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20 Questions for Tides Canada - Part 1

From: VIVIAN KRAUSE <vivian.krause@me.com>
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Cc: Steven Chase <SChase@globeandmail.com>
Date: February 27, 2012 6:20:13 AM

Mr. McMillan,

As you are well aware, for several years now, I have been writing to you to express my concerns and to try to inquire about the funding and some of the activities of Tides Canada.

At my blog, I have posted the first of two posts which summarize 20 of my main questions. For your review, I have provided the first of these two posts, below. If I have presented anything here that is factually incorrect, or if I have missed any important points, please let me know.

As before, I can be reached at vivian.krause@mac.com or at 604.618.8110.

Sincerely,
Vivian Krause
@FairQuestions

20 Questions for Tides Canada: #1-10

Below, here are the first ten of 20 questions that I would ask of Tides Canada if given the opportunity. Most of these questions have been asked in the [correspondence](#) that I have tried to have with Tides Canada [since the summer of 2007](#).

Background:

With [250 employees](#) and payroll of [\\$10 million](#), Tides Canada has become a powerhouse, especially in British Columbia, and yet many people have never heard of it. To put these numbers into perspective, consider that Tides Canada has about twice as many employees as two other well-known Vancouver-based institutions combined: The Vancouver Foundation ([57 employees](#)) and the Fraser Institute ([71 employees](#)).

Tides Canada has supported several projects that have had a substantial political influence at the municipal, provincial and federal level. For example, with funds from an American foundation, Tides Canada supports the [Greenest City Initiative](#), a project of Vision Vancouver, the municipal political party of Vancouver Mayor Gregor Robertson and the majority of Vancouver's current city council. Another project of Tides Canada is [Organizing for Change](#) which sought to get voters to temporarily join the B.C. Liberal party prior to its leadership vote in the spring of 2011. Tides Canada has also [funded the Dogwood Initiative](#) which seeks a federal ban on coastal tanker traffic on the strategic north coast of British Columbia and to some extent, Tides Canada has apparently [supported Open Media to some extent](#). Open Media which mobilized half a million Canadians to oppose a CRTC ruling on user-based internet billing. These examples show that Tides Canada has a broad scope of influence and yet this is not well known.

Considering the nature of the activities of Tides Canada and that it may be one of the most influential, behind-

the-scenes organizations in British Columbia, I believe that it is fair to raise questions and to inquire about the funding and the activities of Tides Canada.

1) Tides Canada's U.S. Tax Returns

Recently, the president and CEO of Tides Canada called for an "[honest debate over the Enbridge Northern Gateway pipeline](#)." As groundwork for an "honest debate," will Tides Canada please post its American tax returns at its web-site so that Canadians can see for themselves what Tides Canada has been funding over the years? If not, why not?

2) \$62 Million from American Foundations

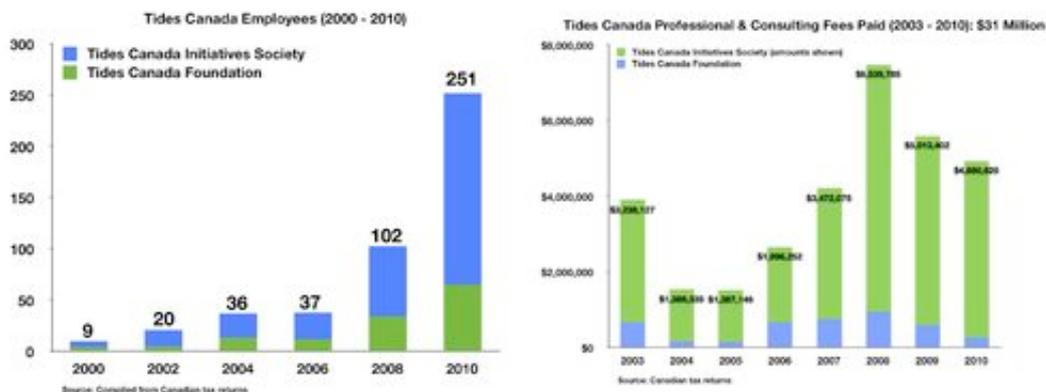
According to my analysis of U.S. tax returns and on-line databases, since 2000 Tides Canada has been granted at least [\\$62 million](#) by American foundations. Of this \$60 million, [\\$50 million](#) came from three U.S. foundations: the William & Flora Hewlett Foundation, the David & Lucile Packard Foundation and the Gordon & Betty Moore Foundation. Most of this money has been ear-marked for projects in British Columbia, especially on the north coast of B.C.

