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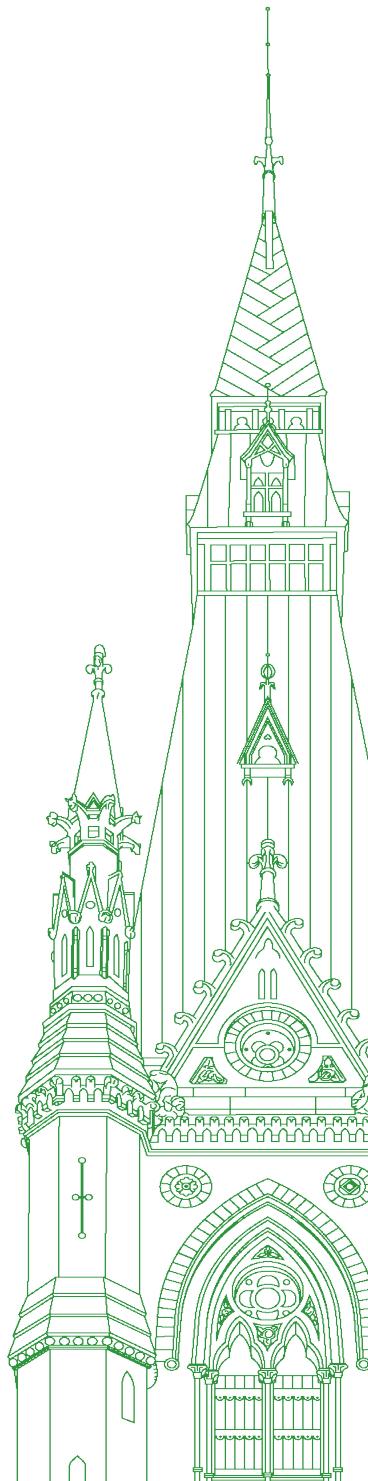
Standing Committee on Finance

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Tuesday, July 28, 2020

Chair: The Honourable Wayne Easter



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• (1205)

[English]

The Chair (Hon. Wayne Easter (Malpeque, Lib.)): We will officially call the meeting to order.

Welcome to meeting 45 of the House of Commons Standing Committee on Finance. We are meeting on government spending, WE Charity and the Canada student service grant. Today's meeting is taking place by video conference. The proceedings will be made available via the House of Commons website.

For the information of members—the notice just came out now—on the first panel we will have, as an individual, between 12 p.m. and 1 p.m. Ottawa time, Michelle Douglas, former chair of the board of directors of WE Charity. Craig Kielburger and Marc Kielburger have agreed to come for four hours, from 1 p.m. until 5 p.m. Ottawa time. They will appear on the second panel.

I'd like to welcome our first witness. Michelle Douglas is a former chair of the board of directors.

Welcome to the committee. We appreciate your appearing. If you could hold your remarks to 10 minutes or less, it would be helpful and would give us more time for questions.

The floor is yours.

Ms. Michelle Douglas (Former Chair of the Board of Directors, WE Charity, As an Individual): Thank you very much, Chair. Good afternoon, everyone. I'd like to thank you, Chair and members of the committee, for the invitation to appear today.

My name is Michelle Douglas. I'm the former chair of the board of directors of WE Charity. I resigned from WE Charity on March 27, 2020. I was a volunteer with WE Charity for approximately 15 years. For 30 years, I worked as a federal public servant. I retired from the Department of Justice in September 2019 from the role of director of international relations. I'm also a military veteran and I have been a human rights activist for most of my adult life.

My human rights activism emerged as a result of my experience in the Canadian military in the late 1980s. I was fired by the military in 1989. I was a victim of Canada's shameful LGBT purge and endured quite a devastating experience being subjected to horrendous practices designed to rid the military of LGBT people.

My 1992 lawsuit resulted in the formal ending of Canada's armed forces' policy of discrimination against LGBT people. This life-changing experience launched me into a life of human rights activism as a volunteer. I have volunteered on several boards of di-

rectors over the past few decades, and volunteerism in service to others is one of the central pillars in my life.

Currently I'm the executive director of a not-for-profit organization that is focused on reconciliation initiatives associated with the LGBT purge. I joined the board of directors of Free The Children in approximately 2005 following a meeting with Marc Kielburger. I'd been inspired by his brother Craig's work as a young teen and I was excited by the prospect of working with an organization that would inspire young people to contribute to a more just, hopeful and loving world.

I was an enthusiastic supporter of Free The Children and later WE Charity. The board that I chaired consisted of dedicated, skilled and committed volunteers. Board members included academics, educators, human rights activists, business people, a chartered accountant, a lawyer and others. In addition to attending board meetings, board members committed a tremendous amount of time to the organization. This took various forms, from regular meetings with the executive team to travelling to see the charity's international operations, to spending time with WE's employees, to attending events such as WE Days.

Given my passion for the organization, it was a difficult decision for me to tender my resignation. I did not resign as a routine matter or as part of a planned board transition. I resigned because I could not do my job. I could not discharge my governance duties.

In March, the WE Charity executive team were scrambling to contend with the impacts of the pandemic, and they began to lay off large numbers of staff. As the days went by, the number of job losses grew quickly, into the hundreds. The board felt, of course, a duty to protect the organization and to consider the interests of its stakeholders, including its employees, donors, partners, beneficiaries and others. I convened an ad hoc committee of the board to hold daily calls with the executive team for briefings and updates, and we provided key updates, in turn, to the board at large.

The committee made requests of the WE Charity executive team that we considered necessary for the board to discharge its oversight duties. By March 23, aside from verbal briefings, we had not seen any written evidence, reports or raw data to support the drastic measures that were being taken by the organization. Our oral briefings were focused largely on things like the status of support from sponsors. We were told that the executive team was running daily financial reports to inform their decision-making, but those reports were not shared with the board despite our requests.

It was our view that we could not fire hundreds of people without very strong demonstrable evidence and, even then, that we should explore mitigation measures to save jobs. Instead, the executive team were dismissing employees with great speed and in large numbers.

Given the pace and volume of job losses, the board committee demanded that the executive team produce immediately the documents and reports that were said to be being generated and relied upon on a daily basis. If the organization was making drastic decisions based on daily reports, we needed to see them. The executive team, when asked, did not agree to provide these documents.

On March 25 Craig Kielburger called me to ask that I resign from the board of directors of WE Charity. It was clear that there was a breakdown in trust between the founders and me as the board chair. WE is a founder-led organization, and Marc and Craig Kielburger hold significant power in the organization. As I was not going to be able to discharge my oversight duties, I opted to resign immediately. In an accelerated process, the remainder of the board of directors was replaced—but for one Canadian member and two U.S. board members—in early April. I was not on the board at that time, and therefore cannot speak to the circumstances of their replacement.

Given the nature of these proceedings, I'd like to add the following. Having resigned on March 27, 2020, I have no knowledge whatsoever of the Canada student service grant program. I was involved in some discussions in 2018 with the board of directors that concerned an entity called the WE Charity Foundation. While the entity was established in January 2018, the board was never satisfied that the operation of this foundation was in the best interests of the charity or its various stakeholders. To the best of my knowledge, it was not in operation as of my departure from the board.

The WE Charity board always understood that speakers were not paid by the charity or the related organization to speak at WE Days. The board made direct inquiries on this issue.

As I wrap up my remarks, I want to conclude on two points. My family has been deeply involved in the WE organization for many years. We have fundraised and volunteered. My sister and nephew once worked for the organization. My family values serving others, and WE allowed us to express that value over many years. I know that all of us are saddened by the developments that have led us here today.

Finally, I'd like to affirm my belief in the very good work done by WE Charity. I've always believed in the organization's empowerment of young people to change our world. I've always believed in WE Charity's international development work and life-changing

impacts. I've always been grateful for the incredible commitment of the organization's supporters and volunteers. Finally, I've always been inspired by the amazing and selfless professionals, the employees, who work so hard to implement the mission of WE. Those people have my respect and deep thanks.

That concludes my remarks, Chair. Thank you.

• (1210)

The Chair: Thank you very much, Ms. Douglas, for those remarks. I know I speak for the committee when I say thank you for your service to the country through the military, your service as a public servant with the Department of Justice, and your human rights activism, which has been responsible for changing some of the social policy in Canada. Thank you for that.

The speaking order will be Mr. Poilievre, Ms. Kourakis, Mr. Fortin and Mr. Angus. They will be the first four up.

Mr. Poilievre, you have six minutes.

Hon. Pierre Poilievre (Carleton, CPC): Thank you for your service to Canada, Madam Douglas, and for your testimony today.

You indicate that the board was told that WE Charity did not pay speakers. Is that correct?

Ms. Michelle Douglas: Yes.

Hon. Pierre Poilievre: How did they communicate—

Ms. Michelle Douglas: Let me be more precise: at WE Days.

Hon. Pierre Poilievre: At WE Days. Okay.

Were you under the impression that they paid speakers at other events?

Ms. Michelle Douglas: Employees spoke at other events, and of course they were compensated, but—

Hon. Pierre Poilievre: Speaking fees?

Ms. Michelle Douglas: No, I don't believe so.

Hon. Pierre Poilievre: So, to your knowledge, no one on the board was ever informed that speaking fees would be paid for outside participants to come to WE events and give speeches.

• (1215)

Ms. Michelle Douglas: At least for WE Days, which was the focus of our inquiries, that was my understanding.

Hon. Pierre Poilievre: Were you surprised to learn that Margaret, Sophie and Sacha Trudeau received over \$300,000 in speaking fees?

Ms. Michelle Douglas: I don't know the precise nature of what they were paid for, but if it was exclusively to speak on the WE Day stage, that would have surprised me.

Hon. Pierre Poilievre: Would it have surprised you if it was to speak at any other event related to the WE Charity?

Ms. Michelle Douglas: I never made inquiries into that kind of adjunct or associated area, so I just don't know about that particular aspect.

Hon. Pierre Poilievre: Did the Kielburgers or WE Charity ever expressly communicate to the board that speakers were not paid for WE Day events?

Ms. Michelle Douglas: They did.

Hon. Pierre Poilievre: They did. Okay.

Ms. Michelle Douglas: Or that may have come from the executive director of the organization, but I know that the board made inquiries into that.

Hon. Pierre Poilievre: Who was that executive director?

Ms. Michelle Douglas: It was one of two. I can't be precise on the time. It was either Scott Baker or Dalal Al-Waheidi.

Hon. Pierre Poilievre: Thank you.

The Kielburgers justified their mass layoffs in March on the basis of the financial trouble that they anticipated would be linked to the coronavirus outbreak. Did I understand you correctly when you described that?

Ms. Michelle Douglas: Well, they were certainly seized with issues surrounding the impact from the virus, and I know that the organization was being impacted significantly. For example, schools were closing; WE Days had to cease and the ME to WE entity could no longer run trips or have retail operations, so there were significant implications for the organization.

Hon. Pierre Poilievre: Did the Kielburgers or the management of WE tell the board that was why they were laying off people in March?

Ms. Michelle Douglas: Essentially that was a reduced essence of why people were being laid off, yes.

Hon. Pierre Poilievre: So the Kielburgers suggested that they were having financial hardship at the time.

Ms. Michelle Douglas: I wouldn't characterize it as financial hardship, but I think they were looking to the future implications of sponsorship, and they were talking to sponsors at the time, but I don't believe they referred to the organization as being in a financial hardship or vulnerable situation.

Hon. Pierre Poilievre: Is that why you objected to the layoffs?

Ms. Michelle Douglas: Well, I objected to the layoffs not as a general matter. Perhaps they were necessary. I objected to the fact that they were being done without the full consultation of the board and without our being provided detailed information that would confirm that it was absolutely necessary to proceed in that way. I accepted what they were saying, but we needed to see the information.

Hon. Pierre Poilievre: Right.

Did anyone on the board during your time there ever express any concern about WE Charity's payment to other non-arm's-length entities like ME to WE, any numbered companies or any other organizations that were contracted or subcontracted by WE Charity?

Ms. Michelle Douglas: Well, the board of directors of WE Charity was quite seized with the issue of looking at transfers to related entities, particularly ME to WE. We required an annual reconciliation report to the board on those transfers. I think we were interested in getting as much information as we could about those transfers, and in this regard, we always invited the executive director of ME to WE to an annual meeting of the WE Charity to kind of provide us with an update and help us understand the reconciliation of funds between the two organizations.

Hon. Pierre Poilievre: Did anyone on the board ever express—

The Chair: This is your last question, Pierre.

Hon. Pierre Poilievre: —concerns about those transactions between WE Charity and ME to WE?

Ms. Michelle Douglas: I don't think explicit concerns were expressed, but rather requests for enhanced information; that's the way I would put it.

• (1220)

Hon. Pierre Poilievre: Thank you.

The Chair: Thank you, both.

We turn now to Ms. Koutrakis, followed by Mr. Fortin.

Ms. Annie Koutrakis (Vimy, Lib.): Thank you, Mr. Chair. I want to advise you that I will be sharing my time with MP Dzerowicz. Could you please stop me at minute four?

The Chair: Will do.

Ms. Annie Koutrakis: Thank you.

Thank you, Ms. Douglas, for appearing before the committee today. Thank you for your past service and for your continued activism for Canadians at large.

As you stated, you resigned from your position as chair of the board on March 27. While it appears as though the conversation between the federal government and WE Charity on the administration of the CSSG, the Canada student service grant, began on April 7, when Minister Morneau contacted WE as well as a number of other organizations to get their thoughts on the student volunteer program, were you at all aware of the Canada student service grant or similar programs proposed by WE Charity?

Ms. Michelle Douglas: I was not.

Ms. Annie Koutrakis: While you were in the position as chair of the board, were you aware of any intention by WE Charity to submit a proposal to the federal government?

Ms. Michelle Douglas: Could you clarify the time period? I was there for a long time. Was it any general submission or specifically regarding the Canada student service—

Ms. Annie Koutrakis: Either-or.

Ms. Michelle Douglas: Grant applications were made to the federal government by WE Charity. I was certainly aware of some of them, but I had no knowledge of their intentions around what became the Canada student service grant program.

Ms. Annie Kouraklis: Were you aware that there would be a contribution agreement signed between WE and the government at all? Had you heard anything while you were still chair of the board?

Ms. Michelle Douglas: I had not heard anything about that information or program. I knew nothing about it.

Ms. Annie Kouraklis: Okay. Thank you for that.

One of the concerns raised in the past has been the idea that a new board of directors may not be best positioned to guide WE Charity in its administration of a program like the Canada student service grant. Would you be able to comment on any policies in place at WE Charity that would ensure the smooth transition of board members?

Ms. Michelle Douglas: Well, because I was asked to resign by Craig Kielburger and opted to do so immediately as a result of a number of concerns—I would say I had three specific concerns—there was no orderly transition between the old board...or certainly the old board chair, me, and the new Canadian board chair, Greg Rogers. I've met Mr. Rogers before, but I do not know him well. I really have no kind of relationship with him. Unfortunately, the circumstances of my resignation meant that there was no transfer in the ordinary course of information.

Ms. Annie Kouraklis: As past chair of the board of WE Charity in Canada, how much say did you have in the overall governance and strategic direction of the organization?

Ms. Michelle Douglas: Certainly, the board of directors worked as a team. I had the very great honour to be the chair of that board of directors, a position I was very pleased to hold given the amazing people who were there in the team behind me and with me. The board, I would say, has power to make decisions around governance, establish a direction of oversight and so on, and review financial records. As for myself personally, I was just one member of the board, although I met quite regularly with the executive team.

The Chair: We will have to switch over to Ms. Dzerowicz for a couple of minutes.

Julie.

Ms. Julie Dzerowicz (Davenport, Lib.): Thank you so much.

Thank you so much, Ms. Douglas, for being here. It's really important. I really appreciate your testimony.

I know you said you volunteered with WE for 15 years, but perhaps you can confirm if you were the board chair for 10 years, right?

Ms. Michelle Douglas: I actually think it was a little bit longer than that, but my records aren't precise on the point. I would say it was a bit longer than 10 years, but unfortunately I don't have a start date that I could refer you to.

Ms. Julie Dzerowicz: That's okay.

I have two key questions. I want to focus on what we as a committee are here to do.

One, even though you've left, is there any reason for us to doubt the financial ability of WE Charity to have delivered the Canada student service grant proposal? If they continued to have it, was there any reason from a financial perspective that they would not have been able to deliver it?

• (1225)

Ms. Michelle Douglas: Well, in the four months from yesterday essentially that I've been away from the organization, I think it's possible that a lot has changed in the financial standing of the organization, but I do not have those details.

Certainly, I did not have immediate questions about the solvency or financial standing of the organization at the time I left, although I certainly deeply appreciated the potential impacts of COVID on the organization from a financial perspective.

Ms. Julie Dzerowicz: I have only one more question for you.

I think originally our civil servants looked at a number of organizations, and in the short period of time they had, they decided that WE had the best abilities and capabilities and things they were looking for to deliver the Canada student service grant program.

Do you have any doubt that the WE Charity would have been able to deliver the CSSG program?

Ms. Michelle Douglas: Given the date of my resignation, I didn't know what the scope of the program was at all, so it's really quite impossible for me to explain whether or not they would have been able to deliver it.

I do know that WE Charity had, at one time, certainly many hundreds of employees, but by the time I left, many of those employees were leaving. They had extensive networks both in Canada and in the United States as well as internationally, but insofar as their ability to deliver on that program goes, I just don't know.

The Chair: Thank you to all three.

We'll turn to Mr. Fortin followed by Mr. Angus.

Mr. Fortin.

[Translation]

Mr. Rhéal Fortin (Rivière-du-Nord, BQ): Thank you, Mr. Chair.

Good afternoon, Ms. Douglas.

Ms. Douglas, earlier you told us that, as WE Charity was not in the habit of doing so, you would be surprised if Mrs. Margaret Trudeau, the Prime Minister's mother, his wife Sophie Grégoire, or his brother Alexandre Trudeau, were paid. To your knowledge, they were never paid. Is that correct?

[English]

Ms. Michelle Douglas: I didn't make any inquiries into their specific status, but generally the information provided to the board was that no speakers were paid to speak at WE Days.

[Translation]

Mr. Rhéal Fortin: Are you aware of the various trips WE Charity offered to certain politicians, including Mr. Morneau?

[English]

Ms. Michelle Douglas: I am aware that a number of people travelled to some of the international development locations, the so-called WE Village locations supported by WE Charity.

As for the list of people who attended, the board did not get into the specifics of every single guest who was attending, whether they were politicians or particularly well-known people. Sometimes we were made aware of them, but not always.

[Translation]

Mr. Rhéal Fortin: Okay.

Are you aware of the fact that Mr. Morneau and his wife—and perhaps their daughters too—travelled to places like Kenya with WE Charity in 2017?

[English]

The Chair: Mr. Fortin, the interpreter is having difficulty picking you up. Maybe try raising your mike a little. Try that.

[Translation]

Mr. Rhéal Fortin: Okay.

I will repeat my question, Ms. Douglas.

Ms. Douglas, are you aware of the fact that Mr. Morneau, his wife and members of his family travelled to Kenya with WE Charity around 2017?

[English]

Ms. Michelle Douglas: I'm not sure if I have understood the interpreter correctly, so perhaps that's a point for precision, but I was unaware that Minister Morneau had gone to Africa in 2017.

• (1230)

[Translation]

Mr. Rhéal Fortin: Last week, Mr. Morneau told us that he had to pay back about \$43,000 to WE Charity for his trips to Ecuador and Kenya.

As I understand it, you were unaware that he had to reimburse the charity for travel expenses.

[English]

Ms. Michelle Douglas: Thank you for that precision, Mr. Fortin.

Yes, I was aware that the Minister of Finance made a repayment to WE Charity. I don't precisely know what the details would align or correspond to. I don't quite know about that. I'm aware that he personally, and members of his family, travelled to Ecuador, and possibly.... I believe other members of his family travelled to Kenya at some earlier date, but I don't know the details of that.

[Translation]

Mr. Rhéal Fortin: However, you do know that he had to pay back about \$43,000 in travel expenses. You are aware.

[English]

Ms. Michelle Douglas: I did see that reported, yes.

[Translation]

Mr. Rhéal Fortin: Regarding those expenses, do you know if an invoice was issued and sent to Mr. Morneau?

[English]

Ms. Michelle Douglas: I'm not well positioned, as a former member of the board of directors, to know about those details. The executive team undoubtedly would be better placed to address a question like that. I don't know how invoicing systems work.

[Translation]

Mr. Rhéal Fortin: You were the Chair of the Board of WE Charity, after all.

Canada's Finance Minister travelled with the charity. The trip cost about \$100,000. They said that he had already paid \$50,000 and that \$43,000 remained to be invoiced to him. They are no longer sure. Yet these are quite significant expenses for a prominent figure.

Was the board of directors not aware of it?

[English]

Ms. Michelle Douglas: I do know that thousands of people travelled every year to our international development locations and communities with whom we worked closely, but on the actual particulars of payments for family members or costs or elements of their trip, that is not a detail.... The board of directors would see more oversight or aggregate information and not something quite as specific as that.

So I don't know what exactly his invoice would have related to. I was aware that he went to Ecuador.

[Translation]

Mr. Rhéal Fortin: In your opinion, who at WE Charity could answer these questions?

[English]

Ms. Michelle Douglas: I would expect that the executive director of WE Charity or ME to WE or perhaps the co-founders could answer that question with precision.

[Translation]

Mr. Rhéal Fortin: We know that the Kielburgers are the co-founders.

[English]

The Chair: This is your last question.

[Translation]

Mr. Rhéal Fortin: What is the name of the executive director you are telling us about?

[English]

Ms. Michelle Douglas: The executive director I'm referring to is Ms. Dalal Al-Waheidi, the executive director of WE Charity. The executive director of ME to WE is Mr. Russ McLeod.

[Translation]

Mr. Rhéal Fortin: Thank you, Ms. Douglas.

[English]

The Chair: We will have to end it there.

We'll go to Mr. Angus, followed by Mr. Barrett.

Charlie, you're up.

Mr. Charlie Angus (Timmins—James Bay, NDP): Thank you so much, Mr. Chair.

Thank you, Madam Douglas. Thank you for your public service. It's really important.

My daughters went to Free the Children when they were, probably, in grades 4, 5 and 6. It changed their lives. My oldest said it set her on a course for human rights activism.

But that's a very, very different group, when they were all young and idealistic, to what we have today, which I find very hard to get my head around—the multiple corporations, the mass real estate dealings, the various what's for profit, what's for public. Therefore, governance is a really, really important question. Governance is super important when we're talking about a deal with the federal government that may be close to a billion dollars. We need governance and oversight.

I'm very concerned about the situation that was happening with your board in March. You said you were trying to get answers; there were mass layoffs taking place. Would you say, in the conversation with Marc Kielburger by teleconference, that he was not forthcoming, that he was getting angry?

Ms. Michelle Douglas: I had a number of telephone calls during the period of mid-March—actually, I think starting on March 9, but most particularly mid-March—with Marc Kielburger and almost always Dalal Al-Waheidi. I was joined by my U.S. board chair colleague and counterpart Dr. Jonathan White.

Certainly my sense of this is that the organization was feeling intense pressure from the impact of COVID. It was having serious impacts. I mentioned before the closing of schools, the ending of WE Days, the completion of travel and that kind of thing. We were pushing for information. We were told that information was available. We didn't ask for power points or anything new, just simply the information that we were told regularly was being generated on a daily basis. That information was never provided, although we asked.

• (1235)

Mr. Charlie Angus: We're talking about mass layoffs, hundreds of people, in an organization that is now very much in crisis. Was there a meeting in which Marc Kielburger hung up the phone, and was that what precipitated Craig Kielburger calling you and asking you to resign?

Ms. Michelle Douglas: I would say there was one particularly dramatic or memorable meeting on or about March 23, when I had asked for the ad hoc committee that I mentioned to be convened. I, the U.S. board chair and two others attended that meeting by phone. I demanded that the executive team produce those records. I gave a short turnaround time, I think later that day or early the next morning. I'll simply say that the call was abruptly concluded.

Mr. Charlie Angus: So he hung up and then his brother called and asked for your resignation.

The only reason I'm asking to get into this is that the Canadian people have given this organization close to a billion dollars and we need to know that this is an organization that has a proper structure, that it's not just the Kielburger brothers and their family, but that there is oversight. I would say that we were all very shocked that contrary to what the Liberals have been saying on this committee, the WE Charity is not overseeing this program, but a shell company, the WE Charity Foundation. When I look into the WE foundation, I don't see a governance structure in place, other than it looks as though it's people who work for the Kielburgers, and its stated aim is holding real estate. It has no assets.

You said you had concerns about WE foundation. What were your concerns?

Ms. Michelle Douglas: The executive team brought forward the idea that a foundation would be a good idea and presented it to the board of directors in approximately 2018. The board had a number of concerns. We simply didn't have enough information.

I considered this matter personally quite deeply, thinking about the interests of stakeholders and contributors to the organization, frankly, and thinking about all the youth who had done fundraising. I wanted to understand in a manner that was crystal clear why such a foundation would exist and what its purpose would be. Ultimately, no resolution was brought before the board to consider whether that should be established. I think the board did not have satisfactory information at that time.

Mr. Charlie Angus: We have what looks like—

The Chair: It's your last question, Charlie.

Mr. Charlie Angus: —a holding company set up that the board's trying to get answers about. There's no oversight, and yet this is where the Kielburger brothers decide to funnel \$900 million. It certainly protects them from liability, but there is no oversight mechanism, as far as I can see. Would you say that's a fair understanding of how this foundation is set up?

Ms. Michelle Douglas: I don't know the particulars of the structure around this foundation, so I'm really not well placed to talk about its capacity to do any work. I just don't know enough about it.

Mr. Charlie Angus: But it had no history.

Ms. Michelle Douglas: It did not to my knowledge.

Mr. Charlie Angus: Thank you.

The Chair: Thank you, Mr. Angus.

I do, I think, have to point out, Mr. Angus, that you said this charity had been given a billion dollars. I wouldn't want there to be improper information out there. Basically, the government would provide up to \$912—

Mr. Charlie Angus: It was nine hundred and twelve million. You're so correct, Mr. Chair.

The Chair: —million to be funnelled through on the CSSG grants, from which they would be provided an administration fee of \$43 million, just so the record is absolutely clear on this controversial issue.

We'll go to Mr. Barrett, followed by Mr. Fraser.

• (1240)

Mr. Michael Barrett (Leeds—Grenville—Thousand Islands and Rideau Lakes, CPC): Thank you, ma'am, for your testimony today and for your service to Canada in uniform, of course, and in the public service as well.

What was your understanding of the purpose of establishing the WE Charity foundation?

Ms. Michelle Douglas: At the time the board considered the matter, it was said to be for the possible purpose of holding real property assets, but I don't have a memory of its object or purpose beyond that.

Mr. Michael Barrett: Are you aware of how many entities exist under the WE banner or are operated by the founders? There are a number of these: charities, foundations, numbered companies. Do you know how many there are?

Ms. Michelle Douglas: If you put it that way, I don't know the actual number, no.

Mr. Michael Barrett: Do you have an estimation that you'd be prepared to offer?

Ms. Michelle Douglas: I'm not sure I could provide that with any precision. Certainly, the organization will be better placed to provide that kind of information.

Mr. Michael Barrett: Okay.

Does the board have any oversight of any of those entities?

Ms. Michelle Douglas: I don't think there's specific oversight. If there's a related corporation that requires our oversight—here, I'm thinking of the organization Imagine 1 Day, which was kind of integrated into the WE Charity organization. There was a separate board constructed, but most entities would have their own standing board of directors.

Mr. Michael Barrett: So, in your understanding, who oversees or controls the WE Charity Foundation?

Ms. Michelle Douglas: I don't know those details because I was not involved in setting up the entity, in any detail. I was aware it existed, of course—it's referred to in the 2018 audited financial statements—but it's my understanding that, at that time, it hadn't had any operations.

Mr. Michael Barrett: Can you explain what role a founder has in this organization, if the founder is not an executive director or a

trustee or a CFO? Where does "founder" fit in, in the organizational chart?

Ms. Michelle Douglas: Well, I think it's a titular title that someone would have who establishes or is the founder of an entity. In this case, they had significant governance power because the by-laws allowed them to make decisions on essentially dismissing the board of directors, or obligated the board of directors to refer to the founders and inform and consult them on significant directional shifts in the organization. So the founders did have governance power in that sense. Certainly Marc Kielburger, and rarely Craig Kielburger, attended most board of director meetings with the executive director.

Mr. Michael Barrett: Thank you. I want to circle back to the subject of the board.

I want to ask you about a June 2019 article that was published in CANADALAND. I'm sure you're familiar with it.

I'd like to know if you are familiar with it, and specifically if you're aware of any allegations of abuse or bullying at the charity. That article did detail specific allegations by former employees of the organization and some of their experiences and comments related specifically to Mr. Marc Kielburger. Are you aware of any of that?

Ms. Michelle Douglas: The board of directors looked into this quite significantly. We were troubled by what we had read and wanted to know the facts about the situation. We did have a number of meetings, or some meetings, about this. We asked for an accounting from the executive director. We had the benefit of reading reports from the organization.

Later, to bring it to today, I saw others reporting concerning allegations. This didn't feel very good to me in the sense that I'm troubled if someone did not have a good employee experience, but I personally never saw anything from Marc that directly concerned me.

• (1245)

The Chair: We'll have to end it there.

Sorry, Mr. Barrett.

We turn now to Mr. Fraser followed by Mr. Cooper.

Mr. Sean Fraser (Central Nova, Lib.): Thank you very much, Ms. Douglas, for joining us today. Thank you for your service. Might I just add that the LGBT purge in the military is a stain on our nation's history that I continue to be ashamed of? I am just so sorry for your experience in that regard.

