

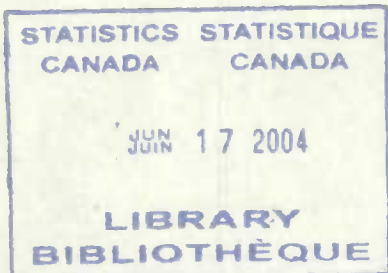
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CANADA



# CORPORATION PROFITS

## FIRST QUARTER, 1960

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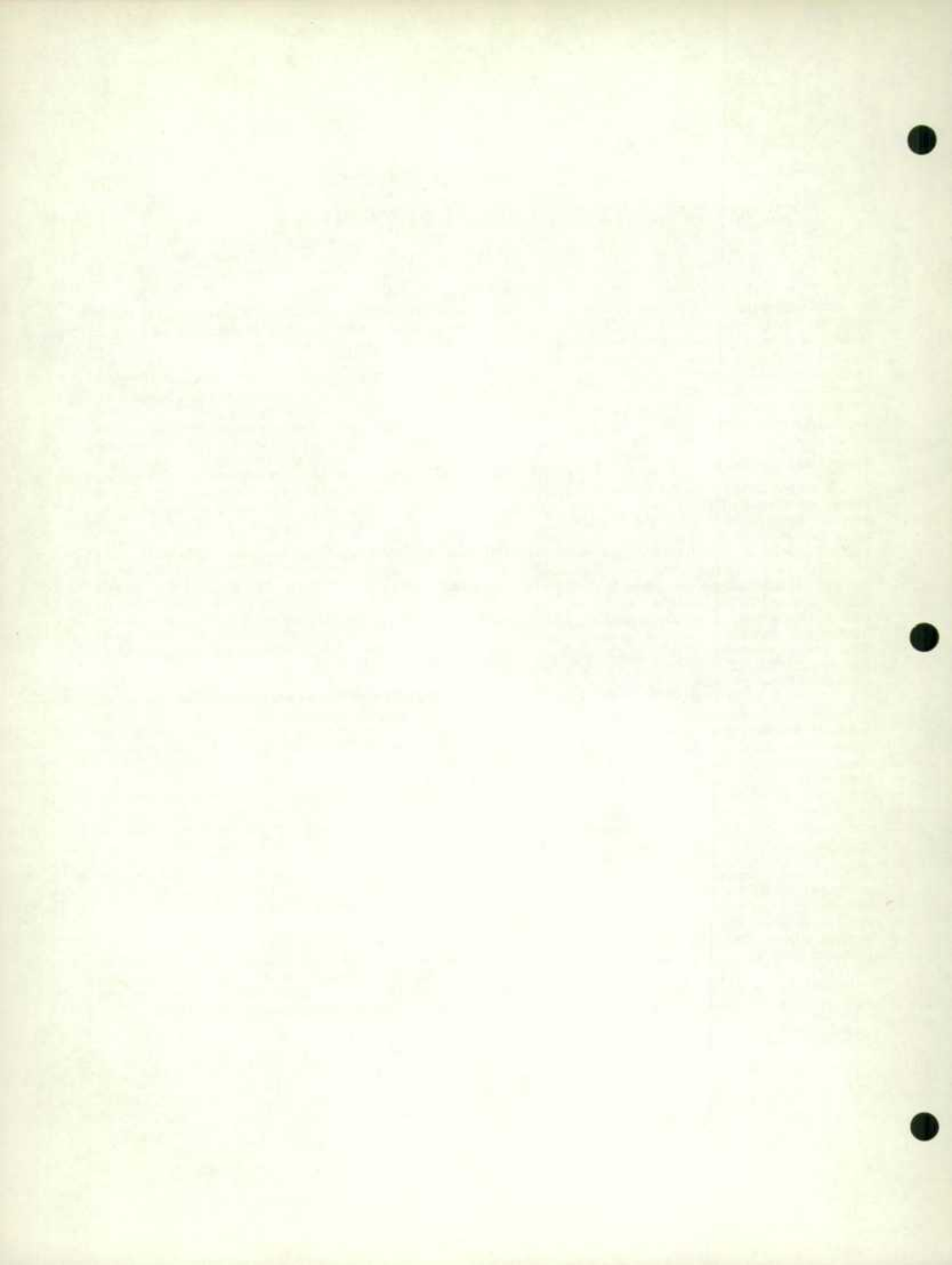
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# CORPORATION PROFITS

FIRST QUARTER, 1960

The estimates of corporation profits and other financial data contained in this report are the results of a sample survey of all companies incorporated in Canada, except Government-owned companies. Canadian unincorporated branches of foreign corporations are also included in the totals while foreign subsidiaries of Canadian corporations are excluded.

