



HOUSE OF COMMONS
CHAMBRE DES COMMUNES
CANADA

44th PARLIAMENT, 1st SESSION

Standing Committee on Access to Information, Privacy and Ethics

EVIDENCE

NUMBER 090

Monday, November 6, 2023

Chair: Mr. John Brassard



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• (1550)

[English]

The Chair (Mr. John Brassard (Barrie—Innisfil, CPC)): Good afternoon, everyone. I'm going to call this meeting to order.

[Translation]

Welcome to meeting no. 90 of the House of Commons Standing Committee on Access to Information, Privacy and Ethics.

[English]

Pursuant to Standing Order 108(3)(h) and the motion adopted by the committee on Wednesday, October 18, 2023, the committee is commencing its study of allegations related to governance and management of contributions by Sustainable Development Technology Canada.

[Translation]

Today's meeting is taking place in a hybrid format, pursuant to the Standing Orders. Members are attending in person in the room and remotely by using the Zoom application.

[English]

Just before the meeting starts, I have a couple of comments for the benefit of the witnesses and members.

First, I'd like to remind all members and witnesses that care must be taken with regard to the earpieces for interpretation. Please be mindful not to place your earpiece near the microphone, as this can result in a feedback loop that may cause acoustic shock and, in turn, injury to the interpreters.

Comments between members should be addressed through the chair.

With that, I'd now like to welcome our witnesses today.

From the Department of Industry, we have the Honourable François-Philippe Champagne, Minister of Innovation, Science and Industry; and Mr. Simon Kennedy, deputy minister.

Welcome, gentlemen, to the committee.

Minister, you have five minutes to address the committee. Go ahead, please.

Hon. François-Philippe Champagne (Minister of Innovation, Science and Industry): Thank you, Mr. Chair.

Thank you to members of the committee for inviting me in to be the first one to address this.

[Translation]

As you know, earlier this year, my department was made aware of allegations concerning Sustainable Development Technologies Canada, commonly known as SDTC. Let me be clear: I expect all organizations to which we provide public funding to act with diligence, care and integrity in all aspects of their work.

[English]

In the spirit of this, I asked my department to immediately conduct a fact-finding exercise with an impartial third party, Raymond Chabot Grant Thornton. The fact-finding report found no clear evidence of wilful misconduct, but did identify a number of instances in which STDC was not in full compliance with its contribution agreement. There were a number of “inconsistencies and opportunities for improvement”.

Let's be clear. Our government will always hold all organizations that receive public funds to the highest standards.

[Translation]

That is why we demanded that SDTC take additional corrective measures in response to the investigation report that was published. Those measures include an action plan, which was sent to management, for addressing the problems identified in the report. I expect that the action plan will be implemented no later than December 31 of this year. In addition, as a precautionary measure, we have temporarily suspended the funding of all new projects until those corrective measures are in place.

There have also been allegations regarding human resources management practices. Given SDTC's independent status, Raymond Chabot Grant Thornton was unable to examine the issue directly in the course of its analysis.

[English]

In the course of its work, however, RCGT—Raymond Chabot Grant Thornton—did observe what appeared to be inconsistencies and areas for improvement in human resources practices at STDC. Of note are allegations that have recently come to my attention that there might be additional former employees who may wish to provide evidence of inappropriate behaviour but feel that they cannot do so without exposing themselves to liability. We will not allow these concerns to go unanswered.

My department cannot unilaterally take on this task. The Canada Foundation for Sustainable Development Technology Act establishes STDC as an arm's-length organization. The responsibility for human resources falls with the independent board of directors.

[*Translation*]

That is why my department has requested that SDTC take the necessary steps to conduct an in-depth review of the allegations regarding its management of human resources. That review will be directed by an independent law firm, which will subsequently inform me of its findings.

[*English*]

SDTC has agreed to allow current and former employees to freely speak to this third party independent law firm without violating any applicable settlement agreements or non-disclosure agreements.

[*Translation*]

The allegations of mismanagement of public funds are serious. It is important that we take prompt action in accordance with the principles of due diligence and procedural fairness. We must base our actions on facts.

[*English*]

It is integral that due process and due diligence continue to guide these next steps. I also remain fully committed to exploring these allegations.

In addition to ISED's efforts, Mr. Chair, we have been working closely with the Office of the Auditor General on this matter for a number of weeks. I welcome the Auditor General of Canada's decision to conduct an audit, and my department will co-operate fully with her work.

In conclusion, Mr. Chair, I am confident that we have taken all appropriate actions with the implementation of corrective measures, the pending independent review of SDTC human resources management, and the Auditor General of Canada audit. Let me be clear: I am prepared to take any further action as required under the circumstances.

With that, Mr. Chair, I'm happy to answer questions from my esteemed colleagues.

The Chair: Thank you, Minister.

As with previous interventions—we're kind of old school around here—things don't have to go through the chair. If members want to direct their questions directly to the minister, I'll accept that.

The other thing that I'm going to suggest, as well, is that we keep it relevant to the discussion at hand. The fewer interruptions, the better.

Members have six minutes in the first round. They're allowed to use that time in whatever way they choose, so I'm going to enforce that.

Minister, thank you again.

Mr. Barrett, you have six minutes. Go ahead, please.

• (1555)

Mr. Michael Barrett (Leeds—Grenville—Thousand Islands and Rideau Lakes, CPC): Thanks very much, Mr. Chair.

Minister, under section 10 of the act you have the power to fire the chair and the board. You just said in your opening statement that you'd taken all reasonable steps.

I haven't heard yet that you've fired anyone. Who have you fired?

Hon. François-Philippe Champagne: I work on the basis of evidence. I'm a lawyer. I would certainly caution members of this committee to apply due process when they're looking at allegations. That's why, the moment I was made aware of allegations, we had a third party come to do a full investigation and report back to me.

In addition to that, now there will be a third party law firm to which a whistle-blower can go to report findings.

Mr. Michael Barrett: Do you believe the whistle-blowers, Minister? Your department has been briefed at length. The PCO has been briefed at length. It's a very simple question: Do you believe them, yes or no?

Hon. François-Philippe Champagne: I believe in the evidence that I received. The evidence that I have so far is contained in the report, and you have a copy. That's the evidence I have in front of me today.

Mr. Michael Barrett: Will you condemn Sustainable Development Technology Canada for saying that the whistle-blowers are lying?

Hon. François-Philippe Champagne: I will work—

Mr. Michael Barrett: You said that there should be due process. They've already determined that what the whistle-blowers are saying, in their opinion, is a lie. Do you think that's appropriate of SDTC to say?

Hon. François-Philippe Champagne: I think you'll have the opportunity to ask that question of the chair and of the CEO of the company. I'll let them speak for themselves.

Mr. Michael Barrett: With all due respect, I'm asking you. You're the minister. You're responsible.

Hon. François-Philippe Champagne: No. I think the question is for the CEO and the board, if they said that.

What I'm saying is that, as minister, I work under the terms and conditions of the contribution agreement, which you've seen. I work on the basis of the law that created SDTC—

Mr. Michael Barrett: That's right, and that law gives you the power to appoint both the chair and the members of the board. You haven't exercised the ability to fire them. Their terms are based on good behaviour.

I have another question: Are you going to guarantee the whistle-blowers—

Hon. François-Philippe Champagne: Let me just say that it's for cause, Mr. Barrett. They can be terminated for cause.

