

possibly, if it is of any interest, that there is a foreign interest in our company, a stock interest of something approximating sixty per cent, maybe a little more. That is just about the same as the amount of our dividends that comes from outside of Canada. They are almost equal, or approximately equal.

Q. Then you mentioned also this National Petroleum News. Is that publication recognized by the oil industry as authoritative?—A. Yes, it is a standard paper. There are two or three but the National Petroleum News occupies a very high position.

Q. You, I think, told us that you could not give us any figures as to the cost of crude delivered to your refineries?—A. No, I cannot give it to you, but I could get it over the telephone.

*By Mr. Donnelly:*

Q. You referred to the difference in price between gasoline in Canada and in the United States, and you said it was largely due to the fact that gasoline in Canada was—A. No, I did not mean to say that.

Q. I understood you to leave the impression with the committee that one of the reasons for the difference in the price of gasoline was because the Canadian gasoline was a higher grade?—A. What I say is this; that generally the grade of gasoline in Canada is higher than the general grade in the United States. That has a very small thing to do with the price; it has very little to do with the price. There are three factors, evaporation, the increased cost of moving in Canada, and the greatly increased cost in marketing in Canada, account for the spread.

Q. Well, all those factors will be taken in account in 1930, as well as in 1931, would they not?—A. Oh, yes.

Q. How do you account for the great difference in price in 1931?—A. Because of demoralization of the American market.

Q. Because of the demoralization of the American market?—A. Yes. We base our prices according to what is known as the posted price of crude.

Q. You base your prices on what?—A. On the posted prices of crude.

*By Mr. Power:*

Q. What is that remark?—A. "Posted." They post a price.

*By Mr. Donnelly:*

Q. In fixing the prices that you refer to, do you have any communication with other companies in that regard, or is it done entirely on your own?—A. Well, there is no general fixing. Communication usually takes the form of abuse from our competitors. As the price of the mid-continent crude goes down, we follow it right away.

*By Mr. Hanson:*

Q. You fix the price, and they follow suit. We all know about that?—A. Generally, but not altogether. There are times when a little price war develops here and there. It has happened.

*By Mr. Donnelly:*

Q. As a matter of fact, between 1930 and 1931, something has enabled you to have a bigger spread between the Canadian prices and the American prices?—A. I think it is because we followed the posted prices. Our price is a good bit lower now than it was—like before the war, when crude prices were up, they are much lower than at the end of the war. Our price went down very much more rapidly and much ahead of other commodities, and it has stayed down. We have followed the policy very generally for years of adjusting the gasoline price