To whom did Tides Canada re-grant the \$60 million from American foundations, and in particular, who are the recipients of the [\\$50 million](#) from The Big Three: Hewlett, Packard and Moore?

Of the [\\$50 million](#) from Hewlett, Packard and Moore, how much did Tides Canada spend internally on staff and consultants and through Tides Canada Initiatives Society? To put it bluntly, to what extent has Tides Canada's staff and core, internal activities been funded by these American foundations?

3) Staff Size

Between 2006 and 2010, the number of people on the payroll at Tides Canada increased [from 37 to 251](#). Since 2005, Tides Canada's [annual payroll has tripled](#) from \$3.2 million to [\\$10.5 million](#). Most of the increase in staff was at Tides Canada Initiatives Society where the number of people on staff increased from 26 to 187 (from 2006 to 2010). How has Tides Canada been able to increase its staff size so dramatically?



4) The Founders of Tides Canada: Carol Newell & Drummond Pike

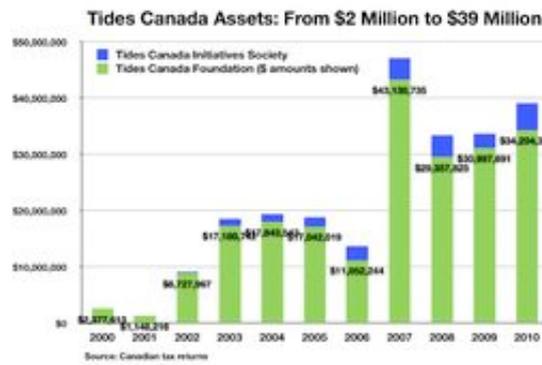
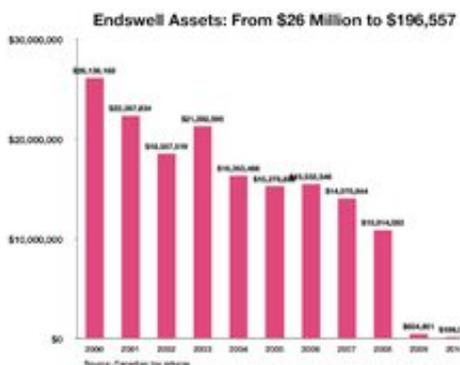
For more than ten years, Tides Canada has consistently reported to the C.R.A. that its "[founding chair](#)" is Drummond Pike. Pike was also the founder of the U.S. Tides Foundation before he quietly stepped down in

September of 2010.

Tides Canada [has said that its "founder" is Carol Newell](#) and that she "placed over \$60 million in organizations, individuals, and businesses working toward sustainable economic development and social and environmental justice throughout Canada." Was that \$60 million from Carol Newell's personal wealth or was the \$60 million money that was "placed" by her on behalf of others? And if so, who?

When Tides Canada says that Carol Newell "placed" \$60 million, is Tides Canada referring to the [\\$62 million](#) that it has received from American foundations? Why does Tides Canada say that Carol Newell "placed" that \$60 million rather than that she simply "gave" it?

How was Tides Canada able to increase its assets from \$2 million in 2000 to \$39 million in 2010?



5) Tides Canada's Largest "Canadian" Funder: Endswell

According to my analysis of Canadian tax returns, the single largest Canadian funder of Tides Canada is the Endswell Foundation. The [chairman of the board](#) of Endswell, Drummond Pike.

Carol Newell and Joel Solomon are said to be the ["founding partners"](#) of Endswell. Individuals by the same names also appear on the payroll of Endswell. A person by the name of Carol Newell was paid \$49,921 as ["secretary"](#) in 2009. Joel Solomon was paid [\\$929,527](#) by Endswell over the years, including payments to ["JSCO"](#) which appears to me to be an abbreviation for "Joel Solomon's Company." His salary reportedly increased from [\\$144,142](#) (2006) to [\\$186,189](#) (2008).

Are Carol Newell and Joel Solomon the founders/benefactors of the Endswell Foundation? Or are they paid staff? Or both?