## Sources and Methods

In preparing the estimates, a stratified random sample of corporations is used together with the summary corporation statistics contained in "Taxation Statistics" published by the Department of National Revenue (Taxation Division). The figures in "Taxation Statistics" are on an annual basis and are available about two years after the year to which they refer. The sample results are used to allocate the annual totals by quarters, and current figures are obtained by projection from this base. This procedure ensures that profits are defined consistently for all corporations and improves the accuracy of the estimates.

Under the original design of the sample, estimates of profits would be within 3 per cent of the "true" figures 95 per cent of the time. However, since not all companies in the original sample are participating in the survey, the actual error is about 6 per cent. This error will be reduced as the number of companies in the sample increases.

## Definitions

The definitions of items contained in the report are based mainly on accounting definitions used by corporations. The term "profits" as used throughout this report means the total profits of all companies earning profits less the losses of all companies incurring losses.

Sales figures in "Taxation Statistics" are used as a base for projecting the estimates obtained from

the survey to provide current sales estimates. These sales figures contain investment income as well as income from operations.

Net earnings as used in this report are the total earnings, exclusive of Canadian dividends received, after all current charges except depletion, capital cost allowance, charitable donations and income tax liabilities. Canadian dividends received are excluded because earnings are computed before payment of dividends, and if receipt of these dividends were included they would be counted twice, once in the hands of the paying corporation and again in the hands of the receiving corporation.

Depletion charges are not deducted since, although these are properly a charge for individual firms, the exhaustion of natural resources should not be a charge against National Income. However, for the three groups for which depletion charges are significant—mining, wood products and paper products—depletion charges are shown separately in the tables.

Capital cost allowance as outlined in the tables reflects the amount of depreciation claimed for income tax purposes, and, therefore, may not be comparable to the amounts as shown by corporations in their own books.

Income tax liabilities are estimated quarterly and are based on figures supplied by reporting companies. Adjustments are made to the quarterly estimates to cover losses in prior quarters.

Depletion charges are based on the amounts reported by the companies and are not related to the data contained in "Taxation Statistics".

A more comprehensive description of the methods, sources and definitions is contained in the initial publication of this series, "Quarterly Corporation Profits, 1950-1954", issued by the Dominion Bureau of Statistics in March, 1955.

**TABLE 1. Seasonally Adjusted Quarterly Corporation Profits Before Taxes, by Industry, 1958 - 60<sup>1</sup>**

	1958					1959					1960
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q
	millions of dollars										
Mining, Quarrying and Oil Wells .....	55	57	66	75	253	77	87	72	99	335	94
Manufacturing:											
Foods and Beverages .....	56	57	56	59	228	63	61	60	65	249	56
Rubber Products .....	2	5	6	7	20	7	7	6	4	24	4
Textile Products .....	11	11	16	17	55	17	20	18	15	70	16
Wood Products .....	8	9	12	14	43	16	16	15	17	64	19
Paper Products .....	53	50	57	60	220	55	61	57	65	238	63
Printing, Publishing and Allied Industries .....	14	15	14	16	59	16	17	17	17	67	16
Iron and Steel Products .....	92	89	84	97	362	108	114	130	117	469	115
Non-Ferrous Metal Products .....	4	4	5	7	20	5	5	6	5	21	6
Electrical Apparatus and Supplies .....	20	13	13	15	61	17	17	21	17	72	22
Non-Metallic Mineral Products .....	16	15	18	20	69	16	16	18	18	68	10
Products of Petroleum and Coal .....	23	13	15	26	77	21	16	22	28	87	27
Chemical Products .....	24	25	27	30	106	32	32	33	32	129	34
Other Manufacturing Industries <sup>2</sup> .....	16	16	17	19	68	19	19	19	18	75	19
<b>Total</b> .....	<b>339</b>	<b>322</b>	<b>340</b>	<b>387</b>	<b>1,388</b>	<b>392</b>	<b>401</b>	<b>422</b>	<b>418</b>	<b>1,633</b>	<b>407</b>
Transportation, Storage and Communication .....	44	48	58	66	216	79	68	65	59	271	87
Public Utility Operation .....	17	16	18	18	69	21	19	20	22	82	24
Wholesale Trade .....	54	59	63	65	241	67	68	70	69	274	64
Retail Trade .....	56	49	55	59	219	61	59	55	56	231	48
Finance, Insurance and Real Estate .....	77	69	76	83	305	77	73	74	76	300	80
Service .....	18	18	18	19	73	17	19	18	20	74	18
Other Non-Manufacturing <sup>3</sup> .....	39	38	37	37	151	33	40	38	39	150	33
<b>Total All Industries</b> .....	<b>699</b>	<b>676</b>	<b>731</b>	<b>809</b>	<b>2,915</b>	<b>824</b>	<b>834</b>	<b>834</b>	<b>858</b>	<b>3,350</b>	<b>855</b>

<sup>1</sup> Table 1 has been amended for the four quarters of 1958 and 1959 to incorporate revisions made in the Finance, Insurance and Real Estate group.

