

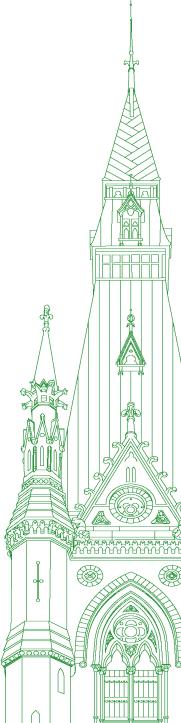
44th PARLIAMENT, 1st SESSION

# Standing Committee on Public Accounts

**EVIDENCE** 

## NUMBER 005 PUBLIC PART ONLY - PARTIE PUBLIQUE SEULEMENT

Thursday, February 10, 2022



Chair: Mr. Tom Kmiec

#### **Standing Committee on Public Accounts**

Thursday, February 10, 2022

**●** (1110)

[English]

The Vice-Chair (Ms. Jean Yip (Scarborough—Agincourt, Lib.)): I call this meeting to order.

Welcome to meeting number five of the House of Commons Standing Committee on Public Accounts. Pursuant to Standing Order 108(3)(g), the committee is meeting today to study "Report 10: Securing Personal Protective Equipment and Medical Devices" of the 2021 reports of the Auditor General of Canada.

Today's meeting is taking place in a hybrid format, pursuant to the House order of November 25, 2021. Members are attending in person in the room and remotely by using the Zoom application. The proceedings will be made available via the House of Commons website. Just so you are aware, the website will always show the person speaking rather than the entirety of the committee. I would like to take this opportunity to remind all participants at this meeting that screenshots or taking photos of your screen is not permitted.

Given the ongoing pandemic situation, and in light of the recommendations from health authorities as well as the directive of the Board of Internal Economy on October 29, 2021, to remain healthy and safe, all those attending the meeting in person are to maintain two-metre physical distancing; must wear a non-medical mask when circulating in the room, and it is highly recommended that the mask be worn at all times, including when seated; and must maintain proper hand hygiene by using the hand sanitizer provided at the room entrance. As the chair, I will be enforcing these measures for the duration of the meeting. I thank members in advance for their co-operation.

Members and witnesses may speak in the official language of their choice. Interpretation services are available for this meeting. You have the choice, at the bottom of your screen, of floor, English or French. If interpretation is lost, please inform me immediately and we will ensure that interpretation is properly restored before resuming the proceedings.

The "raise hand" feature at the bottom of the screen can be used at any time if you wish to speak or alert the chair. For members participating in person, proceed as you usually would when the whole committee is meeting in person in a committee room. Keep in mind the Board of Internal Economy's guidelines for mask use and health protocols.

Before speaking, please wait until I recognize you by name. If you are on the video conference, please click on the microphone

icon to unmute yourself. For those in the room, your microphone will be controlled as normal by the proceedings and verification officer. When speaking, please speak slowly and clearly. When you are not speaking, your mike should be on mute. All comments by members and witnesses should be addressed through the chair.

With regard to a speaking list, the committee clerk and I will do the best we can to maintain a consolidated order of speaking for all members, whether they are participating virtually or in person.

I would now like to welcome our witnesses.

From the Office of the Auditor General, we have Andrew Hayes, deputy auditor general, and Jean Goulet, principal.

From Health Canada, we have Dr. Stephen Lucas, deputy minister.

From the Public Health Agency of Canada, we have Dr. Harpreet Kochhar, president, and Cindy Evans, vice-president, emergency management.

From Public Services and Procurement Canada, we have Paul Thompson, deputy minister.

You will have five minutes to make your opening statements.

I will go first to the deputy auditor general.

Mr. Hayes, you have the floor. It's so nice to see you again.

• (1115)

Mr. Andrew Hayes (Deputy Auditor General, Office of the Auditor General): Thank you very much.

[Translation]

We are happy to appear before the committee today to discuss our audit of securing personal protective equipment and medical devices.

I want to start by acknowledging that this hearing is taking place on the traditional unceded territory of the Algonquin Anishinaabeg people.

Joining me today is Jean Goulet, the principal who was responsible for the audit.

Personal protective equipment and medical devices are essential to the safety of Canadians, especially in health care settings and during a pandemic. Effective management ensures that increased demand can be met in a public health emergency.

The audit focused on whether the Public Health Agency of Canada and Health Canada helped to meet the needs of provincial and territorial governments for N95 masks, medical gowns, testing swabs, and ventilators before and during the COVID-19 pandemic. The audit also focused on whether Public Services and Procurement Canada provided adequate procurement support to the Public Health Agency of Canada.

We found that, before the pandemic, the Public Health Agency of Canada had not addressed long-standing and known issues affecting the systems and practices used to manage the National Emergency Strategic Stockpile. There was no rationale justifying the quantities of equipment held in the stockpile. Some inventory records were inaccurate, and the agency lacked timely and relevant information to manage the stockpile. As a result, the agency managed the stockpile reactively and was not as prepared as it should have been to deal with the surge in requests for equipment that was triggered by the pandemic.

Despite these pre-existing issues, we found that, when faced with the pandemic, the Public Health Agency of Canada, Health Canada and Public Services and Procurement Canada adapted their activities and helped meet the needs for personal protective equipment and medical devices across the country. As the pandemic persisted, collaboration and communication among the agency and other federal organizations, provinces and territories continued to improve.

#### [English]

The Public Health Agency of Canada moved from reactive management to informed planning and allocation. An initial shift to a bulk procurement strategy, combined with improvements to how it assessed needs and allocated equipment, allowed the agency to meet the record number of requests for equipment from the provinces and territories. The agency also increased the capacity of the stockpile by outsourcing much of the warehousing and logistical support needed to deal with the exceptionally high volume of purchased equipment.

Health Canada reacted to the increased demand during the pandemic by modifying how it managed licence applications from suppliers so that they could be processed more quickly. The adapted process allowed for medical devices to be imported and sold while the licence applications were being evaluated. Should the evaluation subsequently show a problem, the department can take action. For example, it can seize equipment, stop the sales and prevent future imports.

Public Services and Procurement Canada quickly adapted its procurement activities. The department adjusted to the situation by adopting bulk procurement, reassigning staff and streamlining processes so that contracts could be awarded faster. The department also adjusted to the pandemic by accepting some risks, such as often paying in advance. This expedited the purchase of large quantities of equipment in a highly competitive market where supply did not always keep pace with demand. However, the department did this without always conducting an assessment of the supplier's financial viability.

