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• (1300)

[English]

The Chair (Mr. Tom Lukiwski (Moose Jaw—Lake Centre—Lanigan, CPC)): Colleagues, I'm calling this meeting to order.

Welcome to meeting number 23 of the House of Commons Standing Committee on Government Operations and Estimates. Pursuant to the order of reference of Saturday, April 11, we will continue our meeting on the government's response to the COVID-19 pandemic.

Colleagues, we have one housekeeping bit of business. I will be taking 15 minutes at the end of today's meeting to go into committee business. There are a few things about our upcoming study, under the motion that was passed July 9, on the WE Charity issue. I'm thus going to excuse our witnesses at about 2:45 p.m.

Witnesses, be prepared for that.

Then we'll take 15 minutes, colleagues, to go over committee business at that time.

For the benefit of our witnesses, I would ask you again, when you are speaking—and I'm sure you're all familiar with the procedure—that if you start in one official language, you complete your entire presentation or answer the question in the language in which you started. If you're switching between French and English, you can do so by alternating English to French on the channel. However, my strong suggestion to you is to keep to one language only when you're making a statement or answering a question. That would greatly assist our interpreters.

Colleagues, as well, you have all received just very recently Mr. Matthews' opening statement in both official languages. However, many of you may not have had an opportunity to read through it yet. In that case, I'm going to be asking Mr. Matthews to deliver his opening statement.

Hopefully, Mr. Matthews, it's no longer than 10 minutes.

Then we will go directly into questions.

With that, colleagues, I will turn it over to Mr. Matthews.

Mr. Matthews, the floor is yours.

Mr. Bill Matthews (Deputy Minister, Department of Public Works and Government Services): Good afternoon, Chair and members. Thank you for inviting me back.

Mr. Chair, I hear you loud and clear on the length of opening remarks. I will be less than 10 minutes, I promise.

I do have a number of colleagues with me here today. I'm not going to name them all. Given that we have a fair amount of time to get through today, I thought I would bring some additional people with me just in case there are questions on the broader obligations of the department.

I will mention Michael Vandergrift, the associate deputy minister, as well as Ms. Arianne Reza, who is the assistant deputy minister of procurement, because you'll be hearing from those two for sure, I think. The others I will introduce if I need some help in answering questions, if that's okay, Mr. Chair.

The Chair: That's fine.

Mr. Bill Matthews: Since I was last here on June 16, we've seen a gradual easing of restrictions across many provinces. While there may be a drop in active cases since my last appearance, we must remain cautious and prepare for a second wave.

From previous appearances, the members will be aware that the government has used a two-pronged approach for procuring personal protective equipment and supplies: purchasing and importing from overseas suppliers, and fostering a domestic supply chain with eager and willing Canadian manufacturers.

There were some challenges along the way, but our approach has shown signs of success. I have spoken to this committee before about the volatile market and intense competition for PPE around the world, and our experiences early on led us to adjust our approach on the ground in China, as well as other countries, to secure supply chains, particularly those from new suppliers.

A steady flow of orders has made its way to Canada, with more than one hundred flights of supplies from China, along with maritime shipments for items such as hand sanitizer, gloves and gowns. Although not at the pace we were seeing over the spring and early summer, we will continue to see shipments come through, both by air and by sea, as long-term orders continue to be filled.

Our overseas orders are being increasingly supplemented by domestic purchases, thanks in part to a call-out in early March to suppliers for much-needed goods and services during this crucial time. Our procurement experts engaged directly with thousands of these suppliers. Through the combined efforts of my department—PSPC—and ISED, the government has entered into 147 contracts, including 137 contracts with Canadian companies, as a result of that call-out.

Companies such as GM Canada, The Canadian Shield and Fluid Energy have stepped up to start making the necessary goods and supplies, including completely new products that have required the retooling of production lines. Because of companies like these, 44% of the dollar value of contracts is for goods that are being made in Canada, including surgical gowns, non-surgical masks, face shields and hand sanitizer.

PSPC is now in a much stronger and more stable position, and that has allowed us to shift our procurement strategy to increasing our purchases of domestic supply for key commodities. With our most immediate needs now filled, PSPC has closed its call to action and is returning to competitive procurement opportunities where requirements permit.

For instance, we have recently launched a series of tenders for goods such as non-medical masks and face shields, and these have attracted hundreds of bids. One of these, a request for proposals for cloth masks, is open exclusively to indigenous-led businesses, helping to spread economic opportunities to under-represented groups throughout the country.

The department has secured significant amounts of PPE and other medical equipment and supplies to support front-line health care workers across the country for both short- and long-term needs. PSPC is also helping to meet other needs for PPE beyond the health sector.

In June, the department launched a supply hub to bring together organizations buying and selling personal protective equipment. This hub connects Canadian organizations from coast to coast with federal, provincial, territorial and other resources and information about PPE, including important guidance on what PPE is needed for specific occupations and work settings.

Earlier this week, Minister Anand announced the essential services contingency reserve, which is an emergency backstop that will provide organizations with PPE on a cost-recovery basis. It is intended to prevent significant disruptions in services to Canadians. This contingency reserve will help essential service sectors—such as agriculture, transportation, energy and manufacturing—bridge urgent and short-term gaps to avoid any significant disruptions in services to Canadians.

This is also part of the safe restart agreement recently announced by the government. Under this agreement, the government will waive any costs for requests from provincial and territorial governments to use the contingency reserve. This reserve will begin operations on August 3.

I can assure the committee that the department is working non-stop to ensure that Canada has the supplies and equipment it needs to combat COVID-19. I also want to take this opportunity to reaffirm our commitment to transparency and accountability in our efforts to procure these supplies. To that end, PSPC is working progressively towards releasing in the coming weeks a more detailed account of our efforts in keeping Canadians safe.

• (1305)

To conclude, Mr. Chair, as the pandemic situation has evolved, so has the department's strategy. What remains constant is our ef-

fort to do everything possible to acquire the necessary goods and services needed for our essential health care workers and other government departments.

Thank you, and I'm now happy to take your questions.

The Chair: Thank you very much, Mr. Matthews.

We will start with a six-minute round of questioning. Our first intervenor will be Mr. Aboultaif.

Mr. Ziad Aboultaif (Edmonton Manning, CPC): Thank you, Mr. Chair.

Good afternoon, all.

Thank you, Mr. Matthews, for your presentation.

Where in the government's priorities is the procurement of life-saving ventilators?

Mr. Bill Matthews: Thank you, Mr. Chair.

I should mention to members that the web page reporting what PSPC does in its procurement activities was updated this morning, so I would encourage members to take a look at the updated quantities.

What we're seeing with regard to ventilators is that on the domestic front, as you'll recall, members, there was an effort by Canadian companies to start up manufacturing. It's a little bit behind schedule, frankly. Two of the domestic manufacturers now have the required regulatory approval and have started to deliver, but it's slower than originally scheduled. That's not a shock, given that they were taking on new manufacturing processes and supply lines, etc.

There are also orders that have continued to come in from international sources. The number of ventilators received, as of the web page that was updated this morning, is 409. There have been 40,500 actually ordered.

Mr. Ziad Aboultaif: The report I have in front of me—before you mentioned your update—is that you only received 0.9% of the quantity ordered. Is that number still valid?

Mr. Bill Matthews: The number was updated as of this morning, so that would be 409 out of 40,500, and there have been about 200 or so come in since the last web page update. The domestic ones were scheduled to ramp up over the summer, so this is kind of back-end weighted. Still, it's the lowest percentage of the ones on our list.

• (1310)

Mr. Ziad Aboultaif: This is only 1%. The 0.9% number I have in front of me is correct, based on the numbers you provided. Don't you think that these are very, very important to have? What we have is not really giving us enough protection should, God forbid, there be a second wave coming.

Mr. Bill Matthews: I think to properly answer that question you'd have to turn to what's actually going on with our friends at the Public Health Agency of Canada. There are still ventilators in the stockpile that provinces could ask for if needed, so there's not a shortage right now. However, we are certainly working actively to accelerate the delivery of the ventilators we have ordered. It's an ongoing effort on our part.

Mr. Ziad Aboultaif: Based on your knowledge and information of the current stock or current inventory that you have right now, how long could we survive if a second wave of the pandemic comes through?

Mr. Bill Matthews: I think that's actually a question better posed to the health professionals, the Department of Health, the Public Health Agency of Canada. Just in terms of burn rates and where provinces sit, that would be more a question for the medical experts.

Mr. Ziad Aboultaif: Then there's no communication between you as the supplier and the health agency as the recipient of the product—the client, basically—about the demand or what is needed. How can we suggest that we're very prepared if that line of communication is not open?

Mr. Bill Matthews: The line of communication starts with the ordering. In terms of quantity and what types of products, the orders actually come through the Public Health Agency. It's aware of the delivery schedules. As I mentioned, there are ventilators in the warehouse right now.

The ventilator purchase was a long-term arrangement; we're expecting a steady supply all the way into 2021. We're actively monitoring the delivery, but at the current stage, we're not seeing a shortage of ventilators, if that is your question.

Mr. Ziad Aboultaif: Isn't it logical to suggest, or at least to think, that we need to know... I mean, they place the orders. What is the anticipation? They place the orders based on what? Is it that they'll get their product in two months, three months, six months? They know their numbers. You probably don't, which you should, I believe. If they've placed the orders, that means that there's an expectation that they can fill their stock within a certain time period. So far, it's been since March, four or five months now, and we still have less than 1%. Where's the problem?

Mr. Bill Matthews: There are a couple of elements to this question, Mr. Chair. Number one, the delivery schedule that was agreed upon was not all at once. It was staggered out into 2021, but as I've indicated, domestic has been slower to deliver.

On the international ones, the market itself has been one that has been very tight, so our international orders have been delayed as well. As I mentioned, in the last couple of weeks we've seen an increase of 200 come in, and we're expecting that number to grow more rapidly than it has in the past.

I'll stop there, I think, Mr. Chair.

