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Chair: Mr. John Williamson



Standing Committee on Public Accounts

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• (1100)

[English]

The Chair (Mr. John Williamson (New Brunswick South-west, CPC)): Good morning, colleagues.

[Translation]

I call this meeting to order.

Welcome to meeting number 147 of the House of Commons Standing Committee on Public Accounts.

[English]

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 using the Zoom application.

Before we begin, I'd like to ask all in-person participants to read the guidelines written on the updated cards on the table. These measures are in place to help prevent audio and feedback incidents.

I remind all those in person and online that for the safety of interpreters, it is very important that your microphone is muted when you are not speaking.

[Translation]

Thank you all for your co-operation.

[English]

I remind everyone that all comments should be addressed through the chair.

[Translation]

Pursuant to Standing Order 108(3)(g), the committee is resuming consideration of report 6, entitled "Sustainable Development Technology Canada" from 2024 reports 5 to 7 of the Auditor General of Canada.

[English]

I would welcome our witness, but I received a notice last week that there was a conflict. I endeavoured to find out what the conflict was. It was medical in nature. It was not.

I instructed the witness to be here since the witness had confirmed she would be here at 11 o'clock. I am expecting her perhaps by noon, at which point we will take things up again.

Until then, this meeting is suspended.

• (1100)

(Pause)

• (1135)

The Chair: I call this meeting back into session.

As a reminder, today's meeting is taking place in a hybrid format pursuant to the Standing Orders. Members are appearing both in person and remotely using the Zoom application.

I remind all those in person and online that, for the safety of our interpreters, it is very important that your microphone is muted when you're not talking. I'll remind you as well that all comments should be addressed through the chair.

I would now like to welcome our witness.

As an individual, we have Andrée-Lise Méthot, founder and managing partner, Cycle Capital.

I have a small piece of what I'm going to call housekeeping. I'm hoping to receive agreement on this.

[Translation]

Before I give the floor to Ms. Méthot, please note that she is accompanied by Jean-Philippe Groleau, her legal counsel. With leave of the committee, he will be at the table supporting her today.

[English]

Mr. Groleau is restricted to an advisory role and may neither reply on the witness's behalf nor ask questions.

Is there agreement to allow counsel at this table?

I'm seeing agreement.

If you'd like, you can take a seat, Mr. Groleau.

Thank you.

Madam Méthot, you have the floor for your opening remarks.

I'll mention this now. You sent in some documents, and you might reference those.

Members, those will be sent around, I hope, later today, because they are just being, in one case, translated. The translation is being verified. These documents will be sent to you, I hope, by end of day.

You have the floor for up to five minutes.

[*Translation*]

Ms. Andrée-Lise Méthot (Founder and managing partner, Cycle Capital Management, As an Individual): Thank you very much, Mr. Chair.

Members of the committee, as I'm sure you know, I appeared before the Standing Committee on Industry and Technology for one hour under oath on November 28, 2023. At that time, I answered all questions related to my time on the board of Sustainable Development Technology Canada, or SDTC.

I would remind you that I was appointed by the members of the foundation, under the chairmanship of Jim Balsillie. I was also interviewed by the Auditor General of Canada, who, after conducting a thorough investigation of these same issues, laid no blame on me.

However, I understand that some members of this committee still have questions related to that period. There are two main things they're interested in.

The first is the Canada Infrastructure Bank, or CIB. It has been suggested that I took advantage of my position as an administrator to gain favourable treatment for a project in which Ms. Annette Verschuren was involved, the Oneida Energy Storage LP project. This is false. I provided you with a memo prepared by the CIB's general counsel. That is one of the documents you will be receiving. This memo demonstrates that I complied with all applicable conflict of interest rules during my tenure as a board member. It also highlights, on page 3, that I was absent during the board meeting at which the Oneida project was discussed.

As a result, Mr. Chair, I'm having a hard time understanding the allegations against me on this matter.

The second is allegations relating to SDTC and COVID-19 relief measures. Some members of this committee claimed that I voted in favour of relief measures for 23 companies linked to 36 potential conflict situations in which Cycle Capital may have had interests. It's very easy to prove this is false, but nobody has bothered to verify.

I would therefore like to take this opportunity to set the record straight. Cycle Capital has never invested a penny in 21 of the 23 companies mentioned.

I declared a potential conflict in connection with these 21 companies when Cycle Capital was considering the possibility of investing in them.

However, Cycle Capital chose not to invest in those 21 companies. We did not invest a single dollar in them, and that was well before the vote on COVID-19 relief measures. In some cases, it was several years before that vote.

I'm sure you understand that, when there is no investment, there is no conflict of interest. You'll be getting a table I provided that outlines the chronological sequence for all these investments.

This leaves two companies, GreenMantra and MineSense. I followed the rules and filed conflict of interest declarations in connection with these companies in which Cycle Capital did indeed have interests. So why didn't I recuse myself during the vote? There are two reasons.

First, I was unaware that the companies would benefit from these measures. This was at the beginning of the COVID-19 pandemic, and, as this was an omnibus measure for qualifying companies, no list of potential beneficiaries had been provided to us.

SDTC's legal counsel, a respected senior partner of a major law firm, Ed Vandenberg, informed us that we could not be in a conflict of interest. I'm an engineer, not a lawyer. I trusted Mr. Vandenberg's professional judgment, as did all the other board members, including members of the governance committee.

Mr. Chair, these are the easily verifiable facts on which some committee members are questioning my integrity and tarnishing my reputation, all while carefully remaining under the protection of parliamentary privilege. Their words have consequences. I have received intimidating and threatening messages.

This brings me to my final point, Mr. Chair. Just two weeks ago, a member of this committee said, "A number of board members had a conflict of interest. The one who had the most by far was Andrée-Lise Méthot. Her firm, which she founded, Cycle Capital, has made significant investments—\$250 million from the green fund has gone into organizations that Cycle Capital has an investment interest in."

I've heard other figures over the past few months. Apparently, I voted to allocate \$42 million, \$140 million, \$200 million and now \$250 million to companies in the portfolio. The numbers ballooned by 500% in just a few months. I wonder where all these figures come from, because they don't hold up.

What I can tell you, however, is that the only vote I may have cast, unknowingly, in favour of companies in which Cycle Capital had interests, was the vote on the COVID-19 measures. At the time of the vote, my stakes in GreenMantra and MineSense were 0.04% and 0.03%, respectively. At that time, the maximum gain from these measures was \$154.73 for GreenMantra and \$90.63 for MineSense.

● (1140)

There's a big difference between \$250 and \$250 million, a gap almost as great as the moral and reputational damage caused by these unverified allegations.

I am now available to answer your questions.

The Chair: Thank you, Ms. Méthot.

[*English*]

We will now begin the first round, which is four members with six minutes each.

Mr. Perkins, you're leading us off. You have the floor, please.

● (1145)

Mr. Rick Perkins (South Shore—St. Margarets, CPC): Thank you, Mr. Chair.

Thank you, Madam Méthot.

Have I used the correct pronunciation?

[*Translation*]

The Chair: Yes, Mr. Perkins.

Ms. Andrée-Lise Méthot: That is the correct pronunciation, Mr. Perkins.

Mr. Rick Perkins: Thank you.

[*English*]

Does Cycle Capital own shares in Enerkem Alberta Biofuels?

[*Translation*]

Ms. Andrée-Lise Méthot: I didn't understand the question, sir. Can you repeat it?

[*English*]

Mr. Rick Perkins: I'm going to go through a list of companies and I'd like you to confirm whether or not Cycle Capital, any of your funds, have made investments in them.

Do you have an investment in Enerkem Alberta Biofuels, yes or no?

[*Translation*]

Ms. Andrée-Lise Méthot: Enerkem Alberta Biofuels is a joint venture of Enerkem, in which we are an investor—

[*English*]

Mr. Rick Perkins: Just give a yes or no, please. I have limited time.

[*Translation*]

Ms. Andrée-Lise Méthot: The answer is that we are not direct investors.

[*English*]

Mr. Rick Perkins: They're listed on your website—\$12 million.

MineSense Technologies, you've admitted here you had investments in, correct?

[*Translation*]

Ms. Andrée-Lise Méthot: We hold less than 10% in MineSense, yes.

[*English*]

Mr. Rick Perkins: They got \$4 million from the green slush fund.

How about Spark Microsystems?

[*Translation*]

Ms. Andrée-Lise Méthot: When I was on the board, we had not invested in Spark Microsystems. We invested in it years later.

[*English*]

Mr. Rick Perkins: You are an investor. They received \$10 million.

[*Translation*]

Ms. Andrée-Lise Méthot: I'm sorry, but I want to be clear. The investment was made after my time on the board. It's important to get the timeline right.

[*English*]

Mr. Rick Perkins: How about Concentric Agriculture Inc.?

[*Translation*]

Ms. Andrée-Lise Méthot: Yes, we are an investor in Concentric.

[*English*]

Mr. Rick Perkins: They got \$2.6 million from the slush fund.

How about Polystyvert?

[*Translation*]

Ms. Andrée-Lise Méthot: I would like to clarify one thing, if possible, Mr. Chair.

The Chair: This is Mr. Perkins' time.

If he allows it, yes, you may.

Ms. Andrée-Lise Méthot: Mr. Perkins, are you allowing—

[*English*]

Mr. Rick Perkins: At this stage, I'm currently looking for a yes or no.

Does Cycle Capital have any ownership in Polystyvert Inc.?

[*Translation*]

Ms. Andrée-Lise Méthot: Yes, we are investors—

[*English*]

Mr. Rick Perkins: They got \$3.5 million from the slush fund.

How about VueReal?

[*Translation*]

Ms. Andrée-Lise Méthot: We were not investors when I was on the board.

[*English*]

Mr. Rick Perkins: Are you an investor now?

[*Translation*]

Ms. Andrée-Lise Méthot: Yes, since 2022. I had not been on the board for at least a year.

[*English*]

Mr. Rick Perkins: How about CelluFuel?

[*Translation*]

Ms. Andrée-Lise Méthot: No.

[*English*]

Mr. Rick Perkins: How about ChrysaLabs?

[*Translation*]

Ms. Andrée-Lise Méthot: No.

[*English*]

Mr. Rick Perkins: How about BorealisWind?

[Translation]

Ms. Andrée-Lise Méthot: No.

[English]

Mr. Rick Perkins: These are the ones, I think, that were listed by the Auditor General, as you referenced earlier.

[Translation]

Ms. Andrée-Lise Méthot: In fact, in the table that I provided but that you have not received—

[English]

Mr. Rick Perkins: How about Equispheres?

These are from the Auditor General's list. I'm just double-checking. These are the ones on the Auditor General's list.

[Translation]

Ms. Andrée-Lise Méthot: Mr. Chair, I'm sorry, but—

[English]

The Chair: Just one second.

[Translation]

For now, Mr. Perkins has the floor to ask you questions. If you have something to add, you may well have the opportunity to do so in your responses to questions from other members. That's often what happens. That's how this works.

[English]

Mr. Perkins, go ahead. You have just under three minutes.

Mr. Rick Perkins: I'll ask again: How about ChrysaLabs?

[Translation]

Ms. Andrée-Lise Méthot: No.

[English]

Mr. Rick Perkins: How about BorealisWind?

[Translation]

Ms. Andrée-Lise Méthot: No.

[English]

Mr. Rick Perkins: How about Equispheres?

[Translation]

Ms. Andrée-Lise Méthot: No.

[English]

Mr. Rick Perkins: How about Global Spatial Technology Solutions?

[Translation]

Ms. Andrée-Lise Méthot: No.

[English]

Mr. Rick Perkins: How about Fractal Systems?

[Translation]

Ms. Andrée-Lise Méthot: No.

[English]

Mr. Rick Perkins: How about GHGSat?

[Translation]

Ms. Andrée-Lise Méthot: No.

[English]

Mr. Rick Perkins: How about GreenMantra?

[Translation]

Ms. Andrée-Lise Méthot: Yes.

[English]

Mr. Rick Perkins: How about Heliene Inc.?

[Translation]

Ms. Andrée-Lise Méthot: No.

[English]

Mr. Rick Perkins: How about Par-Two?

[Translation]

Ms. Andrée-Lise Méthot: No.

[English]

Mr. Rick Perkins: How about Meta Materials?

[Translation]

Ms. Andrée-Lise Méthot: No.

[English]

Mr. Rick Perkins: You're not an investor in Meta Materials?

[Translation]

Ms. Andrée-Lise Méthot: No.

[English]

Mr. Rick Perkins: You never have been?

Ms. Andrée-Lise Méthot: We never have been.

Mr. Rick Perkins: How about Peak Power?

[Translation]

Ms. Andrée-Lise Méthot: No.

[English]

Mr. Rick Perkins: Why are all these listed as conflicts of interest by the Auditor General?

• (1150)

[Translation]

Ms. Andrée-Lise Méthot: Thank you very much for your question.

Here's what I did during all those years: I declared real conflicts and potential conflicts. Every time the board met, we received a list. We got 1,200 files, and if someone on our team reviewed the file, I declared a potential conflict of interest. Typically, the analysis takes about eight to 15 weeks. Every case was different. At the time of the vote on the COVID-19 measures, we had already made the decision, sometimes years before, not to invest in those companies. I was therefore not in a conflict of interest, and we were not investors.

The Auditor General was very clear in her report. She said, “During those 2 votes, in 63 cases, directors voted while having previously declared [potential] conflicts of interest. For about a third of these situations, directors informed us that they no longer had a conflict of interest at the time of the votes.” That applies to me. We are not investors in 22 of the 23 companies listed.