If the agency and the departments had not adapted their approaches to the circumstances, it is unlikely that the government

would have been able to acquire the volume of equipment that was needed.

The Public Health Agency of Canada, Health Canada and Public Services and Procurement Canada agreed with the four recommendations we made in our report and have prepared action plans to address them.

Madam Chair, this concludes my opening remarks. We would be pleased to answer any questions the committee may have. Thank you.

#### • (1120)

The Vice-Chair (Ms. Jean Yip): Thank you.

We now move to Dr. Stephen Lucas.

Mr. Stephen Lucas (Deputy Minister, Department of Health): Thank you, Madam Chair.

I'd like to thank the committee members for the opportunity to appear today.

#### [Translation]

Throughout the pandemic, the Public Health Agency of Canada and Health Canada have worked to facilitate the distribution of medical supplies and equipment to provinces and territories to support Canada's COVID-19 response.

#### [English]

In March 2020, Health Canada and the Public Health Agency worked closely with partners for the provision of timely and accurate data related to purchased personal protective equipment, or PPE, and medical devices, including those shipped to the provinces and territories. As part of this, as mentioned in the Auditor General's report, we developed a supply-and-demand modelling tool that allowed us to assess the sufficiency of stocks held by federal and provincial or territorial holdings, along with expected deliveries, and then compared these to the anticipated demand for PPE across the economy, in particular in the health sector, and with the modelling informed by an epidemiological model in terms of the expected demand for different health scenarios.

Health Canada's role as it pertains to recommendation 10.82 of the report concerns authorizing the sale of medical devices in Canada. Health Canada regulates the advertising, importation and sale of medical devices. This includes diagnostic tests, ventilators, swabs and PPE.

The regulation of medical devices in Canada is based on risk. Devices are classified into four classes, with class I presenting the lowest potential risk and class IV the highest risk. Under this system, all medical devices, including respirators, are subject to the safety and effectiveness requirements of the medical devices regulations.

Under the regular regulatory framework, only higher-risk devices, classes III and IV, are subject to a premarket scientific review. Respirators are class I devices and therefore do not require device-specific premarket authorization under the regular authorization process. The establishments manufacturing, importing and distributing class I devices are subject to the medical device establishment licensing regulatory requirements. However, through interim orders used to introduce regulatory flexibilities in the context of the pandemic, manufacturers have the choice between two authorization pathways for class I medical devices: the new interim order pathway and the regular medical device establishment licensing pathway.

Under the interim order pathway, manufacturers of class I devices submit an application to demonstrate the safety, effectiveness and quality of their medical device. Health Canada conducts a scientific review of the application before authorizing the sale of these devices. Alternatively, manufacturers of class I devices can obtain a medical device establishment licence from Health Canada, which is the regular authorization pathway for class I devices. Under this pathway, the department maintains regulatory oversight of products coming onto the Canadian market through establishment inspections and compliance verifications to identify risks. Officials make admissibility decisions on products received at the border.

Regardless of the pathway chosen, all medical devices are subject to the safety and effectiveness requirements of the medical devices regulations, and companies are required to provide Health Canada with information promptly, if requested.

In report 10, the OAG asked Health Canada to determine whether respirators are appropriately classified, given that class I medical devices are not subject to a Health Canada review of safety and effectiveness information under the regular regulatory authorization process. This is why Health Canada has been conducting premarket evaluations of all applications for Canadian respirators received under the medical device interim orders, even though they are class I. We will continue to do so as long as this alternative regulatory pathway remains in effect.

#### • (1125)

[Translation]

In addition, in response to recommendation 10.82, Health Canada agrees with the Auditor General and has already convened a team to begin assessing the classification rules associated with lower risk devices, including respirators.

As indicated in the Management Response and Action Plan, Health Canada will complete a thorough analysis of the classification of respirators.

[English]

Madam Chair, I'd like to thank the committee for inviting me. I'd be pleased to answer any questions you may have.

The Vice-Chair (Ms. Jean Yip): Thank you.

Now we will move on to Dr. Harpreet Kochhar.

Dr. Harpreet S. Kochhar (President, Public Health Agency of Canada): Thank you, Madam Chair, for the opportunity to speak to you today about the progress the Public Health Agency of Canada

has made to address the recommendations in the Auditor General's report regarding personal protective equipment—PPE—and medical devices.

Joining me today is Ms. Cindy Evans, vice-president of the emergency management branch. This is the branch responsible for managing the national emergency strategic stockpile, commonly referred to as the NESS.

The Public Health Agency of Canada manages the NESS to provide surge support to provinces and territories during an emergency, when their own resources are insufficient, such as during infectious disease outbreaks, natural disasters and other public health events. The stockpile includes a variety of medical supplies, such as PPE, vaccine ancillary supplies, medical equipment and pharmaceuticals, and social service supplies, such as beds and blankets.

Throughout the pandemic, the agency quickly adapted and responded to the changing circumstances, including risks posed by emerging variants, updates to public health guidance, changes to clinical practices, impacts of provincial and territorial decisions about public health measures within their jurisdictions, and emerging health technologies.

PHAC continues to work with provincial and territorial partners to monitor the sufficiency of NESS inventories. As of February 9, key supplies within the national emergency strategic stockpile inventory include around 19.7 million units of N95 respirators, 282 million units of surgical masks, 13 million units of face shields, 810 million pairs of nitrile gloves, 111 million units of disposable gowns and 210 million units of needles and syringes.

We continue and will continue to take steps to address emerging supply gaps if required. We continue to proactively distribute incoming medical supply equipment, such as PPE and vaccine ancillary supplies, to provinces and territories to support Canada's COVID-19 response.

While significant strides have been made since the beginning of the pandemic, the Public Health Agency of Canada acknowledges it was not as prepared as it could have been prior to the COVID-19 pandemic. The agency, however, is committed to enhancing its preparedness for future public health emergencies, including working on improvements on the management of NESS.

We appreciate the Auditor General's recognition of the significant work undertaken in response to the COVID-19 pandemic and the acknowledgement that the Public Health Agency of Canada helped to meet the needs of provincial and territorial governments for PPE and medical devices during the pandemic.

PHAC accepts all the recommendations from the Auditor General. We recognize that the performance audit identifies areas for improvement that are already guiding the agency to be better prepared for future health events. The agency agreed with the recommendation of the Auditor General to develop a comprehensive management plan for NESS to support responses to future public health emergencies. The plan will focus on key areas, such as optimizing life cycle materiel management, enhancing infrastructure and systems, and working closely with provinces, territories and other key partners.

