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• (1605)

[English]

The Chair (Mr. Robert Kitchen (Souris—Moose Mountain, CPC)): I call this meeting to order.

Welcome to meeting number 24 of the House of Commons Standing Committee on Government Operations and Estimates. The committee is meeting today from 4:07 to 6:07. We will hear from the Minister of Public Services and Procurement Canada as part of the committee's study of the government's response to the COVID-19 pandemic.

I would like to take this opportunity to remind all participants in this meeting that screenshots or taking photos of your screen is not permitted.

To ensure an orderly meeting, I would like to outline a few rules.

Interpretation in this video conference will work very much as it does in a regular committee meeting. You have the choice, at the bottom of your screen, of either “Floor”, “English” or “French”. Before speaking, please wait until I recognize you by name. When you are ready to speak, you can click on your microphone icon to activate your mike. When you are not speaking, your mike should be on mute.

To raise a point of order during the meeting, committee members should ensure their microphone is unmuted and say “point of order” to get the chair's attention.

In order to ensure social distancing in the committee room, if you need to speak privately with the clerk or the analysts during the meeting, please email them at the committee email address. For those people who are participating in the committee room, please note that masks are required unless seated and when physical distancing is not possible.

I would now like to invite the minister to make her opening statement.

Thank you, Minister.

[Translation]

Hon. Anita Anand (Minister of Public Services and Procurement): Thank you very much.

[English]

Thank you so much, Mr. Chair.

Let me begin by acknowledging that I am meeting with you from the territory of many first nations, including the Mississaugas of the

Credit, the Anishinabe, the Chippewa, the Haudenosaunee and the Wendat peoples.

With me today I have Deputy Minister Bill Matthews and others from our team.

I am very pleased to be here to contribute to this committee's study on the government's response to the COVID-19 pandemic.

[Translation]

Since the first days of the pandemic, my department has worked around the clock to procure essential personal protective equipment and other medical supplies to protect our frontline health care workers.

Given the rapidly evolving and uncertain nature of the pandemic, we proactively procured a vast range of equipment and supplies so that Canada would be prepared for any eventuality, including worst-case scenarios.

• (1610)

[English]

We fought hard in a hypercompetitive global market to secure urgently needed equipment and supplies. We have procured in total about 2.7 billion items of PPE across a range of supplies, and 1.5 billion of those items have been delivered to date.

At the same time, Canadian companies across this land answered our call and began to ramp up domestic production. Last year at this time, N95 masks were not produced in this country. Now Medicom in Quebec is producing N95s. It has produced 100 million masks to date. Medicom in Quebec is joined by 3M in Brockville, which has produced one million N95s to date.

Forty per cent of our PPE contracts, by dollar value, are with Canadian companies. Having these diverse supply chains operating simultaneously was one of the key items in our strategy relating to the procurement of PPE.

Despite the very best efforts of so many Canadians to follow public health advice and make so many personal sacrifices, we are in the midst of the third wave of this pandemic. Our PPE procurements prepared our supply accordingly, and we will continue to support the Public Health Agency of Canada and the provinces and territories as we make our way through to the other side of this pandemic.

[Translation]

We know that the only way to conquer COVID-19 is for us all to continue to follow public health advice alongside a successful vaccine rollout.

When securing doses of safe and effective vaccines for Canadians we took the same aggressive approach as in our personal protective equipment procurement. We initiated a science-based strategy to secure as many vaccine doses as possible.

[English]

We approached manufacturers early, negotiating aggressively to build a portfolio of the most promising vaccines to protect the health of Canadians. My department also procured supplies, such as 175 million needles and 262 million syringes to administer the vaccines, as well as hundreds of freezers for use across this country.

Mr. Chair, we laid the groundwork for the largest inoculation campaign in this country's history, and our portfolio of vaccine candidates is now delivering for Canadians.

We originally were promised six million doses of vaccines before the end of Q1. We exceeded this target by 3.5 million doses and reached 9.5 million doses by the end of Q1. That is an excess of 3.5 million doses for which my department and I negotiated aggressively.

Now Canada is in the top three G20 countries in terms of the rate of people who have received at least one dose of vaccine and in the top four for total vaccines administered to date by population. Twelve million doses of the Health Canada-approved Pfizer, Moderna and AstraZeneca vaccines have been delivered to provinces and territories as of today, with 8.8 million vaccines administered to date.

Every day more and more Canadians are rolling up their sleeves and getting their shot. At the same time, my department and I continue to negotiate for earlier and earlier deliveries from vaccine suppliers. We have been successful in doing so. To be very clear, it is my role to get these vaccines to Canada as quickly as possible, and that's exactly what I'm doing.

Our most recent efforts are bearing significant results. Between April and June, we will now be receiving 18 million doses of the Pfizer vaccine rather than the originally scheduled eight million doses. Altogether, we have accelerated 22 million doses to earlier quarters—22 million doses earlier than what was otherwise targeted.

In addition, Moderna has confirmed that in addition to the shipment we received this week, we should expect just over 1.2 million doses to arrive at the end of April and more than 2.8 million doses in May. We have also negotiated for millions of AstraZeneca doses to arrive, and they will be continuing to come into this country.

As a result of the successful negotiations, Mr. Chair, by the end of September or before, we will have more than enough doses for every eligible person in Canada.

In closing, the Government of Canada continues to provide information about the number of doses coming into the country. We have exceeded our targets, but we are far from finished.

• (1615)

[Translation]

While supply chains are stronger, vaccines are moving directly from production to shipping so any manufacturing issues have a direct impact on delivery timelines.

To help mitigate these potential schedule disruptions, we are working very closely with suppliers and, through the Public Health Agency, with provinces and territories so that information is shared in real time.

[English]

As I mentioned, I am personally pushing our suppliers every day for even earlier delivery of vaccines.

Mr. Chair, our government will keep doing whatever it takes to get Canadians through to the other side of the pandemic. At PSPC, we will support this effort through our procurements.

I look forward to taking your questions.

Thank you.

The Chair: Thank you, Minister.

We'll now start the first round of questions, beginning with Mr. Paul-Hus for six minutes.

[Translation]

Mr. Pierre Paul-Hus (Charlesbourg—Haute-Saint-Charles, CPC): Thank you, Mr. Chair.

Good afternoon to the minister and the officials.

Madam Minister, as you know, Canada is currently second only to the United States in terms of the number of COVID-19 cases per capita. In your speech, you said that all Canadians should be vaccinated by the end of September. So everyone should have received two doses by the end of September. Is that correct?

Hon. Anita Anand: Yes, that's correct. Everyone should have received the first dose by the end of June and the second by the end of September.

Mr. Pierre Paul-Hus: Okay.

As we know, there are problems with the AstraZeneca vaccine and several countries have decided to stop using it. Are the quantities of Pfizer and Moderna vaccines that you are announcing sufficient to achieve the same result by the end of September? Do you absolutely need AstraZeneca's vaccines to achieve this?

Hon. Anita Anand: Thank you very much. That's a good question.

[English]

I would like to use some words in English that I don't know in French, so I will switch to English here.

Pfizer and Moderna are the workhorses of our portfolio. We have 44 million doses of Moderna and 40 million doses of Pfizer. In total, that's 84 million doses, and that is sufficient to inoculate all Canadians who wish to be vaccinated prior to the end of September.

We have a diversified portfolio of vaccines, as you know. We have Pfizer and Moderna, and we also have AstraZeneca, J&J and Novavax supplementing our total portfolio.

[*Translation*]

Mr. Pierre Paul-Hus: So you think Pfizer and Moderna will be able to provide us with a sufficient number of doses of their vaccines, which are known to be safe, according to the timelines.

In that case, don't you think we should cancel the Johnson & Johnson contract? We know there are problems with their vaccine. Do we have to continue to pay for the vaccine or can we cancel the contract?

Hon. Anita Anand: Thank you for the question.

[*English*]

The advice from the Public Health Agency of Canada and the vaccine task force informed our procurements. Once we received their expert and scientific advice on which vaccines were beneficial for Canada, we then executed those contracts. We will continue to execute those procurements going forward, given that Health Canada has deemed J&J safe and effective.

[*Translation*]

Mr. Pierre Paul-Hus: However, if Canada feels that the vaccines are not effective and we don't want to give them to our people, do we have to buy them?

We will not send these vaccines abroad if they are not effective for Canadians.

[*English*]

Hon. Anita Anand: Well, as I said, Health Canada has deemed both J&J and AstraZeneca—and Pfizer and Moderna—safe and effective. As a result, we will continue with our procurements of these vaccines.

I realize the question is whether we would continue going forward with these contracts, given the information that has come out recently, but until we hear otherwise from Health Canada, our procurements are “all systems go”.

• (1620)

[*Translation*]

Mr. Pierre Paul-Hus: Okay, thank you.

Given the decisions made abroad, particularly in the United States and throughout Europe, we can already foresee that Health Canada will eventually make the same decision and cancel the use of these vaccines.

In any case, AstraZeneca's vaccine is still approved and considered effective for Canadians. We know that the Americans have 20 million doses in storage, but do not want or need them. According to their contract with AstraZeneca, they are not allowed to give it away, but can they give us an additional loan quickly? Have you already approached the U.S. or started negotiating a contract simi-

lar to the one that included 1.5 million doses, so that we can get more doses quickly?

Hon. Anita Anand: Our negotiations with the U.S. are continuing. I hope we will get more doses from the United States. That's what we are talking about right now.

Mr. Pierre Paul-Hus: If the Americans were willing to lend doses to Canada quickly, we could accelerate the vaccination even more and finish vaccinating Canadians before the end of September. We could make up for lost time, if we were able to convince our American colleagues.

Now I would like to turn to the topic of transparency. The government's web page entitled “COVID-19 contract information” was last updated over two months ago. Usually this is done at least every two weeks.

Why hasn't the web page been updated in two months?

Hon. Anita Anand: I will ask the deputy minister to respond.

Mr. Bill Matthews (Deputy Minister, Department of Public Works and Government Services): Thank you for the question.

I would just like to say that we will be updating this web page in the next few weeks with the latest information.

Mr. Pierre Paul-Hus: You are saying that the website will be updated in the next few weeks. When, specifically, will we have that information?

Mr. Bill Matthews: I can provide the details to the committee after the meeting, if you don't mind.

Mr. Pierre Paul-Hus: Yes, please. Thank you.

Madam Minister, there is a lot of media coverage about a quality control issue with Moderna. What exactly is the problem?

[*English*]

Hon. Anita Anand: The deliveries from Moderna were delayed in the last two shipments by about three or four days over the weekend. They tend to arrive on a Monday. Then they're delivered out to the provinces—

Mr. Pierre Paul-Hus: Yes, but I want to know what the problem is with Moderna. Why did they have some delays?

Hon. Anita Anand: The issue that I have been told from the supplier is with regard to the quality assurance process at the company. It is not the case that there's an issue with the quality per se, but there is a backlog of vaccines that need to be tested before they can leave the factory.