Ms. Michelle Douglas: Thank you.

Mr. Sean Fraser: Turning to the matter at hand, I have a couple of questions about what the ordinary practice would look like. You said you have no personal knowledge of the Canada student service grant.

Over the past number of years as a local MP or in my role as a parliamentary secretary, I've dealt with proposals that come in from groups who want to do this or that or who have an idea. Some of them, frankly, are pipe dreams from people who have no experience putting proposals together. Others come from well-established organizations with national reputations that can actually turn into great ideas.

I wonder if you could, just in your own words, describe what an ordinary process would be like for the WE Charity to provide a proposal to a provincial or federal government.

Ms. Michelle Douglas: Right. This was very much a process managed by staff at the organization. They would be identifying needs and the opportunity to potentially fill a need by providing services, or looking for open calls for grants and things of that nature. The actual working process of this was done internally, so I think the next witnesses could provide more oversight or more information on that.

But there was process, and the staff would normally work that up. If it were quite a substantial grant—for example, one grant of \$3 million—the board would be well informed about that.

Mr. Sean Fraser: Okay.

Obviously, some internal work would go into developing some kind of proposal to meet these social needs that the charity would identify. I intend to ask this same question of our next panellists: In terms of the pitch that would eventually be made to government, who would normally be involved in that kind of process?

Ms. Michelle Douglas: From my understanding, and I didn't see this up close and directly, it would be managed by the executive director, who would have overall responsibility. We did have a government relations expert within the organization.

As for the actual pitch, potentially Marc or Craig Kielburger may be involved, but I think it just depended on the scope and size of the proposal.

Mr. Sean Fraser: Sure. That's helpful information.

On the government relations side of things, one thing I find both interesting and a little bit curious about WE as an organization is that a lot of the charities I deal with go through great pains to remain non-partisan. I find that WE Charity has been, if anything, multipartisan. They embrace governments of different political stripes. We've had pictures of different MPs and party leaders with the Kielburger family at WE Charity events.

I'm curious if this was a strategy that was actually adopted by the board, or was it something that was done independently by the founders of the organization? Could you shed some light on that multipartisan approach to program development and government relations?

Ms. Michelle Douglas: Yes. This was not a matter that was discussed extensively by the board, but it was always our view, at least on the board of directors, that we were indeed non-partisan, which had the potential of engaging any government—provincial, municipal or federal. Certainly, I did not see this as multipartisan, but rather non-partisan, as an organization.

Mr. Sean Fraser: Sure. I don't mean to suggest there would be an effort to ingratiate the organization with one party or another, but only that there was seemingly a complete lack of fear about engaging with different parties and governments.

What I am essentially trying to figure out here is the tie between how the organization would develop these pitches and use contacts that they may have developed through this government relations strategy to actually get the attention of decision-makers on different potential policies. It seems as though a mix of different processes may have been used, with some internal development and some informal outreach, and eventually some conversation between someone at the organization and the government.

From what you've seen or have learned about the Canada student service grant, I am curious to know whether the origin story of this program is reflective, in your opinion, of other programs that perhaps were successfully funded by different governments at different levels.

• (1250)

Ms. Michelle Douglas: I just can't compare them to anything that's currently before your committee around the Canada student service grant. I just don't think I have enough experience on the application process to be useful to you in answering that.

The Chair: We will have to end it there, Sean.

Mr. Cooper and Mr. Fragiskatos, you will have about four and a half minutes each.

Mr. Cooper, the floor is yours.

Mr. Michael Cooper (St. Albert—Edmonton, CPC): Great. Thank you, Mr. Chair.

Thank you, Ms. Douglas, for your testimony and for your service to country.

I want to ask you a little bit about the circumstances surrounding the resignations of other board members following your resignation as chair. Can you provide any insight into that? Was it out of support for you or concern with the layoffs that were taking place without proper or transparent reporting to the board?

Ms. Michelle Douglas: Well, I don't have particular insight on how they may have expressed themselves to each other, or indeed back to the organization, exactly how they would characterize their departure, but there was a process. We had had ongoing discussions with the organization. In fact, the board set up kind of a rotational cycle as a good practice for moving people along in a staggered kind of.... Not everyone would leave at the same time in a given year. People understood their rotational cycle for service.

In my opinion, the change of the board, the replacement of most on the board, happened in an accelerated way. I know that the members of the ad hoc committee did have concerns. We spoke in solidarity to Marc Kielburger and to Dalal Al-Waheidi in making those demands.

As for the precise nature of how they would characterize their resignation, I just don't know. I do know that on March 9, I was asked to stay on at least another year by co-founder Marc Kielburger.

Mr. Michael Cooper: Then three weeks later, you were gone.

Ms. Michelle Douglas: Right.

Mr. Michael Cooper: What about the characterization that this was part of some sort of reorganization? Based upon what you know, you would, I take it, disagree with that characterization.

Ms. Michelle Douglas: Yes. I did not see this as being in the ordinary course, and I resigned because I felt I had to.

Mr. Michael Cooper: Have you had conversations with the other former board members since?

Ms. Michelle Douglas: I've had a few conversations, yes, with some former board members. I've never had conversations again with Marc Kielburger, Dalal Al-Waheidi or—

Mr. Michael Cooper: Okay. The bottom line is that this is all very unusual. There was an upheaval in the organization in March.

Ms. Michelle Douglas: It was a concern to me. I did have a number of concerns, yes.

Mr. Michael Cooper: In terms of the number of employees who were being laid off, you said it was in the hundreds in a matter of weeks. Can you just explain, in terms of the scale of the organization, what that represents?

Ms. Michelle Douglas: As we were receiving oral briefings, I heard numbers that literally changed every day. I believe the first number I heard on or about March 9 was 35. Then it moved up to approximately 100. Some of these numbers are combined with those for ME to WE, so they're not exclusively for the WE Charity. Eventually, it entered into the several hundreds—more than 400 at least.

Mr. Michael Cooper: That would be out of 1,000 or 1,500...?

• (1255)

Ms. Michelle Douglas: Approximately 1,000.

Mr. Michael Cooper: Just to be clear, then, almost half the employees were gone in a matter of weeks.

Ms. Michelle Douglas: I think the organization could provide greater precision on that point.

Mr. Michael Cooper: Okay.

The Chair: This will be your last question, Michael.

Mr. Michael Cooper: Okay.

I think you cited in your testimony three specific reasons for your resignation. I don't know that you stated those.

Ms. Michelle Douglas: The first, I would say, Mr. Cooper, is that employees were being laid off and the board did not have enough information to provide oversight.

The second reason, I would say, is that we were being denied access to the chief financial officer. We had sought two meetings with them, and they were both cancelled. We asked to also participate as kind of observers in a virtual meeting where many employees were going to be explained the upcoming layoff process.

Finally, I had concerns that in the midst of the crisis, Marc Kielburger travelled twice to Kenya, in a very short period of time, for reasons I don't fully understand. I asked the executive director to explain this to me. I did not receive a satisfactory answer.

The Chair: Thank you, both.

You'll have the last round of questions, Mr. Fragiskatos. Then we'll have to let Ms. Douglas go.

Mr. Peter Fragiskatos (London North Centre, Lib.): Thank you, Mr. Chair.

Ms. Douglas: I echo the comments of my colleagues. Thank you for your extraordinary service to this country and for your activism. It's admirable, to say the least. Thank you for taking the time to come to our committee today.

I do have limited time, and I want to ask you two or three questions.

The first question relates to your time at WE. Obviously, 15 years is a very long time with the organization. During that time, did you find or see any irregularities, financial or otherwise, that were of concern to you, or have any other sort of lingering questions about WE Charity?

Ms. Michelle Douglas: I never saw anything about the integrity of the organization that caused me deep concern. I always felt, though, that it was my duty, especially where there are inherent tensions between co-founder-led organizations and a board of directors, to always push for enhanced forms of oversight and transparency in an effort to be better, but not because something was deeply concerning. We were always striving to get greater insight into the work.

Mr. Peter Fragiskatos: It's quite normal to see that back and forth between an executive and a board.

To clear it up—and I think you've been extremely clear with our committee—you recently spoke to The Globe and Mail and said that you left the organization over “concerning developments” that were transpiring. As we have heard, these relate to disagreements over WE's current direction, at least in March, and its future direction regarding the course forward. They had nothing to do with the Canada student service grant and nothing to do with the contribution agreement that WE eventually signed with the federal government. Is that correct?

Ms. Michelle Douglas: That's right.

Mr. Peter Fragiskatos: I have a final question for you, and I know others have asked this as well. The organizational structure of WE is a complex one. For example, we have WE Charity, but then it's broken down into various parts. There's WE Charity (U.S.); WE Charity Canada, obviously; WE Charity (U.K.); the ME to WE Foundation; WE Well-being Foundation; WE Well-being Foundation America; We365 LP; We365 Holdings; We365 GP Inc.; Imagine 1 Day International Organization; and ME to WE Social Enterprise. I'm just listing them here from the page in front of me. It's, again, a question that's been asked by Charity Intelligence and other watchdogs of the charity sector. Why is there this organizational structure? It's very complex, very intricate. Do you have any insights on that?

Ms. Michelle Douglas: Certainly I would acknowledge that there are many entities associated with the WE brand generally. The prevailing work of the WE Charity board was to focus on the areas we had responsibility for. But certainly we were linked by things such as branding, or potentially by connections of closely related individuals. The board was always interested in getting more insight, more information and details about these relationships and entities. I expect, had I continued to serve, that it is an area I would have continued to push on. Obviously, the co-founders are best placed to explain the complex structure that was established.

• (1300)

Mr. Peter Fragiskatos: Thank you very much.

The Chair: Thank you both.

Ms. Douglas, we have another panel, which you're very aware of. On behalf of the committee, I re-emphasize my remarks from the beginning. Thanks for your service to this country in many roles, in the human rights aspect around the world, as well, and specifically in Canada.

With that, again we thank you for appearing. We thank you for answering our questions.

We will suspend for about three minutes to give the clerk time to test the mikes of our next witnesses. The meeting is suspended for three minutes.

• (1300) _____ (Pause) _____

• (1305)

The Chair: All right.

We'll call the meeting to order. All the technicalities are out of the way.

We are meeting on government spending, WE Charity and the Canada student service grant. Just for everyone's information, the meeting is taking place by video conference, and proceedings will be made available via the House of Commons website.

We'll now start our second panel of today.

I'd like to welcome Craig and Marc Kielburger, the founders of the WE Charity.

Thank you both for agreeing to take the four hours.

For the information of committee members, because a four-hour meeting is somewhat unusual, the Kielburgers had initially asked for 20 minutes during the two-hour session. We responded that the maximum we'd allow them was 10 minutes, but now that we're doing four hours, I've decided that it's quite fine to do the 20 minutes, which still give us lots of time for questioning.

With that, we are ready to start, with the exception that, I believe, you wanted to be sworn in, and so I'll turn that over to the clerk.

Hon. Pierre Poilievre: On a point of order, Mr. Chair, I'd simply ask that the 10 minutes that we have now consumed on technical things not be subtracted from the four hours of testimony that the committee obliged of the witnesses. We will be at 1:10 when proceedings begin. Thank you.

The Chair: Yes, we can see where we're at on that. I would say as well, though, that I believe it's proper that we probably take a five-minute break at the two-hour period. Four-hour straight testimony is pretty gruesome, and we all may need a washroom break by that time.

Madam Clerk, would you do the next procedure.

The Clerk of the Committee (Ms. Caroline Bosc): Welcome.

We'll ask you to now, one after the other, take the oath or affirmation. You can repeat the text that is in front of you. Please speak clearly and loudly so that everyone can hear.

• (1310)

Mr. Marc Kielburger (Founder, WE Charity): My name is Marc Kielburger. I do swear that the evidence I shall give on this examination shall be the truth, the whole truth and nothing but the truth so help me God.

Mr. Craig Kielburger (Founder, WE Charity): My name is Craig Kielburger. I do swear that the evidence I shall give on this examination shall be the truth, the whole truth and nothing but the truth so help me God.

The Chair: Okay. Thank you both.

We will now turn the floor over to you. If you can hold it as very tight as you can in terms of time length, that would be great.

The floor is yours. Welcome.

Mr. Craig Kielburger: Thank you.

Good afternoon.

My name is Craig Kielburger and this is my brother Marc.

First, thank you, Mr. Chair. We will remain within the 10 minutes, in fact. We are grateful to the rest of the committee. We've been looking forward to this opportunity to speak with you here today.

[Translation]

Over the past few weeks, our team has responded to thousands of questions from the media. We have posted dozens of documents online, including an annotated version of the Canada student service grant contribution agreement and information on WE Charity's programs, operations and finances.

Along the way, we have announced that additional experts will analyze our systems to streamline our organizational structure, further improve our governance and focus our efforts to help the most vulnerable children around the globe.

[English]

Mr. Michael Cooper: Point of order, Mr. Chair.

The Chair: Excuse me, gentlemen.

What's your point of order, Mr. Cooper?

Mr. Michael Cooper: Thank you, Mr. Chair.

I just want to raise it, at this point, to the degree that my point of order could impact upon...or should either of the witnesses wish to rephrase or reframe any aspect of their presentation.

Given the large number of organizations the Kielburger family is affiliated with or otherwise connected with, from now until the end of this meeting, when Conservative members make reference to WE or your organization, unless otherwise stated, we are referencing, in the broadest way possible, any corporation, company, partnership, organization, association, entity or upper structure, including, but not limited to, WE Charity, WE Charity Foundation, ME to WE, ME to WE Social Enterprise, ME to WE Foundation—

The Chair: I'm going to interrupt you, Mr. Cooper. I do not believe that's a point of order; I think it's a point of information.

I will remind you that we are meeting on government spending, WE Charity and the Canada student service grant. That's what the motion we're dealing with as a committee is on. The Kielburger brothers can take your comments as information.

We'll go back to you, Mr. Kielburger. Go ahead.

Mr. Craig Kielburger: Thank you, Mr. Chair.

Twenty-five years ago, we started WE Charity as teenagers because we believed young people have much to offer through service. We still hold this belief.

There is a crisis in Canada's charitable sector. Over the past 30 years, Canada has seen steadily declining rates of civic engagement and reached a record-low percentage of Canadians donating to charity.

WE Charity sought to reverse this trend by launching WE Schools, active in 7,000 Canadian schools, to educate and inspire young people to learn about causes, volunteer for the first time in their lives and fundraise to make an impact for thousands of charities across the country.

Through WE Day, over one million youth earned their free ticket through logging over 70 million hours of service. Youth joined us to build 1,500 schools and classrooms in developing countries

around the world, educating over 200,000 kids in clean water and medical programs, reaching over a million beneficiaries.

We launched ME to WE Social Enterprise because traditional models of charity are too limited in Canada. Its purpose is to help end poverty overseas. We create empowering jobs and bring to market fair trade and socially conscious products, helping mostly women entrepreneurs. Although its purpose was never simply profit, since its founding in 2008, 100% of profits from ME to WE Social Enterprise have been donated to WE Charity or reinvested to grow the social mission: every single penny.

This model is called a social enterprise. It's common in Europe, but in Canada the Canada Revenue Agency limits a charity's ability to operate a business model as a solution to solving social problems. In 2019 the Senate of Canada released a report that recommended that the government recognize and reconsider those restrictions for charitable and non-profit organizations. We strongly support that recommendation. With such a change, we would have simply started ME to WE Social Enterprise as a charity.

We acknowledge that over 25 years, our organizational structure has grown overly complex. Our model is different, sometimes misunderstood and, yes, far from perfect, but our purpose has always been social innovation to better Canada and the world.

WE Charity is a non-partisan organization. We have worked with federal and provincial governments of every party across Canada. We have welcomed politicians of all stripes to the WE Day stage, including Conservative MP Mike Lake and then NDP premier Rachel Notley. We're grateful to the previous government that Laureen Harper hosted the WE Day after-reception at 24 Sussex.

Over the years, thousands of stories have been shared on the WE Day stage. We invite individuals to speak who can inspire youth to volunteer and serve, which is what our mission is all about.

WE Charity agreed to implement the Canada student service grant not to be helped by government but to help government and to help young people across Canada. This program was developed in the midst of a global pandemic, when governments and the private sector were scrambling. Some have suggested that WE Charity was in dire financial straits prior to the CSSG, and that it somehow motivated our actions. It simply isn't true, because, like many Canadian non-profits and businesses, we had already taken difficult actions to adjust staff members and to pivot our programs to the new realities of COVID, as you heard a moment ago.

My comments about that time are not false bravado. As we see the organization today, I acknowledge that the fallout now from this political process has resulted in serious challenges that risk the entire organization and our 25 years of work.

As you heard in previous remarks to this committee from Rachel Wernick and the Clerk of the Privy Council, we were not chosen for this work by public servants because of our relationship with politicians. We were chosen because we were willing to leverage every part of our 25 years of experience and to build this program at the breakneck speed required to have an impact for Canadian youth over the summer.

• (1315)

WE Charity had experience in this area. We had previously built two large-scale youth service programs. When Ontario introduced the mandatory 40 hours of community service, we developed a program for many school boards across the province. The College Board, which is the largest U.S. association of colleges and universities, selected WE Charity three years ago to develop a national U.S. service program across all 50 states.

I'll turn now to the contribution agreement itself. As per the contribution agreement, WE Charity would only be reimbursed for its costs to build and administer the program. To be clear, there was no financial benefit for the charity. WE Charity would not have received any financial gain from the CSSG program, and it's simply incorrect to say otherwise. The contribution agreement had proper oversight built in, with some 13 references to audits, and taxpayers were protected. Our team worked incredibly hard to build and launch the CSSG as a national bilingual service program. The results were evident within the first week, with 35,000 youth applications from every province and territory, 83 non-for-profit coalition partners, and 24,000 and increasing service roles.

But the program quickly got pulled into politics. We handed the built system, technology, even the call centre, to the public service, hoping to save the program. We declined any reimbursement for our costs. We thought our actions would enable the program's long-term survival, and we are deeply saddened that it did not. We also regret that the fallout has created hardship for our staff, our partners and the communities we serve.

When Employment and Social Development Canada asked us to administer the Canada student service grant, we regret that we didn't recognize how this decision would be perceived. We would never have picked up the phone when the civil service called, asking us to help young Canadians get through the pandemic, if we had known the consequences: that young people would not get the help they need now and that 25 years of WE Charity's programs helping millions of youth would be in jeopardy.

We are most sorry for the students of Canada. We know that this pandemic has put so many in dire straits, unsure of whether they will be able to continue their education or even pay their rent. This committee heard yesterday about MPs' offices being flooded with emails and calls from students desperate for help. These students should be volunteering, serving their country and receiving critical support for their education.

We respect this process and we are happy to participate. We hope the people of Canada will have their questions answered about how the contract came about and what the value of money would have been. We also hope that as soon as it concludes, all of us—non-profits, governments and all Canadians—can get back to helping the students of Canada get the support they need to get through this time of national crisis.

Mr. Chair, thank you for the opportunity to share those words. We appreciate that. We are ready for your questions.

• (1320)

The Chair: Thank you to you both.

The first round of questions will be a six-minute round. We will start with Mr. Poilievre and then go to Ms. Dzerowicz, Mr. Fortin and Mr. Angus.

Mr. Poilievre, the floor is yours.

Hon. Pierre Poilievre: Marc, you were caught on tape describing an April 23 call with the Prime Minister's Office. You quoted that office as telling you the following: "You know that announcement we just made, would you be interested in helping us actually implement it?" You now deny that call. Was it a figment of your imagination?

Mr. Marc Kielburger: Mr. Poilievre, the call you're speaking about was to a group of potential non-profit partners. We were very excited about the prospect of the program. I got a little bit ahead of myself. I didn't have the full details. I misspoke. As soon as I realized I misspoke and it was brought to my attention, I apologized, and I do apologize again.

Hon. Pierre Poilievre: Sir, the Prime Minister's Office never called you, and you never called the Prime Minister's Office, on April 23?

Mr. Marc Kielburger: Sir, that is very much correct. The Prime Minister's Office never did call us. Craig has the details. He was the one who was having the conversations.

Hon. Pierre Poilievre: I got it. That's all I needed to know.

Mr. Marc Kielburger: I do—

The Chair: We will let the witness answer the question.

Go ahead, Marc.

Mr. Marc Kielburger: Mr. Chair, thank you.

Because we are together for, I believe, a relatively unprecedented four hours, we just want to make sure we can provide as much context as possible so the answers to the questions can be provided with full context.

Craig has the most specific details, sir, to those conversations because he was the one who was leading them. Thank you.

• (1325)

Hon. Pierre Poilievre: All right, so you just imagined a call on a specific date with specific words spoken, and you recounted words that were spoken on the date of a call that just didn't happen.

Mr. Marc Kielburger: Sir, what I shared was, again, incorrect. I shared that we had an opportunity to share this message. I was very excited. Craig, again, had the details, and part of today is going through all those details with you in a very specific manner. Again, I apologize. I was just very excited about the program.

Hon. Pierre Poilievre: Got it.

The National Post obtained a memo in which, Marc, you said, and I quote, "I'm thrilled to share that we have been invited by the Prime Minister and Canadian Heritage to host a unique WE Day event in Ottawa on Canada Day weekend, 2017." Then Justin Trudeau personally called you, or was it Craig who got the call from Justin Trudeau?

Mr. Craig Kielburger: Sir, I'm happy to speak to that question.

It was in regard to the fact that the Prime Minister had announced \$200 million for funding supporting organizations across Canada for national celebrations for Canada 150. Canadian Heritage was the group that we engaged with. We submitted a formal proposal through Heritage and that was—

Hon. Pierre Poilievre: Right. That wasn't the question. That wasn't the question.

The question was, did the Prime Minister personally call? That's the wording of the statement. You were thrilled that "we have been invited by the Prime Minister...", so that was another imaginary interaction with the Prime Minister's Office, or with the Prime Minister himself.

Mr. Craig Kielburger: Sir, if I may respond—

The Chair: Go ahead.

Mr. Craig Kielburger: I can say with certainty that neither Marc nor I has ever, in 25 years, received a phone call from the Prime Minister on this topic.

Hon. Pierre Poilievre: Okay, thank you.

Mr. Craig Kielburger: In fact, when people—

Hon. Pierre Poilievre: That's all. That's quite—

The Chair: Mr. Poilievre, we are going to allow the witnesses.... They're here for four hours, so we will allow them to answer—

Hon. Pierre Poilievre: Yes, and also focus on the questions asked.

The Chair: —in relatively equal time.

Go ahead, Craig.

Mr. Craig Kielburger: Thank you, Mr. Chair.

We understand the politically sensitive nature of the moment, but typically when people say that Heritage Canada, the Prime Minister, in the midst of a moment on Canada's 150th anniversary, has invited you to engage, it was in relation to the fact that the Prime Minister—

Hon. Pierre Poilievre: Okay. Did you, Craig, speak to anyone in the PMO? Did you speak to anyone in the PMO on April 23?

Mr. Craig Kielburger: Mr. Chair—

Hon. Pierre Poilievre: Did you speak to anyone in the PMO on April 23?

Mr. Craig Kielburger: —we're happy to be here for four hours, but—

Hon. Pierre Poilievre: Great. Answer the question, then.

Mr. Craig Kielburger: Sir, with great respect, we—

Hon. Pierre Poilievre: On April 23, did you speak to anyone in the Prime Minister's Office?

The Chair: Order. We're going to lose more time rather than gain more time.

The question has been asked, Mr. Kielburger, if you could answer it.

I'll not take this time away from you, Pierre, but there is a little bit of trouble with your microphones somehow, fellows. I don't know if you have to speak more slowly or what, but it's coming through a little jumpy.

Could you answer Mr. Poilievre's question?

Mr. Craig Kielburger: I'd be happy to answer any question with the appropriate time. Would you repeat your question?

Hon. Pierre Poilievre: Yes, I'll repeat it for the fifth time. Did you speak to anyone in the Prime Minister's Office on April 23, yes or no?

Mr. Craig Kielburger: No, I did not.

Hon. Pierre Poilievre: Thank you very much.

Did Margaret Trudeau get paid for her presentation at the July 2, 2017, Canada 150 event?

Mr. Marc Kielburger: Sir, we've checked our records. We have no record of payment for her for that event.

Just to further elaborate, that—

Hon. Pierre Poilievre: Thank you. You were very clear, and I appreciate the answer.

Did Sacha, Margaret or Sophie Trudeau ever get paid to speak at a WE Day event?

Mr. Craig Kielburger: Sacha, Margaret or Sophie Trudeau were paid, yes. In fact, can I take a moment to speak to this?

We appreciate—

Hon. Pierre Poilievre: No, you did answer the question. I appreciate the answer—

The Chair: No, we will allow them time to answer.

Hon. Pierre Poilievre: They answered already.

The Chair: No, he asked for more time, and I'm giving him more time.

Go ahead, Mr. Kielburger.

Hon. Pierre Poilievre: Okay, take it off your clock.

Mr. Craig Kielburger: We were originally asked the question in the crush of literally hundreds of media questions that we received in the context of the CSSG, which was a government-funded program, and we made the statement that WE Charity had never provided funding to a member of the Trudeau family to speak at WE Day. At the time, we believed that statement to be true.

Hon. Pierre Poilievre: Fair enough.

Mr. Craig Kielburger: However, if I may, there's the social enterprise, which provided that information. We should have been, and allow me to say this candidly, more forthright in acknowledging that the social enterprise provided sponsorship. When it was brought to our attention that there were errors in the billing, we acknowledged it in national newspaper ads and we apologized.

• (1330)

Hon. Pierre Poilievre: Yes, okay, fair enough; none of this is related to my question. I trust the chair is not taking this from my time.

In addition to the speaking fees that the Trudeaus have received, what is the total amount your organizations, including WE but not limited to it, have paid in expenses, benefits, reimbursements, fees or any other consideration, in kind or monetary, for Sophie Trudeau?

Mr. Marc Kielburger: Sir, I'm happy to do that.

It's part of our regular course of activities that when a speaker does come, of course we speak to their compensation—

Hon. Pierre Poilievre: Sir, just give a dollar figure, please.

The Chair: We will allow witnesses to answer how they so decide. The witnesses have the floor.

Mr. Marc Kielburger: Within the normal course of business, of course, when people do come to WE Day, we also provide them with reimbursement for their direct costs. The information we have readily available, to the best of our knowledge, sir, is that Sacha, or Alexandre, Trudeau came to eight WE days over a span of two years. The average expense was \$2,447.

Hon. Pierre Poilievre: Was that per event?

Mr. Marc Kielburger: No. It came to a total of 28 WE days over a span of five years, specifically speaking on the issue of mental health. From 2016 to 2022, including groups like We Day in the United Kingdom, which of course had an impact on the costs, the average expense there was \$5,998. Sophie Trudeau came to a total of seven WE Days over a span of three years. The average expense was \$3,618.

Hon. Pierre Poilievre: Can you just add up those expenses into totals for each of them?

Mr. Marc Kielburger: Sir, I don't have a calculator in front of me.

Hon. Pierre Poilievre: Well, to average them, you must have had the total. You need a numerator to divide it by a denominator.

The Chair: We will not get into numbers on the fly.

Hon. Pierre Poilievre: Oh, of course not, Wayne. I'm sure you don't want to.

The Chair: We will ask them to provide the totals when they can, shortly after the meeting, if necessary.

This is your last question.

Hon. Pierre Poilievre: What is the total amount that your organizations, including WE but not limited to it, have paid in expenses, benefits, reimbursements, fees or any other consideration, in kind or monetary, for all of the Trudeau family members?

Mr. Marc Kielburger: Sir, we'd be happy to provide that to you, as the chair asked, right after the conversation. That's no problem at all.

The Chair: Thank you.

I'm going to ask you fellows to bring your mike a little closer. The interpreters are still having some difficulty.

We will now turn to Ms. Dzerowicz, followed by Mr. Fortin.

Go ahead, Julie.

Ms. Julie Dzerowicz: Thank you so much, Mr. Chair.

Thank you to our two presenters today. Thank you for your presentation. Thank you for making yourselves available for four hours; it's highly unusual, so thank you for that.

I also want to say thank you for the tremendous positive impact that WE Charity has had on engaging youth not only across our country but around the world, and for all the amazing work WE Charity has done to reduce poverty. Thanks for all of that.

A lot of misinformation and false narratives are being floated around. I'm going to try to get to some facts, because I think Canadians who are listening need to get to those facts.

First, we're hearing a lot about a "billion-dollar" contract. It gives the impression that WE was getting a billion dollars and that this was the agreement with the government.

Indeed, can you confirm that it was actually about a \$543-million contract contribution agreement with the government to deliver the Canada student service grant, with up to \$43.5 million going to WE and up to \$500 million going to students? Can you confirm that?

Mr. Marc Kielburger: Yes, we can confirm that.

I would like to provide a little bit of context, because it's an incredibly helpful piece of context that has been unfortunately mis-shared.

Number one, the first time we heard about the \$912 million was when it was announced. We had never been privy to that information before.

Second, the contract was “up to”, as you very correctly said, \$543 million.

Number three, the “up to” is relevant both to the young people who would be participating and in terms of their volunteer service hours, and also relevant to the organization. This was a contribution agreement based on eligible expenses for eligible expenditures. The organization did not stand to financially benefit from this. It was basically an amount of money we received. Anything we received we'd have to use for the program or otherwise return to the government.

The other misconception here is that it really was “up to” the \$500 million for young people to do service. Based on our modelling, the average young person may have done 100 hours, 200 hours; maximum 300 hours of service. Very few would have received the 500 hours of \$5,000, so the true cost of this program would likely have been in the range of \$200 million to \$300 million.

