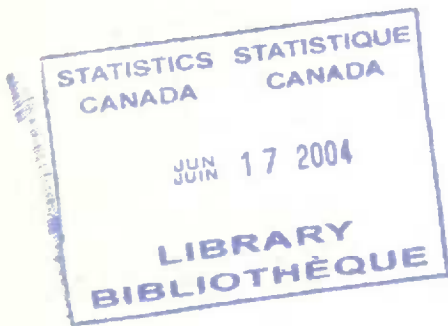


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QUARTERLY



CORPORATION PROFITS  
SECOND QUARTER 1966

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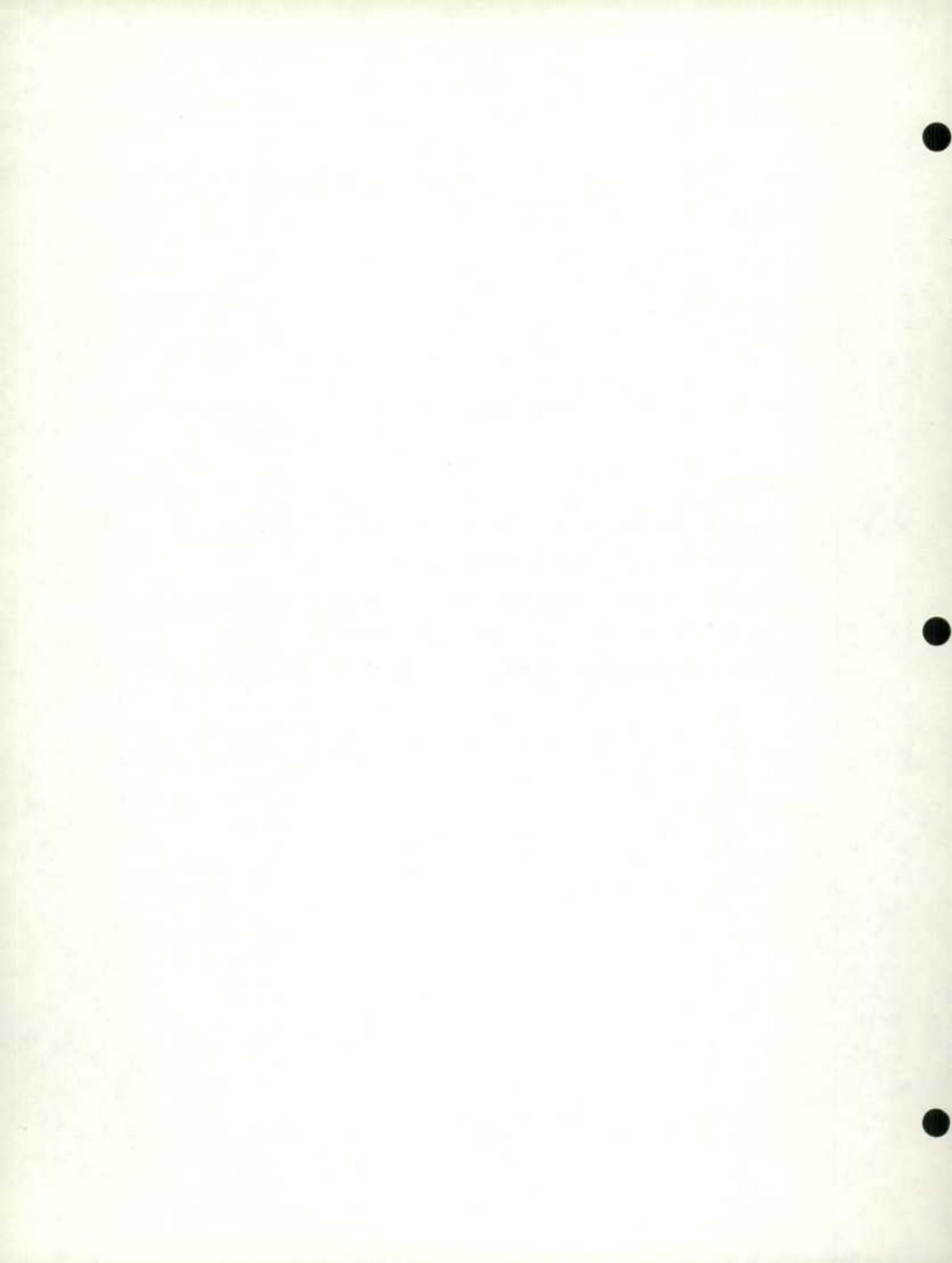
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# CORPORATION PROFITS

## SECOND QUARTER 1966

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 based on figures supplied by reporting companies.

