



HOUSE OF COMMONS
CHAMBRE DES COMMUNES
CANADA

43rd PARLIAMENT, 1st SESSION

Standing Committee on Access to Information, Privacy and Ethics

EVIDENCE

NUMBER 012

Tuesday, August 11, 2020

Chair: Ms. Rachael Harder



Standing Committee on Access to Information, Privacy and Ethics

Tuesday, August 11, 2020

• (1235)

[English]

The Chair (Ms. Rachael Harder (Lethbridge, CPC)): I'll just ask the cameras to clear the room, please.

Mr. Kurek.

Mr. Damien Kurek (Battle River—Crowfoot, CPC): Thank you, Madam Chair. On a point of order, I would ask that the witness be put under oath.

The Chair: Okay, so be it. We will proceed under that direction.

Welcome. As you know, Mr. Shugart, we are discussing the motion that was passed on July 22 at this committee:

That, pursuant to Standing Orders 108(3)(h), the Committee review the safeguards which are in place to avoid and prevent conflicts of interest in federal government procurement, contracting, contribution and other expenditure policies;

Mr. Shugart, you have been asked to come testify today as you currently serve as the Clerk of the Privy Council. In just a moment I will give you 10 minutes for opening remarks, and then we will proceed to questions from members around this table.

I would ask that we be aware of the time. I will interrupt and stop questioning at the [Inaudible—Editor] minute. Please bear with me. I do not mean to be rude, but certainly I mean to be fair and to use our time wisely.

With that, Mr. Shugart, I would—

Yes.

[Translation]

Mr. Rhéal Fortin (Rivière-du-Nord, BQ): Madam Chair, there's no interpretation at the moment.

[English]

The Chair: I'm just going to suspend for one moment.

• (1235)

(Pause)

• (1245)

The Chair: I will bring the meeting back.

Mr. Shugart, you have 10 minutes to give opening remarks. Then we will proceed to questions from the members.

Yes, Mr. Gerretsen.

Mr. Mark Gerretsen (Kingston and the Islands, Lib.): On a point of order, now that the meeting is back in session, I have a

question on the issue that was raised by Mr. Green, who has now been replaced by Mr. Angus, with respect to asking the Clerk of the Privy Council to be put under oath.

I want it to be known that I believe some other members of this committee misunderstood the manner in which the chair handled it, by assuming there was unanimous consent—

[Translation]

Mr. Rhéal Fortin: Madam Chair, the interpreter can't hear the remarks.

[English]

The Chair: Sorry, Mr. Gerretsen, just wait for one moment.

I understand, Mr. Fortin. Thank you.

I will suspend. We still have an issue with the interpretation.

• (1245)

(Pause)

• (1250)

The Chair: We're ready.

Mr. Kurek.

Mr. Damien Kurek: I'll withdraw the motion. It seems like this will take unnecessary time, so I will withdraw my previous motion.

The Chair: Thank you so much, Mr. Kurek.

With that, we will proceed to testimony from Mr. Shugart.

Mr. Shugart, you have 10 minutes.

Mr. Ian Shugart (Clerk of the Privy Council and Secretary to the Cabinet, Privy Council Office): Madam Chair, I don't have an opening statement.

Perhaps the only comment I would make is that I first began engaging with members of Parliament 40 years ago this summer. As a public servant, I have many times appeared before parliamentary committees. I understand absolutely the sacred rites of the House of Commons. Whether I were sworn or not, members of the committee would hear exactly the same thing from me.

Thank you.

The Chair: Mr. Shugart, thank you very much.

With that, we'll proceed to questions from the members. Our first round is six minutes for each member who is asking questions.

Mr. Barrett, you may begin.

Mr. Michael Barrett (Leeds—Grenville—Thousand Islands and Rideau Lakes, CPC): Mr. Shugart, I believe that the documents submitted to the finance committee would be useful for our study as well. Would you be able to provide them to this committee?

Mr. Ian Shugart: I certainly would make them available to any committee of the House. I'm not familiar with the procedures across committees, but I would be absolutely prepared to make the same material available.

Mr. Michael Barrett: Thank you.

You supplied those per the deadline to the committee. I understand they are being vetted at this time. Are members of that committee able to see the documents in the same state they were submitted by you?

Mr. Ian Shugart: As far as I know, Chair, again, I believe the law clerks of parliamentary committees do some examination of the documents. I gather there are still some translation issues, so what will be provided and has been provided is entirely in the hands of the committee, at that point.

Mr. Michael Barrett: The Prime Minister testified that he pushed back against your recommendation on May 8 before the cabinet meeting, saying that you hadn't ensured that i's were dotted and t's were crossed and that he demanded due diligence be done. Did that conversation happen electronically or in person?

Mr. Ian Shugart: It was in person, but I would mention that during this entire period, because people have been working at a distance, typically in our briefings of the Prime Minister, certainly by the time he was no longer in isolation, it would have been a mix of people in the room and on the phone.

Mr. Michael Barrett: Is there a recording? Would those meetings be recorded if they're by Zoom or by the Government of Canada teleconference system?

Mr. Ian Shugart: I can't be definitive; I assume not. I do know that in one case where I was asked to provide a Zoom recording of a particular meeting and I undertook to do so, if there were a recording, it transpired that there was not a recording. So to the best of my knowledge, there were not recordings of meetings.

• (1255)

Mr. Michael Barrett: Thank you.

Did the Prime Minister ask for hard proof that the public service could not deliver the CSSG?

Mr. Ian Shugart: Well, the questions were specific, and the answers, I think, were taken as honest and true answers. It was a serious question and taken as such. Officials gave their best answers.

Mr. Michael Barrett: But did he ask that question specifically? Because—

Mr. Ian Shugart: You mean for documentary evidence, for example?

Mr. Michael Barrett: Yes.

Mr. Ian Shugart: No, he did not as I recall.

Mr. Michael Barrett: Did he ask if, for example, the WE organization had a functioning board that was governing it?

Mr. Ian Shugart: No.

Mr. Michael Barrett: Did he ask if they were in violation of any of their bank covenants?

Mr. Ian Shugart: No.

Mr. Michael Barrett: Did he ask if their financials were in order?

Mr. Ian Shugart: No. I think he entrusted public servants to do their due diligence with respect to the proposed contribution agreement and the program that would be delivered.

Mr. Michael Barrett: Did he ask that you provide other options for organizations that could provide this service?

Mr. Ian Shugart: Well, as we indicated to the finance committee chair, there was extensive discussion, prior to the briefing of the Prime Minister and then again at the May 8 briefing and the subsequent briefing, that the due diligence had been done. As parliamentarians know, there was no formal call for proposals, but officials were thorough in understanding given the parameters of the program.

Mr. Michael Barrett: Was the question asked if this organization could deliver the program in both of Canada's official languages in accordance with the Official Languages Act?

Mr. Ian Shugart: Yes.

Mr. Michael Barrett: And was the answer that they were able to?

Mr. Ian Shugart: Yes.

Mr. Michael Barrett: Are you aware that the WE organization was going to subcontract out 100% of the French delivery of the program?

Mr. Ian Shugart: No, I'm not aware of that.

Mr. Michael Barrett: You haven't seen media reports to the effect that they had NATIONAL Public Relations contracted as their sub to deliver in French-speaking communities?

Mr. Ian Shugart: I'm not aware of that.

Mr. Michael Barrett: The Prime Minister said he wanted to make sure i's were dotted and t's were crossed in the two weeks between that cabinet meeting and the next. What due diligence would have been done during that time that wasn't done previously, up to that point on May 8?

Mr. Ian Shugart: Well, I think we have indicated that the kind of due diligence with respect to the ability of the organization to deliver the program had to do with official languages in one case, the ability to reach out across the country—in other words, take care of all the regional dimensions—and ensure that Canadians who are typically harder to access, disadvantaged people and so on, would be able to be reached by—

Mr. Michael Barrett: Sorry, I'm tight for time. I have one more question.

When you appeared at the finance committee, you said, “the Prime Minister was briefed [on the CSSG] prior to cabinet meetings and on at least one other occasion discussing the development of the program, the options, the design features, etc.” That’s a quote from you. What was the date Mr. Trudeau was briefed about program development and options?

Mr. Ian Shugart: If I remember correctly, it was late April, April 21 perhaps, when the broad outlines of the entire package for students were being briefed.

The Chair: That’s time, thank you.

Madame Brière, go ahead for six minutes.

[*Translation*]

Mrs. Élisabeth Brière (Sherbrooke, Lib.): Thank you, Madam Chair.

Good afternoon, Mr. Shugart.

Thank you for accepting the invitation to join us this afternoon.

Could you just explain how the file progresses once it gets to the Privy Council Office?

Mr. Ian Shugart: There is a preliminary period during which officials from Employment and Social Development Canada, or ES-DC, and the Department of Finance outline the program and develop the details. I don’t have the specific dates right now, but at some point during that period, officials from the Privy Council Office were informed and invited to take part in the conversations. In terms of overall development of the program, the details were becoming more and more established, and the discussions more detailed.

The role of the Privy Council Office is to prepare elements of the proposal for consideration by the Special Committee on the COVID-19 Pandemic and, ultimately, by cabinet.

• (1300)

Mrs. Élisabeth Brière: Thank you.

You mentioned that, in the circumstances, it was justified to proceed with a contribution agreement, which is a standard tool, rather than a tendering process.

Today, can you tell us why it was justified?

Mr. Ian Shugart: It’s a standard mechanism for working with a—

[*English*]

third party to deliver a program. It was already determined at that point that the elements of the program required a third party, and therefore a contribution agreement would be required. The contribution agreement itself follows the broad lines of any contribution agreement. There are standard clauses. There’s a template for contribution agreements to ensure financial probity and results for Canadians, and that took some time to develop, as it always does. The more sophisticated or complex, and the larger scale of program, the more detailed the contribution agreement will be. That procedure was followed when it became clear that the department did not have the internal capacity to deliver the program that was being designed.

[*Translation*]

Mrs. Élisabeth Brière: When you were appointed, you said that it was your responsibility to advise ministers, and to tell them the good news and the bad news. Under both Mr. Harper’s government and that of Mr. Trudeau, you have always considered it your duty to tell the truth and to give them the best possible advice. I believe you expect the same from all deputy ministers in the government.

Along the way, if you had doubted that WE Charity was the best option, would you have said so?

Mr. Ian Shugart: Yes.

I wouldn’t have said it personally. That was the opinion of senior officials at Employment and Social Development Canada. I didn’t give that advice myself, but it was already the opinion of senior officials at ESDC at the time.

Mrs. Élisabeth Brière: Okay, but I would like some clarification on your sense of duty and your responsibility to always advise ministers to the best of your ability.

Mr. Ian Shugart: This is absolutely consistent with the duties of public servants to consider options and to respond to ministers’ requests in light of established program development preferences. That’s normal and that’s what was done in this case. The advice and analysis of senior officials was provided to ministers as usual.

Mrs. Élisabeth Brière: In the Privy Council Office are there mechanisms, such as due diligence procedures, in place to identify areas of concern and potential conflicts of interest?

• (1305)

Mr. Ian Shugart: Everything is based on the Conflict of Interest Act. As the committee knows, it is the responsibility of individuals to make their business known to the commissioner. If the commissioner deems that action is necessary, it’s the responsibility of senior officials or ministers—

[*English*]

The Chair: I’m sorry, that’s time. Thank you.

[*Translation*]

Mrs. Élisabeth Brière: Thank you.

[*English*]

The Chair: We’ll move to Mr. Fortin for six minutes.

[*Translation*]

Mr. Rhéal Fortin: Thank you, Madam Chair.

Good afternoon, Mr. Shugart.

With respect to the due diligence of WE Charity, you said earlier that Mr. Trudeau had not inquired about this, but that he assumed the officials had.

Can you tell us exactly what due diligence was done on WE Charity’s activities?

Mr. Ian Shugart: I indicated earlier that the due diligence had to do with the organization's ability to deliver the program. Other issues related to the organization, such as those related to the board of directors, were not considered at that time.

Mr. Rhéal Fortin: In terms of the financial aspect, was the creditworthiness of WE Charity checked?

Mr. Ian Shugart: No, because senior officials said that they had dealt with the organization before, that there was a track record. The content of the contribution mechanism is specific enough to determine that expenditures, for instance, are well managed. This kind of due diligence also assesses the organization's ability to deliver the program and interact with citizens, among other things.

Mr. Rhéal Fortin: I don't mean to be rude, Mr. Shugart, but we have so little time that I feel compelled to corner you. Please excuse me. You said that this organization has an established track record and that it was enough to judge them on it. What was the duration of the track record of WE Charity that reassured you?

[English]

Mr. Ian Shugart: I'm afraid I don't know the details of that. The department had worked with the charity on other occasions. They knew them well.

[Translation]

Mr. Rhéal Fortin: Do you know that the contribution agreement was not given to WE Charity, but rather to the WE Charity Foundation?

Mr. Ian Shugart: Yes, I learned that recently.

Mr. Rhéal Fortin: Do you know how long the WE Charity Foundation has been incorporated?

Mr. Ian Shugart: No.

Mr. Rhéal Fortin: Do you know how solvent the WE Charity Foundation was and how many assets it had, among other things?

Mr. Ian Shugart: I only know that in conversations between ES-DC officials and WE Charity people, it was determined, partly for administrative reasons, that the WE Charity Foundation was the best vehicle.

Mr. Rhéal Fortin: I don't know the exact figure off the top of my head, but WE Charity had liabilities of a few tens of millions of dollars.

Did you know that?

Mr. Ian Shugart: I don't know the details, but I understand that there are—

Mr. Rhéal Fortin: If I told you that the WE Charity Foundation had no known assets, would you believe it's possible?

Mr. Ian Shugart: I have no specific information on that.

Mr. Rhéal Fortin: How often does the federal government give \$43.5 million in contracts to manage \$900 million to empty shells that have no assets and no known track record?

[English]

Mr. Ian Shugart: All I can say, Chair, is that the contribution agreement in this case was typical of relationships between a government department and an entity. They are guided by principles of audit and of due diligence with respect to the interest of the Crown.

This contribution agreement will bear scrutiny as typical of the mechanisms that have been approved by the Treasury Board and that have been used in the government for a very long time.

• (1310)

[Translation]

Mr. Rhéal Fortin: I'll take your word for it, Mr. Shugart. It seems to make sense to me. I can't believe the federal government put an organization in charge of managing \$900 million of our savings, or even our children's future savings, because we don't have that money and have to borrow it, without any due diligence.

I can't believe we paid an empty shell, with no assets, without checking anything. It seems absurd to me. That's why I'm asking you to reassure me, because you're still the Clerk of the Privy Council. You advise the Prime Minister on these things. You have been involved in these decisions. Yet you're telling me that there was no financial due diligence and that you simply relied on the fact that the department had already dealt with WE Charity and on the fact that they knew these people. That doesn't make me feel any better.

Can you tell me anything else to make me feel better?

Mr. Ian Shugart: You're absolutely right about the government's responsibility to reassure Canadians about the reliability of things. I would simply say that there was an established relationship between WE Charity and the department. As I mentioned before, I don't know the specific reasons why the vehicle was transferred between WE Charity and the WE Charity Foundation. However, I can say that the procedures and rules were followed in terms of carrying out this contribution agreement.

Mr. Rhéal Fortin: I have one last question for you, Mr. Shugart. My colleague asked you about this earlier.

On May 8, the Prime Minister backed down because he felt he might be in a conflict of interest in this matter. The decision to award the contract to WE Charity was postponed for two weeks. That is part of the story, and we now know that two weeks later, Mr. Trudeau and Mr. Morneau voted in favour of the decision.

Between May 8 and May 22, were you consulted on whether or not a conflict of interest prevented the Prime Minister from making a decision?

[English]

The Chair: You have 10 seconds for your answer.

Mr. Ian Shugart: I was generally aware, because the item had been removed from the cabinet agenda, that there was a desire for due diligence on the part of the Prime Minister's chief of staff and the Prime Minister, and that that would be undertaken between the two cabinet dates. I was not personally involved in that due diligence. My opinion was not sought, and I did not see anything at the time that required my giving the Prime Minister specific advice. The follow-up to his request was being undertaken by officials and it did not occur to me at the time, or indeed in retrospect, as I've thought about this, that there was anything in that circumstance that called for more than the follow-up that was being done by officials.

[Translation]

Mr. Rhéal Fortin: Do you have a copy of the report?

[English]

The Chair: Mr. Green, the floor is yours for six minutes.

Mr. Matthew Green (Hamilton Centre, NDP): Thank you very much.

This is a very interesting line of questioning. Through you, Madam Chair, who would have provided the due diligence in this regard?

Mr. Ian Shugart: Well, those who did the follow-up, Chair, which is to say ESDC officials who had carriage of the file, and the Privy Council Office would have been monitoring that as well.

Mr. Matthew Green: So you would have been providing advice to Ms. Telford in this regard of due diligence?

Mr. Ian Shugart: Well, the nature of our advice was when the item returned, the homework having been done by the officials, and the Prime Minister was again briefed prior to the cabinet meeting—

Mr. Matthew Green: In your opinion, was the due diligence sufficient?

Mr. Ian Shugart: In my opinion, it was.

Mr. Matthew Green: How does Ms. Telford, in her testimony before the finance committee, state that she didn't even know the contract was with the WE Charity Foundation?

Mr. Ian Shugart: At that time, we did not know that information.

Mr. Matthew Green: How is it that you—not you personally, but through you, Madam Chair.... How is it that during this due diligence process nobody read the 2019 audited financial statements that WE Charity was in breach for the second year?

• (1315)

Mr. Ian Shugart: Well, I've indicated that the focus of that due diligence was on the ability of the organization to deliver the program—

Mr. Matthew Green: Would due diligence—

Mr. Ian Shugart: —and in the interactions with the organization—

Mr. Matthew Green: Which one? Just for clarity, Madam Chair, which organization?

Mr. Ian Shugart: With WE Charity.

Mr. Matthew Green: With WE Charity Foundation?

Mr. Ian Shugart: As I understand, they made the suggestion.

Mr. Matthew Green: Specifically, through you, Madam Chair, was it WE Charity Foundation, for the record?

Mr. Ian Shugart: No. I'm going to say that WE Charity, as far as I'm aware, made the suggestion that the WE Charity Foundation would be the better vehicle.

Mr. Matthew Green: Madam Chair, through you, in the due diligence process, who would the due diligence be applied to, the WE Charity Foundation or WE Charity proper?

Mr. Ian Shugart: The same issues.... I don't know at what point the focus shifted from the WE Charity to the WE Charity Foundation. I do not know if it would be the same individuals responding on the other side to both parts of the organization. I can tell you that the officials were focused with their interlocutors at WE on the due diligence, the ability of the organization to deliver the program.

Mr. Matthew Green: Madam Chair, through you to Mr. Shugart, I apologize. I can't accept that in a \$43-million administrative exchange to administer a \$912-million program that the governance of the WE Charity Foundation wouldn't have been a part of the due diligence process, so I'll put the question clearly. Was the governance of the WE Charity Foundation's stability part of the due diligence process, knowing that they were going to, as a shell company, hold the liability?

Mr. Ian Shugart: Chair, I understand completely the question and its legitimacy. I have every confidence that going forward we will learn from this situation whether those questions should have been examined. I'm not in a position to give the detail on the negotiation of the contribution agreement between ESDC officials and the WE organization broadly.

Mr. Matthew Green: Through you, Madam Chair, that's not what I'm asking. I'm asking whether in your report back on the due diligence the governance structure of the WE charitable foundation was part of the due diligence?

I'll explain why. It has been reported by Charity Intelligence that in the due diligence the process was whether the charity was able to provide full and frank disclosure to the founder about the radical change in its governance. For instance, none of this would have come to light until the June 28 tweet of the former chair Michelle Douglas, which showed that the board of directors had gone from seven to five. That's a radical departure.

I've been a part, Madam Chair, of many processes. I've been a member of the Hamilton Community Foundation. I've been on the endowment fund for the City of Hamilton, the enrichment fund. I can assure you that if there were a radical departure by the board of an organization that I was about to present money to, without any real explanation, that would raise a flag. Yet in your testimony, through you, Madam Chair, Mr. Shugart, you suggested there were no flags raised. How is that?

Mr. Ian Shugart: I've been very clear, a few times now, in answering your question to say that those issues with respect to the WE Charity Foundation were not raised in the subsequent briefing. To my knowledge, they were not flagged as material in the examination of WE's ability to deliver the program.

Mr. Matthew Green: Is that still your opinion, with all the information that's been disclosed since then?

Mr. Ian Shugart: In retrospect, I think if we had known what we know now, we probably would have inquired further, but I must also say that even looking back now, I have no evidence that the WE organization, had the program gone ahead, would not today be able to deliver the program as set out in the contribution agreement.

Mr. Matthew Green: This will be my last question. With regard to the April update that you referred to following the previous speaker's question, was the Prime Minister briefed at the time that he was involved, back in April? We know that Ministers Chagger, Ng and Morneau were already heavily involved with WE. Did the Prime Minister know at that time during your briefing that WE was on the docket for this particular program?

Mr. Ian Shugart: My understanding is that he did not.

Mr. Matthew Green: I don't see how that's possible.

The Chair: Thank you.

Mr. Poilievre, you have the floor for five minutes.

• (1320)

Hon. Pierre Poilievre (Carleton, CPC): So the Prime Minister had no idea how the program would be delivered when he announced the program on April 22.

Mr. Ian Shugart: The details of the design of the program had yet to be worked out. The policy was what the Prime Minister announced. The details were to be fleshed out later.

Hon. Pierre Poilievre: “Later” came on May 8. At that meeting, was the Prime Minister's family's relationship with WE ever raised by anyone?

Mr. Ian Shugart: It was not, that I recall. The Prime Minister's own history with WE was—

Hon. Pierre Poilievre: No, I know that.

Mr. Ian Shugart: —but beyond that, sir, no.

Hon. Pierre Poilievre: Was it raised at all?

Mr. Ian Shugart: I do not believe it was.

Hon. Pierre Poilievre: You do not believe so.

Mr. Ian Shugart: To the best of my knowledge, the answer is no.

Hon. Pierre Poilievre: You were there.

Mr. Ian Shugart: Either I was there or my colleague Phil Jennings, who's deputy secretary at PCO was. I would refer—

Hon. Pierre Poilievre: Did the Prime Minister ask, at that meeting, for evidence that the public service could not deliver the program?

Mr. Ian Shugart: Well, as I said to the earlier question, this was oral, but yes, he asked for an understanding of the capacity of the public service, which was provided.

Hon. Pierre Poilievre: Did he ask for any information about the financial state of the WE organization?

Mr. Ian Shugart: No.

Hon. Pierre Poilievre: Did he ask for any evidence that the organization had a governance structure?

Mr. Ian Shugart: Do you mean difficulties with that? No.

Hon. Pierre Poilievre: He effectively said that your public service did not cross t's or dot i's, and that you did not provide him with enough scrutiny at that meeting. What did you lack? What did the public service fail to tell him that made him “push back”, in his words?

Mr. Ian Shugart: My understanding of what the Prime Minister has said is that he wanted assurance that the i's were dotted and the t's crossed.

Hon. Pierre Poilievre: But they weren't—

Mr. Ian Shugart: I am not aware that he found any particular gaps in the information.

Hon. Pierre Poilievre: Well, he must have, because he claims—claims—that he pulled the document from the cabinet meeting.

Mr. Ian Shugart: Yes—

Hon. Pierre Poilievre: So he must have found a gap.

Mr. Ian Shugart: Well, he was not satisfied—

Hon. Pierre Poilievre: Why not?

Mr. Ian Shugart: —but he wanted greater assurance. I would not say he pointed to any specific gaps in the information.

Hon. Pierre Poilievre: Did he give you a list of due diligence that he wanted?

Mr. Ian Shugart: Yes. We've referred to that as issues related to—

Hon. Pierre Poilievre: There's a list?

Mr. Ian Shugart: We discussed this in the meeting. I've referred to what those topics were: the ability of the organization to reach harder-to-access Canadians, bilingualism, regional reach and that kind of thing.

Hon. Pierre Poilievre: But he didn't ask about finances or governance, obviously, which would be necessary for an organization to deliver a program, and yet somehow he claims that he was seeking due diligence.

Has the WE organization repaid the money it received from the government yet?

Mr. Ian Shugart: I believe that is in process, but I haven't the details off the top of my head.

Hon. Pierre Poilievre: It still has the money, as far as we know.

Mr. Ian Shugart: We'll have to provide that information, Chair.

Hon. Pierre Poilievre: The ESDC had carriage of the file, yet no minister from ESDC signed off on the contribution agreement. How many times have you seen a department do a contribution agreement with a funding recipient without the minister signing off?

Mr. Ian Shugart: In fact, Minister Chagger was the responsible minister. She did sign the contribution agreement.

Hon. Pierre Poilievre: She's not with the ESDC, so she's not with the department that—

Mr. Ian Shugart: She is, by order in council, associated with ESDC for the purposes of the relevant programs.

Hon. Pierre Poilievre: When was she granted signing authority for this agreement?

Mr. Ian Shugart: We would have to confirm that for you. I think it might have been in March, but I would have to confirm that.

Hon. Pierre Poilievre: When did the employment minister decide not to sign either the MC or the contribution agreement?

Mr. Ian Shugart: The employment minister was not the responsible minister for the purposes of the program. Beyond that, I can't say.

