Commission
Commissioners
Mrs. Shaw
Ms. Munday
Mr Dibble
Mr Corden
Mr Rogers

LadyBlatch

SCIENTOLOGY

Issue

- 1 Charity Commission decision that the Church of Scientology is not a charity

Timing

2. Routine, but the Charity Commission must inform the Church of Scientology of the decision promptly

Summary

3. You will recall that the Church of Scientology is seeking registration as a charity on grounds of religion. They have not applied formally for registration at this stage but the Charity Commission response to the case they have advanced is the substantive decision. After thorough consideration of voluminous material submitted by the Scientologists the Board of Commissioners has concluded that Scientology is not a religion for the purposes of charity law

4. The law on charitable status for religious bodies is not clear. There are number of overseas court judgments according charitable status to Scientology. The Board of Commissioners nevertheless concluded, in the light of such precedents as there are in English cases, that Scientology does not meet the test of a religion as at present propounded in English law, namely of being founded on belief in and reverence for a deity. We further concluded that the acceptance of Buddhism as a religion was an exception and therefore did not provide a basis for extending the concept of religion and charitable status to embrace Scientology

- 5 The Church of Scientology are emphatic that Scientology is a religion. They have advanced copious material in support of their claim to a structure of belief and practice which qualifies them as a religion, supported by much learned opinion to the

effect that this entitles Scientology to registration as a charity for the advancement of religion. We expect them to make a formal application despite our decision. In order to mount an appeal to the High Court.

Recommendation

6. This submission is to inform you of the decision which the Board of Charity Commissioners has made. It does not of course do justice to the complexity of the legal issues on which it is based - on which we should be happy to elaborate if you would like more detail.

Handling

7. While the decision will no doubt be generally welcomed, except by supporters of Scientology, it may raise wider issues of religion and charitable status, in particular relating to cults. We see no purpose in attracting such attention and accordingly do not propose to give publicity to our decision at this stage. Nor do we think that the Church of Scientology will do so. On the assumption that the issue goes to court on appeal the matter is however bound to attract notice sooner or later. The fact that the law presumes bodies promoting religious beliefs, even of a cultish nature, to be charitable unless there is clear evidence that they are against the public interest gives rise to periodic media and public attention. We have not in the event had to address this in relation to Scientology; but the Charity Commission's Press Office is ready to deal both with the decision in this case and with any renewed concern about cults and charitable status that may arise. As a long term exercise we are reviewing the Register of Charities to see whether any of the religious bodies on it might give rise to adverse comment.

8. If there are any approaches to the Home Office about the decision it would be right to refer them to the Charity Commission. The Commission's Press Office is liaising with the Home Office on this.

9. If the issue comes to court the Attorney General, with his special responsibility for charity law proceedings, would be a party to the proceedings. We are therefore informing your officials of the decision.



RJ FRIES
Chief Charity Commissioner



cc

Charity Commission, St Alban's House, 57/60 Haymarket, London SW1Y 4QX

Direct Line { }
GTN

Fax { }
GTN

D DiVISION
Home Office

Our Ref: KMD-L(S)

Date: 10 October 1995

London :

Dear :

THE CHURCH OF SCIENTOLOGY

Thank you for your letter of 9 October addressed to ' As you know the Church of Scientology has applied to the Commission for registration as a charity As the matter raises some complex and novel Issues about the meaning of religion in charitable status law and about the nature of Scientology and whether it can be said that its advancement confers adequate public benefit the matter will be referred to the Board of the Commission. Although we have nearly completed processing the application, consideration of the application is still in its formative stage. We hope that the application will be considered by the Board by the end of the year.

As you know I wrote to m D Division on 21 June 1994 about the application which was followed by a very useful discussion at this office which you attended. However, I think it would be very useful for the Board's consideration of this matter if the formal views of the Home Office could now be put to us. As you may know the Church of Scientology seems to have been progressively accepted as a religious institution in other parts of the world. Not only has it been accepted in Australia but there has been a more recent decision of the United States Internal Revenue Service to confer tax exempt status on the basis both that it is and that it practices a religion. Although the question of whether or not an organisation is charitable is essentially one of law, the issue as to whether an institution is established for the public benefit is central to the determination of this question. Public benefit means two things. The first is that the organisation must confer a real benefit on the public. Generally speaking religions are presumed to do this although the extent of that benefit will always be an issue where doubt has arisen. Secondly the organisation must benefit the public or a sufficiently important section of the public. For example it cannot be established merely for the benefit of its members and therefore any religious organisation which was self-focused and inward-looking and was designed solely to benefit its adherents might not be charitable.

We would therefore be concerned to learn of the Home Office's views about public benefit. In particular we would want to know whether the Home Office would raise any issue of concern on the reasonably held grounds that Scientology and its practices were not in the public interest or that they were contrary to public policy. In this regard we understood that the Home Office and in particular the immigration authorities formerly held a policy of refusing entry to foreign nationals who were Scientologists who were seeking to take up employment in Scientology establishments in the United Kingdom. I think you explained to us that the reasons for this policy and its current status. However I think it would be helpful if this could be set out in documented form so that it

When replying, please quote our reference.

For general enquiries telephone 0

can be crted as part of the applicatlon. Further if there exists information or a policy View about the Church of Scientology and its activities and Its effects on the public and social good or harm flowing as a result such information would be invaluable to us in commg to a view as to registration of the organisation as a charity

In your letter of 9 October you refer to the public response following a television programme on 13 July about Scientology I should be very grateful .if you could give me details of that programme and some Idea as to Its content. I understand from what you say that you have recerved over 50 letters from MI's about Scientology and almost 800 letters from the public seeking and inquiry into Scientology I note your response to that but I should be very grateful if you could give me some analysis of the content of the letters from the MPs and from the public and your responses to them as these are clearly a measure of some public concern about the practice of Scientology

I look forward to hearing from you.

