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DOMINION BUREAU OF STATISTICS
CENSUS OF MERCHANDISING AND SERVICE ESTABLISHMENTS

OPERATING RESULTS
OF
COUNTRY GENERAL STORES
IN CANADA
1938

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Operating Results of Country General Stores in Canada, 1938

Introduction

This report is one of a series presenting average operating results in various branches of retail trade in Canada in 1938. The basic data from which the report was compiled were secured in connection with the annual survey of retail trade, conducted by the Internal Trade Branch of the Dominion Bureau of Statistics and designed primarily to provide information regarding annual trends in various kinds of business in the several provinces.

Results of the Census of Merchandising and Service Establishments for 1930, taken in connection with the last decennial census, show that there were altogether 11,915 country general stores in Canada that year. Country general stores consist of those retail stores located mainly in places of less than 1,000 population and selling a general line of merchandise. Approximately 3,000 country general stores report to the annual survey of retail trade. But many of these firms, while able to report general information such as total sales, payroll and inventories carried, are unable to furnish a breakdown of their operating expenses. Returns from 785 firms were utilized in the preparation of the operating expense analysis presented in this bulletin. The present report represents the first attempt of the Bureau of Statistics to provide an analysis of operating results for the retail trade. Such an undertaking is rendered difficult because of the lack of strict uniformity among business houses in classifying and recording expense data. For this reason the figures published here must be considered as indicators of general relationships rather than as material, the absolute accuracy of which can be guaranteed.

Summary of Results

Sales of country general stores in Canada in 1938 were slightly lower than in 1937. Slight gains in the Prairie Provinces were more than offset by losses in the East and British Columbia, resulting in a decline of 1.3 per cent for the country as a whole. Aggregate sales for Canada in 1938 were estimated at \$195,866,000 compared with \$198,480,000 in the previous year. Percentage changes in sales over the two-year period for the various economic divisions were as follows: Maritime Provinces, -2.9; Quebec, -1.4; Ontario, -3.1; Prairie Provinces, +0.6, and British Columbia, -1.1.

Analysis of operating results for the 785 country general stores furnishing detailed figures and included in this survey reveals an average net operating profit of 1.5 per cent of sales after making provision for an imputed value of proprietors' services but before making provision for any interest payment on own capital investments. Gross margin or profit averaged 16.1 per cent of sales while operating expenses totalled 14.6 per cent of sales. The stock-turn ratio derived from annual sales reduced to a cost basis and the average of the year-end inventories indicated that stocks were turned over 3.3 times during the year.

Of the 785 country general stores included in the survey, 492 or 63 per cent of the total number secured a profit on the year's operations while 293 or 37 per cent operated at a loss. The profitable firms had a higher gross margin, slightly higher rate of stock turn and lower operating expenses both in total and for almost all of the individual expense items reported, than had the unprofitable firms. The 492 profitable firms operated on a gross margin of 16.9 per cent of sales, had operating expenses of 13.8 per cent of sales resulting in a net profit of 3.1 per cent, and turned their stocks on an average of 3.4 times per year. The 293 unprofitable firms operated on an average gross margin of 14.3 per cent of sales, had operating expenses of 16.4 per cent resulting in a net loss of 2.1 per cent of sales. The unprofitable firms turned over their stocks

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on an average of three times per year.

The proportions of profitable and unprofitable firms varied considerably for various sizes of business and for different regions of the country. The survey includes no stores with annual sales of less than \$10,000. Fifty-five per cent of the stores with annual sales of between \$10,000 and \$20,000 operated at a profit; 58 per cent of the stores having annual sales of between \$20,000 and \$30,000 secured a profit on the year's operations; 62 per cent of the stores in the \$30,000 to \$50,000 group were profitable while amongst stores having annual sales of over \$50,000 the ratio of profitable to total number was 78 per cent.

When the sample is classified geographically it is seen that the proportion of profitable to total stores ranged from 51 per cent in Quebec to 74 per cent in Alberta. The proportion of profitable to total stores reporting was 67 per cent for the Prairie Provinces as a whole, 66 per cent for British Columbia, 64 per cent for Ontario, 63 per cent for Saskatchewan, 61 per cent for Manitoba and 55 per cent for the Maritime Provinces. Annual sales per store averaged approximately \$31,000 for Manitoba and Saskatchewan and ranged within narrow limits of \$40,000 for each of the other provinces.

General Operating Expense Analysis

In addition to reporting total figures each firm was asked to give a breakdown of its total expenses into thirteen different items. Payroll and occupancy costs are the two large items contributing to the total expense which averaged 14.6 per cent of annual sales for the 785 stores reporting to the survey. Payroll accounted for 60 per cent of this figure forming 8.6 per cent of annual sales. Included in the payroll data are salaries and wages of employees and an estimated value for services of those proprietors who devoted the major proportion of their time to the operation of the business. The amounts attributed to these proprietors were determined in the following way: the expense schedules asked that the number and salaries of proprietors receiving a stated salary be reported. It also asked for the number of proprietors who did not receive a stated salary but whose remuneration consisted only of profits secured from the year's operations. The returns of those firms reporting proprietors' salaries were used in arriving at an average salary per proprietor for stores in different sizes of business. These averages were then assigned to all proprietors in each size class irrespective of whether or not stated salaries were reported. This practice leads to the classification as unprofitable of some returns whose actual figures may have shown a profit due to a very small amount being reported for proprietors' services. On the other hand, it transferred to the profitable classification some returns on which the appearance of an unduly large item for proprietors' salaries would have assigned to the unprofitable group had the figures been used as reported.

