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Number 27

RATES OF RETURN ON CANADIAN COMMON
STOCKS: DIVIDENDS, RETENTIONS,
AND GOODWILL GAINS

by

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Toronto

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This is one of a series of studies that have been prepared for the Royal Commission on Taxation. Although these studies are published under the auspices of the Commission, this does not necessarily imply that the Commission agrees with the views expressed.

FOREWORD

The purpose of this monograph is to provide data on the rates of return accrued on the common stock of large public companies and on the relative importance of goodwill gains as a source of this return. The estimates presented in this monograph are based on data collected for varying periods of 64 Canadian companies which accounted for roughly 25 per cent of the total taxable income of Canadian corporations in 1964.

A number of people have made contributions to this study. Data were collected by Peter Sharp, C.A., and Donald Beacom, C.A., of the Department of National Revenue and C. Plume of the Canadian Tax Foundation, under the general direction of Donald F. Beach of McDonald, Currie, and Company, with assistance from G. R. Conway, C.A., of the Royal Commission on Taxation. For assistance in program debugging and execution I am indebted to Les Cseh and John Galipeau of National Computing Services.

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J. B.

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CHAPTER 1

INTRODUCTION

In order to assess the impact of the recommendations of the Royal Commission on Taxation regarding the taxation of corporate source income, it is necessary to measure the magnitude of such income and the relative importance of different components of this income. Such measurements are needed both to analyze the impact of these proposals upon aggregate tax revenue yields and to evaluate the economic effects of changes in the incidence of taxes upon corporate source income. The purpose of this study is to provide such measurements for a sample of large, public companies.

The changes in tax law proposed by the Commission which affect the return on stocks of large public companies fall into three groups:

(1) changes which affect the definition of taxable corporate income, including inter alia the taxation of capital gains realized by corporations and the allowance of unlimited loss carryforwards, (2) the integration of the personal and corporate income taxes, and (3) the taxation at full personal rates of "goodwill" capital gains realized by shareholders. Because capital gains arise not only from the capitalization of future increases in earnings but also from the retention of earnings which would have been taxed when earned, it is necessary to subtract the retentions attributable to a shareholder from any gain realized on his shares in order to avoid taxing the same income more than once; the remaining gain (or loss) is defined as the "goodwill" gain realized by the shareholder.

To examine the effect of the Commission's recommendations, it is necessary at a minimum to assess the relative importance of dividends, of

capital gains arising from the retention of earnings, and of "goodwill" capital gains. These components of the return earned by shareholders are defined in Chapter 2 of this study. Estimates of both total rates of return and of the relative importance of each component of total return are presented in an appendix to this study for each of 64 firms in each year for which sample data was collected. These estimates are summarized in Chapter 3.

All estimates of return are on an accrual basis, are before deducting any personal taxes payable, and exclude the effects of transfer costs paid in the process of realizing gains.

CHAPTER 2

THE NATURE OF RETURNS ON EQUITIES

The annual rate of return on an investment in a firm's equities is for the purposes of this study defined as simply the total return accruable to investors over the duration of each year, divided by the market value of the firm's common stock as of the beginning of the year. The total return accruable to investors has two components: dividends paid during the year and capital gains accrued over the year. Capital gains are defined as the total change in the market value of the firm's shares which is attributable to the owners of common stock outstanding at the beginning of the year; for each share of stock outstanding at the year's commencement, such capital gains are equal to the change in share price adjusted for the effects of stock splits and stock dividends over the course of the year.

Because of the necessity of isolating capital gains which would arise even after allowing for the effects of the Commission's integration proposals, it is necessary to differentiate among the various types of capital gain. Some capital gains arise because earnings are retained. Other capital gains (termed "goodwill gains") arise because of changes in investors' anticipations about a firm's future performance. Because retained earnings would be taxed at the corporate level at the top personal rate upon being accrued, being then allocable to the shareholder as a de facto realization of the accrued gain, a shareholder's share of the retention has to be deducted from any capital gain subsequently realized in computing taxable gains. ^{1/} Because taxable capital gains realized on shares are thus only the "goodwill" portion of these gains, it is of great importance to measure the significance of "goodwill" gains in the total return received by investors.

While the isolation of the goodwill portion of capital gains is the more important problem in estimating total taxable capital gains, an additional problem arises because of differences between taxable corporate income as defined by tax law and before-tax corporate income as reported on a firm's financial statements. Taxable capital gains may be defined as the sum of goodwill gains and the capital gains arising from the retention of untaxed income. It is consequently necessary to break down capital gains arising from retentions into a previously taxed component and an untaxed component.

These considerations imply a need to measure four sources of return on equity investments: (1) dividends, (2) capital gains arising from the retention of taxed income, (3) capital gains arising from the retention of untaxed income, and (4) goodwill gains. These four sources of return are defined and illustrated in section 2.1. Problems associated with the measurement of these sources are discussed in section 2.2.

2.1 DEFINITIONS AND AN EXAMPLE

Because of possible changes in a firm's capitalization over each year, it was necessary to eliminate the effect of such changes in measuring capital gains. Capital gains were accordingly defined as follows:

$$\text{GAIN} = V_1 (1 - f) - V_0 \quad (1)$$

where GAIN = total capital gain accrued on stock outstanding at the beginning of the year

V_1 = market value of all common stock outstanding at year-end

V_0 = market value of all common stock outstanding at the beginning of the year

f = fraction of outstanding common stock issued during year, excluding the effects of stock dividends and stock splits

The total return earned on shares in each year is the sum of these capital gains and dividends or, more specifically,

$$\text{TOTAL} = \text{GAIN} + \text{DIV} (1 - k) \quad (2)$$

where TOTAL = total return on shares outstanding at the beginning of the year

GAIN = total capital gain accruing on these shares (defined as above)

DIV = total dividends paid during year

k = fraction of earnings and dividends attributable to shares issued during year

The components of this total return are then defined as follows:

Dividends:

$$D = \text{DIV} (1 - k) \quad (3)$$

Retained taxed income:

$$R = X (1 - k) - D \quad (4)$$

Retained untaxed income:

$$U = S (1 - k) - R \quad (5)$$

Goodwill gains:

$$G = \text{GAIN} - S (1 - k) \quad (6)$$

where X = taxable corporate income, less corporate taxes accrued

S = total additions to earned surplus during year

and where DIV, k, and GAIN are defined as above.

The four components of total return naturally can be summed to obtain the total return. In other words, we have

$$D + R + U + G = \text{TOTAL} \quad (7)$$

The relative importance of each component has been measured by computing it as a percentage of the total return.

It should be emphasized that these components of total return are estimates of what in fact was realized by investors in particular past years.

An example of these calculations is shown in Table 1, which presents estimates of the total return accrued in 1964 on common stock of Bell Telephone Company of Canada outstanding as of December 31, 1963. The market price of Bell Telephone stock climbed from \$53.80 to \$62.00 in 1964, even though the number of shares outstanding was increased from 26.7 million to 29.4 million (primarily as a result of new issues). Adjusting for the new issue, the total capital gain accrued on the original shares amounted to \$218.6 million in 1964. Adding dividends of \$57.2 million estimated to have been paid on stock outstanding as of December 31, 1963, the total return on these shares amounted to \$275.8 million in 1964. The adjustment for dividends paid on stock issued during the year is based on an arbitrary assumption that all new issues were made before any dividends were paid in the year. Because this assumption is arbitrary, tests were performed on the sensitivity of the overall results to this assumption; these tests showed that the effect of making alternative assumptions was negligible. 2/

The implication of these estimates for relative magnitudes of the different types of income attributable in 1964 to shares outstanding at the beginning of the year is shown by the second half of Table 1. As can be seen from this table, dividends attributable to these shares accounted for 20.7 per cent of total return, while goodwill gains accounted for 74.4 per cent and capital gains corresponding to retentions amounted to 4.9 per cent. Because of the large goodwill gains in 1964, the total return attributable to shares outstanding at the beginning of the year amounted to 19.2 per cent, compared to an average return of 6.9 per cent earned over the 20 years 1945-64.

TABLE 1

TOTAL RETURN DURING 1964 ON BELL TELEPHONE COMPANY OF CANADA
COMMON STOCK OUTSTANDING AT DECEMBER 31, 1963
(millions of dollars)

Source of total return

Market value of common stock:		
December 31, 1964	1,822.8	
Adjustment for stock issued during year	<u>167.7</u>	1,655.1
December 31, 1963		<u>1,436.5</u>
Capital gain accrued on stock outstanding at beginning of year		218.6
Dividends paid to stockholders:		
Total	63.0	
Adjustment for dividends paid on stock issued during year	<u>5.8</u>	<u>57.2</u>
Estimated total return on stock outstanding at beginning of year		<u>275.8</u>

Allocation among types of income

Dividends	57.2
Retained taxed income	9.0
Retained untaxed income	4.3
Goodwill gains	<u>205.3</u>
TOTAL	<u>275.8</u>

Note: In adjusting for dividends paid on new stock issued during the year, it has been assumed that all new stock was issued before any dividends were paid and thus fully shared in all dividends.

Some historical data for Bell Telephone stock are presented in Table 2. The average rate of return on Bell stock over the 20 years 1945-64 was 6.9 per cent, calculated by simply averaging the rate of return realized in each year. ^{3/} The average total goodwill gain realized was \$18.2 million, compared to average total dividends paid in each year of \$28.8 million. Over the 20 years 1945-64, goodwill gains realized in each year on shares outstanding at the beginning of the year amounted to roughly 63 per cent of total dividends paid by the company.

2.2 PROBLEMS OF MEASUREMENT

Problems of measurement can be segregated into two types: (1) difficulties in obtaining data for each company, and (2) conceptual problems relating to the way in which the data in the sample should be summarized.

Data for each company were obtained from summaries of financial reports presented in the Financial Post survey. ^{4/} Price quotations were obtained from the Financial Post. Difficulties in obtaining data revolved around two problems: the different definitions of the change in financial surplus used in the financial accounting of different firms, ^{5/} and the difference between fiscal year and calendar year variables for some firms. It should be noted that the errors of measurement incorporated in data obtained from company accounts affect the measurement of components of return in two respects. First, "pure" goodwill gains are overstated to the extent that the reported change in retained earnings is understated, but taxable capital gains are affected by such understatement only to a substantially lesser extent. ^{6/} Second, retained taxed profits may be overstated relative to retained untaxed profits to the extent that this understatement results from the deduction of deferred tax liabilities in computing income.

TABLE 2

**ESTIMATED TOTAL RETURN AND GOODWILL GAINS FROM 1945 TO 1964
FOR BELL TELEPHONE COMPANY OF CANADA**

	<u>Total Return (Percentage of Initial Market Value)</u>	<u>Total Goodwill Gains (millions of dollars)</u>	<u>Percentage of Total Return Obtained From Goodwill Gains</u>
1964	19.2%	205.3	74.4%
1963	4.9	1.8	2.7
1962	-3.9	-112.5	210.9
1961	25.4	207.2	80.0
1960	17.2	102.3	65.9
1959	8.4	19.3	30.8
1958	8.1	19.7	33.8
1957	-9.1	-96.0	147.8
1956	-4.2	-59.0	208.5
1955	10.0	27.7	50.1
1954	24.1	82.2	74.4
1953	6.9	3.3	12.9
1952	4.5	-4.6	-33.1
1951	2.7	-7.6	-89.6
1950	3.1	-5.7	-72.0
1949	2.4	-9.0	-175.4
1948	-2.6	-16.3	279.4
1947	3.6	-1.2	-17.6
1946	-7.2	-19.3	155.4
1945	23.9	27.0	77.6
AVERAGE	6.9	18.2	37.0

Note: Both total return and total goodwill gains are calculated on stock outstanding as of the beginning of each year. As in Table 1, stock issued during any year is assumed to have been issued at the beginning of that year.

Source: Appendix.

The difference between fiscal year and calendar year for a number of firms meant that estimates had to be obtained on a calendar year basis for such firms by using the arbitrary assumption that capital gains arising over a given year were associated with the firm's financial performance over the fiscal year which most closely overlapped the calendar year. It should be emphasized that the inaccuracies introduced by this assumption affect the results shown for particular years to a much greater extent than the averages for a sample of years, since the only discrepancies not offset by such averaging are those for the first and last years. 7/

Turning to the problem of defining suitable summary measures, there are two ways in which data on both total rates of return and the relative importance of different sources of income need to be summarized: (1) across time, and (2) across firms. Since the primary purpose of this study is to estimate the total rate of return and relative importance of goodwill capital gains of large, public companies in an economic climate similar to that of Canada in the postwar period, there is no a priori reason to give greater or lesser weight to the data obtained for any particular year. 8/ Data from each year have consequently simply been averaged across years, the form of the average depending on the variable being measured.

In aggregating across firms, however, it is necessary to take account of differences among firms. Two variables in terms of which firms differ have been taken into account in this study: the firm's size and the degree to which the firm is currently Canadian-owned. (The purpose of taking Canadian ownership into account is to allow for the estimation of returns accrued by Canadian residents, given ownership patterns existing as in 1964.) As is shown in Table 3, data on individual companies' returns have been

TABLE 3

ALTERNATIVE WEIGHTING VARIABLES USED IN
AGGREGATING DATA FROM DIFFERENT FIRMS

<u>Weighting Variable Index</u>	<u>Weighting Variable</u>
1	A constant (equivalent to no differential weighting).
2	Base of data variable (market value of shares outstanding at the beginning of the year, if the total rate of return accrued on these shares is the data variable; total dollar return on shares outstanding at the beginning of the year if fraction of return obtained from a given income source is the data variable; a constant if dollar amounts such as capital gains in a year are being averaged).
3	Fraction of outstanding common stock owned by Canadians in 1964.
4	Product of weights 2 and 3.

Note: Data on Canadian ownership has been obtained from returns submitted by companies under the Corporations and Labor Unions Reporting Act.

aggregated across firms in four different ways, reflecting four alternative methods of weighting data from each firm.

In computing rates of return, the average return for each company has been calculated simply as an unweighted average of the rates of accrued return in each year on stock outstanding at the beginning of the year. In computing the average return in a given year, however, four different averages have been calculated. Let $\bar{R}_t(k)$ be defined as the average rate of return accrued in a given year t on the common stock outstanding at the beginning of the year of the N companies in a sample, calculated using weighting scheme k . These averages are defined by the formula

$$\bar{R}_t(k) = \frac{\sum_i W_{it}(k) R_{it}}{\sum_i W_{it}(k)}, \quad k = 1, \dots, 4 \quad (8)$$

where $W_{it}(k)$ = weighting factor of type k for company i in period t , with type defined as in Table 3.

R_{it} = rate of return accrued on the common stock of company i outstanding at the beginning of year t

and where \sum_i denotes summation over the N firms in the sample.

The average rate of return for a sample is computed as a simple average over time of a set of weighted averages calculated for each of the T years included in the sample. Let $\bar{R}(k)$ denote the average rate of return over the T years of the sample for the N companies included, calculated using weights for each firm of type k . This average is simply calculated as

$$\bar{R}(k) = \sum_t \bar{R}_t(k) / T, \quad k = 1, \dots, 4 \quad (9)$$

where $\bar{R}_t(k)$ = the average rate of return for the N companies in period t , calculated using weights of type k ,

T = number of years in the sample

and where \sum_t denotes summation over the T years.

The weights are defined in Table 3.

For data on the fractions of accrued return obtained from a given income source, the same basic approach applies: a single average is calculated across time for each firm, but data from different firms are combined with different weights as specified in Table 3. However, because of the nature of these fractions the single average across time cannot be a simple average, and global averages are calculated as weighted averages of the firm averages rather than as averages across time of the weighted averages for each period.

Let \bar{F}_i denote the average fraction of total return derived from the given income source by the i th firm in the T years included in the sample. Because time periods are weighted uniformly, only one way of combining data for different years is shown, and this average thus has no weighting function index. However, because of the unfortunate statistical properties of the ratio F_{it} , we do not use a simple average but instead define \bar{F}_i as a ratio of aggregates. 9/ This ratio is given by the formula

$$\bar{F}_i = \frac{\sum_t F_{it} \text{TOTAL}_{it}}{\sum_t \text{TOTAL}_{it}} \quad (10)$$

where F_{it} = fraction of total return derived from the given source for company i in period t ,

TOTAL_{it} = the total return accrued for company i in period t ,

and where \sum_t denotes summation over the T periods included in the sample.

It should be noted that this ratio is a weighted average, with weights being defined as the denominator of the fraction; these weights are in fact identical to weighting variable 2 as defined in Table 3.

The purpose of computing \bar{F}_i as a ratio of aggregates is to define a sample average that best measures the proportional importance of each income

source. In effect, what is being assumed in defining this particular statistic as the best estimate is that the components of total return are to a first approximation being generated independently of one another as dollar magnitudes, and that the best estimate of the relative size of each component can be derived from a comparison of average dollar magnitudes. 10/

The difficulties associated with using an unweighted average of ratios as an estimate of the "typical" fraction of total return obtained from a given income source naturally apply to averages across firms as well as averages over time. Nevertheless, since it may be of interest to examine alternative estimates, four averages across firms are shown in the tables in the appendix for each period for each separate sample, just as for rates of return. The four weighting schemes are defined in Table 3. The four averages are defined as follows: Let $\bar{F}_t(k)$ denote the average fraction of total return derived from a given income source for a set of N firms in period t. These averages are given by the formula

$$F_t(k) = \frac{\sum_i W_{it}(k) F_{it}}{\sum_i W_{it}(k)}, \quad k = 1, \dots, 4 \quad (11)$$

where $W_{it}(k)$ = weighting function of type k for company i in period t, with type defined as in Table 3.

F_{it} = fraction of total return derived from the given income source for company i in period t,

and where \sum_i denotes summation over the N firms in the sample.

Since using weighting scheme 2 is equivalent to defining the average as the ratio of aggregates, it should be clear that $\bar{F}_t(2)$ and $\bar{F}_t(4)$ provide better estimates than $\bar{F}_t(1)$ and $\bar{F}_t(3)$. As before, the only difference between $\bar{F}_t(2)$ and $\bar{F}_t(4)$ is that $\bar{F}_t(4)$ provides an estimated average value for stocks held by Canadians and $\bar{F}_t(2)$ provides an average for all stocks.

The overall average for all data in a sample (aggregated over both companies and time periods) has been calculated from the estimates of firm means using the four weighting schemes shown in Table 3. Let $\bar{F}(k)$ denote the average fraction of total return obtained from a given income source for all firms in all years covered by the sample, computed using weights of type k . This average is defined by the formula

$$\bar{F}(k) = \frac{\sum_i \bar{F}_i \sum_t W_{it}(k)}{\sum_i \sum_t W_{it}(k)} \quad (12)$$

where \bar{F}_i = the average fraction of total return derived from the given source by firm i in the T years included in the sample,

$W_{it}(k)$ = weight of type k for company i in period t , with type defined as in Table 3,

and where \sum_i and \sum_t respectively denote summations over the N firms and summations over the T periods of the sample.

The same comments apply to these statistics as to the average calculated for particular periods. The better estimates are provided by $\bar{F}(2)$ and $\bar{F}(4)$.

REFERENCES

- 1/ The mechanics of this adjustment can vary, since under the Commission's recommendations it could be accomplished by any of (1) a stock dividend, (2) a capitalization of surplus, or (3) an allocation of taxed surplus. From the corporation's viewpoint, the third method consists simply of a transfer of an amount from one surplus account ("unallocated taxed surplus") to another ("allocated taxed surplus"), and thus has the least effect on the way in which the firm's status is shown on its financial statements. From the standpoint of the stockholder's tax accounting, all three methods simply bring about an increase in the cost basis of his shares. The mechanics are discussed at length in Appendix H to Volume 4 of the Report.
- 2/ Some of the results of these tests are reported in the next chapter of this study. While the overall results shown in this study are not materially affected by this assumption, this insensitivity does not apply to all individual cases. For some particular firms, the estimated return in some years does depend to a significant degree upon what is assumed. For Bell stock in 1964, the total return would be \$5.8 million higher if dividends paid in 1964 were all allocated to stock outstanding at the beginning of the year, making the total rate of return 19.6 per cent in 1964.
- 3/ It would be emphasized that this average does not measure the yield which would have been realized by an investor who held the stock over the entire 20-year period. (This latter yield would have to be calculated by finding that discount rate which makes the present value of dividends received in each year and of the capital gain accrued at the end of this period equal to the market value of the original shares outstanding in 1945. Cf. L. Fisher and J. H. Lorie, "Rates of Return on Investments in Common Stocks", Journal of Business, January 1964.) What the average does measure is the return which an investor could have expected to realize had he invested in Bell stock for one year at the beginning of any one year chosen at random out of the 20 years 1945-64. It should also be noted that no reinvestment of dividends received during the year is assumed.
- 4/ The data were abstracted from information available on summary cards obtained from the Financial Post Corporation Service.
- 5/ This definitional problem simply reflects the lack of uniformity in accounting practices that results from the difficulty of obtaining an operational precise definition of income. Certain non-uniformities in company accounts have been adjusted by the authors of the Financial Post survey.
- 6/ "Pure" goodwill gains are those capital gains arising from sources other than the effect of retaining income which could be distributed to shareholders. If retentions are understated because income is understated, then these "pure" goodwill gains are overstated. Abstracting from the effect of deducting deferred tax liabilities, such understatement of retentions does not affect the amount of gains

taxable as capital gains, since taxable accrued gains are defined as the accrued capital gain less accrued taxed corporate income attributable to shareholders. It should be noted also that the "impure" goodwill gain corresponding to the difference between true retentions and reported retentions may not be distinguishable from the "pure" goodwill gain by many stockholders whose information may be limited to little more than the data published in the firm's public accounts.

