

As to cost recovery, although it was provided for in other legislation previously, that legislation was of a general nature. Cost recovery in this legislation allows the minister to move more quickly and precisely with respect to what he would like to recover by means of services and so forth. Any costs recovered would be subject to current government policy, which requires that the recovery come from individual beneficiaries of the service. In so doing the minister must fully disclose the costs that are being recovered.

Senator Hays: Is slaughterhouse meat inspection an example of that procedure, and has a distinct beneficiary been identified?

Dr. Bulmer: That service is not covered under this legislation. It is covered under the Meat Inspection Act. I am not aware of whether there is a provision for cost recovery in that statute.

Senator Hays: Will this legislation assist us in avoiding what was characterized by the minister as harassment of our meat exports to the United States? I have read in trade magazines that meat inspection people in, for example, Montana are up in arms over "contaminated and bad Canadian meat" going into the United States. Is there anything in this legislation that would help us in that respect?

Dr. Bulmer: That problem is covered as well under the Meat Inspection Act.

Senator Hays: We were talking about the British and their problem with BSE. It is a very serious problem for them, both in terms of trade and human health. Is BSE a potential problem for Canada? I realize that we do not have a large sheep population. I do not know the regulations with respect to using animal parts in livestock feed, which seems to be the explanation for the problem in the United Kingdom. I would appreciate a comment on that matter, because, while it is not a concern here right now, it could be, and it has caused immense problems in the United Kingdom. Certainly it is something we would want to avoid.

Dr. Bulmer: The disease, Bovine spongiform encephalopathy, or BSE, as a risk to human health is, by most scientific evidence, largely a public perception. Although there are human diseases that have lesions that are very similar, there is no evidence, following quite extensive research over a number of years, to link either this disease or a closely-related disease in sheep called scrapie to the human condition.

With respect to the risk in Canada as compared to the United Kingdom, in the United Kingdom there are some 30 to 50 million sheep. The disease scrapie, which is thought to have been transmitted to cattle via rendered sheep tissues in animal feeds, is highly endemic to the sheep population of the United Kingdom, and has been so for well over 100 years.

To compare Canada's situation to the situation in the United Kingdom, we only have half a million sheep. In Canada we have a fairly rigorous control program. The disease scrapie in sheep is reportable under the previous legislation, and it will remain so under this legislation. Therefore, we have applied fairly stringent controls and have only sporadic cases

of the disease in Canada. So, given the low population of sheep in Canada and the low incidence of disease, the risk of an infectious dose being present in animal feed, even though sheep have been up until now commonly rendered by our rendering facilities across the country, is very low.

With respect to potential entry of the disease from Great Britain by cattle, we have stopped issuing permits for the importation of live animals from that country. So we believe that we have taken adequate precautions to protect the Canadian public from, as I mentioned earlier, what is probably a perceived health threat more than a real one. And given the low incidence of the potential risk of transmission from sheep to cattle, we feel that Canada is in a fairly safe position. In addition, we have implemented in Canada active surveillance for the disease. Any cow that dies of a nervous condition is usually examined for rabies. We are now examining those tissues that are ordinarily submitted for rabies examination for BSE at the same time.

In addition, each province in Canada has well-qualified diagnostic veterinary pathologists working in well-equipped laboratories, and they have all been alerted to actively look for this disease. So we feel fairly confident that Canada is in a good position.

Senator Hays: It is good to have that on the record. My last question relates to comments given in evidence by the Holstein Association about new methods of identifying livestock. I do not quite see the relevance of the comments, and I would appreciate it if you would elaborate on what you anticipate evolving in this area of permanent identification of animals using fairly high tech means?

Dr. Bulmer: The proposed legislation will provide the authority to make regulations to implement a national system of animal identification. The legislation takes into consideration the potential or the perceived need now and in the future to have a sector of livestock, for example, the cattle industry, mandatorily identify their animals. There is the perception that we will be looking at a specific type of identification, but that is not really true. We are looking for the authority to require an animal to be identified by brand, tattoo, ear tag or electronic machine for the purpose of tracing that animal back to its herd of origin.

The application of this act to the control or eradication of diseases or toxic substances from our animal population requires that, where there is detection, for example, of a condition in an animal that is slaughtered, there also be knowledge of where that animal came from. In other words, you must be able to say where its herd mates are, because they too may also be similarly affected. Therefore, being able to make an identification after the animal has left its farm of origin is very essential in dealing with this situation adequately. In order to deal completely with a disease, and to detect it in a particular animal, you must be able to trace it back to its herd of origin. That is a problem without adequate identification, and we have had examples of that recently.