**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, 1965 - 66**

	1965					1966		6 months 1966	6 months 1965
	1 Q	2 Q	3 Q	4 Q	Total	1 Q	2 Q		
millions of dollars									
Mines, Quarries and Oil Wells .....	142	153	155	152	602	151	158	309	295
Manufacturing Industries:									
Food and Beverage Industries .....	93	93	92	92	370	99	88	187	186
Rubber Industries .....	7	7	8	10	32	9	8	17	14
Textile Industries .....	22	21	23	20	86	25	14	39	43
Wood Industries .....	27	25	32	35	119	52	39	91	52
Paper and Allied Industries .....	65	62	58	50	235	38	54	92	127
Printing, Publishing and Allied Industries....	23	24	21	20	88	23	21	44	47
Primary Metal Industries .....	194	189	203	192	778	198	190	388	383
Metal Fabricating Industries .....									
Machinery Industries .....									
Transportation Equipment Industries .....									
Electrical Products Industries .....	28	24	28	31	111	30	30	60	52
Non-metallic Mineral Products Industries .....	20	27	25	24	96	21	22	43	47
Petroleum and Coal Products Industries .....	31	35	35	30	131	37	48	85	66
Chemical and Chemical Products Industries .....	51	56	57	56	220	65	59	124	107
Other Manufacturing Industries <sup>1</sup> .....	26	26	25	28	105	29	26	55	52
<b>Totals</b> .....	<b>587</b>	<b>589</b>	<b>607</b>	<b>588</b>	<b>2,371</b>	<b>626</b>	<b>599</b>	<b>1,225</b>	<b>1,176</b>
Transportation .....	121	127	132	156	536	120	144	264	248
Storage .....									
Communication .....									
Electric Power, Gas and Water Utilities .....	22	21	24	25	92	23	23	46	43
Wholesale Trade .....	89	93	92	104	378	121	103	224	182
Retail Trade .....	72	77	86	77	312	80	66	146	149
Finance, Insurance and Real Estate .....	167	159	175	159	660	154	164	318	326
Service Industries .....	37	36	41	38	152	52	49	101	73
Other Non-manufacturing <sup>2</sup> .....	23	23	24	26	96	15	24	39	46
<b>Totals, All Industries</b> .....	<b>1,260</b>	<b>1,278</b>	<b>1,336</b>	<b>1,325</b>	<b>5,199</b>	<b>1,342</b>	<b>1,330</b>	<b>2,672</b>	<b>2,538</b>

<sup>1</sup> Includes Tobacco, Leather and Miscellaneous Manufacturing Industries.

<sup>2</sup> Includes Agriculture, Forestry, Fishing and Construction.

**Corporation Profits - Second Quarter 1966**

Corporation profits before taxes, seasonally adjusted, are estimated at \$1,330 million for the second quarter of 1966, a slight decrease of 0.9 per cent from the revised first quarter estimates of \$1,342 million.

The Manufacturing sector decreased by 4 per cent, from a revised \$626 million in the first quarter of 1966 to \$599 million in the second quarter of 1966. Within this sector, eight industry groups showed a decrease, three showed an increase while one group remained unchanged. Food and Beverage Industries dropped by 12 per cent; Rubber Industries by 11 per cent; Textile Industries by 44 per cent; Wood Industries by 25 per cent; Printing, Publishing and Allied Industries by 9 per cent; Metal Industries (Primary Metal, Metal Fabricating, Machinery Equipment and Transportation Equipment) by 4 per cent; Chemical and Chemical Products Industries by 9 per cent and Other Manufacturing Industries by 10 per cent. The three industry groups showing an increase in profits from the first to the second quarters were: Paper and Allied Industries 42 per

cent, Non-metallic Mineral Products Industries 5 per cent and Petroleum and Coal Products Industries 30 per cent. Electrical Products Industries remained unchanged.

In the Non-manufacturing Sector Mines, Quarries and Oil Wells, Transportation, Storage and Communication, Finance, Insurance and Real Estate and Other Non-manufacturing reflected an increase in profits of 5, 20, 7 and 60 per cent respectively while Wholesale Trade, Retail Trade and Service Industries reflected a decrease of 15, 18 and 6 per cent respectively. No change occurred in Electric Power, Gas and Water Utilities.

In comparison with the first six months seasonally adjusted totals of 1965 and 1966, twelve industries showed a decrease and eight an increase in profits. The profits totals for all industries for the first six months of 1966 increased by 5 per cent over the first six months of 1965 after adjustment for seasonal variations.