[English]

Mr. Rick Perkins: Thank you.

Are you an investor in Terramera?

[Translation]

Ms. Andrée-Lise Méthot: No.

[English]

Mr. Rick Perkins: How about Advanced Intelligent Systems?

[Translation]

Ms. Andrée-Lise Méthot: No.

[English]

Mr. Rick Perkins: How about Semios?

[Translation]

Ms. Andrée-Lise Méthot: No.

[English]

Mr. Rick Perkins: How about Pyrowave?

[Translation]

Ms. Andrée-Lise Méthot: No.

[English]

Mr. Rick Perkins: Okay. You do have a number here where you and the companies you invested in received at least \$10 million to \$20 million of green slush fund money while you were on the board.

[Translation]

Ms. Andrée-Lise Méthot: I'm sorry, I misunderstood the interpretation. Can you help me?

The Chair: Mr. Perkins, repeat the question.

[English]

Mr. Rick Perkins: Between the yes and no answers that you gave, there were a number of yes answers here. Of those yes answers, it adds up to about \$20 million, I believe, of SDTC money that went to those companies while you were on the board. Is that correct?

[Translation]

Ms. Andrée-Lise Méthot: We reviewed approximately 250 files during the period I was in the position.

Of the programs named, I declared a conflict of interest for four companies, and I recused myself. These companies received \$10.4 million in funding from SDTC.

[English]

Mr. Rick Perkins: I take it the answer is yes—

[Translation]

Ms. Andrée-Lise Méthot: We're 10% shareholders, on average.

[English]

Mr. Rick Perkins: —based on the confirmation you gave earlier.

[Translation]

Ms. Andrée-Lise Méthot: I'd like to clarify—

[English]

Mr. Rick Perkins: I'm not asking for a conflict of interest explanation of how the board operated. Based on your answers of yes or no, you have about \$20 million of companies that you had investments in while you were on the board.

[Translation]

Ms. Andrée-Lise Méthot: That \$20 million number is wrong, Mr. Perkins. I would ask you to listen to my answer.

[English]

The Chair: Very good. That is the time, please.

We will come back to you, I'm sure, Mr. Perkins.

Next we have Ms. Yip.

You have the floor for six minutes, please.

Ms. Jean Yip (Scarborough—Agincourt, Lib.): Thank you, Chair.

Thank you for coming today and for providing documents ahead of time. That's much appreciated.

Is there any testimony or clarification on the previous questions that you would like to add?

[Translation]

Ms. Andrée-Lise Méthot: I would like to say that members of this committee have made many statements that are completely false and verifiable. For example, someone said that I funded Annette Verschuren's projects. I was not an investor in Annette Verschuren's projects at all. I even submitted the Canada Infrastructure Bank memo, which shows that I was absent that day. That is completely false.

Someone also said that Steven Guilbeault was the largest shareholder of that capital, but Mr. Guilbeault holds no shares in that capital. People are trying to connect two things: funds that were received entirely appropriately by our portfolio companies over the years and my tenure on the SDTC board. That's not true. I always recused myself. I've always declared my interests, as was just demonstrated to Mr. Perkins.

Even when there was a potential conflict of interest, but ultimately no conflict of interest, on the day of the vote on the COVID-19 measures, I always declared that conflict. I've always been extremely honest and extremely clear on that. That's one thing I would like to say, Ms. Yip.

[English]

Ms. Jean Yip: Thank you.

We heard from PCO appointments last week who confirmed that you were in fact not a GIC appointee but were appointed by the SDTC foundation.

Can you confirm this?

[Translation]

Ms. Andrée-Lise Méthot: I can confirm that it's actually the ecosystem. The foundation members are representatives of the ecosystem. The ecosystem recommended that I be part of the council. It was the chair, Jim Balsillie, who appointed me in 2016 on the board's recommendation.

• (1155)

[English]

Ms. Jean Yip: Have you donated to any federal political party in the last 25 years?

[Translation]

Ms. Andrée-Lise Méthot: That takes me way back to when I was young. Federally, over the past 25 years, I don't think I have. There is only one publicly known link. I worked in the office of Lucien Bouchard, who was the leader of a PQ government.

[English]

Ms. Jean Yip: You stated in front of the INDU committee that you declared all conflicts of interest, whether real, apparent or potential, and that you chose to recuse yourself from every decision.

Can you confirm that with us today?

[Translation]

Ms. Andrée-Lise Méthot: I can confirm that. The case at issue is the one related to COVID-19. We had received a recommendation from Mr. Vandenberg, a member of the major firm Osler, that we could remain because there was no list of projects and it was an omnibus measure for all SDTC files.

[English]

Ms. Jean Yip: Setting aside the COVID funding, how many times would you say you had to recuse yourself for real, apparent and potential conflicts? I'd like specific numbers, please.

[Translation]

Ms. Andrée-Lise Méthot: According to my records and excluding the case related to COVID-19, I would say a total of 32 times. As to real conflicts of interest, it was four times. That is very clear. We were investors at the time, including myself personally. The other conflicts pertained to files under review, as I said.

We receive about 1,200 files per year. It is our team members who do the preliminary review, not me. We have a mechanism included in a database. Each time, I asked for the files, and I recused myself for all of those files. There was also an exception for GHGSat, because my niece works there. That is why I also recused myself.

[English]

Ms. Jean Yip: Thirty-two is quite a number.

Does that include apparent and potential?

[Translation]

Ms. Andrée-Lise Méthot: Yes, that includes potential conflicts.

That is our process because it is a very important part of our work. When we review a file, we could be influenced or subject to influence. Even though we funded practically none of those files, that's why I always recused myself. I have always said that. We want this to be very clear. It is federal money, taxpayer dollars, and we want to be as honest as possible. That is also why I recused myself each time.

That list of files is in fact compiled by our specialists using a database called Salesforce. It is a highly sophisticated database that allows us to tell you when we received a file and when we closed it. That is all well documented, and over the years.

[English]

Ms. Jean Yip: In your opening statement, you mentioned someone was intimidating you and leaving threatening messages.

Who did that, and what is that all about?

[Translation]

Ms. Andrée-Lise Méthot: I have to apologize because I will be a bit emotional.

It is very difficult to read false information about us on social media and to see people's reaction. Friends and family had to get a lot of support. That is why Mr. Groleau is with me today.

I have spent my life fighting climate change. I am an engineer. I studied atmospheric physics. My master's thesis was on the first ecosystems on earth. I am a committed environmentalist. That is also why I know Mr. Steven Guilbeault, not because he is the minister but because he climbed the CN Tower. I myself am an activist.

It was very difficult to see my career being tarnished, something I have devoted myself to wholeheartedly. I got my family and friends involved. I built one of the largest venture capital groups for climate change technologies.

We are recognized around the world. We have attracted billions of investment dollars in Canada because we are credible and professional. I found that very difficult, and I was even scared. I actually had a security system installed at my home.

The Chair: Thank you very much.

[English]

I'm afraid that is the time.

[Translation]

Ms. Sinclair-Desgagné, you have the floor for six minutes.

Ms. Nathalie Sinclair-Desgagné (Terrebonne, BQ): Hello, Ms. Méthot.

Ms. Andrée-Lise Méthot: Hello, Ms. Sinclair-Desgagné.

Ms. Nathalie Sinclair-Desgagné: You were one of the longest-serving board members, if I am not mistaken.

Is that correct?

Ms. Andrée-Lise Méthot: I'm sorry; I don't know.

• (1200)

Ms. Nathalie Sinclair-Desgagné: In that case, I am telling you that.

Ms. Andrée-Lise Méthot: Okay. I didn't know.

Ms. Nathalie Sinclair-Desgagné: If I am not mistaken, you were a member of the project review committee.

Ms. Andrée-Lise Méthot: Yes, I was indeed part of the project review committee.

Ms. Nathalie Sinclair-Desgagné: So that is the committee that carefully reviews projects and then forwards them to the board for final approval.

Is that right?

Ms. Andrée-Lise Méthot: That's right.

Ms. Nathalie Sinclair-Desgagné: As part of that project review committee, do you look at the details of each project, which would be hundreds of pages of documents for each project?

Ms. Andrée-Lise Méthot: I have served on many boards in my life and many committees of that type. It was a time-consuming process. We worked on the process a great deal and I read the project documents. It could take from 40 to 50 hours per session, and I gave my opinion on each project.

I should point out, however, that the people from SDTC did very thorough work in that process. We did not see all the projects. We saw the ones that the management team and the evaluation team submitted to the project review committee, and we sometimes asked for additional work if it was not satisfactory.

I would add that I did not chair that committee, but rather was a regular member.

Ms. Nathalie Sinclair-Desgagné: How many members did the committee have?

Ms. Andrée-Lise Méthot: I'm sorry, but I don't remember. There were perhaps seven or eight members.

Ms. Nathalie Sinclair-Desgagné: Were there three, five, ten, seven or eight members?

Ms. Andrée-Lise Méthot: It was a small number, a sub-group.

Ms. Nathalie Sinclair-Desgagné: Okay.

You said that outside opinions were very important. For each project, there was an outside opinion on the technical aspect, the scientific aspect that is, which you can understand, of course.

There was also an outside opinion on the financial aspects, wasn't there?

Ms. Andrée-Lise Méthot: There were various aspects: intellectual property, the technical aspect—

Ms. Nathalie Sinclair-Desgagné: Yes, but there were two outside opinions from consultants, for example—

Ms. Andrée-Lise Méthot: Yes, and in some cases there were three.

Ms. Nathalie Sinclair-Desgagné: Okay.

You said that those opinions and all the preparation work done before submission to the review committee were very important.

Ms. Andrée-Lise Méthot: A number of things were important actually: the expert opinions, the team's opinions and our personal opinion. Sometimes the experts say that a given project is a very good idea, but a very bad idea financially speaking.

Ms. Nathalie Sinclair-Desgagné: Okay.

In the case of Spark Microsystems, I understand that you were no longer a board member when it received funding later on. Nonetheless, the technical opinion on that company was not favourable, that is, the experts advised against investing in that company.

When Spark Microsystems began its representations, you were still a SDTC board member, weren't you?

Ms. Andrée-Lise Méthot: Let me clarify that. First, can you give me the date in question? I want to be sure I have the right number.

Ms. Nathalie Sinclair-Desgagné: The first payment was made in 2021. Another amount was paid after you had left.

Ms. Andrée-Lise Méthot: If I understand correctly, Spark Microsystems received an initial payment in 2021, and then received funding when I was no longer a board member.

Ms. Nathalie Sinclair-Desgagné: Yes, that's right, but it began its representations when you were still there.

Ms. Andrée-Lise Méthot: If I was a board member when it began its representations, I didn't know about it because we were not informed. What we saw was the final result of the analysis. We didn't know that people....

Ms. Nathalie Sinclair-Desgagné: You can probably see where I am going with this. The outside opinions recommended against awarding funding to Spark Microsystems.

Let me give you another example that you are probably aware of. New Protein Global, on the other hand, received only favourable outside opinions on the technical and financial aspects. Yet it did not receive any funding. That makes me wonder whether there might have been an arbitrary funding decision.

Ms. Andrée-Lise Méthot: May I answer?

Ms. Nathalie Sinclair-Desgagné: Be brief because my speaking time is limited.

Ms. Andrée-Lise Méthot: When we decide to fund a project, we do of course consider various elements. Sometimes the project is not technically strong enough, but SDTC can ask the company to make technical improvements. That is in fact often the reason for that kind of financial support. The idea is to complete a project in order to demonstrate something.

Ms. Nathalie Sinclair-Desgagné: In the case of New Protein Global, however, it received a favourable opinion from the various experts in all respects, including the financial and technical aspects, and it did not receive any funding.

Ms. Andrée-Lise Méthot: I don't remember that specific case.

Ms. Nathalie Sinclair-Desgagné: And yet the company's project met all of SDTC's sustainable development criteria and was aligned with its objectives, while other projects, such as the one from Spark Microsystems, did not meet those criteria. So it is rather difficult for someone from the outside, such as myself and the members of this committee, to understand why one of those two companies received funding and the other did not, even though their projects are comparable in some respects.

To what extent do the review committee and the board influence the final approval of projects?

I know you have some expertise, but did it carry more weight than the opinions of the people paid by SDTC to provide objective opinions?

• (1205)

Ms. Andrée-Lise Méthot: The committee did in fact discuss the problems. That is the purpose of the committee; it raises all the issues. It is hard for me to compare those two files because we saw 250 files. You will appreciate that I have a much broader view of things.

There were in-depth discussions. On the one hand, there might be an expert from a university who says it is the best idea going, while on the other, there might be a different kind of expert or administrator who knows the problems in the sector and leads the board to a specific decision. It is really a combination of elements that determines whether or not we support a project.

The expertise around the table included engineers, accountants, lawyers, and business people. There were all kinds of people offering their opinions from different points of view, which the board vigorously debated.

I cannot speak to the specific project you are talking about. On the other hand, I can tell you that the process was very transparent, that it was discussed and was honest. The SDTC employees also offered opinions on the files, and they were very competent. We listened carefully to what they had to say. Moreover, they presented the details of each file along with their recommendations.

The Chair: Thank you very much.

[English]

Up next is Mr. Cannings.

You have the floor for six minutes, please.

Mr. Richard Cannings (South Okanagan—West Kootenay, NDP): Thank you.

Madam Méthot, I'm new on this committee, and there might be some people at home watching this who are as confused as I am about some of these allegations, some of your explanations and some of the questions through the Auditor General's report, etc., so I'm trying to sort this out.

