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Tuesday, May 26, 2009

Speaker: The Honourable Peter Milliken

Nuclear Liability and Compensation Act

The House resumed from May 15 consideration of the motion that Bill C-20, An Act respecting civil liability and compensation for damage in case of a nuclear incident, be read the second time and referred to a committee.

Hon. Geoff Regan (Halifax West, Lib.):

Mr. Speaker, I am pleased to rise in debate on Bill C-20.

Let me begin by talking about the highlights of Bill C-20 on nuclear liability. Like much of what the government does, there is not much new here. Bill C-20 is a culmination of discussions that began under the previous Liberal government. In fact, it replaces the 1976 Nuclear Liability Act. It establishes a clear regime in the event of a nuclear accident. Thank goodness there has never been one in Canada.

The key element of the bill is to increase operator liability from \$75 million to \$650 million. It is important that my hon. colleagues from the NDP keep that in mind, that the bill is about increasing the liability limit not decreasing it.

This is in response to recommendations from the Senate Committee on Energy, the Environment and Natural Resources. It is interesting to see the government taking its lead from the Senate, which it was so busy stacking just a few months ago. Obviously their overzealous rhetoric about the other chamber is more for show than anything else.

As I have stated, there is not a lot new in this bill. In fact, the same bill was introduced in the last Parliament, and probably would have been on the books by now if not for the fact that the Prime Minister broke his own fixed date election law last fall and called an election.

In the last Parliament, the natural resources committee conducted a comprehensive study of the bill, as it then was, and some amendments were considered, including the possibility of raising the liability limit.

I look forward to hearing from expert witnesses when the bill goes back to committee, as I think it will. I certainly will support having it do that. I am looking forward to hearing ways it may be possible to improve the legislation.

One issue that ought to be addressed would be a possible amendment that would allow for the industry to look for insurance outside of Canada if it would be a problem to be limited. It is important that we at least hear the arguments on that. It is certainly an issue that has been raised by representatives of the industry. Clearly we would prefer that they shop in Canada for things like this, but let us hear what they have to say about the argument for broadening that if there is some limitation or lack of competition for this kind of liability insurance.

We know there are some kinds of insurance that very few insurers will offer. We think of a group like Lloyd's of London as being famous for insuring things that nobody else will. If there is only one insurer in the country that will insure what the industry does, it may be stuck with that price. We have to at least hear what the industry has to say about that.

Other than that, it does not seem to be a particularly controversial bill. As we read through the bill, a few questions come to mind. We could ask why the operators liability should be limited to \$650 million, which is a tremendous increase from what it has been. The answer is that if it were higher than that, they would be unable to get liability insurance. It is not available, as I understand it, for amounts higher than that, therefore no new plants will be built. That is an important consideration.

Another question is, are there to be no qualifications for appointment to the tribunal that is set up in the legislation? This is something we ought to consider at committee, considering the views of expert witnesses on what kinds of qualifications the members of the tribunal ought to have and what kind of people we are looking for on the tribunal.

Overall the bill is a good example of civil servants doing their work well, as it probably emanates from them. I thank them for their work.

However, one thing that already concerns me with Bill C-20 is the role of the minister in reviewing the liability amount every five years. My concern on this question of the review of liability stems from the lack of a coherent nuclear energy policy coming from the government. How will the government deal with this liability issue when it does not seem to be able to competently manage this file in its entirety? I have concerns, as many members do on this side—

RESUMED ON MAY 27TH BECAUSE OF A POINT OF ORDER TO MOVE TO BUSINESS OF THE HOUSE



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Government Orders

Nuclear Liability and Compensation Act

The House resumed from May 26 consideration of the motion that Bill C-20, An Act respecting civil liability and compensation for damage in case of a nuclear incident, be read the second time and referred to a committee.

The Speaker:

The hon. member for Halifax West has 15 minutes left in the time remaining for his remarks.

Hon. Geoff Regan (Halifax West, Lib.):

Mr. Speaker, yesterday I was speaking to Bill C-20, the nuclear liability and compensation bill, which is a bill that has been in the House before. We studied essentially the same bill in the previous Parliament and now it is back before us.

I was saying yesterday that one of the concerns I have about the situation with this is the role of the minister in reviewing the liability limit every five years. The idea that this needs to be reviewed is valid, but my concern stems from the lack of a coherent nuclear energy policy from the government. It raises the question of how it will deal with the liability issue when it cannot competently manage this file.

We have not seen competent management. If we look at the history of what has occurred over the past year and a half, there was the closure of Chalk River and the decision of the government to try to scapegoat the nuclear regulator and blame Linda Keen for the problems

which, as we can see now, clearly were not simply problems with the regulator, but there was a fundamental problem at Chalk River, which I am sure we are going to hear more about in the coming days.

There are concerns, indeed, about the future of Atomic Energy of Canada Limited and the lack of leadership from the government in that regard. We are all anxious to see the direction in which the government wants to go.

Recently, we have seen media reports where a professor from the University of Calgary actually asked if AECL was about to follow the path of the Avro Arrow and be sold away from Canada, with the loss of many scientists and so forth. The professor detailed the history of neglect for the nuclear sector under the Conservative government over the past three years.

The fact is that internationally over 200 nuclear plants are planned, involving billions of dollars and thousands of jobs. It is an industry in which Canada has been a true leader internationally. We all know the lack of value that this neo-conservative government puts on science. It seems to me at times that it really does not believe in empirical evidence but only in anecdotal evidence. The Conservatives do not believe in science, so to speak.

