

good deal of discussion with regard to the retail price in the United States as compared to the retail price in Canada. I am interested in consumers particularly, but fishermen consumers, the men who use gasoline boats who are interested in the amount which they have to pay for American gasoline, let us say, landed at their port or harbour as compared with the amount they have to pay for the Canadian gasoline. As I understand you, the difference,—at least some of the differences between those two prices are made up by these factors, first, that manufacturing costs in the United States, you say, are less than they are in Canada, and, secondly, you say that there has been an overproduction in the United States.—A. Yes.

Q. And that, therefore, the costs of the American gasoline landed in Canada do not represent a fair cost having regard to the actual cost of production?—A. Yes.

Q. And the third factor you mention is that there is a difference in the quality?—A. Yes.

Q. Cannot we eliminate that difference in quality?—A. I think so.

Q. Because we cannot compare, usually,—A. That is, if you compare the same grades.

Q. My fishermen come down to this: that they have to compare the cost of the gasoline, the American gasoline landed in Canada, which includes the factors of exchange and freight, as compared with the cost to them of Canadian gasoline, including the Canadian cost of manufacture and distribution; that is correct, is it not?—A. Yes, that is correct.

Q. Those are the factors that enter into the cost as laid down to the Canadian consumer by the consumer of Canadian gasoline?—A. Yes.

Mr. HANSON: Is there not just one further factor, the greater cost of distribution? I am interested in that part.

*By Colonel Ralston:*

Q. I am not talking about distribution in the United States. I am talking about landing gasoline in Canada, and, therefore, we do not have to discuss the relative costs of distribution in the United States?—A. No.

Q. We are only getting American gasoline over here and comparing the cost of that with the cost of Canadian gasoline. Now, as I understand your costs, you yourself are not in a position to speak on the details at least of the cost of manufacture in Canada, is that correct?—A. Yes, that is correct.

Q. As a matter of fact, you did, I have no doubt, present to the government a statement of your costs in order to demonstrate to the government that there should be an increase in duty?—A. I don't think we did. I don't recall.

Q. Are you quite sure?—A. I am almost certain. If I did it is on record, but I don't think I did.

Q. Did you present any case to the government at all at the time the duty was raised in 1930?—A. I was abroad in 1930. I don't recall what representations were made to the government. I know that we made some representations, by request, to the last government. It was suggested that we go before the Tariff Board. We went before the Tariff Board and I believe on the facts established the then Minister of Finance, Mr. Dunning, was convinced that we were entitled to a duty. In fact he told me so.

Q. Did you make any written representations at all?—A. I will look at my file. That is the best I can do. I don't recall at the moment.

Q. Because I think this point important, in view of the fact that you are basing your position in Canada, at least, on one major factor, and that is the increased cost of production here?—A. Yes.

Q. Now, then, when the Order-in-Council was passed fixing a value for duty purposes later,—you remember that?—A. Yes.