There seems to be a lot of potential conflict of interest versus actual conflict of interest. There's the timing of your investments and the timing of decisions. I think I'll just start with one thing that keeps coming up, which is this omnibus motion. Could you take some time to describe what's in that? Help me understand what's in that motion, what you see as a board member, and what you approve or not versus any potential or actual conflict of interest.

[Translation]

Ms. Andrée-Lise Méthot: Thank you for the question.

You will recall that it was during the COVID-19 pandemic and there were not yet any vaccines. Various federal and provincial organizations and various organizations around the world were trying to help business people make it through that period.

Let me give you an example to illustrate this. During the COVID-19 pandemic, a holding company with \$20 million in revenues saw its revenues drop to zero within a few hours.

There was a tremendous amount of discussion around the world about supporting businesses. SDTC was no different from other organizations around the world that were concerned about business and technology. The board members had a discussion to adopt what we call an omnibus resolution, which applied to all of the files. As a result, all companies with access to SDTC funding would receive an additional 10% to 15% in funding, depending on the company, to help them weather the tough times. That funding was intended to support businesses and business people that were at high risk as a result of collapsing supply chains. The goal was really to save those companies.

It was an omnibus resolution because we did not have a list of the companies. The board discussed that. We discussed whether or not we should adopt the omnibus resolution. I want to point out that the CEO, the president, the chair of the governance committee and the members of the governance committee attended that meeting. For my part, I was just a regular board member. We decided to get a legal opinion from Ed Vanderberg from Osler, which is one of the big law firms in Canada. Mr. Vanderberg told us that adopting that resolution would not create a conflict of interest because it was an omnibus measure.

So I followed the lawyer's advice. When serving as a member of a large board such as that one and when a legal opinion is sought, we follow the lawyer's advice, generally speaking. That's what I did.

I don't know if I have answered your question.

• (1210)

[English]

Mr. Richard Cannings: No, that was fine.

Again, we hear about conflicts of data, conflicts of amounts of money. Mr. Perkins had a list of companies, which apparently came from the Auditor General, where there were conflicts of interest. Again, I'm still unclear as to where the disconnect is between that list and what you were saying. I would just like—

[Translation]

Ms. Andrée-Lise Méthot: Today, once the translation is completed, you will receive that audit table from SDTC. It provides a complete list of the companies audited by the Auditor General, with our comments.

You will see the start date for the review of the Cycle Capital Management, or CCM, project, not at SDTC, the date the CCM project was refused, and the date that I declared my interests in the companies, the percentage of interests held by CCM and those held by Andrée-Lise Méthot. You will also see the board's approval date and the date of my declaration of interests related to SDTC's investment.

In the case of the MineSense project, for instance, I have an interest of 0.03%. I co-invest in our funds with our investors from all over the world. As I said in my opening remarks, at the time of the two votes on the COVID-19 support measures for that company, my interests represented 0.03%.

Of the 23 companies on the list, there was no conflict of interest for two of them, but former potential conflicts of interests had been identified, as indicated in the Auditor General's report. Andrée-Lise Méthot and CCM therefore have no interest in 21 out of the 23 companies.

We recorded everything for each file, so I am being completely transparent with you.

I know the list is somewhat confusing, which is why I prepared a detailed table for you that provides confidential information because we do not usually disclose our percentage of ownership in companies.

Mr. Cannings, does that answer your question?

[English]

The Chair: Thank you.

You have time for a very brief question, or I can come back to you.

Thank you, Mr. Cannings.

We are beginning our second round, and the times will vary.

Mr. Cooper, you have the floor for five minutes, please.

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

Ms. Méthot, you served on the board of SDTC from 2016 to 2021. Is that correct?

[Translation]

Ms. Andrée-Lise Méthot: I was an SDTC board member from June 21, 2016 to September 14, 2021.

[English]

Mr. Michael Cooper: The Auditor General released a report that covered much of the time that you sat on the board. You said there was nothing contained in the Auditor General's report that implicated you in any way, but you have to know, as a member of the board, that isn't true. The report of the Auditor General was a damning indictment of conflict, corruption and mismanagement of SDTC while you sat on the board. Isn't that the case?

[Translation]

Ms. Andrée-Lise Méthot: No blame was assigned.

[English]

Mr. Michael Cooper: No blame.... Well, it was a damning indictment, including \$59 million of taxpayer money that improperly went out the door, putting aside issues of conflicts of interest and gross mismanagement while you sat on the board. Do you take responsibility for that?

[Translation]

Ms. Andrée-Lise Méthot: I am not solely responsible for that.

[English]

Mr. Michael Cooper: You don't take responsibility for the fact that you sat on the board as 59 million taxpayer dollars improperly went out the door, in non-compliance with the very agreement SDTC had with Industry Canada. You take no responsibility. Is that what you're saying?

[Translation]

Ms. Andrée-Lise Méthot: Considering only the list of companies that received COVID-19 support measures, the 21 files that you attribute to me in which I had no conflict of interest, I think that does illustrate—

[English]

Mr. Michael Cooper: No, Madam Méthot, with the greatest of respect, I'm not talking about the COVID relief payments only. I'm talking about \$59 million—that's beyond just the COVID payments—and tens of millions more that improperly went out the door. I'm just asking you: Do you take responsibility for that as a member of the board?

• (1215)

[Translation]

Ms. Andrée-Lise Méthot: Very honestly, I did my best as a board member, as all of the other members did.

[English]

Mr. Michael Cooper: You take no responsibility for the mismanagement. It's telling.

What interest, if any, do you or Cycle Capital have with MineSense biochemistry?

[Translation]

Ms. Andrée-Lise Méthot: At the time of the vote? Is that what you are asking?

My personal interest in MineSense is 0.03%. Our participation as investors in MineSense is 8.7%.

Have I answered your question, Mr. Cooper?

[English]

Mr. Michael Cooper: Is that MineSense biochemistry?

[Translation]

Ms. Andrée-Lise Méthot: No, I'm talking about MineSense Technologies.

[English]

Mr. Michael Cooper: With respect to MineSense biochemistry, what interest do you or Cycle Capital have in that entity?

[Translation]

Ms. Andrée-Lise Méthot: I am not familiar with MineSense Biochemistry. I am only familiar with MineSense Technologies.

[English]

Mr. Michael Cooper: I raised it to provide some context, because the Auditor General identified the COVID payments that you had... Monies were funnelled into certain companies that you had an interest in. You've clarified which of those companies you or Cycle Capital had a specific interest in at the time.

There's another item, number 18 on the list that was provided by the Auditor General, in which she lists you as having some sort of conflict with respect to MineSense biochemistry, in which MineSense biochemistry received \$2 million from SDTC.

[Translation]

Ms. Andrée-Lise Méthot: Mr. Cooper, let's get something straight right away. MineSense Technologies cannot be MineSense Biochemistry because MineSense uses a data collection technology for the mining sector. The goal is to reduce waste. There is no chemistry involved. It's lasers.

I think it's MineSense Technologies you are talking about. So I will answer for MineSense. I have no problem doing so.

[English]

Mr. Michael Cooper: Again, my time is very limited, and I just want clarity as to whether you had an interest, or Cycle Capital had an interest, in MineSense biochemistry at the time that—

[Translation]

Ms. Andrée-Lise Méthot: I have no interest in MineSense Biochemistry.

[English]

The Chair: The answer was that she had no interest in the company.

That is the time.

[Translation]

Ms. Andrée-Lise Méthot: It's MineSense Technologies.

The Chair: Thank you very much.

Your time is up.

[English]

Ms. Bradford, you have the floor for five minutes, please.

Ms. Valerie Bradford (Kitchener South—Hespeler, Lib.): Thank you very much, Ms. Méthot, for being with us today.

Before I start my questions, is there anything from that previous round that you want to clarify or expand on? Are there any questions that you didn't have a chance to answer fully?

[Translation]

Ms. Andrée-Lise Méthot: Yes, I'd like to help Mr. Cooper a bit. I think the name was simply written wrong. It isn't MineSense Biochemistry, it's MineSense Technologies. I'm not trying to distance myself from the fact that we are an investor in MineSense. As I've already made clear, my interest was 0.04%. That will be in the table you receive.

I also want to point out that our funding comes from 50 investors across Canada and the U.S., and all over North America. We have private investors and institutional investors. We follow processes to obtain those funds. We've even participated in a number of competitions to obtain those funds. All of our investors have a combined stake in MineSense Technologies of 8.7%. I, personally, have a 0.03% stake right now. I really want to make that clear.

Yes, we have a stake in the company. When you own 8.7% of a company, you disclose that you have a conflict of interest, you recuse yourself, and that's always what I did.

I want to be clear, here, Mr. Cooper. I am talking about MineSense Technologies, a Vancouver-based company that uses amazing technology. It's a game changer in the mining sector because it cuts down tremendously on CO₂, water and waste. It's a company I hope will make inroads globally. It's taking in millions of dollars in revenue and is helping to position Canada favourably thanks to its green approach to mining.

● (1220)

[English]

Ms. Valerie Bradford: Thank you for that clarification.

I want you to confirm something else, in case anyone missed it the first time you mentioned it when my neighbour here asked you the first time.

Could you confirm that Mr. Guilbeault has no stock or stake in the company Cycle Capital?

[Translation]

Ms. Andrée-Lise Méthot: I can confirm that Steven Guilbeault has no stock in the company. What he does have—and this is no doubt what Mr. Perkins was referring to in the message he posted on X—is what is known as a passive interest. It's not shares. It's a sort of bonus that is payable only when the return on investment is especially high. It can take 10 years.

To date, Mr. Guilbeault hasn't received a single dollar arising from his passive interest, which is not a share or stock. Mr. Guilbeault is not an investor with Cycle Capital. He doesn't have any shares in any of our funds or programs.

[English]

Ms. Valerie Bradford: Thank you for that.

You are a bit of an expert on the clean-tech sector. Would it be correct to say that compared to other small and medium-sized businesses, the clean-tech sector and smaller innovators rely more heavily on public sector funding to help de-risk investments?

[Translation]

Ms. Andrée-Lise Méthot: We did a study in 2016. I travelled across the country. I met with people in the provinces. I met with representatives from the federal government as well as from the private sector. At the end of the study, we found that Canadian entrepreneurs received half as much funding as their American counterparts. However, the climate technology sector is going to be extremely important. That's why people like Bill Gates are investing billions of dollars in the sector. I will also say that it worries me that Canada is lagging behind in sector investment.

Another very important study we did was on intellectual property. Right now, countries like China own more than 90% of the intellectual property in certain sectors, including the water sector. It worries me that Canada isn't doing enough in the climate technology sector. I urge private and public sector stakeholders to pursue their involvement in Canada's climate technologies. Everyone is calling for measures to address climate change, but the important thing is to hurry up and invest in Canadian companies. That will position Canada as a significant player internationally. Right now Canada isn't, because of the underinvestment in Canadian companies by the public sector and the private sector alike.

I have been committed to this work for 35 years. I think we can excel in technology and in business, that we can build very large companies and make Canada a key player on the world stage. My worry right now is that we aren't doing that.

[English]

Ms. Valerie Bradford: You've stated that you think we're underinvesting in this sector compared to other countries; however, it is a highly competitive and high-performing sector in Canada. A few years ago, the industry accounted for 2.9% to 3.3% of Canada's GDP.

Would you have any idea what it represents today as a percentage of GDP?

[Translation]

Ms. Andrée-Lise Méthot: Sorry, but I don't know. I'm not an economist.

The Chair: Thank you.

We now go to Ms. Sinclair-Desgagné for two and a half minutes.

Ms. Nathalie Sinclair-Desgagné: Ms. Méthot, during my last turn, I used the word "arbitrary" to describe the fact that certain projects received SDTC funding, while similar projects didn't. You explained that you didn't think that was the case.

I have many examples of projects that SDTC funded despite being advised not to do so by external expert reviewers. In all those cases, the companies that were funded had ties to someone at SDTC.

In the case of Miovision, you weren't there anymore, but—

Ms. Andrée-Lise Méthot: No, we were never an investor.

Ms. Nathalie Sinclair-Desgagné: I know. In the case of Miovision, you weren't there anymore and you weren't an investor. However, it's an example of a project that received SDTC funding, even though the external expert reviewer advised against it. The reviewer was subsequently asked to rewrite their opinion.

In another case, you were still at SDTC. You weren't an investor, so there wasn't a conflict of interest, but there was a problem in that the project didn't meet the eligibility criteria. I'm talking about Farmers Edge. SDTC asked the external expert reviewer to revise their recommendation on the company. You told me that you tried to balance the opinions of the external expert reviewer; the SDTC team, staff and management; the project review committee; and the board. You said there seemed to be a balance. Why, then, ask an external expert reviewer to revise their recommendation on a project submitted by a company that had ties to someone at SDTC?

● (1225)

Ms. Andrée-Lise Méthot: I'd like to clarify something about the process, Ms. Sinclair-Desgagné. Before a project goes to the project review committee, the SDTC team has to have approved it. That was the case for all the projects. If the application wasn't—

Ms. Nathalie Sinclair-Desgagné: That's actually problematic. If the external expert reviewer—

Ms. Andrée-Lise Méthot: No, please listen.

Ms. Nathalie Sinclair-Desgagné: This is my speaking time, but I will let you finish. Please be quick.

Ms. Andrée-Lise Méthot: We didn't see any proposal that the team hadn't recommended.

