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EVIDENCE

**Thursday, April 15, 2010**

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**Chair**

**Mrs. Joy Smith**



## Standing Committee on Health

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• (0905)

[English]

**The Chair (Mrs. Joy Smith (Kildonan—St. Paul, CPC)):** Good morning, everybody. How are you this morning? It's a bright, sunny spring morning and we're very, very pleased to have you here.

We have a very complete and full agenda today, so you're going to find that I'm going to keep very strict time. For people who are questioning, if I say to you, "Do you have a question?", this is your cue; it's because your time is running out. You have a choice of comments, whatever. You can talk your way through the whole thing, but if you want to ask questions and get answers, please be mindful of that.

The other thing is, I want to try to get as many questions in as possible today. So we're going to have five-minute presentations. I have a tendency to give you a little latitude because you are our presenters and we do want to hear what you have to say. So I'm going to say 5 to 10 minutes. I'll be flexible there, but I will stop you at 10. So if you see this red light coming on, you know that I hate to do it, but I'm just having to interrupt you because the objective is to make sure we hear all your presentations and get as many questions and answers from all members of the committee on this topic.

So pursuant to Standing Order 108(2), we are studying the cancellation of the HIV vaccine manufacturing facility under the Canadian HIV vaccine initiative.

We have our witnesses with us. From the Bill and Melinda Gates Foundation, Mr. Stefano Bertozzi is a director...I'm sorry, it's Dr. Stefano Bertozzi. Certainly, you earned that title.

From Global HIV Vaccine Enterprise, we have Dr. Alan Bernstein. And from the International Centre for Infectious Diseases, we have Heather Medwick.

Welcome. You're acting president and chief executive officer.

From the International Consortium on Anti-Virals, we have Dr. Jeremy Carver, president, chief executive officer and chief scientific officer. Welcome. And we have Patrick Michaud, chairman of the board of directors. Welcome as well.

From the University of Manitoba—my alma mater, by the way, and the alma mater of some of us around this table—we have Dr. Keith Fowke, professor, department of medical microbiology and community health services. From the University of Western Ontario, we have Dr. Ted Hewitt, vice-president of research and international relations.

So welcome. We will begin with the Bill and Melinda Gates Foundation, Dr. Bertozzi.

**Dr. Stefano Bertozzi (Director, Global Health HIV, Bill & Melinda Gates Foundation):** Thank you very much.

[Translation]

Good morning and thank you, Madam Chair and members of the committee. It is a pleasure to be with you today.

I am Dr. Stefano Bertozzi, Director of HIV programs at the Bill & Melinda Gates Foundation. I joined the Gates Foundation eight months ago, and was previously with the National Institute of Public Health in Mexico. Prior to that, I worked for UNAIDS, the World Health Organization's Global AIDS Programme, and for the World Bank. I hope that everyone has received a copy of my statement, as I would like to continue in English.

[English]

I would like to start by acknowledging and thanking Canada for its leadership on global health and development issues, including especially HIV/AIDS. Canada's efforts to improve lives in developing countries are having an extraordinary impact.

The Gates Foundation is pleased to have strong relationships with Canada. We co-fund several global partnerships in health and development with Canada, and we have provided a number of major grants to Canadian organizations—for example, the University of Manitoba for work on AIDS and other global health issues. We're also pleased that Canada intends to make the health of women and children a key topic and the focus of this year's G8 meeting.

I'd like to spend just a minute to discuss the Gates Foundation's global health strategy, including our support for HIV vaccine research and development.

Bill and Melinda Gates established the foundation just over 10 years ago to help people throughout the world lead healthy, productive lives. Global health is our largest giving area where we focus on harnessing advances in science and technology to reduce illness and death in developing countries. Our number one priority within that is the development and delivery of vaccines for infectious diseases. An HIV vaccine in particular is a top personal priority for Bill and Melinda Gates.

An HIV vaccine is undoubtedly one of the most urgent priorities in global health today. Unfortunately, it's also one of the most difficult. Due to the dynamic nature of the science, we must stay flexible in the face of new knowledge, and this includes the potential to make changes to existing strategies or directions in order to take advantage of new science to maximize the impact of our resources.

As you know, in 2007 the Canadian government and the Gates Foundation announced a partnership to accelerate HIV vaccine research and development. The vision for the partnership is to address critical research needs identified by the Global HIV Vaccine Enterprise, an international alliance of researchers, funders, and advocates in HIV. The partnership, which is managed by the Canadian HIV vaccine initiative, or CHVI, included a pledge of up to \$111 million in funding from Canada and up to \$28 million in funding from the Gates Foundation. The Gates Foundation strongly values our HIV vaccine partnership with Canada, and we remain committed to that funding pledge.

In 2007, when the HIV partnership was announced, one of six priorities identified by the Global HIV Vaccine Enterprise was expanding global capacity to manufacture HIV vaccines for clinical trials. In response, the CHVI issued a call for proposals to build an HIV vaccine manufacturing facility for production of pilot lots. Four applicants were ultimately invited to submit full proposals. However, in the meantime, two important pieces of new information became available and we felt it was our responsibility to respond accordingly.

First of all, the HIV science vaccine landscape changed dramatically. When Prime Minister Harper and Mr. Gates announced the partnership in Ottawa in February 2007, a potentially promising HIV vaccine candidate was in advanced stages of human testing. Many experts believed that vaccine trial would show at least partial effectiveness and pave the way for multiple additional trials to improve that initial trial. That would have required manufacturing additional candidate vaccines for testing in humans. Unfortunately, that vaccine was found to be completely ineffective.

In the wake of these disappointing results, clinical trials of HIV vaccines were halted—ones related to that initial trial. Prominent researchers called for a return to basic research to discover new vaccine candidates and for better ways to identify which vaccines were the most promising.

The second piece of new information came from an independent analysis of global manufacturing capacity, which we in the Gates Foundation commissioned in 2009. That analysis found there had been significant increases in vaccine manufacturing capacity in North America and Europe since the initial report by the Global HIV Vaccine Enterprise, which was issued in 2005, and in fact there was no longer a need for construction of a new facility.

The foundation shared the findings of this report with our Canadian counterparts and we jointly decided that a new manufacturing facility should no longer be an immediate focus of the partnership.

● (0910)

As I believe you have already heard, we received the results of the manufacturing capacity study at the same time that the independent

external reviews were being conducted of the facility proposals, reviews that determined that none fully met the criteria. Given the findings of the capacity study, it did not make sense for us to ask for new or modified proposals of the ones we had received.

We recognize and we sincerely thank the applicants who put substantial time and resources into preparing those proposals. However, from the perspective of the Gates Foundation, the decision to change our mind was the right decision. We have a mandate to direct our resources to where they can have the greatest impact, and we must be willing to change our course based on new data. But I would like to emphasize that together with our Canadian counterparts, we did not take this decision lightly.

We believe there's a very bright future for HIV vaccine research, but the trajectory is likely to be different from what was anticipated a few years ago. Recent results from the RV144 trial conducted in Thailand have provided greatly renewed reasons for optimism. As I mentioned at the outset, the Gates Foundation remains strongly committed to both HIV vaccines and the partnership with Canada.

[*Translation*]

I would like to emphasize, as I mentioned at the outset, that the Gates Foundation remains strongly committed to both HIV vaccines and the partnership with Canada. At the Gates Foundation, our number-one HIV priority is acceleration of HIV vaccine development for Africa. We are in close discussions with our Canadian colleagues about funding priorities, moving forward with a clear focus on accelerating the development of an HIV vaccine.

The foundation will fulfill its funding pledge to our HIV vaccine partnership, and we are pleased that Canada has said it will do the same. It is important to note that from the outset, our understanding has been that Canadian funds for this vaccine partnership will constitute new resources, and will not take away from prior government spending on AIDS.

[*English*]

Just to repeat that, it is important to note that from the beginning of our engagement, our understanding has been that the Canadian funds for this vaccine partnership will constitute new resources and won't take away from existing government spending on AIDS.

To close, I'd like to thank you for the opportunity to speak today. Canada's leadership on science and global health issues, which spans all parties and political affiliations, is of the utmost importance. I look forward to your questions.

*Je suis à votre disposition. Merci.*

**The Chair:** Thank you, Dr. Bertozzi.

We'll now go to Dr. Keith Fowke.

•(0915)

**Dr. Keith Fowke (Professor, Departments of Medical Microbiology and Community Health Sciences, University of Manitoba):** Good morning, everyone. I want to thank the chair for welcoming us here. The University of Manitoba is a relatively small institution, but when it comes to HIV research it hits above its weight: Dr. Frank Plummer has been working in Africa for 17 years; Dr. Stephen Moses has been working in India for the past 10 years.

As was mentioned, my name is Keith Fowke and I'm a professor both at the University of Manitoba and at the University of Nairobi. I'm also the basic science representative at the Canadian Association for HIV Research. However, I'm just speaking on behalf of myself today.

My own research is pre-vaccine. It focuses on trying to determine what parts of the immune system need to be activated in order to protect someone from HIV infection. We have ongoing studies in Manitoba and in Kenya to explore various aspects of this question. Our Kenyan studies have shown that some individuals are naturally resistant to HIV infection. I have been studying natural immunity to HIV since 1988 and have been regularly going to Kenya for the past 20 years to conduct these studies.

My research has focused on commercial sex workers who are intensely exposed to HIV and yet remain uninfected. We believe if we can unlock the mystery for why these individuals remain uninfected, we can convert that knowledge into a vaccine that can protect millions of people worldwide. The problem is that the immune system is highly complex, and unravelling its mysteries is an equally complex process.

As have many of you, I have seen firsthand the need for an HIV vaccine both at home in Canada and in Africa. I was very proud when the Canadian government developed the Canadian HIV vaccine initiative. Through its several programs, the entire Canadian HIV research community felt that we were being given an opportunity to make an even greater contribution to the global effort to develop an HIV vaccine. For example, through its discovery grant process, I was fortunate enough to receive one of the CHVI's funded grants offered through the Canadian Institutes of Health Research. This grant will allow us to determine the role of certain genes of the immune system in HIV infection.

