

ber all who they were. I saw in the papers that he had been sued or was going to be sued by people from London which run publicly under the name of the Great Lakes Transportation and Power Company. He always seemed to me one who was ready to go into ventures quite freely, from the time I first saw him. I first saw him at Queen's College on these boards, and in respect of the discussion of investments and things I first became acquainted with him. I asked him on this occasion—it was sometime before 1929, or the beginning of 1929, perhaps—I asked him what good was Beauharnois. It didn't seem to me it was of any value, because he had no takers of power. I asked him if he had any contracts for power. He said no, he had not particularly. He talked about Americans who would come and settle along the river, and enterprise would begin. I said to him: "What is the good of them if you don't have something nailed down?"—I think I used the word that you have been asking me to repeat, "moonshine"—This will never get anywhere. It is not any good." "Oh," he said, "but when we have a contract in sight." I said, "where or how?" I had never heard of this before. He said with the Ontario Hydro Commission. I said, "Why don't you get it signed and get something solid?" And his answer was "Howard Ferguson won't let it be signed until he gets \$200,000." I said nothing more and heard nothing more about Beauharnois for a good time.

This statement was at the first opportunity and most categorically, denied by Mr. Swezey. This Committee while of the opinion that the evidence given by Senator Haydon and quoted immediately above was irrelevant to the subject matter entrusted to us as being beyond the scope of the inquiry, nevertheless agreed to take the evidence of Honourable Howard Ferguson, who was living in England—upon his requesting, by cablegram, permission to be heard.

The Honourable Mr. Ferguson came to Canada and stated in evidence that he came at his own expense and emphatically denied that any such conversation had ever taken place with Mr. Swezey or anyone else. Both Mr. Swezey and Mr. Ferguson gave evidence of the only two occasions upon which they had met and that on both occasions men of prominence and high standing were present, and in this respect their evidence agreed.

It is also to be noted that, although Senator Haydon in his first reference to this subject testified that the statement of Mr. Swezey was made in the presence of others, he did not produce or offer to produce before this Committee any such other persons to confirm his account of the incident. Under these circumstances it is impossible to find otherwise than that Senator Haydon's evidence in this regard was not correct.

We ratify the conclusion of the Commons Committee as expressed in paragraph No. 7 of the above report. Senator Haydon's conduct was unfitting and inconsistent with his position and standing as a Senator of Canada.

SENATOR DONAT RAYMOND

A summary dealing with the connection of Senator Donat Raymond with the Beauharnois Power Project appears in the report of the Commons Committee submitted to us. We quote from such as follows:—

(1) *Senator Raymond was appointed to the Senate on the 20th December, 1926. He, voluntarily, after the permission of the Senate had been granted, appeared before the Committee on the afternoon of the 16th July, 1931, and stated that he had subscribed on the 1st April, 1927, at the suggestion of Honourable Mr. Mitchell and Mr. Frank P. Jones, for 800 units of the Beauharnois Syndicate at a price of \$30,000, which he*