

MR. CAMERON, EXAM. BY MR. MERRICK

1 Q. Whose fault was that?

2 A. Well, whose fault was it? I would think that when
3 people put in a document going to the Federal Cabinet
4 that it's going to cost them \$290 million because it's
5 going to displacement, when there wasn't one tonne
6 displaced, they were actually going to gain 200,000
7 tonnes. Or say that there's nothing wrong with burning
8 high-sulphur coal at a plant in Trenton when we know
9 there was a real problem. Or say that we're going to
10 start a trade war when DEVCO is already -- I would say
11 that those people should take a little bit of the blame
12 for getting the negotiations off track. Wouldn't you?

13 Q. Okay, let's come to the next --

14 COMMISSIONER Mr. Merrick, before you go off this one, I
15 was struck by the paragraph four in this memo. And when
16 you look at the deal that was negotiated, you know, that,
17 to me, is at least bizarre. And I wonder if Mr. Cameron
18 -- it says, "I stressed to Don that as far as Westray is
19 concerned, the 85-percent loan guarantee is non-
20 negotiable because to date we have already conceded too
21 much." What did they concede?

22 A. I can't answer for Gerald Phillips, but I suspect
23 what he was talking about was that when they applied
24 under the -- is it A.E.P. I think it was, there was a
25 program that said you are entitled to loan guarantees and