



House of Commons  
CANADA

**Subcommittee on Human Rights and  
International Development of the Standing  
Committee on Foreign Affairs and International  
Trade**

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SDEV • NUMBER 014 • 1st SESSION • 38th PARLIAMENT

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EVIDENCE

**Wednesday, April 13, 2005**

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**Chair**

**The Honourable David Kilgour**

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## Subcommittee on Human Rights and International Development of the Standing Committee on Foreign Affairs and International Trade

Wednesday, April 13, 2005

• (1625)

[English]

**The Clerk of the Committee:** Honourable members, it's my duty to inform you that the Honourable David Kilgour is no longer a member of this committee. As such, its first order of business is to elect a new chair of the subcommittee, and I'm prepared to take nominations.

Mr. Menzies.

**Mr. Ted Menzies (Macleod, CPC):** I would like to nominate Stockwell Day.

[Translation]

**Ms. Diane Bourgeois (Terrebonne—Blainville, BQ):** May I move another motion? I'd like to nominate Mr. Bains.

**The Clerk:** Ms. Bourgeois moves that Mr. Bains be elected Chair of the Committee.

[English]

**Mr. Wajid Khan (Mississauga—Streetsville):** I'd like to second Mr. Bains.

**The Clerk:** Thank you, Mr. Khan.

Are there any other nominations?

We will now proceed to taking the vote by secret ballot. My colleague, Jim Latimer, who is also a procedural clerk, will assist me in this. We will pass out the ballots. I'll show you that the ballot box is indeed empty. We will pass the ballots out.

After counting the ballots, we have a new chair of the subcommittee.

I'll ask Mr. Bains to please come forward.

**Some hon. members:** Hear, hear!

**Mr. Stockwell Day (Okanagan—Coquihalla, CPC):** Mr. Chairman, could I ask for unanimous consent on approval of a motion of thanks to Mr. Kilgour for the very good job he did as chair of this committee and in representing the concerns of Canadians and also many groups around the world?

**Hon. Ed Broadbent (Ottawa Centre, NDP):** And wish him well in the future, at the same time, whatever it may be.

**The Chair (Mr. Navdeep Bains (Mississauga—Brampton South, Lib.)):** Do we have unanimous consent?

**Some hon. members:** Agreed.

**The Chair:** Rightfully deserved.

I just want to take this opportunity as well to echo the sentiments raised by Mr. Day and thank Mr. Kilgour for all his hard work. It's much appreciated, and he needs to be commended for what he has done for the cause of human rights. So thank you very much.

There are some visiting parliamentarians here with us. I'm pleased to draw your attention to the presence today of a parliamentary delegation from central Europe. The group consists of 15 members from five countries and is visiting Canada in order to generate increased political support for the official development assistance program in participating partner countries.

I'd like you to welcome the members of the delegation. Please rise.

**Some hon. members:** Hear, hear!

• (1630)

**The Chair:** I'd like to indicate that today is a unique situation. We're starting a bit late, unfortunately. The time right now is 4:30. I would like to urge the witnesses to possibly keep their remarks within a five-to-seven-minute period so that within a half-hour period we can hear all the witnesses and then have an opportunity for the members here to ask questions, if that's okay with them. I'd like to bring that to your attention.

We do apologize. There were votes in the House of Commons that prompted this delay.

In terms of order, first we have Ms. Eva Morrison, member of the board of directors, Ontario Council for International Cooperation.

**Ms. Cherie Klassen (Executive Director, Alberta Council for Global Cooperation):** Would you mind if I spoke first, please, Mr. Chair?

**The Chair:** I have no objection. That's fine.

You can start. Thank you.

**Ms. Cherie Klassen:** Thank you for allowing us to speak to you today.

My name is Cherie Klassen. I'm with the Alberta Council for Global Cooperation. We are a coalition of 46 international development NGOs, as well as social justice organizations, based in Alberta.

On February 22, without warning or consultation, CIDA indefinitely suspended funding to all the Canadian NGOs that work with CIDA's NGO project facility fund and the environmental and sustainable development program. They indicated the reason was an ongoing evaluative process. Our belief, however, is that this evaluation was actually the first step in a plan to terminate these funding mechanisms.

Initial inquiries substantiated this idea; however, after a meeting yesterday with both Minister Carroll and the CIDA Canadian partnership branch directors, we were repeatedly reassured this was only an evaluative process and funding would continue, although the mechanism may be changed. We believe this change in position was only due to the widespread mobilization of Canadians lobbying against cuts to this important fund. While Minister Carroll's reassurances were welcome news, we still did not come away from our meeting yesterday with any indication of when and how this mechanism would be reinstated, nor did we receive any answer on how much would be allocated to continue the international development activities of the affected NGOs.

It is imperative that this partnership with CIDA and the affected NGOs not be discarded, as these NGOs are one of the few major ways that Canadians have an opportunity to truly participate in Canadian foreign aid programming, especially those who are not able to work abroad. Thousands of Canadians concerned with global poverty work tirelessly as volunteers by serving on boards of directors and as committee members of these NGOs; they organize fundraising efforts and promote international cooperation to other Canadians through public campaigns, activities, and educational events.

Internationally, these organizations work in citizen-to-citizen partnerships in true solidarity with the poor. They raise the profile of Canada by promoting locally owned development that allows for the participation of the poor according to their own needs and priorities, while being in line with the UN millennium development goals and CIDA priorities. While this evaluation is occurring, it is of utmost importance that the affected NGOs be fully engaged in the evaluative process, and we want the suspension of funding to end. We also stress the importance of this new mechanism being implemented in a timely way, as it is ultimately our southern partners who are most harmed by this process.

We'd like to stress that it is critical for a mechanism to be created that allows for these NGOs to continue and to further their activities in international development. This entails an independent funding mechanism that is not subsumed into other competitions with other sectors. This means the mechanism must be fair, with transparent criteria that do not arbitrarily place some NGOs into project funding, while others land in program funding. Paul will speak further to that issue.