Corporation profits as shown in this table are greater than those published in "National Accounts" by dividends paid abroad. There are also minor differences because recent revisions to the quarterly profits data have, for technical reasons, not yet been incorporated into the tabular framework of the National Accounts. For 1958 these amount to - \$15 million and for 1959 + \$24 million.

<sup>2</sup> Includes Tobacco, Leather and Miscellaneous Manufacturing Industries.

<sup>3</sup> Includes Agriculture, Forestry, Fishing and Construction.

**CORPORATION PROFITS--FIRST QUARTER, 1960**

Corporation profits after dividends paid abroad, at a seasonally adjusted quarterly rate of \$855 million, were relatively unchanged from the fourth to the first quarter but the aggregate figures conceal divergent trends in individual industries.

Wholesale and Retail Trade declined by 7 and 4 percent, respectively. The drop was particularly marked in the smaller corporations in Retail Trade. There was also a 5 per cent drop in the Mining, Quarrying and Oil Wells industry associated with a small drop in output. Profits in Manufacturing declined by more than 2 per cent, with a sizeable fall-off in Foods and Beverages and a sharp drop in Non-Metallic Mineral Products, the latter reflecting a decline in output of construction materials, principally glass and cement. Partly offsetting the decline noted above, was a major increase in Electrical Apparatus and Supplies and minor gains in other component groups.

Profits increased in a number of other industrial groups with particularly marked gains spread throughout the Transportation, Storage and Communication industry.

Comparing the first quarters of 1959 and 1960, seasonally adjusted total corporation profits rose by 4 per cent to \$855 million, about 2 per cent above the 1956 peak level of \$840 million. In Manufacturing the most significant gains were in the Products of Petroleum and Coal, where profits rose by \$6 million, or 28 per cent, to \$27 million, a reflection of better market conditions, and in Paper Products which rose by \$8 million, or 14 per cent, to \$63 million. On the other hand, profits in the Foods and Beverages industry declined by \$7 million, or 11 per cent, to \$56 million. As a result of these mixed movements and smaller movements elsewhere, Manufacturing profits as a whole rose by less than 4 per cent to \$407 million.

Outside the Manufacturing group of industries, the strongest gains were recorded in Mining, Quarrying and Oil Wells where profits increased by 22 per cent to \$94 million, in Transportation, Storage and Communication with a 10 per cent increase in profits to \$87 million, and in Public Utility Operations where profits rose 14 per cent to \$24 million. However, profits declined in Retail Trade by 21 per cent to \$48 million, and in Wholesale Trade by nearly 5 per cent to \$64 million.

While all the above comparisons have been based on the use of seasonally adjusted data, it has not yet

proved possible to seasonally adjust all the series included in this publication. In general, it is only possible to make comparisons for such data with the same quarter of the previous year. As can be seen from table 4, while profits before taxes rose over 4 per cent from the first quarter of 1959 to the first quarter of 1960, higher tax rates helped to raise tax liabilities by nearly 7 per cent to \$321 million, and, as a result profits after taxes rose less than 3 per cent to \$384 million. Net Earnings rose by 6 per cent to \$1,168 million and Capital Cost Allowance rose by 8 per cent to \$463 million. Details for individual industries can be found in Table 5.

### Notes on Seasonally Adjusted Corporate Profits Data

Estimates of seasonally adjusted corporate profits before taxes in industry detail are presented in this publication in order to facilitate the interpretation of underlying trends in the data. The profits of most Canadian industries show clearly defined seasonal patterns due to the influence of a variety of climatic and institutional factors such as the freezing of the Seaway during the winter months or the heavy consumer buying associated with the Christmas season. In dealing with time series in which such seasonal fluctuations occur, it is usually difficult to detect the basic underlying movements of the data since these are often obscured by the regular, repetitive seasonal pattern. Although the process of seasonal adjustment designed to "eliminate" such patterns can be carried out in approximate terms only, the resulting seasonally adjusted data do provide an important aid in the analysis of time series. By eliminating the seasonal movements, the underlying trend-cycle can be brought into sharper focus and studied in isolation.

The process of seasonal adjustment used in this table is essentially similar to that used in many other seasonally adjusted data published by D.B.S. Briefly the process is as follows: run a four quarter centered moving average through each series to be adjusted; on a chart plot the deviations of the original observations from the moving average for each of the first, second, third and fourth quarters; fit a curve to these deviations and from this read off the average deviations (seasonal factors) for each of the first, second, third and fourth quarters. The seasonally adjusted data are derived by dividing the original observations by the average seasonal factors determined as above. A fuller description of the problems and methods of seasonal adjustment is contained in *Seasonally Adjusted Economic Indicators, 1947-1955 (An Outline of Problems and Methods)* published as No. 77 in the Reference Paper series of the Dominion Bureau of Statistics.

