

Q. And what is the amount of capital?—A. That cannot be determined because you are simply taking the assets and the liabilities as they exist against the marketing and refining. The capital is included in the result.

Q. I want to know what you figure this $6\frac{1}{2}$ per cent on? If you figured it on all of the fixed assets what else was included?—A. On the difference between the assets that they own and the liabilities to the public. The rest is obviously capital and surplus, is it not?

Mr. SPENCER: What depreciation do you allow on the service stations?

The WITNESS: We have the rates which can be filed for all depreciation rates, three-quarters of a million dollars on the Dominion Income Tax. We will keep a list of all these schedules.

Mr. HANSON: Is the depreciation charged by the company as large as might be allowed by the Dominion Income Tax grants?

The WITNESS: No. It is within three-quarters of a million dollars in 1930.

By Mr. Bothwell:

Q. In other words, they have not charged for all the depreciation that the Income Tax grant would have allowed them?—A. No, but if you want any other details on depreciation rates we will be glad to give them to you.

Q. It seems to me that you ought to be able to give those figures. That will show what is included in that capital structure upon which you figured?—A. I have just told you, Mr. Bothwell, that it is the properties and the refineries.

Q. Enumerate them and give us the amount?—A. On the assets side: Inventories, refineries and merchandizing assets and accounts of the public. On the liabilities side: liabilities to the public in the way of accounts payable and the balance is capital and surplus, roughly. We will give you the full particulars of it.

Q. I might say, Mr. Chairman, that I think this should be read now because otherwise there might be questions arising out of the answers that will be given out of this report when we have an opportunity of studying it. We only want totals?—A. I have given you that.

Q. I do not want the sum total; I want the different totals?—A. How far do you want me to read this now?

Q. I do not know what you are reading?—A. The point is this that we have got assets divided into individual refineries. Now, do you want those?

Q. Give us the refineries altogether.

Mr. HANSON: He can give you that. Give it to him under the different headings that you have here and if Mr. Bothwell wants that split up you can split it up for him.

The WITNESS: To get the sub-totals of these in this order we would have to get the details we have worked out back to the individual figures.

Mr. HANSON: Perhaps you would show it to Mr. Bothwell and he can tell you what he wants. That would be the fair thing to do.

The WITNESS: This investigation stops at the price of gasoline in Canada.

Mr. BOTHWELL: As far as the auditor's instructions were concerned, the investigation did speak of the sale of gasoline in Canada.

The WITNESS: Will you please read the order; will you read the instructions to the auditors?

Mr. DONNELLY: Page 470 of the report.

Mr. BOTHWELL: "The relative wholesale price of gasoline and other commodities refined from crude in relation to costs of production at the Sarnia and Halifax refineries."

That is one of them.