from somebody else cheaper than from our own refineries? In answer to that question I would refer the house to the evidence of Mr. O. B. Roger, of the Shell Oil Company. It will be found at page 411 of the evidence given before the committee. Mr. Donnelly is questioning Mr. Roger:

Q. You could buy from American concerns, as I have just said, for between 4 and 5 cents, and yet you are paying 6?—A. Yes; but then we would have been subject to dumping duty. The regulations provide that gasoline must be imported at the price in the bulletin.

Q. Instead of giving it to the government you give it to the American companies?—A. Yes.

What does that mean? It means that under the amendment to the Customs Act passed by this house in September, 1930, the government has power to fix the value for duty on gasoline. They did so. They fixed a certain value which they informed the importers they must pay for their gasoline, and if they did not pay that price they were subject to dumping duty. The Shell Oil Company was able to buy gasoline at 4 and 5 cents a gallon in the United States. That was lower than the price fixed in the bulletin, and the Customs department said to them, "If you buy at that price in the United States we will make you pay in the form of a dumping duty the difference between that and the bulletin price. But if you see fit to pay the extra price in the United States to the refiners over there you will be exempt from the dumping duty. We don't care whom you pay the extra price to, but we insist upon your paying it." Could further evidence be required that we are paying for our gasoline more than is necessary when the customs officials deliberately say to importers, "You must pay more and we don't care whether you pay it into the revenue or to the American manufacturer, but we insist on your paying it." The Shell Oil Company had to add that to the price they charged for their gasoline. Referring to page 413 of the evidence, I find the hon. member for Swift Current (Mr. Bothwell) examining Mr. Roger in connection with gasoline coming from the Dutch West Indies, as follows:

Q. What would your freight be on that from the Dutch West Indies to Montreal?—A. I should say nearly one cent a gallon, perhaps a fraction under a cent, but approximately a cent. I should say the freight, as far as my memory serves me, fluctuated somewhere in 1931 around 29 cents a barrel.

Q. At this price, that would bring it up to about 6·40 cents an Imperial gallon?—A. Excluding duty and sales tax.

Here again we have evidence that the same company could bring gasoline from the Dutch West Indies and lay it down in Montreal at 6·40 cents per gallon if it were not for the duty. No further evidence should be required to prove that we are paying too much for our gasoline. If further evidence is required, I refer the house to the statement made by the Minister of National Revenue (Mr. Ryckman) when his estimates were going through to the effect that certain men from Montreal had come to him and stated that they wanted to bring gasoline in from Roumania. What answer did he give? He said: If this gasoline is being dumped, you cannot bring it in. What did he mean by dumping? Under the new definition of dumping as set out in 1930 by the minister, it means the selling in Canada of gasoline or of anything else at a price lower than that at which our own manufacturers are willing to sell for. Time and time again the government has deliberately insisted that the people of this country pay more for their gasoline than they want to pay.

I want to say a few words in defence of Imperial Oil Limited. This company has been criticized quite severely, and in my opinion unjustly for their action in curtailing production in the Turner valley oil field. The market in western Canada for gasoline has fallen off considerably during the last year or two and Imperial Oil Limited found it necessary to reduce its purchases in the valley by about half. For that they were very severely criticized; people said that they should use Canadian produced gasoline, that it should be shipped down to eastern Canada instead of importing similar gasoline from the United States. The company put out an explanation in its own defence. This was to be found in most of the filling stations in western Canada and I shall read in part from a copy I secured. It reads:

The cost of the Turner valley product, plus freight rates, are such that the product cannot compete with other gasolines except within a freight radius of Calgary. Turner valley gasolines laid down at the Sarnia refinery of Imperial oil, within reach of a large consuming market, would cost on the present basis of prices and freights $5.97 per barrel. Casinghead gasoline which is equivalent to the product of Turner valley, on the basis of prices existing in the mid-continent field and of established freight rates would cost $3.62 per barrel. It is obvious, therefore, that the amount of naphtha drawn from the Turner valley must depend entirely upon the consumption of gasoline within that area of the western provinces where favourable freight rates prevail.

I think that is a very fair and just statement of the case. The company states quite clearly that if they were to use Turner valley gasoline and ship it to the parts of Canada where there are markets for it, it would cost them $2.35 a barrel more than the United States product. Very properly they take the stand that they could not incur that extra