Mr. Ziad Aboultaif: I will close on this. I think this is very important, and I would like to have some feedback from Mr. Matthews on how we are moving forward, what the expectations of deliveries—of receiving the product—are, and what the current inventory level that we have right now is. I think that would be beneficial.

Thank you.

The Chair: Thank you very much.

We'll now go to Mr. Zuberi.

Mr. Zuberi, welcome to our committee. You have the floor for six minutes.

Mr. Sameer Zuberi (Pierrefonds—Dollard, Lib.): I'd like to thank Mr. Matthews for giving his testimony and his time here with the committee. I'll have a number of questions.

Feel free, Mr. Matthews, to supplement what you were speaking upon in your opening statement. You can use this time to elaborate upon that if you want to.

With respect to a second wave, I'd like to know what is being done to prepare. Could you elaborate on that?

Mr. Bill Matthews: Thank you for the question.

This really speaks to the ongoing delivery of PPE. As mentioned or touched on in my opening remarks, the strategy was twofold: order internationally, but also stand up domestic production. We are still seeing orders come in, and many of our orders actually extend into 2021 so we can ensure there's a steady stream of supply. What we've seen to date is also that domestic production has ramped up in a number of areas. We've spoken about that before at this committee.

On face shields, we're very successful in terms of getting our own domestic capacity. We also have the ventilators, which we've just touched on. There's domestic capacity there. I believe this committee will remember that we have had discussions about domestic capacity coming online for surgical masks at the end of July, with one particular deal in N95 masks towards the end of August or early September. That's all ramping up, and I did not mention hand sanitizer, as well as some other things.

Really, the second wave thing is to make sure we still have orders coming in. Obviously, we can place more orders if we need to, but products are still coming in. The warehouse space itself is full. We're actually securing additional warehouse space for our client, the Public Health Agency of Canada, which gives you an indication of the stock that's coming in.

I should have stressed this in my opening remarks and I did not. This is over and above what provinces and territories are ordering, and they are still the primary provider of PPE for the medical system.

Again, we are all very much in a backstop world, but we've continued to order and it's going very well. If you look at what came in during June—one flight a day—big, big numbers started to come in, and you'll see the updated web chart that I mentioned earlier today, but orders will continue to arrive in the coming weeks and coming months.

• (1315)

Mr. Sameer Zuberi: Thank you.

You touched upon domestic companies. Can you elaborate a bit on the percentage of contracts going to domestic companies and give us some examples of domestic companies you're dealing with?

Mr. Bill Matthews: Yes, certainly. I will start, and thank you for the question.

There are two ways to look at the domestic contracting. Number one is by number of contracts, and number two is by dollar value. By dollar value, domestically manufactured products are above 40%. Part of that story is that some of the more high-dollar-value items are made in Canada. We've mentioned ventilators already. Gowns have also had a big domestic success story, and they're a big part of that as well. If you're actually looking at the number of contracts, I think you're at about 20% to 22% of domestic contracts in terms of the number of contracts as a percentage, but it's 44% by value.

For the companies, we go across the board, and I will turn in a moment to my friend Ms. Reza for some examples. I mentioned in my remarks General Motors on surgical masks. You have Fluid Energy for hand sanitizer. You have Bauer for face shields. You have Canada Goose for gowns.

Arianne, I'm drawing a blank on the company from New Brunswick that makes the reagents for us, so can you pipe in, please?

Ms. Arianne Reza (Assistant Deputy Minister, Procurement, Department of Public Works and Government Services): That would be LuminUltra.

Mr. Bill Matthews: Thank you.

It's across the categories. The one thing that has not yet come online and will come online shortly is the domestic manufacturing for N95 masks. That will be starting up in late August, early September, and it will be a critical component as well.

Mr. Sameer Zuberi: That segues into the next question I want to ask, which is about employees. We're starting to open up our economy again, our economies within different provinces, and employees are starting to return to their workspaces.

Can you speak about what's being done to make buildings safer, to make workspaces safer?

Mr. Bill Matthews: Certainly, and I will turn in a moment to Mr. Stéphan Déry, who is the assistant deputy minister of real property.

What you have to remember is that PSPC and the federal government have a national presence, and the circumstances in every jurisdiction are different, not only in terms of active caseload but also in how the local health authority are handling cases. We have to find a model that respects both our role as a national employer and the local circumstances.

Stéphan, do you want to add some commentary on the efforts we're making to get ready and support this?

Mr. Stéphan Déry (Assistant Deputy Minister, Real Property Services Branch, Department of Public Works and Government Services): It's a pleasure to talk about what we're doing. Our organization has been proactive in preparing the workplace for employees to come back to work. For support in this area, we've been working with Health Canada, PHAC in fact, to ensure that we're following the health guidelines.

The most important thing for us is the health and safety of employees. In cleaning and disinfection, we have increased our cleaning of highly used areas, such as doorknobs, to twice a day, as per a recommendation from Health Canada. We're also tracking and reporting specialized cleaning so that if anybody is suspected of having COVID-19, they can call a number. We've put in place a cleaning protocol, so we'll have our team go in and clean to ensure that there's no risk of contamination and there's no—

• (1320)

The Chair: Mr. Déry, I'm sorry to interrupt, but we're completely out of time. I would ask you, sir, since it seems that you have much more to offer, to provide the rest of your testimony in writing as quickly as possible to our clerk. I will ensure, through our clerk, that we have that testimony included and distributed to all our members.

Now we are going to Madame Vignola.

[Translation]

Mrs. Vignola, you may go ahead for six minutes.

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

Good afternoon. Thank you all for being with us today.

Mr. Matthews, in June, Ms. Anand explained that it wasn't possible to disclose the details relating to overseas suppliers. She cited security and the need to minimize the risk of having our contracts or, rather, supply taken.

As we speak, is the threat to our supply as great as it was?

Mr. Bill Matthews: Thank you for your question, Mrs. Vignola.
[English]

The risk is still high in some commodities. The N95 mask is one we're continuing to worry about, but it is a commodity-by-commodity risk. The risk is lower where we're getting domestic supply. That's the short answer to your question. Where we are still reliant on supply coming from overseas, we are guarding our supplier information carefully to make sure we have access to that supply chain on a continual basis should we need it.

I think I'll stop there, Mr. Chair, because I sense the member has more questions.

[Translation]

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

Yesterday, we found out that equipment bound for Quebec was hijacked in China.

What's being done to get the equipment back as quickly as possible? Furthermore, what's being done to prevent this kind of thing from happening again?

[English]

Mr. Bill Matthews: I cannot speak to that exact case, but I can tell members about the measures we've taken to ensure security of the supply line, from a federal perspective. I suspect the case in question may be of a provincial order, but I'm not certain.

The number one key to bringing goods from China or any other country into Canada is securing the supply line, so having a good in-country process to make sure you get the product and have a place to store it at the airports. It has to be there two weeks in advance, with all the appropriate paperwork to clear customs. Even when all that is done, as with most countries, there's always the possibility of a random inspection. The Chinese government does that on a fairly regular basis, so it's important to have multiple shipments there so that if an order does get held up because of a scheduled inspection, there's an alternative.

[Translation]

Mrs. Julie Vignola: Thank you.

During the initial months of the pandemic in Canada, we saw some quality compliance issues.

Is that still the case? Was it only products coming in from abroad that were problematic, or were Canadian producers having the same issues as well?

[English]

Mr. Bill Matthews: With regard to the quality of goods, because it's medical equipment and personal protective equipment, making sure they meet standard is always paramount. It's something that we have been worried about from day one with our colleagues at the Public Health Agency, who are responsible for the actual testing.

As we talked about at this committee, there were some quality issues early on, some temporary and some ongoing. I would also highlight that even when you stand up domestic manufacturing, where someone is producing something for the first time, you have to make sure it's properly tested before it's put into the system. It's something that we continually monitor and test.

On the mask front, which is the one that got the most attention, we haven't had any new failed tests lately, but Health Canada will continue to test new products, and products as they come in, to make sure they're suitable before they go into the system. There have been no major issues recently, but that doesn't mean we're not still checking.

• (1325)

[Translation]

Mrs. Julie Vignola: Thank you.

I gather, then, that Canadian companies are reliable and that most of the issues involved products coming from overseas.

In June, we found out that companies making sanitizer were using technical-grade ethanol. One of the companies, Fluid Energy Group, had a contract with the Government of Canada. Unlike the other companies, Fluid Energy Group simply had to put a label on their product to alert consumers, instead of pulling the product from store shelves.

Yesterday, we learned that hand sanitizers made by 40 or so other companies did not adhere to quality standards. How many of those 40 companies have a contract with Public Services and Procurement Canada, or PSPC, in other words, with the government?

[English]

Mr. Bill Matthews: On that, I will probably turn to my colleague Ms. Reza to add some more detail.

To return to your previous question, I don't want to leave you with the impression that none of the domestic manufacturers haven't had any challenges on quality as they stand up their new productions. It's not just international; there are some domestic as well that we've had to keep an eye on.

On the hand sanitizer, there are different grades of ethanol.

Arianne, do you want to walk through the different grades and where our contracts are?

The Chair: Madam Reza, we're completely out of time. I would ask that you provide your testimony in written form to our clerk and that you do so as quickly as possible. That testimony will be distributed to all of our committee members.

We'll go to our next intervention.

Mr. Green, you have six minutes.

Mr. Matthew Green (Hamilton Centre, NDP): Thank you very much, Mr. Chair. It's certainly good to be back.

I appreciate you providing your remarks, Mr. Matthews.

From data compiled by Public Services and Procurement Canada with regard to supplying the Canadian health care sector to July 17, 2020, we have a chart that lays out close to 172 million N95 masks, with quantities received—subject to quality assurance tests—in the amount of 22,665,310. You touched on this in the previous questions, but I do feel the need to go back to this. Knowing that in the initial orders, when we had ordered 11 million, nine million were deemed insufficient, to date how many N95 masks have been purchased that have passed the test?

