

Testimony from Queen's Park to ban paid plasma:

Former Vice-President of Canadian Hemophilia Society, tainted blood survivor and former senior adviser to Health Minister Tony Clement:

Mr. Mike McCarthy

The Chair (Mr. Peter Tabuns): Our first presenter, then, is Mr. McCarthy. I think you're familiar with the routine. Please introduce yourself, and you have five minutes.

Mr. Mike McCarthy: Thank you for the opportunity to speak today. My name is Mike McCarthy. I am the former vice-president of the Canadian Hemophilia Society, the representative plaintiff for the class of tainted blood victims and the former senior adviser to Health Minister Tony Clement, and I was responsible for policy issues for blood.

I am a victim of tainted blood and acquired hepatitis C in 1984 as a result of blood products manufactured from US blood collected at a for-profit prison plasma centre. I have lost family, friends and colleagues to tainted blood. For me, the battle to fix a broken blood system was hard-fought, and personal.

Suffice to say that governments and institutions lost their way, and the result, that thousands of Canadians became infected by HIV and hepatitis C, is a fact. Thanks to Justice Krever and others, a complete overhaul of the Canadian blood system ensued. This was to ensure safety and to restore public confidence.

After billions of dollars to revamp the blood system and to pay out compensation to victims, we believed that we would never travel down this same road again. Clearly, we are dangerously close to doing just that. Like the Red Cross before it, and despite its defined role in blood collection, the CBS has begun to advocate for an expanded business mandate to include overseeing organ transplant donation services in Canada.

Meanwhile, the provinces had directed the CBS to find savings. To demonstrate to the provinces that it could run the system like a business, to curry favour and obtain support for a newly expanded role, the CBS set out to cast itself as a model of efficiency. To do so, it made deep cuts that included closing public volunteer, donor-based plasma collection clinics. The clinics that were closed had supplied plasma to support making blood products for Canadians. They also exported this plasma to the world, allowing Canada to meet its obligations to the global community to increase the world supply.

The CBS has stated that it will passively monitor the blood supply to ensure that there is no erosion of the volunteer blood donor system if a parallel system is introduced. Passively monitoring the effects of the introduction of a paid donor system is not a plan. Once introduced, paid plasma facilities will quickly attempt to ingrain their model in communities across Canada. Canada will quickly be held hostage to the for-profit centres for our supply of plasma.

It is clear that the CBS and Health Canada, the very stewards of our donor-based blood system, has abandoned its own mandate. Instead, it pursues new frontiers and fosters cozy relationships with powerful vested interests. The CBS and Health Canada profess that science and testing can extinguish all risk, an assurance that proved to be false in the past. I am both witness and victim to this failure. There was no test that revealed HIV and hep C at the time I was infected. The for-profit plasma industry has voiced that they have learned the lessons of the past. Yet the three clinics that have been set up in Ontario are next to homeless shelters and a methadone clinic.

When reviewing the tragedy of the past, Justice Krever pointed out that it was the lack of transparency, accountability and public involvement in decision-making by the provinces, the Red Cross and Health Canada which ultimately led to the largest public health disaster.

Yet here we are again, not quite 25 years later, and what have we learned? The CBS and Health Canada, in closed-door meetings with clinic owners who have a financial interest which is not in the public interest; and assurances of approvals for a parallel blood-collection model being provided to these clinics without any public consultation. After all, why else would clinics spend \$7 million and set up shop before a single approval is ever granted?

Health Canada failed to provide any real opportunity for public comment—

The Chair (Mr. Peter Tabuns): One minute.

Mr. Mike McCarthy: —until media started to take interest and reported on this story. As the regulator, I would have expected differently, given the important role that Health Canada played in the system's past failure.

In 2013, the original plan, backed by the CBS, was to sell the collected plasma from these clinics to international manufacturers. Now the argument seems to have shifted a bit. The clinics claim that this collected blood will not be sold internationally but directly to the CBS. It doesn't matter. Given the cozy relationship between the parties and the evolution of the objectives guiding their arguments, this claim is not credible.