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 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 DBS. 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 of Quarterly Corporation Profits Before Taxes, by Industries, 1965 - 66

	1965					1966		6 months 1966	6 months 1965
	1 Q	2 Q	3 Q	4 Q	Total	1 Q	2 Q		
	millions of dollars								
Mines, Quarries and Oil Wells.....	126	158	160	158	602	133	164	297	284
Manufacturing Industries:									
Food and Beverage Industries.....	77	85	105	103	370	84	78	162	162
Rubber Industries .....	1	12	7	12	32	3	12	15	13
Textile Industries .....	21	21	17	27	86	24	14	38	42
Wood Industries .....	14	27	49	29	119	28	35	63	41
Paper and Allied Industries.....	55	69	58	53	235	31	60	91	124
Printing, Publishing and Allied Industries ...	21	29	19	19	88	23	26	49	50
Primary Metal Industries .....	51	60	66	57	234	57	55	112	111
Metal Fabricating Industries .....	23	33	37	57	150	29	41	70	56
Machinery Industries.....	41	41	35	43	160	48	48	96	82
Transportation Equipment Industries .....	83	112	4	35	234	80	103	183	195
Electrical Products Industries .....	20	24	24	43	111	22	28	50	44
Non-metallic Mineral Products Industries.....	5	29	35	27	96	6	24	30	34
Petroleum and Coal Products Industries.....	31	28	35	37	131	36	41	77	59
Chemical and Chemical Products Industries	38	70	64	48	220	50	74	124	108
Other Manufacturing Industries <sup>1</sup> .....	21	25	24	35	105	25	26	51	46
<b>Totals</b> .....	<b>502</b>	<b>665</b>	<b>579</b>	<b>625</b>	<b>2,371</b>	<b>546</b>	<b>665</b>	<b>1,211</b>	<b>1,167</b>
Transportation .....	32	71	88	115	306	25	89	114	103
Storage .....	2	1	8	5	16	1	2	3	3
Communication.....	48	50	58	58	214	51	49	100	98
Electric Power, Gas and Water Utilities.....	43	20	5	24	92	44	21	65	63
Wholesale Trade .....	64	104	95	115	378	88	115	203	168
Retail Trade.....	46	79	74	113	312	51	68	119	125
Finance, Insurance and Real Estate .....	152	193	175	140	660	136	193	329	345
Service Industries .....	29	40	52	31	152	42	54	96	69
Other Non-manufacturing <sup>2</sup> .....	11	28	36	21	96	7	29	36	39
<b>Totals, All Industries</b> .....	<b>1,055</b>	<b>1,409</b>	<b>1,330</b>	<b>1,405</b>	<b>5,199</b>	<b>1,124</b>	<b>1,449</b>	<b>2,573</b>	<b>2,464</b>

<sup>1</sup> Includes Tobacco, Leather and Miscellaneous Manufacturing Industries.

<sup>2</sup> Includes Agriculture, Forestry, Fishing and Construction.

TABLE 3. Summary of Quaterly Corporation Profits After Taxes, by Industry, 1965 - 66

	1965					1966		6 months 1966	6 months 1965
	1 Q	2 Q	3 Q	4 Q	Total	1 Q	2 Q		
millions of dollars									
Mines, Quarries and Oil Wells .....	90	110	115	113	428	97	118	215	200
Manufacturing Industries:									
Food and Beverage Industries .....	40	45	60	59	204	45	36	81	85
Rubber Industries .....	—	7	4	7	18	1	6	7	7
Textile Industries .....	14	14	12	18	58	17	8	25	28
Wood Industries .....	8	13	31	15	67	19	15	34	21
Paper and Allied Industries .....	26	38	20	27	111	15	30	45	64
Printing, Publishing and Allied Industries .....	11	19	9	10	49	12	15	27	30
Primary Metal Industries .....	27	33	48	43	151	39	32	71	60
Metal Fabricating Industries .....	10	18	19	35	82	11	23	34	28
Machinery Industries .....	26	27	18	25	96	32	34	66	53
Transportation Equipment .....	50	62	6	13	131	46	65	111	112
Electrical Products Industries .....	10	14	15	25	64	11	15	26	24
Non-metallic Mineral Products Industries .....	2	17	21	18	58	3	13	16	19
Petroleum and Coal Products Industries .....	18	17	25	25	85	23	24	47	35
Chemical and Chemical Products Industries .....	22	41	35	27	125	29	41	70	63
Other Manufacturing Industries <sup>1</sup> .....	11	14	12	19	56	13	13	26	25
<b>Totals</b> .....	<b>275</b>	<b>379</b>	<b>335</b>	<b>366</b>	<b>1,355</b>	<b>316</b>	<b>370</b>	<b>686</b>	<b>654</b>
Transportation .....	22	42	48	70	182	16	53	69	64
Storage .....	1	—	5	—	6	1	1	2	1
Communication .....	22	24	28	30	104	23	23	46	46
Electric Power, Gas and Water Utilities .....	23	9	3	13	48	24	9	33	32
Wholesale Trade .....	38	57	56	60	211	55	60	115	95
Retail Trade .....	26	44	41	56	167	30	36	66	70
Finance, Insurance and Real Estate .....	90	128	112	74	404	77	120	197	218
Service Industries .....	18	27	32	21	98	30	35	65	45
Other Non-manufacturing <sup>2</sup> .....	3	9	11	9	32	3	17	20	12
<b>Totals, All Industries</b> .....	<b>608</b>	<b>829</b>	<b>786</b>	<b>812</b>	<b>3,035</b>	<b>672</b>	<b>842</b>	<b>1,514</b>	<b>1,437</b>

