

(e) The apparent unwillingness of investors in 1924, from whatever cause it may have arisen—either by reason of the amount of capital investment required or the average profit return promised over a period of years—to invest in service stations in Toronto and other points in Ontario and to sell gasolines through their medium at reduced prices.

Retail prices paid in Hamilton in the same period were lower than those paid in Toronto by from one and one-half to three cents per gallon and beyond a slight variation in transportation costs this condition was attributable, according to evidence given, to the fact that distributors there did not follow Imperial Oil Company, Limited, prices—as a policy common to all—but certain of them dealing in imported gasolines reduced their retail prices and other dealers followed suit. Reductions in wholesale prices were allowed by refiners and importers to their customers to permit them to meet such competition, and—in general—this policy was largely followed at other points in Ontario where competition of a similar character was met.

As of date July 1, 1924, tank wagon prices of gasolines sold at Toronto and other points in Ontario were 27½ cents per imperial gallon, such prices having been set by the Imperial Oil Company, Limited, and followed by other refiners and wholesale distributors. Laid down costs of gasolines imported from the United States of America amounted at the time to between 17½ to 18½ cents per imperial gallon and importers were, therefore, left with a gross margin of between nine and ten cents per gallon to cover their costs of doing business and their profits. In September, 1924, tank wagon prices dropped to 26½ cents per gallon, but import prices also dropped to about the same extent so that the margin left did not vary to any important degree. By November 1, 1924, however, the Imperial Oil Company, Limited, had dropped its tank wagon prices to 20½ cents per imperial gallon when, with import costs remaining between 16 and 18 cents, the margin left to importers became reduced to between two and one-half and four and one-half cents per gallon. Tank wagon prices set by the Imperial Oil Company, Limited, and the approximate laid down costs of imported gasolines, with the margins left available for importers were from July 1, 1924, forward as follows:

Date	1	2	3
	Tank Wagon Price	Laid Down Costs of Imported Gasolines	Gross Margin obtained between 1 and 2
	c.	c. c.	c. c.
July 1st, 1924.....	27·5	17·5 to 18·5	9 to 10
September, ".....	26·5	16·75 to 17·5	9 to 9·75
November, ".....	20·5	16 to 18	2·5 to 4·5
December, ".....	20·5	17 to 17·5	3 to 3·5
January, 1925.....	22·5	16·5 to 17·25	5·25 to 6
March, ".....	24·5	21 to 22·5	2 to 3·5
May, ".....	23·5	20 to 20·5	3 to 3·5
June 1st, ".....	27·5	21·5 to 23	4·5 to 6
June 30th, ".....	27·5	23·5 to 25·5	2 to 4
July 15th, ".....	27·5	23·5 to 25·5	2 to 4

Officers of the Imperial Oil Company, Limited, stated that such reduction in tank wagon prices had been put into effect after careful consideration of conditions by its Board of Directors, which had come to the conclusion that many plants had been established in 1924 which could not continue to operate in a normal market and that a weakening of prices would take place in consequence. The Board thereupon, according to the testimony of such officers, authorized reductions in tank wagon prices and such reductions were, they said, maintained