Average values of proprietors' services for various size classes as used in the survey are as follows:

<u>Amount of Annual Sales</u>	<u>Average Salary per Proprietor</u>
\$	\$
10,000 - 19,999	900
20,000 - 29,999	1,200
30,000 - 39,999	1,300
40,000 - 49,999	1,300
50,000 - 59,999	1,500
60,000 - 69,999	1,600
70,000 - 79,999	1,600
80,000 - 89,999	1,700
90,000 - 99,999	1,700
100,000 - and over	2,000

On allocating these amounts to proprietors for the various size classes, proprietors' services are estimated as 2.8 per cent of sales. Employees' salaries and wages formed 5.8 per cent of sales, making a total of 8.6 per cent. It should be noted that proprietors' services were estimated in the case of unincorporated companies only. Proprietors of incorporated firms were considered as employees and their remuneration was included with salaries and wages paid to employees. Deviation from the usual practice was made in the case of partnerships reporting more than one partner actively engaged in the business. In such instances the average salary shown above for the corresponding size of business was allocated to one proprietor only. One-half the average salary for the same size class was allocated to each additional proprietor.

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In stores having an annual turnover of between \$10,000 and \$20,000, proprietors' salaries formed 5.9 per cent of sales while employees' salaries and wages formed another 3.3 per cent. Corresponding ratios for stores with annual sales from \$20,000 to \$30,000 were 4.4 per cent for proprietors' salaries and the same amount for employees. For stores with annual sales of \$30,000 to \$50,000 the payroll ratios were 3.0 per cent for proprietors and 5.5 per cent for employees while for the largest size group (stores having annual sales of \$50,000 or more) the ratios were 1.0 per cent for proprietors' salaries and 7.0 per cent for salaries and wages of employees. The declining relative importance of proprietors' salaries in the total payroll cost as size of business increases is a natural consequence of the fact that in the smaller stores the proprietor performs a great many of the tasks normally carried out by employees in the larger firms. It should also be remembered that some of the larger stores are operated under the corporate form of ownership, under which conditions the salaries of working proprietors are automatically included with wages of employees.

The necessity of allocating an imputed value for services performed by proprietors introduces an unavoidable element of arbitrariness in the operating results for retail stores. The attached tables give separate ratios for proprietors' and employees' salaries. Any owner who does not draw a stated salary and who wishes to compare his results with the averages for his size of business can deduct the proprietors' payroll percentage shown from the total operating expenses and add the same percentage to net profit.

Advertising costs formed 0.3 per cent of country general store sales while "supplies" including wrapping paper, bags, twine, etc., amounted to another 0.8 per cent of sales. Communication costs, including telephone, telegraph and postage amounted to 0.3 per cent while bad debts amounted to 0.7 per cent of sales.

Rental costs averaged 1.6 per cent of sales for stores in rented premises. The survey questionnaire contained six other items closely allied with occupancy costs and figures for which are significant only when considered separately for owned and rented stores. Taxes (including property and business taxes) formed 0.6 per cent of sales for owned stores and 0.4 per cent for stores in rented premises. Insurance costs averaged 0.6 and 0.5 per cent of sales for the two types. Light, heat and power costs were the same at 0.6 per cent for both owned and rented stores. Repair costs amounted to 0.4 per cent in owned stores and 0.3 per cent in rented stores. Depreciation averaged 0.8 and 0.5 per cent of sales for the two types. Interest on borrowed money, including mortgage interest but exclusive of any allowance for interest on own capital investment amounted to 0.3 per cent of sales in both owned and rented stores. Sundry expenses which could not be allocated to any of the above classifications formed 0.3 per cent of owned-store sales and 0.4 per cent of sales for stores in rented premises.

Operating Results for Stores Classified According to Size

In addition to presenting a breakdown of operating expenses for all country general stores reporting expense data, the attached tables present similar statistics for stores classified into size of business groups.

In comparison with the average ratio of 16.1 per cent of sales for the entire group of 785 stores, gross margin formed 17.4 per cent of sales for stores having annual sales of between \$10,000 and \$20,000, 16.0 per cent for stores with annual sales of \$20,000 to \$30,000, 15.6 per cent for stores with sales between \$30,000 and \$50,000, and 16.1 per cent in the group having annual sales of more than \$50,000.

Total operating expense ratios show a regular tendency to decline as the amount of annual sales increase. On the other hand, the rate of stock-turn is slightly greater for stores in the larger sized groups than for the smaller stores. Total operating expense ratios and stock-turn for the various sized classes are as follows: Stores with annual sales between \$10,000 and \$20,000, 16.4 per cent for total operating expenses with stocks turned 2.6 times; stores with sales between \$20,000 and \$30,000, 15.1 per cent and stocks turned 3 times; stores with annual sales of between \$30,000 and \$50,000, 14.3 per cent for total operating expenses and stocks turned 3.2 times; and in the largest size group, stores having annual sales of over \$50,000, the total operating expense ratio amounted to 14.2 per cent of sales while stocks were bought and sold on an average of 3.7 times per year.