- 7/ As an alternative, capital gains could have been calculated using market values at the beginning and end of each fiscal period. This was not done in order to be able to maintain the data on a calendar year basis. Fiscal years are different from calendar years for 9 firms in the sample.
- 8/ Some years in the postwar period have of course been characterized either by weak overall demand (such as 1958-1961, a period marked by heavy unemployment not adequately countered by fiscal policy measures) or by unusually rapid increases in prices (such as 1947, 1948, or 1951, in each of which years the GNE price deflator index rose by an average of 11 per cent). As is argued in Chapter 3 of the Commission's Report, economic performance could have been improved in these years if government policy had been based upon more adequate, up-to-date data and upon an increased public awareness of the importance of the full-employment surplus in assessing fiscal policies. However, no attempt has been made in this study to assess the impact of improved government policy-making upon private rates of return.
- 9/ In general, the expected value of a ratio of two variables is not equal to the ratio of the expected values of the variables, and it is consequently necessary to consider carefully what one is trying to measure before defining a sample statistic. Moreover, since total return can be zero as well as either negative or positive, the ratio can in fact be undefined within its sample range. If the two variables could be considered to be independent with zero means, the sampling distribution of the ratio would be a Cauchy distribution with no defined expected value or higher moments.
- 10/ The rate of return accrued by an investor is of course also a ratio of two variables: the total return on the outstanding shares in a period and the market value of these shares at the beginning of the period. The difference between the rate of return ratio and the ratios showing the fractional importance of different income components is twofold: (1) the denominator of the rate of return ratio is a non-negative number, while the denominator of the "fraction of return" ratio may range on either side of zero; (2) there is considerable justification for regarding the rate of return ratio as the basic stochastic variable - dividends and final market value of the stock being derivatives of this return - with the total dollar return being generated nonstochastically (given the rate of return) as the product of the return rate and beginning market value. Because of the second difference, there is little justification for specifying the rate of return variable as a ratio of two stochastic variables. Moreover, even if there were justification for so specifying the stochastic

nature of the rate of return, the first difference implies that, unlike the fraction of return derived from a given income source, the statistical properties of the rate of return would not cause difficulties. As an illustration of the form of the distribution of the rate of return under these conditions, cf. for instance Exercise 11.11 in M. G. Kendall and A. Stuart, The Advanced Theory of Statistics, Volume 1, 2nd ed. (London: Griffin, 1963). The sampling distribution of an average computed from rates of return data is in any case normal from the Central Limit Theorem, given the existence of both first and second moments of the distribution of returns; the problem with fractions of return derived from particular income sources is of course simply that this "given" clearly cannot be assumed.

CHAPTER 3

RETURNS ON SELECTED EQUITIES IN THE POSTWAR PERIOD

The results of the calculations described in the previous chapter are presented in an appendix to this study for 64 companies for varying numbers of years. In this chapter, these results will be summarized and their extrapolatability discussed.

3.1 ANNUAL RATES OF RETURN

As has been noted in the previous chapter, the rates of return calculated for companies may (given the data collected) vary because of differing assumptions concerning the proportion of dividends paid which were received by the owners of share issued after the end of the previous year. In addition, average rates of return for a group of firms have been computed using several alternative weighting schemes in order to reflect different variables in aggregating over different firms.

Table 4 presents average rates of return in each year between 1945 and 1964 for 15 companies not in the resource industries, 1/ showing the effect of extreme assumptions with respect to the dating of new issues and comparing the results of using two different averages. As this table indicates, the effect of alternative assumptions about when new issues are made is so small as to be immaterial. The effect of alternative weighting schemes is quite marked, on the other hand. As the more detailed summaries in the appendix to this study indicate, the major difference between companies is with respect to size. The larger the company's beginning market value, the smaller the average rate of return for the company; as a consequence,

TABLE 4

ALTERNATIVE ESTIMATES OF AVERAGE ANNUAL RATES
OF RETURN FOR 15 NON-RESOURCE COMPANIES
1945-64

	Simple Average of Company Rates of Return		Averaging Weighting Company Rates of Return by Beginning Market Value Attributable to Canadians	
	New Issues Assumed at Beginning of Year	New Issues Assumed at Year End	New Issues Assumed at Beginning of Year	New Issues Assumed at Year End
1964	24.1	24.2	23.1	23.3
1963	14.0	14.0	11.5	11.5
1962	0.3	0.4	-4.0	-3.8
1961	28.1	28.6	28.3	28.7
1960	1.5	1.6	4.0	4.1
1959	21.8	22.1	14.6	14.9
1958	43.8	43.8	28.1	28.1
1957	-6.8	-6.6	-10.1	-9.9
1956	-6.5	-6.2	-2.2	-1.8
1955	37.4	37.5	25.5	25.7
1954	43.2	43.2	36.8	36.8
1953	12.0	12.2	11.5	11.9
1952	4.3	4.4	0.4	0.7
1951	20.6	20.8	9.8	9.8
1950	53.7	54.0	38.1	38.4
1949	15.0	15.1	13.5	13.8
1948	16.3	16.4	7.5	7.6
1947	6.0	6.1	-52.8	-52.7
1946	40.6	40.7	126.9	127.1
1945	86.4	86.4	63.1	63.1
AVERAGE	22.8	22.9	12.6	12.7

weighted averages computed using the "base" (i.e., beginning market value) as weights are generally lower than a simple average of rates of return. (This phenomenon is consistent with a similar relationship between ex ante rates of return and company size which could arise because of the greater riskiness associated with small firms by investors.) The extent of Canadian ownership is effectively uncorrelated with rates of return, and has little effect on the average rate. That these results are typical of other samples is shown by the summary data presented in Table 5.

The average rates of return in each year vary considerably and in a seemingly peculiar pattern. In 1946 and 1947, for instance, there are sharp differences between the simple average of rates of return (41% and 6%) and the average rate of return weighted by total market value attributable to Canadians at the beginning of the year (127% and -53%). As the appendix indicates, a number of companies experienced large offsetting deviations from normal rates of return in those years, and the weighted average as it happens gives larger weight to the extremes experienced by certain companies. Because of this the simple average gives more accurate results for these 15 companies in those years, though this is accidental. 2/

In all succeeding summary tabulations, averages have been computed using the beginning market value attributable to Canadian shareholders of each firm to weight returns for each firm. As Table 5 indicates, this results in a more conservative estimate of the average return on large corporations.

Average annual rates of return are shown in Table 6 for 47 companies which are not primarily in one resource industries, and are presented for 17 resource-industry companies in Table 7. As the data in these tables indicate,

TABLE 5

ALTERNATIVE ESTIMATES OF AVERAGE POSTWAR RATES
OF RETURN FOR DIFFERENT GROUPS OF COMPANIES

	Simple Average of Company Rates of Return		Averaging Weighting Company Rates of Return by Beginning Market Value Attributable to Canadians	
	New Issues Assumed at Beginning of Year	New Issues Assumed at Year End	New Issues Assumed at Beginning of Year	New Issues Assumed at Year End
Non-resource companies:				
15 companies, 1945-64	22.8	22.9	12.6	12.7
11 companies, 1955-64	13.0	13.1	12.0	12.1
21 companies, 1961-64	19.3	19.4	16.6	16.7
Resource companies:				
6 companies, 1945-64	16.6	16.6	11.5	11.5
5 companies, 1955-64	14.2	14.2	11.9	12.0
6 companies, 1961-64	14.4	14.6	14.0	14.1

TABLE 6

AVERAGE ANNUAL RATES OF RETURN FOR NON-RESOURCE COMPANIES
1945-64

	<u>15 Companies With 20 years of Data</u>	<u>11 Companies With 10 Years of Data</u>	<u>21 Companies With 4 Years of Data</u>	<u>All Companies Available</u>
1964	23.1	20.4	30.3	23.7
1963	11.5	15.1	19.8	14.0
1962	-4.0	-4.2	-7.5	-4.7
1961	28.3	22.5	25.7	26.1
1960	4.0	12.7	—	7.0
1959	14.6	6.6	—	11.8
1958	28.1	41.8	—	32.5
1957	-10.1	-15.1	—	-11.8
1956	-2.2	7.8	—	1.1
1955	25.5	17.2	—	22.6
1954	36.8	—	—	36.8
1953	11.5	—	—	11.5
1952	0.4	—	—	0.4
1951	9.8	—	—	9.8
1950	38.1	—	—	38.1
1949	13.5	—	—	13.5
1948	7.5	—	—	7.5
1947	-52.8	—	—	-52.8
1946	126.9	—	—	126.9
1945	63.1	—	—	63.1
AVERAGE, 1961-64	14.7	13.5	17.1	14.8
AVERAGE, 1955-64	11.9	12.5	—	12.2
AVERAGE, 1945-64	18.7	—	—	18.9

Note: All new issues are assumed to have been made at the beginning of each year. Annual averages are computed as weighted averages of the rates of return calculated for each firm, with weights reflecting both the fraction of Canadian ownership and the market value of the sum at the beginning of each year. The exact calculations are as defined in equation (8) of Chapter 2 with k set to 4. Averages across years are simple averages of annual averages.

TABLE 7

AVERAGE ANNUAL RATES OF RETURN FOR RESOURCE COMPANIES
1945-64

	<u>6 Companies With 20 Years of Data</u>	<u>5 Companies With 10 Years of Data</u>	<u>6 Companies With 4 Years of Data</u>	<u>All Companies Available</u>
1964	28.3	36.1	13.4	27.4
1963	15.8	21.3	17.6	16.9
1962	-10.4	-12.4	-8.3	-10.4
1961	41.5	49.5	40.9	42.6
1960	5.6	-1.0	—	4.4
1959	-2.0	-4.9	—	-2.6
1958	25.4	38.9	—	27.8
1957	-27.9	-42.3	—	-31.0
1956	13.5	22.0	—	15.4
1955	26.1	43.3	—	29.4
1954	47.3	—	—	47.3
1953	-19.3	—	—	-19.3
1952	-2.0	—	—	-2.0
1951	37.2	—	—	37.2
1950	23.6	—	—	23.6
1949	6.3	—	—	6.3
1948	25.5	—	—	25.5
1947	9.9	—	—	9.9
1946	-3.6	—	—	-3.6
1945	38.2	—	—	38.2
AVERAGE, 1961-64	18.8	23.8	15.9	19.1
AVERAGE, 1955-64	11.6	15.1	—	12.0
AVERAGE, 1945-64	14.0	—	—	14.2

Note: As in Table 6.

there is substantial covariation across companies in the movement of rates of return over time; a substantial component of variation in rates of return is due to variation in the average rate of return in each period. The movement through recent years of the average rate of return is better shown in Table 8, which shows centered 3-year moving averages of the annual average rates of return for these companies in the period 1952-64. (1951 and earlier years are excluded in order to focus attention on years subsequent to the two postwar inflations and to much of the postwar readjustment in capitalization rates.) The average rate of return for all companies sampled was roughly 12 per cent per year. 3/

3.2 IMPORTANCE OF DIFFERENT COMPONENTS

The relative importance of different components is indicated by the averages presented in Table 9, all of which are computed as indicated in equation (11) in Chapter 2 with weights of type 4. The averages presented in Table 9 thus show the average importance of each income component as a source of return attributable to the Canadian owners of the stocks in each sample. It should be emphasized that the fractions shown in Table 9 and for individual companies in the Appendix are defined as fractions of total dollar return over the entire period, and so strictly speaking cannot be compared to the average rate of return over the same period. 4/

As might be expected given the covariation across firms of rates of return accrued in each period which was noted in the preceding section, the average importance of different components is generally more affected by the time period covered than by the companies included in a sample. Moreover, since total dividends are relatively stable from year to year, the prime component of variability in total return is goodwill gains.

TABLE 8

3-YEAR MOVING AVERAGES OF ANNUAL AVERAGE RATES
OF RETURN FOR SELECTED COMPANIES
1952-64

	<u>15-47 Non-Resource Companies</u>	<u>6-17 Resource Companies</u>
1962-64	11.0	11.3
1961-63	11.8	16.4
1960-62	8.8	12.3
1959-61	15.0	14.8
1958-60	17.1	8.7
1957-59	10.8	-2.9
1956-58	7.3	4.1
1955-57	4.0	4.6
1954-56	20.2	30.7
1953-55	23.6	19.1
1952-54	16.2	8.7
AVERAGE, 1952-64	13.1	11.2

Source: Tables 6 and 7.

TABLE 9

AVERAGE RATE OF RETURN AND BREAKDOWN OF RETURNS FOR DIFFERENT GROUPS OF COMPANIES

Companies Other Than Those in Mining and Oil	Number of Companies	Average Total Return (%)	% of Total Return From			
			Dividends	Retained Taxed Income	Retained Untaxed Income	Goodwill Gains
<u>1961-64</u>						
20-year companies	15	14.7	25	16	6	53
10-year companies	11	13.5	29	15	-	56
4-year companies	<u>21</u>	17.1	22	17	1	60
All Companies	<u>47</u>	14.8	26	16	3	55
<u>1955-64</u>						
20-year companies	15	11.9	32	20	7	41
10-year companies	<u>11</u>	12.5	32	17	-1	52
All companies	<u>26</u>	12.2	32	19	4	45
<u>1945-64</u>						
20-year companies	<u>15</u>	18.7	31	25	6	38
Companies Involved in Mining and Oil						
<u>1961-64</u>						
20-year companies	6	18.8	20	-4	16	68
10-year companies	5	23.8	21	-15	27	66
4-year companies	<u>6</u>	15.9	25	-12	30	57
All companies	<u>17</u>	19.1	21	-7	20	66
<u>1955-64</u>						
20-year companies	6	11.6	34	-5	25	47
10-year companies	<u>5</u>	15.1	37	-25	51	37
All companies	<u>11</u>	12.0	34	-9	30	45
<u>1945-64</u>						
20-year companies	<u>6</u>	14.0	35	-8	26	46

Note: Average total rates of return are obtained from Table 6. Average fractions of return from each component are averages associated with the total return to Canadian stockholders of each company, and are defined by equation (12) in Chapter 2, with k set to 4.

The averages shown in Table 9 represent components of total return. However, for the purpose of estimating the effect of the Commission's proposals on government revenue from the tax system, it is more useful to relate goodwill gains to the total of all dividends paid by a company (including those dividends paid on shares issued during the year). Such a comparison is provided in Table 10. As this table indicates, goodwill gains attributable to Canadians amounted to an average of \$855 million per year for the 64 companies in the sample over the years 1961-64, roughly 2.4 times average dividends paid in each year in this period. Moreover, taxable capital gains under the Commission's recommendations would exceed goodwill gains by the amount of currently untaxed retained earnings not brought into the corporate tax base under other recommendations of the Commission.

More detail on year-by-year changes in the relationship between components is shown in Tables 11 and 12. As Table 11 indicates, the average return in some years for all companies in each sample was less than the average return from dividends as a result of goodwill losses, in some cases (e.g., 1952 for non-resource companies) to the point where the ratio of dividends to total return was greater than unity. In some years (e.g., 1962), goodwill losses were sufficiently large to make the average rate of return negative, thus making the ratio of dividends to total return negative and forcing the ratio of goodwill gains to total return to be positive but greater than unity. Because of the relative constancy of dividends paid by the companies in the sample, the data shown in Table 12 provide a more illuminating picture of the variation in the relative importance of dividends and goodwill gains over the years covered by the sample. As Table 12 indicates, the relationship between total goodwill gains and total dividends paid for the firm sampled varied considerably over the 20 years covered by the sample.

Thus variation is shown in summary form by the following averages for selected periods:

	<u>Ratio of Total Goodwill Gains to Total Dividends Paid</u>
1963-64	3.4
1957-62	0.2
1954-56	3.3
1952-53	-2.1
1950-51	2.5
1947-49	-4.3
1945-46	10.4

Because much of the goodwill gains in 1945-46 and 1950-51 undoubtedly resulted from the inflations in those periods and from the revaluation of the riskiness of equities in the immediate postwar period, attention should be focussed on the period since 1952. Goodwill gains amounted to roughly 110 per cent of dividends paid in this period.

"Dividends paid" have in Tables 10 and 12 been defined to include dividends paid on new shares issued as well as dividends paid on shares outstanding at the beginning of each year. The ratio of goodwill gains to total dividends shown in this table thus provides a reasonably accurate (but understated) estimate of the ratio of accrued capital gains which when realized would be taxable under the Commission's recommendations to dividends currently received by Canadian residents. The estimate is an underestimate for two reasons: (1) goodwill gains as stated in Tables 10 and 12 do not include goodwill gains accrued on stock issued during the year while dividends include the dividends paid on such stock, and (2) taxable capital gains would include currently untaxed retained earnings to the extent that such untaxed earnings are not brought into the corporate tax base by other recommendations made by the Commission. Such untaxed earnings, it should be noted, amounted

TABLE 10

TOTAL GOODWILL GAINS AND DIVIDENDS PER YEAR FOR DIFFERENT GROUPS OF COMPANIES, AVERAGED OVER SEVERAL YEARS
(millions of dollars)

Companies Other Than Those in Mining and Oil	Goodwill Gains		Dividends		Ratio of Gains to Dividends for Residents
	Total	Attributable to Residents	Total	Attributable to Residents	
<u>1961-64</u>					
20-year companies	376	291	198	147	1.98
10-year companies	299	151	121	78	1.94
4-year companies	<u>213</u>	<u>140</u>	<u>71</u>	<u>52</u>	2.69
All companies	887	582	390	277	2.10
<u>1955-64</u>					
20-year companies	189	140	163	117	1.20
10-year companies	<u>167</u>	<u>97</u>	<u>97</u>	<u>61</u>	1.59
All companies	355	237	260	178	1.33
<u>1945-64</u>					
20-year companies	140	91	114	80	1.14
<u>Companies Involved in Mining and Oil</u>					
<u>1961-64</u>					
20-year companies	474	192	159	57	3.37
10-year companies	80	53	27	17	3.12
4-year companies	<u>132</u>	<u>28</u>	<u>22</u>	<u>12</u>	2.33
All companies	686	273	208	86	3.17
<u>1955-64</u>					
20-year companies	194	69	138	50	1.38
10-year companies	<u>20</u>	<u>15</u>	<u>22</u>	<u>15</u>	1.00
All companies	214	84	160	65	1.29
<u>1945-64</u>					
20-year companies	160	57	112	44	1.30

Note: Total dividends paid include dividends paid on stock issued during year, and so are somewhat larger than the amounts corresponding to the dividend component of total return attributable to shares outstanding at the beginning of each year. Total goodwill gains are, however, restricted to gains attributable to these shares. Some types do not add to totals because of rounding.

TABLE 11

RELATIVE IMPORTANCE OF DIVIDEND AND GOODWILL GAIN
COMPONENTS OF TOTAL RETURN IN DIFFERENT YEARS

	Number of Companies	Non-Resource Companies		Resource Companies	
		Dividends	Goodwill Gains	Dividends	Goodwill Gains
1964	64	15%	72%	14%	77%
1963	64	27	53	23	63
1962	64	-70	221	-29	150
1961	64	15	76	9	85
1960	37	82	-36	57	11
1959	37	-120	295	33	43
1958	37	13	84	15	78
1957	37	-10	117	-32	156
1956	37	26	57	311	-505
1955	37	16	72	17	66
1954	21	14	74	11	84
1953	21	42	13	-20	128
1952	21	1,131	-2,078	-198	389
1951	21	54	-16	16	75
1950	21	16	57	26	62
1949	21	42	-22	97	-32
1948	21	69	-132	29	57
1947	21	-4	112	62	16
1946	21	3	93	-129	279
1945	21	7	84	14	84

Note: Figures shown are percentages of total return accrued in each year. As for rates of return, averages for each year are computed weighting data for each company by the total return attributable to Canadian shareholders of the company. The exact calculation is defined by equation (11) in Chapter 2, with k set to 4.

TABLE 12

TOTAL GOODWILL GAINS AND DIVIDENDS PAID ATTRIBUTABLE
TO CANADIAN RESIDENTS IN DIFFERENT YEARS
(millions of dollars)

	<u>Number of Companies</u>	<u>Goodwill Gains</u>	<u>Dividends Paid</u>	<u>Ratio of Goodwill Gains to Dividends Paid</u>
1964	64	1,962	417	4.7
1963	64	793	376	2.1
1962	64	-1,203	341	-3.6
1961	64	1,869	317	5.9
1960	37	10	243	—
1959	37	77	216	0.3
1958	37	1,093	197	5.5
1957	37	-1,375	203	-6.8
1956	37	-45	195	-0.2
1955	37	701	177	4.0
1954	21	655	108	6.1
1953	21	-227	96	-2.4
1952	21	-184	101	-1.8
1951	21	200	103	1.9
1950	21	260	88	3.0
1949	21	-33	79	-0.4
1948	21	-17	74	-0.2
1947	21	-762	61	-12.5
1946	21	614	149	12.5
1945	21	331	40	8.3
AVERAGE, 1945-64				1.3
AVERAGE, 1952-64				1.1

Note: Total dividends paid include dividends paid on stock issued during year, and so are somewhat larger than the amounts corresponding to the dividend component of total return attributable to shares outstanding at the beginning of each year. Total goodwill gains are, however, restricted to gains attributable to these shares.

in 1964 to \$270 million for the 17 resource companies in the sample and \$71 million for the 47 companies of the sample which were not primarily in the extractive industries.

3.3 EXTRAPOLATABILITY OF ESTIMATES

Abstracting from certain second-order effects and ignoring the market value of the tax system's subsidy of a firm's debt financing, the value of a company may be regarded as equal to the present value of the future income stream expected by marginal investors in the stock market, the present value being calculated using a discount rate equal to the rate of return obtainable by such investors on other investments of corresponding riskiness and liquidity. ^{5/} The basic variables influencing the market value of a firm's common stock are thus twofold: (1) the expectations of investors, and (2) the discount rate applied by investors. To analyze the sources of return, it is useful to break down investors' expectations about the future income stream generated by a company into two parts: (1) expectations regarding the income stream which the company will generate in its present form (i.e., with investments confined to repairs and other minimal expenditures necessary to maintain the company in its present form) and (2) expectations regarding the volume and profitability of investments which the company is likely to make.

