

House of Commons

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November 17, 2020

Re: Addendum to the investigation into conduct of former Finance Minister Bill Morneau

Dear Commissioner Dion,

Since writing to you in July, there have been a number of developments that has occurred regarding WE Charity and its relationship with senior members of the Trudeau government.

As you are aware, on August 17th, 2020, the Government released over 5500+ of pages of documents that had been requested by the Standing Committee on Finance. Our initial analysis of these documents was focused on the interactions between WE Charity, Cabinet Ministers and senior government officials in the creation and awarding of the Canada Student Service Grant (CSSG).

However, in reviewing a number of these documents, serious questions have arisen about another conflict of interest relating to former Finance Minister Bill Morneau and WE Charity; this time for the approval of a \$12 million contribution for a Social Entrepreneurship initiative. What is also striking about this is that speed in which this occurred, only 11 days from the proposal arriving in his office to his decision. Seeing the many close ties between the Kielburgers and Morneau and his family, it would seem like this decision over Social Entrepreneurship initiative was in violation of the *Conflict of Interest Act*. Here's what we found.

On April 10th WE Charity Founder Craig Kielburger emailed the former Finance Minister directly with a proposal entitled "Closing the COVID-19 Opportunity Gap for Young People through Social Entrepreneurship". [Appendix 1]. The email is written in a friendly and familiar way and he spells out the details of the project that he wishes to get funded.

Hi Bill,

I hope this finds you, Nancy, Henry, Clare, Edward, and Grace enjoying some well-deserved downtime over Easter together.

I cannot imagine the pace of information and decision-making over the past weeks. You once told me that you sought public office to make a difference – and this is certainly the most defining impact that you will ever have for the country.

If I may interrupt for a moment, allow me to brief you on conversations with Minister Ng. She suggested that we submit a proposal to scale our youth entrepreneurship program (originally championed by your office) with the purpose of mitigating economic struggles and preparing for a post-pandemic world.

Within an extremely short time of 11 days, Minister Morneau approved the funding on April 21st.

In the Finance Minister's Annex 4, under the heading of "*Minister of Finance Decision*", Morneau not only allocated \$900 million for the CSSG but also WE's April 9th Social Entrepreneurship Proposal. The text reads "*In addition, the Minister decided to provide up to \$12 million to Employment and Social Development Canada to support WE Social Entrepreneurship initiative.*" [Appendix 2]

At the Standing Committee on Finance on July 22, 2020, Bill Morneau did address his engagement with Craig Kielburger on the \$12 million proposal. Here's what he had to say about a briefing he had on April 18th:

As a part of my briefing materials, my officials appended a copy of WE's social entrepreneurship proposal, indicating that other departments had begun engaging on the file. I understand that in the following days WE reached out to my office regarding their initial discussions with Employment and Social Development Canada and shared a second proposal. My office continued discussions with WE Charity about how different types of student programming could be administered.

Note that Morneau does not tell committee that he had received this proposal directly from Craig Kielburger eight days before. He also fails to mention that he approved funding for the \$12 million WE proposal in addition to the \$900 million CSSG:

On April 21, I verbally approved my department's recommendations on the broad parameters of the Canada student service grant, including the potential involvement of a third party.

What is most disturbing is that when asked directly about any conversations with the Kielburger brothers he explicitly states he did not discuss any financial deals with WE. He states:

For complete transparency, I note that on Sunday, April 26, I spoke with Craig Kielburger. I know that we would have broadly discussed the impact of the COVID-19 pandemic. He did not raise the Canada student service grant, nor did I.

However, this claim is directly contradicted by Craig Kielburger at the July 22nd meeting of the Standing Committee on Finance, Craig Kielburger states that he did talk to the former Finance Minister discussed not the CSSG but the Social Entrepreneurship. WE included this fact in their [retroactive reporting](#) on their lobbying activities. On page 2 of this document, it reads: “Call to check in regarding the pandemic and its impact on non-profits. Discussed WE’s social entrepreneurship proposal.”

The ultimate fate of this funding request is unknown. At the Standing Committee on Finance on July 30th, the Prime Minister’s Chief of Staff, Katie Telford testified that this project did not pass cabinet:

Ms. Katie Telford: When the first proposal came through, in terms of the briefing note that I saw, it was actually recommended by our policy team to not proceed with that proposal. That was the total sum of the advice on that proposal—that we not proceed on it.