Net profit for the year formed 1 per cent of sales in the smallest size stores, 0.9 and 1.3 per cent in the two middle sizes and 1.9 per cent in the largest size group of stores.

Regional Figures

Average results for all stores reporting indicate that net profits were secured in all economic divisions of the country, but were higher in the West than in the East. In comparison with an average net profit of 1.5 per cent of sales for the country as a whole, results for the various geographical regions show net profits of 0.8 per cent for the Maritimes, 1.3 per cent for Quebec and Ontario, 1.6 per cent for the Prairie Provinces and 1.8 per cent for British Columbia. Comparisons of gross margins and total operating expense ratios on a regional basis reveal that these items also increased from East to West. Gross margin and total expenses expressed as percentage of sales are as follows: The Maritimes, 13.8 per cent and 13.0 per cent; Quebec, 15.5 and 14.2 per cent; Ontario, 16.2 and 14.9 per cent; The Prairies, 16.4 and 14.8 per cent; and British Columbia, 17.2 and 15.4 per cent.

Comparison of individual expense items on a regional basis indicate that advertising expenditures were lower in the extreme East and Quebec than in Central Canada and British Columbia. Advertising expense formed only 0.1 per cent of sales in the Maritimes and Quebec, 0.3 per cent in Ontario and British Columbia, and 0.4 per cent in the Prairie Provinces. Communication costs varied little across the country, amounting to 0.2 per cent of sales in the Maritimes, Quebec and Ontario, and 0.3 per cent in the Prairies and British Columbia. Occupancy costs including rents, taxes, insurance, light, heat and power, repairs and depreciation ranged from 2.8 per cent in the Maritimes to 3.6 per cent in the Prairies. Bad debt losses were lowest in Ontario at 0.4 per cent of sales and highest in British Columbia, the Prairie Provinces and the Maritimes at 0.7 per cent. Bad debts formed 0.6 per cent of sales in Quebec. Payroll costs were 9.3 per cent of sales in Ontario, 9.2 per cent in British Columbia, 8.7 per cent in Quebec, 8.5 per cent in the Prairies, and 7.6 per cent in the Maritime Provinces.

Explanation of Terms

Gross Margin--Gross margin represents the difference between net sales and the cost of goods sold which amount is obtained by adjusting purchases of goods during the year for differences between year-end inventories. That is to say, cost of goods sold equals the value of inventory at the beginning of the year, increased by the value of goods purchased and decreased by the inventory at the end of the year. Value of purchases includes the invoice value of goods bought less any returns, allowances or discounts received from manufacturers or wholesalers. The cost of goods also includes duty and inward freight, express or truckage. Outward delivery costs and other store expenses are not included.

Payroll--Payroll includes salaries, wages and commissions paid to all full-time or part-time employees including amounts paid to members of proprietors' families who serve in the capacity of employees. It also includes an imputed value for the services of proprietors who devote the major portion of their time to the business in question.

Advertising--Included in this item are all amounts paid for various types of advertising, newspaper, handbill, radio, etc.

Supplies--The amount reported under this heading includes expenditures for all supplies used in connection with the business such as wrapping paper, bags, twine, office supplies and in addition supplies such as gas and oil for the firm's own delivery equipment.

Communication--Telephone, telegraph and postage were to be reported under this heading.

Taxes--All licenses and taxes including both property and business taxes but exclusive of Dominion income taxes were to be reported here.

Insurance--Amount of premiums paid for insurance of all types carried in connection with the business was to be reported: fire, theft, plate glass, insurance on delivery equipment, etc.

Rent--Only rentals paid for premises actually used in connection with the business were to be reported.

Heat, Light and Power--Water rates, if paid separately from taxes, were to be included here in addition to all amounts paid for fuel, light and power.

Bad Debt Losses--Each firm was asked to report the amount actually written off as bad debts during the year less bad debts written off in previous years and recovered in the year in question. In some instances amounts transferred to bad debt reserves may have been reported rather than the amount actually written off.

Repairs and Maintenance--This item includes amounts paid for repairs and maintenance to buildings, furniture, fixtures and store or delivery equipment. Labour costs coming through the store's own payroll were to be included in the payroll item and not in this category.

Interest--Only interest paid on borrowed money, bank, mortgage, etc., was to be reported. No allowance was made for interest on own capital investment.

Depreciation--Each firm was asked to report what it considered to be a fair charge for annual depreciation on owned buildings, furniture and store or delivery equipment. From two to five per cent is generally allowed on the cost or purchase price of buildings depending upon the type of construction. Five per cent of cost is frequently allowed on store furniture and fixtures and twenty per cent on the cost of delivery equipment.

Sundry Expenses--This includes all expenses not otherwise allocated. No separate provision was made for amounts paid outside agencies for delivery to purchasers. Such amounts would normally be assigned to the sundry expense item.

Stock-turn Ratio--Rate of stock-turn was obtained by dividing the average of the year-end stock figures into the cost of goods sold. By this means the numerator and denominator in the ratio were brought to the same value basis. But no information is available to indicate the extent to which the average of the year-end figures may be representative of the average stock carried throughout the twelve-month period. Thus while the ratios shown in the tables may be used as a basis for comparisons with individual results, their accuracy as a measure of the number of times that stock was turned over during the year cannot be guaranteed.