Mr. Bill Matthews: On the N95 front—I would again refer members to the updated web chart that came out earlier—we are actually at a number now of 50.6 million that have come through and are acceptable and are in Canada. There's ongoing testing, which I want to stress, because of the importance of these masks.

On the issue the member mentioned in terms of earlier “rejects”, if I can use that word, we're not seeing that right now. That was in the past. However, I'm not understating the importance of ongoing testing. We've seen a pretty good jump recently on the N95s, with good quality, but we'll keep monitoring as we go forward.

Mr. Matthew Green: Going back to that, clearly it's still an issue. Of the 9.8 million defective N95 masks that have been separated from the respirators that have been received....

First of all, have they been separated from the ones that have been received, or are they still in your total global numbers?

Mr. Bill Matthews: In the numbers we produced this morning, we've now taken out all the rejects that didn't pass the quality standards. They are no longer in those numbers. The ones you're seeing on the web chart now are the ones that are acceptable.

Mr. Matthew Green: That's positive news.

You mentioned, in reference to your statement, your procurement experts on the ground. That includes Deloitte; is that correct?

Mr. Bill Matthews: When I'm talking about experts, I'm talking about PSPC. We do have procurement experts. Not to say we don't get help from outside, but I was referring to our own team.

Mr. Matthew Green: You also mentioned the immediate needs now being filled. You will recall that we had, certainly I did, grave concerns around the national emergency strategic stockpile. I understand there has been a closed call to action, and you're returning to your "competitive procurement opportunities where requirements permit."

Where does the national emergency strategic stockpile stand in this moment, understanding that we're probably going to be into a second wave?

• (1330)

Mr. Bill Matthews: I won't give exact numbers, but a couple of key points. As I mentioned earlier, we've secured additional warehouse space, just to give you a sense that it's bigger. There's more to come on that front, so certainly, a stockpile well in excess of what it was earlier. Besides—

Mr. Matthew Green: Just to be clear, for clarity, and for people who are watching, you had 13 warehouses. You shut down two or three of them. Have you just reopened the old warehouses to restock the national emergency strategic stockpile, or have you now actually purchased and acquired new warehouses, different from the ones you guys closed down last year?

Mr. Bill Matthews: The additional warehouse space I'm referring to is additional leased space that will be put in place. Some temporary space has been found, but we're also looking for some more permanent or semi-permanent space. We're not looking at purchasing, so it's leasing. The Public Health Agency has asked us to acquire additional space, which gives you a sense that the stockpile is growing. That is the message there.

Mr. Matthew Green: It also gives me a sense that they made a grave mistake in shutting them down in the first place.

I have concerns in your statement over your remarks on Minister Anand announcing the essential services contingency reserve. There was some deflection the last time around the national emergency stockpile. Members of this committee will recall Minister Hajdu pivoting on the mandate, which was clearly written out and expressed in all the policies surrounding the national emergency strategic stockpile.

Is Minister Anand, in her recent announcement of the essential services contingency reserve, creating a new body to replace the national emergency stockpile, or is the government just simply pivoting and calling these new leased warehouses something different to provide essentially the same outcome under the mandate of the national emergency strategic stockpile?

Mr. Bill Matthews: No, it's very different. As mentioned, the essential services contingency reserve announced by Minister Anand is a backstop to support essential services and industry. Those are things like energy, information, technology, finance, food, water, transportation, and manufacturing in certain key areas.

It's really very much a backstop for those key industries if they are unable to acquire PPE as the economy reopens. We would expect them to exhaust all the stops to acquire it on their own, and then maybe look to other sources. This is very much a last resort—

Mr. Matthew Green: The private sector...?

Mr. Bill Matthews: Absolutely. There is the private sector, industry associations, other levels of government, and this would be a backstop for a short-term supply in the event that they're unable to do so through those means.

The Chair: Thank you very much.

We'll now go to our second round, which will be five-minute interventions.

We will begin with Mrs. Block, for five minutes.

Mrs. Kelly Block (Carlton Trail—Eagle Creek, CPC): Thank you very much, Mr. Chair.

I want to thank our witnesses for joining us today.

I would just build on my colleague's questioning previous to mine. I certainly hope this contingency reserve is going to be managed better than the NESS. I want to ask some questions around the prioritization of the contracts we enter into. Does the department have any guidelines to prioritize contracting with PPE manufacturers?

Mr. Bill Matthews: I'm assuming this is grounded in when we're sole-sourcing. When there's a competition, obviously, there's a competition based on requirements, and the contract is awarded to the winning bid. When we were in sole source, we were looking at some key criteria: established supply chains, ability to deliver quickly at volume, and already in the business. Speedy delivery was absolutely first and foremost, as well as quality assurance.

Mrs. Kelly Block: Thank you.

I'm wondering, did they include contracting from countries that had the same values that we do here in Canada, or with strong human rights records such as South Korea or Taiwan?

Mr. Bill Matthews: Mr. Chair, before we enter into a contract with a company of any sort, a check is done against its track record to ensure we are not entering into contracts with companies with values that may not comply with ours. That process still holds, regardless of whether we're sole-sourcing or running a competition.

Mrs. Kelly Block: Thank you.

I'm sure everyone has seen the horrific videos of Uighur Muslims being led onto trains blindfolded and chained together. I'm also sure that the department is aware of the New York Times article from July 19, which reported that at least 17 companies in China are using forced Uighur labour to manufacture PPE. Can the department tell this committee if any of the PPE we have purchased has been manufactured by forced labour?

• (1335)

Mr. Bill Matthews: We have no direct link, Mr. Chair, in terms of being aware of that, so we're not aware of any of those issues.

It might be interesting, Mr. Chair, if the member will indulge us... There is an ethical apparel policy that the government has. It might be worth Ms. Reza spending two minutes on that policy for background for the committee.

Mrs. Kelly Block: Instead of hearing that, I'd like to follow up by saying I'm really shocked that the department doesn't know if forced labour is being used to produce PPE for Canadians. I'm sure we would all agree that Canadians deserve to know if their government is financially supporting forced labour. I would expect the department to make that a priority, given the reports we are seeing in the news. Sure, if you want to follow up with your protocol, great, but I think it's shocking that we don't know.

Mr. Bill Matthews: If I could clarify, Mr. Chair, we have checked with the contractors we deal with, and we are not aware of any link there. We have proactively checked and have not found anything.

Mrs. Kelly Block: I appreciate that.

Can you tell me what precautions have been put in place to ensure this won't happen? What sorts of things are in place already to ensure we don't end up procuring from a company using forced labour?

Mr. Bill Matthews: Mr. Chair, this is where I'd like to turn to my colleague Ms. Reza to talk about the ethical apparel policy, because it is fundamental to this question.

Arianne, do you want to chime in? I suspect the member is looking for a quick answer, because she's running out of time.

The Chair: You have about 30 seconds or less, if that's at all possible.

Ms. Arianne Reza: I'll be speedy.

Since 2018, we have introduced the policy on ethical procurement of apparel, which requires all bidders responding to our competitions to self-certify that between them and their first-tier suppliers they comply with human rights and labour standards. In addition, we've been working on changing our code of conduct for procurement to ensure that these matters of concern are also identified and our suppliers understand the code of conduct we expect them to adhere to.

The Chair: Thank you very much.

We'll go to our next five-minute intervention; it comes from Mr. Drouin.

[*Translation*]

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

I'd like to thank the witnesses for joining us. In some cases, this is their fourth time appearing before the committee, so I want to say how much I appreciate their time, especially in July.

Being a member from the national capital region, I'm fortunate to represent many members of the public service. Clearly, the Phoenix pay system came up again during the last election. I'd like to know where things stand and how the COVID-19 crisis has impacted the situation.

The signing of collective agreements sometimes created backlogs because the people working with Phoenix had to input the data. Do you anticipate the same problems this time around?

[*English*]

Mr. Bill Matthews: Phoenix is a really interesting story during COVID, in that the work continued remotely, largely uninterrupted, some really good work. I will turn to my colleague Gini in a moment to get into details, but the queue has continued to drop. The backlog is now down to 301,000 in total, which is a really good improvement, and it continues to drop.

The member touched on the importance of collective agreements, because historically, when collective agreements are signed, there is a large retroactive piece that creates a lot of transactions, which effectively impacts the ability to get to the backlog. One of our areas of focus has been to find a more efficient way to deal with the additional transactions created by a collective agreement being reached.

Gini, do you want to give a quick update on statistics, and how we now deal with collective agreements?

• (1340)

[*Translation*]

Ms. Gini Bethell (Assistant Deputy Minister, HR-to-Pay Program Office, Department of Public Works and Government Services): Yes, thank you.

As far as collective agreements go, we've acquired specialized capacity to support their implementation. We anticipate the work on the 2014 agreements to be complete by the end of the year. Right now, we're beginning to look at the 2018 agreements. We also put new systems in place to streamline the process, so that less work has to be done manually. That's why we think it will be possible to finish the work on the collective agreement provisions sooner than in the past.

Of course, when the time came to deal with the 2014 agreements, in 2016-17, we were in full crisis mode with the system. The technological advancements we've made, the specialized resources we've added and the level of co-operation we've established with Treasury Board are really going to help our joint planning to implement the measures in the collective agreements.

As Mr. Matthews mentioned, we've been able to keep all the work going to handle pay system transactions during the pandemic, same as before. We've even made progress on our backlog and transaction objectives.

Mr. Francis Drouin: Thank you, Ms. Bethell.

My next question has to do with public servants returning to work. I live on the Ontario side of the river, whereas, my fellow member Mr. MacKinnon represents many public servants who live on the Quebec side.

Mr. Matthews, I believe you brought up the reopening plan and the challenges it creates on both sides of the river. Could you or one of your officials tell us about the return to work plan for public servants?

Mr. Bill Matthews: This may be a good time for Mr. Déry to finish answering the question that was asked previously.

[English]

The Chair: Respond within about 15 seconds, if that's possible.

