

Independent Review  
(Final Report)

WE Charity Canada  
and  
Canada Student Service Grant

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## Final Report

1. This report is an independent review of government documents, emails and other relevant material comprising of more than 5000 pages released by federal government departments to the House of Commons Standing Committee on Finance, as well more than 364 documents that WE Charity intends to provide to the Standing Committee on Finance in satisfaction of prior undertakings. These documents pertain to the government's request that WE Charity Canada develop and administer a national service program as part of the Government of Canada's COVID-19 support measures for students and youth. This is a summary of my review and findings regarding WE Charity Canada and its senior leaders' engagement with government officials. This report was commissioned by the Stillman Foundation, a US-based foundation seeking to better understand Canadian events regarding WE Charity.

### Engagement and Conclusions

You have asked me to address whether each of the following statements can be confirmed. The statements and my conclusions are as follows:

- A. The Government of Canada, not WE Charity, first proposed that WE Charity might be suitable to administer the Canada Student Services Grant. **Confirmed**
- B. The Government of Canada considered other organizations and entities that might be capable of administering the Canada Student Services Grant. **Confirmed**
- C. The Government did not predetermine and, in particular, the Prime Minister's Office did not predetermine, that WE Charity would be selected to administer the Canada Student Services Grant. **Confirmed**

### 2. Findings from the Review

This report is an independent review of government documents, emails and other relevant material regarding the Government of Canada's Student Service Grant, in response to providing COVID-19 support measures for students and youth. The record of material that I received and considered in producing this report consists of more than 5,000 pages of emails, documents, and other relevant material released by federal government departments to the House of Commons Standing Committee on Finance, as well more 364 documents that WE Charity provided to the Standing Committee on Finance in satisfaction of prior undertakings. My review also considered for

consistency the comments and testimony from various individuals to the Standing Committee on Finance in July 2020. The circumstances of the COVID-19 pandemic placed an unprecedented requirement on all governments to act quickly and decisively as they developed their public policy response. The synchronization of political and public service architecture during the COVID-19 pandemic might best be characterized as ‘government at the speed of crisis’.

The following are the key findings based on my review of the record of material:

- On April 5<sup>th</sup> 2020, Finance Minister Bill Morneau and Prime Minister Justin Trudeau spoke over the phone about how to assist students whose summer job opportunities were disappearing due to the COVID-19 pandemic. Minister Morneau said that he then tasked officials with engaging across government to consider options for student support services.
- On Monday April 6<sup>th</sup>, 2020 during a daily news conference, Prime Minister Trudeau made reference to a future announcement regarding additional supports for students.
- The same day, Minister Morneau tasked his departmental officials and ministerial team to begin engaging across government and to brainstorm different options to support students. His office, the Department of Finance, and other government departments began to reach out to youth organizations to get a better sense of the challenges that the young people they served were facing.
- On April 7<sup>th</sup>, 2020, WE Charity was one of at least a dozen organizations that were contacted as part of the engagement effort directed by Minister Morneau.
- On April 8<sup>th</sup> and 9<sup>th</sup>, 2020, Minister Morneau had his initial briefing on the potential streams of support for young people, including a potential grant program for students looking to gain experience over the summer.

On Friday, April 17<sup>th</sup>, 2020, WE Charity held a phone call with Minister of Diversity, Inclusion and Youth Bardish Chagger to discuss an unrelated project (see end of this section on the separate Youth Social Entrepreneurship Proposal).

- A decision note for the Minister of Finance dated April 17<sup>th</sup>, 2020, prepared by the public service, recommended a package of COVID-19 support measures for post-secondary students. It introduced the concept of a grant for students who volunteer or provide service. This concept would eventually become the Canada Student Service Grant. Annex 4 to the decision note stated “Implementation of this option would be challenging...” and that “selection of a delivery agent (federal, provincial, institutional or third party) would depend

on their ability to launch the application process and verify information.” The ‘decision meeting’ with Minister Morneau took place on Saturday April 18<sup>th</sup>, 2020.

- Following the meeting, staff from the office of the Minister of Finance and public service staff from the Ministry of Finance and the Department of Employment and Social Development discussed Minister Morneau’s direction. Minister Morneau requested Shopify be considered as a third-party administrator of the proposed Canadian Student Experience Grant (eventually renamed the Canadian Student Service Grant).
- Discussions between the Minister’s office and the public service on April 18<sup>th</sup> confirmed the CEO of Shopify would be contacted to be asked about their willingness to be the third-party administrator of the Grant. Records demonstrate that before the Shopify CEO was contacted, Assistant Deputy Minister of Finance, Michelle Kovacevic emailed the Finance Minister’s office staff to say that she was on the phone with her colleagues at the Department of Employment and Social Development and asked that they hold on contacting Shopify because “we may have a better way.”
- On Sunday April 19<sup>th</sup>, 2020 Senior Deputy Minister of Skills and Employment, Rachel Wernick contacted Craig Kielburger and asked for a call to discuss a potential initiative that might be of interest to WE Charity: “I am sorry for the “out of the blue” email on a Sunday morning. As you know there is a lot of quick work going on to support emergency and special measures in the current context. I wondered if you would have a bit of time today to indulge me in a conversation on something we are working on that might of interest to WE.” The Skills and Employment Branch falls under the Department of Employment and Social Development Canada.
- Between Sunday April 19<sup>th</sup>, 2020 and Tuesday April 21<sup>st</sup>, 2020, WE Charity was contacted by both sides of government, the public service and the Minister’s staff in the Department of Finance, in an effort to help scope a Canada Student Service Grant and the potential of WE Charity assisting in its implementation.
- On April 20<sup>th</sup>, 2020, Michelle Kovacevic, Assistant Deputy Minister, Department of Finance, provided an updated note to the Privy Council Office on the proposed student service program. Annex 4 specifically said that “given the interest in rolling this out quickly... third party delivery is likely the best option.” That Annex mentioned both Shopify and WE Charity as program administrators.