TABLE 2. Summary - Quarterly Corporation Profits Before Taxes, by Industry, 1958-60<sup>1</sup>

	1958					1959					1960
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q
	millions of dollars										
Mining, Quarrying and Oil Wells .....	51	54	75	73	253	72	82	81	100	335	87
Manufacturing:											
Foods and Beverages .....	40	56	66	66	228	46	62	68	73	249	40
Rubber Products .....	1	6	6	7	20	4	9	7	4	24	2
Textile Products .....	11	10	15	19	55	18	18	17	17	70	15
Wood Products .....	5	12	13	13	43	11	22	15	16	64	12
Paper Products .....	43	53	57	67	220	45	65	57	71	238	51
Printing, Publishing and Allied Industries .....	12	20	11	16	59	13	23	14	17	67	13
Iron and Steel Products .....	73	114	74	101	362	91	144	113	121	469	93
Non-Ferrous Metal Products .....	4	5	5	6	20	5	6	5	5	21	6
Electrical Apparatus and Supplies .....	17	13	13	18	61	13	18	20	21	72	18
Non-Metallic Mineral Products .....	6	17	27	19	69	5	18	28	17	68	3
Products of Petroleum and Coal .....	24	10	14	29	77	22	12	18	35	87	32
Chemical Products .....	20	31	30	25	106	28	39	37	25	129	30
Other Manufacturing Industries <sup>2</sup> .....	14	16	20	18	68	17	18	23	17	75	16
<b>Total</b> .....	<b>270</b>	<b>363</b>	<b>351</b>	<b>404</b>	<b>1,388</b>	<b>318</b>	<b>454</b>	<b>422</b>	<b>439</b>	<b>1,633</b>	<b>331</b>
Transportation, Storage and Communication .....	30	50	72	64	216	54	73	84	60	271	65
Public Utility Operation .....	24	16	12	17	69	31	18	13	20	82	36
Wholesale Trade .....	40	65	73	63	241	49	76	83	66	274	46
Retail Trade .....	37	59	53	70	219	43	71	50	67	231	33
Finance, Insurance and Real Estate .....	78	79	73	75	305	77	83	71	69	300	78
Service .....	15	22	22	14	73	14	23	22	15	74	14
Other Non-Manufacturing <sup>3</sup> .....	21	44	53	33	151	17	47	53	33	150	15
<b>Total All Industries</b> .....	<b>566</b>	<b>752</b>	<b>784</b>	<b>813</b>	<b>2,915</b>	<b>675</b>	<b>927</b>	<b>879</b>	<b>869</b>	<b>3,350</b>	<b>705</b>

See footnotes below.

TABLE 3. Summary - Quarterly Corporation Profits After Taxes, by Industry, 1958-60<sup>1</sup>

	1958					1959					1960
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q
	millions of dollars										
Mining, Quarrying and Oil Wells .....	34	36	49	48	167	46	53	52	64	215	56
Manufacturing:											
Foods and Beverages .....	21	30	36	36	123	24	32	36	38	130	20
Rubber Products .....	1	3	3	4	11	2	5	4	2	13	1
Textile Products .....	6	6	8	11	31	10	10	10	9	39	8
Wood Products .....	3	7	7	7	24	6	13	9	9	37	6
Paper Products .....	23	28	30	35	116	23	33	29	37	122	26
Printing, Publishing and Allied Industries .....	7	11	6	9	33	7	12	8	9	36	7
Iron and Steel Products .....	39	61	40	55	195	49	77	60	64	250	50
Non-Ferrous Metal Products .....	2	3	3	3	11	3	3	3	3	12	4
Electrical Apparatus and Supplies .....	10	6	6	10	32	8	9	10	11	38	10
Non-Metallic Mineral Products .....	3	9	15	10	37	3	9	14	9	35	1
Products of Petroleum and Coal .....	15	6	9	18	48	14	8	11	22	55	19
Chemical Products .....	11	17	16	13	57	15	20	19	13	67	15
Other Manufacturing Industries <sup>2</sup> .....	7	9	11	10	37	9	10	13	9	41	8
<b>Total</b> .....	<b>148</b>	<b>196</b>	<b>190</b>	<b>221</b>	<b>755</b>	<b>173</b>	<b>241</b>	<b>226</b>	<b>235</b>	<b>875</b>	<b>175</b>
Transportation, Storage and Communication .....	17	27	40	35	119	28	38	44	31	141	34
Public Utility Operation .....	13	9	6	9	37	16	10	7	10	43	19
Wholesale Trade .....	22	37	41	35	135	27	42	46	37	152	24
Retail Trade .....	21	33	30	39	123	24	39	27	37	127	16
Finance, Insurance and Real Estate .....	44	45	41	43	173	42	46	39	38	165	43
Service .....	9	13	12	8	42	9	14	13	9	45	9
Other Non-Manufacturing <sup>3</sup> .....	12	24	30	18	84	9	25	29	18	81	8
<b>Total All Industries</b> .....	<b>320</b>	<b>420</b>	<b>439</b>	<b>456</b>	<b>1,635</b>	<b>374</b>	<b>508</b>	<b>483</b>	<b>479</b>	<b>1,844</b>	<b>384</b>

<sup>1</sup> Tables 2 and 3 have been amended to incorporate revisions made in the Finance, Insurance and Real Estate group.