All the permits from the EU are in place. That's not the issue. The vaccines need to go through the quality assurance testing before they leave the factory. We want that, of course, because we need to make sure that our vaccines are safe and effective for Canadians.

The Chair: Thank you, Minister—

Hon. Anita Anand: I have pressed them for fewer delays. It's very important that we keep that very tight in terms of the deliveries.

The Chair: Thank you, Minister. We'll now go to Monsieur Drouin for six minutes.

Mr. Francis Drouin (Glengarry—Prescott—Russell, Lib.): Thank you, Mr. Chair.

I want to thank all of our witnesses for being here.

Minister, we are seeing you at our committee an average of once per month, I believe. It's great to see you again. I think I finished off almost my last meeting asking you questions—

Hon. Anita Anand: I like you guys.

Mr. Francis Drouin: We certainly appreciate your spending time with us. Just over two weeks ago, I think, you were here on the supplementary estimates. As I said, it's good to see you again.

I want to focus my questions on vaccine targets. We've just finished quarter one. I've been listening to what different politicians have been saying. I know that there's a lot of misinformation out there. We heard that no Canadian would be vaccinated until 2030 and that Canada would be at the back of the line with regard to vaccines. There continue to be politicians who are saying that Canada continues to be at the back of the line. I know that these statements are not accurate, because we have third party verification. We have a COVID-19 tracker, which I look at every day to see where we're at. I know that this is not a government body.

Could you speak for a moment with regard to the first quarter of this year and how our vaccine procurement program progressed?

• (1625)

Hon. Anita Anand: I will say that I have been very aggressive with the department in terms of pressing the suppliers of approved vaccines to continue to accelerate doses, by which I mean move doses up. Rather than be satisfied with six million doses alone coming to Canada by the end of March, I told the department that we should broaden the negotiations. I said we should be aggressive with suppliers and also branch out to additional sources of supply such as the United States and negotiate for delivery of doses from the U.S., as we saw with the 1.5 million doses coming into Canada from AstraZeneca. I also said with regard to current suppliers—Pfizer and Moderna, for example—that we should be aggressive in pressing them for additional earlier deliveries. Pfizer did come forward and give us 1.5 million additional doses earlier in the quarter.

That's the work we do every day to make sure suppliers are being pressed into earlier and earlier deliveries. As I said, we have moved up 22 million doses to earlier quarters because of that negotiation.

Mr. Francis Drouin: Thank you for that answer. I certainly appreciate it.

I remember speaking to local media. They had asked me when I was going to raise my voice in terms of a potential vaccine shortage. I told them that the contract said six million doses by the end of March. Obviously, we know that we have now received more than 9.5 million doses before the end of March.

You could have sat back and said that they respected their timeline. How is it that you and your department negotiated and planned to ensure that we were able to get the doses to Canadians, and get more doses than expected?

Hon. Anita Anand: I will say that we work hard to make sure that our relationships with our suppliers are maintained and are strong. That allows us to continue to press them for additional deliveries. We have ongoing discussions with them to advance the acceleration of doses.

There is a relationship issue that has to be understood in the context of these negotiations. We come to the table. We tell Pfizer, for example, exactly what it is that we would like to see. I will say that Pfizer has been a very strong partner for Canada in terms of continuing to accelerate deliveries in a time when Canada and all Canadians would like to see more and more vaccines.

Mr. Francis Drouin: That's great.

Thank you, Mr. Chair. I think I'm probably going to be out of time soon, so I'll just stop it here. Thank you.

The Chair: Thank you, Mr. Drouin.

We'll go to Ms. Vignola for six minutes.

[*Translation*]

Mrs. Julie Vignola (Beauport—Limoilou, BQ): Thank you very much, Mr. Chair.

Ms. Anand, thank you for joining us again.

Let me talk about numbers first, in terms of quantities ordered and delivery dates. I'm not talking about the vaccines, but rather the medical ventilators. There are 40,547 ventilators on order as of March 31. So far, 27,388 have been received, but only 2% are being used.

So what about the rest of the ventilators? How is this being handled? What happens to the unused ventilators and those that have not yet been delivered? Will they be refunded or resold?

Hon. Anita Anand: Thank you for the question.

Let me remind you that we are in the third wave. I think we need these ventilators now. Right now, there are 359 people using ventilators here in Ontario. We have received over 27,000 ventilators for the national strategic emergency stockpile and for frontline health care workers.

• (1630)

Mrs. Julie Vignola: Yes, but we ordered more than 40,000.

[*English*]

Hon. Anita Anand: That is part of what we are doing as a government to make sure that we are there for the frontline health care workers.

[Translation]

Mrs. Julie Vignola: Ms. Anand, I understand that we may need them, but we ordered more than 40,000. Even if you multiply by 10 the number of ventilators that are needed in Ontario right now, which I will round up to 400, that is 4,000 ventilators. But 47,000 were ordered and 27,000 have been received. What do we do with the surplus ventilators?

This is not a criticism. Yes, the ventilators are useful, but the surplus ones are not.

Hon. Anita Anand: I understand. It's a good question.

[English]

We responded to the Public Health Agency of Canada and ISED, which put forward the number of 40,000 ventilators, and we may well have excess ventilators. I believe that discussions are ongoing with the Public Health Agency of Canada regarding the excess, if there is an excess.

I'll ask my deputy minister to describe those discussions.

[Translation]

Mr. Bill Matthews: Thank you, Madam Minister.

As the member and the minister have already indicated, we may have too many ventilators. So there are several options. We could keep them in case we need them in the future. Alternatively, we could see if other countries need them. However, as far as I know, there are already a lot of ventilators all over the world right now. So, I'm not sure whether we need our extra ventilators, but we will continue to discuss with other countries.

Mrs. Julie Vignola: Thank you very much.

We also ordered 100 refrigerators and 700 freezers for storage. How many of those are currently in use?

[English]

Hon. Anita Anand: You're exactly right. We have ordered a number of supplies, including syringes, needles, gauze and freezers. We have ordered 700 freezers of different temperatures and sizes, with 433 freezers already deployed.

We have to remember, as I said earlier, that Pfizer and Moderna are the workhorses in our vaccine portfolio, and we need to have the supplies necessary, such as freezers, to ensure that they can be administered across the country.

[Translation]

Mrs. Julie Vignola: I completely agree.

[English]

Hon. Anita Anand: In terms of how many are being used and whether we have enough, I will ask Bill Matthews to add his knowledge on this question.

Mr. Bill Matthews: Thank you, Minister.

Not an excess, but the majority of freezers have been deployed out to provinces and territories. The Public Health Agency of Canada would be able to provide an exact answer on the numbers, but we think that things have gone quite well on the freezer front so far.

[Translation]

Mrs. Julie Vignola: That's great news. I like it when things are useful.

We have also ordered the supplies to administer over 75 million doses of vaccine, including syringes. We have received enough supplies to administer 74 million, which is excellent.

First, do we have enough?

Second, are there any plans to reorder?

Third, are we ensuring that none of these supplies will expire by the time they are used?

[English]

Hon. Anita Anand: We had to work very quickly to procure the low dead-volume syringes that are necessary to extract the maximum number of doses per vial. This was especially the case when Pfizer moved to six doses per vial. In very short order, the department worked quickly to procure 72.5 million low dead-volume syringes, and over 30 million of those have been delivered to provinces and territories to date.

I just want to emphasize how difficult it was to do that procurement. In a time when every country in the world was seeking that low dead-volume syringe, our department was able to put into place multiple contracts for the continued delivery of syringes.

In terms of the question relating to expiry that you had, I will ask Bill Matthews—

• (1635)

[Translation]

Mrs. Julie Vignola: Do we have enough?

[English]

The Chair: Thank you, Ms. Vignola. That's the end of your six minutes. If the deputy minister can provide the information for that answer to the committee, that would be appreciated.

Now, Mr. Green, you have six minutes.

Mr. Matthew Green (Hamilton Centre, NDP): Thank you, Mr. Chair.

Minister, welcome back.

I want to begin by asking you if I understood you correctly in your opening remarks. You suggested that Moderna and Pfizer make up close to 84 million doses of vaccines in the bulk of our procurement delivery. Is that correct?

Hon. Anita Anand: That's right: 44 million of Moderna and 40 million of Pfizer.

Mr. Matthew Green: I know that we have talked about pricing. I have seen it reported that Moderna and Pfizer are sitting on close to \$23 billion in profit globally and have actually assured their shareholders that they're going to raise the prices in the coming months. This is going to make a bad problem worse.

I'm wondering what your strategy is for price fluctuation, and whether our contracts locked in at the originally negotiated price.

Hon. Anita Anand: Thank you for the question.

We have procured the 84 million doses from those two suppliers based on the original price that was offered, so regardless of the prices going forward, those prices that we had in our original contracts are the ones that applied to our procurements.

I will ask the deputy minister if he has anything to add.

Mr. Matthew Green: That's okay. I will accept that on the record.

I know that I'm to assume that in this privatized market, this commodified market of life-saving vaccines, big pharma companies like Moderna and Pfizer are ultimately making the decision on where vaccines go. We see this in the global trends: wealthy countries that have the money by nature get prioritized. I think you and I have had exchanges on prioritization in the past.

I'm wondering if that continues to be the case, or is there a scenario in place, based on the purchases versus options scenario that you and I exchanged quite a bit on, whereby if Moderna and Pfizer decide to jack up the prices, we might expect delays on our lower-cost-per-unit contracts in favour of a higher commodified and urgent deal somewhere else?

Hon. Anita Anand: Thanks for the question.

I can't speak for the companies themselves in terms of what their motivations or incentives are going to be, but I can speak to our relationships right now and the delivery schedules right now. Our deliveries are stable. They are solid.

We will continue to receive doses from both Moderna and Pfizer. Going forward, we expect 17.8 million doses of Pfizer before the end of June and 12.3 million doses of Moderna before the end of June, and those supply chains and relationships are very stable.

Mr. Matthew Green: I know you have touted it as the largest portfolio in the world. We're essentially procuring probably 10 times our population number with regard to the actual need and the supply, yet when we try to get down to what the costs are, back in March Mr. Matthews suggested that he didn't think it was appropriate that he offer up the average price at that time.

When will PSPC divulge the costs per unit for the vaccine contracts?

Hon. Anita Anand: Thank you.

Of course, we are making all of these procurements on behalf of the Public Health Agency of Canada. Our procurements are really in support of their efforts to make sure that Canadians have the life-saving equipment and vaccines that they need.

I believe that Treasury Board has already indicated that the total envelope of funds for vaccines is about \$8 billion. In terms of the individual prices per unit, we are working with the companies in terms of what they are comfortable in disclosing, but at the current time those negotiations are ongoing.

I want to be clear that I respect and believe strongly in accountability and transparency, but at the same time I want to make sure

that our relationships with our vaccine suppliers are not undermined so that Canada can continue to get vaccines into this country. Those are the two items I'm balancing.

