

separate trading accounts for motor-spirits, nor do they attempt to apportion overhead expenses to the purchase and sale of motor-spirit. There is no question, from information obtained, that were this done some of these companies would show a loss on this branch of their trading.

C.I.F. PRICES IN DRUMS AND CASES.

Information regarding c.i.f. prices of motor-spirit in first and second grades have been obtained from invoices of a number of independent importers. This information gives an index of the fall in prices during the period stated in respect of motor-spirit imported by this method :—

				First Grade.		Second Grade.	
				Cases.	Drums.	Cases.	Drums.
				Dollars.	Dollars.	Dollars.	Dollars.
1929.							
December 30th				2.47	11.69	2.35	11.03
1930.							
March 20th				2.32	10.86	2.20	10.20
March 28th				2.47	11.69	2.35	11.03
July 7th				2.32	10.86	..	..
August 30th				2.32	10.86	2.20	10.20
October 28th				2.16	9.98	2.04	9.32
1931.							
January 28th				2.16	9.98	2.04	9.32
February 24th				2.16	9.98	2.04	9.32
March 12th .. .. .				..	9.98	..	..
June 2nd				2.00	8.915	..	..
June 26th				1.80	8.28	..	..

Cases contain 8 imperial gallons, and drums 43½ imperial gallons.

The following table shows the duty paid, landed into store, cost of motor-spirit, and the selling-prices obtained by the several importers as at the 1st May, 1931 :—

Importing Company.				Cost into Store.		Basic Selling-price.	
				First Grade.	Second Grade.	First Grade.	Second Grade.
				s. d.	s. d.	s. d.	s. d.
A (cases)				1 9.47	1 8.72	1 10.4	1 9.75
B (cases)				1 11.50*	1 10.75*	1 11.75	1 10.75
(drums)				1 8.74*	1 6.75*	1 8.50	1 7.50
C (cases)				1 11.07	1 10.28	1 11.25	1 10.25
(drums)				1 8.40	1 7.55	1 11.25	1 10.25
D (cases)				1 10.25	1 9.47	1 11.25	1 10.25
(drums)				1 8.68	1 7.43	1 9	1 8
E (cases)				1 10.9	1 10.22	1 11.25	1 10.25
(drums)				1 7.50	1 6.75	1 8.5	1 7.75
F (drums)				1 7.77	..	1 9	..

* These figures include 1.6d. to provide for leakage, depreciation, salaries, &c.

The above figures show that the independent importers do not secure any very substantial margin of profit. In one or two instances above mentioned the margin must provide for the costs of what is virtually a retail distribution.

Importation of motor-spirit in bulk has many advantages from a cost point of view over imports in drums and cases. These may be briefly summarized as follows :—

- (1) Higher price for smaller quantity and filling.
- (2) Cost of container.
- (3) Extra freight charges. Motor-spirit in bulk is charged at 302 to 307 gallons per ton ; in cases, only 160 gallons ; drums, approximately, 150 gallons.
- (4) Extra store handling charges.
- (5) Increased amount of exchange due to (a) increased f.o.b. price, (b) cost of containers, (c) increased freight.
- (6) Increased wharfage rates. (See No. 3).

Omitting consideration of the f.o.b. value and exchange, both of which tend to be higher in the case of imports in drums as compared with bulk), the following figures are given to show the substantial