The Auditor General also recommended that the agency enforce the terms and conditions in its contract with third party warehousing. This includes the long-term contract signed in September 2020 for the provision of timely, accurate and complete data. The agency took lessons learned from early contracts with the third party warehousing and logistics services provider and included clear service-level expectations in the long-term contract signed in September 2020.

In conclusion, Madam Chair, the agency is still in active response mode and is working with our provincial and territorial partners to finish the fight against COVID-19. We're committed to responding to the Auditor General's recommendation in full within the established timelines. In the meantime, I assure the committee that we'll continue to work closely with provinces and territories to review, assess and respond to Canada's emergency management and response needs.

Thank you very much.

• (1130)

The Vice-Chair (Ms. Jean Yip): Thank you.

Mr. Thompson, you have the floor.

Mr. Paul Thompson (Deputy Minister, Public Services and Procurement Canada): Thank you very much, Madam Chair. I am very pleased to appear before the committee for my first time as deputy minister of Public Services and Procurement to discuss the Auditor General's report on securing personal protective equipment and medical devices during the COVID-19 pandemic.

I'd also like to provide an update on PSPC's action plan regarding the one recommendation that was provided to our department.

At the outset of the pandemic, my department was tasked with an extraordinary responsibility, to procure essential supplies to protect the health and safety of all Canadians at an unprecedented scale and pace. Procuring the goods and services required to respond to the pandemic, particularly in the first 100 days, was an around-the-clock effort. The global nature of this situation meant that we were competing with all countries, many with far greater purchasing power, for scarce supplies.

PSPC took an aggressive approach to fulfill immediate, emerging and long-term medical supply needs, including buying in bulk from distributors in Canada and internationally on behalf of and at the request of provinces and territories.

With the explosive increase in demand for medical equipment in the first few months of the pandemic, PSPC used all available tools to protect Canadians. This included making use of existing prequalified suppliers using PSPC's emergency contracting authorities for shortened tendering periods and sole-sourcing, and in some instances, making advance payments to secure scarce PPE.

I would note for committee members that we continue to use some of these approaches where needed, for example, to secure hundreds of millions of rapid tests that are in such high demand right now around the world. The vast majority of our contracts were successfully carried out, and this approach allowed us to secure over 2.7 billion pieces of PPE and medical supplies.

As the Auditor General's report notes, PSPC mobilized its workforce and adapted quickly to deliver on urgent procurement requirements for Canadians. The report also acknowledges that PSPC accepted and mitigated risks in order to procure large quantities of equipment in a very competitive market.

[Translation]

Our response was effective, but as with most emergency situations, there are lessons to learn.

In her report, the Auditor General identified one recommendation for the department regarding financial checks of suppliers when advance payments have to be made. We accept the recommendation.

I can report that the department has since identified a number of measures to strengthen procurement in an emergency, including improved processes for due diligence before issuing advance payment.

We have also updated tools and processes to further manage and mitigate risk, including the development of an emergency procurement checklist to better document decision-making when awarding contracts.

Today, we are in a vastly different situation. The market has stabilized and domestic production of personal protective equipment has increased. Our department has also returned to the use of competitive bidding processes wherever possible.

From day one, Public Services and Procurement Canada has worked tirelessly to acquire supplies and equipment to support Canada's front-line health care workers, and all Canadians.

As we continue to support Canada's response to the pandemic, the Auditor General's observations have helped refine our approach and will enhance our response to future emergency situations.

Thank you. I am happy to take your questions.

**•** (1135)

[English]

The Vice-Chair (Ms. Jean Yip): Thank you.

We'll now go into our rounds of questions, beginning with the official opposition for six minutes.

Mr. Lawrence.

### Mr. Philip Lawrence (Northumberland—Peterborough South, CPC): Thank you, Ms. Yip.

I'd just like to start by thanking all of the panellists for their time and also for their commitment during COVID-19. My questions will start with the deputy auditor general and then proceed to Dr. Kochhar.

I just wanted to go over the fact that I believe—and I think it is well established—that we were woefully unprepared when it comes to the procurement and the maintenance of PPE equipment. It created significant challenges for our provinces and our frontline workers. The fact is that we had limited resources going forward. Would the deputy auditor general agree with me?

Mr. Andrew Hayes: Our audit findings confirm that the NESS, the national emergency strategic stockpile, had not established what, and how much, should be stockpiled for a public health emergency. We also found that there were opportunities to improve the way they managed information, their information system. These are important things that the Public Health Agency of Canada knew about from internal audits and we had hoped that they would have taken action on some of these long-standing issues.

We were happy to see that the agency had reacted quickly during the pandemic to address the increased needs of the provinces and territories and worked with them to meet their needs, as—

Mr. Philip Lawrence: Thank you, Mr. Hayes. My time is limited. I do understand and we will talk about the procurement component, but right now I just want to focus on the events that led up to it

Can you also confirm that there were audits in 2010 and 2013, and this agency, I don't know of a better term, "ignored" the recommendations that came from those audits?

**Mr. Andrew Hayes:** I can confirm that those were internal audits conducted by the agency, and that we found the findings from those internal audits had not been fully implemented.

Mr. Philip Lawrence: Dr. Kochhar, I'll shift to you now.

We've heard from the deputy auditor general and we've seen in this report that we had significant lapses here that put our frontline workers in not a great position, that put our provinces in a challenging position. There were serious issues with that.

I believe in accountability. Therefore, could you please advise how many individuals have been held accountable? Has any individual at Public Health realized any repercussions due to this tremendous failure?

**Dr. Harpreet S. Kochhar:** Madam Chair, I'd start by saying that there are multiple lessons learned from this aspect, and as the deputy auditor general pointed out, we've actually pivoted very quickly to respond to what was the need of the hour. We worked together with all the other departments and agencies.

Of course, this is the pandemic of once in 100 years—

**Mr. Philip Lawrence:** I'm sorry, sir, but my time is limited and I would like to focus on the events leading up to it and the accountability. I asked a fairly direct question, so I would appreciate a direct answer.

Were any officials held to account? Was there any type of discipline, any suspensions, any firings, any discipline of any kind for the individuals who were responsible for the oversight; and who were they?

**Dr. Harpreet S. Kochhar:** Madam Chair, the accountability as such rests with the Public Health Agency in a cumulative way, as well as with the provinces and territories that have their own stockpile. The process of maintaining the national emergency strategic stockpile is to actually help the provinces and territories when they exhaust their stockpiles, and we—

**Mr. Philip Lawrence:** Dr. Kochhar, my apologies. Once again, I asked a fairly direct question and I'd like a response. Was anyone held accountable?

