

the holdings of the late Mr. Winfield Sifton in the second syndicate, which then stood in the name of Mr. Clare Moyer, a barrister of Ottawa. This fact has been clearly established.

The sale of the Sterling Company, which was effected on the 18th of December, 1928, was concluded when Senator McDougald was in England, though it had previously been considered. It was an entirely fair and open transaction, agreed to after full discussions in some of which Senator McDougald took part. The evidence of Mr. Swezey (Record of proceedings, pages 43-46). Mr. Henry (page 101 and page 104). Mr. White (Record of Commons proceedings, pages 559-560) and Mr. Griffith (Record of proceedings, page 81) will corroborate this statement. At the time of the transfer of the Sterling Company to the second syndicate, on the 18th of December, 1928, Senator McDougald was very largely interested in this syndicate, being then the owner of 3,200 units. It is absurd to suggest that holding such an interest he would willingly be a party to anything detrimental to the success of the enterprise. The sale of the Sterling assets was made in good faith and in the event of the project not being a success Mr. Griffith had arranged that those who had put in their money should in effect be given a preferential ranking over those who held the Sterling units (Mr. Swezey, Record of proceedings, page 45). An examination of the Deed of Transfer, of the 18th of December, 1928, and of the evidence given before this Committee by Mr. Griffith will make this fact abundantly clear. The transfer was submitted to the Syndicate Managers and approved by them.

Senator McDougald's statement to the Senate on the 19th of April, 1928 was literally true and correct. At this time he had no interest whatever in the Beauharnois Power Project. It was only on the 18th of May, 1928 that he acquired the rights of the late Mr. Winfield Sifton in the Beauharnois Power Syndicate—the Second Syndicate—. This has been conclusively established. Nor had the Sterling Company itself or its owners at this time the slightest interest in the Beauharnois Project. The sale of the Sterling Company was executed on the 18th of December, 1928. (Report of Commons Committee, page 573.) The charges of "The Globe" in its issue of the 18th of April, 1928 were untrue. The charges of "The Mail and Empire" in its issue of the same date, with regard to Senator McDougald's motives and conduct as a member of the Advisory Committee were also unfounded, as has been above explained.

The statement to the Senate of the 20th of May, 1931, which has also been criticised, was equally correct. Senator McDougald's purpose in making this statement was to re-affirm the correctness of the one previously made by him on the 19th of April, 1928, to the effect that at that time he had no interest in the Beauharnois Power Company or Syndicate. This he did and as regards that portion of the second statement, in which he declared that "it was not until six months later, in October, 1928, I took an interest in the Beauharnois Syndicate," while it is true that the initial transaction took place on the 18th of May, 1928, it should be remembered that it was only on or after the 2nd of October, 1928, that the greater portion of his contribution to the Syndicate was made, that it was only on the 2nd of October, 1928, that he appointed his own personal nominee, Mr. John Ebbs, to represent him in the matter, and that he was speaking in May, 1931, of events which had taken place over three years before. There was no possible reason for him to deceive the Senate or anybody else as regards these dates. Nothing had occurred between the 18th of May, 1928, and the 2nd of October, 1928, to affect the matter in any way. (See evidence of Senator McDougald Record of proceedings, p. 172.)

We would here refer the Committee to Section 12 of the Report, of the Commons Committee which is in the following terms:—