

Q. No. If there was any merger or amalgamation and some property of some company was acquired for shares of Imperial Oil; was there any such case as that?—A. I could not say. This company has been in existence since 1882. We are just giving you this picture simply to convert the 1·01 cents per gallon into total dollars, seven million and some hundred thousand dollars, and compared it for your information. You are just as capable of applying it as we are.

Q. That is not what we had you for?—A. Seven million against the net assets, and I am telling you that is the fact. Now, gentlemen, that is all there is to it.

Q. No, it is not. You are taking costs, and costs must be arrived at to get their actual cost invested in construction. There is some one way and some another. You have the actual cash value or the market value of stock which was issued?—A. Yes. We took out of their book figures on properties the write-up, the appraisal.

Q. What?—A. The write-up, the appraisal. In other words, we did not apply the \$7,000,000 against the property value; we took out the appraisal. That is to say, supposing they have a property valued at \$1,000,000; that is, it cost \$1,000,000—

Q. You mean the book values?—A. The book value. Now then, you have it perhaps in a time of prosperity, and it may be worth \$2,000,000 on appraisal. Well, that may be written into your books, but for the purpose of this comparison, we base it upon the million, less depreciation.

Q. Did you trace it down to book value and find out what they had written up?—A. No.

Q. Whether it represented an actual payment in cash or whether it represented, for instance, an issue of stock?—A. I am just stating to you this, of the Imperial Oil—to pass upon the book value of their property, we would have to go back to 1882 to answer that.

Q. I thought you would have that information.

*By Mr. Stanley:*

Q. Was the appraisal in excess of the book value?—A. Yes.

*By Hon. Mr. Ralston:*

Q. When was the appraisal made?—A. I don't just remember now, but it was some years ago.

Q. Give me an idea, was it five years?—A. 1917.

Q. What I am concerned in, is the result. Was any stock issued?—A. Well now, I do not know as to that; we simply took it out of the value of the assets, that is all.

Q. I want to know what the amounts of the appraisals were, and what the reason for it was, whether stock was issued at that time or not.—A. I do not know as to that; I do not know what they did in 1917 in regard to their stock.

Q. You did not look?—A. No.

Q. You have no record at all?—A. That has got nothing to do with what we have given you. I am simply giving you the book figures.

Q. The answer has something to do with this enquiry.

The CHAIRMAN: Has it anything to do with the price of gasoline?

Hon. Mr. RALSTON: You are charging against this a certain amount for interest on capital.

The CHAIRMAN: Oh, no.

The WITNESS: That is where you are wrong.