Hon. Pierre Poilievre: I've never borne witness to a non-ESDC minister signing an ESDC contribution agreement and an ESDC memorandum to cabinet. It is bizarre that none of the ministers who are actually with that department would have been involved in either of those two submissions.

Mr. Ian Shugart: But the—

Hon. Pierre Poilievre: It suggests neither of them wanted to have their name on this.

• (1325)

The Chair: Mr. Poilievre, that is time.

You can give a quick response.

Mr. Ian Shugart: I want to be very clear that Minister Chagger was associated with the department for purposes of programming related to youth, done by order in council, and that is not unprecedented at all. A minister can be effectively cross-appointed to another department for purposes of program responsibility. That's what happened in this case.

The Chair: Thank you.

We'll move on to Ms. Zahid for five minutes, please.

Mrs. Salma Zahid (Scarborough Centre, Lib.): Thank you, Chair. I will be sharing my time with my colleague Mr. Gerretsen.

Thank you, Mr. Shugart, for appearing before the committee. Thank you for all the work you do on behalf of all Canadians.

Over the last five months, there has been a lot of discussion about the capacity of the public service to deliver programs like the Canada student service grant. I know that our world-class public servants adapted during these extraordinary circumstances, trying to navigate through this pandemic to deliver several key emergency benefits to all Canadians, all in condensed time frames, clearly stretching our program delivery ability to its limit.

Would you agree that at the time the Canada student service grant program was being developed and different options were being explored, the public service was at the point where, in order to deliver programs like the Canada student service grant, they needed some assistance and didn't have the capacity to do it themselves?

Mr. Ian Shugart: We have indicated that with the particular design of this program, given its scale and the desire for rapidity of beginning the program, the closest vehicle within the public service

for delivering it would have been the Canada Service Corps, which was being designed and gradually built. It was very clearly not going to be able to deliver a program on this scale and proactively to do the outreach to Canadian students to get them involved. At that point, therefore, the requirement for a third party was identified, and consideration was given to those who might be able to do it.

Mrs. Salma Zahid: Would you say that the Government of Canada is normally in the business of delivering programs like the Canada student service grant and that these concierge types of programs help match and train people like our young Canadians? We see the government funding programs like the Canada summer jobs program, but we don't see the government doing the actual matching and hiring, and also the training of the young Canadians. Would that be correct?

Mr. Ian Shugart: I think in general to this point that has been true, although the form of that may vary. The Canada Job Bank, for example, is a program of long standing which is fundamentally an IT platform for matching jobs with those looking for work. This program had features that were much more hands-on. There is nothing inherently saying that a government department could not deliver that kind of program, but it would be a matter of policy, an administrative policy as to whether that would be the most effective use of public resources.

Any time a government considers outsourcing services from the public sector to private sector providers, it's essentially the same question: Who is best placed to deliver this program in the public interest? In this case, there just was not the time or the existing capability in that tailored way for a public service program to take this on.

Mrs. Salma Zahid: Thank you.

I will pass it on to Mr. Gerretsen.

Mr. Mark Gerretsen: Thank you.

Madam Chair, I really don't have time for a question, so perhaps I'll just make a comment.

Mr. Shugart, I want to congratulate you on 40 years of public service. That is absolutely exceptional.

In any capacity that I can, I want to offer an apology for the fact that you felt the need to inform this committee at the beginning that anything you said would obviously be the truth. I think that any honourable member would assume that of their top civil servant. I want it to be known that at least from the position that I'm sitting in.... The other people around this table will come and go, but it's the folks who run the operation, the folks who maintain the integrity of the system, such as you, who are the ones who truly keep our democratic system in place for generations to come, so thank you.

• (1330)

Mr. Ian Shugart: I'll just say very briefly, if I could, Chair, that I take no offence from the earlier proceeding and I'm keenly aware that sometimes public servants come and go, as well. The first 10 years of my career—I should say, of my misspent youth—were on Parliament Hill, so I wasn't actually a public servant for the first decade of that time.

The Chair: Thank you very much, Mr. Shugart.

We will move to Mr. Gourde for five minutes.

[*Translation*]

Mr. Jacques Gourde (Lévis—Lotbinière, CPC): Thank you, Madam Chair.

I, too, would like to congratulate you, Mr. Shugart, for 40 years of service. Bravo!

Something intrigues me. Around the end of April, when you first met with the Prime Minister, how many scenarios did you present to him for delivering the Canada student service grant?

Mr. Ian Shugart: If I remember correctly, I wasn't at that meeting, but all the programs for students were discussed. That included the items announced by the Prime Minister, but not the program that received the most attention. At that point, guidelines were established but not determined. There was a lot of detail that needed to be clarified at that point.

Mr. Jacques Gourde: During the COVID-19 crisis, the government has introduced many initiatives to help Canadians, but where did the idea for the Canada student service grant come from? Was it a political directive or was it a response to advice from government departments to the Prime Minister? Was it the Prime Minister or cabinet that asked for this initiative?

Mr. Ian Shugart: I'd say it was a combination of things as to the will. In terms of personal goals—

Mr. Jacques Gourde: Was it political will?

Mr. Ian Shugart: I understand your question. However, when staff in the ministers' offices and the public servants spoke, they found a problem.

There's been an explosion of ideas about what's possible. There has been a kind of back and forth that is typical of program development in any field. At that time, there were discussions between the office of the Minister of Finance, the office of the Prime Minister, ESDC and public servants.

Mr. Jacques Gourde: Thank you, Mr. Shugart.

On the same day the Prime Minister announced the initiative, the media informed us that WE Charity was already ready to apply.

Were other organizations able to apply for the program? IS WE Charity the only organization that got the information before the Prime Minister announced the initiative?

Mr. Ian Shugart: At that time, there was no established program. Of course, WE Charity passed on its ideas, but it wasn't a competition. The offer to manage the program wasn't made to WE Charity.

[*English*]

At that point there was no program. It was still being developed, but it has been established that WE contributed ideas at that point.

[*Translation*]

Mr. Jacques Gourde: WE Charity contributed so well to the development of the program that its recommendations and expertise were drawn upon. The program was tailor-made for WE Charity, and therefore, indirectly, only WE Charity was able to deploy the program, since it was tailor-made for it.

By the way, this is a unilingual anglophone organization that could not deploy the program in Quebec, where it had no base. You used a third party to set up a program that uses a third party to deploy it in provinces where it has no base. Was it really due diligence to think that WE Charity was the only one that could deliver the program?

The Prime Minister said that senior officials—and, indirectly, you—told him that it was the only organization that could do it, but it was the same organization that developed the program.

• (1335)

[*English*]

Mr. Ian Shugart: I will say again, Chair, that the development of this program took place over a period of time. When WE submitted their ideas—and they submitted more than one idea—one proposal they made was not accepted by the government. The government said, “No, not that program. We're not interested in that.”

The development of this program, like that of any program, was organic. It was formed on the basis of first determining what features were needed, what problem was being solved. Ideas came from many quarters, and ultimately the program took shape. As it took shape, and as the features of the program became clear, it also became clear that a third party would be needed to develop the program, but at no point was WE developing a program for the government.

The Chair: Thank you, Mr. Shugart.

We will move to Mr. Gerretsen for five minutes.

Mr. Mark Gerretsen: Thank you very much, Madam Chair.

Mr. Shugart, in your testimony at the finance committee on July 21, you indicated, “I do not see a way that the Prime Minister or the finance minister responsible for public funds could not have had involvement in the policy development and in the approval of finances on this scale.”

This committee heard from two academic witnesses yesterday who said that all conflicts have to be considered, regardless of the scale.

Can you elaborate on your remarks?

Mr. Ian Shugart: Yes. I think I indicated to the finance committee my identification of a problem. I do not have a final answer, but I did indicate that one of the main vehicles—it's clearly in the Conflict of Interest Act—for dealing with conflict of interest is disclosure of the conflict so that if there is a tension in objectives, people can see that, and people can judge for themselves whether it is likely that the decision-maker is going about the responsibility of making decisions so as to further his or her own interests.

Mr. Mark Gerretsen: Let me just build on that for a second. To continue your point, you also said in that meeting, "I must say that, of course, one of the standard means of dealing with conflict of interest...is disclosure." You then noted that the Prime Minister's involvement with WE was well documented in the public domain, and therefore was in essence disclosed.

Can you comment on that?

Mr. Ian Shugart: I offer that as at least some insight into why I, for my part, did not identify any looming conflict of interest here. The Prime Minister's past involvement with the charity was well known.

I would say that what the Prime Minister himself said about recusal.... That is the second classic vehicle for dealing with conflict of interest. He has indicated that when it came to the actual decision-making moment, he looks back and regrets that he did not absent himself from that discussion.

Every conflict of interest situation is a situation unique to itself. Yes, there are classic issues to be aware of and avoided, but this was a matter of major public policy involving significant public resources. To a substantial degree, it seemed to me that this did call for the knowledge, at a minimum, of the Prime Minister and the Minister of Finance on that scale.

• (1340)

Mr. Mark Gerretsen: Mr. Shugart, would you say that rampant ethics problems exist within the PCO, the Prime Minister's Office and the greater public service at large?

Mr. Ian Shugart: I certainly would not. We are governed by the Conflict of Interest Act. I very deliberately am not going to pass judgment on questions that are before the Ethics Commissioner. That is his responsibility. But I would indicate that the Conflict of Interest Act is followed every day by public office holders with respect to declarations, the consultation with the Ethics Commissioner with regard to potential conflicts of interest, orders to divest, and screens for conflict that are set up sometimes beyond what the commissioner has called for.

The Conflict of Interest Act is very definitely a living reality for our government institutions.

Mr. Mark Gerretsen: In your opinion, does the act work? Is it fulfilling its objective?

Mr. Ian Shugart: The act, as every other mechanism of accountability, is the result of successive encounters with problems over decades of governments. In that sense, it is kind of a living document.

The Chair: Thank you—

Mr. Ian Shugart: It's ultimately for parliamentarians to say whether it is adequate to the challenges we face.

Mr. Mark Gerretsen: Thank you.

The Chair: Thank you, Mr. Shugart.

Mr. Fortin, you have the floor for two and a half minutes.

[Translation]

Mr. Rhéal Fortin: Thank you, Madam Chair.

Mr. Shugart, there is a range of topics I'd like to address with you. If I've understood correctly, you said that the Prime Minister wasn't in a conflict of interest given that his family's involvement with WE Charity was known to the public.

Is that what you said?

Mr. Ian Shugart: I'm not sure it was public at that point. It may have been. Having said that, I imagine his mother's involvement with WE Charity was in the public domain.

Mr. Rhéal Fortin: However, we agree that he could be in a conflict of interest, even if these facts were known, right?

Mr. Ian Shugart: I was talking about the involvement, the Prime Minister's own past relationship with the organization. The family aspect wasn't necessarily raised.

Mr. Rhéal Fortin: All right. Anyway, you aren't here as an expert on ethics. I don't want to bother you with pointed questions. We're going to proceed with facts.

Earlier, I asked you a question that I don't think you really answered. I asked you how often the federal government gives a \$43.5 million contract to an organization that turns out to be an empty shell, an organization that has no known track record, has been incorporated for a year or two and has no assets, to manage \$900 million.

Have you ever seen that before?

[English]

Mr. Ian Shugart: No, I cannot say it is common, but I can say that the procedures followed with the organization in order to ensure a solid contribution agreement are common. In fact, they're standard.

• (1345)

[Translation]

Mr. Rhéal Fortin: Okay. Thank you, but you've already said that. I'm not saying it's not important, Mr. Shugart, but I only have two minutes, and I have one last question for you.

You said that you came to the conclusion that the public service couldn't run this program. How did you come that conclusion?

Mr. Ian Shugart: That was the reasoned opinion of the officials at the department responsible.

Mr. Rhéal Fortin: Who are these officials?

Mr. Ian Shugart: As the committee said, they were officials at Employment and Social Development Canada, including the—

Mr. Rhéal Fortin: Could you give us the name of a person who said that at one point?

Mr. Ian Shugart: Yes.

[English]

The Chair: Thank you. That's your time.

[Translation]

Mr. Ian Shugart: Ms. Wernick was identified as being responsible, and she presented the facts to the committee.

Mr. Rhéal Fortin: So it's Ms. Wernick who decided that the public service couldn't run—

[English]

The Chair: Mr. Shugart and Mr. Fortin, that's your time. Thank you.

Mr. Angus, you have the floor for two and a half minutes.

Mr. Charlie Angus (Timmins—James Bay, NDP): I thank you for your service.

Clearly, something went terribly wrong here. The second this program was announced, it fell apart, and it fell apart on the obvious connections between the Prime Minister's family and the Kielburgers.

That question of conflict of interest was the first question. That's before we learned that they were setting up a shell company that had no assets. That's before we learned that they'd fired their board. That's before we learned that the Prime Minister's family was getting paid when the board was being told they weren't. It was a question of conflict of interest.

I'm not saying that it's your job, but given that your predecessor lost his job in the last ethics scandal, it had to be someone's job to raise this as an obvious red flag. Who in the Prime Minister's Office raises a red flag of this significance, so that you and everybody involved would not be blindsided when this came out? Whose job was that?

Mr. Ian Shugart: Well, I think, Chair, that Ms. Telford indicated to the finance committee that she raised the question of wanting to be absolutely certain that this was done in an appropriate way and everything was above board, given the relationship, the history, that the Prime Minister had. That was in this case, and the due diligence proceeded as we have described—

Mr. Charlie Angus: So that was Ms. Telford's responsibility, because under—

Mr. Ian Shugart: She indicated that she was the one who raised the question, but I—

Mr. Charlie Angus: That's a good question. I only have two minutes here.

The other question I have—obviously, this thing fell apart—is on this line that only WE had the capacity to deliver a project of close to a billion dollars. Now, we get different numbers—\$530 million, \$43 million, \$912 million—but I'm looking at WE's record with the government: \$40,000 for a con-

tract, \$24,990, \$24,996, \$17,050, \$13,374. Then there are a few contribution agreements, and the highest is \$3 million.

How in anybody's world, looking at WE's record with these penny ante contracts, could you have signed off and said, "I think we can give these guys \$912 million and we're not going to have any problems"? That alone, without asking the questions about why they had to set up a shell company and the fact that they were in financial free fall when they came to the government for the money.... They don't have a track record of doing this—

The Chair: Mr. Angus, that's time. We're going to let that hang. I'm sorry.

Mr. Charlie Angus: Thank you.

The Chair: We're moving on to Mr. Kurek.

You have five minutes.

Mr. Damien Kurek: Thank you very much, Madam Chair.

Thank you, Mr. Shugart. I appreciate your coming and the forthrightness with which you started your testimony.

Is it still reasonable to state that only WE could deliver this program, when it actually couldn't deliver the program in either official language and there were other issues with the program being delivered in different parts of the country?

Mr. Ian Shugart: As I indicated, Chair, I have not seen anything that would indicate that if the program had proceeded and were in operation today the WE organization would not be able to deliver it. When you examine the contribution agreement, including the nature of having to report against objectives and milestones.... Yes, things fell apart, but not for any demonstrated inability of the organization to deliver the program.

• (1350)

Mr. Damien Kurek: Yet the program is not being delivered.

Specifically, regarding delivery, was there ever a question asked about whether or not WE could deliver programs effectively in rural Canada, yes or no?

Mr. Ian Shugart: I believe so, but officials at ESDC would have to provide that detail.

Mr. Damien Kurek: Sure.

Did you listen to the Prime Minister's testimony before the finance committee?

Mr. Ian Shugart: I did.

Mr. Damien Kurek: Was there anything in that testimony that surprised you?

Mr. Ian Shugart: No.

Mr. Damien Kurek: On what date did the public service become aware that the Canada Service Corps was not able to run the program?

Mr. Ian Shugart: I don't know specifically, but as I've indicated, at one point, for the scale of what was being sought—the number of placements, for example, and the need to reach disadvantaged youth and so on—the program had not reached such a level of maturity that it was going to be able to handle that.

Mr. Damien Kurek: I do find that interesting, because if you have an organization with obviously limited capacity versus a new government program that has limited capacity, it seems like a non-starter, which leads me to my next question.

I've read a lot of government briefing notes, but rarely have I seen a briefing note outline such a binary choice as the one that has been described to members of this committee and others. Is it common practice for the public service to provide a binary option to a prime minister or cabinet minister to move forward on a program of this scale, something close to \$1 billion?

Mr. Ian Shugart: Well, there was analysis provided about the ability of other options to deliver, and given the facts of the case, the issue for ministers essentially would have come down to “Do we proceed with this program or not?”

Mr. Damien Kurek: So, if I'm understanding you correctly, it was either WE or nothing.

Mr. Ian Shugart: To deliver this program at that stage under those contingencies, yes.

Mr. Damien Kurek: Okay.

Regarding all the third parties that the government reached out to in order to see if they could run the Canada student service grant, would you be able to provide the dates and details of all the contacts between the department and those various organizations?

Mr. Ian Shugart: I believe that material is included in what we've undertaken to provide. If further information is sought, we would be responsive to that.

Mr. Damien Kurek: Okay. Thank you. I appreciate that.

In your experience, does the Prime Minister usually read the full briefing material he is given before an announcement or a decision is made?

Mr. Ian Shugart: I'm not with him when he does his reading, but based on his performance and that of all his predecessors, I would say yes.

Mr. Damien Kurek: Okay. I appreciate that.

How often does the government make program announcements when they don't really have a general idea of how, when or even if they will deliver a specific program?

Mr. Ian Shugart: That, I think, is very much attributable to the circumstances that we faced. The head of a government will, I think—and I can't provide details off the top of my head—often indicate that a government will do something about such-and-such a problem. The government, in this period of the pandemic, I think, frequently declared its intentions in order to send reassurance to Canadians, and then details followed and, as we've seen, were sometimes changed in response to changing circumstances. In that regard, this has been a very unusual period.

The Chair: Thank you.

The floor is Mr. Dong's for five minutes.

Mr. Han Dong (Don Valley North, Lib.): Thank you, Chair.

Thank you, Mr. Shugart, for being here. I certainly appreciate that.

Can you tell us how you and your office or the public service have adapted, over the last several months, to the new norm of running the government during this national crisis caused by the pandemic? I ask this because I've been listening to some of the comments made at this committee, and there's a lot of talk and comparison with how the government should normally function and the processes during normal times. If I may make an observation, the past several months have been nothing like normal times.

When it comes to your office and the government and the public service, how have you been doing in comparison with normal times?

• (1355)

Mr. Ian Shugart: I would say there are differences of procedure and of substance.

With respect to procedure, I think we have experienced what members of Parliament have experienced. The normal interactions out in the country with groups and communities were vastly curtailed. With respect to how we made decisions and so on, a lot of it was virtually, as the committees are experiencing, and often at all hours of the day and night, given the amount of business and the extent of the impacts of the pandemic. People were pressed. People were tired. Some public servants were doing their work but knowing that it was not being called on. Other public servants were under pretty unrelenting pressure to deliver. The same is true for ministers.

With respect to the substance, I would say that none of us have been happy with the speed at which analysis had to be undertaken. In fact, we conveyed informally, as did the former government during the financial crisis, to the Office of the Auditor General that we anticipated that there would be mistakes. We set out our objectives in advance so that there would be understanding in the Auditor General's office about the constraints that were affecting things.

In this particular case, if we had all the time in the world, I am sure—I'm speculating here—that one of the options to mount this kind of program would be, “How could we accelerate the development of the service corps?” In the circumstances, action was required sooner than that, and that led to what we're now familiar with.

I don't present any of that as an excuse for any mistakes that collectively may have been made or may subsequently come to light, but simply to provide background to the nature of the circumstances.

Mr. Han Dong: Yes, I agree with you; it's fair to say that things weren't operating normally with the government. There's the fact that many public servants have had to work from home, which is very different from the situations they've dealt with in their past experience.

At this committee and also at the finance committee—I've watched the testimony—there has been quite a bit of talk about contribution agreements. In your opinion, do you think contribution agreements are unethical? In your opinion or in your experience, is it common for the government to acquire third party services through contribution agreements?

Mr. Ian Shugart: It is. It is absolutely common. I wouldn't say it's the default, but it is common. We have a vibrant civil society sector, voluntary sector, in this country. The support to women's shelters, the support to food banks, the support to long-term care facilities and other mechanisms during the pandemic were delivered on the part of the public by third parties. Contribution agreements were the vehicle for arranging that support.

The contribution agreement is a tested mechanism that has been used over decades by governments—

• (1400)

The Chair: Thank you, Mr. Shugart.

Mr. Ian Shugart: —with, over time, greater precision in order to ensure probity.

The Chair: Thank you.

Mr. Han Dong: Thank you, Mr. Shugart.

The Chair: Mr. Poilievre, the floor is yours for five minutes.

Hon. Pierre Poilievre: Mr. Shugart, you testified at the finance committee that there is no evidence that anyone in the PMO had been in contact with WE in the lead-up to the announcement of this initiative. The chief of staff to the Prime Minister has since contradicted you and said that at least five members of the PMO were in contact with WE. Can you give us their names?

Mr. Ian Shugart: I don't have those names with me, Chair, and I wouldn't normally know. I think Ms. Telford made commitments to follow up on that.

Hon. Pierre Poilievre: That's fair enough. Did anyone in the PMO communicate with anyone in PCO about WE in the period from the beginning of March until the contribution agreement was signed?

Mr. Ian Shugart: It is possible. I don't know the details of it. Particularly toward the end, the latter stages of the process, it is possible.

Hon. Pierre Poilievre: Is it possible that they communicated about WE with the PCO prior to the May 8 recommendation that public servants provided the Prime Minister, that WE deliver the program?

Mr. Ian Shugart: In the form of discussions about the proposal as it was being developed, that is possible. PMO-to-PCO communication, that is possible.

Hon. Pierre Poilievre: Right, I think it is probable that we had political-to-public service communication before we got public service recommendations back to political.

Mr. Ian Shugart: Communication is not direction.

Hon. Pierre Poilievre: Well, that's what we're going to find out.

When did you first hear that WE was considered for this program?

Mr. Ian Shugart: As I indicated to the finance committee, I take the question, Chair, as a personal one. I became aware of this particular file in a fairly light way and toward the latter stages.

Hon. Pierre Poilievre: Do you have a date, just because we don't need to go—

Mr. Ian Shugart: I can't confirm if it was at the May 8 briefing.

Hon. Pierre Poilievre: Were you at that briefing? If I understand your answer earlier, you said you might have been there, but you might not have been, and you think you were, but you—

Mr. Ian Shugart: Sometimes I am at a briefing. I'm typically at a briefing of the Prime Minister before cabinet, but not always.

Hon. Pierre Poilievre: Were you at that one?

Mr. Ian Shugart: I suspect so, but I cannot be certain. I can check, if that's material.

Hon. Pierre Poilievre: Well, it's just that this is a particularly important cabinet briefing. It's the meeting at which the Prime Minister claims he first learned that WE was going to deliver this program.

Mr. Ian Shugart: I have examined the record and consulted with colleagues and confirmed that that is the case.

Hon. Pierre Poilievre: But you don't know for sure if you were at the meeting.

Mr. Ian Shugart: I suspect that I was there for the briefing on May 8 and May 22, but I don't want, without being certain, to tell the committee definitively. I believe, yes.

Hon. Pierre Poilievre: You believe you were at the meeting.

Mr. Ian Shugart: I suspect that I was there. If you want me to confirm with my calendar, then I will do that. I can be at a meeting with the Prime Minister and be called out of the meeting, so there's—

Hon. Pierre Poilievre: This might have been one of those meetings that I wouldn't want to be at, and if I was there, I wouldn't want to remember it.

Mr. Ian Shugart: No, it's never that.

Hon. Pierre Poilievre: Well, I am sure that there are occasions of that nature.

Mr. Ian Shugart: There are often places where you would rather not be if you had the complete choice, but—

Hon. Pierre Poilievre: I can't imagine what you're referring to.

At the same time, we have this story that the Prime Minister pushed back. You didn't mention that in your original testimony. Minister Chagger didn't mention it. No one else who was there mentioned it. I would think, if a Prime Minister, particularly someone who likes to box, were to put up his dukes and push back, you'd remember it. You probably would have gone home at the end of that day feeling like you had a rotten day, that the boss pushed back against you, but you don't remember having been at that meeting.

Mr. Ian Shugart: I did say to the finance committee that Ms. Telford raised those questions, so it's well established that the Prime Minister and his chief of staff raised the issue of due diligence. That's been very clear and consistent.

• (1405)

Hon. Pierre Poilievre: Right, we just can't get any sense of what due diligence they wanted or received. They knew nothing about the finances, about the board resignations, about the problems that WE.... They couldn't list the other organizations that were consulted, so it doesn't sound like they had any real—

Mr. Ian Shugart: We've provided the information on the other organizations, and I've been clear that the due diligence did not extend to the financial matters of the foundation.

Hon. Pierre Poilievre: Right, which would have been necessary to know if they could deliver it—

The Chair: That's time.

Hon. Pierre Poilievre: I would conclude, Madam Chair, if I may, by agreeing with Mr. Gerretsen.

Mr. Shugart, you are an exceptional public servant. I think it is terrible the way the Prime Minister has thrown you and the public service under the bus, the way that he has implied that you and your organization are to blame. I want you to know—

The Chair: Mr. Poilievre, that's time.

Hon. Pierre Poilievre: —that Her Majesty's official opposition does not believe it for a second.

The Chair: Thank you.