Mr. Michael Barrett: Their term is for good behaviour. What we've heard, sir, is.... Their term is for good behaviour. They're appointed, and it's based on the minister's decision. That's you.

Are you going to guarantee the whistle-blowers the same level of protection that is offered to public servants?

Hon. François-Philippe Champagne: The law specifically...and it's not me. As you will know, if you go back into the act, those employees are not part of the public service of Canada, sir. That's not me. That's the law that Parliament adopted at the time.

Mr. Michael Barrett: I could take some time to offer you some suggestions that would include appointing a chair and appointing members of the board who would guarantee the protection of whistle-blowers who have identified gross mismanagement and misconduct when we're talking about more than \$100 million in funding.

Will you admit today that SDTC has seen rampant corruption through conflicts of interest and through funding ineligible companies and projects? You talked about the RCGT report. That's listed in there. Will you confirm that you agree with that finding?

Hon. François-Philippe Champagne: I find that you're making a number of assumptions. As a lawyer, I would caution you not to do that.

The only evidence that exists on the record today is in the Raymond Chabot Grant Thornton report. That's the only evidence that exists today.

If you're in possession of further evidence, I welcome you to deliver that to me. Then we can have a fact-finding exercise.

Mr. Michael Barrett: Minister, in fact, you're in possession of the same information that I am. It's more than 300 pages that the whistle-blowers gave to PCO and furnished your department with.

Hon. François-Philippe Champagne: I am not in possession of that document. What I'm saying I'm in possession of is the report.

Mr. Michael Barrett: While I'm asking my next question, you should turn to your officials and ask if this is wilful blindness that we're seeing, because they've been furnished with the information. In fact, we have members of your department, in recordings that have been released to the public, saying that they've seen the information and that they don't have confidence in the board of directors.

Let's be clear: I'm not here for your legal opinion. You're offering me legal advice. I don't need your legal cautions. What I want to know is the date on which you learned of the whistle-blower allegations about SDTC—just the date, sir.

Hon. François-Philippe Champagne: March 5.

Mr. Michael Barrett: After the government learned—after you learned—of Annette Verschuren's network of conflicts of interest and involvement in funding ineligible projects, did she receive any taxpayer dollars? Yes or no?

Hon. François-Philippe Champagne: I don't understand the question. What I can tell you is that on March 5.... If you want me to answer.... I know you have another question, but let me answer.

Mr. Michael Barrett: I do have a question, and you've said you don't understand it.

How can you answer it if you don't understand it?

Hon. François-Philippe Champagne: No, no. I'm just going back to your question. On March 5—

Mr. Michael Barrett: Let me break it down for you.

Annette Verschuren is the chair of the board. You have the power to fire her. We have heard evidence that Ms. Verschuren is in a conflict of interest and that her company has continued to receive funding, including the Verschuren Centre receiving a million dollars on September 5 and \$1.2 million on September 19.

Did you offer any comments that were supportive of the funding that the Verschuren Centre, named for the chair of the board who serves at the minister's pleasure.... Did you offer positive comments about that funding, already knowing about the allegations against Ms. Verschuren?

• (1600)

Hon. François-Philippe Champagne: I see where you're trying to make inferences and allegations and all that, sir.

Let me make things very simple for you: I learned on March 5. That's one of the times I was briefed by my officials—

Mr. Michael Barrett: Yes, and that comes before September 5. Yes.

Hon. François-Philippe Champagne: Mr. Chair, if you want, I'm happy to answer the question, but if I'm not able to answer I'm not sure in terms of due process—

The Chair: I was just going to say, let the minister answer here, Mr. Barrett, if you don't mind. Thank you.

Mr. Michael Barrett: Let's hear it.

Hon. François-Philippe Champagne: If you want me to answer, give me the opportunity.

The Chair: Go ahead, Minister.

Hon. François-Philippe Champagne: On March 5, this is the time I was briefed by officials. On March 17, the department issued a contract to Raymond Chabot to do the investigation. On September 27, I got their findings. On October 3, that's where we—

Mr. Michael Barrett: I have 10 seconds left, Minister.

I would just say that you heard about it in March. Then in September you went on to give positive praise for more funding to Ms. Verschuren, who's at the heart of these conflict-of-interest allegations. You have the power to fire the chair. You have the power to fire the board. Why haven't you fired anyone?

Hon. François-Philippe Champagne: Mr. Chair, I would really—

The Chair: Minister, that concludes this round of questioning.

You went over by about 10 seconds, according to our colleagues in the Liberals.

[*Translation*]

Ms. Fortier, you have the floor for six minutes.

Hon. Mona Fortier (Ottawa—Vanier, Lib.): Thank you, Mr. Chair.

Minister, thank you for being here to offer us your observations and to outline your action plan, which is the subject of my first question.

In your opening remarks, you referred to certain measures that you will be taking. Are there any other measures that you would like to tell us about? We know, for instance, that upon seeing the report, you decided to suspend the funding allocated to implement projects. We're trying to understand whether you are implementing other measures now.

Hon. François-Philippe Champagne: Thank you for your question, Ms. Fortier.

That's roughly what I was trying to tell our esteemed colleague Mr. Barrett: the most important decision that was made was to suspend all funding. Let's be clear: under the existing contribution agreement, the minister's rights and obligations are described in the contract. The act also provides a framework. You should also know that this is an independent organization headed up by a president and a board of directors.

I was made aware of these allegations on March 5. A few days later, on March 17, I asked that we engage an accounting firm to shed some light on the situation. Many things were said, and I'm surprised to see that certain individuals felt free to discuss them at length. You also have to consider the procedural issue. We have to watch what we say. We're only talking about allegations, and nothing has been proven for the moment. Raymond Chabot Grant Thornton refers in its report to inconsistencies and opportunities for improvement. That's the basic evidence that's available today.

On the basis of that evidence, we asked that the organization take corrective measures. Various allegations subsequently appeared in the press at different times. Then I said that, if people were in possession of other evidence, we would provide them a forum in the form of an independent law firm charged with gathering their testimony and analyzing the facts, upon which we would be in a position to take appropriate measures.

I am here before you. What I want is to get to the bottom of all this, and I'm prepared to take every necessary measure to do so. Should additional measures be required, we're prepared to take them in the public interest.

Hon. Mona Fortier: With regard to the press, in recordings made public by CBC/Radio-Canada, officials from your department say how they think you will react to the findings of the Raymond Chabot Grant Thornton report. I'd like to give you an opportunity to explain in your own terms your initial reaction to the report's observations and findings.

Hon. François-Philippe Champagne: I was out of the country when I read the article, but I saw that our officials thought I would react strongly, obviously. After all, they are allegations of misman-

agement of public funds and ethical breaches. People know me and know that discipline is part of our approach. I think that what people said was that I would take appropriate measures when I found out what had happened.

Even though we want to get to the bottom of things, you have to do it right. What troubles me somewhat in what I heard is that many people drew hasty conclusions. You have to be careful because both sides have rights and obligations.

What I want is to gather all the evidence. If members of this committee have evidence that I don't, please submit it to us and we'll take the appropriate measures. That's why we're working with a law firm on this matter. That will help us get to the bottom of this matter.

● (1605)

[*English*]

Hon. Mona Fortier: Do I have enough time?

The Chair: You have two minutes.

[*Translation*]

Hon. Mona Fortier: That's excellent. Thank you.