Assuming no change in discount rates, capital gains and losses will arise from changes in investors' expectations. Presumably, however, such gains and losses should average out to zero across firms and over time, even though one would not generally expect average gains (or losses) to be zero across firms in any particular year. It would consequently seem unlikely that one would be able to explain the large average goodwill gains accrued

on Canadian corporations over the entire postwar period as resulting from forecast errors made by investors. A more dependable source of goodwill gains is simply the following: because of the rate of return which can be earned on other competing investments, a stock will be priced so as to yield a given rate of return. This return will in part be obtained from dividends; the rest must accrue as a capital gain. Because investors discount an income stream which is generally expected to be growing (as a result of the profits expected to be generated by investments to be made by the firm), the ratio of current earnings to the firm's total current market value is generally considerably less than the required rate of return. The sum of dividends and retained earnings is thus insufficient to make up the required total return, forcing the stock to be priced so as to yield an expected goodwill gain equal to the difference needed to make the stock yield the same return as competing investments.

Given this overall description of the source of goodwill gains, it is evident that the critical variable governing the extent to which the contribution to total return of goodwill gains is extrapolatable is the relative importance of income growth in investors' expectations. If growth opportunities could be assumed to be no more than what will be expected by investors over the period 1955-64 (a period which includes a number of years in which overall economic growth was substantially below normal), it would seem not inappropriate to extrapolate the importance of goodwill gains shown in that period. This would imply extrapolating a growth in average annual accrued goodwill gains at a rate roughly 1.3 times as great as that of dividends.

Both investor expectations and the discount rates applied by investors are of course dependent upon other variables. It will be useful to discuss

some of these dependencies in order to evaluate the general comments on extrapolatability which have just been made.

General inflation. Strictly speaking, a "general inflation" denotes an equal proportionate rise in the prices of all goods and services. Such an inflation will leave relative margins unimpaired and so increase the income stream discounted by investors proportionately. Because the value of future income realized by investors will be correspondingly reduced, the discount rate applied to the higher income stream will (assuming the inflation to be reflected in market anticipations) be increased sufficiently to leave the present value of the firm unchanged. The higher discount rate will, however, result in a higher proportion of total return being accrued as goodwill gains. 6/ The increase in goodwill gains will be heightened to the extent that rigidities in prices cause income attributable to common stockholders to be increased more than simply in proportion to the general increase in prices.

The effect of a change in prices on goodwill gains is essentially limited to the period in which the price change occurs. Over the period 1952-64, the GNP implicit price deflator rose by 27 per cent, an average increase of just under 2 per cent. Since it is unlikely that a full-employment economy could sustain a lesser degree of inflation, 7/ it would appear appropriate to extrapolate the goodwill gains which resulted from inflation during this period.

Relative inflation in investment costs. This "relative" inflation means a greater proportionate increase in investment costs (i.e., in the prices of land, plant and equipment, the services of research scientists, etc.) than in income from investments. The effect of a uniform increase in all prices

would be an equal increase in both investment costs and investment income; what is being analyzed under the heading of this relative inflation is the effect of an increase in investment costs which is greater than the general increase in prices.

To analyze the effect of such relative inflation, it should be noted that the only price changes which affect the discount rate are changes in the implicit price deflators of the income streams generated by alternative investments and of consumption goods generally. A relative inflation in the costs of additions to capacity and of other investments does not in itself affect these opportunity costs, and so does not directly affect the discount rates applied to expected future income streams by investors. ^{8/} The effect of such relative changes upon the market value of firms arises instead from their effect on the marginal rate of return on future investments by the firm. By reducing the marginal return from such investments, a relative inflation in investment costs will reduce the market value of affected firms (the extent of the reduction varying with the ratio of the present value of future investment outlays to the firm's market value before adjustment), and so engender goodwill losses in the period during which expectations are adjusted to reflect the relative inflation. ^{9/}

Over the 13 years 1952-64, the implicit price deflator for business gross fixed capital formation rose by 42 per cent, compared to a 27 per cent increase in the GNP implicit price deflator. To assess the quantitative impact of this relative inflation, assume that anticipations regarding investment costs are based on extrapolations of current prices, that capital expenditures are roughly 75 per cent of corporate income, and that investors project current rates of capital formation over a 10-year horizon; the

relative inflation would then have generated average goodwill losses in each year which would be slightly in excess of 1 per cent of the firms' total market value at the beginning of each year. Because of the difficulties involved in obtaining less arbitrary assumptions, it is not possible to provide accurate estimates of the effect of the relative inflation in investment costs. Nevertheless, it is not unlikely that this relative inflation offset perhaps 30 per cent of the effect of the general inflation in prices over the period 1952-64. To the extent that such relative inflation in investment costs may be reduced in the future, goodwill gains would be increased.

Reductions in the required rate of return. One-time goodwill gains are obviously generated by reductions in the discount rate applied by investors to their anticipations of future income to be generated by a firm. It is likely that some part of the goodwill gains accrued on shares between 1945 and 1951 arose from this source as a result of the higher yields required in 1945 by those investors whose evaluations of risk were conditioned by losses experienced in the depression of the 1930's. It is possible that a growing confidence over the period 1952-64 in the improbability of strong depressions of the 1929-33 variety occurring might (other things being equal) have led to a reduction in market discount rates. In fact, however, most market discount rates increased during the period, thus engendering some goodwill losses.

REFERENCES

- 1/ It should be noted that steel companies are included in this group, even though some steel companies have significant mining operations.
- 2/ It would in fact be desirable to Winsorize all averages (say, at the 3-standard deviation level) in order to reduce the effect of extreme observations. As has been pointed out by a number of authors (cf. e., E. Fama, "The Behaviour of Stock Market Prices", Journal of Business, January 1965), there is substantial evidence that the distribution of daily percentage changes in stock price is significantly non-normal suggesting that changes in stock price (expressed in logarithms) may in effect be generated by a purely random process with random variates distributed in accordance with a Pareto-Levy distribution. Since the Pareto-Levy distribution has the property of being stable under addition, this non-normality would carry through the distribution of annual stock price changes and so to the distribution of annual rates of return. Given such non-normality, it would be necessary to Winsorize in order to obtain robust estimates.
- 3/ It is interesting to note that this average return is roughly the same order of magnitude as those obtained over different intervals between 1950 and 1960 for 1,700 common stocks listed on the New York Stock Exchange by L. Fisher and J. H. Lorie, "Rates of Return on Investments in Common Stocks", Journal of Business, January 1964. The Fisher-Lorie rates of return are annually compounded rates over varying numbers of years and include the effect of transfer costs excluded in the computations in this study. Other differences arise from the more protracted underperformance of the Canadian economy in the period 1957-63.
- 4/ To be more specific, the average importance of (e.g.) dividends in a given period (ignoring stock splits) is measured by the fraction of the total dollar return accrued by shareholders during the period that is accounted for by dividends. The average rate of return, on the other hand, is defined as the average of the yearly ratios of total return in the year to beginning market value; this average bears no necessary relationship to the denominator of the ratio used to measure the importance of each return component. As an example, see the data on Steeprock Mines and Sherritt-Gordon presented in the Appendix; both companies experienced sufficiently large goodwill losses in 1957 to make total dollar return over the period 1955-64 negative even though the average rate of return over these years was roughly 9 per cent.
- 5/ The valuation model used in this study is described in M. H. Miller and F. Modigliani, "Some Estimates of the Cost of Capital to the Utility Industry, 1954-1957", American Economic Review, June 1966. Further implications of the model are discussed in Chapter 37 of the Commission's Report.

- 6/ This can be shown as follows: assume a once-and-for-all general inflation in prices by $100q$ per cent is anticipated for the forthcoming years, and assume that a firm is unlevered. If the required return in the forthcoming year was previously $100r$ per cent in the absence of the now-anticipated inflation, it now must become $(1+q)(1+r) - 1$, which is obviously greater than $r(1+q)$. However, the sum of income and retained earnings in the forthcoming year will be increased only by the increase in prices. The greater proportionate increase in required return than in distributable earnings must be made up by an increase in goodwill gains which is greater than $100q$ per cent. As an example, assume that with no inflation anticipated goodwill gains would be 20 per cent of total return and that the total rate of return would be 10 per cent. Assume then that an additional 2 per cent increase in prices over the forthcoming year is expected. The required rate of return should then rise to 12.2 per cent, forcing the ex ante goodwill gain to slightly more than double. This would result in goodwill gains becoming roughly 33 per cent of total return.
- 7/ This prediction is consistent with the goals of fiscal policy stated in Chapter 2 of the Commission's Report. It is a fortiori consistent with likely performance of the economy given a government macro-economic policy oriented primarily to maintaining unemployment at no more than 3.5 to 4 per cent of the labour force.
- 8/ This is not to rule out general equilibrium adjustments in rates of return resulting from the effects of changes in the relative value of different firms upon the relative supplies of securities in different risk classes. Such supply effects would tend to moderate the changes that would otherwise occur in the relative values of different firms.
- 9/ If this result seems paradoxical, it may clarify matters to consider that the effect of a relative increase in anticipated investment costs (as defined above) is the same as the effect of a relative decline in anticipated investment income; the latter clearly should generate goodwill losses. These goodwill losses may to some extent be offset by the effect of increased investment costs on the likelihood of new firms entering into competition for anticipated markets.

APPENDIX

This appendix provides detailed estimates by year and firm of rates of return and components of return for each of six samples of firms. The six samples consist of 64 companies, grouped by number of years sampled and by whether they primarily are or are not in the extractive industries. The samples are as follows:

Firms not primarily in the extractive industries:

- 15 firms with data for 1945-64
- 11 firms with data only for 1955-64
- 21 firms with data only for 1961-64

Firms primarily engaged in mining or in the extraction and refining of oil and natural gas:

- 6 firms with data for 1945-64
- 5 firms with data only for 1955-64
- 6 firms with data only for 1961-64

For each sample, tables are provided showing each of the following:

1. Total rate of return accrued in each year on stock outstanding at the beginning of that year.
2. Percentage of total return derived from dividends.
3. Percentage of total return derived from retained taxed income.
4. Percentage of total return derived from retained income not currently taxed.
5. Percentage of total return derived from goodwill gains.

6. Total goodwill gains accrued in each year on stock outstanding at the beginning of each year.
7. Total dividends paid in each year (including dividends paid on stock issued during year).
8. Total undistributed earnings presently taxed at the corporate level.
9. Total undistributed earnings presently untaxed at the corporate level.

The calculations resulting in the figures displayed in these tables are defined in Chapter 2.

PERCENTAGE TOTAL RATE OF RETURN

20 YEAR COMPANIES, PERIOD 1945 - 1964

NEW ISSUE ASSUMED AT BEGINNING OF YEAR

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	AVERAGE OVER ALL YEARS	ANNUAL FIGURES							
				1964	1963	1962	1961	1960	1959	1958	1957
1. ALUMINIUM	6	.288	23.2	17.4	27.4	-23.0	-6.9	.9	3.4	15.7	-24.3
2. H WALKER G+W	6	.717	20.9	21.5	6.7	1.8	60.2	7.5	14.9	42.7	15.6
3. DISTILLERS	6	.793	39.8	26.2	16.2	8.6	49.7	5.9	.7	37.3	-10.8
4. DOMTAR	6	.887	17.4	31.8	3.4	.4	34.7	-6.6	15.2	50.0	-11.7
5. FORD OF CAN	6	.118	20.5	-2.3	6.9	12.1	24.0	-20.3	64.7	77.8	-36.1
6. C G E	6	.079	15.8	25.3	10.0	58.2	-18.8	12.4	21.9	8.5	-5.8
7. MOORE CORP	6	.645	18.5	21.8	8.7	-9.2	17.2	11.2	39.7	43.2	35.4
8. DOFASCO	6	.901	21.6	51.9	6.2	-4.6	49.1	-9.7	26.7	78.9	-17.1
9. ALGOMA STEEL	6	.681	29.7	18.6	37.5	-6.4	48.5	-13.1	11.6	-7.8	31.2
10. CONS PAPER	6	.781	20.9	8.5	13.8	-8.9	4.7	.6	11.5	52.8	-21.2
11. CDN BREW	6	.900	34.3	12.2	-6.5	-5.6	37.0	24.7	5.4	46.2	5.4
12. GEO WESTON	6	.970	23.9	14.8	-5.8	-14.0	51.7	16.2	64.6	72.6	-25.7
13. MASSEY-FERG	6	.708	30.1	78.0	48.6	2.5	24.4	-5.4	9.9	82.1	3.1
14. BELL TEL	6	.920	6.9	19.2	4.9	-3.9	25.4	17.2	8.4	8.1	-9.1
15. STEEL CO	6	.927	18.4	17.0	31.4	-2.7	21.2	-18.9	29.0	48.2	-30.4
AVERAGE RETURNS											
UNWEIGHTED				22.79	24.12	13.97	.34	28.14	1.52	21.84	43.75
WEIGHTED BY BASE				18.53	21.96	12.93	-3.63	21.79	2.40	15.11	26.76
WEIGHTED BY OWNERSHIP				23.16	25.70	13.02	-3.54	33.79	2.48	20.43	46.15
WEIGHTED BY BASE AND OWNERSHIP				18.67	23.13	11.49	-3.96	28.28	3.98	14.64	28.07
STANDARD DEVIATIONS OF RETURNS											
UNWEIGHTED				50.03	18.39	15.16	17.55	21.93	13.21	19.58	26.89
WEIGHTED BY BASE				35.87	14.13	12.75	13.80	22.23	12.63	16.10	23.39
WEIGHTED BY OWNERSHIP				52.79	18.09	15.87	8.68	17.61	13.28	18.26	25.10
WEIGHTED BY BASE AND OWNERSHIP				37.37	13.79	12.86	7.76	18.59	13.14	13.59	23.76

PERCENTAGE TOTAL RATE OF RETURN

20 YEAR COMPANIES, PERIOD 1945 - 1964

NEW ISSUE ASSUMED AT BEGINNING OF YEAR

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	AVERAGE OVER ALL YEARS	ANNUAL FIGURES							
				1956	1955	1954	1953	1952	1951	1950	1949
1. ALUMINIUM	6	.288	23.2	8.2	48.8	62.8	-2.0	-3.9	19.9	88.7	-2.7
2. H WALKER G+W	6	.717	20.9	2.6	8.4	43.8	22.8	-7.6	-7.6	59.0	37.9
3. DISTILLERS	6	.793	39.8	-16.5	20.2	24.6	21.7	1.3	-10.5	50.0	20.2
4. DOMTAR	6	.887	17.4	-2.2	29.2	40.4	-20.7	-11.1	46.9	35.8	16.9
5. FORD OF CAN	6	.118	20.5	-17.7	29.2	77.3	5.9	26.8	13.3	103.3	5.5
6. C G E	6	.079	15.8	-27.0	62.7	19.4	35.3	10.8	4.3	54.1	26.4
7. MOORE CORP	6	.645	18.5	23.1	30.0	34.8	6.3	-3.3	8.5	35.9	8.3
8. DOFASCO	6	.901	21.6	2.7	51.5	46.0	-2.7	25.6	26.6	49.8	4.5
9. ALGOMA STEEL	6	.681	29.7	23.2	74.5	26.2	-9.3	-8.9	78.2	96.6	9.4
10. CONS PAPER	6	.781	20.9	14.9	17.5	58.2	21.2	2.0	18.9	85.4	15.2
11. CDN BREW	6	.900	34.3	-56.1	24.9	25.0	25.7	9.2	11.1	-15.6	26.8
12. GEO WESTON	6	.970	23.9	-47.5	121.3	79.9	39.6	28.6	2.0	21.6	10.4
13. MASSEY-FERG	6	.708	30.1	-26.3	2.9	33.3	-15.2	-16.8	70.1	100.3	11.7
14. BELL TEL	6	.920	6.9	-4.2	10.0	24.1	6.9	4.5	2.7	3.1	2.4
15. STEEL CO	6	.927	18.4	24.8	29.9	51.8	43.7	4.1	17.0	37.5	32.0
AVERAGE RETURNS											
UNWEIGHTED				22.79	-6.53	37.40	43.17	11.95	4.27	20.56	53.70
WEIGHTED BY BASE				18.53	-1.88	30.87	41.37	9.94	.76	11.66	48.98
WEIGHTED BY OWNERSHIP				23.16	-6.42	36.79	42.30	12.37	3.77	21.11	45.74
WEIGHTED BY BASE AND OWNERSHIP				18.67	-2.15	25.45	36.75	11.48	.44	9.76	38.05
STANDARD DEVIATIONS OF RETURNS											
UNWEIGHTED				50.03	24.20	29.74	18.76	19.25	13.46	24.70	34.69
WEIGHTED BY BASE				35.87	18.25	22.11	18.67	14.85	9.60	19.61	35.72
WEIGHTED BY OWNERSHIP				52.79	25.86	32.67	17.25	20.14	13.40	25.25	34.13
WEIGHTED BY BASE AND OWNERSHIP				37.37	19.69	22.72	15.88	15.00	8.58	20.79	34.11

20 YEAR COMPANIES, PERIOD 1945 - 1964

PERCENTAGE TOTAL RATE OF RETURN

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	AVERAGE OVER ALL YEARS	NEW ISSUE ASSUMED AT BEGINNING OF YEAR ANNUAL FIGURES			
				1948	1947	1946	1945
1. ALUMINIUM	6	.288	23.2	186.9	22.3	-11.9	37.2
2. H WALKER G+W	6	.717	20.9	13.5	7.9	-4.5	63.9
3. DISTILLERS	6	.793	39.8	-5.5	-83.3	491.4	147.5
4. DOMTAR	6	.887	17.4	-22.2	9.8	6.0	102.0
5. FORD OF CAN	6	.118	20.5	30.6	13.7	-38.0	32.8
6. C G E	6	.079	15.8	-16.3	-9	-9	36.9
7. MOORE CORP	6	.645	18.5	7.7	3.2	.2	44.5
8. DOFASCO	6	.901	21.6	23.4	-11.4	7.0	27.9
9. ALGOMA STEEL	6	.681	29.7	-9	132.6	2.2	50.0
10. CONS PAPER	6	.781	20.9	3.8	4.4	25.4	88.8
11. CDN BREW	6	.900	34.3	-5.2	-11.6	31.8	500.8
12. GEO WESTON	6	.970	23.9	-5.7	-4.4	4.5	52.9
13. MASSEY-FERG	6	.708	30.1	25.2	6.9	96.2	70.4
14. BELL TEL	6	.920	6.9	-2.6	3.6	-7.2	23.9
15. STEEL CO	6	.927	18.4	12.0	-2.7	6.1	16.9
AVERAGE RETURNS							
UNWEIGHTED			22.79	16.31	6.02	40.56	86.42
WEIGHTED BY BASE			18.53	18.13	-49.09	104.94	58.61
WEIGHTED BY OWNERSHIP			23.16	8.39	3.19	49.61	98.63
WEIGHTED BY BASE AND OWNERSHIP			18.67	7.51	-52.83	126.89	63.10
STANDARD DEVIATIONS OF RETURNS							
UNWEIGHTED			50.03	47.83	40.99	123.71	115.63
WEIGHTED BY BASE			35.87	54.68	44.76	203.67	63.38
WEIGHTED BY OWNERSHIP			52.79	33.02	41.76	130.07	129.22
WEIGHTED BY BASE AND OWNERSHIP			37.37	36.37	42.86	213.44	71.90

PERCENTAGE OF RETURN FROM DIVIDENDS

20 YEAR COMPANIES, PERIOD 1945 - 1964

NEW ISSUE ASSUMED AT BEGINNING OF YEAR

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	AVERAGE OVER ALL YEARS	ANNUAL FIGURES							
				1964	1963	1962	1961	1960	1959	1958	1957
1. ALUMINIUM	6	.288	30.6	15.0	10.8	-9.5	-27.7	230.2	49.2	16.5	-9.0
2. H WALKER G+W	6	.717	27.5	15.5	46.5	174.5	8.0	64.6	35.5	15.7	38.9
3. DISTILLERS	6	.793	32.6	11.8	23.8	41.2	10.9	94.6	728.6	18.4	-53.3
4. DOMTAR	6	.887	34.6	14.6	133.6	1127.5	15.7	-56.8	27.5	10.0	-33.3
5. FORD OF CAN	6	.118	33.7	-118.6	41.1	37.8	15.3	-13.9	7.0	9.9	-12.6
6. C G E	6	.079	12.8	6.8	9.2	2.5	-6.1	10.3	7.0	19.3	-26.4
7. MOORE CORP	6	.645	16.7	10.6	25.5	-20.6	11.4	17.0	6.1	7.0	11.3
8. DOFASCO	6	.901	15.4	5.9	43.1	-51.7	6.5	-27.7	11.3	5.2	-19.0
9. ALGOMA STEEL	6	.681	12.8	14.6	9.1	-45.0	7.3	-22.8	23.5	-30.9	10.0
10. CONS PAPER	6	.781	44.9	61.8	41.2	-52.6	100.0	694.4	41.9	13.3	-24.4
11. CDN BREW	6	.900	48.2	33.3	-56.6	-52.1	10.2	16.1	75.6	12.3	107.4
12. GEO WESTON	6	.970	16.2	18.9	-38.8	-10.4	4.1	11.9	4.6	6.2	-9.4
13. MASSEY-FERG	6	.708	19.9	4.5	8.5	122.2	15.4	-63.3	36.0	7.7	200.0
14. BELL TEL	6	.920	53.5	20.7	82.9	-91.7	17.6	29.8	57.2	61.6	-44.3
15. STEEL CO	6	.927	23.5	20.3	13.2	-116.4	16.2	-14.8	10.6	8.3	-8.8
AVERAGE RETURNS											
UNWEIGHTED				28.19	9.04	26.21	70.37	13.65	64.64	74.77	12.02
WEIGHTED BY BASE				30.02	15.10	26.88	-85.13	15.93	143.21	23.01	16.18
WEIGHTED BY OWNERSHIP				29.34	17.84	27.05	83.90	16.79	62.45	83.99	12.36
WEIGHTED BY BASE AND OWNERSHIP				31.47	15.28	32.27	-80.72	13.66	96.41	26.61	16.90
STANDARD DEVIATIONS OF RETURNS											
UNWEIGHTED				12.71	36.70	43.43	291.91	25.60	181.89	175.95	17.47
WEIGHTED BY BASE				12.67	-4.05	20.96	-107.75	-4.40	-85.97	45.53	11.20
WEIGHTED BY OWNERSHIP				13.34	20.38	49.12	329.21	25.06	189.41	187.21	18.92
WEIGHTED BY BASE AND OWNERSHIP				13.66	7.92	22.13	-104.95	8.02	-38.64	50.76	13.46