Thank you very much for your time.

**The Chair:** Thank you very much.

Who would like to speak next?

**Ms. Eva Morrison (Member, Board of Directors, Ontario Council for International Cooperation):** I'll speak next.

Hello. My name is Eva Morrison. I am here representing the Ontario Council for International Cooperation. I sit as a volunteer on the board of directors of the OCIC.

On behalf of Ontario NGOs and the OCIC, I'd like to thank you for taking the time to meet with us today. The announcement made regarding CIDA's project facility funds in February by Minister Carroll has had an enormous effect on the NGO sector, and on Ontario NGOs in particular. Of the 128 organizations funded, 57 are from Ontario; that's 45%. Thus far, we've heard back from a number of OCIC members that have been gravely affected by the funding cuts, including Street Kids International, Canadian Friends Service Committee, Horizons of Friendship, Compassion Canada, SalvAide, and Canadian Feed the Children, just to name a few. These NGOs are efficient and effective and offer an expertise that is necessary when addressing the complexities of development work, as you know. We've been shocked that during an evaluation of the projects, the funding has been frozen. This naturally has an adverse effect, and often fatal, on the funds from donors and therefore on the entire projects, and in some cases the entire organization.

As an example, Street Kids International is an NGO that has been running successful programs around the world for over 17 years. CIDA has supported many of these projects, centred on youth reproductive health and sustainable livelihood. As a direct result of the funding freeze, it will need to shut down all its existing programs in Africa, as the CIDA funds are the trigger for all their leveraged fundraising with other donors. They are also in the process of laying off staff, even though they've reduced the funding from CIDA to 25% of their project budget. This is another direct effect of the abrupt shortfall of the project facility funding.

A number of other members have reiterated that the funding suspension has jeopardized their funding from other donors. However, these members have also noted that it's primarily the abrupt change in funding that has caused large and, as I said, often fatal program cuts in these organizations. The bottom line is that it's unfair to suspend funds during an evaluation without consultation.

The second main point I'd like to communicate on behalf of the OCIC concerns the NGO roles in public engagement. The Canadian public are involved with international development work primarily and visibly through NGOs. A common sentiment among NGOs is that CIDA is now focused on multilateral aid. Canadian NGOs are CIDA's strongest link to the citizens. In yesterday's press release, Minister Carroll states that in Canada, Canadian non-governmental organizations educate and engage Canadians on the challenges and opportunities of international development, which is fantastic. But we must continue to recognize the work of small NGOs and civil society organizations as a critical public engagement support, often on a regional or smaller local scale. The work is done through or with the major support of project facility funding.

Public engagement is one of the four pillars of the Canada Corps funding, the guidelines for which were released yesterday, and there are opportunities here for NGOs to be funded for public engagement projects. But we are concerned about the increased level of competition for this funding. Overall, our main concerns echo those of NGOs across the country. We urge you to think about the project facility funding, in order that Canadian citizens can have access to and become engaged in international development locally; to support Canadians working in international development; and finally, to uphold a fair and transparent system between the government and Canadian civil society and to lead by example on a global scale. Thank you.

•(1635)

**Mr. Sheldon Gilmer (Representative, Help the Aged):** Chairperson, honourable members of the subcommittee, fellow NGOs, and guests, thank you for giving us this opportunity to speak today and to share our thoughts.

My name is Sheldon Gilmer, and I'm manager of international programs for an Ottawa-based NGO called Help the Aged.

Our initial reaction to the February CIDA announcement of the suspension of NPF funding was shock and disappointment. This was an uncharacteristic and drastic move by CIDA, without forewarning, and it will negatively impact many NGOs such as us. More importantly, without the continuance of NPF funding, tens of thousands of beneficiaries within the outreach sphere of our southern partners will not have the opportunity to develop and overcome the obstacles that prevent them from achieving a basic quality of life.

Currently, our partner in Kenya is desperately waiting for NPF funding to assist with a home-based care program for HIV/AIDS victims, their elderly caregivers, and orphaned grandchildren. Our partners need NPF funding reinstated.

Canadian NGOs have a history of delivering good results, as noted in the conclusion of a 2000 review of the NPF, which stated that overall NPF was performing well and achieving good results. Smaller NGOs are known for their ability to maximize and leverage funds to ensure the maximum amount reaches the field. To restate an old joke, how was copper wire invented? The answer would be, by two NGOs fighting over a penny.

We often travel on less than \$30 a day, including accommodation and meals. We often use volunteer professionals and support staff to accomplish partner objectives. We almost always double or triple the value of the CIDA NPF contributions through cash and in-kind donations. Smaller NGOs bring value.

Smaller NGOs are highly accountable and maintain transparency and close personal relationships. Contact with the southern partner ensures honesty and accountability. Often the southern partners have no other opportunity to secure support and resources for their valuable work.

Canadian NGOs provide opportunity for thousands of Canadians to become aware of and engage in the development process. In our post-modern world, Canadians don't want to sit back and watch; they want to be directly involved. An example of this is a Canadian dental team currently in Ghana assisting our partner, Project Reach Out.

This is the face of Canada that is so respected around the world. Multilateral funding mechanisms cannot represent Canadian values to our southern partners in as personal and meaningful a way as do the many dedicated Canadian smaller NGOs.

Smaller NGOs are often able to fill a niche not serviced by other groups. They are the boutiques in a world of big box stores. As an example, there are no other Canadian NGOs solely dedicated to the specific needs of older adults in developing countries, as is Help the Aged.

As well, NGOs fill geographical gaps, such as through our partnership in northern Democratic Republic of Congo. This area is remote and has been basically abandoned by almost all aid agencies. With NPF funding, we are able to bring hope and realistic change to this war-devastated area. I have the pleasure of hearing what people from this area feel about Canadians, and I can assure you that this is the ultimate sponsorship program for promoting Canadians.