Was there anyone whose employment was terminated as a result of these significant lapses in your department? Was there anyone who faced any discipline at all?

#### **●** (1140)

**Dr. Harpreet S. Kochhar:** As I pointed out, Madam Chair, this is a cumulative responsibility within the Public Health Agency of Canada as well as colleagues in terms of making sure that we learn from these lessons, and we continue to do that by making sure that we have the right governance and the right amount of strategic stockpile as we move forward. That is where the focus is while we are actually addressing the COVID-19 pandemic at this point.

**Mr. Philip Lawrence:** Then, to be clear, no one has been held to account, even though there were significant lapses that put our frontline workers at risk.

**Dr. Harpreet S. Kochhar:** Madam Chair, I reiterate the point that we are working very closely with our partners, making sure that we have the right complement, we have the right governance, we have the right information to support—

**Mr. Philip Lawrence:** Thank you very much. I'll move on from there and I'll take that as absolutely no one in your department was held accountable for putting our frontline workers at risk, which I find just absolutely abysmal.

In the-

Mr. Peter Fragiskatos (London North Centre, Lib.): Madam Chair, I have a point of order.

The Vice-Chair (Ms. Jean Yip): Thank you, Mr. Lawrence. Now we move on.

Go ahead, please.

**Mr. Peter Fragiskatos:** Madam Chair, since we're in the second meeting, it would probably be good to establish a practice, I would think.

Members might not like the answers that are given by witnesses, but I think, to maintain basic decorum in the committee that is arguably the most non-partisan—or should be the most non-partisan—on the Hill is important. I understand that my colleague asked a question. He didn't get the particular answer that he was looking for, but let's try to maintain, as much as possible, a respectful tone. That would just be my view, and I think it's shared.

The Vice-Chair (Ms. Jean Yip): Thank you. That is so noted.

We move now, for the next six minutes, to Ms. Shanahan.

[Translation]

Mrs. Brenda Shanahan (Châteauguay—Lacolle, Lib.): Thank you very much, Madam Chair.

I would like to thank all the witnesses here with us this morning for all the work they have done since the start of the pandemic. Of course, they were doing the work beforehand, as we will discuss. However, during the pandemic, their teams did remarkable work to help us through the crisis and to move forward together.

My first question is for Dr. Kochhar, from the Public Health Agency of Canada.

We went through a public health crisis before, 20 years ago: the SARS crisis. We had commissions, reports, studies, analyses and recommendations. So I would like to know why we were not better prepared, at least in terms of basic equipment, especially given the internal audits that were conducted in 2010 and 2013, as my colleague Mr. Lawrence mentioned. I know that my Conservative party colleagues are also concerned about public health.

Why were we not better prepared?

**•** (1145)

[English]

**Dr. Harpreet S. Kochhar:** I'd start by saying that a global pandemic on the scale of COVID-19 has not been seen in 100 years. We have many lessons for everyone in Canada and around the world from this pandemic. These lessons learned actually help us at the Government of Canada, in collaboration with provinces and territories, to adjust the approach.

We were very much in the realm of creating the national emergency stockpile, which was not equivalent to the scale of the pandemic we saw starting in 2020. We had done our assessment of what the national emergency stockpile policy was, as part of the optimization plan we were working on. We also were working with provinces and territories to look at the responsibility for information sharing for the details of things we were also putting together.

However, given the massive scale of pandemic, which actually took the whole world by surprise, the size of the strategic stockpile, which is supposed to be a backstop for the provinces' and territories' own stockpiles, was rather insufficient at the beginning. However, we pivoted immediately, with the help of our colleagues in the federal departments as well as provinces and territories and as was noted in the Auditor General's report, to quickly analyze the situation, procure and distribute very quickly so that we could actually support our frontline workers. As we have gone forward, we have further sharpened our policies and we have continued to work at

pulling together the information that gives us a line of sight into future supply and demand. That will allow us to be better prepared should this kind of emergency ever present itself again.

Mrs. Brenda Shanahan: Just on that note, Doctor, you mentioned in your opening remarks some rather large numbers of the number of units that you have of N95 masks and so on. Can you provide to this committee the metrics around how you decide how much is enough? I have no idea how that would be determined. What is enough and what does that look like? Is it the provinces that give you their requests and you stockpile accordingly or vice versa? Could you provide that to the committee?

I'm just disturbed about any implication that there were employees who were deliberately negligent in their duties, and I do not believe that's the case. What I do know is that there were significant cuts to your agency as well as other departments in 2014 and 2015, and that may be part of the answer, but I know we're not here to talk about resources: You're supposed to make do with whatever you have.

I'm going to direct my other questions to the deputy auditor general regarding the public procurement. Opposition members have expressed that they do not agree with some of the actions taken to procure PPE and medical equipment quickly during the pandemic, but in your report, you mention that you feel that PSPC mobilized and adapted quickly. Can you tell us, in your opinion, what the consequences might have been if we had not taken decisive action early on to procure some of these medical devices and equipment?

**Mr. Andrew Hayes:** As we mentioned in the report, there was a dynamic market. There were supply/demand challenges across the world.

We do appreciate the fact that the department had to act quickly. We identified some areas for improvement. In particular, we mentioned the controls that could be put in place and implemented around advance payments and also doing integrity checks for suppliers, but overall we recognized the important adaptation that the department did to procure the equipment needed by Canadians.

The Vice-Chair (Ms. Jean Yip): Thank you.

We will now move on to Ms. Sinclair-Desgagné.

[Translation]

Ms. Nathalie Sinclair-Desgagné (Terrebonne, BQ): Thank you very much, Madam Chair.

My thanks to all the witnesses who are joining us here today.

Before I ask my question, I must make a brief comment. I do so with all respect for my distinguished Liberal party colleague. I disagree with his statements on decorum. In my opinion, members of the committee have a duty to obtain clear and precise answers. We represent the people of Quebec or Canada. Members of the committee must obtain clear and precise answers from the witnesses.

With that said, here is my first question.

In its 2010 and 2013 reports, the Office of the Auditor General of Canada already reported shortcomings in terms of the procurement and the governance within certain government entities.

My question is for the officials from the Auditor General's office.

Why had that advice and those recommendations still not been implemented when the pandemic began in 2020?

• (1150)

Mr. Andrew Hayes: Thank you for the question.

I should clarify that those audit reports are internal to the Public Health Agency of Canada.

But your question was about the shortcomings that had been known for a long time. These are concerns for our office. Agencies and departments must take action as a result of the recommendations and observations from our office.

