

THE COMPETITION TRIBUNAL

IN THE MATTER of an application by the Director of Investigation and Research for orders pursuant to section 92 of the Competition Act R.S.C. 1985, c. C-34, as amended;

AND IN THE MATTER of the acquisition by Hilldown Holdings (Canada) Limited of 56% of the common shares of Canada Packers Inc.

B E T W E E N:

F I L E D	TRIBUNAL DE LA CONCURRENCE		P R O D U I T
	SEP 17 1991		
	REGISTRAR -- REGISTRAIRE		
OTTAWA, ONT.		97(A)	

THE DIRECTOR OF INVESTIGATION AND RESEARCH

Applicant,

- and -

COMPETITION TRIBUNAL
TRIBUNAL DE LA CONCURRENCE

Respondents

File No. CT-91/01 HILLSDOWN HOLDINGS (CANADA) LIMITED,
 No. du dossier CT-91/01 MAPLE LEAF MILLS LIMITED,
Dir v Hilldown CANADA PACKERS INC. and
 et R-25 ONTARIO RENDERING COMPANY LIMITED

Exhibit No. R-25
 No. de la pièce

Filed on Dec 10/91; 14249
 Déposée le

Registrar Shannon REPLY AFFIDAVIT OF DR. EARL E. SHANNON
 Greffier

I, Earl E. Shannon, of the County of Oxford, in the Province of Ontario, MAKE OATH AND SAY:

1. I am currently the Regional Manager, Ontario Region, at CH2M HILL, an environmental consulting firm specializing in water, wastewater, hazardous waste, solid waste, transportation and other like matters.

2. On August 2, 1991, I executed an affidavit enclosing my report in the present proceedings, which I prepared for Maple Leaf Foods Inc. That affidavit describes my background and qualifications.

- 2 -

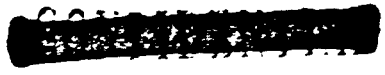
[REDACTED]

3. This reply affidavit provides my reply to the rebuttal affidavits of Thomas Ross and David Smith, filed by the Applicants on August 23, 1991.

4. At paragraph 7 of his rebuttal affidavit, Dr. Ross concludes in effect that any new entrants into Ontario's rendering industry would face the regulatory barriers and approval and implementation time frames I set out in my August 2, 1991 affidavit for the Moorefield Facility [REDACTED]. This conclusion is incorrect.

5. At paragraph 17 of his rebuttal affidavit, Dr. Smith suggests that my August 2, 1991 affidavit provides evidence that it could take three years to complete the construction of a new rendering facility. This suggestion is incorrect.


6. The regulatory time frames estimated in my August 2, 1991 report are specific to an expansion of an existing rendering plant, namely Rothsay's Moorefield facility. This facility is located on a small sensitive receiving stream in a small rural hamlet with a population sensitized by the plant's past environmental problems. One cannot readily generalize that a new entrant would face the same regulatory obstacles. For example, a new entrant may be able to locate in an industrially zoned area of a large municipality, where wastewater discharges would have to meet only the municipality's sewer use by-law limits, which in general are much less stringent than the effluent limitations for the Moorefield facility.



7. A new entrant could obtain environmental approval for a rendering plant in a considerably shorter period than Rothsay would require to obtain environmental approval to expand the Moorefield facility.

Sworn before me at the)
City of Waterloo in)
the Province of Ontario)
this 5th day of Sept 1991.)


Dr. Earl E. Shannon



A Commissioner, etc.