• (1640)

Mr. Matthew Green: I appreciate the delicate balance you have before you. Assuming that everything goes as planned and you are able to procure 10 times, potentially, what our population needs, you stated that extra doses would be shared with the developing world. Then there was a bit of a retraction, a clarification that these decisions are made across various departments. You will recall that I asked you about the TRIPS waiver. You made the assertion that it's not a part of the actual supply chain. I still tend to disagree, by way.

What I'm wondering, given that these vaccines have a short life and that some of them need to be stored, is whether Canada will be sharing extra doses with the developing world and how we will select which countries are to receive these surplus vaccines.

Hon. Anita Anand: We will share doses with the developing world. We will donate doses to the developing world, and we are having a conversation across government to determine how that process will occur.

Mr. Matthew Green: Will Canada still receive the two million doses of AstraZeneca through COVAX?

Hon. Anita Anand: Through COVAX we will receive approximately 1.9 million doses of AstraZeneca. About 300,000 doses have arrived to date.

Mr. Matthew Green: We're still taking from COVAX, while acknowledging the surplus procurement supply that you've been touting?

Hon. Anita Anand: The contribution to COVAX is to support the efforts to ensure the developing world has access to vaccines—

Mr. Matthew Green: Is Canada part of the developing world?

The Chair: Thank you, Mr. Green.

We'll now go to Ms. Harder for five minutes.

Ms. Rachael Harder (Lethbridge, CPC): Thank you.

Minister, you said that we're in the top three of the G7. I would present to you that perhaps that's because your government made the decision to delay the second dose that individuals receive to four months instead of three to four weeks, as is recommended. In fact, Canada's chief science adviser has said that the decision to delay second doses has amounted to a population-level experiment.

You've been warned numerous times that individuals should have their second dose within that three- to four-week window, yet your government has determined that they're going to wait for four months. They've done so in order to create a brag point for themselves so that they can say x number of Canadians have received their first dose. Of course, that number looks significantly larger than what is actually the case in terms of protection being offered to Canadians.

Why is your government experimenting with the lives of Canadians?

Hon. Anita Anand: Thank you so much for the question.

I'd like to offer two clarifications. First, I mentioned that Canada is third in the G20 in terms of the percentage of people who have had at least one dose.

Second, the decisions that you reference are not federal decisions but provincial decisions. We, as a federal government, are not making that decision; the provincial jurisdictions are making their own decisions about the dosing regimen.

Thank you.

Ms. Rachael Harder: With all due respect, though, that recommendation is coming down from the federal government. It's not being made at the provincial level, as you're ascribing it to be made.

When it comes to procuring the vaccines, as you know, an article that just came out has reported that we are now outpacing the United States of America in terms of people who are being diagnosed with COVID-19. The Premier of Ontario confirmed that 10,000 vaccine appointments had to be cancelled due to a lack of supply this week. I think we can all agree, then, that there's a bit of a problem here in terms of the procurement and then in terms of getting those vaccines down to the provinces.

Are you concerned by this situation?

Hon. Anita Anand: To clarify, I want to suggest that this dosing regimen you referred to, prior to moving on to your next question, is not a federal government decision. It is a provincial and territorial decision.

Moving on to your next question, I want to clarify that my role as procurement minister is to ensure doses get into this country. As a matter of fact, I can assure you that 12 million doses have been delivered to the provinces as of today, and 8.8 million doses have been administered. There is a spread there, and that spread is, hopefully, going to be continued to be administered so that everyone in the provinces can have access to vaccines that are currently in storage.

• (1645)

Ms. Rachael Harder: Minister, I can appreciate that—

The Chair: Ms. Harder, I'm sorry for interrupting.

I apologize for stopping you for a second. Our interpreters are hearing a spiking sound from your mike. Can you move your microphone up just a bit, right about there...? Let's see if that works.

Thank you. That's perfect. I'm sorry about that.

Ms. Rachael Harder: It's no problem at all.

I guess my next question here, then, is that with the blunders in terms of procurement, I can appreciate that you're catching up. However, my concern is that with numerous delays, it's possible that there will be this eventual dump of an extraordinarily large number of vaccines that land in this country and that then, as a result, land in provinces.

I'm just wondering: Are you doing anything in order to prepare for that inevitable fate?

Hon. Anita Anand: Well, I do regret your use of the word "blunder", because of course I don't see it that way.

I see Canada—

Ms. Rachael Harder: I'm sorry, Minister. I'm just going to clarify.

On the consistent delay in vaccines coming to Canada, you're saying that's not a blunder? You're okay with that? You're doing well?

Hon. Anita Anand: Could you specify what you mean by "consistent delay"? We've had record numbers of vaccines coming into this country, more than expected. We had 3.5 million more vaccines than expected in Q1, and we'll have 44 million here by the end of Q2. Could you—

Ms. Rachael Harder: Then contracts are being honoured on time? On the things you've spoken of in the media, the commitments you've made in terms of numbers that are coming, has everything gone according to plan?

Hon. Anita Anand: There have been delays of Moderna doses by a few days, but other than that, in recent months and weeks the deliveries have been much more stable than they were at the beginning of 2021. That's why I regret your use of the word "blunder".

Ms. Rachael Harder: Is there a need to prepare for the potential that there could be a significant number of vaccines that come all at once?

Hon. Anita Anand: There are targets of receiving vaccines that we have made completely clear and transparent to the provinces, as I'm doing with you today: 17.8 million—

Ms. Rachael Harder: I know, but those targets haven't always been met. That's why I'm asking the question.

Hon. Anita Anand: The only instance in which they haven't been met occurred when we exceeded the targets. We exceeded the Q1 targets by 3.5 million. Again, I'm not sure what you're referring to with the word "blunder".

The Chair: Thank you, Ms. Harder.

Ms. Rachael Harder: That's incredibly misleading.

The Chair: We will now go to Mr. Weiler for five minutes.

Mr. Patrick Weiler (West Vancouver—Sunshine Coast—Sea to Sky Country, Lib.): Thank you, Mr. Chair.

Good afternoon, Minister, and good afternoon, witnesses. Thank you for joining us in committee again today.

Of course, we're all starved for up-to-date information on vaccines, including what's going to arrive from which company, and when, and where they're going to be delivered.

I'd like to pick up where one of my colleagues left off here in speaking about back in February when there were some delays in vaccines arriving. I was hoping that you could speak a bit to what the rationale was for why those delays took place and how that affected the overall delivery schedule.

Hon. Anita Anand: The Conservatives like to suggest that those delays were part of our contracting negotiations. In reality, Pfizer made a decision to upgrade its plant in Puurs, Belgium, and as a result we suffered a couple of weeks of delay in vaccine deliveries.

Again, what happened at the end of the quarter was that Pfizer came back and provided even more vaccine than it had originally promised, including 1.5 million more doses than it had originally promised for Q1 alone. As I mentioned, we have continued to accelerate doses of Pfizer so that we will end the second quarter with 17.8 million doses of Pfizer. Those deliveries are very stable. Over one million doses per week of Pfizer will be arriving in April and May and over two million doses will be arriving in the month of June. We are making this information completely transparent to the provinces and territories so that they can do their planning now, just as we were making it transparent at the beginning of the year. We have no interest in keeping this information secret. In reality, the reason we have been able to accelerate doses, or at least one of the reasons, is that we have worked co-operatively and collaboratively with the provinces, which we will continue to do.

I believe strongly that this is a national effort and I believe that we are best served if we all work together to get this done. I would hope that would include the opposition parties as well as all people across Canada.

• (1650)

Mr. Patrick Weiler: Thanks for that.

Going back to vaccine deliveries, you said many times that our procurement portfolio of vaccines is the most diverse in the world. I was hoping you could speak to why that's important in the vaccine procurement process.

Hon. Anita Anand: To be clear, I want to reference that we are in the top four in the G20 for overall shots administered. I want to suggest that the reason for having a diversified portfolio of vaccines is that at the time of contracting, of course, prior to the development and discovery of any vaccine, no one knew what the reaction or the effects of any particular vaccine would be. We wanted to make sure that Canadians had access to multiple potential vaccines, given the lack of knowledge that existed across the world about which vaccines would be the most efficacious. As a result of this diversified portfolio of vaccines, and despite vaccine nationalism that is taking hold in various jurisdictions around the world, Canada has been able to maintain a stable supply of vaccines.

Yes, we all want more vaccines coming into this country. That's what lights my fire every single day, but suffice it to say that a diversified portfolio of vaccines has served Canada well and will continue to serve Canada well.

Mr. Patrick Weiler: Thank you, Minister.

To go back to a question that came up previously, of course we've seen a huge influx of vaccines arriving over the last few weeks and the job of the federal government is to get it to the provincial governments, but with this extra amount of vaccine coming in, what has our government proposed in order to aid the provinces within the matters of their jurisdiction to make sure we can get those shots into arms as quickly as possible?

Hon. Anita Anand: Let's just take an example of what actually happens regarding individual vaccines.

Pfizer delivers vaccines directly to the provinces, so there's no pit stop at the federal government when Pfizer vaccines are coming into this country. They are expeditious and effective about getting vaccines to the point of use.

In addition, despite the couple of days of delay of the Moderna doses, those doses arrived yesterday and are being delivered out to the provinces. They're 90% complete, for example, as of right now. We don't hang on to any doses. As soon as they come into this country, whether it's Moderna or AstraZeneca, they are shipped right out to the provinces and territories. Pfizer takes them directly to the provinces and territories themselves. It is as expeditious as possible.

The Chair: Thank you, Minister.

We'll now go to Ms. Vignola for two and half minutes.

[*Translation*]

Mrs. Julie Vignola: Thank you, Mr. Chair.

Madam Minister, we talked about the COVAX initiative. For the benefit of those listening who have little or no knowledge of this initiative, could you remind us why and for whom it was created? Why is it important for the Government of Canada to contribute to this initiative?

[*English*]

Hon. Anita Anand: Most definitely.

The COVAX facility is a pooled procurement mechanism. What that means is that it is a group of countries that have come together to ensure that vaccines can be accessible and be made accessible to the developing world.

There were two aspects of the COVAX facility, one for developing countries and one for developed countries. Canada is a contributor to both parts of that facility.

I will say that the number of doses that developing countries can procure from the COVAX facility is limited. Canada also has a limited number of doses that it can procure, and it is most important to us as a country that we are supporting multilateralism, sharing with other countries, and providing the funding necessary to produce doses for the developing world.

We've provided over \$300 million to the COVAX facility in total and we will continue to support multilateralism in vaccine sharing. That's why our Minister of International Development, Karina Gould, is part of the governance structure of the COVAX facility. That's why we have said we will share any extra doses with the developing world and that's why we will continue to support multilateralism in vaccine procurement.

• (1655)

[*Translation*]

Mrs. Julie Vignola: Canada has in fact had a reputation for helping developing countries for decades, and that's fantastic.

But I am wondering why Canada is the only G7 country to have dipped into the COVAX bank. Canada is receiving extraordinary amounts of vaccine, and on top of that, it is dipping into the COVAX bank. Yes, there is a share for developed countries, but it seems to me that we are dipping into two pools. Canada is neither a developing country nor a country in difficulty.