I imagine you had conversations with SDTC. Do you know whether it has already agreed to take steps to improve the situation in light of the report? If so, do you think it has made enough of an effort to date to improve the situation?

Hon. François-Philippe Champagne: I want to inform the committee that I haven't been in touch with SDTC for several months, even years. Personally, I haven't spoken to the board chair or the president of the organization. Our officials do that work, and I think that's the correct way to proceed.

We obviously have rights under the contribution agreement. In the spirit of transparency, we asked the organization's officials to open their books and establish a process that would enable their employees to speak freely, and they said yes. We must proceed in that spirit of transparency and good governance, and I hope the committee will meet with SDTC's officers and ask them to do so, but I can tell you that we asked them to do certain things and they agreed. We also asked them to implement an action plan, and they said they would also do that because I think they feel, as Raymond Chabot Grant Thornton indicated in their report, that they can do better in certain areas.

Personally, as a lawyer and minister, I expect the highest standards to be met at any organization that receives public funding, and we made our requests to SDTC in that spirit. Canadians are watching us today, and I'm saying this to everyone: I'm prepared to take all appropriate and necessary measures to get to the bottom of this matter and to ensure that it's done in the spirit of transparency and good governance. I want people to be reassured at the end of this process.

If employees have evidence to bring forward, we will establish a process for them to do so because we have to shed all possible light on this. This is an organization that has been in existence since 2001 and that has helped more than 500 companies across the country. So we must proceed cautiously to preserve what is good and correct what has to be corrected.

The Chair: Thank you, Minister.

Ms. Fortier, I gave you an extra 13 seconds.

Hon. Mona Fortier: Thank you.

The Chair: Mr. Villemure, you have the floor for 6 minutes and 10 seconds.

Mr. René Villemure (Trois-Rivières, BQ): Thank you very much, Mr. Chair.

Minister, thank you for being with us today.

You are well placed within the government, and I'm going to question you on precisely that. We get the impression from the few incidents that have occurred in recent years that the government doesn't want to govern at the administrative level or is incapable of doing so. I see that the government often outsources its obligations to third parties, as it did with SDTC in 2001. The logic involved is somewhat the same as with the ArriveCAN app and the WE charity. The problem I see in this outsourcing of government services is that it shields the government from the accountability and transparency to which a department is normally subject.

I'd like to hear your opinion on that. If we prevent transparency and accountability, how can we properly do our job here?

Hon. François-Philippe Champagne: Thank you for your question, Mr. Villemure.

That's not actually my choice. In 2001, Parliament passed a bill concerning this matter. SDTC is thus the result of a choice that the minister or department made. The framework under which public funding in this area was to be managed was dictated by that federal act, which was passed under a previous government in 2001. The government wanted independence and transparency. That's how it's stated in the act; I'm not the one saying it. So it was a government choice. It was parliamentarians who made that choice by passing a bill and creating an act that made a number of provisions. Remember that many people at the time wanted more independence and funding that wouldn't be managed by the government. That's precisely what Parliament chose to do at the time.

Going back to the comments that my colleague Mr. Barrett made earlier, since the governance of that organization is determined by the act, you should choose your words carefully. It's not the minister who decides; it's the act that establishes this framework.

That being said, the contribution agreement describes the minister's rights. Fortunately, in response to the allegations, I got the organization to agree to open its books and allow us to examine its human resources practices. However, if you read the act, you'll agree that human resources practices are the responsibility of the organization's board of directors, not the department, and even less so the minister.

• (1610)

Mr. René Villemure: However, in that scenario, there's a big difference between a desire for independence, which is entirely praiseworthy, and the risk of winding up in a situation where the department has virtually no right of review, as is the case with the ArriveCAN app and the WE charity, which I just mentioned.

You could say there have been no problems in a number of cases, and I would absolutely agree with you on that.

Whatever the case may be, do you question the idea of having public funds be administered by third parties?

Hon. François-Philippe Champagne: I think we always have to be cautious.

SDTC isn't a well-known organization, but it funds the most green technology projects. Statistics show that the funding it has provided has assisted 500 companies and contributed to the development of 194 new technologies that have helped reduce greenhouse gas emissions by an amount equivalent to the removal of 7 million cars from our roads. We're talking about 20,000 jobs since 2001. I'm not saying that solely as a minister. As parliamentarians, we can weigh that and conclude that things have worked well for a long time under the regulatory and legal framework established by Parliament in that year.

I don't want to name any businesses, to avoid focusing attention on them today, but all MPs have a number of these businesses in their ridings. Many people have received funding in the past 20 years. That has helped create Canadian champions in certain fields.

I would just say that we can't confuse SDTC with other subcontractors because we have a federal act that determines how that funding must be administered.

Mr. René Villemure: All right. I'm going to discuss your department now, to be sure we're talking about the right thing.

Our committee requested a document that was prepared by Raymond Chabot Grant Thornton. Despite our request, however, we received a highly redacted version, and subsequently a slightly less redacted one. The reasons given for the redactions related to privacy, of course, and the confidentiality of third-party information.

I thought that amounted to avoidance. We have a very clear understanding of privacy requirements in this committee. In this case, however, that many redactions prevents me from understanding the situation. It seems to me there are less aggressive ways to anonymize reports while still allowing us understand them.

I'm not passing judgment and disregarding those concerns. I'm trying to understand what we're facing, but the report prevents me from understanding.

Hon. François-Philippe Champagne: I'm all for complete transparency. As regards the document you saw, the health and safety of certain employees who had received threats were also a concern. Consequently, in the circumstances, you can understand why we acted cautiously. I'm saying that as a minister, but the deputy minister could say more about that. We also need a framework that can help protect privacy. In this instance, we received information that threats had been made against certain individuals. As you will understand, we also have a duty of care.

I say that as a parliamentarian. I think we have to be aware of it. If there's a way to submit the information, whether it be in camera or otherwise, I'm in favour of full transparency. These documents are of public interest.

As I said, I want to get to the bottom of this matter, but I want to do it the right way, in accordance with natural law and procedural fairness, but also while protecting health and safety. I was informed that certain individuals had been threatened. Parliamentarians must be aware of that. We want to get to the bottom of this, but we want to do things properly as well, to protect employees' health and safety.

Mr. René Villemure: It seems to me that, if you had used "Mr. A", "Mr. B" and "Mr. C", for example, or "company A", "company B" and "company C", it would have been easier for us to follow the plot.

Hon. François-Philippe Champagne: That's one possible way to proceed. I'm saying that to the chair of the committee while glancing at the deputy minister.

In all of this, we're trying to do things right. If there's a way to proceed as you suggest, by referring to "company A", "company B" and "company C", I completely agree. My only concern really was the health and safety of certain employees who had indicated that their safety was at stake.

Mr. René Villemure: I share your concern, but I'd simply like to understand.

The Chair: Thank you, Mr. Villemure and Minister.

Mr. Villemure, I allowed you an extra 15 seconds.

[English]

Mr. Masse, you're up next. You have six minutes and 10 seconds. Go ahead.

Mr. Brian Masse (Windsor West, NDP): Thank you, Mr. Chair. Thank you for being here, Mr. Minister.

I don't believe it's appropriate to use the Canada Foundation for Sustainable Technology Act as a shield. I spoke on that legislation and I knew that the vulnerability was really about creating another element outside the government so workers can't actually get the same treatment and supports as a federal public servant.

My first question to you, Mr. Minister, would be this. Will you guarantee all the current employees an equivalent position in the

federal civil service if they come forward, if they feel they are not being treated well right now?

