

Q. I want the average cost of crude at Sarnia per barrel in 1930. I want the average cost of crude at Sarnia for the year 1931 in order to be able to compare one with the other. I want the percentage of gas taken from crude at Sarnia. I want the percentage of gas that you obtained at Sarnia for the years 1930 and 1931. I want the percentage of cost of crude allocated to gasoline at Sarnia for the years 1930 and 1931. I want the cost of refining a barrel of crude for the years 1930 and 1931. I want the total cost of the labour at the refinery for refining purposes only for the years 1930 and 1931, the amount paid for labour at the refinery for refining purposes for the year 1930 and 1931, and the cost of labour allocated to gasoline refining only for the years 1930 and 1931; and the cost of labour in refining a gallon of gasoline for the years 1930 and 1931, all at Sarnia.

Mr. BAKER: I presume, Mr. Chairman, that all Dr. Donnelly's requests come within the findings of the selected body of auditors to arrive at the 1·01 cents per gallon profit from the crude oil when finished. May I ask this question, Mr. Chairman. If we are satisfied with the report of the auditors in this matter, does not that end it? If we are satisfied to accept the findings that this company made 1·01 cents per gallon on the gasoline sold in Canada, is not that enough? Is not that satisfactory to this committee or must this committee enquire into the capital structure? In my opinion, the capital structure has nothing whatsoever to do with it. Are we not satisfied the company shall continue to manufacture and sell gasoline in the country, and if they are not making any more than 1·01 cents per gallon, I for one think they are doing pretty well by the public. They are sailing pretty close to the wind, if you ask me.

Mr. DONNELLY: May I interject there, Mr. Baker. This 1·01 cents a gallon was for 1930. They have not told us what they made for 1931 and the other companies have done so.

Mr. BAKER: This committee thought that 1930 was all that was necessary—

Mr. DONNELLY: We got the information from the other two refineries when we investigated those other refineries. I want to know just how those figures are made up.

The CHAIRMAN: Would you let the auditor say what he did find?

Mr. DONNELLY: Can he give me those figures?

The WITNESS: Dr. Donnelly, we can get you anything you need, but when you start to divide costs into labour and material, you are getting into an analysis that necessarily you do not keep separate in determining the total cost. We can get that.

Q. They must allocate a certain amount of labour to each individual operation.—A. We can get it, but there are a good many operations. We can get it. It is an element of time. Dr. Donnelly, we can get anything this committee wants in the matter of detail. In determining cost, may we suggest this, that all companies do not necessarily keep a separate account for labour and a separate account for material. In the refining business it is on a process basis where each process absorbs its cost, labour and material and other expenses. Now, if you want us to go back and analyse particular processes for the purpose of extracting therefrom the proportion of labour and material, we are at your service.

The CHAIRMAN: Will it contribute anything to the answer we are asked.

*By Mr. Donnelly:*

Q. I conceive that it does. It is very material. We have the British American Oil Company. They came up here and told us the amount of gasoline, the price, and the average cost of gasoline in Toronto for two years, 1930-31. They told us the amount of the cost of crude that they allocated to gas, the