

Commission of Inquiry into Certain Allegations
Respecting Business and Financial Dealings
Between Karlheinz Schreiber and
the Right Honourable Brian Mulroney



Commission d'enquête concernant les allégations
au sujet des transactions financières et
commerciales entre Karlheinz Schreiber et
le très honorable Brian Mulroney

**Interview by telephone of
Stanley Hartt**

**Entrevue téléphonique de
Stanley Hartt**

Commissioner

L'Honorable juge /
The Honourable Justice
Jeffrey James Oliphant

Commissaire

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427 Laurier Avenue West
Ottawa, Ontario

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1 Ottawa, Ontario
2 --- Upon commencing the interview on Tuesday,
3 May 5, 2009 at 2:01 p.m.
4 1 MS BROOKS: Hello, Mr. Morphy.
5 2 MR. MORPHY: Yes.
6 3 MS BROOKS: Oh, very good. We were
7 wondering if my conference call was working because I
8 have had difficulties with this before.
9 4 MR. MORPHY: Mr. Hartt is with me
10 here.
11 5 MS BROOKS: Very good. I have in the
12 room a court reporter and the court reporter has access
13 to the dial-in line and has a couple of microphones
14 here. So the call is being recorded.
15 6 As we discussed via e-mail,
16 Mr. Morphy, I will be producing to you a tape of the
17 interview.
18 7 MR. MORPHY: Okay. And a transcript?
19 8 MS BROOKS: Yes, of course.
20 9 MR. MORPHY: Okay.
21 10 MS BROOKS: I wanted to explain at
22 the outset that this is an interview that Mr. Hartt has
23 agreed to give to us. If we are not going to be
24 calling Mr. Hartt as a witness, we will not be
25 producing a transcript to any of the other parties, any

1 of the parties that is. And really, you may have a
2 copy of it if you wish, but we won't be producing it to
3 the other parties.

4 11 MR. MORPHY: Okay.

5 INTERVIEW OF STANLEY HARTT BY MS BROOKS

6 12 MS BROOKS: I wanted to briefly
7 review with you, Mr. Hartt, your background and then we
8 could get into the documents.

9 13 I was wondering if you could tell me
10 about your career with the -- I understand you worked
11 for the federal government before you became Chief of
12 Staff to the Prime Minister.

13 14 Could you just give me a brief
14 description of what you were doing before you joined
15 the PMO?

16 15 MR. HARTT: Yes, I was Deputy
17 Minister of Finance from September 1, 1985 until May 1,
18 1988.

19 16 MS BROOKS: May 1, 1988. And what
20 date, then, did you join the Prime Minister's Office as
21 his Chief of Staff?

22 17 MR. HARTT: Formally on January 31,
23 1989, but I was actually physically present in the
24 office arranging for the transition from my predecessor
25 Derek Burney, who had been named Ambassador to the

1 U.S., basically from January 1, 1989.

2 18 MS BROOKS: And in the period between
3 May 1, 1988 and January 1, 1989, what were you doing?

4 19 MR. HARTT: Practising law in the
5 private sector in Montréal.

6 20 MS BROOKS: So that's when you were
7 back at Stikeman Elliott.

8 21 MR. HARTT: Correct.

9 22 MS BROOKS: Okay. And when did you
10 leave the Prime Minister's Office at the end of your
11 tenure? What was the date?

12 23 MR. HARTT: September 1, 1990.

13 24 MS BROOKS: All right. I believe
14 that is the date on which Mr. Spector took over from
15 you as Chief of Staff?

16 25 MR. HARTT: I can't tell you that
17 there was not a day or two of hiatus, but that would be
18 the ideal.

19 26 MS BROOKS: All right. And after you
20 left the Prime Minister's Office on September 1st,
21 where did you go and work?

22 27 MR. HARTT: I initially went back to
23 Montréal to practise law with my old firm, but I didn't
24 remain there very long because I think it was nine
25 weeks later I was given an offer to become the CEO of

1 the bankrupt Campeau Corporation, and I moved to
2 Toronto as of November 11, 1990.

3 28 MS BROOKS: All right. And when you
4 became Chief of Staff in January 1989, what was the
5 extent of your relationship at that point with the
6 Prime Minister?

7 29 MR. HARTT: I'm not sure whether you
8 are asking me in the context of my role as Chief of
9 Staff or my relationship other than my role as Chief of
10 Staff.

11 30 MS BROOKS: Yes. I'm looking at
12 actually when you first joined the office as Chief of
13 Staff, so it would be your relationship before you
14 joined him as Chief of Staff.

15 31 MR. HARTT: Relationship in the
16 broadest sense of that word.

17 32 MS BROOKS: Yes.

18 33 MR. HARTT: Well --

19 34 MS BROOKS: Either personal or
20 professional, both of them.

21 35 MR. HARTT: I had known Mr. Mulroney
22 from the late '60s and early '70s when we shared a
23 mandate as lawyers.

24 36 I should tell you that my main
25 practice was in corporate and tax law. I had a

1 sideline in labour law, which was Mr. Mulroney's
2 specialty.

3 37 MS BROOKS: Yes.

4 38 MR. HARTT: In the course of my
5 sideline I was asked by the Interprovincial Association
6 of Stevedoring Contractors, who are the actual
7 employers of the longshoremen who unload and load
8 ships, to represent them in regards to their labour
9 relations in the Port of Montréal. Mr. Mulroney
10 represented the Shipping Federation of Canada, which
11 were the owners and/or agents/operators of the same
12 ships.

13 39 And because our lifeline's charges
14 for labour were passed on to the shipowners, ship
15 agents, the members of the Shipping Federation of
16 Canada, we operated jointly as the employer party in
17 labour negotiations, arbitrations, certification
18 disputes.

19 40 So we had a number of interactions
20 together as professionals.

21 41 MS BROOKS: So that went on until the
22 early '70s?

23 42 MR. HARTT: Well, two things
24 happened. One, I phased myself out of labour law
25 because it wasn't compatible with my corporate law

1 practice.

2 43 Just to give you an example, I was
3 doing loan agreements for a couple of banks. They
4 would phone up to find out where I was and I would be
5 in Baie-Comeau doing labour arbitrations for Cargill --

6 44 MS BROOKS: Yes.

7 45 MR. HARTT: So they began to suggest
8 to me that they didn't want to do that, so I turned
9 myself into a neutral, i.e. I became an arbitrator,
10 mediator, facilitator of large labour disputes, mostly
11 for the federal government but also for Ontario with
12 the government.

13 46 I did this on purpose so that I could
14 say to our corporate clients who wanted labour advice I
15 created a department and go see those guys. I am a
16 neutral so I can't get involved representing parties.

