

Mr. Chairman and Members of the Committee,

I have come here today at your request to follow-up my earlier testimony concerning the contract between Michael Deaver and Associates and the Canadian Embassy. You know from my letter to Mr. Winegard of May 21 that I have some serious concerns about the appropriateness of this Committee dealing with Mr. Deaver's activities as a consultant for Canada and other countries and companies, since that is currently being investigated by an independent counsel, Mr. Whitney Seymour, in the United States. I hope that there will be no attempts to turn this Committee into an arm of that United States process.

I also recognize that our contract with Michael Deaver has generated a tremendous amount of press coverage in Canada and the United States. Some of that coverage is factual, some of it is not. I hope to clarify as much of this misinformation as possible, by providing you with a brief explanation of why this Government has carried on the practice, adopted by the Trudeau Government in the early 1980's, of hiring consultants in Washington to help our Embassy provide the best promotion and protection for Canadian interests.

The question of the appropriateness of hiring consultants of course is not new. It has been raised from time to time. It is important to remember that our Embassy in Washington has to deal with a situation which is quite different than the parliamentary process with which we are so familiar here. Because of the separation of the legislative and executive branches of the U.S. Government, our Embassy has no alternative but to take our case to Congress as well as to the Administration.

In attempting to defend Canadian interests at stake in Congressional deliberations, we need to observe the requirements of U.S. law and, at the same time, to avail ourselves of the means to defend our interests which that law envisages. In particular, we need to engage professional help. Specialist law firms with their extensive knowledge of U.S. law, their knowledge of particular economic and social sectors, their knowledge of Washington officials and of the Congress, can be invaluable in providing intelligence on a given issue and in developing strategies to influence the U.S. legislative process.

An early case was the promotion and the defence of the Telidon System where the previous Government, working with a law firm headed by a former chairman of the U.S. Federal Communications Commission, the Canadian industry and the Embassy jointly succeeded in gaining the support of the U.S. industry and subsequently the FCC itself for videotext technological standards based on Canadian Telidon standards.