[Translation]

Mr. Bill Matthews: Good luck!

[English]

Mr. Stéphan Déry: I can try.

Thank you very much, Mr. Chair.

We are working with the bylaws of the municipality to ensure that we're adopting.... As an example, in Ottawa, you have to wear a mask. There's signage at the front of all of our buildings in Ottawa indicating to people that they have to wear a mask when they are in common areas. We've increased the cleaning. We're in constant communication with both cities, Ottawa and Gatineau, and across the country also.

We have instituted a dashboard to ensure that all of our facilities, either leased or owned, are meeting the criteria, and ensuring they are meeting the province...but also ensuring the quality of space and the safety of employees.

The Chair: Thank you very much. I appreciate your economy of words on that.

We will now go to Mr. McCauley for five minutes.

Mr. Kelly McCauley (Edmonton West, CPC): Thanks everyone, and welcome back.

I want to follow up, please, on the comment that Mrs. Block brought up about forced labour.

I'm looking at Buyandsell.gc.ca. It says "ethical procurement certification solicitation clause...requires that the bidders and their first-tier subcontractors comply". So second-tier contractors don't.

Your comment about self-certifying is very worrying. It scares me greatly that we're relying on a corrupt, despotic government and a system that is imprisoning millions of people and using forced labour, and forced transfer labour to cover up their forced labour, and we're going to deal with it on a self-certify....

Please tell me I'm wrong here, that self-certify is not as it seems and that we're not relying on them to self-certify that they're complying with our standards.

Mr. Bill Matthews: Thanks, Mr. Chair.

I'll start the questions, but I will go back to Ms. Reza in a moment, I think.

Self-certification is the starting point. You will appreciate that when we're dealing with suppliers in other countries, we don't always have access to the same types of information that we would in a Canadian context, but—

• (1345)

Mr. Kelly McCauley: Let me interrupt there, though. When we don't have that access to information when we're dealing with a despotic regime that is jailing people for their religious views, or others, shouldn't we then say, "Well, we can't get the proper information. We're not going to deal with them or we're going to take added steps"?

What added steps are Deloitte and our experts on the ground in China taking to make sure that no goods are coming into our country that have been made by forced labour or forced transfer labour?

Mr. Bill Matthews: It's a two-part answer. Self-certification is one. The second part is the regime—

Mr. Kelly McCauley: It's completely invalid to expect the Chinese government to self-certify, so let's skip that.

What's the second one?

Mr. Bill Matthews: The second part is that we do go back against all our contractors and check their track record in terms of any charges they have faced. If they've been found or have pled guilty to charges that are on the list, then they're not eligible. That's the two-step regime.

Mr. Kelly McCauley: What charges? Pled guilty to the Chinese regime charging them...?

Mr. Bill Matthews: Mr. Chair, I mentioned the two-step process. We have the regime that checks against charges against the country.... I should ask Arianne if she wants to add anything to this.

Mr. Kelly McCauley: Yes, please, and point out how I'm wrong here.

This is very worrying. It seems that there's very little oversight, apart from trusting this despotic country to self-certify. It's not breaking any laws in China to have forced labour—the Uighurs—so please tell me how I'm wrong here.

Mr. Bill Matthews: Arianne, did you want to jump in?

Ms. Arianne Reza: I was just going to confirm that, as you indicated, there is a two-key process at the heart of this: looking at the self-certification that we've put in place between Canada and our contractor in their first-level sub, complemented, of course, by the integrity regime. In addition, there are other pieces under way, including the work we're doing in combatting human traffic, looking at our code of conduct, working with our suppliers to review as much as possible their ethical supply chain, and adding in risk assessment.

Mr. Kelly McCauley: We subcontract to Deloitte, which is the primary and may subcontract to someone else. We have just two levels that we look at. We can't count on a self-certification and we certainly can't count on your second backstop if they haven't been convicted of crimes, so we very much could potentially be buying goods from forced labour camps or the forced transfer of Uighurs, Muslims, Turks, Christians and others.

Again, I'd like to believe that we're not, but it doesn't sound like our checks are actually going to work. We're not dealing with the U.S.A. or Vietnam, where there is actually a basic rule of law.

We've seen them kidnap our citizens. We've seen them sell us faulty masks. We're not exactly dealing with a country that shares our values. They could very easily skip around our simple, basic two-step process. Am I right?

Mr. Bill Matthews: Mr. Chair, how much time do I have left? I have a sense we're running out.

The Chair: Absolutely none, but I do encourage you to give a fulsome answer to Mr. McCauley's last question, if you could do so, once again, as quickly as possible in writing and direct that to our clerk.

We will now go to Mr. Jowhari for five minutes, please.

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

Thank you, Mr. Matthews and your colleagues for the testimony today. I'd also like to thank your department for working so hard in making sure our nation is taken care of during these difficult times.

I want to follow up on a topic that was brought up earlier on the ESCR. You explained it as a short-term backstop for key industries. It's going to be launched on August 3. That's what I heard in your testimony and jotted down. Can you please explain why it's August 3? Why not earlier? Also, who can apply for this? What is the application process? How long does it take and what are the criteria?

● (1350)

Mr. Bill Matthews: Thank you for the question, Mr. Chair.

I have a couple of points on this one. In terms of why it's August 3, we wanted to make sure it was up and running, the process was clear and people had a chance to investigate the process before applying.

Mr. Majid Jowhari: I meant, why not earlier?

Mr. Bill Matthews: Why not earlier? It's a few days after the announcement just to give people some time to be ready. We're getting close to being ready to go, but it's about a week or so away, a week and a bit, I guess.

Who can apply? In terms of the first kind of lens, are you in one of the twelve essential services? I listed those earlier. That's the first key.

I mentioned the short term in that this is not meant to be an ongoing source of supply for an industry. This is 30 to 45 days' worth, if you're really in a pinch. That's kind of the model there.

Because of that, it does have to be fairly quick decision-making. A given industry would apply. It would get vetted. If it's in the transportation sector, it would come through the Department of Transport, which would do some assessment. We will be looking very quickly, first, at whether they are one of the essential services. Is the need proven? Have they exhausted all their efforts? Those types of things....

Mr. Majid Jowhari: How long will this process take?

Mr. Bill Matthews: We're hoping that it will be within a week. It's pretty quick. Again, it's something new for us. It has to be quick to be useful, because it's meant to be a short-term backstop. Obviously, if it takes months and months, that's not effective.

Mr. Majid Jowhari: What types of PPE are available as part of the reserve?

Mr. Bill Matthews: It's largely non-medical. You'll see KN95 masks. You'll see cloth masks, hand sanitizer and coveralls. Things like these will be stocked in there.

I should also have mentioned that part of the other reason for the delay, August 3, was to give industry a chance to organize as well. We do want industries self-organizing to the extent they can before they turn to the backstop.

Mr. Majid Jowhari: Thank you for that.

Talking about industries.... I'm switching to a different topic. You talked about the fact that 22% of the contracts that have been awarded are domestic contracts and are worth about 44% of the value, which is great. This is part of our strategy: building the capacity.

One of the things you mentioned, which I'd like you to expand on, is that the domestic ones have been slow to deliver. Can you expand on that one? Why have they been slow to deliver?

Mr. Bill Matthews: I should be more precise with my comments. Some pieces of domestic ones have been slow to deliver.

When you look at face shields, you will see that it's been very quick—quite miraculous, frankly—and really on board quickly. If you're getting into manufacturing ventilators for the first time, you need supply chains and raw materials, and that takes time to stand up. I would say that for face shields, it's absolutely very efficient, and for ventilators, longer.

Other factors that would slow an industry down in terms of ramping up include bringing your workforce back. Making sure your workspace is properly organized to reflect the COVID environment is part of the story as well. Access to raw materials is big. With regard to gowns—an area where the Canadian industry has done a fantastic job of responding—the material used to make traditional gowns was not readily available, so Health Canada, as a regulator, approved some additional materials, different types. However, again, to go and get that takes time.

It really depended on the complexity of the good being manufactured.

Mr. Majid Jowhari: Great.

I have about 30 seconds.

I want to go back to a different topic, the N95. You highlighted the risks. You said that there are a couple of different risks: quality and access to supply. What are we doing domestically to eliminate these risks?

Mr. Bill Matthews: That's a really important question. All of our masks to date, frankly, are coming from China or the U.S. We have 3M deliveries through the U.S., and the rest are pretty much through China.

We have a contract with Medicom for both surgical masks and N95 masks. Surgical masks are starting to be produced this month, and the N95s will be in late August or early September. That will be our first domestic certified N95 mask, once they're up and running.

The Chair: Thank you very much.

We'll now go to our third round, which will be two and a half minutes each, starting with Madame Vignola.

[*Translation*]

Mrs. Julie Vignola: Thank you.

I'd like to talk about Amazon.

Amazon informed the committee that, under its contract with the Government of Canada, it would offer its services at cost.

Are we to understand that Amazon is not making any profit under the agreement it signed with the Government of Canada?

• (1355)

[*English*]

Mr. Bill Matthews: The Amazon question is an interesting one. Yes, the first part of the contract was at zero profit. They were going to learn what it took to actually operate this business. The other part of Amazon was that we were anticipating, with our colleagues at Public Health, a model in which the Public Health Agency would be delivering goods to a broad range of locations, many locations in every province. That's why we thought Amazon would be useful.

It turns out that the provinces actually wanted delivery to a central location, so Amazon.... Well, there's actually no activity right now against that contract. Because the provinces want a rather simplified delivery organization in terms of where the goods go, the Amazon model is not heavily used. No activity is going on there right now.

[*Translation*]

Mrs. Julie Vignola: I see.

How is it that a company listed on the stock exchange, a company whose primary goal is to make a profit, signed a contract with the federal government to offer its services at cost, making no profit?

What, if anything, is Amazon getting in return?