Yours sincerely

cc you deal with this please

cc .

17/8

*w/enc

17 OCT 1995

SCIENTOLOGY : application for charitable status

I attach a copy of a letter dated 10 October from the Charity Commission Which asks for the Home Office's views on the question of public benefit.

I thought I should alert you to this request at an early stage as our reply will be put before the Commissioners and could be liable to disclosure if their decision was challenged by way of judicial review. Any preliminary comments would be welcome.

We will need to clear our response with Lady Blatch and would wish to consult LAB in drafting the advice. From earlier discussions with Lady Blatch it is likely that she will want to raise issues of concern. We would have to be careful that we could back up any assertions with evidence. We may have to confine ourselves to pointing to public concern eg the volume of public correspondence.

I am copying this to [redacted] in B3 for a contribution on the third paragraph of the letter, by 27 October, if possible. It would be helpful if B3 could clear this with their own lawyers, if necessary

16 October 1995

D Division

Tel: 7

J

Fax:

This is for
me - Fascinating
for me, though!
SG 17/10

2 NOV 1935

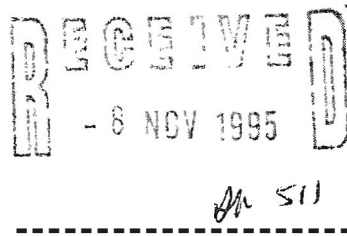
1 - 2 - 3 - 4

SCIENTOLOGY: APPLICATION FOR CHARITABLE STATUS

I believe the Charity Commission are primarily seeking a policy response from the Home Office on the question of "public benefit". Whether or not an institution is a "charity" (that is, an institution established for exclusively charitable purposes according to the law of England and Wales - see sections 96 and 97 of the Charities Act 1993) is a matter solely for the High Court and the Charity Commission exercising that Court's charitable jurisdiction under the 1993 Act. The legal aspects of this matter are, therefore, for the Commission to determine. However, you have sought LAB advice and I would offer the following comments.

1 November 1995

Legal Adviser's Branch



cc Home Secretary
Mr R Wilson

From:
D Division

7 November 1995

Lady Blatch

SCIENTOLOGY: APPLICATION FOR CHARITABLE STATUS, AND THE ISSUE OF AN ENQUIRY

Issue to be decided

- a. What response to give to the Charity Commission's request for a Home Office view on Scientology's application for charitable status; and
- b. the question of an enquiry into Scientology (note of 18 October).

Timing

2. We are meeting on 9 November to discuss these issues. The Charity Commission have asked for our views by 10 November.

Summary

3. The Charity Commission have asked for our views on the public benefit issues involved in Scientology's application, including statements of both our general policy view of Scientology and immigration policy (see copy letter at Annex A). They have also sought details of the public response to the ITV programme on Scientology broadcast in July.

4.

5. The arguments against a further enquiry into Scientology were set out in ' submission of 20 July. They are summarised in Annex B. No action was taken following the Foster enquiry and although that enquiry was held some 25 years ago the nature of the allegations against Scientology remains

substantially the same. A further consideration is that any action at this stage could be seen as prejudicial to the Charity Commission's consideration of the application for charitable status.

Recommendation

6. That

a. We respond to the Charity Commission as in the draft **letter attached, and**

b. subject to discussion with you on 9 November, we continue to resist calls for a further enquiry into Scientology.

Consideration

7. A background note about Scientology is at Annex C.

8. The Church of Scientology has applied to the Charity Commission for registration as a charity. The Commission has written to us to say that the matter raises some complex and novel issues about the meaning of religion in charitable status law and about the nature of Scientology, and whether it can be said that its advancement confers adequate public benefit. It is hoped that the application will be considered by the Board by the end of the year.

9. The Charity Commission are primarily seeking a policy response from the Home Office on the question of "public benefit". Whether or not an institution is a "charity" (that is, an institution established for exclusively charitable purposes according to the law of England and Wales) is a matter solely for the High Court and the Charity Commission exercising that Court's charitable jurisdiction under the 1993 Act. The legal aspects of this matter are, therefore, for the Commission to determine.

10. A charity which is established for the advancement of religion is presumed to be for the public benefit, and therefore to qualify legally as a charity, unless the contrary is shown. The first question as regards charitable status is, therefore, whether Scientology is a religion. No doubt the Commission are considering this question carefully in the light of recent developments but in 1970 the Court of Appeal decided that, on the evidence available, a building which the Church of Scientology sought to have registered as a place of worship under the Places of Worship Registration Act 1955 was not a place for meeting for religious worship because the services and ceremonies carried on in the building contained no element of people coming together to pray to a Supreme Being but consisted of instruction in a philosophy concerned with man.

11. Depending on the determination as to whether the Church of Scientology is an institution for the advancement of religion, the element of public benefit may or may not be of crucial importance to the issue of charitable status. The answer depends not on the activity of the church but on the objects as stated in its governing instruments. As was apparent during the House of Lords committee stage of the Bill which became the Charities

Act 1992, when Clause 2 of the Bill, designed to meet exactly this problem, was defeated (and never introduced), the Charity Commission must look at the legal status of the institution, not its conduct.

12. Against this background,

c

13. Our response to the Charity Commission will need to be guarded given that if there is an appeal against any refusal to register the material on which the decision was based may have to be made available to the Appellant. We have not carried out any enquiries of our own into the activities of Scientology and such evidence as we have consists of letters from members of the public and MPs which we are in no position to evaluate.

14. We propose to reply in terms of the attached draft.

A further enquiry

15. The previous enquiry into Scientology, the Foster Enquiry, was set up in July 1969 by the Secretary of State for Social Services and reported in 1971. A note about the inquiry is at Annex D. It recommended amongst other things legislation to control the practice of psychotherapy (the aspect of Scientology which gave rise to particular concern) and the lifting of the immigration controls.

