

Heated exchange in House

Abitibi expropriation not linked to environmental liabilities: government

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The

expropriation of AbitibiBowater's assets and the cost of cleaning up that company's former properties dominated a heated question period in the House of Assembly Thursday.

Liberal Leader Yvonne Jones started by suggesting comments made by the provincial government in recent weeks that "the polluter pays" go against comments made by Premier Danny Williams Wednesday when he told reporters there was always a possibility taxpayers would have to cover the costs of cleaning up Abitibi's mess.

Jones then asked Natural Resources Minister Kathy Dunderdale if she had been "less than truthful" with her previous comments.

But Dunderdale said it wasn't the expropriation that made the province responsible for the cleanup, but the fact Abitibi is currently under bankruptcy protection.

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Makes ' Sprung look like a success'

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Premier Danny Williams

Jones not only challenged Dunderdale and Environment Minister Charlene Johnson on the Abitibi cleanup and its possible costs, but went after Williams.

The premier lashed out at Jones, suggesting she's spreading misinformation about the possible cost of the cleanup, and even found a way around being cited by the Speaker for unparliamentary language.

" The leader of the Opposition is painting a picture that is completely, I do not want to use words like misleading, because I am not allowed to say that. I do not want to say that she is lying, because I am not allowed to use that, but in some manner there are facts being presented by her in a manner that is not actually correct," he said. " What she is trying to do is stack everything up to figures that have been \$500 million, \$750 million, \$1 billion. (That's) completely and totally erroneous."

Williams said up to 80 per cent of the environmental liabilities are in connection with Buchans, Stephenville and Botwood.

"None of those were expropriated assets. None of those had anything to do

with the mill. Those are liabilities that would have been there anyway," he said to Jones. Jones shot back. "In 2008, the premier stated that the expropriation action would not cost the taxpayers of this province," she said.

She then rhymed off a list of known costs so far, from legal fees to expropriation costs, from the cost of the company's challenge under the North America Free Trade Agreement (NAFTA) to the environmental cleanup.

"I ask the premier today, why not come clean with the people of this province, and tell them the amount of money that we are on the hook for?" Jones said.

Williams then accused Jones of siding with the company,

"I ask the leader of the Opposition, whose side are you on?" the premier said. "Are you on the side of the people of Newfoundland and Labrador or are you trying to build the case for Abitibi so that they can go to NAFTA and say the leader of the Opposition said this is worth \$500 or \$600 or \$700 million?"

Williams then read off a list of his own of what the province now owns because of the expropriation, and what could have been lost if the company went bankrupt before the province took away the company's assets.

That list included the power projects, timber rights and land.

Jones replied by comparing the expropriation to past political boondoggles in this province.

" The government knows that this deal that they have bungled so badly on Abitibi, makes the Sprung Greenhouse look like a success story," she said.

NDP Leader Lorraine Michael also questioned the premier on the work that went into the bill which took away Abitibi's assets in December 2008.

She wanted to know if the province's legal advice detailed what would happen in the event of Abitibi going bankrupt.

" They advised us on exactly what the consequences were of various options," Williams said. " We looked at every possible avenue and we were provided with all those alternatives."

But he said no one could have predicted that the courts in Quebec "would have shafted us once again."