However, a report from PCO suggests that it was not stopped, just pushed back in order for the proposal to be reworked. [Appendix 3] The PCO recommendation reads:

That the \$ 12 million allocated by the Minister of Finance for the WE Social Entrepreneurship Initiative not to be funded at this time and that the Minister of Employment, Workforce Development and Disability Inclusion be requested to work with WE to redevelop this proposal in order to increase accessibility for those in most need.

It is safe to say that far from being dead, this project could have still gone forward.

Commissioner, in my original correspondence to you regarding Mr. Morneau’s failure to recuse himself from the decision-making process around the CSSG as one of his daughters worked at WE Charity which would seem to be a violation of 6(1) of the [Conflict of Interest Act](#). Yet I believe that the \$12 million proposal shows that Mr. Morneau conflict was not only with his daughter’s employment, but over his own close relationship with the Kielburgers. This raises questions as to whether this proposal which was approved so quickly was subject to preferential treatment.

Section 4 of the Act clearly states that it’s not just family that can put you into conflict but friends as well. Over the years, both Morneau and his wife seems to have built a friendly relationship with the Kielburgers. Not only did he have one daughter working for them, but

they also provided a positive blurb for his other's daughter's book selected her to be a speaker at a WE Day event—an opportunity that the Kielburger's call a special honour.

In their retroactive disclosure it also seems that WE had more contact with Morneau than any other cabinet minister. He held a pre-budget event at their headquarters and he took part in an Dragon Den-style event they put on.

However, the government documents do also point to factor in their relationship. One of the hallmarks of WE's style of unregistered lobbying was Craig Kielburger's direct emails to cabinet ministers. However, we can see a distinct difference in how Craig Kielburger addresses Minister's Ng and Chagger and how he addresses Morneau.

In Appendix 4 contains three emails, one each to Ministers Ng, Chagger, and Morneau. In his emails to the first two, Craig Kielburger refers to them formally by their titles and last name: "Hi Minister Ng" and "Hi Minister Chagger".

However, with the former Finance Minister, it is always "Hi Bill". The tone of the emails is also much more personal. In the email quoted above you can see Kielburger asking after his family, wishing them well—like friends do.

This friendship even extended into the Finance Minister's office, with one senior official calling WE and the Minister's Office "[besties](#)".

Section 4 of the Act does not spell out what constitutes a "friend". However, it think it is safe to say, that with the extensive connections between WE Charity, the Kielburgers and Morneau and his family, that they could probably be called friends.

It is certainly reasonable for public officials to develop close relationships with businesses, constituents and people who advocate for various causes. However what is not appropriate is for the friendship to be used to bypass the normal channels of departmental review and program funding. The decision to approve a \$12 million request in a mere 11 days raises many red flags. The fact that Mr. Morneau covered up his involvement in the awarding of this project is even more concerning.

By deciding to allocate \$ 12 million to WE's Social Entrepreneurship initiative [Appendix 2] without recusing himself, Mr. Morneau may be in violation of section 4 (Conflict of interest), 6(1) (Decision-making), and section 7 (Preferential treatment).

As Morneau said in his opening statement at the Finance Committee:

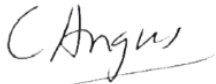
As I've said, I should not have participated in that discussion, and I regret that I did not recuse myself at that time. I provided approval on the final revised funding decision for

the program on June 3. It was my last direct engagement with the program's development. I regret that my not recusing myself has been a reason that students have not been able to get the support on a timely basis.

If he should have recused himself from the cabinet decision on WE Charity and the CSSG then it also stands that he should have never made the decision on their Social Entrepreneurship initiative on April 21st a decision that certainly raises questions about the Kielburgers receiving preferential treatment from the minister.

Commissioner, I understand that you must be well on your way in your investigation. However, I believe these questions need to be resolved in regards to questions relating to the relationship between Bill Morneau and the Kielburger organization.

Sincerely,

A handwritten signature in cursive script that reads "C Angus".