16. The first of these recommendations was never implemented and the lifting of the immigration controls was eventually announced in 1980.

17. The arguments for and against an enquiry are set out at Annex B. Briefly, the allegations investigated by Foster essentially of brainwashing and exploitation - are essentially the same allegations as are being made against Scientology today. An enquiry might help to provide up to date information about Scientology and give all sides a chance to put their views, but there is no certainty that the outcome would be any more decisive than in 1971. Moreover, it is highly likely that Scientology would challenge any decision to hold an enquiry in both the domestic and European courts. We would have to justify singling out Scientology as opposed to other new religious movements which are causing concern or new religious movements generally.

Handling/Dresentation

18. None other than the points covered above.

DRAFT LETTER TO THE CHARITY COMMISSION

Thank you for your letters of 10 and 19 October seeking a Home Office view in relation to Scientology's application for charitable status. You particularly sought our views on the question of public benefit and on any policy view that we have formed about the Church of Scientology generally. In responding to that request I offer no view as to their relevance to the question of charitable status.

The Commission is no doubt familiar with the 1971 Foster investigation into Scientology and the subsequent lifting of the ban on Scientologists entering the country as students and to work with Scientology. A factual summary of the immigration position is **attached.** [TO FOLLOW]

As far as I am aware, there have been no subsequent official enquiries into the activities of Scientology. This Department has, however, continued to receive various letters expressing concern about Scientology and its activities. We previously supplied you with copies of all correspondence received over a three year period up to June 1994. In considering the comments that follow it is important to understand that the Home Office has not carried out any checking of these allegations; all we can do is point to the main features of what has been said to us by others.

The main concerns expressed in the correspondence we have received have been of two kinds. Firstly we have had

representations that Scientology makes use of sensory deprivation and may use brainwashing techniques to encourage recruits to remain with the organisation. Concern has been expressed both about the use of these techniques and their long term effects. Secondly/ there have been allegations of what might be described as financial exploitation in that it has been alleged that Scientology specifically targets those who in their own right or through their families have access to substantial financial resources. The cost of undertaking the various levels of Scientology courses is, it is claimed, substantial and increases so that ultimately those who cannot meet the financial obligations are encouraged to work for the organisation itself in return for courses.

Frequently relatives or former members say they have been distressed at the impact of Scientology. However, Scientology itself maintains that it has a positive impact on members' lives and it particularly highlights its anti-crime and anti-drugs programmes.

The Government's position on movements such as Scientology has been to avoid specific controls over their activities through legislation. One factor in this policy is our commitment to the terms of the European Convention on Human Rights, with its provisions guaranteeing freedom of expression/ belief and worship. Our policy towards such movements is that they are expected to remain within the terms of the law and that we will take seriously any allegations put to us that they have not done so, where appropriate advising those who may have specific

evidence of criminal behaviour on the part of Scientologists to bring them to the attention of the police who have the power to investigate.

Finally, you asked for details of the ITV programme transmitted on 13 July. We have already sent you a video copy. The substance of the representations which we received following the programme is similar to the longstanding concerns expressed about Scientology, that of the alleged duress which is used to keep members within the organisation and the financial pressures to contribute to Scientology. The correspondence contains allegations that Scientology is divisive and destructive of families. However, I must again stress that we have not investigated these allegations in any way. Furthermore, in this case many of the letters appear to be from people who watched the television programme but who may have had no personal or family involvement in Scientology. We received over 700 letters from members of the public. The majority were "round robin" letters. Many of the [50] letters we received from MPs had also been prompted by the same style of letter.

I hope this is helpful.



ANNEX A

Charity Commission, St Alban's House, 57/60 Haymarket, London SW1Y 4QX
Direct Line {

Fax ,
GTN

D Division
Home Office

Our Ref: KMD-L(S)

Date: 10 October 1995

London

Dear {

THE CHURCH OF SCIENTOLOGY

Thank you for your letter of 9 October addressed to { As you know the Church of Scientology has applied to the Commssion for registration as a chanty As the matter raises some complex and novel issues about the meanuig of religion m chantable status law and about the nature of Scientology and whether it can be said that its advancement confers adequate public benefit the matter will be referred to the Board of the Commission. Although we have nearly completed processing the application, consideration of the application is still m its formative stage. We hope that the application will be considered by the Board by the end of the year.

As you know I wrote to { m D Division on 21 June 1994 about the application which was followed by a very useful discussion at this office which you attended. However, I think it would be very useful for the Board's consideranon of this matter if the formal VIEWS of the Home Office could now be put to us. As you may know the Church of Scientology seems to have been progressively accepted as a religious mstitunon m other parts of the world. Not only has it been accepted m Australia but there has been a more recent decision of the Umed States Inland Revenue Service to confer tax exempt status on the basis both that It is and that It practices a religion. Although the question of whether or not an orgamsation is charitable is essentially one of law, the Issue as to whether an mstitution IS established for zhe public benefit IS central to the determmanon of thrs question. Public benefit means two things. The first IS that the organisation must confer a real benefit on the public. Generally speaking religions are presumed to do this although the extent of that benefit will always be an issue where doubt has ansen. Secondly the orgarnsation must benefit on the public or a sufficiently important section of the public. For example It cannot be established merely for the benefit of its members and therefore any religious organisation which was self focused and inward looking and was designed solely to benefit its adherents might not be charitable.