Table 1.--Country General Stores - Operating Results for Stores Classified According to
Annual Sales Volume and Occupancy Basis, Canada, 1938

Item	AMOUNT OF ANNUAL SALES					
	All Stores, Total			\$10,000 - \$19,999		
	Total	Owned	Rented	Total	Owned	Rented
GENERAL INFORMATION						
Number of Stores Reporting	785	559	226	183	126	57
Total Sales	\$29,605,409	21,043,308	8,562,101	2,789,104	1,916,267	872,837
Average Sales per Store	\$ 37,714	37,645	37,885	15,241	15,208	15,313
PROFIT AND LOSS--(In percentages of sales)						
Gross Margin or Profit	16.1	15.7	16.9	17.4	17.0	18.2
Expenses						
Proprietors' salaries	2.8	2.8	2.8	5.9	5.9	5.9
Employees' salaries and wages ...	5.8	5.6	6.1	3.3	3.2	3.5
Advertising	0.3	0.3	0.4	0.3	0.2	0.4
Supplies	0.8	0.8	0.8	0.8	0.9	0.8
Communication	0.3	0.3	0.3	0.3	0.3	0.3
Rent	0.4	-	1.6	0.7	-	2.2
Taxes	0.6	0.6	0.4	0.7	0.9	0.5
Insurance	0.6	0.6	0.5	0.7	0.8	0.6
Light, heat and power	0.6	0.6	0.6	1.0	1.0	0.9
Repairs	0.4	0.4	0.3	0.5	0.6	0.3
Depreciation	0.7	0.8	0.5	1.0	1.1	0.7
Bad debts	0.7	0.7	0.6	0.6	0.7	0.3
Interest on borrowed money	0.3	0.3	0.3	0.3	0.3	0.3
Sundry expense	0.3	0.3	0.4	0.3	0.3	0.2
Total Expense	14.6	14.1	15.6	16.4	16.2	16.9
Net Profit or Loss	+1.5	+1.6	+1.3	+1.0	+0.8	+1.3
OTHER INFORMATION						
Stock Turnover (times per year) ...	3.3	3.3	3.2	2.6	2.4	2.9

Table 1.--Country General Stores - Operating Results for Stores Classified According to Annual Sales Volume and Occupancy Basis, Canada, 1938 (Cont.)

Item	AMOUNT OF ANNUAL SALES					
	\$20,000 - \$29,999			\$30,000 - \$49,999		
	Total	Owned	Rented	Total	Owned	Rented
GENERAL INFORMATION						
Number of Stores Reporting	215	159	56	227	169	58
Total Sales	\$5,363,311	4,003,599	1,359,712	8,582,605	6,459,183	2,123,422
Average Sales per Store	\$ 24,946	25,180	24,281	37,809	38,220	36,611
PROFIT AND LOSS--(In percentages of sales)						
Gross Margin or Profit	16.0	16.0	16.1	15.6	15.6	15.7
Expenses						
Proprietors' salaries	4.4	4.3	4.5	3.0	3.1	2.7
Employees' salaries and wages	4.4	4.5	4.4	5.5	5.4	6.0
Advertising	0.3	0.3	0.4	0.3	0.3	0.4
Supplies	0.8	0.8	0.8	0.8	0.8	0.8
Communication	0.3	0.3	0.3	0.3	0.3	0.3
Rent	0.4	-	1.6	0.4	-	1.5
Taxes	0.7	0.7	0.4	0.6	0.6	0.4
Insurance	0.7	0.8	0.5	0.6	0.6	0.5
Light, heat and power	0.7	0.7	0.7	0.6	0.6	0.6
Repairs	0.4	0.4	0.2	0.4	0.4	0.2
Depreciation	0.8	0.9	0.5	0.7	0.8	0.5
Bad debts	0.6	0.7	0.4	0.6	0.6	0.7
Interest on borrowed money	0.3	0.3	0.3	0.2	0.2	0.3
Sundry expense	0.3	0.3	0.3	0.3	0.3	0.3
Total Expense	15.1	15.0	15.3	14.3	14.0	15.2
Net Profit or Loss	+0.9	+1.0	+0.8	+1.3	+1.6	+0.5
OTHER INFORMATION						
Stock Turnover (times per year)	3.0	3.0	3.0	3.2	3.2	3.2

Table 1.--Country General Stores - Operating Results for Stores Classified According to
Annual Sales Volume and Occupancy Basis, Canada, 1938 (Cont.)

Item	AMOUNT OF ANNUAL SALES		
	\$50,000 and over		
	Total	Owned	Rented
GENERAL INFORMATION			
Number of Stores Reporting	160	105	55
Total Sales	\$12,870,389	\$8,664,259	\$4,206,130
Average Sales per Store	\$ 80,440	\$ 82,517	\$ 76,475
PROFIT AND LOSS--(In percentages of sales)			
Gross Margin or Profit	16.1	15.5	17.5
Expenses			
Proprietors' salaries	1.4	1.3	1.7
Employees' salaries and wages	7.0	6.8	7.3
Advertising	0.4	0.3	0.5
Supplies	0.8	0.9	0.8
Communication	0.2	0.2	0.2
Rent	0.5	-	1.5
Taxes	0.5	0.5	0.3
Insurance	0.5	0.5	0.5
Light, heat and power	0.5	0.5	0.5
Repairs	0.4	0.4	0.3
Depreciation	0.6	0.8	0.4
Bad debts	0.7	0.7	0.7
Interest on borrowed money	0.3	0.3	0.3
Sundry expense	0.4	0.4	0.5
Total Expense	14.2	13.6	15.5
Net Profit or Loss	+1.9	+1.9	+2.0
OTHER INFORMATION			
Stock Turnover (times per year)	3.7	3.9	3.4