[English]

Mr. Bill Matthews: I think it was out of a desire to help. They're not the only ones we've seen doing that. We've also seen some of the gown manufacturers in Canada want to contribute and keep their workforce busy, so they're offering us pricing that's effectively at cost. It's something we've seen, although not across the board, by any means. There's still some profit making going on in some companies, but we've seen quite a few companies that just want to help bring their workforce back and do it for zero profit.

The Chair: I think we'll have to end the testimony there.

On that note, we'll now go to Mr. Green, for two and a half minutes, please.

Mr. Matthew Green: Jeff Bezos made \$13 billion on Monday. I want to be clear and to the point, because I think Amazon should have been at this committee, quite frankly.

What was the cost?

Mr. Bill Matthews: The actual amount paid to Amazon was about \$200,000, give or take. As I said, there is no activity going on against the contract now, because the deliveries to the provinces are still to centralized places.

Mr. Matthew Green: So the centralized places could, in fact, have been the national emergency strategic stockpiles that are kept across the country for distribution.

Mr. Bill Matthews: No. Every province would have a location, because provinces are the primary providers of PPE and health care. They would all have a central location that they would use to then manage distribution.

Mr. Matthew Green: Is it safe to say, then, that the public sector is, on a go-forward basis, with Canada Post and Purolator, able to deliver on behalf of Canadians in the future waves of crisis? Can we now cut our relationship with Amazon?

Mr. Bill Matthews: As I said, there's no activity going on right now against the contract. We have been using Purolator and Canada Post heavily, as well as other companies, to help us deliver on these things.

I think it depends on the model. A relatively simple model, as we have right now in terms of location of deliveries, requires one sort of expertise. If it's more complicated than that, it could be a different model altogether.

Mr. Matthew Green: How have we not learned lessons that would suggest a model going forward? We're four months into this. I have deep concerns, Mr. Chair and members of this committee, that we're still not adequately prepared for future waves of this, given how we're doing logistics and the supply chain management of our national emergency stockpile and our future procurements. I would have thought that four months in we would have had an integrated supply chain that would allow us to look into the future months to know what we're looking at in the second wave: what we're going to be procuring and the set-asides that we're going to have for the national emergency stockpile.

Would you care to comment on that?

Mr. Bill Matthews: I think part of that question would have to be answered by the Public Health Agency and, in some respects,

the provinces, as provinces are kind of the front line. How we organize as a federal government is very much done in concert with our relationship with the provinces.

Mr. Matthew Green: We've heard here whole-of-government-approach language being used by the Liberal government, yet public health and procurement still don't even know what the other one needs in terms of future planning for the NESS.

The Chair: We'll have to end the testimony at this point.

Colleagues, we'll now go to our second hour. Because we are taking only 45 minutes' worth of questions before we go into committee business, I'm suggesting that the first round of questions be five minutes in duration, followed by a second round of four minutes and a last round of two minutes.

We will start with a five-minute round.

Go ahead, Mr. McCauley.

• (1400)

Mr. Kelly McCauley: I'm sorry, but you were breaking up and I couldn't hear you. There's a bad Internet connection.

Mr. Kelly McCauley: Great. Thanks.

Mr. Matthews, I want to talk about the Nuctech contract that was awarded to a Chinese company for the security systems within our embassies. How did they win this? Was it purely on a low bid?

The Chair: You have five minutes, Mr. McCauley.

Mr. Bill Matthews: Let me know if you can't hear me. I'm getting a message that my Internet connection is weak as well.

This was a competition, and it was based on two things: meeting the requirements as defined—

Mr. Kelly McCauley: Did they win it on a low bid?

Mr. Bill Matthews: Yes, the lowest compliant bid. You had to have a product that met the requirements, and then there was a price factor.

Mr. Kelly McCauley: Do you know why the national security exemption was not used for this RFP, considering we use NSE for everything from paperclips to photocopy paper? Why wasn't it done?

Mr. Bill Matthews: This is a standing offer that will allow for the machines to be ordered, if desired. The requirement at the time identified that the client had no security requirement on these machines. Global Affairs Canada has now indicated it wants to have another look at that, because that would result in a very different type of competition—

Mr. Kelly McCauley: Was Global Affairs the client on this?

Mr. Bill Matthews: Global Affairs was our main client to put the standing offer in place, but the intent was that, if other departments wanted to order from it, they could, but they would have to understand, again, what their security requirements were.

Mr. Kelly McCauley: Mr. Chair, I'd like to introduce a "matter at hand" motion in regard to this. I'll do it now and use up my five minutes, so as not to take away time from the others.

The Chair: Thank you, Mr. McCauley. I've taken a look at it. It is admissible, but I would ask that you read the entire motion into the record for the benefit of our colleagues.

Mr. Kelly McCauley: I move:

That, pursuant to Standing Order 108(2), officials from the Communications Security Establishment and the Department of Public Services and Procurement provide the committee with a briefing on the Nuctech security equipment contract; that the relevant departments provide all documents, memorandums, and briefing materials related to the Nuctech security equipment contract, and that the meeting be held no later than Monday, August 31, 2020.

The Chair: Colleagues, we have heard the details of the motion. I will assemble a speaking list. If you wish to speak to the motion, please indicate by raising your virtual hand. I'll ask Paul to assist me in this so that we can get through this. Are there any members who wish to speak to the motion presented by Mr. McCauley?

Mr. Drouin.

Mr. Francis Drouin: Yes, I have a question for Mr. McCauley. I know he's given the date before the end of the month. I know we will probably be discussing meetings for WE. I'm wondering about timelines. If it does come to a priority, will he prefer to have our committee look at the WE Charity situation, or is he going to prefer this, because we will have passed a motion to look at the contract? I'm trying to get a sense from him.

Mr. Kelly McCauley: It's just one meeting. I'm sure the chair and the clerk can figure out timing in order to prioritize it.

The Chair: We'll go to Madame Vignola, and then Mr. MacKinnon.

[Translation]

Mrs. Julie Vignola: Given the situation internationally, I think it's a good idea to study the issue. To Mr. Drouin's point, I would suggest the committee spend a single meeting on both the WE Charity issue and Mr. McCauley's proposed study.

[English]

The Chair: Mr. MacKinnon.

[Translation]

Mr. Steven MacKinnon (Gatineau, Lib.): I would ask the member who put forward the motion to invite Global Affairs Canada officials to appear before the committee or to ask another committee to hear from them.

Public Services and Procurement Canada handles the purchase of goods and services requested by other departments. It's involved in the procurement process, but it's not the end client. Why not ask the actual client to come before the committee to explain its actions or have the committee responsible for foreign affairs hear from those officials?

• (1405)

[English]

The Chair: Mr. McCauley, do you have any final comments?

Mr. Kelly McCauley: Yes, I think it's related to us. We've studied the NSE in the past. It's one meeting, but I also want access to the contractual and bid information.

We can certainly invite Global Affairs as well, but I think PSPC has a role, not just as "we'll take any contract and get it out" but to ask questions about the validity of the bids, not finding Canadian companies to bid on it and other issues as well. I'd be happy to have Global Affairs attend as well and explain.

The Chair: I see no other hands being raised.

Paul, please conduct the recorded vote.

(Motion agreed to: yeas 10; nays 0)

The Chair: Thank you, Paul.

That motion is carried, and we will be getting back to colleagues with the timing in short order. We'll perhaps discuss that further during committee business.

We'll now continue with our examination. We will go to a five-minute round with Mr. Kusmierczyk.

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

We understand that the Public Health Agency received \$1.8 billion for PPE in their supplementary estimates, and that another \$4.5 billion is allocated to provide PPE to support provinces and territories through the safe restart agreement. How much of this money has been committed and how does it break down across government, health sector and the recently announced essential services contingency reserve?

Mr. Bill Matthews: The funding does break down across the three buckets, as the member suggested. Grosso modo, we have committed \$5.9 billion in contracts. The vast majority of that—it would not be a surprise to people, I think, to understand—is for front-line health workers through the Public Health Agency of Canada. That's about \$5.5 billion.

We do have a second bucket that we don't spend much time talking about here, but we do have procurement to support other government departments in their PPE needs. This would be our correctional services workers, border guards, etc. There's about \$235 million there, give or take what's been committed.

To date, we have committed \$229 million, let's call it \$230 million, in contracts to stock the essential services contingency reserve. That comes from a combination of funds that PHAC would have received in its estimates as well as funding announced in the safe restart agreement.

Mr. Irek Kusmierczyk: That's great. Thank you very much.

Is there a projection or an expectation of who would be drawing or what types of sectors or industries would be drawing upon the essential reserve, or is it simply an open category and we don't have any expectations at this point?

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

One is that the applicant would have to belong to one of the 12 essential services, which I've listed before. That's the first test. It has to be an acute need. Part of the assessment is proving that they've gone through and exhausted all other means, and it really is a necessary intervention, that they have no other alternative or there will be an impact on Canadians. Those are the broad strokes, but the first and most important test is those 12.

Do we have an expectation of who will use it? No, we don't. Within those 12, this is new. Our hope is that the private sector is able to supply PPE but as the economy starts to open, this is really about having a backstop in place.

• (1410)

Mr. Irek Kusmierczyk: Okay. That's understood.

On May 3, the Minister of PSPC announced the creation of the supply council. I know they've met on a number of occasions. I wanted to get your sense of what their contribution to this challenge has been and the solutions being brought forward. Have they been effective?

Mr. Bill Matthews: With your permission, I'll turn to my colleague Michael Vandergrift as he has been the key interlocutor with the supply council.

Mr. Michael Vandergrift (Associate Deputy Minister, Department of Public Works and Government Services): Thank you, Bill.

Thank you, Mr. Chair.

The supply council has met on three occasions since its creation. It's played a really important role in understanding what's going on with various sectors in terms of their access to personal protective equipment and other supplies. Of particular note is the work the supply council did to inform the supply hub that Mr. Matthews referred to in his opening comments. We tried to put together in one place information and resources for both suppliers and buyers of PPE, including linking up to marketplaces that have been formed by the provinces and in the private sphere to try to link those who have PPE for sale and those who need PPE.