<sup>1</sup> Includes Tobacco, Leather and Miscellaneous Manufacturing Industries.

<sup>2</sup> Includes Agriculture, Forestry, Fishing and Construction.

TABLE 4. Quarterly Corporation Profits and Related Data, All Industries, 1965 - 66

	1965					1966		6 months 1966	6 months 1965
	1 Q	2 Q	3 Q	4 Q	Total	1 Q	2 Q		
millions of dollars									
Net Earnings .....	1,774	2,187	2,101	2,253	8,315	1,912	2,315	4,227	3,961
Less: Capital Cost Allowance .....	719	778	771	848	3,116	788	866	1,654	1,497
Profits Before Taxes .....	1,055	1,409	1,330	1,405	5,199	1,124	1,449	2,573	2,464
Less: Income Tax Liabilities .....	447	580	544	593	2,164	452	607	1,059	1,027
Profits After Taxes .....	608	829	786	812	3,035	672	842	1,514	1,437



TABLE 5. Quarterly Corporation Profits and Related Data, by Industry, 1965 - 66

	Mines, Quarries and Oil Wells								
	1965					1966		6 months 1966	6 months 1965
	1 Q	2 Q	3 Q	4 Q	Total	1 Q	2 Q		
	millions of dollars								
Sales .....	850	896	866	901	3,513	939	938	1,877	1,746
Net Earnings .....	201	246	228	218	893	209	260	469	447
Less: Capital Cost Allowance .....	75	88	68	60	291	76	96	172	163
Profits Before Taxes .....	126	158	160	158	602	133	164	297	284
Less: Income Tax Liabilities .....	36	48	45	45	174	36	46	82	84
Profits After Taxes .....	90	110	115	113	428	97	118	215	200
Depletion Charged .....	16	18	16	20	70	18	20	38	34
	Food and Beverage Industries								
	1965					1966		6 months 1966	6 months 1965
	1 Q	2 Q	3 Q	4 Q	Total	1 Q	2 Q		
	millions of dollars								
Sales .....	1,396	1,572	1,612	1,799	6,379	1,541	1,703	3,244	2,968
Net Earnings .....	111	121	148	140	520	115	120	235	232
Less: Capital Cost Allowance .....	34	36	43	37	150	31	42	73	70
Profits Before Taxes .....	77	85	105	103	370	84	78	162	162
Less: Income Tax Liabilities .....	37	40	45	44	166	39	42	81	77
Profits After Taxes .....	40	45	60	59	204	45	36	81	85
	Rubber Industries								
	1965					1966		6 months 1966	6 months 1965
	1 Q	2 Q	3 Q	4 Q	Total	1 Q	2 Q		
	millions of dollars								
Sales .....	115	152	159	176	602	141	170	311	267
Net Earnings .....	6	18	12	18	54	10	22	32	24
Less: Capital Cost Allowance .....	5	6	5	6	22	7	10	17	11
Profits Before Taxes .....	1	12	7	12	32	3	12	15	13
Less: Income Tax Liabilities .....	1	5	3	5	14	2	6	8	6
Profits After Taxes .....	-	7	4	7	18	1	6	7	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, 1965 - 66 - Continued