17 47 And I settled an air traffic control
18 strike, a St. Lawrence Seaway strike, a St. Lawrence
19 River Pilots strike, a strike in Newfoundland, called
20 the Waterford Hospital, a Toronto Teachers strike.

21 48 So therefore I had no more occasion
22 to interact with Mr. Mulroney professionally, and he
23 never appeared before me as an arbitrator, conciliator
24 or mediator.

25 49 MS BROOKS: Right.

1 50 MR. HARTT: His firm did, but he
2 didn't.

3 51 MS BROOKS: Yes.

4 52 MR. HARTT: He in turn of course, as
5 you know, in 1976 ran for the leadership of the
6 Conservative Party and did not succeed and left the
7 practice of law and went on to run the Iron Ore Company
8 of Canada, which was not a client of mine. So again we
9 didn't have much professional interaction during that
10 period.

11 53 MS BROOKS: All right. Then when you
12 became the Deputy Minister of Finance -- I think you
13 said May -- what was that?

14 54 MR. HARTT: I started in September
15 1985.

16 55 MS BROOKS: And in that position did
17 you have any professional interaction with
18 Mr. Mulroney?

19 56 MR. HARTT: If I can, I just want to
20 clarify one thing.

21 57 There was a kind of a pre-appointment
22 trial period for me. Mr. Mulroney asked me in late
23 1984 to be the Chairman of the Private Sector Advisory
24 Committee for the National Economic Conference, so that
25 what happened was in the period September '84 to March

1 '85 I was busy putting together a committee of
2 business, labour and volunteer sector, private sector
3 individuals, a very large committee, which formed the
4 corpus of the National Economic Conference which was a
5 two-day televised conference.

6 58 As luck would have it -- I'm not
7 trying to digress here, but as luck would have it, a
8 national postal strike threatened which was going to
9 picket the site of this conference, so Mr. Mulroney
10 asked me to go settle it and I did, just so we can have
11 our conference.

12 59 MS BROOKS: That's interesting.

13 60 MR. HARTT: So in a sense I saw that
14 as a tryout. I didn't know that anything else was
15 coming, but I saw it as a tryout. And then later when
16 I got the call asking me to consider being Deputy
17 Minister of Finance, I understood that they were trying
18 to expose me a little bit to...

19 61 So now to come to your question,
20 which I was not trying to avoid, my relationship with
21 Mr. Mulroney was that of any Deputy Minister, which is
22 that the Deputy Minister is appointed by the Prime
23 Minister, not the Minister he serves, and his principal
24 duty is to the Prime Minister. In fact, all Deputy
25 Ministers are instructed that if they notice something

1 untoward, they are to pass it on to the Prime Minister.

2 62 So I had an extremely good, close and
3 professional relationship with Mr. Mulroney for the
4 entire time that I was Deputy Minister.

5 63 As you may imagine, the Deputy
6 Minister of Finance initially prepares the budget
7 offered to the Minister and of course together they
8 need to prepare the entire Cabinet, beginning with the
9 Prime Minister, that the budgetary measures are
10 appropriate.

11 64 So there was lots of interaction in
12 that respect.

13 65 And the Deputy Minister of Finance
14 also is, other than the Clerk of the Privy Council, at
15 least at the time -- I understand that may have changed
16 now. But at the time he was the only unelected
17 official who as of right went to the Priorities and
18 Planning Committee meetings. So I did that.

19 66 So that was another area of our
20 interaction.

21 67 MS BROOKS: Okay. Well, that's very
22 interesting and I would like to back up a little bit.

23 68 You said that as Deputy Minister you,
24 like all Deputy Ministers, were appointed by the Prime
25 Minister.

1 69 Did I hear you correctly?

2 70 MR. HARTT: Yes. We were instructed
3 quite formally that our principal loyalty was to the
4 Prime Minister and that -- for example, if our Minister
5 asked us to do something -- and I can recall a meeting
6 where the Prime Minister addressed all the Deputy
7 Ministers in Paul Tellier's very large boardroom in the
8 Langevin Block, and he said if your Minister asks you
9 to do something you don't think is right, you let me
10 know.

11 71 So technically and I think you will
12 find all experts in governance in the Canadian
13 parliamentary system will tell you that the Deputy
14 Minister, his line runs -- his official status of
15 standing runs to the Prime Minister, or her.

16 72 MS BROOKS: All right. Well, that's
17 interesting. I had not heard that from any of the
18 other witnesses we have called, so that is providing
19 some insight into the relationship between the Prime
20 Minister and deputies in general.

21 73 MR. HARTT: The Clerk of the Privy
22 Council would tell you that as a matter of rote when
23 first asked, because that is -- it's not a personal
24 opinion. It's not a -- it's a tradition and basically
25 an element of the government structure in the Cabinet

1 system as we know it in Canada.

2 74 MS BROOKS: All right. I'm going to
3 get into this more when we get into the documents, but
4 can you tell me just in general terms, before you took
5 on the role of Deputy Minister of Finance, had you ever
6 had any interaction with Mr. Schreiber or the Bear Head
7 Thyssen file?

8 75 MR. HARTT: No.

9 76 MS BROOKS: All right. Then we will
10 get into some documents were you as Deputy do get
11 involved so I can ask you in a bit more detail then.

12 77 But at this point can you give me an
13 overview of how matters such as the Thyssen project or
14 proposal would come within the ambit of your duties or
15 under scrutiny by you? Just as a general matter and
16 not necessarily the Bear Head one.

17 78 MR. HARTT: Are you speaking about
18 the time in Finance or the time in the Prime Minister's
19 Office?

20 79 MS BROOKS: The time in Finance.

21 80 MR. HARTT: Okay. In Finance
22 principally people would try to involve the Department
23 of Finance when there was a cost to the government of
24 any one of their projects. Every department,
25 particularly the line departments, spend basically all

1 of their waking hours creating good things for the
2 government to spend money on, and they do so honestly
3 in the fulfilment of their duties. The government only
4 has so much to go around and the Department of Finance
5 has to keep an eye on the fiscal framework as it's
6 called.

7 81 So if anything was going to put
8 pressure on the fiscal framework, i.e. was not
9 pre-approved in a budget, it would absolutely have to
10 involve the Department of Finance, ultimately the
11 Minister of Finance.

12 82 MS BROOKS: If we can move more
13 specifically, then, to the Bear Head proposal, do I
14 understand you to be saying that it would have come
15 within the attention of Finance because it was a
16 proposal and therefore not budgeted for and yet it was
17 going to be drawing on -- ostensibly drawing on public
18 funds?

19 83 Would that be correct?

20 84 MR. HARTT: That happens to be the
21 case for Bear Head, but let me just -- to make the
22 point clearer, I could say if the Department of
23 Defence, pursuant to its own budgetary allocation, had
24 made provision for certain equipment procurement, they
25 would not have to ask the Department of Finance unless

1 the nature of the procurement they were proposing to
2 engage in would involve some additional costs that
3 weren't budgeted.

