

tank car quantities are made between Ontario refiners and wholesale distributors, and by them also to such local jobbers, service stations and curb pumps as possess the facilities mentioned. On sales between refiners and wholesale dealers in Ontario in tank car quantities a spread of as high as six cents per imperial gallon below ruling tank wagon prices is ordinarily allowed, while local tank wagon distributors are generally given a margin of between four and five cents. No fixed rule appears to be observed in respect of prices to service stations and curb pumps buying from Ontario distributors in tank car quantities but certain wholesale dealers appear to charge a varying rate per gallon—according to the market—over laid down cost, while others base their price at so many cents per gallon below tank wagon prices. Importations of gasolines from the United States of America—which are delivered in tank car quantities—are largely effected by manufacturers and wholesale dealers and by those who act in the capacity of brokers for American producers, or on their own behalf, in either of which latter events, if resold in tank car quantities, a commission over import cost is ordinarily charged. When imported by manufacturers and wholesale dealers such gasolines are for the most part distributed by tank wagon to retail dealers and service stations, when the wholesale dealer obtains the benefit between import costs and tank wagon rates. If imported direct by service stations and curb pumps controlling facilities, the margins between import costs and retail prices are retained by the service station or curb pump operators.

The wholesale distribution of gasolines in Ontario is largely accomplished with the use of tank wagons and by reason of the facilities which they provide the proportionate quantity of gasolines distributed with their use exceeds that of all other wholesale avenues combined. The efforts of refiners and distributors are accordingly largely directed towards such business and their principal selling and marketing costs are incurred in connection with it.

The retail sale of gasolines to the public in Ontario is effected almost exclusively through service stations and curb pumps, and retail prices ordinarily bear a fairly fixed relation to tank wagon prices—tank car prices, for a large part, have also a relation to tank wagon prices. With this the case it can fairly be said that the prices at which gasolines are sold in Ontario are regulated by tank wagon prices.

Competition for business between wholesale distributors and a desire on the part of each to maintain or extend its volume of business has led to the construction and operation of a large number of service stations by refiners and the more important wholesale dealers, and by reason of the increasing public favour which service stations command the policy of embarking upon such construction and operation on a more extended scale also appears to have been adopted or to be in contemplation by certain of them. Where service stations are owned or operated by manufacturers and wholesale distributors it is the almost general rule to charge them full tank wagon prices for all gasolines supplied to them and such gasolines are then—as another general rule—sold to the public at three and a half cents per imperial gallon over tank wagon rates. Curb pump operators and retail dealers competing with such stations must of necessity meet such rates if they are to continue in business, and with this the case the rates charged by such service stations have a definite influence in regulating the retail prices of gasolines.

Service stations are also owned and operated by many private investors, and stations so owned are able, when they possess railway trackage and capacity facilities, to purchase their supplies in tank car quantities or to import the same, if they shall so require. Should they purchase from Ontario distributors in tank car quantities they obtain an advantage over those who have to buy at tank wagon rates, but when they import gasolines direct or through brokers they retain the margin—greater or lesser as it may be—between import costs and the prices at