Mr. Shugart, if I may, the original agreement was that you would be here until 2:00; however, due to technical difficulties at the beginning of this meeting, we got started quite late. Would you agree to be here until 2:30 today?

Mr. Ian Shugart: I'm at the committee's disposal. I'm delighted to be here.

The Chair: Mr. Shugart, that's an excellent answer. Thank you so much for accommodating us.

Mr. Ian Shugart: I think we did begin a little before the time. I do have other appointments, but I'll be happy to stay.

The Chair: I will get you out of here no later than 2:30.

Mr. Mark Gerretsen: I have a point of order.

The Chair: Yes, Mr. Gerretsen.

Mr. Mark Gerretsen: Thank you, Madam Chair.

Mr. Poilievre made a comment towards the end there, and you—

The Chair: This doesn't sound like a point of order.

Mr. Mark Gerretsen: It actually is, because it has to do with the procedural order of the meeting. It's a point of order. He made a comment. In past comments that have been made at the end—this is not debate; it is to the procedure—you have allowed, as chair, the witness to respond, in this case Mr. Shugart. I'm wondering if, procedurally, you will allow Mr. Shugart to respond to Mr. Poilievre's comment.

The Chair: Thank you, Mr. Gerretsen.

Mr. Charlie Angus: Sorry, I have a point of order.

The Chair: Mr. Angus.

Mr. Charlie Angus: Madam Chair, I'm not knocking you, but in the last two meetings you have not allowed the witness to respond to my second round. Mr. Gerretsen is new here. He's just shown up, so I don't think he should be assuming how things are done and undermining your work.

The Chair: Thank you, Mr. Angus.

Mr. Mark Gerretsen: We are all equals here, Mr. Angus.

The Chair: We'll be moving forward at this time.

Mrs. Shanahan, the floor is yours for five minutes.

Mrs. Brenda Shanahan (Châteauguay—Lacolle, Lib.): Thank you, Chair.

Actually, while we are discussing so much the finance committee, I wonder, Chair, if we could ask the clerk to ask for written copies of the testimony that has been provided to the finance committee by the witness so that we can avoid undue duplication in the future, and for any other witness who will be appearing on the same issues here at our committee.

But while we are talking about the finance committee, Mr. Shugart, on July 21 you noted, "I must say that, of course, one of the standard means of dealing with conflict of interest...is disclosure." You went on to note that the Prime Minister's involvement with WE was well documented in the public domain and therefore was, in essence, disclosed. Can you elaborate for the committee on your thinking in this matter?

Mr. Ian Shugart: I have no intention of establishing any new doctrine of conflict of interest, of course, but in a situation where decisions are made and the decision-maker has an interest, a private interest, and that is not disclosed, that is an unacceptable situation because nobody can judge the basis upon which the decision has been made. Maybe it is private interests, and maybe it is public interests, but it's invisible. That's why the Conflict of Interest Act requires public office holders to declare their private interests, including their financial dealings and often what would be considered by many Canadians to be quite intimate details of their affairs and of their family. The purpose is so that the light can be shone on their interests.

That does not by itself solve all conflict situations, but it is one of the classic ways of resolving conflict of interest situations so that other parties can judge whether in fact there was a conflict, or, if there was, whether it was resolved in the public interest.

In this case, the Prime Minister was the Minister of Youth in the previous Parliament, and at the same time he had extensive background with an organization that at least in part deals with youth affairs. Therefore, it would not have come as a surprise that he would have had a relationship with WE. Whether that by itself constitutes a conflict of interest is a matter before the commissioner. I think, in his comments, the Prime Minister has indicated that he is willing to submit himself to that finding.

I simply meant that in terms of my own conduct through that period, it did not occur to me that there was a private interest here, because the Prime Minister's interest and involvement and history with WE were anything but private. They were very public. At that time, therefore, I did not say, "Prime Minister, I understand that you have a background with WE, so maybe you shouldn't be part of this conversation", because it was a very public thing.

• (1410)

Mrs. Brenda Shanahan: Thank you. That's very helpful, especially to the motion that we have before us here today.

In further testimony, you noted, "I do not see a way that the Prime Minister or the finance minister responsible for public funds could not have had involvement in the policy development and in the approval of finances on this scale." Now, we heard from academics yesterday who were asked about your remarks, and noted that no matter the scale of the program, conflicts still have to be considered. Can you elaborate on your remarks, particularly on why it was so important to have the first minister's input on such a significant spending approval?

The Chair: You can give a very brief answer.

Mr. Ian Shugart: I just think that there are certain matters of public policy that the Prime Minister as the leader of the government is of necessity going to be involved in. I think this is a conundrum that certainly we at PCO will reflect on, going forward.

The Chair: Thank you.

Madam Gaudreau, the floor is yours for two and a half minutes.

[*Translation*]

Ms. Marie-Hélène Gaudreau (Laurentides—Labelle, BQ): Good afternoon, Mr. Shugart.

We have received a lot of answers. Thank you for giving us more time. I would like to go back to the public aspect and explain to you why this concerns me. For a number of years, I helped not-for-profit organizations, mostly to obtain assistance. I remember clearly how complicated and difficult that could be. I also recall that, without government assistance, some organizations could not provide services.

Today, as a new member of Parliament, I have to get used to extremely strict rules. Under those rules, when one becomes an elected public figure, one is required to provide all the information at one's disposal. The rules are already complex for small organizations, but how could the government have failed in its own responsibilities, which were actually well-known to the general public? Despite the need for urgent action and the huge need for assistance, how is it that, at a minimum, the government did not follow the rules that have to be observed?

Mr. Ian Shugart: I do not really understand what specifically was not done.

In my opinion, with regard to the contribution agreement, the officials did their job and fulfilled their responsibilities to negotiate it.

In terms of the Cabinet decisions, it was basically a question of public policy. Students needed support. Factors were considered and an analysis of the design and implementation of the program was done. The Cabinet made the decisions and the public service fulfilled its responsibilities.

• (1415)

Ms. Marie-Hélène Gaudreau: Thank you.

[*English*]

The Chair: Mr. Angus, you have the floor for two and a half minutes.

Mr. Charlie Angus: Thank you.

When the pandemic hit, the work of the public service to me was extraordinary with people working around the clock to get this out. I feel this debacle is someplace I don't want to be. There were a lot of failures along the way.

I want to know who came up with the parameters for this program.

Mr. Ian Shugart: It cannot be boiled down to a person. As typically occurs, it is an organic process among political staff in ministers' offices, policy staff and officials, in this case Finance and ES-DC with PCO supporting and at one point becoming more involved in the analysis.

That is typical. Also, NGOs were involved in identifying possible solutions for students and so on. So it's an amalgam.

Mr. Charlie Angus: That's interesting because we dealt with so much in our office. We were talking to ministers' offices, and nobody ever suggested we had a problem with volunteerism. We had a serious problem with university students not getting jobs.

I'm not saying this as an attack on the PCO. You were given what has already been put together by ESDC. We know that Craig Kielburger had already approached Bardish Chagger. He had approached Minister Ng; Minister Morneau's office was involved. They had a first proposal, and they said no, how about a second proposal.

On April 23 the Prime Minister makes an announcement that sounds very similar to the Kielburger proposal. From that point on, it seems they are the only game in town.

I really need to know how this happened, that the Kielburger brothers who are in financial free fall can call three ministers' offices, get a proposal in, and have that proposal reflect almost what the Prime Minister's saying, and then we're moving forward with a \$900-million deal.

Those parameters that made them the only game in town, to me how did those parameters...? Was it the NGO? Was it WE that came up with those parameters, working with the advice they got from the ministers: Minister Chagger, Minister Ng? Is that how this happened?

Mr. Ian Shugart: I think the record of testimony shows, and the documentary evidence we're providing will show, that there were various contributors to the design of the program.

Mr. Charlie Angus: The Kielburgers would have been one of them because it was their proposal.

The Chair: Mr. Angus.

Mr. Ian Shugart: They did interact, but—

The Chair: It's time. Sorry. Thank you.

I have to give the floor to Mr. Barrett for two and a half minutes. This will be our final round: Conservatives, Liberals, Bloc Québécois and then the NDP. Again, two and a half minutes, Mr. Barrett.

Mr. Michael Barrett: What was the total value of the contribution agreement?

Mr. Ian Shugart: I will speak to the program, Chair, because I don't know the exact amounts in the contribution agreement. It was in the order of \$500 million that could be extended up to \$900 million depending on take-up. That was the program cost.

With respect to the actual administrative costs and disbursements for various purposes, the contribution agreement itself will show that, and we're providing you with that.

Mr. Michael Barrett: It's been said a few times that the process failed, that there are lessons to be learned, but there also have to be accountability measures in place. This was by no means a success. Who bears the responsibility for this program not launching? Who is responsible for this program? It was deemed vital during an important time, worth nearly \$1 billion, brought forward to cabinet and received that approval. The contribution agreement was signed, and today we have nothing. Money's been spent; it's not been returned to the taxpayer. Who's responsible for that?

• (1420)

Mr. Ian Shugart: As the committee knows, there are procedures for returning the funds, and that is part of any contribution agreement. That is standard and would have been followed in this case.

The program did not proceed because WE themselves terminated it in the face of public controversy about the program.

Mr. Michael Barrett: And that was as a result, in the Prime Minister's words, of his failure to recuse himself from this process. Those were his words in his testimony.

To follow up on Mr. Poilievre's earlier comments, I also don't support the notion that this is the fault of the public service. I think that cabinet made a decision, cabinet accepted the recommendation of the public service, and I think cabinet members are responsible for this decision.

We've heard parsing from some members of the committee about whether or not something was in bounds or out of bounds with the Conflict of Interest Act. Something being disclosed is simply not enough for it being in the public domain. The act requires that there's a disclosure to the commissioner's office. The act requires formal recusal when there's not a screen set up.

The Chair: Mr. Barrett, that's your time. Thank you.

The floor is now Mr. Dong's for two and a half minutes.

Mr. Han Dong: Thank you, Chair.

Mr. Shugart, I still hear a lot of questioning on the testimonies given by senior public servants with regard to the consideration or perhaps decision-making around CSSG. In your opinion, do you have full faith and confidence in the answers provided thus far by your colleagues and in the integrity of their decision-making?

Mr. Ian Shugart: I absolutely do, Chair. I always—and this applies to myself as well as anyone else—admit the possibility of speaking in error and, as I've indicated to any parliamentary committee, including this one, if there is a contradiction or if there is subsequent information that my testimony is in error, I am more than prepared to clarify and explain. That is, to the very best of my knowledge, the ethics that would be followed by any public servant.

Mr. Han Dong: How would you rate the performance of the public service of Canada, considering that we're doing very well compared to the rest of the world in dealing with the pandemic as well as rolling out all these programs to support Canadians and the Canadian economy? How would you rate their performance?

Mr. Ian Shugart: Well, it won't surprise you that I think our public service has performed extremely well because it is a very, very solid institution that fits within the context of our parliamentary institutions, which are the envy of much of the world. If I can say that the public service has performed well during this pandemic, and I do, it's because we stand on the shoulders of giants who have built this institution, and I can only hope that we're today building it for our successors, but I would apply that same principle to the House of Commons and all of our institutions.

Mr. Han Dong: Thank you, Mr. Shugart.

The Chair: Thank you.

We'll move on to Madame Gaudreau for two and a half minutes.

[*Translation*]

Ms. Marie-Hélène Gaudreau: I would like to go back to the government commitment, more specifically in terms of trust.

In your opinion, what level of trust do Canadians have in the government now?

Mr. Ian Shugart: I would say that that question is more for the expertise of members of Parliament than for that of public servants. I hope and I believe that, in general, the public trusts our institutions, including the public service. We value evidence, independence and objectivity. Those are the values we espouse. I hope that, if there are deficiencies, we are all responsible for finding solutions.

● (1425)

Ms. Marie-Hélène Gaudreau: That is where I want to get to, actually. Trust can quickly be earned, but it can unfortunately also be lost. It is a little difficult to earn it back when errors are made.

When there are public aspects, when you want to be transparent—or perhaps to regain that trust—and given the work that you do and your role as clerk and advisor, would it not instead have been valuable to have everything wide open, given the flood of ideas and our need to help Canadians?

What do you think about that?

Mr. Ian Shugart: I have complete confidence in my colleagues.

No one can bear those responsibilities without a team or without interactions between the various components of our oversight system. We work with that dependence all the time. That is why we are constantly seeking to improve our systems, whether it is the legislative system or the procedural system. However, safeguarding it is something very precious.

Ms. Marie-Hélène Gaudreau: How come—

[*English*]

The Chair: I'm sorry. Your time is up.

The floor is Mr. Angus's for two and a half minutes.

Mr. Charlie Angus: Thank you, Madam Chair.

I just want to follow up on my previous question about who came up with the parameters for the program.

You said NGOs. What NGOs?

Mr. Ian Shugart: We are providing a list. I know that Universities Canada was involved in some meetings, the AFN.... There were other groups that were consulted early on with respect to the—

Mr. Charlie Angus: How early on?

Mr. Ian Shugart: The record will show that, Chair. I would say as early as April.

Mr. Charlie Angus: Okay, because the changing moment seems to be when Craig Kielburger calls. Are you aware that they're not registered to lobby? Because they signed a contribution agreement that said they followed the Lobbying Act....

Mr. Ian Shugart: I'm not aware of those details.

Mr. Charlie Angus: Okay.

Well, that's important, because he calls Minister Morneau's office. Minister Morneau's office tells Rachel Wernick to talk to Craig Kielburger. He meets with Minister Chagger and he meets also with Minister Ng. Then he writes to Rachel Wernick and says that based on the support they've got, they've got one of two programs and they can deliver both of them or one of them. The one they go with is the one that the Prime Minister agrees to. The second proposal is the proposal, so again, in a question of due diligence—

Mr. Ian Shugart: I have not seen that communication, Chair.

Mr. Charlie Angus: Okay. He writes to Rachel Wernick to introduce himself. He says that in the “spirit” of his conversations with Minister Chagger and Minister Ng, “we have proposed two programs” and we're ready to “deliver one or both”. That's his way of getting in.

My question, then, is this. We're talking about a \$900-million proposal by a group that is not even registered to lobby but has three key departments and ministers onside before it goes to the civil service. He has the proposal all written up. Where was the due diligence to protect the people of Canada?

Mr. Ian Shugart: Chair, I'm not prepared to support that construction of events. I have not seen that correspondence, but I think the testimony of officials does not support that construction of events.

Mr. Charlie Angus: How is it possible?

The Chair: Mr. Angus, that's your time. Thank you.

Mr. Shugart, during the questions that were asked today, there were two pieces of information that were brought up and that I believe you will get back to this committee. One is information regarding whether or not the money has been paid back from WE and, two is as to whether or not you were at the briefing meeting on May 8. If you could get back to the committee with that information, it would be much appreciated. Thank you.

● (1430)

Mr. Ian Shugart: Happily.

The Chair: Mr. Shugart, thank you so much for giving us your time today. We hope that you have a good rest of your day.

With that, we're suspended.

● (1430)

(Pause)

● (1435)

The Chair: I'll ask everyone to take their seats. We will get started. Thank you.

Minister Chagger, welcome.

Hon. Bardish Chagger (Minister of Diversity and Inclusion and Youth): Thank you, Chair.

The Chair: As you're aware, a motion was passed by this committee on July 22:

That, pursuant to Standing Orders 108(3)(h), the Committee review the safeguards which are in place to avoid and prevent conflicts of interest in federal government procurement, contracting, granting, contribution and other expenditure policies;

Minister Chagger, you've been asked to present to this committee and to answer any questions that come from the members today in regard to the motion that I just read aloud. Minister Chagger, in just a moment I will give you 10 minutes for opening remarks, and then the members around the table will have an opportunity to ask you questions.

I would ask that we all remain conscious of time. For the first round, each person will be given six minutes to ask their questions. As time approaches its end, I will try to signal to you, but inevitably I may have to cut you off. I'm not meaning to be rude, but we do have to run an efficient meeting.

Minister Chagger, I will give you the floor for 10 minutes.

Yes, Mr. Poilievre.

Hon. Pierre Poilievre: On a point of order, the Conservatives would ask that the minister swear an oath to tell the truth, the whole truth and nothing but the truth. Thank you.

The Chair: Minister Chagger, are you willing to swear an oath?

Hon. Bardish Chagger: Yes, and I have one here with me, so I can read that into the record.

The Chair: Thank you.

[*Translation*]

Hon. Bardish Chagger: I, Bardish Chagger, do solemnly swear that the testimony I am about to give shall be the truth, the whole truth and nothing but the truth.

[*English*]

The Chair: Thank you, Minister Chagger.

Mr. Angus.

Mr. Charlie Angus: On a point of order, I don't want to interrupt the minister, but at Finance the rules are we're going with COVID rules so that we're not being rude to each other. I don't want to be seen talking over the minister while she's speaking. Are we going to have the same protocol of shorter questions, shorter answers, and parity on time? Because she's on a screen, it's much harder to maintain that balance. Would you maintain that here?

The Chair: Mr. Angus, I cede your point.

Minister Chagger, I would ask that you try to honour that, that your answers be about the same length of time as the question asked of you. Thank you.

With that, we'll allow you to proceed with your comments.

Hon. Bardish Chagger: Madam Chair, members of the committee, Canadians, I appreciate your inviting me today to appear before

you. With me is my senior associate deputy minister, Gina Wilson. I will refer to her as my deputy.

We are here, as requested, to provide you with information on the safeguards that have been put in place within the federal government to avoid, mitigate and prevent conflicts of interest. These safeguards apply to the federal government policies on procurement, contracting, grants and contributions, and all other federal spending policies.

I would like to begin by pointing out that the Government of Canada is committed to open and transparent governance. What I mean by that is a government that gives all Canadians broad access to its data and information. Since 2014, the directive on open government has promoted transparency and accountability across all departments.

As Minister of Diversity and Inclusion and Youth, I received a very clear mandate letter from the Prime Minister. That letter is available publicly online. It states that, like all of my cabinet colleagues, I am committed to building a government that is transparent, honest and accountable to Canadians; upholds the highest ethical standards; pays close attention to the management of public funds; and exercises the utmost care and prudence in this regard. These values guide me every day in my work. That's true for me, it's true for my colleagues, and I hope we would agree that it is even true for my departmental officials. All the ministers received these guidelines in our mandate letters, and we are all subject to the same laws.

Whatever our role, there are mechanisms in place to guide us. All members of Parliament must comply with the Conflict of Interest Code for Members of the House of Commons. Ministers and parliamentary secretaries must also abide by the regulations and measures set out in the Conflict of Interest Act. Our staff must also meet the high standard of probity and integrity as set out in the "policies for ministers' offices".

It's in this context that I'm fulfilling the mandate I have been given and that I am passionate about: namely, to build a more open, diverse and inclusive country where all Canadians have an equal opportunity to succeed.

My responsibilities also include policies and programs in support of LGBTQ2 people and youth. It's a broad mandate that involves working with several ministers and departments, particularly Employment and Social Development Canada, Canadian Heritage, Women and Gender Equality Canada, Health Canada, Public Safety Canada and Justice Canada.

Public servants in all these departments are also bound by strict rules of integrity. They must all comply with the public service values and ethics code for the public sector. The public servants at Employment and Social Development Canada who support me through, among other things, the Canada Service Corps program, are governed by this code as are all the staff at Canadian Heritage who support me in the delivery of programs to promote multiculturalism and fight racism. They all receive training in this area. As well, employees involved in the delivery of transfer payment programs receive additional training to help them identify and deal with potential conflicts of interest. It's also important to note that all Canadian individuals and organizations applying for funding are required to disclose any potential conflicts of interest at the time of application.

The distribution of financial support is governed by the Financial Administration Act and the federal government, as a whole, is governed by the oversight and accountability procedures of the Treasury Board Secretariat. Without naming them all, I would like to single out the policy on financial management, the policy on transfer payments, and the policy on results, evaluation and internal audit.

Unlike how the Conservatives are choosing to portray this, the policy on transfer payments, in particular, allows the government to ensure that these payments are managed in a manner that respects sound stewardship and the highest level of integrity, transparency and accountability. Government programs also have terms and conditions approved by the Treasury Board Secretariat. The anti-racism action plan, for instance, includes terms and conditions to ensure that all organizations have equal access to funding. In this particular case, we are required to publish the program guidelines at least six weeks before the application deadline. There are also guidelines for communicating clearly with funding applicants.

Allow me to touch briefly on a few points that I am sure will be of interest to the committee.

• (1440)

The first is risk management. The Financial Administration Act helps us strike an appropriate balance between the high-risk decisions, which require input from senior management, and those that are more operational. Risk-based decision-making models allow us to assess the risks associated with, among other things, the funding applicant and the activities being considered for funding. They reduce program delivery costs, alleviate the administrative burden and reduce the time it takes to notify recipients.

The second is conflict of interest. I've already touched on the subject, and I'm coming back to it because it's important. Mechanisms are in place in all departments to prevent the risk of bias or conflict of interest. At Canadian Heritage, for example, the decision to approve a grant or contribution is never made by a single individual. In addition to regular internal assessments, they can call on peer reviews or reviews by internal or external committees. Government employees can also work with the office of values and ethics to address any apparent or potential conflict of interest situation. There are requirements to disclose the involvement of former public servants who are subject to the conflict of interest and post-employment guidelines.

The third is internal controls. In addition to government controls such as the policy on government security, several departments have internal control frameworks that outline financial management roles and responsibilities. These frameworks are designed to provide reasonable assurance that public resources are used prudently and that financial management processes are effective and efficient.

The fourth is transparency and accountability. Via the open government portal at Canada.ca, all Canadians can view grants and contributions that have been awarded. Canadians can also consult the various departmental websites for information on those departments' plans, outcomes, costs incurred, contracts awarded, consultations and evaluations undertaken, and a wealth of other information about government and public sector representatives. Mandate letters and transition materials are also freely accessible.

As stated in the Clerk of the Privy Council's 26th annual report, the public service of Canada has received "clean, unqualified audits" for two decades. It tied with the United Kingdom for first place on the 2018 open data barometer and is recognized internationally as one of the most effective public services. I would like to acknowledge and appreciate their work.

I would like to conclude with a concrete example that illustrates the rationale behind all these measures and safeguards.

Last May, in response to the devastating impact of the COVID-19 pandemic, the Government of Canada adopted a series of measures to support individuals and organizations in many sectors of our economy. For my part, I insisted that my programs be adapted, whether by streamlining processes or speeding up payments, in order to support organizations that advance multiculturalism, diversity, inclusion and opportunities for youth in Canada. Thanks to the rigorous mechanisms that frame our actions, we've been able to respond quickly and effectively to the pressing needs of Canadians, but we are not out of the woods yet, and we have a lot more work to do.

We have adapted to the situation without compromising our rigour, and together we are continuing to build a government that is open and transparent to all Canadians.

Madam Chair, members of the committee, I thank you for your attention, and I look forward to your questions. I've tried to keep my comments brief so that we can answer as many questions as possible.

• (1445)

The Chair: Thank you so much, Minister Chagger.

We will begin with our six-minute round. Mr. Barrett, the floor is yours to begin.

Mr. Michael Barrett: Thank you, Minister.

We just heard testimony from the Clerk of the Privy Council that you were given authority to sign as a minister for ESDC by order in council. Can you tell us on what date that OIC was issued?

Hon. Bardish Chagger: I recall the OIC being issued in March to give me jurisdiction within the department, within ESDC as well as Canadian Heritage, which fall under my mandate as Minister of Diversity and Inclusion and Youth.

Mr. Michael Barrett: Minister, have you, with the exception of the CSSG contribution agreement, used that signing authority as allowed by that OIC for any other program?

Hon. Bardish Chagger: Madam Chair, through my responsibilities I also have three secretariats within Canadian Heritage. Numerous grants and contributions have been awarded through multiculturalism and others. I can refer to my deputy if you would like any concrete examples.

Mr. Michael Barrett: No, it's not for those, Minister, thank you, but with respect to ESDC, which was my question. Have you used it with respect to ESDC?

Hon. Bardish Chagger: I just want to make sure that I do provide all the information. I know that the Canada Service Corps is under my responsibilities, so I just don't know if any have been renewed since I became minister in 2019.

I can get back to the committee if you would like.

Mr. Michael Barrett: I appreciate that.

How much money did the Government of Canada pay to the WE organization for the CSSG? We've heard a lot of different numbers, so I'm looking for the final number.

Hon. Bardish Chagger: We announced \$9 billion of programs for students on April 22. When it comes to the Canada student service grant, the contribution agreement was, I believe, \$543 million. As documents have been requested, they have been provided to committee members at finance, and we can ensure that they are available.

Mr. Michael Barrett: Okay.

How much, specifically, was flowed, not theorized, but how much actually flowed from the Government of Canada to the WE organization?

Hon. Bardish Chagger: I can refer to the contribution agreement as to the first cohort, the supplemental cohort and the second cohort. I cannot tell you how much was flowed. What we do know is that the program is no longer running. The money, as the organization has indicated, will be returned to the government.

Mr. Michael Barrett: Why hasn't the money been returned to this point? It seems odd. It's been quite some time since the program was cancelled, or that they withdrew, following the Prime Minister's announcement that he failed to recuse himself. What's the holdup?

Hon. Bardish Chagger: I think, Madam Chair, as I've been trying to share in testimony and in any of my communications, we want to ensure that all processes are being followed. I can assure you that the public service is working with the organization to ensure that it is returned.

If you would like, I can refer to my deputy to provide and elaborate on this answer.