6) Tides Canada and The Endswell Foundation

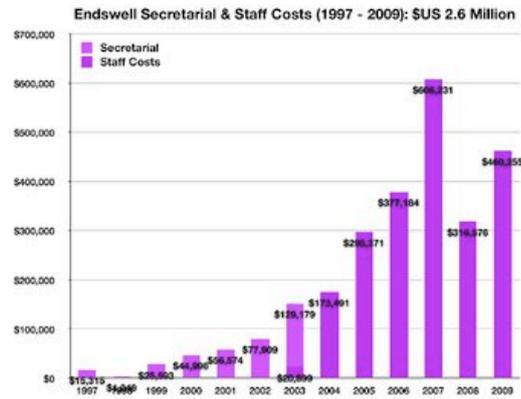
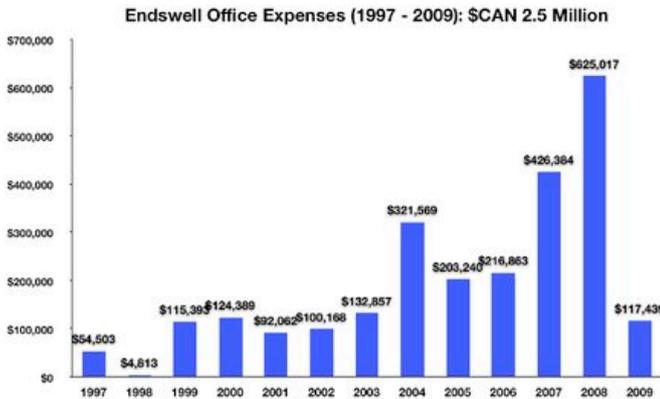
Considering that the senior leadership of Tides Canada and the Endswell Foundation is the same, including the treasurer, and considering that between 2003 and 2009, that Endswell appears to be the single largest "Canadian" donor to Tides Canada, that [99 percent](#) of Endswell's grantmaking went to Tides Canada, and that Carol Newell is apparently the "founder" of both Endswell and Tides Canada, is it fair

	Tides U.S. (as of 2008)	Tides Canada Foundation	The Endswell Foundation
Drummond Pike	Founder & CEO	"Founding Chair"	Chairman of the Board
Joel Solomon	Chairman of the Board	Vice-Chair	President
James Morrisey	---	Treasurer	Treasurer
Source: U.S. and Canadian Tax Returns			

to say that Tides Canada and Endswell are part and parcel of the same operation? Is it fair to say that to some degree, the activities and operations of Endswell reflect on Tides Canada?

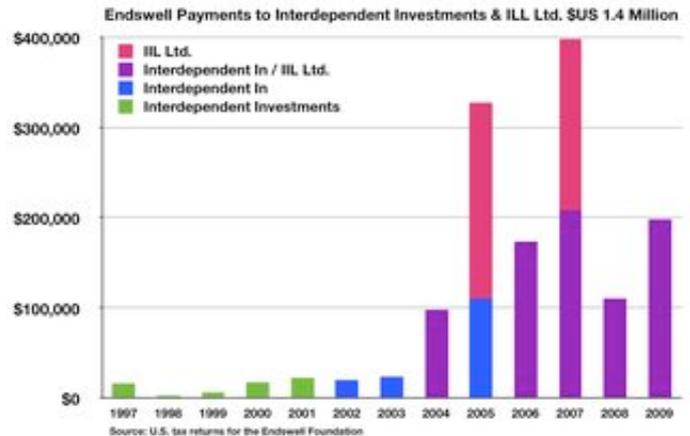
7) The \$11.4 Million Dollar Question

Between 2003 and 2009, while Endswell simply transferred [99 percent](#) of the value of all grants to Tides Canada (a total of [\\$8.7 million](#)), why did Endswell need to spend [\\$11.4 million](#) on over-head like expenses? Why did office and staff expenses increase dramatically over these years even though Endswell wasn't making one single grant to any organization other than Tides Canada? During the years when Endswell didn't make one single grant to any organization other than Tides Canada, what were the staff doing?



8) Interdependent Investments Ltd.