Ms. Nathalie Sinclair-Desgagné: That's my point. It may have been a problem. If the CEO's friend was connected to a project that the external expert reviewer recommended not be funded—

Ms. Andrée-Lise Méthot: I hope the president and CEO was honest.

Ms. Nathalie Sinclair-Desgagné: The SDTC team still submitted the project, though, so that's a problem. You're saying that, yes, that is what happened at SDTC. That's precisely my point. There was a connection.

Ms. Andrée-Lise Méthot: The project had to meet certain criteria.

Ms. Nathalie Sinclair-Desgagné: The company still received funding even though the external expert reviewers advised against it.

Ms. Andrée-Lise Méthot: I can try to give you an answer, but the situation is complex.

All the applications submitted met the criteria.

Ms. Nathalie Sinclair-Desgagné: All right.

Ms. Andrée-Lise Méthot: A project can satisfy the criteria without meeting all of them perfectly. For example, it's possible to have 75% and meet the criteria, like when a student gets their degree.

Ms. Nathalie Sinclair-Desgagné: In this case, though, when the external expert reviewer recommended that the project not receive funding, SDTC had the reviewer's advice changed.

It's a major problem. It was done so the companies would get funding.

Ms. Andrée-Lise Méthot: I didn't work on the operations side. I never saw that.

Ms. Nathalie Sinclair-Desgagné: You never saw that ever?

Ms. Andrée-Lise Méthot: No, I didn't work on the operations side.

However, I did see board members identify weaknesses in a project. They would then tell people that they had to improve their performance in order to obtain funding.

We're there to advise. As board members, we have a role to play. The board doesn't just rubber-stamp everything. The board is made up of people who are smart. They consider everything and are able to identify weaknesses in the project. For example, if the intellectual property isn't adequately protected, the company is asked to go back to the drawing board. I've seen that from time to time.

The Chair: Thank you very much.

[English]

Up next is Mr. Cannings.

You have the floor for two and a half minutes.

Mr. Richard Cannings: Thank you.

I will follow along with that line of questioning.

Again, I'm new to this—

[Translation]

Ms. Andrée-Lise Méthot: Me too.

[English]

Mr. Richard Cannings: —but I have glanced through the Auditor General's reports. The one I'm looking at is where they examined 58 projects. Of those 58, they found that 10 were ineligible,

and they estimated that 10% of the rest of the projects they didn't analyze carefully were also ineligible.

First of all, was this during your tenure on the board?

[Translation]

Ms. Andrée-Lise Méthot: No.

[English]

Mr. Richard Cannings: Second of all—

[Translation]

Ms. Andrée-Lise Méthot: I was on the board for five years.

[English]

Mr. Richard Cannings: Yes. However, I'm not sure when those were happening. I'm wondering about this. Ms. Sinclair-Desgagné was talking about approved projects that didn't seem to meet the criteria, as the Auditor General found. I'm wondering how that can happen and whether you were on the board or not.

Maybe you can answer that question first.

[Translation]

Ms. Andrée-Lise Méthot: I want to make an important point, one that was raised at other committee meetings. I took the time to review a lot of the testimony that was provided.

The board proposed business plans to the government and often called for an update. Organizations do change over time. I gather from the Auditor General's report that those updates weren't done in a structured way.

That said, I can tell you that I and other members of the board asked a number of times for an update because the situation was changing.

The clean tech sector is vastly different than it was 20, 10 or even five years ago. Back when I started in this field, only 200 companies in North America were working on clean tech. Today it's thousands.

Changes were proposed to the government and the minister in charge. We were given the green light to go ahead with the changes, but as I understand it, they weren't made in accordance with the established process. That's what I meant when I said that it didn't adhere perfectly to the criteria.

That is what I understood from the Auditor General's report, and that is what I can speak to.

• (1230)

[English]

The Chair: That is your time, unless you have a very quick question.

Thank you very much.

Mr. Perkins is up next.

You have five minutes.

Mr. Rick Perkins: Thank you, Mr. Chair.

Based on your testimony here today, companies that Cycle Capital invested in—and you're the partial if not full owner of Cycle Capital—received over \$30 million of investment from SDTC while you were on the board. You were the single biggest beneficiary of SDTC money while sitting on the board. Now, you're aware that the SDTC act, which applied to you, says that board members cannot themselves benefit, nor can their family members.

Isn't that benefit contrary to the SDTC act?

[Translation]

Ms. Andrée-Lise Méthot: What you're saying is not true.

Of the roughly 250 proposals that were examined during my five years on the board, four Cycle Capital Management companies received \$10.4 million. I declared my conflict of interest in relation to those four companies. I followed the governance protocol. I recused myself from the discussions and I had no interaction with—

[English]

Mr. Rick Perkins: I'm sorry, but Spark Microsystems alone received \$10 million from SDTC while you were on the board. That's \$10 million just in one company.

Now, I will ask again—

Ms. Andrée-Lise Méthot: Spark Microsystems—

Mr. Rick Perkins: No, sorry, you don't get to interrupt me—

Ms. Andrée-Lise Méthot: No, sorry—

The Chair: Order. We really cannot have people speaking over—

Mr. Rick Perkins: You don't get to interrupt me.

The Chair: Order.

[Translation]

Ms. Méthot, you'll have an opportunity to answer once Mr. Perkins has asked his question. If not, I'm sure another committee member will give you a chance to answer. Sorry, but that's how things work here. This is Mr. Perkins' time, and he is the one asking the questions.

The reason you're here is to answer the committee members' questions. So far, things have been fine. The two or three times you weren't able to answer a question, another committee member gave you a chance to do so. I'm sure that will be the case again.

[English]

Mr. Perkins, you have—

[Translation]

Ms. Andrée-Lise Méthot: May I ask a question, Mr. Chair?

The Chair: If it's for me, yes.

Ms. Andrée-Lise Méthot: Mr. Chair, when a question contains false claims, it's not a question, it's a lack of respect. It's very aggressive.

The Chair: What you just said is very serious. You'll have an opportunity to respond.

Mr. Francis Drouin (Glengarry—Prescott—Russell, Lib.): I have a point of order, Mr. Chair.

The Chair: I hope you can see that I'm doing my best, Ms. Méthot.

Go ahead, Mr. Drouin.

Mr. Francis Drouin: With all due respect to my fellow members, I want to be sure that, as chair, you are making certain that the question and answer process is taking place properly. If false claims are being made, I hope the witness will have the opportunity to answer appropriately. That's all.

The Chair: As I said, Mr. Perkins is in control of his time. Thus far, the conversation has gone fairly well, despite a few interruptions here and there. In addition, the witness has had the opportunity to speak a number of times.

[English]

Mr. Perkins, you have three and a half minutes.

Mr. Rick Perkins: Whether it's \$10 million, \$30 million or \$50 million, it's contrary to the act. You broke the act that you served under. The SDTC act says that you cannot personally benefit.

When SDTC made investments in your companies while you were on the board, you broke the act. Did you not?

[Translation]

Ms. Andrée-Lise Méthot: No, I—

[English]

Mr. Rick Perkins: It doesn't say “recuse” in the act.

[Translation]

Ms. Andrée-Lise Méthot: According to the ethics and governance principles we learn when we join the board of directors, we must declare any conflicts of interest and recuse ourselves when necessary. The same holds true at the Business Development Bank of Canada, Export Development Canada, Canadian National and all companies linked to the Canadian government or any other government in Canada. That's standard business practice.

[English]

Mr. Rick Perkins: The easiest way to avoid a conflict when you're on a public board and spending taxpayer money is to not vote and have a board you're sitting on give money to companies that you own interest in.

Now, I will ask you this again. When you joined the board in 2016, the value of Cycle Capital and its assets under management was a little over \$140 million, and when you left it was \$600 million. It seems like it was pretty good business for Cycle Capital to get money from SDTC, where you're on the board and you also utilized it to screen companies.

• (1235)

[Translation]

Ms. Andrée-Lise Méthot: First of all, in your statement, you are conflating the notions of assets under management and fund value. What you're talking about is the notion of assets under management.

Over five years, we've probably performed well enough to raise more funds. However, our performance values were never posted, since we represent a private fund, not a public one. We have several funds under management. So you're confusing those two concepts.

[English]

Mr. Rick Perkins: This is from your website.

[Translation]

Ms. Andrée-Lise Méthot: I'm quite surprised, Mr. Perkins, given that you sit on the Business Development Bank of Canada. This is the kind of detail you understand very well.

[English]

Mr. Rick Perkins: It's from your website.

When the culture of corruption on the board by Annette Verschuren came on and changed, there were nine directors, including your colleague, Guy Ouimet, who voted for money for himself. You had money given to your companies. Stephen Kukucha had money given to his companies.

There is a culture of corruption that you were participating in by approving not only your money, but money to other board members. Isn't that correct?

[Translation]

Ms. Andrée-Lise Méthot: That's completely untrue. I'm convinced that when the president, Jim Balsillie, welcomed me—

[English]

Mr. Rick Perkins: You didn't vote for Mr. Kukucha's companies. You didn't vote for Mr. Ouimet's companies. You didn't vote for your own because you left the room.

[Translation]

Ms. Andrée-Lise Méthot: The link you are making with corruption is completely unacceptable, Mr. Perkins. It's false.

[English]

Mr. Rick Perkins: What's unacceptable is that board members who were appointed, whether they were Liberals or separatists, were using this fund in a little, cozy group to support each other's companies. That's exactly what happened. That's what the Auditor General found.

If you had been a Governor in Council appointment, do you believe the Ethics Commissioner would have found you not guilty?

[Translation]

Ms. Andrée-Lise Méthot: No.

[English]

Mr. Rick Perkins: Do you think he would have found you not guilty or guilty of breaking the ethics laws of Canada?

[Translation]

Ms. Andrée-Lise Méthot: The Ethics Commissioner can draw his own conclusions. I'm not the Ethics Commissioner. All I can say is that, when I joined the board of directors, I was told how to behave, and I've always behaved as instructed. I went even further, because I declared potential conflicts of interest, not just conflicts of interest.

I would remind you that in 28 out of 32 cases, the conflicts of interest were potential or perceived, not true conflicts of interest.

The Chair: Thank you very much.

[English]

Mr. Erskine-Smith, you are next for five minutes, please.

Mr. Nathaniel Erskine-Smith (Beaches—East York, Lib.): Thanks, Chair.

My NDP colleague Mr. Cannings has said that he's new and is trying to get to the bottom of things.

The Auditor General report lays out mismanagement of conflicts and record-keeping. Here we have a very good example of just that.

You are articulating that you declared potential conflicts. That obviously was not adequately captured in the processes such that here you have Conservatives screaming about actual conflicts, and they listed names of companies, and you're answering no to the vast majority of them.

Was there ever an instance, apart from the COVID approval, where you approved funds for a company that you had a stake in as a board member or you didn't recuse yourself?

[Translation]

Ms. Andrée-Lise Méthot: The only situation is the one I explained in my opening remarks about support measures related to COVID-19. As it was an omnibus resolution, we didn't have—

[English]

Mr. Nathaniel Erskine-Smith: Right.

Just so I'm crystal clear, the Ethics Commissioner has found, in relation to Ms. Verschuren, that that did amount to a violation of the law but, as the commissioner found, it was premised on incorrect legal advice.

To the extent that there was any inadvertence here, it's with respect to the COVID approval, and it's based on advice that you received from corporate counsel. Is that correct?

[Translation]

Ms. Andrée-Lise Méthot: Yes, that's the legal advice we received. All the board members had gathered, and we discussed it. That included the governance committee, the president and CEO and the chair. It was debated, and we followed that advice in good faith. That's all I can say. I would remind you that, personally—

• (1240)

[English]

Mr. Nathaniel Erskine-Smith: You have been—

Go ahead.

[Translation]

Ms. Andrée-Lise Méthot: —that amounts to \$250.

[English]

Mr. Nathaniel Erskine-Smith: It is laughable that you have been subject to the character assassination that you have been subjected to. You're a serious person in business. You have devoted yourself, as you say, to addressing climate change. When you were starting out, it was a very small sector in this country, and it has rightfully grown.

Why, if we have a future Conservative government that is going to govern by the.... If you listen to the opposition today, they're going to govern with character assassination and crayons. Why would any serious person involve themselves in the day-to-day of that government in supporting the work on a board like you served on if they are going after serious people without evidence, as they've clearly done today and over the last number of weeks?

[Translation]

Ms. Andrée-Lise Méthot: I don't know. That's one of the things I don't understand.

Why are we attacking a Canadian woman who devoted her life to trying to build a sector that didn't exist and who did so whole-heartedly? I even co-chaired a United Nations program group on these issues. I receive invitations from across the world. Yet it seems some committee members remain unconvinced.

For my part, I'm ready for dialogue. My culture is one of dialogue. I'd be delighted to sit down with Mr. Perkins and talk about his beautiful riding in the Halifax area, where there are very interesting businesses. There's a lot of entrepreneurship to support.

I'm very sad. My family is sad. My employees are sad. The CCM portfolio companies are sad. People in the ecosystem are sad. I even had retired public servants wishing me good luck today.

Everyone is sad to see a woman like me, a feminist and environmentalist who devoted her life to fighting climate change, being attacked so unfairly, with a lack of dialogue that, frankly, isn't very Canadian.

That's not what Canada is about. Canada is about dialogue. Here, I'm being subjected to attacks. I don't know if it's because I'm a woman or an environmentalist.

[English]

Mr. Nathaniel Erskine-Smith: I want to get to that. I'm sorry for cutting you off.

I do want to get to the question of a response here, because—

[Translation]

Ms. Andrée-Lise Méthot: All right.