We would therefore be concerned to learn of the Home Office's Views about public benefit. In particular we would want to know whether the Home Office would raise any issue of concern on the reasonably held grounds that Scientology and its pracnces were not m the public interest or that they were contrary to public policy In this regard we understood that the Home Office and m particular the immigration authorities formerly held a policy of refusing entry to foreign nationals who were Scientologists who were seeking to take up employment tn Scientology establishments m the United Kingdom. I think you explained to us that the reasons for this policy and its current status. However I think It would be helpful If this could be set out m documented form so that it

When replying, please quote our reference.
For general enquiries telephone

can be cited as part of the application. Further If there exists information or a policy View about the Church of Scientology and its activities and its effects on the public and social good or harm flowing as a result such information would be invaluable to us in coming to a View as to registration of the organisation as a charity

In your letter of 9 October you refer to the public response following a television programme on 13 July about Scientology. I should be very grateful If you could give me details of that programme and some idea as to its content. I understand from what you say that you have received over 50 letters from MI's about Scientology and almost 800 letters from the public seeking and inquiry into Scientology. I note your response to that but I should be very grateful If you could give me some analysis of the content of the letters from the MI's and from the public and your responses to them as these are clearly a measure of some public concern about the practice of Scientology

I look forward to hearing from you.

Yours sincerely



AN ENQUIRY INTO SCIENTOLOGY

For	Against
<p>1 On-going concern about methods used by, and effects of, Scientology.</p> <p>2. Lack of hard information about Scientology. This may be resolved by an enquiry</p> <p>3 An enquiry would give the opportunity to ask the question in public; would give all sides a chance to put their views</p> <p>4. An enquiry could establish the need for further measures to protect the public</p>	<p>1. Small scale problem, less than 1% of population thought to be attracted to NRMs, even fewer damaged by the experience. Not a major social problem when compared to other youth problems eg drugs, unemployment, although on an individual level is clearly a concern.</p> <p>2. Why select Scientology, should look at other new religious movements.</p> <p>3 It could be seen as being in breach of our ECHR obligations. [EC court challenge likely.]</p> <p>4. Counter to the policy of neutrality and plurality of beliefs.</p> <p>5. An enquiry would be seen as an arbitrary action; It would certainly be open to legal challenge via judicial review.</p> <p>6. There would be practical difficulties in obtaining information and investigating as was shown by the experience of the Foster Inquiry.</p> <p>7. Government action, in particular legislation, would not be an appropriate response to potential problems posed by Scientology. Banning of Scientology would be challenged in courts and would give Scientology a much higher profile, possibly increasing the appeal to young people.</p>

SCIENTOLOGY: BACKGROUND AND TERMINOLOGY

1. This note provides background information on Scientology.
2. Scientology was invented (its adherents would say "discovered") in 1951, by the American L Ron Hubbard. At first, it made claims to be a revolutionary technique of self-improvement, but in 1954 a group of converts took the concepts further and formed the "Church of Scientology" in the United States, and the movement has claimed religious status ever since. Its international headquarters are in Los Angeles, and it has organisations in many countries. Its UK headquarters are at East Grinstead, Sussex.

The aims of Scientology

3. Scientology is a "human potential" movement; that is, it stresses the inherent abilities and potential of man, and the availability of significant self-improvement within us all. As such, Scientology is a set of techniques rather than of beliefs. Scientologists believe that man is essentially good, and a spiritual being, endowed with abilities well beyond those known prior to Scientology. Techniques are available to Scientologists to allow them to solve their own problems, accomplish their own goals and achieve lasting happiness; these are said to be "based upon the traditions of 50,000 years of thinking men".

Key concepts

4. Scientology lays great stress upon the claimed rigour, completeness and range of Hubbard's researches. In keeping with this, it has developed a wide vocabulary of jargon. The following are the most important concepts.
5. Mind is divided into an analytical and a reactive mind. The analytical part is, broadly, the conscious mind with which we experience daily life. It observes, remembers, thinks etc. The reactive part is, broadly, the subconscious or unconscious mind, in which is stored all the negative associations (physical and emotional pain) associated with various experiences. It is not explained why only negative associations are stored. The reactive mind prevents the analytical mind from its proper, optimistic functioning, by recalling to it the negative inhibition associated with old situations, thus undermining performance similar new situations, through a wish to avoid repeating the physical or emotional pain. The negative associations stored by the reactive mind are called engrams. Thus far, Scientology bears a resemblance to some psychiatric explanations of the subconscious, although Scientology is firmly anti-psychiatry and psychology. Auditing is a technique to erase the contents of the negative mind, thus eliminating the ability of the engrams to undermine a person's conscious will. A successful auditing process leads to a state of freedom from

engrams, and a person in this state is therefore called a **clear**. Auditing is undertaken on a one-to-one personal basis, with the auditor using an "electropsychometer" or **liE-meter**, which measures the harmful energy from the reactive mind, showing which areas of experience to concentrate on in the auditing process. In keeping with the encyclopaedic claims of Scientology, there are over 150 different auditing "services" available.

LEGAL STATUS IN UK

6. Scientology is not recognised as a religion in the United Kingdom. This results from a court decision in the Queen's Bench Division by the Lord Chief Justice and others in 1969, which upheld a refusal by the Registrar General to grant a certificate that a Scientology chapel was a place of religious worship within the meaning of the Places of Worship Registration Act 1855. The basis for the court's decision was that there was nothing in information supplied about Scientology which indicated that its "services" were religious. - taking as evidence the absence of prayers, the fact that no creed was recited, and that Scientology claimed to be open to people of all religious beliefs. Scientologists (rightly) claim that this judgment made no observations as to the intrinsic merits or otherwise of Scientology.

7. Scientology is recognised as a religion in Australia, New Zealand, France, Sweden, Germany and at least ten US States.