Mr. Michael Barrett: No. If you can get back to the committee, though, with that information, it would be very much appreciated.

My next question, Minister, is with respect to your communication with any member of the finance minister's staff or in their office or any Finance Canada officials between April 5 and April 22 concerning WE Charity, the Kielburgers, support for students and how the WE organization could provide support for students.

● (1450)

Hon. Bardish Chagger: Madam Chair, as I testified at finance committee, within the time frame that the member has requested, I personally did not have those conversations with officials at Finance Canada.

Mr. Michael Barrett: At the finance committee I had the opportunity to ask you some questions, Minister. There was a disparity between my question to you and your response. I asked if you had spoken with the WE organization about the CSSG, and you responded that no, you hadn't, but you had spoken to them, we later learned, in the time period in question. I believe the date was April 17.

In that call, what details did you discuss with this organization? Was it about anything that would later appear in the proposal for the CSSG?

Hon. Bardish Chagger: Madam Chair, just to make sure it is on the record, on December 10, I appeared at WE Day in Ottawa after I had become Minister of Youth. That was to talk to an auditorium full of youth at the National Arts Centre.

The second time I interacted with WE Charity, Craig Kielburger personally, was over the phone on April 17, 2020. I had a phone call with him as well as another member of his team at 11:00 in the morning. That phone call lasted just over 30 minutes. We spoke about an unsolicited program in regard to youth entrepreneurship, social entrepreneurship, and something that had been shared. As it was not something that I was not considering, I referred it to officials.

That phone call on April 17 was not in regard to the Canada student service grant at all. I did not comment on that.

Mr. Michael Barrett: Okay. I'm tight for time. Thank you, Minister.

Your signature is on the—

Mr. Mark Gerretsen: On a point of order—

The Chair: Thank you.

Mr. Barrett, you have 10 seconds.

Mr. Michael Barrett: Your signature's on the funding agreement. It's backdated to May 5. Did you tell either of the Kielburgers or anybody at WE that they could start incurring expenses as of May 5?

Hon. Bardish Chagger: At the recommendation of the public service, it was the only organization that could deliver the program. I did, after a lot of back-and-forth, sign the contribution agreement. No, I did not personally have those conversations with the organization.

The Chair: Thank you.

Mr. Dong and Madam Brière, you have six minutes.

Mr. Han Dong: Thank you, Chair.

Minister, thank you very much for participating.

I recall that you said you had spoken to WE Charity after the organization sent you and a few other ministers a proposal on youth social entrepreneurship. We learned that WE Charity had not at the time registered to lobby the government, but you agreed to speak with them.

Can you please explain why you agreed to speak to an organization that wasn't registered on the lobbyist registry? How often do you check whether organizations that request to speak to you are registered, and in your opinion, whose job would it be to do that?

Hon. Bardish Chagger: Madam Chair, the unsolicited proposal regarding youth social entrepreneurship was shared with my office. As the Minister of Youth, I speak with numerous organizations all the time. I keep an open-door policy to ensure that we're having those conversations. As we are a federal government that committed to being more open, more transparent and accessible to Canadians, it's important that we have these conversations.

With regard to lobbying, my understanding of the act is that it is for the lobbyist themselves to declare that they have lobbied ministers, officials and so forth, so my understanding is that it would not fall under my responsibilities.

[*Translation*]

Mr. Han Dong: Mrs. Brière, the floor is yours.

Mrs. Élisabeth Brière: Thank you, Mr. Dong and Madam Chair.

Good afternoon, Madam Minister.

Thank you for answering our questions. In your presentation, you mentioned the values that guide you in your work and you repeated the fact that the people working around you must abide by the Conflict of Interest Code for Members of the House of Commons, the Conflict of Interest Act, and so on. Earlier, Mr. Shugart, the Clerk of the Privy Council, told us once more that his duty was to properly and impartially advise ministers, and always to tell the truth. I imagine that you also expect that from your whole team, do you not?

• (1455)

Hon. Bardish Chagger: Yes. The members of my team and myself, just like everyone, I believe, are trying to do our work in the middle of a pandemic. We are therefore working at a speed that we have never seen before. We do not have a lot of experience of this type of situation. We are doing the best we can. Our priority is to

respond to the needs of Canadians during this pandemic. That remains my priority.

Mrs. Élisabeth Brière: You may not have an exact figure and I understand that, but can you tell us how many people were involved in making the decisions about the Canada Student Service Grant and how many helped to develop it?

Hon. Bardish Chagger: As far as the public service is concerned, perhaps my Deputy Minister can also answer that question. All our teams, including mine, worked very hard with a number of people. I feel that all my team worked on it, as did a number of people from the public service. I am sorry that I am not able to give you a specific number.

Mrs. Élisabeth Brière: I understand.

As a government, why were you so determined to implement a program to support young people?

[*English*]

Hon. Bardish Chagger: I would say that, on April 22, the Prime Minister publicly stated that we were coming out with \$9 billion for numerous programs that would be accessible to students.

When it comes to the youth portfolio, it's something that's been close to the Prime Minister. Prior to entering office, he was very active with youth organizations as well as youth, and when he was in the third party, he was the critic for youth. When he became Prime Minister, he kept that portfolio as Minister of Youth. In 2019, he asked me to take on these responsibilities because it was instrumental that we respond to the second-largest demographic in our country.

The pandemic has impacted all Canadians, and youth are no exception. That's why we know that students have costs in the fall and we will ensure that they also have the supportive mechanisms. This pandemic has disproportionately impacted certain communities, and that's why my portfolio and my responsibilities are so instrumental, because we need to ensure that nobody is left behind. Every Canadian deserves to be supported, and we will be there to support and provide programs to all Canadians.

[*Translation*]

Mrs. Élisabeth Brière: In that context, what are the comments about the fact that the program has not been launched?

[*English*]

Hon. Bardish Chagger: Madam Chair, when I speak English the translation comes through as French in my headset, so I missed the member's question. If she could repeat it, that would be great. I will keep my answer short.

[*Translation*]

Mrs. Élisabeth Brière: What are the comments about the fact that the program has not actually been launched?

[English]

Hon. Bardish Chagger: We've received numerous emails and comments. We've seen the report in the media as well.

The Canada student service grant was an additional program. We have put out a series of programs to help students during this pandemic, recognizing that they also need supports. We also know that students are part of the solution. Right now we know that Canadians are hurting; communities are hurting.

We promote service. I myself know that growing up, I would not have been able to have the experience I had without volunteer opportunities. Volunteering, serving our communities is another way—

The Chair: Minister Chagger, thank you.

Hon. Bardish Chagger: —to develop and strengthen skills. It's an important aspect of the programs we're delivering. It's really unfortunate and regrettable that it is not.

• (1500)

The Chair: Thank you.

We're moving to Mr. Fortin for six minutes.

[Translation]

Mr. Rhéal Fortin: Good afternoon, Madam Minister.

Earlier, you told my Conservative colleague that you do not know how much money has been sent to WE Charity and how much money the organization has returned. Did I understand correctly?

You have no idea about the amount of money that has passed between the government and WE Charity since this spring. Is that correct?

[English]

Hon. Bardish Chagger: Madam Chair, it's not that we don't know how much money. We can share the details on the money that has been released: \$30 million has been released to the organization through the contribution agreement. I was not aware of how much money has been returned. I have offered to provide that information to the committee.

[Translation]

Mr. Rhéal Fortin: Thank you, Madam Minister. That is kind of you and I am grateful.

If I understand correctly, you will be able to send us the information about the exact amounts that have been sent and the amounts that have been returned. Is that correct?

[English]

Hon. Bardish Chagger: Yes. I will make sure you have that information.

[Translation]

Mr. Rhéal Fortin: Thank you very much.

[English]

Hon. Bardish Chagger: We know that the first cohort had an amount attributed to it through the contribution agreement, which members have received.

[Translation]

Mr. Rhéal Fortin: So you will send us the figures.

[English]

Hon. Bardish Chagger: Then there was the supplemental cohort—

Mr. Rhéal Fortin: I have a time problem, Minister.

Hon. Bardish Chagger: That's exactly why I'm responding in English. I understand you get extra time for translation.

[Translation]

Mr. Rhéal Fortin: Thank you.

When answering a question earlier, you replied that you have had speaking engagements for WE Charity without checking whether it was on the Registry of Lobbyists. You said that, in your opinion, it was not your responsibility to find out that information.

Did you actually say that it is not your responsibility to check whether WE Charity was in the registry?

[English]

Hon. Bardish Chagger: Madam Chair, I responded that I understand it is the responsibility of the lobbyists to report their lobbying activities.

[Translation]

Mr. Rhéal Fortin: So you did not think that it was your responsibility to verify that information. Is that correct?

[English]

Hon. Bardish Chagger: Madam Chair, I have responsibilities to my stakeholders. I have responsibilities to the people who have elected me to represent them. I take my responsibilities very seriously.

[Translation]

Mr. Rhéal Fortin: You have a lot of responsibilities, but do they not include responsibility with regard to the registry?

Did you ask the Commissioner of Lobbying whether, as a minister, you had the responsibility to make sure that the people coming to see you are properly registered in the Registry of Lobbyists? Did you verify that with the Conflict of Interest and Ethics Commissioner?

[English]

Hon. Bardish Chagger: Any time I need information from the Ethics Commissioner, I make sure to write to the Ethics Commissioner or have my team do so, so that we can receive that information. Similarly, in ensuring understanding of what I am able to share today and so forth, I made sure that I had that information. I take my responsibilities very seriously.

[Translation]

Mr. Rhéal Fortin: I will repeat my question: did you check with the Conflict of Interest and Ethics Commissioner or the Commissioner of Lobbying whether you had a responsibility to check the registry? Did you ask for an opinion?

[English]

Hon. Bardish Chagger: In this situation, I did not contact either of them on whether I could talk to a youth organization or not. As Minister of Youth I keep an open-door policy. I speak to numerous organizations. I think it's important that we be available and accessible to organizations so that we can hear not only their concerns but also their solutions. I will be accessible to Canadians.

[Translation]

Mr. Rhéal Fortin: Okay, thank you, Minister.

I am sorry, I don't want to rush you, but I just have a few minutes. You are nice, but time is not on my side.

Madam Minister, to your knowledge, what checking did you do into the financial viability of the organization to which you were supposed to entrust this mandate, that being WE Charity?

Hon. Bardish Chagger: Madam Chair, I will ask my Deputy Minister.

Mr. Rhéal Fortin: Do you know, Madam Minister?

Madam Chair, I would prefer an answer from the minister.

We will be able to hear from your deputy afterwards, Madam Minister. What checks did you do personally?

Hon. Bardish Chagger: Madam Chair, I know that the member does not have a lot of time to ask questions. I want him to get the information that assures him that all the work was done. It is important to give the member a few moments in order to provide that information and to make sure that he has it.

• (1505)

Mr. Rhéal Fortin: Do not waste time telling me all that, Madam Minister, I know it already. With all respect, I am aware of that.

I want to know whether you personally were aware of any vetting of the We Charity Foundation. Yes or no.

[English]

Hon. Bardish Chagger: Madam Chair, I can tell you that, as was shared at the finance committee, numerous conversations took place. Yes, concerns were raised to ensure that due diligence was done. I know that the public service, the professional and non-partisan public service, works really hard. I have confidence that they did that work. That's why—

[Translation]

Mr. Rhéal Fortin: That was not my question. We are not in the House.

[English]

Hon. Bardish Chagger: —the deputy can actually provide concrete examples of the information that the member is looking for. I

think it's important that the deputy be able to provide those details, if the member would like.

[Translation]

Mr. Rhéal Fortin: Madam Chair, I just have a few minutes. Can you ask the minister to stop? My speaking time is running out.

[English]

The Chair: It's your question.

[Translation]

Mr. Rhéal Fortin: Excuse me, Madam Minister.

We have a delay in the interpretation and we have the delay you are causing, Madam Minister, by explaining to us all kinds of things that are not relevant to the issue. I do not have a lot of time.

Since you have told me that you do not know, I would like to hear from your deputy now. What due diligence into WE Charity was done?

[English]

Hon. Bardish Chagger: Madam Chair, the public service signs numerous contribution agreements in any given year. They are—

[Translation]

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

[English]

Hon. Bardish Chagger: —a professional public service that does their due diligence—

[Translation]

Mr. Rhéal Fortin: Madam Chair, you told us earlier that questions and answers would be about the same length. We are wasting our time.

I asked the deputy for an answer.

[English]

Hon. Bardish Chagger: —and that's why it is important that the public service—

The Chair: Excuse me, Minister.

Mr. Fortin, I am happy to call on you, but there is an order. I have to ask the minister to stop and then you have the floor.

Mr. Fortin, proceed.

[Translation]

Mr. Rhéal Fortin: Thank you, Madam Chair.

Madam Chagger, I do not want to rush you, but we do not have a lot of time. I have your answer and I thank you for it.

Now I would like to hear your deputy's answer to the same question. Is that possible or do you prefer her not to answer?

[English]

The Chair: Mr. Fortin, I'm sorry; the time is up.

Mr. Rhéal Fortin: The time is not over.

[Translation]

I am sorry.

[English]

The Chair: The time is up.

Ms. Gina Wilson (Deputy Minister, Diversity and Inclusion and Youth, Department of Canadian Heritage): Thank you very much. I'm happy to provide you with that information.

The Chair: Deputy Minister, I'm sorry, but the floor is not yours.

Ms. Gina Wilson: In every agreement, there are risk mitigation clauses and controls. There are financial checks done—

The Chair: Deputy Minister, please stop.

Ms. Gina Wilson: Okay. I'm sorry.

The Chair: Thank you.

[Translation]

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

[English]

The Chair: Mr. Fortin.

[Translation]

Mr. Rhéal Fortin: We have a problem with an additional delay because of the interpretation.

[English]

Hon. Pierre Poilievre: No, no.

[Translation]

Mr. Rhéal Fortin: Mr. Poilievre, you say no, but it is really yes.

Madam Chair, there are delays between the questions and the answers, which means time is wasted. When you speak English here at the committee, you have more time to ask questions than—

[English]

The Chair: Mr. Fortin, thank you.

[Translation]

Mr. Rhéal Fortin: Can I finish explaining the reason for my point of order, Madam Chair?

[English]

The Chair: Thank you. You're done.

[Translation]

Mr. Rhéal Fortin: You are thanking me, but I would like to finish.

[English]

The Chair: Thank you.

You're at seven minutes and 26 seconds, Mr. Fortin. I've been very generous with your time up until now, and I would ask that you respect that. It is up to the minister to answer the questions how

she wishes to do so, and it is up to you to cut her off if you are not pleased with her answer.

Thank you, Mr. Fortin.

[Translation]

Mr. Rhéal Fortin: Madam Chair, when we started, you told us that the answers would be of about the same length as the questions. That is no longer the case, even not counting the delay for the interpretation.

[English]

The Chair: We are moving on.

Mr. Angus, you have the floor for six minutes.

Mr. Charlie Angus: Thank you, Madam Chair.

Thank you, Madam Chagger, for returning.

When we were at the finance committee, you were asked a very straight-up question about whether or not you had had any dealings with the Kielburgers or anyone from WE Charity in the lead-up to this coming to cabinet. Why didn't you tell us about your meeting on April 17 with Craig Kielburger?

Hon. Bardish Chagger: Madam Chair, these meetings are public. The question I was asked was whether I spoke with the organization in regard to the Canada student service grant. I answered that question truthfully and openly. The member today provides me the opportunity to provide the information in regard to the organization writ large, and I have provided that information for the record. I answered the question that was posed to me.

Mr. Charlie Angus: Actually, the question you were asked was very simple: Did you have any meetings with anyone from the WE organization in the lead-up to cabinet? They did not ask about the Canada student service grant. You put that in. It was a simple question.

My frustration here is that when you're asked a simple question—did you meet with the Kielburgers?—and you can't give us a straight answer, it makes the waters seem very, very murky for you. My concern is that this meeting, I think, was crucial, and yet you didn't tell us that. Why didn't you tell us that you had met with Craig Kielburger?

Hon. Bardish Chagger: Madam Chair, I think you have noted the length of the question. I will take that time to respond.

The member is welcome to refer to the official record and to see that the question was in context to the Canada student service grant—

Mr. Charlie Angus: It wasn't.

Hon. Bardish Chagger: —in which the motion was put forward.

He can choose to interrupt, and that is an approach he chooses to routinely take. I have set the record clear today as to the two times that I have personally interacted with the organization. I went to WE Day on December 10 to speak to an auditorium full of youth at the National Arts Centre. That was on December 10, 2019. I was requested to have a conversation with the organization with regard to an unsolicited social entrepreneurship—

• (1510)

The Chair: Minister, I'm going to go to Mr. Angus now.

Mr. Charlie Angus: Thank you.

Here's the thing. You were asked a straight question, but of course we have the record. It's on the record. The thing is, of course you weren't speaking about the Canada student service grant on April 17, because it didn't exist. It wasn't announced until April 22. It's again this splitting of hairs that I find frustrating.

Let's just jump forward, because you also told us that Rachel Wernick came up with this idea. She told us that she had been instructed by officials to reach out, but it's the Craig Kielburger connection to her that I want to bring to your attention. He writes her an email—his introduction to her—and he says, based on the meeting with Minister Chagger, “In that spirit, we have proposed two programs—and we could deliver one or both programs”. You're Craig Kielburger's all-access pass.

I don't get how the fact that you were at some WE event at some auditorium is germane to anything, when it's the April 17 meeting you have with Craig Kielburger. You don't tell us this. This has to come out in the media. The fact is that Craig Kielburger uses you as the introduction to Rachel Wernick in saying that not only did they have the one program, but they had two programs they were ready to deliver. What happened in that conversation that led to having two programs instead of just one?

Hon. Bardish Chagger: Madam Chair, I have been asked to testify, and I do my utmost to make sure that information is readily available. I know that definitely when I appeared at the finance committee I made sure that details of the contribution agreement were available. I also said that we would share all documents to ensure that members and Canadians can have these answers. I think it's important that they receive these answers.

In regard to the April 17 meeting the member is referring to, it was in regard to an unsolicited social entrepreneurship program for youth. As the Minister of Youth, it's important that I be informed as well. This proposal is not something that was first brought to my attention. As Rachel Wernick has testified, it had gone to another minister as well and then it was shared with me. I made myself available to listen to that information. It's not something that I would have full jurisdiction or be the lead on—

Mr. Charlie Angus: No, I know. I get that.

Hon. Bardish Chagger: —but I did listen to it, and it's not something I was considering.

Mr. Charlie Angus: Well, obviously you did consider, because Rachel Wernick gets her email from Craig Kielburger saying that he had not just one proposal but two proposals. It's the second proposal that became the Canada student service grant. That was the form.

On the fact that you were meeting on April 17 and the Prime Minister announces it on April 22, and on the fact that Craig Kielburger is then contacting Rachel Wernick because he's met with you and he has the two proposals, I think you need to just come a little more clean with us, Minister, and tell us what you recommended to Craig Kielburger so that we can get a straight answer here.

Mr. Han Dong: On a point of order, Chair, for the second time today Mr. Angus has brought up this document between Mr. Kielburger and Rachel Wernick.

An hon. member: What kind of point of order is that?

Mr. Charlie Angus: I'll submit it. Do you want me to submit it?

Mr. Han Dong: I have the floor.

An hon. member: That's not a point of order.

The Chair: Mr. Dong—

Mr. Han Dong: I wonder if Mr. Angus can share the document with the rest of the committee.

The Chair: Mr. Dong, that's not a point of order. I'm going to proceed.

Mr. Charlie Angus: I'm sorry, but does that come out of my time?

I'm certainly willing to share the email to Craig Kielburger—

Some hon. members: Oh, oh!

Mr. Han Dong: I have no idea what he's referring to. I think it's a fair question.

The Chair: Mr. Dong, it's not a procedural point of order. You are more than welcome to go and talk to the member after this meeting. If he is happy to show you the document, then he will do so.

Mr. Han Dong: I think it's clearly—

Mr. Charlie Angus: Madam Chair, I'm more than willing to share the email that has been made public. If my colleague didn't do his homework, I can't help that, but I'd like to get the answer from the minister.

The Chair: Mr. Angus, I'm restarting the clock. The floor is yours.

Mr. Charlie Angus: Can we just get the minister to tell us what happened in that meeting, without the interference of her Liberal colleagues? Craig Kielburger then went to Rachel Wernick and said he had two proposals. That second proposal became the Canada student service grant, with just a few bells and whistles added.

Something happened in that meeting, Minister Chagger, and you didn't tell us at finance committee. Tell us now. Just come clean.

Hon. Bardish Chagger: Madam Chair, I was asked to swear an oath. I have sworn an oath. I think it's important to acknowledge that all the information I have available, I am making available. I do not disregard the member's interpretation, but I will not be told that I am not providing information openly. That's exactly what I'm doing.

The first opportunity that I had to be at finance committee, I was there.

• (1515)

The Chair: Minister Chagger, thank you very much.

Hon. Bardish Chagger: The first opportunity I had to be at the ethics committee, I am here, to make sure all information is available to members.

Mr. Charlie Angus: If you'd told us at finance, we wouldn't be in this shemozzle.

The Chair: Mr. Angus, your time is up. Thank you.

Mr. Poilievre, the floor is yours for five minutes.

Hon. Pierre Poilievre: Did the word “volunteer” ever get spoken in your 30-minute meeting with Mr. Kielburger?

Hon. Bardish Chagger: Madam Chair, off the top of my head, it was more of a listening exercise than—

Hon. Pierre Poilievre: Was it spoken, yes or no?

Hon. Bardish Chagger: Not that I'm aware of. I can't say that I said it.

Hon. Pierre Poilievre: Were you there?

Hon. Bardish Chagger: I was there.

Hon. Pierre Poilievre: Did someone else say it?

Hon. Bardish Chagger: Madam Chair, this is a lengthier answer, but I recall the conversation in regard to their advancing and sharing their unsolicited proposal. I listened to it.

Hon. Pierre Poilievre: No, that's not my question. My question is about whether the word “volunteer” was spoken.

Was youth service mentioned?

Hon. Bardish Chagger: Youth service is top of line for me.

Hon. Pierre Poilievre: Okay, so that's a yes.

Hon. Bardish Chagger: We brought in the Canada service corps in 2018.

Hon. Pierre Poilievre: Yes or no...?

Hon. Bardish Chagger: Madam Chair, I think it's important that since I am—

Hon. Pierre Poilievre: Yes or no...?

Hon. Bardish Chagger: —wanting to provide accurate information, that I provide all the information I have.

The Chair: Minister, thank you. I do understand that, but the question that has been asked of you is quite simple. It is really a yes or no question. You need to respect the member who's asking you that question and answer accordingly. Thank you.

Minister, yes or no?

Hon. Bardish Chagger: I would say that “service opportunities” was said, yes.

Hon. Pierre Poilievre: Okay, good. Now we're getting somewhere. This was just five days before the Canada student service grant was announced and given its name.

Of course, that grant wasn't mentioned because it wasn't created at the time of your meeting, but did you speak about anything at all other than the Kielburgers' social entrepreneurship proposal, anything at all, yes or no?

Hon. Bardish Chagger: I would have definitely asked how the youth that they were working with were doing in the face of the pandemic.

Hon. Pierre Poilievre: Did the Kielburgers know that the Prime Minister would make an announcement only days later, on April 22, regarding youth programming?

Hon. Bardish Chagger: I cannot speak for the Kielburgers. I personally did not know on April 17 that the Prime Minister would be making that announcement.

Hon. Pierre Poilievre: Okay, so you didn't know, even though you're the minister responsible for that announcement—strange.

How many staff attended that meeting with you and the Kielburgers?

Hon. Bardish Chagger: Madam Chair, for clarification, is he referring to my team or from the...?

Hon. Pierre Poilievre: Yes.

Hon. Bardish Chagger: I was the only person on the phone call from my team, because it was in regard to an unsolicited proposal.

Hon. Pierre Poilievre: Okay. Were there any officials?

Hon. Bardish Chagger: From my team, no. I made the phone call.

Hon. Pierre Poilievre: It was just a phone call, two people.

Hon. Bardish Chagger: From my team, it was me. From the WE organization it was Craig Kielburger, and I believe Sofia was on the phone with us. He would know if there were other people from their side. It was a phone number they provided for me to dial into.

Hon. Pierre Poilievre: That's fine. Thank you.

Was there anyone in the PMO or the finance minister's office aware that you were having this phone call?

Hon. Bardish Chagger: Not that I'm aware of, but I can check into that information and share it with the committee.

Hon. Pierre Poilievre: Did you take any notes?

Hon. Bardish Chagger: Madam Chair, from that phone call, it was in regard to the unsolicited social entrepreneurship program, so I received—

Hon. Pierre Poilievre: No, that wasn't my question. Did you take notes, yes or no?

Hon. Bardish Chagger: I was provided a briefing note, which has been shared.

Hon. Pierre Poilievre: Okay. Did you take notes on your phone call, yes or no, for the fourth time?

Hon. Bardish Chagger: Everything I received was in line with what was on—

Hon. Pierre Poilievre: No, did you take notes with your own hand? That was the question. It's a simple question, yes or no?

Hon. Bardish Chagger: The only note I would have taken would have been to ask the team to follow up with colleagues' offices and officials in regard to the proposal.

Hon. Pierre Poilievre: But that's strange, because a moment ago you said that by the time you did this phone call or finished it, you were not interested in that proposal. Now you were following.... It must have been a different proposal that you were following up on.

