

MR. CAMERON, EXAM. BY MR. MERRICK

1       been some deal made in the end.

2       Q.     A Provincial deal?

3       A.     I think likely.  When you consider the cost of  
4       scrubbers versus -- and the cost of operating versus  
5       reducing sulphur in other ways, I think there would have  
6       been some deal made.  But it certainly wouldn't be the  
7       kind of deal that they expected, you know.  An \$85  
8       million loan guarantee was just too rich, just too rich.

9       Q.     There's one other --

10      A.     For a little province.

11      Q.     There's one other that I must admit I drew from all  
12      of these memos, going through it, and that was that not  
13      only were you seriously beginning to explore a deal with  
14      Westray directly, but there seemed to be an imbalance in  
15      negotiating tactics, if not positions here, that Westray  
16      was beginning to say, "Hey, here's some more things we  
17      can get."  And there didn't seem to be a very firm line  
18      being drawn by the Province.  Can you respond to that  
19      impression that I gather from these memos?

20      A.     Well, I really didn't think that -- I thought in the  
21      end there would be a deal made.  You know, we had  
22      assurances.  We had letters saying that it was going to  
23      be done.  We had assurances from Elmer.  We had  
24      assurances from Harry Rogers, so I really thought the  
25      deal would be made.  So I wasn't overly concerned about