None of this acceptable. In fact, it's appalling, given our recent history. The stigma attached to our blood system is still playing out. It's taken so many years to regain the trust of Canadians. Now is not the time to abandon the foundation upon which our new blood system, still in its infancy, has been built—especially not after so much study.

I have seen this movie before. We have seen this movie before. Have we learned nothing?

The Chair (Mr. Peter Tabuns): Mr. McCarthy, your time is up. First question to Madame Gélinas.

M^{me} France Gélinas: Thank you for coming to Queen's Park. Thank you for your presentation. I take it that you followed a little bit as to what we heard yesterday. I'm curious to see—in the statement, you said that the clinics went on to spend \$7 million based on the fact that they thought they had approval. Do you have any more to add on this? Because yesterday when I asked them if they had had previous approval, they did talk about a meeting with the ministry and that they left the meeting with nobody telling them that it was not going to happen. Do you know any more about this side of the business?

Mr. Mike McCarthy: I had met the Minister of Health nationally, Minister Rona Ambrose, and a number of Health Canada officials. I was part of the one-day summit round table that was organized by Health Canada in response to the media stories. All evidence brought forward by Health Canada and Canadian Blood Services really led to that there was already a decision made and that they were trying to convince naysayers that there were no scientific concerns to worry about. Have I seen documentation that would show that a decision was made? No. I believe that still relied upon the province to give the final approval for those clinics.

M^{me} France Gélinas: Yesterday, Canadian Blood Services told us that we are independent for fresh plasma, frozen plasma, but that up to 70% of the medications that are made based on plasma come from—could come from—paid donors. The number is a little bit iffy. Then they say that they will be presenting a business plan to try to improve this. What would you like to see in that business plan? How do we go towards self-sufficiency?

Mr. Mike McCarthy: That's a good question. First of all, I want to state that there is no shortage of these materials in medicine or in the raw form. In fact, there are thousands upon thousands of litres in freezers in industry across the world, and they are manufactured on an as-needed basis.

The Chair (Mr. Peter Tabuns): Thirty seconds.

Mr. Mike McCarthy: There is no shortage for medicines now or in the future for people who require fractionated products. I believe that the CBS has a duty to increase self-sufficiency, to work towards that. In the meantime, we should continue to provide support for the global supply of plasma. That is our role. But to introduce a risky, untested new model in Canada—there's a lot of peril involved with that. As long as we can keep it away from the private sector, we need to do that.

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The Chair (Mr. Peter Tabuns): Mr. McCarthy, we have to go to the government. Mrs. Mangat.

Mrs. Amrit Mangat: Thank you, Mr. McCarthy, for your presentation. First of all, I want to thank you for your ongoing support and advocacy on this issue. My

understanding is that you have been a champion of voluntary blood donation. Can you share with the members of this committee—suppose this bill is not passed. What would be the risk involved with this?

Mr. Mike McCarthy: Well, I think we'll see an erosion of the volunteer blood system if a parallel blood system is introduced. Despite perhaps industry saying that there's a record of no impact, that's untrue. Germany has seen a hollowing out of young donors that will not donate on a volunteer basis. They expect to be paid.

We have a very specific history in Canada, where we had our dirty laundry aired for a dozen years about the tragedy that killed many people and poisoned many others, so we have a very fragile blood system. To sit back and say that nothing would happen to the volunteer blood base is incredibly naive. Certainly when you take into context that this parallel for-profit system would collect a national resource, which is Canadian blood, and then send it on the international market, with no assurances that it would ever come back to Canada or be used in any blood products used for Canadians, the risk is all on us. By allowing it even to be used for research would be an incredible risk to the volunteer blood system.

I don't believe the clinic should survive in any form whatsoever. I believe the Canadian mentality on the safety of the blood system is really what's at stake here, and I think this would be a huge erosion in confidence.