Charlie Angus, MP
Timmins—James Bay

Appendix 1

Lamonde, Claire

From: Craig Kielburger <craig@we.org>
Sent: Friday, April 10, 2020 10:09 PM
To: MinFinance / FinanceMin (FIN)
Cc: Kaur, Sharan (FIN)
Subject: 406809 - Conversations with Minister Ng
Attachments: WE Social Entrepreneurship Proposal ; WE Social Entrepreneurship Concept Paper_April 09 2020.pdf

Hi Bill,

I hope this finds you, Nancy, Henry, Clare, Edward, and Grace enjoying some well-deserved downtime over Easter together.

I cannot imagine the pace of information and decision-making over the past weeks. You once told me that you sought public office to make a difference – and this is certainly the most defining impact that you will ever have for the country.

If I may interrupt for a moment, allow me to brief you on conversations with Minister Ng. She suggested that we submit a proposal to scale our youth entrepreneurship program (originally championed by your office) with the purpose of mitigating economic struggles and preparing for a post-pandemic world.

The scaling of the program would seek to serve 8,000 young Canada (under-30) over 12-months with the following three bilingual elements: i) A 10-week digital program providing entrepreneurship expertise and support in the era of COVID-19; ii) a mentorship program linking entrepreneurs with 500+ experts from established companies who would provide pro bono skill-specific services in areas such as finance, marketing, productization, human resources, legal, distribution, employing at-risk populations etc.; iii) a base payment to all participants, and access to additional incentive funds and long-term mentorship opportunities.

This plan seeks to solve three timely challenges:

- i) how to engage at-scale young Canadians (under-30), including those who were not previously employed;
- ii) how to jump-start entrepreneurship to create jobs for economic recovery, relevant to both 12-24 months of COVID-19 realities and in the years to follow;
- iii) how to engage companies across Canada who have excess employee capacity. This program would invite all companies, including those benefiting from the 75% federal employee subsidy, to consider redirecting available employee's time (one day per week) to provide pro bono skill-specific services to assist young entrepreneurs build their skills and launch their businesses. This also encourages established companies to keep employees on the payroll and ensures that the 75% Canadian employer subsidy provides a further social benefit.

This program would be built on our 25-year history of developing and delivering distant learning programs for millions of young Canadians, our successful social entrepreneurship accelerator established with ESDC support, our network of 200+ corporate partners, and our staff with extensive in-house and external experience building similar programs (WE Social Entrepreneurs, MaRS, DMZ etc.).

Attached is my recent correspondence with the Minister and our initial concept paper for more information. I know Sofia has been in conversations with Amit and Sharan, but I wanted to quickly provide you an update in case it aligns with larger government strategy. Of course there is no pressure from our side, and I wanted to

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simply bring the proposal to your attention because I imagine that you're collecting as many ideas as possible for consideration to address this unprecedented situation.

Thank you for you taking the time to review. Sending my best.

Warmest,
Craig



Craig Kielburger
Co-Founder
t: 1.416.925.5894 [REDACTED]

Darina Jupa-Williams | Executive Assistant to Craig Kielburger
t: 1.416.925.5894 [REDACTED]

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Appendix 2

Annex 4: Canada Student Service Grant

Minister of Finance Decision

The Minister decided to announce the intent to establish a grant for Canadian post-secondary students under the age of 30 enrolled in spring-summer or fall 2020 courses who significantly contribute to COVID-19 efforts through voluntary service with the intent to have some opportunities available by mid-May 2020. The announcement would make clear that more details would follow at a later stage.

The Minister also decided to set-aside \$900 million for Employment and Social Development Canada to support the announcement of the grant and administer national service opportunities and payments. Access to this funding is conditional on the Minister of Finance and Prime Minister approving a detailed proposal for this initiative.

In addition, the Minister decided to provide up to \$12 million to Employment and Social Development Canada to support the WE Social Entrepreneurship Initiative.

Fiscal Impact of the Minister of Finance Decision

Minister of Finance Decision (\$ millions)	19-20	20-21**	21-22	22-23	23-24	24-25	Total	Rem. Amort.	Ongoing
ACCRUAL PROFILE									
Canada Student Service Grant - Set-aside - Economic and Social Development Canada*	0.0	900.0	0.0	0.0	0.0	0.0	900.0	0.0	0.0
WE Social Entrepreneurship Initiative - Economic and Social Development Canada	0.0	12.0	0.0	0.0	0.0	0.0	12.0	0.0	0.0
TOTAL	0.0	912.0	0.0	0.0	0.0	0.0	912.0	0.0	0.0

CASH PROFILE same as accrual
* Note: The proposed funding includes a set-aside of \$100 million associated with the implementation and associated costs for a broader portal and public awareness campaign. This amount is indicative. The final amount would depend on the delivery agent(s).
** Note: Funding is notionally allocated in 2020-21, however, funding profile is notional based on policy intent and is subject to change upon further development (e.g. options for administration).