Will you guarantee that we will actually be there for them and their families in terms of employment, and that confidentiality will be able to be expressed?

They're at risk. Will you guarantee those individuals their jobs?

• (1615)

Hon. François-Philippe Champagne: I hear your question.

I cannot change the act; that's for sure. What I can do and what we have provided—

Mr. Brian Masse: You can change the act, actually. We can put an all-party motion forward and do that. We'll craft that and get it ready. We can actually change the act to protect these people.

Hon. François-Philippe Champagne: I was talking about the current version.

Mr. Brian Masse: Yes, I am too. We can change it.

Hon. François-Philippe Champagne: I agree with you that Parliament can make an amendment and change that.

What we did in the meantime, which I think is the best thing we could do under the circumstances today, because I think we're talking about an actual issue with real people who have real allegations, is to make sure we have a process whereby we demanded and obtained from STDC that they would relieve people of their confidentiality obligations, whatever they might be.

Mr. Brian Masse: I've talked to some of the former employees, and I can hear it in their voices. What's taking place there is very disconcerting, and I can hear in their voices their concern about the current people who are still employed there.

What can you offer those people? Aside from a private law firm outside, what you can take away from right now is that we at least go away from this meeting and look at guaranteeing their employment within the public service, in equivalent positions, so we can actually get to the bottom of this.

The legislation can be changed, but in the meantime we have to do something for them and their families. We're talking about a lot of money here.

Hon. François-Philippe Champagne: That's why I did...

Listen, you're talking to the person who acted. There were people who were talking, and I took action from the moment there were allegations. As you know, there's a history of that. I'm the first one to act on something.

Mr. Brian Masse: I appreciate that, but these people need their jobs.

Hon. François-Philippe Champagne: I appreciate that. What I'm saying, Mr. Masse, is that I acted immediately to have a report done, so that we have a factual basis, the Raymond Chabot report. By the way, for colleagues, that's—

Mr. Brian Masse: That's great, but that's way out there for them. Every day, people have to go into this agency as this is being wrangled out in public. They have to get up and go into this environment and actually try to produce for us and, on top of that, deal with their own repercussions from this. I'm looking for guarantees on how we protect those people—specific guarantees.

Hon. François-Philippe Champagne: I appreciate that.

That's what we did. Today, my understanding, as a lawyer, of the situation as we see it, is that some of them have refrained from bringing forward their allegations because of concern with respect to a non-disclosure agreement or even [*Inaudible—Editor*] agreements. What we demanded and obtained from STDC.... We're not managing human resources here. You're talking to the minister. This is done by the board and the management of STDC.

Mr. Brian Masse: Yes, and they are all politically appointed, through a process.

Hon. François-Philippe Champagne: It's not the minister. This is human resources. It's clearly in the act.

Mr. Brian Masse: No, but it is not an entitlement for them to be the director there, or board members. It's not an entitlement. It's a privilege.

Hon. François-Philippe Champagne: I agree.

Mr. Brian Masse: What I can control at this point here, and I think we can all control here, is protecting these workers at this point in time.

Hon. François-Philippe Champagne: If I may, Mr. Chair, the best way to do that today, after consulting the legal advice that we received.... I agree with you. I feel for these people every day. I want to get to the bottom of this more than anyone else here. Actually, all of what you see is because I took action.

What we received as legal advice is to say the best way is to have a third party law firm, so they don't have to tell that to their management. They'll be relieved from any covenants or restrictions that they have. They can tell their full story. The law firm will then produce a report for the minister. Then, on the basis of any additional evidence that I receive, we will take further action, including what you said in respect to the board and the management of the company.

Mr. Brian Masse: I do—

Hon. François-Philippe Champagne: First we need to have a fact-finding mission, which needs to be done in accordance with due process.

Mr. Brian Masse: I do appreciate those efforts, but these people have to live through this. They have to actually continue to live through the process you just described, through no fault of their own, going into an environment that's not functional in many respects—even if you want to debate it.

What we could do, though, is at least guarantee some type of equivalency in the public service. We've done this before. I worked with then minister Stockwell Day at the time when we went to arm the border guards. One of the things we did was to actually make sure people didn't lose their job. There would be an equivalency move.

We've created an establishment here through legislation. It is at so-called “arm's length”, but I've seen many times over here that they're either within choking distance of a minister—or not—or they're at arm's length at different times. It depends on the situation. Why can't we do something to guarantee the employment of the individuals who are currently there, so they can either transfer out or get some protection that's more than just what you're offering?

I appreciate that you offered that, but again, they have to live through that for the next six months to a year.

• (1620)

Hon. François-Philippe Champagne: Listen; I feel for them. That's why we took action immediately and said, “What is the best way to get to the bottom of it?” Let's be clear. So far, as you know, Mr. Masse, what we have is allegations. I need evidence. That's what we said. The best way for them to do that was not through management, and I appreciate they may not want to.... We offered to hire a third party so they wouldn't have to deal with management on that. They could report to them; they'd report to me, and then, to your point, I am willing, within the authority of the act and the contribution agreement, to take any action required. If it requires changing the board, to change...we will do anything that's required, but I need to work on the basis of evidence. That's why we've said to people, bring the evidence forward so we can have that to take action.

The Chair: Thank you, Minister, and thank you, Mr. Masse.

We'll go to our second round of questioning. I'm going to really go tight on the timelines here, okay.

Mr. Cooper, you have five minutes. Please start.

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

Minister, I just want to clarify an answer you provided. Did you say that you do not have possession of a 300-page whistle-blower dossier? Did I hear you right?

Hon. François-Philippe Champagne: The department does; I don't.

Mr. Michael Cooper: Have you read it?

Hon. François-Philippe Champagne: No. I don't have possession of it. The department has that.

Mr. Michael Cooper: You mean to say that you take this very seriously, and you're willing to take whatever action is necessary. You've repeatedly said you're a lawyer, and you haven't taken the time to review the contents of the 300-page—

Hon. François-Philippe Champagne: I'll tell you very simply—you're a lawyer as well—that I'm not the fact-finder; I'm the minister. There are people whose job is to do the fact-finding mission. When they provide me with evidence, the only evidence that exists for them, Mr. Cooper, I would tell you, is not the allegations that people have brought. It's the report from Raymond Chabot Grant Thornton—

Mr. Michael Cooper: Minister, I thought you would have been interested in seeing that evidence, as minister. Further to that, Minister, have you met with the whistle-blowers?

Hon. François-Philippe Champagne: I don't think it would be appropriate for the minister to meet with whistle-blowers, because, as I would tell you—and you have legal training—the lawyer... I'm not there to do the fact-finding mission. That's why we have the third party law firm, and we have Raymond Chabot to do that, sir.

Mr. Michael Cooper: You have said that you need evidence. Minister, there is evidence, and it's contained in the RCGT report, which made findings that are damning, which you are downplaying, including \$53,580,000 that was handed out to three companies that were ineligible recipients and a further \$38,400,000 that went out the door as so-called “COVID relief payments”, which were questionable: Of the 21 companies that were looked into, six of them involved members of boards who had conflicts of interest—29% of the companies.

When you say that you need evidence, you have that evidence, yet you haven't used the tools that you have at your disposal, including section 10 of the act, to fire the chair and fire the board.

