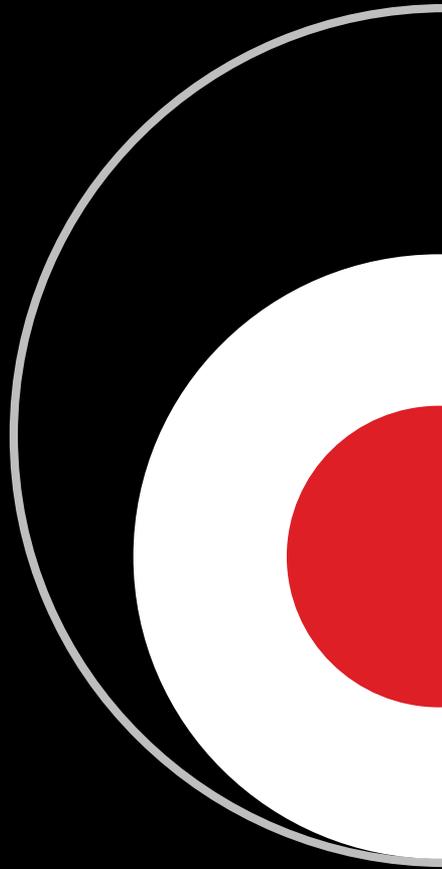
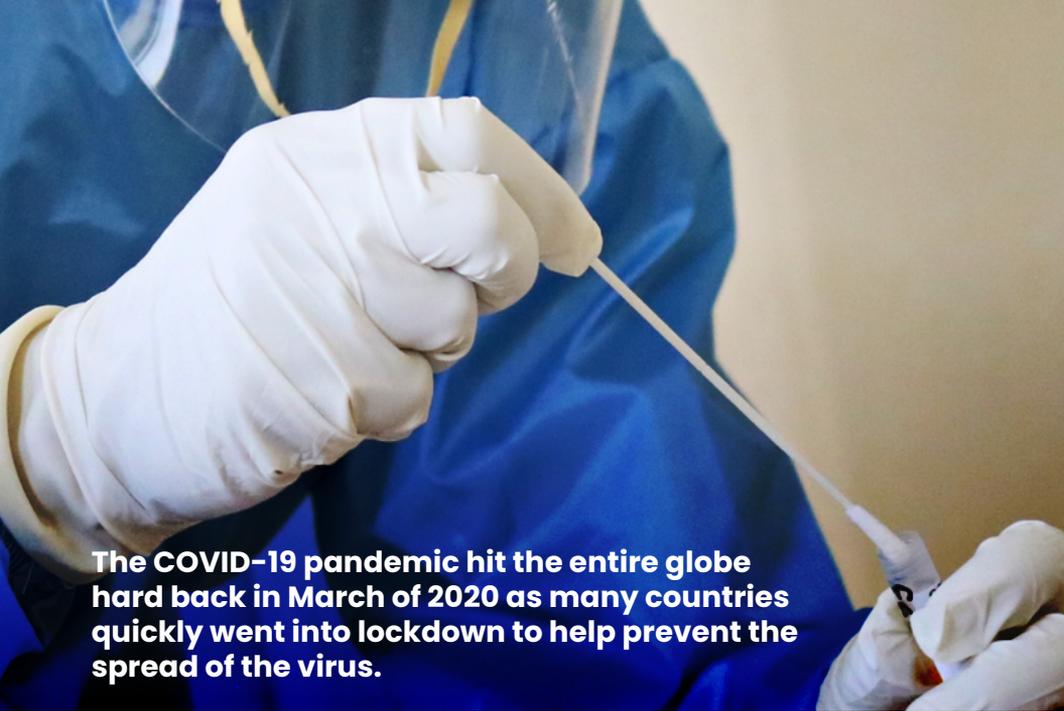


Canadian Government Buying During the COVID-19 Pandemic





The COVID-19 pandemic hit the entire globe hard back in March of 2020 as many countries quickly went into lockdown to help prevent the spread of the virus.