	Textile Industries								
	1965					1966		6 months 1966	6 months 1965
	1 Q	2 Q	3 Q	4 Q	Total	1 Q	2 Q		
	millions of dollars								
Sales .....	600	634	616	713	2,563	672	675	1,347	1,234
Net Earnings .....	38	46	34	58	176	42	44	86	84
Less: Capital Cost Allowance .....	17	25	17	31	90	18	30	48	42
Profits Before Taxes .....	21	21	17	27	86	24	14	38	42
Less: Income Tax Liabilities .....	7	7	5	9	28	7	6	13	14
Profits After Taxes .....	14	14	12	18	58	17	8	25	28
	Wood Industries								
	1965					1966		6 months 1966	6 months 1965
	1 Q	2 Q	3 Q	4 Q	Total	1 Q	2 Q		
	millions of dollars								
Sales .....	413	465	610	643	2,131	590	551	1,141	878
Net Earnings .....	45	60	83	59	247	56	68	124	105
Less: Capital Cost Allowance .....	31	33	34	30	128	28	33	61	64
Profits Before Taxes .....	14	27	49	29	119	28	35	63	41
Less: Income Tax Liabilities .....	6	14	18	14	52	9	20	29	20
Profits After Taxes .....	8	13	31	15	67	19	15	34	21
Depletion Charged .....	2	2	2	2	8	2	2	4	4
	Paper and Allied Industries								
	1965					1966		6 months 1966	6 months 1965
	1 Q	2 Q	3 Q	4 Q	Total	1 Q	2 Q		
	millions of dollars								
Sales .....	623	668	673	689	2,653	699	780	1,479	1,291
Net Earnings .....	104	119	116	113	452	102	121	223	223
Less: Capital Cost Allowance .....	49	50	58	60	217	71	61	132	99
Profits Before Taxes .....	55	69	58	53	235	31	60	91	124
Less: Income Tax Liabilities .....	29	31	38	26	124	16	30	46	60
Profits After Taxes .....	26	38	20	27	111	15	30	45	64
Depletion charged .....	1	2	2	2	7	2	2	4	3
	Printing, Publishing and Allied Industries								
	1965					1966		6 months 1966	6 months 1965
	1 Q	2 Q	3 Q	4 Q	Total	1 Q	2 Q		
	millions of dollars								
Sales .....	260	291	267	314	1,132	325	300	625	551
Net Earnings .....	34	37	28	40	139	37	34	71	71
Less: Capital Cost Allowance .....	13	8	9	21	51	14	8	22	21
Profits Before Taxes .....	21	29	19	19	88	23	26	49	50
Less: Income Tax Liabilities .....	10	10	10	9	39	11	11	22	20
Profits After Taxes .....	11	19	9	10	49	12	15	27	30

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, 1965 - 66 - Continued

	Primary Metal Industries*									
	1965					1966		6 months 1966	6 months 1965	
	1 Q	2 Q	3 Q	4 Q	Total	1 Q	2 Q			
	millions of dollars									
Sales .....	619	594	760	819	2,792	672	625	1,297	1,213	
Net Earnings .....	102	130	116	144	492	119	128	247	232	
Less: Capital Cost Allowance .....	51	70	50	87	258	62	73	135	121	
Profits Before Taxes .....	51	60	66	57	234	57	55	112	111	
Less: Income Tax Liabilities .....	24	27	18	14	83	18	23	41	51	
Profits After Taxes .....	27	33	48	43	151	39	32	71	60	
	Metal Fabricating Industries									
	1965					1966		6 months 1966	6 months 1965	
	1 Q	2 Q	3 Q	4 Q	Total	1 Q	2 Q			
	millions of dollars									
Sales .....	566	661	679	766	2,672	713	778	1,491	1,227	
Net Earnings .....	33	47	55	87	222	42	57	99	80	
Less: Capital Cost Allowance .....	10	14	18	30	72	13	16	29	24	
Profits Before Taxes .....	23	33	37	57	150	29	41	70	56	
Less: Income Tax Liabilities .....	13	15	18	22	68	18	18	36	28	
Profits After Taxes .....	10	18	19	35	82	11	23	34	28	
	Machinery Industries									
	1965					1966		6 months 1966	6 months 1965	
	1 Q	2 Q	3 Q	4 Q	Total	1 Q	2 Q			
	millions of dollars									
Sales .....	407	469	503	538	1,917	491	548	1,039	876	
Net Earnings .....	55	53	49	59	216	64	64	128	108	
Less: Capital Cost Allowance .....	14	12	14	16	56	16	16	32	26	
Profits Before Taxes .....	41	41	35	43	160	48	48	96	82	
Less: Income Tax Liabilities .....	15	14	17	18	64	16	14	30	29	
Profits After Taxes .....	26	27	18	25	96	32	34	66	53	
	Transportation Equipment Industries									
	1965					1966		6 months 1966	6 months 1965	
	1 Q	2 Q	3 Q	4 Q	Total	1 Q	2 Q			
	millions of dollars									
Sales .....	1,048	1,290	771	1,367	4,476	1,241	1,369	2,610	2,338	
Net Earnings .....	101	137	27	64	329	101	123	224	238	
Less: Capital Cost Allowance .....	18	25	23	29	95	21	20	41	43	
Profits Before Taxes .....	83	112	4	35	234	80	103	183	195	
Less: Income Tax Liabilities .....	33	50	- 2	22	103	34	38	72	83	
Profits After Taxes .....	50	62	6	13	131	46	65	111	112	