I hope that the President of the Public Health Agency of Canada also has an answer.

[English]

**Dr. Harpreet S. Kochhar:** Madam Chair, would you like me to respond?

The Vice-Chair (Ms. Jean Yip): Ms. Sinclair-Desgagné, I believe you were muted.

[Translation]

**Ms. Nathalie Sinclair-Desgagné:** Dr. Kochhar, I would indeed like to hear your answer to that question.

[English]

**Dr. Harpreet S. Kochhar:** I already alluded to the fact that of course these were internal evaluations and audits for the management of a national emergency strategic stockpile. We very much took those evaluations and developed a policy frame and then an optimization plan for the NESS. It outlined the mandate of the NESS and prioritization of product category. There was follow-up on that.

In response to that, we also created the ability for us to work with PTs and develop MOU templates on the responsibilities of information sharing. As pointed out by the Office of the Auditor General's 2020 report, we are now pivoting to the comprehensive management plan.

Of course, work is continuing. As I mentioned earlier, this is really to have a comprehensive management plan with associated performance measures and targets for NESS within one year of seeing the end of the pandemic. We have to work closely with PTs, which we are very committed to doing, and with other key partners to better define these roles and responsibilities. We continue to do that. This has been an iterative process.

[Translation]

Ms. Nathalie Sinclair-Desgagné: Thank you very much, Dr. Kochhar.

Do you feel that your plan, which was iterative in its design, should be actively reviewed to ensure that it is adequate? This would be in order to put this pandemic behind us, but especially to prepare for the next pandemic. I don't want to be a prophet of doom, but we may well have other pandemics in the future.

Should the plan not be reviewed, audited and above all analysed, so that we make sure that we do not end up in the same situation in the future?

[English]

**Dr. Harpreet S. Kochhar:** As I alluded to earlier, this is something that we are committed to developing. It includes a very comprehensive management plan with the key indicators in that. As I mentioned earlier, this work has already started. We are focusing right now, being in the middle of the pandemic, on fighting the fight with the pandemic, but we are still continuing to have those robust pieces working with our partners in the federal family, as well with the provinces and territories.

For example, what would be the allocation model should this happen? We've already established that in the current pandemic, and that would be a lesson learned in terms of how we go forward. How much do we retain for which kind of PPE? What do we do with it when there is a certain degree of triggers reached? So we will continue to do that.

[Translation]

Ms. Nathalie Sinclair-Desgagné: Thank you very much, Dr. Kochhar.

I understand that the process is still under way. However, do you have a timeline? Can you tell us when the plan will be finished? When can we look at it and analyze it, so that a similar situation does not happen in the future?

[English]

**Dr. Harpreet S. Kochhar:** We agreed with the Auditor General's report. We mentioned in the response to that report and recommendation that within one year of the pandemic having been declared ended, we would have a complete package of a comprehensive plan. We would have ready a comprehensive management plan with explained rules and responsibilities and key parameters. That is our target with which we are moving forward.

• (1155)

[Translation]

**Ms. Nathalie Sinclair-Desgagné:** As I understand it, all the recommendations from the Office of the Auditor General were accepted. So, one year after the pandemic, we should be able to see that the recommendations have been put into place, should we not?

[English]

**Dr. Harpreet S. Kochhar:** That is our target that we are working to. We hope to achieve that target as we continue to work and we continue to develop while we also focus on the pandemic. That is the time frame with which we are working.

[Translation]

Ms. Nathalie Sinclair-Desgagné: That is excellent.

Thank you very much.

[English]

The Vice-Chair (Ms. Jean Yip): Thank you.

We will move to Mr. Desjarlais for six minutes.

Mr. Blake Desjarlais (Edmonton Griesbach, NDP): Thank you very much, Madam Chair.

First, I want to begin by thanking the witnesses for their outstanding work during this very difficult time for Canadians. It's been difficult, I think, not only for our frontline health care workers, but also for folks who manage our critical supplies, including those at the national stockpile.

I do have a very important role to play on behalf of Canadians, which is to get to the root issue of accountability as to why certain deficits were present, particularly in the early part of the 2010s. I really want to get to that point. I do believe that Canadians deserve an answer as to why those deficiencies were identified and then not followed up on appropriately, in order for us to best plan for the future and have confidence in our systems moving forward. I do want to spend some portion of my limited six minutes to summarize for Canadians and for the witnesses some of the concerns that I'm most impacted by.

From report that was presented to us, I'll summarize section 10.25 onwards to section 10.32. There was a 2010 report, if I am correct, and this internal audit suggested significant findings related to the national emergency strategic stockpile. Then again in 2013, the agency conducted a follow-up internal audit and found that the federal stockpile issues raised three years previously had not been fully addressed. That's my first concern.

My second concern is this: "We found that the Public Health Agency of Canada did not fully address [those] significant findings about the National Emergency...Stockpile". In both the 2010 and 2013 reports, they found that management committed to do so, but didn't properly follow up or address them.

Before I ask the deputy minister to respond, my final point is related to the why. Why was there such a complete breakdown of oversight and accountability for a very long period of time—in particular from 2010 to 2015—given those reports?

What caused such deficits in a system that's supposed to be proactive and prepared for emergencies?

**Dr. Harpreet S. Kochhar:** Madam Chair, I'll start by saying that as we started to look at all those aspects that were captured as recommendations from the internal audit in 2011 and earlier, we continued to work to develop the national emergency strategic stockpile policy in 2012 and the NESS optimization plan in 2013. This really outlined the mandate of the NESS and the prioritization.

We actually continued to show progress, working with our partners in provinces and territories. That work has built onto having a good framework or a good baseline as to what we can now move on, in terms of the lessons learned from the current pandemic.

In response to this audit, we are really focused on building on those efforts that we had made earlier. We continue to work with PTs to make sure there's an active deployment of supplies and a life-cycle management of the commodities, as well as making sure that the NESS has maximized the effective use of that PPE within its lifespan.

Certainly we continue to work on that, Madam Chair. We strive to have a robust system that we can build in response to the recommendations from the OAG.

**(1200)** 

Mr. Blake Desjarlais: Thank you very much for that, Doctor.

I want to supplement that question. Given that you just said there were lessons learned and that those two reports are critical to our implementation and our preparedness to date, I'm concerned that there was a lack of accountability from 2010 to 2014, given those reports.

Why was there never an internal audit from 2013 to 2020 to account for those deficits?