4 85 MS BROOKS: Right.

5 86 MR. HARTT: In other words, it
6 happens to be true in the case of Bear Head that
7 because it was not an approved project which was in
8 fact budgeted for, that naturally it would come to the
9 Department of Finance to the extent there was any cost
10 projected for the federal government.

11 87 MS BROOKS: All right. Then let me
12 take you to -- I think we have three documents that
13 fall within that time period when you were in the
14 Department of Finance.

15 88 I will take you to Tab 1. I'm hoping
16 that your documents have been put together -- we
17 provided -- I think my junior provided you with covers
18 for these, so they should be in chronological order for
19 you, I hope.

20 89 The one I --

21 90 MR. HARTT: I have a binder that
22 Mr. Morphy has been kind enough to prepare for me
23 exactly as you say.

24 91 MS BROOKS: All right. I am looking
25 at the memorandum from you to the Minister and I take

1 that to be the Minister of Finance, Mr. Wilson.

2 92 MR. HARTT: That is correct, but the
3 "from you" needs a little bit of explanation.

4 93 MS BROOKS: Okay.

5 94 MR. HARTT: You will note at the
6 bottom left-hand corner there is "R.J. Martin,
7 Director".

8 95 MS BROOKS: Yes.

9 96 MR. HARTT: That tells you who the
10 author is.

11 97 MS BROOKS: All right. That was one
12 of my questions. Very good. So Mr. Martin or Ms
13 Martin --

14 98 MR. HARTT: All memos to the Minister
15 are signed, so the original, the one actually sent
16 would have been signed by me, by the Deputy Minister.
17 That is in order to prevent freelancing.

18 99 MS BROOKS: Yes.

19 100 MR. HARTT: You will see the people
20 on the right-hand side, who got the distribution of it,
21 and it reads like the hierarchy of the officials in the
22 department: Guy Glorieux; John Coleman; Doug Purvis,
23 who was our visiting economist, now deceased; Fred
24 Gorbet, who later became my successor; Gerry Shannon,
25 who later became the Deputy for International Trade;

1 and Bernie Drabble, who was our Deputy for
2 international organizations. He would go to the OECD
3 and the IMF and all those other international meetings.

4 101 MS BROOKS: And then if I could just
5 go one more up the list, there is you, the Deputy, and
6 then Minister of State.

7 102 Who would that have been?

8 103 MR. HARTT: Barbara McDougall.

9 104 MS BROOKS: All right.

10 105 MR. HARTT: At that time.

11 106 MS BROOKS: All right. And then the
12 Minister himself at the top.

13 107 MR. HARTT: Right. So just so that
14 you are clear, I would not have written this document.
15 It would have been sent to me for approval and, by
16 virtue of being sent on to the Minister, would be
17 deemed to have been okayed by me. With how much
18 consideration, I have to tell you I can't comment, in
19 this or any of the other cases in this binder.

20 108 MS BROOKS: All right. If I asked
21 you then whether you had today any direct recollection
22 of this, what would your answer be?

23 109 MR. HARTT: My answer would be that
24 none of the documents refresh my memory in any way.
25 They were extremely interesting, but it was as if I was

1 reading a novel for the first time.

2 110 MS BROOKS: You know, I don't find
3 that surprising in the sense that these events are now
4 20 -- some of them 22 years ago. I can sometimes not
5 remember what kind of case I have had three years ago,
6 so it doesn't surprise me.

7 111 But having read them, do they bring
8 back, then, some sense of what was going on at the
9 time?

10 112 MR. HARTT: Well, to a small extent,
11 but let me just clarify. It's not just the lapse of
12 time and sort of the mists of distance that are causing
13 me to say what I say. I was in all respects a
14 peripheral player in these events. Because of the
15 offices I held, a lot of documents had to go through me
16 on their way elsewhere. As part of my duties I would
17 look at literally hundreds of these a week, and I would
18 pass them on if I saw no particular reason to stop them
19 or object to them.

20 113 I would be in effect relying on my
21 staff that had written them, hopefully carefully and
22 accurately. I wasn't in a position to go and check the
23 contents.

24 114 So if you said to me was I aware that
25 there was -- once I was in office, that there was such

1 a thing as a Thyssen project proposed to be called Bear
2 Head? Yes.

3 115 But if you said to me would I
4 remember, for example, that this memo to the Minister
5 gives him advice about how to vote on the issue of some
6 export permits under the Export and Import Permits Act?
7 No, I actually wouldn't remember that we had advised
8 him on that subject or that there had ever been a vote
9 or that he had gone to the committee meeting. None of
10 that would I remember.

11 116 MS BROOKS: All right. All right.

12 117 Well, on this one I just wanted to
13 confirm that actually you have done that very well,
14 given me the background and context for the writer,
15 R.J. Martin, and the fact that you have reviewed it but
16 that you were relying on Mr. Martin to prepare it in a
17 careful way. And you were the vector I could say,
18 sending it up the line with your imprimatur on it.

19 118 MR. HARTT: Absolutely. But
20 Mr. Martin would have reported to Glorieux who reported
21 to Coleman. Coleman was the Assistant Deputy for
22 International Economic Policy and Glorieux was the
23 General Director.

24 119 So all three of those -- I'm not
25 trying to pin anything on Martin --

1 120 MS BROOKS: Okay.

2 121 MR. HARTT: -- would have felt this
3 was ready for the eyes of the Deputy.

4 122 MS BROOKS: All right.

5 123 If you could turn to the next
6 document, these are the minutes of the meeting. I
7 understand they are the minutes of the meeting at which
8 that Memorandum to Cabinet that is referred to in the
9 previous document was considered.

10 124 Is that your understanding as well?

11 125 MR. HARTT: It so appears, yes.

12 126 MS BROOKS: And one of the questions
13 I had, I think you have answered. I saw your name here
14 as an "Also present" at this meeting and my question
15 was: Were you present for the whole meeting or just
16 for part of this meeting?

17 127 MR. HARTT: I cannot tell you that.
18 Normally -- well, this is a Cabinet Committee on
19 Priorities and Planning so that in fact the first page,
20 because I just noticed that thanks to you, the
21 reference appears to be different than the memorandum.

22 128 The memorandum I think says that this
23 issue is coming before the Cabinet Committee on Foreign
24 and Defence Policy.

25 129 MS BROOKS: That's right.

1 130 MR. HARTT: Whereas the minutes you
2 have just directed me to are minutes of P&P.

3 131 MS BROOKS: Yes.

4 132 MR. HARTT: I would normally not
5 go -- and that's exactly how I figured this out.

6 133 I would normally not go to the
7 Cabinet Committee on Foreign and Defence Policy. I
8 would have -- well, it would be Coleman probably who
9 would go, if an official was present at all.