If we fast forward to the present day, the pandemic is still far from over, but we've been able to learn from this experience and become better prepared for what's to come, which has allowed us to successfully begin reopening businesses, schools, and offices and start reinventing our new normal. Many businesses and individuals have struggled through much of the pandemic; therefore, the government has provided billions of dollars in the form of direct payments, loans, grants, funding for supplies and more to help those recover from the mandatory shutdowns. The federal government, as well as provincial and territorial governments, have also been actively still buying products and services to help fight the COVID-19 pandemic, from medical supplies and PPEs to technology and IT equipment, as well as a variety of other items that have been necessary for businesses to continue to operate safely.

In this research paper, we will discuss some of the key areas where funding has been provided and show how the government is spending funds during the pandemic.

COVID-19 Economic Response Plan

In March of 2020, the Government of Canada brought forward the COVID-19 Economic Response Plan at approximately \$765 billion to help Canadian individuals and businesses. It includes approximately \$560 billion in funding for businesses, \$107 billion for individuals, and \$85 billion for tax and customs deferrals.¹ One industry that has needed a lot of assistance is the health and medical industry. Government buying organizations were frantically looking for suppliers who could provide various types of medical supplies and equipment. Here is a brief breakdown of some of the money going toward the health and medical industries²:

- \$2 billion for PPE equipment including testing, ventilators, masks, face shields, hand sanitizers
- \$1.4 billion for medical research and vaccine deployment
- \$1 billion for the COVID-19 Response Fund to help respond to the outbreak
- \$500 million to provinces and territories for critical health care system needs – access to testing, equipment, surveillance, and monitoring
- \$275 million for research and development
- \$240.5 million to develop, expand and launch virtual care and mental health tools
- \$50 million to support COVID-19 communications and public education efforts

As you can see, there has been a continual need for health and medical supplies since the pandemic first started. As a result, a lot of government agencies have been actively issuing solicitations looking for viable businesses to provide the necessary products and services needed. In early March of 2020, the government also put out a call to suppliers to find out what goods and services they could provide to support Canada's response to COVID-19 and received more than 26,000 submissions, proving they were looking to buy billions of dollars' worth of supplies and equipment.

Government Contracting: PPE

With the need for PPEs (Personal Protective Equipment) on the rise, billions of dollars have been dedicated so far for contracts related to these items. More specifically, as of June 30, 2021, approximately \$7.8 billion, including \$4.5 billion as part of the Safe Restart Agreement, has been dedicated to buying PPE, supplies, and other medical equipment. Here are a few examples of how much has been spent on PPE from the \$7.8 billion totalⁱⁱⁱ:

- \$2.1 billion on gowns
- \$1.5 billion on testing equipment
- \$1.1 billion on ventilators and ventilator accessories
- \$790.6 million on N95 respirators
- \$553.4 million on nitrile gloves
- \$368.5 million on hand sanitizers
- \$261.6 million on face shields
- \$214 million on surgical masks

These are just a few examples of the many products and services that the government has issued solicitations for that have led to contracts. These types of solicitations are still being issued today, and the government is still looking to buy these products and services to help us continue staying prepared during this pandemic. If your business provides equipment or services in the health and medical field, it would be beneficial for you to start bidding on these [government opportunities](#) if you aren't already.



In addition to the health and medical industries receiving major funding during the pandemic, there have also been many other industries that have seen an increased need for their products and services.

Telecommunications, remote work, and digital platforms

With many businesses and schools moving to remote work during the shutdown, there became an increased need for remote technology and improved telecommunication services quickly. Items such as laptops, headsets, tablets, high speed internet, network improvements, and other computer related equipment were and remain in high demand.

E-commerce

As many businesses quickly moved online, e-commerce started booming more than ever. We have already seen a large increase in e-commerce over the past few years, but the pandemic forced many companies to start doing business online. This has caused an increased need for website design, analytics platforms, new software, digital payment solutions, and more.

Manufacturing

With shortages becoming prevalent in many industries, the manufacturing industry faced similar issues as some couldn't keep up with the increased demand for certain products. As a result, the government continued to look for new manufacturers that could help with supply shortages by issuing new solicitations.

