



Mr. Yves Giroux
Parliamentary Budget Officer
Office of the Parliamentary Budget Officer
50 O'Connor Street, Suite 919
Ottawa, Ontario K1A 0A9

Dear Mr. Giroux:

This is further to your letter of November 13, 2020, requesting data regarding measures taken by PSPC in response to COVID-19 (IR0559).

As of October 31, 2020, in relation to the measures outlined in the request, the following totals have been expended:

Measure	Total Amount Spent
Personal Protective Equipment	\$112.4M
Emergency Services Contingency Reserve	\$56.5M
Total	<u>\$168.9M</u>

You had also requested information on the beneficiaries of this funding:

Personal Protective Equipment

From the onset of the COVID-19 crisis, PSPC focused on procuring personal protective equipment (PPE) for front-line healthcare workers and front-line federal employees. In the case of PPE for front-line healthcare workers, the federal client is the Public Health Agency of Canada, which consolidates orders from provincial and territorial governments. With respect to PPE for front-line federal employees, PSPC purchases on behalf of other federal departments and agencies. In light of the extraordinary circumstances related to COVID-19, the relative scarcity of PPE worldwide and the broad requirements for these materials, PSPC's strategy included making proactive purchases beyond those requested by our clients to hedge against global supply shortages and supply chain disruptions by increasing order size to capture available supplies and diversify the supplier base.



Essential Services Contingency Reserve (ESCR)

The ESCR was launched on August 3, 2020, to provide access to personal protective equipment, non-medical masks and disinfection products to meet urgent, short-term needs on a cost-recovery basis, serving as an emergency backstop to meet urgent needs for PPE in critical sectors to minimize disruptions of services to Canadians. The ESCR is intended to be a last resort once all other private, provincial and territorial procurement support is exhausted. Spending was directed toward the establishment of the ESCR, and to support the purchase, storage, inventory management and distribution of PPE.

All requests for access to the ESCR are done through an online portal. The COVID webpage details the program and lays out eligibility criteria. Businesses and organizations must register and once approved have access to the catalogue of available PPE and the associated price list for order placement. Requests may be approved in full or in part based on the assessment and availability of requested supplies. From August 3, 2020 – January 12, 2021, the ESCR received 199 requests for registration, of which 25 online orders were placed across a range of sectors:

- Energy and Utilities – 10 registrations/ 1 order
- Information and Communication Technologies – 7 registrations
- Health – 67 registrations/ 8 orders
- Food – 45 registrations/ 7 orders
- Water – 1 registration
- Transportation – 19 registrations/ 3 orders
- Government – 4 registrations
- Finance – 5 registrations/ 2 orders
- Manufacturing – 6 registrations
- Safety – 3 registrations
- Other Services – 32 registrations/ 4 orders

Orders to date have been largely from small and medium size enterprises, have been low dollar value (less than \$5,000) and have had a negligible impact on the ESCR's inventory. The total value of orders placed is \$21,843.65.

In terms of providing updated data, as you have requested, PSPC would propose to return with an update to the expenditures identified above after the end of the 2020-21 fiscal year, which would allow for expenditures against a larger number of associated contracts to have been processed in our financial systems.

I hope you find this information helpful in your study.



Services publics et
Approvisionnement Canada Public Services and
Procurement Canada

Yours sincerely,

A handwritten signature in black ink, consisting of a large, stylized 'S' followed by a horizontal line extending to the right.

James Stott
Assistant Deputy Minister
Policy, Planning and Communications