Let me give you case examples of how NPF funding brings innovative results in India and Ghana.

In terms of sustainability, in Ghana an NPF project assisted our partner in building and commissioning a clinic that is really a small hospital. The goal was to provide access to health care for 30,000 people and make the clinic self-sustaining. The result? After six months of operation, the clinic reached financial self-sustainability.

Turning to cooperation with host country policies and priorities, in Ghana our partner works in direct partnership with the Ministry of Health to deliver health care to areas not serviced. Again we work in direct partnership with the forestry department and agri-forestry, to the point of sharing a forestry officer and even supporting the department in the production of tree seedlings.

In terms of strengthening capacity, our partner in Kakinada, India, has, through NPF funding, built an incredible, successful eye camp. They do 3,500 cataract operations per year at \$35 each, and they were recently featured on a one-hour CBC Newsworld feature.

Let me put a human face on what NPF funding means to people like Kuzanbuli in Kakinada, India. After his cataract operation he stated, "I am seeing so well, that is why I am smiling." Kuzanbuli is a farmer and is again a productive member of his community and able to support his family.

Or take Bertha in Ghana, who was ostracized for being a witch and was grateful to an NPF-funded advocacy program for convincing her neighbours that she was not a witch. Bertha's human rights have been restored, and she can now live in dignity.

Or take Jean-Paul in Haiti, who can now walk again, thanks to an NPF-funded prosthetics program.

Canadians, with NPF support, are making a huge difference in our world. NPF funding allows Help the Aged the ability to impact our world in a positive way. It leverages our capacity.

● (1640)

Let me conclude by making the following recommendations.

One, our southern partners desperately need NPF funding. Remove the suspension.

Two, we need an open, fair, and transparent system for accessing CIDA funding. While changes may be needed to NPF, they should be phased in and implemented in full consultation with the NGO community.

Three, make small NGOs part of the solution. They have incredible capacity and the potential for more. Support small NGOs and increase the funding to qualified NGOs. No other mechanism leverages funds like the small NGOs do through the NPF.

Thank you.

**The Chair:** Thank you very much.

Mr. Carrick.

[*Translation*]

**Mr. Paul Carrick (Founder and Director of Special Projects, Cause Canada):** Thank you. It's a privilege for me to speak to you this afternoon. I am the founder of CAUSE Canada, an Alberta-based NGO that has been working in partnership with CIDA for over 20 years.

Every one of the projects that we have carried out of the past two decades has been financed in part by the Canadian government. With the help of this partnership, we have planted over two million trees in Central America, vaccinated over 300,000 children in Africa, built potable water systems in a number of developing countries and carried out many other very important initiatives.

● (1645)

[*English*]

As the founder of a Canadian NGO, I'm very passionate about CIDA's funding. I'm very passionate about the partnership that we as a community have enjoyed with CIDA.

Before I criticize recent policy decisions, I would actually like to speak very favourably of CIDA and the Government of Canada. As a Canadian foreign aid worker, I have worked in conflict zones throughout Central America and Africa. I have implemented Canadian-funded programs in the midst of war. I have risked my life as a Canadian foreign aid worker in Guatemala, in El Salvador, in Liberia, and recently in Sierra Leone. Canada played a huge role in winning the peace in Sierra Leone.

One of the most innovative and best funding mechanisms within CIDA has been the unit on peace building, which has spoken bravely about the role that Canadians can play in fostering a spirit of reconciliation in a post-war environment. They've also spoken out very passionately on land mines and their proliferation.

Our time is short. We are here because the project facility fund was recently suspended. We mobilized as a community because we saw it as unjust and completely inequitable, and we saw or received no promises that the fund would be reinstated quickly.

We now want a broad conversation that reviews CIDA funding mechanisms for all NGOs. We are asking for a transparent, equitable, and fair vehicle by which NGOs can be financed across this country.

During the conversation period of this afternoon, we will talk about the differences between program funding and project funding. We want greater coherence, we want it to be more equitable, and we would like it to be peer reviewed.

Before I close, I will talk about recent trends.

In recent policy statements, CIDA seems to be moving in a direction that's quite threatening to the Canadian civil society community. I refer to a policy statement, "Strengthening Canadian Aid Effectiveness". They want to run more Canadian moneys multilaterally through the UN system. This is not in and of itself a bad thing.

They would also like to directly fund, Canada to a recipient third world country, as a means of rewarding a third world country for manifesting human rights policies that are enlightened, good governance issues, etc. This is also fine, but moving in this direction will mean less money to Canadian civil society organizations, which have the very best people working with civil society organizations in the south. Civil society groups in the south help to keep governments accountable and help to work with marginalized and highly poor people in remote regions. We as a community are very good at this.

These are some of the trends, and one specific issue, that have mobilized us to come here today with a unified voice and ask for a review of recent policy decisions.

Ladies and gentlemen, I thank you for your time.

**The Chair:** Thank you very much for your opening remarks. I appreciate the fact that you were respectful of the time.

I'd like to open it up to the members for questioning.

I think I'll start with Mr. Day.

**Mr. Stockwell Day:** Are we going with the usual 10-minute allotments?

● (1650)

**The Chair:** It will be seven minutes, give or take.

**Mr. Stockwell Day:** Given our 5:30 adjournment time, you're asking us to compress that.

**The Chair:** Correct.

**Mr. Stockwell Day:** I'm very concerned also about this direction. I specifically agree in principle with the government making sure that funding dollars are sent with some criteria related to good governance. I don't think anybody has a problem with that, as Mr. Carrick has already stated. But I'm very disturbed by the way this process has unfolded, and the way so many of our NGOs have literally been left twisting in the wind without advance warning or prior discussion.

You're asking that there be a transparent, equitable, and fair vehicle for which NGOs can be financed across the country—using your words. Do you have a degree of comfort from the minister that your request is going to be met, or are you coming here because you would like this committee to reinforce that concern through a motion or something else?