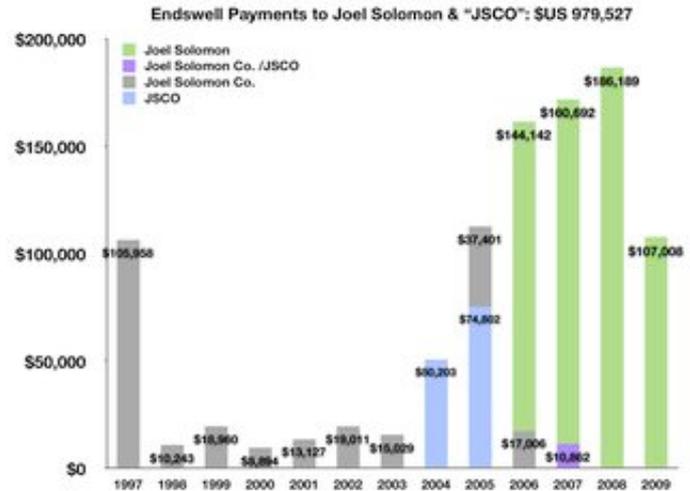
A company of which [the only two officers](#) for many years were two directors of Tides Canada (Joel Solomon and Martha Burton), was paid [\\$1.4 million](#) by Endswell between 1999 and 2009. If Endswell is part and parcel of Tides Canada, it follows that an entity of Tides Canada (Endswell) paid \$1.4 million to the company of one of its board members, Joel Solomon. What charitable services were provided by Interdependent Investments Ltd.? Why did payments to IIL Ltd. spike sharply after 2004?



9) Joel Solomon, Tides Canada's Vice-Chair Paid \$929,527 by Tides Canada's Largest Donor (Endswell)

Joel Solomon, the vice-chair of Tides Canada has allowed himself to be portrayed by the Vancouver media as a millionaire philanthropist. At the web-site of the Endswell Foundation, Solomon says that he is one of the "founders" of Endswell, Tides Canada's single largest "Canadian" donor.

Tax returns show that Joel Solomon has been paid [\\$929,527](#) by Endswell and that yearly payments to him increased sharply over the years. A total of \$631,094 was paid to Joel Solomon between 2005 and 2008. That includes payments to "[JSCO](#)" which appears to me to be an abbreviation for "Joel Solomon's Company."



Not only Joel Solomon was paid a handsome salary by Endswell, in fact, all of the staff at Renewal Partners, the so-called "investment firm" of which Joel Solomon is president, also received salaries from Endswell - to the tune of [\\$2.3 million since 2004](#).

Why has a significant donor to Tides Canada (Endswell) been paying the salaries of the staff at the "investment firm" of Tides Canada's vice-chair? Is this "investment firm," Renewal Partners, also part and parcel of the operations of Tides Canada?

10) The Great Bear Rainforest

Located on the strategic north coast of British Columbia, right smack where oil tankers export bound for Asia would need to travel, there is a 21 million hectare park-like area that is now known as The Great Bear Rainforest, thanks in large part to Tides Canada, and its allies among First Nations, environmental organizations and American foundations. This enormous area is roughly the same size as Switzerland. This are one of the largest remaining temperate forests in the world so interest in protecting the integrity of this area is reasonable. The Great Bear Rainforest is Tides Canada's signature and largest project to date.

Why is it that the area designated as the Great Bear Rainforest extends all the way from the north tip of Vancouver Island to the southern tip of Alaska even though the area that is the traditional habitat of the kermode bear (now known as the Great Spirit Bear) is only a small part at the center of this huge area?

Would it be possible for the Great Bear Rainforest Initiative to protect the kermode bear and its traditional habitat while at the same time leaving open a passageway somewhere along the coast so that some oil tanker traffic could get through, thereby allowing Canada to diversify our customer base for our single largest national export?

To put it bluntly, is it really necessary to shut down the entire strategic, north coast of British Columbia - an area the size of Switzerland - in order to protect the kermode bear?

Maps showing that the Great Bear Rainforest, the Coast Opportunity Fund for First Nations and PNCIMA cover the entire, strategic north coast of B.C., from the northern tip of Vancouver Island to the southern tip of Alaska.





Sources: http://www.spiritbear.com/site/conservation/great_bear_rainforest.html, <http://www.coastfunds.ca/area-map> and <http://www.livingoceans.org/maps/pncima/pacific-north-coast-integrated-management-area-pncima>