4/21/2020 11:03 PM

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Appendix 3

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Confidence of the Queen's
Privy Council

Committee for discussion.

WE Social Entrepreneurship Initiative

- PCO understands that the Minister of Finance has decided to fund the WE Social Entrepreneurship Initiative. PCO disagrees with this decision because the WE proposal proposes to offer \$500 grant for a 10-week mentorship program, which would likely not be accessible to those most in need.

PCO Recommendation:

- PCO understands that through your announcement on April 22, 2020, you approved the policy and funding outlined above. PCO offers the following additional recommendations:

Not relevant / Non pertinent

- That the Minister of Employment, Workforce Development and Disability Inclusion be directed to bring forward a proposal to the COVID-19 Committee as soon as possible on the parameters for the Canada Student Service Grant. Further, in the design of the program, the Minister be directed to consider making the grants available to students who volunteer or work in essential service sectors during the summer, such as agriculture, food processing and long-term care. This will help address anticipated labour gaps in these critical areas expected as a result of the lower number of available temporary foreign workers and domestic workers.
- That the \$12 million allocated by the Minister of Finance for the WE Social Entrepreneurship Initiative not be funded at this time and that the Minister of Employment, Workforce Development and Disability Inclusion be requested to work with WE to redevelop this proposal in order to increase accessibility for those most in need.

- **Do you agree?**

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Appendix 4

From: Craig Kielburger <craig@we.org>
Sent: Thursday, April 9, 2020 12:25 PM
To: NG, Mary (Ext.)
Cc: Easton, JNT, Jason (Ext.); Sofia Marquez; Darina Jupa Williams
Subject: WE Social Entrepreneurship Proposal
Attachments: WE Social Entrepreneurship Concept Paper_April 09 2020.pdf

Hi Minister Ng,

Thank you again for the thoughtful conversation. We appreciate for your guidance, and of course, incredible efforts to support small and medium sized businesses across Canada, during and after this time of crisis.

As we discussed, attached is a concept paper outlining an opportunity to create a strong multi-faceted social entrepreneurship program to support young Canadians during and post COVID19 pandemic. By incentivizing and equipping youth to engage with social entrepreneurship opportunities, we'll be empowering them both to efficiently contribute to the economy and boost our nation's economic output, but also address important social causes.

The program seeks to serve 8,000 young Canada (under-30) over 12-months with the following three bilingual elements: i) A 10-week digital program providing entrepreneurship expertise and support in the era of COVID-19; ii) a mentorship program linking entrepreneurs with 500+ experts from established companies who will provide functional and industry-specific support in areas such as finance, marketing, productization, distribution, employing at-risk populations, social impact measurement etc.; iii) a base payment to all participants, and access to additional incentive funds and long-term mentorship opportunities.

This plan seeks to solve three timely challenges:

- i) how to engage at-scale young Canadians (under-30), including those who were not previously employed;
- ii) how to jump-start entrepreneurship to create jobs for economic recovery, relevant to both 12-24 months of COVID-19 realities and in the years to follow;
- iii) how to engage companies across Canada who have excess employee capacity. Specifically, asking companies that benefit from the 75% federal employee subsidy to consider redirecting a small percentage of employee's time (one day per week) to serve as skill-specific mentors for youth entrepreneurs. This also encourages established companies to keep employees on the payroll and ensures that the 75% Canadian employer subsidy provides a further social benefit.

We feel confident that we can deliver this program based on our 25-year track record of social entrepreneurship and successfully developing and delivering distant learning programs for millions of young Canadians, our successful social entrepreneurship accelerator established with ESDC support, our network of 200+ corporate partners, and our staff with extensive in-house and external experience building similar programs (WE Social Entrepreneurs, MaRS, DMZ etc.).

