

was approved, Senator Haydon's firm was paid \$50,000 and thereafter received several cheques in pursuance of the arrangement made with Mr. Sweezey by which that firm was to be paid a retainer of \$15,000 per year.

(6) Senator Haydon was a man of note and standing in his party and was recognized as one of the official organizers of the Liberal party in Canada. Senator Haydon became the recipient from Mr. Sweezey and the Beauharnois Company of sums of money for campaign purposes, said to be in excess of half a million dollars, and it is also to be noted that throughout this firm did not render any detailed bill for professional services, as shown by the vouchers (Exhibit Nos. 85 to 87 inclusive).

(7) In these circumstances, your Committee is of opinion that the acceptance of the above mentioned contingent retainer and of the \$50,000 involved, and of the campaign funds by Senator Haydon cannot be defended and is strongly condemned.

Senator Haydon did not give evidence before the House of Commons Committee but gave evidence before this Committee. In view of the further evidence given before this Committee with regard to Senator Haydon's relations to this entire matter, we make the following comment, expression of opinion and report:—

Senator Haydon denied before this Committee that the \$50,000 fee was made contingent on the passing of the Order in Council (P.C. 422). He also stated that the entire fee received by his firm aggregating \$80,000 was for work which had been done for some time previous to the making of the fee arrangement and also for work still to be done.

In coming to a conclusion as to what the facts really were, it is necessary to take into account the entire circumstances surrounding this subject as revealed in the evidence. It is noteworthy that, as found in paragraph No. 6 above, Senator Haydon's firm did not render any detailed bill, as shown by the Exhibits, and while it was decidedly in his interests to show that the legal services rendered were at least remotely commensurate with the money received, Senator Haydon fell very far short of establishing such services by his or any other evidence. It is impossible for us to find anything of a legal character that was done by this firm, which would have been remunerated by any company on a business basis at a figure equal or nearly equal even to the total retainers paid periodically by the Beauharnois Company to Senator Haydon's firm aside entirely from the special \$50,000 fee.

In the face of this fact and having in mind as well the high position enjoyed by Senator Haydon in the public mind in relation to the party in which he held high trusts, and having regard as well to the very positive, unequivocal and comprehensible account of the arrangement given by Mr. Sweezey, it is impossible for us to find otherwise than that the \$50,000 fee was contingent on the passing of the Order in Council.

In this same connection it should be added that the account for services kept in the office of Senator Haydon's firm with regard to the Sterling Industrial Company was continued into the account for service kept by the same firm in regard to the Beauharnois Project and all became one account and was finally closed by cheques from the Beauharnois Company.

Special reference must be made to the following evidence given by Senator Haydon before this Committee:—

Q. Then—A. Mr. Mann, you have asked me about my conversations with Mr. Sweezey.

Q. Yes, Sir?—A. As far as I remember—as far as I remember my first conversation in respect of Beauharnois of any consequence at all; was with Mr. Sweezey. There were some others present; I don't remem-