Hon. François-Philippe Champagne: I would respectfully disagree with that. If you see how it was qualified, Mr. Cooper, as a lawyer, it's called “inconsistencies”. This is not me. Those are the words of Raymond Chabot. They've not called that a violation.

Let me finish on that, Mr. Chair. Just for your information, what we have demanded as well...but now we welcome the Auditor General's.... When we saw that, we decided to do what's called a “recipient audit”, Mr. Cooper. On the basis of that, you need to go to procedural fairness in order to do that. When we saw these findings—let me put it that way—I called for a recipient audit, which is a full audit of everything under the contribution agreement—

Mr. Michael Cooper: Minister, I would encourage you—

Hon. François-Philippe Champagne: —but I must say that when the Auditor General decided to do her own audit, I obviously stopped that work—

The Chair: I think you've answered the question, Minister. Thank you.

Go ahead, Mr. Cooper.

Mr. Michael Cooper: I'm going to turn to section 2.3.1 with respect to the COVID payments, on which the RCGT report unequivocally states that the corporation's conflict of interest procedures were not followed and that those members did not recuse themselves.

Hon. François-Philippe Champagne: The report speaks for itself.

Mr. Cooper, I invite you—

Mr. Michael Cooper: It does speak for itself, and what it speaks to is a pattern of corruption, abuse and mismanagement at STDC.

Hon. François-Philippe Champagne: I hope you will question the board and the chair on that, but I will tell you that the rights and obligations.... You're a lawyer. I would invite you to read the contribution agreement. It is very specific as to the rights and obligations and terms and conditions of the minister. If we come to a material breach of the agreement, I can take action. If you have further evidence through the testimony of people who are going to come here, I'm willing to take any and all action that is needed in order to make sure we get to the bottom of this.

• (1625)

The Chair: You have one minute, Mr. Cooper.

Mr. Michael Cooper: Minister, we have been in contact with whistle-blowers. You said you want to follow the evidence, and a whistle-blower has told us that after submitting the 300-page dossier to your department, they volunteered additional documentation—documentation and evidence that was refused by your department.

Hon. François-Philippe Champagne: If you are in possession of any evidence, Mr. Cooper, as a lawyer, I would ask you to turn it over to us. Then we will look at the evidence. If you don't want to do that, you can give it to the third party law firm or the Auditor General.

Mr. Michael Cooper: Minister, they offered it to your department. It was refused. It's no wonder they say that you and your department are more interested in damage control than in getting the answers the taxpayers deserve.

Hon. François-Philippe Champagne: That's not it at all, Mr. Cooper. I have said to everyone publicly that I will take any and all action based on evidence. You're a lawyer. You went to law school. I act on evidence, not allegation. If I have evidence of wrongdoing or of any formal material breach under the contribution agreement, we will take all actions needed and we will get to the bottom of this together.

The Chair: Thank you, Minister.

Ms. Khalid, you have exactly five minutes. Go ahead, please.

Ms. Iqra Khalid (Mississauga—Erin Mills, Lib.): Thank you so much, Mr. Chair.

I appreciate all the fancy buzzwords that my Conservative colleagues are using and all the talk on whistle-blowers.

Mr. Champagne, can you perhaps go through the timelines and the facts of exactly what has happened with this fact-finding exercise and STDC? When did the initial third party fact-finding exercise start, and what was the goal and scope of this exercise? Let's talk about facts and not buzzwords.

Hon. François-Philippe Champagne: Thank you very much, Ms. Khalid. I welcome that, and I welcome the work of this committee.

Listen, I'm the one who demanded that the department work with the Auditor General. We welcomed her work. We worked with her for weeks. We all want the same thing. We want to get to the bottom of this. If there is evidence of wrongdoing, let's take all the action needed under the law. That's clear.

In terms of dates, I think you're right. We need to get back to facts, because there are a lot of allegations from other people, and members of the opposition are meeting with whistle-blowers.

I am pleased you're doing that, but there are legal consequences for you, if you do that. If you have evidence, you must turn it over so we can take action on it.

I work on the basis of due process. March 5 is the day I was briefed by the department. I'm sure, through access to information, you can get access to that brief. I insisted, on the basis of allegations at the time, that we do a fact-finding mission. We hired Raymond Chabot on March 17. They did their investigation until September. On September 27—you will be happy, because that's also going to be a matter of public record—I was briefed on the results of the fact-finding exercise and the proposed next steps. On October 3, I demanded that we have a management response and action plan, because the allegations we saw in the report, or what was presented to us, needed a number of corrective actions with respect to how certain projects are selected and approved in terms of eligibility, funding and monitoring.

In addition to that, you'll be happy that I demanded, at the time, that the department conduct a full audit, understanding that the Raymond Chabot Grant Thornton report was an overview. When there were allegations with respect to human resources, we demanded.... To go back to Mr. Cooper's very thoughtful question, I do not have the right as minister to involve myself in the human resources of an independent organization, under the law. We demanded the board grant us full access to the records and the people. We demanded they waive any restrictive covenants, so people could speak freely to us. If anyone in this group has any contact with a new whistle-blower or third party who has complained, they can go to a law firm. We did a selection process. They're about to be appointed in the coming days, and people can speak freely to them. They will provide a report to the minister. Then, on the basis of that and the Auditor General's report, we'll take all the appropriate steps.

In the meantime, I suspended all funding. As you know, I'm a prudent person when managing public funds. I said, "Do you know what? Until everything is clear, and until we get to the bottom of the issue on funding and HR—as colleagues have raised—I'm suspending all funding." To preserve the integrity of the process and defend taxpayers, I said we would stop all funding. Once we've cleared away the mud, we will get back to business, but there might be additional actions needed. As you've seen in the press, I can tell you that people were concerned I might even overstep. I'll make sure we respect the law, due process and agreements, so that whatever we do will be fully compliant with the laws, regulations, and terms and conditions.

• (1630)

Ms. Iqra Khalid: Thank you, Minister.

You said you took action and stopped all funding as soon as you learned about it, so the investigation can happen. You created a proactive regime to ensure that what you're doing as minister is the right thing to do for Canadians.

Can you tell me why that matters to you?

Hon. François-Philippe Champagne: I fundamentally believe that any institution or organization that receives public funding needs to be held to the highest standard of governance and respect for human resources practices. We've heard it. At the time, in 2001—it was not me or you—Parliament decided to create an arm's-length organization. That was the choice—

The Chair: Thank you, Minister.

[*Translation*]

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

Mr. René Villemure: Thank you very much, Mr. Chair.

Minister, my understanding of what you said earlier is that you're prepared to provide a report that would refer to "Mr. A", "Mr. B" and "Mr. C", for example, or "company A", "company B" and "company C".

Hon. François-Philippe Champagne: Absolutely.

Mr. René Villemure: Would it be possible to get it within 24 hours or so?

Mr. Simon Kennedy (Deputy Minister, Department of Industry): I believe so.

[*English*]

Hon. François-Philippe Champagne: The deputy minister, who is the hardest-working person I know, said yes, so it should work.

[*Translation*]

Mr. René Villemure: Thank you very much.

Would you please give me your impression of the allegations that were made at the time?

Hon. François-Philippe Champagne: They were very serious allegations, which I took very seriously. As you know, they had circulated. I believe the individuals in question had spoken to various organizations.

By the time I was made aware of them, between March 5 and 17, we had already engaged a firm of experts to conduct an investigation. I still think it's not up to the minister to conduct that kind of inquiry. There are experts who can do that. You yourself are an ethics expert. I have powers under the act and the contribution agreement, but I nevertheless have to leave it up to independent third parties to conduct their investigation and provide me with evidence. Then I can take measures based on that evidence, as I have done thus far.