**Dr. Harpreet S. Kochhar:** Madam Chair, generally, we have an internal process whereby we continue to follow up in terms of what the different steps are. There is an iterative process that happens inside the agency and inside the departments to follow up on the internal audit.

Certainly some improvements were made, Madam Chair, as I pointed out. They may not have fully taken care of all the recommendations or all the pieces, but we continued to work towards improvements that we could make at that particular time.

Mr. Blake Desjarlais: Thank you, Dr. Kochhar.

Just to conclude this line of questioning with the time I have, it's very clear to me, especially with what you said, that this process doesn't work. The processing didn't work with the accountability mechanism for internal audits in order to bring these issues to light. They failed. You just mentioned the aspect of having to follow up on these things, and it wasn't successful.

There obviously is a need for further accountability to make this actually appropriate, wouldn't you agree?

**Dr. Harpreet S. Kochhar:** This is a general process where, internally, whenever the audits happen, we continue to follow up. We have the management response action plans. We continue to work toward what other improvements we can make, and how quickly we can make them. We have internal deadlines which we continue to follow, and as the work continues on, we are able to show the improvements on that. This is not a specific process for this audit. All internal audits, or all evaluations, follow the same process.

**Mr. Blake Desjarlais:** Dr. Kochhar, the stockpile asked for 2012. Thank you, Madam Chair.

The Vice-Chair (Ms. Jean Yip): We now move on to our second round

We have Mr. Cooper, for five minutes, please.

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

I'm going to direct my questions to Dr. Kochhar.

Dr. Kochhar, you have stated that the comprehensive management plan will be completed within one year of the end of the pandemic. We know that we will be living with COVID forever.

Can you explain exactly what you mean by the end of the pandemic?

**Dr. Harpreet S. Kochhar:** As I alluded to this earlier, our idea is to complete this within one year. The World Health Organization declares the start and end of a pandemic based on global epidemiology.

Through a very formal declaration—

**Mr. Michael Cooper:** Just to clarify, when the WHO declares the end of the pandemic, within one year of that timeline, the comprehensive management plan will be complete. Is that correct, yes or not?

**Dr. Harpreet S. Kochhar:** That is true. That is what we are striving for.

**Mr. Michael Cooper:** That could be one year, that could be two years, that could be 10 years. Is that right?

**Dr. Harpreet S. Kochhar:** It is dependent upon how far we are into the current pandemic. Once the pandemic gets to the point where the WHO declares the end, then we will certainly have one year—

Mr. Michael Cooper: So you have no idea when?

Mr. Peter Fragiskatos: Point of order, Madam Chair.

The Vice-Chair (Ms. Jean Yip): I would remind members that witnesses are here on the invitation of the committee to answer questions on the report. I think we should show them the same respect, and allow them to answer our questions as best they can without being interrupted.

**Mr. Michael Cooper:** I think I have equal time, but I will give Dr. Kochhar a little more time to respond to what I understand his answer to be, which is that he simply has no idea.

Dr. Harpreet S. Kochhar: Madam Chair, what I am-

Mr. Peter Fragiskatos: Point of order, Madam Chair.

• (1205)

The Vice-Chair (Ms. Jean Yip): Go ahead, Mr. Fragiskatos.

Mr. Peter Fragiskatos: I don't want to keep doing this. This is the second meeting we've had. Witnesses will give answers. Members of Parliament will either accept, or not accept those answers, but to just be disrespectful to witnesses is not going to get us anywhere

The comment that was just made at the end of my colleague's statement said that Dr. Kochhar had no idea what he was talking about—

Mr. Michael Cooper: That's not what I said.

Mr. Peter Fragiskatos: —or had no idea, rather. Those were the words used. This is not respectful of witnesses. Let's just keep a

level of decorum that's becoming of this committee and our job as MPs.

Mr. Michael Cooper: Madam Chair, in response to Mr. Fragiskatos' point of order, the report of the Auditor General is a damning one in terms of the systemic failures of PHAC. The commitment that was made in this report was that a comprehensive management plan would be completed within one year of the end of the pandemic. In light of the overriding—

Mrs. Brenda Shanahan: Point of order.

**Mr. Michael Cooper:** No, no, in light of these significant failures, Canadians deserve to have some idea of a timeline.

Mr. Peter Fragiskatos: Point of order, Madam Chair.

The member can have his point of view, that's fine, but to be disrespectful of witnesses and interrupt them is not. That's my point.

The Vice-Chair (Ms. Jean Yip): Thank you.

Let's resume in a professional manner, please.

Go ahead, Mr. Cooper.

**Mr. Michael Cooper:** Again, I'm going to ask Dr. Kochhar to answer the question that I posed to him before Mr. Fragiskatos interrupted me with his point of order.

**Dr. Harpreet S. Kochhar:** Madam Chair, I would note that the pandemic is still ongoing, and newer variants of concern do present themselves. It is not possible nor feasible for anyone to predict when that would be ending. However, there is a procedure that the WHO follows where it depicts the start and end of the pandemic. Let me assure you, Madam Chair, that we're not waiting until the end of the pandemic. As I mentioned earlier, we're continuing to fine-tune our ways of looking at what—

**Mr. Michael Cooper:** Dr. Kochhar, respectfully, you are waiting until the end of a pandemic, because you said that the one-year timeline will start with the declaration of WHO, and you have no idea when that will be. It could be years from now, so that's simply not so....

**Dr. Harpreet S. Kochhar:** Madam Chair, I want to make sure that I was clear: We are continuing to make improvements; we are not waiting until the end. However, to clearly demonstrate that we have followed everything based on the lessons learned, based on the information available and at the end of the declaration that it has ended, within one year we will have a comprehensive plan, but again, re-emphasizing the fact—

**Mr. Michael Cooper:** Thank you, Dr. Kochhar. It's my time. Thank you for that.

Whereas COVID will be with us forever, it appears that the position of PHAC is to avoid accountability forever.

Thank you, Madam Chair.

The Vice-Chair (Ms. Jean Yip): Thank you.

I would like to mention that the committee can request interim progress reports as needed.

We will now move on to Ms. Bradford for five minutes.

Ms. Valerie Bradford (Kitchener South—Hespeler, Lib.): Thank you very much.

I'd like to thank our witnesses for joining us today and giving us their perspective on what happened so we might be better prepared for next time. I think that's the goal of all of us here on the committee, to look at what happened. There will be another pandemic, unfortunately, and we want to be best prepared.

My first question I want to address to the deputy auditor general.

When was the last time the national emergency strategic stockpile was reviewed by the public accounts committee prior to the outbreak of COVID?