• (1335)

Ms. Julie Dzerowicz: Just very quickly, because I have a few more questions and very little time, in the way the contribution agreement was set up, WE Charity was not going to benefit from it. It was only to administer the program.

Mr. Marc Kielburger: That is correct.

Ms. Julie Dzerowicz: How much money was actually sent to WE? Can you confirm that all those dollars will be coming back?

Mr. Marc Kielburger: A total of \$30 million was sent to WE, based on the ESDC process. As soon as this program was put into a political nature, we immediately decided that we would not be taking any of those funds. That was a decision that the organization made. We'd be losing approximately \$5 million in this process. It was a very painful, difficult decision, but we felt under the circumstances that it was the right thing to do.

Yes, all the dollars have been or will be sent back. That's a process that's been under way this week.

Ms. Julie Dzerowicz: Thank you. I appreciate that.

Again, we're hearing from the opposition that it was as though the Prime Minister or a minister called WE and said, “Hey, do you want to do this sort of volunteer program?”

Can you just confirm that the first time you heard about, potentially, the need for a volunteer program being delivered nationally for students was on April 19, by Rachel Wernick of ESDC?

Mr. Craig Kielburger: I'm happy to confirm that.

Ms. Wernick sent me an email. She had previously been to our offices three years ago. We've had multiple ESDC partnerships over the years. She's very familiar with our work. She asked for an urgent phone call and in that phone call she outlined the idea of a national service program. She asked if we would be willing to assist and if we would provide her with a proposal for her consideration. In that same phone call, I outlined that we were, in fact, on a completely different proposal, a different matter. In fact, I even expressed some reservations, but we sent this to her nonetheless, as per her request, on April 22. It was Rachel Wernick's request, and we fulfilled the civil servant's request.

Ms. Julie Dzerowicz: I have just two quick questions.

My sense is that there were a number of other organizations being considered, so the question to you was whether you would be interested in delivering this proposal and putting in a proposal. It wasn't, “Hey, you've got the deal.” It was kind of, “Would you be interested? Is this something you'd be interested in doing?” Is that what was presented?

April 22 is when the Prime Minister made the big announcement about \$9 billion of aid to students. You submitted the proposal that same day. It was a very quick turnaround. Was the proposal based on the basic outline that Ms. Wernick provided to you on April 19?

Mr. Craig Kielburger: That is correct. Ms. Wernick provided the policy objectives, and we fulfilled them through the proposal.

Ms. Julie Dzerowicz: Thank you very much.

The Chair: This is your last question, Julie.

Ms. Julie Dzerowicz: There is another thing that I'm a bit unclear about. I see the contribution agreement in front of me, and it was signed on May 5. Was it signed on May 5, or did the agreement begin on May 5? If you could, just explain the logistics around all of that.

Mr. Marc Kielburger: Thank you for asking.

The agreement technically began on May 5. We were working in advance with ESDC, putting in resources to help develop the program. The turnaround time was so tight and we were, of course, so passionate about helping young people at this time, that we got to work right away with the full risk and understanding that if this agreement did not go forward, we would be at the financial risk of doing so. We accepted that risk because we really wanted to help.

The Chair: We are going on to Mr. Fortin, followed by Mr. Angus.

[Translation]

Mr. Rhéal Fortin: Thank you, Mr. Chair.

Good afternoon, Mr. Kielburger.

As you know, we do not have much time. You will forgive me for skipping the formalities and getting right to the point.

On the morning of Mr. Morneau's appearance last week, we learned that he wrote a cheque to WE Charity for about \$43,000 to reimburse it for travel expenses.

Did you actually receive that cheque?

[English]

Mr. Craig Kielburger: Yes, we did.

If I may clarify, it was a greater amount than the cost of his trip, but he based it on what conceivably a trip like that would have cost. I just want to correct a bit of the public record on that. WE Charity did not spend that to host him, but we did receive the cheque of that value, yes.

• (1340)

[Translation]

Mr. Rhéal Fortin: Had you billed Mr. Morneau that amount?

[English]

Mr. Craig Kielburger: We did bill Mr. Morneau when his office approached us very recently to seek clarification on what the cost of the trip would have been.

[Translation]

Mr. Rhéal Fortin: When was that?

[English]

Mr. Craig Kielburger: That would be prior to his testimony.

[Translation]

Mr. Rhéal Fortin: Can you tell us what the date was?

[English]

Mr. Marc Kielburger: Mr. Chair, if you could simply let us know the date of his testimony, or the clerk could, we could then just go back by one day, please.

[Translation]

Mr. Rhéal Fortin: So you billed him that amount on the day he came to testify.

[English]

Mr. Craig Kielburger: It was the day prior, sir.

[Translation]

Mr. Rhéal Fortin: Mr. Chair, are you still there?

[English]

The Chair: I am, yes. I'm looking for the date.

Go ahead, Mr. Fortin.

[Translation]

Mr. Rhéal Fortin: The question was as follows: what is the date on the bill that WE Charity issued to Mr. Morneau?

[English]

Mr. Craig Kielburger: I appreciate the question, sir. Can someone see the date that Mr. Morneau testified, and then based on that, we'd be happy to submit that to you, sir. We're also kind of using Google right now to try to answer your question.

[Translation]

Mr. Rhéal Fortin: I would like a copy of the bill, please.

[English]

Mr. Craig Kielburger: We'd be happy to provide you what we have on record, sir.

Ms. Elizabeth May (Saanich—Gulf Islands, GP): The clerk has an answer, and he's waving his hand.

The Chair: Mr. Clerk, could you give us the date that Mr. Morneau appeared before the committee? I don't have it in front of me.

We will not take the time away from you.

[Translation]

Mr. Rhéal Fortin: Mr. Chair, I am not asking for the date of the testimony, I am asking for the date of the bill. I am also asking for a copy of the bill.

[English]

The Chair: The date of the bill was the day before Mr. Morneau appeared, so if we get Mr. Morneau's date, we'll subtract one day and have the answer.

Go ahead, Mr. Clerk.

The Clerk of the Committee (Mr. Alexandre Roger): Mr. Morneau appeared on July 22.

The Chair: Okay. So the bill went out on July 21.

Mr. Fortin, I'll not take the time from you. Go ahead.

[Translation]

Mr. Rhéal Fortin: Thank you, Mr. Chair.

May we have a copy of the bill, Mr. Kielburger?

[English]

Mr. Craig Kielburger: We would be happy to submit whatever we have on record, sir.

[Translation]

Mr. Rhéal Fortin: Okay.

Will you send it to us soon? Will you do it this week?

[English]

Mr. Craig Kielburger: We will endeavour to turn that around as quickly as possible, yes.

[Translation]

Mr. Rhéal Fortin: All right.

Mr. Kielburger, are either of you registered with the Registry of Lobbyists in Ottawa?

[English]

Mr. Craig Kielburger: Neither of us is registered, and based on our understanding of the definition, neither of us would fall within the allotment of time.

[Translation]

Mr. Rhéal Fortin: Have you had any contact with any members of the Cabinet in Ottawa, other than Mr. Morneau and Mr. Trudeau?

[English]

Mr. Craig Kielburger: Sorry; do you mean since the program, over the past 10 years?

[Translation]

Mr. Rhéal Fortin: In the past two years, say, have you had any contact with members of the Cabinet in Ottawa?

[English]

Mr. Craig Kielburger: Yes, sir. I can tell you with certainty that on the date of April 7, I had an introductory phone call for the first time with Minister Ng. She represents the home riding that WE Charity started in, Thornhill. On that call, she expressed the desire to help young people start small businesses. We had a proposal, and I submitted the proposal to her two days later on that topic, sir. I can also confirm—

[Translation]

Mr. Rhéal Fortin: Mr. Kielburger, I am sorry to interrupt. That is interesting, but I fear it may take up more than the five minutes allotted to me.

All I want to know is the names of ministers you have had discussions with over the past two years.

[English]

Mr. Craig Kielburger: We will get that to you, sir. I can say with certainty that since January, we've had conversations with Minister Ng, Minister Chagger and Minister Morneau. For contact prior to that point, I would have to do a more extensive search.

[Translation]

Mr. Rhéal Fortin: Every time, it was in connection with Government of Canada grant programs. Is that correct?

• (1345)

[English]

Mr. Craig Kielburger: The conversation with Minister Ng was an introductory conversation. There was no expectation of a grant. With Minister Chagger, the first conversation—actually, in fact none of those conversations were in relation, initially, to grants.

[Translation]

Mr. Rhéal Fortin: Could you provide us with a list of the ministers with whom either of you has had discussions over the past two years, including dates and topics discussed?

[English]

Mr. Craig Kielburger: It is, sir. We'd be happy to provide that to you.

The Chair: It's your last question, Mr. Fortin.

Mr. Fortin, are you frozen? It's your last question, Mr. Fortin. Your line froze on us.

[Translation]

Mr. Rhéal Fortin: Mr. Kielburger, what is WE Charity's network in Quebec? Do you have branches, business offices or representatives in Quebec?

[English]

The Chair: Mr. Fortin, we'll come back to you a little later. The conversation is breaking up and can't be translated.

We're going to Mr. Angus. Mr. Angus, you have six minutes.

Mr. Charlie Angus: Thank you, Mr. Chair.

Thank you, gentlemen, for participating today.

The question that interests us is the question of accountability, because a huge amount of money was given to your organization, and Canadians are asking questions.

We heard from the chair of your board that she was denied access to financial records, that she was denied access to your chief financial officer, and that when she pushed for those answers, Marc, you hung up on her. Is that how you guys do business when you're challenged?

Mr. Craig Kielburger: Sir, we are grateful for the—

Mr. Charlie Angus: I'm sorry, but Marc hung up on her. I'm asking about Marc. She said Marc hung up on her.

Mr. Craig Kielburger: Sure, okay. I'll follow you.

Mr. Marc Kielburger: Sir, we're grateful for the 14 years with Michelle. We have great respect for her. The time of the pandemic was extremely challenging for many Canadians. Lots of Canadian businesses—

Mr. Charlie Angus: I get that, but you hung up on her about financial—

Mr. Marc Kielburger: Sir, I don't feel that's a proper characterization of the series of events. We were providing nearly daily briefings to members of the board under the circumstances. We had to make very quick decisions, as many Canadian organizations and non-profits had—

Mr. Charlie Angus: Okay, I get that. Thank you.

Craig, you called next and demanded that she resign. Craig, was it that you didn't like the fact that she was asking for financials and then you said you wanted her gone, and then you cleared the board? If there aren't those kinds of accountability mechanisms within your organization, that raises red flags.

The Chair: All right, we'll give time to Craig, who's going to answer.

Go ahead, Mr. Kielburger.

Mr. Craig Kielburger: There are two things that are being brought together here. One is a process that started in the fall of 2019 for board renewal. Names were identified, and conversations took place with board members—

Mr. Charlie Angus: That's not the question. The question is that you demanded she resign. You kicked her out.

The Chair: Mr. Angus, we'll see where this goes, but we will allow an answer and then we can go to a supplementary.

Go ahead, Mr. Kielburger.

Mr. Craig Kielburger: A well-planned, well-executed process took place—I say well-planned, but I will acknowledge not executed as well as we had hoped—starting in the fall of 2019, looking at board renewal as we approached 25 years as an organization, and a number of board members—

Mr. Charlie Angus: Okay, okay.

Mr. Craig Kielburger: Sir, I'm seeking to clarify.

Mr. Charlie Angus: I know, but she said that you wanted her to be extended and then, after Marc hung up on her, you demanded she resign. so let's not talk about a well-ordered plan. I'm asking about accountability here. This is the issue. It's accountability.

The Chair: Things will go a lot smoother if we allow an answer in detail, and we'll all save time.

Go ahead, Mr. Kielburger.

Mr. Craig Kielburger: Thank you.

In the fall of 2019 it started. Names for new board members were identified. The process was under way. During that process, something none of us could have imagined, a global pandemic, took place. There were near-daily briefings. Fourteen briefings, to be precise, with various board members, took place. There was a full board meeting. From when the request for a staffing list was acknowledged, nine days were provided to the board, and for full financial modelling, there were 11 days.

• (1350)

Mr. Charlie Angus: Thank you very much for that.

Mr. Craig Kielburger: I tried to give the context—

Mr. Charlie Angus: Thank you.

Mr. Easter, will you let me continue? My time is about half over. If you're going to keep—

The Chair: No, I'm not going to—

Mr. Charlie Angus: If you want to run the questions, Mr. Chair.... I'm down to less than half my time now, so I need to move on.

The Chair: I am not going to take time away from you, but I want to give the witnesses an opportunity for a thorough answer. We have four hours with these witnesses. We should be able to allow them full answers.

If it were politicians, then we'd get into the four-second, four-second business, but it's not.

Complete your answer, if you can, in less than 15 seconds, Mr. Kielburger.

Mr. Craig Kielburger: Suffice it to say we respect Michelle's decision on the matter. We believe that the other board members—

In fact, Michelle had one date on which she transitioned. By the way, we asked if she would transition three months later. She chose to do so immediately. We respected that.

The other board members went through a different process. The board today has eight highly qualified individuals: a doctor—

The Chair: Okay, we'll go back to Mr. Angus.

Mr. Charlie Angus: Thank you.

Okay, what we heard was that she was asking financial details. Marc got angry and hung up. You called her and you said you wanted her—

Mr. Craig Kielburger: With respect to—

The Chair: We'll allow the question, guys, if we could.

Go ahead, Mr. Angus.

Mr. Charlie Angus: So then what we find out.... The Liberals keep telling us about the great work of WE Charity. I don't doubt that, but WE Charity isn't handling this money; it's the WE foundation, which she raised questions about.

You moved this money into what is essentially a real estate holding company with no oversight. Don't you figure that Canadians are going to have red flags about...? I've never heard of a real estate holding company getting upwards of \$500 million of taxpayers' money to deliver a program.

Mr. Marc Kielburger: Sir, it was not a real estate holding company. Global News provided that information incorrectly. We have sought to have that information changed multiple times. If you go back to the source data of the Global News reports, they have changed it in the body, but they have not changed it in the title of the headline.

It was not a real estate holding company. It has never held any real estate. No real estate and no assets have ever been placed in—

Mr. Charlie Angus: I know there are no assets in there, but it does say that it is there to provide and maintain facilities to house the operations.

Now, come on, boys, men; I'm not a real estate lawyer, and I don't know law, but I know that you guys have multiple corporations. You have this one that's set up to hold real estate, but it doesn't actually hold anything.

Mr. Marc Kielburger: Sir, if—

Mr. Charlie Angus: Why is that where you decide to put your money? That's the question. There are no accountability mechanisms.

The Chair: Could we have time for an answer?

Mr. Marc Kielburger: I'm really glad you asked the question, because this is actually very much incorrect. We're really thrilled to be able to set the record straight here today.

Mr. Charlie Angus: I'll bet you are.

Mr. Marc Kielburger: We are.

We'd like to share with you that as part of the conversations with ESDC, ESDC asked us to assume full liability for up to 40,000 young people who would be volunteering and to accept full liability for those 40,000 young people and all the non-profits those young people would be volunteering at, so on the advice of professionals working with us—

Mr. Charlie Angus: Okay, are you telling us—

Mr. Marc Kielburger: [Inaudible—Editor]

Mr. Charlie Angus: —that it was the federal government's idea to push this through a real estate holding company? Is that what you're saying? Because that's really, really strange.

The Chair: I want a full answer here—

Mr. Charlie Angus: This isn't WE Charity, this is—

The Chair: —if we could.

Mr. Charlie Angus: Who in the government—

Mr. Marc Kielburger: Mr. Chair—

Mr. Charlie Angus: —signed off on giving the money, upwards of \$500 million, to a company, a holding company that you have—

Mr. Marc Kielburger: Sir—

Mr. Charlie Angus: —whose original purpose of was to hold your real estate? Come on.

Mr. Marc Kielburger: Mr. Chair—

The Chair: We'll come back, if we could, for a full answer on where the money was held. If you know who signed off, you can give that answer as well, but I want to give the gentlemen time to answer the question appropriately.

Gentlemen, go ahead.

Mr. Marc Kielburger: Thank you, Mr. Chair. We really appreciate it.

Again, this information as shared by Global News was incorrect. We want to stress this over again. This is not a real estate holding company. This is actually a charitable organization that was set up to help limit liability.

I'm going to say it again: It's a charitable organization set up to—

Mr. Charlie Angus: It has no track record and no assets.

The Chair: Charlie, could we hear the answer?

Mr. Charlie Angus: It hasn't done anything. Come on. Come on; don't—

The Chair: You'll have to make a judgment on that following the answer, if you could.

Gentlemen, answer.

Mr. Marc Kielburger: It was set up to help limit liability. The Government of Canada asked us to assume massive liability, sir, as part of this initiative for 40,000 young people volunteering during the pandemic. It would have been very difficult for us to put the entire organization at risk under those circumstances.

We had this entity previously set up as one to limit liability, and on the advice of professionals we used that entity—

Mr. Charlie Angus: But it was the board that—

The Chair: Mr. Angus—

Mr. Charlie Angus: Your board was concerned about it.

The Chair: Mr. Angus, let them finish the answer, please.

Mr. Charlie Angus: I'm asking a question, Mr. Chair—please.

The Chair: I know, but they haven't finished the answer to your third question back—

Mr. Charlie Angus: The board raised questions about this. The board raised questions about this.

The Chair: —and they can—

Mr. Charlie Angus: You need to explain how this thing—

The Chair: Charlie, order.

Mr. Charlie Angus: —that you created—

The Chair: Order.

Mr. Charlie Angus: —was set up.

The Chair: Order, Mr. Angus.

Gentlemen, answer the question first. Then we'll allow Mr. Angus one final question.

• (1355)

Mr. Craig Kielburger: Sir, it was a legal structure that had the ultimate governance embedded within WE Charity. It used the WE Charity staff and senior resources. It was a contract that was established and signed by ESDC, and, by the way, under section 22, holding the provisions on insurance for the government, sir. This was a very well organized system at the advice of all the responsible experts.

The Chair: This is your last question, Mr. Angus. We're well over time.

Mr. Charlie Angus: Well, I guess what's really concerning here is that your board chair, whom you demanded to resign, had raised questions about why you had a shell company that was there to limit liability, and lo and behold, it just became the perfect avenue.

I mean, I don't hold a bunch of numbered companies. I would have thought you were just a charity, but no, it's set up to limit your liability. It was originally set up for real estate, and then you changed it. Don't you get that this looks kind of dodgy to the average Canadian, who's saying, "Oh, did we give these guys \$500-and-some million, and we put it into that? Like, what is this?"

The Chair: On the final question and final answer of this round, go ahead.

Mr. Marc Kielburger: Sir, the information you're sharing is fundamentally incorrect. We're seeking to be able to share with you the proper information.

Mr. Charlie Angus: But I'm looking at the form that you—

Mr. Marc Kielburger: We're seeking—

Mr. Charlie Angus: It's not incorrect.

The Chair: Mr. Angus, come on.

Mr. Charlie Angus: It's not incorrect.

The Chair: Mr. Angus—

Mr. Marc Kielburger: Mr. Chair, the purpose was to help limit liability. There were multitudes of purposes for this entity. The primary purpose was to limit—

Mr. Charlie Angus: It was to maintain your facilities. That's real estate.

Mr. Marc Kielburger: Mr. Chair, may I finish?

It was to limit liability.

Mr. Craig Kielburger: It was formally recognized in June for the very purpose; as we created this partnership with the government, it was amended in its structure—

Mr. Charlie Angus: Amended: yes, it was amended, you're correct.

The Chair: Mr. Angus.

Mr. Craig Kielburger: —and further, it's not a company, sir. It's a non-profit, with the proper structure in place of ultimate governance, with the staff of WE Charity, so quite literally, this is an appropriate—

Mr. Charlie Angus: Your board was your employee.

The Chair: Mr. Angus.

Mr. Charlie Angus: That's not governance.

The Chair: Mr. Angus, come on.

Mr. Craig Kielburger: With respect—

Mr. Charlie Angus: That's not governance.

Mr. Craig Kielburger: Actually, with respect, sir, you're incorrect in the statement. How the structure of governance was established, it was such that the WE Charity board of directors were the members. They had the ultimate authority through the legal governance and structure in place.

I say with respect that I know—

Mr. Charlie Angus: That's not what your former chair said. She said she didn't know why you set this up.

The Chair: Mr. Angus, we are going to end the round there.

I will give you gentlemen an opportunity later to explain this scenario. I'll come back to this one myself with a question so we can have peace of mind—and quiet to get a decent answer.

We will go to Mr. Barrett, followed by Mr. Fragiskatos.

Mr. Barrett.

Mr. Michael Barrett: We need to get a total amount of all monies, all benefits, paid to individual members of the Trudeau family. Do you have that in front of you today, gentlemen?

Mr. Marc Kielburger: Sir, as requested, we're happy to provide that information to you. That was a question that also came from Mr. Poilievre, if I'm not mistaken. We—

Mr. Michael Barrett: So you commit to doing a full breakdown of expenses for each one of those individuals, not just for remuneration for speaking fees but also for gifts and other benefits, including covering of travel expenses?

Mr. Marc Kielburger: Sir, yes, we're happy to provide that information in terms of especially the reimbursement of travel expenses that was specifically requested.

Mr. Michael Barrett: Okay.

So Ms. Margaret Trudeau was paid over a quarter of a million dollars in speaking fees. Did anyone else get this much money in speaking fees during that same period of time?

Mr. Craig Kielburger: Yes, sir. This was something where the practice was in place not to pay individuals to go on the WE Day stage, to be clear, but for auxiliary events that took place in various cities, often five or six events per time, where speakers were brought in. In any given year, a small list was identified to support in these types of auxiliary events.

Akin to a university lecture series, or non-profit gala fundraisers—many groups do this, sir.

Mr. Michael Barrett: To be clear, in your previous responses to questions, you did say the members of the Trudeau family were paid to attend WE Day events.

Mr. Marc Kielburger: Sir, it was the premise of WE Day, but the purpose of the speakers, and the remuneration of the speakers, was specifically for the auxiliary events. Margaret Trudeau came to speak about the issues surrounding mental health. Yes, she spoke on the WE Day stage, but she also provided time to come to the receptions, to have the opportunity to meet with individuals, to sign the books, to do all these additional events. It was a very significant ask of her time.

Mr. Craig Kielburger: Actually, it was two or three, typically, per city.

Mr. Marc Kielburger: She was at various [*Inaudible—Editor*].

Mr. Michael Barrett: At those events, how many other speakers were paid?

Mr. Marc Kielburger: The vast majority, sir, were done at no cost. It was a small group of speakers who would come, not just Madam Trudeau—again, not just to speak on the WE Day stage. As mentioned, it would be the additional, auxiliary events that we needed to support on some specific issues that were very relevant.

• (1400)

Mr. Craig Kielburger: Sir, I appreciate the heart of your question. In essence, I can answer your question directly by saying that it wasn't unusual what was taking place with her. It was a simple process that we had with others.

Mr. Michael Barrett: How much was Ms. Margaret Trudeau paid for speaking before November of 2015?

Mr. Marc Kielburger: Sir, WE did not engage her before November of 2015, from my best understanding.

Mr. Michael Barrett: Okay: so she was only ever paid after November of 2015.

Mr. Marc Kielburger: It was at that point, sir, that WE Days continued to grow, and we needed somebody to speak specifically on the issue of mental health. She came not as Madam Trudeau; she came as somebody who is very focused on that issue, something that's really relevant.

If I'm not mistaken, it's one in five Canadians.

Mr. Craig Kielburger: Yes, one in five Canadians, and it's a big part of what we do with the Well-being Foundation.

Mr. Michael Barrett: I think other well-known Canadians who have spoken about mental health....

A name that would be known around kitchen tables would be someone like Theo Fleury, who was informed by you that you do not pay speakers. So I will set aside your qualifier at the end of your response.

Mr. Craig Kielburger: No, sir, that was not it. The question [*Inaudible—Editor*]. It's a statement; it's actually—

Mr. Michael Barrett: That's right, and so I'm not.... So the floor is not yours.

Are there any ministers who have ever received any form of financial compensation whatsoever—fees, contracts, salary expenses, expense reimbursements, accommodations benefits, or anything whatsoever—from any organization with which you are involved?

Mr. Craig Kielburger: First, sir, let me just say that we don't pay speakers for the WE Day stage, the few minutes they are there. We believe that's an honour to share the message with youth. We do for those who do two to three days of auxiliary events.

To answer your question now, sir, the only individual that question is relevant to as a cabinet member is Minister Morneau and the McCain family, and I believe that's on the public record.

Mr. Michael Barrett: So no other ministers?

Mr. Craig Kielburger: Correct, sir.

Mr. Michael Barrett: Okay. What about ministerial staff members? Was there any form of financial compensation whatsoever: fees, contracts, salary, expenses, expense reimbursements, accommodation, benefits, anything whatsoever? Yes or no, please.

Mr. Craig Kielburger: Not to our knowledge, sir.

Mr. Michael Barrett: So that would include Ms. Katie Telford, Minister Seamus O'Regan, Mr. Gerald Butts, Minister Mary Ng, Minister Bardish Chagger, Ms. Amanda Alvaro.

What about the organization ArtBound? Have they ever received a payment from any of your affiliated organizations?

Mr. Craig Kielburger: I appreciate your raising that, sir. ArtBound funded very generously WE Charity through their extraordinary philanthropic commitments, and we appreciate their long-standing support in that matter.

Mr. Michael Barrett: So have they ever received payment?

Mr. Craig Kielburger: No, no. To answer your question, sir, the funds have only gone one way, where they are fundraising. Specifically, it was for a school for music in East Africa, supporting an all-girls program in Kenya. They fundraised, but no benefits went the other way, sir.

Mr. Michael Barrett: Just to tie that off, you're saying that no staff, past or present, of Prime Minister Justin Trudeau or no staff member, past or present, of Minister Bill Morneau have received any compensation as outlined by me above?

Mr. Craig Kielburger: To the best of our knowledge, we can make that blanket statement, sir, yes.

The Chair: That'll tie off that round, Mr. Barrett.

We'll go to Mr. Fragiskatos, followed by Mr. Cooper.

Mr. Peter Fragiskatos: Thank you, Mr. Chair.

Thank you to both of you for coming to the committee.

I want to ask about the administration fee. How much would it have been had WE administered the Canada student service grant, and for what purposes? When we say "administration fee", I'm not sure that many, if not most, Canadians understand what is meant by that. So could you—

Mr. Craig Kielburger: I appreciate your asking that question. If I can start by clarifying, in fact it actually wasn't an administration fee; it was a program implementation fee. What I mean by that is.... Often in the charitable world, when people think of admin, they think back office or fundraising. The costs here were simply directly for reimbursements on the delivery of the program.

So to answer your question precisely, for the first 20,000 students, WE Charity has provided \$14.5 million for all-inclusive aspects. It could have gone up to \$34.78 million. What was included in those aspects? It was, for example, technology grants for students who needed access in rural areas, translation of resources for special needs students, coaching and support, the direct supervision of up to 20,000 students to support non-profits that couldn't otherwise mentor and support those students, working with non-profits to help translate their ideas to be COVID-safe and friendly, launching the web support, call centre support, insurance support, payment, T4 form follow-up six months later.

In short, this was a massive program launched during a pandemic to support up to 100,000 young people with a very high-tech program, because the emphasis was on students of greatest need. We were to target particularly indigenous and students in rural parts of Canada.

The Chair: We do need to go back to Mr. Fragiskatos.

Mr. Peter Fragiskatos: Thank you, Chair.

Thank you for that answer.

I am still left confused on a few things, though, Mr. Kielburger, namely the complex organizational structure. You have WE, and under that umbrella there are a number of entities. I'll just list these.

● (1405)

Mr. Craig Kielburger: I can save you the time, sir. You already did before. I'm happy to speak to the question.

Mr. Peter Fragiskatos: Sure. It's a partial list. We have WE Charity U.S., WE Charity U.K., ME to WE foundation based in the U.S., ME to WE foundation in Canada, WE Charity Foundation, WE Well-being Foundation of Canada, Well-being Foundation America Inc., We365 LP, We365 Holdings Inc., We365 GP Inc., Imagine 1 Day International Organization, and there's ME to WE Social Enterprise.

Could you explain what this structure is all about? I think people look at this and have, justifiably so, some questions. It's a charity on the one hand, but why is there this labyrinth that exists under it? What is that all about?

Mr. Craig Kielburger: I appreciate the question, sir. Thank you.

Fundamentally, there are two overarching structures: WE Charity and ME to WE Social Enterprises. As I mentioned in my opening remarks, as per CRA and the Income Tax Act, section 149 to be precise, charities cannot operate like businesses to solve social issues. They cannot literally operate a business structure. It's because of this unfortunate reality of the CRA structure in Canada that things like Grameen Bank, an extraordinary social enterprise that won the Nobel Peace Prize for microcredit, lifting people out of poverty, frankly, never could have been created in Canada. Social enterprise is a growing and powerful force to better the world.

So WE had to engage the best lawyers and accountants and systems to build what was a labyrinth to adhere to the proper Canadian laws and regulations, and it's a shame because we get called by so many people who are seeking how they can do it themselves in this way. So these fundamental structures exist to fulfill the social mission mandate. Each country you listed adheres to its respective country laws. Canada's has its own incorporation, the U.S., the U.K. In fact, other countries in the developing world have their own incorporation. Fundamentally, it is WE Charity and WE to ME Social Enterprises.

The Chair: Mr. Fragiskatos, go ahead.

Mr. Peter Fragiskatos: Thank you very much, Mr. Kielburger.

Are you then saying that this complex structure was absolutely necessary to the functioning of the charity? If you are saying that, are you also saying that other charity organizations in this country are forced to organize themselves in that way?

