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Chair

Ms. Bonnie Brown

Standing Committee on Health

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● (0910)

[*English*]

The Chair (Ms. Bonnie Brown (Oakville, Lib.)): Order.

Good morning, ladies and gentlemen, and welcome back to the Hill for your work on the health committee. I hope everyone had a pleasant and relaxing and healthful vacation period.

As you know, we don't have that many meetings between now and Christmas, so we're going to move forward immediately. At today's meeting I plan to do the motions in the first part and then move to a briefing from Health Canada on Bill C-420, which, as you'll recall, we left unfinished in June.

Going directly to the motions, then, our first motion is submitted by Steven Fletcher.

Mr. Fletcher, would you introduce your motion, please?

Mr. Steven Fletcher (Charleswood—St. James—Assiniboia, CPC): Do I have to reread the motion?

The Chair: No, we can all read it. Just tell us your reasoning.

Mr. Steven Fletcher: Okay.

Madam Chair, my motion is continuing on from the June motion I brought forward directing the government to fully implement and fund a Canadian strategy on cancer control. This is a strategy that all the major cancer organizations across Canada, including the Canadian Cancer Society, and the various cancer care communities have all come up with. It's an excellent plan to combat cancer. The moneys are about $200 million over five years. The projections of both the number of lives it saves and the savings to the health care system are substantial.

The House of Commons voted in favour of this motion when it came to the floor, and I'd like the health committee to support the House's position on this.

The Chair: Thank you, Mr. Fletcher.

Mr. Thibault.

Hon. Robert Thibault (West Nova, Lib.): Thank you, Madam Chair.

Cancer was one of the priority areas under the September 2004 first ministers meeting agreement on wait times. We look forward to setting benchmarks with the provinces by the end of December of this year. Cancer is a serious health issue for all Canadians, and it causes untold suffering and loss of life in our country. The Government of Canada is committed to making a difference on the issue, and has demonstrated leadership by announcing a $300-million investment for an integrated strategy on healthy living and chronic diseases in budget 2005, which will be a key pan-Canadian cancer control strategy.

The motion to fund and implement a Canadian strategy for cancer control is consistent with the direction the government has already undertaken through its commitment to a cancer-specific strategy within the integrated strategy. Through the integrated strategy, the federal government will be able to make new contributions to the implementation of the CSCC, according to its strategic priority area and consistent with the federal role.

The Government of Canada recognizes the importance of a national strategic approach to cancer control, and has been working in an inclusive and consultative manner with all jurisdictions with a mandate in cancer control. Cancer control is a complex undertaking that no single jurisdiction can achieve alone. In fact, many of the key issues in cancer control fall within the purview of provincial and territorial governments. Formal endorsement by the federal, provincial, and territorial governments is required in order to have a truly pan-Canadian strategy.

Cancer-specific activities in the integrated strategy are not, however, the only way in which the federal government is and will be contributing to cancer prevention and control. Also through the integrated strategy, the promotion of healthy living will assist in primary prevention of cancer by addressing protective and risk factors shared by the leading chronic diseases, and by including healthy eating and physical activity. Budget 2005 also recognizes the contribution of the voluntary sector by providing a $10-million grant for cancer research to the Terry Fox Foundation. Existing health portfolio programs that address cancer issues include the Canadian breast cancer initiative, $4 million annually; the Canadian Childhood Cancer Surveillance and Control Program; the federal control strategy, $560 million over five years; and research.

Health Canada plays a key role in cancer prevention through its regulatory functions, and limits exposure to carcinogens. The Canadian institutes of health research are investing $105 million in cancer research in 2004-05. This commitment is being leveraged through partnerships spearheaded by the CIHR's Institute of Cancer Research. The institute works closely with its partners, including research funders, those who carry out the research, and those who use its findings to develop a strategic plan and research initiatives. The integrated strategy will enable the Canadian government to have a stronger presence in health promotion and chronic disease prevention. Through it, in partnership with the provinces, territories, and other key stakeholders, we are moving forward to reduce the burden of chronic disease, including cardiovascular disease and diabetes.

In light of all this information, I would like to introduce an amendment to the motion: that the chair of this committee write a letter to the Standing Committee on Finance outlining the importance of the strategy to the Standing Committee on Health and its value to the health of Canadians, and to urge that the finance committee take this into consideration during pre-budget consultations that are currently ongoing.

● (0915)

The Chair: Is that an amendment to the motion?

Hon. Robert Thibault: Yes.

Mr. Rob Merrifield (Yellowhead, CPC): I don't consider that a friendly amendment.

The Chair: Well, how you consider it really doesn't matter. It seems to me that a motion to refer is always acceptable.

Mr. Rob Merrifield: No, it's different. He's saying to refer it to a finance committee...?

The Chair: Yes, with a letter saying that we're very concerned about the funding of this cancer strategy, seeing as they're going into their pre-budget consultations this fall.

Mr. Rob Merrifield: But I would suggest that it wouldn't be an amendment, it would be a separate motion. This one talks about a specific cancer strategy. He's talking about what to do with it if we agree with it or disagree with it. That's a different thing altogether.

The Chair: No. He's saying send this idea—that is, that the cancer strategy as presented—

Mr. Rob Merrifield: That's right, but we haven't decided whether we agree or disagree with it. What we do with it after we decide is a separate issue from the issue itself.

I think we should vote on the issue itself. Then, if you would like to introduce the motion as to what to do with it, that would be appropriate.

The Chair: It is not a question of whether we agree with the strategy. I think most people around the table think it's the best plan that's come up, that anybody has been able to put forward, particularly considering it's from a coalition. This motion specifically says, “urge the government to implement and financially support”. It is suggesting we spend the money, and the amendment is suggesting we refer it to the finance committee for consideration in their pre-budget consultations, as I understand it.

Mr. Steven Fletcher: Yes, but the motion isn't directing the government; it's urging the government. It's not forcing the government to make an expenditure.

The Chair: Well, it is an amendment that whatever we do with this, the idea is to be referred to the finance committee. Therefore you could vote for the amendment to refer it to the finance committee. We have to debate and vote on the amendment first; it isn't replacing the motion. Then we come back to the main motion. So you can vote to send this idea to the finance committee and then pass the motion.

You always take the amendment first.

Mr. Rob Merrifield: I would argue that it's not an amendment, but I would ask for the clerk's clarification. One, it's not specifically talking about whether you agree or disagree with the motion; that's the motion. The amendment, what he proposes as an amendment, is to take and do something with it. That's a different thing, a different issue, I would argue.

But I would ask the clerk's clarification.

The Chair: The clerk tells me that in her opinion they are two separate issues. It's not an amendment; therefore, we have to deal with the main motion first. We've had Mr. Fletcher speaking to it.

Is there anyone who wishes to speak against it? Seeing no one, I think we can end the debate.

Mr. Fletcher, have you said enough?

● (0920)

Mr. Steven Fletcher: Can I comment on some of the comments—

The Chair: No, because right now all we have is the motion itself, not the amendment. It isn't an amendment any more. It's a new motion.

Mr. Gagnon, do you wish to comment?

[*Translation*]

Mr. Marcel Gagnon (Saint-Maurice—Champlain): Thank you, Madam Chair.

This motion is important, as is what has just been said. I gather that we are asking the government to provide additional funding for the implementation of a Canadian strategy for cancer control.

However, as has already been said, health is a matter of provincial, and not federal, jurisdiction. I would have difficulty voting for the motion in its current format. I do not disagree with the principle. We all agree that more funding must be provided to beat cancer. However, I would like to table an amendment, along the lines of what we were saying earlier, requesting that financial support be provided to the provinces.

I also think that, in light of the amendment which we are going to table, this motion would be of interest to the finance committee. I am not sure what decision-making powers we have on this matter. Are we first going to vote on the motion, and then on the amendments? The motion would have to be amended for it to be acceptable to us.

[*English*]

The Chair: Are you putting forward an amendment, Mr. Gagnon—

[*Translation*]

Mr. Marcel Gagnon: Yes.

[*English*]

The Chair: —that we change the words "implement and financially support" to "the government give financial support to the provinces for the implementation of the Canadian..."?

Is that what you're saying?

[*Translation*]

Mr. Marcel Gagnon: Yes. We are saying that funding should be provided to the provinces for the implementation of this strategy, given that health is an area of provincial jurisdiction.

[*English*]

The Chair: I would accept that as an amendment, "give support to...". He's just trying to change a few words in here.

Mr. Steven Fletcher: Madam Chair, for our clarification, the strategy recognizes the provincial jurisdictions of the provinces. That is intrinsic in the strategy. So the provinces are voluntary participants in the strategy. If they decide to not participate, they do not have to. If they decide to participate, they can.

It also extends to the various cancer groups in each province. If the Quebec cancer society wishes to participate, it can, and if it decides not to, it doesn't have to. But my understanding is that all of the major cancer groups have agreed to participate in this strategy.

The Chair: We have an amendment on the floor proposed by Mr. Gagnon. Mr. Fletcher has spoken against it. Are there any other speakers to the amendment?

Mr. Savage.

Mr. Michael Savage (Dartmouth—Cole Harbour, Lib.): Thank you, Madam Chair.

I think one of the important components of the strategy on cancer control includes research, and research is traditionally provided not through the provinces but by granting agencies that are national, grants often going to universities or medical research institutes. I don't think it would make sense that you would restrict that to go provincially.

The Chair: Thank you.

Mr. Thibault.

[*Translation*]

Hon. Robert Thibault: Thank you, Madam Chair.

In an effort to allay the member's concerns, I would like to point out that the purpose of my comments on this amendment, which we cannot accept, is to highlight the importance of cooperation in this strategy. I do not think that you have sufficient grounds for saying that Mr. Fletcher's motion is not acceptable as it presently reads, because it is.

Under the terms of the federal-provincial agreement signed after the first ministers' meeting, the federal government will provide funding to the provinces. Cancer, waiting lists, and other such questions are dealt with in the agreement. The agreement already recognizes areas of provincial jurisdiction. As Mr. Fletcher said, groups with an interest in cancer and the strategy will have the opportunity to meet with the Standing Committee on Finance. After its consultations, the finance committee will make recommendations to the minister, recommendations which will be mindful of provincial jurisdiction, as to whether additional funds ought to be provided and additional matters addressed.

● (0925)

[*English*]

The Chair: Are you ready for the amendment?

(Amendment negatived) [See *Minutes of Proceedings*]

The Chair: We will go back now to the main motion. Mr. Lunney did want to speak to the main motion.

Mr. James Lunney (Nanaimo—Alberni, CPC): I did, yes.

I just wanted to make a comment because I think there was some confusion about Mr. Thibault's motion in relation to the original motion here. Mr. Thibault has talked at great length about the healthy living initiative and chronic disease program, which I think you're going to put about $300 million into over five years. I believe Mr. Thibault was asking us to send an approval to the Minister of Finance for that program, not the cancer program.

No? I didn't think that was clear.

