

*Supply—Justice*

As I have explained in the letter which has been read, in making an assessment of those lawyers whose services can be retained we assess the ability of the lawyer in question to perform the services in the light of the work to be done, and in the case of work for an agency such as Central Mortgage and Housing Corporation, or indeed any other work for the government, one of the additional factors to be borne in mind is, of course, the necessity to ensure that those recommended for the particular work can have no conflict of interest as between their other clients or client and the government or agency in question.

It is significant, Mr. Chairman, that in the course of his efforts, which have continued, as I said, since December 10, 1957 at least, to assert a right to work for Central Mortgage and Housing Corporation, Mr. Freeman has made it clear that one of the reasons he wanted to be retained was that he had clients who have loans from Central Mortgage and Housing Corporation. Perhaps the hon. member for Burnaby-Coquitlam has not been told that by the lawyer in question but that appears in one of the letters he wrote.

**Mr. Regier:** Would the minister permit a question?

**Mr. Fulton:** I would prefer to complete the statement of facts at this time. I want to emphasize to the committee that in a reply that Mr. Freeman received on January 6, 1959 from my executive assistant that matter was drawn to his attention. Perhaps I should read that letter in full. It is dated January 6, 1959 and is marked "private" but I assume that since the lawyer himself has raised the matter it is in order for me to disclose the full correspondence. The letter, as I say, is signed by my executive assistant. It reads as follows:

Dear Mr. Freeman:

My minister has instructed me to acknowledge receipt with thanks of your letter of December 11, 1958, in connection with Central Mortgage and Housing Corporation work in the St. Catharines area. The matter of agents for the C.M.H.C. in St. Catharines has been thoroughly reviewed and we find that at present, considering the quantity of work involved, there are more than a sufficient number of lawyers who have already been instructed for the corporation's work. These matters are reviewed from time to time, however, and your interest in being of assistance to the corporation will be kept in mind when the review is taking place.

One other part of your letter that should perhaps be discussed is the fourth paragraph where you mention particularly C.M.H.C. work for a builder who is also a client of yours. The policy of the Central Mortgage and Housing Corporation and indeed, of all government departments, is that no lawyer may act both for his client and the C.M.H.C. or the department at the same time. I am sure you will readily understand the reason

for this rule when you consider the conflicts of interest that could arise. It would, therefore, not be possible to authorize your use on C.M.H.C. work involving your own clients in any event.

Thanking you for your continued interest,

Yours sincerely,

After that I received several further letters from Mr. Freeman, including a letter dated January 29, 1959 objecting to the decision and stating in part:

To begin with, I intend to send copies of the enclosed letter to the Prime Minister, the editors of the *St. Catharines Standard*, the *Toronto Globe and Mail*, the *Toronto Daily Star*, the *Ottawa Evening Citizen* and the *Ottawa Journal*. After I have done so, I then intend to contact Mr. Hazen Argue and perhaps one of the other opposition members to see if this matter can be raised on the floor of the House of Commons.

This was not the first direct or implied threat—I use the word "threat" but perhaps I should use the word "statement"—that the lawyer in question intended to take this matter to the press and to the floor of the House of Commons. I replied to him in full knowledge of that possibility. As I have said, and as I said to him, it is my responsibility to make assessments of those lawyers who are suitable and qualified to do work for the government and its departments and agencies, and that is a responsibility which I accept. I make my recommendations to my colleagues accordingly and I have not recommended the name of Mr. Irving Freeman.

As I indicated to Mr. Freeman, there are a number of factors that I take into account in making my assessment of the qualifications of lawyers to serve the government. In making such assessments and weighing qualifications, one of the factors that will and must weigh with me is the methods followed in cases such as this by such lawyers to have their services retained. I do not regard it as an indication of high qualification for a lawyer to importune the department and the minister to have his name placed upon a list. Particularly I do not regard it as evidence of high qualification with respect to legal ability for that lawyer, when he finds that his importunities are not acceded to, to say, "Very well, I am going to write to the papers and go to the leader of the C.C.F. and see that the matter is spread all over the record." I have no objection to the publicity but I suggest that I am entitled to take that attitude into account and the question of whether it is a proper professional attitude to take when I am weighing the qualifications of that lawyer to have his services retained by the government of Canada.

I point out, Mr. Chairman, so far as any question of influence is concerned, that the record shows clearly that Mr. Freeman first