Table 2.--Country General Stores - Operating Results for Stores Classified According to
Annual Sales Volume and Profit or Loss, Canada, 1938

Item	AMOUNT OF ANNUAL SALES					
	All Stores, Total			\$10,000 - \$19,999		
	Total	Profitable	Unprofitable	Total	Profitable	Unprofitable
GENERAL INFORMATION						
Number of Stores Reporting	785	492	293	183	101	82
Total Sales	\$29,605,409	20,111,025	9,494,384	2,789,104	1,546,586	1,242,518
Average Sales per Store	\$ 37,714	40,876	32,404	15,241	15,313	15,153
PROFIT AND LOSS--(In percentages of sales)						
Gross Margin or Profit	16.1	16.9	14.3	17.4	19.5	14.8
Expenses						
Proprietors' salaries	2.8	2.7	3.1	5.9	5.9	5.9
Employees' salaries and wages	5.8	5.3	6.7	3.3	2.8	3.9
Advertising	0.3	0.3	0.3	0.3	0.3	0.3
Supplies	0.8	0.8	0.9	0.8	0.8	0.8
Communication	0.3	0.3	0.3	0.3	0.3	0.4
Rent	0.4	0.4	0.5	0.7	0.7	0.7
Taxes	0.6	0.5	0.6	0.7	0.7	0.8
Insurance	0.6	0.6	0.6	0.7	0.7	0.8
Light, heat and power	0.6	0.5	0.7	1.0	0.9	1.1
Repairs	0.4	0.4	0.4	0.5	0.4	0.5
Depreciation	0.7	0.7	0.8	1.0	1.0	1.0
Total occupancy costs(1)	3.3	3.1	3.6	4.6	4.4	4.9
Bad debts	0.7	0.7	0.7	0.6	0.4	0.8
Interest on borrowed money ..	0.3	0.3	0.4	0.3	0.3	0.3
Sundry expense	0.3	0.3	0.4	0.3	0.2	0.4
Total Expense	14.6	13.8	16.4	16.4	15.4	17.7
Net Profit or Loss	+1.5	+3.1	-2.1	+1.0	+4.1	-2.9
OTHER INFORMATION						
Stock Turnover (times per year)	3.3	3.4	3.0	2.6	2.5	2.6

(1) Sum of six preceding items including some expenses not strictly applicable to occupancy costs: e.g.: business taxes.