- WE Charity submitted a proposal on April 21<sup>st</sup>, 2020 containing two programs: The first was a student service program, that is, the proposal requested by Rachel Wernick and the Finance Minister’s office, and originally suggested by Minister Chagger. The other was an unrelated Youth Social Entrepreneurship Program, discussed at the end of this section. The student service program became the Canada Student Service Grant.
- On Wednesday April 22<sup>nd</sup>, 2020 Prime Minister Trudeau announced \$9 billion in support for students including the creation of a Student Service Grant, the details of which to be worked out following further analysis by the public service.
- In addition to Shopify, testimony from Assistant Deputy Minister of Finance Michelle Kovacevic confirmed additional third-party providers were also considered, including Ceridian, Imagine Canada, Volunteer Canada, the Canadian Red Cross, and the United Way.
- The government-run ‘I Want To Help’ platform was also considered.
- On April 27<sup>th</sup>, 2020, Marilla McCargar of Youth Minister Chagger’s Office requested a briefing note on third party organizations under consideration as administrator of the Student Service Grant. This briefing note included several options for an external, not-for-profit organization to administer the program, including WE Charity, Do Some Good, and the Rideau Hall Foundation.
- On April 30<sup>th</sup>, 2020, a draft Cabinet submission stated: “various third party options are being considered” to administer the Student Service Grant, but there were “few organizations who are able to perform all three functions or have the necessary expertise.”
- By May 8<sup>th</sup>, 2020, the date of the full Cabinet meeting where the Student Service Grant was to be considered, Minister Chagger’s department had settled on a third-party administrator. Notes prepared by the department for Minister Chagger’s May 8<sup>th</sup> Cabinet meeting stated: “WE Charities [sic] has been identified by ESDC as the third-party organization to deliver the Canada Student Service Grant... ESD has flagged, however, that the likelihood of implementing this measure without WE Charities is very low as the department does not possess the capacity to undertake this work at this time”
- The process for Cabinet approval for the Canada Student Service Grant, that included the recommendation for WE Charity to administer the program, endured a number of delays at the request of the Prime Minister’s Office. Email exchanges between Marilla McCargar and ESDC officials indicate that the item was pulled from the May 8<sup>th</sup> Cabinet meeting because

of Prime Minister's Office concerns. After a vetting of risks and mitigation the final proposal went to Cabinet for approval on Friday May 22<sup>nd</sup>, 2020.

- Documented reasons for the delay included the Prime Minister's Office and Cabinet due diligence on an over reliance on WE Charity and its capacity to administer the Grant. A redacted email released to the Finance Committee shows that as late as May 14<sup>th</sup>, 2020, the Prime Minister's Office "would need to brief against the proposal as is and wants more work around how to engage the 12 Canada Service Corp organizations" as opposed to just having WE Charity administer the program.
- After the May 22<sup>nd</sup> Cabinet meeting, the Prime Minister's Office wanted further due diligence on the role of WE Charity. I reviewed notes from a May 26<sup>th</sup> internal call among the Privy Council Office, Prime Minister's Office, Department of Finance and ESDC indicating that Rick Theis (Director of Policy, Prime Minister's Office) wanted to do due diligence on the program prior to briefing Prime Minister Trudeau on the matter. Participants on the call scrutinized the delivery mechanism, asking what WE Charity would be doing that the Government of Canada was unable to do itself. A participant on the call stated that ESDC did not have expertise in developing programming related service and volunteerism (as opposed to employment), that WE Charity was better positioned to engage and follow through with youth, and that a third party was needed to disperse the grant.
- On June 23<sup>rd</sup>, 2020, a Privy Council Office document shows that PCO received the Prime Minister's Return on policy and funding authority for the Canada Student Service Grant initiative.

### *The Separate and Unrelated Youth Social Entrepreneurship Proposal*

In addition to the Canada Student Service Grant program, an initiative conceived of by the government (not WE Charity), WE Charity and the government were also discussing throughout April an unrelated project which was introduced by the title, "Closing the COVID 19 Opportunity Gap for Young People through Social Entrepreneurship." This Youth Social Entrepreneurship proposal was subsequently recommended by the Finance Minister but rejected by the Prime Minister. Unlike the Canada Student Service Grant, a government-proposed program, the Youth Social Entrepreneurship proposal was conceived by WE Charity.