[English]

Mr. Nathaniel Erskine-Smith: —you talk about a culture of dialogue, and you have Mr. Perkins talking about a culture of corruption and accusing you of corrupt conduct just mere seconds ago.

Now, he's protected. He's weaponizing his parliamentary privilege and defaming you behind the cover of that privilege.

My challenge today, Mr. Perkins, is to step outside that parliamentary privilege and say the exact same thing and see how she responds. If I were her, I would sue you for everything you are worth.

The Chair: Thank you very much. That is the time.

Beginning our third round is Mr. McCauley.

You have the floor for five minutes, please.

Mr. Kelly McCauley (Edmonton West, CPC): Thank you, Mr. Chair.

Thanks for being with us today. I have some quick questions.

You mentioned that when you first joined the board, you were told how to comport yourself and what was expected of you. This was by whom, please?

[Translation]

Ms. Andrée-Lise Méthot: It was recommended that whenever we had a real or perceived interest in a company, we should declare it and recuse ourselves.

[English]

Mr. Kelly McCauley: I'm not getting the translation.

Would you restart it?

[Translation]

The Chair: You can start over from the beginning, Ms. Méthot.

Ms. Andrée-Lise Méthot: Before we began our tenure on the board, someone would meet with us and explain the expectations and objectives, as is the case with all boards of directors. It's a good practice.

[English]

Mr. Kelly McCauley: Who was that, please?

[Translation]

Ms. Andrée-Lise Méthot: I don't recall. It's been over 10 years, but I remember that it was done at the time.

[English]

Mr. Kelly McCauley: Were you required to sign any ethics agreement?

[Translation]

Ms. Andrée-Lise Méthot: I don't remember, but I can tell you right now that, if there was a document to sign, I would have signed it willingly, because that's what I do everywhere. There is no shame in signing a document stating that we are recusing ourselves.

[English]

Mr. Kelly McCauley: Thank you.

I want to talk about the whole issue about the COVID emergency.

It seems to be an excuse thrown out there for poor governance. While it was COVID, we were trying to prop up companies. Did you not sense a need to still follow the old governance rules, the old conflict rules, even though there was the COVID issue going on?

The reason I ask is that I'm, like Mr. Cannings, relatively new to this study, and it just seems that person after person is basically saying that it's okay that we wasted taxpayers' money. Perhaps money was taken by companies that shouldn't have been. Yes, there was a lot of conflict, but it was COVID. We suspended our oversight rules.

Why, if you're on the board—you're very experienced—would you agree to basically throwing out governance rules to push through this omnibus spending, as you described it?

• (1245)

[Translation]

Ms. Andrée-Lise Méthot: Board members, including me, asked questions about that. You're right.

It's not that we forgot; it's that we discussed it.

[English]

Mr. Kelly McCauley: Let me interrupt.

You said you had a conversation, asked questions, but you were hired on the board, probably compensated, I assume, to provide oversight and governance. Yet, you had a conversation, and you and the others just threw the oversight and governance and the rules out the door. I'm trying to grasp why.

[Translation]

Ms. Andrée-Lise Méthot: No, we didn't ignore the rules. There was a lengthy conversation between attorney Ed Vandenberg and the management and board members who were members of the governance committee. We were told that we could do it and that it fell within the rules, because it was an omnibus measure that didn't penalize anyone.

Go ahead and laugh, but that's the conversation we had.

[English]

Mr. Kelly McCauley: I'm not laughing. I just find it amusing that a group of board members, many conflicted, decided among themselves, because it's an omnibus, that they were going to agree together to change the rules. That's how I'm looking at it. There were rules before, and then an omnibus rule for COVID spending.

Am I wrong there?

[Translation]

Ms. Andrée-Lise Méthot: You're wrong. During the five years that I spent on the board, 250 companies were assessed. Four of them were Cycle Capital companies and two of them were entitled to a COVID-19 support measure, which amounted to \$250 in interest for Andrée-Lise Méthot. I'm an engineer. I haven't been—

[English]

Mr. Kelly McCauley: Let me interrupt you there, Madam.

[Translation]

Ms. Andrée-Lise Méthot: Mr. Chair, may I finish?

[English]

Mr. Kelly McCauley: No, let me interrupt you there.

You keep mentioning \$250. At what level is it okay to say, "Wait. I have ethics here. I cannot be involved in this."

[Translation]

Ms. Andrée-Lise Méthot: I didn't even know they were on the list. I found out about it afterwards.

[English]

Mr. Kelly McCauley: Whether it's one dollar or a million dollars, it's still incorrect.

[Translation]

Ms. Andrée-Lise Méthot: I found out they were on the list several years later. That list was not known at the time of the discussion at the council, because it was an omnibus measure.

The Chair: You have 20 seconds, Mr. McCauley.

[English]

Please be quick.

Mr. Kelly McCauley: I guess what I'm getting at is this. We just heard that there are over two million Canadians a month now accessing food banks. If any of them are watching, they will see connected insiders accessing taxpayers' money without any oversight.

You mentioned Canadians are being attacked. Do you not sense that, perhaps, Canadians sitting at home are going to be enraged over this issue? It's \$400 million in taxpayers' money going to connected insiders while they're at food banks.

[Translation]

Ms. Andrée-Lise Méthot: I certainly wouldn't want to take anything away from food banks. What you're saying is simply untrue.

It was an established program, there were criteria, we followed them and we received advice. I wasn't appointed to do governance; I was appointed to review projects with my skills as an engineer. My tenure on the board was conducted completely honestly.

Of the 23 companies on the Auditor General's list, there are 21 in which we did not invest because of a potential conflict of interest, but two of them did receive funding. That's all I can tell you. I can only tell you the truth, because there's nothing but the truth.

• (1250)

The Chair: Thank you very much.

Mr. Drouin, you have the floor for five minutes.

Mr. Francis Drouin: Thank you very much, Mr. Chair.

Ms. Méthot, thank you for joining us, though I'm sure you have other fish to fry.

As I've said at other committees, we seem to be going around in circles, and your presence here is proof of that. People are looking for someone to blame. I don't know what auditing tactics those sitting across the table are using, but I can see that there's a lack of knowledge in this area.

You spoke a bit about your experience. You were awarded the National Order of Quebec in 2018, and you won the Grand Prix d'excellence of the Ordre des ingénieurs du Québec in 2019. You were chosen by Investissement Québec as their ambassador in the clean-tech sector.

People like Andrée-Lise Méthot are few and far between in Canada and Quebec.

We're talking about people with rather rare knowledge, aren't we?

Ms. Andrée-Lise Méthot: Nowadays, there are more and more people like me, but when I began my career, I was alone. There was nobody else. Today, I am very proud to say that there are many people doing the same thing as me and that there is an ecosystem. There are entrepreneurs, financiers and a lot of people who think we can make clean tech a prolific and profitable sector.

So Andrée-Lise Méthot is no more exceptional than others. There are more and more people like me, and we want there to be a lot of them, because we want this sector to play a big role in Canada.

Mr. Francis Drouin: You were accused of certain things.

Can you explain to the committee the difference between assets and returns on assets?

Ms. Andrée-Lise Méthot: Mr. Perkins was referring to our website, which shows how many dollars are under management. It's the notion of assets under management.

When we launched our business, our assets were valued at \$100 million or \$150 million. Today, we are a little better recognized, and our assets have increased. Our website shows them at \$600 million, but our assets will soon reach \$700 million. Indeed, we've convinced many foreign and private actors to continue to invest with us in climate technology companies. Most of them are Canadian companies.

The value of the portfolio is something separate. That term refers to adding dollars in order to invest. It has nothing to do with performance. I suspect Mr. Perkins knows this quite well, since he knows the sector very well. I'd like to add that I respect him.

Mr. Francis Drouin: You talked about growth and your portfolio's holdings.

Ten years ago, the clean-tech sector was generally growing in Canada. However, you alluded to the fact that there was a lack of capital in Canada, as in all other sectors, compared to what is happening south of the border, which can be described as a superpower.

Can you briefly explain the sector's evolution?

Ms. Andrée-Lise Méthot: The sector's evolution is truly incredible. We're now receiving about 1,000 files a year, which present wonderful investment opportunities. One third of those files come from Canada, and their quality is higher than what we were seeing 10 years ago. So Canada has improved. However, Canada is not alone—the entire planet has improved as well. We're in a race.

Personally, I want to make sure that Canadian entrepreneurs' portfolios are as good as those of American or European entrepreneurs, in whom we've also invested.

Mr. Francis Drouin: I'd like to go back to the COVID payments.

All the economic development agencies had virtually the same goal, which was to get the money out as quickly as possible. However, these were not new businesses. They were businesses with which there was already a contribution agreement.

At the time, SDTC and the regional development agencies did not know what was in store for them. They received the same instruction, which was to call their clients and make sure that, if there were problems, they could obtain support.

From what I understand, you did not approve requests from specific companies.

Is that correct?

Ms. Andrée-Lise Méthot: No, there weren't specific companies, but rather all portfolios of companies whose eligibility had already been validated as a result of an SDTC process. No new businesses were added.

The first year of the COVID-19 pandemic was extremely difficult for entrepreneurs. Every week, we called the companies in our portfolios. We received tremendous support from many officials, from different provinces, from various states, from the federal government and from the United States.

We were able to meet with entrepreneurs. We explained how they could obtain loans or grants and market equity. As you know, if a company goes bankrupt, it takes about 10 years to bring the technology back to a commercial level. There was exceptional collaboration among officials, bankers, lenders and venture capitalists.

We also held meetings with many people on apps such as Zoom or Teams to support our businesses, especially the Canadian ones.

I want to thank officials from a number of federal agencies for the work they did. They helped us tremendously. We worked really well during those years.

● (1255)

The Chair: Thank you very much.

Ms. Sinclair-Desgagné, you now have the floor for two and a half minutes.

Ms. Nathalie Sinclair-Desgagné: Ms. Méthot, you and I will talk as two women environmentalists.

I well understand everything you're saying. Indeed, there may have been potential media bubbles created by certain interest groups, which do not favour clean and green technologies. These are not companies like the ones back home in Quebec, which are already at the forefront of new sustainable development technologies.

I don't think the role of the Standing Committee on Public Accounts is to call into question all the work you've done during your career to promote the development of these new businesses. Nevertheless, I do see one thing. As a member and vice-chair of this committee, I see that an initial report was tabled with SDTC by a whistle-blower who said he had observed highly problematic behaviour at SDTC.

Raymond Chabot Grant Thornton produced a fairly devastating preliminary report on SDTC's management. Then things became so heated that the Auditor General of Canada launched her own study.

In October 2023, after the Auditor General announced that she was undertaking a study—which would be public—every member of the SDTC board resigned, one after another. At the same time, Minister Champagne cut off SDTC's funding.

A fund that existed for over 20 years and whose goal was very noble was dismantled. In addition, we don't even know whether the money, which is still in SDTC's hands, will be used for the same cause.

Don't you think that, as a board member, you could have or should have seen more things, pointed out potential problems and not resigned after the Auditor General's announcement? That would have made it possible to remedy the situation and allow the businesses in our region that were eligible, perhaps 90% of the businesses that received funding, to continue to receive it rather than be imperiled because of the misconduct of certain people at SDTC.

The Chair: Did you have a question?

Ms. Nathalie Sinclair-Desgagné: I finished my question, Mr. Chair.

The Chair: Very well.

Ms. Andrée-Lise Méthot: Let's talk.

I left SDTC before any kind of report was published. In fact, I told the leadership that after my first four-year mandate, I wanted to leave my position. I found that a mandate as long as that involved an enormous amount of work. We spent many hours reading files.

Since we were in the middle of the COVID-19 pandemic, I was asked to stay one more year. I agreed to extend my mandate, but I did not want to do two mandates. I left SDTC three years ago.

As for the human resources allegations, I was not aware of any of it. I think those were revealed years after I left; I don't know which year. However, I was not aware of them, myself.

● (1300)

Ms. Nathalie Sinclair-Desgagné: The allegations started during the spring of 2023, for the most part. They had even started—

Ms. Andrée-Lise Méthot: Very well.

I just want to correct one date. I left—

The Chair: I am sorry to interrupt you.

Ms. Sinclair-Desgagné, we will definitely come back to your questions. You will have another chance to ask them later.

[*English*]

Up next is Mr. Cooper for five minutes, please.

Mr. Cooper, you have the floor.

Mr. Michael Cooper: Thank you very much, Mr. Chair.

Madam Méthot, you tabled—

[*Translation*]

The Chair: Please excuse me.

[*English*]

I'm getting ahead of myself.

Pardon me, Ms. Blaney, the floor is yours. You have the floor for two and a half minutes, please.

Ms. Rachel Blaney (North Island—Powell River, NDP): Thank you, Chair. I thought maybe there was a different cycle here.

I'm going to give you the space to answer the question you were asked, just at the end, by my Bloc colleague.

[*Translation*]

Ms. Andrée-Lise Méthot: Thank you, Ms. Blaney.

Ms. Sinclair-Desgagné, I left the board of directors in 2021 because I was asked to extend my mandate by one year, and I did not intend to stay. I therefore did not step down in the wake of revelations and reports. I had already been gone for several years by that time.

[*English*]

Ms. Rachel Blaney: Thank you for that.

We saw in the report from the Auditor General that there are some very significant concerns about what happened. I'm wondering whether you could talk me through what your experience was, how you feel and what your response is to those accusations.

[*Translation*]

Ms. Andrée-Lise Méthot: First, my response to those accusations is in the table you will receive. It sheds light on the conflict of interest issue. The Auditor General looked into situations that occurred in the past, but not at the time of the vote. My primary responsibility, above all, is to shed light on this issue.