In fact, one of my colleagues suggested the other day that Barney the Dinosaur should be the official Conservative Party mascot. The Conservatives probably would not like that. They would want him to wear blue instead of purple, I suppose, because purple is too close to red, but I digress.

There is a serious lack of clarity by the Conservatives when it comes to the question of AECL's privatization. They will not tell us if it is on the garage sale list with the CN Tower, for example. The budget documents this year muddied the waters further in their reference to some obscure partnership in stating that the minister is reviewing AECL's structure involving private sector participation in the commercial operations of the corporation. We do not know what that means.

It is distressing to know that since last August there has been on the minister's desk a report from the National Bank done on the future of AECL, which has not been publicly released, even though the government has had since last August to review it. Of course, the minister has had since November, when she was appointed, to review it. It has still not been made public. We still have no idea where the government is going with AECL. One wonders why the government has sat on the report since August. It raises the question of what the government is hiding in this regard.

Is the government going to accept a recommendation to privatize more than 51% of AECL's design service departments, for example, or what is it going to do? Would the minister sell AECL to France or would it go to Canadian interests? What is it going to do? What is the value of AECL during a period of recession?

That is the problem with the government's theory of having a garage sale and selling major government assets worth billions and billions of dollars at a time when their prices obviously are reduced by the recession. We all see how the prices of things are down across the country, perhaps not enough things in some cases for families, but the fact of the matter is for items like government owned buildings and major items like that these days, clearly the dollars one can get for those sales are dramatically reduced. It makes it a terrible and unwise time to unload those kinds of things in a garage sale.

AECL is another example, and there are a lot of questions about AECL's future and no answers.

There is also the issue of the government's lack of support for AECL's bid to build nuclear plants in Ontario. Ontario is going the route of building more nuclear plants. It is making a choice about who the builder is going to be, and AECL is one of the bidders.

Many industry observers see this question of where the government stands as critical to the future success of AECL. They consider the question of whether it wins its bid as critical as well. The government appears to have abandoned AECL on this front.

Unlike the Conservative government, Canadians understand the value of a Canadian nuclear industry. A recent survey of attitude toward nuclear power found that 75% of Canadians are "not comfortable with the presence of non-Canadian nuclear plant manufacturers and plant operators in Canada". The study also found that the contribution to the local economy and the use of Canadian technology were rated most important for nuclear projects by Canadians. We can see why. Imagine how many jobs this involves in Canada, how many scientists and our top minds are engaged in the work of AECL.

As that professor from Calgary noted in a recent media story, when the Diefenbaker government killed the Avro Arrow project in 1959, the result was the demise of a unique Canadian high-tech invention, an innovative process where Canadian minds were very much engaged. It forced thousands of world-class scientists and engineers to leave our country. This is the same kind of issue, where the Conservative government is talking about the possibility of giving AECL away, or not supporting it and allowing it to fail.

Hopefully, we are not about to witness a repeat of the Avro Arrow. With the Conservative government's neglect and incompetence in this sector, Canadians are understandably worried.

It is not surprising that there are serious questions being raised about the future of CANDU reactors and the fate of the thousands of dedicated scientists and engineers who work for AECL and about what the government intends to do about the production and supply of medical isotopes. It is hard to tell. There seems to be no clarity or no plan from the government.

When there was a shutdown of the NRU in Chalk River in December 2006, we would have thought the government would have started then to produce a plan to replace Chalk River, to come up with some other way to produce medical isotopes. There is no apparent evidence of efforts being made by the government to produce a plan and to move forward with solving that problem.

What was the government's answer? It blamed Linda Keen. She was the scapegoat. The government took no responsibility. It is like we see so often in question period. Whatever questions we ask, it seems the government wants to go back more than three years ago when the Liberals were in power and blame the Liberals for everything. The Conservatives do not take any responsibility for the fact that they are now government.

We would think they were still in opposition. They have not really made the transition. They have not adjusted to the fact that they are government. The Conservatives have been in government for three years. It is time to be responsible. It is time to take responsibility for the job they have to do. Their duty to Canadians is to take action and take responsibility on a matter like dealing with medical isotopes, which is so important to Canadians.

There have been at least three radioactive leaks at the Chalk River site in the past few months, and now we have the indefinite shutdown of the laboratory there. The fact that the government still does not have a plan to ensure the security of our isotope supply is shocking.

Canadians were exposed to the situation in 2007, so it is no wonder, after all this period of not seeing any action, they do not trust the Conservative government.

The Conservative government's answer in 2007 was not to find a long-term solution to secure the supply of medical isotopes. Instead, it was to fire the nuclear safety regulator for doing her job. It is even more clear now that she was doing her job. And the government did it in the middle of the night, not even in broad daylight, which was amazing.

A few weeks ago, Canadian Medical Association representatives were on the Hill and I spoke with a few of them, including a nuclear medicine doctor from Halifax, Dr. Andrew Ross, who is an outstanding physician and researcher. He told me that the nuclear medical community was very worried at that time about the isotope supply. That was before this shutdown and before the current crisis. He said that one major incident with a closure would create a crisis.

We had a situation already where the reactor in the Netherlands, which is a major producer of isotopes, was shut down over a long period. I gather it is now back up, but Canada was supplying over half of the world's isotope needs and the closure of Chalk River was going to cause a crisis regardless. Therefore, that has been a very big concern for the CMA—