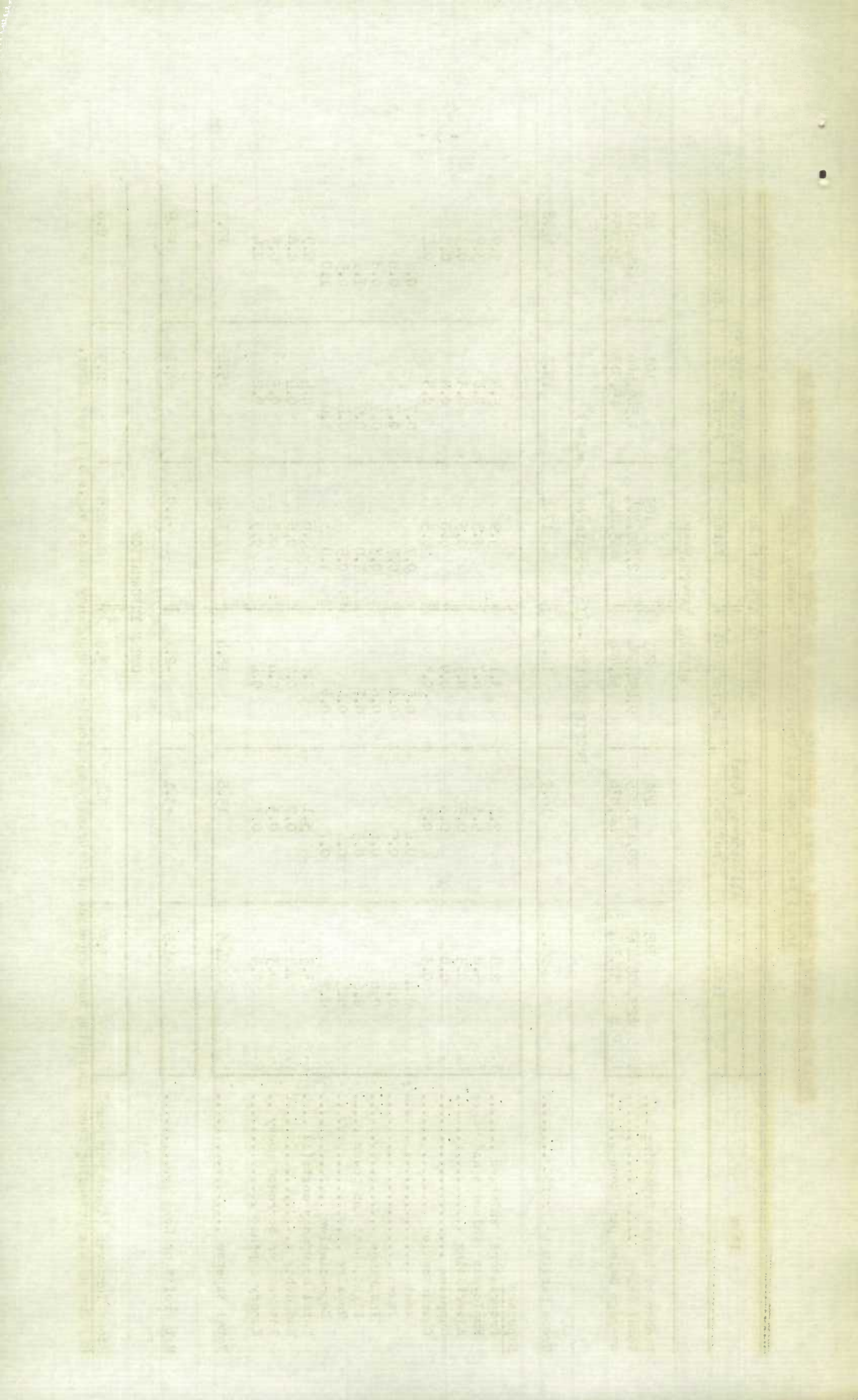


Table 2 --Country General Stores - Operating Results for Stores Classified According to Annual Sales Volume and Profit or Loss, Canada, 1938 (Cont.)

Item	AMOUNT OF ANNUAL SALES					
	\$20,000 - \$29,999			\$30,000 - \$49,999		
	Total	Profitable	Unprofitable	Total	Profitable	Unprofitable
GENERAL INFORMATION						
Number of Stores Reporting	215	125	90	227	141	86
Total Sales	\$5,363,311	3,143,730	2,219,581	8,582,605	5,294,838	3,287,767
Average Sales per Store	\$ 24,946	25,150	24,662	37,809	37,552	38,230
PROFIT AND LOSS--(In percentages of sales)						
Gross Margin or Profit	16.0	17.6	13.7	15.6	16.5	14.2
Expenses						
Proprietors' salaries	4.4	4.3	4.4	3.0	3.1	2.8
Employees' salaries and wages	4.4	3.9	5.2	5.5	4.8	6.7
Advertising	0.3	0.3	0.3	0.3	0.3	0.3
Supplies	0.8	0.8	0.8	0.8	0.7	0.9
Communication	0.3	0.3	0.3	0.3	0.3	0.3
Rent	0.4	0.3	0.5	0.4	0.3	0.5
Taxes	0.7	0.6	0.7	0.6	0.5	0.6
Insurance	0.7	0.7	0.7	0.6	0.6	0.6
Light, heat and power	0.7	0.7	0.8	0.6	0.6	0.6
Repairs	0.4	0.3	0.3	0.4	0.4	0.4
Depreciation	0.8	0.8	0.9	0.7	0.7	0.8
Total occupancy costs(1)	3.7	3.4	3.9	3.3	3.1	3.5
Bad debts	0.6	0.7	0.6	0.6	0.7	0.6
Interest on borrowed money ..	0.3	0.3	0.4	0.2	0.2	0.3
Sundry expense	0.3	0.3	0.3	0.3	0.2	0.4
Total Expense	15.1	14.3	16.2	14.3	13.4	15.8
Net Profit or Loss	+0.9	+3.3	-2.5	+1.3	+3.1	-1.6
OTHER INFORMATION						
Stock Turnover (times per year)	3.0	3.1	2.8	3.2	3.4	3.0

(1) Sum of six preceding items including some expenses not strictly applicable to occupancy costs: e.g.: business taxes.

Table 2.--Country General Stores - Operating Results for Stores Classified According to
Annual Sales Volume and Profit or Loss, Canada, 1938 (Cont.)

Item	AMOUNT OF ANNUAL SALES		
	\$50,000 and over		
	Total	Profitable	Unprofitable
GENERAL INFORMATION			
Number of Stores Reporting	160	125	35
Total Sales	\$12,870,389	10,125,871	2,744,518
Average Sales per Store	\$ 80,440	81,007	78,415
PROFIT AND LOSS--(In percentages of sales)			
Gross Margin or Profit	16.1	16.5	14.7
Expenses			
Proprietors' salaries	1.4	1.5	1.1
Employees' salaries and wages	7.0	6.4	9.2
Advertising	0.4	0.4	0.3
Supplies	0.8	0.9	0.9
Communication	0.2	0.2	0.2
Rent	0.5	0.5	0.3
Taxes	0.5	0.5	0.6
Insurance	0.5	0.5	0.5
Light, heat and power	0.5	0.4	0.6
Repairs	0.4	0.3	0.5
Depreciation	0.6	0.6	0.7
Total occupancy costs(1)	3.0	2.8	3.2
Bad debts	0.7	0.7	0.8
Interest on borrowed money	0.3	0.3	0.5
Sundry expense	0.4	0.4	0.4
Total Expense	14.2	13.6	16.6
Net Profit or Loss	+1.9	+2.9	-1.9
OTHER INFORMATION			
Stock Turnover (times per year)	3.7	3.8	3.4

(1) Sum of six preceding items including some expenses not strictly applicable to occupancy costs: e.g.: business taxes.

