Lockington, Elliott (SPAC/PSPC)

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| Sent: | May 4, 2020 3:09 PM |
| То: | Reza, Arianne (Ext.); Michael Mills |
| Cc: | Angela Intranuovo; Bryan Blom; Carole Charette; Caroline Audette; Lord, David (Ext.); Elizabeth Lindsay; Christensen, Esther (Ext.); Boulay, Francois (Ext.); Geneviève Côté; |
| | James Stott; Jean-François Létourneau; Jeff Van Zyl; Jody Wood; Judith Rorai; Julie |
| | Hahn; Karim Adam; Liaison; Lucie Brosseau; Maria Cama; Marie-Christine Lalonde; |
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| | Pacheco; Me'Shel Gulliver Bélanger; Mia Arruda; Nathalie Larocque; Nicholas Dorion; |
| | Pamela Eades; Renee Stephen; Rosemary Kinnis; Sara Lacasse; Sarah Moreau-Bélanger; |
| | Selma Mesri; Sonia Harvey; Usman Chaudhry; Amanda Semaan; Annie Scalis; Crystal |
| | Allan; Edith Dauphinais; Isabelle Aubin; Jenny Bascur; Michael Milito; Nathalie Bétoté |
| | Akwa; Nicolas Boucher; PA DGA Bureau SMA / AP PB ADM Office (TPSGC/PWGSC); |
| | Vanessa Audette |
| Subject: | Media Heads-Up - Tier 1 / COVID-19 – Follow-up - PPE shortages and price gouging in Canada / The Washington Post |
| | |

The following media request has been identified as **Tier 1**.

Communications sector will work with your group to develop the first draft response. New information not previously approved should be identified in purple.

Highest level of approval: MO Program ADM approved response: May-05-20 at 17:00

Media heads-up The Washington Post Hamburger, Tom (The Washington Post) Date call received: May-04-20 at 11:30 <u>Deadline: May-06-20 at 17:00</u> Tier 1 - COVID-19 – Follow-up - PPE shortages and price gouging in Canada

CONTEXT (for your information):

The reporter is seeking specific data on two points. PHAC will respond to the first question. PSPC will respond to the second question.

VALUE STATEMENT:

QUESTIONS AND ANSWERS:

Q1. I understand Canada has, at least in the short term, resolved the mask shortage. Is that so? This has not happened yet in the U.S. and we want to understand the difference.

The Public Agency of Canada will respond.

Q2. Can you provide data on the number of masks Canada has obtained and how this compares with overall need? For example, can you provide information about prices paid, how the masks were imported, etc.?

ANSWERED on April 28, 2020.

The Government of Canada is collaborating with provinces and territories on an ongoing basis to identify their needs and purchase required equipment, supplies, and services to combat COVID-19.

Public Services and Procurement Canada (PSPC) is taking an aggressive approach to buying especially when it comes to personal protective equipment for frontline healthcare workers. This includes:

- Ordering ahead in bulk on behalf of provinces and territories
- Supplementing those orders by purchasing everything that is immediately available
- Ramping up the domestic manufacturing capacity, through the Plan to Mobilize Industry to fight COVID-19, being led by Innovation, Science and Economic Development Canada

This is over and above the efforts provinces and territories are taking to secure their own supply.

Q1. Has Canada, with more centralized purchasing and administration, also been relatively successful in fighting price gouging and distribution inequities?

As the Government of Canada's central purchaser, our primary objective is to secure the essential supplies that frontline healthcare workers need to protect themselves and Canadians, as we face the COVID-19 pandemic.

Canada's procurement specialists are working around the clock, in close collaboration with the Public Health Agency of Canada and Health Canada, to secure needed equipment and supplies.

We are taking an aggressive approach to buying—especially when it comes to personal protective equipment for frontline healthcare workers. This is being done by working directly with both new and existing domestic and international suppliers and manufacturers, as well as ramping up the domestic manufacturing capacity, through the Plan to Mobilize Industry to fight COVID-19, to meet both short and long-term needs.

In a market characterized by a surge in demand, we are buying existing inventory where we can and placing large orders to create and maintain a steady stream of goods flowing from diverse sources over the coming months and in anticipation of future needs. For some products, this surge in global demand has resulted in increased costs as we source the lifesaving equipment that our frontline health workers and Canadians need. As we are increasingly seeing sources of domestic supply come online, we are also working directly with Canadian manufacturers to purchase significant quantities of essential supplies. We now have regular shipments arriving from international suppliers, and deliveries for supplies like hand sanitizer and face shields from Canadian companies is increasing as a result of industry stepping up to support the response to COVID-19. This is over and above the efforts provinces and territories are taking to secure their own supply.

From the outset of our procurement response to COVID-19 the Government of Canada has been working in direct collaboration with the Public Health Agency of Canada as well as in partnership with provinces and territories to inform our bulk buying approach. As part of this approach, we are also providing assistance in shipping orders made directly by other jurisdictions with international suppliers including the provinces of Ontario, Nova Scotia and Quebec as well as the Canadian Red Cross, on cargo flights chartered by the Government of Canada and transported back to Canada. After receipt, supplies are distributed to provinces and territories as quickly as possible, under the oversight of the Public Health Agency of Canada.

The Government of Canada will continue to work tirelessly to secure the necessary supplies to meet both Canada's short and long-term needs - working with a range of domestic and international suppliers.