The CHVI is an important initiative, but it could be doing more. Since its inception in 2007, the CHVI has been promising large team grants to fund Canadian researchers to work with researchers from low- and middle-income countries to study HIV vaccines right in the heart of the pandemic. It has been several years since this announcement, and these large team grants remain unlaunched, much to the frustration of Canadian researchers and our international partners.

The largest of the CHVI programs was obviously the HIV vaccine manufacturing facility. As a researcher who studies how to form vaccines, before vaccines are required, I ask whether this facility was needed. I believe it was. Linking researchers with vaccine production is not easy, and this initiative would have helped that. I feel that if such a facility was going to be built, it was important to ensure it had close links with HIV researchers. That is why I was pleased that the University of Manitoba was a partner with ICID on their proposal.

The critical mass of HIV researchers we have built up in Winnipeg, and our international connections, made it a strong environment to support that research link. I believe the cancellation of the production facility is a lost opportunity to connect HIV researcher communities more closely with an academically linked, not-for-profit vaccine manufacturer.

However, my main message to you today is about looking forward. The Canadian HIV vaccine research community is strong, with researchers from St. John's to Vancouver and all points in between. Because funding is tight in Canada, Canadian researchers are highly efficient and many are recognized as leaders internationally. As an example, in 2009 Canadian researchers hosted, in Winnipeg, an international meeting of over 100 scientists throughout the world, all focusing on natural immunity to HIV. This was the first meeting of its kind ever held. Now our team is leading the formation of an international consortium, with the goal of allowing the world's leaders in the field of natural immunity to work together on a regular basis.

There are many other examples of Canadian leadership internationally. If the decision to fund the vaccine facility is not reversed, I believe the money should be re-invested into CHVI and CIHR to help Canadian researchers discover exactly what needs to go into a vaccine in order to make it effective.

Understanding what aspects of the immune system need to be turned on and exactly how to do that is a major gap in developing an effective HIV vaccine. Canadian researchers are recognized leaders internationally in a number of areas critical to filling that gap.

•(0920)

I believe we should invest in Canadian research so that Canadians can play a leading role in uncovering the mysteries of how the immune system can be educated to stave off HIV infection and so that an effective HIV vaccine can be developed to the benefit of the whole world.

The strong, independent, and wonderful HIV-resistant women we work with in Nairobi are living proof that an answer is out there. We just have to be smart enough to figure it out. Canadian researchers should be leading that quest through the CHVI.

Thank you very much.

**The Chair:** Thank you very much, Dr. Fowke.

We'll now go to Global HIV and Dr. Alan Bernstein.

**Dr. Alan Bernstein (Executive Director, Global HIV Vaccine Enterprise):** Thank you very much, Madam Chair.

My name is Alan Bernstein. I am the executive director of the Global HIV Vaccine Enterprise. Before that, I was the president of the Canadian Institutes of Health Research, and in that capacity I played a role, with a number of people, in actually forging the Canadian HIV vaccine initiative. I remember those days well, back in 2005, and when Mr. Gates came up to sign the memorandum with Mr. Harper. It was done in the spirit of Canada contributing to the global effort to eradicate HIV/AIDS from the planet.

The Enterprise is a voluntary alliance of independent organizations and researchers who are committed to working together to accelerate the global effort to develop an HIV vaccine. The Enterprise was created in recognition of the enormous humanitarian and scientific challenges of HIV/AIDS, and it is held together by two things. First is a shared commitment to stopping this virus and this epidemic, which is undoubtedly the worst epidemic in modern times, certainly, if not in human history. Second, it's held together by a shared scientific strategic plan. I will come back to that.

I would like to talk briefly about three points this morning. First let me just say a few things about the epidemic itself. In 2008, the most recent year for which we have data available from UNAIDS, 2.7 million people were infected with the virus. Of those, only two out of five will ever receive treatment. The other three out of five—the other 60%—will die of the disease of AIDS, which is caused by the virus.

We will not treat our way out of this epidemic. The cost of treating AIDS is going up every year, because 2.7 million people become infected. The largest funder of drugs to treat AIDS is the United States, and President Obama has already indicated that he will plateau the amount of money going to treatment. So I think we can expect that the two out of five will drop within the next few years to one out of five. That means that only 10% to 20% of the people who need drugs will receive drugs in the next few years.

Yesterday, a very important paper was released by Dr. Christopher Murray and his colleagues at the University of Washington. It showed that maternal death due to AIDS is the single largest cause of maternal death on the planet today. About 62,000 women will die of AIDS when they are pregnant, during childbirth, or within a month of giving birth. It's interesting to note, of course, that Canada is hosting this year's G8 meeting, where the theme will be maternal and child health. AIDS is the single largest cause of maternal death.

Let me move on now to Canada's involvement in these global efforts. Canada's involvement in the joint search for dealing with this virus is critical. Canada is one of the world's largest and wealthiest countries. It has an outstanding and strong research community, as you heard from Dr. Fowke, with strong funding and a strong infrastructure for doing research. Canada was affected probably the least of any of the G8 countries by the economic downturn in the last two years. Canada has a strong and proud history of multilateralism, of working together with other countries to develop a search for global problems. It was in that spirit that CHVI, the Canada HIV vaccine initiative, was forged.

How can Canada contribute and align with the strategic plan of the Global HIV Vaccine Enterprise to eradicate HIV? That plan was forged beginning in 2005, and the signing ceremony, as you've heard, was in 2007.

Since 2005, a lot has changed. I think most recently, and most notably, over the last two years there have been very profound and exciting advances in the science. Dr. Bertozzi talked about the results of the trial in Thailand. That trial was a landmark trial, because for the very first time it showed that a vaccine regimen could provide some degree of protection, about 31%—not durable, but temporary—against HIV. It's not a product, but it is an important proof of the concept that a vaccine is possible.

● (0925)

That result, together with a number of important scientific advances—you've heard from Dr. Fowke about studying exposed uninfected individuals; elite controllers; understanding some of the early immunological events that occur when an individual is infected with HIV. We will soon be starting to hear data teasing apart what happened in the trial in Thailand. Why were those 31% protected for six months to a year? All those are important clues or advances as to how to build on the 31% to get to something closer to 100%, we hope.

As a result of that progress, we need a new strategic plan. The last plan was written in 2005. It's now 2010. I can tell you as head of the enterprise that we are working very hard to put together a new strategic plan that will be coming out sometime later this year. As head of the Enterprise and as a Canadian, I believe Canada has a huge role to play in contributing to the new scientific strategic plan, just as it did in 2005 and 2007. I would remind the committee that the goal here is to develop a vaccine, nothing more, nothing less. It's within our sights.

As we speak, 700 people will get infected with HIV today, and of those, 400 will die of their disease. I'll ask you to keep that in mind as we go forward with this. The world needs Canada to contribute in a big and urgent way to developing an HIV vaccine.

**The Chair:** Thank you very much, Dr. Bernstein. All your presentations have been extremely insightful.

We'll now go to the International Centre for Infectious Diseases, Heather Medwick, please.

**Ms. Heather Medwick (Acting President and Chief Executive Officer, International Centre for Infectious Diseases):** Thank you, Madam Chair and committee members, for the invitation to appear before the committee today to talk about the CHVI. I do not speak French, though I did bring copies of the opening statement in both official languages.

I am Heather Medwick. I am the acting president and CEO of the International Centre for Infectious Diseases. I became acting CEO on July 31, 2009. Prior to being CEO, I was the director of collaborative initiatives and then vice-president of the organization. To provide some context for this meeting, I will say that I was not part of the team that put together our CHVI application. That responsibility was held elsewhere in the organization. While I was an editor of the document just prior to its being submitted, I did not become more directly involved until I assumed the position of CEO in July 2009.

Let me tell you a bit about ICID, and then I'll present ICID's CHVI experience. ICID is a Canadian, not-for-profit organization that brings together people and resources to find new ways to fight infectious diseases worldwide. It was established in 2004 through the same announcement that established the Public Health Agency of Canada and was envisioned to supplement and support the mandate and work of the agency.

Since 2004 we have evolved and found that our role in catalyzing solutions to infectious diseases challenges is twofold. We bring together people and resources in collaborative efforts, and we provide the energy, the expertise, and the infrastructure to drive the efforts forward.

Currently, some key areas we work in include biosafety training, HIV prevention, pandemic preparedness for businesses, and HPV prevention. In the handout there are a number of examples. I'll focus on two of them to save some time, as per the request of the chair. I will focus on bullets 3 and 4.

We partnered with the National Microbiology Lab in Winnipeg and the University of Manitoba to host the first international symposium on natural immunity to HIV. We brought together researchers from around the world to discuss their research and to identify collaborations for the future. Our role was to be the administrative backbone of the event. We hope to continue this work and support the collaborations of these scientists in the future through the creation of a Gates funding consortium on natural immunity to HIV, as Dr. Fowke discussed earlier.

Working with small and medium-sized enterprises and businesses across Canada to develop their capacity to respond to the challenges they faced with the H1N1 pandemic was another example of what we do. This work, to a large extent, involved providing tools, workshops, support, and encouragement for the development of a pandemic plan. The goal was to have these businesses identify the challenges they would face in a pandemic before they were in the pandemic.

ICID has found a growing demand for our services in the past five years. Regarding ICID's involvement in CHVI, one project that we were involved with early on was the Canadian HIV Vaccine Enterprise, CHIVE. CHIVE was a consortium of public, private, and academic organizations that developed a proposal designed to support research, clinical trials, and a pilot lot vaccine manufacturing facility. The consortium approached the federal government regarding this proposal. Ultimately CHIVE evolved into the Canadian HIV Vaccine Initiative.

Having invested in CHIVE and its mandate, we were very keen to bid on CHVI, and we went in it to win it. ICID created and led an international consortium able to respond to the RFP. The Serum Institute, one of our partners, is the largest vaccine manufacturer in the world. Cangene Corporation is the largest biotech company in Canada. The International AIDS Vaccine Initiative is the world's largest HIV vaccine R and D organization. The consortium also included four Canadian universities: the University of Manitoba and the Université de Montréal for their HIV research and international outreach, the University of Saskatchewan for its Vaccine and Infectious Disease Organization, and the University of British Columbia for its Canadian HIV clinical trials network.