I suppose the question is, how unique of a structure is this? Is this something that we see with the majority of charities in Canada, or is WE one of only a few that operate in this way? Because, I'll tell you.... Admittedly, I don't have a background in the organizing of charities and all the complexities surrounding that, but it comes off as a bit strange. Could you, again, tell us? Was this kind of structure absolutely vital, and is it the case that most charities adopt it?

The Chair: That will be the final question in that round.

Mr. Kielburger.

Mr. Craig Kielburger: If I may, I'll answer your question by saying that in Canada, to do what we seek to do, this is the legal

way to adhere to the CRA rules. I wish it were different and I hope they streamline it in Canada.

Nonetheless, I have just two quick points. Number one, you listed entities around the world; it's because legally we have to incorporate in each country where we operate. Number two, allow me to add that we have actually engaged Korn Ferry, a global expert on organizational structure and design, because, frankly, over 25 years of creating entities and creating organizations, we probably could find a streamlined system to do this; we acknowledge that. It has to be streamlined, so they'll be stepping in to help us in that matter.

What we do here is not unusual in our system of social enterprise, but we know that social enterprise is unusual.

The Chair: Thank you, all.

We have Mr. Cooper for five minutes, followed by Mr. Fraser.

Mr. Cooper.

Mr. Michael Cooper: Thank you, Mr. Chair.

Thank you, Marc and Craig, for being here and for your testimony.

Your organization provided Bill Morneau with over \$41,000 in trips to Ecuador and Kenya. Exactly what did the \$41,000 pay for?

Mr. Craig Kielburger: I'm happy to answer that question, sir.

We extended an invitation, actually to Ms. McCain, to be candid, where she first came with her teenage daughter to Kenya—

Mr. Michael Cooper: I understand the chronology, but my question is quite specific. What did the \$41,000 pay for?

The Chair: I believe that's the answer they're getting to, Mr. Cooper. Let's allow time for answers; it will be shorter.

Mr. Michael Cooper: I don't need background. I know the trips. I just need to know what the \$41,000 represents.

● (1410)

Mr. Craig Kielburger: Understood. To answer your question, specifically, the first set of expenses was for Ms. McCain and daughter to travel to.... They were already in Kenya and they were looking at other charities they had already funded, so we hosted them at our sites—so the accommodations. They stayed with us; there are no other options. They drove around as they built the schools. They had a development, humanitarian site visit with us.

There was a second trip that took place approximately six months later. That was the one, to answer your question, with Mr. Morneau, and Ms. McCain and other children. In that case, it was to the Amazon. They also, again, paid for their flights and whatnot, but our accommodations, the food and the build site supervision as they were building their schools and working on a service trip....

I mentioned this earlier because it does seem unusual that the price was so high—

Mr. Michael Cooper: Okay, that's fine. That's another subject matter. You'll provide a detailed breakdown, I understand. Will you undertake to do that?

Mr. Craig Kielburger: We will provide it.

Mr. Michael Cooper: Okay, thank you for that. I appreciate that.

When your organization booked the Kenya and Ecuador trips, were they booked specifically as an accounts receivable?

Mr. Craig Kielburger: WE Charity, similar to many other humanitarian organizations, invites prospective donors, people who head companies and foundations, to witness development projects and what they do—

Mr. Michael Cooper: So the answer to that is no?

Mr. Craig Kielburger: Correct.

Mr. Michael Cooper: It was not an accounts receivable.

Mr. Craig Kielburger: They are a—

Mr. Michael Cooper: It was a complimentary trip, right? That's what your statement said. Is that correct?

Mr. Craig Kielburger: Sir, could I just finish the statement?

It is to host individuals who have an interest to witness our development work on the ground. To answer your question, it was seen, in our mind, as a complimentary hosting, given that they were already in the country, in Kenya, and were coming in to simply stay with us, and in Ecuador to look at this for the development plans.

Mr. Michael Cooper: Thank you, so no accounts receivable.

Did you hide, to Mr. Morneau, the fact that the trip would be complimentary?

Mr. Craig Kielburger: The arrangements for the trip were entirely done through an invitation to Ms. McCain and entirely arranged with her and her team, so I don't know whether there was any clarity or conversations that followed. In our mind, it was an invitation to a very prominent Canadian family, Ms. McCain, who is very philanthropic and very beneficial, and that was why—

Mr. Michael Cooper: Okay. Thank you.

Now, you mentioned Ecuador and Kenya—Morneau in Ecuador and Ms. McCain and daughter in Kenya. They get to an airport. They travel by commercial aircraft.

How did they get to the site? Did they travel by private aircraft at any time?

Mr. Craig Kielburger: We would have to check the records and to go through—

Mr. Michael Cooper: How do you get to the Amazon?

Mr. Craig Kielburger: A dugout canoe that's motorized; you take a commercial flight from Quito to a small airstrip in....

What's it called?

Mr. Marc Kielburger: We'd have to double-check.

Mr. Craig Kielburger: It's a small airstrip. It's commercial, though. Then you get on a motorized canoe down the Amazon at the base of the river.

Mr. Michael Cooper: Okay. So—

Mr. Marc Kielburger: Then the other possibility, sir, is that some groups actually drive down. They don't even go on the commercial flight.

Mr. Michael Cooper: But is private aircraft a possibility—since you don't know the answer? Is that a means that people get to either of your sites?

Mr. Marc Kielburger: Certainly not in Ecuador.

Mr. Michael Cooper: What about in Kenya?

Mr. Marc Kielburger: Private aircraft is a possibility, because—

Mr. Michael Cooper: Okay. That's important.

The Chair: Let the question be answered, Michael.

Let's firm up the answer here and we'll go back to Michael.

Mr. Craig Kielburger: I'm happy to speak to this.

It's similar to northern parts of Canada. The only way you can access certain corners are these simple two- or three-prop planes that you kind of cram into and fly into northern regions.

We'd have to check our records. As a mother with a teenage daughter, she may have opted for—

The Chair: We'll go back to Mr. Cooper for a final question.

Mr. Michael Cooper: Just to flesh this out.... I'm just trying to visualize this place in Kenya. As I'm listening to you provide an answer, what I'm hearing you say is that normally to get there, you need to fly in.

Mr. Marc Kielburger: Sir, that's not necessarily correct. You can also drive.

Mr. Michael Cooper: Okay: but it would be a long distance.

Mr. Marc Kielburger: It is a five-hour drive. It's a lovely drive, and you—

Mr. Michael Cooper: Okay: can you then just, because my time is limited—

The Chair: It's over.

Mr. Michael Cooper: —and I want to respect the time—

The Chair: Your time is over, but we'll allow this question.

Mr. Michael Cooper: I just want an undertaking from you, Marc and Craig, that you will confirm exactly—

Mr. Craig Kielburger: That's very clear, sir. We'll contact our team to look into the question.

We simply don't know. Obviously, that was three-plus years ago.

Mr. Marc Kielburger: We host hundreds and hundreds of trips, sir.

Mr. Craig Kielburger: Yes.

We'll look into that question.

The Chair: Thank you. That information will be provided.

We will now go to Mr. Fraser for five minutes.

For the two-and-a-half-minute rounds, we will go to Ms. Gaudreau and Mr. Julian.

Ms. May, I believe you wanted in. That will be a two-and-a-half-minute round.

Mr. Fraser.

• (1415)

Mr. Sean Fraser: Thank you very much, Mr. Chair.

I'm very much enjoying the back and forth in the testimony, though I sometimes have trouble hearing the answers over the questions.

First, one of the responses you gave—initially to my colleague Ms. Dzerowicz, and then to Mr. Fragiskatos—I found stunning. I want to make sure I have my understanding correct.

Of the \$500-or-so million program, there is an “up to” \$43-million administration fee, depending on how many students can be placed. I was under the impression that this was going to provide some sort of benefit to the organization for administering this program.

Am I correct in my understanding that every penny of that administration fee, if the program were actually executed properly, would not have gone to the organization but would have been exclusively for expenses?

Mr. Marc Kielburger: Sir, that's correct. It would have been exclusively for expenses, number one.

Mr. Craig Kielburger: For program expenses—not even administration [*Inaudible—Editor*].

Mr. Marc Kielburger: Yes.

Number two, it's actually not an administration fee, sir. It's actually a program fee.

We were doing this on behalf of the government, helping the government. We were asked to do this by the government. The organization itself would not profit. We were there because we wanted to be of assistance.

Again, this wasn't an administration fee. It was a program fee, and 100% had to be used, of course, for the program.

Mr. Sean Fraser: So you're telling me, in no uncertain terms, that none of the affiliated organizations with WE Charity or the ME to WE Social Enterprise actually stood to benefit financially from executing this program.

Mr. Craig Kielburger: Correct. In fact, let me add, sir, that the ME to WE Social Enterprise was not a party and has never received federal funding; has never at all.

To answer your question, yes, all of the non-profits, because they're only non-profits as part of this contract, all had the same key aspects on audit, on fulfillment, and yes, every penny had to be spent on the program implementation only or be returned to the government. The—

Mr. Sean Fraser: I'm sorry to cut you off, but I do have limited time. I want to turn my attention, if I can, to....

Mr. Angus, in his questioning, seemed to be very frustrated with the notion that there would be a separate corporate entity set up to limit liability. I practised law before I got into politics. It was routine to me to see corporate entities set up new companies for the express purpose of limiting liability.

To be honest, when I first saw it in the charitable context—I have not practised much law in the area of charities—I found it a little odd, but it's starting to make a little more sense to me today. What I'm hearing is that you stood to gain absolutely nothing financially, but you were asked to take on all of the liability for placing 40,000 or more students during a global pandemic.

I trust that if you did not have the opportunity to limit your liability, you would not have taken on the task of executing this program. Is that fair?

Mr. Craig Kielburger: Correct, and allow us to underscore that this was the request of ESDC and the terms of this contract were agreed to by ESDC.

Mr. Sean Fraser: When ESDC made that request, are you saying they requested that you set up a corporate entity, or they requested that you take on the liability?

Mr. Craig Kielburger: They requested that we take on the liability. We informed them that the only way we would feel comfortable fulfilling the government's request was through this structure. They analyzed it, they endorsed it and they signed a contract.

Mr. Marc Kielburger: We shared all the information with ESDC, in terms of what these structures would do, and we specifically explained to them that this would be our ability to hold, to limit that liability as part of that process, and they were aware.

Mr. Sean Fraser: And their recommendation to the government that WE Charity was best placed to execute on the service grant program was made after you had made clear to them that your strategy to limit liability would be to set up a separate corporate entity that did not hold assets.

Mr. Marc Kielburger: Sir, it wasn't a separate corporate entity; it was a separate non-profit organization—

Mr. Sean Fraser: Thank you. That's—

Mr. Marc Kielburger: I was on the call with other individuals from the professional services side with ESDC. We made that clear, because we were very concerned about the request that we were asked to take on a liability for 40,000 young people to volunteer during a pandemic.

Mr. Sean Fraser: Okay.

I expect I have limited time left, so I'll try to get one question in and let you answer it as you will. I asked the previous witness about proposal development and sort of unsolicited program ideas that are submitted to MPs, to governments. I take it this is what happened, at least with some different program that preceded the student service grant, but I'm curious, more broadly. Is this something that WE Charity does on occasion? Have you done it with previous governments? Have you ever had other programs funded by previous governments after that kind of a back and forth?

Mr. Craig Kielburger: I appreciate the question. Sometimes we're responding to formal proposals, as we have with Canadian Heritage for Canada 150. Sometimes it is iterative with the government. For example, we worked closely in the previous government with Minister Flaherty and Minister Clement on various projects that we created together with them. This is an interesting fact: In previous years, under the previous Harper government, we actually had a higher percentage of our total budget given by the federal government than last year under the Trudeau government.

We have worked with a number of governments in the same manner, of all political stripes.

• (1420)

Mr. Sean Fraser: When you were receiving those grants from the previous government, that would have been around the same time...it would have been contemporaneous with the hosting of WE Charity events or ME to WE events at 24 Sussex by Ms. Harper, or the attendance of WE Day or other charitable days or activities with other MPs of the governing party at that time as well. Is that fair?

Mr. Craig Kielburger: That would be a fair assessment. We appreciate every government's support, and we will approach every government to support children and youth in this country.

The Chair: We'll have to end that round there.

I believe we're going to Ms. Gaudreau, who will be followed by Mr. Angus and then Ms. May.

Ms. Gaudreau, you have two and a half minutes.

[Translation]

Ms. Marie-Hélène Gaudreau: Thank you, Mr. Chair.

Good afternoon, gentlemen. On behalf of all our constituents, thank you for all this time, which allows us to shed some light on things.

I have two minutes and 30 seconds and am going to ask you a few simple questions in quick succession.

First, do you have a government relations expert in your organization?

[English]

Mr. Craig Kielburger: We don't find a need for a full-time person for such a role. We do have a person whose title is "government and stakeholder relations". She splits her time among multiple stakeholder groups, including government.

[Translation]

Ms. Marie-Hélène Gaudreau: Can I please have her name?

[English]

Mr. Craig Kielburger: Sofia Marquez.

[Translation]

Ms. Marie-Hélène Gaudreau: Very good.

Do you know if she is registered with the Registry of Lobbyists?

[English]

Mr. Craig Kielburger: No. Given her previous work and the multitude of stakeholders she engages, she is not on a formal registry.

[Translation]

Ms. Marie-Hélène Gaudreau: Okay.

I am very familiar with the structure of not-for-profit organizations. Can we see WE Charity's by-laws?

[English]

Mr. Marc Kielburger: Could you clarify in terms of the general rules, please?

[Translation]

Ms. Marie-Hélène Gaudreau: It is the basic document, the one that lays out all the details on the governance and operating structure of a not-for-profit organization.

[English]

Mr. Marc Kielburger: We're certainly happy to take that back and seek greater clarification.

[Translation]

Ms. Marie-Hélène Gaudreau: I will be even more specific. In Quebec, certainly, those by-laws have to be prepared.

What are your organization's interests or assets in Quebec?

[English]

Mr. Craig Kielburger: We do not hold formal assets in Quebec. Although a Montreal office has been active and we've done 11 years of WE Day and programming, there is no formal ownership. The bank account is based—

Mr. Marc Kielburger: From the best of our understanding, there's no.... This is a very specific question, as you can appreciate, and this is the best of our understanding.

[Translation]

Ms. Marie-Hélène Gaudreau: I have one last question, Mr. Chair.

[English]

The Chair: Make it the last question, Ms. Gaudreau.

[Translation]

Ms. Marie-Hélène Gaudreau: Last week, a witness told us that your organization was able to provide students' personal data to the Liberal Party of Canada for electoral purposes.

Is that true?

[English]

Mr. Craig Kielburger: If a fraction of what we've heard over the past four weeks were true—what has been published in the media, shared on social blogs or even shared by various politicians—our faces would go pale. This is one of the many things that are incorrect and being circulated.

The Chair: Mr. Angus, you're up for two and a half minutes.

Mr. Charlie Angus: Thank you, Mr. Chair.

Sofia Marquez does government relations with you. Her bio says she works as a liaison with government, yet she's not registered to lobby. Why don't you guys register to lobby the government?

Mr. Craig Kielburger: I'm happy to speak to the question, sir.

Sofia Marquez does government and stakeholder relations, if I may just correct you, sir. That's her title. She engages a multitude of stakeholders across provincial governments—

Mr. Charlie Angus: But why don't you register to lobby?

Mr. Craig Kielburger: We don't because engagement with the federal government is a relatively.... It has never been more than a few percentages of our budget. In fact, last year it represented 1.03% of—

• (1425)

Mr. Charlie Angus: How little money you get has nothing to do with the legal obligations; it's about how much time is spent. In the last month, you've been heavily involved in programs with Minister Chagger and Minister Ng, and Bill Morneau's office has been involved. Are you telling me that somebody in your office wasn't spending at least 7.5 hours a week doing this? I ask because that preparation—

Mr. Craig Kielburger: I'm happy to speak to that, sir.

Mr. Charlie Angus: —is lobbying. Why don't you register to lobby?

The Chair: Okay, it's time to answer.

Mr. Craig Kielburger: Thank you.

To clarify this point, the government came to us and asked for assistance in a program. Previous to this point, it was highly unusual for us to be spending any significant amount of time with the federal government on these types of proposals.

Mr. Charlie Angus: But you're getting lots of money from it.

The YMCA registers to lobby. The Heart and Stroke Foundation does too. They don't get nearly the kind of money that you guys have gotten. The registry of lobbyists is full of charities, except your organization; yet none of them hires, for example, the Prime Minister's mother or the Prime Minister's brother, or have the Prime Minister's wife or Bill Morneau's daughter, or fly Bill Morneau....

The image that you're giving off here is that you're getting influence because of the kind of power you have, so that when you call, they call you back. That is—

Mr. Craig Kielburger: Sir, all of those people—

Mr. Charlie Angus: —lobbying. You have an obligation and you are not meeting that obligation.

The Chair: We will go to the answer and that will be it.

Please give an answer, gentlemen.

Mr. Craig Kielburger: I will happily stand corrected by our counsel, but based on my understanding, I don't believe those things you identified, including hiring the adopted Ugandan daughter of an individual and hiring the mother of an elected official, not in an elected-official capacity but as a speaker on mental health, are actually defined as lobbying.

Mr. Charlie Angus: Well, they're defined under the Conflict of Interest Act as family of the public office holders that you're lobbying.

Bill Morneau never read the Conflict of Interest Act. I think you guys should, and maybe the Lobbying Act as well.

The Chair: Mr. Angus, we're going to allow an answer, and then we're going to Ms. May.

I'd like an answer, please, gentlemen.

Mr. Marc Kielburger: Thanks, sir.

Prior to the conversation with the government, when Ms. Werneck approached us with this opportunity, we received approximately, give or take, \$5 million from the federal government to the best of our knowledge. It was over many, many years, going back to 2013 [*Inaudible—Editor*] based on the information provided to me. But that's a relatively small, a very minuscule portion of our budget. It's under 3%. As a result—

Mr. Charlie Angus: It's not the size of the budget; it's your obligation when you negotiate.

The Chair: Mr. Angus, we want an answer.

Mr. Charlie Angus: Well, I know, but he's already said that, Chair. We need an answer on the lobbying.

The Chair: Mr. Angus, they need time to give an answer on the lobbying. Your question round is over, so I'm giving the gentlemen time to answer the question. Then we'll go to Ms. May.

Mr. Marc Kielburger: Thank you, Chair. We really appreciate it.

Mr. Angus, we hear your question. We understand your concern. The answer is that up to this point we've had virtually very limited engagement with the federal government in seeking funds. At this point, they approached us for this program.

Mr. Charlie Angus: But you're hanging with their family. Come on.

The Chair: Okay. You have a little further answer there, gentlemen.

We'll go to Ms. May.

[Translation]

Mr. Rhéal Fortin: Mr. Chair, point of order.

[English]

The Chair: Okay, on a point of order, Mr. Fortin.

[Translation]

Mr. Rhéal Fortin: Mr. Chair, I was interrupted earlier because the device was no longer working. I had to talk to the IT people and they got everything up and running again. About half of my six minutes had gone by.

Can I get that time back? If so, when can I do it?

[English]

The Chair: You have about two minutes coming back to you, Mr. Fortin. I'll bring you in right after Mr. Cumming, before I go to Ms. Kourakis. So we'll have two more questioners and then we'll go to your two questions.

[Translation]

Mr. Rhéal Fortin: Thank you, Mr. Chair.

[English]

The Chair: Sorry, where are we?

Gentlemen, did you want to give a further answer?

Mr. Marc Kielburger: Mr. Chair, I apologize. The clerk had agreed that at every hour we would be provided a five- to 10-minute pause. We understand that spending four hours is quite unprecedented. I haven't had a chance to spend even four hours with my two little girls in the last month—

Some hon. members: Oh, oh!

Mr. Marc Kielburger: We're spending a lot of quality time together, sir. We haven't had a chance to—

The Chair: Yes. I said we'd take a five-minute break at the end of the two hours, but if you really need a washroom break or such, we'll take a five-minute break.

Mr. Marc Kielburger: We love spending time with you, sir, but at some point that would be lovely.

The Chair: Okay, we're going to do it in about 25 more minutes.

Ms. May, you have two and a half minutes, and then Mr. Cumming.

Ms. Elizabeth May: Thank you, Mr. Chair. I really appreciate this.

To correct the record, I've known both Marc and Craig Kielburger for years. I don't say this because I'm angry with you over it, but I do need to correct that you've never asked the Green Party to anything. You've never asked me to be a speaker. At this point I don't know whether I really want to thank you for that, but....

Voices: Oh, oh!

Ms. Elizabeth May: I do want to get to a serious question, though. I was very impressed, of course, with Michelle Douglas. I know her as well. I'm a huge fan of hers. I do get concerned with

board governance issues. In the future I think you may want to look at your role as founders, which I think Mr. Barrett raised earlier. When you look on the website, you have founders, staff, the board of directors. It's a bit murky as a governance question.

Ms. Douglas told us she gave three reasons for her resignation. One of them was that she couldn't get answers from you, Marc, as to why you went to Kenya twice in a period of time when the organization was in considerable difficulties.

Can you explain it to the committee? Only because she thinks it's highly significant, I need to ask you, why did you go to Kenya twice and why didn't you give her the information as to why you went?

• (1430)

Mr. Marc Kielburger: Of course, Ms. May, thank you. Out of all of this, we appreciate your kind compliments at the beginning as well.

Very quickly, of course going back three months ago, the world was topsy-turvy. I had a prescheduled trip to go to Kenya to help work with the organization. Then a handful of days later, when the pandemic really started to begin in earnest very significantly, we saw governments closing borders and shutting things down.

We literally had dozens of young people on international volunteer trips overseas. We had Canadian and American staff who were literally stuck, who could have been stuck overseas. Some ended up being in a very difficult position. We had to get them out.

As a leader of the organization, I said I needed to continue to give assistance. Even though I'd just come back, the situation began to rapidly unfold. I was only back in Kenya for 24 more hours, at the request of the team, to be of assistance where possible and to help ensure that the organization would be fine, but most importantly that our people would be fine. I was doing my very best.

I may not have articulated that under the circumstances, a very stressful time, but I was there for our people.

The Chair: Ms. May, this is your last question.

Ms. Elizabeth May: Were you able to get Canadians home as a result of your trip there? By staying home, I got a lot of people home to Canada on Zoom and calling all the right people and embassies and high commissions in the middle of the night. Did you physically have to go there to get people home?

Mr. Marc Kielburger: Ms. May, as a member of Parliament you probably have much more influence than we do in these cases. We had dozens of young people there on the team—a very complicated situation. I was there for less than 24 hours. Yes, we were able to get people home.

Mr. Craig Kielburger: If I may clarify, some of the senior team in Kenya were themselves refusing to leave because they were arranging the medical response. We have a hospital there that treats over 800,000 people in a region. We have a medical college. Marc went in to also make the medical arrangements on the ground so that our local leaders, who are expats, would have the confidence to return home as part of this evacuation.

It was a very difficult choice. We respect Michelle Douglas's transition. The other directors transitioned in a different way—let me just keep stressing that—but we respect Michelle Douglas's choice in the matter. We understand why she made the choice.

The Chair: Okay.

We'll go to Mr. Cumming, and back to five-minute rounds.

James, the floor is yours, and you'll be followed with two minutes by Mr. Fortin and then Ms. Koutrakis.

Mr. James Cumming (Edmonton Centre, CPC): Thank you, Mr. Chair, and thank you to the two witnesses for appearing on this very important issue.

You began with incurring “eligible expenses” on May 5, more than two months before signing the contribution agreement. Who in the government told you before May that those expenses would be eligible for reimbursement?

Mr. Marc Kielburger: Sir, it's a very good question.

We put our hand up to be of assistance, because the date initially on which this program would be launching would be early June. This was done in coordination with ESDC. We had many phone calls with them and their team, and specifically Rachel Wernick, who was very much aware that we were working very significantly on this project throughout the entire month.

Mr. Craig Kielburger: However, I know I said it, but allow me to say it again, that although we started working on May 5, we were aware that despite our building a network in support, if the contract were not signed, we would not be reimbursed. We took that risk on in full knowledge ourselves.

Mr. James Cumming: Specifically, when did you receive that from Wernick? What day?

Mr. Craig Kielburger: That was a conversation we started to have. It was close to the 4th or 5th. It was in that ballpark.

Mr. Marc Kielburger: If I could, we were often having daily conversations with ESDC at that time—many conversations a week—in coordination with negotiating the contract with the organization and the organization's teams together. It was very much a coordinated effort, sir.

• (1435)

Mr. James Cumming: Was there an email that told you which expenses were eligible?

Mr. Craig Kielburger: The eligible expenses are deeply outlined in the contract through an extraordinary amount of detail.

Mr. James Cumming: Which came out two months later.

Which ministers did either of you or your intermediaries communicate with in March? Who were they, and what was the date?

Mr. Craig Kielburger: No minister, to our knowledge, were we in touch with in March at all, sir.

Mr. James Cumming: Neither of you, or your intermediaries in March?

Mr. Craig Kielburger: To my knowledge, looking at the timeline provided to me by my team and staff, the only touchpoint was with ESDC civil servants on March 6 when there was a comprehensive service learning white paper presented as per their request. That was with civil servants.

Mr. Marc Kielburger: That's to the best of our knowledge, of course, under the circumstances.

Mr. James Cumming: Okay. Among the minister's staff members, whom did you communicate with in March and at what date, or can you provide that at a later date?

Mr. Craig Kielburger: I can say with confidence, sir, that we did not, and the senior-most leadership was not in touch with anyone in the government in March. That being said, sir, we will check more broadly in the organization if there were any touchpoints that took place.

Mr. James Cumming: Okay, and in April did either of you or intermediaries communicate with any ministers?

Mr. Craig Kielburger: Yes, sir. I'm happy to speak to that.

On April 7 there was a conversation with Minister Ng. It was a first-time, introductory phone call. It was the first time ever I spoke to her.

On April 9, as per that conversation, I sent her a proposal that we had previously created on youth entrepreneurship. That proposal was also forwarded to Minister Chagger, given that she has the portfolio for youth, and Minister Morneau, given that he is the Minister of Finance and our local MP.

I was in touch also, sir, with Minister Chagger in a phone conversation that took place.... I will get you that date, but it was sometime in the middle of April. It was to brief her on the conversation we had with Minister Ng on social entrepreneurship, not the CSSG, to be clear.

There was one conversation that also took place in April, a phone call from Minister Morneau, on the Sunday, the 25th or 26th. He called me asking a question about.... He said he was doing a series of phone calls checking in with businesses and non-profits on the impact.... And that call took place.... I will happily put this into writing for you, sir.

Mr. James Cumming: In that conversation, you mean to tell me that there was no discussion around the student grant program? There was no discussion about the potential of your being involved with the student grant program?

Mr. Craig Kielburger: Correct. However, sir, I will tell you that I did, during the conversation....

He called me to ask questions about, generally, our view of the non-profit sector and youth. I did raise with him the fact that we had spoken to Minister Ng and submitted a proposal to her on social entrepreneurship, helping youth create small businesses. To be very candid, it was a totally different thing.

Sir, to be very candid, at that point, we weren't very interested in the service proposal. At that point, we were trying to advance our own proposal. That was the one I did raise with him. We did not discuss the CSSG at all.

The Chair: This will be the last question, Mr. Cumming.

Mr. James Cumming: But you did raise that you put a proposal in front of another department, so you did raise that with Minister Morneau. This wasn't just a conversation about what's going on in the industry; there was a specific conversation about a proposal from WE.

Mr. Craig Kielburger: Correct, sir. I would say that of the length of it, it was maybe two minutes; I mentioned it very quickly. But, yes, sir, I proactively did raise with him that we had submitted this to Minister Ng on April 9.

The Chair: Thank you.

Mr. Craig Kielburger: A different proposal, again, I have to underscore. Not an iterative...nothing to do with youth service; purely helping youth create businesses.

The Chair: Okay, that's clear.

Mr. Fortin, I'm giving you back a couple of minutes due to technical difficulties.

Go ahead.

[*Translation*]

Mr. Rhéal Fortin: Thank you, Mr. Chair.

Mr. Kielburger, you said earlier that you hired Margaret Trudeau as a speaker because you considered her to be a mental health expert.

Am I to understand that no other mental health experts were available to take part in your conferences?

[*English*]

Mr. Craig Kielburger: Sir, we have an entire foundation dedicated to mental health. We've created K-to-12 curricular resources on well-being—

[*Translation*]

Mr. Rhéal Fortin: Yes, but Margaret Trudeau—

[*English*]

Mr. Craig Kielburger: She is one of the most famous people [*Technical difficulty—Editor*] who first broke through the issue of mental health in the public domain in Canada.

[*Translation*]

Mr. Rhéal Fortin: Would it be accurate to say that you hired Margaret Trudeau simply because she is Justin Trudeau's mother and former Prime Minister Pierre Elliott Trudeau's ex-wife?

• (1440)

[*English*]

Mr. Craig Kielburger: I would say that those factors may have increased her brand recognition to the general public. But, sir, we hired her as one of the most known mental health advocates, if not the most well-known mental health advocate.

[*Translation*]

Mr. Rhéal Fortin: What is Mrs. Trudeau's educational background?

Academically speaking, what qualifies her to be a mental health speaker?

[*English*]

Mr. Craig Kielburger: Sir, we have a number of individuals with Ph.D.s we contract with, and on our staff, in the mental health—

[*Translation*]

Mr. Rhéal Fortin: I am talking about Margaret Trudeau.

[*English*]

Mr. Craig Kielburger: We were looking to her to be a spokesperson to raise awareness on the subject. We have others who build the curriculum and can—

[*Translation*]

Mr. Rhéal Fortin: What studies qualify her?