Why is Canada dipping into the COVAX bank when it receives so many vaccines directly? That undermines our reputation.

Hon. Anita Anand: Thank you for the question.

I must clarify that the program is working as planned. South Korea and New Zealand's Labour government, among others, also have access to doses from COVAX.

Mrs. Julie Vignola: They are not G7 countries.

Hon. Anita Anand: Either the opposition is not very familiar with how the COVAX mechanism works or they are trying to feed misinformation.

[*English*]

The Chair: Thank you very much.

We'll now go to Mr. Green for two and a half minutes.

Mr. Matthew Green: You'll recall that last week when I appealed to your humanity on the TRIPS waiver, you suggested that waiving intellectual property would not actually materially impact the supply chain, and yet you talk about how developed countries are taking responsibility for producing doses for the global south.

We know that AstraZeneca is manufactured in India and we know that India is calling for a TRIPS waiver on intellectual property to be able to produce more vaccines globally. How do you reconcile the decision by your cabinet and your government to continue to draw from COVAX and the global south, acknowledging that Canada is not a developing country, while simultaneously blocking the access to the World Health Organization's own recommendations to waive intellectual property on critical life-saving vaccines?

Hon. Anita Anand: To begin, Mr. Chair, I hope that everybody around the table understands that the COVAX facility does have two arms, and it was deliberately set up to allow developing countries to procure a limited number of doses.

The doses that we are procuring from COVAX are part of the way in which this was established. At the same time, we are basically providing subsidies to ensure that there is manufacturing that is able to occur for doses to go to the developing world—

Mr. Matthew Green: Through you, Mr. Chair, would subsidies be needed if we just allowed for the TRIPS waiver to happen and allow countries to be able to take control of their own production? Would we have to do that?

It seems fairly dubious that we're touting our international reputation of contributing to this storage while simultaneously taking it

and then also talking about the hundreds of millions of contracts that we have upcoming on vaccines.

I'll ask again. Will you, at your cabinet table, advocate the waiver of the TRIPS, the intellectual property, to allow for countries like India and Brazil and others to produce vaccines and increase the global supply of vaccines?

Hon. Anita Anand: Hundreds of millions of vaccine contracts is a slight exaggeration, given that we have seven vaccine contracts—

• (1700)

Mr. Matthew Green: It's Johnson & Johnson, 38 million; Medicago, 76 million; Novavax, 76 million; Sanofi, 72 million.

Through you, Mr. Chair, you can't go to the public bragging about how diverse your portfolio is while continuing to hoard vaccines and take from COVAX while blocking the TRIPS waiver. You can't do that. You can't have it all ways.

The Chair: Thank you, Mr. Green.

We'll now go—

Hon. Anita Anand: Am I allowed to reply, Mr. Chair?

The Chair: Unfortunately, Minister, perhaps later you can—

Hon. Anita Anand: There were a number of allegations in the question. It would be wonderful if I could—

The Chair: I understand, Minister, but sometimes the questioner uses up his time with his speech, so we'll go to—

Mr. Matthew Green: I will give her the first part of my next question.

The Chair: We'll go to Mr. McCauley.

Mr. Matthew Green: Through you, Mr. Chair, I'll give the minister my time because Canadians deserve answers, so when my round comes back, Minister, feel free to start where we left off.

The Chair: Thank you.

We'll now go to Mr. McCauley for five minutes.

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

Those are great questions from my colleague from the NDP.

Minister, you made the comment that the only instance when targets haven't been met was when we've exceeded targets. I realize we're at single shots. You're claiming we are third out of 20 at the G20, but for the double dose, the full dose needed, we're at around number 50.

Do you consider that to be exceeding targets, when we are that far down on the global number where it really counts, which is the double vaccination?

Hon. Anita Anand: From a procurement perspective, I'm focused on getting doses here as fast as possible, and the decisions in relation to whether it is a one-dose or a two-dose regimen are not made by me, with all due respect.

Mr. Kelly McCauley: I realize that, but we're not able to give the second dose because your government has failed Canadians so miserably.

I want to put a bit of a human touch on this. There is a gentleman I have spoken about in the House before, a friend of mine, Fred Russell. He is a Canadian. He is a veteran. He served overseas almost the entire six years in the Second World War. He landed at Dieppe and got off alive. He's one of maybe the last 10 survivors of the Dieppe Raid. He landed at Normandy, marched into Dieppe with the Canadian troops to liberate it, and fought through Germany and Holland.

I want to read a note that his daughter sent me. It is so sad. He is 102. He's basically isolated. He told me he's been so very lonely; it made me cry. Three months in his room has cost him a fair amount of time in his life. He was so bad on Friday we had last rites given.

This gentleman has basically given up. We have deprived him of his final moments, a gentleman who has given everything to Canada, because your government put its eggs in the basket with the Chinese pharmaceuticals that robbed Canada of IP rights, instead of doing what England did or what Israel did or what apparently 50 other countries did, which was to ensure an adequate supply.

I don't agree with all your bragging that we've done a great job. We are in our third lockdown in Alberta. I turn on the TV and see stories of 25-year-olds being ventilated. Lives are being destroyed, and this idea that one dose, the first dose, puts us ahead of third world countries isn't cutting it.

Do you think that is acceptable? Do you think that's exceeding targets?

Hon. Anita Anand: I feel very concerned when I hear stories such as the one you mentioned, of course I do, and anyone with compassion in their heart would as well.

I am not bragging. I am working hard every day—

Mr. Kelly McCauley: But you have been bragging. You sit in the House and you sit here saying that we're third out of the G20—

Hon. Anita Anand: —to get the job done, Mr. McCauley.

Mr. Kelly McCauley: Being ahead of a bunch of poorly performing countries is not any—

Hon. Anita Anand: Can I answer, Mr. Chair?

Mr. Francis Drouin: I have a point of order. I can't hear anything.

Hon. Anita Anand: Can I answer the question?

Mr. Kelly McCauley: That's enough interrupting, Francis.

Hon. Anita Anand: It's out of order to not let the minister respond to a question. I would ask the chair to allow the minister to respond—

The Chair: Order. I would ask that both the respondent and the questioner be respectful of each other to provide the answers and

the questions they need. It is up to the questioner to recognize the time frame they have.

I do not recognize this as a point of order. I do believe that the minister can stand and answer for herself.

Minister, I will give the floor to you at this point in time and ask also that the questioner respect the opportunity to answer.

Thank you.

• (1705)

Hon. Anita Anand: I have been very willing to come to this committee. I believe that, out of respect, I would ask the members, if they're prepared to ask me questions and I am fully prepared to answer them, that they would do the courtesy of allowing me to respond.

May I now respond?

The Chair: Minister, you have just wasted 15 seconds of your answer. Please answer.

Hon. Anita Anand: I don't think it's a waste to—

The Chair: Please answer, Minister.

Mr. Kelly McCauley: Please go ahead, Minister. Please go ahead.

Hon. Anita Anand: I am not bragging; I'm simply indicating that we have a procurement strategy. We are executing that strategy, and that strategy is delivering. The decisions relating to the second dose are not made by the federal government. They are made by provinces. That is a fact.

When you refer—

Mr. Kelly McCauley: Minister, we do not have the second dose because your government has failed to deliver it. Stop misleading Canadians. You cannot punt this onto the provinces.

You blame the provinces for not administering it fast enough when General Fortin himself said that's not the truth. Now you're blaming the provinces for people not getting their second dose. Your government has failed to deliver to the provinces, which is why, for the needed second dose, we're at 50th. We're behind third world countries. That's the fact.

Hon. Anita Anand: Twelve million doses have been delivered to the provinces as of today. There have been 8.8 million doses administered. They have enough supply for two weeks, based on current rates of inoculation. There are 26.8% of doses that have not been administered.

I rest my case.

Mr. Kelly McCauley: Let me quote from General Fortin—

The Chair: Thank you, Mr. McCauley.

We'll now go to Mr. Jowhari for five minutes.

Mr. Majid Jowhari (Richmond Hill, Lib.): Thank you, Mr. Chair.

Thank you, Minister. I'm sure I'm speaking on behalf of all Canadians when I say thank you very much for the hard work that you and your department are doing to make sure that we are getting the vaccine that's needed during this difficult time.

Madam Minister, in your opening remarks, you talked about a six-million-dose plan for end of Q1, with 9.6 million procured, and to date about 12 million procured, with about 8.8 million administered. There is a spread of about 3.2 million.

Before I ask you the question, as I'm the last questioner before you leave, I'd like to give you the opportunity to respond to my colleague Mr. Green and some of the comments he made that you didn't have an opportunity to respond to.

Please go ahead, Minister.

Hon. Anita Anand: Thank you.

In my response to Mr. Green I tried to do two things.

The first thing I tried to do was explain how COVAX works, because I believe that the representation of COVAX and the way the question was framed made it appear as though we are taking doses that were not originally permitted under the COVAX facility.

I'm trying to set out that the COVAX facility has two arms. One is for developed countries, which Canada is utilizing, and one is for developing countries, which Canada is supporting with over \$300 million of support. We are not alone in that effort. For example, South Korea and New Zealand have also utilized that aspect of COVAX for developed countries. We will continue to support COVAX and multilateralism in pooled procurement mechanisms. That was the first point I tried to make.

I wasn't able to make the second point because of reasons of time. The point is about the TRIPS. Canada has not blocked the TRIPS waiver. In fact, Canada has reached out to proponents of the waiver and all WTO members to better understand their concerns, and is working towards consensus-based solutions.

TRIPS governs IP matters, but currently vaccine accessibility issues do not pertain to patents and IP rights. Rather, they pertain to production, distribution and supply chain concerns.

In addition to our \$1.6-billion commitment to the global COVID response, at the WTO we are still advocating accelerating the production and distribution of affordable, safe and effective COVID-19 vaccines and medical supplies. We'll continue to work with all countries on concrete solutions and ensure that responses to COVID-19 do not create barriers to equitable access to vaccines.

I know my colleague, Minister Mary Ng, is very concerned to ensure that this occurs, and I look forward to working with her as this process unfolds.

• (1710)

Mr. Majid Jowhari: Thank you, Minister.

With a couple of minutes left, I would like to focus on Q2. Can you tell us what the target was back in February for Q2 for procurement of the vaccines?

Hon. Anita Anand: The targets for Q2 were continuing to be negotiated. We are now going to make sure we have more than enough vaccine to allow at least every Canadian to have one shot. That number, hopefully, will continue to rise in Q2 because, as I told you, my work every day is to press suppliers for additional vaccines.

What will we see at the very least? We'll see 17.8 million doses of Pfizer in Q2, 12.3 million doses of Moderna in Q2, and AstraZeneca doses coming from the Serum Institute and under our bilateral APA.

It is very important to remember that we will continue to press both suppliers and also jurisdictions. Our discussions with the United States, for example, are ongoing, and we hope we will be able to pull additional doses from that source as well.

Mr. Majid Jowhari: I'm just going back to my record. Looking at it, I found out that we had targeted 13.6 million by the end of Q2. Based on the few numbers you just shared—17.8 million and 12.3 million—we're in the 30 millions. When I compare 13.6 million to 30 million, now we are over about 220%, in the same way that we were over 160%. How did you manage to do that?