PERCENTAGE OF RETURN FROM DIVIDENDS

20 YEAR COMPANIES, PERIOD 1945 - 1964

NEW ISSUE ASSUMED AT BEGINNING OF YEAR

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	AVERAGE OVER ALL YEARS	ANNUAL FIGURES							
				1956	1955	1954	1953	1952	1951	1950	1949
1. ALUMINIUM	6	.288	30.6	26.1	5.8	6.6	-194.0	-90.8	18.7	7.0	-156.2
2. H WALKER G+W	6	.717	27.5	222.2	70.5	17.3	30.5	-100.8	-1185.6	11.0	18.9
3. DISTILLERS	6	.793	32.6	-26.8	25.7	24.7	32.4	500.0	-49.6	10.0	24.3
4. DOMTAR	6	.887	34.6	-153.8	14.5	13.1	-19.4	-30.0	9.0	10.5	25.2
5. FORD OF CAN	6	.118	33.7	-20.2	15.3	8.3	78.6	21.1	52.4	11.2	134.7
6. C G E	6	.079	12.8	-4.1	1.8	6.1	7.8	27.7	69.7	8.4	20.7
7. MOORE CORP	6	.645	16.7	17.7	14.4	14.1	70.8	-1214.8	51.1	13.9	54.8
8. DOFASCO	6	.901	15.4	106.1	6.5	8.9	-140.0	16.8	18.5	12.9	147.7
9. ALGOMA STEEL	6	.681	12.8	.0	.0	.0	.0	.0	.0	.0	.0
10. CONS PAPER	6	.781	44.9	38.0	27.2	9.4	29.6	305.3	35.8	13.7	63.4
11. CDN BREW	6	.900	48.2	-4.3	17.6	23.0	25.5	75.9	75.5	-55.6	37.7
12. GEO WESTON	6	.970	16.2	-1.8	1.3	3.5	9.7	16.7	200.0	18.2	40.0
13. MASSEY-FERG	6	.708	19.9	-20.3	214.0	23.1	-34.6	-28.4	13.8	20.9	83.9
14. BELL TEL	6	.920	53.5	-90.4	41.0	21.0	65.7	107.8	182.6	139.1	196.7
15. STEEL CO	6	.927	23.5	11.7	11.2	8.4	3.9	78.4	21.4	12.8	13.8
AVERAGE RETURNS											
UNWEIGHTED				28.19	6.67	31.13	12.50	-2.21	-21.01	-32.44	15.60
WEIGHTED BY BASE				30.02	-165.77	12.40	11.89	46.28	613.24	43.31	12.65
WEIGHTED BY OWNERSHIP				29.34	4.92	33.02	13.47	-0.8	-1.71	-31.72	17.72
WEIGHTED BY BASE AND OWNERSHIP				31.47	-160.06	16.11	14.06	41.89	1131.10	53.99	15.65
STANDARD DEVIATIONS OF RETURNS											
UNWEIGHTED				12.71	79.99	51.95	7.48	72.08	351.91	314.56	37.26
WEIGHTED BY BASE				12.67	-169.00	17.60	6.89	-50.49	-579.31	-83.23	13.64
WEIGHTED BY OWNERSHIP				13.34	86.06	52.27	7.67	62.66	348.95	323.34	42.73
WEIGHTED BY BASE AND OWNERSHIP				13.66	-159.69	20.46	7.28	-33.90	-1077.54	-97.93	17.43

PERCENTAGE OF RETURN FROM DIVIDENDS

20 YEAR COMPANIES, PERIOD 1945 - 1964

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	AVERAGE OVER ALL YEARS	NEW ISSUE ASSUMED AT BEGINNING OF YEAR			
				ANNUAL FIGURES			
				1948	1947	1946	1945
1. ALUMINIUM	6	.288	30.6	6.4	45.1	-62.0	22.8
2. H WALKER G+W	6	.717	27.5	52.3	60.1	-79.5	8.9
3. DISTILLERS	6	.793	32.6	-54.9	-.6	.4	3.1
4. DOMTAR	6	.887	34.6	-16.7	40.0	66.7	2.0
5. FORD OF CAN	6	.118	33.7	29.7	45.2	-1.9	8.6
6. C G E	6	.079	12.8	-17.6	-300.0	-300.0	9.7
7. MOORE CORP	6	.645	16.7	62.1	140.3	2073.3	11.6
8. DOFASCO	6	.901	15.4	22.5	-33.3	55.6	17.2
9. ALGOMA STEEL	6	.681	12.8	.0	.0	.0	.0
10. CONS PAPER	6	.781	44.9	236.8	169.6	34.3	.0
11. CDN BREW	6	.900	48.2	-166.7	-49.5	16.4	.6
12. GEO WESTON	6	.970	16.2	-66.7	-60.0	60.0	7.5
13. MASSEY-FERG	6	.708	19.9	21.1	87.0	4.9	.0
14. BELL TEL	6	.920	53.5	-172.6	106.7	-48.7	19.8
15. STEEL CO	6	.927	23.5	39.6	-127.3	58.3	23.7
AVERAGE RETURNS							
UNWEIGHTED			28.19	-1.64	8.21	125.18	9.05
WEIGHTED BY BASE			30.02	30.92	-4.58	3.51	7.97
WEIGHTED BY OWNERSHIP			29.34	-9.06	19.84	141.59	8.74
WEIGHTED BY BASE AND OWNERSHIP			31.47	68.98	-3.73	2.88	7.17
STANDARD DEVIATIONS OF RETURNS							
UNWEIGHTED			12.71	93.71	112.26	528.01	8.16
WEIGHTED BY BASE			12.67	-40.42	-14.28	13.54	7.65
WEIGHTED BY OWNERSHIP			13.34	102.86	88.39	501.59	8.48
WEIGHTED BY BASE AND OWNERSHIP			13.66	-86.46	-14.30	14.07	7.51

PERCENTAGE OF RETURN FROM RETENTION OF AFTER-TAX TAXED CORPORATE INCOME 20 YEAR COMPANIES, PERIOD 1945 - 1964

NEW ISSUE ASSUMED AT BEGINNING OF YEAR

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	AVERAGE OVER ALL YEARS	ANNUAL FIGURES							
				1964	1963	1962	1961	1960	1959	1958	1957
1. ALUMINIUM	6	.288	12.0	18.0	6.2	-5.7	-23.6	48.0	-8.9	-9.5	2.2
2. H WALKER G+W	6	.717	28.4	14.5	45.1	143.7	5.6	40.0	18.5	6.7	31.8
3. DISTILLERS	6	.793	53.2	9.1	25.7	47.7	8.8	75.2	477.2	15.6	-50.9
4. DOMTAR	6	.887	22.1	7.0	-12.4	51.0	3.1	-48.8	20.2	24.5	-94.5
5. FORD OF CAN	6	.118	20.5	-100.3	36.7	29.0	1.3	-11.3	11.5	7.3	-6.9
6. C G E	6	.079	32.0	17.8	50.3	8.2	-11.7	28.3	25.1	56.5	-91.0
7. MOORE CORP	6	.645	24.8	14.4	38.6	-30.2	16.2	28.6	10.7	11.1	19.7
8. DOFASCO	6	.901	27.5	14.1	101.3	-96.8	13.5	-32.4	26.9	11.7	-33.8
9. ALGOMA STEEL	6	.681	20.3	17.6	10.6	-34.0	3.8	-6.4	34.1	-14.8	9.9
10. CONS PAPER	6	.781	24.9	20.0	14.4	-26.0	39.2	230.7	12.3	1.6	-4.1
11. CDN BREW	6	.900	42.1	17.3	-41.7	-55.0	8.0	16.2	125.3	11.0	119.5
12. GEO WESTON	6	.970	26.4	12.7	-39.0	-16.4	5.0	20.3	9.0	12.4	-16.6
13. MASSEY-FERG	6	.708	23.8	4.3	14.4	234.9	16.1	-33.2	10.9	10.0	80.0
14. BELL TEL	6	.920	1.3	3.3	7.3	-12.6	1.3	.8	4.2	-12.0	7.4
15. STEEL CO	6	.927	35.4	14.4	13.5	-124.8	14.7	-9.8	23.0	7.2	-9.6
AVERAGE RETURNS											
UNWEIGHTED			26.33	5.61	18.06	7.53	6.75	23.09	53.33	9.28	-2.46
WEIGHTED BY BASE			24.21	11.36	19.50	-61.25	9.49	72.17	17.04	6.31	-14.15
WEIGHTED BY OWNERSHIP			27.06	11.20	13.61	1.16	9.72	22.03	60.95	7.27	2.23
WEIGHTED BY BASE AND OWNERSHIP			25.00	9.83	20.64	-53.69	7.66	44.77	18.98	7.14	-21.06
STANDARD DEVIATIONS OF RETURNS											
UNWEIGHTED			11.60	28.73	34.31	86.39	13.38	64.23	116.97	16.29	53.87
WEIGHTED BY BASE			14.22	-5.38	13.54	-65.78	-6.47	-56.42	30.66	10.54	4.30
WEIGHTED BY OWNERSHIP			12.29	13.03	37.41	91.31	11.21	68.25	124.30	11.48	54.34
WEIGHTED BY BASE AND OWNERSHIP			15.40	4.51	12.02	-54.39	3.54	-26.99	34.42	8.60	-16.72

PERCENTAGE OF RETURN FROM RETENTION OF AFTER-TAX TAXED CORPORATE INCOME 20 YEAR COMPANIES, PERIOD 1945 - 1964

NEW ISSUE ASSUMED AT BEGINNING OF YEAR

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	AVERAGE OVER ALL YEARS	ANNUAL FIGURES							
				1956	1955	1954	1953	1952	1951	1950	1949
1. ALUMINIUM	6	.288	12.0	8.4	1.3	1.2	-93.3	-71.1	21.8	5.6	-122.7
2. H WALKER G+W	6	.717	28.4	149.8	40.2	13.3	42.4	-57.1	-1125.8	24.3	38.5
3. DISTILLERS	6	.793	53.2	-31.0	22.7	37.4	58.7	661.5	-141.4	22.1	52.3
4. DOMTAR	6	.887	22.1	-203.9	25.7	7.4	-16.2	-24.0	20.5	34.7	83.1
5. FORD OF CAN	6	.118	20.5	9.7	-7.9	-6.7	41.2	31.7	56.2	15.2	311.0
6. C G E	6	.079	32.0	-13.3	5.8	20.8	23.6	60.5	127.9	11.0	1.1
7. MOORE CORP	6	.645	24.8	33.5	22.4	20.5	180.7	-3232.5	-4.0	23.1	29.7
8. DOFASCO	6	.901	27.5	204.5	11.7	9.6	-42.0	8.0	11.1	16.1	52.6
9. ALGOMA STEEL	6	.681	20.3	33.2	12.2	10.9	-22.1	-50.3	14.4	11.7	131.0
10. CONS PAPER	6	.781	24.9	13.7	15.3	11.7	30.7	385.3	58.8	8.1	38.3
11. CDN BREW	6	.900	42.1	-4.2	34.8	23.9	31.7	81.7	60.4	-2.8	-4.1
12. GEO WESTON	6	.970	26.4	-4.2	3.4	6.2	19.7	50.5	306.8	44.4	97.6
13. MASSEY-FERG	6	.708	23.8	1.6	8.3	11.0	-19.2	-49.5	27.4	27.8	264.0
14. BELL TEL	6	.920	1.3	7.4	-2.6	.3	7.8	31.9	14.3	-67.8	-125.6
15. STEEL CO	6	.927	35.4	24.5	31.1	14.4	33.9	254.6	119.0	47.8	39.2
AVERAGE RETURNS											
UNWEIGHTED			26.33	15.32	14.95	12.13	18.50	-127.92	-28.85	14.75	59.07
WEIGHTED BY BASE			24.21	-111.21	7.98	7.62	51.33	682.52	63.31	14.63	50.58
WEIGHTED BY OWNERSHIP			27.06	16.14	17.61	13.02	19.65	-97.72	-31.05	15.11	51.25
WEIGHTED BY BASE AND OWNERSHIP			25.00	-115.91	12.06	10.45	48.37	1221.35	80.48	17.63	41.44
STANDARD DEVIATIONS OF RETURNS											
UNWEIGHTED			11.60	84.35	13.71	10.35	57.82	851.80	306.81	25.85	112.37
WEIGHTED BY BASE			14.22	-123.75	11.53	11.13	-27.21	-698.44	-104.51	14.19	56.68
WEIGHTED BY OWNERSHIP			12.29	93.94	13.01	9.58	53.39	834.42	315.72	29.70	92.60
WEIGHTED BY BASE AND OWNERSHIP			15.40	-129.93	12.69	11.19	-15.17	-1213.41	-128.55	17.38	55.00

PERCENTAGE OF RETURN FROM RETENTION OF AFTER-TAX TAXED CORPORATE INCOME 20 YEAR COMPANIES, PERIOD 1945 - 1964

NEW ISSUE ASSUMED AT BEGINNING OF YEAR

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	AVERAGE OVER ALL YEARS	ANNUAL FIGURES			
				1948	1947	1946	1945
1. ALUMINIUM	6	.288	12.0	3.1	19.6	-1.1	3.1
2. H WALKER G+W	6	.717	28.4	114.4	201.4	-395.1	50.5
3. DISTILLERS	6	.793	53.2	-346.0	-2.8	2.7	28.4
4. DOMTAR	6	.887	22.1	-63.3	132.0	203.4	27.8
5. FORD OF CAN	6	.118	20.5	6.5	88.6	3.7	-4.2
6. C G E	6	.079	32.0	-23.8	-304.1	-224.1	12.4
7. MOORE CORP	6	.645	24.8	37.3	71.9	474.3	18.1
8. DOFASCO	6	.901	27.5	8.2	-8.0	13.4	-2.7
9. ALGOMA STEEL	6	.681	20.3	-760.1	6.7	310.1	40.7
10. CONS PAPER	6	.781	24.9	143.2	264.3	18.2	9.3
11. CDN BREW	6	.900	42.1	18.2	-14.4	23.7	18.2
12. GEO WESTON	6	.970	26.4	-122.7	-224.1	264.1	53.3
13. MASSEY-FERG	6	.708	23.8	120.7	188.8	17.7	77.6
14. BELL TEL	6	.920	1.3	74.1	-21.6	-15.5	23.6
15. STEEL CO	6	.927	35.4	81.8	-320.0	.8	25.8
AVERAGE RETURNS							
UNWEIGHTED				26.33	-47.23	5.22	46.43
WEIGHTED BY BASE				24.21	40.53	-7.21	5.80
WEIGHTED BY OWNERSHIP				27.06	-48.12	8.56	68.03
WEIGHTED BY BASE AND OWNERSHIP				25.00	96.93	-6.18	5.53
STANDARD DEVIATIONS OF RETURNS							
UNWEIGHTED				11.60	222.99	167.80	201.31
WEIGHTED BY BASE				14.22	-89.46	-20.59	-24.01
WEIGHTED BY OWNERSHIP				12.29	226.88	164.64	193.06
WEIGHTED BY BASE AND OWNERSHIP				15.40	-163.34	-18.68	-21.64

PERCENTAGE OF RETURN FROM UNTAXED RETAINED SURPLUS

20 YEAR COMPANIES, PERIOD 1945 - 1964

NEW ISSUE ASSUMED AT BEGINNING OF YEAR

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	AVERAGE OVER ALL YEARS	ANNUAL FIGURES							
				1964	1963	1962	1961	1960	1959	1958	1957
1. ALUMINIUM	6	.288	13.7	-6	-1	-3.1	5.7	156.6	33.9	9.9	-7.9
2. H WALKER G+W	6	.717	.4	-1.5	-5.0	-21.6	-4	-1.3	-0	1.2	1.9
3. DISTILLERS	6	.793	1.8	9.5	.9	2.8	2.7	3.5	84.7	-3.2	15.8
4. DOMTAR	6	.887	15.7	9.2	115.0	821.5	7.1	-30.2	26.0	-6.5	38.0
5. FORD OF CAN	6	.118	31.0	113.1	43.0	33.8	2.4	-9.3	2.8	8.0	-6.8
6. C G E	6	.079	2.6	-1.2	-7.7	-6	-4.5	.4	-7	9.1	-10.1
7. MOORE CORP	6	.645	-4.4	-4	-8.4	7.1	-2.9	-4.2	-1.8	-2.0	-2.9
8. DOFASCO	6	.901	-1.8	-1.5	-9.7	6.2	-2.3	-5.5	-4.4	-3	3.2
9. ALGOMA STEEL	6	.681	13.7	11.1	7.4	-38.2	9.4	-14.5	13.7	-18.3	5.1
10. CONS PAPER	6	.781	1.4	-1	-2.4	5.0	-9.5	16.5	-9	1.4	-1.6
11. CDN BREW	6	.900	4.1	3.4	-1.2	2.2	1.9	3.9	-14.2	2.4	25.2
12. GEO WESTON	6	.970	10.4	27.3	-41.6	-7.9	3.9	12.5	2.5	3.8	-11.6
13. MASSEY-FERG	6	.708	14.2	15.8	6.4	59.3	12.2	-57.8	106.3	6.4	425.2
14. BELL TEL	6	.920	8.1	1.6	7.1	-6.6	1.1	3.6	7.8	16.6	-10.8
15. STEEL CO	6	.927	6.4	10.1	4.5	-36.5	7.1	-5.6	4.8	1.1	-4.3
AVERAGE RETURNS											
UNWEIGHTED				7.82	13.05	7.21	54.90	2.26	4.55	17.37	30.55
WEIGHTED BY BASE				7.52	4.37	5.05	-17.69	2.27	38.39	6.35	4.16
WEIGHTED BY OWNERSHIP				6.46	8.25	6.43	68.15	2.57	-1.25	17.48	1.05
WEIGHTED BY BASE AND OWNERSHIP				5.97	5.40	5.91	-13.07	2.16	20.60	6.19	3.08
STANDARD DEVIATIONS OF RETURNS											
UNWEIGHTED				8.70	27.88	33.11	206.22	5.48	44.19	32.96	7.83
WEIGHTED BY BASE				8.05	-3.61	13.51	-59.26	3.71	10.47	16.52	4.67
WEIGHTED BY OWNERSHIP				6.72	14.10	36.16	232.20	5.45	32.41	33.95	7.72
WEIGHTED BY BASE AND OWNERSHIP				6.23	6.09	13.72	-61.08	3.74	-10.74	16.98	4.83

PERCENTAGE OF RETURN FROM UNTAXED RETAINED SURPLUS

20 YEAR COMPANIES, PERIOD 1945 - 1964

NEW ISSUE ASSUMED AT BEGINNING OF YEAR

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	AVERAGE OVER ALL YEARS	ANNUAL FIGURES							
				1956	1955	1954	1953	1952	1951	1950	1949
1. ALUMINIUM	6	.288	13.7	28.2	6.2	5.3	68.6	35.3	-2.9	4.9	-155.9
2. H WALKER G+W	6	.717	.4	30.3	4.7	1.1	-7.0	20.3	167.0	9.2	19.8
3. DISTILLERS	6	.793	1.8	16.3	4.0	-3.2	-10.5	139.2	38.0	12.9	30.4
4. DOMTAR	6	.887	15.7	-75.0	2.2	-1.4	5.6	10.7	-4.7	4.7	-13.9
5. FORD OF CAN	6	.118	31.0	-37.5	30.8	15.2	196.2	12.2	26.0	17.6	256.3
6. C G E	6	.079	2.6	-1.7	-3	6.5	6.1	-2.7	38.8	6.1	17.8
7. MOORE CORP	6	.645	-4.4	-5.4	-2.0	-2.2	-103.9	2017.7	68.4	-5.7	9.0
8. DOFASCO	6	.901	-1.8	7.6	.3	-1.4	32.0	-5.4	-9.6	5.5	111.5
9. ALGOMA STEEL	6	.681	13.7	12.4	4.2	14.7	-70.9	11.4	1.6	4.4	64.0
10. CONS PAPER	6	.781	1.4	4.7	5.9	-1.8	-4.2	-143.2	-14.9	7.1	53.2
11. CDN BREW	6	.900	4.1	-2	2.0	10.7	8.3	-21.5	-20.4	-6.1	23.8
12. GEO WESTON	6	.970	10.4	-3.5	.3	-6	-4.4	-24.3	-106.8	-4.4	-25.6
13. MASSEY-FERG	6	.708	14.2	-13.0	29.3	-4.9	1.6	10.6	-10.0	-4.2	34.1
14. BELL TEL	6	.920	8.1	-25.4	11.5	4.4	13.5	-6.6	-7.3	100.7	204.2
15. STEEL CO	6	.927	6.4	.3	.6	-7	-5.7	33.8	-39.5	3.5	15.2
AVERAGE RETURNS											
UNWEIGHTED				7.82	-4.12	6.65	2.77	8.36	139.17	8.25	10.41
WEIGHTED BY BASE				7.52	-72.30	6.01	3.81	1.99	-96.37	-10.51	8.61
WEIGHTED BY OWNERSHIP				6.46	-4.71	5.27	1.51	-4.19	128.77	.35	11.44
WEIGHTED BY BASE AND OWNERSHIP				5.97	-36.33	4.63	1.94	-2.83	-174.04	-18.42	9.60
STANDARD DEVIATIONS OF RETURNS											
UNWEIGHTED				8.70	25.62	9.71	6.24	63.02	504.98	57.19	25.01
WEIGHTED BY BASE				8.05	-70.54	7.28	5.40	35.00	-242.76	-10.83	12.25
WEIGHTED BY OWNERSHIP				6.72	25.93	7.90	5.55	41.17	491.26	60.41	28.57
WEIGHTED BY BASE AND OWNERSHIP				6.23	-32.01	5.05	4.53	14.41	-341.06	-20.42	15.53

