

MR. CAMERON, EXAM. BY MR. MERRICK

1 rate of return to Cliff Frame and terms of financing are
2 such that this is the best deal Cliff Frame will ever get
3 anywhere and that any threat to pull out should be firmly
4 ignored." Were you aware of staff having done that
5 survey which indicated that, without the take-or-pay
6 agreement, this was still a very good deal for Westray?

7 A. That's exactly what -- that's exactly what the
8 Federal authorities were saying in that document, that
9 Cabinet document. They were saying that they were going
10 to make so much money, they don't need any assistance at
11 all. So I suspect she probably got it from that.

12 Q. Well, she talks about "Our staff having done an
13 economic and engineering analysis..."

14 A. Well, I haven't seen it, but I mean that was -- that
15 statement was made before. I don't know --

16 Q. Were you aware that your staff had the view --

17 A. That wasn't my staff.

18 Q. You're right. That was the other department.

19 A. Uh-huh.

20 Q. Were you aware that they had the view that --

21 A. No, I wasn't. But I was clearly aware that the
22 Federal Government was making this statement. And, of
23 course, history has proven that to be wrong, too. They
24 didn't have any excess money at all. They were running
25 out of money.