Hon. Anita Anand: The work I do every day is to ensure that we are able to accelerate doses. I would like to take my hat off to the very hard-working public servants, Deputy Minister Matthews and his team.

As I said, we've already accelerated 22 million doses to arrive earlier in Canada. That is not bragging. That is merely stating a fact.

We will continue to accelerate doses and work collaboratively with suppliers and with all Canadians to ensure that we get doses here as soon as possible and that we get them out to the provinces and territories as soon as possible.

We all have the same goal, and that is to make sure that Canadians have access to vaccines as rapidly as possible. I will not stop until that is done.

The Chair: Thank you, Mr. Jowhari. I appreciate that.

Thank you, Minister, for being here with us today. We know that in our last meeting you stayed the extra two hours, and we appreciate that. My understanding is that unfortunately your time commitment is very busy, and we want to be respectful of it. That's why the committee wants to stay on time on our questioning to make certain everything is cohesive and that we respect your time and your efforts to come to us.

We also recognize that we will be seeing you again soon, hopefully, with the main estimates.

Thank you, again, Minister, for attending today.

Hon. Anita Anand: Thank you so much. I really appreciate the opportunity. Take care.

The Chair: Thank you. We appreciate that, Minister.

We will now go into our next round of questions with the officials who are here.

We will start with six minutes, beginning with Mr. McCauley.

Mr. Kelly McCauley: Thanks, Mr. Chair.

Mr. Matthews, I want to follow up on the minister's comment about resting her case and blaming the provinces for not getting the vaccines rolled out fast enough.

General Fortin says that the provinces are doing their best. He shoots down the suggestion that provinces aren't moving doses out of freezers and into arms fast enough. Do you agree with that?

Mr. Bill Matthews: There are a couple of points.

Number one, I don't think it's fair to paint all the provinces with the same brush.

Number two, I think it's a matter of their finding the sweet spot, if there is a buffer in the freezers, in case there's a delay or two, versus actually stockpiling.

Mr. Kelly McCauley: Do you think they're stockpiling?

Mr. Bill Matthews: I don't have the recent statistics province by province, but it's probably a question better posed to health folks.

You can't be operating such that there's nothing in the freezer, in case there's a delay or two. You do want to keep enough in reserve for a buffer, but not a big buffer.

Mr. Kelly McCauley: Let me ask you this. We were chatting early in the meeting. There was talk about the low dead-volume syringes. It basically went from five shots to six shots per vial of the Pfizer. When we signed our contract to purchase x number of doses from Pfizer, was that based on five shots per vial, and when we adjusted to six shots per vial, did we go back and pay Pfizer for that extra dose we're able to get out of the vial?

• (1715)

Mr. Bill Matthews: The contract is for a number of doses, so number of vials doesn't actually count. The number of doses is based on the label that goes with the product, so effectively—

Mr. Kelly McCauley: It was originally five, and then we went to six, though, right?

Mr. Bill Matthews: We effectively started counting differently when the regulatory change was made, in terms of their deliveries against the contract.

Mr. Kelly McCauley: Okay, so for the first x amount, we only paid for five per vial. Is that correct? We didn't retroactively change it, did we?

Mr. Bill Matthews: We were paying for the number of doses extracted, under the regulatory approval. In fact, early on, in many cases provinces were actually squeezing extra doses out of the vial.

Mr. Kelly McCauley: You didn't answer my question.

We were doing five per vial. Is that what we were paying for? We're now paying for six per vial. Did we retroactively pay, or only what—

Mr. Bill Matthews: There's no retroactive piece here, Mr. Chair. It is number of doses delivered. The second the regulatory change was made, we started counting doses differently going forward.

Mr. Kelly McCauley: Thanks.

It's a bit hypothetical, but regarding Johnson & Johnson, I know we've approved it here. However, as the Prime Minister says, science is evolving. If it turns out that we copy the States and do not approve Johnson & Johnson, or perhaps do what some European countries and New Zealand are doing, which is no longer accepting AstraZeneca, are we still on the hook for all of those doses we've committed to?

Mr. Bill Matthews: It's a hypothetical on all of that, and I can't speak, given the sensitivity of the contracts, Mr. Chair, at this time.

Mr. Kelly McCauley: If Johnson & Johnson.... Can you confirm we'll pay for them regardless?

Mr. Bill Matthews: Normally speaking, when you're dealing with vaccines or therapeutics, the hooks in the contract relate to regulatory approval. That's a key hurdle, from a contractual perspective.

Mr. Kelly McCauley: Let's say the regulatory approval is taken away, as has happened with AstraZeneca in some countries, or with Johnson & Johnson. Are we still paying for them?

Mr. Bill Matthews: I can't get into the specifics of the contracts, but I have shared that the regulatory approval is, obviously, a key hurdle in terms of respecting the contract. There's not much more I can offer at this stage.

Mr. Kelly McCauley: Whose decision was it to advertise COVID awareness on the Super Bowl at a cost of \$182,000?

Mr. Bill Matthews: Typically, Mr. Chair—and I can't speak specifically to this one—the actual content or the advertising choices are the responsibility of the department—

Mr. Kelly McCauley: That was PSPC.

Mr. Bill Matthews: In terms of the sponsoring department, if I recall correctly, it would have been Health on this one, because the actual content is COVID awareness, but we can check back on that, Mr. Chair.

Mr. Kelly McCauley: Yes, could you? I'm pretty sure it was PSPC, or it was billed to PSPC.

Mr. Bill Matthews: PSPC may have been involved in the contract itself, as the executing agency working with our agency of record, but the actual content of advertising material would land with the program holder.

Mr. Kelly McCauley: On the issue with the Spartan Cube and the \$150 million, are taxpayers on the hook for that? Are we able to get our money back, considering the item doesn't work?

Mr. Bill Matthews: On the Spartan Cube, it's still evolving there. I think, as the member has highlighted, the company is going through some challenges with their testing. There was an advance payment made related to Spartan to get them going. We'll see where this goes.

Mr. Kelly McCauley: Let me ask you this. I've been in the business world before. I've never signed a contract that's been evolving. A contract is for a good received. How is it that the contract in this situation is evolving?

Mr. Bill Matthews: I think, Mr. Chair, we—

Mr. Kelly McCauley: If it's a new technology, that's fair, if you just tell us. Is a new technology fronted as a grant, or...? Did we buy it based on the belief that it was going to work and we got sold snake oil, or...?

Mr. Bill Matthews: There are a couple points, and I think the member touched on this in his question. There was some risk-taking being done in terms of new products—

Mr. Kelly McCauley: That's fair.

Mr. Bill Matthews: —so this was not like buying a standard product.

The reason I say “evolving” is that we're not entirely sure of what Spartan's plans are going forward. To date they have not delivered any test to the federal government. That doesn't mean they won't in the future. That's why I'm saying that it's evolving.

• (1720)

Mr. Kelly McCauley: Fair enough.

The Chair: Thank you, Mr. Matthews and Mr. McCauley.

We'll now go to Mr. Kusmierczyk for six minutes.

Mr. Irek Kusmierczyk (Windsor—Tecumseh, Lib.): Thank you very much, Mr. Chair.

Thank you very much, Mr. Matthews. We heard today that Pfizer delivers its vaccine shipments directly to the provinces. Can you give us a sense of what the turnaround time is for Moderna in terms of when it arrives in Canada and how long it takes for those vaccines to be shipped to the provinces?

Mr. Bill Matthews: As was mentioned, Pfizer delivers directly to the POUs that the provinces indicate. The model with the other vaccine companies is different. It is indeed brought in by a federally contracted service provider, FedEx and Innomar. The deliveries typically start for Moderna the day after. Depending on the proximity to where they arrive, it may be a couple of days for more remote locations, but generally speaking they start the day after.

Mr. Irek Kusmierczyk: You mentioned the POUs for Pfizer. Can you just explain that to us?

Mr. Bill Matthews: Basically, provinces inform the Public Health Agency of Canada of the locations where they would like the vaccines to be delivered. Pfizer is willing to deliver to multiple locations. There's a process in place to inform Pfizer of where the doses are going. They deliver directly to those locations. It's up to each province to determine the locations.

Mr. Irek Kusmierczyk: That's interesting. If the province wanted to designate, let's say, the Windsor-Essex County Health Unit as a POU, could they do it that granularly, or are there only one or two or three POU locations?

Mr. Bill Matthews: I don't think it's an infinite number, but certainly it's more than two or three that provinces can indicate.

My colleague Ms. Reza can perhaps offer some additional context on the volume of POUs in play.

Mr. Irek Kusmierczyk: I just wanted to know whether it can be sent, or has been sent, directly to health units, for example.

Mr. Bill Matthews: It can be. I can't speak to actual locations.

Arianne might have more context there.

Ms. Arianne Reza (Assistant Deputy Minister, Procurement, Department of Public Works and Government Services): I can confirm that it can go to multiple points. I think at last count it was somewhere in the hundreds. The provinces and territories add points of administration. It can go to a granular level, as was indicated.

Mr. Irek Kusmierczyk: Just to clarify here, if we want to cut out the middleman and send it directly to the Windsor-Essex County Health Unit, that is a possibility, but that is the decision of the province. Am I correct?

Ms. Arianne Reza: I think that question is best placed to our health official colleagues.

Mr. Irek Kusmierczyk: Okay. That's not a problem. I just wanted to know whether it's the province's decision to state where it will end up.

Mr. Bill Matthews: Just to answer the question, the decision does rest with the provinces and territories.

Mr. Irek Kusmierczyk: Okay.

Mr. Bill Matthews: There are limits in terms of how many, but it's more than two or three, as Arianne mentioned.

Mr. Irek Kusmierczyk: Okay. Perfect. That's very, very enlightening.

Can we get an update on the Medicago vaccine candidate? Where are we in that process? I know that's probably a question for Health Canada and PHAC; I just want to know where we are in that process.

Mr. Bill Matthews: Medicago is still going through trials. They're an interesting candidate in terms of the technology, being protein-based. We don't have any firm dates on when they'll pass through the various hurdles, but they're still going through trials. It's certainly something that we're keeping an eye on.

Mr. Irek Kusmierczyk: Okay, great.

It underlines having a diverse portfolio of seven vaccine candidates, with 400 million doses. It was a smart strategy, knowing that there would probably be bumps in the road with supply and that maybe, with some of the delays, it would be smart to take an additional look at some of the vaccines before they were released. Was that a good strategy?

Mr. Bill Matthews: There is diversification across a number of fronts, and I would say that number one is the various platforms. Pfizer and Moderna have a similar platform. Then there's Johnson & Johnson and AstraZeneca, with the viral vector, and for the more traditional protein subunit, there are the Novavax, Medicago and Sanofi candidates. There's diversification there, which is important, because it wasn't clear which vaccines would be successful early on, and indeed some are still going through the hurdles.