PERCENTAGE OF RETURN FROM UNTAXED RETAINED SURPLUS

20 YEAR COMPANIES, PERIOD 1945 - 1964

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	AVERAGE OVER ALL YEARS	NEW ISSUE ASSUMED AT BEGINNING OF YEAR ANNUAL FIGURES			
				1948	1947	1946	1945
1. ALUMINIUM	6	.288	13.7	1.7	32.8	-46.1	17.4
2. H WALKER G+W	6	.717	.4	74.3	63.2	55.4	-32.1
3. DISTILLERS	6	.793	1.8	-166.5	-1.3	-.6	-20.3
4. DOMTAR	6	.887	15.7	5.0	-52.0	-103.4	-22.0
5. FORD OF CAN	6	.118	31.0	35.8	-4.7	-.9	7.0
6. C G E	6	.079	2.6	-19.8	4.1	64.1	-8.5
7. MOORE CORP	6	.645	-4.4	13.9	15.8	710.4	-17.2
8. DOFASCO	6	.901	-1.8	18.0	-25.3	42.2	2.7
9. ALGOMA STEEL	6	.681	13.7	-139.8	3.1	189.8	-10.7
10. CONS PAPER	6	.781	1.4	235.8	-.9	-9.2	-.6
11. CDN BREW	6	.900	4.1	-109.1	-28.0	-7.3	-16.0
12. GEO WESTON	6	.970	10.4	16.0	84.1	-124.1	-43.2
13. MASSEY-FERG	6	.708	14.2	1.3	-28.1	-6.0	-54.2
14. BELL TEL	6	.920	8.1	-80.9	32.5	8.8	-21.0
15. STEEL CO	6	.927	6.4	19.3	10.9	11.7	8.1
AVERAGE RETURNS							
UNWEIGHTED				7.82	-6.33	7.07	52.32 -14.03
WEIGHTED BY BASE				7.52	28.23	-2.74	-.64 -14.89
WEIGHTED BY OWNERSHIP				6.46	-9.23	7.04	43.17 -17.08
WEIGHTED BY BASE AND OWNERSHIP				5.97	65.96	-2.33	-.99 -17.89
STANDARD DEVIATIONS OF RETURNS							
UNWEIGHTED				8.70	92.76	34.44	189.24 18.95
WEIGHTED BY BASE				8.05	-42.48	-7.45	4.85 14.43
WEIGHTED BY OWNERSHIP				6.72	98.33	38.16	186.90 18.28
WEIGHTED BY BASE AND OWNERSHIP				6.23	-86.61	-6.06	6.04 11.94

PERCENTAGE OF RETURN FROM GOODWILL CAPITAL GAINS

20 YEAR COMPANIES, PERIOD 1945 - 1964

NEW ISSUE ASSUMED AT BEGINNING OF YEAR

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	AVERAGE OVER ALL YEARS	ANNUAL FIGURES							
				1964	1963	1962	1961	1960	1959	1958	1957
1. ALUMINIUM	6	.288	43.7	67.6	83.0	118.3	145.6	-334.8	25.8	83.1	114.7
2. H WALKER G+W	6	.717	43.7	71.6	13.4	-196.6	86.8	-3.3	46.1	76.4	27.4
3. DISTILLERS	6	.793	12.5	69.6	49.6	8.2	77.6	-73.4	-1190.5	69.2	188.5
4. DOMTAR	6	.887	27.6	69.2	-136.2	-1900.0	74.1	235.8	26.3	72.0	189.9
5. FORD OF CAN	6	.118	14.8	205.7	-20.8	-6	81.0	134.5	78.8	74.9	126.4
6. C G E	6	.079	52.6	76.6	48.2	89.9	122.3	61.0	68.5	15.1	227.6
7. MOORE CORP	6	.645	62.9	75.5	44.4	143.7	75.3	58.6	85.0	83.9	72.0
8. DOFASCO	6	.901	58.9	81.5	-34.7	242.3	82.4	165.6	66.2	83.5	149.6
9. ALGOMA STEEL	6	.681	53.1	56.7	72.9	217.2	79.4	143.7	28.7	164.0	75.0
10. CONS PAPER	6	.781	28.7	18.3	46.8	173.6	-29.7	-841.6	46.7	83.8	130.1
11. CDN BREW	6	.900	5.6	46.1	199.5	204.9	80.0	63.8	-86.8	74.3	-152.0
12. GEO WESTON	6	.970	47.0	41.0	219.5	134.8	86.9	55.3	83.9	77.6	137.6
13. MASSEY-FERG	6	.708	42.1	75.5	70.6	-316.5	56.3	254.3	-53.1	75.9	-605.3
14. BELL TEL	6	.920	37.0	74.4	2.7	210.9	80.0	65.9	30.8	33.8	147.8
15. STEEL CO	6	.927	34.7	55.1	68.8	377.7	62.0	130.2	61.6	83.4	122.7
AVERAGE RETURNS											
UNWEIGHTED				37.66	72.29	48.52	-32.81	77.33	7.72	-45.46	76.73
WEIGHTED BY BASE				38.26	69.18	48.57	264.07	72.31	-153.77	53.61	73.35
WEIGHTED BY OWNERSHIP				37.14	62.72	52.90	-53.21	70.92	16.77	-62.42	79.32
WEIGHTED BY BASE AND OWNERSHIP				37.56	69.49	41.19	247.49	76.52	-61.78	48.22	72.88
STANDARD DEVIATIONS OF RETURNS											
UNWEIGHTED				16.54	39.23	83.23	526.54	35.65	264.18	309.56	30.09
WEIGHTED BY BASE				14.80	3.94	23.23	-210.93	-14.61	-182.67	78.63	5.68
WEIGHTED BY OWNERSHIP				16.42	23.20	93.43	592.95	32.29	269.94	329.22	26.70
WEIGHTED BY BASE AND OWNERSHIP				14.73	10.36	13.12	-197.92	7.93	-100.83	87.87	5.27

PERCENTAGE OF RETURN FROM GOODWILL CAPITAL GAINS

20 YEAR COMPANIES, PERIOD 1945 - 1964

NEW ISSUE ASSUMED AT BEGINNING OF YEAR

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	AVERAGE OVER ALL YEARS	ANNUAL FIGURES							
				1956	1955	1954	1953	1952	1951	1950	1949
1. ALUMINIUM	6	.288	43.7	37.3	86.7	86.9	318.7	226.6	62.4	82.6	534.8
2. H WALKER G+W	6	.717	43.7	-302.3	-15.4	68.4	34.1	237.6	2244.3	55.4	22.9
3. DISTILLERS	6	.793	12.5	141.6	47.6	41.1	19.4	-1200.7	253.0	55.0	-6.9
4. DOMTAR	6	.887	27.6	532.7	57.6	80.9	129.9	143.3	75.2	50.0	5.6
5. FORD OF CAN	6	.118	14.8	148.0	61.8	83.1	-216.0	35.0	-34.6	56.0	-602.0
6. C G E	6	.079	52.6	119.0	92.6	66.7	62.5	14.5	-136.4	74.5	60.4
7. MOORE CORP	6	.645	62.9	54.1	65.2	67.6	-47.6	2529.6	-15.6	68.7	6.5
8. DOFASCO	6	.901	58.9	-218.2	81.5	82.9	250.0	80.6	79.9	65.5	-211.8
9. ALGOMA STEEL	6	.681	53.1	54.4	83.5	74.4	193.0	138.9	84.0	83.9	-95.0
10. CONS PAPER	6	.781	28.7	43.6	51.6	80.7	43.8	-447.4	20.4	71.1	-54.9
11. CDN BREW	6	.900	5.6	108.7	45.5	42.4	34.5	-36.1	-15.5	164.4	42.5
12. GEO WESTON	6	.970	47.0	109.4	94.9	90.9	75.0	57.1	-300.0	41.8	-12.0
13. MASSEY-FERG	6	.708	42.1	131.6	-151.6	70.9	152.3	167.3	68.8	55.6	-282.1
14. BELL TEL	6	.920	37.0	208.5	50.1	74.4	12.9	-33.1	-89.6	-72.0	-175.4
15. STEEL CO	6	.927	34.7	63.5	57.1	77.9	67.9	-266.8	-.9	35.9	31.8
AVERAGE RETURNS											
UNWEIGHTED				37.66	82.14	47.26	72.60	75.35	109.76	153.05	59.23
WEIGHTED BY BASE				38.26	449.28	73.61	76.68	.40	-1099.39	3.89	64.11
WEIGHTED BY OWNERSHIP				37.14	83.66	44.10	71.99	84.62	70.66	162.42	55.73
WEIGHTED BY BASE AND OWNERSHIP				37.56	412.30	67.20	73.55	12.58	-2078.42	-16.05	57.13
STANDARD DEVIATIONS OF RETURNS											
UNWEIGHTED				16.54	178.04	59.21	13.93	122.23	735.76	571.32	45.41
WEIGHTED BY BASE				14.80	-368.19	24.20	12.85	-65.56	-1051.14	-170.25	18.04
WEIGHTED BY OWNERSHIP				16.42	194.83	59.00	14.85	93.05	734.11	583.11	51.52
WEIGHTED BY BASE AND OWNERSHIP				14.73	-330.49	26.85	13.67	-57.61	-1983.81	-206.20	18.99

20 YEAR COMPANIES, PERIOD 1945 - 1964

PERCENTAGE OF RETURN FROM GOODWILL CAPITAL GAINS

NEW ISSUE ASSUMED AT BEGINNING OF YEAR

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	AVERAGE OVER ALL YEARS	ANNUAL FIGURES			
				1948	1947	1946	1945
1. ALUMINIUM	6	.288	43.7	88.7	2.5	209.3	56.7
2. H WALKER G+W	6	.717	43.7	-141.0	-224.7	519.2	72.6
3. DISTILLERS	6	.793	12.5	667.3	104.7	97.5	88.7
4. DOMTAR	6	.887	27.6	175.0	-20.0	-66.7	92.2
5. FORD OF CAN	6	.118	14.8	28.1	-29.0	99.0	88.5
6. C G E	6	.079	52.6	161.2	700.0	560.0	86.5
7. MOORE CORP	6	.645	62.9	-13.3	-127.9	-3158.0	87.5
8. DOFASCO	6	.901	58.9	51.3	166.7	-11.1	82.8
9. ALGOMA STEEL	6	.681	53.1	1000.0	90.2	-400.0	70.0
10. CONS PAPER	6	.781	28.7	-515.8	-333.0	56.7	91.2
11. CDN BREW	6	.900	5.6	357.6	192.0	67.1	97.2
12. GEO WESTON	6	.970	47.0	273.3	300.0	-100.0	82.4
13. MASSEY-FERG	6	.708	42.1	-43.1	-147.7	83.5	76.6
14. BELL TEL	6	.920	37.0	279.4	-17.6	155.4	77.6
15. STEEL CO	6	.927	34.7	-40.7	536.4	29.2	42.4
AVERAGE RETURNS							
UNWEIGHTED			37.66	155.20	79.50	-123.93	79.52
WEIGHTED BY BASE			38.26	.32	114.53	91.33	82.87
WEIGHTED BY OWNERSHIP			37.14	166.41	64.57	-152.78	79.49
WEIGHTED BY BASE AND OWNERSHIP			37.56	-131.87	112.25	92.58	84.08
STANDARD DEVIATIONS OF RETURNS							
UNWEIGHTED			16.54	338.83	265.55	840.75	14.04
WEIGHTED BY BASE			14.80	-150.14	-37.55	-12.24	11.92
WEIGHTED BY OWNERSHIP			16.42	350.44	235.42	799.20	14.62
WEIGHTED BY BASE AND OWNERSHIP			14.73	-300.19	-34.48	-3.32	11.15

20 YEAR COMPANIES, PERIOD 1945 - 1964

TOTAL CAPITAL GAINS AFTER ADJUSTING FOR EFFECTS OF INTEGRATION

NEW ISSUE ASSUMED AT BEGINNING OF YEAR
 0 PERCENT OF CURRENTLY UNTAXED REPORTED INCOME IS
 ASSUMED TO BE BROUGHT INTO THE CORPORATE TAX BASE

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	TOTAL OVER ALL YEARS	AVERAGE OVER ALL YEARS	CANADIAN PORTION OF AVERAGE	ANNUAL FIGURES				
						1964	1963	1962	1961	1960
1. ALUMINIUM	6	.288	602.44	30.12	8.68	97.78	151.86	-237.25	-101.22	-15.93
2. H WALKER G+W	6	.717	347.62	17.38	12.46	79.28	2.85	-20.38	172.83	-1.12
3. DISTILLERS	6	.793	107.24	5.36	4.25	97.99	34.40	3.82	111.08	-11.44
4. DOMTAR	6	.887	74.39	3.72	3.30	63.00	-1.84	-11.00	27.63	-14.78
5. FORD OF CAN	6	.118	170.39	8.52	1.01	-22.32	4.48	10.88	45.18	-74.72
6. C G E	6	.079	187.49	9.37	.74	52.28	10.18	83.18	-44.42	13.68
7. MOORE CORP	6	.645	251.75	12.59	8.12	54.76	9.85	-48.98	37.92	16.80
8. DOFASCO	6	.901	194.83	9.74	8.78	100.61	-6.46	-26.91	62.47	-28.27
9. ALGOMA STEEL	6	.681	297.12	14.86	10.12	43.11	76.88	-32.22	83.40	-39.04
10. CONS PAPER	6	.781	102.71	5.14	4.01	3.65	13.38	-40.04	-4.62	-12.20
11. CDN BREW	6	.900	17.30	.87	.78	12.92	-30.35	-30.21	56.06	20.51
12. GEO WESTON	6	.970	93.09	4.65	4.51	16.20	-17.74	-29.85	52.58	10.78
13. MASSEY-FERG	6	.708	235.18	11.76	8.33	163.25	58.97	-10.25	21.41	-14.87
14. BELL TEL	6	.920	444.36	22.22	20.44	209.63	6.74	-109.01	209.93	107.86
15. STEEL CO	6	.927	217.12	10.86	10.06	53.37	86.44	-37.23	42.75	-87.76
TOTAL FOR ALL COMPANIES			3343.05		105.58	1025.50	399.65	-535.46	772.98	-130.50
CANADIAN PORTION OF TOTAL						763.52	219.66	-389.08	692.50	-49.79

20 YEAR COMPANIES, PERIOD 1945 - 1964

TOTAL CAPITAL GAINS AFTER ADJUSTING FOR EFFECTS OF INTEGRATION

NEW ISSUE ASSUMED AT BEGINNING OF YEAR
 0 PERCENT OF CURRENTLY UNTAXED REPORTED INCOME IS
 ASSUMED TO BE BROUGHT INTO THE CORPORATE TAX BASE

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	TOTAL OVER ALL YEARS	AVERAGE OVER ALL YEARS	CANADIAN PORTION OF AVERAGE	ANNUAL FIGURES				
						1959	1958	1957	1956	1955
1. ALUMINIUM	6	.288	602.44	30.12	8.68	19.29	123.69	-298.72	58.01	305.21
2. H WALKER G+W	6	.717	347.62	17.38	12.46	20.26	71.84	9.03	-14.20	-1.79
3. DISTILLERS	6	.793	107.24	5.36	4.25	-23.22	54.84	-58.62	-87.62	30.58
4. DOMTAR	6	.887	74.39	3.72	3.30	5.78	16.38	-11.79	-3.57	4.89
5. FORD OF CAN	6	.118	170.39	8.52	1.01	96.88	69.53	-78.47	-45.32	50.18
6. C G E	6	.079	187.49	9.37	.74	22.18	2.88	-18.92	-66.52	75.28
7. MOORE CORP	6	.645	251.75	12.59	8.12	66.00	50.27	26.31	10.18	13.55
8. DOFASCO	6	.901	194.83	9.74	8.78	24.14	49.95	-22.72	-4.52	20.51
9. ALGOMA STEEL	6	.681	297.12	14.86	10.12	10.41	-26.66	45.58	22.98	55.48
10. CONS PAPER	6	.781	102.71	5.14	4.01	11.26	66.10	-54.25	13.11	16.28
11. CDN BREW	6	.900	17.30	.87	.78	-6.15	27.77	-5.41	-55.25	7.84
12. GEO WESTON	6	.970	93.09	4.65	4.51	33.52	21.09	-16.10	-48.36	50.55
13. MASSEY-FERG	6	.708	235.18	11.76	8.33	5.55	40.43	-3.42	-28.12	-3.25
14. BELL TEL	6	.920	444.36	22.22	20.44	24.16	29.35	-89.00	-51.83	34.00
15. STEEL CO	6	.927	217.12	10.86	10.06	56.70	83.18	-109.97	34.13	29.32
TOTAL FOR ALL COMPANIES			3343.05		105.58	366.75	680.63	-686.47	-266.90	688.64
CANADIAN PORTION OF TOTAL						205.87	442.65	-368.82	-180.93	317.05

20 YEAR COMPANIES, PERIOD 1945 - 1964

TOTAL CAPITAL GAINS AFTER ADJUSTING FOR EFFECTS OF INTEGRATION

NEW ISSUE ASSUMED AT BEGINNING OF YEAR
0 PERCENT OF CURRENTLY UNTAXED REPORTED INCOME IS
ASSUMED TO BE BROUGHT INTO THE CORPORATE TAX BASE

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	TOTAL OVER ALL YEARS	AVERAGE OVER ALL YEARS	CANADIAN PORTION OF AVERAGE	ANNUAL FIGURES				
						1954	1953	1952	1951	1950
1. ALUMINIUM	6	.288	602.44	30.12	8.68	245.07	-31.77	-46.14	45.48	163.48
2. H WALKER G+W	6	.717	347.62	17.38	12.46	44.55	7.79	-29.43	-23.39	40.46
3. DISTILLERS	6	.793	107.24	5.36	4.25	23.04	4.16	-30.36	-82.16	63.08
4. DOMTAR	6	.887	74.39	3.72	3.30	6.66	-6.47	-4.62	4.63	2.08
5. FORD OF CAN	6	.118	170.39	8.52	1.01	82.42	-1.26	11.18	-.95	32.96
6. C G E	6	.079	187.49	9.37	.74	15.58	20.08	.98	-3.22	22.18
7. MOORE CORP	6	.645	251.75	12.59	8.12	12.41	-5.09	-8.55	2.36	8.80
8. DOFASCO	6	.901	194.83	9.74	8.78	12.88	-2.82	5.71	3.74	4.69
9. ALGOMA STEEL	6	.681	297.12	14.86	10.12	15.68	-8.40	-10.82	30.56	19.78
10. CONS PAPER	6	.781	102.71	5.14	4.01	48.68	7.76	-11.22	.88	32.98
11. CDN BREW	6	.900	17.30	.87	.78	7.22	4.68	-2.20	-1.54	-12.54
12. GEO WESTON	6	.970	93.09	4.65	4.51	17.82	5.09	1.38	-1.22	1.03
13. MASSEY-FERG	6	.708	235.18	11.76	8.33	16.28	-17.64	-28.81	24.73	15.51
14. BELL TEL	6	.920	444.36	22.22	20.44	87.04	6.78	-5.53	-8.19	2.29
15. STEEL CO	6	.927	217.12	10.86	10.06	46.14	21.43	-7.43	-4.72	7.68
TOTAL FOR ALL COMPANIES			3343.05		105.58	681.46	4.31	-165.87	-13.01	404.45
CANADIAN PORTION OF TOTAL						364.12	12.71	-110.69	-35.67	192.64

20 YEAR COMPANIES, PERIOD 1945 - 1964

TOTAL CAPITAL GAINS AFTER ADJUSTING FOR EFFECTS OF INTEGRATION

NEW ISSUE ASSUMED AT BEGINNING OF YEAR
0 PERCENT OF CURRENTLY UNTAXED REPORTED INCOME IS
ASSUMED TO BE BROUGHT INTO THE CORPORATE TAX BASE