The supply council played a really important role in trying to pull together and give advice on pulling together the various sources of data on PPE that can be useful to various sectors. This also includes information on occupational health and safety guidelines, consumer advice on PPE, health and safety information, etc.

Mr. Irek Kusmierczyk: That's great.

The last discussion of record was posted June 22. Is there an anticipated future meeting of the supply council or have they completed their mission?

Mr. Michael Vandergrift: No, there are anticipated future meetings of the supply council, likely later this summer.

Mr. Irek Kusmierczyk: Great.

I'll switch gears really quickly. On June 9 the PSPC minister told the committee that PSPC also offers procurement assistance to individual health care centres. How many health care centres has PSPC helped directly so far? Has this number evolved over the course of the pandemic? In what ways have we helped out?

The Chair: I'll have to ask that those answers be delivered in writing—again, as quickly as possible—to our clerk.

Thank you for those questions.

We will now go to Madame Vignola.

[*Translation*]

You have five minutes.

Mrs. Julie Vignola: Thank you.

I'm going to follow up on Mr. Kusmierczyk's question.

How many individual health care centres received assistance, and how were they helped?

[*English*]

Mr. Bill Matthews: I'll start with the second part of the question, about how they were helped. The "how" is largely around logistics. We'd heard from a number of organizations, especially early on, that they were having difficulty getting their orders out of China. They were having a hard time arranging transportation, either at all or at a cost that they couldn't afford, frankly. Our assistance was largely through logistics out of China. It's difficult to say how many, because some of the ones we were helping were conglomerates in long-term care facilities, etc. Where we had extra space on a plane that was coming over, we were able to squeeze some additional PPE onto the plane to help out those types of organizations. The primary answer is logistics. I cannot answer how many, because some of them were ordering in a group.

The second way I should highlight is that there were a few who were having trouble just finding suppliers, or who were wanting advice on how to procure and contract. We were able to put them in touch with some of our supply chains and some of our logistics folks just to give some advice.

[*Translation*]

Mrs. Julie Vignola: Were they public or private health care centres?

[*English*]

Mr. Bill Matthews: We were in touch with a mix. On the long-term care facilities I mentioned, those would have been a conglomerate of private. We also heard, though, from some hospitals and others looking for assistance as well. It was a mix.

[Translation]

Mrs. Julie Vignola: Very well.

By helping the health care centres who sought procurement assistance, you were interfering in provincial affairs, were you not? Shouldn't the provinces have been the ones helping, not PSPC?

• (1415)

[English]

Mr. Bill Matthews: When it comes to the question of health, this was early days. There was a struggle around understanding the logistics and getting supply. I think organizations like this were in touch with multiple levels of government. We were collaborating with the Quebec government on logistics as well. In terms of everything I said about helping out with logistics earlier, and finding space on planes, the federal government did the same thing with the Quebec government. I think you were seeing engagement across all levels of government.

[Translation]

Mrs. Julie Vignola: Thank you. That's the reassurance I was looking for.

I'd like to come back to the COVID-19 supply council, whose membership includes individuals from the private sector, as you mentioned.

How do you make sure members don't have any conflicts of interest related to the council's work? Are the members there for the right reasons, meaning, not for monetary or personal gain? What's the process to make sure of that?

Mr. Bill Matthews: Thank you for your question. I'm going to ask Mr. Vandergrift to answer.

[English]

Mr. Michael Vandergrift: All members of the committee had to declare their conflicts of interest beforehand. They are also required to recuse from a meeting if they have a conflict with any element of it. To be clear, as the minister has indicated as well, the committee is not talking about individual procurements or individual contracts. It's much more of a strategy conversation in terms of what is happening out on the supply chains and out in the private and public sectors in terms of access to supplies. However, there are provisions to identify conflicts and to recuse should conflicts exist.

[Translation]

Mrs. Julie Vignola: Did anyone recuse themselves because of a conflict of interest? As we've seen recently, people don't always do so when they should.

Mr. Michael Vandergrift: No, no one has recused themselves in any of the meetings thus far.

Mrs. Julie Vignola: Very good. Thank you.

With the worldwide demand for personal protective equipment, prices rose significantly between March and June. Are prices still on the rise, or have they stabilized or dropped, even?

[English]

Mr. Bill Matthews: It depends on the category of goods. They're certainly nowhere near what they were before COVID. They're still

elevated above that. Some have come down a little bit. The volatility is a bit less, but on the whole still much higher than they were pre-COVID.

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

Mr. Matthew Green: I'm picking up where I left off, calling for a more integrated approach between the Public Health Agency of Canada and Public Services and Procurement Canada. Acknowledging what I feel to be some missteps early on with the national emergency stockpile and the roll out, what lessons have you learned? How are you using whatever innovation you've created over the last four months to plan for the future?

Mr. Bill Matthews: I'd focus in on logistics, because that's really where the most important hand-off occurs between PSPC and PHAC. Understanding that the eventual clients of the NESS are the provinces and territories, we are looking at more streamlined logistics so that, for some goods, can we bypass NESS altogether? Can we go right from ordering, if we order on behalf of a province, and ship directly to a province or territory? For some goods, should it go through the NESS, as it always has? We're looking at more streamlined logistics, and it depends on the category.

There's a lot more discussion around sharing of information and stockpiles, and where the greatest need is in terms of orders, and where it is best to collaborate on orders. That would be the other lesson that we share. There are also lessons for us around diversity of supply chains, and whether we can do more to better diversify our supply chains.

• (1420)

Mr. Matthew Green: As it relates to this integrated approach that we keep hearing about, understanding that the NESS has a long history going back to the 1950s, and then of course the resurgence of H1N1 and the first round of SARS, as it relates to the advanced treatment centres, are you familiar in terms of the supply of the units of advanced treatment centres?

Mr. Bill Matthews: Where the member is heading with this question, Mr. Chair, is probably a better question for the Public Health Agency. I'm not familiar enough to answer your question.

Mr. Matthew Green: I'll put it to you this way. Again, this is part of the problem of not having an integrated approach in my opinion.

If the person responsible for procurement doesn't know exactly what the Public Health Agency wants, we have these gaps, and I'll share this with you. The advanced treatment centres are essentially field hospitals that are to be deployed in times of emergencies. I'm to understand that the NESS ought to have had some of those.

Do we know if those have been deployed in remote areas, in indigenous communities and territories? If you don't have that information, and knowing that we haven't had an adequate response in remote communities, has there been planning or orders placed for the future acquiring of these advanced treatment centres, so that we can deploy for future pandemics?

Mr. Bill Matthews: I actually do understand what the member is talking about. I just used a different term in my head. We have mobile respiratory care units. That is what we used to call them, and we've designed two models. One is more temporary, and easier to stand up and take down, and another is more permanent. We are looking at piloting those. We haven't deployed them, but we're actually well along with the design of two different types, and obviously, working with the provinces and territories on what those designs should look like.

Mr. Matthew Green: I will have you note that on the NESS website there is reference to these being part of the stockpile and their background. Again, I feel like there's a responsibility and a role to be played through public services to take a more forward position on the acquisition of critical supplies, knowing the abject failure of the Public Health Agency of Canada to keep the adequate supplies in place leading into this pandemic.

What comment do you have on our ability to respond to future waves, knowing that we're in this hypercompetitive environment? Are you setting aside parts of your order for future emergency stockpiles? Are there conversations taking place to restore the national emergency strategic stockpile to the adequate level it was prior to the previous government throwing it all away?

Mr. Bill Matthews: In terms of the ordering we're doing now and, more importantly, the receipt of goods that is happening now and in the coming months, that's all about the second wave. That's why we're also getting additional space for the NESS.

In terms of the policy questions around the size of the NESS, etc., that's not for me to speak to.

The Chair: Thank you very much.

We'll now go to the second round of four-minute interventions, starting with Mrs. Block.

Mrs. Kelly Block: Thank you very much, Mr. Chair.

I want to make sure that I've understood correctly what I think was said in response to Mr. McCauley's intervention prior to his motion.

I believe what we heard earlier regarding the ethical apparel policy is that this policy only extends to primary and first-tier subcontractors and that we don't know what happens if that first-tier subcontractor contracts out to additional companies.

We've also, I guess, learned that PSPC or the Government of Canada is relying on a regime that has an atrocious human rights record to self-declare that they don't engage in human rights violations when producing PPE, while at the same time there has been confirmation that there are companies using work camps for production.

Can you confirm that I've understood correctly your response to Mr. McCauley on these issues?

• (1425)

Mr. Bill Matthews: Just to reiterate, step one is the self-certification piece you mentioned and, yes, the ethical apparel policy that was quoted does have two levels: prime and first level down.

We also flagged earlier the integrity check that is done against contractors to look for criminal charges, etc. That's the system, in broad strokes, that we have in place right now.

Mrs. Kelly Block: I want to confirm that we don't know what happens if that first-tier subcontractor contracts out to additional companies.

Mr. Bill Matthews: When we are doing contracting, we can have dialogue, but the actual policy itself applies to two levels down.

Mrs. Kelly Block: Okay, thank you.

I'm also wondering if you can tell me what role Deloitte has in ensuring that we're not buying PPE from companies that are using forced labour. I believe Deloitte has been contracted by PSPC to help with our supply chains, so I'm wondering if it has a role.

Does it report to you any findings that would then help inform PSPC on whether or not these companies should be engaged in procurement?

Mr. Bill Matthews: I will ask Arianne to correct me or to elaborate, just to make sure I have this right.

My understanding of the work done by Deloitte in identifying suppliers is that it was around their ability to deliver quality goods. I don't recall questions such as the member is asking.

Arianne, can you confirm or correct the record here?

Ms. Arianne Reza: First and foremost, Deloitte was there to help us with logistics and to help us identify suppliers that could help deliver quality goods.

In terms of its initial review, if Deloitte knew anything adverse, it would share it with us, but a lot of that came to the PSPC to review and ensure that integrity checks were done prior to any contract.