There were also questions about the ability of industry to scale up: Even if you have a successful vaccine, how quickly can you manufacture at scale? Again, diversification is important. The location of manufacturing and getting some spread there is important as well.

• (1725)

Mr. Irek Kusmierczyk: How much is the province contributing to the purchase and procurement of vaccines? I'm just curious.

Mr. Bill Matthews: To date, the federal government has been funding the vaccine efforts in terms of both the vaccines and the supplies that go with the vaccines.

Mr. Irek Kusmierczyk: Okay. Thank you for that.

Locally, in Windsor—Essex, a number of companies have pivoted to produce PPE. I'm thinking of Papp Plastics, face shields from Harbour Technologies, and Windsor Mold Group, for example.

On March 24, the minister told the committee that over 40% of PSPC's contracts for PPE, by dollar value, are with Canadian companies. What proportion of federal COVID-19 supply contracts is now with Canadian companies?

Mr. Bill Matthews: I'm going to see if my colleague Mr. Mills can answer that, or I'll offer to get back to you. I'll see if Mr. Mills has a quick answer.

Mr. Michael Mills (Associate Assistant Deputy Minister, Procurement, Department of Public Works and Government Services): I think it's now greater than 40%, but we will come back to the committee with a more specific number.

Mr. Irek Kusmierczyk: Okay. Are we—

The Chair: Thank you, Mr. Kusmierczyk. We're right at five minutes.

Mr. Irek Kusmierczyk: That's no problem at all. You have to do your job. Thank you.

The Chair: We'll now go to Ms. Vignola for six minutes.

[*Translation*]

Mrs. Julie Vignola: Thank you very much, Mr. Chair.

For an end-to-end vaccine distribution logistics solution, the federal government awarded a contract to FedEx Express Canada, a Canadian subsidiary of an American company, and to Innomar Strategies, another American company, which has offices in the Montreal area.

For the transportation of vaccines, Amazon, UPS, FedEx and Innomar Strategies, all American companies, are being used. Are there no transportation companies in Canada that could take over, even if only for regional transportation? Is it not possible for our companies in Canada to work together? What is the problem?

I want to be clear that I am not pointing fingers. I'm trying to understand why we're not using our resources, not American resources.

Mr. Bill Matthews: Thank you for the question.

I'll start by talking about the FedEx and Innomar Strategies contract, which was awarded after a competitive bidding process. So it was a competitive process, and the winners were FedEx and Innomar Strategies. Both companies have the ability to serve the country very effectively.

[*English*]

We are very happy with how FedEx and Innomar are performing, but it was awarded based on a competitive process that was open to all, including Canadian companies. They were certainly eligible to apply, and we were looking for a service provider that could serve the country and had a specialization in vaccines, obviously, or medical supplies, because there are very specific transportation requirements for the vaccines.

[*Translation*]

Mrs. Julie Vignola: Thank you very much.

Since the beginning of the pandemic, we have been very dependent on China for the supply of personal protective equipment and other materials. So I'm referring to the dependence on others. The proportion of equipment supplied by Canadian companies has increased, at least I hope so.

Can you tell me what proportion of equipment was supplied by foreign countries at the beginning of the pandemic compared to today?

Mr. Bill Matthews: Thank you for the question.

At the beginning of the pandemic, it was a matter of getting goods as soon as possible. Those goods often came from China, as the member mentioned, as well as from other countries.

[English]

As the year went on, Canadian industries were scaled up, so you certainly saw a greater number of contracts being awarded to Canadian companies that were often getting into new business lines. I think we are now, and this links to the questions from the previous member, at about 40% of contracts to domestic suppliers.

• (1730)

[Translation]

Mrs. Julie Vignola: Thank you very much.

As you mentioned, we have been and remain dependent on China. China is a major industrial producer, but its ethics can be questioned. You are aware of the human rights issue, not only with the Uyghurs, but with the whole population. I'm also talking about the Canada-China agreement, which China abandoned, and a host of problems ensued. The list is long.

Apart from China, there are 190 other countries in the world. I would imagine that there are producing countries with which we could do business. Why don't we do more business with ethically responsible countries, rather than China? It's not a trick question, it's just a question.

Mr. Bill Matthews: Thank you for the question.

Yes, Canada could do business with other countries, but some goods are concentrated in two or three countries.

[English]

Especially with PPE early on, three or four countries were specializing in this equipment. We have seen, as the pandemic has gone on, broader diversification in terms of where these goods are located or manufactured. You now see N95 masks being made in two locations in Canada, in Quebec as well as Ontario. You see gowns, you see face shields, but when this started there was a heavy concentration of goods being made in China, and that was just the way the market looked. There are still a couple of goods that only a handful of countries manufacture. Gloves are one I would point out and there are only a couple of countries that manufacture gloves.

[Translation]

Mrs. Julie Vignola: Yes, I see.

On May 4 last year, Public Services and Procurement Canada posted a letter of interest and request for information on the buyandsell.gc.ca website to solicit interest from large logistics service providers. The request for proposals period closed on May 7, three days later. I believe UPS was awarded the contract.

Did they know about the request before it was issued? How many proposals were submitted? Three days is not a long time to turn around and respond to an offer. It seems to me that this is below the usual standard.

[English]

The Chair: Mr. Matthews, if you could do that fairly quickly, I'd appreciate it.

[Translation]

Mr. Bill Matthews: Mr. Chair, I think I'm going to have to provide a written response to the committee.

[English]

The Chair: Okay. Thank you very much. We greatly appreciate it.

Mr. Green, you have six minutes.

Mr. Matthew Green: Thank you.

I want to begin by commending PSPC for its tilt and pivot towards domestic procurement on critical life-saving PPE. I know we heard in the opening remarks that something like 44% of the dollar values were produced in Canada, which I think is important. It is important to have domestic supply chains, as the previous speaker, my friend Ms. Vignola, pointed out.

I'm wondering about the dollar value. How much money would that represent going to Canadian firms on these 137 contracts?

Mr. Bill Matthews: I think, Mr. Chair, we'll have to do some quick math and maybe before the end of this round we can get back with a number.

Mr. Matthew Green: As just a ballpark figure, take a guess.

Mr. Bill Matthews: I'm guessing somewhere around 40% of probably \$600 million, but don't hold me to that. My colleagues will do some math while—

Mr. Matthew Green: When doing that calculation, Mr. Matthews—through you, Mr. Chair—would you include the tax?

Mr. Bill Matthews: Would we include the tax? Do you mean in terms of the value of the contracts?

Mr. Matthew Green: In terms of the overall cost of the program, would you include the sales tax if there is provincial local sales tax?

Mr. Bill Matthews: We'll have to check, but typically when you see government disclosures of government contracts, you'll often see the pre-tax value and then the tax above, because the way departments are funded, there are actually two separate buckets of money, one for operation—

Mr. Matthew Green: Through you, Mr. Chair, is that \$600 million pre- or post-tax?

Mr. Bill Matthews: We'll have to get back, Mr. Chair.

Again, don't hold me to that \$600 million. I understand the question, and we'll come back and give you a number that includes pre- and post-tax—

Mr. Matthew Green: Sure. I'll just put it on the record. It's a question that's not going away, Mr. Matthews.

Mr. Bill Matthews: I know—

Mr. Matthew Green: I'm seeking clarity on the way that your department costs procurement, and the inconsistencies in which I've had.... I've had the opportunity now to go to public accounts and ask Treasury Board this same question, and there are some significant inconsistencies in the way that procurement is doing its cost estimates.

I'll go on—

• (1735)

Mr. Bill Matthews: Do you mind, Mr. Chair, if I respond to that? I appreciate the nature of the question, but I—

Mr. Matthew Green: It was a statement, and I have four minutes left, so what I'll do now is go on to your statement back in July of 2020, when you mentioned that you had “secured” a “significant” amount “of PPE and other medical equipment and supplies to support front-line health care workers”.

What's the current level of our PPE and medical equipment that we've secured and that we have for our frontline health care workers?

Mr. Bill Matthews: I think it's over two billion items of PPE.

In terms of what's been distributed versus what's sitting in warehouses owned or operated by the federal government—in this case, the Public Health Agency—we'd have to circle back to them to get an answer, but just to give you a sense of order of magnitude, in terms of the warehouse space that is being utilized by the Public Health Agency of Canada now, we're up over two million square feet in terms of warehouse space versus where we were when the pandemic started, just to give you a sense of the volume—

Mr. Matthew Green: Just to be clear, through you, Mr. Chair, there are two million more square feet than before the pandemic started?

Mr. Bill Matthews: I believe that's the correct number.

Mr. Matthew Green: Would you then go on the record and just in your own personal, professional opinion acknowledge that it was perhaps a mistake to shutter three national emergency strategic stockpile facilities under the guise that we didn't need the square footage and we were going to save a couple of hundred thousand bucks?

Mr. Bill Matthews: I think the only thing I would offer on that front, Mr. Chair, is that the pandemic has certainly required an awful lot more joint procurement with the provinces, so more is flowing through the Public Health Agency than you would have seen in the past, and that has required an increase in the amount of space available.

Mr. Matthew Green: Would that be more or less than we had in total prior to shuttering the three critical national emergency strategic stockpile facilities?

Mr. Bill Matthews: I'm not certain, Mr. Chair, because I don't know what the square footage of that particular space was.

Mr. Matthew Green: It would be interesting, and I look forward to finding out.

Also in July, the minister announced the creation of an “essential services contingency reserve”—it sounds a lot like a national emer-

gency strategic stockpile—and that this was a “backstop that will provide organizations with PPE on a cost-recovery basis”.

Is the essential services contingency reserve fully operational? If so, when did it begin operating?

Mr. Bill Matthews: It is indeed fully operational, Mr. Chair. We'll have to get you an exact date in terms of when it became fully operational, because it was gradually building up its inventory—

Mr. Matthew Green: Do you know how many requests they've had to access it?

Mr. Bill Matthews: Mr. Chair, we can come back with the requests, but I would make the point that this reserve is open to a different kind of group of industries—

Mr. Matthew Green: Sure. Would you talk about which sectors would be accessing it?

Mr. Bill Matthews: Absolutely. This is where I was going with the response, Mr. Chair.

When you think about the national reserve, it's very much health care related, but this essential services reserve—energy and utilities, finance, food and water, transportation, public safety—is for a broader group of industry types.

Mr. Matthew Green: Would these be government organizations or would they be private corporations?

Mr. Bill Matthews: They would be private, and potentially government as well if they fell in that list of categories of industries or services that met the needs of essential services.

Mr. Matthew Green: Would you think that PPE is part of basic public health and safety within the context of our labour laws?

Mr. Bill Matthews: I'm not sure I understand the question, Mr. Chair.

Mr. Matthew Green: The question that I put to the Minister of Health is if she would consider applying the Westray law to private corporations that refused and failed, through criminal negligence, to provide basic, critical PPE in a time of pandemic.

Now I'm understanding that the government is footing the bill for these private corporations. I'm wondering if this would be a covering off of a shortfall under our labour laws for basic public health and safety.