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

\* First Quarter 1966 revised.

TABLE 5. Quarterly Corporation Profits and Related Data, by Industry, 1965-66 - Continued

	Electrical Products Industries								
	1965					1966		6 months 1966	6 months 1965
	1 Q	2 Q	3 Q	4 Q	Total	1 Q	2 Q		
	millions of dollars								
Sales .....	480	532	524	701	2,237	558	649	1,207	1,012
Net Earnings .....	38	40	45	70	193	46	49	95	78
Less: Capital Cost Allowance .....	18	16	21	27	82	24	21	45	34
Profits Before Taxes .....	20	24	24	43	111	22	28	50	44
Less: Income Tax Liabilities .....	10	10	9	18	47	11	13	24	20
Profits After Taxes .....	10	14	15	25	64	11	15	26	24
	Non-metallic Mineral Products Industries								
	1965					1966		6 months 1966	6 months 1965
	1 Q	2 Q	3 Q	4 Q	Total	1 Q	2 Q		
	millions of dollars								
Sales .....	210	272	336	321	1,139	247	276	523	482
Net Earnings .....	19	49	52	47	167	23	43	66	68
Less: Capital Cost Allowance .....	14	20	17	20	71	17	19	36	34
Profits Before Taxes .....	5	29	35	27	96	6	24	30	34
Less: Income Tax Liabilities .....	3	12	14	9	38	3	11	14	15
Profits After Taxes .....	2	17	21	18	58	3	13	16	19
	Petroleum and Coal Products Industries								
	1965					1966		6 months 1966	6 months 1965
	1 Q	2 Q	3 Q	4 Q	Total	1 Q	2 Q		
	millions of dollars								
Sales .....	702	668	692	811	2,873	746	721	1,467	1,370
Net Earnings .....	61	54	66	63	244	69	66	135	115
Less: Capital Cost Allowance .....	30	26	31	26	113	33	25	58	56
Profits Before Taxes .....	31	28	35	37	131	36	41	77	59
Less: Income Tax Liabilities .....	13	11	10	12	46	13	17	30	24
Profits After Taxes .....	18	17	25	25	85	23	24	47	35
	Chemical and Chemical Products Industries								
	1965					1966		6 months 1966	6 months 1965
	1 Q	2 Q	3 Q	4 Q	Total	1 Q	2 Q		
	millions of dollars								
Sales .....	543	645	596	627	2,411	622	707	1,329	1,188
Net Earnings .....	66	101	103	87	357	80	107	187	167
Less: Capital Cost Allowance .....	28	31	39	39	137	30	33	63	59
Profits Before Taxes .....	38	70	64	48	220	50	74	124	108
Less: Income Tax Liabilities .....	16	29	29	21	95	21	33	54	45
Profits After Taxes .....	22	41	35	27	125	29	41	70	63