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	TOTAL OVER ALL YEARS	AVERAGE OVER ALL YEARS	CANADIAN PORTION OF AVERAGE	ANNUAL FIGURES				
						1949	1948	1947	1946	1945
1. ALUMINIUM	6	.288	602.44	30.12	8.68	-23.53	139.48	5.79	-17.62	19.48
2. H WALKER G+W	6	.717	347.62	17.38	12.46	13.12	-6.89	-9.40	-20.97	13.19
3. DISTILLERS	6	.793	107.24	5.36	4.25	7.62	-48.38	-932.02	874.18	76.28
4. DOMTAR	6	.887	74.39	3.72	3.30	-.11	-4.32	-.72	-1.02	3.58
5. FORD OF CAN	6	.118	170.39	8.52	1.01	-8.47	7.10	-1.57	-20.64	13.33
6. C G E	6	.079	187.49	9.37	.74	8.68	-12.02	-3.52	-3.12	12.08
7. MOORE CORP	6	.645	251.75	12.59	8.12	.47	.02	-1.25	-1.60	7.54
8. DOFASCO	6	.901	194.83	9.74	8.78	-.61	1.81	-2.12	.28	2.48
9. ALGOMA STEEL	6	.681	297.12	14.86	10.12	-.62	-1.72	11.38	-.42	1.78
10. CONS PAPER	6	.781	102.71	5.14	4.01	-.12	-5.32	-7.48	5.26	18.62
11. CDN BREW	6	.900	17.30	.87	.78	7.74	-6.56	-10.54	7.29	26.03
12. GEO WESTON	6	.970	93.09	4.65	4.51	-.47	-1.74	-1.92	-1.12	1.56
13. MASSEY-FERG	6	.708	235.18	11.76	8.33	-8.48	-2.31	-2.47	7.72	.95
14. BELL TEL	6	.920	444.36	22.22	20.44	1.49	-11.61	1.01	-20.42	19.68
15. STEEL CO	6	.927	217.12	10.86	10.06	6.13	-.97	-6.02	.98	2.98
TOTAL FOR ALL COMPANIES			3343.05		105.58	2.83	46.57	-960.86	808.77	219.56
CANADIAN PORTION OF TOTAL						15.05	-31.57	-763.83	665.63	150.59

TOTAL DIVIDENDS, INCLUDING DIVIDENDS ON NEW SHARES ISSUED

20 YEAR COMPANIES, PERIOD 1945 - 1964

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	TOTAL OVER ALL YEARS	NEW ISSUE ASSUMED AT BEGINNING OF YEAR		ANNUAL FIGURES				
				AVERAGE OVER ALL YEARS	CANADIAN PORTION OF AVERAGE	1964	1963	1962	1961	1960
1. ALUMINIUM	6	.288	326.10	16.30	4.70	21.80	20.00	19.60	18.60	20.70
2. H WALKER G+W	6	.717	217.20	10.86	7.79	17.50	15.90	16.30	16.00	15.70
3. DISTILLERS	6	.793	244.80	12.24	9.71	14.60	16.20	14.20	15.00	15.50
4. DOMTAR	6	.887	67.80	3.39	3.01	11.70	11.60	11.50	11.20	4.10
5. FORD OF CAN	6	.118	125.20	6.26	.74	8.30	8.30	12.40	8.30	8.30
6. C G E	6	.079	43.40	2.17	.17	4.70	2.30	2.30	2.30	2.30
7. MOORE CORP	6	.645	72.80	3.64	2.35	8.10	7.00	6.70	6.00	5.30
8. DOFASCO	6	.901	54.20	2.71	2.44	7.50	6.30	6.00	5.10	4.90
9. ALGOMA STEEL	6	.681	57.10	2.85	1.94	9.30	8.70	8.10	6.90	6.90
10. CONS PAPER	6	.781	154.70	7.73	6.04	12.40	12.40	11.80	11.80	11.80
11. CDN BREW	6	.900	92.10	4.60	4.14	8.70	8.70	7.60	7.30	6.10
12. GEO WESTON	6	.970	26.90	1.34	1.30	4.50	3.90	3.00	2.40	1.90
13. MASSEY-FERG	6	.708	86.10	4.30	3.05	8.10	6.60	4.90	4.90	4.80
14. BELL TEL	6	.920	576.20	28.81	26.51	63.00	58.20	54.00	50.80	46.70
15. STEEL CO	6	.927	130.50	6.52	6.05	19.80	15.70	12.70	11.70	10.40
TOTAL FOR ALL COMPANIES			2275.10		79.93	220.00	201.80	191.10	178.30	165.40
CANADIAN PORTION OF TOTAL						164.38	151.64	139.57	132.15	119.39

TOTAL DIVIDENDS, INCLUDING DIVIDENDS ON NEW SHARES ISSUED

20 YEAR COMPANIES, PERIOD 1945 - 1964

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	TOTAL OVER ALL YEARS	NEW ISSUE ASSUMED AT BEGINNING OF YEAR		ANNUAL FIGURES				
				AVERAGE OVER ALL YEARS	CANADIAN PORTION OF AVERAGE	1959	1958	1957	1956	1955
1. ALUMINIUM	6	.288	326.10	16.30	4.70	15.90	22.00	25.20	23.20	21.10
2. H WALKER G+W	6	.717	217.20	10.86	7.79	15.60	14.50	12.00	11.60	11.80
3. DISTILLERS	6	.793	244.80	12.24	9.71	15.30	15.30	15.30	14.90	15.20
4. DOMTAR	6	.887	67.80	3.39	3.01	4.10	2.50	2.30	1.60	1.20
5. FORD OF CAN	6	.118	125.20	6.26	.74	8.30	8.30	8.30	8.30	8.30
6. C G E	6	.079	43.40	2.17	.17	2.30	2.30	2.30	2.30	1.50
7. MOORE CORP	6	.645	72.80	3.64	2.35	4.90	4.30	4.30	3.70	3.10
8. DOFASCO	6	.901	54.20	2.71	2.44	4.40	3.40	3.10	2.50	1.80
9. ALGOMA STEEL	6	.681	57.10	2.85	1.94	5.80	5.70	5.70	.00	.00
10. CONS PAPER	6	.781	154.70	7.73	6.04	10.30	10.30	10.30	10.30	7.70
11. CDN BREW	6	.900	92.10	4.60	4.14	4.90	4.60	4.60	4.60	3.30
12. GEO WESTON	6	.970	26.90	1.34	1.30	1.80	1.60	1.20	.80	.70
13. MASSEY-FERG	6	.708	86.10	4.30	3.05	4.70	3.80	3.80	4.80	5.70
14. BELL TEL	6	.920	576.20	28.81	26.51	41.60	36.20	33.50	29.10	26.30
15. STEEL CO	6	.927	130.50	6.52	6.05	9.10	8.20	8.20	7.30	5.70
TOTAL FOR ALL COMPANIES			2275.10		79.93	149.00	143.00	140.10	125.00	113.40
CANADIAN PORTION OF TOTAL						108.01	99.29	95.10	83.93	75.55

TOTAL DIVIDENDS, INCLUDING DIVIDENDS ON NEW SHARES ISSUED

20 YEAR COMPANIES, PERIOD 1945 - 1964

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	TOTAL OVER ALL YEARS	AVERAGE OVER ALL YEARS	CANADIAN PORTION OF AVERAGE	ANNUAL FIGURES				
						1954	1953	1952	1951	1950
1. ALUMINIUM	6	.288	326.10	16.30	4.70	17.60	17.30	16.00	14.30	13.10
2. H WALKER G+W	6	.717	217.20	10.86	7.79	11.10	8.80	11.50	11.50	6.90
3. DISTILLERS	6	.793	244.80	12.24	9.71	15.00	15.20	14.30	14.00	9.30
4. DOMTAR	6	.887	67.80	3.39	3.01	1.10	1.10	.90	.80	.40
5. FORD OF CAN	6	.118	125.20	6.26	.74	7.00	5.00	5.00	5.80	5.00
6. C G E	6	.079	43.40	2.17	.17	1.30	2.30	2.30	2.30	2.30
7. MOORE CORP	6	.645	72.80	3.64	2.35	2.70	2.40	2.30	2.30	2.00
8. DOFASCO	6	.901	54.20	2.71	2.44	1.40	1.40	1.30	1.20	.90
9. ALGOMA STEEL	6	.681	57.10	2.85	1.94	.00	.00	.00	.00	.00
10. CONS PAPER	6	.781	154.70	7.73	6.04	5.80	5.80	5.80	5.80	5.80
11. CDN BREW	6	.900	92.10	4.60	4.14	3.20	3.00	2.90	3.40	4.40
12. GEO WESTON	6	.970	26.90	1.34	1.30	.70	.70	.70	.60	.50
13. MASSEY-FERG	6	.708	86.10	4.30	3.05	5.70	4.90	4.60	5.80	7.00
14. BELL TEL	6	.920	576.20	28.81	26.51	23.40	20.30	18.30	15.60	13.50
15. STEEL CO	6	.927	130.50	6.52	6.05	5.00	1.40	2.50	2.50	2.50
TOTAL FOR ALL COMPANIES			2275.10		79.93	101.00	89.60	88.40	85.90	73.60
CANADIAN PORTION OF TOTAL						68.12	59.25	58.65	56.55	47.99

TOTAL DIVIDENDS, INCLUDING DIVIDENDS ON NEW SHARES ISSUED

20 YEAR COMPANIES, PERIOD 1945 - 1964

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	TOTAL OVER ALL YEARS	AVERAGE OVER ALL YEARS	CANADIAN PORTION OF AVERAGE	ANNUAL FIGURES				
						1949	1948	1947	1946	1945
1. ALUMINIUM	6	.288	326.10	16.30	4.70	9.70	9.90	7.40	6.70	6.00
2. H WALKER G+W	6	.717	217.20	10.86	7.79	5.80	5.40	3.50	2.90	2.90
3. DISTILLERS	6	.793	244.80	12.24	9.71	7.90	5.30	5.30	3.50	3.50
4. DOMTAR	6	.887	67.80	3.39	3.01	.40	.40	.40	.40	.10
5. FORD OF CAN	6	.118	125.20	6.26	.74	3.30	3.30	2.10	.40	1.20
6. C G E	6	.079	43.40	2.17	.17	2.30	1.50	1.50	1.50	1.50
7. MOORE CORP	6	.645	72.80	3.64	2.35	1.70	1.70	1.60	1.40	1.30
8. DOFASCO	6	.901	54.20	2.71	2.44	.90	.60	.50	.50	.50
9. ALGOMA STEEL	6	.681	57.10	2.85	1.94	.00	.00	.00	.00	.00
10. CONS PAPER	6	.781	154.70	7.73	6.04	4.50	4.50	3.80	3.80	.00
11. CDN BREW	6	.900	92.10	4.60	4.14	4.40	4.40	3.50	2.30	.20
12. GEO WESTON	6	.970	26.90	1.34	1.30	.50	.50	.30	.30	.30
13. MASSEY-FERG	6	.708	86.10	4.30	3.05	2.90	1.30	1.30	.50	.00
14. BELL TEL	6	.920	576.20	28.81	26.51	12.50	10.20	8.80	7.30	6.90
15. STEEL CO	6	.927	130.50	6.52	6.05	1.80	1.80	1.40	1.40	1.40
TOTAL FOR ALL COMPANIES			2275.10		79.93	58.60	50.80	41.40	32.90	25.80
CANADIAN PORTION OF TOTAL						39.23	33.36	27.77	22.35	16.34

TOTAL UNDISTRIBUTED EARNINGS PRESENTLY TAXED AT CORPORATE LEVEL

20 YEAR COMPANIES, PERIOD 1945 - 1964

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	TOTAL OVER ALL YEARS	AVERAGE OVER ALL YEARS	CANADIAN PORTION OF AVERAGE	NEW ISSUE ASSUMED AT BEGINNING OF YEAR ANNUAL FIGURES				
						1964	1963	1962	1961	1960
1. ALUMINIUM	6	.288	127.91	6.40	1.84	26.22	11.52	11.82	15.82	4.32
2. H WALKER G+W	6	.717	224.41	11.22	8.04	16.42	15.42	13.42	11.12	9.72
3. DISTILLERS	6	.793	399.91	20.00	15.86	11.32	17.52	16.42	12.12	12.32
4. DOMTAR	6	.887	42.91	2.15	1.90	5.62	-1.08	.52	2.22	3.52
5. FORD OF CAN	6	.118	76.11	3.81	.45	7.02	7.42	9.52	.72	6.72
6. C G E	6	.079	108.71	5.44	.43	12.32	12.62	7.62	4.42	6.32
7. MOORE CORP	6	.645	108.01	5.40	3.48	11.02	10.62	9.82	8.52	8.92
8. DOFASCO	6	.901	97.11	4.86	4.37	17.82	14.82	11.22	10.62	5.72
9. ALGOMA STEEL	6	.681	90.51	4.53	3.08	11.22	10.12	6.12	3.62	1.92
10. CONS PAPER	6	.781	85.51	4.28	3.34	4.02	4.32	5.82	4.62	3.92
11. CDN BREW	6	.900	81.41	4.07	3.66	4.52	6.42	8.02	5.72	6.12
12. GEO WESTON	6	.970	44.01	2.20	2.13	3.02	3.92	4.72	2.92	3.22
13. MASSEY-FERG	6	.708	102.41	5.12	3.63	7.72	11.12	9.42	5.12	2.52
14. BELL TEL	6	.920	13.11	.66	.60	9.92	5.12	7.42	3.82	1.32
15. STEEL CO	6	.927	193.91	9.70	8.99	14.02	16.02	13.62	10.62	6.92
TOTAL FOR ALL COMPANIES			1795.89		61.82	162.20	145.90	135.50	102.00	83.50
CANADIAN PORTION OF TOTAL						103.62	96.67	91.31	70.65	55.72

TOTAL UNDISTRIBUTED EARNINGS PRESENTLY TAXED AT CORPORATE LEVEL

20 YEAR COMPANIES, PERIOD 1945 - 1964

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	TOTAL OVER ALL YEARS	AVERAGE OVER ALL YEARS	CANADIAN PORTION OF AVERAGE	NEW ISSUE ASSUMED AT BEGINNING OF YEAR ANNUAL FIGURES				
						1959	1958	1957	1956	1955
1. ALUMINIUM	6	.288	127.91	6.40	1.84	-2.88	-12.68	-6.08	7.42	4.82
2. H WALKER G+W	6	.717	224.41	11.22	8.04	8.12	6.22	9.82	7.82	6.72
3. DISTILLERS	6	.793	399.91	20.00	15.86	10.02	12.92	14.62	17.22	13.42
4. DOMTAR	6	.887	42.91	2.15	1.90	3.02	6.12	6.52	2.12	2.12
5. FORD OF CAN	6	.118	76.11	3.81	.45	13.62	6.12	4.52	-3.98	-4.28
6. C G E	6	.079	108.71	5.44	.43	8.22	6.72	7.92	7.52	4.72
7. MOORE CORP	6	.645	108.01	5.40	3.48	8.52	6.82	7.52	7.02	4.82
8. DOFASCO	6	.901	97.11	4.86	4.37	10.52	7.72	5.52	4.82	3.22
9. ALGOMA STEEL	6	.681	90.51	4.53	3.08	8.42	2.72	5.62	11.42	7.72
10. CONS PAPER	6	.781	85.51	4.28	3.34	3.02	1.22	1.72	3.72	4.32
11. CDN BREW	6	.900	81.41	4.07	3.66	8.12	4.12	5.12	4.42	6.52
12. GEO WESTON	6	.970	44.01	2.20	2.13	3.52	3.22	2.12	1.92	1.82
13. MASSEY-FERG	6	.708	102.41	5.12	3.63	1.42	4.92	1.52	-3.38	.22
14. BELL TEL	6	.920	13.11	.66	.60	3.02	-7.08	-5.58	-2.38	-1.68
15. STEEL CO	6	.927	193.91	9.70	8.99	19.72	7.12	8.92	15.22	15.82
TOTAL FOR ALL COMPANIES			1795.89		61.82	106.40	56.20	69.80	83.90	70.30
CANADIAN PORTION OF TOTAL						73.73	42.30	49.70	60.45	54.15

20 YEAR COMPANIES, PERIOD 1945 - 1964

TOTAL UNDISTRIBUTED EARNINGS PRESENTLY TAXED AT CORPORATE LEVEL

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	TOTAL OVER ALL YEARS	AVERAGE OVER ALL YEARS	CANADIAN PORTION OF AVERAGE	ANNUAL FIGURES				
						1954	1953	1952	1951	1950
1. ALUMINIUM	6	.288	127.91	6.40	1.84	3.12	8.32	12.52	16.62	10.42
2. H WALKER G+W	6	.717	224.41	11.22	8.04	8.52	12.22	6.52	10.92	15.22
3. DISTILLERS	6	.793	399.91	20.00	15.86	22.72	27.52	18.92	39.92	20.52
4. DOMTAR	6	.887	42.91	2.15	1.90	.62	.92	.72	1.82	1.32
5. FORD OF CAN	6	.118	76.11	3.81	.45	-5.58	2.62	7.52	6.22	6.82
6. C G E	6	.079	108.71	5.44	.43	4.42	6.92	5.02	4.22	3.02
7. MOORE CORP	6	.645	108.01	5.40	3.48	3.92	6.12	6.12	-1.18	3.32
8. DOFASCO	6	.901	97.11	4.86	4.37	1.52	.42	.62	.72	1.12
9. ALGOMA STEEL	6	.681	90.51	4.53	3.08	1.92	1.52	3.62	5.12	2.62
10. CONS PAPER	6	.781	85.51	4.28	3.34	7.22	6.02	7.32	9.52	3.42
11. CDN BREW	6	.900	81.41	4.07	3.66	3.32	3.72	3.12	2.72	.22
12. GEO WESTON	6	.970	44.01	2.20	2.13	1.22	1.42	2.12	.92	1.22
13. MASSEY-FERG	6	.708	102.41	5.12	3.63	2.72	2.72	8.02	11.52	9.32
14. BELL TEL	6	.920	13.11	.66	.60	.32	2.42	5.42	1.22	-6.58
15. STEEL CO	6	.927	193.91	9.70	8.99	8.62	12.02	8.12	13.92	9.32
TOTAL FOR ALL COMPANIES			1795.89		61.82	64.60	94.90	95.70	125.20	81.30
CANADIAN PORTION OF TOTAL						50.49	64.74	60.95	83.93	50.58

20 YEAR COMPANIES, PERIOD 1945 - 1964

TOTAL UNDISTRIBUTED EARNINGS PRESENTLY TAXED AT CORPORATE LEVEL

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	TOTAL OVER ALL YEARS	AVERAGE OVER ALL YEARS	CANADIAN PORTION OF AVERAGE	ANNUAL FIGURES				
						1949	1948	1947	1946	1945
1. ALUMINIUM	6	.288	127.91	6.40	1.84	7.62	4.82	3.22	.12	.82
2. H WALKER G+W	6	.717	224.41	11.22	8.04	11.82	11.82	11.72	14.42	16.42
3. DISTILLERS	6	.793	399.91	20.00	15.86	17.02	33.42	25.62	24.62	31.72
4. DOMTAR	6	.887	42.91	2.15	1.90	1.32	1.52	1.32	1.22	1.42
5. FORD OF CAN	6	.118	76.11	3.81	.45	7.62	.72	4.12	-.78	-.58
6. C G E	6	.079	108.71	5.44	.43	.12	2.02	1.52	1.12	1.92
7. MOORE CORP	6	.645	108.01	5.40	3.48	.92	1.02	.82	.32	2.02
8. DOFASCO	6	.901	97.11	4.86	4.37	.32	.22	.12	.12	-.08
9. ALGOMA STEEL	6	.681	90.51	4.53	3.08	2.62	1.52	.82	.62	1.22
10. CONS PAPER	6	.781	85.51	4.28	3.34	2.72	2.72	5.92	2.02	1.92
11. CDN BREW	6	.900	81.41	4.07	3.66	-.48	-.48	1.02	3.32	5.82
12. GEO WESTON	6	.970	44.01	2.20	2.13	1.22	.92	1.12	1.32	2.12
13. MASSEY-FERG	6	.708	102.41	5.12	3.63	9.12	7.42	2.82	1.82	3.32
14. BELL TEL	6	.920	13.11	.66	.60	-7.98	-4.38	-1.78	2.32	8.22
15. STEEL CO	6	.927	193.91	9.70	8.99	5.12	3.72	3.52	.02	1.52
TOTAL FOR ALL COMPANIES			1795.89		61.82	59.10	67.00	61.90	52.60	77.80
CANADIAN PORTION OF TOTAL						35.65	47.11	42.87	41.00	60.69

20 YEAR COMPANIES, PERIOD 1945 - 1964

TOTAL UNDISTRIBUTED EARNINGS BROUGHT INTO THE CORPORATE TAX BASE UNDER THE COMMISSION'S RECOMMENDATIONS

NEW ISSUE ASSUMED AT BEGINNING OF YEAR
100 PERCENT OF CURRENTLY UNTAXED REPORTED INCOME IS
ASSUMED TO BE BROUGHT INTO THE CORPORATE TAX BASE