<sup>2</sup> Includes Tobacco, Leather and Miscellaneous Manufacturing Industries.

<sup>3</sup> Includes Agriculture, Forestry, Fishing and Construction.



**TABLE 4. Quarterly Corporation Profits and Related Data, All Industries, 1958 - 60<sup>1</sup>**

	1958					1959					1960
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q
	millions of dollars										
Net Earnings .....	1,001	1,220	1,258	1,286	4,765	1,105	1,414	1,387	1,380	5,286	1,168
Less: Capital Cost Allowance ....	435	468	474	473	1,850	430	487	508	511	1,936	463
Profits Before Taxes .....	566	752	784	813	2,915	675	927	879	869	3,350	705
Less: Income Tax Liabilities ....	246	332	345	357	1,280	301	419	396	390	1,506	321
Profits After Taxes .....	320	420	439	456	1,635	374	508	483	479	1,844	384

<sup>1</sup> This Table has been amended to incorporate revisions made in the Finance, Insurance and Real Estate group.

**TABLE 5. Quarterly Corporation Profits and Related Data, by Industry, 1958 - 60**

	Mining, Quarrying and Oil Wells										
	1958					1959					1960
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q
	millions of dollars										
Sales .....	508	525	564	521	2,118	536	578	614	631	2,359	598
Net Earnings .....	107	103	127	110	447	127	140	148	149	564	147
Less: Capital Cost Allowance ....	56	49	52	37	194	55	58	67	49	229	60
Profits Before Taxes .....	51	54	75	73	253	72	82	81	100	335	87
Less: Income Tax Liabilities ....	17	18	26	25	86	26	29	29	36	120	31
Profits After Taxes .....	34	36	49	48	167	46	53	52	64	215	56
Depletion Charged .....	8	6	8	10	32	9	7	8	10	34	10
	Food and Beverages										
	1958					1959					1960
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q
	millions of dollars										
Sales .....	886	1,028	1,084	1,112	4,110	943	1,045	1,167	1,166	4,321	957
Net Earnings .....	58	74	85	87	304	65	81	89	95	330	60
Less: Capital Cost Allowance ....	18	18	19	21	76	19	19	21	22	81	20
Profits Before Taxes .....	40	56	66	66	228	46	62	68	73	249	40
Less: Income Tax Liabilities ....	19	26	30	30	105	22	30	32	35	119	20
Profits After Taxes .....	21	30	36	36	123	24	32	36	38	130	20
	Rubber Products										
	1958					1959					1960
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q
	millions of dollars										
Sales .....	75	95	94	96	360	86	112	103	100	401	90
Net Earnings .....	4	9	10	10	33	7	12	11	7	37	5
Less: Capital Cost Allowance ....	3	3	4	3	13	3	3	4	3	13	3
Profits Before Taxes .....	1	6	6	7	20	4	9	7	4	24	2
Less: Income Tax Liabilities ....	—	3	3	3	9	2	4	3	2	11	1
Profits After Taxes .....	1	3	3	4	11	2	5	4	2	13	1

**Note:** 1. Depletion charges have not been deducted from profits.  
2. Canadian Dividends Received are not included in profits.

TABLE 5. Quarterly Corporation Profits and Related Data, by Industry, 1958 - 60 - Continued