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, 1965-66 - Continued

	Other Manufacturing Industries*								
	1965					1966		6 months 1966	6 months 1965
	1 Q	2 Q	3 Q	4 Q	Total	1 Q	2 Q		
	millions of dollars								
Sales .....	431	461	501	485	1,878	493	460	953	892
Net Earnings.....	32	37	37	43	149	37	37	74	69
Less: Capital Cost Allowance .....	11	12	13	8	44	12	11	23	23
Profits Before Taxes .....	21	25	24	35	105	25	26	51	46
Less: Income Tax Liabilities .....	10	11	12	16	49	12	13	25	21
Profits After Taxes .....	11	14	12	19	56	13	13	26	25
	<b>Total - Manufacturing</b>								
	1965					1966		6 months 1966	6 months 1965
	1 Q	2 Q	3 Q	4 Q	Total	1 Q	2 Q		
	millions of dollars								
Sales .....	8,413	9,374	9,299	10,769	37,855	9,751	10,312	20,063	17,787
Net Earnings .....	845	1,049	971	1,092	3,957	943	1,083	2,026	1,894
Less: Capital Cost Allowance .....	343	384	392	467	1,586	397	418	815	727
Profits Before Taxes .....	502	665	579	625	2,371	546	665	1,211	1,167
Less: Income Tax Liabilities .....	227	286	244	259	1,016	230	295	525	513
Profits After Taxes .....	275	379	335	366	1,355	316	370	686	654
	<b>Transportation</b>								
	1965					1966		6 months 1966	6 months 1965
	1 Q	2 Q	3 Q	4 Q	Total	1 Q	2 Q		
	millions of dollars								
Sales .....	611	788	798	854	3,051	627	812	1,439	1,399
Net Earnings .....	103	137	154	187	581	100	158	258	240
Less: Capital Cost Allowance .....	71	66	66	72	275	75	69	144	137
Profits Before Taxes .....	32	71	88	115	306	25	89	114	103
Less: Income Tax Liabilities .....	10	29	40	45	124	9	36	45	39
Profits After Taxes .....	22	42	48	70	182	16	53	69	64
	<b>Storage</b>								
	1965					1966		6 months 1966	6 months 1965
	1 Q	2 Q	3 Q	4 Q	Total	1 Q	2 Q		
	millions of dollars								
Sales .....	32	31	34	36	133	24	30	54	63
Net Earnings .....	4	3	11	7	25	3	4	7	7
Less: Capital Cost Allowance .....	2	2	3	2	9	2	2	4	4
Profits Before Taxes .....	2	1	8	5	16	1	2	3	3
Less: Income Tax Liabilities .....	1	1	3	5	10	-	1	1	2
Profits After Taxes .....	1	-	5	-	6	1	1	2	1

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

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



TABLE 5. Quarterly Corporation Profits and Related Data, by Industry, 1965 - 66 - Continued

	Communication									
	1965					1966		6 months 1966	6 months 1965	
	1 Q	2 Q	3 Q	4 Q	Total	1 Q	2 Q			
	millions of dollars									
Sales .....	218	230	244	254	946	242	253	495	448	
Net Earnings .....	88	91	99	107	385	95	94	189	179	
Less: Capital Cost Allowance .....	40	41	41	49	171	44	45	89	81	
Profits Before Taxes .....	48	50	58	58	214	51	49	100	98	
Less: Income Tax Liabilities .....	26	26	30	28	110	28	26	54	52	
Profits After Taxes .....	22	24	28	30	104	23	23	46	46	
	Electric Power, Gas and Water Utilities									
	1965					1966		6 months 1966	6 months 1965	
	1 Q	2 Q	3 Q	4 Q	Total	1 Q	2 Q			
	millions of dollars									
Sales .....	241	157	110	209	717	261	174	435	398	
Net Earnings .....	58	42	21	40	161	61	43	104	100	
Less: Capital Cost Allowance .....	15	22	16	16	69	17	22	39	37	
Profits Before Taxes .....	43	20	5	24	92	44	21	65	63	
Less: Income Tax Liabilities .....	20	11	2	11	44	20	12	32	31	
Profits After Taxes .....	23	9	3	13	48	24	9	33	32	
	Wholesale Trade									
	1965					1966		6 months 1966	6 months 1965	
	1 Q	2 Q	3 Q	4 Q	Total	1 Q	2 Q			
	millions of dollars									
Sales .....	3,829	4,300	4,304	4,551	16,984	4,452	4,834	9,286	8,129	
Net Earnings .....	94	136	122	141	493	120	164	284	230	
Less: Capital Cost Allowance .....	30	32	27	26	115	32	49	81	62	
Profits Before Taxes .....	64	104	95	115	378	88	115	203	168	
Less: Income Tax Liabilities .....	26	47	39	55	167	33	55	88	73	
Profits After Taxes .....	38	57	56	60	211	55	60	115	95	
	Retail Trade									
	1965					1966		6 months 1966	6 months 1965	
	1 Q	2 Q	3 Q	4 Q	Total	1 Q	2 Q			
	millions of dollars									
Sales .....	2,881	3,306	3,277	3,475	12,939	3,153	3,436	6,589	6,187	
Net Earnings .....	74	108	103	143	428	82	102	184	182	
Less: Capital Cost Allowance .....	28	29	29	30	116	31	34	65	57	
Profits Before Taxes .....	46	79	74	113	312	51	68	119	125	
Less: Income Tax Liabilities .....	20	35	33	57	145	21	32	53	55	
Profits After Taxes .....	26	44	41	56	167	30	36	66	70	