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	TOTAL OVER ALL YEARS	AVERAGE OVER ALL YEARS	CANADIAN PORTION OF AVERAGE	ANNUAL FIGURES				
						1964	1963	1962	1961	1960
1. ALUMINIUM	6	.288	145.49	7.27	2.10	-.82	-.12	6.38	-3.82	14.08
2. H WALKER G+W	6	.717	2.89	.14	.10	-1.72	-1.72	-2.02	-.82	-.32
3. DISTILLERS	6	.793	13.49	.67	.54	11.78	.58	.98	3.78	.58
4. DOMTAR	6	.887	29.99	1.50	1.33	7.38	9.98	8.38	5.08	2.18
5. FORD OF CAN	6	.118	115.29	5.76	.68	-7.92	8.68	11.08	1.28	5.58
6. C G E	6	.079	8.89	.44	.04	-.82	-1.92	-.52	1.68	.08
7. MOORE CORP	6	.645	-19.21	-.96	-.62	-.32	-2.32	-2.32	-1.52	-1.32
8. DOFASCO	6	.901	-6.31	-.32	-.28	-1.92	-1.42	-.72	-1.82	.98
9. ALGOMA STEEL	6	.681	61.09	3.05	2.08	7.08	7.08	6.88	8.88	4.38
10. CONS PAPER	6	.781	4.79	.24	.19	-.02	-.72	-1.12	-1.12	.28
11. CDN BREW	6	.900	7.89	.39	.36	.88	.18	-.32	1.38	1.48
12. GEO WESTON	6	.970	17.29	.86	.84	6.48	4.18	2.28	2.28	1.98
13. MASSEY-FERG	6	.708	62.19	3.11	2.20	28.48	4.98	2.38	3.88	4.38
14. BELL TEL	6	.920	90.39	4.52	4.16	4.78	4.98	3.88	3.08	5.58
15. STEEL CO	6	.927	36.09	1.80	1.67	9.88	5.38	3.98	5.08	3.98
TOTAL FOR ALL COMPANIES			570.31		15.37	63.20	37.80	39.20	27.30	43.90
CANADIAN PORTION OF TOTAL						57.08	27.71	22.40	22.39	25.29

20 YEAR COMPANIES, PERIOD 1945 - 1964

TOTAL UNDISTRIBUTED EARNINGS BROUGHT INTO THE CORPORATE TAX BASE UNDER THE COMMISSION'S RECOMMENDATIONS

NEW ISSUE ASSUMED AT BEGINNING OF YEAR
100 PERCENT OF CURRENTLY UNTAXED REPORTED INCOME IS
ASSUMED TO BE BROUGHT INTO THE CORPORATE TAX BASE

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	TOTAL OVER ALL YEARS	AVERAGE OVER ALL YEARS	CANADIAN PORTION OF AVERAGE	ANNUAL FIGURES				
						1959	1958	1957	1956	1955
1. ALUMINIUM	6	.288	145.49	7.27	2.10	10.98	13.18	22.28	25.08	22.28
2. H WALKER G+W	6	.717	2.89	.14	.10	-.02	1.08	.58	1.58	.78
3. DISTILLERS	6	.793	13.49	.67	.54	1.78	-2.62	-4.52	-9.02	2.38
4. DOMTAR	6	.887	29.99	1.50	1.33	3.88	-1.62	-2.62	.78	.18
5. FORD OF CAN	6	.118	115.29	5.76	.68	3.28	6.68	4.48	15.38	16.68
6. C G E	6	.079	8.89	.44	.04	-.22	1.08	.88	.98	-.22
7. MOORE CORP	6	.645	-19.21	-.96	-.62	-1.42	-1.22	-1.12	-1.12	-.42
8. DOFASCO	6	.901	-6.31	-.32	-.28	-1.72	-.22	-.52	.18	.08
9. ALGOMA STEEL	6	.681	61.09	3.05	2.08	3.38	3.38	2.88	4.28	2.68
10. CONS PAPER	6	.781	4.79	.24	.19	-.22	1.08	.68	1.28	1.68
11. CDN BREW	6	.900	7.89	.39	.36	-.92	.88	1.08	.18	.38
12. GEO WESTON	6	.970	17.29	.86	.84	.98	.98	1.48	1.58	.18
13. MASSEY-FERG	6	.708	62.19	3.11	2.20	13.88	3.18	8.08	3.08	.78
14. BELL TEL	6	.920	90.39	4.52	4.16	5.68	9.78	8.18	8.18	7.38
15. STEEL CO	6	.927	36.09	1.80	1.67	4.08	1.08	3.98	.18	.28
TOTAL FOR ALL COMPANIES			570.31		15.37	43.40	36.70	45.80	52.60	55.10
CANADIAN PORTION OF TOTAL						26.99	18.08	22.16	18.71	22.03

20 YEAR COMPANIES, PERIOD 1945 - 1964

TOTAL UNDISTRIBUTED EARNINGS BROUGHT INTO THE CORPORATE TAX BASE UNDER THE COMMISSION'S RECOMMENDATIONS

NEW ISSUE ASSUMED AT BEGINNING OF YEAR
100 PERCENT OF CURRENTLY UNTAXED REPORTED INCOME IS
ASSUMED TO BE BROUGHT INTO THE CORPORATE TAX BASE

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	TOTAL OVER ALL YEARS	AVERAGE OVER ALL YEARS	CANADIAN PORTION OF AVERAGE	ANNUAL FIGURES				
						1954	1953	1952	1951	1950
1. ALUMINIUM	6	.288	145.49	7.27	2.10	14.18	-6.12	-6.22	-2.22	9.08
2. H WALKER G+W	6	.717	2.89	.14	.10	.68	-2.02	-2.32	-1.62	5.78
3. DISTILLERS	6	.793	13.49	.67	.54	-1.92	-4.92	3.98	-10.72	11.98
4. DOMTAR	6	.887	29.99	1.50	1.33	-.12	-.32	-.32	-.42	.18
5. FORD OF CAN	6	.118	115.29	5.76	.68	12.78	12.48	2.88	2.88	7.88
6. C G E	6	.079	8.89	.44	.04	1.38	1.78	-.22	1.28	1.68
7. MOORE CORP	6	.645	-19.21	-.96	-.62	-.42	-3.52	-3.82	3.08	-.82
8. DOFASCO	6	.901	-6.31	-.32	-.28	-.22	-.32	-.42	-.62	.38
9. ALGOMA STEEL	6	.681	61.09	3.05	2.08	2.58	4.88	-.82	.58	.98
10. CONS PAPER	6	.781	4.79	.24	.19	-1.12	-.82	-2.72	-2.42	2.98
11. CDN BREW	6	.900	7.89	.39	.36	1.48	.98	-.82	-.92	.48
12. GEO WESTON	6	.970	17.29	.86	.84	-.12	-.32	-1.02	-.32	-.12
13. MASSEY-FERG	6	.708	62.19	3.11	2.20	-1.22	-.22	-1.72	-4.22	-1.42
14. BELL TEL	6	.920	90.39	4.52	4.16	4.88	4.18	-1.12	-.62	9.78
15. STEEL CO	6	.927	36.09	1.80	1.67	-.42	-2.02	1.08	-4.62	.68
TOTAL FOR ALL COMPANIES			570.31		15.37	32.40	3.70	-13.60	-20.90	49.50
CANADIAN PORTION OF TOTAL						9.42	-3.27	-8.76	-19.28	29.23

20 YEAR COMPANIES, PERIOD 1945 - 1964

TOTAL UNDISTRIBUTED EARNINGS BROUGHT INTO THE CORPORATE TAX BASE UNDER THE COMMISSION'S RECOMMENDATIONS

NEW ISSUE ASSUMED AT BEGINNING OF YEAR
100 PERCENT OF CURRENTLY UNTAXED REPORTED INCOME IS
ASSUMED TO BE BROUGHT INTO THE CORPORATE TAX BASE

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	TOTAL OVER ALL YEARS	AVERAGE OVER ALL YEARS	CANADIAN PORTION OF AVERAGE	ANNUAL FIGURES				
						1949	1948	1947	1946	1945
1. ALUMINIUM	6	.288	145.49	7.27	2.10	9.68	2.68	5.38	4.98	4.58
2. H WALKER G+W	6	.717	2.89	.14	.10	6.08	7.68	3.68	-2.02	-10.42
3. DISTILLERS	6	.793	13.49	.67	.54	9.88	16.08	11.28	-5.22	-22.62
4. DOMTAR	6	.887	29.99	1.50	1.33	-.22	-.12	-.52	-.62	-1.12
5. FORD OF CAN	6	.118	115.29	5.76	.68	6.28	3.98	-.22	.18	.98
6. C G E	6	.079	8.89	.44	.04	1.98	1.68	-.02	-.32	-1.32
7. MOORE CORP	6	.645	-19.21	-.96	-.62	.28	.38	.18	.48	-1.92
8. DOFASCO	6	.901	-6.31	-.32	-.28	.68	.48	.38	.38	.08
9. ALGOMA STEEL	6	.681	61.09	3.05	2.08	1.28	.28	.38	.38	-.32
10. CONS PAPER	6	.781	4.79	.24	.19	3.78	4.48	-.02	-1.02	-.12
11. CDN BREW	6	.900	7.89	.39	.36	2.78	2.88	1.98	-1.02	-5.12
12. GEO WESTON	6	.970	17.29	.86	.84	-.32	-.12	-.42	-.62	-1.72
13. MASSEY-FERG	6	.708	62.19	3.11	2.20	1.18	.08	-.42	-.62	-2.32
14. BELL TEL	6	.920	90.39	4.52	4.16	12.98	4.78	2.68	-1.32	-7.32
15. STEEL CO	6	.927	36.09	1.80	1.67	1.98	.88	-.12	.28	.48
TOTAL FOR ALL COMPANIES			570.31		15.37	58.30	46.10	24.20	-6.10	-48.20
CANADIAN PORTION OF TOTAL						37.10	31.64	16.77	-7.51	-40.76

10 YEAR COMPANIES, PERIOD 1955 - 1964

PERCENTAGE TOTAL RATE OF RETURN

NEW ISSUE ASSUMED AT BEGINNING OF YEAR

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	AVERAGE OVER ALL YEARS	ANNUAL FIGURES							
				1964	1963	1962	1961	1960	1959	1958	1957
1. ABITIBI	6	.882	13.7	8.9	30.0	7.7	3.2	6.3	11.9	52.1	-20.6
2. MACM BLOEDEL	6	.695	25.4	32.7	46.8	4.0	23.0	75.7	10.3	54.3	-21.3
3. C P R	6	.350	16.0	69.6	53.8	2.3	23.3	.0	-9.7	34.3	-27.6
4. INTER PIPE	6	.547	18.9	21.5	6.5	-1.1	39.4	9.5	20.8	39.4	-20.0
5. B C TEL	6	.450	8.9	17.6	16.2	5.6	14.7	12.3	3.5	18.4	-11.1
6. CONS GAS	6	.952	15.8	13.0	27.1	-8.7	35.6	24.0	15.8	20.6	4.3
7. ROYAL BANK	6	.750	8.7	9.1	1.1	-5.2	18.3	-5.0	9.1	35.0	-12.8
8. B OF MTRL	6	.792	9.0	6.5	1.1	-9.3	28.4	12.5	3.2	47.0	-22.5
9. B OF N S	6	.865	8.1	14.7	-1.4	-8.0	26.5	-2.4	10.4	35.7	-8.1
10. IND ACCEPT	6	.891	13.2	12.3	-7.4	-17.9	10.6	33.9	-5.9	66.9	44.3
11. C I L	6	.154	5.0	30.2	32.8	-6.5	14.2	-10.0	.6	12.3	-17.0
AVERAGE RETURNS											
UNWEIGHTED			12.96	21.46	18.78	-3.27	21.57	14.27	6.37	37.83	-10.22
WEIGHTED BY BASE			12.38	25.37	18.36	-3.33	22.84	10.88	5.24	38.61	-17.26
WEIGHTED BY OWNERSHIP			13.36	17.37	15.47	-4.16	21.81	17.00	7.58	41.09	-7.11
WEIGHTED BY BASE AND OWNERSHIP			12.49	20.39	15.12	-4.20	22.49	12.73	6.64	41.75	-15.06
STANDARD DEVIATIONS OF RETURNS											
UNWEIGHTED			21.48	17.24	19.73	7.45	10.28	22.92	8.69	15.86	19.11
WEIGHTED BY BASE			21.84	20.83	21.19	6.57	9.38	22.12	9.45	12.92	13.05
WEIGHTED BY OWNERSHIP			21.13	13.86	18.96	7.93	10.86	22.62	8.17	15.16	21.06
WEIGHTED BY BASE AND OWNERSHIP			20.51	17.24	19.93	6.89	9.66	22.43	8.44	11.98	14.94

10 YEAR COMPANIES, PERIOD 1955 - 1964

PERCENTAGE TOTAL RATE OF RETURN

NEW ISSUE ASSUMED AT BEGINNING OF YEAR

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	AVERAGE OVER ALL YEARS	ANNUAL FIGURES	
				1956	1955
1. ABITIBI	6	.882	13.7	.6	36.8
2. MACM BLOEDEL	6	.695	25.4	-25.0	53.5
3. C P R	6	.350	16.0	1.3	12.3
4. INTER PIPE	6	.547	18.9	75.1	-3.6
5. B C TEL	6	.450	8.9	-5.7	16.9
6. CONS GAS	6	.952	15.8	24.7	1.7
7. ROYAL BANK	6	.750	8.7	19.9	17.2
8. B OF MTRL	6	.792	9.0	12.8	10.2
9. B OF N S	6	.865	8.1	.9	13.0
10. IND ACCEPT	6	.891	13.2	-1.5	-3.1
11. C I L	6	.154	5.0	-7.0	.0
AVERAGE RETURNS					
UNWEIGHTED			12.96	8.74	14.09
WEIGHTED BY BASE			12.38	6.90	16.20
WEIGHTED BY OWNERSHIP			13.36	9.43	15.11
WEIGHTED BY BASE AND OWNERSHIP			12.49	7.84	17.17
STANDARD DEVIATIONS OF RETURNS					
UNWEIGHTED			21.48	24.64	16.70
WEIGHTED BY BASE			21.84	23.46	15.60
WEIGHTED BY OWNERSHIP			21.13	23.07	17.18
WEIGHTED BY BASE AND OWNERSHIP			20.51	23.23	16.51

PERCENTAGE OF RETURN FROM DIVIDENDS

10 YEAR COMPANIES, PERIOD 1955 - 1964

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	AVERAGE OVER ALL YEARS	NEW ISSUE ASSUMED AT BEGINNING OF YEAR							
				ANNUAL FIGURES							
				1964	1963	1962	1961	1960	1959	1958	1957
1. ABITIBI	6	.882	40.2	47.9	16.5	64.2	131.0	67.9	38.5	12.8	-24.1
2. MACM BLOEDEL	6	.695	18.0	13.8	11.4	100.0	20.5	10.5	45.1	8.0	-15.4
3. C P R	6	.350	33.3	5.8	11.1	249.1	28.9	43000.7	-55.2	19.8	-16.8
4. INTER PIPE	6	.547	25.5	18.9	60.8	-7106.6	12.0	50.4	21.5	12.2	-14.5
5. B C TEL	6	.450	42.1	23.7	27.7	67.5	31.9	40.5	133.3	28.6	-40.0
6. CONS GAS	6	.952	17.5	22.3	10.8	-23.4	6.2	10.7	16.7	11.0	66.7
7. ROYAL BANK	6	.750	48.9	38.1	303.0	-57.3	18.7	-58.5	34.3	10.8	-24.3
8. B OF MTRL	6	.792	43.6	52.3	287.3	-30.0	12.0	29.0	100.3	9.0	-12.6
9. B OF N S	6	.865	46.9	24.2	-225.3	-36.7	12.8	-121.0	31.0	12.2	-45.4
10. IND ACCEPT	6	.891	42.4	37.3	-50.6	-16.4	27.9	10.5	-50.4	6.8	13.3
11. C I L	6	.154	18.6	11.8	13.0	-49.1	24.8	-30.8	524.4	26.6	-15.4
AVERAGE RETURNS											
UNWEIGHTED				34.27	26.93	42.35	-621.70	29.69	3909.98	76.32	14.35
WEIGHTED BY BASE				30.56	15.35	22.60	-107.54	18.15	39.80	74.61	12.44
WEIGHTED BY OWNERSHIP				35.69	30.32	40.84	-516.72	31.38	2054.09	41.14	12.24
WEIGHTED BY BASE AND OWNERSHIP				31.66	18.93	26.27	-81.03	17.33	32.41	56.40	11.17
STANDARD DEVIATIONS OF RETURNS											
UNWEIGHTED				11.65	14.35	139.22	2052.53	32.98	12361.66	150.97	7.04
WEIGHTED BY BASE				11.06	12.13	33.63	294.61	12.74	595.95	-49.77	5.04
WEIGHTED BY OWNERSHIP				11.70	13.73	152.79	1873.05	37.64	9170.52	85.99	5.51
WEIGHTED BY BASE AND OWNERSHIP				11.86	13.37	37.51	240.31	13.98	401.89	-36.68	3.95

PERCENTAGE OF RETURN FROM DIVIDENDS

10 YEAR COMPANIES, PERIOD 1955 - 1964

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	AVERAGE OVER ALL YEARS	NEW ISSUE ASSUMED AT BEGINNING OF YEAR	
				ANNUAL FIGURES	
				1956	1955
1. ABITIBI	6	.882	40.2	817.1	13.5
2. MACM BLOEDEL	6	.695	18.0	-9.5	6.5
3. C P R	6	.350	33.3	408.1	38.7
4. INTER PIPE	6	.547	25.5	5.1	-63.6
5. B C TEL	6	.450	42.1	-62.5	26.7
6. CONS GAS	6	.952	17.5	14.0	200.0
7. ROYAL BANK	6	.750	48.9	16.5	20.0
8. B OF MTRL	6	.792	43.6	26.2	31.8
9. B OF N S	6	.865	46.9	325.6	28.6
10. IND ACCEPT	6	.891	42.4	-346.2	-144.6
11. C I L	6	.154	18.6	-34.0	2.3
AVERAGE RETURNS					
UNWEIGHTED				34.27	105.51
WEIGHTED BY BASE				30.56	54.93
WEIGHTED BY OWNERSHIP				35.69	115.46
WEIGHTED BY BASE AND OWNERSHIP				31.66	47.47
STANDARD DEVIATIONS OF RETURNS					
UNWEIGHTED				11.65	292.92
WEIGHTED BY BASE				11.06	93.76
WEIGHTED BY OWNERSHIP				11.70	320.09
WEIGHTED BY BASE AND OWNERSHIP				11.86	84.85

10 YEAR COMPANIES, PERIOD 1955 - 1964
 PERCENTAGE OF RETURN FROM RETENTION OF AFTER-TAX TAXED CORPORATE INCOME

NEW ISSUE ASSUMED AT BEGINNING OF YEAR

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	AVERAGE OVER ALL YEARS	ANNUAL FIGURES							
				1964	1963	1962	1961	1960	1959	1958	1957
1. ABITIBI	6	.882	37.1	39.5	12.0	58.2	138.8	64.2	30.5	6.2	-20.4
2. MACM BLOEDEL	6	.695	15.7	7.4	8.1	116.2	17.9	8.3	22.9	3.4	-13.7
3. C P R	6	.350	11.3	4.5	3.8	33.8	11.7	9640.7	-12.4	2.3	-7.5
4. INTER PIPE	6	.547	8.9	6.8	20.8	-2531.0	2.2	4.0	9.5	5.0	-5.1
5. B C TEL	6	.450	37.2	22.5	25.2	66.3	32.8	37.3	134.2	6.2	-20.3
6. CONS GAS	6	.952	-10.7	-18.5	-7.3	19.1	-4.5	-5.7	-8	-5.3	-15.5
7. ROYAL BANK	6	.750	28.5	18.8	110.9	-14.9	16.0	-50.2	16.6	8.5	-21.6
8. B OF MTRL	6	.792	14.4	18.8	112.3	-13.2	5.3	12.4	18.0	3.7	-2.1
9. B OF N S	6	.865	15.4	9.3	-76.8	-16.3	5.8	-51.0	10.7	3.7	-6.2
10. IND ACCEPT	6	.891	48.2	29.4	-47.4	-18.1	38.1	14.8	-69.0	9.6	15.1
11. C I L	6	.154	4.4	8.5	5.3	-16.2	8.8	-14.5	124.4	-12.9	1.0
AVERAGE RETURNS											
UNWEIGHTED			19.12	13.35	15.18	-210.55	24.81	878.21	25.88	2.76	-8.77
WEIGHTED BY BASE			15.73	7.98	10.37	-52.54	10.91	21.19	32.80	4.62	-11.17
WEIGHTED BY OWNERSHIP			20.28	13.95	13.32	-170.14	28.27	462.50	13.24	3.85	-9.09
WEIGHTED BY BASE AND OWNERSHIP			17.44	8.97	12.09	-42.65	11.18	19.25	27.38	5.31	-14.13
STANDARD DEVIATIONS OF RETURNS											
UNWEIGHTED			16.24	14.46	53.84	734.99	38.01	2771.14	55.02	6.19	10.60
WEIGHTED BY BASE			11.84	8.46	11.54	89.68	15.05	132.32	-26.27	3.96	1.11
WEIGHTED BY OWNERSHIP			17.47	16.42	59.30	671.87	42.85	2055.84	45.69	4.93	11.30
WEIGHTED BY BASE AND OWNERSHIP			13.27	10.48	12.14	69.07	16.90	88.60	-24.46	3.22	-6.28

10 YEAR COMPANIES, PERIOD 1955 - 1964
 PERCENTAGE OF RETURN FROM RETENTION OF AFTER-TAX TAXED CORPORATE INCOME

NEW ISSUE ASSUMED AT BEGINNING OF YEAR

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	AVERAGE OVER ALL YEARS	ANNUAL FIGURES	
				1956	1955
1. ABITIBI	6	.882	37.1	1087.8	21.7
2. MACM BLOEDEL	6	.695	15.7	-20.7	14.9
3. C P R	6	.350	11.3	167.6	11.6
4. INTER PIPE	6	.547	8.9	3.8	-62.2
5. B C TEL	6	.450	37.2	-60.1	33.7
6. CONS GAS	6	.952	-10.7	-5.6	-46.6
7. ROYAL BANK	6	.750	28.5	6.6	10.3
8. B OF MTRL	6	.792	14.4	2.3	2.5
9. B OF N S	6	.865	15.4	42.8	-1.7
10. IND ACCEPT	6	.891	48.2	-338.5	-136.7
11. C I L	6	.154	4.4	2.2	.7
AVERAGE RETURNS					
UNWEIGHTED			19.12	80.74	-13.80
WEIGHTED BY BASE			15.73	33.50	9.37
WEIGHTED BY OWNERSHIP			20.28	97.70	-19.52
WEIGHTED BY BASE AND OWNERSHIP			17.44	32.64	13.85
STANDARD DEVIATIONS OF RETURNS					
UNWEIGHTED			16.24	338.49	47.40
WEIGHTED BY BASE			11.84	81.47	-9.80
WEIGHTED BY OWNERSHIP			17.47	385.55	51.26
WEIGHTED BY BASE AND OWNERSHIP			13.27	90.27	-15.11