(1210)

**Mr. Andrew Hayes:** I'm sorry, but I don't have that information. I'm not sure.

Ms. Valerie Bradford: Okay.

We do know that the reports indicated from our last pandemic when we were dealing with SARS.... It seems a lot of those recommendations were not followed up on.

Perhaps this is going to be a question for Dr. Kochhar, but I want to say that, in your report, you state that a supply-and-demand modelling tool was developing during this process. Can you tell us when this was developed and what impact it had on our managing the supply going forward? Is that better answered by Dr. Kochhar?

**Mr.** Andrew Hayes: I do think it is a question for the Public Health Agency of Canada. I will say that, in our report, we did comment on the fact that it is important to have agreements with the provinces and to work collaboratively with them, which was done at the beginning of the development process; however, I do think the Public Health Agency is in a better position to answer.

**Ms. Valerie Bradford:** Here is another question for you then. Will the AG be following up to see if the recommendations from this report are implemented going forward?

**Mr. Andrew Hayes:** We do have a follow-up process to track and monitor results, so this will be one of the reports that we do follow-up work on over the course of time. Of course, we do need to see action by the departments in order to be able to report any results, but we do keep our eye on what's going on.

**Ms. Valerie Bradford:** When do you think you might be following up on the recommendations on these with the various departments?

**Mr. Andrew Hayes:** Without getting too specific, because I know there were questions about when the recommendations will be entirely implemented, we will conduct work from time to time. I can't give you a precise date, but I would say it wouldn't be outside the realm of likelihood that we would be looking at this in about a year, year and a half.

Ms. Valerie Bradford: Okay, great.

Dr. Kochhar, how often will the stockpile be monitored on an ongoing basis going forward?

**Dr. Harpreet S. Kochhar:** Madam Chair, the stockpile is actually monitored very regularly. We have a demand-and-supply modelling, and we have the forecasting modelling. We do have the information at our fingertips as we develop that model. This is monitored continuously.

I'll invite my colleague Cindy Evans to elaborate a little bit further on that point.

Ms. Cindy Evans (Vice-President, Emergency Management, Public Health Agency of Canada): To reiterate, as Dr. Kochhar has said, the stockpile is monitored on an ongoing basis. As well, we certainly profit from our ongoing collaboration with the provinces and territories. As part of our governance structure in response to a public health event, a biological event, we have a logistics advisory committee whereby we are repeatedly talking to them about the variety of product holdings, as well as distribution models. I think that was previously referenced. Certainly we will work with them in terms of the allocation model.

We've also taken advantage of reaching out with experts in the field to inform us on forward-looking requirements in terms of what ICU biomedical equipment would be most relevant in the case of a respiratory illness of this nature, so we are continuously looking at the whole thing.

**Ms. Valerie Bradford:** I know my time is about to expire. Quickly, I hope these reviews look at expiration dates, because that was the problem. It's not just numbers. It's that we make sure they're current.

There's one last question that I think is really important to a lot of us here. Canada has a lot of domestic capacity in manufacturing PPE. Many companies stepped up in the early stages of the pandemic and shifted production to producing PPE. How much of the PPE stock in NESS purchased by PHAC was domestically manufactured? Can someone give us an answer?

The Vice-Chair (Ms. Jean Yip): A quick answer, please.

Dr. Harpreet S. Kochhar: Certainly.

We have the information in terms of the domestically manufactured PPE. For example, 70% of Public Health Agency contracts on N95s are domestic, and we have two multi-year contracts on N95s with Medicom and 3M Canada. There's a varying percentage, Madam Chair—50% of surgical masks are domestically procured, 100% of face shields—

The Vice-Chair (Ms. Jean Yip): Thank you.

Mr. Philip Lawrence: I'm sorry, Chair, I have a point of order.

Could we get that in writing from PHAC? I think that was an excellent question, and I'd like the full response.

• (1215)

The Vice-Chair (Ms. Jean Yip): Thank you.

Next we have Ms. Sinclair-Desgagné for 2.5 minutes, please.

[Translation]

Ms. Nathalie Sinclair-Desgagné: Thank you, Madam Chair.

I would like to take my colleague's excellent question a step further.

We have talked a lot about the importance of having a stockpile. That is essential for our preparations. However, we also have the issue of refurbishing the stockpile, and we have not talked as much about that. To ensure that our inventory is renewed and to be better prepared, we particularly need local production. It is easier to acquire supplies locally, of course.

Is there a coordinated approach with other departments, especially Innovation, Science and Economic Development Canada, to look more at local production, in order to both provide the inventory we need and to make sure that it is refurbished?

[English]

**Dr. Harpreet S. Kochhar:** Certainly one of the key lessons learned has been not only to look at the pieces about forecasting and about which products we should be stocking in this strategic stockpile, but also the domestic biomanufacturing piece.

The domestic biomanufacturing piece is an important one, because we continue to procure from different domestic manufacturers. I was mentioning earlier that 100% of face shields are procured from a domestic manufacturer. We have 50% of surgical masks that are procured by the Public Health Agency, and these are domestically manufactured. We have others that are N95 respirators.

We have been working with ISED, PSPC and other colleagues in the federal family, as well as with stakeholders, to make sure we have the appropriate kinds of both equipment and PPE sourced from domestic suppliers. That constitutes a major part of our stockpile.

[Translation]

Ms. Nathalie Sinclair-Desgagné: Thank you very much.

[English]

The Vice-Chair (Ms. Jean Yip): We will move on to Mr. Desjarlais for two and a half minutes.

Mr. Blake Desjarlais: Thank you very much, Madam Chair.

Thank you very much, Dr. Kochhar, for being with us today and answering these very important questions. I know this is a difficult line of questioning, but let me return to the previous line of questioning I was mentioning regarding accountability.

Section 10.31 of this report says:

In response to the 2010 internal audit, the agency developed the National Strategic Stockpile Policy in 2012—

You mentioned this earlier.

—to clarify the stockpile's role and objective. We found that, despite the requirement for "regular updates," the policy had not been updated since its development and [it] contained outdated information.

Further, section 10.32 states;

The National Emergency Strategic Stockpile optimization plan outlines governance and authorities, as well as the composition, deployment, management, and procurement of inventory. We found that it too had not been updated since its development in 2013 and included outdated and unclear information as well.

Despite a clear need for regular updates, PHAC's NESS policy and optimization plan hadn't been updated since 2013.

How do you explain this major failure with PHAC?

**Dr. Harpreet S. Kochhar:** Madam Chair, I would really focus on two things here. Historically we focused on stockpiling strategic medical supplies not held by provinces and territories, which included medications and vaccines.