**Mr. Paul Carrick:** Yesterday afternoon we had a meeting with Minister Aileen Carroll, and we were very grateful for the meeting. The minister explained her position. She reminded us that the NGOs and civil society groups were very important. She took the time to listen to our concerns. She was surrounded by senior staff people.

When we specifically asked the minister for affirmation that our funding mechanism would be renewed, when that would happen, or how much money would be put back into the project facility pot, she did not give us a specific answer. However, after the meeting her junior staff assured us that we should be calm, this was under review, there might be a better funding mechanism available in the very near future, we should just sit tight, and things would improve. Those comments were represented in good faith by senior people, but we didn't get a specific timeline and money was not mentioned.

**The Chair:** Thank you, Mr. Day.

Madam Bourgeois.

[Translation]

**Ms. Diane Bourgeois:** Thank you, Mr. Chairman.

Ladies and gentlemen, thank you for coming here to talk to us about the problems that you are currently encountering. You can rest assured that my party and I view the work being done by NGOs as extremely important. My colleague Paddy and I have visited a number of countries and we've always taken time to tour projects sponsored by CIDA and NGOs. You play a very important role, not just in terms of ensuring a Canadian presence, but also in terms of helping people who are truly in need of assistance.

Exactly how did you find out that overnight, your grant had been eliminated?

Are you understanding me clearly? Mr. Chairman, it's noisy in here and I'm not sure that the witnesses understood my question clearly.

[English]

**The Chair:** Absolutely. Could you repeat that, please?

[Translation]

**Ms. Diane Bourgeois:** In your opinion, why was your funding cut off?

I'd also like to know what you think about Corps Canada.

Canada has yet to announce its foreign policy. Could that explain in part this kerfuffle over grants?

And finally, some Canadian groups have called for a bill that would ensure greater cohesion in terms of international aid and assistance to our NGOs. Do you feel this kind of legislative measure would have a beneficial effect? Would a motion be of any help to you today?

I didn't use up a lot of time. I'll let you answer now.

•(1655)

[English]

**Mr. Paul Carrick:** Forgive me, I don't need to answer all the questions here. You asked some very hard questions, by the way. Answering your questions will definitely get me into some hot water here. That's okay.

Why was it reviewed, and why was the funding pulled very quickly? Let me read you a quote. This is a review of the project facility fund that was conducted and paid for by CIDA in the year 2000. The review concluded, and I quote from the CIDA website:

Overall, the NPF is performing well, enjoys an excellent reputation amongst the NGOs funded and the NGO community, and is achieving good results.

That is the evaluation on this fund.

Now we have the fund suspended before a new evaluation is even concluded. It's a very good question: why was this funding suspended? I can't answer—I'm not in government—but I can guess. I think it has something to do with the expenditure review process. I believe there is a shell game going on with respect to how much Canada allocates to foreign aid. We give and we take.

The expenditure review process, I believe, required CIDA to pay back some \$40 million this fiscal year. The project facility fund was seen, I believe, to be a soft target. It was \$15 million. We can take this. It's not an organized group. They will not speak up. We can solve our problem here.

Your second question was on Canada Corps. Canada Corps is a new initiative that is confusing many of us. Why has it come into being? What will it do? Is it about youth? Is it about governance? Is it about sending expertise overseas? All of these activities existed within CIDA prior to the establishment of Canada Corps.

Canada Corps, within the second year, was originally to be a \$15 million program annually. Project facility was \$15 million. We wondered whether or not we were a target for making Canada Corps possible.

Why Canada Corps? Maybe I'll leave that question with you.

The foreign policy review has not been concluded, but we do have a policy statement that CIDA has published. It's called "A Policy Statement of Strengthening Canadian Aid Effectiveness". That policy suggests that Canada would like to, as I mentioned earlier, improve its effectiveness by financing larger programs, in fewer countries, with fewer small projects, with more money to the UN, and with more money going directly to recipient nations within the developing world. This is not, in and of itself, a bad thing, but from our perspective, it will compromise Canadian civil society's capacity to network and support the civil society organizations in the south.

I don't want to speak too much here, but I attempted to quickly answer your questions.

[Translation]

**Ms. Diane Bourgeois:** Thank you very much for being honest.

[English]

**The Chair:** Ms. Torsney, please.

**Hon. Paddy Torsney (Burlington, Lib.):** First of all, I think to be fair, some people suggested that things had been suspended, but in fact some of your projects, I think, would continue because some had come to an end, some were continuing over time, and it was really a question of not issuing the next call for proposals to fund the next round. Is that not correct?

**Mr. Sheldon Gilmer:** That's correct.

**Hon. Paddy Torsney:** I don't know about you, but when I'm reviewing something I don't usually continue to spend on something until I know this is where I'm going. So it seems fairly responsible to suspend the process of entering into commitments that are often, what, three, four years, in some cases? You would not commit that until you have the results of your evaluation. Is that not a reasonable thing to do?

Cherie.

**Ms. Cherie Klassen:** I think our major concern is that when you know you have a good review of a program, as Paul mentioned, it would make more sense, respectfully, that the suspension would not come before an evaluation, generally.

• (1700)

**Hon. Paddy Torsney:** Again, you've all agreed with me. They didn't suspend your funding; you still have projects that are continuing. They didn't issue a new call for proposals. So if you had a project that finished in this year-end, normally the last time it ended you went to another call for proposals and you got funding for, in some cases, three to five years. So really the alternative, and I've seen that happen, where somebody issues a call for proposals—not at CIDA—and there is no intention to fund against those.... They could have just kept you hanging out there, I suppose, while they finished the evaluation, and then evaluated all the requests for proposals against the new evaluation.

**Ms. Cherie Klassen:** I would like to perhaps provide a little background.

Program-funded NGOs have the advantage of ongoing program funding so they work cohesively through several years of funding. Project-funded NGOs don't actually have that advantage, so instead what we do is prepare one to three proposals per year and they're often phase one, phase two, or continuing phase projects.

