

difference. The spread between the two was greater in 1931 than it was in 1930. That is something which we are unable to explain, and it is for this reason I have had this resolution placed on the order paper.

The CHAIRMAN: Thank you, Dr. Donnelly. Now, if Mr. Bothwell will kindly address the committee we will hear him.

Mr. BOTHWELL: Mr. Chairman, I do not know what I can add to what Dr. Donnelly has said. Last year, I think it was on the 12th of June, I brought this matter to the attention of the House on account of information that had come to my attention and complaints that had been made in various parts of the country regarding the price of gasoline. After putting certain facts on Hansard on the 12th of June, the oil companies answered that by a report in the Financial Post of June 18. That is what an oil company did, but who was responsible for the answer I cannot say; but the start of the reply of the oil company is as follows:—

Oil company executives interviewed by a representative of the Financial Post as to criticisms made by certain politicians that gasoline prices in Canada are excessive, responded by pointing that drops in crude oil prices had been followed downwards to the full extent by the price of gasoline and other products offered to the public of Canada.

The article proceeds to show the prices and the downward trend that has taken place. That is an authoritative statement from the oil companies, and most people who are interested in oil take exception to the statement. There is no doubt, as Dr. Donnelly has said, that there is a considerable difference in the price of gasoline as between the United States and Canada. That difference in price may be justified, but the ordinary Canadian consumer does not believe that the difference is justified.

After an investigation was announced, the Retail Merchants' Association of Saskatchewan, the oil and gas section of which has been very much interested in this problem, sent a telegram to the Prime Minister which reads as follows:—

We congratulate your government on steps taken to investigate hardships and numerous complaints in present system of distribution of gasoline. We see by press reports that the Banking and Commerce Committee of Parliament will investigate prices and will take into consideration the tariff and freight rates in comparing American and Canadian prices. We respectfully request that this inquiry be made broad enough to investigate fully present methods of distribution, not only of gasoline but of petroleum products and oils. Have on file hundreds of complaints of shortages under present system and in the interests of our Canadian public we urge the Parliamentary Committee be given the scope and powers of a Royal Commission and that a hearing be held in Saskatchewan at Regina where the evidence of our association will be submitted and many members will gladly testify regarding abuses arising out of present system of distribution.

That is from W. L. McQuarrie, Provincial Secretary, Retail Merchants' Association, and it is dated February 12, 1932.

In this investigation it seems to me, Mr. Chairman, that the only way we can arrive at anything definite is by having an investigation into all costs of the production of gasoline in Canada. That is, we will have to arrive at the cost of the crude oil in the various fields from which crude oil is brought into the country, freight charges, in fact all charges in having it landed down here, also the cost of refining in the various refineries in Canada. And not only from the Imperial Oil Company but from the British American Oil Company and from any oil company that operates refineries, and whether it is going to be fair to the different oil companies to have them at a public hearing of this