A date of considerable importance is the 20th April, 1928, on which Senator McDougald was appointed to the special Senate Committee under the Chairmanship of Senator Tanner, the activities of which will be discussed more fully subsequently.

Senator McDougald realized fully that the Sterling application was based on the ownership of power by the Dominion Government, but also realized that the Beauharnois effort was based on the ownership of the power by the Province of Quebec.

Q. You realized, of course, that the Sterling effort, if I may use that expression, was based on the ownership of this power by the Dominion Government? - A. Yes.

Q. You realized that the Beauharnois effort was based on the principle that the province owned the power? - A. Yes.

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So that it is obvious that having become interested in the project at least as early as the 18th day of May, 1928, as will appear later, that Senator McDougald was then in a position to benefit from this power and canalization project irrespective of whether the Province or the Dominion Government owned the power, which may account to some extent for the casualness of his interest as to where the ownership of this power rested. He also was well aware that if the Beauharnois project was carried to its logical conclusion, which is now admitted by all parties to have been the utilization of the whole flow of the river, that canalization for shipping purposes could only proceed on the south side (Al53). In fairness to him his answer on the top of page Al53 is quoted, together with his examination on the conclusion naturally formed from his answer, which was to the effect that if the

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