Table 3.--Operating Results of Country General Stores, Classified by Provinces and Net Profit or Loss, 1938

Item	CANADA			MARITIME PROVINCES		
	Total	Profitable	Unprofitable	Total	Profitable	Unprofitable
GENERAL INFORMATION						
Number of Stores Reporting	785	492	293	97	53	44
Total Sales	\$29,605,409	20,111,025	9,494,384	3,827,326	2,282,313	1,545,013
Average Sales per Store	\$ 37,714	40,876	32,404	39,457	43,063	35,114
PROFIT AND LOSS--(In percentages of sales)						
Gross Margin or Profit	16.1	16.9	14.3	13.8	14.9	12.2
Expenses						
Proprietors' salaries	2.8	2.7	3.1	2.5	2.1	3.0
Employees' salaries and wages	5.8	5.3	6.7	5.1	4.7	5.7
Advertising	0.3	0.3	0.3	0.1	0.1	0.1
Supplies	0.8	0.8	0.9	0.8	0.8	0.9
Communication	0.3	0.3	0.3	0.2	0.2	0.2
Rent	0.4	0.4	0.5	0.2	0.1	0.3
Taxes	0.6	0.5	0.6	0.6	0.6	0.5
Insurance	0.6	0.6	0.6	0.5	0.5	0.5
Light, heat and power	0.6	0.5	0.7	0.4	0.4	0.4
Repairs	0.4	0.4	0.4	0.4	0.3	0.5
Depreciation	0.7	0.7	0.8	0.7	0.7	0.9
Total Occupancy costs(1)	3.3	3.1	3.6	2.8	2.6	3.1
Bad debts	0.7	0.7	0.7	0.7	0.8	0.7
Interest on borrowed money ..	0.3	0.3	0.4	0.5	0.4	0.6
Sundry expense	0.3	0.3	0.4	0.3	0.3	0.2
Total Expense	14.6	13.8	16.4	13.0	12.0	14.5
Net Profit or Loss	+1.5	+3.1	-2.1	+0.8	+2.9	-2.3
OTHER INFORMATION						
Stock Turnover (times per year)	3.3	3.4	3.0	3.8	4.1	3.5

(1) Sum of six preceding items including some expenses not strictly applicable to occupancy costs; e.g.: business taxes.

Table 3.--Operating Results of Country General Stores, Classified by Provinces and Net Profit or Loss, 1938 (Cont.)

Item	QUEBEC			ONTARIO		
	Total	Profitable	Unprofitable	Total	Profitable	Unprofitable
GENERAL INFORMATION						
Number of Stores Reporting	64	33	31	124	74	50
Total Sales	\$2,595,488	1,550,888	1,044,600	4,959,617	3,223,992	1,735,625
Average Sales per Store	\$ 40,555	46,997	33,697	39,997	43,567	34,713
PROFIT AND LOSS--(In percentages of sales)						
Gross Margin or Profit	15.5	16.6	13.7	16.2	17.1	14.6
Expenses						
Proprietors' salaries	2.8	2.7	2.8	3.0	2.8	3.3
Employees' salaries and wages	5.9	4.8	7.5	6.3	5.6	7.4
Advertising	0.1	0.1	0.2	0.3	0.4	0.3
Supplies	0.8	0.8	0.8	1.0	0.9	1.1
Communication	0.2	0.2	0.2	0.2	0.2	0.2
Rent	0.2	0.1	0.4	0.4	0.4	0.4
Taxes	0.5	0.4	0.6	0.5	0.4	0.6
Insurance	0.6	0.6	0.7	0.5	0.5	0.6
Light, heat and power	0.6	0.5	0.6	0.5	0.5	0.6
Repairs	0.5	0.5	0.6	0.4	0.4	0.5
Depreciation	0.9	0.9	0.9	0.7	0.7	0.8
Total occupancy costs(1)	3.3	3.0	3.8	3.0	2.9	3.5
Bad debts	0.6	0.5	0.6	0.4	0.5	0.4
Interest on borrowed money ..	0.3	0.4	0.3	0.3	0.3	0.3
Sundry expense	0.2	0.1	0.3	0.4	0.4	0.2
Total Expense	14.2	12.6	16.5	14.9	14.0	16.7
Net Profit or Loss	+1.3	+4.0	-2.8	+1.3	+3.1	-2.1
OTHER INFORMATION						
Stock Turnover (times per year)	2.6	2.9	2.3	3.1	3.3	2.7

(1) Sum of six preceding items including some expenses not strictly applicable to occupancy costs; e.g.: business taxes.

Table 3.--Operating Results of Country General Stores, Classified by Provinces and Net Profit or Loss, 1936 (Cont.)