I just thought it would be significant to mention that, because I wondered whether Mr. Thibault might withdraw that motion if this one fails.

The Chair: That motion is not on the table. If he was presenting it as an amendment to this motion, which one can do at the meeting, and if he now wanted to present that motion as a separate item, he would have to hand it in and have it debated on Thursday.

Mr. James Lunney: Thank you.

The Chair: Mr. Savage.

Mr. Michael Savage: I don't want to prolong this debate, but I just want to indicate that I will support this motion. I do think there are consistencies between the strategy the Canadian government is employing and the strategy for cancer control, but this is a specific strategy. It is endorsed by a lot of national groups and supported in Nova Scotia as well, and we did vote for it in the House of Commons. On that principle and for those reasons, I do support the motion.

The Chair: Thank you.

Well, we had 25 minutes of our first meeting before the words "Nova Scotia" came out.

Some hon. members: Oh, oh!

The Chair: I warned you all to be ready. It will be a frequent occurrence.

Some hon. members: Oh, oh!

(Motion agreed to) [See *Minutes of Proceedings*]

Hon. Robert Thibault: Madam Chair, I was distracted, but I do want to vote in favour of that motion.

The Chair: Thank you.

Hon. Robert Thibault: On a point of order, Madam Chair, I don't know if it's acceptable or if I'm proceeding properly and you will guide me, but the motion I presented as an amendment does not seek in any way to modify the motion of the honourable member. What I presented as an amendment was how we follow up on that motion. So if it's acceptable to the committee, I would seek unanimous consent to present and consider the motion originally presented as an amendment as a stand-alone motion that this matter be referred by our chair to the finance committee in its pre-budget considerations.

I would remind members that on October 22 the cancer groups and all those organizations supporting that strategy that was mentioned by the honourable member are meeting with the finance committee in the pre-budget consultations, so this reference by the committee would indicate, I believe, our committee's support for that position.

The Chair: Do I have unanimous consent to consider that motion today? No, I do not.

Sorry, Mr. Thibault, but you'll have to put it forward for Thursday, if you wish to proceed.

Hon. Robert Thibault: I do present a notice of motion to have it considered on Thursday.

The Chair: Thank you.

I will move now to motion number 2, which was submitted by Mr. Lunney.

Mr. Lunney.

Mr. James Lunney: Okay, thank you, Madam Chair.

This matter deals with reports in the media recently about $10 million received by Earnscliffe since the Liberals took power. Of that $10 million, some $900,000 came from Health Canada, and many of those contracts were untendered—with one supplier only, for example, for a whole range of them.

At issue are integrity and accountability. Earnscliffe Strategy Group has been able to secure 16 untendered contracts worth $271,000 since 1998, and 14 of them since 2002. Almost one-third, or five of the sixteen contracts, were for other professional services not otherwise specified. Those contracts were worth about $106,000. So half of the sixteen contracts came in just under the radar, or just less than the $25,000 limit, as it were, where contracts must be put out to public tender.

The motion, Madam Chair, is really that Health Canada officials should explain to the committee why they felt that Earnscliffe Strategy Group was the only supplier capable of performing contracts for speech writing, interpretation, strategic communications, and other professional services not otherwise specified.

Madam Chair, it goes on. Some of the contracts that Earnscliffe received were from the Medical Research Council of Canada, prior to the creation of the CIHR, I believe, in the year 2000. There were further untendered contracts there, amounting to some $77,000. Once the CIHR was implemented, there was a further $156,000 in contracts, many of which were untendered, and some of which were for the same amounts but just four months apart—contracts for $16,000, for example, in April of 2001, and then again in August of 2001, which were for exactly the same thing, to provide advice and support on strategic communications positioning. Those two, if you put them together, would have been over the $25,000 limit and would have been tendered.

I feel it would be in the interest of integrity of public tendering of contracts for Health Canada to explain to us why only one provider can provide speech-writing services, for example, and other strategic communications. Therefore, I suggest to the committee that it would be worthwhile having Health Canada officials explain to us why a sole-source provider is the only one that could be of benefit.

I think we should perhaps also ask for the CIHR officials, as I don't know if Health Canada can speak for CIHR, to come at the same time and explain why only one provider could meet that need.

● (0930)

The Chair: Do you then want to amend your motion to say “from Health Canada and the CIHR”?

Mr. James Lunney: Yes, please.

The Chair: That's fine. You're the mover, and you can amend it.

You'd add these few words, “and the CIHR”, after “Health Canada”.

Are there speakers to this motion?

Mr. Bagnell.

Hon. Larry Bagnell (Yukon, Lib.): Thank you, Madam Chair.

I think, as the member said, these contracts are done within government contracting policy. Public Works Canada is already looking at all of these contracts. I don't think anyone here denies that Earnscliffe are experts in this field, but Health Canada has all sorts of contracts done appropriately with all sorts of contractors under the contracting policy, just as this is. In that it's being reviewed already by Public Works and members of all parties, I don't think we should be reinventing the wheel; we should stay on health topics. That's my opinion.

The Chair: Thank you.

Ms. Crowder.

Ms. Jean Crowder (Nanaimo—Cowichan, NDP): I agree it's important that these contracts be examined. These need to be brought to public light to see whether there were any misdoings under the contracting process. However, since it would seem that less than 10% of this contract was for Health Canada, and there seems to be another body dealing with it, I wonder if it might be more appropriate for us to take a look at the results of that particular process that's unfolding, especially as we've got a fairly ambitious agenda before the health committee, and examine it further on down the road.

The Chair: Thank you.

Mrs. Chamberlain hasn't had a turn yet.

Hon. Brenda Chamberlain (Guelph, Lib.): I would only like to say that I've experienced a lot of frustration on this committee. I became a member of this committee particularly because I really wanted to deal with health issues. I really think there are a lot of people hurting out there, and with a minority government we have the power to really make changes for people.

There is another group dealing with this. I know exactly what the opposition is doing. That's fine. But I think we have to deal with the health of Canadians here. I would implore this committee to keep on topic. Let's really do something for Canadians. It's really important, and I think we have the chance to do it this time.

● (0935)

The Chair: Thank you.

Mr. Fletcher.

Mr. Steven Fletcher: I'm pleased that the member opposite feels that it takes the influence of the opposition to move the health agenda forward, because the Liberal government obviously hasn't done a very good job in the last 13 years.

One of the problems that exists within the current government is on the issue around accountability and the use of taxpayers' money. We have the sponsorship scandal. We have the Dingwall affair. Money has been wasted on these various scandals that could have been better used on the health care system. Therefore, my colleague's motion is quite appropriate.

Health Canada is tendering contracts, albeit to Earnscliffe, but even a few months ago CIHR tendered a contract to have a play produced for a couple of hundred thousand dollars. So I'm not sure that Health Canada is utilizing the resources it has at its disposal to meet the health needs of Canadians.

Mr. Lunney's motion is completely appropriate, and anything that we can do to bring accountability to government is something that's long overdue.

The Chair: Thank you.

Mr. Thibault, Mr. Gagnon, and then Mr. Merrifield.

Hon. Robert Thibault: Madam Chair, I oppose this motion for several reasons.

Health Canada calls on a number of suppliers to deliver services, such as strategic communications and public opinion research, as do most government departments.

The department uses both sole-source and standing-offer contract methods. The standing offers are awarded competitively through Public Works and Government Services Canada. The Earnscliffe Strategy Group is simply one of several suppliers. It's not the only one, nor even the most frequently chosen, for most contracts. Health Canada has awarded contracts to Earnscliffe as it would to any other company. It's based on the expertise of subject matter and the ability to meet timeframe and budget requirements.

This is an open, completely transparent, and rigorous process. Health Canada follows Treasury Board policies for all of its contracting requirements in order to provide valuable and cost-effective services to Canadians. The department is open, transparent, and accountable, and meets all requirements for proactive disclosure of contracts on the Health Canada website. The Auditor General has stated that public opinion research is an area that is well managed and managed transparently, with roles and responsibilities clearly defined. There is no problem.

This a smear campaign and an attempt to play politics, rather than addressing pressing matters that affect the health of Canadians.

The public accounts committee has been occupied with the matter of contracts for months. It has issued two reports. The government has responded to one of the reports on chapters 3 and 5 of the Auditor General's November 2003 report and has responded to the other report on spending. The health committee should focus on health issues, and the public accounts committee should focus on public accounts.

As you may recall, there have been a series of written questions proposed over the past several months concerning contracts awarded to Earnscliffe and other communication companies. Health Canada, and indeed the Government of Canada as a whole, has been completely forthcoming with this information, and the government has tabled substantial material in response to these written questions.

The responses to the written questions and the reports of the public accounts committee are both available to the honourable member. The member opposite should join the public accounts committee, if he's so interested in its work.

I think it is fair to conclude that the contracting processes in place at Health Canada are indeed proper, open, and transparent. There is substantial information in the public domain on these processes, both in the public accounts reports and in the government responses to written questions. All information regarding contracts awarded to Earnscliffe and other firms dealing in public opinion research and strategic communication has been disclosed publicly for everyone to see.

I think it's fair to conclude that the Standing Committee on Health should stick to the business of addressing and protecting the health of Canadians, rather than duplicating the work of another committee already engaged, as per its mandate, in matters of public accounts. Therefore, I do not support the motion of the honourable member.

● (0940)

The Chair: Thank you, Mr. Thibault.

Mr. Gagnon.

[*Translation*]

Mr. Marcel Gagnon: Thank you, Madam Chair.

I am very sympathetic to the matter at hand; however, I believe that funding and health are interrelated matters. There is never enough money to do all that we would like to do in terms of health. That being said, I am also cognizant of the fact that we should not waste our time, because there are other more important health issues which require our attention. The Standing Committee on Health should recommend that the Standing Committee on Public Accounts consider the matter of how contracts are awarded. We should ask the public accounts committee to take a closer look at the matter. The question of whether funding is well allocated also affects health. Earlier, we were speaking about money and programs to help fight against cancer. The question of money always raises its head. How the Department of Health spends its money is of interest to us, but we should ask another department to report to the Standing Committee on Health on this subject.

[*English*]

The Chair: Thank you, Mr. Gagnon.

Mr. Savage, then Mr. Merrifield.

Mr. Rob Merrifield: On this one—

The Chair: Mr. Savage, and then Mr. Merrifield. I know I said you'd be next, but a new person on this side came forward, so I have to alternate.

Mr. Rob Merrifield: Mr. Savage, okay. I'm sorry. I thought you said I'd be next.

Mr. Michael Savage: I oppose this motion. I oppose it because about ten months ago, before Christmas last year, this committee identified three priority areas that we wanted to study. We went through a bit of a process to identify those three, including one being the national wellness strategy, which I know is of great interest to many members in the opposition.

We haven't got to any of those topics yet, and we've got an agenda this fall, including private members' bills that are going to be coming through the House and that may come to this committee. That is going to take some time.