What has happened is even though there has been some continuation of the projects that have already been in place, the phases that our groups had intended to complete are left at midpoint. The advisement we had was that it was an indefinite suspension and there was a strong encouragement to seek other funding avenues.

**Hon. Paddy Torsney:** Okay. That brings me to this. I think the website actually says:

The call for proposals for the NGO Project Facility (NPF) and the Environment and Sustainable Development Program (ESDP) in Canadian Partnership Branch (CPB) has been deferred while these programs are being evaluated.

**Ms. Cherie Klassen:** The e-mails and letters our members received from the vice-president of the CPB, the Canadian partnership branch, suggested it was an indefinite suspension of funds.

**Hon. Paddy Torsney:** I have a letter that I think the NGO has as well, which says that this program, the NGO project facility, is

currently being evaluated and the next call for proposals has been deferred while this evaluation is under way. It goes on to say that under the circumstances, project proposals are not being accepted until further notice.

But that brings me to the other question. In terms of all of your projects, somebody mentioned that this money represents maybe 25%. Of all the money you've raised and that you spend, maybe you could tell the committee, because I don't know the answer and that's why I'm asking, what it represents in terms of your organization or some of the organizations. You mentioned Street Kids International doing great work abroad. What would this represent?

The second part of that, because I might be running out of time, is this. I sit on another committee, the Status of Women, where lots of the organizations the government works with and that are very important are concerned that there's no core funding any more. So the government doesn't pay for lights and telephones. Projects certainly can keep an organization running continuously, but after a certain time of always having funding, you kind of get used to it and it becomes almost like core funding. So these announcements are stunning sometimes.

Is it the case that you've become used to running the program in the last 10 years, so it has become central to delivering all your other programs? Perhaps some of the NGOs could answer. What does this money represent in terms of a percentage of all the money?

**Mr. Sheldon Gilmer:** I can answer that for Help the Aged. We are trying not to depend on government money. That's sustainability for us as well. We are about 15% NPF funding if you look at our in-kind donations, or about 35% if you look at it strictly in terms of cash. The problem for us is that this leverages money for us as well. Without that funding we would lose other funding, like the funding we get from the Wild Rose Foundation in Alberta, for example. It gives us the credibility to go out to other groups and say that we've gone through a process with CIDA and it's approved this project. It gives a project credibility, and that brings other dollars with it as well.

Again, I just want to reiterate what Cherie has said. In the fall when we spoke with CIDA, the NPF division, the indications were that it was just weeks away from an intake of new project proposals. So all along we were being informed that...and we prepared and put a lot of money into project proposals, and then all of a sudden it was cut. That was the big shock. A lot of money goes into project proposals.

• (1705)

**Ms. Eva Morrison:** I would just like to support what you said—sorry to cut you off there, Cherie.

I'm learning about this as well as we go on, but funding is tied. If an organization, a small NGO, gets confirmation of funding from CIDA, other funding agencies are more likely to fund it. So when these other funding agencies know that the CIDA funding is frozen, is running out, they are not as likely to fund the project, and therefore it's having a knock-on type of effect.



**The Chair:** Ms. Klassen, you may respond briefly, but that's it. Time's up.

**Ms. Cherie Klassen:** I just wanted to add that this funding is not core funding, although we do receive up to 50% of our funds that go overseas. The current admin rate within the NGO community is about 10% tops, give or take a percentage point.

I would like to respectfully suggest that perhaps it is appropriate for CIDA to fund administrative costs, but not as core funding. I'm going to speak from my experience working with one of the project-funded NGOs, Change for Children. Administrative funds accounted for 7.5% of its total budget. But when Canadians donate to overseas projects, they are concerned that their money go directly to fund projects, and it did. So it's an appropriate role for CIDA to provide some administrative funds.

**The Chair:** All right. Thank you very much.

In terms of timing, we will now move to Mr. Broadbent.

**Hon. Ed Broadbent:** Thank you, Mr. Chairman.

I'm mulling over a procedural point here. I want to move a motion about the amount of money in this funding.

I'll preface that with the following observations. It seems to me, both as an MP—and from old movies, as one says, when I was around here—and as former head of Rights and Democracy.... I'm very familiar with the support work that Canadian NGOs do abroad. Following up on the line of questioning of my colleague, Paddy, on the other side, it seems to me a bit too cute to suggest simply that there's been a temporary suspension and that's all that was involved, when NGOs do operate on a continuing basis and had every reason to tender or were going to be asked to consider submitting bids, and so on. So there was clearly an arbitrary decision made for small “p” or big “p” political reasons; we know not. But the net effect is highly disruptive and potentially very damaging to Canada's NGO community as it works overseas.

What I want—and I may depend on the clerk for some suggestions here—is this committee to in effect reinsert in the budget the \$15 million that was there before for this component. I think it was \$15 million. While I understand that as a committee we can't call for an increase in the budget—and this is my question to the clerk that I'm asking publicly here—can we call for a re-establishment in the budget?

**The Clerk:** Mr. Chair, the estimates received are not before this committee.

**Hon. Ed Broadbent:** But that doesn't matter, with all due respect.

**The Chair:** Can I make one small point?

**Hon. Ed Broadbent:** Yes.

**The Chair:** Just very quickly, I think your motion is well intended. Unless we get unanimous consent.... I do want to bring to your attention that the minister will be coming here, so we might get an opportunity at that time.

**Hon. Ed Broadbent:** All right. I think that's fair enough. I'm just giving notice then that at that time I intend to reopen this agenda item, with the intended purpose, hopefully, of getting support on this committee to re-establish funding for this program.

•(1710)

**The Chair:** Just one moment, Mr. Broadbent.

Mr. Day.

**Mr. Stockwell Day:** Further to what Mr. Broadbent has said, we obviously have concerns about what the government is doing.

Could I get a clarification on when the minister is coming?

