

The WITNESS: What we did with the McColl-Frontenac up to the time you gave us specific instructions in writing under date of the 22nd of March, we will turn in to this committee.

By Hon. Mr. Ralston:

Q. I would rather you would tell us about it?—A. I do not think—we have not got them with us. We will turn it in to the committee.

Q. I am differentiating between turning in the working papers and having a witness on the stand, because there are a whole lot of things in work papers that no-one wants to go through except the auditors?—A. We will give you the benefit of all the information we have. As a matter of fact, the summary we have turned in gives you a quick picture of the comparisons between the Imperial Oil, the McColl-Frontenac and the British American Oil.

By Mr. Donnelly:

Q. Did you notice in the evidence of McColl-Frontenac the last day they were here that there were half a dozen different things that they said the auditors had. Now, I would appreciate it if you would just look through and answer those questions if you can, and if you cannot, say so?—A. We would have to bring that file here and look over it and take it up item by item.

Q. I do not mean to do it now?—A. Surely, Dr. Donnelly, we will be glad to do it.

By Mr. Bothwell:

Q. Have you the financial set-up of the Imperial Oil?—A. What do you mean by the financial set-up?

Q. As I understand the duties of your firm, Mr. Matthews, they were that you were going to look into the financial standing of the company from its inception. There have been statements made as to what \$100 invested in Imperial Oil a number of years ago would amount to now, as to the different various stock issues, as to the various bonuses that were issued and so on. I understood—I am not a member of the sub-committee—but I understood in any event that you were going to obtain that for this committee?—A. I would only refer you again, and you have them in front of you, to the instructions given to us. Could they be read? Those are our instructions, and we have worked as your auditors definitely under those instructions. We have only come in contact with other things as they helped to make the picture comparative. Now, for instance, the only reason in the world why we were interested in the net assets of the refineries and marketing in Canada is to be able to relate the cents per gallon on gasoline sales in Canada to consumers and jobbers to the amount of the net capital working in Canada to give you a picture on the one hand in dollars and then to show on the other that 1.01 cents—not exceeding 1.01 cents per gallon—compared, for instance, with what the jobbers got.

Q. That is the refining end. You are talking on one thing and I am talking on another?—A. I am still telling you that in arriving at the results according to our instructions we were told to deal with costs and selling prices which, in turn, would show net profit. That we have done on sales of gasoline to consumers; and the financial set-up of the company is not indicated anywhere in those instructions.

Q. From your investigation, whether you came across them incidentally or whether it is in the instructions, as I understand it—because I do not understand that all of your instructions were embodied in that particular memo arrived at by the sub-committee. The statement has been made, for instance, that \$100 invested in Imperial Oil back in 1912, we will say, in 1930 drew in dividends \$64. Can you tell us whether that is the correct statement?—A. I