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, 1965-66 - Concluded

	Finance, Insurance and Real Estate*								
	1965					1966		6 months 1966	6 months 1965
	1 Q	2 Q	3 Q	4 Q	Total	1 Q	2 Q		
	millions of dollars								
Net Earnings.....	197	239	220	184	840	178	241	419	436
Less: Capital Cost Allowance.....	45	46	45	44	180	42	48	90	91
Profits Before Taxes.....	152	193	175	140	660	136	193	329	345
Less: Income Tax Liabilities .....	62	65	63	66	256	59	73	132	127
Profits After Taxes .....	90	128	112	74	404	77	120	197	218
	Service								
	1965					1966		6 months 1966	6 months 1965
	1 Q	2 Q	3 Q	4 Q	Total	1 Q	2 Q		
	millions of dollars								
Net Earnings.....	69	77	93	78	317	82	94	176	146
Less: Capital Cost Allowance.....	40	37	41	47	165	40	40	80	77
Profits Before Taxes.....	29	40	52	31	152	42	54	96	69
Less: Income Tax Liabilities .....	11	13	20	10	54	12	19	31	24
Profits After Taxes .....	18	27	32	21	98	30	35	65	45
	Other Non-manufacturing**								
	1965					1966		6 months 1966	6 months 1965
	1 Q	2 Q	3 Q	4 Q	Total	1 Q	2 Q		
	millions of dollars								
Net Earnings.....	41	59	79	56	235	39	72	111	100
Less: Capital Cost Allowance.....	30	31	43	35	139	32	43	75	61
Profits Before Taxes.....	11	28	36	21	96	7	29	36	39
Less: Income Tax Liabilities .....	8	19	25	12	64	4	12	16	27
Profits After Taxes.....	3	9	11	9	32	3	17	20	12

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 includes a Balance of Payments adjustment.  
 \*\* Other Non-manufacturing includes Agriculture, Forestry, Fishing and Construction.



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**INDUSTRIAL CLASSIFICATION**

The classification used in this report is based on the revised 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.
Mines, Quarries and Oil Wells .....	Metal Mines .....	051-059
	Mineral Fuels .....	061-066
	Non-Metal Mines except Coal Mines .....	071-079
	Quarries and Sand Pits .....	083-087
	Services incidental to Mining .....	092-099
<b>Manufacturing Industries:</b>		
Food and Beverage Industries .....	Food and Beverage Industries .....	101-147
Rubber Industries .....	Rubber Industries .....	161-169
Textile Industries .....	Textile Industries .....	183-229
	Knitting Mills .....	231-239
	Clothing Industries .....	242-249
Wood Industries .....	Wood Industries .....	251-259
	Furniture and Fixture Industries .....	261-268
Paper and Allied Industries .....	Paper and Allied Industries .....	271-274
Printing, Publishing and Allied Industries .....	Printing, Publishing and Allied Industries .....	286-289
Primary Metal Industries .....	Primary Metal Industries .....	291-298
Metal Fabricating Industries (except Machinery and Transportation Equipment Industries) .....	Metal Fabricating Industries (except Machinery and Transportation Equipment Industries) .....	301-300
Machinery Industries (except Electrical Machinery) .....	Machinery Industries (except Electrical Machinery) .....	311-318
Transportation Equipment Industries .....	Transportation Equipment Industries .....	321-329
Electrical Products Industries .....	Electrical Products Industries .....	331-339
Non-metallic Mineral Products Industries .....	Non-metallic Mineral Products Industries .....	341-359
Petroleum and Coal Products Industries .....	Petroleum and Coal Products Industries .....	365-369
Chemical and Chemical Products Industries .....	Chemical and Chemical Products Industries .....	371-379
Other Manufacturing Industries .....	Tobacco Products Industries .....	151-153
	Leather Industries .....	172-179
	Miscellaneous Manufacturing Industries .....	381-399
Transportation .....	Transportation .....	501-519
Storage .....	Storage .....	524-527
Communication .....	Communication .....	543-548
Electric Power, Gas and Water Utilities .....	Electric Power, Gas and Water Utilities .....	572-579
Wholesale Trade .....	Wholesale Trade .....	602-629
Retail Trade .....	Retail Trade .....	631-699
Finance, Insurance and Real Estate .....	Finance, Insurance and Real Estate .....	702-737
Community, Business and Personal Service Industries	Community, Business and Personal Service Industries	801-899
Other Non-Manufacturing .....	Agriculture .....	001-021
	Forestry .....	031-039
	Fishing and Trapping .....	041-047
	Construction Industry .....	404-421