

FINA Committee Opening Statement

Good afternoon / Bon après midi.

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

Thank you, Mr. Chair and to the rest of the Committee. We've been looking forward to the opportunity to speak with you today.

Au cours des dernières semaines, notre équipe a répondu à des milliers de questions des médias. Nous avons publié des dizaines de documents en ligne, y compris une version annotée de l'accord de contribution de la Bourse canadienne pour le bénévolat étudiant, et des informations sur les programmes, les opérations et les finances de UNIS. En cours de route, nous avons annoncé que des experts supplémentaires effectueront des analyses de nos systèmes, dans le but de rationaliser notre structure organisationnelle, d'améliorer encore notre gouvernance et de concentrer nos efforts pour aider les enfants les plus vulnérables du monde entier.

[PAUSE]

25 years ago we started WE Charity as teenagers because we believed that young people had much to offer through service. And we still do.

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

WE Charity sought to reverse this trend by launching WE Schools, active in 7000 Canadian schools, to educate and inspire young people to learn about causes, volunteer for the first time in their lives, and fundraise to make an impact for thousands of charities. Through WE Day, over one million youth earned their free ticket through 70 million hours of service.

Youth joined with us to build 1,500 schools and classrooms in developing countries, educating over 200,000 kids, and clean water and medical programs reaching a million beneficiaries.

[PAUSE]

We launched ME to WE Social Enterprise because traditional models of charity are too limited in Canada. Its purpose is to help end poverty overseas. We create empowering jobs and bring to market Fairtrade and socially-conscious products helping mostly women entrepreneurs.

Although its purpose was never simply profit, since its founding in 2008, 100% of profits from ME to WE Social Enterprise have been donated to WE Charity or reinvested to grow the social mission – every single penny.

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

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

[PAUSE]

WE Charity is a non-partisan organization. We have worked with federal and provincial governments of every party across Canada.

We have welcomed politicians of all stripes to the WE Day stage, including Conservative MP Mike Lake and then-NDP premier Rachel Notley. We are grateful to the previous government that Laureen Harper hosted the WE Day after-reception at 24 Sussex.

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

[PAUSE]

WE Charity agreed to implement the Canada Student Service Grant not to be helped by government, but to help government – and to help young people across Canada.

This program was developed in the midst of a global pandemic, when governments and the private sector were scrambling.

Some have suggested that WE Charity was in dire financial straits prior to the CSSG and that somehow motivated our actions. It simply isn’t true. Because, like many Canadian non-profits and businesses, we had already taken difficult actions to adjust staff numbers and pivot our programs to the new realities of COVID. My comment about those time is not false bravado. As we see the organization today, the fall-out now from this political process has resulted in serious challenges that risk the entire organization and 25-years of work.

[PAUSE]

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

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

[PAUSE]

Now, to the contribution agreement itself.

As per the contribution agreement, WE Charity would only be reimbursed its costs to build and administer the program. To be clear, there was no financial benefit for the charity. WE Charity would not have received any financial gain from the CSSG program and it is incorrect to say otherwise. The contribution-agreement had proper oversight built in, 13 references to audit, and taxpayers were protected.

Our team worked incredibly hard to build and launch the CSSG as a national, bilingual service program. The results were evident within the first week: 35,000 youth applications from every province and territory, 83 not-for-profit coalition partners, 24,000 and increasing service roles. But the program quickly got pulled into politics. We handed the built systems, technology, even the call center, to the public service hoping to save the program. We declined any reimbursement for our costs.

We thought that our actions would enable the program's survival. We are deeply saddened that did not happen. We also regret that the fall-out has created hardship for our staff, our partners and the communities that we serve.

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

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

We respect this process, that the people of Canada have the right to know how this contract came about, and what the value for money would have been. We hope that as soon as it concludes, all of us - non profits, government, and all Canadians - can get back to helping the students of Canada get the support they need to get through this time of national crisis.

Mr. Chair, we are ready for questions.

[PAUSE]

Thank you.