10 134 This is P&P. This is when it came
11 from the committee up to the Priorities and Planning
12 Committee, which was the ultimate inner Cabinet as it
13 were.

14 135 MS BROOKS: Yes.

15 136 MR. HARTT: That committee, as I
16 explained to you earlier, was one that the Deputy
17 Minister of Finance as of right attended, and the only
18 other clerk -- the only other official who attended as
19 of right was the Clerk of the Privy Council.

20 137 MS BROOKS: Do you think then that I
21 would be correct -- the first memo says "For
22 Consideration by Cabinet Committee on Foreign and
23 Defence Policy, Wednesday, February 5, 1986 at 3:15".
24 And the minutes refer to "A meeting of the Cabinet
25 Committee on Priorities and Planning .. February 11..."

1 138 Am I correct in assuming that the
2 former committee, the Foreign and Defence Policy
3 Committee, would have considered it and then it would
4 have gone to Planning and Priorities?

5 139 MR. HARTT: That would be the normal
6 course. However, it would surprise me if it had been
7 rejected at the Committee on Foreign and Defence Policy
8 and it still go to P&P.

9 140 I'm not saying that could never
10 happen, not if something was of earth shattering
11 importance. But it would be rare.

12 141 So it may be that the matter was
13 approved.

14 142 MS BROOKS: Yes. I can help you, I
15 think.

16 143 If you look at page 5 of the minutes
17 where Thyssen is on this agenda in the minutes, the
18 second paragraph starting:

19 "The Secretary of State for
20 External Affairs reported that
21 the Cabinet Committee on Foreign
22 and Defence Policy had not been
23 able to reach a consensus on the
24 Thyssen proposal..."

25 144 MR. HARTT: There is the answer.

1 That's why it came to P&P.

2 145 MS BROOKS: All right. Can you tell
3 me what the difference is between P&P and Operations
4 Committee?

5 146 I heard through Mr. Spector about an
6 Operations Committee of Cabinet. What is the
7 difference between that and P&P?

8 147 MR. HARTT: There is a vast
9 difference, at least at the time when I was in either
10 of my two worlds.

11 148 The Operations Committee was a
12 committee that was informal and not part of the --
13 what's the word, the decision-making process of
14 government. It was a committee -- during my time it
15 was chaired by Mr. Mazankowski, that Deputy Prime
16 Minister, and his job was to coordinate and put in
17 ordinal fashion things that were to be done by the
18 government so that, for example, you didn't have three
19 announcements of great moment on a Monday and nothing
20 on a Tuesday, Wednesday and Thursday.

21 149 It was the --

22 150 MS BROOKS: Oh, I see.

23 151 MR. HARTT: -- workings of the
24 Ministry, but it wasn't the place where the formal
25 decisions that go into, you know, the Cabinet records

1 would be made.

2 152 MS BROOKS: Yes. Whereas Planning
3 and Priorities was that formal body?

4 153 MR. HARTT: Was in effect an inner
5 Cabinet, yes.

6 154 MS BROOKS: And the Planning and
7 Priorities was, perhaps still is -- I don't know if it
8 still exists in this kind of form -- but at this time
9 did have the authority to make decisions and that would
10 go into the formal Cabinet minutes.

11 155 MR. HARTT: Absolutely.

12 156 MS BROOKS: All right.

13 157 Well, I'm going to move forward. I
14 know you can, as well as I can, read these minutes, but
15 I take it from what you said earlier that your
16 recollection of the matters addressed regarding Thyssen
17 in these minutes, you, having read the minutes, are
18 familiar with what the minutes say. But if I
19 understand you correctly, you don't have any
20 independent recollection of that discussion.

21 158 MR. HARTT: All the documents that I
22 have been presented with.

23 159 MS BROOKS: All right. Well then, I
24 have a couple of questions on the next document, which
25 is a document from Mr. Coleman to you. It is dated

1 July 28, 1987.

2 160 In it he talks about the fact that
3 Gerald Doucet and Greg Alford have requested a meeting
4 to discuss the Thyssen proposal.

5 161 I wanted to ask you if you
6 recollected meeting with them.

7 162 MR. HARTT: I do not recollect
8 meeting with them. I must tell you, I don't recollect
9 ever meeting Mr. Gerald Doucet. I know Mr. Alford in
10 other ways.

11 163 I must tell you that I have no doubt
12 that if someone were to say to me the meeting took
13 place, that it took place, but I have no recollection
14 of it whatsoever.

15 164 MS BROOKS: All right. And how do
16 you know Mr. Alford in other guises or other
17 circumstances?

18 165 MR. HARTT: Mr. Alford was involved
19 in both Mr. Schreiber's post-Bear Head Project, for the
20 spaghetti business.

21 166 MS BROOKS: Yes.

22 167 Did you have contact with that while
23 you were in the Prime Minister's Office?

24 168 MR. HARTT: Absolutely not, no.

25 169 MS BROOKS: All right. Can I ask,

1 was it a personal involvement rather than a government
2 involvement?

3 170 MR. HARTT: There wasn't any
4 involvement. What happened was, while I was living in
5 Toronto running Campeau Corporation, I ran into
6 Mr. Schreiber in an Italian restaurant. He very
7 excitedly told me that he had this new business which
8 at the time he was calling Spaghetissimo and that what
9 it was was a machine that extruded pasta, fresh durum
10 semolina pasta.

11 171 If you put the right die on the front
12 of the machine, it would make anything you wanted,
13 penne, rigatoni, spaghettoni, cappellini, anything you
14 wanted, and that he was planning to open a fast food
15 chain.

16 172 MS BROOKS: Yes.

17 173 MR. HARTT: And I said well, I have a
18 son who is thinking about opening a fast food
19 restaurant. He said well, you must come along and see
20 a demonstration.

21 174 So I brought my son to their office
22 on Adelaide Street and they showed us what they did,
23 which was basically extrude fresh pasta and while it
24 was, there was a sauce that had been preprepared by a
25 chef from Switzerland whose name was Rito(ph). And the

1 sauce was heated up and when the pasta was boiled and
2 drained it was put into the sauce and it was served.

3 175 Our problem with it was it was
4 neither fast nor very good food while priced like fast
5 food. So after watching the demonstration on pasta my
6 son went on to do other things.

7 176 MS BROOKS: Okay. Well, that's an
8 interesting introduction to Spaghetissimo.

9 177 MR. HARTT: Yes.

10 178 MS BROOKS: I am going to move you
11 now in time to when you take on the role of Chief of
12 Staff.

13 179 MR. HARTT: Okay.

14 180 MS BROOKS: And I was wondering how
15 it came to be that you moved from -- you left the
16 Deputy Minister position and went into -- initially
17 back to Montréal for a very short period of time.

