

Hon. Mr. RALSTON: I am trying to confine my questions absolutely to the statement given here:—"altogether taking in 1930 the net assets of the Imperial Oil in Canada with their properties at cost, not appraisal, with their investments in International Petroleum at one-third of the present depressed market values, they show a return of 6½ per cent." Now, that was my question, and that is what I want to get from Mr. Matthews. Did I understand Mr. Matthews that you did not enquire into that, that you did not verify the figures on the books of the Imperial Oil to ascertain whether the cost was represented by the actual cash payments of the property or otherwise, or whether you simply took the figures as they were and disregarded the appraisals?—A. The book cost of the property less appraisals.

Q. Because I think of a dozen companies, and you can think of a hundred because you have gone through them, who would thank God if they could make one per cent on their book value or one-half per cent. These companies to-day are being reorganized and are reducing the book value of their property by 50 and 75 per cent. The book value has not more to do, as you know, with earning capacity to-day, than the St. Lawrence—

Mr. BAKER: That only occurs in companies such you are speaking of.

Mr. STANLEY: It has nothing to do with the 1.01 cents per gallon.

Hon. Mr. RALSTON: I am saying it has been introduced here, and having been introduced, it is for the Committee to find out all about it.

Mr. BOTHWELL: This Committee is not tied to the report of the sub-committee. Reading from page 175 of the Proceedings and Evidence I find the following:—

Mr. BOTHWELL: Well, so far as this report is concerned, I take it, Mr. Chairman, that we are not confining ourselves to those particular plants. That is, in the work of getting out the details, we may have to continue the investigation further. This is a method of getting things.

The CHAIRMAN: This is just a method of getting somewhere.

Mr. BOTHWELL: We are not limiting ourselves in any way; we are not limiting the scope of the investigation to the points contained in this report.

The CHAIRMAN: No. There is no attempt to limit the scope of the reference.

Mr. STANLEY: It was not limited in those weeks.

Mr. DONNELLY: Well, Mr. Chairman our auditor was to go into the refineries at Sarnia and Halifax. Let us start with this now: can the auditor give us the average cost per barrel of crude at Sarnia for the year 1930?

The WITNESS: We have converted everything to gasoline.

Q. I want the average cost of crude in the refinery at Sarnia for the year 1930.—A. All right; we worked everything down to gasoline.

Q. We will work it down to gasoline. I want to see how you work it down. I want just the same as was done on page 272 of the Evidence by the British American Oil Company. We asked them what the average price of their crude was in Toronto in 1930 and they told us. They also told us the average cost in 1931, and they told us the percentage of cost that they had taken.—A. We can get you all those things from our papers, but it will take time. We have worked through gasoline.

Q. You say you can get those things?—A. We have worked them out for you, and if you want them that way, we can get them for you, yes.

Q. I wish you would take those questions. Take those questions I wanted to ask.—A. That is what I suggested yesterday, that you give us those questions. I would be glad to get that, Dr. Donnelly.