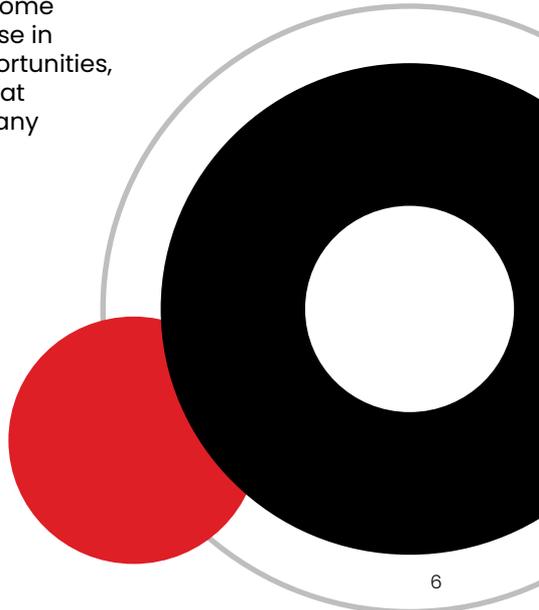
Cybersecurity

With so many businesses moving online during the pandemic, cyber-attacks began ramping up at a rapid rate. As a result, the cybersecurity industry saw an increased need for their services to prevent financial and confidential information from being obtained by outsiders.

Architecture, engineering, and construction

Although there were many construction and engineering projects that did come to a halt, many new projects were needed to change the layout of many offices, schools, and government buildings to meet the new health and safety protocols. Whether it be designing new floor plans, building/room additions, or installing new HVAC systems, these industries started to see an increased need for their services.

Federal, provincial, and local governments have spent billions, if not trillions, of dollars throughout the pandemic on contracts. While some industries may have seen a decrease in government spending and bid opportunities, others saw a huge increase. Now that Canada is opening back up and many businesses are returning to normal, we'll start to see the government buying more of a wide variety of products and services like usual, while also continuing to fund COVID-19 related projects.



How merx Helps Both Buyers and Suppliers with the Procurement Process

Increase of new participating buying organizations

Throughout the pandemic, we have seen a large increase in participating buying organizations utilizing **merx**'s tendering platform. Since January 2021, 219 new buying organizations have joined **merx**, allowing them to improve efficiency through a streamlined procurement process. That's an 18% increase from 2020, where we saw 185 new buyers join our platform. New participating buyers continue to join because **merx** makes it easy to issue new solicitations every day that registered suppliers can then bid on. Electronic bidding has also become more popular throughout the pandemic, as many businesses have resorted to conducting business online rather than in person, and with **merx** you can take advantage of Electronic Bid Submissions (EBS) when activated by a participating buyer.

Finding relevant tenders

When looking for matching tenders in various provinces, it can become overwhelming trying to find all the opportunities that may relate to your business. With **merx**, we do the legwork for you and provide all relevant opportunities to your business through our bidding platform. Especially during this pandemic, there are thousands of new solicitations being issued every month in a variety of different categories, whether it be COVID-19 related or other important projects that need to be completed.

To find COVID-19 related solicitations, health/medical solicitations, or any other types of projects you may be interested in, it's best to start by adding keywords to your profile. By adding keywords like "COVID-19", "medical equipment", or "health services", you can quickly find matching tenders that align with what your business offers. Another way to find relevant solicitations is to select effective category codes which are unique to every product or service. By selecting your **merx** and GSIN category codes, you'll only see the solicitations relevant to your business, as well as receiving opportunity notifications, where you can then start bidding on [open tenders](#) as soon as possible.

Looking to the Future

With so many changes going on in the world, it's important to evolve with them. The COVID-19 pandemic took us by surprise, leaving many individuals and businesses struggling to get by. As a result, billions of dollars have been put towards various types of equipment and services to help get us what we need. By issuing new solicitations for these items, the government will continue to purchase resources needed to help fight this pandemic.

If you haven't already, start bidding on solicitations that match your business's products and services, because the government is most likely buying what you're selling and will be interested in what your business can bring to the table.



i 2020. Sánchez Ramirez, Mariana. ["Infographic: Canada's COVID-19 Economic Response Plan."](#) WilsonCenter.org, 30. Apr. 20
ii Government of Canada | Department of Finance Canada. ["Overview of Canada's COVID-19 Economic Response Plan."](#) Canada.ca, Modified on 6. Jan. 21
iii Government of Canada | Public Services and Procurement Canada. ["Covid-19 Contract Information."](#) Tpsgc-Pwgsc.gc.ca, Modified on 25. Nov. 21