Mrs. Kelly Block: Thank you.

I'm wondering—because my time is short with only four minutes—whether the department will commit to looking at the entire supply chain and every single subcontractor in China to guarantee that not one bit of what we are receiving is from forced labour or forced transport?

Mr. Bill Matthews: Mr. Chair, I have a couple of things on that.

The Chair: We don't have time for a couple of things, Mr. Matthews.

I think Mrs. Block was looking for a yes-or-no answer.

Mr. Bill Matthews: Part of the department's plans are in modernizing procurements to look at these types of questions. However, I just want to flag that when you're dealing with a very deep supply chain in a faraway country, getting the line of sight into these types of questions is not an easy thing to do.

The Chair: Understood.

We'll now go to Mr. Zuberi for four minutes, please.

Mr. Sameer Zuberi: I'd again like to thank the witnesses for testifying.

I'd actually like to pick up on the theme that we heard about just moments ago. It's about the Uighur people.

Just to share this with other members of this committee, the Subcommittee on International Human Rights and I heard very disturbing testimony on Monday and Tuesday—for seven hours on Monday and seven hours on Tuesday—from experts and in first-hand accounts of people who have been interned or have been within the concentration camps in the Xinjiang Uighur Autonomous Region in China.

We heard from experts, including Irwin Cotler and others, that what's going on there rises to the level of genocide according to the UN convention. We also heard that Canada's responsibility to protect doctrine is engaged, and that there are crimes against humanity.

We heard that right now there are between 1 million to 1.8 million people who are in concentration camps in this province in China. We heard that 80% of Chinese cotton is coming from this province. We heard that there is widespread forced labour. We heard that their women are being forcibly sterilized with IUDs and the men are being irreversibly sterilized. There is widespread torture and rape occurring. We heard that there is surveillance going on within these camps, 24-7 surveillance, except for “black sites”. In these black sites, there's torture and there's rape.

We heard that this information was not getting out and has not gotten out until recently. Until recently, we've heard only anecdotal information from survivors. In 2019, what's been known as “the Chinese papers” and other leaked documents from the Chinese Communist Party were reported in the New York Times and showed that this a program, a system. Irwin Cotler, the former attorney general, said that this is the biggest concentration camp since World War II.

That's happening right now, so it's very apt that we're talking about supply chains, because supply chains are something that we—as Canadians, as Canada—can do to do our part to halt what's happening there.

We heard testimony from Amy Lehr, with the Center for Strategic and International Studies, director of the human rights initiative there. To pick up on the supply chains, as in the previous question, she said that you need strong Mandarin reading skills to do the required research. There are a lot of public documents. America has looked into these documents and is able to determine who is profiting from this forced labour and which subcontractors are profiting from this forced labour. We know that within the province where these concentration camps are right now, this is not the end product.

To pick up on what was previously asked, is it possible for the Government of Canada, and the departments in particular, to go further and beyond these two points, which are self-certification and doing a criminal check on companies? Is it possible to go beyond, to do the research that is required and to get somebody with strong Mandarin reading skills to ensure that we are not unwittingly wearing masks that are produced by forced labour and unwittingly having cotton shirts that are produced by forced labour?

This is a human catastrophe. We have a responsibility to protect. I'll leave it at that.

• (1430)

The Chair: Mr. Zuberi, thank you very much for your testimony.

I believe, Mr. Matthews, that to adequately respond would take you far beyond our allocated time. I would ask that, if you can, you provide to the best of your ability a fulsome answer for Mr. Zuberi and, once again, in writing to our clerk as quickly as possible.

We'll now go to Mr. Aboultaif for four minutes, please.

Mr. Ziad Aboultaif: I would like to build on what Mrs. Block and Mr. Zuberi have asked in their questions and try to assist Mr. Matthews a bit on this end.

I've done international trade for a big part of my life. When you place orders overseas, you place them through a Canadian supplier. Is that correct or not?

Mr. Bill Matthews: In normal times, our go-to would be a Canadian supplier. Under the COVID crisis, we have done more dealings directly with the manufacturer to order at scale, but in the normal case, the member is quite right.

Mr. Ziad Aboultaif: Okay. What's the percentage of orders that you fill directly through manufacturers in China?

Mr. Bill Matthews: Under the current environment, we have about 10 to 12, probably 10. Let's say 10—

Mr. Ziad Aboultaif: How many major suppliers? I don't want to count every single smaller supplier you've dealt with, only the major suppliers. So far we haven't received a large number. Most of the orders you've received are at less than 50%; some of them are less than 15%. On the N95 there was about 2% last month.

Is there a way to backtrack on some of these orders, at least until you do some due diligence on these suppliers?

Mr. Bill Matthews: I think the member has touched on an important issue here because of the diversification of the market around N95s. As I mentioned earlier, we get some from the United States and the vast majority from China. The reason we have been doing that is that's where the market is.

While there is always the possibility to look into contracts, and we've looked a bit, there have been questions here around whether we can go deeper. This is an interesting question because it's not an area that's easy to get line of sight into. I'm guessing where the member is headed here is the idea that maybe we can go elsewhere. It's not easy to do in the N95 market.

Mr. Ziad Aboultaif: Let me also suggest another thing. As I've said we have only 2% of the N95s, so 98% of the orders, which are supposed to be close to 190 million masks, haven't been received, as far as I know, unless you have a different number for me.

Do you know how legitimate those suppliers are and whether they're meeting all the requirements that are very crucial for Canadians and for our values? I'm not sure how deep you are into the contracts or what the penalties are, but to be honest with you I think if you have a way out you should examine those suppliers.

For the first wave of COVID, we were only able to receive 2% of the total N95 masks, which are supposedly very crucial for the safety of Canadians. If during the first wave we only received 2% of the total supplies that we ordered, why can't we start now?

● (1435)

Mr. Bill Matthews: The only thing I will add to that, because I expect we're about to run out of time, is the updated numbers on N95. We're up to just over 50 million masks on a total order of 150 million or so, which roughly at about one-third.

Mr. Ziad Aboultaif: No, your number was 221 million on the first.... You're at less than 25% of those. We still have 75% of orders that haven't been fulfilled, and probably the 25% that you've suggested may not all have come from China, if I am correct. You can correct me if you wish.

Mr. Bill Matthews: The other thing I should add is that we do have Medicom, a Canadian company, coming on board with N95s as well, which is our first foray into domestic manufacturing in this area. I think a really important part of this question as well is domestic manufacturing ability.

The Chair: I'm sorry, Mr. Aboultaif. You're out of time.

We will now go to Mr. Drouin for four minutes, please.

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

My question will shift gears a little. It has to do with some of the supply ships and the shipyards we have in Canada. Could you give an update to this committee on...?

I know we were going to look at it at some point. It was Mr. McCauley's motion that was adopted by this committee earlier this year, pre-COVID-19. I am just hoping that you can give this committee a bit of an update on where we're at with this.

Mr. Bill Matthews: In terms of an update on the joint supply ship, a contract was recently signed, as you are aware, which gives us some certainty on the way forward on the build. We're still looking at 2023 for the first one and 2025 is pencilled in for the second one.

While we're on the topic of ships, we should mention the first Arctic offshore patrol ship is coming in the summer, with the second one in late 2020. That's the short answer on the shipyard question. Does that answer the member's question?

Mr. Francis Drouin: Yes, for now. I'm sure we'll get another opportunity to discuss this.

With regard to procurement—you mentioned this in the opening of your remarks on PPE—the department has now decided to contract out to a larger audience, if we can say this.

I'm assuming you're getting a handle on PPE and whatnot, and now you can go out to the broader public. You've mentioned the potential RFP that's going to indigenous communities, which they will

be able to bid on, and I'm assuming.... Are we using the set-aside program for this, or...?

Mr. Bill Matthews: The member raises an interesting point. Yes, we are looking to compete more and more now as markets regularize a bit. We are seeing less urgency because the warehouses are getting full. We have organized a few procurements that will be competitive. The member flagged the one open only to aboriginal businesses.

Arianne, do you want to speak to the specifics of that one?

Ms. Arianne Reza: Since May, we've done over 10 open solicitations. They are open competitions and are posted. We have one that closed on indigenous cloth coverings and another one that we're doing currently for indigenous disposable masks. We have one under way now and one that we're looking toward in the coming days.

Mr. Francis Drouin: On the existing contracts that we have with suppliers of PPE, if we rewind to three and a half months ago, everybody was looking for visors, and now I can find a visor at practically every corner of the street. Have we put these protective measures in our contracts to ensure that we don't pay, perhaps, the market price from three and a half months ago and pay the market price today, as opposed to the higher price? Are there protective measures in there for those particular procurements?

● (1440)

Mr. Bill Matthews: When there's a long-term supply arrangement in place, it often contains a fixed price for a certain period of time, with a chance to revisit this in the future. For a short-term arrangement, they've signed up for a specific price, which was the going rate at the time. For most arrangements, to be frank, there's a fixed price in the contract, but for the really long-term ones there is some variation possible, up or down.

The member is quite right that for things like face shields, things are quite stable, so there is an easier story going forward. There are other commodities that are still pretty tricky. Gloves are one that's really worth keeping an eye on. That commodity's price might go up. The price there is quite volatile, I'd say.

The Chair: Thank you very much.

We'll now go to our final two-minute interventions.

Mr. Green, are you still with us? I believe Mr. Green has left. I was going to get him to speak first.

Madame Vignola, you have two minutes.

[*Translation*]

Mrs. Julie Vignola: Thank you.

I'd actually like to come back to the tender that was launched for masks, specifically, in relation to first nations businesses. How many businesses have bid so far?

[*English*]

Mr. Bill Matthews: I'll get my colleague Ms. Reza to clarify or correct that, but of the bids received so far on the first one, I believe we're at over 200 bids from indigenous businesses.

[*Translation*]

Ms. Reza, would you mind elaborating?

