

*By the Chairman:*

Q. \$16,000?—A. Yes; that was the next one, on the next Syndicate.

Q. You do not mean \$16,000?—A. Yes, 10 per cent, which was the first call. The commitment was around \$160,000.

*By Mr. White:*

Q. *That was not transferred to you by Mr. Sifton?*—A. *No, sir. That was still kept in the name of Moyer.*

Q. Moyer subscribed for those 1,600 on your instructions and not on Mr. Sifton's?—A. No, on Mr. Sifton's instructions.

Q. So that Moyer, apparently, was in the dark as to who owned the shares from the middle of May until he transferred them to Ebbs?—A. That is correct, or until, as he stated the other day, he had instructions from Mr. Sifton if anything happened to him, to consult with me.

The CHAIRMAN: Mr. White, allow me to interrupt there. The Senator said he had some other reason for not wanting to go into this thing. He gave us one reason, and perhaps he has some others.

The WITNESS: The other reason was, I did not want any other people to come into the Beauharnois Power project because I was in it.

Q. The same reason as Senator Raymond gave?—A. Practically the same reason. I have been in many things that have been failures, and I have had many people come in because I was in it—I am not saying that egotistically at all—they had been failures and I did not want anyone to come into anything that I was in, but I was willing to take a gamble, take a chance to lose. Further than that, there was a third reason; I did not want anybody at Ottawa to know in the Government—I never mentioned it to anybody, any member of the Government—that I was in the Beauharnois Power Syndicate.

*By Mr. White:*

Q. Not because you were afraid they would give you away?—A. No, not at all; it was none of their business; it was my private business. I had no reason to consult anybody about it at all.

Q. That is the situation, that you did pay for the shares in bonds?—A. I paid the \$30,000 in bonds through my attorney, and through my financial man in Montreal.

Contrasting the stories set out in the quotations above, there can be no escaping the fact that one of them is absolutely untrue. Senator McDougald makes it very clear in the evidence before the Senate Committee that he paid Sifton \$46,000 at one time for the purpose of taking up the \$30,000 for the part interests in the first syndicate and was making a 10 per cent subscription on a commitment of \$160,000 in the second syndicate. Of this there can be no doubt whatever. In his evidence before the Commons Committee he says, not only once but three times in the space of a page or so, the amount that he paid Sifton in bonds was \$30,000, and he further says that he did not wish to take on the commitment for the \$160,000, that the commitment for \$160,000 was not transferred to him by Mr. Sifton. His own evidence and that of Banks and Barnard at this hearing flatly contradict those statements and leave him open to the very gravest suspicion that he was in fact in Beauharnois from the date of the original Sifton purchase, namely, April 4, 1928.

This concludes our remarks and reference with respect to the purchase by Senator McDougald of his interests in Beauharnois.

Returning then to the purchase of Sterling: according to both Senator McDougald and Mr. Henry, Senator McDougald asked Henry to figure out what he thought the value of Sterling was and that Henry arrived at a valuation of \$50,000. (B158.)