Mrs. Amrit Mangat: Just to clarify myself: This is the value, what you're saying, of having a single national body for blood collection?

Mr. Mike McCarthy: That's correct.

Mrs. Amrit Mangat: Could you elaborate—

Mr. Mike McCarthy: Yes. I believe that it's the mandate of Canadian Blood Services, as pointed out by Justice Krever and in the MOU that was created for the creation of Canadian Blood Services, that they are the absolute authority on the collection and distribution of blood and blood products in Canada. For the integrity of that role to be maintained, we cannot diffuse that role and allow it to be handed off to the private sector.

Mrs. Amrit Mangat: Thank you.

The Chair (Mr. Peter Tabuns): You have 30 seconds, Mr. Fraser.

Mr. John Fraser: Thirty seconds? All of 30 seconds. Very quickly, I'm pleased that you brought up the point with regard to—plasma collection here is not going to guarantee that products will be produced or brought back here. We heard that yesterday. Thank you very much for bringing that up. I think it's a very important point when we're having this discussion about a voluntary blood system and a single operator. Thanks for your testimony.

Mr. Mike McCarthy: You're welcome, sir.

The Chair (Mr. Peter Tabuns): We go to the opposition: Mr. Walker.

Mr. Bill Walker: Thank you very much, Mr. McCarthy. Just on that last point: If we could build the legislation so that there were paid donations for the plasma research side of things that stayed in Canada, would you change your stance on that?

Mr. Mike McCarthy: No, I would not.

Mr. Bill Walker: Can you tell me why?

Mr. Mike McCarthy: Because Canadian Blood Services could provide those materials for research to universities and to industry to keep the integrity of a single system.

Mr. Bill Walker: We were told yesterday by Canadian Blood Services that they don't have significant amounts to be able to do that, particularly if you start to project out with our population base. So if we had a shortage, would you change your mind?

Mr. Mike McCarthy: We do not have a shortage, and there's no foreseeable shortage. I would like to correct something, sir. The Alzheimer research into using IVIG—those clinical trials have failed and they are now closed. There are no active trials using IVIG for Alzheimer's any longer. That is not emerging on the scene any time soon, unfortunately.

I believe that a single collector is the only way to go to ensure the safety and integrity of the blood system. Safety is not just about testing, even though I think I heard plenty about that in terms of the unknown viruses coming into the system. Safety is about supply as well, so if we implement a parallel blood system in Canada, the safety of supply is in question, because we do not know what we do not know. So we need to act upon the principle of risk aversion completely.

Mr. Bill Walker: Thank you for that information. If all the other jurisdictions that we currently receive blood from—some of those are paid; some are unpaid—if they were to use the exact same policy, that would restrict the ability for us to bring any other blood into our system. Are you supportive of that happening?

Mr. Mike McCarthy: I would suggest that that could never happen. The other models—and there are only four in the world, of all the countries in the world that actually collect plasma from paid donors. It is an economic industry to make these products to sell around the world, so there would be Canadian Blood Service entering actual contracts with manufacturers around the world. Those contracts are binding, so the ability for countries to close their doors to exporting a pharmaceutical product—I have never heard of that.

Mr. Bill Walker: But why is that any different than our not having an industry here in Canada?

Mr. Mike McCarthy: I think I have pointed out the fact that we have a special history. We failed in attempting to fractionate our own blood products in Canada. That led to Connaught collecting plasma from prisons in the United States to make up the shortfalls. Therefore, the new system is one that protects the public, allows us to get the safest blood products from outside of Canada—because we've learned our lessons—and be able to control what is brought into the country.

Mr. Bill Walker: So you're suggesting there are safe systems outside of Canada that actually use paid donors?

Mr. Mike McCarthy: I didn't say that. I'd say we should do a better job so that we wouldn't need to use paid donors in the United States or Czechoslovakia or Germany.

The Chair (Mr. Peter Tabuns): I'm sorry to say that your time is up. Thank you very much, Mr. McCarthy.

Mr. Mike McCarthy: Thank you, sir.