This is political. This is entirely political. There is another forum for that. This is not that forum. We need to get to the health of Canadians and identify what we can do to make that better. So I'll oppose the motion.

The Chair: Thank you, Mr. Savage.

Mr. Merrifield.

Mr. Rob Merrifield: I'm torn on this one, because some of the debate that has been put forward is somewhat accurate, in the sense that it's not our place to necessarily look at accounts. It is our place, though, under our watch, to make sure that Health Canada and CIHR are dealing with the funds they are given in an appropriate way. And we know these people. They have been in front of us many times a year, so I do think it's appropriate to have one session where they come forward and explain what's going on.

I was prepared to let this go, other than for a comment that was made by my honourable colleague over here when he suggested that this is all about smear. That tells me there is something there that they're afraid of not disclosing, and that upsets me. I think that's totally inappropriate.

We are here to do our job, and let's do our job to the best of our ability. I'd suggest that we have one meeting to have these people come forward to explain why the contracts look to be somewhat in question. And if it goes further than that, send it back to public accounts with a letter saying “Please look into this”. I think it's an appropriate way to go, and I see nothing wrong with our taking one session to make that happen. It's our obligation to do that, and I think it's totally inappropriate for us not to do it.

The Chair: Thank you.

Ms. Dhalla, and then Mr. Gagnon, and that will be it.

Ms. Ruby Dhalla (Brampton—Springdale, Lib.): I would agree, actually, with Mr. Merrifield on one point, that we are here to do our job. As members of the health committee, we are here to examine an important issue that is a priority to many Canadians across this country—that is, the health care that we have in our nation.

As my colleague Mike Savage said, we did identify important issues, and I think the national wellness strategy is of great importance to many members opposite. I think it's important that we work as a team and really start addressing some of the concerns and issues that Canadians have.

I think the motion submitted by Mr. Lunney, while appreciated, is best left for another committee. We really need to start focusing on our identified areas that we haven't got to yet.

The Chair: Thank you, Ms. Dhalla.

Mr. Gagnon.

[*Translation*]

Mr. Marcel Gagnon: Madam Chair, in the interest of finishing this debate, and moving on to the subject which we are here to discuss — health — the committee would perhaps be amenable to an amendment asking that the Standing Committee on Public Accounts look into the contracts in question and report back to the Standing Committee on Health. If we could agree on this amendment, we could turn our attention to the subject of today's meeting.

● (0945)

[*English*]

The Chair: The clerk is saying we can't ask public accounts to make certain recommendations. We could write them a letter saying we have some concerns about this and we hope they're including it in their investigations. That would be one way to handle it. But right now we have to deal with this motion.

Mr. Lunney is going to wrap up and then we'll vote.

Mr. James Lunney: Thank you, colleagues, for considering the motion.

Let me say this: we're all here to protect the public interest. When there are conflicts of interest—and we've had many of them exposed with the current government—there is a line between doing the government's work and doing partisan work. When you have the campaign chairman of the Liberal Party being the principal of this company, and you have millions of taxpayers' dollars being funnelled into that particular company, and many untendered contracts spread out over a whole range of departments—$1 million from Natural Resources, nearly $1 million from Health Canada, and when you add CIHR and other agencies well over a million—there is a line with conflict of interest that we all have an interest in challenging in order to protect the integrity of the public funds. I think it's an obligation we have to bring this issue forward.

I share the members' frustration around this table about wanting to address some very serious health concerns of Canadians, but I think as a health committee there is an angle here that does need to be looked at. I would suggest, as I think Mr. Gagnon was trying to bring forward and as the chair just suggested, if the committee is willing, sending a letter from this committee simply mentioning that we are aware there were many untendered contracts—and I'd be happy to provide the information that I have to the chair or to the clerk to assist in preparing that letter—to the public accounts committee and request that they consider that in their own discussions. Perhaps that would satisfy my own concern, and we can go on with other issues.

The Chair: Thank you.

We still have a motion before us that is legitimate and that we must vote on. You can withdraw the motion if you like.

Mr. James Lunney: Can we amend it simply so that rather than have officials we direct it as a letter to the chair of public accounts?

The Chair: The main thought is invite officials. I think either we have to vote this down or you have to withdraw it. Then I think you'd probably get unanimous consent to put forward another one that we send a letter asking the public accounts committee to include this in their consideration.

Mr. James Lunney: I wonder if other members around the table would agree that a letter to the chair of the public accounts committee asking that he address the issue would satisfy our concerns and accept that as an amendment and resolution to this issue.

The Chair: It isn't an amendment, and we've already had that ruling from the clerk. It's just like before: it's a slightly different thing, therefore it has to be dealt with separately. Right now this is talking about inviting officials to our table. That's what this motion is about.

Mr. James Lunney: Would I have consent from the committee to introduce that motion if we withdraw this one at the present time?

The Chair: If Mr. Lunney withdraws his motion, would you give him unanimous consent to introduce the other one?

I'm getting a yes on that.

The other thing is they could work together and present it on Thursday rather than today, because we're doing motions again on Thursday.

Mr. James Lunney: Why don't we just do it and get it done? We've spent a lot of time on it already.

The Chair: My understanding is that Mr. Lunney is withdrawing this motion and instead is picking up on Monsieur Gagnon's idea, and that is that through the chair, this committee request the public accounts committee to include these concerns about untendered contracts from Health Canada and the CIHR in their more general deliberations about such matters.

Hon. Robert Thibault: I would ask that we deal with both separately or that we be clear on exactly what we'd be doing on the second part. I won't give my unanimous consent without hearing the wording of exactly what the gist of it is.

The Chair: We've already got unanimous consent.

Hon. Robert Thibault: I didn't give unanimous consent.

The Chair: You didn't say no.

Hon. Robert Thibault: No, but I wasn't asked.

● (0950)

The Chair: No, you can't have it both ways, Mr. Thibault. When I say do we have unanimous consent, if you don't give it you have to say no. Everyone was nodding at me.

Hon. Robert Thibault: Not everyone. I didn't say a word. We have two different items; it's exactly as before in the previous motion, when I tried to get unanimous consent. There are two different motions. I want to know what—

The Chair: People have said no to me when I have asked for unanimous consent. This time no one said no.

Hon. Robert Thibault: We were dealing with the motion. We weren't off the motion yet. The question was presumptuous. We haven't dealt with the motion. That is the first point.

The Chair: No. He's pulled the motion. The motion is now withdrawn. He's presenting this other one instead, which is to send a letter to public accounts.

Hon. Robert Thibault: I would agree that we send a letter to public accounts to ask them to review the matter. I would not agree to say that we have some concern. I have not seen any evidence to raise concern. If we want them to review the matter, then we can ask them to review the matter of the contracts, but to say “concern” is a presumption of guilt.

The Chair: Do we have to use “concern”, or can we just ask them to include these ideas in their deliberations without saying that we have concern?

Mr. Lunney?

Mr. James Lunney: Well, we have specific information with addresses and numbers and numbers of contracts. I can provide that to the chair another way.

Whether the wording is there or not, I think if we refer it to the public accounts committee, that would satisfy my concern.

The Chair: We would simply refer the matter to public accounts and ask them to include it in their deliberations. Is that right, Mr. Lunney?

Mr. Rob Merrifield: Bring it back—

Mr. James Lunney: Bring it back next week?

The Chair: —on Thursday.

Mr. James Lunney: Okay, we'll bring it back on Thursday.

The Chair: I think it is clearer if you write it out exactly as you want to say it. Then we can read it. I'm much better when things are on paper.

Is that agreeable, Mr. Lunney?

Mr. James Lunney: It is. We'll bring it back.

The Chair: Thank you very much.

Motion 3 is submitted by Ms. Crowder. Ms. Crowder, would you like to introduce it?

Ms. Jean Crowder: Yes. As many of you may be aware, Health Canada has constituted a panel that has been examining whether silicone gel breast implants are licensed for use in Canada. At the panel hearings last Thursday, there was a significant amount of time allotted to industy. In the afternoon, people who came before the panel were given exactly three minutes to speak. Many of the witnesses who came before the panel actually had some disabilities. There was no accommodation for that, other than being given a chair to sit in before the panel. So people who appeared before the panel—there were 40 witnesses who appeared in the afternoon—virtually had no time, whereas industry had three hours to present their point of view in the morning. I believe it's important that there is an avenue provided...and a fuller opportunity to examine all the issues.

I want to also reference the fact that when we talk about a full consideration of this, Health Canada commissioned a report in 1996—and Mr. Merrifield brought this up in 2003, asking for the results of that report—and that report is still not available. I don't see how this panel can consider all of the information in a balanced way when they don't have access to that report and they didn't have a full accounting from other witnesses in the afternoon.

The Chair: Thank you.

Madam Demers.

[*Translation*]

Ms. Nicole Demers (Laval, BQ): Thank you, Madam Chair.

I can unequivocally state that I would be supporting my colleague's motion, specially since a significant number of the witnesses at Thursday's meeting had a direct conflict of interest. Many of them were surgeons who perform plastic surgery and offer silicone gel breast implants.

I therefore think that it is extremely important to allow those who have been victims of these breast implants, and who wanted to provide testimony but were only given three minutes to do so, to have the opportunity to provide us with complete testimony.

Three minutes is not enough time for people to explain what really happened. The industry was given three days in March to make its representations, while Canadians and Quebeckers, the ones who are really affected by this, were only given three minutes each to state their views. I do not believe that to be enough.

[*English*]

The Chair: I should report to the committee that Madam Crowder and Madam Demers were among those witnesses—and certainly you would have been proud of them for their very clear and passionate interventions—before the panel.

Mr. Thibault.

● (0955)

Hon. Robert Thibault: Madam Chair, I would support the motion by Madam Crowder. It is very important that we hear from people. I think that is specifically why we exist as a committee, to hear where there are concerns about health and questions that could affect the long-term health of Canadians.

I would, however, caution that we should be a little bit careful about how we proceed with this. There is a regulatory framework for making these types of decisions. We can argue as to whether it is adequate. I think it is our role to review that process, to hear from Canadians about how that process works, and to hear the information and the evidence, but I don't think we as a committee should be the regulator. There is a line there.

But I agree it's important that we hear from these witnesses who have some very important information to bring forward and who might not have had the chance to give the full breadth of their presentations, that we become better informed, and in turn that we inform the system to make sure that our regulatory framework works in the future.

The Chair: Mr. Merrifield is next, and then Mr. Savage.

Mr. Rob Merrifield: It's not that I have a problem with the motion, but I do want some parameters on it. I want to understand a little bit more about what the mover is suggesting and talking about. We're just saying invite the public to appear in public forums. There could be a series of forums right across the country; it could be anything. The parameters are not there, and I'm a little uneasy about it from that perspective, because we could be sidelined for a considerable amount of time on this issue. I need some answers there before I can vote on it.

The Chair: Mr. Savage.

Mr. Michael Savage: Thank you, Madam Chair.

