

MR. ROGERS, EXAM. BY MR. MERRICK

1 overview on and give some background to it. We don't
2 need to deal with those in detail.

3 Turn over to page 12 which is a memorandum which may
4 again be just a draft memorandum because it's not signed.
5 But I want to direct your attention to two particular
6 points. If you can turn to page 15, there's a paragraph
7 entitled, "Socio-Economic Impacts in Pictou County." And
8 your lead off sentence says, "The analysis shows that
9 there is no net benefit to Canada from this project
10 despite the high cost to the Federal Government primarily
11 because of the negative effects on DEVCO." And then you
12 go on to elaborate on that. Could you just explain that
13 to me a bit more?

14 A. The net benefit to Canada disappeared because of the
15 negative effect on DEVCO. That's -- I mean, the tax
16 revenue that it would have generated, the income of
17 employing 241 people at the mine site, whatever other
18 benefits -- those would be two of the important benefits
19 to Canada that would be on the plus side of the ledger.
20 And then down at the bottom, if you take into account
21 that there is a net loss of whatever is going on at
22 DEVCO, it off -- it more than offset those benefits.
23 Such was the case.

24 Q. As I read through the rest of the paragraph, though,
25 it seemed to me that you then said, "But if we can do