OBJECTIONS RAISED AGAINST SCIENTOLOGY

8. Whilst it seems unlikely that Scientology would be as successful as it clearly is in terms of numbers of adherents if it did not offer some good things, the most serious objection alleged against it is that it is simply an impressive and well organised confidence trick, promising self development to the highest planes, but only at a very considerable financial outlay. "Advanced" courses can cost thousands of pounds. Allegations are made of considerable pressure being brought to bear on converts to advance to higher states, and hence to spend more money on Scientology. Whilst critics suggest that; this amounts to a substantial diminishment of the free-will element needed to make a legitimate contract, there are nonetheless, no known cases where Scientology has been held culpable of misrepresentation in the courts.

FOSTER REPORT

Background

The first calls for an enquiry into Scientology came in 1966. Initially the Government rejected calls for an enquiry. Following some Parliamentary interest on 25 July 1968, the Government announced that "we are satisfied, having reviewed all the available evidence, that Scientology is socially harmful..." "the Government have concluded that it is so objectionable that it would be right to take all steps within their power to curb its growth". The Scientology education establishments were no longer recognised as such for the purposes of immigration and work permits and student visas were no longer to be available.

The report was commissioned in 1969 by the then Secretary of State for Social Services. Its terms of reference were "to enquire into the practices and effects of Scientology and to report". The enquiry was held in private, and no witnesses or advocates were heard. Sir John Foster did however consider documents submitted by Scientology and others. The Report was published in 1971.

Report's main conclusions

- The Government's measures of July 1968 (on the immigration status of Scientologists) were not justified. Sir John commented "the mere fact that someone is a Scientologist is in my opinion no reason for excluding him from the United Kingdom, when there is nothing in our law to prevent those of his fellows who are citizens of this country from practising Scientology here."

Principal recommendations

- Psychotherapy should be organised as a restricted profession open only to those who undergo an appropriate training and who are willing to adhere to a proper code of ethics; the necessary legislation should be drafted and presented to Parliament as soon as possible.

That the fiscal privileges enjoyed by religious bodies should be reviewed with a view to at least restricting their availability to religions which not only satisfy the present criteria but which have a substantial following in the UK and engage in genuine and overt acts of worship.

Follow-up to the report

No action was taken in respect of the Report's recommendations on registration and control of the psychotherapy profession; it was considered that these could not be implemented. The immigration kerbs remained in place until July 1980 when the Home Affairs Committee considered the matter and agreed that the ban should be lifted.

[illegible]

From:

D Divlslon

Lady Blatch

SCIENTOLOGY: APPLICATION FOR CHARITABLE STATUS, AND THE ISSUE OF AN ENQUIRY

I attach the annex on the immigration aspects of Scientology for inclusion with my submission of yesterday.

PD-11-16

E.R.

ANNEX

SCIENTOLOGISTS: IMMIGRATION POLICY

1. In July 1968 the then Minister of Health announced the Government policy to curb the growth of Scientology, including the ban on overseas nationals coming to the United Kingdom to study or work at Scientology establishments. The Foster Inquiry was set up in July 1969 by the Secretary of State for Social Services and Sir John Foster reported in 1971 recommending amongst other things legislation to control the practice of psychotherapy (the aspect of Scientology which gave rise to particular concern) and the lifting of the immigration controls.

2 On 19 November 1979 the Home and Social Affairs Committee recommended that the use of immigration control to refuse entry to visiting Scientologists should be discontinued

3. In July 1980 the Home Affairs Committee considered the matter and recommended that the ban should be lifted. The Home Secretary announced the lifting of the immigration controls in the House of Commons on 16 July 1980

Dr. F. H. W.
15/11

From
VSU

cc

10 November 1995

SCIENTOLOGY AND CHARITY LAW

Thank you for your mmute earlier today

2. By-all means speak direct to Richard Fne. or the Grade 5 head of policy at the Chanty Commission, Janice Munday **perhaps** a meeting with the Commission would be useful, and T would be pleased to take part: It would be useful If that could take place early next week. I gather that the proposed letter has now been delayed until after the Home Secretary's foreign VISIt - ie. the target IS a submission at the end of next week (Friday 17 November).

3 VSU had also heard mention of these developments from Lady Blatch's Pnvate Office, and tas had a preliminary word with Jamce Munday: she confirms that the Commission IS very well seized of the public anxiety about the Scientologists, and will wish to take that into account as fully as they consider that they are able. In addition, the evidence supplied to the Commission from the Scientologists is voluminous: this of Itself does not point to a very quick decision, as all the matenal must clearly be carefully considered.

4. would be pleased to discuss this With you.

DRAFT LETTER

as discussed

Thank you for your letters of 10th and 19th October about the Church of Scientology's application for charitable status.

You raise two points. First - our remuneration policy towards Scientologists. I attach a factual summary. Second, whether or not the Church of Scientology is established for the public benefit. Although there have been no official inquiries into the activities of the Church of Scientology, the Home Office has had many **complaints about its activities.**

The Scientologists have been accused of using sensory deprivation and brainwashing techniques to encourage recruits to stay with the organisation. It has also been alleged that the Church of Scientology specifically targets those who have access to substantial financial resources. In addition, it is claimed that Scientology courses get increasingly expensive so that ultimately those who cannot afford to pay end up having to work for the organisation itself in lieu of payment.

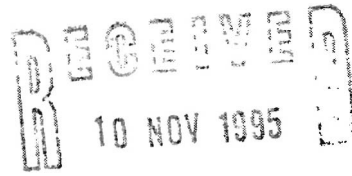
These complaints lead me to conclude that the Church of Scientology does not confer a real benefit on the public; that it is self-focused, inward looking and established for the benefit of its members; and that it is therefore not eligible for charitable status. However this is ultimately a decision for you.

cc

From:

D Division

10 November 1995



SCIENTOLOGY AND CHARITY LAW

This note is to alert you to some developments which could have implications for your Division.

2. Some time ago the Church of Scientology applied to the Charity Commission for charitable status. Recently the Commission wrote to us asking for a view on the issue of public benefit and on "any policy view that you have formed about the Church of Scientology generally".