Our application was very strong. We brought in business and architectural design specialists to support the consortium's efforts and to create a vision and business model for the facility. Our business model was based on our market assessment that showed a demand for this kind of facility in the broader vaccine development community; that is, it was based on attracting HIV and non-HIV vaccine candidates for development and production of clinical trial lots, all within the context of maintaining a priority status for HIV vaccine candidates.

• (0930)

I have no hesitation in saying it was a tremendous effort that would have resulted in a world-class, accessible, affordable manufacturing facility for pilot lots of vaccines for HIV and other diseases.

The CHVI process for ICID was long and arduous, as I think it was for the other applicants. We started in 2007 with the announcement, and it came to a decision in January 2010, nearly three years later. It involved two steps: a response to the letter of intent; then an invitation to respond to the RFP, the request for proposals.

The demands of the RFP process were high, and ICID ensured that we met and exceeded these demands so we would be the best applicant. Notwithstanding the decision, and no disrespect to the other applicants, I believe we were. The evaluation process was difficult to understand. It was subjective, hard to determine the role of external and internal reviewers in making the decision, and it was difficult to get information on why there was a delay in the decision.

The end result was a disappointment and a loss for ICID, for Canada, and for the world. For our organization the loss related to the expense of the application, not only for ICID but also for our partner organizations in terms of their time and resources. There were also the opportunities lost that might have been pursued otherwise. Having said that, we did gain experience, profile, and strong international ties to significant organizations and partners.

The loss to Canada relates to the loss of the high-tech sector jobs and national capacity in vaccine manufacturing. As well, I believe there was a loss in Canada's international leadership and profile in HIV prevention. The loss to the international research community is in terms of providing an accessible and affordable facility to advance a solution to HIV and other diseases.

I have some concluding statements on CHVI.

ICID understood from the very beginning that the Government of Canada was under no obligation to proceed with this project. This was stated very clearly in the RFP materials.

In the end, the government chose to support the information provided by the Gates Foundation report that focused more narrowly on HIV vaccine manufacturing capacity, versus our market assessment of the broader vaccine community's manufacturing needs. It was a disappointing conclusion for ICID, but we have had to move on.

Thank you.

● (0935)

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

Now we will go to the International Consortium on Anti-Virals, with Dr. Jeremy Carver.

**Dr. Jeremy Carver (President, Chief Executive Officer and Chief Scientific Officer, International Consortium on Anti-Virals):** Thank you, Madam Chair.

I would like to begin by congratulating the Government of Canada for its commitment to making a significant and innovative contribution to the global fight against HIV/AIDS. As you know, every minute that goes by, four more people will die from this terrible disease, primarily in low- and middle-income countries and, as Alan Bernstein has pointed out already, primarily women and children.

[Translation]

Before I take any questions from committee members, I think it would be useful to describe for the members the International Consortium on Anti-Virals, or ICVA, and explain why we sought the contract to establish the vaccine manufacturing component of the Canadian HIV Vaccine Initiative.

[English]

ICAV is a not-for-profit drug development company with the goal of accelerating the development of treatments for viral diseases and delivering those treatments, at cost, to those who are in most need, those in low- and middle-income countries. As such we are totally aligned with the government's objectives in this program. Furthermore, over the five years we have been in operation, we have established a global network of antiviral researchers who now number more than 250 from 28 different countries. We have done this through a series of international conferences—eight so far, and there are more to come. We have held them in Nigeria, China, Australia, France, Germany, and here in Canada. In 2012 we will hold one in India. ICAV is an internationalized version of the highly successful Canadian invention, the Networks of Centres of Excellence, a program that I was associated with for 15 years.

I understand that you heard from IAVI regarding their success in generating neutralizing human monoclonal antibodies for the treatment and prevention of HIV infection. I am pleased to inform you that ICAV has developed similar technology here in Canada and has applied it to isolate neutralizing antibodies against the H1N1 influenza virus that caused the recent pandemic. In fact, it was in part because we anticipated the important emergence of neutralizing monoclonal antibodies in the management of infectious diseases that we embarked enthusiastically on the attempt to win the contract for the CHVI manufacturing facility.

Turning now to the focus of this hearing, I have to say that we were disappointed with certain aspects of the competition. During my 28 years as an academic researcher, I sat on many review committees and participated in many large grant applications. In all cases, the process of review for competitions of that size, whether led by CIHR or NSERC or even CFI, included a site visit in which the review committee physically visited the individual applicants. This provided an opportunity to clarify any misunderstandings or perceived omissions that emerged from the initial review.

We fully expected there would be a site visit in this case. It was particularly important for us because we wished to update the review committee on the exciting new partnership we had established with BioVectra, a Canadian contract manufacturing organization based in P.E.I. with extensive commercial-scale manufacturing capabilities, which brought considerable additional strength to our application. We attributed this lack of contact with the Public Health Agency to set up a site visit to the extraordinary demands on that agency in managing Canada's response to the H1N1 pandemic.

We were therefore extremely concerned when the rumours began to circulate that the vaccine production facility was to be cancelled, and then greatly relieved when we learned this substantial financial commitment was to be redeployed to contribute in some other way to the acceleration of the strategies to address the global HIV/AIDS pandemic.

It is clear to most in the field that the recent disappointments from clinical trials of HIV vaccines are simply revealing our collective ignorance of the complexities of the interaction between the HIV virus and the human immune system. Clearly, more research will be necessary, as you've heard from Dr. Bernstein and Dr. Bertozzi.

However, I would be remiss if I did not take this opportunity to point out to the committees that vaccines are not the only tool available. Dr. Bernstein mentioned that we won't treat our way out of this epidemic, but while we are waiting for a vaccine—and what I say here is extemporaneous and not in my written remarks—we are going to have to deal with the 33 million people in the world who currently live with HIV/AIDS.

● (0940)

So there is an emerging role for antiviral drugs in the prevention of transmission. Treating an infected individual reduces the number of viruses in his or her body and, as a result, reduces the probability of transmission to someone else. This is as true for HIV as it is for influenza.

[Translation]

Furthermore, as Dr. Michel Sidibé, Executive Director of UNAIDS, has recently emphasized, there is a desperate need for a new generation of effective, low-cost drugs to treat HIV infection.

[English]

I urge this committee to be proactive as the Public Health Agency and the Gates Foundation review their options. These funds must be applied effectively. Yes, some of this resource should be directed at a better understanding of the basic human immunological responses to HIV infection, as Dr. Fowke has pointed out.



But remember that for 20 years it has been antiviral drugs that have allowed those infected with HIV to live longer and better lives. Some of this resource must be committed to what we know works—more and better low-cost antiviral drugs. That is where an immediate and proven strategy can be successful and a significant contribution by Canada can be made. ICAV stands ready to help.

Thank you for your time. I would be pleased to answer questions.

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

We will now go to Dr. Ted Hewitt of the University of Western Ontario.

[*Translation*]

**Dr. Ted Hewitt (Vice-President, Research and International Relations, University of Western Ontario):** Thank you, Madam Chair.

Welcome everyone.

[*English*]

I would like to first say thank you to the members of the committee for providing the opportunity to speak here today on behalf of the University of Western Ontario.

Western, for those of you who don't know, is one of Canada's largest universities and one of the most successful in terms of research, development, and commercialization. It's one of Canada's leading academic health centres and very, very strong in terms of the life science sector. In support of the research and development work we do, including commercialization, we are very much appreciative of the funding provided by the federal granting councils, the CFI, and the support we receive, often in matching form, through original programming through the Province of Ontario and our industrial partners. We're also heavily engaged in training through graduate programs in a broad array of areas, particularly through graduate training.

We were attracted to the CHVI initiative for a variety of reasons, and I'll just list these briefly. One was certainly the existing work we do on HIV/AIDS, particularly through the development of AIDS and HIV vaccines; the strong ties we have forged with international partners in health promotion, particularly in sub-Saharan Africa; the strong local support we continue to develop and our ambitions with respect to further developing London and southwestern Ontario's capacity in terms of pharmaceutical and life science research and development; expertise in the operation and development of clinical trials; and the enthusiasm and support we have garnered from our international partners throughout the process.

Having said all that, I will say that the process through which we applied for the trial live vaccine facility was different from any other application process that we have witnessed to date. I would echo some of the comments from my colleagues from the University of Manitoba and also from Dr. Carver.

Through the request for qualifications round, Western was shortlisted with three other finalists to submit full proposal bids. We also believed, as my colleagues do, that Western's bid was extremely competitive, and if it had been awarded to us, I'm still confident that we could have made this facility an international magnet for vaccine research. We were also hopeful that should

Western's bid not be successful, we might have an opportunity to work with whichever successful bidder might be named.

Certainly while we were disappointed that this was not the case, it was made known to us early on in the process, as we heard earlier, that should the Government of Canada or the Gates Foundation not wish to proceed, the competition would be null and void.

In summation, on behalf of the University of Western Ontario, I can tell you the entire community was excited by the prospect of landing what we thought would be a substantial piece of infrastructure for researchers around the globe in the race to find viable vaccines for HIV/AIDS and other diseases as well. We were disappointed that neither Western nor our competitors were successful in their bids. However, we understand and accept that the decisions being made by the government in collaboration with the Gates Foundation were entirely theirs to make.

I am very happy to answer any questions you may have, but I will conclude at that point.

• (0945)

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

We're now going to our first round of questions. It's going to be seven minutes for questions and answers. I'm going to be very tight on the time so that we can get in many questions. Please don't be personally offended. I have to do this. I'll turn on the mike so that you'll know when your time is up.

We'll start with Dr. Duncan.

**Ms. Kirsty Duncan (Etobicoke North, Lib.):** Thank you, Madam Chair.

Thank you to the witnesses.

Before I begin, I want to acknowledge that this is difficult for researchers and organizations that depend on the government for funding now and in the future. I also want to point out that one of the key guiding principles of the CHVI is on accountability and transparency.

I'd like to begin with Ms. Medwick. Is ICID an independent, arm's-length agency with its own board, yes or no?

**Ms. Heather Medwick:** We are independent. We are not an arm's-length agency. We have our own board.

**Ms. Kirsty Duncan:** Thank you.

Are the board members of ICID political appointees or are they selected on scientific and technical merit?

