

day of May, Moyer made a further deposit by way of bank draft in the Bank of Nova Scotia in New York, and on the 18th of May issued his cheque to the Marquette Investment Corporation for \$15,000, that cheque being cashed by the Investment Corporation on the 19th day of May. On the 23rd of May, Moyer deposited in the Standard Bank of Ottawa a bank draft for \$16,000 and issued his cheque against it for \$16,000 in favour of the Marquette Investment Corporation on the 26th day of May, which cheque was cashed by that Corporation on the 1st day of June, 1928.

Senator McDougald says that he purchased the part interests subscribed for by Moyer on the 18th day of May, 1928, by having delivered to the late Winfield Sifton the real owner of the part interests carried in the name of Moyer, Dominion of Canada Bonds to the face value of \$46,000, delivery being made through his solicitor, Mr. Barnard, and his financial man, Mr. Banks; the delivery of the Bonds in the sum of \$46,000 having been made all at the one time.

His evidence before the Commons Committee contradicts this statement. He there said that the Bonds delivered to Sifton on this occasion were in the sum of \$30,000 only, giving his reason therefor that he did not wish to take on a commitment for the 1,600 part interests in the Second Syndicate, on which there was payable 10 per cent or the sum of \$16,000.

It should be borne in mind, as disclosed by the evidence of Mr. Clifford Sifton, that there were no entries in the books of his brother, the late Winfield B. Sifton, nor were there any documents indicating the purchase of these part interests by Mr. Sifton, nor their sale to Senator McDougald. There were no Bonds of any description forming part of the assets of his estate, nor moneys representing the amount of the said bonds to the credit of his bank account, nor any charges to the said bank account in any way indicating the purchase of the said part interests by him.

In fact, the acquisition of the part interests carried in the name of Moyer by Senator McDougald is completely shrouded in mystery, when there was no occasion for mystery whatever, and leaves the whole transaction open to the very gravest suspicion that Sifton, in his purchase through Moyer, was at all times acting in whole or in part for Senator McDougald and using Senator McDougald's money from the 31st March, 1928, when Moyer made the deposit in New York up to the end of the whole transaction.

Senator McDougald gives as his reason for not having his name appear as the owner of these part interests, that he did not wish other persons to follow him in his investment. It must be borne in mind that these were not part interests open to the general public, the investment being offered only to persons of whom Mr. Sweezy or the management committee approved, and that the public, therefore, could not have been influenced or injured by the fact that Senator McDougald was interested in the Beauharnois Project.

If, as is usual in business matters, Senator McDougald had simply issued his cheque to the late Winfield B. Sifton, there would in that act be no such revelation to the public of his interest in Beauharnois as would have constituted an invitation or signal for other members of the public to follow.

PARAGRAPHS 10 and 11

(10) *As previously pointed out, Senator McDougald through his representative, Mr. Ebbs, acquired for the five issued shares of the capital stock of the Sterling Industrial Corporation, Limited, 2,000 part interests in the second syndicate. These units were given for a corporation the rights of which, as has been pointed out by Mr. Cameron, Chief Engineer of the Public Works Department, on page 1019 of the evidence "would be of no value". The agreement was made in the Fall of 1928,*