

Peter and it is later decided that the property belongs to Paul, I don't need to go on paying Peter and if I want to keep the property, I must deal with Paul.

There is nothing to be feared from the suggestion that by approving the plans, the Dominion Government acquiesces. The Dominion Government cannot lose any of its jurisdiction by acquiescing. Certain duties have been imposed on it by the Imperial Parliament, by Imperial Statute, and it cannot make away with them in favour of provinces.

The Dominion Government might very well insert reserves when approving the plans as to any rights that judgments on these references might recognize as being held by it.

Yours truly,

P.S.—I am convinced that all this newspaper agitation and investigation are engineered by the Montreal interests above mentioned and that will stop the moment it does not serve their purpose any more, and it will not serve their purpose any more the moment the Government has ignored it and approved our plans.

(Signed) A. G.

(Copy of letter dated March 5th, 1928, addressed to Hon. Senator W. L. McDougald filed, marked Exhibit 125.)

ROBERT O. SWEEZEY, recalled.

*By Mr. White:*

Q. What would you say, Mr. Swezey, as to whether the Board of Directors of the Beauharnois Power Corporation Limited, the Beauharnois Light, Heat & Power Company Limited, or any of the subsidiaries involved, have expressed approval, either formally or otherwise, of the expenditure of any of the company's funds in campaign funds?—A. Well, informally, I would say there was a tacit approval.

Q. Any record of it that you know?—A. As for campaign funds, no; not in that direct form.

Q. Not in that direct form.

*By the Chairman:*

Q. You say tacitly and informally. Did the directors talk it over among themselves?—A. At a directors' meeting, no, sir.

Q. At any kind of a meeting?—A. No. Not in any meeting.

Q. You say that someone might have paid these moneys out without the approval of the director—that is the thought I had in mind?—A. No. There was certainly no formal meeting of directors to approve anything about campaign funds.

Q. Was there an informal meeting of the directors?—A. No, sir.

Q. Was there any meeting of the directors that approved the payment out of this fund?—A. No.

Q. Then, who authorized the payment?—A. The authorization was one of official operation, and the subsequent approval of the amount.

Q. You are not making it very clear. Who actually authorized that amount of money to be paid in whatever form it was paid?—A. Myself with the treasurer.

Q. And who authorized you and the treasurer to do it?—A. I just assumed that.