My concern is exactly the same as Mr. Merrifield's. I would like to know how much time this would take. I go back to the issue that after some considerable debate we identified three priority areas for this committee to look at, and we haven't got to any of them. This is important. I might even ask Ms. Crowder how much time she would suggest.

The Chair: Is there anybody else who hasn't spoken yet?

Mr. Lunney hasn't spoken yet, and then Mrs. Crowder will wrap up.

Mr. James Lunney: I think it's an important question. I think we're talking about hearing witnesses at this committee. I'm not sure if you have something else. We'd sure like that clarified.

I think the issue of breast implants is a significant one. They were withdrawn because of serious health concerns, and now they want to reintroduce them.

When we talk about the amount of time available for people to be heard on this important issue, if there's an imbalance there we really have an obligation to let people who have serious concerns be heard. I'd certainly support the motion in that regard, provided the time we're allowing is reasonable for the committee's responsibilities and other commitments.

The Chair: If I can just make a suggestion here, prior to Ms. Crowder wrapping up, I think we already have a couple of motions on this that we passed. One is to get the minutes of the panel's meetings. We have not received those. The second is to get a copy of the results of the 1996 study commissioned by the governments of Canada, Ontario, and Quebec.

Some of us witnessed the hearings last Thursday, but I'm concerned that if we start this we will also have applicants from the industry. That could take us until Christmas. So I want you to consider that. I don't want to lose this opportunity. Whether I want to decide right now that I want to spend the next three months doing it is something. The minute we pass this motion and this is public, the clerk will be swamped with witnesses who want to come, half of whom will probably be plastic surgeons, and the other half people opposing.

It's possible for the committee to pass certain motions, and statements to the minister through those motions, without going through lengthy public hearings. On my suggestion for this one, I understand the minister is trying his best to get that study released first to himself, and then to us. We may have to deal with it in camera, but I think we would be better equipped to deal with this decision once we have seen the study. My suggestion is that we table Ms. Crowder's motion. In other words, we don't defeat it, but we don't commit ourselves to all these witnesses until we get some more information on what that study said.

I think Ms. Crowder and Madam Demers are trying to suggest that the hearings were not very satisfactory to those witnesses, and I would be inclined to agree, with their three-minute limitation. There is a way—if one could put it—to slap the wrists of what went on, with the next motion that's coming up. My suggestion is that we table this one without committing so many meetings to it until we have a chance to see that study. I doubt we can get it this week, but shortly after the break I'm hoping we'll get it.

I'm wondering if Ms. Crowder might agree to the idea that we table.

● (1000)

Ms. Jean Crowder: I would be prepared to table it if we had some commitment on a timeline for getting that study. Mr. Merrifield raised it in 2003, it's been raised on a number of different occasions, and in 2005 we still don't have the study.

I think the other issue is the timing on the decision for the panel. If the panel would agree to defer making a decision until the health committee has had an opportunity to consider the minutes from March and the study, we would be able to determine what kind of process we would need from that point.

The Chair: The panel can only recommend; it is the minister who makes decisions.

It seems to me one of the ways we could handle this is to have another motion produced for Thursday that says the health committee requests that the minister not make a decision on the marketing of silicone gel breast implants until the health committee has reviewed the study and then has had an internal discussion about it, because we may wish to make our recommendations to the minister.

Ms. Jean Crowder: I would agree with that, and I would put a notice of motion in that I will be bringing a motion forward on Thursday to that effect.

The Chair: Thank you very much, Mrs. Crowder.

I think this is more workable, without using up a whole bunch of time we may not need to use.

Could somebody make a motion to table this?

Mr. Rob Merrifield: I so move.

The Chair: I think in so doing we're making a commitment to Mrs. Crowder and Madame Demers that we're not going to let this subject drop.

(Motion agreed to)

The Chair: Thank you very much.

Actually, there's another motion on this: the Standing Committee on Health requests the production of all studies in the last ten years on breast prostheses, including the breast implant cohort study, and recommends that the Minister of Health refrain from issuing licences until the committee has examined the issue.

We already passed one like that, the researcher is telling me—I had forgotten—on June 2, but you might be able to work on one that's just a little bit stronger in tone, and we'll deal with it on Thursday.

I would ask the researchers to now prepare a one-pager that shows all the motions we've passed on this topic so we can have a look at them on Thursday.

Thank you very much.

Mrs. Crowder, Motion 4.

Ms. Jean Crowder: Concerning this other motion, it came to light that a number of the people on the panel had direct ties to industry, and two of the panel members were paid by Inamed to provide information to the FDA advisory panel supporting Inamed's application at the FDA's meeting last April for approval to sell the same style of silicone gel breast implants. This was only one month after these two panel members' participation in a Health Canada panel meeting on breast implants, and then subsequently they've been appointed to this current panel.

The other person, from Toronto, has also received funding to take part in the promotion of products made by the manufacturer of the silicone implants under review, and there were some advertisements in *The Globe and Mail* on September 14, talking about the fact that this person does perform these kinds of services.

The Chair: Did it not say, Mrs. Crowder, when these implants are approved, please come and see me and I'll fix you up? This is one of the members of the panel who's supposed to be making the judgment.

● (1005)

Ms. Jean Crowder: If I might, I'll just add the fact that although these people did declare a conflict of interest, they were still approved to go on the panel despite their very direct ties to the industry that has the application. I think they should be removed.

The Chair: Are there any other comments on that?

Mr. Thibault.

Hon. Robert Thibault: Health Canada has been very thorough and has practised due diligence in the process of selecting panel members. Each panel member has cooperated with Health Canada in disclosing any affiliations or activities that could be perceived as representing a conflict of interest. All members of the expert advisory committee submitted a self-declaration of any interests and affiliations they had prior to their appointment. In the interest of transparency, a summary of this declaration is posted on Health Canada's website.

All declarations were reviewed according to three criteria: expertise required for the panellists to carry out their mandate, their objectivity, and their vested interest in the regulatory decision to approve or not approve the products. They are not compensated for their participation and have had to reschedule their activities in order to contribute their expertise.

In seeking out a high level of expertise on issues such as those under examination by the panel, we very commonly find individuals who have had relationships with varying types of product manufacturers. The expert community in Canada is a small one, and the expertise Health Canada has gathered for this panel is in high demand. Experts who are leaders in their field or who possess unique combinations of expertise and experience are often asked to provide advice to various organizations, including non-governmental organizations, governments, and drug manufacturers.

Dr. Brook and Dr. Brandon have openly declared they participated on behalf of the manufacturers at the FDA meetings only in a capacity of providing expert opinions and not as promoting licensing of the products. Dr. Brook is word-renowned silicone chemist and researcher. This expertise is extremely rare and is vital to the discussions of the panel. Dr. Brandon is the only expert in North America who has studied the failure rates and causes of failure of the third generation of breast implants. This is one of the pivotal questions the panel must answer.

It is anticipated that the expert advisory panel will provide their recommendations to Health Canada at the end of October. This report will be made available shortly thereafter to this committee as well as to the general public.

The responsibility for regulatory decisions about health products is Health Canada's alone. Once the department has received the panel's advice, it will make its decision, based on the safety and health of all Canadians.

The Chair: Thank you, Mr. Thibault.

Mrs. Chamberlain.

Hon. Brenda Chamberlain: Madam Chair, I don't know. I have obviously not studied the issue as these two ladies have, but if indeed we have a panel that is in some way connected or biased, I think that is a health committee issue and I think we should be looking at that. My concern with this committee has been for quite some time that we basically are not doing very darn much, not because we're not trying, but either we get hung up on this posturing....

I know Mr. Fletcher wanted to turn around my words, but we are here. We cannot know every issue, but if we get to the root of the problem.... If there's a panel there and there is something that is amiss, I do think that's an issue for us and I do think that's an area we should go after big time. If a panel is not correct and we clean it up, then we have done something. We as a body cannot continue to be on top and monitor this; we have to go the root of a problem. For me, if there was something to do in that area, I would be very much inclined to do that rather than rooting around on every other little....

The Chair: The motion is very clear: to ask the minister to remove those people from the panels before they vote on what they're going to recommend.

Madame Demers would like to comment, then Mr. Merrifield.

[*Translation*]

Ms. Nicole Demers: Thank you, Madam Chair.

I understand my colleague's concerns, but let us not forget that we are talking about the health of thousands of women. There was a huge scandal in the 1980s when it was discovered that more than 30,000 Canadian women had been affected by these breast implants. The implants which are being discussed today are essentially the same as the ones used then.

Mr. Thibault mentioned two members of the panel. I can tell you that there are four members in a situation of direct conflict of interest. According to the regulations published on Health Canada's website, people who have a conflict of interest may set on an expert panel, but should take a lesser role in the Health Canada consultations and decision-making process.

Yet, Mr. Thibault is the chair of the panel. I am sorry, but it cannot be denied that the chairman of a panel, who is in a situation of direct conflict of interest, is in a position to influence those around him. Furthermore, three other members of the same panel are also in conflict of interest. We have a panel where four of the members were witnesses during a class action lawsuit launched by a woman who had been given breast implants. Regardless of what they may have said during the trial, they were in direct conflict of interest.

Regardless of the fact that they are not paid by the panel, they have received money, they have a direct link with these companies. I do not believe it to be healthy for Health Canada to seek out the services of such people. It may well be that experts in the field are few and far between, but there must surely be some who support approval being granted, but do not have direct ties to these two companies.

This is what is worrying; and I think that we should do our utmost to remove these four people—not two, four—including the chairman, who are in a situation of direct conflict of interest. I would reiterate that it is an utter aberration to have the panel chaired by somebody who is in a direct conflict of interest. It is a disgrace!

● (1010)

[*English*]

The Chair: Mr. Lunney.

Mr. James Lunney: I want to echo the concerns of my colleagues here about conflicts of interest. I think there is a mythology out there that scientists come from another planet and are more intelligent than other people, which is simply untrue. We have a wide range of scientific experts in this country, and it's not necessary to have experts in one field alone evaluate scientific evidence; others are capable of evaluating that data.

There are some very serious concerns when you have people who have been paid by the industry. They may not be paid to serve on the panel, but my goodness, when they're being expert witnesses—and paid as witnesses for the industry—in class-action lawsuits, there is a very clear conflict of interest. I think the committee has a responsibility to support the initiative here.

It's much wider than this particular issue, I'm afraid, but I think maybe we could take a stand and say something needs to be done about these conflicts of interest and that scientists who have clear conflicts of interest should not be serving on the regulatory boards for the very things we're petitioning them to make unbiased decisions on.

I therefore would support the motion.

The Chair: Mr. Thibault.

Hon. Robert Thibault: I would ask the mover if she would perhaps modify the motion a bit—and I have no reason to doubt the mover, Madame Demers.

It's impossible in these types of situations, to my mind, knowing what I know—and I'm no expert in it—to have people who will not necessarily have some sort of conflict of interest because they are in the industry or an associated industry. The question is whether these people can be truly objective: can these people sit on the panel?