Hon. Bardish Chagger: Madam Chair, the member can choose to put words in my mouth. It would not be his first time.

Hon. Pierre Poilievre: They're your words.

Hon. Bardish Chagger: It is a repetitive behaviour—

Hon. Pierre Poilievre: Let's not get distracted.

Hon. Bardish Chagger: I will say that it's something that I was not considering, but it's important for the team and also for officials to be aware of it and to make sure they look into it and consider its merits.

Hon. Pierre Poilievre: Okay. All right, so you decided you weren't going to pursue that proposal, yet you wrote notes to your staff and officials to follow up on that proposal. Okay. It's very clear.

We're going to move on to another question now.

• (1520)

Hon. Bardish Chagger: Madam Chair, I think I should proceed.

Madam Chair—

Mr. Mark Gerretsen: Madam Chair, she should have the opportunity to respond.

Hon. Pierre Poilievre: No, I'm asking my question. I didn't ask a question yet. She's had plenty of chances to respond, and I'm glad.

Hon. Bardish Chagger: You've put words in my mouth—very classy.

Hon. Pierre Poilievre: On the next issue here, were you aware that the Prime Minister withdrew your proposal from the cabinet meeting on May 8, yes or no?

Hon. Bardish Chagger: The Prime Minister testified and shared that information.

Hon. Pierre Poilievre: The WE organization had already begun implementing the Canada student service grant on May 5, three days earlier. Did you instruct anybody to immediately call WE and say, "Stop. The Prime Minister has pushed back. This program is not approved by cabinet; therefore, WE has to put its actions on hold," yes or no?

Hon. Bardish Chagger: Madam Chair, as the Prime Minister stated, this was about due diligence from officials, so I would like the deputy to have a minute to answer.

The Chair: I'm sorry, Minister. We are out of time.

I'm going to hand the floor over to Mr. Gerretsen for five minutes.

Hon. Pierre Poilievre: On a point of order, Madam Chair, I do think that they should have a chance to respond, if possible.

The Chair: Mr. Poilievre, you're putting me in a difficult position here.

Mr. Mark Gerretsen: I thought he only did that to us.

The Chair: Mr. Gerretsen, the floor is yours for five minutes.

Mr. Mark Gerretsen: Thank you, Madam Chair.

Minister, you were on the receiving end of a fairly hostile accusation there by Mr. Poilievre. Would you like the opportunity to respond to that?

Hon. Bardish Chagger: Madam Chair, I think it would be important for the deputy to be provided an opportunity to answer the accusations that are being provided by the Conservative member.

The Chair: The floor is yours.

Ms. Gina Wilson: The question was in relation to an earlier start date. Why was it effective on May 5? As generally occurs with contribution agreements, a start date may be identified prior to the date of the agreement's signature. This is routinely done when organizations may incur eligible expenses prior to that signature. If the earlier start date is not approved, the organization is reimbursed for expenditures incurred, and does this completely at its own risk. Similarly, if the agreement is not signed, the organization would not be reimbursed for any expenses incurred. It may often take weeks for a contribution agreement to be negotiated, and that is what occurred in this particular instance.

Thank you.

Mr. Mark Gerretsen: Thank you.

Minister, let's not beat around the bush here and pretend that your appearance before this committee somehow has nothing to do with the fallout of the WE situation with the student service grant. I'll just be blunt. Did you knowingly brush off signs of a conflict of interest or any perception thereof when you were presented with the recommendation to enlist the WE Charity to deliver this program?

Hon. Bardish Chagger: Madam Chair, I can tell you that I take the Conflict of Interest Act very seriously. No, I would never brush off any signs. That's why I ensured that I worked with officials to ensure that due diligence was done. I believe that they did their due diligence.

Mr. Mark Gerretsen: They did give you that recommendation, right, Minister? When Mr. Barrett was speaking with the Clerk of the Privy Council previous to this, he said—these are Mr. Barrett's words—“cabinet accepted the recommendation of the public service”. This goes a little bit against what the Conservatives have been trying to purport in their rhetoric out there, that somehow that wasn't the case.

This was a recommendation from the public service, as Mr. Barrett said. Is that correct?

Hon. Bardish Chagger: Madam Chair, this was a recommendation that was repeated on numerous occasions. As has been noted, it is a proposal that went to the COVID committee. There were numerous questions asked. Those questions were asked of officials. Officials responded and came back with the same recommendation. We also asked for other recommendations. Who else could deliver a program to this scale, this scope and this timeline? Once again, in writing, the public service did provide us that it was the only organization that could deliver the program to the scale, scope and timeline that we were looking for.

Mr. Mark Gerretsen: Thank you very much, Madam Chair. That's everything.

The Chair: I will proceed with giving one question to the Conservatives and one question to the Liberals.

A Conservative member can go.

Hon. Pierre Poilievre: Thank you very much, Madam Chair. The question is not about why the contribution agreement was backdated. The question is very simple. The Prime Minister claims that he put the entire WE program on hold on May 8.

Minister Chagger, did anyone in the government, at that moment, direct WE to stop administering the program when the Prime Minister did that on May 8, yes or no?

• (1525)

Hon. Bardish Chagger: Madam Chair, that was a lengthy question, but I'll provide a short answer: not that I'm aware of.

Hon. Pierre Poilievre: That's strange.

The Chair: A Liberal member is next.

Madam Shanahan, the floor is yours.

Mrs. Brenda Shanahan: Thank you, Chair, and thank you, minister, for being with us here today.

The Prime Minister and the finance minister have both apologized for not recusing themselves from the decision to enlist the WE Charity to deliver the Canada student service grant program, but the Clerk of the Privy Council has also testified that given the sheer scale and cost of the program it's difficult to see how they would not have needed to be involved.

What was the expectation for you, as the minister responsible for the CSSG, when it came to assessing potential conflict of interest

before entering into the contribution agreement with the WE Charity?

Hon. Bardish Chagger: Madam Chair, for me, this was part of a suite of programs. Nine billion dollars had been allocated for students, recognizing that they were also impacted by the pandemic.

When it came to this exact program, for me, a priority was ensuring that students who need assistance the most get it. I was concerned about official languages and making sure that the program was available for both francophones as well as anglophones. I wanted to ensure that youth and students in rural and remote areas also had access to it, and I wanted to ensure that under-represented communities had access to it. That's why I wanted to ensure that we were collecting disaggregated data. It was to understand where it was going, so that as we went through the contribution agreement checks and balances were in place.

The way contribution agreements work is that we have to be able to deliver the scope and scale and timeline of the program, so this is information we would be continually receiving before we opened up any opportunities to expand it to the second cohort. Those were some of the checks and balances we put in place—

The Chair: Minister, thank you.

Hon. Bardish Chagger: —to ensure that people who needed a hand up were actually getting a hand up through the programs we were advancing.

The Chair: Thank you, minister.

With that, we will draw this meeting to a conclusion, and I will suspend while we switch to our next witness.

Again, Minister Chagger, thank you so much for giving us your time today.

Hon. Bardish Chagger: Thank you, Madam Chair.

Thank you, members.

The Chair: We will suspend.

• (1525)

_____ (Pause) _____

• (1535)

The Chair: Welcome, everyone.

Minister Qualtrough, welcome.

Hon. Carla Qualtrough (Minister of Employment, Workforce Development and Disability Inclusion): Thanks for having me.

The Chair: It's our pleasure.

Minister Qualtrough, as you know, this committee passed a motion on July 22:

That, pursuant to Standing Orders 108(3)(h), the Committee review the safeguards which are in place to avoid and prevent conflicts of interest in federal government procurement, contracting, granting, contribution and other expenditure policies.

That is the motion that you have been asked to come and speak to today. In one moment, I will give you 10 minutes to give opening remarks. It is going to be a little bit tricky for me to monitor and keep time just because there are no visual queues. Bear with me. I may have to interrupt you, but I will certainly do my best to be polite when I do so.

We would ask that you try to answer questions that are posed to you within about the same time frame in which they are asked. Those seem to be our COVID rules when we're using technology.

With that, then, I will pass it over to you, Minister, and allow you to have the floor for the next 10 minutes.

Thank you.

Hon. Carla Qualtrough: Thank you.

Please feel free to interrupt me at any point. I take no offence; I find it helpful.

Good afternoon, everyone. I'd like to begin by thanking the committee for allowing me to participate by telephone. This allows me to use my accessibility software and participate in a more meaningful way in both languages, while having the chance to refer to my speaking notes.

I have with me today ESDC associate deputy Minister Benoît Robidoux. I'm hopeful today that my participation can be helpful.

It's my understanding, from your motion passed by this committee, that you are reviewing the safeguards in place, as you said, to avoid and prevent conflict of interest in federal government procurement, contracting, granting, contribution and other expenditure policies. In particular, I understand that you're using as a case study the speaking appearances for Justin Trudeau, Sophie Grégoire Trudeau, Margaret Trudeau and Alexandre Trudeau. I'll say at the onset that I had no prior knowledge of Margaret Trudeau's or Alexandre Trudeau's speaking appearances with WE Charity or otherwise.

I know that Margaret Trudeau is an advocate for mental health and wellness and admire her passion on this important issue. I know that the Prime Minister and Sophie Grégoire Trudeau had appeared at WE events in the past, and I considered this to be a well-known fact. They've both been advocates for youth leadership and youth empowerment for years.

Personally, I have spoken at one WE Charity event in November of 2016 in Vancouver. I spoke to thousands of young people about the power of inclusion and the everyday choices they can make to ensure no one was left out, in particular people with disabilities. I was not paid for this appearance and claimed no expenses.

As a member of Parliament and cabinet minister, I am very aware of my obligations pursuant to the Conflict of Interest Code for Members of the House of Commons and the Conflict of Interest Act. I take the management of my public declarations and ongoing reporting requirements very seriously.

I offer no excuse or justification for the Prime Minister or the finance minister with respect to their having not recused themselves from the discussions and decisions around having WE Charity deliver the CSSG program. Both have apologized and have acknowl-

edged that they should have recused themselves, and there's an ongoing investigation by the Ethics Commissioner, and both are fully complying with it.

In this time of pandemic, the pace and breadth of decision-making has been beyond compare. As Minister of Employment, I have been at the centre of our pandemic response. For months our cabinet COVID committee met day after day to plan and implement our emergency response. The cabinet was also meeting regularly for many hours at a time. On any given day, we are making decisions that range from border closures to PPE distribution to whether we should be sending our military into our long-term care facilities because our seniors were dying.

My own responsibility included the CERB, Canada summer jobs, temporary foreign workers, disability support and various student measures. We've been operating under the guiding principle of delivering supports quickly and reliably to Canadians.

We knew from the start that things would not be perfect, and we were prepared to have the course corrected when needed. There was no time to test or pilot programs. We had to understand the limits of our existing systems and work within them. Anything new would have to be straightforward. I have tremendous respect for our public servants, with whom we've been working around the clock. They've gone above and beyond during these difficult times.

We've delivered to Canadians in three very important ways over the past few months, first through direct supports like the CERB, the student benefit and top-ups to the CCB, GST and OAS. Second, for the provinces and the territories, an example would be the essential workers top-up. Third, we have collaborated with third party intermediaries with extensive networks and proven track records that can deliver programs quickly and support individuals in a way that government simply can't. An example would be having Community Foundations of Canada, the Red Cross and United Way deliver our emergency community fund. Another would be partnering with Women's Shelters Canada to deliver funding to women's shelters across the country.

I offer the example of the community support fund and women's shelter fund to contextualize the decision to deliver the CSSG through WE Charity using a contribution agreement without an open competition. There was no competition in any of these instances, as it was determined that these organizations could effectively and efficiently get funds into the hands of the people and organizations that needed them while at the same time ensuring accountability on the part of the program deliverer. ESDC officials can provide the specifics of the accountability and oversight measures built into these contribution agreements, including audit, financial controls, monitoring and reporting requirements.

• (1540)

As the Minister of Employment I am the lead on student employment measures, the CESB, and the changes to the Canada student loans and grants program. The Minister of Diversity and Inclusion and Youth leads the Canada service grant given her responsibility for the Canada Service Corps. Our respective responsibilities are very clearly laid out in our mandate letters.

We both heard very clearly from young Canadians and student groups that they were facing a summer without many job prospects and the real possibility that they may not be able to afford to go back to school in the fall. They needed income support, increased student loans and grants, and jobs. They also wanted the opportunity to help out in their communities. We looked at existing programs in terms of how we could enhance them or leverage them. On April 22, the Prime Minister announced a \$9-billion suite of measures for students. As ministers, we then rolled up our sleeves and set about delivering on the measures within our respective portfolios. For my part, I was focused on the student loans, employment and benefit measures. This was a big piece of work that included new legislation and regulatory changes. I first learned that WE was being recommended to deliver the CSSG on May 5 as I was preparing for the COVID cabinet meeting, on the same day that the proposal was being discussed. I understood the purpose of the CSSG to be to provide young people with meaningful opportunities to serve in their communities and to assist the non-profit sector with some much-needed capacity.

Given the speed, scope and scale of the program, I strongly believed that we needed a third party to move it forward. As lead minister of ESDC, I knew just how stretched the public service was and what their workload could or couldn't handle. The organization that would deliver this program would be tasked with the screening, onboarding, training and mentoring of young Canadians during these important summer months. It would also track volunteer hours and distribute grants. I can confirm that the CSSG proposal was scheduled to be on the cabinet agenda on May 8, but was taken off. I was not involved in any of the discussions about why this was pulled from the agenda and the Prime Minister's request for more due diligence, as this was not my file. As you can appreciate, I cannot share the content of the May 22 cabinet discussions about the CSSG due to cabinet confidentiality, but as you know the cabinet decided to proceed with the recommendation to enter into a contribution agreement with WE to deliver the CSSG.

I'll conclude by stating that the CSSG was intended to be an innovative way to provide support for students, non-profits and communities, and more than ever Canada really needs bold ideas and

innovative solutions. While WE Charity is no longer delivering the program, we remain as committed as ever to supporting young people and non-profits. I can assure every member of this committee that our government takes its ethical responsibilities seriously. We've not been perfect. I reiterate that both the Prime Minister and finance minister have apologized for having not recused themselves. I regret that this has taken the focus away from what we wanted the focus to be on.

Thank you.

• (1545)

The Chair: Thank you, Minister Qualtrough.

We will proceed then to our first six-minute round and we have Mr. Barrett up first.

Mr. Michael Barrett: Thank you, Minister.

First, were you ever asked by anyone in the Prime Minister's Office or any other official to be the minister responsible for the CSSG?

Hon. Carla Qualtrough: I was not.

Mr. Michael Barrett: You mentioned your involvement on the COVID-19 cabinet committee and that's where this program first received approval on May 5. Did you inform your deputy, your ADM, Madam Rachel Wernick or any officials in your department about the cabinet committee decision?

Hon. Carla Qualtrough: I would have briefed my chief of staff, yes.

Mr. Michael Barrett: Did you inform anybody, or did your chief of staff inform anybody at the WE organization about this decision?

Hon. Carla Qualtrough: Definitely not.

Mr. Michael Barrett: You said that on May 5, at that committee, it was the first time that you learned about the CSSG. At that time what was your understanding of whose idea this program was? Where did it come from?

Hon. Carla Qualtrough: May I clarify that I said that was the first time that I heard that WE would deliver the CSSG. I just want to be very clear and honest. I knew about the CSSG before May 5, but I did not have any idea who would be recommended to deliver it until May 5.

Mr. Michael Barrett: Once you learned about it on May 5, Minister, what was your understanding of where it came from? Whose idea was it?

Hon. Carla Qualtrough: My understanding was that the Minister of Diversity and Inclusion and Youth and her staff had been working with officials. There had been back-and-forth. To be honest, I had just understood it to be a recommendation of the public service that the minister was putting forward.

Mr. Michael Barrett: Okay.

We heard testimony from the Clerk of the Privy Council, Mr. Shugart, at the finance committee that the proposal for the WE organization to be the third party partner was recommended by ESDC.

Who presented that proposal?

Hon. Carla Qualtrough: To the cabinet committee, it was the Minister of Diversity and Inclusion and Youth. Sorry, I want to make sure I get our titles correct.

Mr. Michael Barrett: Minister, we heard testimony from the Clerk of the Privy Council, and it was confirmed by Minister Chagger, that she, by order in council in March, was able to sign, as a minister for ESDC.

How is it that a nearly \$1-billion dollar program was downloaded to a minister of state and not handled by you?

Hon. Carla Qualtrough: If you'll permit me, we were sworn in, in November 2019, when the minister was made a full Minister of Diversity and Inclusion and Youth. We then got our mandate letters on December 13, and she was given the responsibility to lead the development of a national youth service, including the Canada Service Corps.

We then went about, behind the scenes, working with ESDC and PCO, in getting all the legal instruments in place. There are five of us—ministers—responsible for various aspects of ESDC. For example, the OIC you're talking about for Minister Chagger was on March 6; the OIC for Minister Hussen was on March 8, I believe—and we'd have to check that. Then we went about delegating various financial authorities within. Because of the way the law is around ESDC, there is one legal minister, but then I delegate to the other ministers. It's a legal construct, but we have been working from the beginning with our mandate letters and really staying in our lanes.

• (1550)

Mr. Michael Barrett: Okay, thank you.

How involved were you in the development of the program since its inception?

Hon. Carla Qualtrough: Not at all. I was involved with my part, so the employment piece, the student loan and grant piece, and the student benefit piece.

Until two or three days before the April 22 announcement, I was not aware of all the other pieces that were going to be part of this bigger package.

Mr. Michael Barrett: Did you receive or review any reports or briefings about due diligence that was done on any element as part

of the WE organization, WE Charity, WE Charity Foundation or any of their subsidiaries, before supporting this company administering a \$900-million program?

Hon. Carla Qualtrough: What I reviewed in preparation for May 5 was the recommendation that was going to cabinet. At that point in time it had been vetted by the public service. What I was told at that point was that due diligence had been done and there were no flags.

I believe my answer might be “no” to your question, but I want to make it clear what I did review.

Mr. Michael Barrett: Thank you, Minister.

We were told that on May 5 the Prime Minister's Office redirected a call from their office to your department, from the WE organization. I am looking for details about that call. Who took the call, what was discussed, are there notes, is there a recording, and was WE told that it could begin charging expenses or “eligible expenses” for this program at that time?

Hon. Carla Qualtrough: I have no information, either indirect or direct, about that call.

Mr. Michael Barrett: Would you undertake to find information for this committee?

Hon. Carla Qualtrough: I sure can.

Mr. Michael Barrett: Thank you, Minister.

The Chair: The floor is Mr. Dong's for six minutes.

Mr. Han Dong: Thank you, Minister, for agreeing to testify at the committee.

Before I begin my questions I just want to thank you for all the hard work you've done in the last few months. I have spoken to many constituents of Don Valley North. They want me to pass on their sincere gratitude for the work you've done, and staff in your department as well. Just so you know, I know you can't see us, but I have a lot of nodding heads around the committee table.

On the Canada summer jobs program, which is in high demand, I wonder if there was any discussion on why the government didn't just double down on the Canada summer jobs program instead of creating a new program, the CSSG. We know certainly the demand is there and it is being delivered by many good grassroots organizations. Can you explain why the government didn't run this through the Canada summer jobs program?

Hon. Carla Qualtrough: I know that a lot has been said over the past weeks about why Canada summer jobs didn't just do this. You know, we modernized the Canada summer jobs program to reflect the realities faced by COVID, and we did increase funding to increase the number of jobs from 70,000 to 80,000 jobs this year. We created tens of thousands of other jobs through other student employment programs. I know what a successful program this is. I know that businesses like it, students like it and MPs like it.

Here's how Canada summer jobs works. We set objectives, we assess jobs against those objectives, we fund jobs that meet those objectives and then we post the jobs. We don't help individuals find these jobs. When ESDC wants to provide a more direct support to individuals, we always do it through a third party using a contribution agreement. Think of the YESS program, the youth employment and skills strategy. We fund local organizations to help youth at risk get jobs and flourish in these jobs.

The CSSG was different from Canada summer jobs. The goal, as I said in my opening remarks, was to provide young people with meaningful opportunities and also to help with the capacity issues that non-profits were facing. The organization that was delivering this program would be doing a lot of one-on-one with young people through screening, onboarding, training and mentoring. They would be tracking volunteer hours and distributing grants.

As much as this was a capacity issue, as I said, Canada summer jobs actually isn't built for, and the ESDC isn't in the business of doing, this kind of thing. I hope that makes sense.

• (1555)

Mr. Han Dong: Thank you, Minister. It does make sense to me.

You brought up the issue of a contribution agreement, which I asked the Clerk of the Privy Council about earlier today. From your perspective, are contribution agreements unethical, or is it common practice by the government to have a third party deliver whole programs?

Hon. Carla Qualtrough: Contribution agreements are extremely common. I'll bet you there are thousands of contribution agreements. I think Benoît could give you an exact number. Governments for decades have been using this as a way to get money to individuals through third parties that have better ways of doing this relationship-wise or in connections to communities.

We enter into a contribution agreement with an organization, and then it provides the support directly to individuals. I don't even know what else to say, it's so common.

As I said in my opening remarks, we did this for the community support fund and we did this for the women's shelter fund during the pandemic alone, but it really is a common tool that governments use. It's a very effective form of agreement with an organization.

Mr. Han Dong: You don't think contribution agreements are unethical, like some people seem to be suggesting.

Hon. Carla Qualtrough: I don't at all. I think they allow us to get closer to people on the ground.

Mr. Han Dong: Okay.

I heard earlier that the Canada student service grant was developed by Employment and Social Development Canada. However,

this didn't fall under your oversight. Can you explain why CSSG was under the purview of another minister, under Minister Chagger?

Hon. Carla Qualtrough: Yes. I don't want to say what I have already said, but very quickly, our cabinet was sworn in. We got our mandate letters. Minister Chagger got the Canada Service Corps and I got youth employment. That's how we worked from the beginning. Minister Chagger had the Canada Service Corps and I had all the other youth employment programs. Then, as I said, there was an order in council on March 6 that made Minister Chagger an ESDC minister.

In terms of the student measures, at least five other ministers were involved in the student measures. There was me, Minister Chagger, the immigration minister, the indigenous services minister, the ISED minister, the Minister of Finance, the President of the Treasury Board. As everybody has said, this was a really big package worth a lot of money. Many of us were involved.

Mr. Han Dong: So all these five ministers had a hand in your department. Do they report to you? Do they share with you what they're working on? Do they need your permission to go ahead and develop their programs?

Hon. Carla Qualtrough: Let me clarify that the five ministers—

The Chair: You have 10 seconds.

Hon. Carla Qualtrough: Okay: different five ministers, but no, we all have our lanes in ESDC.

Mr. Han Dong: Thank you, Minister.

The Chair: Thank you.

The floor is Mr. Fortin's.

[*Translation*]

Mr. Rhéal Fortin: Good afternoon, Madam Minister.

In your testimony just now, you said that you personally had not seen a report on the due diligence into WE Charity but that you supposed it had been done and a report had been prepared. Do I understand correctly?

[English]

Hon. Carla Qualtrough: Yes. What I said—and I'll clarify if it was unclear—is that I did not see the due diligence report on WE, but based on my reading of the materials that were presented at committee, and then eventually at cabinet, I understood that there were no red flags with respect to due diligence.

[Translation]

Mr. Rhéal Fortin: To your knowledge, who has seen this darned report? You are not the only one to tell us that. Everyone is telling us that they suppose due diligence was done, but no one seems to have seen the report.

Can you enlighten us about that? Who has seen the due diligence report?

[English]

Hon. Carla Qualtrough: It's a good question, and I would perhaps defer to Benoît. I don't know if it's actually called a “due diligence report”, so I don't want to create a construct that doesn't actually exist.

Benoît, can you talk about the due diligence that would have gone into the recommendation of the public service?

• (1600)

[Translation]

Mr. Rhéal Fortin: Madam Minister, am I to understand that you agreed with the contribution agreement being entrusted to WE Charity?

[English]

Hon. Carla Qualtrough: Yes.

[Translation]

Mr. Rhéal Fortin: At that point, did you know that WE Charity would not be getting a contract with the government. It would be the WE Charity Foundation instead?

[English]

Hon. Carla Qualtrough: At that point I didn't know the difference, so I assumed the shorthand of “WE” to be WE Charity. I didn't know which subsidiary of WE would actually sign the contract, no. I did not know that.

[Translation]

Mr. Rhéal Fortin: To your knowledge, when you made that decision at the Cabinet table, did anyone know that the WE Charity Foundation, not WE Charity, would be obtaining this contract?

[English]

Hon. Carla Qualtrough: I honestly don't know what other ministers know. I'd prefer to just tell you my knowledge, and at the time, I didn't know.

[Translation]

Mr. Rhéal Fortin: Okay. If I understand correctly, no one at the Cabinet table discussed the fact that you would be dealing with a new entity that had been incorporated for one or two years at the time, that being the WE Charity Foundation. There was no discussion about that. Is that correct?

[English]

Hon. Carla Qualtrough: As you can appreciate, I can't talk about what discussions happened at cabinet committee or cabinet, but I can share my own personal knowledge. I did not come out of those meetings with that distinction in mind.

[Translation]

Mr. Rhéal Fortin: To your knowledge, Madam Minister, does the Government of Canada often allocate \$43.5 million to manage grants totalling \$900 million to an organization that has no staff and has been in existence for only one or two years?

Do you see that sort of thing often?

