

By Mr. Donnelly:

Q. The wholesale price?—A. The tank wagon selling price.

Q. That is a different process?—A. The tank wagon selling price which is the basis to the consumer. We have a statement for these three years. As a matter of fact, Dr. Donnelly, you are stressing the wholesale price, and if that is what you are stressing they lost money on it.

Q. How much?—A. 0·04 cents per gallon in 1930.

Q. We realize this, that when the price of crude dropped, as the British American said, 3½ cents they put the price up. There is 5½ They could raise it 2 cents and still make a good profit, and the price would come down 3 cents? —A. 1929, 1930, 1931—this supplement is ready for the committee. We have here a statement that shows the cost of crude in 1929 at \$1.45 a barrel, when I believe the tariff was 1 cent per gallon on gasoline, and Mr. Richard's evidence indicated that there was a good deal of gasoline coming in free at that time on account of the grading. Now, Mr. Bothwell, I understand, wants to get the relationship of crude gasoline. The price of crude in 1929, in May, was \$1.45 a barrel; by 1931 it fell to 18 cents. We make the statement and submit the details that the price of gasoline—that the tank wagon selling prices of gasoline which, in turn, in the Imperial Oil stations were passed on to the consumer in exactly the same ratio fell with that drop in crude until October, 1931, when crude went up—it may have gone up in August—but from October to December they could have raised their prices and still have been in line with crude in comparison with the period prior to the institution of these tariffs, but they did not do so.

The CHAIRMAN: Has the price of gasoline followed the price of crude during the time of this investigation?

The WITNESS: Yes. So far as the selling price of Imperial Oil, Limited, is concerned it has definitely followed the price of crude. The big factor in that is—it seems almost incredible on the face of it—but we are prepared to give the statement, we cannot change the facts—that the fluctuating charges such as sales tax, excise tax, exchange and freight surcharges have fluctuated so much in that period that it absorbs a tremendous amount of the apparent advantage that should go to the consumer. But the fact of the matter is that the importers of the crude have got to pay the laid down price. All these quotations are based upon posted prices at the well. This statement is for evidence. Now, on the basis of this we have predicated our remarks that the price of gasoline as set by the Imperial Oil has been based upon the price of crude on the same basis since 1929. We do not go back any further than that. The reason we went back to 1929 was that we had an idea that they may be fixing their selling prices on the basis of the amount of the duties so our investigation was conducted with the express purpose of determining if that was so, and, these statements would indicate the laid down cost of crude to the Imperial Oil in those years, and out on the right will be shown the posted tank wagon selling prices at Calgary, Edmonton, Saskatoon, Regina, Brandon, Winnipeg, Hamilton, Windsor, Toronto.

By Mr. Donnelly:

Q. Will you say that they have not followed the duties and the dumping duties in regard to tank car lots? Answer by question?—A. I think—have you read our report?

Q. Yes, I have read your report?—A. Did you see what we said?

Q. You say tank wagon and service stations, but you do not say anything about tank cars except that you say they lost one year in tank cars— —A. You have read our report?