

the net assets of the Imperial Oil in Canada with their properties at cost, not appraisal, with their investment in International Petroleum at one-third of the present depressed market values, they show a return of six and a quarter per cent.

Of course, that paragraph could not have been written without the full examination of the operations which had been detailed in evidence as to the various splits of stock and declarations of stock dividends.

The WITNESS: You are dealing with the Imperial Oil?

Mr. DONNELLY: On page 237, for example, Mr. Bothwell asked of the McColl-Frontenac company:—

Q. What amount is written off for depreciation in 1930?

Mr. BROOKS: I cannot tell you from the figures I have here.

Mr. GEOFFRION: On the stations?—A. Yes sir.

Mr. BOTHWELL: Yes, on the investment.

The WITNESS: The auditors, of course, will show that when they come here.

Mr. BOTHWELL: I hope the auditor is getting all this information we are asking for.

Mr. GEOFFRION: If he wants any more he can come again.

Mr. IRWIN: He spent enough time down there, Mr. Bothwell.

So, we want to know what these are?

Hon. Mr. RALSTON: I think Mr. Matthews has that. He must have checked them somewhere.

The CHAIRMAN: You checked the Imperial Oil set-up, did you?

The WITNESS: Oh, yes.

*By Mr. Bothwell:*

Q. Did you check the McColl-Frontenac?—A. The original order on the 22nd of March to us provided that we simultaneously with the investigation into the Imperial Oil secure statements from the two other companies in order that they might be compared and if the comparison were reasonable and depending entirely upon the findings on the Imperial Oil the Committee would be in position to give further instructions, and this is the way the order read:—

That simultaneously with this investigation by the auditors into the aforementioned cost and selling factors of the Imperial Oil, Limited, they secure from the British Empire Oil Company, Limited, and from the McColl-Frontenac Oil Company, Limited, statements in such form as will render practicable a comparison of the relative costs and selling prices of the three corporations, thus offering means of disclosing any major variations without entailing the additional expense of investigating the smaller oil companies operating in Canada.

Just following that paragraph, here is what we report:—

In accordance with the aforementioned committee order we secured. . .

That is what our instructions were—

. . . from the British American Oil Company, Limited, and McColl-Frontenac Oil Company the required operating statements in similar form to those prepared in connection with the investigation of the Imperial Oil Limited, but in view of our findings on the net profits and gasoline sales by Imperial Oil Limited we have deferred our examination of these statements pending further instructions from the committee.

In other words, we have carried out exactly what you have told us to do. We have secured the statements.