

Press release FOR IMMEDIATE RELEASE

LIBERAL GOVERNMENT'S QUARTER-BILLION DOLLAR BROKEN PROMISE THAT NO ONE TALKS (OR KNOWS) ABOUT

MONTREAL, March 30, 2016 – In direct contradiction to the promise made by the Liberal Party of Canada during the 2015 election campaign not to attempt to recover the quarter-billion dollar surplus in the Trust Fund for the 1986-1990 Hepatitis C Settlement Agreement, the Attorney General of Canada has requested that the entire surplus be allocated to "Canada."

In a letter to the Canadian Hemophilia Society (CHS) signed by Liberal Party President Anna Gainey on October 5, 2015, the Liberal Party of Canada promised, if elected, not to attempt to recover the surplus but rather to "respect the purpose of this fund and support its use for the compensation of victims." The CHS considers the letter to be a clear assurance that a Liberal government would ask the courts to allocate the surplus to those affected by tainted blood during this period, including to late claimants otherwise eligible. It has turned out that the elected Liberal government has not kept its firm promise.

The CHS has been in touch with the offices of the Prime Minister and the Minister of Health over the last weeks in an attempt to have the Minister instruct the Attorney General to take a less rigid position with the courts regarding allocation of the surplus. The Minister's office has indicated an unwillingness to reconsider.

When the surplus was recognized by the fund's actuaries in 2015, a Joint Committee, whose members were appointed by the courts, the CHS and other community-based groups held extensive consultations with affected members and their families to gather their opinions on the allocation of the surplus. It became clear that many of the 5,322 class members and 8,860 family class members had not received adequate compensation for their injuries and that the surplus should be used to enhance current benefits. When the settlement was created in 1999, the benefits payable were made to fit within the fund provided: the risk of error was borne almost entirely by the claimants.

Loss of employment income, reduction in pension benefits, increased home and health care costs and denial of insurance are just a few of the direct economic impacts of hepatitis C related disease.

Given the many unmet needs and as the fund was created with a predetermined amount, and not based on the total projected needs of class members, allocation of the surplus to enhance benefits to class members according to the spirit of the original settlement should be at the core of the position of the Government of Canada. No portion of the Trust Fund's projected surplus should be returned to any level of government at this time.

"Any attempt by the federal government to claw back or reallocate the surplus," said CHS President Craig Upshaw, "is seen by the people affected as a cash grab compounding Canada's worst public health disaster."

Background

The 1986-1990 Hepatitis C Settlement Agreement compensates individuals who were infected with hepatitis C through blood and blood products during the 1986-1990 period when protective measures could have and should have been introduced. After the most recent financial sufficiency review, the actuaries retained by a Joint Committee, representing the class members, and the federal government expressed the opinion that the Trust Fund is sufficient to meet the expected needs of class members and family class members, and there is an estimated surplus of between \$236 million and \$256 million.

The orders approving the settlement allow the Joint Committee and the governments to apply to the courts when there is a surplus. The courts have discretion to decide what to do with the surplus in light of the recommendations, including deciding that all or a portion of it should be kept in the Trust Fund. Applications regarding the surplus will be considered by the courts at a Joint Hearing that will take place in Toronto on June 20-22, 2016.

On October 16, 2015, the Joint Committee submitted a Notice of Motion to enhance the benefits to claimants.

On January 29, 2016, the Attorney General of Canada, submitted a Notice of Motion opposing the Joint Committee's application to enhance the benefits to claimants and asked that the entire surplus be paid out to the federal government. It also opposes the Joint Committee's recommendation to allow applications from those infected who, for one reason or another, missed the June 30, 2010 deadline.

About the Canadian Hemophilia Society

Founded in 1953, the Canadian Hemophilia Society (CHS) is a national voluntary health charity. Its mission is to improve the health and quality of life of all people in Canada with inherited bleeding disorders and ultimately to find cures. Its vision is a world free from the pain and suffering of inherited bleeding disorders. As an important aspect of its work, the CHS strives to raise awareness about the tainted blood tragedy so that the lessons learned from it are not forgotten. Approximately one-quarter of the infected persons are (or were) people with hemophilia and other inherited bleeding disorders.

About the Joint Committee

Appointed by the courts, members of the Joint Committee have the mandate to implement the 1986-1990 Hepatitis C Settlement Agreement and to supervise the ongoing administration of claims. Every three years, they review the financial sufficiency of the Trust Fund to ensure that it is adequate to meet the expected needs of class members and family class members.

Additional documents available on the CHS website

- Statement endorsed by many organizations objecting to the 86-90 Trust Fund surplus being paid out to the federal government
- Comprehensive Q&A document on the overall issue

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For more information

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