**The Clerk:** Mr. Chair, we're negotiating with the minister's office for perhaps the second or third week in May.

**Mr. Stockwell Day:** Could I ask the members who are testifying here, what does that do to your plans as you continue to hang in limbo?

[*Translation*]

**Ms. Diane Bourgeois:** That's not good for me. First of all — excuse me, Mr. Chairman — but we could well be in the midst of an election campaign in May and we'd never have them back here. I would point out, Mr. Chairman, that Mr. Broadbent's motion... What's happening right now in the case of the groups is unacceptable. All our ridings are home to NGOs. In fact, I've received many letters from NGOs in my own riding.

Why was their funding cut off suddenly, without any advance notice and without any time to prepare for the announcement? These NGOs can't live on nothing at all! They have to be able to react quickly. I'm not certain that I understood Mr. Broadbent's motion clearly, but I sense that he wanted to censure the minister, or at least, the organization responsible for allocating grant funds.

I'd like to direct my next comment to the clerk, and I would ask that he look at me. I'd like you to stop looking at the Liberals. Are you waiting for instructions from them? I'm sorry, but I have to wonder. What they are currently doing to these groups is unacceptable, sir.

How would you like it if, all of a sudden, the funding you depend on was cut off? Thousands in Quebec and in Canada are in this situation. The committee must do its job and move a non-confidence motion and ask the minister to come back next week with a letter for us. I'm sorry, but this is infuriating.

[*English*]

**The Chair:** Thank you very much.

We're cutting into Mr. Broadbent's time, but we will definitely address that issue.

**Hon. Ed Broadbent:** I want to thank my colleague for that strong support and simply indicate....

[*Translation*]

I fully agree with her on that score.

[English]

I'll move the motion and hope there's unanimous consent now for it, because from what we've heard—and I also draw members' attention to the fact that the assessment of this program that's on the record is very positive about its effects—it seems to me quite arbitrary indeed to discontinue, suspend, whatever euphemism we might want to use, to stop this program at this point. Therefore I'll move the following: The committee urges the government to consider—this is technical wording—recommitting itself to maintain \$15 million in the NGO project fund.

I understand it takes unanimous consent for us to proceed with that, and if I don't have it from my Liberal colleagues, then it will come up at the next meeting. This simply constitutes 48 hours' notice.

**The Chair:** Yes. That's all I wanted to bring to your attention.

Ms. Torsney and then Mr. Day.

**Hon. Paddy Torsney:** Mr. Broadbent, with regard to the facts of your motion, in fact yesterday I think I sent you a copy of the news release from Gerry Barr from the Canadian Council for International Cooperation applauding the minister's announcement of \$18.5 million plus \$5 million—which is \$23.5 million—for the NGO community. So she saw your \$15 million and raised it by \$8.5 million.

**Hon. Ed Broadbent:** For the same project funding?

**Hon. Paddy Torsney:** It is not for the project funding. But the NGOs are able to apply for these funds.

**Hon. Ed Broadbent:** My motion is there. I still want to ask if my Liberal colleagues will give unanimous consent, and if not, I understand we can't proceed with it.

**Hon. Paddy Torsney:** I would not give unanimous consent because I don't think that's a great process. I think we should observe the 48-hour rule on principle, not on the subject we're dealing with now.

**The Chair:** Sure.

Very quickly, Mr. Day, then, and then I want to proceed to Mr. Kilgour as well today.

**Mr. Stockwell Day:** Mr. Chair, we are concerned about these groups and what's happening to them.

Mr. Carrick, I believe, had a response to the response from Member Torsney. Could we hear what that is?

**A voice:** Mr. Chairman, may I speak?

• (1715)

**Hon. Paddy Torsney:** Mr. Chairman, I would like to speak on a point of order. I don't believe we have witnesses comment on motions that are before a committee. In fact, it's up to members to talk about motions. If he wants to ask him a question—

**Mr. Stockwell Day:** Mr. Chairman, I believe it is in order, in fact, to ask for input. Obviously they're not going to be voting on this. And straining at orders to gag people who are here, whose life support of their particular organizations is at stake, along with the people they're serving.... We're asking for some reflection so we can be properly guided in this motion.

**The Chair:** I appreciate that, but just very quickly.... Sorry about that, Ms. Torsney.

**Hon. Paddy Torsney:** On a point of order, we're having seven-minute rounds and Mr. Broadbent hasn't had his round. I'm not trying to gag him. I made the information available to everybody. I'm happy to hear Mr. Broadbent ask him a question, but there is a certain set of orders—

**Mr. Stockwell Day:** That's all I'm asking.

**Hon. Paddy Torsney:** But it's not your timeframe; it's Mr. Broadbent's seven minutes.

**Mr. Stockwell Day:** I wanted to be sure that the NGO had the time to respond, through Mr. Broadbent—

**The Chair:** Mr. Broadbent, you have a couple of minutes.

**Hon. Ed Broadbent:** I must be near the limit.

**The Chair:** Yes, you're very close. You have about 30 seconds.

**Hon. Ed Broadbent:** I understand now that we will get around to debating this motion at the next meeting. But I'd just like verification for all of us, for a response to what my Liberal colleague has said, that the minister has announced a lot more money than even what was in this.

Would you kindly clarify that?

**Mr. Paul Carrick:** Yes, thank you very much. I will clarify that.

There's one thing I would like to say. Yesterday we met with the minister—and we were delighted to meet with the minister—and the minister very mildly and respectfully chastised us and said, “You have been very critical of the deferral of a call for proposals. Why have you not waited and we might have something better to offer you?” And we said we were well rebuked, but asked why she suspended projects, or the call for proposals, until such time as the review was out. There was a contradiction there that the minister acknowledged.

Now, about the new money that was promised yesterday. The NGO project facility fund is \$15 million annually. It's available to NGOs that are financed on a project-by-project basis. That's the fund. CIDA has honoured its legally binding contracts and continued to finance projects for which there is a contract. They have done that.