Second, it is my responsibility to tell you that, based on what I saw as a member of the board of directors, it was relatively well disciplined, even if it wasn't perfect, like every other board of directors. In fact, the SDTC team worked very hard to prepare files. I rarely saw files as well prepared as those were. SDTC showed a great deal of professionalism.

That said, I think the disappointment comes from changes proposed by the board of directors in the revised business plans sent to the minister. Those changes were supported by the executive officer. However, there was a disconnect between the foundation's fundamentals and its evolution, because there had not been any updates. That led to a lack of alignment. You can feel it in the report. Personally, I find the situation very sad.

As for the rest of the allegations, I was not there. I therefore cannot say anything about allegations made by the whistle-blower or the human resources reports. I never heard them, and I was not longer a member of the board of directors.

Ms. Blaney, I hope I gave a good answer to your question.

[*English*]

Ms. Rachel Blaney: That was very helpful, and I appreciate it. I agree that this is very concerning.

I have one last question.

You talked a little bit in your response to me about some of the things that were happening during that period of your transition. Were there any warning signs for you as you were leaving that there might be concerns that would come out in the future?

[*Translation*]

Ms. Andrée-Lise Méthot: When I left my position, there wasn't one.

[*English*]

Ms. Rachel Blaney: Thank you.

The Chair: Thank you.

Again, I apologize for missing you inadvertently.

Mr. Cooper, you have the floor for five minutes, please.

Mr. Michael Cooper: Thank you, Mr. Chair.

Ms. Méthot, you have tabled with this committee a number of documents, which we haven't had the opportunity to review, that appear to contradict aspects of the findings in the Auditor General's report. Will you agree, in addition to tabling those documents with this committee, to also turn those documents over to the RCMP?

[*Translation*]

Ms. Andrée-Lise Méthot: I have nothing to hide.

[*English*]

Mr. Francis Drouin: Mr. Chair, I have a point of order.

[*Translation*]

Ms. Andrée-Lise Méthot: I don't know how to respond to that question.

The Chair: There is a point of order.

Mr. Drouin, you have the floor.

[*English*]

Mr. Francis Drouin: Again, Mr. Chair, we're conflicting two powers that are very well known in the Constitution. We're mixing judicial.... If the RCMP wants documents from Andrée-Lise Méthot, I know they can just get a search warrant very quickly if they feel the need to do so, but this tactic....

[*Translation*]

It's a smear campaign, yet again.

[*English*]

The Chair: Mr. Cooper, I'm going to turn the floor back to you for four and a half minutes.

The documents will be publicly available. Whether the witness wants to turn them over or not, the RCMP is going to be able to review them through our committee. They are being tabled. They'll be distributed to all of you, and they'll be publicly available, I hope, this afternoon.

You have the floor, Mr. Cooper, for four and a half minutes.

● (1305)

Mr. Michael Cooper: I invite the witness to answer my question.

[*Translation*]

Ms. Andrée-Lise Méthot: I think I put everything on the table. I had nothing to do with that. I do not understand your question. I don't know why you—

[*English*]

Mr. Michael Cooper: I simply said that you managed to table a bunch of documents with this committee, so will you also just hand them over to the RCMP, yes or no?

[*Translation*]

Ms. Andrée-Lise Méthot: If the RCMP has questions, it will be my pleasure to answer them. There is no problem. I have nothing to hide from anyone, not you and not them.

[*English*]

Mr. Michael Cooper: Will you turn them over to the RCMP, yes or no?

[*Translation*]

Ms. Andrée-Lise Méthot: If the RCMP has questions, it will be my pleasure to answer them.

[English]

Mr. Michael Cooper: I take it the answer is no.

Ms. Iqra Khalid (Mississauga—Erin Mills, Lib.): I have a point of order, Mr. Chair.

[Translation]

The Chair: There is another point of order.

[English]

Go ahead, Ms. Khalid.

Ms. Iqra Khalid: Mr. Chair, I have sat here and have watched the Conservatives go after our very esteemed witness.

Mr. Michael Cooper: I asked the witness a simple question, Mr. Chair.

The Chair: Mr. Cooper, I'm going to hear Ms. Khalid's point of order.

Ms. Iqra Khalid: Further to my colleague Mr. Drouin's point, it is very unfortunate that we're trying to interfere in the RCMP's investigation, if there is one. If the RCMP wants documents, I'm sure they have many ways to reach out to the witness directly to get those documents. I would really appreciate it if Mr. Cooper could stick to what is the mandate of our committee and not be irrelevant.

An hon. member: I asked a simple question.

Ms. Iqra Khalid: Please do not talk over me, Mr. Cooper.

The Chair: Ladies and gentlemen—

Ms. Iqra Khalid: You have done it quite deliberately, Mr. Cooper.

The Chair: Ms. Khalid, I'm going to turn things back over to Mr. Cooper.

Mr. Cooper, why don't you move on to your questions? You have just over three minutes left.

Mr. Michael Cooper: It was a yes or no question. I didn't hear a yes from Ms. Méthot, so I'll move on.

Is it correct that your Cycle Capital companies, four of them, received \$10.4 million from SDTC? Did I understand your testimony correctly?

[Translation]

Ms. Andrée-Lise Méthot: I told you I reported a conflict of interest and that I recused myself. Four companies got that money. I am the one telling you so.

[English]

Mr. Michael Cooper: Ms. Méthot, I ask the questions, and you do your best to provide answers. I'm simply seeking clarification that there were four Cycle Capital companies that received—

The Chair: Whoa, Mr. Cooper, hold on a second.

As counsel, you're here to work...

A voice: [Inaudible—Editor]

The Chair: That's fine. As long—

A voice: She wasn't subpoenaed to be here.

The Chair: No, she wasn't subpoenaed. I agree.

Voices: [Inaudible—Editor]

The Chair: Whoa. Everyone, calm down. Everyone, calm down.

Mr. Michael Cooper: It's a straightforward question.

The Chair: You're here—

Mr. Michael Cooper: Do you want to leave? I guess you're free to leave.

The Chair: Mr. Cooper—

Mr. Francis Drouin: Would you say those things outside, Michael?

The Chair: —and Mr. Drouin, as well—

Mr. Michael Cooper: I would say it outside because I simply—

Mr. Francis Drouin: Well, say it, then. Go outside—

The Chair: I'm going to suspend this meeting for four minutes.

• (1305) _____ (Pause) _____

• (1316)

The Chair: I'm going to slowly bring us back into order.

Before I turn it back to Mr. Cooper for his remaining three minutes, I'm just going to update everyone, because I know there are some questions about timing with question period coming up in about 40 minutes.

It is my intention to have this done by two o'clock. We're going to finish this round, which includes Mr. Cooper's remaining time and then Ms. Yip. Then we'll do the fourth and final round, which takes about 25 minutes, at which point we'll end the meeting.

Colleagues, let me say as well that when we interrupt one another, not only does it make it hard on the interpreters, but it also is distracting to the witnesses as well and I think to our audience. We do rotate here. Yes, the witness has been asked some tough questions but has also been given additional time to speak in subsequent rounds. I think that has worked well. I'd ask that we all respect one another.

Mr. Cooper, we'll go back to you for three minutes, please.

Mr. Michael Cooper: Thank you, Mr. Chair.

In the time that we've had, I have confirmed that you did testify that \$10.7 million, not \$10.4 million, went to four Cycle Capital companies while you served on the board.

I would draw your attention to section 12 of the Canada Foundation for Sustainable Development Technology Act, which states:

no director shall profit or gain any income or acquire any property from the Foundation or its activities.

Isn't that precisely what happened when your Cycle Capital companies received \$10.4 million from SDTC?

[*Translation*]

Ms. Andrée-Lise Méthot: Listen, I recused myself from those conversations. It was not \$10.7 million, but in fact \$10.4 million in four businesses over five years. I recused myself so that I would not be in the room. I therefore did not vote.

[*English*]

Mr. Michael Cooper: Madam Méthot, with the greatest of respect, I didn't accuse you of not recusing yourself. I simply cited a section of the SDTC act that is very clear:

no director shall profit or gain any income or acquire any property from the Foundation or its activities.

Yet four Cycle Capital companies received \$10.4 million. I would submit that this is in violation of the act.

Don't take my word for it. I would cite paragraph 6.47 of the Auditor General's report which states:

...for the duration of a director's term, a director buying or selling securities of an ultimate recipient—or being compensated by, or holding an investment in, an ultimate recipient receiving funding—risks not following subsection 12(2) of the act.

Those are the findings of the Auditor General. Are you disputing the findings of the Auditor General?

• (1320)

[*Translation*]

Ms. Andrée-Lise Méthot: I followed the rules given to me as a member of the board of directors. I followed them to the letter. I am not a lawyer. I am an engineer, and I followed what I was told to do. If I should not have been appointed to the board of directors, Jim Balsillie would've had to refuse my appointment.

[*English*]

Mr. Michael Cooper: Madam Méthot, did you read the act in the six years that you sat on the board? Did you bother to read the act?

[*Translation*]

Ms. Andrée-Lise Méthot: I sat on the board of directors for five and one-quarter years. When I started the position, I read the documentation. We were asked to report our conflicts of interest and recuse ourselves. That is how it was managed. That is the case in every company connected to the Canadian government, just as it is in every Canadian province. I followed the rules given to me.

The Chair: Thank you very much.

[*English*]

Ms. Yip, you have the floor for five minutes.

Ms. Jean Yip: I am disappointed and disgusted by the Conservatives' behaviour and would ask that Mr. Cooper apologize.

As such, I'd like to move the following motion:

That the committee call for the member for St. Albert—Edmonton to apologize personally for his blatant defamatory accusation against Ms. Méthot.

The Chair: Have you sent that to the clerk?

Ms. Iqra Khalid: The member could just do it right now without there being a motion on the table.

The Chair: I'm going to give a quick ruling on this, which can be accepted or challenged.

Ms. Yip, I'm going to rule this as out of order. Hear my reasoning before the challenge. You're welcome to bring it up at a later time.

The reason is, if we go down this path, I'm probably going to excuse Madam Méthot, and we'll bring her back at another time. I'm hoping we can deal with this.

Ms. Iqra Khalid: Why would you do that?

The Chair: I view it as tangential and not the matter at hand.

Mr. Drouin, you have the floor.

[*Translation*]

Mr. Francis Drouin: Mr. Chair, you must know that there is ample precedent. I will ask you to go consult the last few months of proceedings at the Standing Committee on Official Languages, where you will find many examples of precedents.

Your party presented a motion very similar to mine about a witness. You say that the motion is out of order, but that is inconsistent, because the clerk gave the opinion to the chair that the motion was in order. We debated this motion for nearly two months. Suddenly, we are being told the motion is out of order. I'm having a problem with accepting this decision.

[*English*]

The Chair: Mr. Drouin, you're welcome to challenge the chair.

[*Translation*]

Mr. Francis Drouin: Exactly. I challenge the chair's decision.

[*English*]

The Chair: Very good.

(Ruling of the chair overturned: nays 5; yeas 4)

• (1325)

The Chair: Very good.

Has the motion been sent to the clerk? It has.

Could the witness hold on for a bit?

The clerk will distribute it. I'll suspend and come back in two or three minutes.

• (1325)

(Pause)

• (1325)

The Chair: I'm bringing the meeting back to order.

Ms. Yip, take the floor on your motion, please, and then I have Mr. Perkins and Mr. Drouin.

Ms. Yip, you have the floor.

Ms. Jean Yip: Should we wait until everybody is seated?

[*Translation*]

The Chair: Ms. Méthot, could you wait for a few minutes, for the time it takes Ms. Yip to present the motion?

Then we will see how things go.

[*English*]

I'll get back to you. Give us just a few minutes. You're welcome to walk around the room, if you like, in the meantime.

Ms. Yip.

Ms. Jean Yip: The motion is in response to the accusations that our witness, Ms. Méthot, is unwilling to co-operate with the RCMP. She has already stated that she is co-operative. I don't see why she has to go through the RCMP.

I think Mr. Cooper should be apologizing for his tone and tenure of attacking the witness.

We're waiting for him to apologize.

The Chair: Thank you, Ms. Yip.

I have a speaking list that's ready to go.

Mr. Perkins, you have the floor.

Mr. Rick Perkins: Thank you, Mr. Chair.

I move to adjourn the debate on this motion.

(Motion agreed to: yeas 6; nays 5)

[*Translation*]

The Chair: Very well.

• (1330)

Ms. Méthot, I would kindly ask you to retake your seat.

[*English*]

Madam Yip, you have the floor for four and a half minutes.

Ms. Jean Yip: Okay.

Madam Méthot, with all that has happened, I don't think you were given the opportunity to defend yourself. Do you have anything else you would like to add?

[*Translation*]

Ms. Andrée-Lise Méthot: During my opening statement, I said everything that mattered. You will receive the text of the speech and the detailed table. That way, Mr. Perkins will have detailed answers on the list. You will also have the Canada Infrastructure Bank's document, which outlines my behaviour throughout every single meeting. I know that is something Mr. Perkins was very interested in. I am very pleased to provide you with this confidential information.

Furthermore, I reiterate my willingness and my interest in having an in-depth dialogue, including with my detractors, so that we can discuss the facts and do so in the interests of Canadian entrepreneurs in the technology sector. As MPs, you all represent peo-

ple, entrepreneurs and people trying to build businesses. It will always be in my interest to participate in that kind of dialogue and continue moving entrepreneurs as far forward as possible, especially entrepreneurs in clean technology.