	Textile Products										
	1958					1959					1960
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q
	millions of dollars										
Sales.....	366	375	388	421	1,550	396	409	415	422	1,642	404
Net Earnings .....	19	18	22	27	86	25	26	24	25	100	22
Less: Capital Cost Allowance ....	8	8	7	8	31	7	8	7	8	30	7
Profits Before Taxes .....	11	10	15	19	55	18	18	17	17	70	15
Less: Income Tax Liabilities .....	5	4	7	8	24	8	8	7	8	31	7
Profits After Taxes .....	6	6	8	11	31	10	10	10	9	39	8
	Wood Products										
	1958					1959					1960
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q
	millions of dollars										
Sales.....	335	424	466	431	1,656	370	498	461	446	1,775	386
Net Earnings .....	17	24	25	25	91	23	34	27	28	112	26
Less: Capital Cost Allowance ....	12	12	12	12	48	12	12	12	12	48	14
Profits Before Taxes .....	5	12	13	13	43	11	22	15	16	64	12
Less: Income Tax Liabilities .....	2	5	6	6	19	5	9	6	7	27	6
Profits After Taxes .....	3	7	7	7	24	6	13	9	9	37	6
Depletion Charged .....	1	1	1	1	4	1	1	1	1	4	1
	Paper Products										
	1958					1959					1960
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q
	millions of dollars										
Sales.....	439	486	487	483	1,895	456	536	519	530	2,041	508
Net Earnings .....	70	81	85	95	331	72	93	87	99	351	79
Less: Capital Cost Allowance ....	27	28	28	28	111	27	28	30	28	113	28
Profits Before Taxes .....	43	53	57	67	220	45	65	57	71	238	51
Less: Income Tax Liabilities .....	20	25	27	32	104	22	32	28	34	116	25
Profits After Taxes .....	23	28	30	35	116	23	33	29	37	122	26
Depletion Charged .....	1	1	1	1	4	1	1	1	1	4	1
	Printing, Publishing and Allied Industries										
	1958					1959					1960
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q
	millions of dollars										
Sales.....	170	188	175	188	721	185	203	186	207	781	196
Net Earnings .....	17	26	17	21	81	18	29	20	22	89	18
Less: Capital Cost Allowance ....	5	6	6	5	22	5	6	6	5	22	5
Profits Before Taxes .....	12	20	11	16	59	13	23	14	17	67	13
Less: Income Tax Liabilities .....	5	9	5	7	26	6	11	6	8	31	6
Profits After Taxes .....	7	11	6	9	33	7	12	8	9	36	7

Note: 1. Depletion charges have not been deducted from profits.  
 2. Canadian Dividends Received are not included in profits.

TABLE 5. Quarterly Corporation Profits and Related Data, by Industry, 1958-60 - Continued

	Iron and Steel Products										
	1958					1959					1960
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q
	millions of dollars										
Sales .....	1,302	1,555	1,343	1,453	5,653	1,372	1,650	1,510	1,579	6,111	1,476
Net Earnings .....	115	161	114	153	543	135	191	153	170	649	144
Less: Capital Cost Allowance ..	42	47	40	52	181	44	47	40	49	180	51
Profits Before Taxes .....	73	114	74	101	362	91	144	113	121	469	93
Less: Income Tax Liabilities ....	34	53	34	46	167	42	67	53	57	219	43
Profits After Taxes .....	39	61	40	55	195	49	77	60	64	250	50
	Non-Ferrous Metal Products										
	1958					1959					1960
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q
	millions of dollars										
Sales .....	171	185	191	186	733	175	201	189	214	779	203
Net Earnings .....	23	23	29	19	94	16	23	18	23	80	23
Less: Capital Cost Allowance ..	19	18	24	13	74	11	17	13	18	59	17
Profits Before Taxes .....	4	5	5	6	20	5	6	5	5	21	6
Less: Income Tax Liabilities ....	2	2	2	3	9	2	3	2	2	9	2
Profits After Taxes .....	2	3	3	3	11	3	3	3	3	12	4
	Electrical Apparatus and Supplies										
	1958					1959					1960
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q
	millions of dollars										
Sales .....	297	294	293	310	1,194	275	307	317	330	1,229	300
Net Earnings .....	24	19	19	24	86	20	24	26	27	97	26
Less: Capital Cost Allowance ..	7	6	6	6	25	7	6	6	6	25	8
Profits Before Taxes .....	17	13	13	18	61	13	18	20	21	72	18
Less: Income Tax Liabilities ....	7	7	7	8	29	5	9	10	10	34	8
Profits After Taxes .....	10	6	6	10	32	8	9	10	11	38	10
	Non-Metallic Mineral Products										
	1958					1959					1960
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q
	millions of dollars										
Sales .....	108	153	184	168	613	114	160	189	166	629	117
Net Earnings .....	13	25	35	29	102	11	26	36	27	100	9
Less: Capital Cost Allowance ..	7	8	8	10	33	6	8	8	10	32	6
Profits Before Taxes .....	6	17	27	19	69	5	18	28	17	68	3
Less: Income Tax Liabilities ....	3	8	12	9	32	2	9	14	8	33	2
Profits After Taxes .....	3	9	15	10	37	3	9	14	9	35	1

Note: 1. Depletion charges have not been deducted from profits.  
 2. Canadian Dividends Received are not included in profits.

TABLE 5. Quarterly Corporation Profits and Related Data, by Industry, 1958 - 60 - Continued