[English]

Hon. Carla Qualtrough: I cannot answer that, but I would say that we were aware of WE Charity's track record, and that is the track record upon which certainly I based my comfort with proceeding with WE for this contribution agreement.

[Translation]

Mr. Rhéal Fortin: If I understand correctly, you based your decision on the knowledge that you had about WE Charity, but at that time, you did not know that the contract would actually be going to another entity, the WE Charity Foundation, a shell, in legal terms. Is that correct?

Hon. Carla Qualtrough: That is correct.

Mr. Rhéal Fortin: If you had to make the same decision today and you were told that the contract would be going to the WE Charity Foundation, would you be asking questions about that choice? Would you check who its staff is and whether a due diligence report had been done on it?

Are those questions that you would ask today if you had to make the same decision?

[English]

Hon. Carla Qualtrough: I'd prefer not to speculate because I would hope that we would also have discussions around mitigation and other factors that might go into answering our questions, but at this point I can't turn back the clock, and I'd prefer not to speculate.

[Translation]

Mr. Rhéal Fortin: Were you aware that the Prime Minister and the Minister of Finance were in a conflict of interest situation vis-à-vis WE Charity when the decision was made?

[English]

Hon. Carla Qualtrough: As I said in my remarks, I did not know about the finance minister's connections to WE, and what I knew about the Prime Minister's and his wife's connections was about their public appearances. I had no knowledge of their familial ties or of any monies or expenses that were being paid for.

[Translation]

Mr. Rhéal Fortin: At the Cabinet meeting of May 8, the Prime Minister decided to withdraw this item from the agenda because the decision made him uncomfortable. He tells us that he felt in a conflict of interest situation at that point.

Do you remember a discussion around the table about the fact that the Prime Minister was postponing the decision because he felt in a conflict of interest situation?

[English]

Hon. Carla Qualtrough: Again, I can't talk about what was discussed at the meeting, but I can confirm that it was pulled from the agenda before we even got to the meeting. It wasn't on the agenda at the meeting.

[Translation]

Mr. Rhéal Fortin: You did not know why it had been withdrawn from the agenda. Is that correct?

[English]

Hon. Carla Qualtrough: I had no specific knowledge of why it was pulled from the agenda, but it didn't seem at all unusual for me that it was, because so many things were happening so quickly and everything was so fluid at the time.

[Translation]

Mr. Rhéal Fortin: Madam Minister, you told us that the public service was not able to manage the Canada Student Service Grant program. At the Standing Committee on Finance, we heard from the president of the Public Service Alliance of Canada who told us that, in his opinion, it was possible. He added that, if the public service had been managing the program, it would be already up and running smoothly.

What do you have to say about that? Do you agree with the president of the Alliance, or do you believe he is wrong?

• (1605)

[English]

Hon. Carla Qualtrough: Respectfully, I'd like to characterize it as neither. I didn't hear his testimony, but I stand by my personal assessment that the public service was stretched and I don't think could have delivered the kind of hands-on experiences that we wanted students to have in any event. My opinion on that hasn't changed, but I respect his opinion on this.

The Chair: Thank you, Minister.

Mr. Angus, the floor is yours for six minutes.

Mr. Charlie Angus: Thank you, Madam Chair.

Thank you, Madam Minister, I wish you were here with us, but we hope you are safe wherever you are and you're having a good summer.

The transformation of when this program came out to me is very problematic because I remember the Prime Minister's announcement on April 8 and it was about the crisis facing university students. That's what we heard about, the need for jobs. This is something that you were very engaged with. On April 22 he made the announcement of this Canada service grant that is about volun-

teerism and it was dramatically different. What happened in that period between April 8 and April 22 where we saw such a clear shift in the direction in terms of addressing the crisis facing university students?

Hon. Carla Qualtrough: I remember April 8 well. It's the day we announced our Canada summer jobs flexibilities and what we were going to do to change the program to respond to the pandemic. But we knew, and I even foreshadowed, that we had to do more. I spoke with student groups, I spoke with a lot of young people, student organizations; we all heard that it wasn't just about more jobs, it was about income support, it was about opportunities to give back to their communities, and what we were going to do in the fall around Canada student loans and student grants. Literally, we all dug in, and it wasn't just myself and the Minister of Diversity and Inclusion and Youth, it was all of us. It was Minister Miller looking at how we could help indigenous students and Minister Bains looking at how we can help post-doctoral fellows. Really we all just dug in and came up with a really big package.

Mr. Charlie Angus: I get that and exactly what we were hearing. I felt at that point every parliamentarian across the political spectrum was on the same page and this project has thrown us off that. You were hearing about the need for income support, you were hearing about student loans, and yet we have this program that is paying university students less than the minimum wage. Who made that decision? The Kielburger brothers said it came from the government. That would have come from ESDC and that's your department. Why in the midst of this pandemic did we suddenly end up with a program that was going to say go work for 1,000 hours you'll get \$10 an hour, or go work for 700 hours and you get nothing?

Hon. Carla Qualtrough: I can see your perspective, Mr. Angus, but what I will say is that we all within our portfolios dug in and figured out what we could do. As much as we did create tens of thousands of jobs, over 100,000 jobs, we knew that there weren't going to be enough jobs for students. The Prime Minister has always had a passion for creating a culture of service in Canada. The Minister of Diversity and Inclusion and Youth has within her mandate to create some kind of service corps, some kind of national service opportunity. Young people were also saying that if they couldn't find a job they didn't want to sit around at home, they would like to have some kind of income support and maybe volunteer. It just became part of the package. At least that's how I lived it. How I lived it was all hands on deck.

Mr. Charlie Angus: I have enormous respect for your work here. My question is that in the middle of an unprecedented pandemic did we really need to follow up with the Prime Minister's passion of volunteerism? That was not what we were hearing from anybody.

I want to ask you about due diligence. With the Canada summer jobs we went through organization after organization trying to fill numerous forms for your officials to assure safety and yet we learn that the Kielburgers were offering \$25,000 to summer camps if they could get 75 volunteers signed up. I don't know how that would be possible in the middle of a pandemic. Did you do due diligence on this? Did you say this is not how we do it at Canada summer jobs, this payout to sign up camp counsellors in the middle of a pandemic? Who signed off on that?

Hon. Carla Qualtrough: I was not involved in that level of detail. Again, I wasn't the file lead on this. I don't know the context and certainly wasn't party to those discussions. I have really nothing to offer in response to that.

Mr. Charlie Angus: Okay.

We've been told again and again, that our civil service couldn't do the job, but the civil service under you would have asked questions—what do you mean, you're going to be paying camps to sign up camp counsellors in the middle of a pandemic?

I would like to talk about the \$12,000 per teacher that was being offered. I'm a former school board trustee. If you are telling teachers to reach out to students and you'll pay them cash, that violates multiple codes. I can't see the civil service signing off on that, and yet this was part of the Kielburger deal. Who signed off on this? Who did the due diligence on this? We're talking about legal questions.

• (1610)

Hon. Carla Qualtrough: Absolutely. Again, I wasn't involved at that level of detail. The details you've just referred to certainly weren't part of the work within the level of detail that I saw on May 5.

Certainly there are mechanisms within the public service, though, to follow up on that kind of thing and that's what's built into the contribution agreements. But again, it's out of my lane, and I apologize. It's too hard for me to speculate in any kind of helpful way.

Mr. Charlie Angus: I appreciate that. I think if it had been in your lane, those questions would have been asked because, to me, these are really fundamentals and this is the problem that we have: serious red flags.

I go to this contribution agreement that WE.... Everybody felt comfortable with WE because you guys were invited to a lot of their events. I'm not saying you did anything wrong, but they created a comfort level in WE. We look at their contribution agreements: we're looking at a \$40,000 deal, a \$24,990 deal, a \$17,050 deal, a \$13,000 deal with the government. One goes up to \$3 million, but most of them are really peanuts. The government was more than comfortable with the Kielburgers because you guys all spoke at their events; they called up the ministers. They weren't even registered to lobby.

The Chair: Thank you, Mr. Angus.

Mr. Charlie Angus: My final question is this. You do due diligence on your file. Don't you feel that if we had done more due diligence we wouldn't be in this debacle—

The Chair: Thank you, Mr. Angus.

Mr. Charlie Angus: —right now?

The Chair: Thank you.

I am going to turn the floor over to Mr. Poilievre for five minutes.

Hon. Pierre Poilievre: On what date did Minister Chagger get the order in council powers to sign contribution agreements on behalf of your department?

Hon. Carla Qualtrough: The order in council is dated March 6.

Hon. Pierre Poilievre: I find it astonishing that you didn't know anything about the details of a billion-dollar program in your department until you got to the cabinet meeting where that proposal was presented.

I was the minister in your department back in 2015. If a billion-dollar program in my department were going to cabinet, I would have known about it before it got there.

Just to confirm, you knew nothing about the decision to give this program to WE until it got to cabinet. Is that what you're telling us?

Hon. Carla Qualtrough: I knew about the parameters of the program, as I've testified. I did not know who was being recommended to deliver the program until I was briefed on May 5.

Hon. Pierre Poilievre: That's an astonishing admission, that you would have.... I think it's political malpractice that the minister responsible for the department wouldn't have known about a billion-dollar program her department was administering.

At the May 5 cabinet meeting, was anyone from the Prime Minister's Office present?

Hon. Carla Qualtrough: I cannot recall.

Hon. Pierre Poilievre: All right.

When the contribution agreement to flow half a billion dollars through WE was signed, did you see that agreement before it was signed by Ms. Chagger?

Hon. Carla Qualtrough: Mr. Poilievre, I don't see the contribution agreements in front of any of the other ministers to whom I have delegated that level of authority. In the same way, I don't see contribution agreements within Minister Blair's department either. They're full ministers with their own lines of responsibility.

Hon. Pierre Poilievre: The difference is that Minister Blair has a different department. This was your department. Your department's letterhead was on this agreement and, again, it's astonishing that the minister responsible for that department would not be up to date on a contribution agreement of this magnitude. We're not talking about a small \$25,000 grant. We're talking about half a billion dollars and you've really got to ask yourself who is running the show in this government if the ministers responsible for a department don't even see the details of such proposals before the money goes out the door.

You listed the things that this Canada student service grant was supposed to do: track hours of youth, train youth and so-call "on-board" them to organizations. The Canada summer jobs program does all those things. It delegates them through charities, small businesses and other groups. Can you name even one thing that the Canada summer jobs program could not do that the WE brothers could?

• (1615)

Hon. Carla Qualtrough: First of all, Canada summer jobs does not help individuals get the jobs like the CSSG was going to do for students, whether it be help preparing resumés, help with training, help getting ready for the interview or acting as mentors. The other thing that was very real in the non-profit sector at this time was lack of capacity. They were saying that, even if they could get five people, they didn't have time to onboard them, train them and oversee them meaningfully. This was what the delivering organization was going to do for a non-profit for capacity in that sector. It was much more hands-on than anything done with the Canada summer jobs.

Hon. Pierre Poilievre: That's just false, because the non-profits that deliver the Canada summer jobs program across the country do all of those things. Every single year they hire young people, they train them how to do their jobs, they tell them the hours they're supposed to work, they track those hours and they file reports with all of that information.

Everything you've just listed is done by not-for-profits through the Canada summer jobs program. The only difference is that it has a real word, "jobs", rather than a fake oxymoronic term, "paid volunteer". Really, you haven't given us a single reason the program that already exists could not have delivered what you were supposedly trying to accomplish with the Canada student student grant.

Hon. Carla Qualtrough: I believe that I have, in addition to the stretched capacity within the public service itself. I respectfully disagree that these programs weren't significantly different. I respect that you don't see it that way, and I don't know what more I can add.

Hon. Pierre Poilievre: Your claims so far are not credible. The idea that the WE brothers' foundation was going to teach and train a young person in Red Deer how to do work at a soup kitchen or a homeless shelter from afar by email, Skype or something is simply not credible. Of course, that training would have happened by the local organization itself, just as it does with the Canada summer jobs program.

The Chair: Thank you.

Hon. Pierre Poilievre: What would we have done that these organizations could not have done for themselves?

The Chair: Mr. Poilievre, thank you.

Madam Brière and Ms. Zahid have the floor.

I understand you are sharing your time. You have five minutes.

[*Translation*]

Mrs. Élisabeth Brière: Thank you, Madam Chair.

Good afternoon, Madam Minister. Thank you for joining us this afternoon.

When reading your resume, one cannot help but be impressed. You have worked as a human rights lawyer, you are a Paralympic athlete and, what is more relevant to this committee, you sat on the Board of Directors of the Canadian Centre for Ethics in Sport.

Can you tell us how you make your decisions? What importance do you give to ethics in your decision-making?

Hon. Carla Qualtrough: Thank you for the question.

[*English*]

I take my responsibilities very seriously both as an MP and as a cabinet minister. I have sat on the board of the Canadian Centre for Ethics and Sport. In fact, I taught an ethics course at Algonquin College in Ottawa. I'm aware of my reporting obligations. I'm aware of the Conflict of Interest Act and the conflict of interest code. I hold myself up to high standards and, quite frankly, I hold my team around me to very high standards.

We, my team and I, consider whether my involvement in a file or a decision would be a real or a perceived conflict of interest. For me personally, that means it protects or kind of insulates my own personal integrity, but it also insulates the process that leads to these decisions. I'm up to date on my reporting obligations.

I can reiterate that we all come into these jobs with a history. We have met a lot of people; we know a lot of people. We've had past affiliations, relationships and friendships. I've worked with the Conflict of Interest and Ethics Commissioner on a proactive basis when I've had questions or wanted to be sure of a particular circumstance to make sure there was nothing that was even remotely perceived as a conflict. I've dug in because of my personal interest in ethics on my own personal approach to this, in this job.

• (1620)

[*Translation*]

Mrs. Élisabeth Brière: Thank you.

[*English*]

Mrs. Salma Zahid: Thank you, Chair.

Thanks, Minister, for joining us today. On behalf of all of the constituents of Scarborough Centre, I want to thank you for all the work that you have done in trying to help Canadians navigate through this pandemic.

I know, and you have also mentioned, that you have appeared at a WE Charity event. Obviously you are not the only politician or public figure to appear at such an event. Can you please talk us through why you appeared at that event, why you decided to do that? Were you paid, and did the WE Charity cover your expenses? If you can, please explain that.

Hon. Carla Qualtrough: Thank you.

As I said, I participated in one WE Day event. It was in Vancouver in November 2016. I actually brought my two daughters with me. We were there for about an hour and a half. I didn't get paid and I claimed no expenses.

To be honest, these jobs are really hard, and they're hard on our families. They take us away from our families. When I first got elected, my younger kids were two and five, so my husband and I really wanted to do this job as a family and really show my kids why I was away so much. When I got an opportunity to speak at WE, I brought my two daughters with me to show them what I was doing.

It was also really important for me to speak about inclusion at the WE Day event. This was an opportunity to talk to thousands of kids, young people, on how they can choose to include. As a kid with a disability, I wasn't included. I've seen other MPs be so impactful on that stage. Mike Lake went on WE and brought Jaden with him, and they talked about autism. It was so impactful. I have such respect for Mike for doing that and sharing their story, because it makes it easier for other families. To be honest, I maybe overzealously was super keen to do it and to share it with my family like I'd seen others do.

Mrs. Salma Zahid: I want to put it on record that volunteering is really very important, and why, during this pandemic, it is important for our young people to volunteer. I am proud of the thousands of volunteers, young volunteers especially, who stepped up during this pandemic and were there to help Canadians.

I am proud of the work that young volunteers have done at the food banks in my riding. I went to volunteer at the Rogers Centre to pack boxes and took my 22-year-old son with me. I think it is important that we provide opportunities to our young people so that they can volunteer and make a difference in their communities.

The Chair: Thank you, Mrs. Zahid.

The floor goes to Mr. Poilievre for another five minutes.

Hon. Pierre Poilievre: Thank you very much.

Mr. Robidoux, Ms. Wernick says that you were the one who first gave her the WE proposal. Do you remember that?

Mr. Benoît Robidoux (Associate Deputy Minister, Department of Employment and Social Development): Madam Chair, I didn't get the second part of the question.

Could you repeat it, please, Mr. Poilievre?

Hon. Pierre Poilievre: Yes.

Ms. Wernick said that you were the one who first directed her work with respect to what became the WE proposal. Do you recall that?

Mr. Benoît Robidoux: Yes, I do recall pretty well in early April to have asked her to come along. I was overseeing the student package for what was related to ESDC, under Minister Qualtrough's leadership, so I asked her to come to support me as I was at the end and was asked to be leading the package.

Hon. Pierre Poilievre: Thank you.

You gave the proposal from WE to Michelle Kovacevic, did you not?

Mr. Benoît Robidoux: The package was given to me by Rachel as an attachment to another proposal we had through this, before the announcement about the...after April 15, and I did send that proposal to Michelle. That was given directly to me by Rachel.

Hon. Pierre Poilievre: Rachel gave you the WE proposal and you gave it to—

Mr. Benoît Robidoux: I'm sorry. She gave me a proposal, which was from ESDC, to which was attached the WE proposal on social entrepreneurship that was discussed many times up to now. I shared that with Michelle Kovacevic at Finance.

• (1625)

Hon. Pierre Poilievre: When was the first time you heard that WE might be the appropriate organization to deliver the Canada student service grant?

Mr. Benoît Robidoux: I was not involved in this. The first time we all heard at ESDC about the new name of the program was at the announcement.

Hon. Pierre Poilievre: Sorry, but we don't have a lot of time here. Not the new name of the program, but that WE could deliver the program—when did you first hear that?

Mr. Benoît Robidoux: I never heard that. We talked about WE as a potential to supplement some of the proposals—

Hon. Pierre Poilievre: Right—

Mr. Benoît Robidoux: —we had, but never as—

Hon. Pierre Poilievre: Right, but when did you first hear that? I'm sorry. It's the same question again. When did you first hear the words “WE” or “WE Charity” as a potential delivery body? When?

Mr. Benoît Robidoux: The first time was.... In fact, I didn't hear it; it was in an email from Rachel around April 16 about something...we could use WE for social media to make sure that whatever we were doing for the proposal at that point would be—

Hon. Pierre Poilievre: April 16. Thank you.

Did you ever hear anyone else, other than Rachel Wernick, talk about WE before WE was publicly announced as the delivery body?

Mr. Benoît Robidoux: The first time I heard about WE in the discussion of the youth package was in that email.

[*Translation*]

Hon. Pierre Poilievre: That was not my question. I wanted to know whether you heard others suggest that WE Charity could implement the program.

Mr. Benoît Robidoux: Are you asking me whether I heard suggestions like that before April 16?

Hon. Pierre Poilievre: It could be before or after April 16, but before the announcement of the contribution agreement.

Mr. Benoît Robidoux: Actually, I was involved in this file only marginally, until the Prime Minister's announcement on April 22. Up to that point, WE Charity was a subject of the discussions that we were having with the Department of Finance and that I was having with Rachel Wernick.

Hon. Pierre Poilievre: Okay.

Mr. Benoît Robidoux: However, it was only one of the organizations that was being discussed. It was not at all the proposal that was announced on April 22.

Hon. Pierre Poilievre: Someone in the Department of Finance mentioned it. Who in the Department of Finance suggested WE Charity?

Mr. Benoît Robidoux: I cannot answer that question because I do not remember. I think you would have to go back to the notes of the—

Hon. Pierre Poilievre: You recall that it was someone in the department, but not who. Is that right?

Mr. Benoît Robidoux: I remember that, in her testimony, Michelle Kovacevic pointed out that someone in the Minister of Finance's office had talked to a representative of WE Charity, but I do not recall the date or exactly who that was.

Hon. Pierre Poilievre: In your opinion, the idea of assigning this contribution to WE Charity came from the Department of Finance. Is that correct?

Mr. Benoît Robidoux: I did not say that. I simply said that WE Charity was one of the organizations that was being discussed. I have no idea who it was. Really, the discussion—

Hon. Pierre Poilievre: It was just a disembodied voice.

Mr. Benoît Robidoux: It is one of the organizations that was being discussed as part of a proposal that was very different from the final proposal. So things evolved. In his testimony earlier, the clerk talked about an organic development, and that is appropriate in terms of the way this proposal developed.

[*English*]

The Chair: Thank you.

The floor goes to Madame Shanahan for five minutes.

Mrs. Brenda Shanahan: Thank you, Chair.

I'd like to revisit some of the earlier testimony, Minister. You were talking about the process of looking at proposals and the due diligence process, and you wanted to give the opportunity to Mr. Robidoux to address that. Minister, do you have anything to add to that, or can we just go to your deputy?

Hon. Carla Qualtrough: Absolutely. Hopefully Benoît can provide more detail on what's in a contribution agreement specifically, particularly around due diligence.

Mr. Benoît Robidoux: I could do that, Minister.

Madam Chair, the bulk of the due diligence about the organization and its capacity to deliver and all the details that were discussed up to now is done within the contribution agreement. As others have testified today, it takes time to do that because of that, so as a result we have a special team at ESDC that does only grants and contribution agreements, to a large extent, and they are experts at that. They are supported by the CFO and by the legal team to make sure that Canadians get value for their money.

It covers accountability oversight measures. Built into these agreements are audit, financial control, monitoring and reporting requirements. Basically, as soon as a program gets cleared to go, with objectives and outcomes that are looked for in terms of the program, it can take the policy team a lot of time to develop that agreement, in this case with the WE Charity organization. All the controls are in that agreement.

In terms of the controls before that, it's not really the same type of control. There is no report before that. That could be the report you could go to when those documents are released, to see the back-and-forth on these controls. Before that, it's more control on the policy side to know if the organization could indeed deliver a program like the one that was announced on April 22. Are they able? Do they have the capacity? It's a high-level check and I was not involved in that, but the WE organization is one of the largest not-for-profits in Canada dealing and working with youth, so it's not very surprising to me that they were involved there, and it's why we had them discussed in the preliminary discussions I was involved with.

• (1630)

Mrs. Brenda Shanahan: Thank you for that, because I think there was some concern around the table about red flags and about due diligence. It's reassuring to know that those processes are in place, in spite of a pandemic going on and people not being able to work closely together. Certainly there were restrictions, people having to work from home in all kinds of conditions. We would expect no less from our public service, and I'm sure all the members here will agree with me on that.

Minister, you said that you offer no excuse or justification for the Prime Minister or the finance minister with respect to not recusing themselves from the decision to have We Charity deliver the program, and I respect that.

You've helped us to understand that things were moving at blistering speed at the height of the pandemic. Decisions were being made as quickly as possible to help as many Canadians as possible. I'd like to remind the members around the table that that's what was happening and it is still continuing to happen.

Given that, do you accept their apologies, particularly given your track record of ethical standards? Can you tell us why?

Hon. Carla Qualtrough: Thank you for the comments.

I would say, yes, there was a pandemic and things were crazy and we were going at breakneck speed, but we should not have dropped the ball on this. It's an unfortunate situation. I don't think it takes away, in any way, from the other really important—and I would say fantastic—work we've done for students and for Canadians, writ large.

But they should have recused themselves. They have apologized for not doing so, and I accept that apology. I believe we've learned from this and I really hope we soon get back to our focus on delivering for Canadians—not to say that's ever stopped, by the way. We've moved full steam ahead even as this has gone on.

It's been important for us to take responsibility for this. As I said, the ball was dropped, and we need to move on.

The Chair: Minister, thank you so much for your time today. We very much appreciate your being with us and answering our questions. We hope you have a good rest of your day.

Hon. Carla Qualtrough: Thank you very much.

Take care, everyone, and be safe.

The Chair: Thank you.

I'm going to suspend for five minutes.

We will then switch over to our next witness, Ms. Mary Dawson.

• (1630) _____ (Pause) _____

• (1640)

The Chair: Ms. Dawson, it is so nice to see you.

We are so thankful for your patience. Yesterday you waited during the 45 minutes of committee time and for half an hour before that. You gave us a good chunk of time yesterday, and we are certainly very thankful for your patience and also, subsequently, for your willingness to come back today.

Ms. Dawson, thank you so much. We certainly owe you a debt of gratitude.

Ms. Dawson, as you know, on July 22 this committee passed a motion: “That, pursuant to Standing Order 108(3)(h), the Committee review the safeguards which are in place to avoid and prevent conflicts of interest in federal government procurement, contract-ing, granting, contribution and other expenditure policies”.

Ms. Dawson, you come here today at our request to speak to this motion, of course, with your expertise concerning ethics, as you did formerly serve as the ethics commissioner.

We are going to give you 10 minutes for opening remarks. From there, we're going to give members around this table the opportunity to ask their questions.

Ms. Dawson, I will do my best to be polite, but there may be times when I need to interrupt in order to bring a question round to an end in order to respect time and make sure that each member has an opportunity to ask their questions today.

Ms. Dawson, without further ado, I will turn the floor over to you.

You have 10 minutes for opening remarks.

Ms. Mary Dawson (As an Individual): Thank you very much. I don't know that it will take 10 minutes, but I have put a few comments together.

Thank you for your invitation to appear before the committee. I have great respect for the institution of Parliament in its various aspects, so I have accepted your invitation. I hope I can be of assistance in responding to your questions.

I was the first commissioner appointed under the Conflict of Interest Act when it came into force in July 2007. I held that position for 10 and a half years. I have now been retired for two and a half years. It doesn't seem that long.

The Office of the Conflict of Interest and Ethics Commissioner administers both the Conflict of Interest Act and the members' code. These two instruments are quite similar, but they differ in some of their detailed provisions. I believe the focus today will be on the act.