Ms. Arianne Reza: I'm just checking the figures. One contract was finalized, and we received around 200 proposals, I believe. Another contract will be finalized on July 29, the closing date for the request for proposals. We can provide you with the numbers after that.

Mrs. Julie Vignola: Very well. Of those 200 bids, how many are from businesses owned by first nations members?

Ms. Arianne Reza: Thank you for your question.

The request for proposals just closed, so we are in the midst of reviewing the bids and other details to confirm how many were submitted by indigenous businesses. We can get back to you with that information.

Mrs. Julie Vignola: Thank you. That means you'll be providing the committee with the numbers in writing a bit later.

That request for proposals is for disposable masks. Right now, we're going through an astronomical number of disposable masks. I mentioned that to you before. It's a product that people literally throw out after a few hours.

Is it possible to produce, in Canada, masks that can be sterilized and reused?

[*English*]

The Chair: Excuse me, but I will have to interrupt. Once again, it's an excellent question, but I'd like the witnesses to provide the answer in writing, as I have advised several times before in this meeting, as quickly as possible to our clerk.

Colleagues, that is the end of our interventions.

Mr. Matthews, to you and all of your officials, thank you for being with us for the fourth or fifth time. I look forward to a time, hopefully in the near future, when we'll be able to meet in person as opposed to virtually. Thank you for your testimony. It's always very helpful and very informative. You and your officials are excused.

Mr. Bill Matthews: Mr. Chair, could I just offer one thing?

Apparently I can't count. I said there were 12 essential services. There are 10. I apologize for my poor counting. I just wanted to correct that.

The Chair: Thank you very much for correcting the record. You are excused.

Colleagues, I'm not going to be suspending this meeting. We're going to be going directly into committee business. If our witnesses care to take their leave, they can do so. We will not be suspending, and we are in public. We are not in camera.

Colleagues, at the last meeting of July 9, when we adopted the motion to continue with a study of the WE Charity, we had a motion that was approved. That motion also listed four ministers who were going to be invited to appear.

Also at that meeting, I asked all of you to indicate to us, through the clerk, what your personal schedule or holiday schedule may be so that we can try to come up with a schedule for those four additional meetings on WE to the best of our ability. Now I have received some information.

Mr. Kusmierczyk, I understand you'll be gone from July 31 to August 10, but it appears most of the other committee members would be available for most of August and most of September. We also discussed, however, that we would like to wait until the finance committee had completed its meetings—which, my understanding is, will be July 28—to examine what testimony they have been able to uncover and then set our own schedule from there.

With those few words, I would just like to make an offer to any colleagues who want to make a suggestion as to meeting times. For example, maybe you want to have four meetings all in August or two meetings in August and two meetings in September. Maybe you want the ability for me, as chair, to set meeting dates on your behalf, or finally, maybe you want to wait until we hear the final testimony of the finance committee on July 28 before we go forward with any scheduling.

I have not received any suggestions for witnesses beyond the four ministers who were noted in the July 9 motion that was adopted. If there are additional witnesses any committee member would like to have appear before our committee, as we study the WE Charity situation, I would like to get those as quickly as possible. For example, if we wanted to have meetings that first week in August, to date we don't have any other additional witnesses suggested except for the ministers. I'm encouraging all of you to think long and hard as to who you would like to see appear as we continue with our study and get that information to our clerk as quickly as possible.

With that, I'll open it up for comments or suggestions as to how committee members would like to proceed and what the timing of our four additional meetings would be.

If you want to just raise your hand, we will try to accommodate you as best we can.

Mr. MacKinnon, I see your hand raised.

● (1445)

Mr. Steven MacKinnon: Just very quickly, since no one else had their hand raised, I want to note that I did also send to the clerk a couple of dates that I hope we would avoid, although I only did so yesterday.

The other thing is that, indeed, we noted some ministers we may want to invite. I know there's some interest among my colleagues to perhaps have as many of these hearings as possible. I would just say that I don't think it is becoming of this committee to invite ministers who had little, no or highly peripheral involvement in this issue. That is certainly the case with respect to the officials you just saw, and indeed the minister at PSPC. I can't comment on other departments, but Treasury Board is also a department that I don't think had any involvement in this issue, but obviously they can speak for themselves. I don't think we ought to go casting a wide net in terms of inviting people who had little or nothing to do with this issue. My posit would be that we can perhaps whittle down that initial list of ministers.

The Chair: Thank you.

I now see some hands up. I have Mr. McCauley, Madame Vignola and Madam Block, in that order.

Mr. McCauley.

Mr. Kelly McCauley: Thanks, Mr. Chair.

I think in August—I'll leave it up to you and our clerk to work out dates—several of us are unavailable until the end of July.

As for witnesses, yes, we'll send them in. To Mr. MacKinnon's comments, I guess it's the will of the committee, but I think we should be calling ministries who should have been involved, perhaps, or should have had oversight. It's just like the issue about the self-certifying. It's not good enough that, well, we didn't do this.

I'll leave it to the will of the committee, but sometime in August. Thanks.

The Chair: Thank you.

Madame Vignola.

[*Translation*]

Mrs. Julie Vignola: Coming back to Mr. McCauley's point, I would prefer that we meet four times in August. Earlier, we discussed a study and another meeting. That would make five meetings in August, including the WE Charity study and the Nuctech study. I'll get back to you soon on the matter of witnesses.

For the time being, Public Services and Procurement Canada and Treasury Board don't seem to be involved in the WE Charity situation. Nevertheless, hearing from the people at the helm of those institutions would be worthwhile, if we want to consider how to avoid this kind of thing in the future.

• (1450)

[*English*]

The Chair: Thank you very much.

Mrs. Block.

Mrs. Kelly Block: Thank you very much, Mr. Chair.

Not to be combative, but I would suggest to Mr. MacKinnon that the will of this committee is very clear in the unanimous acceptance of the motion I brought forward, where the ministers we wanted to have appear before committee are listed. I'm not interested in trying

to whittle down that list when we indicated what our intent was and the motion was unanimously adopted by the committee.

If you prefer, you can leave it up to members of the opposition to thread that needle to demonstrate how ministers were involved, or as my colleague said, why they should have been, in what is becoming a very huge scandal on this whole awarding of this contract. We stated in the motion what we wanted to see happen. I think it's clear. I'm looking forward to those four meetings that we established through the motion. I am available for whenever they need to be scheduled.

For witnesses, we do have a fuller list than just the ministers who are listed in the motion.

The Chair: Thank you.

Mr. Drouin, I see your hand raised.

Mr. Francis Drouin: I think what my colleague Mr. MacKinnon is saying is that obviously it's the will of the committee, but don't be surprised if some departments say they don't know or weren't involved. We're trying to be helpful so that you don't waste two hours of your time asking questions.... It's frustrating on the part of the opposition, or any members of Parliament who are part of this committee, to ask questions of officials who say, "Sorry, I don't know" or "I wasn't involved".

We're just warning you that in your list.... We didn't raise it at the last meeting that PSPC and Treasury Board had nothing to do with this. We're just warning you now so that you don't become surprised in future meetings when we invite the officials to come before us and they say, "Sorry, we weren't involved". I don't know how many times I can say that, but let the committee be warned.

The Chair: Thank you.

Mr. Jowhari, I believe your hand is raised.

Mr. Majid Jowhari: Mr. Chair, it is my understanding that our office has reached out to the clerk and highlighted the weeks during which we may be challenged to be able to participate. Those weeks are the first week of August and the first week of September. With regard to the number of sittings, an even split between August and September would be much appreciated.

As you know, the economy is opening up. Part of our job is to actively reach out to our stakeholders in our ridings to make sure we hear from them and get their feedback on how the government program has helped them. I would appreciate it if the chair and the clerk could take that into consideration and even out the number of sessions, whether it's four or five, during the months of August and September to allow us to be able to ensure that, given the opening of the economy, we can proactively reach out.

Thank you, Mr. Chair.

The Chair: Just to inform all committee members, from a logistical standpoint, when the House of Commons is not sitting, we are reasonably restricted as to how many meetings we can have at one time. In fact, there's only one meeting at a time. When the House of Commons is sitting, whether it be virtually or in person, then we can accommodate more than just one meeting at a time.

What I'm hearing, I believe, is that most members, given the suggestions and advice you have given me and my clerk, would be comfortable if we came up with a meeting schedule and just called the meetings—we'd give you adequate notice, of course—based on the information and advice you've given us as to your own personal schedules and the timing of meetings held in the next month or two.

Does that encapsulate the feelings of most members? Are you going to be comfortable in allowing me to call the meetings, based on that information? I see a bunch of thumbs-up. I don't see any thumbs-down. Based on that, colleagues, that's how we will proceed.

If you have any additional suggestions, you can always go directly to our clerk and we will take those into consideration. For now, let's leave it until the end of this month, until the July 28 final meeting of finance has been completed. Then we will advise you as to the schedule of meetings in August, and beyond, if necessary. All of this is contingent upon our whips approving our suggested meeting schedule.

Mr. Clerk, do we need to vote on something?

• (1455)

The Clerk of the Committee (Mr. Paul Cardegna): Mr. Chair, if you want that to be clearly reflected in the minutes, I would pro-

pose that what you summarized is that the committee authorize the chair to set the schedule for the committee's meetings for the month of August. This would allow you the flexibility to set the meetings, as the committee is authorizing you to do so.

If that's the motion you're happy with, I can do the roll call on that.

The Chair: Yes, please go ahead, Paul.

(Motion agreed to: yeas 9; nays 0)

The Chair: Colleagues, we will be getting back to you, and hopefully, giving you as much advance notice as possible. I will give the final word to our clerk.

The Clerk: Just to reiterate for my benefit and for the benefit of the analysts, if we could get the witness lists as soon as possible, it greatly increases our ability to get the witnesses you want. That's just a reminder to the members that we would appreciate receiving those witness lists as soon as possible.

The Chair: Colleagues, thank you once again. It looks like we're actually going to adjourn this meeting on time. Hopefully, you are all healthy and safe. Until we meet again, we are adjourned.

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