	Products of Petroleum and Coal										
	1958					1959					1960
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q
	millions of dollars										
Sales .....	395	393	420	462	1,670	442	401	442	483	1,768	439
Net Earnings .....	49	34	40	50	173	51	39	48	53	191	60
Less: Capital Cost Allowance .....	25	24	26	21	96	29	27	30	18	104	28
Profits Before Taxes .....	24	10	14	29	77	22	12	18	35	87	32
Less: Income Tax Liabilities .....	9	4	5	11	29	8	4	7	13	32	13
Profits After Taxes .....	15	6	9	18	48	14	8	11	22	55	19
	Chemical Products										
	1958					1959					1960
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q
	millions of dollars										
Sales .....	303	358	352	341	1,354	325	391	379	353	1,448	349
Net Earnings .....	33	46	46	42	167	41	53	53	44	191	44
Less: Capital Cost Allowance .....	13	15	16	17	61	13	14	16	19	62	14
Profits Before Taxes .....	20	31	30	25	106	28	39	37	25	129	30
Less: Income Tax Liabilities .....	9	14	14	12	49	13	19	18	12	62	15
Profits After Taxes .....	11	17	16	13	57	15	20	19	13	67	15
	Other Manufacturing Industries*										
	1958					1959					1960
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q
	millions of dollars										
Sales .....	228	240	249	248	965	251	268	280	267	1,066	259
Net Earnings .....	17	19	24	22	82	20	21	27	22	90	19
Less: Capital Cost Allowance .....	3	3	4	4	14	3	3	4	5	15	3
Profits Before Taxes .....	14	16	20	18	68	17	18	23	17	75	16
Less: Income Tax Liabilities .....	7	7	9	8	31	8	8	10	8	34	8
Profits After Taxes .....	7	9	11	10	37	9	10	13	9	41	8
	Total - Manufacturing										
	1958					1959					1960
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1960
	millions of dollars										
Sales .....	5,075	5,774	5,726	5,899	22,474	5,390	6,181	6,157	6,263	23,991	5,684
Net Earnings .....	459	559	551	604	2,173	504	652	619	642	2,417	535
Less: Capital Cost Allowance .....	189	196	200	200	785	186	198	197	203	784	204
Profits Before Taxes .....	270	363	351	404	1,388	318	454	422	439	1,633	331
Less: Income Tax Liabilities .....	122	167	161	183	633	145	213	196	204	758	156
Profits After Taxes .....	148	196	190	221	755	173	241	226	235	875	175

Note: 1. Depletion charges have not been deducted from profits.  
2. Canadian Dividends Received are not included in profits.

\* Other Manufacturing Industries includes Tobacco and Leather Products in addition to the Standard Industrial Classification group entitled "Miscellaneous Manufacturing Industries".

TABLE 5. Quarterly Corporation Profits and Related Data, by Industry, 1958 - 60 - Continued

	Transportation, Storage and Communication										
	1958					1959					1960
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q
	millions of dollars										
Sales .....	616	688	727	732	2,763	681	749	798	777	3,005	713
Net Earnings.....	109	137	152	153	551	128	164	181	166	639	145
Less: Capital Cost Allowance .....	79	87	80	89	335	74	91	97	106	368	80
Profits Before Taxes.....	30	50	72	64	216	54	73	84	60	271	65
Less: Income Tax Liabilities .....	13	23	32	29	97	26	35	40	29	130	31
Profits After Taxes .....	17	27	40	35	119	28	38	44	31	141	34
	Public Utility Operation										
	1958					1959					1960
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q
	millions of dollars										
Sales .....	124	101	92	119	436	149	115	103	135	502	166
Net Earnings.....	49	39	33	43	164	58	44	36	47	185	64
Less: Capital Cost Allowance .....	25	23	21	26	95	27	26	23	27	103	28
Profits Before Taxes.....	24	16	12	17	69	31	18	13	20	82	36
Less: Income Tax Liabilities .....	11	7	6	8	32	15	8	6	10	39	17
Profits After Taxes .....	13	9	6	9	37	16	10	7	10	43	19
	Wholesale Trade										
	1958					1959					1960
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q
	millions of dollars										
Sales .....	2,296	2,647	2,677	2,773	10,393	2,421	2,914	2,936	2,914	11,185	2,582
Net Earnings.....	60	85	95	89	329	69	96	107	92	364	67
Less: Capital Cost Allowance .....	20	20	22	26	88	20	20	24	26	90	21
Profits Before Taxes.....	40	65	73	63	241	49	76	83	66	274	46
Less: Income Tax Liabilities .....	18	28	32	28	106	22	34	37	29	122	22
Profits After Taxes .....	22	37	41	35	135	27	42	46	37	152	24
	Retail Trade										
	1958					1959					1960
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q
	millions of dollars										
Sales .....	1,947	2,307	2,079	2,217	8,550	2,134	2,485	2,258	2,278	9,155	2,118
Net Earnings.....	55	78	73	94	300	62	91	71	94	318	54
Less: Capital Cost Allowance .....	18	19	20	24	81	19	20	21	27	87	21
Profits Before Taxes.....	37	59	53	70	219	43	71	50	67	231	33
Less: Income Tax Liabilities .....	16	26	23	31	96	19	32	23	30	104	17
Profits After Taxes .....	21	33	30	39	123	24	39	27	37	127	16

Note: 1. Depletion charges have not been deducted from profits.  
 2. Canadian Dividends Received are not included in profits.