**Ms. Heather Medwick:** They're selected on merit.

**Ms. Kirsty Duncan:** Is the CEO for ICID appointed or chosen by a process determined by the board?

**Ms. Heather Medwick:** The chair and the board choose the CEO.

**Ms. Kirsty Duncan:** Thank you.

Did Minister Toews, through his staff or through volunteers working with his office, direct ICID to take on the project known as L5L?

**Ms. Heather Medwick:** No.

**Ms. Kirsty Duncan:** Did government officials suggest that Eric Stefanson, who ran the Conservative campaign in Manitoba in 2008, be appointed as the head or the chair, or whatever word you choose to use, of ICID or L5L?

**Ms. Heather Medwick:** Eric Stefanson's name has been brought forward over the past few years to have a role within ICID either as a member of the board or in the vacant position of CEO.

**Ms. Kirsty Duncan:** Were you present at a meeting where government officials brought this forward?

**Ms. Heather Medwick:** Yes, the name was recommended.

**Ms. Kirsty Duncan:** Did Jo Kennelly carry any messages to ICID?

**Ms. Heather Medwick:** Ms. Kennelly was not a consultant, or a contractor, or an employee of ICID. I believe that in some projects she participated in we were partners. There were meetings.

**Ms. Kirsty Duncan:** Who is Jo Kennelly, please?

**Ms. Heather Medwick:** She's a consultant and a former employee of the Government of Canada, I believe.

**Ms. Kirsty Duncan:** She was a former senior advisor to Minister Tony Clement.

**Ms. Heather Medwick:** I'm not sure of her exact position.

**Ms. Kirsty Duncan:** Okay. Did she ever carry messages to ICID on behalf of Minister Toews?

**Ms. Heather Medwick:** I have no direct knowledge of that.

**Ms. Kirsty Duncan:** Was there a vaccine bid? Was it ever threatened that the vaccine bid was in jeopardy?

• (0950)

**Ms. Heather Medwick:** Yes, I would say we were very aware that the competition was not moving forward. There was a delay in the decision.

**Ms. Kirsty Duncan:** Why was that?

**Ms. Heather Medwick:** We worked very hard to find out why there was a delay in the decision. We talked to the bureaucracy. We talked to the politicians. We talked to provincial government representatives. We talked to members of the Gates Foundation. We talked to the international stakeholders and HIV researchers around the world. We could not come to an answer on that.

**Ms. Kirsty Duncan:** You mentioned that government officials brought up Eric Stefanson's name. Who were those government officials, please?

**Ms. Heather Medwick:** Dr. Frank Plummer thought he would be a good candidate. He recommended him.

**Ms. Kirsty Duncan:** I'd now like to move to Dr. Hewitt.

In your view, was the application process consistent with CHVT's principles of accountability and transparency?

**Dr. Ted Hewitt:** I would say there could have been improvements in the process. For some of the issues that have been brought to bear, I would think the most important ones concern the flow of information and the ability to obtain information from the secretariat. I would suggest as well that there could've been more information regarding the outcome of the scientific or expert reviews, as would be the case in other federal competitions of this type.

I agree with Dr. Carver that a site visit would have been immensely useful in terms of exchanging information and providing an opportunity to clarify points in the two proposals that in fact went forward.

**Ms. Kirsty Duncan:** I'm going to ask Dr. Carver and Dr. Hewitt, going forward, what would be your recommendations? You've talked about maternal and child health and you've talked about antivirals. What else would you like to see being done?

**Dr. Ted Hewitt:** Are you talking in terms of scientifically in vaccine development or in terms of process? I'd be more comfortable with the latter.

**Ms. Kirsty Duncan:** Then process.

**Dr. Ted Hewitt:** In terms of process, and I have argued this consistently with the federal government in our representations to the federal government, projects like these should operate and be run through the existing research funding mechanisms: the tri-council, CFI, and other sources that have, I would say, a vast experience in how to manage and operate large funding programs such as that. And that would continue to be my recommendation in the future.

**Ms. Kirsty Duncan:** Dr. Carver?

**Dr. Jeremy Carver:** I'd agree with Ted on that latter recommendation.

I'd also like to see this opportunity taken to create a comprehensive strategy. We're funded by the Public Health Agency of Canada, and I'm dealing all the time with the mindset of public health physicians and researchers, which is that vaccines are the only answer. The world has changed. It's very clear, as I pointed out in my presentation, that antivirals have been the only tool we've had to use to combat HIV in the last 20 years, so a comprehensive approach... I understand that there are research programs that are supported through CIHR, but we're not talking about that; we're talking about translational research, we're talking about actually getting discoveries into a production mode, such that you can have GMP material to administer to patients in a clinical trial. That is not funded through CIHR. That needs a special mechanism, whether it's a drug or a vaccine candidate.

**Ms. Kirsty Duncan:** Thank you, Dr. Carver.

I'd like to ask one more question. Ms. Medwick, were you concerned, when you have a process for appointing a chair, that a recommendation was made—

**The Chair:** I'm sorry, Dr. Duncan. We have to go on to Monsieur Malo.

[Translation]

**Mr. Luc Malo (Verchères—Les Patriotes, BQ):** Thank you, Madam Chair. I want to thank the witnesses for joining us today.

There is an old expression that says that one should never put the cart before the horse. The Gates Foundation conducted a study to assess vaccine manufacturing capability after announcing a competitive process and creating expectations. Expectations have been raised. Consortia and universities bid on the contracts and are disappointed today to see that no new clinical research facility will be established. Therefore, I have to wonder why the Gates Foundations, before making any grand announcements and before launching a competition, did not seek assurances that this study on manufacturing capability could in fact be conducted and why it did not wait for a conclusive report to be drawn up and verify whether the vaccine that was already produced was effective.

That was my first question. I have another one that I will put to you right away. Then I will allow Dr. Bertozzi time to respond.

Dr. Cameron, when he testified last Tuesday, and Dr. Carver, speaking here today, both emphasized the need for quick action. They even made suggestions as to how federal government funds, and funds from the Bill & Melinda Gates Foundation, could be allocated for research on the treatment of HIV/AIDS. Like Dr. Engelhardt last Tuesday, you have not really told us today what you are planning for the future. I'm curious to know if you have already initiated any discussions to ascertain what the future holds.

• (0955)

**Dr. Stefano Bertozzi:** May I respond?

**Mr. Luc Malo:** Yes, those were my two questions.

**Dr. Stefano Bertozzi:** It is never easy, you know.

In 2005, company officials examined the situation in the field. In their program and action plan, they made it clear that more vaccine manufacturing capability was required. In 2007, the foundation and the government agreed to work together.

Time passed, and that was a problem. The foundation held a meeting at the start of 2009 and the question was raised. From a scientific standpoint, circumstances had changed owing to trials that had been completed. Furthermore, worldwide vaccine manufacturing capability had continued to increase. Unfortunately, the process outlined to you today had already been initiated.

It was at this point in time that we asked field experts on vaccine manufacturing to do a study. They found that production capacity was quite high, much higher in fact than it had been thought would be needed to meet vaccine requirements for clinical trials.

This wasn't the first time that this had happened, and it's unfortunate for the people who did all of this work, but it is good news. It means that all of the funds earmarked for manufacturing facilities can now be used for other purposes and to accelerate the development of the vaccine.

**Mr. Luc Malo:** I have a second question for you: Where is the money going?

**Dr. Stefano Bertozzi:** We are still in discussion with the government. We know that the top priority is speeding up the production of vaccine. The other broader priority is HIV/AIDS prevention in developing countries. We haven't quite yet wrapped up the discussions and determined what actions will be funded.

**Mr. Luc Malo:** I see.

Would anyone else care to comment on this issue and make some suggestions? Where should the money be spent if no manufacturing facilities are to be established?

[English]

**Dr. Alan Bernstein:** I'll try to answer that.

In the spirit of the original memorandum between the Government of Canada and the Gates Foundation—and I agree with you in terms of your impatience to move forward as quickly as possible—I would agree with you and support the notion that the funds continue to align with the enterprise strategic plan. It really represents Canada's alignment with the rest of the world and an explicit recognition that no one country is going to find a vaccine on their own. Canada needs to partner with other partners like the Gates Foundation to contribute to the global efforts.

• (1000)

[Translation]

**Mr. Luc Malo:** Are officials with the Bill & Melinda Gates Foundation somewhat disappointed that following all the hoopla in 2007, the press conference and the announcement of new clinical trial facilities, the realization has dawned today that all of this is unnecessary? Do you not think that the announcement was perhaps premature, that it was all a bit too much at the time?

**Dr. Stefano Bertozzi:** I wasn't around at the time, but I can tell you that it is not the facilities that are important to us. What is important is the partnership that we have forged with the Government of Canada. For us, it was a way of allocating more resources to speed up vaccine production. At the time, production was thought to be the most important consideration, whereas today, it's something else, namely the partnership that is the most important thing to us.

**Mr. Luc Malo:** Do you think it is reasonable to have a three-year project timeline, from start to finish?

**Dr. Stefano Bertozzi:** I'm sorry, but I would have to say yes.

**Mr. Luc Malo:** Thank you, Madam Chair.

[English]

**The Chair:** Thank you so much, Monsieur Malo.

We'll now go to Ms. Wasylycia-Leis.

**Ms. Judy Wasylycia-Leis (Winnipeg North, NDP):** Thank you, Madam Chairperson.

Thanks to all of you for being here today.

I want to start with you, Dr. Stefano Bertozzi. I know that Bill and Melinda Gates are very committed to this project of trying to find a solution to a disease that is infecting 700 a day and killing 400 of those, as Dr. Bernstein said. We have some 43 million children. The numbers are huge. So I know they are committed to finding a solution. They have shown incredible integrity, as we saw yesterday with their commitment to stop funding to IDRC because a board member is involved in Imperial Tobacco.

So, Dr. Bertozzi, now that you know from the scientists and academics, and from those who are intimately involved in this issue on an administrative or a research basis, that in fact there is no basis in the arguments you presented today for rejecting the proposal or the project, I'm wondering if you are prepared to go back and find another way to allow this to move forward. I say that for two reasons. Number one, you know that in fact this proposal from the start was not about a simple production facility. It was about a discovery centre. It was about a place to do clinical trials, and you know that in fact there are, as we've heard from others, enormous breakthroughs in this field, and we need a place to do that clinical trial research. In fact, as we heard from scientists on Tuesday, this is a golden opportunity. Never has it been so important to have this kind of facility to do this work.