[*English*]

Mr. Craig Kielburger: Sir, we—

[*Translation*]

Mr. Rhéal Fortin: What experience, Mr. Kielburger?

[*English*]

Mr. Craig Kielburger: Honestly, with great respect, sir, she has lived a life....

I have lost a sister-in-law from mental health issues. It's a lived experience issue; it's not an academic training issue. She has lived experience. One in five Canadians face this issue. To say that you have to have academic experience to speak on it, sir, with great respect—

[*Translation*]

Mr. Rhéal Fortin: Would you agree that many people in Quebec and Canada have experienced mental health issues or have loved ones who have experienced them?

You invited Margaret Trudeau, however. If her name had been Margaret Fortin, would you have invited her to speak? Would you have given her more than a quarter of a million dollars over the past few years to be a speaker?

[*English*]

The Chair: Okay, we'll let you on in a minute, Craig.

Mr. Fortin, your system is breaking up again.

We did get the question. Gentlemen, you can answer that question and then we will go on to Mr. Morantz.

Mr. Rhéal Fortin: Come on. Is your system breaking up every time I have a question to ask?

The Chair: Mr. Kielburger, go ahead.

Mr. Craig Kielburger: Sir, she is more than someone's mother or someone's wife. She is someone who, in her own right, has spoken extensively on mental health and is a hero to many. We invited her because she speaks on mental health.

We invite individuals, from Gord Downie to Chantal Petitclerc, from Roméo Dallaire to James Orbinski, to inspire a variety of causes.

I understand what you're saying here, sir. Mental health is a cornerstone of our organization, and that is why she was invited.

The Chair: Thank you.

We'll go to Mr. Morantz, followed by Mr. McLeod, and then we'll have a couple of short rounds—

Ms. Annie Kourakis: On a point of order, Mr. Chair, if I may, I believe I'm the next speaker after Mr. Fortin.

The Chair: Sorry about that. You are, Annie. My mistake.

We have Ms. Kourakis, then Mr. Morantz, and we'll close with Mr. McLeod before our break.

Ms. Kourakis.

Ms. Annie Kourakis: Thank you, Mr. Chair.

Thank you, both, for being here today. Thank you for all the good you both have done to help children in Canada and around the world. I think it's amazing that you both started at such a young age to be engaged in such important issues, and I commend you for that.

I know that many of my colleagues have asked about this, but I think I need to ask it one more time to fully understand it myself. Do you remember how many contracts previous federal governments might have awarded to your organization, and what they were for?

Mr. Craig Kielburger: We're happy to seek that information. We have received support from PSPC, from Heritage and from environmental...for our work we've done with youth. There's been a variety, dating back between the current government and previous governments. We have specific dollar amounts, if you'd like, that we're prepared to...or percentages of our budget.

Ms. Annie Kourakis: Thank you for that.

To your knowledge, have federal Conservative MPs, ministers, prime ministers or individuals who are affiliated with the Conservative Party or any other opposition party appeared at WE events and/or hosted WE events?

Mr. Craig Kielburger: Absolutely. To be very candid, we're grateful for their support.

Brian Pallister, a deep supporter of ours in Manitoba, its leader, frequently cheered on young people. We appreciate that Nazanin, Peter MacKay's spouse, has gotten on the stage on some empowerment things with us. We appreciate that, truly. Probably one of the best speeches I ever heard was actually from Mike Lake with his son on autism, as a member of Parliament raising awareness on this incredible issue.

If I may, I would also add the NDP. Rachel Notley, when she was premier, brought a call to action. Wab Kinew, the leader of the NDP in Manitoba, made multiple appearances talking about indigenous issues.

Every time we hold WE Day in a region, the local mayors and the local premiers would be invited to come out, and the local education ministers. Yes, the Prime Minister was invited. As the Prime Minister, he was invited. We also invite the Governor General. We also invite other individuals to join us at these celebrations.

• (1445)

Ms. Annie Kourakis: Do you recall if, during the Harper government time, you were ever hosted at the Prime Minister's residence? Specifically, do you recall being hosted at 24 Sussex back in April 2013 after WE Day in Ottawa? Do you recall who else was there who may currently still be a Conservative MP?

Mr. Craig Kielburger: Oh, wow, you're going back a little bit here. Yes, obviously, we appreciate Mrs. Harper hosting at 24 Sussex, where the WE Day after reception took place. We appreciate that we were joined by a number of government leaders at that time who were Conservative. Forgive me, I wouldn't know off the top of my head who was present.

We appreciate that over the years we've had support from all ranks. Truly, we appreciate that the issue of service isn't a political issue, and we hope, since it shouldn't be a political issue in this country, that every party believes in getting youth to volunteer and serve.

Ms. Annie Kourakis: Finally, and I will give you lots of time....

With your permission, Mr. Chair, I will split my time with the Kielburger brothers, because I think it's very important to make sure that we clarify misconceptions, and the best people to clarify misconceptions are Marc and Craig Kielburger.

What are the worst misconceptions that you would like to perhaps clarify right now? Why would WE agree to take on the risk and lose \$5 million in this exercise?

Mr. Craig Kielburger: I'll start, if it's all right with you, and then I'll hand it over to Marc.

The Chair: You have about a minute and 15 seconds, guys.

Mr. Craig Kielburger: Okay. I'll answer it this way.

WE Charity made absolutely no money, and could never have made any money in any way on this, with the contribution agreement. This was the ask from the government. We did not submit a proactive proposal. Rachel Wernick asked us, and we fulfilled the request that came in. The WE Charity Foundation was to solve a need the government asked us to solve. We were not in financial dire straits, because we made difficult choices.

ME to WE Social Enterprises has been incredibly misrepresented in this process. It exists solely to support the charity with 100% of its profits, every penny going to the charity. The main reason it exists is creating jobs for at-risk women around the world.

The real estate, surprisingly, has exploded as an issue. We use real estate like a science centre or a school. We host young people. We have our own global learning centre. We were retrofitting a series of buildings to create a shared space for youth to launch their own social enterprises and their own youth-led charities. Somehow that's being attacked in the press now, when a few months ago it was being praised.

The list continues, but fundamentally I would say this: We did this to be of service to the government, not for the government to help us. It is incredibly unfortunate, the fallout that has occurred.

The Chair: We will go to Mr. Morantz and we'll do that five-minute round. Then we'll take a seven-minute break and we'll start with Mr. McLeod.

Mr. Morantz, you have five minutes.

Mr. Marty Morantz (Charleswood—St. James—Assiniboia—Headingley, CPC): Thank you, Mr. Chair.

Fellows, which ministers' staff members did either you or your intermediaries communicate with in April? Who, and on what dates?

Mr. Craig Kielburger: I'm happy to speak to that. We'll send you a full list in writing, if that's all right, but I will give you an overview here.

On the seventh, there was a conversation with Amitpal Singh, who is a policy advisor in Finance. Correction: that was actually on the eighth, I believe. We'll need to check that for you, sir. Sofia was contacted, as were 11 other non-profits, asking for the impact information of what was taking place on COVID in the sector. There was a conversation that took place with Michelle Kovacevic on April 9, along with Rachel Wernick.

Sorry, forgive me, the 19th with Rachel Wernick....

We'll put this in writing.

The Chair: If we can get that in writing, Marty....

Mr. Marty Morantz: That would be fine. I have limited time, but I appreciate all your information.

• (1450)

Mr. Craig Kielburger: We'll send that to you in writing, sir.

Mr. Marty Morantz: That would be great, as soon as you possibly can.

Have you or your intermediaries communicated with the Prime Minister's Office since the contribution agreement was cancelled?

Mr. Craig Kielburger: We certainly haven't. To the best of our knowledge, there have been no formal communications.

Mr. Marty Morantz: You are discussing the repayment of the funds, though, so there must be some communications with government.

Mr. Marc Kielburger: That's physically done with ESDC and the civil service at ESDC, sir.

Mr. Marty Morantz: Okay.

Have you deleted any emails, text messages or other written communications regarding all this since March?

Mr. Marc Kielburger: No, sir.

Mr. Marty Morantz: Any in April?

Mr. Craig Kielburger: No.

Mr. Marty Morantz: In May?

Mr. Craig Kielburger: No.

Mr. Marty Morantz: June? Ever? Have you ever deleted any communications?

Mr. Craig Kielburger: Notes from my wife, sir, occasionally when she's—

Mr. Marty Morantz: All right.

Since March 1, have you dialed into the government's conference call line?

Mr. Craig Kielburger: Yes, of course, as part of ESDC contract initiatives, absolutely.

Mr. Marc Kielburger: Yes.

Mr. Marty Morantz: Could you provide details of when that call took place?

Mr. Craig Kielburger: Not on the spot, but we're happy to do that.

Mr. Marc Kielburger: We had many conversations with ESDC during that time, dozens of phone calls, sir, with ESDC on the government's—

Mr. Marty Morantz: That's great. Any Zoom calls? Did you use any other conferencing technology with any MP, minister or ministerial staff member since March 1?

Mr. Craig Kielburger: I can speak with relative certainty that the only thing we could have used was a Teams bridge or a phone call bridge. But to the best of my knowledge, no Zoom or other...BlueJeans, etc.

Mr. Marty Morantz: Did you keep recordings of either of those phone calls or those video calls?

Mr. Craig Kielburger: No, we didn't. That's not standard practice with us.

Mr. Marty Morantz: Do you have direct email, cell, instant communication contact with Prime Minister Trudeau or Finance Minister Morneau?

Mr. Craig Kielburger: We do not have an email or phone number for the Prime Minister, and never have. We do have a cellphone for.... We must, because we had the trip information, so we have to have all the information for Morneau in our database: email, phone, emergency phone, as part of hosting.

Mr. Marty Morantz: On Sunday, July 12, you started to lay off 450 people whom you'd hire to deliver the Canada student service grant. On what date did you begin the process to hire these people?

Mr. Marc Kielburger: Sir, that information is actually not correct, in terms of the number of layoffs. At that point, from our understanding, the charity laid off 283 people, of whom we still had [Inaudible—Editor] on the team. We'll get you that exact information, but that's not a correct statement, sir.

Mr. Marty Morantz: Did you hire those 450 people before the—

Mr. Marc Kielburger: Actually, I have it; I apologize. Just to be very clear, we had 390 employees and, just with the difficult decisions we had to make with the pandemic—

Mr. Craig Kielburger: Sorry, I think it was—

Mr. Marty Morantz: No, I'm talking about hirings related to the agreement.

Mr. Marc Kielburger: My apologies—

Mr. Craig Kielburger: We will give you the numbers of who—

Mr. Marty Morantz: But when did you start to hire those people in order to execute on the yet-unsigned contribution agreement?

Mr. Craig Kielburger: We started reaching out, prior to its being signed, to ask if people were available pretty quickly because we had to know if we had enough staff.

Mr. Marty Morantz: Did you hire anyone, though, before it was signed?

Mr. Craig Kielburger: We probably did, yes. Then we would have—

The Chair: This is your last question, Mr. Morantz.

Mr. Marty Morantz: Could you let us know how many people you hired before the agreement was signed?

Mr. Craig Kielburger: We can get that to you.

Mr. Marty Morantz: Thank you.

The Chair: Thank you, all.

I'll just give you the lineup.

Marc and Craig, you can take a break while I go through the list here. We'll come back at 4:01.

The lineup for questions will be this: Mr. McLeod first, Mr. Fortin next, only for two and a half minutes.... Can somebody check his technology to make sure it's going to work? I believe Mr. Julian is on for the final two and a half minutes. Then we have five-minute rounds: Mr. Poilievre, Mr. Sorbara, Mr. Barrett and Ms. Dzerowicz.

That's the lineup when we come back. We'll be back at 4:01.

The Clerk: No, it's 3:01.

Ms. Julie Dzerowicz: It's 3:01 Ottawa time.

The Chair: Yes, I'm looking at my clock. I'm ahead of you guys by an hour. It's 3:01 Ottawa time. We'll suspend until then.

Thank you.

The meeting is suspended.

- (1450) _____ (Pause) _____
- (1502)

The Chair: We will reconvene. I'll recall the meeting to order, and hopefully Marc and Craig will appear there shortly.

While we're waiting for them, I'll just give people an update: Mr. McLeod will be up first for five minutes, then Mr. Fortin for two and a half, Mr. Julian for two and a half, Mr. Poilievre for five, Mr. Sorbara for five.

Do you have a way of contacting the Kielburgers there? Maybe they took my time, 4:01. Oh, there they are.

Good, gentlemen. Just to give you a heads-up, the interpreters are still having a little difficulty with your mike, especially for Craig, so maybe keep it a little closer, if you could. It's coming through a little soft.

Mr. McLeod, you're in an earlier part of the country. You and Mr. Julian are in a different, earlier time zone. We'll go with you for five minutes.

Mr. Michael McLeod (Northwest Territories, Lib.): Thank you, Mr. Chair.

I want to say thank you to the presenters. Four hours is a long time to be sitting and answering questions, and we appreciate your coming forward. We're hearing a lot of information, so I appreciate that.

As an MP, I represent the Northwest Territories, and I have to admit that we have a limited presence in the north with WE Charity. It's certainly a complex organization, and it has become very apparent that it's supported by all parties, and all parties have people who have participated with WE. There's been a lot of media attention on your organization paying for high-profile individuals to travel on WE trips to other countries, such as in Africa, to see the impact of WE's global projects.

You said in a statement a few days ago that WE has invited several people—ambassadors and other people—to participate in these trips, and this is something that many international charities and humanitarian agencies do. They operate in a similar manner.

Could you tell us if WE Charity has taken Conservative or other parties, whether it be Conservative or NDP politicians, in the past to go on some of these trips? That's my first question.

- (1505)

Mr. Craig Kielburger: Yes, sir, we appreciate that service is not a political issue—hopefully it's not a political issue—and that many politicians have joined us in service. Scott Moe—and I say this not to get him into any trouble, in fact the exact opposite, but I know he's getting some flak for this, which is unfortunate—came and worked like crazy over the winter break, helped to build, to teach, to serve with his wife, and that's how he chose to help build at our college. He chose to teach at our college in Kenya. He was helping out at our medical projects that we have there.

People like Charlie Angus, for example, his own children have joined us in the past, in Nicaragua. We appreciate, sir, that their commitment has been.... It's not a political issue when someone's children join us, and they've helped to build and teach and serve. We welcome people from all walks of life, who benefit through doing this type of service projects that we're able to provide.

Mr. Michael McLeod: I was quite impressed when I looked at your organization, and it's very complex. It has many parts to it, many different subsidiaries. It also has many partnerships. The one that came to the forefront for me, as an indigenous person, was the aboriginal education initiative and the We Stand Together campaign, promoting indigenous history in the classrooms and creating awareness of first nations, Inuit and Métis realities facing our communities. It's something I talk about on a non-stop basis. It is very important to me.

I was very impressed with the number of people who come to your organization and speak on these initiatives. Could you maybe clarify it for me, when people come and do a cross-Canada speaking tour—I'm taking that not to be a WE Day but an auxiliary event that you spoke about—and they do get compensated, or their expenses get compensated? I think it's important that we separate the WE Day engagements from the auxiliary events, so people can understand that.

Mr. Craig Kielburger: Absolutely, sir, and thank you for raising that.

Our global work has been well documented: 1,500 schools and classrooms around the world, clean water, medical for about a million people that we've been able to establish around the world.

Not as well known sometimes is our domestic work. I think that's sometimes misunderstood. For example, Sacred Circle is a program that we've now run for over a decade. It was actually Shawn Atleo who was the person who helped us to frame it. It's a leadership training program for indigenous youth, most often in fly-in communities in Canada, to help young people be social entrepreneurs, to identify a problem in their own communities and then to be the heroes of their problem and help to solve that issue.

Likewise, WE Stand Together, sir, which you identified, is an educational program run in Canadian schools to teach non-indigenous students to better understand the past, present and future of indigenous students in Canada. In fact, part of what we have been doing in Canada has been trying to build these various systems to help young entrepreneurs in Canada.

It's something that has been, unfortunately, misunderstood. In Toronto, we've established a series of buildings to retrofit to create free space to welcome young entrepreneurs to set up their own charities with their own social enterprises. Unfortunately, because of COVID-19, it's on pause. These are the types of innovative projects that, in Canada, we try to do to serve youth.

You're right, sir, that our operation is complex, because, in our hearts, we're entrepreneurs. We create new systems. We want to build to create.

Mr. Marc Kielburger: Yes, and we also started when we were kids. Craig was 12. I was 17. It's kind of like building a house. You have a small little house and you add a wing, then you add a sky-

light and then you add a little makeshift swimming pool for your kids.

Yes, we recognize that we do have a complex organization. That's why we're bringing in Korn Ferry to help us. This wasn't done out of malice or anything like that. It was just done as—

Mr. Craig Kielburger: I think five years—

Mr. Michael McLeod: Okay, I'll stop you there because I want to get clarification on a couple of things.

The Chair: You have one quick question there, Michael.

Mr. Michael McLeod: Okay.

Michelle Douglas appeared just before you. She's a former chair of the board, as you know. She stated that she didn't know speakers received fees for speaking at WE events. Why would she not know that?

Mr. Craig Kielburger: Thank you for asking, sir.

So, we actually.... Again, allow me to reiterate this very important point.

We believe that, in speaking on the WE Day stage, it is an honour and a privilege to address 10,000 or 20,000 young people at a time to share your story. It's typically two, three, four or five minutes max on the stage, and it's not a hard thing to get people who want to speak in front of 20,000. The challenge or difficulty is having someone come into a city to do multiple educator events, multiple breakfasts, fundraisers, cocktail parties, evening events and gala events.

Just like other charities, we engage through a speaking bureau with the proper processes in place, someone to help us find the talent to engage in those types of activities. We don't do telemarketing. We don't do street canvassing. We don't do mass mailing. We don't do fundraising of that nature, but bringing in these type of educational speakers to events allows us to bring partners and sponsors to the table. This is part of our model, and it works really well.

To clarify, again, this is not just to get up on the stage on WE Day, as per Ms. Douglas's comments. This is for a different purpose; it supports the organization's mission.

• (1510)

The Chair: Okay. Thank you for that.

I'm just going to ask for a point of clarification, if I could.

What you're saying, then, is that the individual is not really paid for the WE Day event. They're paid for the other events auxiliary to that. Is that correct?

Mr. Marc Kielburger: Yes, sir.

The contract is, of course, with WE Day. It's the easiest way to make the contract, but the purpose of their compensation is for them to come and help us with the auxiliary events, because that's less exciting, and lots of days. That's the understanding that we had with these individuals, sir.

The Chair: Thank you.

Mr. Fortin, hopefully your Internet is working this time. The floor is yours for two and a half minutes. We're into those rounds again.

[*Translation*]

Mr. Rhéal Fortin: Thank you, Mr. Chair.

Mr. Kielburger, I apologize to you too for the inconveniences of technology. I will pick up where I left off.

Mr. Chair, you are signalling to me. Can you hear me?

[*English*]

The Chair: No, you're coming through in both languages at the same time.

Are you on the French?

Mr. Rhéal Fortin: Oh, no, I'm not. Okay.

The Chair: Okay, start over.

[*Translation*]

Mr. Rhéal Fortin: I am sorry, Mr. Chair. From now on I will be on the French channel.

Mr. Kielburger, you hired Margaret Sinclair Trudeau because she is former Prime Minister Pierre Elliot Trudeau's ex-wife and Prime Minister Justin Trudeau's mother. You hired the current Prime Minister's brother, Alexandre Trudeau, and the Prime Minister's wife, Sophie Grégoire Trudeau, all for speaking engagements.

Mr. Morneau and his wife went on vacation with you. Their daughters work for you. There are all these connections. As a matter of fact, you yourself said earlier that, while delivering a speech, you mistakenly mentioned that you had spoken with the Prime Minister's Office.

I sense that you have a very close relationship with the Trudeau family and the Morneau family. Do you acknowledge that you have very close ties with the Trudeau family and the Morneau family?

[*English*]

Mr. Craig Kielburger: Sir, I will answer the question this way. I've never seen the Prime Minister or Sophie Grégoire Trudeau in a social setting. Neither of us have. We have never had a meal with them. We've never socialized with them, ever. So it depends what your definition of "close" is.

We have welcomed Sophie Grégoire Trudeau to be the ambassador for our mental health programs, and she has been extraordinary in raising awareness. We have welcomed Margaret Trudeau, because she is a mental health advocate.

In the case of the Morneau family, the McCain-Morneau family are a very generous philanthropists. We've hosted them on humanitarian trips. All of this is in furtherance to the cause.

Sir, again, what we're doing here is fulfilling the purpose of our charity, and that is different from a personal relationship.

[*Translation*]

Mr. Rhéal Fortin: I am not criticizing that, Mr. Kielburger.

I understand that very well and, if I had been in your position, I might have done the same. On one point, though, we probably would not have done the same.

Now that we have said all that, how can you explain that neither yourself nor the person responsible for government relations at WE Charity ever registered in the Registry of Lobbyists, although you have these connections? We are talking about hundreds of thousands of dollars in contracts you receive from the government. The latest contract we are talking about these days was to allow you to manage a total of close to \$900 million or more. You were paid about \$43 million to do it.

Considering that the relationship was that close, why didn't you ever think of registering as a lobbyist?

[*English*]

The Chair: Mr. Fortin, I don't know what is wrong with your Internet system, but it is down again. It isn't your mike. I understand that it's the Internet system.

Did you pick up enough of that question, either Marc or Craig, to answer? Perhaps you could answer that, and then we'll go to Mr. Julian.

● (1515)

Mr. Craig Kielburger: Yes. Allow us to answer your question, sir.

First, and I say this with great respect, Margaret Trudeau is more than someone's mother. Sophie Grégoire Trudeau is more than someone's wife. We live and we engage with individuals on the merit that they also bring themselves, as individuals, to these important causes. I feel that I need to correct the record on that, sir.

To the heart of your question, why we didn't register, it's because, based on our understanding of the time definition involved, in the vast majority of these cases—what we're describing, in fact everything until last month, or two months ago I should say—this was a minimal amount of time to fill out a government application for a grant. We recognize that when we were approached by ESDC in the month of April the amount of time increased. Frankly, we're working with our team to determine whether that should have triggered us to register.

We're happy to look into that question, sir, for the month of April, when the government proactively approached us. Honestly, sir, we didn't think at that point that something was necessary, because they were calling us to be helpful to them. We're looking into the matter. We're happy to look further into the matter.

[*Translation*]

Mr. Rhéal Fortin: You thought—

[English]

The Chair: Thank you.

I'm sorry, Mr. Fortin. We're well over time.

[Translation]

Mr. Rhéal Fortin: [Inaudible]

[English]

The Chair: Mr. Fortin, you are breaking up. We can't hear you, and you're over time.

Mr. Julian—

[Translation]

Mr. Rhéal Fortin: Point of order, Mr. Chair.

[English]

The Chair: Mr. Julian, the floor is yours.

[Translation]

Mr. Rhéal Fortin: Mr. Chair, point of order.

[English]

The Chair: What's your point of order?

[Translation]

Mr. Rhéal Fortin: Mr. Chair, point of order.

[English]

The Chair: I'm listening. What's your point of order?

[Translation]

Mr. Rhéal Fortin: I am raising a point of order for the following reason.

I am using the device that Parliament provided to me. I have the microphone, the device and all of Parliament's equipment. The IT service called me to try to help and I was not successful.

Mr. Chair, if I cannot do my job as a member of Parliament because Parliament's devices are out of order, my privileges as a member of Parliament are being curtailed. I call upon your wisdom to make a decision and resolve this matter so that, once and for all, members who participate in committee meetings are provided with all the equipment they need to be heard properly. Otherwise, our job as parliamentarians is at stake. This is a very critical period; being unable to question the Kielburger brothers properly is unacceptable to me.

It will be Mr. Trudeau's turn on Thursday and I have a feeling that the same thing will happen. It is my privilege, the privilege of all my colleagues, the other 337 members of the House of Commons, to be heard. We have the right to be heard on this committee and the witnesses must answer our questions.

Mr. Chair, I would therefore ask that you step in to ensure that we are provided with adequate equipment.

[English]

The Chair: Thank you, Mr. Fortin.

We will have IT look into that. I understand that it isn't the mike or the equipment. It may be the Internet. You are right; you need to

be able to participate fully in the hearings, and we will have somebody look into it.

[Translation]

Mr. Rhéal Fortin: Thank you, Mr. Chair.

[English]

The Chair: Mr. Julian, the floor is yours.

Mr. Peter Julian (New Westminster—Burnaby, NDP): Thank you, Mr. Chair.

Thanks to both of you for being available for four hours. We have a lot of questions, and we're seeking answers.

My first question is just to clarify previous answers. Is it true that no payments on expenses and no speaker fees were paid to any member of the Trudeau family prior to the Prime Minister's election in November 2015?

Mr. Marc Kielburger: Sir, there was one payment, and we disclosed this, prior to Mr. Trudeau being in public life, to Sophie Trudeau, who came to speak at one of our WE Days in Montreal, I believe. The payments range, from our understanding, between \$1,400 and \$1,500. Let's go with \$1,500, just to be safe. But that was many years ago, sir.

Mr. Craig Kielburger: There have been no subsequent payments to Ms. Grégoire Trudeau.

Mr. Peter Julian: Thank you for that. You'll be providing full information, so we look forward to comparing the period prior to the Prime Minister's election with the period after the Prime Minister's election.

I want to come back to the important point you made about the WE Charity Foundation and limited liability. Of course, in a program like this, there are considerable liability issues, as you've mentioned. In the event of a significant lawsuit, if the foundation were basically invested with the liability and didn't have assets, that would substantially increase the risk to the federal government.

Did you clearly communicate to ESDC, through the process of signing the contract on June 23, that the WE Charity Foundation had no assets and would not be able to sustain any significant liability issues?

• (1520)

Mr. Marc Kielburger: Here's the good news, sir. We were very clear, and it was also in the contract, if I'm not mistaken, that we had tens of millions of dollars of insurance, which we added as [Inaudible—Editor] to the foundation to ensure that this whole initiative was protected. Of course, in the case of liability, the government, specifically the program, and the taxpayers were well protected. We took that issue very seriously, sir.

Mr. Peter Julian: That wasn't my question. My question was this: Were you very clear in communicating to ESDC that the contract was being signed with the WE Charity Foundation, a foundation that had no assets?

Mr. Marc Kielburger: Sir, we didn't have a specific conversation about the amount of assets, but ESDC was clear that this was with the WE Charity Foundation specifically to help limit liability.

Mr. Craig Kielburger: On the first page in the contract—I'm sure you've seen it—it is in big, bold letters, sir. It was a thoughtful conversation that we had multiple times with ESDC on this matter.

Mr. Peter Julian: But at no point did ESDC or any ministers raise the fact that the assets of the other associated companies and the charity were actually elsewhere, and that the WE Charity Foundation had no assets. Is that a fair indication of what was discussed with the federal civil servants and the ministers?

Mr. Craig Kielburger: As discussed with the federal civil service and as written into the contract in section 22, there was insurance to mitigate the very concern you've expressed.

Mr. Peter Julian: On the issue of liability and the teachers' incentive, you did mention you got a lot of liability advice. We have, of course, heard from witnesses that the teachers' incentive could also provoke liability issues around other issues, such as privacy. What advice did you get on the issue of liability and the teachers' incentive that was part of the overall offer?

Mr. Marc Kielburger: Sir, can you clarify the teachers' incentive? We are unclear about your statement.

Mr. Peter Julian: There were potential payments made to teachers who recruited students to the program.

Mr. Marc Kielburger: We're very glad you asked that question, because that's another misconception.

Mr. Craig Kielburger: Yes, sir, I appreciate that. There were no payments for recruiting students. That was an inaccuracy reported in the press and shared, unfortunately, by certain individuals.

The program structure was such that.... During the pandemic, non-profits were reeling, and many of them didn't have the in-house staff to manage and supervise the volunteers. ESDC asked WE Charity to personally ensure that it would hire staff—these teachers you referred to—to directly supervise up to 20,000 young people for their service work with various non-profits. These teachers were not.... They could make it available, of course, to their students, but they were specifically hired, just like summer teachers over the course of the summer months, to work directly with a cohort of students to support them, match them, coach them, check in and verify their service. It was a very active, involved role that they played, because we didn't want this to be a burdensome program on the non-profits to have to accept these young volunteers.

The Chair: We've got to go back to Mr. Julian.

We're considerably over time, Mr. Julian, but we'll go with one more question.

Mr. Peter Julian: I'm concerned that you're not answering our questions. You're answering other questions, but not answering this one.

Mr. Craig Kielburger: Please ask it again.

Mr. Peter Julian: What would the issue of liability mean to this overall program? The risk to the federal government obviously was considerable. It doesn't appear there was real discussion beyond the issue of some insurance, but that doesn't cover overall liability. Was there any discussion with ESDC around the liability contained within the overall program, whether you call it a teachers' incentive or teachers' supervisory grant or whatever, and what advice did you get from your lawyers on setting up this program?

Mr. Marc Kielburger: Absolutely, sir. The conversation with ESDC was about liability. ESDC was asking us to take on the liability. That was the concern with ESDC and the Government of Canada, that the liability for the first 40,000 young people would rest solely with WE Charity. Under those circumstances we explained that we were very concerned about the circumstances of having 40,000 young people volunteering during a pandemic, and our assuming full liability for that. We explained that we had a different structure and that we needed to have the liability and, of course, the corresponding insurance in that structure in case something went wrong. That was the conversation we had.

• (1525)

Mr. Peter Julian: Then that's why you chose the shell company structure?

Mr. Marc Kielburger: Sir, it's not a shell company. I want to stress again that that is an inaccurate statement. The foundation is a registered charity, so characterizing it, sir, with great respect, as a shell company is not right.