I don't know any of these people; I can't answer that question. But if they can't, I believe that would be cause for removal. I think that's the important thing. If they can bring some expertise to a panel, any panel, and be unbiased in making their decisions, then I think they have some value. I don't think you want me on that panel. I have no bias, but you don't want me on that panel because I don't have the expertise from which to make recommendations or to listen to the evidence, having nothing to balance it against.

Perhaps if the mover were to change the words, rather than removing these people—because it suggests people, but it does not name them—we would ask the minister to review the ability of these panellists to act objectively.

The Chair: The mover has been asked. What is your answer, Madame?

Ms. Jean Crowder: I'm not prepared to change the motion. I think it's appropriate that we ask for the removal.

Madame Demers has pointed out that there are four panel members. I had information on three of them, but not on the fourth.

The Chair: I've been working on the basis of three, and if we're going to ask the minister to do something, we're going to have to submit the names.

I think you're wise not to put them in the motion.

Mr. Carrie.

● (1015)

Mr. Colin Carrie (Oshawa, CPC): I agree with Mr. Thibault saying that just because there's an expert out there it doesn't preclude him from being on the panel. In this case I think there's an obvious conflict when you have the chair. These people can be witnesses and we can leave the good people on the board to listen to them as witnesses, but they don't need to be the chair because of the obvious conflict, to my mind. So I support the motion as is.

The Chair: There's another problem I've just been reminded of. This is a panel about silicone gel breast implants. The subjects of these operations are 99% of the time women, if not 100% of the time. The panel comprises nine men and four women. This is a fact that struck me when I walked into the room.

Mr. Carrie.

Mr. Colin Carrie: Perhaps I could just add that I don't see the driving force...women standing up in arms demanding silicone breast implants. I think it is important that we handle it correctly and just move ahead with the motion as it's stated.

The Chair: Thank you. I'll call the question.

Sorry, Mr. Merrifield has a question.

Mr. Rob Merrifield: When it comes to this one I'm torn, because it's similar to the one that we waived and asked the accounts committee to deal with on the ethics of accounts. This is the ethics of whether an individual should be capable, in an unbiased way, of dealing with their position on a panel. We can't refer it to a committee because I don't know if there is one that deals with it, but it is directly the responsibility of the minister. I'm just uneasy sitting here as a lay person not understanding exactly what is happening there and demanding the removal of these panellists without their actually being here to defend that position. I'm just uncomfortable doing that.

Now, the mover may be absolutely right. I'm not saying she's not. I'm just saying that I don't have enough information here right now to say that is an appropriate action for this committee to be asking for. Now, to ask the minister to do something very aggressively to look into this, as a concern that we have from the committee, and to hold him to account to make sure that happens is, to me, an action that we should and could do. That's my position on it, and I think it's my point.

The Chair: Thank you.

Mr. Gagnon.

[*Translation*]

Mr. Marcel Gagnon: On the subject of the last question raised, I do not see any point to meeting with these people to determine the nature of their conflict of interest. When there is a clear-cut conflict of interest, we do not need to spend our time meeting the people in question and allowing them to lobby us, rather them studying the substantive issue. And there is a substantive issue at stake here. Do not try to tell me that among 16 million Canadian women, there is not one who is an expert in the field. It is not just a matter of hearing from suppliers, manufacturers and those who are directly involved. Who could gain a better understanding of this subject.

[*English*]

The Chair: Thank you.

Madam Chamberlain.

Hon. Brenda Chamberlain: I share Mr. Merrifield's unease. I'd like to have a meeting where we would have somebody here to justify what the connections are, and where they are, and then I'd like to have this vote. I can't support this today without having some more information. Definitely, if all the things that are being alleged... then I want to support it, but I need more information. That's how I feel about it.

The Chair: What information do you need, Mrs. Chamberlain?

Hon. Brenda Chamberlain: I think I need to verify these connections. The minister is maybe the one to do that.

The Chair: They've already declared them. They declared their conflicts and then were still on the board, were still on this panel....

Hon. Brenda Chamberlain: Would we be able to go through that again? I didn't get it all. Can we go through it all?

The Chair: Okay, perhaps Ms. Crowder in wrapping up....

Ms. Jean Crowder: Just to wrap up, the people have now been named, Dr. Brandon and Dr. Michael Brook. Dr. Brandon is from Washington University and Michael Brook is from McMaster, and both were paid by Inamed, which is one of the suppliers, to provide information to the FDA advisory panel, who were looking at Inamed's application. This information is on Health Canada's website; it is public knowledge. These are self-declared conflicts of interest.

Dr. Mitchell Brown has also received funding to take part in the promotion of products. In fact, Dr. Brown, in an article in *Plastic & Reconstructive Surgery*, appeared to presume that these were going to be approved. The quote from the article is "Cohesive gel implants are likely to play an important role in aesthetic and reconstructive breast surgery when silicone gel implants are reintroduced into the North American market."

So I don't know what other information people need about these self-declared conflicts of interest. This issue has been before Canadians for 25 years. There is still no conclusive proof that silicone gel breast implants are safe for women. We now have a panel constituted with four people who have direct ties to industry.

I mean, if we want to say that the health and welfare of Canadian women takes second seat to industry interests, vote against the motion.

● (1020)

The Chair: Are you ready for the question?

Hon. Robert Thibault: Madam Chair, can I raise one quick point?

I tend to agree with the points raised by the mover. It's very, very important that we have a regulatory process that people have confidence in; I think that's what I mentioned in regard to her earlier motion. I think it's very important that people have confidence, that we have confidence. If the regulatory process—the advisory panel, and the minister's ultimate decision—is flawed, then we put Canadians at risk. I think it's important to look at that.

But I also have a big problem with hitting everybody with a broad stroke, just because they have expertise. I don't know whether these people should be on the panel or shouldn't be. I don't want to defend them, but I don't want to attack them either, because I haven't seen the evidence. I haven't seen the reason for their being there.

I come back to what Mr. Merrifield was saying, and to what Madame Chamberlain said a little earlier, that rather than attacking individuals, it might be worth our while to quickly discover the rationale—because this is important—for the panel having been constructed that way, and whether it should be changed. Perhaps it should have been changed from the beginning. I don't start with a preconceived idea, but perhaps we could have a quick meeting—even in camera, if we have to—with departmental or panel representatives, and go over that, so that we understand it better.

The Chair: Mrs. Chamberlain.

Hon. Brenda Chamberlain: I think my problem is that you're miles ahead of me; I admit that. You've done a lot of study and you understand it. I don't, and I would just like to understand it a little more. I'm wondering, could we not have a meeting to understand this a little more? Is that impossible? That's all I'm asking.

The Chair: Mr. Merrifield.

Mr. Rob Merrifield: I believe we should go in one of two directions. We either should have the people we are accusing of conflict of interest here to defend themselves, and challenge them on that in a public meeting, or we should ask the minister to review what Health Canada has done on his behalf in setting those people on this panel originally and in dealing with the perceived conflict of interest. I think we can say that is an accurate statement, that there is a perceived conflict of interest. But to say there's an actual conflict of interest—

The Chair: It's declared; it's a fact. They declared it themselves that they had received money from the companies.

Mr. Rob Merrifield: You're asking them to actually be removed from this panel. I can't make that judgment call at this time, with the information we've got right now.

The Chair: You don't think that somebody who receives money from an applicant...? Say the applicant were a prescription drug company, and then Health Canada picked a panel to decide whether to allow the drug on the market, and picked for the minister an advisory panel of people who were on the payroll of the drug company that had applied. To me it's so clear: that is a true conflict of interest. I don't see how you can give clear advice when you've been on the payroll—and not only on the payroll, but have also already put ads in the paper suggesting that what you want to have happen is going to happen, and that patients should immediately line up and come to you for the treatment.

Mr. Rob Merrifield: Then that will taint whatever information the panel actually does give to the minister. The minister is ultimately going to be responsible for this decision. We are going to be reviewing it and are going to be dealing with it, so—

The Chair: It could be on the market before we're asked to review it. We're not asked to review it.

Mr. Rob Merrifield: Unless I'm wrong, the minister is the only one who will actually make that declaration as to whether to go ahead with these or not.

The Chair: Yes.

Mr. Rob Merrifield: All right. So that's what I'm saying. We can alert the minister of the potential conflict, but if we're saying that we're going to remove them and that's going to solve all of the problem, I'm not so sure I buy it. That's my reluctance here.

Now, we can have them come forward, if we want to spend that time, but I'm in the same conflict there as we were with the accounts. I would prefer to have somebody else do it and hold them accountable to make it happen.

● (1025)

The Chair: Madame Demers wants to get in here.

[*Translation*]

Ms. Nicole Demers: Madam Chair, this is a subject which is near and dear to my heart. I agree with Mr. Merrifield; it is important to exercise caution before acting, and ensure that there really is a direct conflict of interest. What I find more worrying, however, is that though Health Canada knew that these people—especially Dr. Wells, the chairman—had a conflict of interest, they did not reveal this information until the 28th of September, the day prior to the public forum meeting. Had we not consulted Health Canada's webpage, we would not have known that even the chairman had a conflict of interest.

What I find deeply worrying, Madam Chair, is that Health Canada is being very lax at the moment. Last year alone, more than 10,000 silicone gel breast implants were approved under the CAP program for medical devices which may only be used in cases of deadly or serious diseases, or where there is a risk of death. Ten thousand women were given silicone breast implants under false pretenses. Madam Chair, the committee should be aware that the problem tends to get downplayed because it has not been talked about since the implant scandal 15 years ago. The program was first introduced in 1995 and, in the early years, approved 200 or 300 breast implants per year. Over the past three years, this figure has grown exponentially, and last year alone saw the approval of 13,000 implants. It is shocking.

We have still not seen the results of the analyses and studies, which were supposed to have been carried out in 1996. We still have no guarantee that these breast implants are safe. They are using the same type of breast implant, an implant made with cohesive silicone, an adhesive substance which spreads through the body. A doctor who carried out an autopsy on a patient who had had her implants removed, found silicone in all of her vital organs. The woman had died as a result of her breast implants.

I think that it is shocking that people who have a direct conflict of interest are being paid by industry, and are receiving subsidies and research grants from the two companies seeking licence approval. It goes beyond a conflict of interest; they have direct ties with the companies in question, and I do not think that we should allow them to continue as members of the panel. As women, and as men married to women who may one day require surgery, we have a duty to ensure that decisions are made in an appropriate, sound and transparent fashion. At the moment, that is not happening.

[*English*]

The Chair: Mr. Warawa.

Mr. Mark Warawa (Langley, CPC): Thank you, Madam Chair.

I just have a procedural question. I think there's consensus of concern, but where do we go from here? If the question is called and the motion fails, is there a procedural option of having an amendment at the next meeting?

The Chair: You could put in a motion today that could be considered Thursday.

Mr. Mark Warawa: It is a timing issue.