The public office holders covered by the act include ministers and parliamentary secretaries, both of whom are also covered by the members' code, as well as ministerial staff and advisers and deputy ministers. The act also applies to most Governor in Council appointees, with a few exceptions, such as officers and staff of the Senate, House of Commons and Library of Parliament, and judges.

The main activities of the conflict of interest office include giving advice, providing outreach and education, receiving information from public office holders, some of which is made public, and carrying out examinations in relation to alleged contraventions of the act. As commissioner, I felt that the most important activity of the office was assisting public officer holders in avoiding contraventions through its advisory and educational role.

Those public officer holders who are full time or who are on an annual salary—in the act, these people are referred to as “reporting” public office holders—are required to provide the commissioner with personal information at specified times throughout their tenure. When they are appointed, they must, for example, report their assets, liabilities, previous income and previous employment. They must update this information annually. A summary of this information is reported publicly.

Every new reporting public office holder is assigned a member of the staff of the office as an adviser to meet with and discuss their disclosures and work through any potential conflict of interest issues. This initial adviser normally remains a contact point for advice on any matter of concern or any other information relating to the conflict of interest regime. Together, they may need to work out appropriate measures to ensure compliance with the act. This could include such compliance measures as conflict of interest screens or dealing with the divestment of certain controlled assets, such as publicly traded securities, that could be affected by government decisions.

The other important activity of the office is carrying out investigations of possible contraventions of the act. When an investigation is formally launched, it is called an examination. There's a lot of confusion in the use of those two terms in the media, I have found. An examination may result from a formal complaint made by a member of Parliament or by a senator if he or she identifies the relevant rule or rules in the act and has set out reasonable grounds to believe there has been a contravention, or the commissioner may self-initiate an examination if he or she has reason to believe there has been a contravention of the act. Examinations are carried out in private. A court reporter takes notes of all the proceedings. The commissioner has the power of a court to summon witnesses and to order the production of documents.

I hope this brief overview of the activities of the Conflict of Interest Act while I was a commissioner was of some assistance.

I will make one final observation relating to the provision that describes when a conflict of interest can occur. Section 4 is the "Conflict of interest" section, and it reads as follows: "For the purposes of this Act, a public office holder is in a conflict of interest when he or she exercises an official power, duty or function that provides an opportunity"—I underline "provides an opportunity"—"to further his or her private interests or those of his or her relatives or friends or to improperly further another person's private interests."

Now, looking at that definition, a conflict of interest occurs if the exercise of a power, duty or function merely provides an opportunity to further a private interest. It's not necessary that the opportunity be acted upon so as to actually attempt to further a private interest, or that a private interest actually be furthered, nor would any intent to further a private interest be required to meet this definition.

• (1645)

Many, but not all, of the more important compliance rules in the act are built around the concept of conflict of interest, and the description of that concept will be relevant in determining whether any of those substantive rules have been contravened. The meat and potatoes of the actual contravention are contained elsewhere.

I have one final comment. It may be that this committee may wish to consider potential amendments to the Conflict of Interest Act once it has completed its proceedings. The one mandatory review of the act that was required under the act, and there was only one required, took place in 2013-14, but no amendments resulted from that review.

In case it would be of interest, I do refer you to the submission, dated January 30, 2013, that I made to this very standing committee in connection with that review. That submission included 75 suggestions for improvements that I thought might be considered for amendment to the act. Some were editorial but others were more substantial. I summarized a few of my key suggestions in my final annual report as commissioner for 2016-17, which was published in June 2017.

There was at least one other suggestion I have made that was not included in those submissions, and that is the exception for friends that's found in the gift provision, section 11. I do not believe it should be left in section 11 as an absolute exception, because the words of section 11 do the trick in any event, I believe. I think the exception for friends should be removed from that section.

However, having mentioned the 75 suggestions for amendments, I should add that I think the act is generally pretty good. By way of example, while I was commissioner, I received a number of delegations from various countries, all of whom were trying to learn from our act and from how we administered our regime, and were looking for advice for amendments to their legislation or, in fact, new legislation, in some cases.

Thank you for your attention. I hope I can answer your questions.

• (1650)

The Chair: Thank you very much, Ms. Dawson.

With that, we'll proceed to our first round of questions. It is a six-minute round.

Mr. Barrett, the floor is yours.

Mr. Michael Barrett: Thanks, Madam Chair.

Thank you, Madame Dawson, for appearing yesterday and again today. I appreciate that.

Ms. Mary Dawson: I was invisible yesterday.

Mr. Michael Barrett: That's right. We're happy that you're with us today.

I want to pick up on two of your comments. One is with respect to improvements needed under the act. Do you think there should be tougher penalties for repeat contraventions of the act, and if so, what?

Ms. Mary Dawson: I'm not an advocate of extra penalties.

As you undoubtedly know, there are some penalties in the act, but they're small ones and they're only directed at failures to meet... They're called administrative, monetary penalties, and they're directed towards failures to meet deadlines to get mandatory information in, and those have been used frequently.

Aside from that, one has to bear in mind that this is not a criminal piece of legislation; it's an ethical act. It's interesting that the word "ethics" is only used in its title; it's not used anywhere in other parts of the act—not its title, but the title of the commissioner, actually. That's the only place that word is used. In any event, it's a civil level of proof that goes on under this act, reasonable probability, not the criminal level, "beyond a reasonable doubt". There are also lots of provisions in the criminal sphere, such as bribery, fraud or whatever, that would apply potentially in a similar situation. In fact, there's a responsibility to, if one appeals.... If there has actually been a criminal offence, as commissioner one is required to pass it on to the principal people who look after criminal matters, and one must discontinue the investigation, if one has begun.

Basically, that's my justification for thinking I'm not too concerned about penalties.

Mr. Michael Barrett: Okay.

What's your view of the word "friend" under the act?

Ms. Mary Dawson: Well, it's not defined, and it's not an easy.... One of my earlier decisions related to a person who would have been found to have contravened if he had been found to be a friend of a particular person, and I found that he was just a name-dropper, basically, and that the guy wasn't a friend, so he was exonerated.

By the same token, as you may have seen in the Trudeau I report, I had to deal with that issue. I think it's not an easily defined term, and it's a term that can create some embarrassment if somebody says he's your friend and then you determine that he's not a friend, so I always say, "for the purposes of the act".

I did provide a definition in that initial case. I don't have it in front of me, but it's somebody with a close relationship, perhaps having met in a person's home for dinner, someone who is more than just a passing acquaintance. As I said, there is a very good definition of that, and I should have thought to pull it out, but I don't have it in front of me.

Mr. Michael Barrett: No, that's quite all right. Thank you. I am familiar with your finding in the Trudeau I report with respect to the interplay of the Prime Minister's relationship and that of the Aga Khan, where he was ultimately found to have contravened the act for the first of two times.

I understand in section 9 of the act, on furthering private interests, for example, there is a difference in how friends and relative strangers are treated. Is that correct?

Ms. Mary Dawson: I'm sorry, a difference between—

Mr. Michael Barrett: In section 9 of the act, on furthering private interests.... I'm just looking to highlight the difference between how friends and strangers—

Ms. Mary Dawson: Yes. Sorry, so your question is what?

Mr. Michael Barrett: It is the difference between friends and strangers—

• (1655)

Ms. Mary Dawson: Yes, sections 9 and 6 both have a.... Well, friends are the only ones mentioned there: "relatives or friends or to improperly further another person's...." Is it the "improperly" you're wondering about, or...? That's the issue; you have to determine

whether somebody is what we would consider a friend. As I say, many other commissioners across the country have used the definition that was in that decision, but I'm not sure what you're looking for me to say.

Mr. Michael Barrett: I have just about one minute left, so I'd say that, in the case you referenced in the Trudeau I report, invoking friendship was the defence to justify Mr. Trudeau's family receiving a luxury vacation as a gift, because gifts from friends are treated more permissively under the act. That's what I'm looking for your confirmation of.

Ms. Mary Dawson: Yes, and I was making reference to it basically in that context, to section 11. Section 11, the gift provision, is the one that was involved in the Trudeau I case. I went through quite a bit of investigation to determine just how frequently they had seen each other over the 30-year period and that sort of thing, but it's a matter of determining whether they're a true friend.

Mr. Michael Barrett: Thank you.

The Chair: Thank you.

The floor is Madame Shanahan's for six minutes.

Mrs. Brenda Shanahan: Thank you, Chair.

Thank you, Ms. Dawson, for appearing with us today, for bearing with us and for your past service. That's very helpful to this committee in the considerations we have before us.

Ms. Mary Dawson: I have somebody knocking at my door. I guess I'll just leave them. Anyway, there is nothing I can do. They'll either come in or go away.

Mrs. Brenda Shanahan: Ms. Dawson, I just want to take a moment to talk about process. We have you here today. We're studying this matter that's before us, but at the same time, the current Ethics Commissioner has just begun looking into this same matter.

What is your take on these two processes taking place at the same time? Is this helpful or unhelpful to the current Ethics Commissioner to see the committee here doing this kind of investigation?

Ms. Mary Dawson: I don't think it's unhelpful, in the sense that the current commissioner has the job of trying to get underneath the facts of this case and figure out what's going on, so anything new unearthed, I suppose, will be helpful. It's early in the game to figure out where the decisions are going to come down, but it's a matter of digging out the information.

Mrs. Brenda Shanahan: Thank you.

We had with us yesterday Mr. Conacher. I don't think it will be a surprise to you that he's no fan of yours, Ms. Dawson. In 2013, in response to your refusal to investigate former prime minister Stephen Harper, he referred to you.... This is not the kind of language that I use, but this is what he said. He said that you were the "lapdog" federal Ethics Commissioner. He also made a comment that you had let dozens of Conservative MPs "off the hook" for clear ethics violations.

How do you react to those statements? With that kind of public discourse, how is that helpful to the work of...? I'd like to get your reaction on this kind of public discourse.

Mr. Charlie Angus: Point of order, Madam Chair. Madame Shanahan will go on record as having put these baseless accusations against Ms. Dawson.

Mrs. Brenda Shanahan: I'm sorry? May I respond?

The Chair: Mr. Angus—

Ms. Mary Dawson: My speaker is cutting out.

The Chair: Ms. Dawson, can you hear me right now?

Ms. Mary Dawson: I can hear you now. Perfect.

The Chair: It's probably cutting out because we have a few members who are speaking to one another across the floor rather than through the chair. If they would speak through the chair, I think we could avoid that problem.

I would ask, for the record, Mrs. Shanahan, whether you are directly quoting Mr. Conacher from yesterday.

• (1700)

Mrs. Brenda Shanahan: No, this is from a statement made in 2013.

The Chair: From Mr. Conacher?

Mrs. Brenda Shanahan: From Mr. Conacher.

I'm asking in relation to investigations. You clearly spoke to examinations that may or may not have been happening at the same time. I just want to get your reaction, Ms. Dawson. How does this affect the work of the Ethics Commissioner?

Ms. Mary Dawson: I obviously don't agree with some of Mr. Conacher's comments. I found a number of people to have contravened the act. I do believe in applying the law as it's written and not making up aspects of the law. I can point out that, on a number of occasions, Mr. Conacher took me to the courts on a judicial review and was never successful. It was just a whole series of judicial reviews.

Different people approach legislation in different ways. Some people go beyond the mandate. I try to read the law as it reads. But you know what? By the same token, I've seen Mr. Conacher make sensible suggestions on a number of occasions and actually say some sensible things. I don't agree with everything he says, but he's not an idiot.

Mrs. Brenda Shanahan: Well, thank you for that. In your earlier statement, you referred to the fact that the Ethics Commissioner has the full power of a court to call witnesses and obtain documents. Does the Ethics Commissioner need our help in conducting his or her investigations?

Ms. Mary Dawson: No, I don't think so, but it doesn't hurt. All the Ethics Commissioner can do is take account of what's on the public record and go from there.

Mrs. Brenda Shanahan: Do I have time, Chair?

The Chair: Yes, you have one minute.

Mrs. Brenda Shanahan: Okay.

One thing that Mr. Conacher did say yesterday, in response to a question, was that the partisan public discourse around any ethics investigation is not helpful. How would you respond to that?

Ms. Mary Dawson: The public discourse around it, did you say?

Mrs. Brenda Shanahan: Partisan.

Ms. Mary Dawson: Oh, partisan.

Mrs. Brenda Shanahan: You alluded to misunderstandings in the media and so on.

Ms. Mary Dawson: Yes.

Opposition parties will say nasty things about the current government and vice versa, and some of the things that are said are exaggerated. I proposed and acted on a proposal to amend the members' code. It's not in the act but a member is not allowed to make false statements. There's a little provision in there, and I've forgotten exactly how it reads now. That was a problem, when people would make baseless allegations.

It doesn't happen all the time. Obviously whichever party you're in, you're looking to find the foibles of the other party; that's politics but it shouldn't go too far.

The Chair: Thank you.

I'm going to move over to Mr. Fortin for six minutes, please.

[*Translation*]

Mr. Rhéal Fortin: Thank you, Madam Chair.

Thank you for joining us, Ms. Dawson.

You talked earlier about the definition of a conflict of interest. Could it not be said that a conflict of interest is an intrinsic problem, inherent to an individual?

From the moment I begin to wonder whether I am in a conflict of interest situation, because divergent interests are worrying me, am I not already in a conflict of interest situation? I may not have done anything wrong, but does not being in a conflict of interest situation come specifically from the fact that I am wondering whether I have the opportunity to favour the interests of one party or another?

[*English*]

Ms. Mary Dawson: Yes, but that's only the definition of a conflict of interest. That's not a contravention section; it's just a definition.

You have to look at the definition. For example, it's of relevance to the recusal provision, because if you feel that you're in a conflict of interest you have to also look at, for example, section 6. It's probably the most obvious one; you can't then participate in making a decision if you have one of these conflict of interest situations.

• (1705)

[*Translation*]

Mr. Rhéal Fortin: From the moment you begin to wonder or you have a doubt, a conflict of interest exists. You have not done anything wrong yet, but, if, despite that doubt, you participate in a debate or a decision, you are doing something wrong.

Is that correct?

[English]

Ms. Mary Dawson: No. You have to look at a substantive provision in the act. Section 4 is not a substantive provision, it's a definitional provision. Unfortunately.... I've always advocated—in fact, that's one of my 75 recommendations—it should go in the definitional section, because it's confusing to people. They think it's a substantive rule and it isn't.

[Translation]

Mr. Rhéal Fortin: Fine, but let me give you an example. Let's say my mother received a quarter of a million dollars from a company, my brother received tens of thousands of dollars from the company, and my wife also received money as an ambassador.

Doesn't the fact that those interests become mixed up in my mind with the state interest indicate that there is a conflict of interest and I should therefore refrain from participating in a decision?

[English]

Ms. Mary Dawson: Yes, but you have to look at section 11, which is the gift section, assuming that this act applied to these people. When you look at section 11, that's the one you would interpret. That's the one section that doesn't use conflict of interest as the base, interestingly enough.

Anyway, we're getting into semantics.

[Translation]

Mr. Rhéal Fortin: Thank you, Ms. Dawson. I have one other question for you.

Let's say that the individual in a conflict of interest situation is an “example” for the people with whom he works. Around the Cabinet table, for example, the Prime Minister is the leader of the Cabinet, to an extent. He influences the other ministers.

Is his duty to be careful about conflicts of interest not greater than for someone who is simply participating in the meeting?

[English]

Ms. Mary Dawson: Well, in his role, perhaps, he has a symbolic...role, or whatever the expression would be, but the fact of the matter is that the act applies equally to everybody, from the Prime Minister to the lowest official who's covered by the act. The rules are the same for all.

[Translation]

Mr. Rhéal Fortin: Ms. Dawson, let's say we are in a situation where we have to make somewhat unusual decision, that we are going to award a contract of \$43.5 million to a company to manage up to \$900 million, and we do not have the time to call for tenders. So we are awarding a sole-source contract.

Does our duty to be aware of conflicts of interest not increase at that point?

[English]

Ms. Mary Dawson: Yes, if there's time. This is the problem here.

I'd point out section 19 of the act. Section 19 says, “Compliance with this Act is a condition of a person's appointment or employ-

ment as a public office holder.” That should have a bearing on what happens to the person who may have been found to have contravened the act. It's not the Ethics Commissioner who will have that bearing; it will be the place where he works or the way he's appointed, the way he's elected, the way he's hired.

What I'm saying is that the contraventions are there in the act, written as they are, and if there are mitigating circumstances, you would note in the decision that, yes, they contravened the act, and perhaps it's understandable why, but the fact of the matter is that it doesn't affect whether they contravened the act or not.

[Translation]

Mr. Rhéal Fortin: Ms. Dawson, we know that our Prime Minister is currently the subject of an investigation by the Conflict of Interest and Ethics Commissioner. This is the third time. If he happens to be found guilty of any contravention of the rules of ethics, it will be the third time.

In your opinion, should the sanction be greater after three times, or is it possible to contravene the Conflict of Interest Act as often as you want, with the sanction basically never being greater than what we have seen up to now?

• (1710)

[English]

Ms. Mary Dawson: As I have said before, I'm not a fan of having penalties or punishments meted out by the Ethics Commissioner. I believe that belongs in the criminal courts. But I think the repercussions of continuous contraventions of the act will be felt sooner or later. That's why I pointed to section 19. It's clear that compliance with the act is a condition of the person being in their job. Ultimately, there will probably be some effects of having contravened the act, whoever you are and whenever it occurs.

[Translation]

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

[English]

The Chair: We'll move on to Mr. Angus for six minutes.

Mr. Charlie Angus: Thank you, Madam Dawson. It's so great to have you back before the ethics committee. You have spoken to us many times over the years.

I'm very interested in the “Trudeau Report”, because I think it will help certainly my Liberal colleagues in getting a better sense of how the Conflict of Interest Act works. Your findings in it are very interesting. We get the impression that conflict of interest is something like bribery, where somebody offers you money and you give them a deal, but in the “Trudeau Report”, it was much more complex in that it was the family members who were very much engaged in the back-and-forth.

You know, the Prime Minister meets with the Aga Khan in November 2015 in Paris. It's a private meeting, which it may have been. Then it's the Aga Khan's daughter who reaches out to Ms. Grégoire to invite her to their first trip to the island. So it's through the family that the decision's made. Then, two days before she goes on that vacation, the Aga Khan's officials reach out and start talking about the \$15 million.

So in terms of the findings you made, you had a number of areas where you found the Prime Minister responsible. One is that the whole thing of...that a public office holder will recuse himself from any discussion, decision, debate or any matter on which he or she would be in a conflict of interest. Section 6 of that act says that...should "reasonably" know that in making that decision, he would be in a conflict. It's to "reasonably" know that it's a conflict...when this was something that was very beneficial to the family, because at Christmastime, in the famous trip, it was Sophie Grégoire who then reached out to the Aga Khan, asked if they could come and have a vacation, and the family said yes. So how is it that?

I would just like to get your comments on that report in terms of the fact that it can be family members involved too, thinking they're just getting something really nice and normal, that actually puts the public office holder in the conflict.

Ms. Mary Dawson: That's where you look at the definition of conflict of interest. The conflict of interest definition, effectively, is section 4, but I always call it the definition. It says:

an opportunity to further his or her private interests, those of his or her relatives or friends, or to improperly further another

The relatives or friends are already included in the definition of conflict of interest. Interestingly, in the Aga Khan one, section 11 doesn't build on the concept of conflict of interest. It builds on another concept, which is:

reasonably seen to have been given to influence

In a sense we're mixing a little bit the two issues.

Some of the other sections like the one you mentioned, let's see—

Mr. Charlie Angus: I would like to follow up on section 11, because it's the reason we seem to have been given to influence the office-holder, because it is the creation of that relationship that, when you come at a later time, you've already developed an improper relationship through how you've set that up.

One of the things that's been really surprising with the Kielburgers, and I'm not asking you to prejudice the work of Commissioner Dion.... We know that Margaret Trudeau is a very well-known public speaker. We were very surprised to find that WE had not paid any of the other speakers. WE told the board that none of the other speakers were being paid, but Margaret and Sacha Trudeau were being paid, and that wasn't being told to the board. That would be reasonably seen as putting the Prime Minister in a conflict, don't you think, as there is now a direct financial commitment to his family of upwards of half a million dollars.

I would like to go back to section 6, which is connected to section 11, "if the public office holder knows or reasonably should know that, in making a decision, he would be in a conflict". That

financial commitment that the Kielburgers made to his family put him in a difficult situation.

• (1715)

Ms. Mary Dawson: Yes, but you're mixing up two provisions.

Section 11 has "reasonably seen to have been given" and is specific to section 11, so if we're trying to interpret section 6 or 9, or whatever we're trying to interpret, that doesn't use that expression.

Mr. Charlie Angus: I get that.

Section 11 says:

reasonably seen to have been given to influence the public office holder

I'm talking about the Kielburgers' relationship. I'm talking about the Prime Minister's responsibility under subsection 6 where he reasonably should know that he's now in a conflict of interest, because nobody else would know that the family had financial relations. That wasn't public. WE knew that the family was involved in WE, but WE understood that everybody was a volunteer. It's up to the Prime Minister in that moment.

I'm harping on this because I notice that the Prime Minister, when he gave his testimony, kept talking about section 2, which defines family as spouse and children, but section 3 talks about being related by birth, marriage, common law or adoption, and it's a larger sense of relative. It seems that the Prime Minister was very aware of his definition under section 2, but under section 3 certainly the financial arrangements the Kielburgers made with his direct family and their family name put him in that compromised position.

Ms. Mary Dawson: Actually, those are subsections of section 2.

Well, I don't know. That's a matter of fact, and that's not for me to decide.

Mr. Charlie Angus: Exactly. I totally understand.

Thank you very much.

The Chair: Thank you.

I will start into our five-minute round now.

First up we have Mr. Gourde.

The floor is yours.

[Translation]

Mr. Jacques Gourde: Thank you, Madam Chair.

Ms. Dawson, thank you for being here today. You headed the Office of the Conflict of Interest and Ethics Commissioner for 10 years, and I can bear witness to that. You had an iron fist in a velvet glove and you always did excellent work.

Philosophically speaking, when we look at what is happening today, we see that the work you did and that the new commissioner Mario Dion is doing does not seem to change public opinion a lot. Someone who is found guilty by the Conflict of Interest and Ethics Commissioner should certainly lose an election, because being ethical is an essential part of the bond of trust with the electorate. However, when someone continually places themselves in a situation of conflict of interest and investigations confirm it, that bond of trust with the electorate does not seem to be broken.

Whether the commissioner's office really does its work or does not actually give the results of its investigation to the electorate, it does not carry a lot of weight in public opinion. We saw that in the last election. The Prime Minister was found guilty twice, once about his trip to visit the Aga Khan and once with the whole SNC-Lavalin affair. However, people still voted for the current Prime Minister again. Most members in the House take this seriously, but the voters do not. That troubles me.

Ms. Dawson, now that you have retired and you can look at this situation from the outside, does it trouble you?

[English]

Ms. Mary Dawson: I think there are different levels of badness in some of the contraventions that are found. Sometimes it's just not being careful enough; other times it could be quite a serious thing.

The other thing to note is that of course you're thinking more in terms of members of Parliament who are also reporting public office holders. Of course, there are many people covered by the act who the public don't know much about and then it's up to the organization to deal with that, or the government in reappointing them. I'm thinking of Governor in Council appointees.

I'm sure that continuing contraventions are going to add up, but there are some extenuating circumstances in the current case, in that we're in a strange pandemic situation. I am not surprised really. I think the main power of the Conflict of Interest Act is in preventing these things, as I've said before. Each decision that comes out is an educational tool in and of itself to show all the other reporting public office holders where they could fall down. One hopes that everybody will learn from a particular contravention by a particular person.

• (1720)

[Translation]

Mr. Jacques Gourde: Would you agree that a minister, a prime minister or a parliamentary secretary who was the subject of a serious investigation by the Commissioner's office as a result of legitimate complaints, should resign their position and become an independent member until the Commissioner's office has made its decision? At least they would not be a distraction for their party.

[English]

Ms. Mary Dawson: I think that's a political decision; I don't think it's a moral decision.

I think normally these cases are, first of all, not decided until they're decided, and it's difficult when they're under investigation. They haven't been shown to have contravened the act at this time.

There are some cases that are more open and shut than others and there are some areas that are a little bit abstruse, I think.

I don't think it's an automatic thing. Again, though, I point to section 19. It is a condition of their job so that will have a bearing. It should have a bearing but it won't always have a bearing.

[Translation]

Mr. Jacques Gourde: However, after a member commits a really serious contravention, is it possible that he may never come back as a minister?

[English]

The Chair: Mr. Gourde, that's your time.

Ms. Mary Dawson: Well, I think the public will decide that.

Actually, sorry, you're talking about a minister and not an MP. Again, it's for the party, or for the Prime Minister, I guess, to determine that. It's always a thing that has to be considered. A decision has to be made, but I don't think it's an obvious decision.

The Chair: Thank you, Ms. Dawson.

For another five-minute round, we're going to Mr. Dong and Mrs. Zahid.

Mr. Han Dong: Thank you, Chair.

Ms. Dawson, I'm a new member so it's a pleasure and a learning experience for me to have this opportunity to ask a few questions.

I've been listening quite carefully to what my opposition colleagues have asked and to your answers. It seems to me that they are more frustrated with the fact that your investigations of this incident did not deliver them a winning campaign or winning election results in that last election.

