

MR. ROGERS, EXAM. BY MR. MERRICK

1 that we were insuring 25 percent of 85 percent, we were,
2 excuse me, we were having to make a budgetary provision
3 of 25 percent of 85 percent of \$100 million. It works
4 out to 21.75.

5 The interest buy-down was a far greater amount
6 requested, and that was, I think, 26.75 million. And
7 that was -- that was the original request and the total
8 of that was 48 million in terms of its effective
9 budgetary cost, the 26.75, of course, being a cash cost.

10 Q. So that was the bill that departments were hoping to
11 avoid individually in their own financial budgets?

12 A. Or collectively.

13 Q. Or collectively.

14 A. Yeah.

15 Q. All right. Was there other aspects to this
16 opposition at Cabinet level?

17 A. Yes. It quite quickly came to be a problem with
18 DEVCO, that the impact on DEVCO of not selling the
19 intended amount of coal to the new -- I think it was
20 Trenton 6 generating station, was seen to be an important
21 crisis, if you will, within the corporation that would
22 lead to significant losses of employment and significant
23 increases in the required subsidy that the Federal
24 Government would have to extend to DEVCO as a result of
25 the revenue losses. So that issue became a very