18 181 MR. HARTT: Well, in this case it was
19 more like it was almost 11 months.

20 182 MS BROOKS: Right.

21 183 MR. HARTT: No, sorry, it was seven
22 months.

23 184 MS BROOKS: Seven months. And then
24 how did the job get offered to you, by Mr. Mulroney
25 personally or through his staff? How did that work?

1 185 MR. HARTT: I got a call from Derek
2 Burney who said come to Ottawa. So I went to Ottawa
3 and had lunch with Derek Burney, actually in Hull, and
4 he said look, I'm going to be appointed Ambassador to
5 the U.S. and the boss wants someone to fill the role.
6 Would you do it, if offered?

7 186 And I had to think about it because I
8 had impoverished myself quite significantly by taking
9 the first job --

10 187 MS BROOKS: Yes.

11 188 MR. HARTT: -- and I had to decide if
12 I wanted to do the second job, however enticing and
13 interesting and, you know, exciting it might appear.

14 189 But after a little bit of reflection,
15 I accepted.

16 190 MS BROOKS: All right.

17 191 And when you took on the job, I was
18 wondering if you could give me your overview of what
19 the position entails, what your goal is as a Chief of
20 Staff.

21 192 MR. HARTT: It's a really good
22 question because no one ever explained it to me. I had
23 to figure it out on my own. And although I have a
24 political nose, my entire background had not been that
25 of a political staffer.

1 193 So the real question was -- I think
2 the answer is everybody makes of the role something
3 different from his predecessor and his successor.

4 194 In my case, I tried to make it into a
5 role where the entire machinery of government was
6 coordinated in furtherance of the agenda that had
7 constituted the government's election platform -- and
8 which it had just received its major second mandate --
9 and to make sure that what was worked on by the
10 departments, what was brought forward for decision,
11 what was approved and implemented was consistent with
12 the policy stance that would make the Prime Minister's
13 position popular -- I'm speaking in a political sense.

14 195 I worked on the premise that good
15 policy is good politics.

16 196 MS BROOKS: All right. That is a
17 very ambitious agenda, it sounds to me. What kind of
18 staffing in your particular office, that is the Chief
19 of Staff's office, did you have?

20 197 MR. HARTT: That's interesting
21 because when I got there the answer was zero. I think
22 Marjorie LeBreton, now a senator, was still there, but
23 Derek's staff had basically all cleared out just before
24 or just after the election, and I had to build the
25 staff anew from scratch.

1 198 I was offered a number of people who
2 were very attractive to me: Tom Trbovich, who had been
3 Michael Wilson's Chief of Staff, who was seconded to
4 the PMO as the Deputy Chief of Staff. I personally
5 hired Marcel Côté, the founder and principal of SECOR,
6 to be the Director of Communications. I participated
7 in the hiring of Gilbert Lavoie as Press Secretary. I
8 hired social policy adviser, his name was Brown. We
9 hired an economic policy advisor.

10 199 The body functions staff, i.e. who
11 were speechwriting and, you know, the Prime Minister's
12 own executive assistant, I don't think I had much role
13 in recruiting.

14 200 So that, for example, at the time Luc
15 Lavoie was the head of Tours. The Prime Minister's
16 Executive Assistant had left. That was Rick Morgan.
17 And I'm trying to remember whether Paul Smith came in
18 next or somebody else.

19 201 I had a fellow named Paul Lepsoe who
20 was the legislative assistant.

21 202 But I did play a big role in hiring
22 the Prime Minister's foreign policy adviser and
23 speechwriter, who was Paul Heinbecker, who was then
24 writing speeches for the Ambassador in the Embassy in
25 Washington.

1 203 MS BROOKS: Oh yes.

2 204 MR. HARTT: I had read some of his
3 speeches that he had written for Allan Gotlieb and they
4 were brilliant, and I thought the Prime Minister needed
5 him so I brought him over. He later of course became
6 our Ambassador to the UN after being Ambassador to West
7 Germany.

8 205 Certainly at the senior level myself,
9 without a heck of a lot of guidance, as I say, at the
10 low level. It's not fair to say lower level. I called
11 them body functions. It is an expression that is not
12 fair. I mean the organizing tours, or who carries the
13 bags and how many steps does it take to get to the door
14 of the limousine and where does the car go, a lot of
15 security work. These were things I basically left to
16 others.

17 206 MS BROOKS: Yes. I wonder, was the
18 Chief of Staff position at that time a partisan
19 position or how would you describe that aspect of the
20 position?

21 207 MR. HARTT: It is absolutely
22 considered to be "political staff".

23 208 MS BROOKS: Okay.

24 209 MR. HARTT: Partisan is an
25 interesting colour to put on it. It certainly is a

1 political appointment, I think to this day and it was
2 in every ministry. It wasn't just in the PMO.

3 210 MS BROOKS: All right.

4 211 And what was the interaction between
5 Chief of Staff and the Clerk and then if one can
6 broaden that between Chief of Staff and the PCO?

7 212 I'm trying to understand a little bit
8 more about that dynamic.

9 213 MR. HARTT: Oh, that is quite easy
10 for me to respond to.

11 214 The PCO is the Prime Minister's
12 department, just as the Finance Department was the
13 Finance Minister's department when I was Deputy
14 Minister. So Paul Tellier as Clerk would be the Prime
15 Minister's Deputy Minister.

16 215 MS BROOKS: I see, okay.

17 216 MR. HARTT: The relationship would be
18 identical to the one that I had with Mr. Wilson. For
19 example, no piece of paper would come to the Prime
20 Minister without passing through Paul Tellier's hand,
21 but if you said today: Did Paul Tellier read every
22 single piece, did he make himself an expert in its
23 content? No more than I had when I was in Finance.

24 217 He had people who wrote these things
25 for him and who made themselves -- were charged with

1 making themselves experts on the subject as being
2 something that do you see any reason why the Prime
3 Minister shouldn't read it.

4 218 It would always come to me, which is
5 slightly different than that in Finance. I don't think
6 I had that deal with Tom Trbovich when he was Chief of
7 Staff for Wilson.

8 219 But no piece of paper went to the
9 Prime Minister from Tellier -- there were lots of
10 pieces of paper that went to the Prime Minister without
11 going through Tellier, but no piece of paper went to
12 the Prime Minister from Tellier without passing through
13 me and I in fact packed the Prime Minister's briefcase
14 every night. What he was going to read, I put in
15 there, literally, physically.

16 220 MS BROOKS: That's interesting, okay.

17 221 I wonder, when you got into the PMO,
18 can you recall when you first heard of the Bear Head
19 or -- you know, the names are different. Thyssen
20 Project is I guess one that was used as well as Bear
21 Head Project.

22 222 Do you recall when you first heard of
23 that project?