While this paper is simply the brief, we'll be submitting a detailed proposal next week further fleshing out our ideas of a year-long national small-business challenge that engages our youth and top corporations to create our future businesses. Our goals shadow our federal government's goals in mitigating the economic consequences of self-isolation for young people, creating new jobs, and supporting the growth of thriving small and medium businesses while driving social impact.

Please know that I deeply appreciate your kind offer to set aside time for another call, and look forward to connecting at your earliest convenience. If a conversation would be of interest, my EA, Darina (copied) can work with your office to schedule. This is my direct email, and my cell is [REDACTED]

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From: Craig Kielburger <craig@we.org>
Date: April 22, 2020 at 11:30:30 AM EDT
To: "bardish.chagger.p9@parl.gc.ca" <bardish.chagger.p9@parl.gc.ca>
Cc: Sofia Marquez [REDACTED] <bardish.chagger@parl.gc.ca>
<bardish.chagger@parl.gc.ca>, "Wilson, Gina (PCH)" <gina.wilson@canada.ca>, Lauren Martin
[REDACTED]
Subject: RE: Conversation with Minister Ng

Hi Minister Chagger,

Thank you again for your time Friday. We greatly appreciated you so kindly listening to our proposal of a 12-month social entrepreneurship training and support program reaching 8,000 young participants during the COVID-19 era and beyond. We appreciate your thoughtful offer to connect us with relevant members of your Ministry. Over the weekend our team has also been hard at work to adapt your suggestion of a second stream focused on a summer service opportunity.

We have outlined a 3-month summer service/jobs opportunity engaging 20,000 young people to participate in service projects while physically distancing. It would support social causes in local communities and collaborate with Canadian non-profits to create tangible results, while assisting young Canadians earn a stipend to fund their post-secondary studies or personal needs.

This three-pronged program would include:

- Digital service opportunities designed in partnership with non-profits across the country;
- A support system to assist young people with training and user support;
- A reporting and tracking process for youth accomplishments and earned stipend

Attached is a proposal that summarizes both options (12-month youth entrepreneurship program, and 3-month youth summer service program) that WE Charity can turn-key to launch this summer with hundreds of support staff ready to deliver. The document begins with a one-page exec summary. Once you've had time to review the attached proposals and letter, we hope to seek your advice once again to ensure our offerings reflect your Ministry's mandate. Would you be open to a follow-up conversation? Again, we're honoured by your interest to help bring this initiative to life and look forward to your feedback on improvements and exploration of next steps.

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Lamonde, Claire

From: Craig Kielburger <craig@we.org>
Sent: Wednesday, April 22, 2020 11:30 AM
To: MinFinance / FinanceMin (FIN)
Cc: Kaur, Sharan (FIN)
Subject: 497240 - Youth Strategies
Attachments: WE Charity Proposal - Engaging 20000 Youth - COVID19 Strategy.pdf

Hi Bill,

I hope that you're doing well during times of enormous work volumes.

We are processing in our conversations to provide a national program to support youth employment, entrepreneurship, and service during COVID-19. Over the past two weeks we had the opportunity to connect with Minister Ng, Minister Chagger, Deputy Minister Chris Fox, among others.

Understanding government priorities and youth needs, what emerged is a two-part proposal whereby we could do one or both options: i) a 3-month national summer jobs/service opportunity to provide 20,000 young Canadians with digital service opportunities to benefit non-profits and causes, while earning stipends to support their post-secondary education or other personal needs; ii) a 12-month national youth entrepreneurship program to provide 8,000 young Canadians with digital entrepreneurship training program, and access to millions of in-kind support via mentorship and pro bono professional services from corporate Canada by engaging professional who are not at full capacity due to the economic realities.

Attached is a proposal that summarizes both options that WE Charity can turn-key to launch this summer with hundreds of support staff ready to deliver. The document begins with a one-page exec summary. This update has already been passed on to Amit and Sharan, and of course, we're so profoundly grateful for all their tireless work and exceptional support and guidance. Deputy Minister Chris Fox has been involved in this process, and she has graciously agreed to share our vision with Deputy Prime Minister Freeland, and Minister Bains.

Warmest,
Craig



Craig Kielburger
Co-Founder
t: 1.416.925.5894

Lauren Martin | Executive Assistant to Craig Kielburger
t: 1.416.925.5894

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