The Public Health Agency of Canada looked at both pieces of the optimization plan. We made significant efforts to see what we can do in terms of working with provinces and territories to pull that plan together.

In the end, progress was made, but not up to the level of addressing the current crisis. In the current crisis, the pandemic, we made significant efforts to mobilize, adapt and improve our processes for securing PPE and medical supplies. This really helped us to position ourselves in terms of supporting both the provinces and territories and the general—

**●** (1220)

**Mr. Blake Desjarlais:** Why were there no reports like the policy demanded? The policy asked for more reports and more follow-up, but there were none.

**Dr. Harpreet S. Kochhar:** The intent was to continue to work with the provinces and territories and with our partners to redesign how our roles and responsibilities would be—

Mr. Blake Desjarlais: So the delay is the provinces' fault.

The Vice-Chair (Ms. Jean Yip): Thank you.

We now move on to Mr. Bragdon for five minutes.

Mr. Richard Bragdon (Tobique—Mactaquac, CPC): Thank you, Madam Chair.

Thank you to the witnesses who appear here today. It's been very insightful.

Just to summarize quickly some of the key points that we have found so far, in the 2010-11 report the findings and concerns have yet to be addressed. No one has been held to account for what amounts to placing our health care workers and frontline workers, at the beginning of the crisis, at greater risk due to the lack of PPE.

We've also heard testimony today that there really is no set deadline as to when this will be resolved or what the concrete plans for moving forward will be.

Canadians are speaking, and they're speaking quite loudly throughout this. I think one of the greatest pronouncements that's been coming as a result of the pandemic as whole is the need for increased Canadian self-reliance. We need to expand our manufacturing capacities and our ability to make sure we secure PPE and develop more of our own PPE. I think all of us would agree that we want to, wherever possible, make sure that we are domesticizing our supply as much as possible for the very necessary PPE.

I think what has become challenging became evident even in the report that was issued last year. It was a briefing given to the Minister of Innovation, Science and Industry from the Canadian Association of PPE Manufacturers. That is a group of companies that have invested over \$100 million of private money and hired over 1,000 people to increase the domestic supply of PPE and our capacity. They note that the government procurement practices favour a small number of large manufacturers in Canada. They also note that foreign suppliers abused an interim order that relieved them of PPE tariffs until fall of 2021, allowing the dumping of foreign products into our market.

Have the PPE tariffs been reinstated as of today? Can someone answer that for me?

**Dr. Harpreet S. Kochhar:** Madam Chair, Mr. Thompson is best placed to answer that part.

• (1771669220)

Mr. Paul Thompson: With respect to the importance of moving to domestic production, there has been a significant shift over the course of the pandemic to more domestic supplies. Dr. Kochhar spoke about the NESS in particular, but if you look more broadly at procurement of PPE, our estimates are that about 50% of the contracts are with domestic companies and about 40% of the value is going to domestic companies.

The Vice-Chair (Ms. Jean Yip): Thank you.

We will now move on to Mr. Dong for five minutes.

Mr. Han Dong (Don Valley North, Lib.): Thank you, Madam Chair.

This study is great. It kind of takes me back to where we were in 2020. We were fighting a war against COVID-19 and a war we weren't prepared for. I remember, while the health care workers were fighting on the front line, the entire population was working together, whether donating PPE or looking after a neighbour or a friend in quarantine.

Then we had our MPs and senators working together. I remember the days when we had those technical briefings on a daily basis. We put aside politics and would give ideas, observations and public service. And you were there every day taking the advice and acting on it.

The entire nation was fighting against one single enemy. I really miss those days, by the way.

With that, I just want to say a sincere thank you to Public Health and especially to the procurement folks. You guys worked magic in a hyper-competitive market. It's not buying product to satisfy wonks. It's actually buying product to save lives.

So every country was being super-competitive going to market and purchasing PPE. Unfortunately, Canada did not have the capacity to produce our own PPE, and you folks had to work around the clock—literally, because some of the producers around the globe are in different time zones. So I just want to say a sincere thank you to the witnesses here today.

To Mr. Thompson, can you tell us how your department, in a very short period of time, secured the amount of PPE Canada need-

ed? In Parliament we talk about how the provinces are really having shortages, but we actually never see the bottom of the barrel. It was because our international procurement was doing the magic for a short period of time, and then domestic production capacity caught up. But tell us, what exactly did you do to secure those contracts?

**Mr. Paul Thompson:** As I alluded to in my remarks, a lot of it was just pure effort at the beginning, with the teams working around the clock. But it was also leveraging flexibilities we introduced to make it easier to secure products, such as the ability to delegate authority so we could move quickly, and to use solesource contracts or advance payments where required.

Those were just some of the flexibilities we needed, because we knew when there was a supply available, we needed to move superfast to secure it.

Mr. Han Dong: Exactly.

On the report, 50% of the suppliers got this financial viability assessment. That means 50% didn't. Can you tell us what percentage of the contracts weren't honoured—i.e., for whatever various reasons they couldn't deliver the product at the end of the day?

Mr. Paul Thompson: With respect to situations where there was advance payment as part of the mix, the vast majority of those were delivered in accordance with the contract. And in the very small number of cases where there didn't happen, there's legal action to recover the payments. But it was a successful endeavour in the vast majority of cases, and the goods and/or the services were delivered in accordance with the contracts.

**Mr. Han Dong:** To build on this success going forward, do you see perhaps a need to develop an emergency procurement protocol so that in case we have a global pandemic or something major happens, the government can have a different set of rules in terms of procurement that will protect the public interest and the integrity of the system? Meanwhile, we get products procured quickly.

**Mr. Paul Thompson:** That is certainly one of the lessons learned, and the Auditor General's report is helpful in this regard as to how we can institutionalize some of these practices and make sure that we approach it more systematically.

We have a checklist, as was alluded to earlier, so that we know when we're in a situation like this we can follow a set of predetermined procedures. We have procedures in place to rely on financial experts, for example, on this issue of financial viability of the suppliers. Compared to the beginning of the pandemic, it has been a lot more systematized for if and when we face similar situations going forward. We still are facing challenges, for example, with procuring rapid tests, which is one of the key areas where we continue to push.

The Vice-Chair (Ms. Jean Yip): Thank you, Mr. Thompson.

I would like to thank the witnesses for coming today.

We need to suspend the meeting to go in camera.

Members, you will have to log off and log in for the in camera part of the meeting.

Thank you.

[Proceedings continue in camera]

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