24 223 MR. HARTT: You know, it's
25 interesting. I mean, if you look at the documents it's

1 clear that by the 11th of January, that is the first
2 date on the document at No. 4 --

3 224 MS BROOKS: Yes.

4 225 MR. HARTT: I heard about it, but I
5 do not remember anything about first. That's the
6 problem. You know, if you said to me were you aware
7 that there was this company, I should say among many
8 other companies, trying to get government approval for
9 a large investment, yes, I was aware of it. When did I
10 first become aware? I absolutely cannot tell you.

11 226 MS BROOKS: All right. Was it ever
12 something that you discussed with the Prime Minister
13 while you were Chief of Staff?

14 227 MR. HARTT: It's interesting that I
15 have to say to you not that I can remember. I do not
16 remember a single occasion when he brought it up with
17 me or I raised it with him.

18 228 MS BROOKS: All right. Let me see.
19 What about Elmer MacKay? Do you recall speaking about
20 Thyssen Project with Elmer MacKay?

21 229 MR. HARTT: Absolutely.

22 230 MS BROOKS: And what do you recall?

23 231 MR. HARTT: Well, it's interesting.
24 If you want to know what I recall, before I got this
25 binder I would have said to you I remember a single

1 meeting only at which I met Mr. Schreiber, and it's my
2 belief that Mr. MacKay was the person who asked me to.
3 And I did it -- and it was in my office, but I cannot
4 swear that it was in my office at PMO versus my office
5 at Finance. I literally cannot pinpoint this meeting.

6 232 But the reason I remember it was that
7 I had been briefed -- I can't tell you by whom -- and
8 that I was accompanied by a number of senior military
9 officers who were sent there to bolster my -- what's
10 the word -- my stance vis-à-vis Mr. Schreiber and his
11 request.

12 233 And my stance to Mr. Schreiber was
13 largely negative. It was negative not because I didn't
14 understand the benefits of a very large industrial
15 manufacturing company establishing a plant in Cape
16 Breton, an area of huge unemployment, and the
17 desirability of having that investment, it was negative
18 because as proposed it was simply not capable of
19 acceptance by the government.

20 234 And I remember giving three reasons.

21 235 One was that at the time -- again, I
22 can't help you on the time and I'm sorry about that,
23 but I just can't. At the time Canada considered its
24 principal military mission rapid deployment on behalf
25 of the United Nations to a variety of troubled spots

1 where Canada agreed to help. The means of our rapid
2 deployment was huge Hercules transporter aircraft, and
3 the Thyssen vehicle that was proposed would
4 literally -- and I remember being told this -- fall
5 through the floorboards of the Hercules on takeoff
6 because it was too heavy.

7 236 The second objection was me lecturing
8 Mr. Schreiber about the Export and Import Permits Act
9 and how the Act required permits for goods of a certain
10 kind and in a different schedule for certain kinds of
11 countries. His proposal at the time, which was to get
12 an export permit for sales to Saudi Arabia, as I
13 remembered it, was very unlikely to be granted because
14 of the financial implications of selling what could be
15 considered armament to a country like Saudi Arabia.

16 237 And the final reason that I remember
17 giving was that articles of this kind were not
18 permitted to be exported by Germany to the countries in
19 question and therefore it was hard for me to see how he
20 would expect us to permit a German company to establish
21 itself in Canada and then export to those countries
22 that Germany itself was not permitted.

23 238 MS BROOKS: Yes.

24 239 MR. HARTT: I was also aware when I
25 met him of the fact of the existence of the GM Diesel

1 Division in London, Ontario, which already was a
2 supplier of light armoured vehicles, but I don't
3 remember actually going that far. I don't remember
4 raising that or the general international policy or the
5 domestic lobbies that would be triggered by such a
6 sale.

7 240 But I remember being largely negative
8 whereas, you know, if you say to me before I read these
9 documents -- the documents sometimes look like I am
10 trying to be encouraging, which I have to say my memory
11 of that is the opposite.

12 241 MS BROOKS: Yes. The documents, I
13 wonder if you could take me to the one that you are
14 referring to where you think you are being encouraging.

15 242 I read them and I didn't get that
16 impression. My impression was more neutral on your
17 part.

18 243 MR. HARTT: I accept neutral. When I
19 say encouraging, look at Schreiber's own letters near
20 the end to the Prime Minister. I met with Stanley and
21 it was a good meeting.

22 244 MS BROOKS: I'm looking at the one
23 that is at Tab 17. It's a letter dated 27 August 1990.

24 245 The second paragraph says:

25 "The meeting which I had with

1 Stanley Hartt and Elmer was very
2 interesting and in my opinion it
3 was very productive."

4 246 MR. HARTT: That's what I'm referring
5 to when I say that, you know, if you take the documents
6 as a whole one could get the impression that I was
7 encouraging. But I have to tell you no more so than
8 any of the other officials who would say, in general,
9 of course we would like to have an investment in Cape
10 Breton. Of course we would like to have a large
11 international enterprise established there.

12 247 But nobody is going to ignore the
13 very significant policy objections that exist.

14 248 So I personally don't know whether it
15 was a matter of style, but I don't know what
16 Mr. Schreiber thought was productive.

17 249 MS BROOKS: Yes. Well, I can tell
18 you that it has been suggested by other witnesses
19 during the course of the hearing that Mr. Schreiber was
20 perennially optimistic about his project, and others
21 have said that -- pretty much in many ways what you
22 have just said, Mr. Hartt, which was that their message
23 was much blunter and more negative than Mr. Schreiber
24 seemed to take away, or at least that Mr. Schreiber
25 seemed to tell others had happened.

1 250 So dealing with another of the
2 letters that he sent maybe will help me understand a
3 little bit more about what he was understanding.

4 251 If you go to Tab 12, which is a
5 letter from him to Mr. MacKay, dated March 5th, he is
6 talking about having written Mr. MacKay at the end of
7 November 1989, writing about his frustration.

8 252 And then down at the bottom of the
9 page it says:

10 "However, through your and Mr.
11 McKnight's good offices, a
12 meeting was set up for February
13 5 at the Department of National
14 ..."

15 253 And there are documents that you will
16 have read that relate to that meeting.

17 254 The next paragraph, No. 3, is the one
18 that I'm interested in asking you about:

19 "Prior to that meeting being
20 held, I met with Mr. Stanley
21 Hartt, Chief of Staff, PMO,
22 where we outlined our plans..."

23 255 He goes on to say:

24 "Mr. Hartt seemed to understand
25 what the position was and

1 volunteered that what was
2 required was a senior government
3 person to act as a catalyst
4 between Bear Head Industries and
5 National Defence and he was to
6 advise us of his choice. I
7 concurred with this suggestion;
8 but to date, have not heard from
9 Mr. Hartt has to his nominee..."

10 256 Can you recall anything about what
11 Mr. Schreiber is talking about here?