The two projects were substantially different. The Canada Student Service Grant was approved. It was conceived by government, targeted students to involve them in service activities, and was to operate during summer, at an initial cost estimate of \$500 million. The Youth Social Entrepreneurship proposal got rejected. It was conceived by WE Charity, targeted youth not in school to help them launch small businesses, and was to operate year-long, at an initial cost estimate of \$6-14 million.

The following are the key findings related to the Youth Social Entrepreneurship proposal:

- Shortly after the election in October 2019, WE Charity Canada co-founder Craig Kielburger began corresponding with Minister of Small Business, Export Promotion and International Trade, Mary Ng and after a number of cancellations an initial phone meeting was scheduled for April 7<sup>th</sup>, 2020. The meeting was used to update the Minister about various WE Charity initiatives. This minister's portfolio falls within the Department of Global Affairs.
- On the Tuesday April 7<sup>th</sup>, 2020 phone meeting, Craig Kielburger and representatives from WE Charity provided a slide deck to Minister Ng that contained a high-level overview of WE Charity initiatives including the youth entrepreneurship program, and how WE Schools adapted to the COVID-19 pandemic by developing and implementing a variety of digital programming. The slide deck did not make any reference to a service program.
- During the meeting on April 7<sup>th</sup>, 2020 Minister Ng recommended WE Charity submit a proposal to government on how they could scale their current youth entrepreneurship program to help youth mitigate the economic impacts of the COVID-19 pandemic.
- Concurrently, on April 7<sup>th</sup>, 2020, Amitpal Singh, Policy Advisor for Minister of Finance Bill Morneau reached out to WE Charity government relations lead Sofia Marquez to seek out WE Charity's thoughts on how youth could be supported during the COVID-19 pandemic. WE Charity was one of 12 stakeholders whose advice was sought by staff in the office of the Minister of Finance.
- On Thursday April 9<sup>th</sup>, 2020 Craig Kielburger emailed a Concept Paper to Minister Ng that outlined a 12-month Social Entrepreneurship proposal, as suggested by Minister Ng.
- On Friday April 10<sup>th</sup>, 2020 Craig Kielburger emailed the Concept Paper to Minister of Finance, Bill Morneau, and Minister of Diversity, Inclusion and Youth, Bardish Chagger, clearly noting the proposal was in response to Minister Ng's suggestion.

- Minister Chagger’s office arranged for a meeting and met with Craig Kielburger and his team on Friday April 17<sup>th</sup>, 2020 to discuss the Concept Paper. As mentioned above, during the meeting Minister Chagger suggested generally that WE Charity consider a way to include summer service for young people in their proposal.

### **3. Methodology**

In conducting this review, I applied my experience as a Deputy Minister, where I led the development of public policy on a wide range of initiatives, and a thorough understanding of government processes. My assessment included a detailed examination of government documents, emails and other relevant material regarding the Government of Canada’s Student Service Grant, in response to providing COVID-19 support measures for students and youth. The record of material that I received and considered in producing this report consists of over 5,000 pages of emails, documents, and other relevant material released by federal government departments to the Standing Committee on Finance, as well as 364 documents that WE Charity intends to provide to the Standing Committee on Finance in satisfaction of prior undertakings. I also examined the documents for their relevance to timelines, which my report demonstrates are important to consider in understanding how the Government of Canada came to identify and select WE Charity as the government's third-party delivery partner for the CSSG. Finally, I compared the documents I was given to committee testimony, in part as a cross-check in the accuracy of the latter. WE Charity Canada responded candidly and fully to all the questions I asked and provided clarification and additional information where requested.

### **4. Qualifications**

The pace of public policy development in governments at every level can be at once methodical and equally rapid. The machinery of the public service must adjust and respond to the changing nature of political directions while maintaining the integrity of government processes. My lens of assessment for this review includes a formal knowledge of government acquired through a Master of Public Administration degree, tenure as a Deputy Minister leading significant public policy development, and a 29-year career in policing that includes leading complex investigations and reviews.

My relevant experience is as follows:

- Worked in policing for 29 years, which included amongst other assignments, conducting undercover, homicide, and criminal investigations
- Served as Chief of Police for the Waterloo Regional Police Service from 2007 to 2014
- Appointed Deputy Solicitor General for the province of Ontario, overseeing policing, the provincial police, private investigators, the police college, provincial security, the death investigation system including forensic pathology, and correctional services. In this role I was assigned as executive steward for rewriting the *Police Act*, including the establishment of Ontario's first Serious Fraud Office and the first Inspector General for policing
- Currently engaged as a Distinguished Fellow in the Global Justice Lab at the Munk School of Global Affairs and Public Policy working on police and justice reform with police services and governments in Europe, Africa, North and South America, and the Caribbean; designated as a policing expert by the International Association of Chiefs of Police; strategic advisor for a global police technology company; and as an independent advisor for reviews such as this
- Bachelor of Arts (Political Science) degree from Wilfrid Laurier University
- Master of Public Administration degree from Western University
- Graduate of the FBI National Academy and the FBI National Executive Institute
- Invested as an Officer of the Order of Merit of Police Forces by Canada's Governor General