Secondly, you know that there is—unless you can produce something today—no evidence to say that any of the four projects that bid on this had scientific or technical or sustainability flaws.

So I'm asking you today, are you prepared to go back to Bill and Melinda Gates and tell them the time is right to put this back on the table, and to either call for a review of the present four bids or say to the Government of Canada, we need this project to get back on the agenda? The \$88 million investment was a good one in 2007, and it's as good today as it was then. Are you prepared to go back to the Gates Foundation and make that case?

**Dr. Stefano Bertozzi:** Madam Vice-Chair, we have already said that we are committed to the project. What we don't believe is that there is a need for a production facility—

**Ms. Judy Wasylycia-Leis:** Let me interrupt, because I also want you to recognize what everybody else has said at these hearings, and that is that we're not at the stage of a simple production facility; we've got the vaccine and now we can produce it. We're at the stage of discovery. We're at the stage of breakthroughs, as Dr. Bernstein said—in Thailand, a 31% success rate. We're at the stage now of needing a non-profit facility to do the research, involving clinical trials. It's something that can't be done and won't be done in the private sector, in those centres that this study, the Oliver Wyman study, identified. Therefore, we're back to square one. We need this centre. We need this research facility. We need this production facility that allows for Canadian scientists to work in connection with global scientists.

So are you prepared on that basis to say it's time to restart that initial dream and get it going before we miss this golden opportunity?

• (1005)

**Dr. Stefano Bertozzi:** I'm having a—

**Ms. Judy Wasylycia-Leis:** I can't imagine Bill and Melinda Gates not wanting this to proceed, given the knowledge we've just heard today and Tuesday.

**Dr. Stefano Bertozzi:** We absolutely want this to proceed. What we don't believe is that there is a need for a production facility at this point.

That there is need for continued investment by Canada and the Gates Foundation in accelerating vaccine development, we are absolutely in agreement. Now, to what extent that happens in one centre, or in multiple centres, to what extent that happens more in

Canada or more in Africa, those are exactly the kinds of questions that need to be worked out in terms of repurposing the construction of a manufacturing facility.

So whether that ends up being a centre of research or something else, that's exactly the kind of discussion we're in right now.

**Ms. Judy Wasylycia-Leis:** Dr. Bernstein, I think you made a case for this project to be restarted, maybe calling it a new strategic plan, but I think I read into your comments that we need to get back to this dream that was spelled out with such excitement by Prime Minister Harper and Bill Gates in 2007.

Are you prepared to find a way to get this project kick-started and to get it going as quickly as possible, so we don't miss the golden opportunity that Thailand and other trials have presented to us?

**Dr. Alan Bernstein:** I have two objectives here today, from the point of view of the enterprise. One is that we need a vaccine.

**Ms. Judy Wasylycia-Leis:** Right.

**Dr. Alan Bernstein:** I believe—and that's why I took this position—the best way for us as a country and as a planet is to work together, aligned with a common strategic plan. Science changes. The world changes. What is true in 2010, fortunately, was not true in 2005. We have made progress, so we are working on a new plan that is trying to build on the very exciting progress that you heard from me, from Dr. Bertozzi, and from Dr. Carver, both at the scientific and at the clinical level.

I hope the Canada-Gates partnership, which was initially planned to be committed to the plan—not to a manufacturing facility but as a partnership committed to the enterprise strategic plan—will retain that commitment and help both to kick-start funding from the partnership and Canada's involvement through that to contribute to the global efforts.

**Ms. Judy Wasylycia-Leis:** Will you at least acknowledge that the proposal as envisaged in 2007 was not for a production factory? It was for a discovery research centre to produce drugs on a clinical trial basis to be used on human clients, because we have to... I mean, that's where the science is at and that is what every scientist is telling us. Given that, can you not stand today and say we have to have something similar to what was envisaged in 2007, because we've made more progress, not less progress, with respect to trials—

**The Chair:** Ms. Wasylycia-Leis, I'm sorry, you're not paying attention to the chair. I have to cut you off—

**Ms. Judy Wasylycia-Leis:** Perhaps Dr. Bernstein—

**The Chair:** We'll now go to Dr. Carrie.

**Mr. Colin Carrie (Oshawa, CPC):** Thank you very much, Madam Chair.

There are so many questions I'd like to ask.

I've been hearing from you today about the importance of the plan and an integrated international plan that does include research. It does include discovery, and it will ultimately include manufacturing facilities if they're required, as far as capacity around the world, and I understand that was the big reason for cancelling the manufacturing facility.

I'd like to start with Dr. Bertozzi, because I get from your comments that you understand the disappointment, and I respect very much the fact that you have a global HIV perspective, great partnerships, a coordinated effort, and the reality is that resources need to be focused on the best uses and the most up-to-date priorities in a fast-changing global environment.

I am wondering if you could speak to the current status of the HIV vaccine. Is Canada able to make a significant contribution without the vaccine facility?

•(1010)

**Dr. Stefano Bertozzi:** We absolutely believe that Canada can make a very significant contribution across a wide spectrum, everything from the basic science, the clinical science, supporting clinical trials. Canada is very well positioned to contribute in a broad spectrum. That's why we remain 100% committed to making this work even if the money is reallocated from the manufacturing facility.

**Mr. Colin Carrie:** Are you able to comment on the current status of the HIV vaccine?

**Dr. Stefano Bertozzi:** The current status in terms of...?

**Mr. Colin Carrie:** The research, what we're finding out.

**Dr. Stefano Bertozzi:** What Dr. Bernstein and I have both commented on is that there was really a sea change with the results from the Thai trial. I can tell you our principal focus right now is on following up on that Thai trial, on those very exciting results from last summer, and following up in a way that can accelerate a similar trial being conducted in Africa with vaccines that are appropriate for the sub-types of the vaccine that are present in Africa, without at the same time losing sight of keeping alive, in parallel to that, other vaccine concepts in case that doesn't work.

**Mr. Colin Carrie:** It sounds as if things are changing quite quickly.

Comments have been made by members of the committee about how the government showed a lack of respect for the Gates Foundation. I was wondering how you have found the working relationship with the Gates Foundation and the Government of Canada.

**Dr. Stefano Bertozzi:** I'm sorry, I'm unaware of any comments, certainly by us, that there was any lack of respect shown.

**Mr. Colin Carrie:** No, there wasn't any by you. It's just that other members of the committee inferred that in previous testimonies and questions.

**Dr. Stefano Bertozzi:** I have to say that I have never experienced anything other than the ultimate respect.

**Mr. Colin Carrie:** Thank you very much. I appreciate you saying that.

We know it was not an easy decision to cancel the manufacturing facility, and you knew there were going to be some disappointed applicants. There was a lot of money invested.

Can you explain to the committee how difficult the decision was and be able to demonstrate and explain to us how it wasn't taken lightly?

**Dr. Stefano Bertozzi:** I can tell you that before I joined the foundation I participated in a similar process, and I felt that disappointment very acutely. I think anybody who's participated in a request for proposals understands that disappointment is often the outcome, whether it's because you don't win or because the process doesn't go forward. I think any time you make a decision where people put an awful lot of effort into something and you have to go back to them and say, I'm sorry, it was all for naught...that's not a decision anybody takes lightly.

The problem is that you're charged with husbanding extraordinarily scarce resources. We have this extraordinarily large problem, and if we believe that reallocation of those resources to something that's more urgent should be done, then, inasmuch as you don't want to hurt the people who applied, the potential benefit associated with reallocating them is so much bigger that you have to make that tough choice. And believe me, it's harder to do that than just to follow the path you were on.

**Mr. Colin Carrie:** I do understand—I think the majority of the committee understands—it was a difficult decision.

Would you say that in your opinion, by making this decision, by reallocating, by focusing on the new priorities, on what the science tells us today, in the long term we'll actually save lives?

**Dr. Stefano Bertozzi:** I absolutely believe that. And as you heard in the remarks made here, there are more good ideas than there are moneys, even reallocating those funds. So of course it's exciting that we have so much good work to be done. I wish we had more money to do it.

**Mr. Colin Carrie:** That makes a lot of sense.

I was wondering if I could ask Dr. Bernstein as well. You mentioned that there has been such a fast-changing culture out there, and new science, new discoveries, and you're coming up with a new strategic plan. Is there anything that you could give this committee, like a heads-up of where that plan is changing, where we're going to be going over the next few years?

**Dr. Alan Bernstein:** In general, the real challenge, and it's a nice challenge to have, is how do we build on the scientific progress that's been made, really, over the last two and a half years? Dr. Carver mentioned one, and I'll go into it for a moment for the committee, because I think it's illustrative.

Quite recently, a number of groups have identified broadly neutralizing antibodies that are made by people infected with HIV. Why is that so exciting? You all know that every year, when a new flu strain comes out, we have to make a new flu vaccine. When H1N1 came on the scene, there was a big rush here and elsewhere in the world to make an H1N1 vaccine. Flu is a cakewalk compared to HIV. The flu virus does not change very quickly. It changes about once a year. HIV changes extremely rapidly. So you can build a vaccine against one strain of HIV, but if HIV changes every time it infects a new individual, then that vaccine will be useless against that individual who has just been infected.

So how do you make a vaccine that's broadly neutralizing? Is it possible? What's so exciting about this result that was referred to is that we, as humans, actually make antibodies, proteins in our body, that are broadly neutralizing. So that's a proof of concept as well, that it is possible. Not only is it a proof of concept, but the next question is, how do those antibodies work? What are they recognizing on the virus that allows those antibodies to be broadly neutralizing? If we can identify that, and it should not be that difficult, then we can go the next step, and can we incorporate that knowledge into making a vaccine?

• (1015)

**The Chair:** Dr. Bernstein, I'm sorry to interrupt you. I've been trying hard not to.

**Dr. Alan Bernstein:** I'm on a science lecture here.

**The Chair:** I know, and it was very good, but we're about to go into our second round. I'm the gatekeeper. Sorry.

We're now going into five minutes, questions and answers.

Ms. Neville.

**Hon. Anita Neville (Winnipeg South Centre, Lib.):** Thank you, Madam Chair. I appreciate your timekeeping and I'll try to be respectful.