The Chair: Yes, they're going to report.

Mr. Mark Warawa: What is the time?

The Chair: We're expecting the panel to report at the end of October. There are 13 people, including the chair, on the panel.

I think what this motion is suggesting is that we know that other than the chair, there are three people who have a vested interest in making sure these things are approved. One of them has already advertised for new patients based upon that approval, which is not yet a fact. Do you see what I mean?

● (1030)

Mr. Mark Warawa: I understand.

The Chair: So I think the idea is to get these three people off the panel so they don't have a vote, because their vote is tainted. That's the idea and that's why it's here today. It's to take the panel down to ten, removing the three people about whom we're pretty sure how they're going to vote. They're going to vote for their own practice to get more patients.

Hon. Robert Thibault: Madam Chair, I'd like a clarification. I heard Madam Crowder stating a little earlier that one of these people, in an article, had made allusions that it would be approved, and then I hear you say that he's a medical practitioner and that he has advertised. I think this is—

The Chair: He bought an ad in the paper.

Hon. Robert Thibault: Was there an ad in the paper? Is he a medical practitioner?

The Chair: Yes.

Hon. Robert Thibault: Madam Crowder was referring to an article in a scientific journal.

Ms. Jean Crowder: It was actually two pieces. I was talking about the scientific journal, but there was also an ad in *The Globe and Mail* from September 14 where he was advertising for his clinic about cosmetic surgery supplements and was promoting silicone gel implants in that ad.

Hon. Robert Thibault: I'd like to see that. That's very important.

Ms. Jean Crowder: Yes, I'm sure I can get you a copy of the ad.

Hon. Robert Thibault: You see, we don't have the evidence at the committee. We haven't seen anything. But for a motion like this, I think it's important that we take it to the next level, one way or the other, before attacking individuals.

The Chair: Do you want to circulate some of that?

Ms. Jean Crowder: Another day isn't going to make a difference as to what happens if I table the motion and it came back on Thursday. And in the meantime, we'll make sure we circulate this information to everybody.

And I would refer you to the Health Canada website, which has their conflicts of interest posted on the website.

The Chair: You see, one thing I don't understand is that in every body I've ever been on, if someone has declared a conflict of interest, then they have left the room for the major discussions and certainly were never allowed to vote.

As far as I can see with this, these people declared a conflict of interest. They said, "Yes, I have received money from the applicant company. I went and tried to persuade the Federal Drug Administration of the United States to approve their product and for that I was paid, and now I'm on this panel so I have a conflict." But the person still has a vote.

In every other place, if you have a monetary conflict of interest you lose your vote. And in some cases, in the cabinet for example, you'd lose your say. You actually go out of the room for the whole discussion.

So we have apparently three people who have received money promoting the acceptance of these products in the United States in front of their regulatory body, the Federal Drug Administration, who are now on our advisory panel.

Hon. Robert Thibault: Madam Chairman, I have to object to a statement you're making, and I know you don't do it on purpose. But you're stating—and if it's true, it's serious—that this individual was promoting the acceptance.

The information I've seen, and I haven't done an in-depth look, tells me that this guy appeared on behalf of that company at the FDA as an *expert conseil*, as an expert in the field. So he can go and give the evidence without promoting acceptance or saying that it shouldn't be accepted—being factual. If the evidence is supportive of the application, of course it supports.

But it's different to say that he was asking the FDA to give the approval. I don't know either case. I don't know that it's wrong, one way or the other. The only information I saw is that he went as an expert to the FDA.

The Chair: Let me ask you this question. Do you think the company would pay an expert who was going to go and say don't approve this product? I doubt it.

Hon. Robert Thibault: But that's not what you do. When you hire an expert.... But Madam, be serious. When you hire an expert, you hire an expert and you pay him, and if he is an expert and if the expert is a gentleman or a lady of integrity, they will be factual. If the evidence is in your favour, you hire them. If it's not in your favour, you don't hire them.

But if you're saying that by giving money—salaries—to a person who calls himself an expert and has a level of expertise that you are influencing the testimony they are giving, then you are bringing into question the reputation and the integrity of that individual.

The Chair: I give more credit to the companies. I'm sure they would pick someone whose evidence is favourable.

Hon. Robert Thibault: Absolutely, yes.

Ms. Ruby Dhalla: I think we'd all agree that transparency and integrity are important for any individuals who are making a decision, and I would tend to agree with you, Madam Chair, that if there is a conflict, especially one that has been self-declared, one would leave the room when those issues are being discussed.

I wanted to find out from Ms. Crowder or Madame Demers whether it is at all possible for the next meeting, when the motion is retabled, that they would also consider asking the department for a response to why these persons were put on the panel despite their having declared a conflict of interest. I think it's incredibly important. It's an important issue to women, and as has been stated before, it has been discussed for a number of years. Having individuals with perceived conflicts voting in this decision may alter the type of decision that is made and hence affect the lives of many women.

● (1035)

The Chair: Mrs. Crowder.

Ms. Jean Crowder: Mr. Merrifield has suggested an amendment that I would be amenable to: to say in the last lines, "...urge the Minister of Health to immediately review and if necessary remove these persons from their positions on the panel prior to the panel decision coming out."

The Chair: Well, "prior to...decision coming out" might still have them there for any vote they have, if they have a vote.

Ms. Jean Crowder: How about "prior to any vote on the panel", then? I'm just trying to put a time frame on it, because we don't want him to review it after the decision has been made.

Hon. Brenda Chamberlain: Can I speak?

I know what you're saying there, but really, is tomorrow going to make a difference? If we could get this information to us and we feel comfortable with it, we'll support the motion. That's all I'm asking: to understand better.

Ms. Jean Crowder: That's fine. We were just trying to expedite it so we didn't spend more time on Thursday.

Mr. Rob Merrifield: Essentially, all the motion is doing is urging the minister to do exactly that; he will have to review and make it happen.

Hon. Brenda Chamberlain: But I think that's weak.

Mr. Rob Merrifield: Let's ask him to do that, and if appropriate, he'll remove them.

Hon. Brenda Chamberlain: I think that's weak; that's all I'm saying.

The Chair: Yes, it weakens it, asking him to "review". We want to imply that we have the information, we've reviewed it, and we're urging him to remove.

Mr. Rob Merrifield: I don't believe it's weak, because if the minister reviews it and doesn't see it as in conflict, then the minister needs to be taken to task. He has to defend it.

I don't see it as weak; in fact, I see it as being actually stronger.

Hon. Brenda Chamberlain: But we want as a committee to recommend what we see is not right, if we understand that. I think we want to go a step further as a committee: to direct.

Suddenly we're saying, let the minister do whatever he wants, when all along we've been saying as a committee that we want to direct the minister. Why would we go back?

Mr. Rob Merrifield: But all we have is one-sided information today. Do we have enough information? I don't think so.

Hon. Brenda Chamberlain: Oh, I agree. I say, can we wait till Thursday to get it all?

Mr. Rob Merrifield: That's why this motion could be—

Hon. Brenda Chamberlain: I'd like to see this back. I'd like to see the information. That's all I'm asking.

The Chair: Okay, we'll figure it out between now and then.

There's a motion to table. All those in favour, please signify.

(Motion agreed to) [See *Minutes of Proceedings*]

● (1040)

The Chair: Thank you very much.

Ladies and gentlemen, I agree with something Madame Chamberlain said.

I'll just intervene here for one minute and invite the Health Canada people to come to the table, because they're next.

One of the reasons we can't seem to get to our work is precisely that we have had four motions today, and I think we have four for Thursday. As long as people keep submitting motions, we will never get any solid, long-term, well-researched work done.

The problems that arose this morning are that we don't have enough background information on these motions to really be voting on them, etc. That is typical of motions, as opposed to studies we embark on when, in a methodical way and guided by our researchers, we uncover a whole topic and go into it in depth and then make a report that is meaningful.

I as the chair cannot stop you from putting motions in. I've asked you—I'm begging you—please refrain from these motions. If you want to talk about an issue that's bothering you, hold a press conference. Motions are inclined to eat up.... Well, this is almost the whole meeting. One has to question where we're going with all these motions.

As I say, there are four—maybe there are five or six now—for Thursday, the day I was hoping we would do clause-by-clause on Bill C-420.

Right now we are going back to Bill C-420; we have asked Health Canada to come with an update. Mr. Boudreau and Mr. Waddington are here to help us: Mr. Waddington, the head of the new directorate, and Mr. Boudreau, who is the director general of therapeutic products. I would ask them to report to you now on where they are with some of the clauses of Bill C-420 that have to do with their work.

Gentlemen.

Mr. Philip Waddington (Director General, Natural Health Products Directorate, Health Products and Food Branch, Department of Health): Thank you.

Madam Chairperson, members of the committee, I'd like to begin by introducing my colleague from Health Canada, Omer Boudreau, director general of the therapeutic products directorate.

I thank you for the opportunity to speak about our regulations and performance with respect to natural health products. Omer Boudreau will provide you with an update on work to modernize section 3 and schedule A of the Food and Drugs Act.

When I last appeared before this committee I indicated that the natural health products directorate would be implementing several measures to improve the rate at which licences were being issued. Our approach has been based on improving our current practices and developing innovative solutions that reflect the needs of all stakeholders.

I am pleased to inform the committee that our efforts are proving effective and have resulted in tangible outcomes. As you may recall, by May of this year the natural health products directorate had issued just over 350 product licences. Today that number is almost 1,000. I believe it's important to note that in a four-month period we have managed to issue between two and a half to three times the number of licences issued in the previous year and a half, without compromising safety. I'm confident that as we move forward our productivity will continue to grow.

The improvement plan developed by the natural health products directorate contains several key projects that will further increase the pace at which products are reviewed. For example, we are currently proceeding with the development of an intelligent electronic form to facilitate the transfer of nearly 6,000 DINed homeopathic products. This electronic approach will reduce the amount of information applicants must provide to the natural health products directorate, and will expedite the review process. We expect this electronic form to be available in early 2006.

Work is also under way to implement a broader web-based application process that will allow applicants to file applications electronically. This project will ultimately reduce the amount of time required to receive and assess an application.

Furthermore, the directorate is currently working to develop multiple-ingredient or combination monographs. This will mean that an increased number of products will be able to have their products reviewed within 60 days of receipt, as per the natural health product regulations.

These are but a few examples of the actions we have initiated in order to improve our productivity. It is clear that our efforts have been fruitful and are resulting in the issuance of more product licences. I'm confident that our ongoing improvement efforts will provide even greater results in the near future. As always, we will continue to work closely with our stakeholders, including our management advisory committee, in order to identify potential avenues for further improvement.

I will now turn to my colleague, Omer Boudreau.

[*Translation*]

Mr. Omer Boudreau (Director General, Therapeutic Products Directorate, Health Products and Food Branch, Department of Health): Thank you, Doctor Waddington.