Regarding the money that was announced yesterday, there is \$10 million that is to be exclusively used for tsunami recovery within Sri Lanka. That's fine, but our programs are in more countries than Sri Lanka and they involve more than tsunami recovery.

There is \$8.5 million that is going to Canada Corps. That is not necessarily good news for project-funded NGOs. It is a good thing perhaps, but it does not make up for the \$15 million that, as of this moment, is still missing to us. And there is \$5 million allocated for a one time only innovative fund. You can draw from it once and you're done. When the \$5 million is up, it's gone. This is not a good replacement for the project facility fund. If this is an act of appeasement, it has demonstrated that CIDA does not understand well the project-funded NGO community.

**The Chair:** Thank you very much.

Mr. Kilgour, please.

**Hon. David Kilgour (Edmonton—Mill Woods—Beaumont, Ind.):** Well, you've said it all. How can we all save face and get this thing back on track?

**Mr. Paul Carrick:** What we have been asking for is a fair, open, and transparent funding mechanism. We would like a peer review process initiated. We would like NGOs to participate in the decisions. We would like to see each other's proposals. We would like to learn in comparison with other people's groups where our submissions are weak or strong. We'd like it transparent, we want it fair, and we want it equitable. That's all we want. And we'd like a review of the mechanism for both project-funded NGOs and program-funded NGOs, because it lacks coherence in respect of why some groups are in program funding and other groups are not. We want a review; we want it to be participatory and transparent. Mr. Kilgour, that is what we want.

**Hon. David Kilgour:** So what should be done quickly to turn this thing around so that all the things you've talked about will be dealt with?

• (1720)

**Mr. Paul Carrick:** We've said all along that there is no need to defer the call for proposals before the evaluation has been tabled. We did not see the legitimacy of that. We were suspicious that it was a disingenuous evaluation. We mobilized this community to speak against what we thought was a poor policy decision. Reinstate the fund immediately, initiate a review, make it transparent, and involve the NGO community program project in the process. That is what we're asking for.

**Hon. David Kilgour:** How many people are involved as donors to your project-funded NGOs, or as participants, volunteers, or professional staff? Can you give us any horseback estimate of that?

**Mr. Sheldon Gilmer:** We looked at that ourselves, and we're about 10,000 people, including one-time donors. We often work with smaller NGOs who do not access NPF funding, so it's a ladder. They have their groups as well, and it represents several thousand. Of that, hundreds would be involved on a more intimate basis—anywhere from volunteering time in an office to travelling overseas. We have 40 Canadians going overseas this year as volunteers.

**Ms. Eva Morrison:** I represent the Ontario Council for International Cooperation, which in itself has 52 members. But there are well over 100 NGOs in Ontario, each of which has its own numbers, small or enormous.

**Hon. David Kilgour:** Is that affiliated with CCIC?

**Ms. Eva Morrison:** Yes, we're one of the provincial councils of the Canadian council.

**The Chair:** Mr. Menzies.

**Mr. Ted Menzies:** Thank you very much.

I'm very concerned about Canada Corps. NGOs mean non-governmental organizations. I get the sense that we're turning Canada Corps into a replacement for NGOs, so it's not non-governmental organizations any more. I still have a great concern about what Canada Corps can do that NGOs can't. I did not get a good answer, other than that they were pulling funds away from NGOs to fund Canada Corps, when Canada Corps, according to its mandate, isn't actually going to deliver anything. What we need is people like you folks on the ground to deliver.

I just came back from India, where I viewed a most successful microcredit program, Working Women's Forum in Chennai, a wonderful program. I don't think Canada Corps can do much for that. I don't see how taking a bunch of university students and running them over there is going to help the project.

I have great concerns that the effectiveness of NGOs might be lost to these multilaterals. Can you just comment on that? Am I off base?

**Ms. Cherie Klassen:** I think there are strengths within Canada Corps. Good governance is a serious issue that I think Canada Corps is well prepared to address. But the strength of NGOs lie, as you said, in the small citizen-to-citizen engagement, in true solidarity with the poor. We raised the profile of Canadians and Canada's values in the world because we are interacting with the poor according to their needs and their priorities. They are in charge of their own development when we work with them. We reach the niches that government or bilateral/multilateral programming often overlooks, especially for Canadians who can't go overseas. Often our NGOs are the only way those Canadians can be truly engaged in our foreign aid processes. So that would be I think where our strengths lie, which perhaps Canada Corps isn't that well-equipped to address.

Thank you.

**Mr. Paul Carrick:** I will quickly speak on the multilateral issue.

In 2003, my organization distributed seeds and emergency food in the north of the Ivory Coast during the period of a civil war. The international humanitarian aid division of CIDA, which is an excellent organization, assisted us with a grant in the vicinity of \$400,000 to do that.

A year and a half ago we went back to IHA and said, "The war continues. There is still a crisis. Will you assist us once again for food and humanitarian relief in a war-torn region of the Ivory Coast?" There were no other Canadian groups there; there were virtually no NGOs there at the time. IHA said to us, "We have allocated all of our moneys for the Ivory Coast to the world food program. Go to the world food program for help." We did. They dumped a pile of seeds in a village. We had to find our own vehicles, pay for our own gas, and disperse them around. When the world food program person came to evaluate the program, we had to rent a vehicle to run them around.

Our capacity to do work, our capacity to place Canadians in the field, acquiring experience in this regard, sharing Canadian values, and becoming the next generation of Canadian foreign aid workers, was hugely compromised. My agency has averaged 8% admin over 10 years. That cannot be said of the world food program or any other UN agency.

•(1725)

**The Chair:** Your time is up. Are there any more questions? That's it?

Very quickly, Mr. Khan. I know you had your hand up before.

**Mr. Wajid Khan:** I'll defer my time, please.

**The Chair:** Sure, no problem.

Ms. Torsney.