TABLE 5. Quarterly Corporation Profits and Related Data, by Industry, 1958 - 60 - Concluded

	Finance, Insurance and Real Estate*										
	1958					1959					1960
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q
	millions of dollars										
Net Earnings .....	98	102	95	103	398	98	106	94	100	398	100
Less: Capital Cost Allowance ....	20	23	22	28	93	21	23	23	31	98	22
Profits Before Taxes .....	78	79	73	75	305	77	83	71	69	300	78
Less: Income Tax Liabilities .....	34	34	32	32	132	35	37	32	31	135	35
Profits After Taxes .....	44	45	41	43	173	42	46	39	38	165	43
	Service										
	1958					1959					1960
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q
	millions of dollars										
Net Earnings .....	29	37	37	31	134	28	39	37	32	136	29
Less: Capital Cost Allowance ....	14	15	15	17	61	14	16	15	17	62	15
Profits Before Taxes .....	15	22	22	14	73	14	23	22	15	74	14
Less: Income Tax Liabilities .....	6	9	10	6	31	5	9	9	6	29	5
Profits After Taxes .....	9	13	12	8	42	9	14	13	9	45	9
	Other Non-Manufacturing**										
	1958					1959					1960
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q
	millions of dollars										
Net Earnings .....	35	80	95	59	269	31	82	94	58	265	27
Less: Capital Cost Allowance ....	14	36	42	26	118	14	35	41	25	115	12
Profits Before Taxes .....	21	44	53	33	151	17	47	53	33	150	15
Less: Income Tax Liabilities .....	9	20	23	15	67	8	22	24	15	69	7
Profits After Taxes .....	12	24	30	18	84	9	25	29	18	81	8

Note: 1. Depletion charges have not been deducted from profits.  
 2. Canadian Dividends Received are not included in profits.

\*The Finance, Insurance and Real Estate group has been amended from the first quarter of 1958 to the fourth quarter of 1959 inclusive to incorporate a revision in the estimates as well as a Balance of Payments adjustment.

\*\*Other Non-Manufacturing includes Agriculture, Forestry, Fishing and Construction.

### INDUSTRIAL CLASSIFICATION

The classification used in this report is based on the Standard Industrial Classification as printed in the Dominion Bureau of Statistics publication "Standard Industrial Classification Manual". The groups, with the Standard Industrial Classification code, are listed below:

Published Groupings	Major Standard Industrial Classification Groupings	S.I.C. Code No.
Mining, Quarrying and Oil Wells .....	Metal Mining .....	100 - 119
	Fuels .....	120 - 129
	Non-Metal Mining .....	130 - 149
	Quarrying, Clay and Sand Pits .....	150 - 169
	Prospecting .....	170 - 199
<b>Manufacturing:</b>		
Foods and Beverages .....	Foods and Beverages .....	200 - 229
Rubber Products .....	Rubber Products .....	236 - 239
Textile Products .....	Textile Products (except Clothing) .....	250 - 269
	Clothing (Textile and Fur) .....	270 - 279
Wood Products .....	Wood Products .....	280 - 289
Paper Products .....	Paper Products .....	290 - 299
Printing, Publishing and Allied Industries .....	Printing, Publishing and Allied Industries .....	300 - 309
Iron and Steel Products .....	Iron and Steel Products .....	310 - 329
	Transportation Equipment .....	330 - 339
Non-Ferrous Metal Products .....	Non-Ferrous Metal Products .....	340 - 349
Electrical Apparatus and Supplies .....	Electrical Apparatus and Supplies .....	350 - 359
Non-Metallic Mineral Products .....	Non-Metallic Mineral Products .....	360 - 369
Products of Petroleum and Coal .....	Products of Petroleum and Coal .....	370 - 379
Chemical Products .....	Chemical Products .....	380 - 389
	Miscellaneous Manufacturing Industries .....	390 - 399
Other Manufacturing Industries .....	Tobacco and Tobacco Products .....	230 - 235
	Leather Products .....	240 - 249
Transportation, Storage and Communication .....	Transportation .....	500 - 519
	Storage .....	520 - 539
	Communication .....	540 - 599
Public Utility Operation <sup>1</sup> .....	Public Utility Operation <sup>1</sup> .....	600 - 699
Wholesale Trade .....	Trade: Wholesale Trade .....	700 - 729
Retail Trade .....	Trade: Retail Trade .....	730 - 799
Finance, Insurance and Real Estate .....	Finance, Insurance and Real Estate .....	800 - 899
Service .....	Community or Public Service .....	900 - 909
	Recreation Service .....	920 - 929
	Business Service .....	930 - 939
	Personal Service .....	940 - 949
Other Non-Manufacturing .....	Agriculture .....	000 - 079
	Forestry .....	080 - 089
	Fishing and Trapping .....	090 - 099
	Construction .....	400 - 499

<sup>1</sup> Includes electric light and power, gas manufacture and distribution, water and sanitary services and other public utilities such as steam heat and power distribution.

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