Mr. Bill Matthews: I think the distinction there, Mr. Chair, is that this essential services reserve is open on a cost recovery basis to these industries, so it's not the government footing the bill and—

Mr. Matthew Green: Have there been any preliminary conversations about a government—

The Chair: Thank you, Mr. Green.

We'll now go to Ms. Harder for five minutes.

Ms. Rachael Harder: Thank you, Mr. Chair.

The Prime Minister confirmed today, and I quote, that there have been a few delays here and there.

This is contrary to what the minister just said. She was trying to claim that we're very much ahead of schedule and everything is hunky-dory. It's all good to go.

Based on what the Prime Minister has said—that there have indeed been a few delays here and there—I'm wondering what your department is doing in order to make sure that we are adequately prepared should there be a large surge of the number of vaccines that are received all at once.

● (1740)

Mr. Bill Matthews: There are a couple of points to make here.

I think I would distinguish between targets and “delays here and there”. Targets we very much talk about quarterly. With regard to delays, we have seen delays of a few days come through with Moderna shipments, and that certainly doesn't impact a quarterly target, but what's important for provinces here is that they have a sense of what's coming in the next six to eight weeks so they can properly plan.

I think, as was mentioned, you will see increased doses delivered. Pfizer is a good example. We'll be going to two million a week in June. Provinces know that and can plan for it. There won't be a giant dump of vaccines all in one day. We have to give provinces notice so that they can properly plan, but all the industries here are scaling up, so you are going to see a very steady increase in terms of doses delivered per week.

Ms. Rachael Harder: Thank you, Mr. Matthews.

On March 24 the minister of PSPC told the committee that if Canada had extra doses—and she confirmed this again today—those doses would then be shared with the developing world. I'm wondering what processes or mechanisms are being put in place to make sure those vaccines are adequately stored and then shipped to the countries where they need to go.

Mr. Bill Matthews: There are two points here, Mr. Chair.

Number one, in terms of the processes to determine where they go and when, that's more for other ministries to weigh in on—

Ms. Rachael Harder: Why would that be for other ministries?

Mr. Bill Matthews: PSPC is procuring them and bringing them into the country, but in terms of where they go, it's more of a Global Affairs, international trade type of—

Ms. Rachael Harder: Once they get here, though, it is PSPC that's responsible for making sure that they're properly stored. Is that correct?

Mr. Bill Matthews: That's part two of my response. Yes, absolutely. In the contract we have in place with FedEx and Innomar, part of that contract—and indeed the reason for their expertise—is the proper storage of the vaccines, because they all have unique storage requirements. PSPC does indeed have a role there through our contractor.

Ms. Rachael Harder: Mr. Matthews, on March 24, when you were here before the committee you said, and I'll quote:

I'll just add this.

Canada's vaccine portfolio is seven different vaccines, and they're very different. They are across three different technologies, so the prices vary depending on the type of vaccine and the number of vaccine doses you buy.

I don't think it's appropriate for me to offer up an average price at this time.

Mr. Matthews, I'm asking you again, is now an appropriate time? Would you be able to offer the average price of a vaccine?

Mr. Bill Matthews: Mr. Chair, no, I'm not in a position to do that just yet. It relates to both current relationships with the suppliers and to ongoing negotiations. I just don't feel it would be appropriate for me to share that information with a risk of influencing those negotiations.

Ms. Rachael Harder: Mr. Chair, through you, there are ongoing negotiations, yet contracts are already signed and everything is good to go. This doesn't add up for me. Why are there ongoing negotiations if we already have the world's best portfolio?

Mr. Bill Matthews: Mr. Chair, I can't predict the future here, but there's an open question on what the durability of vaccines is. Contracts are absolutely lined up for the current year in what I'll call “round one” of vaccines, but I think to properly plan, one has to be ready for the potential that vaccination becomes a multi-year type of endeavour.

Ms. Rachael Harder: You talked about properly planning, and I'm so glad you did, because I'm wondering what the department is doing in terms of booster vaccinations and looking into that. I certainly know other countries are going in that direction. They're already starting their procurement process.

Canada obviously was very much behind the curve in terms of our procurement of the vaccinations that we're accessing now. Are there steps being taken to make sure that we have access to the boosters as needed?

Mr. Bill Matthews: There are a couple of points here, Mr. Chair.

First and foremost, Canada was one of the first countries, or early countries, to get contracts in place with Pfizer, Moderna and Johnson & Johnson. Experience with others was different, so I'm not sure what the basis for that is.

In terms of booster procurement, we're absolutely in ongoing discussions with all of the suppliers to find out what their future plans are—whether it's a new and different vaccine or a booster to their existing vaccine. Those discussions are indeed under way.

Ms. Rachael Harder: There were conversations taking place with vaccine companies starting in March and April of last year. The only place that Canada went was to a Chinese-based company, and then of course that fell through the floor.

Then contracts weren't actually picked up again until late summer, so it's actually misleading to say to this committee and to the general Canadian public that this was something that we were already on top of and that everything was running smoothly all summer long. It's totally inappropriate to say that.

● (1745)

The Chair: Thank you, Ms. Harder.

We'll now go to Mr. Drouin for five minutes.

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

I've listened to a few of my colleagues whom I really appreciate, and I know that when the cameras are off they're the best in the world and they're collegial. I just hope that in the future, when witnesses come before us, we think of one thing, and one test that I have, since Mother's Day is coming, is if you would talk to your mother the way certain members are talking to our current witnesses. The answer is probably no.

I hope that in the future we can learn that and just think about our mothers. That's the test I use to ask questions and stay polite to our witnesses.

That said, Mr. Matthews, thank you for coming before our committee, along with the staff before us.

I want to touch base on a question that was raised by my colleague Mr. McCauley. Just so we are clear, the Government of Canada signed a contract for the number of doses and not the number of vials. Whether there are 10 doses in a vial or five doses in a vial, it doesn't matter. Is that correct?

Mr. Bill Matthews: Absolutely correct, Mr. Chair. It is based on the number of doses delivered, and those doses are counted based on the regulatory approval given by Health Canada. Indeed, there was a change in terms of Pfizer, and that change was made on a go-forward basis only.

Mr. Francis Drouin: Then is PSPC not the body that decides how many doses to extract from a vial? Would Health Canada be the body that would make that decision and change the label on how many extractions can be made from that particular vial, obviously along with the company?

Mr. Bill Matthews: Yes, Mr. Chair. I'm a little out of my depth here, but the company would have to apply for that type of regulatory change and the Health Canada regulator would then make an assessment and take a decision, both in terms of yes or no, and then when the effective date would be.

Mr. Francis Drouin: I know that in order to extract more doses per vial, we needed a special type of syringe. When did PSPC start negotiating that particular contract to get those low dead-volume syringes?

Mr. Bill Matthews: I will turn to my colleagues here, Arianne and Michael, in a moment, but I think those negotiations or discussions started in advance, but not too far in advance, and one of the things we wanted to do, just as with the vaccine portfolio itself, was to get some diversification, because these syringes were obviously in high demand across the globe, so you didn't want to be reliant on just one supplier. We now have supplies coming from a number of sources.

Arianne or Michael, do you want to touch on when we started negotiations? I must admit it feels like a distant memory.

Mr. Michael Mills: We started negotiations in early February.

Mr. Francis Drouin: Great. Thank you.

One of the accusations we often hear is that Canada was dead last in negotiating contracts. If my memory serves me correctly,

when Canada signed contracts, whether it was with Moderna or Pfizer, none of the clinical trials were completed. Is that correct?

Mr. Bill Matthews: That's correct. They were all signed before clinical trials had wrapped up. The contract is a product of months of discussion in some cases, and there are many steps along the way. The process was different for each supplier, but they were indeed concluded before clinical trials had finished.

Mr. Francis Drouin: Great. Yes, I could understand that buying forks and knives is probably easier than buying vaccines, especially not knowing whether or not those vaccines would be successful in helping Canadians fight COVID-19.

I want to touch base in terms of contract transparency. The question of when we are going to publish contracts comes up at every committee. I'd like to know what PSPC has done to date to provide information about contract transparency.

Mr. Bill Matthews: There are a number of things, but first and foremost it's an ongoing dialogue with the vaccine providers, because it's a discussion in terms of what each party is comfortable in making public. I include the government in that. As I mentioned earlier, we don't want anything made public that would compromise ongoing negotiations with these suppliers. We reached out to all the companies. We've written to them, and we are now working through with them what might be appropriate to disclose. That process is ongoing.

• (1750)

The Chair: Mr. Drouin, you have five seconds.

Mr. Francis Drouin: Thank you so much.

The Chair: There's the bell there.

We'll go to Ms. Vignola for two and a half minutes.

[Translation]

Mrs. Julie Vignola: Thank you very much, Mr. Chair.

My questions are about tracking systems.

In January, Deloitte was awarded a \$16.1 million contract to develop an enhanced national vaccine management IT platform. This platform will be in addition to the current IT systems.

It has been said ad nauseam that the government's IT systems are outdated and heavily used. Do the current networks have the capacity to support a new platform and ensure that the data is secure?

Mr. Bill Matthews: Thank you for the question.

I could give you a more detailed answer in writing.

However, I can tell you that we have awarded a contract to Deloitte for systems enhancements as a result of a competitive process, as the member has indicated.

[English]

I'm not sure it's possible. My colleagues, Michael and Arianne, have an update on how that project is going, but I don't have one. Certainly, if my colleagues do not have one, we can get back to you with a written update.

[Translation]

Mrs. Julie Vignola: I would like to receive the update.

[English]

Ms. Arianne Reza: Thank you for the question, Mr. Chair.

I'll note that the milestones of linking to the provincial databases and systems have been met, and progress continues. We can work with PHAC to get you an update.

[Translation]

Mrs. Julie Vignola: Thank you very much.

Does this inventory and tracking system also allow, or will it allow, for real time tracking of PPE, depending on the status of the project?

Mr. Bill Matthews: Once again, I can't answer that question. The Public Health Agency of Canada officials would be better able to answer that.

Mrs. Julie Vignola: Okay.

At this point, how many countries have supplied the equipment in the national stockpile?

Mr. Bill Matthews: I don't know. I can provide an answer after the meeting.

[English]

To get back to the member's earlier question around the useful life of syringes and how many we have, they have a long, useful life. It's up to five years. The inventory we're buying is indeed good for an extended period of time, so there's not a fear of stockpiling on that front.

The Chair: Thank you.

We'll now go to Mr. Green for two and a half minutes.

Mr. Matthew Green: I'm happy to pick up on the Deloitte contract. I'm always amazed to hear how many times Deloitte's name pops up in procurement, in this case for \$16.1 million.

At what point in the procurement process does PSPC hand over the carriage of the project to another department? Is it as soon as the contract is signed, or does the department still retain some responsibility to see that it's up and running?

Mr. Bill Matthews: I guess there are two points here, Mr. Chair.

Number one, when the contract is signed, the primary relationship becomes between the successful bidder and the client department, so in this case, Deloitte would be working with the Public Health Agency and Health Canada on that assignment.

