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Opening Remarks

**The Honourable Anita Anand,
Minister of Public Services and Procurement**

**Canada's Response to the COVID-19 Pandemic:
Procurement
Standing Committee on Government Operations and
Estimates**

Ottawa, ON

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Check against delivery

Opening

Thank you for inviting me to speak to the committee.

Let me begin by acknowledging that I am meeting with you from Gatineau, which is on the traditional territory of the Algonquin peoples.

Since we last met, the COVID-19 pandemic is entering a new phase. Thanks to the efforts of Canadians to reduce the spread of the virus, some restrictions are slowly being lifted across the country.

However, the course of the pandemic is still unpredictable, and Canada will need supplies and PPE for some time to come.

Procurement update

Our approach is to buy aggressively and to diversify our supply chains, which includes ramping up production of vital supplies here at home.

Before I provide this committee with an update on our progress, I would like to talk about our efforts to be open and transparent.

Transparency

Accountability is critically important to our Government, and that means being as transparent as possible.

However, given the intense global competition we currently face and the volatility of the marketplace, we are being careful with the information we are releasing at this time.

Simply put, some procurement information could jeopardize our orders and compromise Canada's negotiating position. That is why most contract information has not been disclosed, and I can tell you that similar approaches are being applied by other countries around the world.

Nevertheless, we want to be as open as we can, and we have taken some measures to do just that.

We are posting some solicitation documents for COVID-19 related procurements on our website, particularly in cases where we need to broaden our search for information or sources of supply.

We have also publicly announced several contracts and we are posting details of our orders and deliveries of PPE online every week, for all Canadians to see.

I want to be clear that more information will be made available as soon as our procurement of vital PPE is no longer at risk.

International

Despite the persistent risks which we have discussed at this committee—such as dealing with unfamiliar suppliers, strained supply chains, and complex logistics—progress is being made.

We are seeing more reliability and consistency with international supply chains.

A total of 58 cargo flights have come in from China to date, with flights now arriving daily, carrying all types of PPE.

In addition, we are now transporting tens-of-thousands of litres of hand sanitizer from China by sea.

And, of course, we continue to receive supplies from the United States—such as N95 respirators from 3M at a rate of approximately half-a-million a month.

Domestic

Domestically, we have increased our capability to produce supplies.

I am pleased to report that, as of today, we have put in place 26 contracts with Canadian manufacturers that are making supplies to fight COVID-19 right here at home.

Since we last met, we have contracted companies such as GM Canada that are retooling part of their production line to make 10-million surgical masks and face coverings for Canadians over the coming year.

They join a growing number of companies that are helping us to fight COVID-19 while sustaining and creating much needed jobs for Canadians.

Since I last appeared before this committee, our delivery numbers have grown considerably.

We have significantly increased our deliveries of face shields and hand sanitizer into the millions, with the much of those products being produced in Canada. We have also surpassed the 100 million mark when it comes medical masks received.

These are just a few examples. We continue to order and receive more, and we are now preparing for future needs.

Planning ahead

More testing and preparing for a possible vaccine

We know that testing will need to increase across the country as restrictions are eased. In addition to our contract with LuminUltra, we have since put in place four

contracts with major companies for the procurement of reagent and other lab products.

In addition, we now have a contract in place for the delivery of enough syringes to ensure that if a vaccine becomes available, all Canadians can get it.

Access to PPE

We know that availability of PPE will be another factor as the economy recovers.

Business owners, organizations and all Canadians need access to the right PPE and we have taken action to help on that front.

Earlier today, we launched a new PPE Supply Hub.

This web site brings together a broad collection of important resources that will help link buyers and sellers of PPE across the Canadian market. It also includes consumer information for any Canadian who wants to buy PPE, to help inform their buying decisions.

Over time, we will continue to enhance this online Hub, working with provinces and territories and industry to look for additional ways to support Canada's PPE needs.

Phoenix

As we fight COVID-19 and prepare for the future, PSPC continues its most vital work in other areas, such as ensuring that public servants are paid accurately and on time.

Pay and pension services are essential. That's why we have the resources in place to make sure they are operating without interruption, and our Client Contact Centre remains available to respond to pay issues.

Despite the pandemic, we continue to make great strides in eliminating the backlog of pay issues related to the Phoenix pay system.

Since March, we reduced the backlog of transactions at the Pay Centre by approximately 29,000.

Overall, since January 2018, we have reduced the backlog of transactions with a financial impact by 64%, as of May 27.

And in that same time, more than \$2.4 billion in collective agreement retroactive payments have been paid to employees.

Closing

Mr. Chair, I want this committee to know that my department will continue its important work while also navigating the next phase of COVID-19.

And Canadians can rest assured that we will continue to get safe and effective supplies to the front lines as quickly as possible.

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