3. In consultation with Legal Advisers we produced a factual letter which stopped short of expressing a view on Scientology. However, Lady Blatch was unhappy with our draft and has produced her own much shorter version (copy attached) which certainly does not sit on the fence. She wants to sign it herself. 3

4. You may like to know that Lady Blatch said that if Scientology's application is successful she would be very strongly inclined to issue a press notice criticising the decision. We explained that the Charity Commission's decision would essentially be a matter of the interpretation of charity law, a law for which the Home Office is responsible.

5. Lady Blatch was also anxious that the Charity Commission should give the Home Office enough advance notice of the announcement of its decision to enable her to be ready to respond. Subject to your views, I will have a word with Richard Fries. I would hope that there would not be too much difficulty about, say, 24 hours advance notice.

6. Lady Blatch clearly feels very strongly that the neutral line which the Department has pursued on cults for many years is fundamentally wrong. Quite how this will affect the work of this Division remains to be seen.

From
VSU

cc

10 November 1995

SCIENTOLOGY AND CHARITY LAW

Thank you for your mmute earlier today.

2. By all means speak direct to Richard Fnes l, or the Grade 5 head of policy at the Chanty Commission, Jarnee Munday (' Perhaps a meeting with the Commission would be useful, and ; would be pleased to take part: It would be useful If that could take place early next week. I gather that the proposed letter has now been delayed until after the Home Secretary's foreign VISIt - le. the target IS a subrrussion at the end of next week (Friday 17 November).

3 VSU had also heard mention of these developments from Lady Blatch's Private Office, and Frank has had a preliminary word With Jarnee Munday: she confirms that the Commissipn IS very well seized of the public anxiety about the Scientologists, and will wish to take that into account as fully as they consider that they are able. In addition, the evidence supplied to the COITUllSSION from the Scientologists IS voluminous: this of Itself does not point to a very quick decision, as all the matenal must clearly be carefully considered.

4. c would be pleased to discuss this with you.

draft

As r:

From: Mr Richard Fries
Chief Charity Commissioner

c c Home Secretary *L. Kiepi:*

Tel: C

I find our

Date

Comrussicners
Ms. Munday

*convinced
very helpful*

To: Lady Blatch

*I don't
welcome any
comments on
this!*

Briefing on Scientologists application for charity registration by Charity
Commission.

*11/13
(1)*

Timing

2. For information only The Board of Charity Commissioners will be having a preliminary discussion on the application at its meeting on Thursday (16 November).

Summary

3 The following points may be helpful:

(1) The Church of Scientology has submitted a carefully argued case for registration as a charity. The Charity Commission statutory duty is to consider the application and if satisfied that the objects of the scientologists come within the requirements of charity law to register them.

(2) Organisations for the advancement of religion are presumed by the law to be charitable unless they are against the public interest. The Charity Commission must address the case presented on a quasi judicial basis. Our decision is subject to appeal to the courts.

In considering the application we address the objects as set out in its constitution but we take into account the evidence of the activities of the organisation for the objects claimed.

(4) The courts have held (quite recently) that "any religion is better than none" Good evidence is therefore needed to demonstrate that, despite that presumption, a body claiming to be a religion is against the public interest.

4 In advance of the Boards formal consideration of the Issues it would be inappropriate for me to comment on the substance of the case. I would however make a couple of comments.

The tests for including religious organisations as charities give rise to difficulties. The White Paper preceding the Charities Act in 1989 invited comments on whether there was a strong body of opinion for tightening the tests, prompted by the fact that the then Attorney General had been unable to bring evidence to remove two Moanle organisations from the register. There are considerable difficulties and the matter was not pursued. It remains a sensitive and difficult issue.

The issue of public policy is important in determining charitable status. For this reason the Charity Commission consults the relevant department, in this case the Home Office, in order to have an authoritative statement of the public policy implications of the activities of the organisation before it in making our substantive decisions.

Handling

5 For information only The decision, when the time comes for the Commission to make it, is for the Charity Commission answerable to the courts. But I shall of course give Ministers advance notice of our decision.

D R A F T 13.11.95

cc Home Secretary
Mr R Wilson

F:\VSU\Chac\FS\F266.doc

From:

D Division

November 1995

Lady Blatch

SCIENTOLOGY: APPLICATION FOR CHARITABLE STATUS

Issue to be decided

The response to the Charity Commission's request for a Home Office view on SCientology's application for charitable status.

Timing

2. Pressing.

Summary

3. You said that you would like to write personally to the Charity Commission and you asked officials to consider a revised draft.

4.

Recommendation

5. That you write in terms of the attached draft.

Consideration

6. Most of the minor changes we have suggested are designed to bring out the distinction between the stated objectives of Scientology and how it goes about its activities in practice. I hope you will find that they do not detract from the central message.

7.

u

.4,

Handling/presentational issues

8. Covered above.

DRAFT LETTER FOR SIGNATURE BY LADY BLATCH

Mr Richard Fries
Chief Commissioner
Charity Commission
St Alban's House
57-60 Haymarket
LONDON SW1Y 4QX

wrote to officials here on 10th and 19th October about the Church of Scientology's application for charitable status.

Two points were raised in the letters. First - our immigration policy towards Scientologists. I attach a factual summary. Second, whether or not the Church of Scientology is established for the public benefit. Although there have been no recent official inquiries into the Church of Scientology, the Home Office has had many complaints about its activities.

The Scientologists have been accused of using sensory deprivation and brainwashing techniques to encourage recruits to stay with the organisation. It has also been alleged that the Church of Scientology specifically targets those who have access to substantial financial resources. In addition, It is claimed that Scientology courses get increasingly expensive so that ultimately those who cannot afford to pay end up having to work for the organisation itself in lieu of payment.

