

Dougald and who distinctly represented himself as acting, and in fact did act only for Senator McDougald before such Committee.

The concluding paragraphs of the summary are as follows:

(22) *How one holding the high offices to which he had been called, as Chairman of the Montreal Harbour Board, member of the National Advisory Committee on St. Lawrence Waterways, a Senator of Canada, and a member of the Special Committee of the Senate, above referred to, and as he himself has stated, having a high regard for his public duties, should allow his private interest to so interfere with his public duty that he found it necessary, speaking from his place in the Senate to be "ambiguous" and incorrect, it is difficult for your Committee to understand.*

(23) *Senator McDougald's actions in respect to the Beauharnois project cannot be too strongly condemned.*

In the judgment of the Committee the conclusions herein set up are amply justified by the evidence that Senator McDougald's actions were not fitting or consistent with his duties and standing as a Senator.

SENATOR ANDREW HAYDON

A summary dealing with the connection of Senator Andrew Haydon with the Beauharnois Power Project appears in the report of the House of Commons Committee submitted to us. We quote from it as follows:—

(1) *The first connection of Senator Haydon with the Beauharnois project appears to be in 1924, when his firm incorporated for Senator McDougald and Mr. Henry the Sterling Industrial Corporation on the 5th July of that year and made the application of that Company to the two Departments of the Government for the right to divert 30,000 c.f.s.*

(2) *His firm was retained by Mr. Sweezey for the Beauharnois Power Syndicate in the fall of 1928 under somewhat peculiar circumstances.*

(3) *Senator Haydon has been a member of the Senate since March 11, 1924, and was known to Mr. Sweezey to be a member of the Liberal Party who collected campaign funds. The retainer was of an unusual character. The firm demanded in excess of \$30,000 per year but Mr. Sweezey demurred and finally arranged that the firm of McGiverin, Haydon and Ebbs would be paid the sum of \$50,000, conditionally upon approval of its application by the Governor in Council. On October 3, 1928, this firm received a cheque from the Marquette Investment Company for \$7,500 for legal services. On page 728, Mr. Sweezey says in an interview with Mr. McGiverin, "However, by a compromise I agreed that if the thing got through, I would prefer to pay on that basis; if it went through I would pay him \$50,000, and a retainer for three years at \$15,000. . . . it is human nature to work harder at a price." Asked, in the event of failure what would happen, Mr. Sweezey's answer was "Well, he would have his expenses. At least I presumed that he would have to have his expenses. . . . I was sure he would charge me something for it." This arrangement was apparently made, according to Mr. Sweezey, some time prior to the 2nd October, 1928, (Evidence Page 729).*

(4) *On the 2nd October, 1928, a transfer was made to Mr. Ebbs of the Haydon firm, from Mr. Clare Moyer of the interest Mr. Moyer then held in the Beauharnois Power Syndicate for Senator McDougald.*

(5) *Mr. Ebbs, Senator Haydon's partner, acted as Syndicate Manager for some time representing Senator McDougald. The Order in Council*