12 257 MR. HARTT: No, I can't.

13 258 Unfortunately, I can't recall a lot
14 of anything other than what I said was in my memory of
15 one meeting, which may be that meeting, may be another
16 meeting.

17 259 I can tell you that when he said "Mr.
18 Hartt seemed to understand what the position was", I
19 can tell you that I did and do understand why somebody
20 would say if I am going to make export sales it would
21 be quite important for me to be able to say that the
22 country in which this item was manufactured had given
23 me a lead order. That I did and do understand, because
24 in my private practice I have had instances where the
25 failure to get a lead order from the Government of

1 Canada or a State or enterprise, Crown corporation, had
2 in fact harmed a private sector company in its attempts
3 to make export sales.

4 260 But my memory is, what I said to him
5 was I know why you need the lead order, but you are not
6 going to get it.

7 261 MS BROOKS: Yes.

8 262 MR. HARTT: So I'm not sure where he
9 sees the helpfulness.

10 263 I can't remember offering the
11 individual to act as catalyst, and I can tell you that
12 in my own professional career -- and I am speaking
13 about in the government -- I had on more than one
14 occasion myself been sort of -- I don't know whether
15 catalyst is the right word, been the person who
16 attempted to improve a private sector company's
17 proposal so that the objections, legitimate objections
18 of the government to what was proposed could be
19 overcome, met, mitigated or dealt with in some other
20 way.

21 264 I take it that my failure -- if I
22 said that, I suppose if he says I said it, I probably
23 said it. But if I said it, it was what you might call
24 in law an obiter dictum and my guess is that I was
25 rapidly talked out of it by colleagues who said you

1 just don't want to get involved.

2 265 MS BROOKS: All right.

3 266 MR. HARTT: And I never did. And I
4 think I was saying isn't there someone who could see
5 whether if you adapted the vehicles so that it was
6 lighter, if you didn't sell it to countries that were
7 objectionable, if you didn't sell it to places you
8 needed export permits, you know, isn't there a way to
9 overcome these difficulties?

10 267 But I never did anything in
11 furtherance of that, and I'm quite sure that I turned
12 my attention to other matters very soon after he left
13 my office.

14 268 MS BROOKS: Okay. You have said that
15 you don't recall ever speaking to or having the Prime
16 Minister speak to you about the Thyssen or Bear Head
17 Project.

18 269 MR. HARTT: That is correct.

19 270 MS BROOKS: I'm wondering, was there
20 a practice where the Prime Minister, if he felt that
21 something was a high priority -- and I'm talking about,
22 you know, it's very difficult to generalize, but you
23 have mentioned earlier that you took as your goal or
24 objective in the position to look at what the
25 government, which had a fresh mandate, had essentially

1 promised in the election and therefore had as a mandate
2 to carry out.

3 271 You took that as an objective to make
4 sure that in dealing with departments you would try
5 to -- these are my words, but try to line them up with
6 the objective and make sure that people were moving
7 forward on that common goal.

8 272 Have I stated that correctly --

9 273 MR. HARTT: I think --

10 274 MS BROOKS: -- although generally?

11 275 MR. HARTT: Yes, it's a reasonable
12 reproduction of what I said.

13 276 MS BROOKS: Okay. If there were a
14 project that was not part of that mandate and yet the
15 Prime Minister felt that it was an important or worthy
16 one, would he speak to you about it and ask you to move
17 it forward?

18 277 MR. HARTT: It's not something that
19 happened on a regular basis, but indeed I can recall a
20 couple of instances -- and I guess I recall them
21 because I was mandated to do something about them and I
22 went and I did something about them. At least a couple
23 of locations where I did, what's the word, mediate
24 bureaucratic objection to a couple of proposals by a
25 private sector outside companies, other than Thyssen,

1 which the Prime Minister had asked me to personally
2 make sure happened and they happened.

3 278 MS BROOKS: So can I read from that,
4 that had the Prime Minister asked you to take on
5 Thyssen, you would recall it today?

6 279 MR. HARTT: That is exactly correct.

7 280 MS BROOKS: You know, it's funny
8 because -- it's not funny, but it's interesting, we
9 have spoken to former Prime Minister Kim Campbell and
10 we have spoken to various Ministers and they have as
11 well, without exception, said that when the Prime
12 Minister asks you to take something on, you recall it.

13 281 And it is that kind of importance
14 that you as well can concur with?

15 282 MR. HARTT: Well, but it's not just
16 that. I don't deny what you are saying, but it's more
17 than that.

18 283 It means that you then spend
19 considerable time and effort and the resources of your
20 small office, as I have described it, making sure that
21 that wish, if it can be carried out -- because, by the
22 way, I don't believe there was any way without
23 modifying the proposal that was before us at the times
24 we are discussing, that this could have been
25 accomplished. The objections I'm saying to you clearly

1 of defence, of industry, of external affairs as it was
2 then called, were substantial objections.

3 284 But when the Prime Minister asks you
4 to take on a project and make it happen and you can
5 make it happen because you're not really up against
6 policy objections from line departments, you spend the
7 time at it. So of course you remember it.

8 285 Whereas if you then move on from
9 paper flowing about Bear Head to literally dozens and
10 dozens and dozens of other things, it's just your
11 memory doesn't sear with the details of the thing that
12 you didn't get involved with.

13 286 MS BROOKS: Yes.

14 287 MR. HARTT: Within the first few
15 weeks of being in the Prime Minister's office we had
16 several -- it's almost funny now to call them crises,
17 but there was a bus hijacked in Montréal and driven to
18 Parliament Hill with a foreign terrorist -- I can't
19 remember what nationality, but he had a gun and he had
20 12 people on his bus. And our job was to deploy the
21 military Forces to free the hostages.

22 288 We had cyanide injected into the
23 Chilean grapes. We had to pull every grape in Canada
24 off the store shelves.

25 289 We had a budget that was disposed of

1 carelessly by the printer and it got into the wrong
2 hands and actually was read on television by a
3 reporter.

4 290 Those are the crises that I remember
5 dealing with. That, plus the implementation of free
6 trade and tax reform and Meech Lake and a lot of other
7 major projects that were going on at the time.

8 291 Thyssen was an in one ear, out the
9 other ear for me.

10 292 MS BROOKS: Okay. Moving to another
11 topic, I'm interested in whether you would have been
12 involved in -- this is now a general question, not
13 directed to the parties before us.

14 293 But at the general level would you
15 have been involved in meetings with lobbyists?

16 294 MR. HARTT: From time to time. I
17 mean, it was certainly not unusual for the Chief of
18 Staff -- I will go so far as to say even the Deputy
19 Minister of Finance -- to see someone who -- I mean,
20 lobbyist has a connotation, but to see someone who
21 represented an interest and was trying to ask the
22 government for some kind of special legislation,
23 regulation, contribution or whatever. That was not
24 unusual at all.