I think members of the public should be concerned and curious to know your view on our overall ethics regime. On the whole, to your mind, is it fairly effective still?

Ms. Mary Dawson: I think it's a good regime. I mentioned in my opening remarks I was astounded while I was in that office at the number of different countries—China, Russia, Ukraine, some African countries, England, Australia, New Zealand—that made appointments to send delegations to study our regime. I think regimes can always be improved. This is what we call the Canadian model. All the provinces have similar regimes with some slight differences. Canadians should take pride in the regimes we've got. I think they're a model for the world, and they can always be improved.

For example, I had occasion to be on a panel with the former ethics commissioner of the United States. In the United States they don't have the power to investigate. All they have the power to do is advise. The regimes are what they are and they're as good as they can be, but at some point these regimes can't go beyond and into the criminal realm. That's a different field. That's a bunch of random thoughts.

• (1725)

Mr. Han Dong: That's very helpful. Do you think there's an ethics problem within Parliament, or perhaps our government? Not our current Liberal government, but the system.

Ms. Mary Dawson: Ethics issues are always going to come up. This is a vehicle to deal with them and to try to make things better.

Mr. Han Dong: Do you think ethics commissioners should be proactively working with decision-makers in government, or should they just read, interpret and apply the code? Where do you fall on the spectrum?

Ms. Mary Dawson: I'm not sure exactly what you mean, but certainly when I was commissioner, and probably still, we frequently made ourselves available to meet with, for example, ministers' offices or different commissions to discuss the ethics roles. That was a very good exercise because we could discuss where some of the issues were. I won't name any specific ones, but again that is a very important role of the office, as I said in my introductory remarks.

Mrs. Salma Zahid: Thank you.

Thank you, Ms. Dawson, for appearing before the committee and for agreeing to appear today, as the system was not working yesterday. Do you stand by your statement, which you made in 2018 in an interview with The Globe and Mail, that there's not an awful lot of bad stuff going on?

Mr. Han Dong: Thank you.

I will pass to Mrs. Zahid.

Ms. Mary Dawson: Yes, I think so. I don't know. What do I know? I know what I see in the media or whatever. To me we're a pretty good society. I'm proud of being a Canadian.

Mrs. Salma Zahid: Do you have any suggestions where we should be drawing a line in determining who the family member is in regards to the involvement of family members in charitable or professional work that could overlap with the decisions MPs and the cabinet make?

Ms. Mary Dawson: I'm not sure what you're getting at. That's what we have the conflict of interest screens for, if there's any concern. It's a question of whether the charity is looking for money from the government, or looking for some kind of support. In that situation, if one has a position that makes the decisions on that, there have to be some conflict rules. It would involve your own or your families' or your relatives' situations as well in certain cases.

The Chair: Thank you so much, Ms. Dawson.

I'm handing the floor to Mr. Kurek for five minutes.

• (1730)

Mr. Damien Kurek: Thank you very much, Madam Chair.

Thank you, Ms. Dawson, for appearing before this committee.

I want to follow up on a question Mr. Dong asked. Does this current government have an ethics problem? I know the Prime Minister is now under his third investigation. I'd be very curious to hear your comments on the current ethical practices of the current government.

Ms. Mary Dawson: The Prime Minister is one member of the government. The Prime Minister, I believe, has his heart in the right place, basically. Maybe he's not as careful as he should be, I don't know, but when you look at how the various things have been handled through this pandemic, I thought he did a good job on that and we're in a strange situation right now.

I just think that all of the people who are in government need to be brought up short when they do something that contravenes the ethics rules. But I'm not going to.... It moves on and these things pop up from time to time.

Mr. Damien Kurek: I appreciate that.

I understand after the Trudeau Report, you had the opportunity to testify before the ethics committee and be asked questions regarding that report. I was quite astounded, as a new member of Parliament this past February, when members of the government voted against the current commissioner having the opportunity to come to share his findings on the Trudeau II Report before this committee.

I'm wondering what your thoughts on that are and if you believe that the Ethics Commissioner should be able to report his findings before this committee?

Ms. Mary Dawson: I don't know quite what I said at that other committee, but the thing is that there is a rule in the Conflict of Interest Act that your report speaks for itself and you're not supposed to divulge, as an Ethics Commissioner, any information you got in the course of your investigation, or anything outside of what you have put in your report.

One has to be careful, as an Ethics Commissioner, not to go beyond that, so I'm not sure how useful it would be for a commissioner to come and testify, except generally about the way the act works or something. That's why I've kept myself general. I'm no longer the commissioner, but the current commissioner is under a legal obligation not to go chit-chatting about the report he is writing, and after it's issued it stands for itself.

Mr. Damien Kurek: I have a few questions about your interpretation of the act. You made a statement to the media that reads, "One doesn't continue to do the same thing twice." You then go on to say, "There seems to be a little bit of a blind spot or something there." That was in reference to the Prime Minister's ethical behaviour. I wanted to read that into the record. Do you have any further comments on what you meant by that, in relationship to the current status of the WE Charity investigation and the various facets of that regarding both the Prime Minister and the finance minister? It seems like each and every day its scope is expanding.

Ms. Mary Dawson: That comment was made in response to a question about the fact that there were three reports that came out, all of which had some sort of connection to the Conflict of Interest Act. Maybe it was a little bit of a flippant remark, but the point I was making is that I feel that the Prime Minister's heart is in the right place, as I said. I feel that he tries to do the right thing, he tries to do good, and I just think these things have been oversights, basically.

Mr. Damien Kurek: How much time do I have left?

The Chair: You have 30 seconds.

Mr. Damien Kurek: I have a really quick question, then.

Did you ever have cause to pick up the phone and refer a case, over your last number of years as Ethics Commissioner, to appropriate law enforcement officers such as the RCMP?

Ms. Mary Dawson: Yes, I did on several occasions, and there were several occasions when they would have started something and they'd let me know that as well, and then I'd have to discontinue.

Mr. Damien Kurek: Thank you.

The Chair: Mr. Gerretsen, the floor is yours.

Mr. Mark Gerretsen: Thank you very much, Ms. Dawson.

I, like others, very much appreciate your being here. I've learned a lot from hearing what you've had to say.

You said something very interesting in response to a question earlier. Not that long ago you said that there will always be ethics issues that come up.

I don't know how the public would respond to that. Isn't the point of a Conflict of Interest Act to prevent issues from coming up? What do you mean by that?

• (1735)

Ms. Mary Dawson: I mean that we can't catch them all. That's exactly why I highlighted in my opening remarks that our most important work is to educate, to be available for consultations and to give advice.

You know, there are going to be ethical breaches that slip through the cracks, and there always will be, because somebody will not be paying attention.

Mr. Mark Gerretsen: In your opinion, based on the work you did in the past, during your tenure, these things were coming up from time to time and were dealt with appropriately, one way or the other, through your investigative work.

Ms. Mary Dawson: I sure hope so. I did the best I could to make a good decision in all my investigations.

Mr. Mark Gerretsen: Out of curiosity, when you were doing your investigative work, would you often regard cases differently where you determined that the individual had knowingly gone against the act versus one who may have done it unintentionally?

Ms. Mary Dawson: Yes. In my reports, I have quite often commented on how these things happened. I tried to make my reports quite fulsome, explaining the circumstances as they were, so....

I sort of lost the train of the question.

Mr. Mark Gerretsen: What I was getting at is that there have been a lot of questions, at least a few from the other side of the table, that were asking, after your second finding, whether the penalty should be greater. I respect the fact that you're basically saying that it's not the position of the Conflict of Interest Commissioner to make that assessment and it would have to be a criminal charge, etc. You got that point across.

I'm trying to differentiate between the seriousness of repercussions for somebody who intentionally did something versus somebody who didn't. What's your opinion on that?

Ms. Mary Dawson: I think malice or forethought, or whatever, would be taken into account. Again, I go back to the section that says it's a condition of your employment or appointment.

My reports, and I'm sure the current commissioner's reports, spell out the circumstances. It's for people to read.

Mr. Mark Gerretsen: I want to get to the point about when you're supposed to be declaring this. When you say it's a conflict of interest that relates to an individual who is a family member, a friend or a relative, I think it goes without saying that you have to know in advance that the conflict exists. Otherwise every single time somebody makes a decision, they would have to talk to every relative and friend they have to find out if they have some kind of association with the organization.

Would that be correct?

Ms. Mary Dawson: Well, the test in section 6, for example, is "if the public office holder knows or reasonably should know". It's not necessarily that they actually know, but if they're willfully blind or something, in other words if they're not paying attention, they reasonably should know, so it's a reasonable man test.

Mr. Mark Gerretsen: Okay.

This committee's work is to determine some recommendations to possibly put forward. I realize that having a conflict is pretty much a binary choice: either you do or you don't. But there would also be different times when the threshold might be greater or lower in terms of the amount.

When considering how to go about establishing the degree to which you personally must look into the various relationships or conflicts that you might have within relationships, do you think that consideration should be given to the dollar amount associated with the perceived conflict? Should there be a threshold where different tests are put in place?

The Chair: Give a very brief answer, please.

• (1740)

Ms. Mary Dawson: Philosophically maybe.... The contravention is a contravention, but the facts will be there on the face of the report. It will be there for all to see how big a thing this was.

The Chair: Thank you, Ms. Dawson.

We're moving into a two-and-half-minute round.

The floor goes to Mr. Fortin.

Mr. Mark Gerretsen: Thank you.

[Translation]

Mr. Rhéal Fortin: Thank you, Madam Chair.

Ms. Dawson, let us indulge in fantasy. Let's say I am Prime Minister of Canada and you are the ethics commissioner. I consult you and I tell you that I have an important decision to make. We are getting ready to award a contract of \$43.5 million to an organization to manage \$900 million in student grants. I tell you that, given the emergency, the decision must be made in an unusual way, that is to say without calling for tenders. I also tell you that there has been no full due diligence of the company to confirm its ability to run the program.

Then I tell you that the organization in question has, in the last two years, paid my mother a quarter of a million dollars for speaking engagements. I tell you that the organization has also paid several tens of thousands of dollars to my brother for the same things, that the organization retains the services of my wife as an ambassador, and that I myself have spoken on behalf of the organization and encouraged people to work with it.

Lastly, Madam Ethics Commissioner, I tell you that the situation is troubling me, and I am asking you for some clarity.

Should I participate in the decision-making process? What advice would you give me?

[English]

Ms. Mary Dawson: I would say it is your decision, because it is the person who has to decide. But if they were aware of all these issues, I would point out the ethical issues. It's not necessarily clear-cut that a relationship a member of the family had at some point will continue in the future, or whatever. The circumstances of each case are quite different. That's the thing that has to be teased out in the course of looking at all the circumstances surrounding something.

The way you've presented this case doesn't have all the details you need to determine something. The Ethics Commissioner would show the pitfalls and do the best to give advice. Probably the best advice would be to avoid the situation if you possibly can, because it's dangerous.

[Translation]

Mr. Rhéal Fortin: Thank you.

Now let us add, that, as the decision is being made, I realize that the organization that is going to have the management of the program entrusted to it, is not the one I thought, but another organization with which the first has close ties. The second organization has no financial history and no staff, to my knowledge, and there was no due diligence that allows me to determine whether or not the organization is financially viable.

What advice would you give me?

[English]

Ms. Mary Dawson: It was what? Sorry, I missed.... I think the translation missed the last couple of words there. You're positing a case of choices to be made, I think. Maybe you could just say in a nutshell what it is you're asking. I think the translation missed a bit there. I'm sorry.

The Chair: Mr. Fortin.

[Translation]

Mr. Rhéal Fortin: The interpretation is not my responsibility. I am sorry that the system is having problems, but, unfortunately, I do not control it. I am going to repeat my question.

Now let us add, that, as the decision is being made, and the contract is being signed, I realize that the entity that is going to be given the contract is not the one I thought, but another entity with ties to it. The second entity has no financial history or staff, and has been incorporated for one or two years only. In addition, no due diligence was done.

What advice would you give me?

[English]

Ms. Mary Dawson: I would advise caution. I would advise to go back to the people who are recommending this happen and see what the rationale is, and hesitate. If there's no assurance about something that's important, you wouldn't go ahead.

● (1745)

[Translation]

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

[English]

The Chair: Mr. Green, the floor is yours for two and a half minutes.

Mr. Matthew Green: We've heard that ethics has been defined as a situation and that it's a learning, as you suggested today. During your tenure at the Office of the Conflict of Interest and Ethics Commissioner, how often did the Prime Minister request your advice?

Ms. Mary Dawson: Which prime minister?

Mr. Matthew Green: This Prime Minister, Justin Trudeau.

Ms. Mary Dawson: A number of times, from the time he was just an MP, as a matter of fact, but—

Mr. Matthew Green: Did he ask your advice on scenarios where he went ahead and proceeded to violate ethical conflicts of interest?

Ms. Mary Dawson: No.

Mr. Matthew Green: Did you ever volunteer advice without having received a request from him?

Ms. Mary Dawson: If some facts were drawn to my attention or, for example, if his staff came and asked something, but it's not that often.... Similarly with Mr. Harper—

Mr. Matthew Green: Because what we've heard here is that, even though you're suggesting that perhaps this act is good enough.... It's pretty good on the global scale, and you've referenced Russia, China and others. We have scenarios where there is just a habit, a culture, of repeated ethical violations.

Out of your 75 recommendations that you presented, none of which were accepted, would any of them have prevented the situation we're in right now?

Ms. Mary Dawson: Probably not. You know the thing about—

Mr. Matthew Green: My last question is this: Why have an act if it's not going to prevent the ongoing ethical violations we've seen?

Ms. Mary Dawson: Because I think it prevents many, many ethical violations; it may not get them all.

Mr. Matthew Green: In your opinion, has there been learning from this? Has the Prime Minister learned from the three or four times he's been under investigation?

Ms. Mary Dawson: I have no idea, but the three times, in fact, are quite different. Each of them is a different sort of circumstance. It's not as if the same mistake was made twice. I think all of those—the two that have happened, and I assume the third decision—will shed some light on some ethical rules. What more can I say?

Mr. Matthew Green: That's okay; shed some light it will.

Thank you.

The Chair: Thank you.

We're moving into the final round here, each for five minutes.

Mr. Kurek, you're up first.

Mr. Damien Kurek: Thank you very much, Madam Chair.

Again, it's been very interesting, so thank you, Ms. Dawson.

There are a couple of different topics I'm hoping to cover here, the first being gifts. Could free travel given to a family be seen to influence or advantage a minister of the Crown if that minister, for example, were given free gifts or travel by an organization?

Ms. Mary Dawson: Sure, if there was something afoot there that they might want from him. In fact, that was one of the situations in the Aga Khan case.

Mr. Damien Kurek: With your unique experience related to this, and with the understanding of the situation the current finance minister is in, and the paying back of the \$41,000 the day he was set to testify before the finance committee, I'd be curious to hear your comments on his family's travel related to that, and that being seen as influence, his daughter working for the organization, etc.

Ms. Mary Dawson: I don't really want to comment on Mr. Morneau's case. I think that has to be looked at, but certainly a gift of free travel would fall under section 11 if it was inappropriate.

Mr. Damien Kurek: Okay, I appreciate that.

I want to touch on the friends issue. Again, you have very unique experience in that definition. Based on what you've seen and read in media accounts about the ongoing WE scandal, would it be your opinion that Mr. Trudeau would be friends with the Kielburger brothers?

Ms. Mary Dawson: I have no idea. I've been up at my cottage a good part of the last two weeks, and I haven't been listening. I haven't been glued to the television, but I have been following it to some extent. That is a fact issue.

Mr. Damien Kurek: I appreciate that, and I'm sure you've had a lovely time up at the cottage. As a prairie boy, I'm having trouble dealing with this Ottawa humidity in the middle of summer, but—

• (1750)

Ms. Mary Dawson: Yes, me too right now.

Mr. Damien Kurek: As a matter of general practice, if a public office holder were to consult the Conflict of Interest and Ethics Commissioner, looking for some sort of blessing or approval on outside activities, would you normally use this opportunity to reiterate the public office holders' ongoing obligation to recuse themselves should the circumstances change or require it?

Ms. Mary Dawson: I might, or might not, but I should say that usually the people who come for advice talk to some of the staff in the office, because one can't.... The commissioner is always available to speak to them, if necessary.

It depends. If they asked for a little bit of a lecture on stuff, you'd give it to them. If they were asking a specific question, you wouldn't necessarily take their time to talk about everything.

Mr. Damien Kurek: I appreciate that.

May I ask how much time I have?

The Chair: You have two minutes.

Mr. Damien Kurek: I do want to thank you as well. Although my time as a member of Parliament and your time as commissioner did not overlap, I've had nothing but tremendous experiences, whether it be in the annual filings, the onboarding as a new member or a number of the questions that I've had to make sure that I'm fully compliant with the Conflict of Interest Act. I have no doubt that your efforts as commissioner for that decade contributed to the culture that exists there, which I've certainly found very helpful.

I have a question related to that asking of advice. When a public office holder consults you about a particular fact scenario, do you consider it good practice for him or her to follow up if there's a material change in circumstances?

Ms. Mary Dawson: Oh yes, that would make sense. You'd give the advice on the basis of what they presented to you, and if it changed, you would assume they'd come back and double-check.

Mr. Damien Kurek: I appreciate that. Certainly in my experience, the office is incredibly accessible, and it's encouraging that members of Parliament have that opportunity to have a continual conversation. I would hope that other members take advantage of that as we go forward.

The real question here is a half-a-billion-dollar contract with what is a very close connection to the Prime Minister's family. In the remaining 60 seconds, I'd be curious to know if you have any additional comments you would like to share with this committee about the current ethical circumstances that we find ourselves discussing here, and the need for changes in the act so that hopefully these sorts of breaches don't happen again.

The Chair: Ms. Dawson, I'm sorry but your answer will have to be very brief, like 10 seconds.

Ms. Mary Dawson: It's an unusual circumstance. We are in an unusual time, but this one will certainly shed some more comments that are grist for the mill in the ethics area.

Mr. Damien Kurek: Thank you very much.

The Chair: We'll move over to our final questioner, Madame Brière, for five minutes.

[Translation]

Mrs. Élisabeth Brière: Thank you, Madam Chair.

Good afternoon, Ms. Dawson.

It is a real privilege to be able to have these discussions with you this afternoon, particularly in light of your past here.

You said earlier that the act is the envy of a number of other countries. Because one can always do better, what would be your three priority recommendations to modernize the act?

[English]

Ms. Mary Dawson: Oh, my goodness. When I left the office, I picked out some that I thought I would highlight. I have them here. I'll just run through them.

Increasing transparency around gifts was one of them. Another was lowering the threshold for disclosure.

There are some terminology issues in there. The code covers entities, but the act covers only persons. Entities, sometimes, should be covered as well. There are some proposals I made to diminish the onerous provisions over people. I won't go into them.

Strengthen the post-employment obligations. There's no reporting obligation for a post-employment person. The rules just tend to go on for a year or two post-employment. There are rules that have to be followed. It would be good if there were slight reporting obligations there. For some non-reporting public office holders, there might be a couple of areas they should be reporting on. They're not covered.

I mentioned harmonizing some of the provisions of the act and the members' code, because it's confusing to members, especially those who are ministers, when there are two different rules.

Then I mentioned one in my opening remarks. I do think section 11 creates.... There is no definition of "friend". It doesn't need to be an exception to that gift rule, because "reasonably be seen to have been given to influence" does it, anyway. If they were a friend and it's not in a funny circumstance, it would have done it anyway. That's something that was unnecessary there and I think it could be improved.

There are a lot. As I said, I have 75. I'd say 30 of them are probably technical, drafter's little nitpicks. There are some, in a couple of places, where the French and English aren't exactly the same—all sorts of things. There's nothing dramatic, I don't think, with those exceptions.

That's a little smattering.

• (1755)

[Translation]

Mrs. Élisabeth Brière: Thank you.

You mentioned improving the definitions, specifically the definition of the word "friends". Earlier, we also talked about the definition of the word "relatives". Would that definition be worth studying again as well?

[English]

Ms. Mary Dawson: No, I think those definitions are not bad. It's fairly clear.

It's not clear, for example, how far into cousins and things "relative" goes, but to a large extent that's a circumstance, anyway, like how close you are to your cousins and whatnot. That's worked out.

One little area that's not defined is what a private interest is. That's an interesting issue. I think, in fact, the current commissioner may have gone a little further on where that applies. I always felt that it was significantly tied to financial matters, simply because that's the sort of stuff that got reported. I generally said it didn't apply to political interests.

That's like court cases: You have precedents that are built up and you work out what the thing must mean. A number of terms in there you have to just work with and figure out how far they extend.

[Translation]

Mrs. Élisabeth Brière: Thank you.

[English]

The Chair: You can ask one more question.

[Translation]

Mrs. Élisabeth Brière: In an interview that appeared in *The Globe and Mail*, you said that, in general, there is not—

[English]

“not an awful lot of bad stuff going on.”

[Translation]

Are you still of the same opinion as the one expressed in that interview?

[English]

Ms. Mary Dawson: I'm sorry, but I could hear neither you nor the translator. I didn't get that question.

Mrs. Élisabeth Brière: Okay. Do you stand by your statement in your 2018 interview with *The Globe and Mail* that there is “not an awful lot of bad stuff going on”?

Ms. Mary Dawson: Is that what I said?

I generally think Canadians are pretty good. There are always ethical errors, and that's what we have the act for. Generally speaking, I don't think we're a horrible country. The government's generally well-meaning and pretty good. That's just a general comment I guess I made.

Mrs. Élisabeth Brière: Thanks a lot. Have a good evening.

Ms. Mary Dawson: Okay. Thank you.

The Chair: Ms. Dawson, thank you so much again for being very patient yesterday, and then of course coming back and being with us today. Your time is much appreciated. We do hope that you get to enjoy some great rest at your cabin.

Ms. Mary Dawson: Thank you very much. It was kind of fun.

The Chair: That's good, excellent. Thank you so much.

With that, I will officially adjourn the meeting.

Published under the authority of the Speaker of
the House of Commons

SPEAKER'S PERMISSION

The proceedings of the House of Commons and its committees are hereby made available to provide greater public access. The parliamentary privilege of the House of Commons to control the publication and broadcast of the proceedings of the House of Commons and its committees is nonetheless reserved. All copyrights therein are also reserved.

Reproduction of the proceedings of the House of Commons and its committees, in whole or in part and in any medium, is hereby permitted provided that the reproduction is accurate and is not presented as official. This permission does not extend to reproduction, distribution or use for commercial purpose of financial gain. Reproduction or use outside this permission or without authorization may be treated as copyright infringement in accordance with the Copyright Act. Authorization may be obtained on written application to the Office of the Speaker of the House of Commons.

Reproduction in accordance with this permission does not constitute publication under the authority of the House of Commons. The absolute privilege that applies to the proceedings of the House of Commons does not extend to these permitted reproductions. Where a reproduction includes briefs to a committee of the House of Commons, authorization for reproduction may be required from the authors in accordance with the Copyright Act.

Nothing in this permission abrogates or derogates from the privileges, powers, immunities and rights of the House of Commons and its committees. For greater certainty, this permission does not affect the prohibition against impeaching or questioning the proceedings of the House of Commons in courts or otherwise. The House of Commons retains the right and privilege to find users in contempt of Parliament if a reproduction or use is not in accordance with this permission.

Also available on the House of Commons website at the following address: <https://www.ourcommons.ca>

Publié en conformité de l'autorité
du Président de la Chambre des communes

PERMISSION DU PRÉSIDENT

Les délibérations de la Chambre des communes et de ses comités sont mises à la disposition du public pour mieux le renseigner. La Chambre conserve néanmoins son privilège parlementaire de contrôler la publication et la diffusion des délibérations et elle possède tous les droits d'auteur sur celles-ci.

Il est permis de reproduire les délibérations de la Chambre et de ses comités, en tout ou en partie, sur n'importe quel support, pourvu que la reproduction soit exacte et qu'elle ne soit pas présentée comme version officielle. Il n'est toutefois pas permis de reproduire, de distribuer ou d'utiliser les délibérations à des fins commerciales visant la réalisation d'un profit financier. Toute reproduction ou utilisation non permise ou non formellement autorisée peut être considérée comme une violation du droit d'auteur aux termes de la Loi sur le droit d'auteur. Une autorisation formelle peut être obtenue sur présentation d'une demande écrite au Bureau du Président de la Chambre des communes.

La reproduction conforme à la présente permission ne constitue pas une publication sous l'autorité de la Chambre. Le privilège absolu qui s'applique aux délibérations de la Chambre ne s'étend pas aux reproductions permises. Lorsqu'une reproduction comprend des mémoires présentés à un comité de la Chambre, il peut être nécessaire d'obtenir de leurs auteurs l'autorisation de les reproduire, conformément à la Loi sur le droit d'auteur.

La présente permission ne porte pas atteinte aux privilèges, pouvoirs, immunités et droits de la Chambre et de ses comités. Il est entendu que cette permission ne touche pas l'interdiction de contester ou de mettre en cause les délibérations de la Chambre devant les tribunaux ou autrement. La Chambre conserve le droit et le privilège de déclarer l'utilisateur coupable d'outrage au Parlement lorsque la reproduction ou l'utilisation n'est pas conforme à la présente permission.

Aussi disponible sur le site Web de la Chambre des communes à l'adresse suivante :
<https://www.noscommunes.ca>