**Hon. Paddy Torsney:** First of all, I want to be very clear that I support the NGO community, as the parliamentary secretary to the minister, and with my own personal dollars—many of your organizations receive my money—so I absolutely support the work you do.

Secondly, it is my understanding that the evaluation of this fund is going to be available in the near term. I will be doing everything I can to encourage them to do it very quickly. I also understand—and I'd like you to correct me if I'm wrong—that the NGO community is part of the evaluation process, is being consulted as part of that. If that's not the case, I'd like to know about it.

Thirdly, obviously you've talked about a process that's peer reviewed. Sounds great. I hope the whole community is interested in that. I will bring that to the minister as well. I'd like to know if this has been part of the feedback you have given.

Lastly, I want to say that Canada Corps is in fact being delivered with the NGO community, in many cases. It's not a multilateral thing and it's not an inside government thing. In many cases, the projects are actually NGO-delivered. So it's still work with the NGO community. It may not be these groups that are here, but there are NGOs involved in Canada Corps. Perhaps we can ask those questions to the minister when she comes to talk about that as well.

The very last thing—in conclusion, as someone said the other day—the other issue, the \$5 million Innovation Fund, is something, Mr. Carrick, that I believe you could apply to that could help you deal with the current situation for this year and the evaluation of the whole fund would be done. Hopefully, it will continue and you will have an opportunity to answer the next request for proposals. Is that correct?

**Mr. Paul Carrick:** You've made a good point.

**Hon. Paddy Torsney:** So let's work together, because I think it's in Canadians' interest and the world's interest. There is no doubt that the world needs more Canadian NGOs doing work. The organizations you represent make an invaluable... Madame Bourgeois mentioned it earlier. We've seen some of the projects and they do make a difference. I don't know if they were funded through this project. I'll have to check the Mathare Youth Sports Association. But there's no end to opportunities for you to do things. There is unfortunately a limited supply of money. This amount of money is in suspension now until their evaluation. But there's a different fund to help tide you over.

Maybe you can tell me about the consultation you've been involved in, in terms of the evaluation of this program—or not.

**Ms. Cherie Klassen:** To be honest, there was no mention of a consultation until yesterday. We were given the short e-mail. I really

believe that unless Canadians had not mobilized, that consultation wouldn't have happened. We're coming in late on an evaluative process. Apparently it will be wrapped up, as you said, by the end of May. We're hoping there is a timely reinstatement after that evaluation, or even during that evaluation. But until yesterday we were not told that we would be involved. Apparently there is now a series of meetings that will be arranged by CIDA regional officers. That will happen sometime perhaps at the end of April or the beginning of May.

But initially, until we were invited by the minister yesterday to speak to her, we hadn't heard that would be the case.

•(1730)

**Hon. Paddy Torsney:** That's unfortunate.

**The Chair:** In terms of time, I would like to thank the witnesses. Are there any more questions?

Madame Bourgeois, please, go ahead.

[*Translation*]

**Ms. Diane Bourgeois:** I have something to say, Mr. Chairman. As a Bloc Québécois MP, may I ask that the committee record show that I wish to censure the federal government, the Government of Canada, for its casual treatment this year of NGOs on the funding issue?

**The Clerk:** This will be duly noted in the minutes of today's proceedings, Ms. Bourgeois.

**Ms. Diane Bourgeois:** I want the record to clearly show that the Bloc Québécois and its MP censure the federal government and the minister for their casual attitude. This is very serious business.

As they told us earlier, if CIDA gives them some funding, they will be able to get more financial assistance elsewhere. Imagine that! I'd like the minutes of today's proceedings to reflect what's happening here today.

[*English*]

**Mr. Wajid Khan:** First of all, there's nobody around this table or in this government who does not appreciate the work of the NGOs. They are being well supported here today. This is my first day on this committee, and I hope organizations such as this will continue to be supported in a non-partisan fashion. As my colleagues just said, they've agreed that there's access to an additional \$5 million, which they can access until they are tied over. It's also been said that they will be getting further information on funding structure for the near future. Whatever my colleague across the table has said should be recorded there, it's already in the minutes.

So I submit that we all support these people and do whatever we can to assist them in getting their funding.

**The Chair:** Mr. Kilgour.

**Hon. David Kilgour:** Mr. Khan, I realize it's your first day, but when they take away \$15 million and then they add \$5 million, it doesn't add up.

Mr. Chairman, I've travelled to many countries and have seen the work the Canadian NGOs do, and for the two of you to sit there and pretend that nothing has happened to the NGOs defies one's imagination. Have you been listening to what they've been saying this afternoon?

**Mr. Wajid Khan:** Yes, I have.

**The Chair:** Thank you very much, Mr. Kilgour.

Again, I want to thank the witnesses very much. We really do value your hard work. Thank you very much for taking time out of your busy schedule to come here today.

I have a bit of housekeeping. There are a couple of motions. There was Mr. Stockwell Day's motion that was on the table, and there was a motion that was brought forth by Mr. Broadbent as well. If I may get consent from everyone, we can talk about those two motions at the next meeting. And please bring that motion to the attention of the clerk.

Thank you very much.

**Hon. Ed Broadbent:** On a point or order, for the next meeting, since you have replaced our outgoing chair, it might be useful at that point to remind us what agenda items are already there and which ones we were dealing with before need to be picked up. We could have part of the discussion on that early in the next meeting. All of us seem to be nodding.

**Hon. Paddy Torsney:** On the same issue, can we have from the clerk what meetings are planned to the end of June, so we can have input on the witness list, if possible?

[*Translation*]

Often, there are other witnesses that we want to hear from.

[*English*]

If we can have a clear plan that everyone participates in, that will be better for the committee.

**The Chair:** I appreciate that. There seems to be unanimous consent. We'll definitely make sure that's in the work plan.

The meeting is adjourned.

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**Published under the authority of the Speaker of the House of Commons**

**Publié en conformité de l'autorité du Président de la Chambre des communes**

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