Mr. René Villemure: Would you please expand on those allegations?

As I told you earlier, I couldn't understand from the report what had happened.

Hon. François-Philippe Champagne: There were definitely allegations regarding general governance. That's why Raymond Chabot Grant Thornton referred in its report to inconsistencies and opportunities for improvement.

As for the existence of conflicts of interest, several examples of which I believe Mr. Cooper raised, the issue was in compliance with all the clauses of the contribution agreement, notably with regard to project selection and approval. I want to inform the committee that, under the terms of the contribution agreement, the board of directors is responsible for approving all projects. So I think certain questions should be put to the members of the management team regarding—

Mr. René Villemure: I apologize for interrupting, but I have very little time.

The document states that individuals finding themselves in conflict of interest must recuse themselves. That's a practice that we hear about virtually everywhere. However, as you know, even if a person leaves the room, the influence that person exercises doesn't.

What do you think about that?

The Chair: You have 25 seconds in which to respond, Minister.

Hon. François-Philippe Champagne: I'll definitely answer in less than that.

I think we have to adopt the best practices there are. People in government, for example, practise proactive disclosure. You know that as an ethicist. There are ways to establish firewalls. All the work that's being done on the subject, such as what the committee is doing today, is very important.

I asked SDTC to take corrective measures and told it that funding would not resume until all corrective measures were about to be taken and I was about to be satisfied.

Mr. René Villemure: Thank you very much.

[English]

The Chair: Mr. Masse, you have two and a half minutes.

Go ahead, please.

Mr. Brian Masse: Thank you, Mr. Chair.

I'd like to go back to where I was before. Excuse my frustration with regard to it.

We can't control right now what has taken place. We clearly have an agency where you identified that you've cut off their funds. There is a problem. It's supposed to be a very important agency, which has done a lot of good work and so forth, but you've ceased and desisted funding them because there's enough there to merit the actions you've taken.

What bothers me, though, is that what we can control is protecting the workers in this environment. Obviously, if they deviated from the original goals and the types of things they were doing—even from your own remarks coming in—because of our actions in Parliament, we have created a system where these employees are still vulnerable.

I want to ask again, is there not more that you can do for those people who are currently in this environment right now, if they want to get out, to have an equivalent job somewhere else in the public service? We can control that.

After this investigation, they're going to have to live with that environment too. These people, through no fault of their own, were just doing what they were supposed to do. They're funded entirely for their jobs and salaries from the federal government and the public.

Can they not get some type of a better deal—to be complicit in terms of the process of healing the environment—and if they want, get out with equivalencies for them and their families? We can control that. The other stuff we can't control.

It's going to take months and months. That's my appeal.

• (1635)

Hon. François-Philippe Champagne: I feel very strongly for those who came forward.

My answer to that, Mr. Masse, is that I need to see evidence. So far, we don't have evidence. That's why I encourage them—and you have contact with them—to go to a third-party law firm, so that we can hear, in a procedural fairness process, what they have to say. So far, there have been reports in the press—there are things left and right—but we need to have evidence.

My point is that, on the basis of evidence, I can assure you that we'll take all the appropriate steps to make sure these employees are treated as they should be.

Mr. Brian Masse: They've presented that, though. There's enough evidence that you've ceased their funding. At the same time, you haven't protected the people who are actually in this environment—their mental health, their families. All of the different repercussions will still exist there, and we have to now depend upon the crutch of a private firm for their future.

I still don't understand why we can't offer them a better deal in terms of helping clean up this mess and protecting them and their families.

The Chair: Mr. Masse—

Mr. Brian Masse: That would be a better process.

The Chair: I'm sorry, sir.

We started at 3:47, which means, in this round, we have two more five-minute rounds to go.

I'm going to go to Mr. Brock and then Mr. Kelloway, and then we'll end this session.

Mr. Brock, you have five minutes, please.

Go ahead.

Mr. Larry Brock (Brantford—Brant, CPC): Thank you, Chair.

Minister, I know you started off by briefing us on your legal knowledge and trying to give us some legal parameters.

With respect, we don't want to hear about your legal opinion. We want to hear about your political responsibility, as minister, on this extremely important portfolio. Is that understood?

Hon. François-Philippe Champagne: As I've said, sir, I do my job. I have a legal background—

Mr. Larry Brock: Thank you. Do you understand?

Hon. François-Philippe Champagne: —and I'm very proud of that. I won't excuse myself to say, for the record, that I happen to understand these things, perhaps better than others, because I'm a lawyer, and—

Mr. Larry Brock: You understood the question, so I'll move on.

Hon. François-Philippe Champagne: —I used to be managing [*Inaudible—Editor*]

Mr. Larry Brock: Sir, I have limited time. I will move on. Thank you, sir.

You've heard of the concept of ministerial responsibility, haven't you?

Hon. François-Philippe Champagne: I'm very familiar. I'm a minister of the Crown.

Mr. Larry Brock: Yes, so the buck stops with you.

Hon. François-Philippe Champagne: I totally...but I would tell you—

Mr. Larry Brock: You keep talking. No, sir. This is my time to talk. I haven't asked you a question.

You say, “Well, that's not my responsibility,” and, “They're going to be doing this review,” or, “They're going to be making those changes, etc.,” but ultimately they report to you, sir. The buck stops with you.

I know there is a pattern in this Liberal government of ministers not accepting responsibility. I hope you're going to buck that trend, actually show real leadership, and actually accept responsibility for this matter, because this matter is, essentially, a year old.

These whistle-blowers come to the Auditor General and complain—not just one whistle-blower but up to 20 whistle-blowers, consisting of employees and senior executives. I know the SDTC likes to classify them as just troublemakers, but they're not. They received advice to prepare a 300-page informational package and send that off to the Privy Council Office. That was done in February.

Now, I understand through your evidence, sir, that you received notice that your department received that report in March, correct? Did you review that report yourself?

Hon. François-Philippe Champagne: Mr. Chair, can I answer the question that was 30 seconds long? There was a lot there, by the way. The buck stops with me as minister, but the... I will advise you—you might not be a lawyer—to read the law that describes the rights and obligations of the minister under the law. I would advise you to read the terms and conditions of the contribution agreement, because—

• (1640)

Mr. Larry Brock: Believe me, sir. I have.

Hon. François-Philippe Champagne: —as an arm's-length organization, sir, the minister, by law, is not allowed to manage human resources. That's how the act was created.

Mr. Larry Brock: I'm not talking about human resources.

Hon. François-Philippe Champagne: That's how the act was created, sir.

Mr. Larry Brock: I'm not talking about human resources. I'm talking about the misuse of taxpayers' money to the tune of \$150 million.

Hon. François-Philippe Champagne: Provide me with the evidence of that, sir.

Mr. Larry Brock: Do you want evidence? Take a look. Take a look at the 300—

Hon. François-Philippe Champagne: Provide me with the evidence, because the only evidence that exists is in the Raymond Chabot report.

Mr. Larry Brock: Sir, we speak one at a time. You want evidence.

Hon. François-Philippe Champagne: If you have evidence, provide it to me.

The Chair: Hang on, Mr. Brock. Minister, just hang on a second, okay?

Let's have one person speaking at a time here.

Mr. Larry Brock: Do you want evidence?