These complaints lead me to conclude that whatever its stated objectives might be, the Church of Scientology does not in fact confer a real benefit on the public. It appears to be self-focused, inward looking and operated for the benefit of its members. However its eligibility for charitable status is ultimately a decision for you.

FAX (4 pages inclusive)

To: Richard Fries
Chief Charity Commissioner

210 4607

From
Home Office VSU

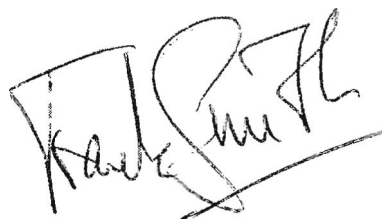
13 November 1995

SCIENTOLOGY

Further to your telephone conversation(s) with
LAB have looked at the revised
draft and suggested some changes, which to my
mind now offers a reasonable middle course.

I enclose a draft of the submission and letter
that it is proposed to offer Lady Blatch. I am
conscious of the proprieties as to whose advice
this would be; but it would seem useful to
check that the Commission, does not see an error
on what Home Office officials propose to say.
Would you like to let me know if you have any
comments on it?

Similarly, Eric has shown me your draft
submssion which seems fine. My only comment
would be to time the *two* submissions so that
they reach Ministers at the same moment, for
Private Secretaries to get into the boxes
together: I think they complement each other
nicely.

A handwritten signature in black ink, appearing to read 'Mark Smith', with a large, stylized flourish at the end.

DRAFT LETTER FOR SIGNATURE BY LADY BLATCH

Mr Richard Fries
Chief Commissioner
Charity Commission
St Alban's House
57-60 Haymarket
LONDON SW1Y 4QX

Kenneth Dibble wrote to officials here on 10th and 19th October about the Church of Scientology's application for charitable status.

Two points were raised in the letters. First - our immigration policy towards Scientologists. I attach a factual summary. Second, whether or not the Church of Scientology is established for the public benefit. Although there have been no recent official inquiries into the Church of Scientology, the Home Office has had many complaints about its activities.

The Scientologists have been accused of using sensory deprivation and brainwashing techniques to encourage recruits to stay with the organisation. It has also been alleged that the Church of Scientology specifically targets those who have access to substantial financial resources. In addition, it is claimed that Scientology courses get increasingly expensive so that ultimately those who cannot afford to pay end up having to work for the organisation itself in lieu of payment.

These complaints indicate a level of public concern which strongly suggests that whatever its stated objectives might be, the Church of Scientology does not in fact confer a real benefit on the public. It appears to be self-focused, inward looking and operated for the benefit of its members. However its eligibility for charitable status is ultimately a decision for you.

11333
N-V 1385 12
M 5-7

cc Home Secretary
Mr R Wilson

From:
D Division

14 November 1995

Lady Blatch

SCIENTOLOGY: APPLICATION FOR CHARITABLE STATUS

Issue to be decided

The response to the Charity Commission's request for a Home office view on Scientology's application for charitable status.

Timing

2. You asked for further advice during the course of this week.

Summary

3. You said that you would like to write personally to the Charity Commission and you asked officials to consult legal advisers about a revised draft which you had prepared.

- 4.

Recommendation

5. That you write in terms of the attached draft.

Consideration

6. Some of the changes we have suggested are designed to bring out the distinction between the stated objectives of Scientology and how it goes about its activities in practice. I hope you will find that they do not detract from the central message. We have added a reference to public concern in the final paragraph Since this is a consideration which may influence the Charity Commission.

7. I hope that you can agree to the deletion of the opinion that Scientology is not eligible for charitable status. This is very much a matter for the Charity Commission" and as I explained in my submission of 7 November, if Scientology's application is unsuccessful and the organisation appeals, the material on which the Charity Commission's decision was based may have to be disclosed. For the same reason the draft now says that the complaints about Scientology strongly suggest that the organisation does not confer a real benefit on the public rather than say that they lead to this conclusion - because we have not investigated the complaints we have received.

Handling/Presentational issues

8. Covered above.

From: Mr Richard Fnes "cc" Home Secretary
Chief Charity Commissioner

574

Date: 14 November 1995

commtssioners
Ms. Munday

Lady Bfatch

SCIENTOLOGY

Issue

1 Briefing on Scientologists application for charity registration by Charity Comrrusson.

Timing

2. For information only. The Board of Charity Comrrussoners will be having a prelirnmary diSCUSSlon on the application at its meeting on Thursday (16 November).

Summary

3. The following pornts summarise the approach we have to adopt::

(1) The Church of SClentology has submitted a carefully argued case for registration as a charity. The Charity Comrrussion has a statutory duty to consider the application and if satisfied that the purposes of the organisation come within the requirements of Charity law to register it.

(2) The Charity Commission **must** address the case presented on a judicial basis. Our decrston is subject to appeal in the courts. In **considering** the application we consider the objects as set out in the organisation's constitution but we also **take** into account its activities in pursuing those objects.

(3) The first question which the Cornrmssion must consider is whether the Church is a body for the promotion of religion in accordance with English Charity Law. If it is not then the application will fail. If it is legally an mstttution for the promotion of religion then it is presumed by the law to be charitable unless it **clearly lacks public benefit**.


(4) The courts have held that "any religion is better than none" and is neutral concerning religiOUS worth. Good evidence is therefore needed to demonstrate that, despite that presumption, a reiigious boay **lacks public benefit**.

4. In advance of the Board's formal consideration of the issues it would be inappropriate for me to comment on the substance of the case. I would however Just

make the comment that the tests for including religious organisations as charities are a source of difficulties. Prompted by the fact that the then Attorney General had been unable to bring evidence to remove two Moanle organisations from the register the White Paper preceding the Charities Act in 1989 invited comments on whether the requirements should be tightened. Lack of support in the face of the evident difficulties led the Government not to pursue the matter

Handling

5. The decision on the application is a matter for the Commission. Our decision can be challenged in the courts by the Scientologists if its application is refused or by the Inland Revenue or the Attorney General if it is accepted. I shall of course give Ministers advance notice of our decision.