Last spring, Philip Waddington and Diane Gorman, assistant deputy minister, Health Products and Food Branch, spoke to the committee about Health Canada's actions to modernize section 3 and schedule A of the Food and Drugs Act, to reflect scientific and medical advances and to ensure that Canadians have access to reliable product information to make informed decisions about their health.

As to the specifics, firstly, a commitment was made to convene a scientific advisory panel to review and update the diseases and conditions listed in schedule A in order to reflect current scientific understanding, and to consider other options for achieving the objectives of section 3 and schedule A.

Secondly, a commitment was made to initiate an amendment to the Food and Drug Regulations, to permit evidence-based risk reduction and symptomatic treatment claims for schedule A diseases and conditions.

The scientific advisory panel met on September 21, 2005, and included experts from a range of health care specialties. Their mandate was to provide advice on how best to modernize schedule A by recommending criteria for adding and removing diseases, and by recommending revisions to the content of schedule A using these criteria.

In addition, the panel was asked to consider other options for achieving the objectives of section 3 and schedule A in the context of the health and safety protection provided to Canadians through the Food and Drugs Act and its regulations.

The scientific advisory panel is currently drafting the record of proceedings, which we expect to receive within the next month. We will post this document on Health Canada's website, and we'd be pleased to provide it to the committee at that time.

We are proceeding with regulatory amendments and other actions in order to modernize how we achieve the objectives of section 3 and schedule A—preventing fraudulent or misleading health claims in advertising or labelling, and ensuring that patients seek medical attention for serious diseases.

Let me outline our progress.

● (1045)

[*English*]

We are working on the regulatory impact analysis required to advance regulatory amendments that modernize section 3 and schedule A. This analysis addresses how best to allow advertising of evidence-based health claims for non-prescription health products, while ensuring that the health and safety of Canadians is protected through the regulatory system.

The report of the scientific advisory panel is essential to complete this analysis and to draft regulatory amendments this fall. Our goal would be to publish a regulatory amendment in the *Canada Gazette* by the end of November.

Health Canada recognizes that Canadians need to be informed about research demonstrating the role that certain foods play in reducing the risk of occurrence of certain diseases or disorders. That is why we are developing a new framework to manage the use of food labels and advertising as a means of delivering this important health information to the public, in consultation, of course, with stakeholders and the public.

We all recognize the need to modernize how the objectives underpinning section 3 and schedule A are met. Health Canada is taking concrete actions to do this in order to keep up to date with scientific and medical advances to enable Canadians to make informed decisions about their health.

I'll conclude by reiterating that the natural health product regulations are indeed the appropriate framework for the regulation of these products. They were developed through extensive consultations with Canadians. The end result is a regime that all Canadians can be proud of and confident in, and one that ensures access to safe, effective, and high-quality natural health products.

Thank you.

The Chair: Thank you very much, gentlemen.

We'll begin with Mr. Carrie.

Mr. Colin Carrie: I'll be sharing my time with Dr. Lunney.

First of all, thank you very much for coming back and reporting on what has been achieved over the summer.

I'd like to start off by asking a question. Dr. Waddington, you talked about the fact that there were 350 product licences. Today the number is close to a thousand. I was wondering whether any of these are combination products or whether they are all singles. How extensive are they?

Mr. Philip Waddington: There are combination products in there, but the vast majority of them are still single-ingredient products that have been approved through the monograph approval process.

Mr. Colin Carrie: So out of the thousand, an approximate percentage—what would you say?

Mr. Philip Waddington: Over 80% of the products are all single-ingredient, monograph-approved products. It could be seen as slow in the other area, but it's a testament to the effectiveness of that monograph process. It's working very well and the products move through very quickly in that regard.

Mr. Colin Carrie: All right. One of my concerns there is that the majority of products used by people—multivitamins, things like that—are combinations. I'm just wondering about how much longer the combinations take to put through the process, as opposed to the singular ones.

Mr. Philip Waddington: Each product is different. Right now, as you know, there's a backlog; we're looking at a number of products that are out there. There isn't a single answer, because a single-ingredient product may have a very complicated claim and approval process associated with it, if either the malady or the way in which it works is complicated, or a simple product—a glucosamine and chondroitin combination—but be well understood. There isn't a single approval for that.

However, you're getting at an important point, and that is, those ingredients that we reviewed can move much more quickly. That's why one of the things that I mentioned we're working on is having combination monographs, in a way, to combine the single-ingredient monographs, and use them together, or to write monographs that already have products that are usually combined put together, to facilitate the approval of those products.

Mr. Colin Carrie: Okay. Perhaps I could move a little further on to schedule A, and subsection 3(1) and subsection 3(2). I notice in your briefing today, you're mostly talking about modernizing as opposing to repealing. My understanding is this. One of the things that was recommended by the 53 recommendations in the Volpe report and by the transition team was simply to repeal and get rid of schedule A, subsection 3(1) and subsection 3(2).

Dr. Waddington, weren't you one of those who said that this would be an appropriate action to take, to just repeal it?

● (1050)

Mr. Philip Waddington: The lead in this file has been with Omer to look through how the process should go ahead and what the approval is. So I'll turn to Omer for that.

Mr. Colin Carrie: Could you answer the question, though? Weren't you a signatory to a report in the past that said it would be an appropriate way, just to repeal it?

Mr. Philip Waddington: I think what you're referring to, if I understand correctly, is there was a majority and a minority report. We looked at schedule A, and I was a signatory on that, showing that we had gone through the process and that I was concurring with the recommendations of that, and one of those was how to go forward. There were a number of parts to that; it wasn't simply a repeal. There was a short-term, a long-term, and a final process. They said first they should look at allowing certain claims, then they should look at how the list should be amended, and then they should look at whether or not it should be taken out. And that kind of a process is exactly what I'll turn to Omer to address.

Mr. Omer Boudreau: Thank you.

At this point, we feel that moving ahead with the commitments we had made with respect to modernizing section 3, schedule A, is the most efficient way of achieving that modernization at this point.

If we were going to repeal it, we'd be in a situation where the protection for some of the products that are now protected by section 3, schedule A, would no longer be provided for in other parts of the act. We'd be faced with a situation where we'd have to move with a series of regulatory amendments to compensate for what had been lost by repealing it.

Mr. Colin Carrie: But it could be done through regulatory changes, right?

Mr. Omer Boudreau: It would be done through regulatory changes.

But to finish my sentence, I think that it will be more efficient and faster to do what we've started to do at this point. We believe that we could be publishing in the *Canada Gazette* part 1 by the end of November at this point.

I also think there's some value in retaining section 3 and schedule A, because it's a fairly clear, well-understood, commonly understood reference point that both governments and manufacturers can use.

Mr. Colin Carrie: I want to question you on the efficiency. I guess it has been eight years since it has been recommended that you do something here, and you're just starting to get around to it now.

The Chair: You have ten seconds left.

Mr. Colin Carrie: Okay. Go ahead, James, if you want to take over.

Mr. James Lunney: Thank you very much.

On schedule A, of course, the transition team recommended eliminating schedule A and subsections 3(1) and 3(2) in 2000. That was certainly the objective at the time. We now have an expert panel looking at changing it. Can you tell us who the people are on this expert panel now? How many people are on the panel? Could you provide this committee with a list of the people serving on that panel?

Mr. Omer Boudreau: I don't actually have the list of panel members here with me today, but I can certainly commit to providing the committee with that list.

Mr. James Lunney: Thank you. We'd appreciate that. It would be helpful for our discussions.

To review, the reason that these concerns were brought forward is not so much because public safety was at risk, but because there were some major diseases on that list. It goes back to 1934. Cancer, diabetes, arthritis, mental illness, and I'm probably missing another big one, are among the 40 diseases listed.

Of course, it's the way in which these sections have been applied that has been of such offence to Canadians. It hasn't been about protecting Canadians from claims. It has actually been about shutting down research because a claim is made and obstructing products that could actually alleviate those conditions, which we now know from scientific information.

I'd like to ask you this, Dr. Waddington. Since we're now two years into the program and you have now announced that about a thousand products have been approved, mostly the single-monograph ones, how many are in the backlog?

Mr. Philip Waddington: The number of applicants that we received is just over 8,000.

Mr. James Lunney: You received 8,000. We know there are some 50,000 or 60,000 products that we estimate are out there. At the rate we're going, we've got quite a few years of progress, even at this accelerated rate, before we're going to make a dint in that.

Mr. Philip Waddington: Sure. It's 30,000 to 40,000, not 50,000 to 60,000. But anyway, there are about 30,000 to 40,000 estimated products. I've run through this before. About 10,000 of those have DINs and were facilitated by the DIN to NHP transfer that I discussed.

If we were to stop progressing right now, then you're right, it would be an extensive program. It would be extensive and ongoing. But if you look at the rate at which we're improving, and that rate is actually accelerating as well, I have no doubt that we're going to be coming close to the targeted deadlines.

The progress is being made, as we've demonstrated. When we were here last time, you asked that when we came back we not say we were continuing as we had been. In four months, we've done two and a half to three times what it took us a year and a half to do. That's pretty good progress.

I think that the people within the directorate are working very hard to ensure the demands of Canadians and of this committee are being met.

● (1055)

Mr. James Lunney: Of course you've approved things that are low cost, low risk, and not really of major concern to most people from a health standpoint.

Mr. Philip Waddington: That's not true. There are things being approved, such as single ingredients, single-ingredient amino acids, and single-ingredient extracts, that were not previously approved. They are being used to treat conditions that the people who suffer from them find very serious. So I would disagree with that statement.

Mr. James Lunney: Yes, they're low risk, though. I don't think you're claiming that amino acids have associated high risks. They're simply building blocks of protein.

Mr. Philip Waddington: As you know, any product can be used well or can be used poorly, depending on the person who's taking it, the reason for which the person takes it, and how the person takes it. To consider that an ingredient would be safe under all circumstances would simply be false.

I know that you know this, but I'm going to state it for everybody. Any ingredient used incorrectly can prove to be harmful. An ingredient used for a disease for which it won't treat, safe or not, is not going to help the person who's taking it. So an approval process associated with these ingredients is very important.

Mr. James Lunney: That's a very nice philosophy, Phil, but it's not backed up by statistics. We could get into some discussion, but time is very limited.

I wanted to ask you another specific question here. Where are we at with site licences? How many have been approved, and what's the backlog there? How are we looking at deadlines in that regard?

Mr. Philip Waddington: I'm not sure of the total number of site licences; I don't have that number. However, I can tell you without a doubt that there is no backlog in our site-licence applications. Right now the number of applications we receive is less than anticipated. We've communicated a number of times through the web, through our management advisory council, written applications out to members in the community to say “Please get your applications in”. Right now there's no backlog in that regard, and we're looking at the implementation of the deadline that comes up on January 1, as we have all along.

Mr. James Lunney: So how many site licences have been approved then?

Mr. Philip Waddington: I don't have that number on the tip of my tongue.

Omer, did you have that number? No.

I'm sorry, I don't have the number.