I do not think I have to present any defence, Ms. Yip. I have nothing to defend. I only have the truth to tell, such as it is, quite simply.

[*English*]

Ms. Jean Yip: Thank you.

What impacts has the continued Conservative politicization of SDTC had on the clean-tech industry?

[*Translation*]

Ms. Andrée-Lise Méthot: It is hard for me to talk to you about the industry as a whole, because I don't have an ongoing conversation with its representatives every single day. What I can tell you is that there are concerns, because SDTC is a program that's been in place for many years and it moved a lot of things forward.

I can talk about the impact these debates had on me. Being attacked by people telling lies is really not easy. When one builds a reputation over a period of 25, 30, 35 years, doing so with one's heart, while asking one's family to make sacrifices, it is truly a hardship to be destroyed by lies in the public arena. However, because I am a person who truly believes that we must move dialogue forward, I extend my hand to Mr. Perkins.

I often go to Halifax, Mr. Perkins. We have businesses in your lovely riding.

We are there to help. I am here to help you and help your entrepreneurs succeed.

I will never hold it against you, Mr. Perkins, but you've caused me sleepless nights. Because of you, I felt diminished; attacked. My spouse had never seen me like that before, but I am still here to help, because I profoundly believe in what I do. I dedicated my life to this cause, and neither political interests nor tweets on X will make me give up.

As we say back home, in my family in Baie-Comeau, what doesn't kill us makes us stronger. So I will seize the opportunity to thank you, Mr. Perkins.

• (1335)

[*English*]

Ms. Jean Yip: I am sorry. You have already stated several times that you feel that your reputation has been tarnished. Previously you had started to say something about your being a woman and then you were cut off.

[*Translation*]

Ms. Andrée-Lise Méthot: I often got the impression I was attacked because I am a woman, because I am a Quebecker, because I am an environmentalist or because I am known. I don't know. However, if Mr. Perkins is interested in having a coffee one day, it would be my pleasure to talk about it with him. I would like to know what deep motivations are pushing him to attack a Canadian woman trying to build businesses.

The Chair: Thank you very much.

[English]

Up next is Mr. Perkins.

You have the floor for five minutes, please.

Mr. Rick Perkins: The Auditor General raised that almost \$400 million of funds were either conflicted or spent outside the terms of the agreement. That's my concern on behalf of taxpayers.

I'm sorry if it offends you that my concern is that, by your own admission, your companies received \$10.4 million while you were on the board. It's not my concern that you feel offended by it. My concern is that you clearly were in a conflict of interest.

I want to go in a different vein. In your time on the board, according to the lobbyist registry, you lobbied government 51 times between 2016 and 2021 for various aspects of SDTC's needs. I don't know if you were in the meetings; it's under your name. Steven Guilbeault, prior to his election, is listed on those registrations 47 times.

Were you both doing the lobbying together or was Mr. Guilbeault doing it on his own?

[Translation]

Ms. Andrée-Lise Méthot: First, those meetings were held in compliance with all lobbying rules. If you can read them, it is because they were reported.

Mr. Steven Guilbeault and I toured Canada after a study we did that revealed underfunding. When Mr. Guilbeault went into politics, believe it or not, we went to see Albertan politicians. We went to Halifax, to Ontario, to Quebec. We even met politicians at the federal—

[English]

Mr. Rick Perkins: I didn't look for your travel schedule. I was very straightforward.

Was Mr. Guilbeault It's true. He was in lobbying 47 times. Eleven were with the Prime Minister's Office, including Mr. Butts. Two were with Minister Bains, and actually six times were with future minister Champagne.

It appears that you had a lot of high-level access to those folks in Ottawa.

You mentioned Mr. Guilbeault's interest as some sort of compensation. He lists it still that he has it on his public disclosure of conflict of interest.

Since the time that you were on the board until recently, the value of your company has gone up six times. Is it fair to say that Mr. Guilbeault's investments, whatever those are, have gone up six times?

[Translation]

Ms. Andrée-Lise Méthot: We are going to settle this very simply. First, Mr. Guilbeault had a passive interest. When he left, his interest ended and its value did not increase. You are mixing up assets under management and the company's value.

Second, Mr. Perkins, you were on the Business Development Bank of Canada's board of directors when you granted a passive interest to bank employees who were managing those funds. Mr. Guilbeault was treated exactly the same way as any other adviser in any other venture capital fund in Canada, Europe or America.

[English]

Mr. Rick Perkins: Are you saying that Minister Guilbeault's filings on the conflict of interest in 2023, which list an interest in Cycle Capital, are incorrect and that he made a false disclosure of conflict of interest?

[Translation]

Ms. Andrée-Lise Méthot: If Mr. Guilbeault holds a passive interest, as I just said, which is a kind of performance bonus, he has to report it. That is his responsibility, and the commissioner must manage—

[English]

Mr. Rick Perkins: No, he only has to declare what he currently owns, not what he used to own in some time before he was elected. It's what he currently owns, and he's still listed.

I'll move on because—

[Translation]

Ms. Andrée-Lise Méthot: To answer your question, Mr. Perkins, he always held what he said he held. I know this because we are the ones who provide him with that information every year, and our auditors review it.

• (1340)

[English]

Mr. Rick Perkins: Well, he still has it. Otherwise, he wouldn't declare it.

I'll move on.

How many investments has Brookfield made in your funds, and what's the value?

[Translation]

Ms. Andrée-Lise Méthot: Who are you talking about?

[English]

Mr. Rick Perkins: Brookfield management.

[Translation]

Ms. Andrée-Lise Méthot: He was an investor in our first fund, which did not perform as well as the current fund.

[English]

Mr. Rick Perkins: You also list them on all your press releases as an "industrial partner". What's an industrial partner?

[Translation]

Ms. Andrée-Lise Méthot: We have many industry partners, including L'Oreal, Hydro-Quebec, Alouette, Alcan and Brookfield. They are big private companies, or public companies on the market, who decided to invest in the investment fund. They are on the same footing as all the investors in our funds.

[English]

Mr. Rick Perkins: You list them as an industrial partner, as a financing partner on your funds.

In 2017—

The Chair: Make it a very quick question.

[Translation]

Ms. Andrée-Lise Méthot: May I finish, Mr. Chair?

[English]

The Chair: No. Mr. Perkins has time for one last question, then we'll hear from you, and then I'm going to go to Ms. Bradford.

Mr. Perkins, make it a short question with no preamble, please.

Mr. Rick Perkins: In 2017 you made an investment with a Chinese state-owned enterprise. They're an investor with you, and you have an office in China. Are you following the Chinese national security act, which requires those who operate in China to spy and steal technology?

Mr. Francis Drouin: I have a point of order, Mr. Chair.

As much as I have no idea what the heck that has to do with SDTC, if the member wants to put a motion forward to go after those, I'm sure we could, but I don't see how this relates to our study.

[Translation]

The Chair: Ms. Méthot, do you have an answer to that?

Ms. Andrée-Lise Méthot: I want to tell you I am not a Chinese spy.

[English]

The Chair: I turn now to Ms. Bradford.

Ms. Bradford, you have the floor for five minutes, please.

Ms. Valerie Bradford: Thank you, Mr. Chair.

Again, Madam Méthot, thank you so much for your patience. I'm so sorry for the stress this has caused you and your family. I know you were at the INDU committee about a year ago, and here you are, back again. I hope people watching at home don't think that, if they step forward to serve on a board of directors, this could be their fate sometime down the line, because I would hate to think that might be the case and preclude people from serving in this important work.

I will just give you a chance to finish your answer to Mr. Perkins' questions, where he cut you off, if you want to complete that answer.

[Translation]

Ms. Andrée-Lise Méthot: I repeat that we followed all the rules. I recused myself; I declared real and potential conflicts of interest. It is clearly written everywhere. I'm offering an addendum to what the Auditor General did.

Mr. Perkins, I want to repeat that yes, we conducted business in China, we managed money for Chinese interests in China, and we have since withdrawn. I must say that the situation in China changed quite a bit over the last 10 years.

As experienced business people, like any other business people, we did business with different players throughout the world. However, for the time being, our activities there have ceased.

I want to repeat that I am not a Chinese spy. I am a woman, a feminist, an environmentalist, a francophone, and I support the right to abortion.

[English]

Ms. Valerie Bradford: Thank you for that clarification. It's now in the Hansard record. There you go.

As part of the investigation, has the RCMP reached out to you?

[Translation]

Ms. Andrée-Lise Méthot: No.

[English]

Ms. Valerie Bradford: No. Okay.

We hear this fund falsely being called a “green slush fund”, that is, money set aside in a pot to sit there and not be used, which we know is false, as over \$3 billion in revenue was generated from companies that received SDTC funding.

Can you speak to some of these funding decisions, how the board decided to provide funding over the long term and the recusal process that was needed each time a project came in front of the board for a funding proposal?

[Translation]

Ms. Andrée-Lise Méthot: The process was very simple. First of all, there were eligibility criteria. The SDTC team, made up of competent people, conducted a detailed analysis. Once SDTC assessed a business's eligibility, the file would end up in the hands of the project review committee. We did not fund businesses, we funded projects.

Every project was evaluated according to specific criteria. It was a matter of determining if those criteria had been met. Then, we assessed the quality of what was presented to us. Debates occurred often. For example, a file could be eligible, but the project review committee sometimes decided that the file wasn't strong enough. In that case, members of the committee would suggest to the business under review that it improve its proposal to make for a winning project.

I remind you that SDTC's objective was to build winning businesses, not fund businesses. The objective was to give technology businesses the opportunity to be winners. In terms of technology, the worldwide ecosystem is competitive. It was also a matter of solidifying intellectual property and building solid management teams that could be competitive on world markets. That is what our discussions were about.

Then, once projects were accepted, a contract was negotiated, not by members of the board, but by the SDTC team. I remind you that the people negotiating those contracts were competent. Specific objectives were set for each business. Some businesses lost their funding or part of it because they did not reach those objectives. Follow-up was rigorous.

You must understand that the board of directors was a key component among many, and the process is lengthy. Since the last step was very demanding, it took six to 18 months before businesses could access funding from SDTC.

That is what I was able to observe over the five years I was at SDTC. I remind you that I haven't been there for over three years.

• (1345)

[English]

The Chair: Ms. Bradford, you have time for one brief question, but you risk cutting off your colleague if you go long. You have the floor if you'd like it.

Ms. Valerie Bradford: Can you briefly tell us some of the unique challenges clean-tech start-ups in Quebec face compared to other regions in Canada, and how SDTC was able to address these?

[Translation]

Ms. Andrée-Lise Méthot: The Quebec companies are no different from the Canadian companies. I've seen all companies face the same challenges.

Remember that these companies don't make a profit, since they're start-ups. All Canadian clean-tech companies face major challenges in terms of funding and sales. I would say that Quebec start-ups don't face unique challenges.

When it comes to conquering global markets, technology companies in the Halifax area face the same major challenges as companies in Vancouver or Toronto. They all face the same competition in global markets.

[English]

The Chair: Thank you.

[Translation]

Ms. Sinclair-Desgagné, you have the floor for two and a half minutes.

Ms. Nathalie Sinclair-Desgagné: Ms. Méthot, I want to say how sorry I am for what you've been through over the past few months. I can personally attest to the fact that it's quite unpleasant, since it happened to me.

I would like to set the record straight regarding SDTC. You left your position in 2021. I wanted to say that people had already started to behave or act in ways that weren't quite clear-cut. I'll identify one person, but I would like us to move on quickly. I don't have much time left. I'm thinking of Mr. Lecavalier. You hired him, but he was quickly dismissed, for no apparent reason. I'll leave it at that.

To hear you tell it, the situation at SDTC was serious enough that Minister Champagne chose to eliminate SDTC. In your opinion, SDTC took a rigorous approach. However, the findings of the Auditor General and the people from the Raymond Chabot Grant Thornton firm suggest otherwise.

Honestly, I see many differences between your testimony and the reports of the Auditor General of Canada and this firm.

Do you think that Mr. Champagne made a mistake by eliminating SDTC?

• (1350)

Ms. Andrée-Lise Méthot: I'm not in politics. I'm not in a position to say whether ministers make mistakes.

Ms. Nathalie Sinclair-Desgagné: What's your opinion? You're an expert. You know the industry better than anyone.

Ms. Andrée-Lise Méthot: I'm not an expert on whether organizations should be eliminated.

Ms. Nathalie Sinclair-Desgagné: You're an SDTC expert.

Ms. Andrée-Lise Méthot: I'm not an SDTC expert. I'm a clean-tech expert who used to sit on the SDTC board of directors.

Ms. Nathalie Sinclair-Desgagné: Okay.

You're playing with words. You're a clean-tech expert.

In that case, do you think that eliminating Canada's largest public funding program for clean-tech projects was a good decision?

Ms. Andrée-Lise Méthot: I think that Canadian companies deserve the same support that their American counterparts currently receive.

Ms. Nathalie Sinclair-Desgagné: Does that mean yes, Ms. Méthot?

Ms. Andrée-Lise Méthot: I think that it's necessary to find a way to continue to provide support. The politicians must make the relevant political decisions. I'm not a politician.

Ms. Nathalie Sinclair-Desgagné: In your opinion, did the Auditor General's findings—which gave Minister Champagne sufficient reason to eliminate SDTC—and the reports that he saw earlier prove to be wrong? Could there have been some bias?

Ms. Andrée-Lise Méthot: I can't say whether any incorrect information or bias came to light. It has been over three years since I left the board of directors.

