

By Mr. Donnelly:

Q. You can tell me this: Suppose I had one share in 1912 which cost \$100—A. No. I have nothing.

Q. You can tell us from year to year what dividends would be paid up to the present time?—A. I repeat that the net assets of the Imperial Oil in Canada including profits reinvested are 6½ per cent in 1930 and everything else is made in world trading, emanating from South America and other points, and has absolutely nothing to do with the price of gasoline to the Canadian consumer.

Q. Do you know, for instance, when they made those investments in South America?—A. When?

Q. Yes.—A. That has nothing to do with it at all.

Q. Do you know where the original money came from with which these investments were made?—A. That has nothing to do with the question at all.

Mr. STANLEY: In deference to the rest of us, I think we should stick to the reference. I think a very wide interpretation should be given, but surely some of the rest of us who have to sit and listen are entitled to have the subject confined to the reference to the committee.

Mr. BAKER: I understand that this question that a certain number of members of the committee are trying to bring out has no relation to what we have to bring out, and we are sitting here listening to a lot of talk and wasting time to no result.

By Hon. Mr. Ralston:

Q. Let us take a hypothetical case. Supposing that in 1916, the stock was doubled and another \$100 worth of stock was issued which was sold by the holder to the public and the public invested cash, and it was represented by profit made out of operation, have you traced that down at all in order to find out what transfers were made in the way of capital stock?—A. We have told the result of it as of 1930.

Q. And you have taken that as the actual cost which was paid in by the public for this stock which had been previously issued either by way of stock dividends or by way of split stock—you have treated that all as cash investment?—A. We have taken the assets that they own and the liabilities and the difference is what you are talking about.

Q. You are taking them at cost?—A. Properties at cost, inventories at current values.

Q. And what depreciation have you allowed?—A. Depreciation? Reserve for depreciation as shown in the books of the properties as accumulated.

Mr. BAKER: Not more than the government allowed?

The WITNESS: No. I do not say beyond 1930. How they made their profits prior to 1930, I do not know.

By Hon. Mr. Ralston:

Q. Let us assume that somebody had a property and he sold that property to the Imperial Oil for an issue of so much stock, then, regardless of the actual cost value of that property you have valued the property at the cash value of that stock?—A. I have not valued the property.

Q. You have treated the book value as being represented by the cash value of stock which was paid for it?—A. There was an appraisal of the property, but that was not taken in. We stayed with the original cost.

Q. Take a property which was sold for shares?—A. For a property which was sold for shares?

Q. A property which was acquired for shares?—A. You mean the property that was constructed out of capital stock.