

Mr. FRASER: No. 17, which will follow, will contain the evidence of Mr. Wales only, and exhibits filed by him, and by the Imperial Oil Company.

Mr. BOTHWELL: Not exhibits filed by Mr. Matthews.

Mr. FRASER: No.

Mr. BOTHWELL: In connection with the report, Mr. Chairman, I should like to submit to this Committee first of all—

Mr. STANLEY: Did I understand, Mr. Chairman, there would be no exhibits filed in connection with this meeting?

The CHAIRMAN: No, we were referring to yesterday's meeting.

Mr. BOTHWELL: It strikes me, Mr. Chairman, that in the report given by Mr. Matthews yesterday he endeavoured to usurp the powers of this Committee, instead of giving us the facts that we thought he was sent out to obtain. Now, there are a lot of statements in his report of his opinion as to what he found, without giving us the facts that we expected he was going to find; it seems to me that right now what we have to do is to go into all the details by an examination of Mr. Matthews in order to find out on what and how he makes a report such as he has made here. We are not able to draw any conclusions ourselves at all, apparently, from the report that is filed. We are just simply supposed to take that as being his findings, and that those are facts.

Mr. STANLEY: They are facts.

Mr. HANSON: The Committee can deal with the auditor's report, and it does not preclude Mr. Bothwell from cross-examining Mr. Matthews on findings with which he disagrees.

The CHAIRMAN: As I said before, that is the object of this meeting.

Mr. BOTHWELL: We understood, of course, the auditors were going to obtain statements of those companies, their annual statements and more or less analyse them, and that they were going to obtain for us, statements of operations in refineries, the cost of the various operations and that sort of thing. We have nothing in that connection placed before us.

The CHAIRMAN: Will you kindly ask Mr. Matthews what you would like to know in regard to that.

O. A. MATTHEWS, recalled.

*By Mr. Bothwell:*

Q. On page 490 of this report, Mr. Matthews, in the third paragraph you say:—

Now, that is the picture I wish to lay before this committee: that the Imperial Oil—whether we like it or not—are bringing into this country money made in world trading outside of Canada—and certainly from one of those books that I read it would appear that they have just built up a tremendous surplus in this country out of operations. Gentlemen, that is entirely false. In 1930 the return to the Imperial Oil on their investments at cost, which they could very easily have written up, was six and a quarter per cent on the marketing and refining over this country.

In that statement I presume you refer to the interests of the Imperial Oil in their subsidiary companies operating in different parts of the world?—A. Yes.

Q. In your investigation did you find what percentage of the annual profits of the Imperial Oil are brought in from outside?—A. Yes.

Q. How much?—A. I do not know that I should give that. We have the information but I do not know whether I should give it.

Mr. HANSON: I see no objection at all to answering that question unless the Imperial Oil, for reasons of their own, which I do not understand they will—