

MINUTES OF EVIDENCE

HOUSE OF COMMONS,

TUESDAY, May 3, 1932.

The Select Standing Committee on Banking and Commerce met at 10.30 o'clock, Mr. Matthews presiding.

The CHAIRMAN: Gentlemen, before we hear the auditor, we have called an officer of the McColl-Frontenac Oil Company to give evidence on some points on which they wrote us some time ago. Mr. Wales, representing the McColl-Frontenac is here, and I shall hand these letters to him and ask him to confine himself to the points therein referred to.

J. A. WALES, recalled.

Mr. Chairman and gentlemen of the committee, Mr. Coplan in his evidence on April 19th states on pages 401, 403, 404, that McColl-Frontenac do not give credits for temperature while the United States Companies gave such credits. I have with me a statement contradicting the evidence given by Mr. Coplan, and since it has been suggested that I should file this statement, I would like to make one or two brief remarks in connection with it.

In the first place, I would like to state that McColl-Frontenac gives credit for all temperatures above 60 degrees. In the second place the credits which we have given to the Super Service Gas and Oil Company over the period covered by the statement from May 1st, 1931, to March 31st, 1932, exceeded the debits. On a total of 39 cars shipped, credits were given to the Super Service Gas and Oil Company on 27 cars. These allowances totalled 2,278 gallons, or an average of 84.4 gallons per car. Quantities were added on only twelve cars, amounting to a total of 1,010 gallons, or an average of 84.2 gallons per car. You will note over the whole period allowances which were made were in excess of additions charged by 1,268 gallons. In the third place the corrections which we have made in temperature are in accordance with the accepted practice throughout the oil industry, and the tables which we are filing with the committee are approved by the American Society of Testing Materials, the United States Bureau of Mines, United States Bureau of Standards, and the American Petroleum Institute.

By Mr. Bothwell:

Q. In your invoices, Mr. Wales, do you set out the debits or credits?—A. I am coming to that, Mr. Bothwell. The full statement as regards temperature corrections, measured gallons and net gallons are given in loading reports, all of which I am submitting with my evidence. I am also submitting the invoices.

Q. Does that come to the attention of the purchaser?—A. It does. I am coming to that in my evidence, Mr. Bothwell. These loading reports are sent together with the bill of lading to the purchaser, and besides containing the measured gallons, the temperature and the correction for temperature, it contains the net gallons, and also the seal numbers with which the car is sealed both at the top and the bottom. Now, the purpose of sending these loading reports with the bill of lading is so the purchaser will receive these loading reports as soon as possible after shipment of the car; so that he will be in a