The Chair: I understand it's emotional.

Mr. Brock, you have the floor.

Mr. Larry Brock: I suggest, if you want evidence, you actually show some responsibility and read that 300-page report, which lists all of the improper payments that went to companies that did not adhere to the contribution agreement number nine, which you keep referring to, which forms the basis of your legal obligations.

I encourage you to do that, sir, or did you, in fact, just receive a briefing from someone in your department about that 300-page report?

The Chair: Minister, go ahead.

Hon. François-Philippe Champagne: With respect, Chair, how can you say that I did not respect the...? Have you done the forensic audit?

There are people who have done the forensic audit. I'm not sure you have done that, but Raymond Chabot did a forensic audit, sir, and that's not the conclusion it reached.

That's what I'm saying. You have to work on the basis of evidence and have due process and procedural fairness—

Mr. Larry Brock: Sir, may I suggest—

Hon. François-Philippe Champagne: —because if you're going to say things like that... I'll tell you something. If you're going to say things like that, you have to make sure that what you are saying is backed by evidence.

Mr. Larry Brock: Thank you for that advice.

Have you ever contemplated why the Auditor General's Office is actually involved?

Hon. François-Philippe Champagne: Yes. It's because we've been working with the Auditor General's Office.

Mr. Larry Brock: The Auditor General's Office is involved because it feels that you didn't do your job.

Hon. François-Philippe Champagne: That's not at all.... Ask the Auditor General's Office, because we work with the officials and we welcome their investigation, sir.

Mr. Larry Brock: All right. That's exactly what they're saying.

People need to be held accountable. People need to be fired. You've done absolutely nothing despite claiming that you're taking this so seriously. You have the ADM in your own department claiming you were going to freak out, that changes had to be made and that the board had to be replaced.

You did absolutely nothing, sir, between March and October. Did you actually have meetings with your ADM in that time frame, to talk about this issue?

Hon. François-Philippe Champagne: Mr. Chair, I work on the basis of evidence. What the member is talking about—

Mr. Larry Brock: Sir, did you have conversations with your ADM?

The Chair: Mr. Brock, your time is up.

Hon. François-Philippe Champagne: I would advise you to seek legal advice before you make these allegations, sir, because the only evidence that exists is in the Raymond Chabot report.

The Chair: Thank you, Minister.

We're now going to Mr. Kelloway, for five minutes.

Mr. Mike Kelloway (Cape Breton—Canso, Lib.): Thank you, Mr. Chair.

I want to talk just a bit about some observations and things that have come to my mind during this committee session.

I've been on the committee for a very short period of time. I'm not a lawyer, but I'm glad to know a lot of people are. You don't have to be a lawyer to understand a couple of things.

My dad was a coal miner. We would sit around and talk politics. We would talk about the issues of the day. Something you said struck me, which my dad used to say: Get to the heart of the issue. Get your facts straight to help people. My dad was in the union. My dad cared about people. My dad cared about helping the people around him in his community. When there was a problem in the mines or things weren't being addressed, he would stand up and say, "Get to the heart of the issue. Get your facts straight. Do the right thing."

I don't want to take down the temperature a bit, because this is a very serious issue. You have said this. You're the person who ordered the department to go to the Auditor General, if I'm not mistaken.

I want to walk through this for people who are watching at home. When you say "heart of the issue", can you explain that to me? When you say "do it the right way", can you explain that to me?

Hon. François-Philippe Champagne: I appreciate that. It was a heated exchange, but I think we're both passionate about getting to the bottom of this. I want to recognize the work of the member, Mr. Brock, and all of our colleagues. We all want to get to the bottom of this.

I must say that from the moment I got any information.... I would really invite colleagues on the Conservative side to, please, have other people come and testify. You'll see that I was the first one to take these allegations seriously and to take action. You should ask around when you have testimony. Ask who took action.

I don't want to come back to my background, Mr. Brock, but I happen to have done that in my professional life. I know one or two things about how to conduct these investigations. The moment we had that, I said, "You're guilty, as much as an act or an omission." I said the moment you're in possession of any allegations, the moment you have that....

It's because they're allegations. There are reputations on both sides. You need to make sure that allegations are then structured. I said, let's have a forensic audit and not just anyone claiming that there's a breach. You need a forensic audit. There are experts and people who do that for a living. That's why we asked Raymond Chabot to do the forensic audit for us.

When they came with that, Mr. Kelloway, I was not satisfied. I said, "Do you know what? We need more of that." Therefore, we engaged with the Auditor General, and I'm so pleased that she's decided to do it. We've been welcoming of that. We've even been saying, "Why don't we do it together?" We wanted to do a full audit of the contribution agreement, as we're allowed to under the contribution agreement.

On the human resources side, as Mr. Masse said, since I don't have actual.... I accept what Mr. Brock said. The buck stops with me on everything. I agree with that, but I need to do it in a way that is fair, sound and legal. I do not have the power under the act or the contribution agreement to go and take the human resources records of that independent entity, which Parliament decided would be independent. I need to ask the board to give me that. I do not have that power.

We said, "Give us that information and waive any covenants you have with the employees. Allow people to speak freely. We need to get to the bottom of this. If you don't, I will make sure that you do, because I'll fire you." They agreed and said we're going to get access to that. We're going to get the evidence that is coming. On the basis of evidence—not allegations, but evidence—we can then take the appropriate action and say that these allegations have now been proven and we have enough facts to support the decision we're going to be making. That's the process.

I've been making sure that the employees—to Mr. Masse's point—are protected, and that we do that fairly but swiftly. That's another thing my colleagues in the opposition have already said. I've even suspended the funding, pending the investigation, to protect the public interest.

I feel that as minister, I am not the chair of the board. I am not the CEO of this independent organization. I am not the deputy minister. As minister, I have done everything I think I'm allowed to do under the law and the contract to protect the public interest.

• (1645)

Mr. Mike Kelloway: How much time do I have, Mr. Chair?

The Chair: You have 10 seconds, but I'll give you 20.

Go ahead.

Mr. Mike Kelloway: Wow. Okay. That's some good negotiating. I got those 10 extra seconds.

I just want to give you a chance.... I think you highlighted some of this. What actions exist to strengthen the oversight of the SDTC going forward?

The Chair: Mr. Kelloway, that sounds like a long answer.

Minister, if you can answer that in 15 seconds or less—

Mr. Mike Kelloway: One or two things may not be a long answer, but I take your point.

Hon. François-Philippe Champagne: I would say that the management response and action plan touched on governance, certainly. It talks about ethics, and it talks about project review. I have enjoined them to put that in place way before December 31, so that, if it is satisfactory—and I will want a third party audit that it is satisfactory—then we will restore the funding to the organization, but only when I am fully satisfied that we've gotten to the bottom of this, that the Auditor General has got to the bottom of this, and that we come out of this with an organization that has the trust of the people and the employees.

The Chair: Thank you, Mr. Kelloway.

Minister, I want to thank you and Mr. Kennedy for appearing today.

I am going to dismiss the witnesses, but before I do, I have a request for a project budget that I am going to need the committee's approval on. For this particular one, the amount requested is \$1,750. Do I have the approval of the committee? I just need nods. Yes? Okay. There you go, Madam Clerk.

Do you have one more thing you need to deal with, Ms. Khalid? We need to adjourn and move into subcommittee. Go ahead.

