

satisfactory. I do not know whether you were here or not. I mentioned my own salary, and I gave the average salaries.

Q. Would you give, please, the salary of the top half dozen?—A. Yes, I would be glad to give that. My salary is \$12,000 a year.

Q. As what?—A. Vice-president and general manager.

Q. Yes?—A. The next highest salary is \$5,000 a year.

Q. For whom?—A. The senior branch manager.

Q. Resident?—A. Toronto.

Q. Yes?—A. The next highest salary for branch supervisor, \$4,500 a year.

Q. Resident?—A. Toronto.

Q. Yes?—A. The next highest salary is \$3,600 a year.

Q. Yes?—A. Public relations representative, resident in Toronto.

Q. I think that is sufficient.—A. The average salary is \$1,400.

Q. For what?—A. \$1,452 per employee. The minimum salary is \$100 per month for male employees and the minimum salary for girls is \$65 per month.

Q. That is a very satisfactory answer, thank you. Now, Mr. Reid, yesterday I was asking you to break down the \$93,601 bad debts reserve, and you did so. I am not complaining that it was not complete. I notice you appear not to have full information, but I have before me a document that is filed. I do not know how it is described, but it is a duplicate to the Department of Finance and it is headed "The Central Finance" and contains much the same information as is in here. I notice in this document a statement—

The CHAIRMAN: What page?

Hon. Mr. STEVENS: There is no number on the page. It is on page 4.

Mr. FINLAYSON: That is the loose schedule, annual statement.

By Hon. Mr. Stevens:

Q. On page 4, headed "Reserves" and obviously referring to the bad debt reserve, because I see the figure \$93,601.26 in it, which corresponds to the figure in the blue book giving the statement as at December 31, 1936. I think that will identify it. Now, this statement is as follows: "Balance at the end of the year \$53,371.59." Then, the next item is "increased by amount transferred from profit and loss \$62,695.86." Then the next item is "Increase due to accounts purchased \$995.72." The total of that is given as \$117,063.17. At that point I should like to ask this question: in your evidence yesterday you said that part of this account may have been affected by accounts that you purchased. Sometimes you purchase the accounts of other companies at a very substantial discount and very often, possibly, winning on them where you bought them at an advantageous price. You recall that?—A. Yes.

Q. According to this statement the increase in that account due to accounts purchased was \$995.72 out of \$117,063.17. You admit, I think, Mr. Reid, that it is very small?—A. I can explain that, sir.

Q. Yes?—A. In that particular record that \$995.72 does not represent the entire revenue to the company by way of accounts purchased at a discount.

Q. Where would it appear?—A. It would appear—I know it did. That is a reduction in the reserve that was set up at the time that such accounts are first purchased to provide for rebates on prepayment of these accounts. We were glad to be able to do so. But we did nevertheless pay rebates on these accounts. We bought some of this paper as I explained at its face value even although the paper had been discounted and the vendor of the paper, the company who sold the paper to us, had taken their profit out of that. Nevertheless, I think you can appreciate our desire to see that paper put in legal form as early as possible, and put on our contracts; and in many cases we offered premiums to them by way of special rebates whereby they saved money because