

The WITNESS: Now, the first statement which I will touch on, which I will mark "A" is the cost and marketing expenses and profit on the gasoline which we manufacture. I will go through this. We made gross sales during the past year of 57,873,452 gallons, which were sold to the public for \$9,541,028.61. That is our revenue or our selling value to the public in Canada. From that figure we have deducted freight and trucking from our refineries to destination; that is either to the bulk station or to the service station which supplies the public.

*By Hon. Mr. Euler:*

Q. I should like to ask you a question. Do you sell entirely through your own service station or do you sell to independent dealers?—A. Well, we sell through our own stations and to dealers.

Q. Independent dealers?—A. Independent dealers. Freight and trucking to the refinery amounted to \$709,124.82. Then there is a heavy item for taxes, both municipal and business tax, school taxes and so forth, amounting to \$103,044.71. Then the next deduction from the gross sales is sales tax, which amounts to \$166,463.96. Then, the marketing expense the cost of putting that product before the public—

*By Mr. Bothwell:*

Q. Just what is included in that?—A. Everything, tank wagon expense, wages, the tanking of the products, expense of maintenance of customers' equipment—a dozen and one different things.

*By Mr. Donnelly:*

Q. Advertising?—A. Advertising is included in that. That is, \$1,343,355.48.

*By Mr. Hanson:*

Q. Just what does that work out per gallon to the consumer?—A. To the consumer?

Q. Yes.—A. That one item? The cost to us per gallon on sales is 2.32 c.

Q. That is very large.—A. Then, following that is general administration and depreciation, \$997,320.69.

*By Mr. Bothwell:*

Q. What is that figure again?—A. \$997,320.69.

*By Mr. Hanson:*

Q. General depreciation. What is your set-up for that?—A. General administration and depreciation.

Q. Administration and depreciation?—A. Yes.

Q. Do you separate them? It seems to me they ought to be separated.—A. They are separated in our books.

Q. You separate them here, please.—A. I cannot separate them here, sir, I have no information.

Q. You can get that information?—A. I can get that information.

Q. Why do you set them up together here?—A. Well, the figures that I am quoting now are a summary, drawn from our books. If I had anticipated you would ask that question, I would have split those in two. It can easily be done.

*By the Chairman:*

Q. Can you get those separated if you telephone to Montreal this morning?—A. I very much doubt if I could do that, because we have—