I want to thank all of you for your presentations this morning.

I want to add that I am not a regular member of this committee. I have been sitting in on these hearings, in large part because of my concern of what's happened to the facility in Manitoba. I thank the two Manitobans who are here today for their appearance and their presentation.

You are all undoubtedly aware that the rumours are rampant, particularly in Manitoba, about the perceived, alleged political interference in this project. I say this with respect to the other bidders, but there was an expectation and an understanding by many in Manitoba that they had been the successful applicant. For reasons of politics, and politics at many levels, we have an understanding that this project was not awarded to Manitoba. I say that being respectful of all that we've heard here, particularly from the Gates Foundation.

Ms. Medwick, I wonder if you can comment on your knowledge of perceived political interference and whether there are minutes of meetings at your organization that reflect these discussions that took place.

**Ms. Heather Medwick:** We were told we were the recommended applicant going forward—not necessarily the successful applicant, the recommended applicant.

What has happened to the awarding of this contract has certainly been discussed at our board meetings. There was a delay in the decision. It was to be in the fall of 2009, and the ultimate decision came forward in January 2010.

There is certainly concern that there is not a clear answer as to what happened to this decision—how it was made. I don't know if it was political. I don't have an understanding or direct knowledge of whether it was political, but there is a concern that we don't really understand the decision.

**Hon. Anita Neville:** The allegations in the Winnipeg press, and perhaps the national press as well, are that in part, or maybe in total, this was because the previous CEO was required to step down once it became known that he chose to seek the Liberal nomination in a Winnipeg constituency.

Can you comment on your perception? Does anyone else wish to engage in whether that's a valid comment?

• (1020)

**Ms. Heather Medwick:** Our former CEO was leaving to pursue other opportunities. That is correct. He left in July. His departure, beyond that... There are allegations in the paper that there was political interference in his leaving. He was leaving to run in the election regardless.

**Hon. Anita Neville:** Does anyone else want to comment on the political aspects of this, or do you all want to stay away from it?

Let me go back to my question, Ms. Medwick.

As my colleague has indicated, I fully recognize that this is not easy for any of you who are dependent upon federal government funding. I appreciate that.

My question to you is this. Are there minutes of meetings available that indicate there were discussions to replace this project with L5L, with introducing—

**The Chair:** Your time is up, Ms. Neville. Who did you direct that to? We'll get the answer.

**Hon. Anita Neville:** It was Ms. Medwick.

**The Chair:** Ms. Medwick, can you answer as quickly as possible?

**Ms. Heather Medwick:** We have minutes of the board meeting where we discussed what the decision was for CHVI. I'd have to talk to legal counsel as to whether they're available.

**The Chair:** Thank you.

Ms. McLeod.

**Mrs. Cathy McLeod (Kamloops—Thompson—Cariboo, CPC):** Thank you, Madam Chair.

I really appreciate all the witnesses today. I think even as far back as the estimates, we had the opposition, in particular the NDP, indicating that there was much going on that wasn't above ground. We've heard consistently from our chief public health officer, from the witnesses, that indeed we had a process where a decision was made, that there was capacity in other parts of the world. We have an above-board process. It's not reflecting the money that Canada is going to put into HIV/AIDS, and it's also not reflecting on the bad relationship with the Gates Foundation. So I really do appreciate the very clear testimony. I also want to acknowledge the disappointment from the many organizations that did work very hard, and I'm sure it has indeed been a disappointment to you.

There are a couple of questions that I would like to ask. I guess the first one would be to Ms. Medwick.

We've heard that you were advised that your organization has successfully passed the assessment phase and was the winning bid. This really came as a complete surprise to us. Can you tell us how and from whom you were provided that information?

**Ms. Heather Medwick:** I was told that we were the recommended applicant from the former CEO.

**Mrs. Cathy McLeod:** Okay, thank you.

I don't have much more to say about that because I know clearly within our organizations we've indicated that there was no one who was deemed to be the successful applicant.

The next thing I would like to ask is this. We heard witnesses on Tuesday who suggested that yes, there was a quantity available, but there was not quality available in terms of the capacity. I don't know if either Dr. Bernstein or Dr. Bertozzi would like to comment about when the Gates Foundation looked at capacity. I think it probably dealt with both quality and quantity.

**The Chair:** Dr. Bertozzi, would you take that one, please, because you were very much a part of it

**Dr. Stefano Bertozzi:** The study that was done by Oliver Wyman, which Madam Vice-Chair referred to, looked at manufacturing capacity, and it divided it into several subcategories. But perhaps the most relevant one to your question is that some of the production facilities are certified GMP, which means they are certified by the Canadian and U.S. regulatory agencies as producing product that can be used in human trials. Even not considering those facilities that are non-GMP certified, there was excess capacity.

The study also only looked at production capacity in Europe and North America. It didn't look at the rapidly growing production capacity in India that was referred to by Ms. Medwick, or in China, for example, nor did it look at the production capacity in the large pharmaceutical manufacturers. So we believe that just by looking at the GMP-certified production capacity, there was sufficient production capacity, without even considering whether the non-GMP could be brought up to snuff.

•(1025)

**Mrs. Cathy McLeod:** Thank you.

**The Chair:** Monsieur Michaud, would you like to make a comment on that? Are you one who wanted to do that?

**Mr. Patrick Michaud (Chairman of the Board of Directors, International Consortium on Anti-Virals):** On the capacity?

**The Chair:** Yes.

**Mr. Patrick Michaud:** I'm not sure I could contradict the results of the capacity report that was commissioned. We were surprised, though. Dr. Carver and I have been in drug development for eight years. We had compounds in clinical trials. We commissioned manufacturing for clinical trial lots. There are some issues that come up when you talk about capacity: are you dealing with theoretical capacity or are you dealing with commercial capacity? So when you're talking about commercial capacity, this industry is a very low margin business and needs high volume.

To manufacture clinical lots at a pilot scale is uneconomic, generally speaking. So when the report questions organizations about whether they have theoretical capacity, we would think most of the respondents would say yes. To us, though, when you're running clinical trials, the GMP requirements are such that if you produce a clinical pilot scale run, you probably want to produce it in the same facility at a commercial scale. That's why I think in our organization our application was designed on developing a commercial scale, because you want to curtail the transition between pilot scale lots and commercial production.

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

We'll now go to Monsieur Dufour.

[*Translation*]

**Mr. Nicolas Dufour (Repentigny, BQ):** Thank you very much, Madam Chair.

I want to thank all of the witnesses for being here today.

Much has been said about the lack of funding of AIDS research. Earlier this week, Dr. Engelhardt told the committee that the \$88 million earmarked for the initial project would be reinvested. Of course, it remains to be seen if that will truly be the case, but discussions are currently under way between the Bill & Melinda Gates Foundation and the Government of Canada.

I'd like to give you a little more time to answer the question put earlier by Mr. Malo. Where, in your opinion, would the money best be invested? For instance, as Mr. Fowke's was saying, we know that no grants have yet to be awarded under the CHVI. So then, would the money have been better invested in production capability, in facilities, or would it have been better to give the money directly to research groups or to universities?

[*English*]

**The Chair:** Dr. Carver, you raised your hand—and then we'll go to Dr. Fowke after that.

**Dr. Jeremy Carver:** I'll be very brief.

Just to follow up on what Patrick said, if you are a drug developer and you're looking for a manufacturer, the answer is usually, "I will fit you in two years from now when I finish my current runs, which are driving my business bottom line." What Gates could do—and I'm throwing this out there just as an idea—is to pre-purchase capacity in some of the CGMP-certified facilities that would allow researchers to get priority service. That would meet the original objective. There would be no need to build dedicated facilities here, and it would address one of the criteria in the original call, that the facility had to have three different platforms. You could pick three different manufacturers who had this expertise.

What it doesn't meet is the extra criterion that was in the call, which is flexibility with respect to adapting new technologies and new methods for vaccine production. That is where a more research-dedicated facility would be required.

So one partial solution would be to go with the existing manufacturers and to pre-purchase capacity, so there would be timely production of clinical trial candidates. But there still is a residual research need.

• (1030)

[*Translation*]

**Mr. Nicolas Dufour:** Excuse me, Madam Chair, but before we continue with the witnesses, I'd like to hear Dr. Bertozzi's opinion of what Dr. Carver has just told us.

**Dr. Stefano Bertozzi:** We haven't discussed this with our Canadian colleagues, but the foundation is in the process of exploring the option that Dr. Carver spoke of, that is entering into agreements with businesses in order to reserve production capacity in advance.

[*English*]

**The Chair:** I think Mr. Hewitt also wants to say something, Monsieur Dufour.

**Dr. Ted Hewitt:** Thank you very much.

We are in somewhat of a unique position among Canadian universities, because we do have an HIV/AIDS vaccine in development right now.

With respect to what I've heard about capacity and quality, our experience has been that it takes nearly 18 months to source a facility to produce the vaccine for clinical trial lots, and it is very expensive. There were only three facilities that were shortlisted. We chose a facility in the U.S., though I won't name it. We are now ready to move to trials in the U.S. FDA approval has been held up with respect to issues regarding quality.

So I think there's a difference between the theoretical and the practical, but I wanted to give you an example of an actual experience that we've had.

**The Chair:** Dr. Fowke, I think you wanted to comment on that, too.

Monsieur Dufour, I guess you asked a very good question.

Go ahead.

**Dr. Keith Fowke:** Thank you.

I'll just comment on what we should be investing in. I'll leave my colleagues who have more experience in vaccine production to comment on the latter.

In terms of research, I think we need to invest in doing the best quality research in the heart of the pandemic, that is, in Africa and Asia. We need to bring Canadian research excellence right into the heart of the pandemic and work with researchers from those low- and middle-income countries, to really work at the heart of the problem. The large team grant through the CHVI was a mechanism to do that. And then I think we need to invest in discovery science.

**The Chair:** Thank you, Dr. Fowke.

We'll now go to Mr. Uppal.

**Mr. Tim Uppal (Edmonton—Sherwood Park, CPC):** Thank you, Madam Chair. Thank you, witnesses, for being here today and answering some very important questions.

