

*By Mr. Donnelly:*

Q. I want to ask you one or two questions. Can you tell the committee what per cent of the cost of your gasoline is allocated to crude? What per cent of the cost of your gasoline do you allocate to crude, the cost of your gasoline when it is manufactured or made in the refinery, what per cent of the cost do you allocate to the cost of your crude?—A. Well—

Q. We had it from the other companies— —A. I doubt if you can get the answer to that question, Dr. Donnelly, because I cannot answer the question. Our costs are not worked out that way.

Q. I understand that you take the— —A. A combination of the sales realization and the purpose method, but we do not allocate any costs to crude. You mean to gasoline?

Q. I mean to say, you have the costs laid down in Montreal for any of your other refineries, and a certain percentage of that gasoline is charged up to crude,—what percentage?—A. We do not work that way, I am sorry I cannot answer that question. We charge the crude in.

Q. That is what I want to know. How much of the crude do you charge in?—A. The whole of the crude is charged against the operation.

Q. I know the whole operation.—A. Then we allocate the different charges against the refined products, not against the crude.

Q. That is what I want to know.—A. I have not the information here to give you, doctor.

Q. You get a certain amount of crude in your factory, and out of that crude you get a certain amount of naphtha, a certain amount of fuel oil, a certain amount of gasoline. Now, a certain amount of this cost is allocated, that is what you just said, to gasoline.—A. No, we work the other way around. All the crude is charged against the operation.

Q. Surely.—A. Those operating costs are charged against the refined products, not against the crude oil.

Q. I mean, against the gasoline.—A. I cannot give you that figure.

Q. Against the cost of gasoline. How much of the cost of— —A. I cannot give it. I have not it with me, so I cannot give it.

Q. I would like to have it, because I have it from the other companies.—A. I am sure the auditors will be able to give it to you, because I have an analysis of our costs in our financial statement.

Q. Can you tell the committee what your bill for labour was in the years 1930 and 1931 at your refinery?—A. I have not got that, Dr. Donnelly; the auditors must have it.

Q. Have you amount of labour that you allocate to gasoline in the same way?—A. No, I have not got that. The auditors no doubt will have it.

Q. I would like to have that for those two years.—A. I would suggest, Dr. Donnelly, that you ask the auditors, because they have a complete statement of our affairs. No doubt they will be able to answer that or get you the information.

Mr. STANLEY: I think we should extend to Mr. Wales the thanks of the committee for the evidence given this morning. I certainly appreciate it. I appreciate the evidence, because of some of the absurdities that were given by Mr. Coplan the other day.

The CHAIRMAN: Before I call on the auditors, I should like to refer to a communication from Mr. McCloskey of the Imperial Oil Company enclosing a memorandum showing the average monthly well price of 36 gravity Mid-Continent crude, Illinois crude, and Canadian crude for the years 1930 and 1931 as requested on page 89 of the Banking and Commerce Committee's Minutes of Proceedings and Evidence No. 3, reference, price of gasoline. I hand this to the clerk to be filed.