The Chair: We are going to end it there, considerably over time, but that was Mr. Julian's first time.

Because people asked me this, again, the lineup will be, first Mr. Poilievre for five minutes, then Mr. Sorbara, then Mr. Barrett and then Ms. Dzerowicz.

Mr. Poilievre.

Hon. Pierre Poilievre: Yes or no, have you or any of your intermediaries communicated with the Prime Minister's Office since the contribution agreement was cancelled?

Mr. Craig Kielburger: We have not, and to our knowledge they have not.

Hon. Pierre Poilievre: You have had no intermediary who has communicated with the Prime Minister's Office since the cancellation of the contribution agreement?

Mr. Craig Kielburger: You're asking "to our knowledge" and, no, to our knowledge we've answered the question; we have not.

Hon. Pierre Poilievre: You're under oath.

Mr. Craig Kielburger: Sir, I'm very much aware of that.

Hon. Pierre Poilievre: Did you have any direct email, cellphone or instant communications with any minister after March 1?

Mr. Craig Kielburger: Any minister after March 1...direct communication? Yes, sir—

Hon. Pierre Poilievre: I said email, cellphone, instant communication, or other electronic communication?

Mr. Craig Kielburger: Yes, with three ministers, sir.

Hon. Pierre Poilievre: Name them, please.

Mr. Craig Kielburger: Minister Ng, Minister Chagger and Minister Morneau.

Hon. Pierre Poilievre: Do you commit to sharing those conversations with the committee?

Mr. Craig Kielburger: Yes, sir.

Hon. Pierre Poilievre: Have you had any similar electronic communication with staff members from ministers' offices?

Mr. Craig Kielburger: Yes, we're happy to provide that also, sir.

Hon. Pierre Poilievre: You began incurring eligible expenses on March 5. Who told you that you would be eligible for expense reimbursement on March 5, given that the contribution agreement would not be signed for more than a month?

Mr. Marc Kielburger: Sir, when we did the contract negotiations with ESDC, we mutually agreed that March 5 would be the start date.

Hon. Pierre Poilievre: When did you agree to that?

Mr. Marc Kielburger: We'd have to get you the exact date, sir, but it was part of the contract negotiation period. During that time we—

Hon. Pierre Poilievre: “Contract negotiation”—so there was a contract.

The Chair: Mr. Poilievre, please allow the gentleman to answer the questions. We've got ample time, so if we've got to go over a little in your round, we will.

Marc, go ahead.

Mr. Marc Kielburger: Mr. Chair, thank you.

We were working diligently through that period, and ESDC was aware that we were working diligently through that period. ESDC suggested that this date, the date you mentioned, to be very specific about “that date”—

Hon. Pierre Poilievre: When did they suggest that?

Mr. Marc Kielburger: We'd have to go back to our records, sir, but we were all working in coordination throughout that entire period, sir.

Hon. Pierre Poilievre: Was it before the 5th of May?

Mr. Marc Kielburger: I'll have to check my records, sir.

Hon. Pierre Poilievre: Okay. Did anyone else other than ESDC suggest to you that you could begin incurring eligible expenses?

Mr. Craig Kielburger: No, sir.

Hon. Pierre Poilievre: Did either you or any of your intermediaries communicate with anyone in the office of Bill Morneau after March 1?

Mr. Craig Kielburger: Yes.

Hon. Pierre Poilievre: Who?

Mr. Craig Kielburger: Oh, well—

Hon. Pierre Poilievre: The office, I mean his staff now?

Mr. Craig Kielburger: Yes, there were multiple touchpoints on two matters. One was Amitpal Singh on April 7.

Hon. Pierre Poilievre: Good—Mr. Singh.

Mr. Craig Kielburger: Amit Singh reached out to have a conversation with Sofia Marquez and 11 other non-profits. There were a number of touchpoints. We can get you all the touchpoints with Amit Singh. So those conversations took place. Then, also with Ms. Michelle Kovacevic—

Hon. Pierre Poilievre: She's not in his office; she's in the department.

Mr. Craig Kielburger: Okay. Sorry, sir.

We would also have had conversations, subsequent to the termination, with the office of Mr. Morneau, or the family office—we need to look into that, whether it was with family office or whomever—on the payment related to the trip of the McCain and Morneau families.

Hon. Pierre Poilievre: Right.

Did you ever have contact with Katie Telford?

• (1530)

Mr. Craig Kielburger: No.

Hon. Pierre Poilievre: Or your emissaries, your intermediaries? No one in your organization did?

Mr. Craig Kielburger: Not to my knowledge.

Mr. Marc Kielburger: Not to our knowledge.

Hon. Pierre Poilievre: Ben Chin?

Mr. Marc Kielburger: Not to our knowledge.

Mr. Craig Kielburger: Not to our knowledge. I met him, before all this, once, but no.

Hon. Pierre Poilievre: The chief of staff of Ms. Chagger?

Mr. Craig Kielburger: Yes, subsequent to this....

Would you repeat the question. What is the time frame?

Hon. Pierre Poilievre: Since March 1.

Mr. Craig Kielburger: Yes.

Hon. Pierre Poilievre: Elder Marques?

Mr. Craig Kielburger: I don't know who that is.

Mr. Marc Kielburger: No.

Hon. Pierre Poilievre: He's in the office of the Minister of Finance.

Mr. Craig Kielburger: No, we did not have conversations with him.

Hon. Pierre Poilievre: All right.

Justin Trudeau appeared in a “WE are Canada” video. Did he come to a studio to pose so that the cameras could circle him and beam those very impressive light, high-tech images on his forehead and across his body?

Mr. Craig Kielburger: Sir, what you're referring to are 10 videos that took place with 10 distinct individuals in a 50-portraits individual series, of which—

Hon. Pierre Poilievre: Right. Did he come to a studio?

The Chair: We will allow the Kielburgers to answer the question without interruption, if we could.

Then, we'll go to one final question, Mr. Poilievre.

Mr. Craig Kielburger: Sir, I do very much appreciate your raising this because I think it's been strongly misunderstood in the press, that WE organized—

Hon. Pierre Poilievre: Yes. Did he go to a studio?

The Chair: They'll answer the question, and then you'll get your question, Pierre.

Mr. Craig Kielburger: Sir, as part of Canada 150, there were curricular resources put together that included a 50-portrait series of volunteers across the country in service—

Hon. Pierre Poilievre: Right.

Mr. Craig Kielburger: —and 10 individuals who engaged in various forms of service.

Being members of Parliament, sir, we believe is service, so we included the Prime Minister for one of 10 videos of other individuals who were involved. Whether it was done in a studio, I'll have to look into that question and let you know.

Mr. Marc Kielburger: We're not aware, sir.

The Chair: Last question.

Hon. Pierre Poilievre: The 10 portraits that were part of this program were all part of the Heritage Canada funded grant that you received, the \$1.18 million.

Mr. Marc Kielburger: We're not sure if the video specifically, itself, was part of that initiative. Part of the overall initiative was not only for the Canada 150 educational initiatives, but also for the WE Day itself that we had on Parliament Hill on July 2. We would have to look into that.

The Chair: Thank you, all.

We'll turn to Mr. Sorbara.

Hon. Pierre Poilievre: I have a point of order, Mr. Chair.

The Chair: What's your point of order?

Hon. Pierre Poilievre: I just want to confirm that I've understood the response from the Kielburgers on the point of whether or not the \$1.18 million Heritage Canada grant was used in part to finance this advertisement. They said they pledged to look into it. That's nice. Will they give us the answer, in writing?

The Chair: I don't believe that's a point of order, but we will allow an additional answer. If they have to provide further information, they will.

Could you restate your answer, gentlemen?

Mr. Craig Kielburger: Indeed, sir.

We had both government funds provided and also had, for Canada 150, a number of not-for-profit and corporate sponsors.

To answer your question, we'd have to look at this component, the 10-part video series, of the 50 portraits as to where the specific funding came for it. We'll have to look into that question and get back to you.

Hon. Pierre Poilievre: Thank you.

The Chair: Thank you.

Mr. Sorbara, followed by Mr. Barrett.

Francesco, five minutes.

Mr. Francesco Sorbara (Vaughan—Woodbridge, Lib.): Thank you, Chair. Thank you, Wayne.

Good afternoon, everyone.

I have a couple of questions for clarification. If you could be quick in your answers, I would appreciate that. That's to the Kielburgers.

First thing, you mentioned with regard to payments to speakers that there was a discrepancy between not paying people or not having the usual practice of paying people at WE Day events and paying people or individuals at auxiliary events. Can you list the folks and how much they were paid for these auxiliary events?

Mr. Marc Kielburger: Sir, once again, these speakers, yes, were invited to come to WE Day and the contracts often would, of course, reference WE Day, but it was the auxiliary events, as we shared, specifically where we needed the support, where we needed the help, and people participated, as we shared with you.

We've been warned that the speaker contracts we have are confidential, so we just have to look into that issue with our lawyers.

Mr. Craig Kielburger: Sir, to be very clear, we're not trying to hold anything back, but we do want to respect the privacy of individuals whom we may not, frankly, want to drag into what has become a highly political conversation, which is very unfortunate.

Mr. Francesco Sorbara: I would say it's a very important conversation.

My second question is this. I've read through the funding agreement between the WE Charity Foundation and the Prime Minister's Office. In the \$500-million program, all funds were going directly to, or were supposed to be going to, 40,000 students across this country. Correct?

• (1535)

Mr. Marc Kielburger: Actually, that's incorrect, sir. It was for up to 100,000 young people, or specifically 100,000 young people, and the program itself was up to \$543 million, depending on the number of volunteer hours of service.

Our assumption, based on the models we did, sir, was that this would be closer to \$200 million to \$300 million, based on the number of volunteer hours.

Mr. Francesco Sorbara: Okay: so it would have been 100,000 students receiving approximately \$3,000 or \$4,000 each for volunteer hours across this country. Correct?

Mr. Marc Kielburger: Correct.

Mr. Francesco Sorbara: The WE Charity Foundation was to have made zero dollars from administering this program. Correct?

Mr. Marc Kielburger: Correct. This was all done as part of an expense reimbursement initiative. That's how the contract was set up, sir. It's all about eligible expenses. All of the dollars specifically for this program needed to be used for the program. Anything else would be returned back to the Government of Canada, sir.

Mr. Francesco Sorbara: Okay.

There's been a lot of ink spilled on this in looking at the corporate entities. Look, I sat on the User Advisory Committee on the Accounting Standards Board for a number of years in my private life, before entering public life, which I have the privilege of doing now. I've looked at thousands of financial statements on a quarterly or annual basis in understanding organizations and how they're structured.

When you entered into this contract with the pertinent federal agency, in terms of the advice you received, both in-house and outside, it was advised to you that you needed to structure your corporation or entity to run this program in a certain manner. Is that not correct?

Mr. Marc Kielburger: Sir, correct. We had already the WE Charity Foundation. The specific role was to help us limit liability. We were given professional advice, based on the specific and very significant request from the Government of Canada to ensure that we were assuming full liability for the first 40,000 young people who were volunteering during a pandemic. We needed to help insulate liability because of that situation, sir.

Mr. Francesco Sorbara: Okay.

I've read the sections in terms of indemnification in terms of insurance, so I understand what the insurance was purchased for, the reasons for, and that you folks were strictly running this program, on basically a zero-earn basis, to have 100,000 young people across this country, at this most extraordinary period of time, not only in Canada's history but in the world's history, benefiting from this program. That was the intent of the program.

Mr. Marc Kielburger: That's correct, sir.

Unfortunately, based on the situation with some of the politics and some of the inaccurate representations, this has been mischaracterized. We really simply wanted to help kids. We didn't come asking for this initiative. This initiative was requested of us. We're gutted to see the situation and the circumstances.

We simply wanted to help, sir. We were asked to help. As Canadians who care deeply about these issues, we put up our hand.

Mr. Francesco Sorbara: You do have a track record. I need to point that out. I'm not here to ask favourable or unfavourable questions, but I do want to get some clarifications.

In the media, it has been reported, or from sources it's been reported out there, that with regard to the data you folks collect.... You know, you have thousands of kids registering, thousands of youth registering; very well-intentioned.

That data has never been shared. There are walls in investment banking or in the financial world. There are walls between different sectors and different groups. That data has never been shared to a political or corporate entity. Is that correct?

Mr. Craig Kielburger: Sir, indeed. Vivian Krause, I know, made that allegation.

Frankly, this is just one of multiple allegations that we, frankly, wanted to come here to properly address and correct, because what we've seen in the press that, without sourcing or fact-checking, has been published; what we've seen on social media online; and what we've heard from individuals on this and other matters—it's simply false.

So we appreciate your kindness in saying that we have a 25-year record, and we hope that will be judged in that context, past the 25 days, also.

The Chair: You have time for a very short question, Francesco.

Mr. Francesco Sorbara: I just want to remind everyone that the two gentlemen who are here with us for four hours today are under oath. I wanted to make sure they answered those questions very clearly and got that on the record.

I thank them for that, Chair, and I'm finished with my questions.

Thank you, sir, and thank you, gentlemen.

The Chair: Okay.

I believe, Marc, you had an additional answer there, did you?

Mr. Marc Kielburger: Sir, I was just going to add that our mother is 80 years old and a retired schoolteacher. She often says to us, "Don't believe everything you read on Twitter."

Some hon. members: Oh, oh!

Mr. Marc Kielburger: I wish Madam Krause and others also shared some of that advice, but we're doing our best—

Mr. Francesco Sorbara: Chair, if I can just finish off my 10 seconds, I understand the Kielburgers are from the Thornhill part of York region, which is a neighbouring...next to my riding, I believe, in another MP's riding.

Thank you.

The Chair: I think you're out of time, Mr. Sorbara.

We're moving on to Mr. Barrett, and then Ms. Dzerowicz.

Mr. Michael Barrett: Your organization began working on the program weeks before the official announcement, and before it was even approved by cabinet. Yesterday, the Toronto Star said that you began incurring eligible expenses on May 5. It seems pretty risky. What grounds did you have to do this? What assurances did you have from the Government of Canada about spending money before the program was approved?

• (1540)

Mr. Marc Kielburger: Sir, we really wanted to help. We understood that the circumstances necessitated us to put up our hand as quickly as possible.

The dates of the program launch shifted many times. This was originally supposed to be early June, and then, of course, it ended up being the end of June. We were given no formal assurances, so we took the risk itself, because, simply, sir, we wanted to be ready for helping the students.

Mr. Craig Kielburger: That, and we run a charity; this is what we do. Our whole mission for 25 years has been service to young people, so we were willing to take this risk in service to young people.

Mr. Michael Barrett: Right.

A few times, you've said that the government reached out to you. Ms. Kovacevic testified and said this:

The next day, April 20, my minister's office connected with WE Charity to discuss their ability to deliver volunteer opportunities. The records of this call from my minister's office note that WE Charity will rework their 10-week summer program proposal to fully meet the policy objective of national service, and increase their current placements of 8,000 to double.

So it sounds like there was a proposal made and the government reworked that with you. It wasn't that they proactively reached out to you. You, in fact, initiated first contact with the government.

Mr. Craig Kielburger: I'm glad you asked this. Thank you.

Mr. Michael Barrett: You're welcome.

Mr. Craig Kielburger: We had a proposal of social entrepreneurship. The target audience was youth out of school. It was going to be a year-long program. It was linking them with corporate Canada to be mentors, and the purpose was to help them launch businesses. In short, this had nothing—in any similar manner, besides the fact that it was youth—to do with the CSSG.

Mr. Marc Kielburger: And the monetary amounts...?

Mr. Craig Kielburger: Oh, it was between \$8 million and \$14 million, in total, for the full 12 months.

So this was a very.... This was not an iterative approach; it was not an evolutionary approach. These were two completely separate proposals.

Mr. Michael Barrett: How many variations of those proposals did you submit to the government? How many variations of any proposal did you submit to the government after March 1 this year?

Mr. Craig Kielburger: We submitted one on youth employment, that youth entrepreneurship one. There were no iterations on it. Sadly, it did not go anywhere.

We submitted one on the early ask, the one that Rachel Wernick asked us to submit. She asked me on the 19th; we submitted that on the 22nd. Then, we worked with ESDC through multiple iterations. They weren't proposed; there were no formal submissions, just multiple iterations.

Mr. Michael Barrett: Would you be prepared to provide those proposals to the committee?

Mr. Craig Kielburger: [Inaudible—Editor]. It will clear up a lot of questions.

Mr. Marc Kielburger: Including.... One of the areas we would like to clear up formally is this whole concept of \$10 an hour for volunteer service. We were very much concerned about that. We voiced that concern multiple times, sir, as an example—

Mr. Michael Barrett: We'll look forward to reading that in your submission—

Mr. Marc Kielburger: Mr. Chair, just one moment, please.

We felt that it did need to be minimum wage. These are some of the pieces that we felt very passionate about as part of this process, but we were working with what was asked of us.

Mr. Michael Barrett: To which ministers or ministerial offices did your organization send proposals of any kind after March 1?

Mr. Craig Kielburger: It was the same three your colleague asked me about: Minister Ng, Minister Chagger, Minister Morneau. The first proposal was sent to Minister Ng on the 9th, and forwarded to those other two individuals. The second was sent on the 22nd—that was the Rachel Wernick ask—to those three ministers.

Ms. Julie Dzerowicz: Point of order, Mr. Chair.

The Chair: Ms. Dzerowicz, go ahead.

Ms. Julie Dzerowicz: Mr. Chair, have the Conservatives run out of questions? They're starting to repeat multiple times. Mr. Poilievre repeated a number of Mr. Morantz's questions, and now Mr. Barrett has repeated a number of the previous Conservative questions. Have they run out of questions?

The Chair: I don't think that's a point of order. You've made your point.

Mr. Barrett, the floor is yours.

Mr. Michael Barrett: Mr. Chair, on the point of order....

The Chair: Yes.

Mr. Michael Barrett: My questions are unique. They are mine to ask. Ms. Dzerowicz wants to play defence for her team; I'm looking to get answers for Canadians. So, if I could continue my time uninterrupted, I would appreciate it.

The Chair: You can continue your time. That's not a point of order, in any event.

You have about a minute and a half left.

Mr. Michael Barrett: Thank you.

With respect to events around WE Day, we heard that Margaret Trudeau wasn't paid for the event she spoke at on July 2, 2017. Was she paid for any other events that weekend?

Mr. Marc Kielburger: No, sir, she was not.

I just want to stress again that we're happy to answer your questions. We're here to answer the questions.

Mr. Michael Barrett: Thank you.

With respect to Mr. Theo Fleury, who did participate in one of your events, did he participate in any event outside of the WE Day stage?

• (1545)

Mr. Marc Kielburger: Thank you, sir. I believe he participated in one. We have great respect for him. I'm a big fan. However, our understanding is that his activities outside of WE Day were very limited. I can't speak to that directly, but I would assume that the answer is likely no, sir.

Mr. Michael Barrett: So he was not remunerated for those halo events.

Mr. Marc Kielburger: Sir, we're not sure if he was at the halo events, and I can't speak to that directly.

However, when we bring in speakers, sir, who are paid, it's for the multitude of ancillary events that are formal and formalized within their [Technical difficulty—Editor].

Mr. Craig Kielburger: Allow me to.... I'm pretty confident that was the reason why he was remunerated—

Mr. Marc Kielburger: Though, again, he's a wonderful person, and we were thrilled to have him.

Mr. Craig Kielburger: Yes, we are absolutely grateful for...as were the hundreds of people on the WE Day stage to welcome over a million young Canadians, and 70 million hours—

Mr. Marc Kielburger: We're very grateful—

The Chair: This will be the last question, Mr. Barrett.

Mr. Michael Barrett: With respect to the change in the fall of 2015 and your interest in paying members of the Trudeau family to speak, was there a particular change in their qualification, other than that Justin Trudeau had been elected as the Prime Minister?

I ask because I've heard Liberal members who really want to talk about the wife of former prime minister Stephen Harper. Indeed, Laureen Harper did host an event, and so they were keenly interested in that. I'm wondering if Mr. Lake, Madam Harper, Mr. Pallister, were paid by your organization or did they engage you with a half-a-billion-dollar contract?

Mr. Craig Kielburger: Sir, we really appreciate the fact that, as premier, Premier Pallister did a welcome at the beginning. We appreciate that given his work on autism, the member of Parliament, Mike Lake, spoke with his son multiple times on the WE Day stage, which was extraordinary.

And we appreciate Margaret Trudeau as an activist on mental health. Again, it's one in five Canadians, sir, who face this issue. It's a massive issue that we are facing with young people in this country. Therefore, we invited her to come to speak on this topic, and not just on the WE Day stage, sir, but to go to countless events to raise awareness, to help with donations that were raised for charity. This was very successful and a smart thing for the charity. We don't do telemarketing. We don't do street canvassing. We don't do mass fundraising. This is how WE, as a charity, further our mission.

I appreciate the integrity of your question, sir—I sincerely do—but she was there as a mental health advocate.

The Chair: Okay—

Mr. Marc Kielburger: On another note, very quickly, Mr. Chair, we did invite former Prime Minister Harper many, many times to speak on WE Day.

The Chair: Okay.

We will go to Ms. Dzerowicz for five minutes, on to Ms. Gaudreau for two and a half minutes, and Mr. Julian for two and a half.

Ms. Dzerowicz, the floor is yours.

Ms. Julie Dzerowicz: Thank you, Mr. Chair.

I have three key questions.

However, before I get to them, I want to clarify very quickly—and so please go through this quickly—the misperception that the only people who have been paid for auxiliary programs were part the Trudeau family.

Can you please, subsequent to this, provide a list to us? It might not be a list of names, because you said there are privacy issues and that you might not be able to follow up...but maybe even if you could just provide us with a list to say that in 2019, WE paid a hundred people and it was this type of range? Just give us some sort of document that provides us with data that shows there's been a whole bunch of speakers who have been paid for auxiliary programs and it's not just the Trudeau family.

Would you be willing to do that?

Mr. Marc Kielburger: Yes, thank you.

I just want to confirm very formally, under oath, that it's not just members of the Trudeau family who have done this. A series of other speakers have also participated in that process.

Ms. Julie Dzerowicz: Okay, thank you so much.

Then another comment.... Mr. Craig Kielburger, you mentioned that Mr. Morneau happened to call you. It was a conversation about how he was asking in general how things were going, and then you sort of mentioned you had submitted the entrepreneurship program.

Can you just clarify that you mentioned you had submitted the program, as opposed to discussing the program?

Mr. Craig Kielburger: Correct. I said that I had submitted it to Minister Ng because of the small business connection. We didn't discuss it at great length.

Ms. Julie Dzerowicz: Okay, perfect.

Now I'm going to get to my question.

One of the key things we have to determine here is, how did we get to selecting WE Charity? Can you maybe, for about 20 seconds or 25 seconds, explain what sets WE apart? Why is it that WE Charity was the best organization to actually deliver this program?

Mr. Michael Barrett: Point of order, Mr. Chair.

The Chair: Mr. Barrett, what's your point of order?

Mr. Michael Barrett: I just want to confirm that Ms. Dzerowicz was concerned that points were being restated. She's asking them to restate something they said during their opening statement—

The Chair: That's not a point of order.

Mr. Michael Barrett: I'm just trying to be consistent, Mr. Chair.

Ms. Julie Dzerowicz: I'm not restating anything, Mr. Chair.

• (1550)

The Chair: Okay, we'll not get into an argument here. We will go back to questions.

Mr. Craig Kielburger: Allow me to answer the question this way: It's what the Clerk of the Privy Council said. It's also what Rachel Wernick said.

In 25 years, we have engaged 7,000 schools across Canada in WE service programs. We have the largest Facebook and social media presence engaging youth from coast to coast to coast. We work in indigenous communities, with new Canadians, and we have staff and operations that serve.... We have the ability to build national service projects. We've done this twice in the past with distinct groups. We were willing to literally do this at the drop of a hat. We said that we would put our organization on pause, because we thought this was something that Canada needed.

Frankly, I have to say that the fallout of this has been unbelievable. It's damaging so many of the service projects and what we've tried in the past 25 years of our lives to try to build.

Ms. Julie Dzerowicz: Okay. I have two more questions.

Ms. Douglas mentioned to us that she and a number of other board members had resigned. Does that mean there was a big gap in your governance, that no one was on your board anymore and you didn't have proper governance for a period of time? How was that dealt with when Ms. Douglas and a number of other board members left? How did you ensure there was proper continued governance of the WE Charity?

Mr. Craig Kielburger: During the pandemic, the senior staff and Ms. Douglas had a disagreement over the nature of reporting. Daily oral briefs were being provided, 14 over the course of the month, but we respect what she was asking for in writing. Due to the extraordinary circumstances, the team was not able to provide that.

As you heard, we had a conversation. I asked her to serve three more months. She decided at that moment to step aside. I respect that decision. That took place separately. There was a planned renewal process took place with other board members. In a different period the board members made a transition, and today three of the eight board members continue to serve and have served throughout the whole process. They are the head of finance on the board, a former BlackRock and Deloitte individual; the head of legal, a partner from one of the largest law firms in the U.S.; and the former director of education of Toronto Public.... All continued to serve, in addition to five individuals who joined, who had been pre-identified before the pandemic, to bring their skill sets.

I am extraordinarily grateful to Ms. Douglas for her service. She raised very valid points, and we commit to continuing to strengthen our governance, because she's right: We have to do better. But this was part of a larger, slightly more nuanced undertaking that took place.

The Chair: This is your last question.

Ms. Julie Dzerowicz: Thank you.

Ms. Douglas also mentioned that part of her concern was that there were a lot of layoffs. She said around 400 of the 1,000 employees were laid off, so there was a huge concern. My concern was, when we were selecting WE Charity, did you guys actually have the capacity to be able to deliver the program? Could you address that?

Mr. Marc Kielburger: Thank you.

We very much had the capacity. With the layoffs, we went from 390 employees at WE Charity to, at the end, down to, quite sincerely, a wonderful team of 187. So the team was impacted. We needed to make some very strong decisions because of the pandemic, but we also had an alumni network. We had a group of other team members who were willing to come back on short-term contracts. We had relationships with educators who said they wanted to help. We have 2,500 former team members over the last 25 years, and we have a great network. Yes, we were very much ready.

Here's the wonderful thing about this. It's unfortunate, but at launch we were ready to do something truly wonderful for these young people and for Canada. We had 36,000 young people signed up for this initiative; 64% were individuals of minority populations. We had tens of thousands of volunteers—

The Chair: We're going to have to move on to Mr. Angus, gentlemen.

Mr. Marc Kielburger: We were ready to do something really special, thanks to all of these amazing people, and thanks to an amazing team.

The Chair: Okay.

Ms. Gaudreau, you're next for about three minutes, and then Mr. Angus, and then on to Mr. Cooper.

[Translation]

Ms. Marie-Hélène Gaudreau: Good afternoon.

You spoke of WE Charity's financial situation. You mentioned that is is precarious.

In your remarks, you revealed a lot of things and I am very grateful to you for that. Can you tell us about the financial difficulties involving around \$10 million?

• (1555)

[English]

Mr. Marc Kielburger: Madame, I believe you're speaking about the bank covenant issue that's also been very much misrepresented in the press, particularly by one organization called Charity Intelligence that is sharing false information.

Specifically, the bank covenant issue was not an issue. Specifically, we and the board decided to change our financial year from the calendar year to the academic year. By doing so, it enabled us to focus very specifically on our program deliverables because it was tied to the academic year. By such, we had to defer a larger amount of revenue, which we did knowingly, and by that deferral we had a technical breach of our bank covenants. We had a conversation with our lender. They had no concerns about this, and the organization was in very fine financial shape as a result.

Mr. Craig Kielburger: Could I just make that simpler for any Canadians who are watching? At the end of the day, the same amount of money was coming in, but the year shortened, because we had a different fiscal year, and the money we had to recognize later in the year, because you have to recognize the money comes in [Inaudible—Editor] you're going to spend it. It's the same amount of money. We were in no financial difficulty. This is, unfortunately, something that's been misrepresented by this website for whatever reason, but the organization was in a very solid operational state, including eight months of assets against our long-term placement. We had no—

[Translation]

Ms. Marie-Hélène Gaudreau: Thank you very much.

Has anyone from the Prime Minister's Office contacted you to obtain documents or information on your financial situation?

In addition, I would like to know whether you have an auditing system in place for both WE Charity and the WE foundation?

[English]

Mr. Craig Kielburger: The Prime Minister's Office was not involved in the vetting for the Canada student service grant. It was ESDC, so no one from the Prime Minister's Office contacted us with questions.

[Translation]

Ms. Marie-Hélène Gaudreau: Okay.

However, when a contract is awarded, due diligence must always be performed.

Do you know whether they did that work to ensure your financial viability as an organization that received a contract as part of the agreement?

[English]

Mr. Craig Kielburger: I would defer the question to the government, except I would add quickly that Rachel Wernick first visited our operations in 2017 and toured the broadcast facility that we have in our global headquarters, the digital classrooms and Skype pods where we host school groups on a regular basis. She saw what we were developing in the neighbourhood, the Network for Good, the campus for good that we were building to host other young entrepreneurs for [Inaudible—Editor] and space and whatnot.

Over the years we had had multiple grants with ESDC—

[Translation]

Ms. Marie-Hélène Gaudreau: So, you did not actually open your books when negotiating the contract agreement.

[English]

Mr. Craig Kielburger: Our audited financial statements are available, like any charity's, for access by the government. I defer to them whether they looked at them.

The Chair: This is your last question, Marie-Hélène.

[Translation]

Ms. Marie-Hélène Gaudreau: You mentioned that your foundation and WE Charity get money from various donors. Can you tell us where they come from and give us some examples?