Ms. Iqra Khalid: Absolutely, Chair. I know that every single member of this committee has promised that we are going to prioritize the social media study, so I'm just wondering what happened to our witnesses on Wednesday. Where did they go? Did they cancel, or did you cancel on them?

The Chair: That's part of the discussion that we're going to have at the subcommittee, so I would rather—

Ms. Iqra Khalid: I think I would like to know, Chair, because I'm not part of the subcommittee.

The Chair: You're talking about the social media study?

Ms. Iqra Khalid: Yes, it's the social media study, Chair.

The Chair: Madam Clerk, I have no problem discussing this right now, but if you want to advise Ms. Khalid what department officials have said about the social media study and their request to appear before the committee, go ahead, please.

• (1650)

The Clerk of the Committee (Ms. Nancy Vohl): Thank you.

To answer Ms. Khalid, invitations were sent over the last week to CSIS, the Centre for Cyber Security and to the rapid response mechanism from GAC. Only one of them emailed me and tried to call me during the meeting, so I don't know what the answer is. The two others, CSIS and the Centre for Cyber Security, said that they would not be available as early as Wednesday, and that they would be available only the week after.

Ms. Iqra Khalid: Are they the only witnesses on our total witness list from all committee members?

The Chair: No, they're not, but we were trying to—

Ms. Iqra Khalid: That's exactly what I don't understand, Chair. I have been waiting and waiting, and I have been put on the back burner, and Canadians have been put on the back burner on this very, very important issue, and I get told that these two people we invited weren't available at this time, so we're going to mess around with important committee time just to....

I don't even understand what it is that we're trying to achieve here. I had a commitment from you, Chair, personally, on the record, and from members on this whole committee on the record that this is a priority. It's a priority for this committee; it's a priority for Canadians, and it's a priority for kids in my riding who are committing suicide regularly because of what is happening with social media on a daily basis. I'm just not understanding why you're obstructing this, Chair. I don't think you are, but I want to know why you are.

The Chair: I am certainly not obstructing this study. We heard from the committee clerk that invitations were sent out. Those invitations were prioritized, and the response that we got back, in some cases this morning after the invitation was put out last week, was that they were not available and that they would be available only in the middle or at the end of November, so I'm not obstructing anything. I'm going only by what the witnesses are telling us after the invitations have been sent out. We're trying.

Ms. Iqra Khalid: Chair, respectfully, it's been a long, long time that we've been trying to get this done. If it's okay with you, Chair, I'd love to see a list of all the witnesses the whole committee has proposed, who has been invited and what that schedule looks like right now, because at this point in time I don't think the witnesses are at fault.

I think we need to do better as a committee to ensure that we are doing the work that Canadians expect us to do, rather than having committees like the one we had today and just having a subcommittee meeting in the second hour when we could have spent a whole hour listening to experts on what these issues are, Chair.

The Chair: Okay. Thank you.

I just want to confirm this.

Madame Fortier, did you have the witness list, and did you share that with Ms. Khalid? It was distributed.

Hon. Mona Fortier: I had the witness list, but not who has been invited. I don't know who's been invited.

Ms. Iqra Khalid: Exactly. We don't know who has been invited.

The Chair: Okay.

Go ahead, Mr. Barrett.

Mr. Michael Barrett: Chair, I saw we had a subcommittee meeting scheduled for the second hour today. My understanding was that it was the request of Liberal members to have a subcommittee meeting.

Ms. Iqra Khalid: That's not true, Chair.

For the record, Mr. Barrett, that is not true.

Mr. Michael Barrett: Chair, if I'm going to be shouted down by Iqra—

The Chair: Let me clarify—

Ms. Iqra Khalid: Please correct the record, Mr. Barrett. That is not true.

Mr. Michael Barrett: She wanted to have a subcommittee meeting and said—

The Chair: Just hang on a second, Iqra—

Mr. Michael Barrett: She's grandstanding. She just said that we had a minister of the Crown here—

The Chair: Let me clarify—

Ms. Iqra Khalid: Mr. Chair, if there's anybody who knows what grandstanding looks like, it is that member right there.

Mr. Michael Barrett: We had a minister of the Crown here, and she said it was unimportant.

The Chair: There is a point of order.

Ms. Iqra Khalid: Talk to me about grandstanding, Mr. Barrett.

Tell me how we can go on a Facebook Live right now—

The Chair: I'm asking you to stop. Both of you stop, okay?

Ms. Iqra Khalid: Let's do it. Bring out your Facebook Live, Chair.

Mr. Michael Barrett: If you don't want to be held accountable for shutting down a meeting with the RCMP commissioner, Iqra, then you shouldn't do it.

The Chair: Mr. Barrett, I'm going to ask you to stop, please.

Ms. Khalid, I'm going to ask you to stop—

Mr. Michael Barrett: If you don't want to stand by your actions, then don't act that way.

The Chair: The motion Mr. Barrett is referring to is a motion that was passed last week to have a subcommittee meeting as soon as possible.

Given the circumstances of the extra hour that was available to us this afternoon, I'm fulfilling the committee's wish on that motion to have a subcommittee meeting. That's how this came up.

Mr. Michael Barrett: They did want a subcommittee meeting.

Ms. Iqra Khalid: No, that is absolutely incorrect.

Chair, I would hope you will correct the record for Mr. Barrett on this.

The Chair: Excuse me—

Ms. Iqra Khalid: This is absolutely false. I am sick and tired of the lies that these Conservatives are pushing forward in this committee every—

Mr. Michael Barrett: If you didn't want a subcommittee meeting, then let's not have a subcommittee meeting.

The Chair: Excuse me—

Ms. Iqra Khalid: There are no more lies from you, Mr. Barrett.

The Chair: I just explained the circumstances surrounding the subcommittee meeting, and those are the facts. Now—

Mr. Michael Barrett: Chair, if she's going to be yelling about people lying, which she just did—

The Chair: Mr. Barrett, I'm going to ask you to stop, please.

• (1655)

Mr. Michael Barrett: Chair, she just specifically said that I was lying.

The Chair: I'm asking both of you to stop.

Ms. Iqra Khalid: Mr. Barrett, just put out a Facebook Live, to put our lives and our—

The Chair: Okay, I'm going to suspend the meeting.

• (1655)

(Pause)

• (1700)

[Translation]

The Chair: We will resume.

Mr. Villemure, I believe you had a point of order.

Mr. René Villemure: Yes, Mr. Chair. Thank you very much.

I believe that points of order take precedence over discussions. When I raised my hand earlier, it was to signal that the interpreters couldn't follow the harangues that were being exchanged.

The Chair: All right. Thank you, Mr. Villemure.

[*English*]

Mr. Barrett.

Mr. Michael Barrett: This meeting has become completely unproductive. We had committee business scheduled to discuss the agenda of the committee.

If it can't be done productively and it's resulting in the kind of conduct we've seen from members on the Liberal side, I move to adjourn the meeting.

The Chair: We have a motion to adjourn the meeting. It's non-debatable. I'm going to see whether we have approval for that on a unanimous basis.

Mr. Masse, do you approve?

It's to adjourn and move to subcommittee. That's where we're going next.

Mr. Brian Masse: Yes, I'll agree with that. This is not functional.

[*Translation*]

The Chair: Mr. Villemure, do you agree? I see you do.

Ms. Fortier, do you agree?

Hon. Mona Fortier: Yes, I agree that we should meet in subcommittee.

The Chair: All right, thank you.

[*English*]

This meeting is adjourned.

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