I can tell you that, while I was there, I saw some good things.

There's always room for improvement, Ms. Sinclair-Desgagné.

Ms. Nathalie Sinclair-Desgagné: True.

The Chair: Your time is up.

Ms. Andrée-Lise Méthot: I don't know of any organization that never had anything to improve.

The Chair: Thank you.

[*English*]

Up next is Ms. Blaney.

You have the floor for two and a half minutes, please.

Ms. Rachel Blaney: Thank you for remembering me this time. I deeply appreciate it.

I also want to put on the record that I do apologize for some of the behaviour we've seen in this committee today and also for the reality of being a citizen who becomes part of the public gaze.

We are trying to figure out what happened here and get some clarity. One of the things that I always fall back on with these very contentious political issues is process and what we need to fix in the long term to make sure that we have systems that Canadians can understand and respond to in a positive way.

It does concern me hearing, largely, the Conservatives ripping apart public servants and process. I think it's very important that we talk about the process problems and the accountability we need to have as Canadians without ripping apart the people who work for the government.

In the time that you were on the board, did you review the processes that you had and the issues that might arise from that? Can you clearly denote for the committee what mechanisms you had that would have allowed you to flag any serious concerns that you had, and how easy it was to use the mechanisms?

If we could get a little clarity on that, I think that would help us understand what we need to see more effective change in in the future.

[*Translation*]

Ms. Andrée-Lise Méthot: Thank you for your questions and your support, Ms. Sinclair-Desgagné and Ms. Blaney. I appreciate it.

It's a bit far back in my mind, but every year or so, an annual review took place. This is standard practice for all boards of directors. A business plan or strategic plan is always drawn up. It's an opportunity to discuss these things.

A detailed process review is often carried out in subcommittees. I sat on one committee—the program review committee—solely because of my technical skills. I was invited because of my technical skills, meaning my skills in engineering, physics and finance.

A governance committee was set up to look at governance issues, but I never sat on it as a member. That would be a good question to ask the people who sat on that committee. However, I can tell you that the processes implemented for the annual report or the business plan provide an opportunity for a board member to put forward ideas. This happened a number of times, for example to get an update on program changes. The Auditor General referred to this in her report.

To answer your question, I would say that this was done in part. However, perhaps it wasn't done as clearly as you're describing today, after the fact. There were processes, but the approach certainly wasn't perfect. No organization is perfect.

I would like to give some advice or make an observation. One thing that I really appreciated at the Canada Infrastructure Bank was the creation of a perfect registry to record real and potential conflicts of interest. Each member also had a detailed record. We didn't have this type of registry at SDTC. It would have helped us a great deal. I think that the infrastructure bank did a good job in this area.

• (1355)

The Chair: Ms. Méthot, I'll stop you there. However, another committee member will certainly be asking questions on this topic.

[*English*]

We have two more members, Mr. McCauley and Mr. Erskine-Smith.

Mr. McCauley, you have the floor for five minutes, please.

Mr. Kelly McCauley: Thanks, Mr. Chair.

I want to follow up on a question from Mr. Cooper that I don't think was answered. It was on whether you have read the SDTC act that lays out rules and guidance regarding conflict.

[*Translation*]

Ms. Andrée-Lise Méthot: I don't understand the question, Mr. Chair.

[*English*]

The Chair: Mr. McCauley, I paused the clock for you to ask your question.

[*Translation*]

Ms. Andrée-Lise Méthot: Sorry, but I really don't understand the question.

[*English*]

Mr. Kelly McCauley: Mr. Cooper asked you very specifically if you had read the SDTC foundation act that very clearly prohibits board members from receiving any financial gain or other gains.

[*Translation*]

Ms. Andrée-Lise Méthot: I was told that I had to recuse myself and state my conflicts of interest. I did that.

[*English*]

Mr. Kelly McCauley: I'm sorry. I'm just asking whether you read that.

[*Translation*]

Ms. Andrée-Lise Méthot: It has been a long time since I read this legislation. I usually read these documents. I have enough experience to know that I must read the board documents. If I hadn't been an eligible candidate as a board member, I imagine that the governance committee, the chair and ultimately the minister would have said so.

[English]

Mr. Kelly McCauley: Did you read the Auditor General's report?

[Translation]

Ms. Andrée-Lise Méthot: Yes. I read it.

[English]

Mr. Kelly McCauley: Would you agree with it?

[Translation]

Ms. Andrée-Lise Méthot: Some points are valid, and others warrant a review. For example, with regard to the list of conflicts of interest—

[English]

Mr. Kelly McCauley: Are you implying that there are points that are not valid, then? If you say there are points that are valid, do you believe there are invalid points?

[Translation]

Ms. Andrée-Lise Méthot: No. I said that certain points are valid. However, when it comes to the list of conflicts of interest attributed to me, I'm saying that this analysis wasn't done at the time of the vote. That's why I sent you a table, which you'll receive later. The information in this table settles the matter.

[English]

Mr. Kelly McCauley: I'm going to ask you—

[Translation]

Ms. Andrée-Lise Méthot: I think that the Auditor General made a good—

[English]

Mr. Kelly McCauley: I'm going to move on.

You were co-founder of Ecofiscal, I think.

[Translation]

Ms. Andrée-Lise Méthot: It's Ecofuel.

[English]

Mr. Kelly McCauley: You were co-founder of Ecofuel in Quebec—another organization that I see received once—and you were co-founder with Minister Guilbeault, I understand.

[Translation]

Ms. Andrée-Lise Méthot: No, that's false. I'm a co-founder, but not with Steven Guilbeault.

[English]

Mr. Kelly McCauley: Is it Écotech Québec?

[Translation]

Ms. Andrée-Lise Méthot: Let me help you.

Écotech Québec is a not-for-profit organization. I'm a co-founder with two entrepreneurs. Steven Guilbeault isn't among them.

[English]

Mr. Kelly McCauley: Once the Liberals came to power, the amount of money you received for that program increased by

350%. One of the notes that I'm reading from the grants and contributions is that it's the duty of the recipient to reallocate or redistribute the grants or contributions to third parties.

Could you provide to this committee who you redistributed or reallocated the \$3 million to? I don't need it right now, but could you provide that in writing?

[Translation]

Ms. Andrée-Lise Méthot: I don't understand who was given the \$3 million. Can you tell me?

[English]

Mr. Kelly McCauley: It was to Écotech Québec. I have it straight from the Treasury Board.

It was \$3.146 million, actually.

[Translation]

Ms. Andrée-Lise Méthot: Okay.

Écotech is a not-for-profit organization that I co-founded with a group of entrepreneurs.

[English]

Mr. Kelly McCauley: Right.

[Translation]

Ms. Andrée-Lise Méthot: Écotech has a board of directors of over 20—

[English]

Mr. Kelly McCauley: However, as is clear in the contribution agreement, you were required to redistribute or reallocate the monies that you received to third parties.

[Translation]

Ms. Andrée-Lise Méthot: Écotech doesn't distribute money, Mr. McCauley. It fuels the ecosystem.

[English]

Mr. Kelly McCauley: It's right in the grants and contributions requirement that the Treasury Board—

[Translation]

Ms. Andrée-Lise Méthot: That has nothing to do with SDTC.

[English]

Mr. Kelly McCauley: Let me finish.

It's directly from the grants and contributions website published by the Treasury Board. It is the duty of the recipient—yourself—to reallocate or redistribute the grants or contributions to third parties.

• (1400)

[Translation]

Ms. Andrée-Lise Méthot: No.

[English]

Mr. Kelly McCauley: Are you saying that the Treasury Board is incorrect in this posting? This is right from its website.

[Translation]

Ms. Andrée-Lise Méthot: I was a founding volunteer member of Écotech Québec. I don't understand. It's volunteer work, Mr. McCauley.

[English]

Mr. Kelly McCauley: I'm not sure that you quite understand some of our concern. We have the Auditor General pointing out a lot of conflict. We have the Treasury Board stating money that went to your foundation and that is supposed to be passed on to other groups, and you're now saying—

[Translation]

Ms. Andrée-Lise Méthot: It isn't my foundation. It's the foundation of Écotech members.

[English]

Mr. Kelly McCauley: Ma'am, please let me finish.

Do you understand Canadians' concerns? Canadians are lining up at food banks in record numbers. They're having difficulty getting by day to day.

[Translation]

Ms. Andrée-Lise Méthot: I have a great deal of respect for all Canadians.

I think that I'll have to leave the meeting, Mr. Chair.

[English]

Mr. Kelly McCauley: We have the Auditor General reporting \$400 million gifted from taxpayers—

Sir, you're more than welcome to sit there at the table, but you're not allowed, as part of your agreement to be here, to be waving me off her questions. Thank you very much.

Ma'am, do you understand the concerns expressed by taxpayers and me?

[Translation]

Ms. Andrée-Lise Méthot: I don't have anything to do with that, Mr. McCauley. I'm the co-founder of a not-for-profit organization that belongs to its members. That's all.

[English]

Mr. Kelly McCauley: Do you have no sense of the concern of taxpayers about this whole scandal?

[Translation]

Ms. Andrée-Lise Méthot: No. I can say that I have a great deal of respect for taxpayers. My parents paid taxes all their lives. They taught their children well. Don't worry. You're looking at a person who deeply respects all Canadians. I feel privileged to live in Canada, in a democracy.

[English]

The Chair: Thank you very much.

Up next is Mr. Erskine-Smith.

You have the floor for five minutes.

Mr. Erskine-Smith appears to be.... Is there a member who would like to fill in for Mr. Erskine-Smith?

You have just under five minutes, Ms. Khalid.

Ms. Iqra Khalid: I'll fill in until Mr. Erskine-Smith returns. I am sure that he's attending question period right now as we speak. I know that Mr. Drouin had a statement in question period, so I'm sure that Nate is really paying attention to what Mr. Francis Drouin has to say.

Our esteemed witness has obviously been in this committee for a very long time.

Thank you for your time today.

Is there anything that you would like to say to Canadians with respect to what we have discussed today or with respect to your role?

I will give you the floor to help us understand why you think you are here today and what challenges you have had to face. What is your message for Canadians with respect to everything that you have heard today?

[Translation]

Ms. Andrée-Lise Méthot: I'll start by making a general comment. Climate change is a reality. It will profoundly change our societies. Immigration will be different. Waters will rise and fires will increase. Canadian entrepreneurs have solutions that can change our consumption habits and reduce pollution. We must believe in these Canadian entrepreneurs. We must support them. Some of them must be the best in the world. I sincerely believe in the need for this discussion on SDTC, which isn't easy. Some things have been called into question and parliamentarians have looked into this issue. However, I would also like us to keep our eyes on the horizon.

This means that we must join the global race when it comes to the technology needed to address the impact of climate change. The coming years will be tough. We're already seeing this. We saw the fires in Jasper, flooding and loss of land. Some parts of Canada and the United States are already less habitable. The issue isn't limited to poor countries. Wealthy countries must find solutions. One of these solutions is clean-tech entrepreneurship. We need to look at this.

That said, if programs need improvement, if higher standards must be set, I agree with you. I agree with Mr. Perkins on this, too. We need to collectively raise the bar. I'll always be available to answer any questions.

I look forward to visiting Halifax and showing him the extraordinary companies in the Halifax area working hard to win market share.

Mr. Perkins, would you like to make a comment? I'm ready to listen.

• (1405)

The Chair: No, it's your speaking time, Ms. Méthot.

Ms. Andrée-Lise Méthot: Mr. Perkins should be proud of all the great companies in his constituency. That's why I'm here. I don't have any other mission. I've raised all my children. I won't tell you how many, because you'll faint, Mr. Perkins. All my children were raised to value honesty, the fight against climate change and the need to respect women and differences. They also understand the need to contribute to society.

People who never do anything never make mistakes. The does make mistakes. This goes hand in hand with responsibility and accountability. I'm here to address this today. You have an unlikely ally, Mr. Perkins.

[*English*]

Ms. Iqra Khalid: Thank you very much for that, Madam.

I just want to say that it's really interesting how what happens in Parliament impacts business. However, I do share the concern of parliamentarians in the public accounts committee specifically with regard to how taxpayer dollars are used. With the transition now going forward, what are your thoughts about that? What are the implications that you think we as parliamentarians should be looking for in that respect?

[*Translation*]

Ms. Andrée-Lise Méthot: I'll give you the result of an analysis that we just conducted.

The oil and chemical sectors are currently considered major contributors to carbon dioxide emissions. I'm also thinking of the high-tech, microelectronics, information technology and cloud computing sector. This sector needs many servers. The high-tech

sector is also becoming an increasingly significant contributor to carbon dioxide emissions.

An industrial revolution is taking shape. It will affect the internet of things, microelectronics and the electrification of transportation. However, carbon dioxide is still being produced. We need to become more inventive. We can't just point the finger at certain industries. Even the deep-seated changes in our economy will generate carbon dioxide. The carbon dioxide produced by power microelectronics or by the chemical sector is the same carbon dioxide in the atmosphere. We must raise our standards and understand that some areas are coming into contact for the first time.

I urge everyone to remain open and to make an organized and rigorous contribution to the development of more and more energy-efficient technology. It's all well and good to have an electric car. However, if the car is manufactured with the use of coal, gas or oil, it's no longer completely electric. We must think carefully about this.

The Chair: Thank you.

If you have any other comments, Ms. Méthot, you can send them to us.

[*English*]

That concludes today's meeting. I will adjourn this meeting so that we can all get off to question period.

[*Translation*]

Thank you for your help.

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