R J FRIES
Chief Charity Commissioner

cc Home Secretary
Mr R Wilson

From:
D Division

November 1995

Lady Blatch

SCIENTOLOGY: APPLICATION FOR CHARITABLE STATUS

Issue to be decided

The response to the Charity Commission's request for a Home Office view on Scientology's application for charitable status.

Timing

2. You asked for further advice during the course of this week.

Summary

3. You said that you would like to write personally to the Charity Commission and you asked officials to consult legal advisers about a revised draft which you had prepared.

4.

Recommendation

5. That you write in terms of the attached draft.

Consideration

6. Some of the changes we have suggested are designed to bring out the distinction between the stated objectives of Scientology and how it goes about its activities in practice. I hope you will find that they do not detract from the central message. We have added a reference to public concern in the final paragraph since this is a consideration which may influence the Charity Commission.

7. I hope that you can agree to the deletion of the opinion that Scientology is not eligible for charitable status. This is very much a matter for the Charity Commission and as I explained in my submission of 7 November, if Scientology's application is unsuccessful and the organisation appeals, the material on which the Charity Commission's decision was based may have to be disclosed. For the same reason the draft now says that the complaints about Scientology strongly suggest that the organisation does not confer a real benefit on the public rather than say that they lead to this conclusion - because we have not investigated the complaints we have recieved.

Handling/presentational issues

8. Covered above.

DRAFT LETTER FOR SIGNATURE BY LADY BLATCH

Mr Richard Fries
Chief Commissioner
Charity Commission
St Alban's House
57-60 HaYffiarket
LONDON SW1Y 4QX

wrote to officials here on 10th and 19th October about the Church of Scientology's application for charitable status.

Two points were raised in the letters. First - our immigration policy towards Scientologists. I attach a factual summary. Second, whether or not the Church of Scientology is established for the public benefit. Although there have been no recent official inquiries into the Church of Scientology, the Home Office has had many complaints about its activities.

The Scientologists have been accused of using sensory deprivation and brainwashing techniques to encourage recruits to stay with the organisation. It has also been alleged that the Church of Scientology specifically targets those who have access to substantial financial resources. In addition, it is claimed that Scientology courses get increasingly expensive so that ultimately those who cannot afford to pay end up having to work for the organisation itself in lieu of payment.

These complaints indicate a level of public concern which ~~leads me to conclude~~ *Strongly suggest* that whatever its stated objectives might be, the Church of Scientology does not in fact confer a real benefit on the public. It appears to be self-focused, inward looking and operated for the benefit of its members. However its eligibility for charitable status is ultimately a decision for you.

1973
1973
cc: Mr R Wilson
544
for

Secretary of State

SCIENTOLOGY

I attach for your approval a draft letter from me to Richard Fries at the Charity Commission in response to the Commission's request for a view from us on the application from the Scientologists for charitable status. The draft was originally provided under cover of submission of 7 November - since then it has been significantly revised, following a discussion and I had with officials.

2. As Mr Fries' recent minute to me makes clear, copy attached for ease of reference, the Commission's room for manouvre is very limited. I believe, therefore, that we need to put in hand now the preparation of a press notice and defensive briefing on a contingency basis in case the decision is made to grant charitable status. My view is that the only defensible line to take in such circumstances would be that we will be considering the law with a view to ensuring that such organisations are not so eligible in future. Even if the decision goes against the scientologists, we will also need a carefully thought through statement, given the likelihood that they are likely to seek judicial review. .

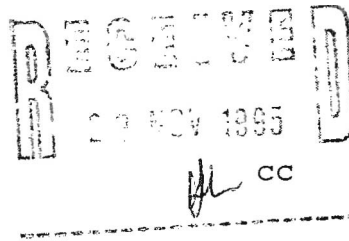
3. If you are content with this approach, I will send the letter and ask officials to put the work in hand to prepare suitable handling material for elther eventuality.



THE BARONESS BLATCH

22 5

28 Nov 1995



From:

PS/Home Secretary

27 November 1995

Mr R Wilson

Lady Blatch

SCIENTOLOGY

for
action
in line with
minute of
17 Nov, Please

The Home Secretary was grateful for your minute of 17 November. He is content with the draft letter to Richard Fries at the Charity Commission. He is also content with the handling arrangements and line which you propose.

Home Secretary
Perm Sec.

567



HOME OFFICE
QUEEN ANNE'S GATE
LONDON SW1H 9AT

November 1995

Dear Mr Fries,

wrote to officials here on 10 and 19 October about the Church of Scientology's application for charitable status.

Two points were raised in the letters. First - our immigration policy towards Scientologists, on which I attach a factual summary. Second, whether or not the Church of Scientology is established for the public benefit.

-Although there have been no recent official inquiries into the Church of Scientology, the Home Office has had many complaints about its activities. The Scientologists have been accused of using sensory deprivation and brainwashing techniques to encourage recruits to stay with the organisation. It has also been alleged that the Church of Scientology specifically targets those who have access to substantial financial resources. In addition, it is claimed that Scientology courses get increasingly expensive so that, ultimately, those who cannot afford to pay end up having to work for the organisation itself in lieu of payment.

These complaints indicate a level of public concern which strongly suggests that whatever its stated objectives might be, the Church of Scientology does not, in fact, confer a real benefit on the public. It appears to be self-focused, inward looking and operated for the benefit of its members. However, its eligibility for charitable status is ultimately a decision for you.

Yours sincerely
Baroness Blatch

THE BARONESS BLATCH

Mr Richard Fries