[English]

Mr. Craig Kielburger: Certainly. The donors range from young people collecting millions of pennies all across Canada—they collected 140 million pennies one year that went specifically to support clean water projects around the world—to groups that fund our operations. The Gates Foundation has funded our programs, and supports and the well-known Canadian McConnell Foundation, groups from all walks of life.

Mr. Marc Kielburger: Yes, it's been a wide variety of support, and we're very proud of that.

The Chair: I'll turn, then, to Mr. Angus followed by Mr. Cooper.

[Translation]

Ms. Marie-Hélène Gaudreau: Thank you, Mr. Chair.

[English]

The Chair: You're welcome.

Mr. Angus, you have three minutes, and then we'll go to Mr. Cooper.

Mr. Charlie Angus: Thank you, Mr. Chair.

We are here because of conflict of interest. We have two unprecedented investigations of the Prime Minister and the finance minister on conflicts of interest in their relations with you.

When the chair of the board said that she was shocked to learn that the Trudeau family members were being paid and wasn't aware of that, I'm glad you clarified that they were being paid for the ancillary events afterwards. That's something I've really been interested in about WE, because you are bringing major corporate players to the table. By having the Prime Minister's family—the Trudeau name is enormous—you're providing access to the Trudeau family.

Don't you understand or realize that this puts the Prime Minister into a serious conflict by your setting this up and paying a family to do this? This is the first part of the question. We have you setting up the Prime Minister by your actions in a conflict. But then we understand, after the mass layoffs in March, that you pushed out a document to various ministers. That's you lobbying, and yet you're not registered to lobby. You're very surprised. You can't understand how this all is going wrong for you.

The reason we have the lobbying registry is so that we can track how groups like yours interact with government. With your going under the radar, we don't have a clue, so we have to trust you. But I think the issue is this. Is it because of the issue of conflict, the issue that we have two investigations ongoing, and possibly a third now with Mr. Morneau? The fact is that you didn't bother to register to lobby, and yet you're promoting a project that is going to net hundreds of millions of dollars. I don't see how guys, men as sophisticated as you, don't recognize the obligation to follow what every other charity in the country does, to register and to be tracked so that there's accountability. It's the lack of accountability that's really giving us a hard time believing you.

• (1600)

Mr. Craig Kielburger: I'm happy to answer the three-part question.

Number one, as to Margaret Trudeau's speaking, she would come to multiple auxiliary events. If the decision is made by Parliament that the mother of the Prime Minister should not be able to speak at events, we will happily fulfill that. She speaks at multiple charities. We did something many charities do. Frankly, to be honest, I don't do everything my mother tells me to do, so I'm not sure if Margaret is [*Inaudible—Editor*] the Prime Minister.

Number two—

Mr. Charlie Angus: You were buying the name. Come on.

The Chair: Mr. Angus, you took about two minutes to ask the question. I'm going to give them the time to answer.

Mr. Craig Kielburger: Number two, as per lobbying, we've spoken of this extensively and we're happy to speak further. Based on our understanding, it is a calculation of time. That understanding is such that we have looked at that matter. We understand what you're describing. Before April, we had minimal federal funding and minimal time involved in the—

Mr. Charlie Angus: So you've never reached out for funding before. Come on.

The Chair: Mr. Angus, please.

Mr. Craig Kielburger: That's not the appropriate definition of lobbying, sir, and I believe you know that.

Mr. Charlie Angus: Well, I think you would understand it well, too.

Mr. Craig Kielburger: Number three, with great respect, is trust. You trusted us with your own children for years in the program. I hope you trust us now.

Mr. Charlie Angus: I don't trust you anymore, but my children did go through your program, and since my children were raised with it, I think it's a very good point. My children learned so much from you guys when you guys were a much younger operation. Now I see how many young people feel.... I was just reading something from someone who wrote about leaving WE. It was about your disregard, the toxic work environment, the disregard for rights, how WE became another private sector company—

Mr. Francesco Sorbara: I have a point of order, Chair.

The Chair: Mr. Angus, do you have another question?

Mr. Charlie Angus: I'm sorry, but he was asking about my children, so I think I need to clarify that—

The Chair: I heard a point of order. Who was it from? I didn't see.

Mr. Francesco Sorbara: It was from me.

Mr. Charlie Angus: —WE became another private sector company and an organization where fear is used—

The Chair: Mr. Sorbara has a point of order, Charlie.

Mr. Charlie Angus: This is about my daughters, so I think I should be able to clarify.

The Chair: There's a point of order on the floor, Mr. Angus.

Mr. Sorbara.

Mr. Francesco Sorbara: Chair, when Deputy Angus was asking his set of questions, he veered off to something that was not relevant to what his questions were and what we're discussing today.

The Chair: That's okay.

Now, Charlie, go to your question.

Mr. Charlie Angus: I think it's very simple. You guys changed my daughters' lives. I think that's fair, and I want to put that on the record. However, they've talked to a lot of former WE staff, including one who said that WE became another private company whose number one aim is money, and that they wanted to work at an organization where fear is not used as a tactic to achieve an end. That's what I've heard from the young people my daughters worked with, so I thought it should be on the record.

The Chair: That's your final question.

Mr. Charlie Angus: That's my final question.

The Chair: I'll let the Kielburgers answer that. When you're answering it, I want you to tell us, because I've heard different testimony on this today, about what Mr. Angus said in his remarks. He said the project was "going to net hundreds of millions of dollars." I want you to respond to that as well.

Mr. Craig Kielburger: Sir, we are not a private company. WE Charity is a charity. I know Jesse Brown is a friend of yours and he's been spreading false information, but the truth—

Mr. Charlie Angus: Actually, he's not a friend of mine.

The Chair: Mr. Angus, you're done.

• (1605)

Mr. Charlie Angus: I'm sorry, but he's not a friend of mine. I met the guy once, and that was at committee.

The Chair: You're done, Charlie.

Mr. Charlie Angus: I've met you more times than I've met him, so don't say he's a friend. That's cheap. Do the right thing.

Mr. Craig Kielburger: Sir, we'd appreciate it if the facts could speak for themselves. The facts are simple. In ME to WE Social Enterprises, 100% of the profits have gone to social good. WE Charity is a registered charity. The impacts of our programs, which have been torn apart in this political process, include the fact that 70 million hours have been logged by Canadian youth volunteers and 7,000 schools run our programs. Globally, 1,500 schools and classrooms have been built, with 200,000 children going through them, and a million people have clean water and health care—

Mr. Charlie Angus: You didn't respond to what they say about the toxic work environment.

Mr. Craig Kielburger: We're proud to be a Canadian charity, and we believe that a Canadian charity should not be dragged over the coals for political purposes.

Mr. Charlie Angus: Well, if you register to lobby—

The Chair: Sorry, Mr. Angus, but your time is done.

Now I'm going to ask a question.

You said earlier that you would not make money out of this. Basically, there's been an accusation that you're going to net hundreds of millions of dollars. Would you respond to that clearly, please? I want it clear on the record.

Mr. Craig Kielburger: Sir, I'd like to answer on two levels.

First, for the CSSG, we were only being reimbursed for costs, period. We would have made no money at all in this government program.

Second, on a personal level we've heard some very unfortunate things, and I'd like to speak to this for a moment. Our family, and even our own parents, have been dragged into this. Our 80-year-old parents, in some of the social media posts—

Hon. Pierre Poilievre: I have a point of order, Mr. Chair.

The Chair: What's your point of order?

Hon. Pierre Poilievre: You used an intervention to make a point about the amount that has been netted by this organization. They continue to say that they were just getting expenses reimbursed. Well, that's of course the case. We all knew that all along. When they paid expenses to themselves, they were reimbursed under this contribution agreement. It doesn't take profit in order for someone to benefit—

The Chair: Mr. Poilievre—

Hon. Pierre Poilievre: —so it is abuse of language again by this organization.

The Chair: Mr. Poilievre, we're into debate. It's not a point of order.

Hon. Pierre Poilievre: It is a point of order, and it's a necessary one.

The Chair: No, it's not. It's a point of debate.

When a member alleges that it's going to net hundreds of millions of dollars, that needs to be cleared up, because we have different information on the record, and I want to know what is fact. That's the purpose of this hearing—

Hon. Pierre Poilievre: Yes, paying expenses to themselves—

Mr. Charlie Angus: I have a point of order, Mr. Chair.

I know that you're really going out of your way here, but I never said that the Kielburger organization was going to be making hundreds of millions. Hundreds of millions were going to flow through their organization, and they were certainly going to get money out of that to cover.... And for a group that was just in financial free fall in March, this is certainly something that could be seen as....

How much they actually get, we don't know, Mr. Chair. That's what we're here to investigate.

The Chair: Mr. Angus, your exact words were "going to net hundreds of millions of dollars." I wrote it down. Let's have clarity on the point. That's what I'm asking for. We need to establish the facts.

Gentlemen, if you could establish that, then we will go on to Mr. Cooper, followed by Mr. Fraser, Mr. Cumming and Ms. Koutrakis.

Mr. Marc Kielburger: I want to be explicitly clear, sir. Once again, this was a contribution agreement. We were not netting hundreds of millions of dollars. That is not correct. Sir, we were doing this as a request from ESDC, and we were only going to be reimbursed for expenses.

Hon. Pierre Poilievre: Paid to yourself.

Mr. Craig Kielburger: No, that's actually not correct, sir—

Hon. Pierre Poilievre: It is correct. It's right in the agreement.

Mr. Craig Kielburger: Sir—

Hon. Pierre Poilievre: It's absolutely correct. It's right there in writing.

The Chair: Mr. Poilievre, let's have some order.

Hon. Pierre Poilievre: It's in writing. It's right there in the contribution agreement. Do you want me to get you the section?

The Chair: Mr. Poilievre, you're on the list later on, if we get that far.

Craig, if you could answer—

Hon. Pierre Poilievre: You were going to pay the expenses to yourself.

The Chair: Mr. Poilievre.

Mr. Craig Kielburger: Sir, that's factually incorrect. The contribution agreement—

Hon. Pierre Poilievre: It's section 18.4.

Mr. Craig Kielburger: Sir, please—

Hon. Pierre Poilievre: It's right here.

Mr. Craig Kielburger: The contribution agreement defines exactly the eligible expenses, exactly—

Hon. Pierre Poilievre: It says, "the Recipient may enter into contracts to procure goods and services from...WE Charity"—

The Chair: Mr. Poilievre, the floor isn't yours.

Hon. Pierre Poilievre: —“ME to WE Foundation”—

The Chair: Mr. Poilievre—

Hon. Pierre Poilievre: —“without prior [consent or] approval by Canada”—

The Chair: Mr. Poilievre, do I have to suspend this meeting?

Now, there will be order or I'll suspend the meeting, and that's it. It's your choice.

Craig, the floor is your.

Mr. Craig Kielburger: Sir, every entity that was party to the contract was held to the same standards. The contribution agreement clearly identified eligible expenses. Eligible expenses [*Inaudible—Editor*] simply in implementing the project, sir—

Hon. Pierre Poilievre: Point of order, Mr. Chair.

The Chair: What's your point of order?

Hon. Pierre Poilievre: What is the status now? You entered the whole meeting into a debate. Who has the floor? Who's in charge now?

• (1610)

The Chair: The person who has the floor.... I asked for a point of clarification on the “going to net hundreds of millions of dollars”—

Hon. Pierre Poilievre: Who's next on the list?

The Chair: Next on the list is Mr. Cooper, followed by Mr. Fraser, Mr. Cumming and Ms. Koutrakis.

Finalize your answer, Mr. Kielburger, and then we'll go on to Mr. Cooper.

Mr. Marc Kielburger: Sir, just to be very clear, the organizations that were party to the agreement were all registered charities.

Mr. Craig Kielburger: And held the same audits and the same control functions.... Any money not spent directly on the implementation had to be returned to the federal government—

The Chair: Thank you.

Members do have copies of the contribution agreement for their reading pleasure and to determine the facts of that contribution agreement.

We have Mr. Cooper for five minutes, followed by Mr. Fraser.

Mr. Michael Cooper: Thank you, Mr. Chair.

To the Kielburgers, you indicated in your testimony that ESDC had represented to you that eligible costs would be covered effective May 5, that this occurred around that time, and the costs were incurred.

Who at ESDC made that assurance, the name?

Mr. Marc Kielburger: It was part of the conversation and the negotiation with the ESDC team, the legal team—

Mr. Michael Cooper: Who was the person?

Mr. Marc Kielburger: The legal team from ESDC, I don't have the exact names, sir. Of course, Rachel Wernick was privy to those conversations.

Mr. Craig Kielburger: It was codified in the agreement, sir, as part of this—

Mr. Michael Cooper: Isn't it interesting that Ms. Wernick never mentioned that in her testimony?

Mr. Marc Kielburger: She was aware of all the details, sir, of the contribution agreement.

Mr. Craig Kielburger: It's codified in the contribution agreement.

Mr. Michael Cooper: That was before the COVID committee had approved the proposal. Indeed, it would have been on or the day before your May 4 proposal was submitted that you got that assurance.

Mr. Marc Kielburger: Sir, otherwise the launch of the program, in terms of our signature on the program, would have been two days later. How else would we have had 20,000 volunteer opportunities ready? How else would we have had 83 non-profits signed up? How else—

Mr. Michael Cooper: You just wanted to put up your hand, after you had laid off hundreds of people, a month later. Some assurance [*Inaudible—Editor*]. It's tough to believe.

Mr. Craig Kielburger: Sir—

Mr. Michael Cooper: You've answered my question.

I want to ask you—

Mr. Marc Kielburger: Mr. Chair—

The Chair: We'll go to the question, and then we'll come to the answer.

Mr. Cooper, the floor is yours.

Mr. Michael Cooper: I want to go through some of the proposals you've submitted. You've gone through them. There was one on April 9. There was one on April 22. There was one on May 4. Is that right?

Mr. Craig Kielburger: I'm unsure of the May 4 one you're referring to, sir, but there was one on the 9th on youth entrepreneurship and one on the 22nd on—

Mr. Michael Cooper: Okay, fine. I'm referring to Ms. Kovacevic. She said there was one she received from ESDC on May 7 that had been submitted on May 4, which had been provided by WE Charity. That's what I'm—

Mr. Craig Kielburger: I'd defer to Ms. Kovacevic on that.

Mr. Michael Cooper: Okay, so there were two proposals. One was about a 10-page proposal; the other was a 22-page proposal. Who was involved in preparing those proposals?

Mr. Craig Kielburger: Certainly, sir, I'd be happy to speak to it.

The first, which you referenced as the 10-page proposal, was a pre-existing proposal we already had on youth entrepreneurship, which we repurposed within short order to serve on this particular issue around entrepreneurship.

I'm not sure of the exact word count, but I believe you. The 22-page proposal included the original one on youth entrepreneurship and a second one that was created at the request of Ms. Wernick, on how a national service initiative could be created as per the policy objectives of what she identified. So we submitted both together, expressing our—

Mr. Michael Cooper: Okay. Thank you for that.

Who was involved in preparing it? How many people, for both proposals?

Mr. Craig Kielburger: It's a good question, sir. I'd have to get the exact.... We have a strategy team; we have a finance team; we have a youth entrepreneurship and development team. So we would have people potentially involved in a variety of manners. If I recall, it was entirely a Word document, so I think one person took the primary lead in typing the pages.

Mr. Marc Kielburger: But we had a whole team working on it, sir.

Mr. Michael Cooper: Of course, a whole team, and they would have been doing things, including research, planning....

Mr. Craig Kielburger: We turned it around a day later.

Mr. Marc Kielburger: Yes.

Mr. Craig Kielburger: She asked us on the 19th, and we gave it to her on the 20th, so it would have been pretty quick.

Mr. Marc Kielburger: The reason being, we already had a whole series of work on social entrepreneurship, because that's what we do. And it's the same on service, sir. We had previously submitted a white paper to the government on this very topic.

Mr. Michael Cooper: You turned it over to her on the 22nd.

• (1615)

Mr. Craig Kielburger: We submitted it.... It was dated, as you'll note, on the 21st.

Mr. Michael Cooper: How many hours would have been involved in researching, compiling information, drafting?

Mr. Craig Kielburger: Sir, I understand what you're seeking to get at here. The simple matter of this, sir, is that we have vast.... I'm happy to walk you through the document, and anyone on the committee. You'll see how the document is structured: bios on our key leaders, which is pretty quick to put together; an overview of our previous national service programs, and we're able to cut and paste those; our best practices—

Mr. Michael Cooper: I've asked you a question. I have the two proposals. I've gone through them. I'm just asking you to give me a number, an approximate number. How many hours?

Mr. Craig Kielburger: A handful of hours, sir. It would have been a pretty quick turnaround because—

Mr. Michael Cooper: A handful, okay. You're under oath. So it was just a handful of hours to do the research and preparation for the April 9 proposal.

Mr. Craig Kielburger: There was no research.... Oh, sorry, for the April 9.... Forgive me.

Mr. Michael Cooper: Yes, there are two proposals here. There are two proposals we're talking about. I'm asking you in the aggregate.

Mr. Craig Kielburger: The April 9 one was a pre-existing proposal that we already had, sir. That one was stretched over, gosh, months. For two years we've been trying to get a social entrepreneurship proposal like that off the ground.

The Chair: This is your last question, Mr. Cooper.

Mr. Michael Cooper: Could you just provide a number?

Mr. Craig Kielburger: Over two years?

Mr. Michael Cooper: No, just the number with respect to the second proposal.

Mr. Marc Kielburger: Sir, it would have been a handful of hours. It's hard to guess.

The Chair: There you go.

We have Mr. Fraser, followed by Mr. Cumming, and then on to Ms. Koutrakis.

Mr. Sean Fraser: Thank you, Mr. Chair.

I'll start by just saying how frustrating it's been to be a part of this committee meeting. I am glad that we have ample time, thankfully. The inability of members to remain silent when it's not their turn to speak is deeply discouraging. I find it disrespectful. These are the kinds of things that we learned how to do in elementary school.

With respect, I know there was some controversy over the point made by Mr. Angus about how much money had gone. This is a thing the NDP has been pushing for weeks now. I note that the leader of the NDP has put out a false tweet suggesting that the Prime Minister has given \$900 million to his well-connected friends at WE. These are the kinds of things that we deal with and you kind of roll your eyes over.

The fact is, there's actually something that I want to kind of figure out here, because there's a legitimate issue going on. We've already had the issue discussed today about the fact that the Prime Minister's mother is a well-known mental health advocate, but when I first saw that there was, in fact, a payment that went to her and that the government, of which her son is the Prime Minister, awarded a significant piece of work to have the student grant administered, I thought, "Okay, let's look into this" when the opposition pitched the study, and I won't prejudge what answers I hear.

I do have a couple of questions about those payments and whether they were in the ordinary course of things for an organization like yours. What I'm really curious about.... Is this a kind of thing you do often? You said there were other speakers who had comparable rates. Who are they? How much did they get paid? Was it on a similar scale to what Madame Trudeau was paid or was it much different? How are you arriving at these rates?

What I'm trying to figure out here.... If there's a habit of the organization to give significant grants exclusively to the governing party of the country, then I think there's something we have to look into. If this is the kind of thing where you take notable speakers with expertise in different areas and it was more or less par for the course, I'm also interested in knowing that.

If you could give me some answers on how much your other speakers were paid, who they were and the nature of how those relationships evolved, I would be very interested.

Mr. Marc Kielburger: Sir, thank you for the question.

It was par for the course. Once again, not just for the WE Day stage—we get people who want to do that—but it was the ancillary events. We have a number of speakers who have done that over the years. We've done 137 WE Days since we started. When we ask for individuals to come and give their time, usually one or two ancillary days outside of the WE Day, we need some support for that process. It's not just for the WE Day piece, to be really, really clear. It's the ancillary events.

We do need to be respectful to the other speakers, but we can confirm very much that this has been in the regular course of business, and Madame Trudeau has been on the lower end of some of those payments. She came not because she was Madame Trudeau; she came because mental health is a very important aspect of our work and—I just want to say that over and over again—as a remarkable mental health advocate, she helps us fulfill our mission.

Mr. Craig Kielburger: Just to build on that, we create educational content. We do these types of events. We do literally thousands of events a year, in big and small communities. We have breakfast with teachers, events, outreach, all these things that we do in any given year. We had a massive events team, prior to COVID-19's impact, hosting these very events, broadcast TV specials on ABC and CTV, millions who follow us on social media, billions of total social media impressions.

Creating [*Inaudible—Editor*] content is a huge part of what we do, and it's part of our mission mandate.

• (1620)

Mr. Sean Fraser: Okay, if I may, one of the aspects of my question.... I threw a lot at you there, but I would like you to give an example. Are there other speakers you can share with us who have been paid for their services at the auxiliary events around WE Day?

Mr. Marc Kielburger: Yes, sir, absolutely. Again, we just would like to respectfully ask the permission of those speakers to share their names, but I want to confirm, absolutely, sir. They come from all walks of life, sir, and they're very well-known Canadians, as you would imagine.

Mr. Sean Fraser: Okay, thank you very much.

Mr. Chair, I'm probably quite close to the end of my time. Is that right?

The Chair: You have time for one more question.

Mr. Sean Fraser: I hinted at this earlier on in one of my questions. I just want to know.... You mentioned you'd been working on the previous student service proposal that you had developed over the course of a couple of years. Had you submitted things like that before 2015, when we arrived in office as a government? Had you actually submitted informal, unsolicited proposals to previous governments or our government before this instance?

Mr. Craig Kielburger: Yes. We would do this in the regular course of business. We didn't engage frequently with the federal government, but in conversations, whether it be.... We were hon-

oured. These are great men, people like Tony Clement and Minister Flaherty, great men.

Mr. Marc Kielburger: Minister Moore.

Mr. Craig Kielburger: I remember sitting down with Minister Moore, talking about [*Inaudible—Editor*]. He gave us a lecture in his office on the topic.

We would—

Mr. Sean Fraser: When you would submit those—

Oh, sorry.

Mr. Craig Kielburger: We would, sir. We would submit ideas for how we could work with government.

Let me clarify, sir, to everyone: We run a charity. When I say "we", we're founders of the charity; we now have an executive director who runs it. Fundamentally, we do this in a manner to work in partnership to fulfill social objectives with government. We will do our best, always.

You said something at the beginning, if I may go back to it, about tweets that have gone out with inaccurate statements and dollar amounts, and people thinking that hundreds of millions of dollars have gone into the coffers of the charity or real estate...things that just drive me up a wall because it's factually inaccurate. This has had a devastating impact on our charity. It's impossible to fully articulate that these messages...because they're coming from credible individuals who are putting out false information, and it is just absolutely devastating to a Canadian charity and to our ability to fulfill our mission and mandate as a result.

The Chair: Okay, I am going to end it there.

Mr. Cumming, you're on deck, and you will be followed by Mr. Fragiskatos.

Mr. James Cumming: Can you tell me what expertise Sacha Trudeau brought that you would pay him to be a speaker?

Mr. Craig Kielburger: He is an environmentalist, sir, a documentary filmmaker, and he was a well-known individual in his own right when he spoke.

In those particular ones, we brought him in partially because Margaret—Madame Trudeau—was not able to...in that case. We were seeking to fill an urgent need, so we worked with him on that particular year. He was with us for one year and one year only.

Mr. James Cumming: So it was more around the Trudeau name, it sounds like.

Mr. Marc Kielburger: No, sir, the environment is very important to us, as is mental health. There are a handful of issues in which we've been involved for many years.

Mr. James Cumming: If you need some other strong environmentalists, I can give you a lot of names for that.

Mr. Craig Kielburger: We loved having David Suzuki on stage. We loved having people from all walks of life on stage. These are good people.

Sir, I understand the point that people are trying to make here, but universities have lecture series and they pay people. Gala dinners take place. We did this in the regular course of business.

Now let me acknowledge, I understand that, in hindsight, this is a significant issue. I understand why people are raising it, I do, but from our perspective, you can google the fact that they've been on the WE Day stage. We never envisioned that this would emerge as a conflict, because it's all public knowledge; it's public information.

Mr. James Cumming: Okay, I want to move on.

We've referred to the foundation as a shell company, and you took offence to that, but with regard to the foundation itself, what assets did it have and what did it have for employees prior to entering into this contract?

Mr. Marc Kielburger: Sir, it's not a shell company, because, number one, it's not a company, and number two, it's not a shell.

Mr. James Cumming: Okay, so what assets does it have? What employees does it have to execute this contract?

Mr. Craig Kielburger: Sir, we have answered this question multiple times, but allow me to frame it this way. Any doctor's office in Canada, any small business in this country, understands the reality of liability. This is something that Canadians understand.

When we were asked, out of service to Canada.... The Government of Canada asked us to take on the liability. It's not something we sought. They asked us, in a global pandemic, at a time when people were stockpiling toilet paper and were afraid of touching the newspaper, to take on the liability for 40,000 participants and for all the non-profits, many of these aspects beyond our operational control. We agreed to do something in service—

Mr. James Cumming: Okay, I appreciate that, and you took insurance so—

The Chair: Mr. Cumming, we are going to have to get an answer on this one. It's been answered several times, but obviously people haven't heard the answer, so I am going to allow the time. However, I'll give you more time in your question period.

• (1625)

Mr. Craig Kielburger: To answer your question, sir, this was established through the advice of our professional advisers. This was something that was previously on the shelf. As Ms. Douglas mentioned, it was created originally for an idea—never executed—so it was on the shelf. It was designed for legal liability. That's why it was there. We officially amended the purpose before all of this took place. We amended the purpose as part of the process when we codified the agreement with the Government of Canada. It has never held real estate. It has never had a dollar. It existed for a very simple purpose. However, it had extensive insurance: operational execution by WE Charity, the staff, the programs.

Sir, with respect, this was a favour that we were doing to be helpful to Canada, so it—

The Chair: Okay, we'll go back to Mr. Cumming.

Mr. James Cumming: Whose idea was the front-end load, that all the capital was received prior to the execution of the contract? Whose idea was that?

Mr. Marc Kielburger: Sir, that was outlined.... All the financial terms, the payment terms, were outlined by ESDC.

Mr. Craig Kielburger: Let me clarify, sir. Those funds—again, widely misrepresented, sadly, by a number of individuals—were not administration costs that we received a blank cheque on, or any form.... These were funds that could be accessed only for eligible expenses as they occurred.

Mr. James Cumming: But it was front end-loaded, so you received the money before you actually expended the funds.

Mr. Marc Kielburger: Sir, we received funds for the first cohort of 20,000 young people, because we needed to ensure that those first 20,000 young people were engaged in the process.

Second, we were asked by ESDC to help ensure that we had the mechanism to help provide the financial payments to up to 100,000 young people in the course of the summer and into the early fall. As a result, it was their suggestion to ensure that this infrastructure was well set up in the beginning part of the summer so we could fulfill that mandate.

Mr. James Cumming: So you have the foundation, which has no assets in it, for liability purposes, and you're running this and you have your charity, which is providing services, and other groups...because in 18.4, it does say that you can use other groups within the WE group.

You say, "recover costs". Are the costs defined? Who defines the costs? Do you define the costs? How do you load your overhead in? Are your salaries covered? Is all the remuneration that you've received covered into those costs? How do you determine what the costs are for your multiple companies that will be charged back to the foundation? It's clear: 18.4 says that you will contract to your other groups.

Mr. Craig Kielburger: Sir, it's inaccurate statements like this that are truly killing a Canadian charity, and I don't mean this to be dramatic in my statement. WE Charity is being raked over the coals by inaccurate statements like yours. No companies were party to this contract; only registered charities were party to the contract.

To answer your question, the contribution agreement outlined the eligible expenses exactly. We were not making this up on the side of a napkin. The Government of Canada, in the contribution agreement, outlined the eligible expenses.

But sir, with great respect, you do know this. People like members of Parliament don't reach this stage in their careers without understanding what we've explained hour after hour here. It's this blatant disregard for the facts that are being put out here, comments around companies and comments around money moving at inappropriate levels.... Frankly, by continuing this you're harming a Canadian charity, and you're harming young people in this country in the process.

The Chair: This is your last question, Mr. Cumming.

Mr. James Cumming: What have the two of you received in remuneration over the last three years, each of you individually, from any of the charities that are in this group—if you don't want to call them companies—the social entrepreneurship, all the groups?

Mr. Craig Kielburger: Sir, Justice Goudge has done a review. It's actually available on our website. We'll happily send it to you. He took over our T4 forms because we wanted to be able to address this properly. We will send his review to you. It has our personal financial data in it. I'm not sure whether it goes to you and then goes to the world, but so be it, at this point, frankly.

Justice Goudge...and also a compensation consultant was brought in by our board of directors, who said that our level of compensation compared to those of a similar nature is at a lower end for the role we play. We will send you that personal information, as per your request, so that you have it.

The Chair: We'll look forward to that information.

We'll now turn to Mr. Fragiskatos.

After Peter is Mr. Fortin. I don't know if his system is working, so we'll have to clear that up. Rhéal, maybe if you click off the video and just go to voice it might work. We could try that, but you're next on the list.

Mr. Fragiskatos.

• (1630)

Mr. Peter Fragiskatos: Thank you, Mr. Chair.

I'm deeply disappointed this afternoon to see issues around mental health politicized as they have been by some members of the committee. Margaret Trudeau has been an extraordinary advocate for mental health issues for many years, and efforts to stain her reputation here are beyond disappointing.

I want to ask the Kielburgers a question that has come up already. Mr. Sorbara posed it. It's around data. I understand you have said that the data of volunteers was not shared with the Liberal Party of Canada. At any point in WE's history, has the data of your volunteers been shared with the Liberal Party of Canada or any political party?

Mr. Craig Kielburger: We can answer that question decisively, again.