PSPC retains a role if there are issues with performance, potential amendments, a change in scope or things like that. PSPC would have an ongoing role, so we do keep a fairly loose eye on these larger contracts just in case there are changes.

Mr. Matthew Green: Given that loose eye, is the national vaccine management information technology platform up and running?

Mr. Bill Matthews: It's a milestone-based approach, Mr. Chair, in which there are a number of milestones and enhancements.

Mr. Matthew Green: Is it on time and on budget, given the milestones?

Mr. Bill Matthews: I think largely on initial milestones—and it's early days here still—they are more or less on schedule. It's a performing contract. That's the way I would describe it at this stage.

● (1755)

Mr. Matthew Green: I just know that in my time on the public accounts committee, the Auditor General brought forward a scathing report on PHAC in regard to systems failures on monitoring, tracking and surveillance of the COVID response. I'm wondering if that is what this is for. Is this to offset some of the failures in tracking? What exactly is the role of the management information technology platform?

Mr. Bill Matthews: The scope on this one—and my colleague Arianne can help me out a little bit as well—is around tracking information related largely to vaccine deployment and information gathering on safety and so on.

Mr. Matthew Green: Would it be safe to say, then, that prior to this procurement the government didn't have a platform in place that was adequate?

Mr. Bill Matthews: On this one, I think we have to always remember that actual delivery of health services and programs is the responsibility of the provinces, so there is a question—

Mr. Matthew Green: In your briefing—through you, Mr. Chair, to Mr. Matthews—what problem was this solving for the federal government?

Mr. Bill Matthews: Again, I think that's a better question, Mr. Chair, to pose to the Public Health Agency, because this was about putting in place a national information system around vaccines, but in terms of the—

Mr. Matthew Green: Well, I guess I'll take it that prior to this, there wasn't—

The Chair: Thank you.

Mr. Matthew Green: —a national platform in place and the federal government wasn't able to track the delivery of these vaccines.

The Chair: Thank you. We'll now go to Mr. Van Popta for five minutes.

Mr. Tako Van Popta (Langley—Aldergrove, CPC): Thank you, Mr. Chair, and thank you to the witnesses for being here.

I have a question about the AstraZeneca vaccine and how important a piece it plays in getting all Canadians vaccinated. I understand that there's a commitment from the government that 36 million doses, I think, will be delivered by the end of June, and 118 million before the end of September. How important is the AstraZeneca vaccine in that portfolio?

Mr. Bill Matthews: There are two key points here. The minister already touched on this earlier.

Moderna and Pfizer are certainly the workhorses or make up the biggest volume in terms of meeting those targets. Clearly, to the extent that AstraZeneca is rolled out, that only helps matters, but I would say, in terms of meeting the targets that are out there, it's largely a story on Moderna and Pfizer.

Mr. Tako Van Popta: Thank you. What percentage do you think will be AstraZeneca? I ask that question in the context of people in my riding being reluctant to take the AstraZeneca vaccine because of some bad press that it has received. The Prime Minister and the Minister of Health have said on numerous occasions that the best vaccine for you is the first one that is offered to you, which makes a nice tag line, but people don't necessarily believe that.

Mr. Bill Matthews: I think the percentages will depend on what the guidance is from the various provincial health authorities in terms of how they use AstraZeneca. I can't pretend to have knowledge across the country here, but I think most are now focusing in on the age group above 55 and under 65, a pretty narrow age range. If that changes, obviously AstraZeneca would play a bigger role, but for the moment, I think it's very focused on that range.

Mr. Tako Van Popta: Understand that these of course are the people I'm speaking to, the ones who are being recommended for the AstraZeneca vaccine, and there is, I have to tell you, some reluctance to accept it.

I understand as well that Canada has obtained some of the AstraZeneca vaccine supply from the United States, and that they apparently feel that they now do not need that as part of their portfolio. Can you comment on that? I don't know if that is actually a true statement, but that is what I'm hearing.

Mr. Bill Matthews: There are two points there, Mr. Chair.

I can't speak to need in the U.S. for AstraZeneca. The fact is that the vaccine is not yet approved for use in the U.S. by their regulatory authority, and yet there's manufacturing taking place there. Working with AstraZeneca and the U.S. government, we were able to effectively get an exchange of doses to bring forward 1.5 million doses because Canada has a contract with AstraZeneca. We would then pony up for the U.S. at a later date, when appropriate, but it was more just getting an advance on the doses owed to Canada under the contract by using the U.S. government as a go-between.

Mr. Tako Van Popta: Good.

I have a question about the contract that we have with AstraZeneca. Is there anything in there about liability waivers, with the pharmaceutical company saying that it will not be held liable and shifting the liability to the Government of Canada?

Mr. Bill Matthews: There are two points here, Mr. Chair.

I won't get into specifics about what's in the contracts, but the government has announced a no-fault compensation regime related to vaccines and any health outcomes as a result, so that kind of speaks to where the liability sits.

• (1800)

Mr. Tako Van Popta: In plain language, does that mean that the liability sits with the Government of Canada, not with the pharmaceutical company?

Mr. Bill Matthews: If you have a no-fault compensation regime in place, generally speaking, the liability would sit with the government, and that's fairly standard practice across the G7. Canada was a bit of an outlier on that front.

Mr. Tako Van Popta: Sorry, could you explain that? How was Canada a bit of an outlier on that?

Mr. Bill Matthews: I mean in terms of not having one of those regimes. Most other countries do have a no-fault compensation regime around vaccines. Canada did not have one in place but recently announced one, I think in 2021 or late 2020.

Mr. Tako Van Popta: Okay.

I'm going to switch over to the COVAX supply source. Many Canadians I've spoken to were surprised that Canada is receiving doses from there. Shouldn't that be left for developing countries? That's what the common thinking is. Could I have your comments on that, sir?

Mr. Bill Matthews: The COVAX facility has two kinds of features. One is the ability to access vaccines at a subsidized rate or an efficient rate for poorer countries, but there's also a mechanism there for countries to contribute to and gain access to a portfolio of vaccines. The program was designed with that in mind, and Canada is playing on both aspects of the program.

The Chair: Thank you, Mr. Van Popta.

Mr. Tako Van Popta: Okay. Thank you.

The Chair: We'll now go to Mr. Weiler for five minutes.

Mr. Patrick Weiler: Thank you, Mr. Chair.

I want to touch on something that was brought up in this committee, and it's been brought up at other times as well, and that's the allegation that Canada was dithering in signing contracts with some of the leading vaccine candidates.

Mr. Matthews, I am hoping, if you're aware, that you could let this committee know how many countries had signed agreements with Moderna and Pfizer before Canada did.

Mr. Bill Matthews: Going from memory, I think Canada was in the top three with both, but I'd have to go back and check. We were at the table very quickly with both Moderna and Pfizer. I think the countries where the vaccine is actually manufactured were obviously at the table as well around a similar time, but we were second or third, and we had started negotiations with those companies back in early last year, in May or June.

Mr. Patrick Weiler: Thank you for that.

I want to touch on some of the questions on PPE as well.

I was hoping you could let us know what share of our spending on PPE has gone towards domestic PPE overall as part of our procurement.

Mr. Bill Matthews: We touched on this earlier, and I apologize that my mental math was very bad. Roughly, of the \$9.5 billion or so on PPE, about \$4.3 billion, or 40%, is domestic. I believe it was Mr. Green who asked that question. I think I cautioned him about the inaccuracy of my \$600-million estimate, so my caution was appropriate.

The disclosures around those contracts do include HST in the dollar amount, which I believe was another question Mr. Green asked.

Mr. Patrick Weiler: Thank you for clarifying that.

I know there were some measures during the pandemic to also provide opportunities to indigenous-owned businesses to provide PPE. I was hoping you could give us some more information about how that went.

Mr. Bill Matthews: It went forward through a couple of different avenues. One, some contracts were awarded directly to indigenous businesses. Thermometers come to mind as one example. Then we also did some competitions that were open only to indigenous businesses, two in particular around masks. We had a very successful procurement around masks that was open only to indigenous-owned businesses, and that resulted in contracts as well.

Mr. Patrick Weiler: That's great.

How is PSPC connecting with indigenous-owned businesses? Are there ways in which it is proactively seeking out the types of businesses that could offer this type of service, to help them with retooling to be able to do that? How would these businesses find out about these types of procurement opportunities?

Mr. Bill Matthews: I think there are two obvious points to make here.

Number one is through information on PSPC's website, which is open to any organization, so that's there, but for specifically targeting under-represented groups, we have an Office of Small and Medium Enterprises that places particular emphasis on groups such as indigenous companies to help them understand both the opportunities and the government procurement process to help them navigate the process and increase their chances of success.

I should have added, Mr. Chair, that the OSME group also reaches out directly to trade associations, business groups, etc., to have better access to those types of organizations.

• (1805)

Mr. Patrick Weiler: Thank you for that.

Do we have a sense as to how much of that PPE procurement overall ended up going to indigenous-owned business? I ask this because I know there has been an overall target for PSPC to meet a 5% threshold for federal contracts going to indigenous-owned businesses.

Mr. Bill Matthews: I'm going to let my colleagues correct me if my numbers are outdated, but I have between 30 and 35 contracts with indigenous companies related to the COVID response, valued somewhere around \$120 million. Before we take that as official, Mr. Mills or Arianne, do you want to correct that?

Mr. Michael Vandergrift (Associate Deputy Minister, Department of Public Works and Government Services): I'll say that's correct.

Mr. Bill Matthews: That's correct. Okay. Mr. Vandergrift, thank you.

Mr. Patrick Weiler: This may be my last question, because my time's running out.

Getting back to COVAX, how much is Canada's per capita level of investment in COVAX relative to other countries around the world?

Mr. Bill Matthews: Canada is one of the leading contributors to COVAX in terms of financial contributions, so we're right up there.

We could probably come back with an exact ranking if it's helpful, Mr. Chair, if there's one available, but I know we are one of the leading countries.

The Chair: Thank you, Mr. Matthews, and thank you, Mr. Weiler.

Thank you, everybody, for today. We started at 4:07 by the clock on my computer, and it is 6:07 at this point. We were right on time, and I appreciate that.

Mr. Matthews, thank you to you, Ms. Reza, Mr. Mills and Mr. Vandergrift for staying with us to this time. We appreciate your answers.

You did indicate that you might have one or two further responses you could provide to us, and we would appreciate it if you would forward them to our clerk as soon as you can.

Mr. Bill Matthews: We will do that, Mr. Chair.

Can I take 10 seconds? There was an earlier question around the update of our website. There are two aspects to that. One is on vaccines, which was updated April 9, the other was on PPE, which has not been updated for some time. That update is quarterly, not monthly, so the next updates for the website for PPE will be towards the end of May.

The Chair: Thank you very much, and thank you for the clarification.

I'd like to thank the technicians, the interpreters, the clerk and everybody here for the great work they've done to get this stirring today.

We're in the same room we were in on Monday and we did not have glitches and delays, so I appreciate everyone for being here and doing that.

With that said, I declare the meeting adjourned.

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