25 295 MS BROOKS: Okay. Would the same be

1 true of company representatives who were essentially
2 seeking the same kind of -- trying to put their
3 proposals forward?

4 296 MR. HARTT: Yes. I did that, I won't
5 say extremely often, but often, absolutely.

6 297 MS BROOKS: Both as Chief of Staff
7 and as Deputy Minister of Finance?

8 298 MR. HARTT: Yes.

9 299 MS BROOKS: And was it also common
10 for the Prime Minister to meet with lobbyists or
11 company representatives who were --

12 300 MR. HARTT: That's interesting. I
13 must tell you, that I am less well-informed about
14 because one of the great myths that is prevalent in the
15 press, and even on Parliament Hill, is that the Chief
16 of Staff is the gatekeeper who controls the Prime
17 Minister's agenda, and nothing could be further from
18 the truth.

19 301 The Chief of Staff can, and so can
20 the Clerk of the Privy Council, say Mr. Prime Minister,
21 it might be useful for you to meet with so-and-so and
22 here is why. But the Prime Minister meets with whoever
23 he wants.

24 302 So I cannot tell you how often he
25 would meet with lobbyists.

1 303 I can tell you this. I considered it
2 my job to meet with them instead of asking him to
3 unless something was ready for decision and he was sort
4 of going to take the credit. Because there is no
5 purpose in putting the Prime Minister in front of a
6 lobbyist if the job is to turn the lobbyist down.

7 304 MS BROOKS: Yes.

8 305 MR. HARTT: I would consider it the
9 job of both the bureaucratic and the political staff to
10 do that on his behalf.

11 306 MS BROOKS: To intercept before it
12 got to the stage of him having to do that.

13 307 MR. HARTT: Right.

14 308 MS BROOKS: What about Mr. Schreiber
15 himself? Do you know whether Mr. Mulroney -- in your
16 knowledge while you were Chief of Staff, were you aware
17 whether Mr. Mulroney was meeting with Mr. Schreiber?

18 309 MR. HARTT: I was not.

19 310 MS BROOKS: What about Mr. Doucet,
20 Fred Doucet? Fred Doucet now, I'm talking Fred Doucet,
21 not Gerry Doucet.

22 311 MR. HARTT: Well, Fred Doucet of
23 course at one point in my government career was an
24 official of the government, and when I was Deputy
25 Minister of Finance he was first an official in the

1 Prime Minister's office and then later, I guess during
2 the time I was out of government, he was named
3 Ambassador for International Summits because I guess he
4 was given the job of planning the summit that was held
5 in Toronto.

6 312 MS BROOKS: The G7.

7 313 MR. HARTT: Yes, the G7 Summit,
8 exactly.

9 314 MS BROOKS: Yes.

10 315 MR. HARTT: I will tell you, if he
11 wanted to meet with Fred Doucet, he would not ask me if
12 it was all right.

13 316 MS BROOKS: No.

14 317 And you yourself did not meet with
15 Mr. Doucet, or did you, while you are in the Chief of
16 Staff?

17 318 MR. HARTT: Absolutely never about
18 this. But if you said to me did I meet with him about
19 anything, I can't remember.

20 319 MS BROOKS: Okay.

21 320 MR. HARTT: It would depend on the
22 overlap of his time in government versus the time
23 outside. Put it this way. I can take you I didn't
24 meet with him to lobby.

25 321 MS BROOKS: Right. And I heard you

1 say that you certainly didn't meet with him about this
2 Bear Head or Thyssen Project.

3 322 MR. HARTT: Yes, that is correct.

4 323 MS BROOKS: All right. I'm coming to
5 the end of my questions, Mr. Hartt.

6 324 I'm just going to look through my
7 notes to make sure I haven't missed anything.

8 325 Oh, one of the issues that
9 Mr. Spector made a point of saying was that when he
10 joined the Prime Minister's office as Chief of Staff
11 you spoke to him or he spoke to you about 41 files that
12 were carry-over files from your time as Chief of Staff
13 to when he took over.

14 326 Do you recall that?

15 327 MR. HARTT: Yes, I do.

16 328 MS BROOKS: And I now have an
17 understanding of how you approached the job. Were any
18 of those 41 files the Bear Head file?

19 329 MR. HARTT: Interestingly enough, I
20 cannot tell you that. I don't know whether the number
21 41 is a number that I want to endorse, but I do
22 remember a session with him where literally I went over
23 all of the things that were pending and that were not
24 resolved and that he would need to know about to take
25 over in my place. And I cannot tell you whether there

1 was a Bear Head file among them.

2 330 I would be surprised if there was,
3 but you know, I have been surprised by this whole book
4 so I'm not going to say no.

5 331 MS BROOKS: Okay. Let me just look
6 through here.

7 332 I don't think I have any further
8 questions for you, Mr. Harrt.

9 333 I don't know if you or your counsel
10 have any questions before I end the interview.

11 334 MR. MORPHY: I have no questions.

12 335 MS BROOKS: All right. Well, what I
13 will do is have the tape and transcript sent to you.
14 We will be making a decision over the next -- it will
15 be very shortly that we will make a decision whether we
16 need to call you, Mr. Harrt.

17 336 My first thinking is that we may not
18 need to call you, but I will talk that over with my
19 colleagues and Mr. Wolson, who is the lead counsel, and
20 I will get back to Mr. Morphy to let him know the
21 decision one way or the other. Okay?

22 337 MR. HARTT: Thank you very much, yes.

23 338 MS BROOKS: And I would like to thank
24 you very much for all your cooperation. You have been
25 very helpful, very insightful.

1 339 MR. HARTT: Well, we are glad to help
2 if we can.

3 340 MS BROOKS: Okay. Well, thank you
4 very much.

5 --- Whereupon the interview concluded at 3:00 p.m.

6

7

8 We hereby certify that we have accurately
9 transcribed the foregoing to the best of
10 our skills and abilities.

11

12 Nous certifions que ce qui précède est une
13 transcription exacte et précise au meilleur
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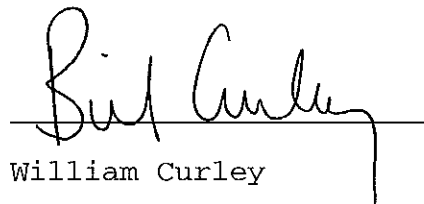
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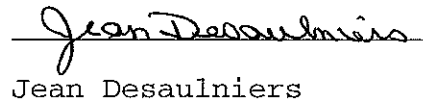
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William Curley


Jean Desaulniers

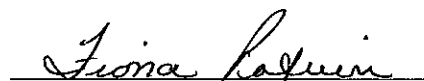
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Fiona Potvin

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