The members opposite questioned the motive behind this decision. They falsely claimed that the decision not to assign the winning bid to ICID was for political reasons. It's unfortunate that the Liberals would practise such mud-slinging with unfounded accusations for their own political gain.

If it was true that this decision was made for political reasons, one would assume that the Government of Canada would have withdrawn all of its funding to ICID. Has this been the case?

**Ms. Heather Medwick:** I just want to make a point of clarification from something that was asked before. When I said we are not arm's length, I meant that we were independent of the government in every way. We don't receive core funding from the government. Our funding is project-based, and we have received funding for projects from the federal government but also from other sources.

**Mr. Tim Uppal:** So you do receive funding from the federal government?

**Ms. Heather Medwick:** Project-based funding.

**Mr. Tim Uppal:** Very good.

How much money do you receive from the government for your operations?

**Ms. Heather Medwick:** For core funding for the operations we receive nothing. For project-based funding in the past year from the federal government, I don't have the exact figure, but it would probably be around \$2 million.

**Mr. Tim Uppal:** Around \$2 million.

**Ms. Heather Medwick:** Between \$2 million and \$3 million for sure.

**Mr. Tim Uppal:** In general, how have your relations been with the government, past and now?

**Ms. Heather Medwick:** Very good. We've brought forward project ideas and they've brought project ideas to our organization. It's been a positive working relationship.

**Mr. Tim Uppal:** Very good. Thank you.



Frankly, the Conservative government is spending more than \$84 million per year in HIV and AIDS funding in Canada. In fact we've provided more funding to HIV/AIDS than any other government in Canadian history. I was wondering if the witnesses could comment on Canada's international standing as a leader in HIV/AIDS research and funding. Maybe Mr. Bernstein?

•(1035)

**Dr. Alan Bernstein:** That's a good question. Let me first put that in context, and it's partly in response to Mr. Dufour's question. Global funding for HIV/AIDS vaccines—so not HIV/AIDS, but vaccines—has dropped this past year by 10% because of the economic downturn, at a time when the scientific progress has never been greater. So there's this frustrating disconnect between the opportunities for funding and the actual situation.

Having said that, in terms of Canada's standing, I think there are very real strengths across Canada, both in terms of therapeutic research of the kind that Dr. Carver was referring to and in terms of community-based research. CIHR has a very large community-based research program called the HIV trials network, which conducts trials domestically across Canada. Those are all very good examples of strengths of Canadian science.

There are good strengths in basic science. You've heard some from Dr. Fowke in terms of basic research coupled with epidemiological research looking at exposed and infected individuals and sex workers in Nairobi and other places.

I think there are some very real strengths of Canadian science. Again I look at it in my current role as something that should be built on.

**Mr. Tim Uppal:** Dr. Fowke.

**Dr. Keith Fowke:** I would agree that we can't be good at everything and we have to pick our places where we can really accelerate. In the Canadian HIV research, in addition to the things that Dr. Bernstein has mentioned, I think we're very good in mucosal immunology, understanding the immune system and how it works, and we're also very good at understanding why some people are exposed but not infected. So I think there are areas where Canada can accelerate and hit above their weight.

**Mr. Tim Uppal:** Dr. Bertozzi.

**Dr. Stefano Bertozzi:** There's no question that Canada has been a leader. Canada has hosted three of the international AIDS conferences and no other country has done that. The presence in Kenya and in Karnataka, India, are two landmark examples of Canadian leadership. But I can't miss the opportunity with so many members of Parliament here to suggest that financially Canada could certainly do more.

**Voices:** Oh, oh!

**Dr. Stefano Bertozzi:** The foundation has to date awarded approximately \$200 million to Canadian institutions in support of this effort. We would very much encourage Canada to play a bigger role in supporting the global fund and supporting research in this area.

**The Chair:** Thank you.

We'll now go to Dr. Duncan, who is sharing her time with Dr. Bennett, for five minutes.

**Ms. Kirsty Duncan:** Thank you, Madam Chair.

As a scientist, I am struggling with the power of one: one Gates study, one vaccine, and the course changes. This is generally not how science is done. It's a build-up of evidence.

We have repeatedly heard about the need for a vaccine. On the last day, this was described as a missed opportunity. Today, people are confused as to why this process didn't lead to a decision about a Canadian research organization, when we have such talent in Canada. So I'm going to come back to process.

Ms. Medwick, I am concerned when a government employee makes a recommendation to an independent board. How did that make you feel?

**Ms. Heather Medwick:** Mr. Stefanson was a name that had been brought forward before to have a role in our organization, potentially on the board. We have a board process in place for selecting a CEO. It's to go to competition. We have an executive search committee—

**Ms. Kirsty Duncan:** This would not have been a competition.

**Ms. Heather Medwick:** Our response was that his name would be put forward to the executive search committee. That was our response.

**Ms. Kirsty Duncan:** I'm going to ask again, and you went in a very different course, did Minister Toews or anyone working with him or for him threaten ICID that their vaccine bid was in jeopardy?

**Ms. Heather Medwick:** I was not directly told that.

**Ms. Kirsty Duncan:** How were you told that?

•(1040)

**Ms. Heather Medwick:** I was told that a board member had been contacted by a minister's office suggesting that the recommended application would not move forward due to our former CEO.

**Ms. Kirsty Duncan:** What minister's office was that?

I'm sorry, I know this is so difficult.

**Ms. Heather Medwick:** The problem is, it's not my experience. It's the former CEO's experience. So I can say third-hand or fourth-hand, but it's not my direct knowledge. That's what I'm struggling with.

**Mr. Colin Carrie:** Madam Chair, wouldn't that be hearsay? It's not a court, but it's third-party...

**The Chair:** We'll continue on.

**Ms. Kirsty Duncan:** Thank you, Madam Chair.

I'm going to hand this over to Dr. Bennett now.

**Hon. Carolyn Bennett (St. Paul's, Lib.):** I am concerned also in terms of what is theoretical capacity and what is actual capacity. I think what I've heard is that it's pretty difficult for any commercial enterprise to justify stopping its regular lines of vaccine production when asked to do so in order to provide a short run of enough for a clinical trial.

So I come back to the concerns that are swirling around the methodology of the Gates report. I would like to know more about that, but I'd also like to know more about what happens to the money from the Gates Foundation and to the money that was to be used to build this facility, and where it will be redirected or reapplied in terms of the commitment this government has had to fight against this pandemic. What happens to the money the Gates Foundation had previously allocated to this facility? Is there a consultation among the experts, such as those at this table, in terms of where the Canadian government money would go if this project doesn't go forward, in that we have had a commitment it will go in a fight against AIDS?

**The Chair:** Dr. Bertozzi.

**Dr. Stefano Bertozzi:** The commitment stands. The ground rules say that it's a 3:1 contribution, the Canadian government to the foundation. The discussions and negotiations involved lots of parties—CIHR, the Public Health Agency of Canada, Industry Canada, Health Canada, ourselves, and their associated scientists, so there's a lot of consultation input. Some people might say it's too much because it takes longer to have so much consultation input.

The commitment is clearly to continue to work on the original goal—what Alan Bernstein said—consistent with the overall plan, and to accelerate development of a vaccine. That's the number one goal.

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

We'll now go to Ms. Davidson.

**Mrs. Patricia Davidson (Sarnia—Lambton, CPC):** Thank you so much, Madam Chair.

Thanks very much to our presenters this morning. I think we're hearing some extremely useful information as we move forward with this issue.

I have a couple of questions.

Dr. Bertozzi, when I looked at your presentation, and as I listened to it, I was pleased with the comments you made about your number one priority being the development and delivery of vaccines for infectious disease, and the HIV vaccine in particular being the top personal priority for Mr. and Mrs. Gates.

You went on to talk about the priorities in global health today and how the plan also included the potential to make changes to the existing strategies. I think that's extremely important as we talk about the changing world we're in today and how rapidly things change. Thankfully, things are changing for the more positive when it comes to HIV. I think it's extremely important that we recognize that fact, as well as the fact that the government and the Gates Foundation were able to address some of those changes.

You said we're talking about a new strategic plan. The HIV vaccine partnership that was announced was one of six priorities in

the global HIV vaccine enterprise. What were the other five? Are those five other priorities things you're working on as the building blocks for the new strategic plan?

● (1045)

**Dr. Stefano Bertozzi:** I'm going to let Dr. Bernstein respond, because the priorities you mentioned are in the enterprise plan.

**Mrs. Patricia Davidson:** Okay.

**Dr. Stefano Bertozzi:** The foundation is also developing a broader strategic plan, but I'll let him respond to your question, if that's okay.

**Dr. Alan Bernstein:** Thank you.

The 2005 plan had six priorities, as you've indicated, one of which was manufacturing capacity. The other five—and I won't list all of them—included things like research, a clinical trials capacity, community engagement, intellectual property issues, and industrial engagement. That may have been all six now—I've lost track. Those were on the list in the first plan.

When we embarked upon developing the new 2010 plan, we didn't quite wipe the slate clean, but we almost did, recognizing, as you said, that there had been many changes, mostly scientific, over the last few years, which would require an update to this living plan. If the science isn't going to change, where has all that money gone? So indeed the science really has advanced the field. There is a new momentum and a real sense of optimism amongst the scientific community and the funders that we've made real progress and we need to build on it.

Back in 2009 we started a very broad engagement and consultation with members of the scientific community and with community groups around the world, to hear their perspectives on what the priorities were going forward.

**Mrs. Patricia Davidson:** Thank you.

Dr. Hewitt, I believe you had made a comment regarding the funding process. Knowing first-hand the great work that your facility or institution does, I would like you to elaborate a little bit further on that, please.

**Dr. Ted Hewitt:** These are made in the spirit of developing a more robust process around these types of projects.

Universities are used to applying for large sums of money, often in the tens of millions of dollars. They are used to working with processes that are clearly laid out, with timelines that are clearly demarcated, and with expectations around comments and evaluations that will be returned to the university and to the researchers.

I think I can say in this case that all those things were obtained. But to say that things moved smoothly and in a timely way and that all the information that could have been provided was provided would be inaccurate. I think in terms of the timelines, there was a fairly frequent shifting of timelines and delays for reasons that were not explained clearly. Certainly in terms of the findings of the expert panel and the reviews, we did receive some fairly cursory remarks that were a summation from the experts who had reviewed the process. Normally we would see the full set of comments from the external panel or the reviewers, and those are very helpful to us. Then we see exactly where we've gone wrong, where we need to go, how we would now move on to develop a stronger proposal or to go back in the future. I think that was really key.