Mr. James Lunney: We don't have the number. I understand there were about 200 sites in the hopper at one point, or at least under consideration.

Mr. Philip Waddington: Sorry, I'm not going to speculate. It's a number I should have. I would have come forward with it. I apologize, I don't have it with me. I'm not going to guess because I will obviously guess incorrectly.

Mr. James Lunney: Can you review for the committee the deadlines for product compliance and site licensing compliance? Because they are gazetted. Could you just put that on the record for us?

Mr. Philip Waddington: Sure. The only one that's gazetted is the one for sites, and that was that by January upcoming, two years after the implementation of the regulations, people who are manufacturing, packaging, labelling, or importing natural health products would have to have the site licences. For product licences, there was a series of dates that we were implementing through a compliance policy that started off with more complicated products, the combination products, the ones that were initially banned, as you would put it, by TPD under the new drugs list. Then we moved on to the extracts, the multiple-ingredient products. Right now we're in a period where the next deadline is January 1 for herbal products. Following that, there are vitamin-minerals, and homeopathic products are unfolding under that.

The Chair: Thank you, Mr. Lunney.

Is there anybody from the Bloc who has questions? No.

Okay, anybody over here?

Ms. Dhalla.

Ms. Ruby Dhalla: I have just a couple of questions.

First of all, thank you so much for coming back.

You had mentioned that there is supposed to be someplace to get the review done within 60 days. Is the directorate meeting that right now? If it isn't, what is the timeline for expectation?

Mr. Philip Waddington: We are currently meeting our 60-day review period. I'll reiterate, that review for 60 days applies to the monographs, which we've been looking at, and we are meeting the deadlines. So applications that are received under the monograph stream are getting turned around and replied to with the licence and with whatever information they need within the 60 days.

The fact that this is working so well is the reason we're looking at expanding it to the multiple-ingredient monographs being part of the DIN-HM process. We're looking at doing that within 60 days as well. What it does is it gives us the ability to look at the ingredients and understand them before we actually start to receive the application, so it makes the review go very quickly.

I think it's a success story for the people who are working within the directorate.

Ms. Ruby Dhalla: What about the multiple monographs? What's the timeline for those right now?

Mr. Philip Waddington: There are two parts to that. The DIN to NHP transfer, the electronic form to facilitate that, is anticipated to be within 60 days. It's anticipated to be early in 2006. They're currently working on multiple-ingredient monographs. I can't give you a deadline, because with any monograph, when people ask me if we're working on a monograph or ingredient X, we always say yes, but that doesn't guarantee that a monograph will result from it, because there may be concerns that come up. We're currently working on two components. One is to allow single-ingredient monographs to be used together, which can already be done, but it takes it out of the 60-day stream. Currently, we'll put that in. We're also looking at writing single monographs that will have more than one ingredient on them.

● (1100)

Ms. Ruby Dhalla: You said that you have 8,000 applications in right now. When would you foresee those being completed? What would be the timeline for going through some of that?

Mr. Philip Waddington: The 8,000 will become part of the 30,000 to 40,000 that we discussed earlier. The goal with the compliance deadlines is that would run through until.... There was a two-year program for the sites, a four-year program for the products, and then six years for the ones that have the DIN. So we're looking to complete that within the four-year period that we'd initially indicated. That's the target.

Ms. Ruby Dhalla: I have one last question.

In regard to the scientific advisory panel, you mentioned, Omer, that they're going to be reporting back and you would forward us the information. What sorts of timelines do you have established with regard to implementation for the recommendations made by them?

Mr. Omer Boudreau: We expect the scientific and advisory panel to report within the month, so before the end of October. It is our goal at this point to take the advice they're giving us, combine it with some work we've already done, and prepare a proposal for a regulatory amendment to be published in the *Canada Gazette* part I by the end of November.

Ms. Ruby Dhalla: And you can forward us the names of those individuals who sit on that panel?

Mr. Omer Boudreau: I will do that, yes.

The Chair: Mrs. Crowder, please.

Ms. Jean Crowder: I have two questions, so I'll give them both to you. They are to do with schedule A and section 3.

I'm a little bit concerned about process and timing. We have reports from 2003 about schedule A and section 3, and it really seems nothing has been done with it in two years. We've now reconstituted a panel and you're giving us some timelines, but we also have a history of regulations coming forward and never actually getting implemented. I'm thinking specifically about the pesticide management review regulations that were done a couple of years ago, which I know is outside of yours...but is an example of how things get developed and never happen.

I'd like you to specifically comment on whether that timing is realistic and whether we will actually see something come forward that the committee can review.

On the second piece, I know we've had this discussion before, but just so I'm entirely clear, my understanding is that if we repeal schedule A and subsections 3(1) and 3(2)—3(1) says "No person shall advertise any food, drug, cosmetic or device..."—it wouldn't just impact on natural health products, it would impact on a whole variety of other things.

There's been some suggestion that we allow regulations for advertising, but when I looked at the minority report, they said that

> Two-thirds of sampled magazine ads failed to comply with the law. 'Minor' violations included exaggerations of benefits and inadequate risk information, in other words misleading and inaccurate information about the products' characteristics and health effects.

Major violations were not defined.

So if schedule A and subsections 3(1) and 3(2) were repealed in their entirety, we would then do what with drugs? I'm not clear what the impact would be on all those other products.

That's the end of my questions. Thank you.

Mr. Omer Boudreau: I'll start by answering the first question.

As a bit of background, in terms of the timing and the resolve to actually make this happen, there are various parties involved in making a regulatory amendment. In preparing for this discussion, actually, we have consulted with the various parties who would need to consider this a priority in order to make it happen in relatively short order. We've been assured that those parties could treat it as a priority. So although it's never absolutely possible to guarantee a specific date, I feel it's a relatively realistic assessment of the timeframe in which this could happen.

In terms of whether something would actually happen after a regulatory amendment would have been passed, I guess all I can say is certainly, from a personal perspective, I am committed to that.

What I also know from the various discussions that have happened is that there seems to be no question that section 3 and schedule A need to be modernized to reflect current scientific knowledge and current medical knowledge. So I don't think there is any real issue with moving that forward. That suggests to me that once a regulatory amendment goes through the required processes, it could be implemented.

The second question is about section 3 and schedule A being repealed in their entirety. As I said before in one of the previous questions, it would definitely leave certain gaps in the protection that is afforded by that framework right now. It's not to say that it couldn't be compensated. We could compensate, but we would have to do so by introducing a series of regulatory amendments to cover those particular areas that wouldn't be covered by other parts of the legislation if there was a repeal.

So that's number one. We would have to go through more regulatory amendment work than we are proposing now.

● (1105)

Ms. Jean Crowder: Sorry...? That would be regulatory amendments under the Food and Drugs Act?

Mr. Omer Boudreau: That's right.

The other issue—when you talk about compliance and enforcement, for example—is that even if we at Health Canada don't necessarily have all the resources that we would want to do all the compliance and enforcement work that we do, in approaching compliance from a risk-based perspective, section 3 and schedule A play a significant role in assessing a level of risk.

So if we were to go towards a complete repeal, we would have to redefine that type of framework for compliance and enforcement as well.

Ms. Jean Crowder: When you talk about redefining the type of framework, are you talking about the regulatory framework? I'm not clear on what you meant by that.

Mr. Omer Boudreau: As it stands right now, section 3 of schedule A provides a good point of reference from which we can determine risk levels associated with compliance and enforcement activities, for example. It's a bit of a benchmark.

Ms. Jean Crowder: So you would have to find some other place to interject risk levels.

Mr. Omer Boudreau: That's right, and that could probably be done in guidelines or policy, but it's additional work. Ultimately, what I'm suggesting is that at the point we're at right now I think the most efficient way of moving is to continue with the commitments we have made and move with regulatory amendments that would modernize the framework.

The Chair: Thank you, Ms. Crowder.

Mr. Thibault.

Hon. Robert Thibault: Thank you, Madam Chair. I'll try to be very brief.

I want to first, on behalf of Mr. Savage, indicate that Mr. Boudreau is from Nova Scotia.

[*Translation*]

I would like to come back to your last point. The majority of witnesses who appeared before the committee told us that schedule A was obsolete as it dates back to 1934 and some of its listed diseases can now be treated or prevented with some of these products.

You are saying that the best way to meet our objectives is, as we will recommend, to maintain schedule A in an amended form, and continue to update it as and when new scientific data becomes available. This will allow us to recognize the benefit of these products in treating the diseases in question, provided that the claims can be backed up by scientific evidence.

Is that correct?

Mr. Omer Boudreau: Yes, it is.

Hon. Robert Thibault: Thank you very much.

[*English*]

The Chair: Seeing no further hands, I would ask you if you need to have these officials back on Thursday or if you feel ready to proceed with the clause-by-clause of Bill C-420.

Can I have comment on that, please?

Mr. Colin Carrie: Madam Chair, could I have one last question?

The Chair: Yes.

Mr. Colin Carrie: From what you were saying, to my understanding, Mr. Boudreau, if it was appealed you could still make regulations on the safety issue, so there wouldn't be much of an issue there, as opposed to modernizing. Is that correct—either way you could make that safe for Canadians?

Mr. Omer Boudreau: Our analysis of the effect of a repeal tells us that certain elements of protection that are provided for in section 3 and schedule A could be covered off by other parts of the legislation. However, there are some gaps left, and you're right, we would then have to go through a series of regulatory amendments that would provide for protection that is lost by repealing.

Mr. Colin Carrie: Either way, it would be a safe type of thing.

You mentioned the fastest way of doing it is continuing what you've been doing up to this point. I've got some questions on whether it's going to move forward. I know you're saying within a month you could have it gazetted.

● (1110)

Mr. Omer Boudreau: The end of November.

Mr. Colin Carrie: That seems to be a lot in two months if you are successful in that regard.

I wonder, too, eight years ago they recommended repealing it, but you did absolutely nothing and now you've decided to modernize it. My concern is you seem to be doing your own thing anyway, based on whatever anybody recommended in the past. I really have some concerns if you're going to get ahead and move ahead as quickly as you are promising to do. That's my big concern here.

Mr. Omer Boudreau: I understand what you're saying. I think all I can say is that there is a fair bit of work that has been done already that is leading us to conclude that within a few months we could finish this piece of the work.

The Chair: Thank you.

I'll ask the rest of you then, do you feel you need to see these officials again before you start clause-by-clause on Thursday, or do you feel your questions are answered? Everybody is fine?

On your behalf, then, I'd like to thank these officials both for the speeding up of the work they have accomplished over the summer and the new rate of approvals, which I think should be commended.

As well, I'll tell my colleagues that we will start on Thursday with the motions and then we will go to clause-by-clause.

I'm also going to suggest that at least in the initial stages of a motion the parties pick who is going to speak for them and that we not have everybody having to speak on every motion, because it's really taking a tremendous amount of time.

Thank you very much.

This meeting is adjourned.

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