Vivian Krause and others have made.... We have faced Charity Intelligence, which is four people making inaccurate statements. We have faced Jesse Brown and a blogger, who were involved in a legal action, to try to correct the record, and Justice Goudge, in multiple cases, has cited the inaccurate statements he's made. Now Vivian Krause has made these claims—I believe she said Twitter

was her source—that we were sharing data with the Liberal Party of Canada.

It is just incredibly unfortunate that people are trying to further their own objectives and in the process negatively impacting a charity. I can answer the question decisively: We have never shared, not once, data with any party, including the Liberal Party of Canada.

Mr. Peter Fragiskatos: Thank you very much.

One of the most important revelations of today, at least for me, has been.... I know, Mr. Kielburger, you just spoke about it moments ago. It is a crucial revelation. This is the idea that there was no financial benefit for your organization in building and administering the program, the program being the Canada student service grant. I hear that and I take you at your word, of course.

What would you say to the average Canadian who would ask why you are involved in something like that? Why the interest in the Canada student service grant? What's in it for you? Was there a personal gain? Was there something along those lines?

Certainly I'm not making that judgment, but I think a lot of Canadians, when they hear you make the statement that there wasn't going to be a financial benefit, will say, what's in it for you guys? What's in it for WE?

Mr. Craig Kielburger: Sir, when you're 12 and 17 years old and start a children's charity, and continue in that role for 25 years, that's the answer to your question. This is why we do what we do. It is something we care about deeply.

We have an extraordinary team. They work very hard. It is incredibly unfortunate that in the past 25 days, we have seen the integrity of an organization, the service by thousands of teachers across this country and the work of students who have volunteered called into question for purposes that have been supporting other people's agenda, when the facts are very clear.

Why do we do what we do? It was the same reason 25 years ago as it is now. We want to help young people and we want to help children. This is our core. This is when the government asked us, in the middle of a national pandemic, if we would work our hardest, even though, yes, we had to tighten our belts by laying off staff. That was terrible. Our team had to work doubly hard to implement this. This is why we did what we did, sir.

Mr. Peter Fragiskatos: Mr. Kielburger, let me ask you on that point.... Again, to play devil's advocate, I know that Canadians will be asking this type of question. In your opening statement, you said, "WE Charity would not have received any financial gain from the CSSG program, and it's...incorrect to say otherwise." You talk about the organization not being in a difficult financial position. But what about the observation that WE had recently laid off many employees? Would that not have pushed the organization in the direction of wanting to find a program to attach itself to in order to gain some sort of benefit?

Again, I'm not making that judgment, but Canadians will have that question. Do you have a response?

The Chair: That will be your last question.

Mr. Peter Fragiskatos: At any point, did you raise the fact with government officials, any government official, that WE had laid off employees?

Mr. Marc Kielburger: Sir, our objective was, again, simply to help, when Rachel Wernick asked us to help. That was the objective.

Specifically, yes, we had to make some very difficult decisions. This was, again, the source of the conversation with the prior witness, Michelle Douglas. We have tremendous respect for her. We made hard decisions very early on during the pandemic, and we were able to very much financially make those decisions to ensure stability. When we were asked to help, yes, we wanted to help. The organization would not have been better off or worse off because of our desire to help. We simply wanted to help.

• (1635)

Mr. Peter Fragiskatos: To the last point, was the matter of WE laying off a number of employees raised with any government officials at any point?

Mr. Marc Kielburger: Sir, we did explain to ESDC that we had to staff up for this experience. We were very clear with them that we had to let go some of our staff during the pandemic, and we explained that we were keen to bring some of those staff members back, in a short-term role, to help us with this experience. It wasn't done formally through an email, but it was done through conversations. They asked us if we had the staffing capacity to do so, and we were very transparent, saying that, yes, under the circumstances, we could look to some of the individuals who did go through those layoffs and we could potentially bring them back, on a short-term contract, to be of assistance. A lot of those individuals kindly put up their hands, and they worked really hard. We were about to launch something very special.

The Chair: Folks, we're starting to get down on time.

We'll go to Mr. Fortin for three minutes. I hope his system works. Then we'll go to Mr. Julian.

Mr. Fortin, go ahead.

[Translation]

Mr. Rhéal Fortin: Thank you, Mr. Chair.

My question is for both Mr. Kielburgers.

We know about your asset management experience, your development background with various organizations around the world and your ties to the Trudeau family. I want to make it clear that I am not in any way being critical of the qualities of Mrs. Trudeau, Justin Trudeau's wife or his brother. It has absolutely nothing to do with it.

Given the intimate ties that link you with these individuals, whom you hired because they are from the Trudeau family or the Morneau family; given the exchange of gifts—we are talking about tens of thousands of dollars that Mr. Morneau may or may not pay back, depending on whether or not he thinks about it when he wakes up in the morning; given the lack of assets you mentioned in the WE foundation, which was to manage the program—you have no assets to guarantee the quality of your work. Given all that, do you find it normal that you were awarded a contract to administer close to \$900 million with no call for tenders or due diligence? How often has that happened to you?

[English]

The Chair: Go ahead.

Mr. Craig Kielburger: I feel that for the past three hours and 40 minutes, we have sought to correct the facts, which have been inaccurate in the media and shared widely, so allow me to try again.

It was not a \$900-million contract. It was, in fact, closer to \$543 million, to be precise, or up to this, based on eligible expenses. There were 13 references to audits, so there were multiple checks and balances in this.

To answer your question, at the heart of it I think we were in a time when nothing was ordinary. People were shutting down their offices en masse. The civil service was trying to organize national programs to assist during a pandemic. Everybody was concerned for their own care. Our staff, despite that and all the hardships—having their own children under their feet, working around the clock, trying their best to launch a national service program—did this out of service and out of a desire not to be helped by government, but to help government.

[Translation]

Mr. Rhéal Fortin: You did it as a service, to help the government, but you were paid up to \$43 million to do it. It is written in your contract. When I provide a service, I don't get \$40 million or even a quarter of a million dollars. So, we will come back to the word "service" again later.

Whether it is \$900 million or \$500 million, the fact remains that it could go as high as \$900 million. However, those numbers aside, I understand from your testimony that due diligence was not done. Ms. Wernick called you to chat. You did not speak to Mr. Trudeau.

When I put the question to Mr. Morneau, he believed that due diligence had been done, that he had not seen it but that it had been done. I understand that we are in an emergency situation; you are right to say so. We are experiencing a pandemic and responding as best we can. However, do you not find it strange that you were awarded a contract to manage, let's just say, half a billion dollars? Let us stop getting bogged down in details. Really, it is only \$400 million more.

You have a contract to manage half a billion dollars for which you are paid \$43 million by individuals with whom you have ties, and with no due diligence, gentlemen. I am not taking anything away from the quality of the work you have been able to do in terms of volunteerism. You may have fulfilled an extraordinary mission. You may both be the next Mother Teresa for all I know.

However, I am checking to see what our government is doing with our money. I see a situation that seems extremely strange to me. I have never seen anything like it. So I ask you, who are in this business, how often are you asked to manage half a billion dollars and are paid \$43 million. How often do you do it quickly, working on the back of an envelope, and with no due diligence?

• (1640)

[English]

The Chair: Thank you, Mr. Fortin. That is the end of your question. You are coming through loud and clear in this format.

Mr. Kielburger.

Mr. Marc Kielburger: Sir, I'll let Craig provide some context, but nothing at this time was ordinary. The CERB is not ordinary. Paying 75% of companies' wages, which is what the Government of Canada is doing, is not ordinary. Having the conversation about a pandemic and seeing people, months ago, literally stockpiling toilet paper was also not ordinary. Details, with respect, do matter, because it's \$912 million one moment and \$543 million another moment, and that's a lot of money in-between.

Once again, this was all about eligible expenditures. It was up to \$543 million, and our portion was only for eligible expenditures. We were making no profit. We were asked to do this. We wanted to do this.

[Translation]

Mr. Rhéal Fortin: We have been asking you for some time to specify your expenses. You tell us that you cannot say.

[English]

The Chair: Sorry, Mr. Fortin, but your time is up.

Madam Clerk, I'm going to have to get you to start shutting down mikes.

The gentlemen are finalizing their answer. Just end your answer there, Craig or Marc.

Mr. Craig Kielburger: The contract speaks to this in great detail. Of the \$43 million, \$8.75 million was immediately paid to other charities and it was immediately transferred. More funds were being paid to afford the tech bills to support young people so they could participate in the program. We were helping to deliver a program with call-centre support, translation, access across the country

and direct mentorship for 20,000 youth, helping also with recruitment, the legal fee payments and filling out T4s. This was a massive undertaking. Again, it was only the eligible expenses. Not only would we have made no profit, but, frankly, a charity can't even make a profit.

The Chair: Okay, thank you. That will end the answer.

I'll give members the lineup that will take us to the end of the meeting. We'll have Mr. Julian for three minutes, then Mr. Morantz, Mr. McLeod, Mr. Poilievre and Ms. Koutrakis.

Go ahead, Mr. Julian.

Mr. Peter Julian: Thank you, Mr. Chair.

I'm quite frankly not satisfied with a whole range of the answers that we've had today. Many of them haven't been answers. They've been, I think, speeches, but we're looking for answers here.

The issue of the insurance covering potential liabilities, which you've admitted are massive, is something that doesn't make sense in the context of putting a contract into what is a shell foundation. A shell foundation is a foundation with no assets. I would ask that you make all of the insurance documents available to us around the ESDC contract. I think that would be helpful for us to find answers that have not been forthcoming during this committee meeting.

I'm also concerned about board transparency. Michelle Douglas testified earlier that the board did not approve the setting up of the WE Charity Foundation.

How many of the many entities—at least a dozen in Canada and many, many more overseas—have been set up without the board actually approving the setting up of those entities?

Mr. Craig Kielburger: Sir, allow me to nuance, because nuance in facts matters. In the conversation that took place, the WE Charity Foundation was originally established as an idea to hold the legal liability for WE Charity.

For example, I was on the board of Scouts Canada for many years. It's a great organization. Liability became a significant issue, as I learned from my service on that board. They looked at that very issue. WE looked at that very issue. As per Ms. Douglas and other board members, we chose not to proceed, as a general statement, for WE Charity to use this vehicle. That's why it was put on a shelf. It was unused, as per the board's request.

However, when the Government of Canada asked us to assume liability during a global health pandemic for 40,000 youth and all non-profits involved, that entity was repurposed, amended in its statements and repurposed to serve this need.

• (1645)

Mr. Peter Julian: I'm sorry, but you haven't answered my question, which is, why, when the board hadn't approved the setting up of the entity, you set it up just the same. You haven't answered the question of how many of these various entities have been set out without board approval or without knowledge of the board.

However, time is pressing, so I'm going to go to the U.S. regulatory procedures.

Can you confirm that the various WE foundations, boards, companies, charities are being fully disclosed and are meeting all of the requirements of U.S. regulatory filings, including the issue of disclosure of non-arm's-length relationships, either marital relationships or relationships that are business relationships?

Mr. Marc Kielburger: Sir, we understand that this information is coming from a group called Charity Intelligence.

I want to apply some context to answer your question. This is a group that lost its charitable status in 2012. It's a group that—

Mr. Peter Julian: I'm not asking about them. I'm asking about you.

Mr. Marc Kielburger: I'm about to answer your question.

Mr. Peter Julian: I'm asking about you.

Mr. Marc Kielburger: I understand, sir.

It has three board members, based on their 2019 filings, two of whom work for the organization.

For us, yes, we have the U.S. entities, and as part of our own Korn Ferry review, we're evaluating those entities. We need to look exactly at this very specific information you're being asked about, and we're doing so.

The Chair: Your final question, Peter?

Mr. Peter Julian: Yes. On the issue of the insurance policies that were signed in regard to this particular contract with ESDC, will you make those available to the committee? The liability issue, of course, is fundamental. We have heard testimony that the federal government was put at great risk by proceeding the way it chose to proceed, so of course having the information about insurance policies in place would be absolutely vital.

Will you share all of that information with the committee?

Mr. Marc Kielburger: I have two points, sir.

Yes, we'll share it.

The only organization that was being asked to be put at risk was WE Charity, by ESDC, by asking us to take 40,000 young people and assume full liability.

Mr. Peter Julian: That's why you put it in a shell foundation.

The Chair: Peter, I think the individuals have said several times that it's not a shell organization.

Mr. Peter Julian: It is the very definition of a shell foundation. There are no assets.

The Chair: We will have to determine that.

Mr. Rhéal Fortin: It is.

The Chair: Okay. We have four questioners left, and we'll have to go to four-minute rounds.

We have Mr. Morantz, Mr. McLeod, Mr. Poilievre and Ms. Koutrakis.

Mr. Morantz.

Hon. Pierre Poilievre: I'm taking Mr. Morantz's time.

The Chair: Okay, Mr. Poilievre, you have a four-minute round.

Hon. Pierre Poilievre: Paragraph 5.1 of the contribution agreement allows monies to be spent on salary from this contribution agreement.

Was there anything in the agreement that banned either of you from receiving that money?

Mr. Craig Kielburger: Sir, we are not paid by WE Charity, and we have never been paid by WE Charity. This was established. The entity that pays us, sir, is ME to WE Social Enterprise, which is not a party to this contract.

Hon. Pierre Poilievre: ME to WE, though, is a subcontractor to this contract.

Mr. Craig Kielburger: That is incorrect, sir. ME to WE—

Hon. Pierre Poilievre: It is right here in the middle of the agreement.

The Chair: Mr. Poilievre, you can quote that part of the agreement if you'd like, and we'll allow the Kielburgers to answer.

Hon. Pierre Poilievre: ME to WE Foundation is listed in 18.4 as a subcontractor to WE Foundation of Canada. It's right there. It's true, unlike what you've just suggested.

The Chair: Okay, and now we'll go to the answer, please.

Mr. Craig Kielburger: As per my statement, sir, ME to WE Social Enterprise pays us. ME to WE Social Enterprise was established as distinct and separate from ME to WE Foundation, sir. The WE Foundation administers—

The Chair: Mr. Poilievre, we'll go to the answer, please.

Hon. Pierre Poilievre: Right, hard to—

Hon. Pierre Poilievre: We're waiting for the answer.

Mr. Craig Kielburger: All entities in the contract are 100% not-for-profit.

Hon. Pierre Poilievre: Mr. Kielburger, with respect, you're way off my question now. Nobody has ever questioned whether or not these are not-for-profit. You can make a hell of a lot money as an individual within a not-for-profit organization by paying it in salaries. I see here, in section 5.1—I do have the floor—that you can pay salaries and you don't even need to submit time sheets to prove that you did the work. That's explicitly stated in 5.1.

I asked you a very simple question, and you've still not answered it. Was there anything in this agreement that banned you or your brother from receiving a salary, yes or no?

Mr. Marc Kielburger: Yes.

The Chair: Mr. Kielburger, you said yes. Do you want to further expand?

Mr. Marc Kielburger: Let me explain, sir—

Hon. Pierre Poilievre: Yes or no.

Mr. Marc Kielburger: We are not paid by any one of those organizations—

Hon. Pierre Poilievre: That wasn't my question. Yes or no.

Mr. Marc Kielburger: By definition, we are not paid by any one of those organizations—

Hon. Pierre Poilievre: Yes or no.

• (1650)

Mr. Marc Kielburger: Sir, by definition, we are not paid by—

Hon. Pierre Poilievre: Yes or no. That wasn't my question.

Mr. Marc Kielburger: The WE Social Enterprises is legally distinct and very separate —

Hon. Pierre Poilievre: That wasn't my question—

Mr. Marc Kielburger: ...From the ME to WE Foundation.

Mr. Chair, to answer your question—

Hon. Pierre Poilievre: There will be no answer to the question.

Mr. Marc Kielburger: Mr. Chair, can I answer the question? This is a very serious topic, sir.

Mr. Chair, can I have 15 more seconds, please?

Hon. Pierre Poilievre: You can have three more seconds. It's my time. Get to it.

The Chair: Go ahead, Marc.

Mr. Marc Kielburger: Sir, we have sat through four hours, which is four times more than anyone for the SNC-Lavalin or the Duffy affair, as context, sir. What we're—

Hon. Pierre Poilievre: That's not true. That's factually wrong.

The Chair: We're getting off the topic. I know we're all getting a little tired—

Hon. Pierre Poilievre: Can I get to my next question, Mr. Chair?

Mr. Chair, I'll go to my next question. He's had his response.

Mr. Craig Kielburger: No, sir. Mr. Chair, that's an allegation—

Hon. Pierre Poilievre: We're going to have to invite you back if you don't want to answer the question. Let's bring him back for another four hours.

The Chair: Mr. Poilievre, we will allow an answer to this question, go to your next one, and then we'll soon move on.

One of the Kielburgers.

Mr. Craig Kielburger: Any allegation and false claim that we would have financially benefited as individuals from this is simply that: false. No institution, no charity listed here, pays us a salary or any form of financial, period. Sir, it's incredibly insulting that you will not accept our answer on this.

The Chair: Back to Mr. Poilievre.

Hon. Pierre Poilievre: Because I haven't got one. The question was whether there was anything in the contribution agreement that would ban you from receiving any salary. You still haven't answered. I'm not going to ask it again, because you've had two tries and you refused both times.

The Chair: Okay, your last question.

[Translation]

Hon. Pierre Poilievre: What astonishes me is that you never thought it was an issue to pay the Trudeau family close to half a million dollars, when your organizations deal directly with the government, and when the Prime Minister is involved in a contribution to your organization of almost half a billion dollars.

Do you not see a conflict of interest in the fact that the Prime Minister has received close to half a million dollars from your organizations and is giving you funds at the same time?

[English]

Mr. Marc Kielburger: Mr. Chair, the translation we got was that we were paying the Prime Minister half a billion dollars through the contribution agreement, and I'm assuming that was an incorrect message.

The Chair: It might have been.

Basically, the premise of the question was that money would be going to the Prime Minister's family, and a half a billion dollars going to your organization. Do you not see the connection?

Mr. Craig Kielburger: Sir, we respect that the Government of Canada has its processes on conflict of interest, and we respect that you're looking into those. As it relates to our role as a charity, on this matter we followed proper laws. We engaged someone through a speaking bureau to give talks on mental health. Many organizations do this. There was nothing improper in these actions.

Frankly, sir, we understand what you're asking us, and we recognize that. Frankly, I wish it weren't a sole-sourced contract. I wish we could have competed with others. I wish that different decisions had been made in the final decision-making on all of these matters. That was not ours to decide. We were asked to be of assistance at a time of a national pandemic, and we did our best with it. Simply, that's the case.

Hon. Pierre Poilievre: On May—

The Chair: Thank you.

We're out of time, Mr. Poilievre. You will have another round if you're taking the next slot.

We have Mr. McLeod, Mr. Poilievre and Ms. Koutrakis.

Mr. McLeod, go ahead.

Mr. Michael McLeod: Thank you, Mr. Chairman.

Thank you to the witnesses for patiently answering all of the questions.

Mr. Craig Kielburger: We are losing that bathroom break. Rather urgently, Marc has whispered that twice now, so please continue. I'll continue without him; I can do this without him.

Mr. Michael McLeod: This whole CSSG contract and the incident around it has received a lot of media attention. There's a lot of fallout on all sides from it, I think. Your organization has taken a loss. It has taken some monetary hit, but maybe and even bigger credibility hit.

The government and all the committees will probably be dealing with this for the rest of the summer. We may have up with to three committees investigating it, so it's going to consume us for probably the next month or so, if not longer.

What we're not hearing about is what this whole initiative was focused on, and that's the youth. That's what concerns me the most. We know youth now are facing a real loss of opportunity, and there may be no replacement program. I haven't seen it yet.

Could you talk about what shutting down this whole initiative, this program, is going to cost the youth? There were a lot of youth who were interested in this.

• (1655)

Mr. Craig Kielburger: Thank you, sir. A question we have never been asked by any journalist or anyone here today is what was lost when it came to young people in this process.

We had an extraordinary service opportunity lined up with Rotary and others to link young people to seniors to help document their lives to help overcome the reality of dementia, with so many seniors being in social isolation.

We had a beautiful program lined up with hospital networks, where there would have been support for nurses and their kids at home to make sure that they had digital mentors so that the nurses could take care of us and not be afraid.

We had a beautiful partnership lined up with Tim Horton's Foundation camps and others because all of the other camps had stopped over the summer, and young Canadians would have provided digital camp coaching experiences to these youth to help mentor and support them in this process.

All of this good was lost. All of these extraordinary service opportunities were lost. The fallout has been that young people are not earning income to support their tuition. I know it was criticized, but these teachers put up their hand over the summer to support 20,000 youth with direct supervision.

For WE Charity, to your comments, sir, the \$5 million that we incurred in expenses is not the real issue here. This false information that's been circulated has been devastating to the charity. The charity got tagged "the WE Charity scandal" on this, when, in fact, the charity didn't make the final decision and wasn't involved in the process of declaring whether there was a conflict. All media have carried this around the world as the WE Charity scandal. It's been devastating to a Canadian charity through this whole process.

Frankly, there are days when we wish we had never answered the phone on April 19 when Rachel Wernick called asking for us to help.

It is incredibly unfortunate that the people who are bearing the worst cost in all of this are young people who don't have their summer placements. Because of the harm caused to WE Charity, for so many of the young people and children in Canada whom we served, we won't be able to provide the same programs in the years ahead.

The Chair: I am going to let it end there, Mr. McLeod.

Mr. McLeod: Thank you.

The Chair: We have four minutes for the last four speakers. Thank you for that question and answer.

Mr. Poilievre, there's a four-minute round for you, and then we'll end with Ms. Koutrakis.

Mr. Poilievre, are you there?

Hon. Pierre Poilievre: Section 5.1 of the contribution agreement allowed your organization to be compensated for salary, but expressly said that your organization would not have to keep time sheets. Why did you think it was important not to provide time sheets to show work hours for which your group would be compensated?

Mr. Marc Kielburger: If anybody in the media or anyone in the public would like to look at it, we've sent out a version of the contract with very specific, very detailed notes. The reason, specifically, is that the provision that we would not be required to maintain time sheets and record keeping reflected the fact that WE staff had begun to work immediately on the project in advance of the final funding—

Hon. Pierre Poilievre: That wasn't the question. It's not even related.

I have a point of order, Mr. Chair. It's not even related to my question now.

Mr. Marc Kielburger: It is, sir.

Hon. Pierre Poilievre: The question I'm asking is, why they didn't want to have time sheets to show the work done, and he is telling me about the story of genesis, to the beginning of time. It's not related.

The Chair: Mr. Poilievre, I think he is giving you an explanation of why they didn't have time sheets, why they weren't required. I will let him respond to that and then we'll go to your next question.

Mr. Marc Kielburger: Sir, the vast majority of staff who were working on the program were working 100% of the time.

Hon. Pierre Poilievre: You couldn't have kept a time sheet to prove that?

We'll move on.

You claim that it was the April 19 phone call from Ms. Wernick who requisitioned your help in this program, but Ms. Wernick has testified that on April 19 she didn't even know the details of the program itself. It wasn't until two days later when your proposal and the Prime Minister's simultaneous announcement of it were broadcast that she even found out the details. How is it that she would have asked you to run a program that she didn't even have the details of at the time?

• (1700)

Mr. Craig Kielburger: She had a number of key details, sir.

At that point, she said it was 20,000 youth. That changed, increasing to 100,000. She knew that it would be over the summer. At the one point, though, it could have been for the summer or for the full year. She knew that it had to be launched immediately—although that time was then shifted.

The point I'm trying to make, sir, is that the broad outline of it—a paid summer service program for youth—she was aware of. She knew the final numbers, the date, and the payment amounts. All those details on policy objectives were decided by other people in government.

Hon. Pierre Poilievre: Your testimony contradicts hers, because she says that she didn't have the details—

Mr. Craig Kielburger: Mr. Chair, could I answer the question.

Hon. Pierre Poilievre: —and she also says that she did not say that she asked you to run the program. She said that she called to ask for your input and then it wasn't until three days later when the Prime Minister made an announcement and you very conveniently had a proposal ready that, at that point, you became the service delivery organization. Why the contradiction?

The Chair: Mr. Kielburger, you can finish your previous answer and conclude on this one.

Mr. Craig Kielburger: I'll just jump straight ahead at this point, sir. I will happily submit to you the April 22 email from me to Ms. Wernick that says “as per your request”. “As per your request”, sir, were the key words that indicated we were sending the proposal as per her request.

Hon. Pierre Poilievre: Those were the words you wrote. Very crafty, well done.

The Chair: Your last question, Mr. Poilievre.

Hon. Pierre Poilievre: Have you or anyone acting on your behalf, including a law firm, ever hired private investigators who may have looked into media personalities like Mr. Jesse Brown or reporter Jaren Kerr?

Mr. Craig Kielburger: Sir, if I may say with all due respect you are reaching to the bottom of the barrel if Jesse Brown is now whom you are quoting, to—

Hon. Pierre Poilievre: I asked you a question and you're not answering it.

Mr. Craig Kielburger: I can answer it very clearly, sir. There was a public exchange between Jesse Brown and the lawyer—

Hon. Pierre Poilievre: You're not answering it.

Mr. Craig Kielburger: Sir, I am.

Mr. Chair, I am going to answer very clearly with two points. Number one, there's a public exchange on Mr. Brown's—

Hon. Pierre Poilievre: Did your law firm to hire a private investigator to look into it. We'll just call you back if you don't answer.

The Chair: Mr. Poilievre, your questions are done. Mr. Kielburger has the right to respond and we will conclude with Ms. Koutrakis, I believe.

Mr. Kielburger.

Mr. Craig Kielburger: Sir, we will happy submit to you the Twitter exchange between the lawyer who was involved in the matter and Jesse Brown. It's on Jesse's Brown's Twitter. It answers the question decisively.

Sir, frankly, we've answered your questions.

Hon. Pierre Poilievre: I have a point of order, Mr. Chair.

The Chair: What's your point of order?

Hon. Pierre Poilievre: The Standing Orders clearly state that witnesses are required to answer the questions put by members or risk being found in contempt. The question was, yes or no, whether the witnesses' law firm hired a private investigator to look into Jesse Brown and Jaren Kerr. The witness then referred to a Twitter exchange. I'm not interested in looking at Twitter; I'm looking for an answer.

So yes or no, did your law firm hire a private investigator to look into these reporters? Yes or no?

Mr. Marc Kielburger: Sir, we've been here for four hours and now you're threatening us. We just feel that this is not appropriate. There is a very clear public record on this.

Hon. Pierre Poilievre: Yes or no?

The Chair: We will go to Ms. Koutrakis for a final question.

Ms. Koutrakis.

Ms. Annie Koutrakis: Thank you, Mr. Chair.

For the record, I want to correct something that Mr. Kielburger said earlier, calling this a sole-source contract, when in fact it's not. It's a contribution agreement.

Mr. Craig Kielburger: Thank you. I appreciate that.

Ms. Annie Koutrakis: You're welcome.

We heard through your gruelling testimony, as you said, over the last four hours, time and time again the various theories that are out there, but I think it's very important that we end today's meeting by giving you the opportunity one more time to clarify certain untruths.

A theory is being put forward out there by the opposition and the media, implicitly and even explicitly, which comes down to the following: WE was having financial problems and a scheme was put together, with the concurrence of senior members of the government, to create a large student aid program using the pandemic as an excuse and to direct this contribution agreement to WE to save it financially, based on the profit they would make from the agreement. The implication is that the profit WE would make would be a payback for speaking fees, travel expenses, a job, and a trip given to the Prime Minister or Minister of Finance and for political help to the Liberal Party of Canada.

Is this a true representation of what happened and if not, please address any inaccuracies that may exist in this theory. I kindly remind you that you are under oath.

• (1705)

The Chair: Gentlemen.

Mr. Craig Kielburger: This is decisively not a true representation of what took place. Allow me to walk through step by step on that time frame you outlined.

In the spring, like everyone else, we were affected by COVID-19. Like small businesses, non-profits and others across Canada, we had to make many difficult choices and, as the previous witness, Ms. Douglas, testified, it was a difficult time. We had to let people go who were like family to us, but that stabilized the organization. We had over eight months' of assets to carry us forward, long-term contracts with partners to implement projects, and we were in a solid financial position because of those prudent choices.

We were approached by the government, specifically Ms. Werneck, on April 19 to ask us if we were willing to implement a service program. In that case, we sent our best suggestions for her consideration, as per her request. An internal process in government, which we frankly can't speak much to, led at the end of the day to her request for us to work to create this during a pandemic, an extraordinary time of national crisis.

We did our best, created a program that had over 35,000 youth applicants, 64% of whom were people of colour, from coast to coast to coast, including the Northwest Territories, sir, with every other region represented. Through this process, unfortunately, the minute it was announced, it got enmeshed in a political controversy. We did our best. We handed everything over to the governments: the call centres, the manuals, the technology, hoping that the public service could continue to run it. We are heartbroken that it hasn't been able to continue, that the youth have faced these significant challenges as a result and, frankly, we're heartbroken that this whole process has not been a gift to our charity. Far from it. This is something that may destroy 25 years of work in building a national charity in this country, partially because of mistakes we made. We acknowledge and we apologize, but, frankly, significantly because of inaccurate and false information that circulated to the advantage of various groups seeking a political outcome here.

At the end of the day, we had one purpose, and one purpose only, in our actions. This was not about the government helping WE Charity. WE Charity sought to help the government and to help young people.

The Chair: It's a very good note to end on.

I'm sorry, but we're out of time. We're actually over time.

Gentlemen, on behalf of the committee, I want to thank you—first, for requesting to appear for, I believe, it was an hour, and then agreeing to the will of the committee to meet for four hours. We had a lot of information tabled today, I think. I thank you for your forthright answers.

I thank the members for their questions as well.

With that, again, on behalf of the committee, thank you for appearing.

The meeting is adjourned.

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