I mentioned the prospect of either a site visit or a panel, and that's also an important factor.

**The Chair:** Mr. Hewitt, I'm sorry, your time is done and I'm going to cut you off. It's more than done. Thank you for your insightful comments.

We'll go to Ms. Wasylycia-Leis.

**Ms. Judy Wasylycia-Leis:** Thank you, Madam Chairperson.

Just let me try to ask Heather one question about the political interference that we believe is the case in this issue. Based on everything Kirsty and Anita and others have asked you, would you now agree to table for us all documents relating to discussions held at your board involving the L5L and board appointments? Would you table all recordings of any discussions with Frank Plummer and Harry Schultz? Would you release any recordings requesting that Eric Stefanson be appointed chair of the board or leader of the L5L group? Would you table all e-mails from Jo Kennelly asking to be hired by ICID and requesting a salary of \$250,000? Would you release all records indicating that her employment is also with a United States private sector company? Will you do that, Heather Medwick?

•(1050)

**Ms. Heather Medwick:** I would have to get advice from our legal counsel on what I'm able to release.

**Ms. Judy Wasylycia-Leis:** We'll look forward to that. You know that this committee has some power to make these requests and to expect that the information will be forthcoming.

Let me get back to the issue at hand, which is the lost opportunity for Canada in the development of an AIDS vaccine and for health and justice around the world. In fact, I think every scientist who's come here, who knows the field, has said that the cancellation of this bid is going to set us back years in terms of development of a vaccine and in terms of Canada using its enormous research capacity and innovative discoveries here in Canada and for the benefit of the world.

Ted, you said already that you've made a breakthrough on a particular clinical trial, and you have to go to the States. Can you tell us a bit more about how much more we're going to lose? What would happen, in fact, if we had this facility, whether it's you or Winnipeg or wherever in Canada?

And I want to say again to Mr. Bertozzi and Alan Bernstein and others that this is not a production facility we're talking about. I will

refer to the memorandum of understanding between Gates and this government. It is about discovery research. It is about clinical trials. It is about research. It is about making progress on the very thing, Mr. Bernstein, you identified, which is the breakthrough in Thailand and in other places. We have lost this. It's gone.

I want to know how serious this is in terms of setting us back in terms of developing such a vaccine. And why, in fact, are we letting our researchers' good work go south of the border or around the world to be exploited by private sector drug companies who have no interest, really, in developing this vaccine?

This is for Mr. Hewitt. Then I would like Mr. Fowke, in terms of your capacity in Manitoba, to answer. If, in fact, we can't get this back at the lab, if we can't get it back to the consortium, if we can't get something on the table, can you do the work, and can we fight for you to get the money?

**The Chair:** We have a minute and a half for those answers. Who wants to begin?

**Dr. Ted Hewitt:** I'll be quick. I have to accept at face value whether there's a need or not a need for such a facility in Canada. I haven't read the report. I made my point in agreement with what Dr. Carver and Patrick Michaud said with respect to a possible move by the Gates Foundation to consider working to accelerate or ensure access to facilities so that we can move things through faster. The net effect, from our perspective, is that it's taking more time.

**Ms. Judy Wasylycia-Leis:** Mr. Fowke.

**Dr. Keith Fowke:** Will this slow our research down? The research I do is all pre-vaccine. We don't know what works. We have to figure out what goes into a good vaccine. As to the fact that we don't have a facility, our research comes before that. We're trying to feed into that. So I can't comment on that.

**Ms. Judy Wasylycia-Leis:** I have time for one more question.

Mr. Bertozzi, you said in your statement that you have received documents that none of us has received to verify, in fact, that none of the four bids met the test set out in the beginning. Will you table those documents so that we have the benefit of this knowledge that no one else has been able to come up with, including the government?

**Dr. Stefano Bertozzi:** I'm sorry, could you just repeat that?

**Ms. Judy Wasylycia-Leis:** You said that you have the evidence to show that the four bids for this proposal did not meet the test in terms of scientific, technical, and sustainability criteria. Will you table those documents?

**Dr. Stefano Bertozzi:** Normally what happens in the foundation when we are going to make awards for grants is that we send out the grant applications for external review and receive comments from the external reviewers. In this case, my understanding of the process is that none of the four fully met the criteria.

**Ms. Judy Wasylycia-Leis:** And I'm asking you to table this information.

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

**Ms. Judy Wasylycia-Leis:** On what basis are you making that decision?

**The Chair:** Now, we'll go to Dr. Carrie.

Dr. Carrie.

**Ms. Judy Wasylycia-Leis:** On what basis are you making that judgment?

**Mr. Colin Carrie:** Thank you very much.

**The Chair:** Order, please.

**Mr. Colin Carrie:** Thank you very much, Madam Chair.

I do apologize for my colleague badgering the witnesses, but I would—

**Ms. Judy Wasylycia-Leis:** Oh, stop. Stop apologizing—

**The Chair:** I'm going to call this to order, please.

**Mr. Colin Carrie:** First of all, I would like to wrap this up by thanking you and all our witnesses for being here, because I think we've heard some excellent ideas around the table today on where we have to focus in the future. I also want to mention that I think everybody understands that the decision to cancel the facility was a very difficult one, but it was done to focus scarce worldwide resources on research and development, to save lives, not cost lives.

To sum up, Dr. Bernstein, and maybe Dr. Bertozzi, could you focus some last comments on that initiative, which I know was difficult, and state what the focus is moving forward?

•(1055)

**Dr. Alan Bernstein:** As my closing remark, I would go back to something the vice-chair just said, which is that the partnership with the Gates Foundation was to align with the enterprise's scientific strategic plan. I absolutely agree with her that it is urgent that every country in the world, along with the Gates Foundation and others, contributes to this effort to develop a vaccine.

So I look forward to Canada getting on with it, given that we've heard that a partnership is still intact and there is still, as far as I understand, goodwill on both sides. It is very important that Canada and the agencies representing the Canadian government decide on the best way forward and do so in partnership with the Gates Foundation and other partners. It is urgent.

**Mr. Colin Carrie:** Thank you very much.

Dr. Bertozzi.

**Dr. Stefano Bertozzi:** Thank you.

I just want to say that I welcome the passion of the people at this table, including yours. I think we all share it. We live and breathe the need to combat this epidemic as quickly as possible.

I can tell you from our side that we are committed to coming to a conclusion as fast as possible on how these funds can be redirected so they can start to be spent as productively and as quickly as possible. Anything we can do to accelerate that, we certainly will do.

I just want to say one other thing, reiterating what I said before so that I'm not misunderstood. The approximately \$200 million we have committed to Canadian institutions is, of course, not just for HIV but across the broad spectrum of the foundation's priorities.

**Mr. Colin Carrie:** In closing, we would like to thank you very much for your contribution and partnership and foresight in moving this very important issue forward.

Thank you very much to the witnesses, and thank you very much, Madam Chair.

**The Chair:** Dr. Bennett.

**Hon. Carolyn Bennett:** Thank you, Madam Chair.

In view of today's testimony, I think it would be very important for this committee to hold one more hearing on this, where we would call Minister Aglukkaq and David Butler-Jones to discuss the redirection of the money and how we can expedite it as quickly as possible, and also establish whatever the commitment to the global fund is and to see if we can get that on the record before the WHA meeting next month.

However, I would also move that in view of what we've heard about interference, ethics, transparency, accountability, or whatever you want to call it, we call Minister Toews, Minister Clement, Dr. Frank Plummer, and Ms. Jo Kennelly to straighten out what's happened and give them an opportunity to speak for themselves on the innuendo or allegations so far. I think they deserve the opportunity to clear the air on how they feel this chronology rolled out.

So I would move that we hold one more hearing, the witnesses being Minister Aglukkaq, David Butler-Jones, Minister Toews, Mr. Clement, Dr. Frank Plummer, and Ms. Jo Kennelly.

**The Chair:** Thank you, Dr. Bennett.

Is there discussion on this?

First Dr. Carrie and then Ms. Wasylycia-Leis.

Dr. Carrie.

**Mr. Colin Carrie:** Thank you very much, Madam Chair.

As we heard today from Dr. Bernstein, these are discussions that are ongoing. They are coming up with a strategy, and there are partners involved with this very important strategy, and it would be premature to have Minister Aglukkaq to be coming forward. I also wanted to address the issue that as far as Minister Toews or any of the other allegations brought forward are concerned, we only have one witness who alleges anything unusual. It was brought forward as third-party information, and the third-party information was from a current and past Liberal candidate.

Madam Chair, it's not necessary to move forward.

**The Chair:** Ms. Wasylycia-Leis.

**Ms. Judy Wasylycia-Leis:** I totally support the motion and hope we'll vote on it today. I think it should happen as soon as possible. I would suggest that if the clerk can work it out we actually do it a week from today so that time is not lost. The allegations are very serious. The information is critical, and I would hope that my colleague, Colin Carrie, would not want to leave these questions unanswered and would want to get to the bottom of it. If Minister Aglukkaq can't make it, fine, but there's a long list of others who should be here. I think we have to proceed with this on an urgent basis.

• (1100)

**The Chair:** Dr. Carrie.

**Mr. Colin Carrie:** Thank you very much, Madam Chair.

I think I could speak for the Public Health Agency. I think they would be happy to bring us an update when they have something to

report. I would be very supportive at that time. But as I said earlier, it would be very much premature to be asking these witnesses to come forward at this time.

**The Chair:** This is the motion:

That the Standing Committee on Health hold one extra meeting on CHVI on April 29 and invite Minister Aglukkaq, Dr. David Butler-Jones, Minister Toews, Minister Clement, Ms. Jo Kennelly, and Dr. Frank Plummer.

That is the motion. We are going to bring that forward.

Those in favour of the motion? Those opposed?

(Motion agreed to)

**The Chair:** This will happen on April 29. I want to thank and commend our witnesses for coming today. Being on committee is not always the easiest thing to do, but we're very open and transparent and we want to get to the bottom of things.

Thank you.

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