Item	MANITOBA			SASKATCHEWAN		
	Total	Profitable	Unprofitable	Total	Profitable	Unprofitable
GENERAL INFORMATION						
Number of Stores Reporting	89	54	35	169	106	63
Total Sales	\$2,807,814	1,810,011	997,803	5,153,006	3,440,907	1,712,099
Average Sales per Store	\$ 31,548	33,519	28,509	30,491	32,461	27,176
PROFIT AND LOSS--(In percentages of Sales)						
Gross Margin or Profit	15.2	16.1	13.6	16.1	16.6	15.2
Expenses						
Proprietors' salaries	3.6	3.5	3.6	3.3	3.5	3.1
Employees' salaries and wages	4.5	4.3	5.0	5.2	4.5	6.5
Advertising	0.4	0.4	0.4	0.4	0.4	0.5
Supplies	0.7	0.7	0.8	0.7	0.6	0.7
Communication	0.3	0.3	0.3	0.3	0.3	0.3
Rent	0.6	0.4	1.0	0.5	0.5	0.6
Taxes	0.6	0.6	0.6	0.7	0.7	0.9
Insurance	0.6	0.5	0.8	0.7	0.6	0.7
Light, heat and power	0.7	0.7	0.8	0.7	0.6	0.9
Repairs	0.4	0.4	0.3	0.3	0.3	0.3
Depreciation	0.7	0.6	0.8	0.7	0.7	0.7
Total occupancy costs(1)	3.6	3.2	4.3	3.6	3.4	4.1
Bad debts	0.5	0.5	0.4	0.7	0.6	0.9
Interest on borrowed money ..	0.3	0.2	0.4	0.3	0.3	0.3
Sundry expense	0.3	0.3	0.4	0.3	0.3	0.4
Total Expense	14.2	13.4	15.6	14.8	13.9	16.8
Net Profit or Loss	+1.0	+2.7	-2.0	+1.3	+2.7	-1.6
OTHER INFORMATION						
Stock Turnover (times per year)	3.2	3.5	2.8	3.0	3.1	2.8

(1) Sum of six preceding items including some expenses not strictly applicable to occupancy costs; e.g.: business taxes.

Table 3.--Operating Results of Country General Stores, Classified by Provinces and Net Profit or Loss, 1938 (Cont.)

Item	Total	ALBERTA		BRITISH COLUMBIA		
		Profitable	Unprofitable	Total	Profitable	Unprofitable
GENERAL INFORMATION						
Number of Stores Reporting	149	111	38	93	61	32
Total Sales	6,466,734	5,061,289	1,405,445	3,795,424	2,741,625	1,053,799
Average Sales per Store	43,401	45,597	36,985	40,811	44,945	32,931
PROFIT AND LOSS--(In percentages of sales)						
Gross Margin or Profit	17.2	17.6	15.7	17.2	18.0	15.2
Expenses						
Proprietors' salaries	2.5	2.5	2.7	2.4	2.1	3.0
Employees' salaries and wages	6.1	5.7	7.5	6.8	6.7	7.2
Advertising	0.4	0.5	0.4	0.3	0.3	0.3
Supplies	0.7	0.8	0.6	1.1	1.0	1.2
Communication	0.3	0.3	0.4	0.3	0.2	0.4
Rent	0.6	0.7	0.5	0.4	0.4	0.4
Taxes	0.6	0.5	0.7	0.4	0.4	0.5
Insurance	0.7	0.6	0.7	0.5	0.5	0.6
Light, heat and power	0.6	0.5	0.7	0.7	0.6	0.9
Repairs	0.4	0.4	0.4	0.3	0.3	0.4
Depreciation	0.7	0.6	0.8	0.8	0.9	0.8
Total occupancy costs(1)	3.6	3.3	3.8	3.1	3.1	3.6
Bad debts	0.9	0.7	1.2	0.7	0.8	0.5
Interest on borrowed money ..	0.2	0.2	0.3	0.2	0.2	0.2
Sundry Expense	0.4	0.4	0.5	0.5	0.4	0.9
Total Expense	15.1	14.4	17.4	15.4	14.8	17.3
Net Profit or Loss	+2.1	+3.2	-1.7	+1.8	+3.2	-2.1
OTHER INFORMATION						
Stock Turnover (times per year)	3.3	3.3	3.3	4.2	4.2	4.4

(1) Sum of six preceding items including some expenses not strictly applicable to occupancy costs; e.g.: business taxes.

Table 3.--Operating Results of Country General Stores, Classified by Provinces and Net Profit or Loss, 1933 (Cont.)

Item	PRAIRIE PROVINCES		
	Total	Profitable	Unprofitable
GENERAL INFORMATION			
Number of Stores Reporting	407	271	136
Total Sales	\$14,427,554	10,312,207	4,115,347
Average Sales per Store	\$ 35,449	38,052	30,260
PROFIT AND LOSS--(In percentages of sales)			
Gross Margin or Profit	16.4	17.0	15.0
Expenses			
Proprietors' salaries	3.0	3.0	3.1
Employees' salaries and wages	5.5	5.1	6.5
Advertising	0.4	0.4	0.4
Supplies	0.7	0.7	0.7
Communication	0.3	0.3	0.3
Rent	0.6	0.6	0.7
Taxes	0.6	0.6	0.8
Insurance	0.7	0.6	0.7
Light, heat and power	0.7	0.6	0.8
Repairs	0.3	0.4	0.3
Depreciation	0.7	0.6	0.8
Total occupancy costs(1)	3.6	3.4	4.1
Bad debts	0.7	0.7	0.9
Interest on borrowed money	0.3	0.2	0.3
Sundry expense	0.3	0.3	0.4
Total Expense	14.8	14.1	16.7
Net Profit or Loss	+1.6	+2.9	-1.7
OTHER INFORMATION			
Stock Turnover (times per year)	3.2	3.3	2.9

(1) Sum of six preceding items including some expenses not strictly applicable to occupancy costs; e.g.: business taxes.



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