

River is that portion thereof lying between Lake St. Francis and Lake St. Louis which are some 14-1/2 apart, and between which there is a fall of 85 feet. The average normal available flow of the river through this section is in the vicinity of 230,000 cubic feet per second for 50 per cent of the time, making possible a development of 2,000,000 horse power of commercial electric energy at 85 per cent load factor. The site is in close proximity to the City and Port of Montreal, and is conveniently located on what must soon be a waterway capable of accommodating ocean going vessels. It has therefore great possibilities for industrial development if cheap power is available.

"It is apparent that the Soulanges Section thus presents an opportunity for hydro-electric development almost, if not quite, unique on the face of the globe. It is one of the greatest natural resources in Canada, and in its natural state of great potential value."

57.

(1) That when Senator McDougald was before this committee as a witness he sought to create the impression that after the steps just referred to had been made he did not concern himself about the business of the Sterling Corporation, or know much about it, save that he was supplying funds for its work, that he did not regard it of value, etc, but as a gamble. And that his interest in it did not revive until the late summer of 1928.

(2) That ~~the said~~ Exhibit <sup>143</sup> further shows that up to and including July 14th, 1924, members of said law firm waited on Departments and Ministers of Government at Ottawa; had several interviews with Mr. Henry and engineers in reference to plans for applications to the Departments; considered constitutional rights in respect to water diversion; wrote the Department of Railways and Canals and the Department of Public Works; wrote Mr. Henry transmitting to him memoranda from the Department of Public Works about procedure; interviewed J. B. McRae, an engineer; considered and advised in respect to the rights of the Robert family who owned the stock of the Beauharnois Light, Heat & Power Company; completed the incorporation of the Sterling Industrial Corporation; and filed applications for diversion of waters with the Departments of Railways and Canals and of Public Works at Ottawa.

(3) That <sup>said</sup> ~~on the other hand~~ Exhibit 143 of the evidence