PERCENTAGE OF RETURN FROM UNTAXED RETAINED SURPLUS

10 YEAR COMPANIES, PERIOD 1955 - 1964

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	AVERAGE OVER ALL YEARS	NEW ISSUE ASSUMED AT BEGINNING OF YEAR							
				ANNUAL FIGURES							
				1964	1963	1962	1961	1960	1959	1958	1957
1. ABITIBI	6	.882	-5.1	-.1	1.5	-6.3	-24.4	-19.3	-7.7	-2.6	4.1
2. MACM BLOEDEL	6	.695	.8	1.7	.5	15.3	-2.4	-2.4	-1.1	.9	-.8
3. C P R	6	.350	10.3	.8	4.1	51.9	-1.2	-840.6	-5.1	5.8	-10.6
4. INTER PIPE	6	.547	-5.3	-4.1	-13.2	1522.3	-1.1	-4.0	-9.5	-5.0	5.1
5. B C TEL	6	.450	-19.6	-10.0	-13.2	-32.5	-18.0	-24.5	-67.6	-9.8	8.7
6. CONS GAS	6	.952	23.3	32.2	15.4	-40.5	11.0	15.9	17.5	15.3	60.0
7. ROYAL BANK	6	.750	-13.9	-4.4	-11.1	-2.0	-11.4	34.7	-9.1	-6.1	14.0
8. B OF MTRL	6	.792	-4.5	-1.3	-31.1	5.4	-3.3	-7.4	-3.9	-2.2	-.6
9. B OF N S	6	.865	-3.3	-2.6	26.0	5.7	-2.3	20.2	-2.8	.2	-5.7
10. IND ACCEPT	6	.891	-3.1	-1.8	6.9	4.2	-6.7	-1.3	4.8	-.0	.6
11. C I L	6	.154	5.2	-.3	.4	-3.2	-4.7	-.6	82.9	17.2	-16.1
AVERAGE RETURNS											
UNWEIGHTED			-1.37	.91	-1.24	138.21	-5.87	-75.39	-.14	1.25	5.35
WEIGHTED BY BASE			.44	.47	1.18	-2.56	-3.32	-7.29	-7.02	-.54	-2.78
WEIGHTED BY OWNERSHIP			-1.18	2.32	.06	111.04	-5.69	-37.47	-3.22	.60	9.06
WEIGHTED BY BASE AND OWNERSHIP			-.61	1.02	1.36	-1.97	-3.25	-6.56	-6.20	-1.34	-.04
STANDARD DEVIATIONS OF RETURNS											
UNWEIGHTED			10.99	10.35	14.79	438.30	8.95	242.53	33.09	8.08	19.08
WEIGHTED BY BASE			9.01	5.92	6.43	68.46	5.67	5.56	12.76	5.29	8.18
WEIGHTED BY OWNERSHIP			11.32	11.84	16.09	401.38	9.81	180.67	21.98	7.14	20.71
WEIGHTED BY BASE AND OWNERSHIP			9.32	7.61	7.20	56.33	6.20	-5.74	9.92	4.39	6.58

PERCENTAGE OF RETURN FROM UNTAXED RETAINED SURPLUS

10 YEAR COMPANIES, PERIOD 1955 - 1964

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	AVERAGE OVER ALL YEARS	NEW ISSUE ASSUMED AT BEGINNING OF YEAR	
				ANNUAL FIGURES	
				1956	1955
1. ABITIBI	6	.882	-5.1	-87.8	-3.2
2. MACM BLOEDEL	6	.695	.8	-3.4	2.1
3. C P R	6	.350	10.3	304.1	26.0
4. INTER PIPE	6	.547	-5.3	.9	7.6
5. B C TEL	6	.450	-19.6	21.4	-17.0
6. CONS GAS	6	.952	23.3	5.6	13.3
7. ROYAL BANK	6	.750	-13.9	-1.6	-1.1
8. B OF MTRL	6	.792	-4.5	4.3	4.8
9. B OF N S	6	.865	-3.3	18.3	6.5
10. IND ACCEPT	6	.891	-3.1	-84.6	-25.4
11. C I L	6	.154	5.2	-34.6	.4
AVERAGE RETURNS					
UNWEIGHTED			-1.37	12.96	1.27
WEIGHTED BY BASE			.44	20.37	3.67
WEIGHTED BY OWNERSHIP			-1.18	-2.81	.40
WEIGHTED BY BASE AND OWNERSHIP			-.61	11.30	3.18
STANDARD DEVIATIONS OF RETURNS					
UNWEIGHTED			10.99	98.87	13.16
WEIGHTED BY BASE			9.01	61.30	8.74
WEIGHTED BY OWNERSHIP			11.32	79.41	12.83
WEIGHTED BY BASE AND OWNERSHIP			9.32	45.54	7.89

PERCENTAGE OF RETURN FROM GOODWILL CAPITAL GAINS

10 YEAR COMPANIES, PERIOD 1955 - 1964

				NEW ISSUE ASSUMED AT BEGINNING OF YEAR							
COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	AVERAGE OVER ALL YEARS	ANNUAL FIGURES							
				1964	1963	1962	1961	1960	1959	1958	1957
1. ABITIBI	6	.882	27.9	12.7	70.0	-16.1	-145.4	-12.8	38.7	83.6	140.4
2. MACM BLOEDEL	6	.695	65.5	77.1	80.0	-131.4	63.9	83.6	33.1	87.8	129.9
3. C P R	6	.350	45.1	89.0	81.0	-234.9	60.6	-51700.8	172.6	72.1	134.9
4. INTER PIPE	6	.547	70.9	78.4	31.5	8215.3	86.8	49.6	78.5	87.8	114.5
5. B C TEL	6	.450	40.3	63.8	60.2	-1.2	53.4	46.8	-100.0	75.0	151.7
6. CONS GAS	6	.952	70.0	64.0	81.1	144.8	87.4	79.1	66.6	79.0	-11.1
7. ROYAL BANK	6	.750	36.5	47.6	-302.9	174.2	76.7	174.1	58.2	86.8	131.9
8. B OF MTRL	6	.792	46.6	30.1	-268.4	137.7	86.0	66.0	-14.3	89.4	115.3
9. B OF N S	6	.865	41.0	69.1	376.0	147.3	83.7	251.8	61.1	83.8	157.3
10. IND ACCEPT	6	.891	12.5	35.2	191.1	130.3	40.6	76.0	214.5	83.6	71.0
11. C I L	6	.154	71.8	79.9	81.3	168.6	71.2	145.8	-631.7	69.0	130.5
AVERAGE RETURNS											
UNWEIGHTED			47.99	58.80	43.71	794.05	51.36	-4612.80	-2.07	81.63	115.12
WEIGHTED BY BASE			53.27	76.21	65.85	262.64	74.27	46.31	-3.39	83.48	135.12
WEIGHTED BY OWNERSHIP			45.21	53.41	45.78	675.83	46.04	-2379.12	48.84	83.31	107.98
WEIGHTED BY BASE AND OWNERSHIP			51.51	71.08	60.27	225.64	74.75	54.90	22.42	84.86	138.31
STANDARD DEVIATIONS OF RETURNS											
UNWEIGHTED			18.56	23.10	179.97	2350.35	63.90	14890.68	214.34	6.58	45.50
WEIGHTED BY BASE			16.20	17.59	41.50	305.14	24.24	717.62	-70.98	6.32	-17.48
WEIGHTED BY OWNERSHIP			18.98	22.98	197.50	2144.42	72.48	11046.28	125.55	5.07	51.95
WEIGHTED BY BASE AND OWNERSHIP			17.21	19.96	45.75	248.84	27.09	483.89	-59.47	4.90	-24.48

PERCENTAGE OF RETURN FROM GOODWILL CAPITAL GAINS

10 YEAR COMPANIES, PERIOD 1955 - 1964

NEW ISSUE ASSUMED AT BEGINNING OF YEAR					
COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	AVERAGE OVER ALL YEARS	ANNUAL FIGURES	
				1956	1955
1. ABITIBI	6	.882	27.9	-1717.1	68.0
2. MACM BLOEDEL	6	.695	65.5	133.6	76.4
3. C P R	6	.350	45.1	-779.7	23.7
4. INTER PIPE	6	.547	70.9	90.1	218.2
5. B C TEL	6	.450	40.3	201.1	56.7
6. CONS GAS	6	.952	70.0	86.0	-66.7
7. ROYAL BANK	6	.750	36.5	78.5	70.8
8. B OF MTRL	6	.792	46.6	67.2	60.9
9. B OF N S	6	.865	41.0	-286.6	66.7
10. IND ACCEPT	6	.891	12.5	869.2	406.6
11. C I L	6	.154	71.8	166.3	96.6
AVERAGE RETURNS					
UNWEIGHTED			47.99	-99.21	97.99
WEIGHTED BY BASE			53.27	-8.80	72.46
WEIGHTED BY OWNERSHIP			45.21	-110.34	100.84
WEIGHTED BY BASE AND OWNERSHIP			51.51	8.58	63.95
STANDARD DEVIATIONS OF RETURNS					
UNWEIGHTED			18.56	632.30	116.20
WEIGHTED BY BASE			16.20	202.27	-14.32
WEIGHTED BY OWNERSHIP			18.98	693.35	130.53
WEIGHTED BY BASE AND OWNERSHIP			17.21	181.26	-32.61

10 YEAR COMPANIES, PERIOD 1955 - 1964

TOTAL CAPITAL GAINS AFTER ADJUSTING FOR EFFECTS OF INTEGRATION

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	TOTAL OVER ALL YEARS	AVERAGE OVER ALL YEARS	CANADIAN PORTION OF AVERAGE	ANNUAL FIGURES				
						1964	1963	1962	1961	1960
1. ABITIBI	6	.882	41.67	4.17	3.68	2.46	36.95	-2.90	-9.20	-3.36
2. MACM BLOEDEL	6	.695	450.02	45.00	31.28	142.68	147.42	-18.12	46.70	121.14
3. C P R	6	.350	358.51	35.85	12.55	331.07	164.28	-15.79	44.19	-26.27
4. INTER PIPE	6	.547	291.73	29.17	15.96	65.89	4.78	-21.22	104.89	12.85
5. B C TEL	6	.450	15.50	1.55	.70	12.49	8.98	-1.83	3.90	1.75
6. CONS GAS	6	.952	125.41	12.54	11.94	23.23	38.92	-14.83	36.41	16.63
7. ROYAL BANK	6	.750	61.06	6.11	4.58	19.62	-17.61	-49.88	58.13	-49.99
8. B OF MTRL	6	.792	99.04	9.90	7.84	7.38	-13.66	-61.13	85.98	24.56
9. B OF N S	6	.865	39.02	3.90	3.38	20.85	-11.42	-27.49	39.31	-10.02
10. IND ACCEPT	6	.891	10.49	1.05	.93	5.79	-23.46	-48.15	6.47	34.15
11. C I L	6	.154	186.92	18.69	2.88	37.74	32.68	-14.47	11.53	-20.29
TOTAL FOR ALL COMPANIES			1679.39		95.71	669.20	367.86	-275.81	428.30	101.15
CANADIAN PORTION OF TOTAL						330.55	186.48	-201.96	286.83	96.28

10 YEAR COMPANIES, PERIOD 1955 - 1964

TOTAL CAPITAL GAINS AFTER ADJUSTING FOR EFFECTS OF INTEGRATION

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	TOTAL OVER ALL YEARS	AVERAGE OVER ALL YEARS	CANADIAN PORTION OF AVERAGE	ANNUAL FIGURES				
						1959	1958	1957	1956	1955
1. ABITIBI	6	.882	41.67	4.17	3.68	5.72	44.88	-42.56	-14.80	24.49
2. MACM BLOEDEL	6	.695	450.02	45.00	31.28	6.03	58.73	-44.47	-72.47	62.38
3. C P R	6	.350	358.51	35.85	12.55	-64.76	82.44	-154.78	-28.30	26.43
4. INTER PIPE	6	.547	291.73	29.17	15.96	36.51	61.56	-58.51	97.40	-12.42
5. B C TEL	6	.450	15.50	1.55	.70	-3.02	5.48	-9.62	-5.01	2.38
6. CONS GAS	6	.952	125.41	12.54	11.94	8.39	8.26	.88	7.83	-.32
7. ROYAL BANK	6	.750	61.06	6.11	4.58	20.18	80.92	-63.47	37.53	25.63
8. B OF MTRL	6	.792	99.04	9.90	7.84	-1.73	85.33	-60.47	19.63	13.17
9. B OF N S	6	.865	39.02	3.90	3.38	7.34	27.58	-12.59	-2.22	7.68
10. IND ACCEPT	6	.891	10.49	1.05	.93	-18.96	50.01	20.36	-8.16	-7.57
11. C I L	6	.154	186.92	18.69	2.88	-4.50	13.90	-31.80	-16.65	178.78
TOTAL FOR ALL COMPANIES			1679.39		95.71	-8.80	519.10	-457.03	14.78	320.63
CANADIAN PORTION OF TOTAL						15.70	352.09	-251.26	17.09	125.26

10 YEAR COMPANIES, PERIOD 1955 - 1964

TOTAL DIVIDENDS, INCLUDING DIVIDENDS ON NEW SHARES ISSUED

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	TOTAL OVER ALL YEARS	AVERAGE OVER ALL YEARS	CANADIAN PORTION OF AVERAGE	ANNUAL FIGURES				
						1964	1963	1962	1961	1960
1. ABITIBI	6	.882	74.40	7.44	6.56	9.60	8.70	8.30	7.10	7.10
2. MACM BLOEDEL	6	.695	122.40	12.24	8.51	25.00	20.80	15.60	15.60	15.60
3. C P R	6	.350	216.40	21.64	7.57	21.50	21.50	21.50	21.50	21.50
4. INTER PIPE	6	.547	113.60	11.36	6.21	16.80	15.80	15.50	14.70	14.20
5. B C TEL	6	.450	34.30	3.43	1.54	5.50	5.30	4.40	4.10	3.50
6. CONS GAS	6	.952	24.60	2.46	2.34	5.40	4.40	3.40	2.70	2.20
7. ROYAL BANK	6	.750	137.60	13.76	10.32	17.30	17.00	16.60	16.60	15.40
8. B OF MTRL	6	.792	105.20	10.52	8.33	13.40	13.10	12.80	12.50	12.20
9. B OF N S	6	.865	51.70	5.17	4.47	7.60	7.10	6.60	6.20	5.50
10. IND ACCEPT	6	.891	48.00	4.80	4.28	6.50	6.00	5.90	5.50	4.90
11. C I L	6	.154	45.20	4.52	.70	5.60	5.20	4.30	4.30	4.30
TOTAL FOR ALL COMPANIES			973.40		60.84	134.20	124.90	114.90	110.80	106.40
CANADIAN PORTION OF TOTAL						86.99	80.28	73.60	70.36	67.06

10 YEAR COMPANIES, PERIOD 1955 - 1964

TOTAL DIVIDENDS, INCLUDING DIVIDENDS ON NEW SHARES ISSUED

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	TOTAL OVER ALL YEARS	AVERAGE OVER ALL YEARS	CANADIAN PORTION OF AVERAGE	ANNUAL FIGURES				
						1959	1958	1957	1956	1955
1. ABITIBI	6	.882	74.40	7.44	6.56	7.10	7.10	7.10	6.70	5.60
2. MACM BLOEDEL	6	.695	122.40	12.24	8.51	8.70	5.30	5.30	5.30	5.20
3. C P R	6	.350	216.40	21.64	7.57	21.50	21.20	21.10	24.40	20.70
4. INTER PIPE	6	.547	113.60	11.36	6.21	11.40	9.10	7.10	5.50	3.50
5. B C TEL	6	.450	34.30	3.43	1.54	3.00	2.40	2.40	2.10	1.60
6. CONS GAS	6	.952	24.60	2.46	2.34	1.70	1.20	1.20	1.20	1.20
7. ROYAL BANK	6	.750	137.60	13.76	10.32	14.10	13.00	10.60	9.60	7.40
8. B OF MTRL	6	.792	105.20	10.52	8.33	10.70	8.90	7.90	7.20	6.50
9. B OF N S	6	.865	51.70	5.17	4.47	4.70	4.00	3.80	3.20	3.00
10. IND ACCEPT	6	.891	48.00	4.80	4.28	4.40	4.10	3.80	3.60	3.30
11. C I L	6	.154	45.20	4.52	.70	4.30	4.30	4.30	4.30	4.30
TOTAL FOR ALL COMPANIES			973.40		60.84	91.60	80.60	74.60	73.10	62.30
CANADIAN PORTION OF TOTAL						56.74	49.14	44.98	42.77	36.47

TOTAL UNDISTRIBUTED EARNINGS PRESENTLY TAXED AT CORPORATE LEVEL

10 YEAR COMPANIES, PERIOD 1955 - 1964

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	TOTAL OVER ALL YEARS	NEW ISSUE ASSUMED AT BEGINNING OF YEAR						
				AVERAGE OVER ALL YEARS	CANADIAN PORTION OF AVERAGE	ANNUAL FIGURES				
						1964	1963	1962	1961	1960
1. ABITIBI	6	.882	69.00	6.90	6.09	7.92	6.32	7.52	7.52	6.72
2. MACM BLOEDEL	6	.695	107.00	10.70	7.44	13.32	14.82	18.12	13.62	12.42
3. C P R	6	.350	73.10	7.31	2.56	16.42	7.32	2.92	8.72	4.82
4. INTER PIPE	6	.547	39.60	3.96	2.17	6.02	5.42	5.52	2.72	1.12
5. B C TEL	6	.450	30.60	3.06	1.38	5.22	4.82	4.32	4.22	3.22
6. CONS GAS	6	.952	-15.10	-1.51	-1.44	-4.48	-2.98	-2.78	-1.98	-1.18
7. ROYAL BANK	6	.750	80.70	8.07	6.05	8.52	6.22	4.32	14.22	13.22
8. B OF MTRL	6	.792	34.30	3.43	2.72	4.82	5.12	5.62	5.52	5.22
9. B OF N S	6	.865	17.00	1.70	1.47	2.92	2.42	2.92	2.82	2.32
10. IND ACCEPT	6	.891	54.50	5.45	4.86	5.12	5.62	6.52	7.52	6.92
11. C I L	6	.154	10.70	1.07	.16	4.02	2.12	1.42	1.52	2.02
TOTAL FOR ALL COMPANIES			501.43		33.45	69.82	57.22	56.42	66.42	56.82
CANADIAN PORTION OF TOTAL						41.28	36.88	38.81	45.07	39.72

TOTAL UNDISTRIBUTED EARNINGS PRESENTLY TAXED AT CORPORATE LEVEL

10 YEAR COMPANIES, PERIOD 1955 - 1964

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	TOTAL OVER ALL YEARS	AVERAGE OVER ALL YEARS	CANADIAN PORTION OF AVERAGE	NEW ISSUE ASSUMED AT BEGINNING OF YEAR				
						ANNUAL FIGURES				
						1959	1958	1957	1956	1955
1. ABITIBI	6	.882	69.00	6.90	6.09	5.62	3.42	6.02	8.92	9.02
2. MACM BLOEDEL	6	.695	107.00	10.70	7.44	4.42	2.22	4.72	11.52	11.82
3. C P R	6	.350	73.10	7.31	2.56	4.82	2.42	9.42	10.02	6.22
4. INTER PIPE	6	.547	39.60	3.96	2.17	5.02	3.72	2.52	4.12	3.42
5. B C TEL	6	.450	30.60	3.06	1.38	3.02	.52	1.22	2.02	2.02
6. CONS GAS	6	.952	-15.10	-1.51	-1.44	-.08	-.58	-.28	-.48	-.28
7. ROYAL BANK	6	.750	80.70	8.07	6.05	6.82	10.32	9.42	3.82	3.82
8. B OF MTRL	6	.792	34.30	3.43	2.72	1.92	3.62	1.32	.62	.52
9. B OF N S	6	.865	17.00	1.70	1.47	1.62	1.22	.52	.42	-.18
10. IND ACCEPT	6	.891	54.50	5.45	4.86	6.02	5.82	4.32	3.52	3.12
11. C I L	6	.154	10.70	1.07	.16	1.02	-2.08	-.28	-.28	1.22
TOTAL FOR ALL COMPANIES			501.43		33.45	40.22	30.62	38.92	44.22	40.72
CANADIAN PORTION OF TOTAL						27.30	23.65	25.92	28.90	26.95

10 YEAR COMPANIES, PERIOD 1955 - 1964

TOTAL UNDISTRIBUTED EARNINGS BROUGHT INTO THE CORPORATE TAX BASE UNDER THE COMMISSION'S RECOMMENDATIONS

NEW ISSUE ASSUMED AT BEGINNING OF YEAR
100 PERCENT OF CURRENTLY UNTAXED REPORTED INCOME IS
ASSUMED TO BE BROUGHT INTO THE CORPORATE TAX BASE

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	TOTAL OVER ALL YEARS	AVERAGE OVER ALL YEARS	CANADIAN PORTION OF AVERAGE	ANNUAL FIGURES				
						1964	1963	1962	1961	1960
1. ABITIBI	6	.882	-9.50	-.95	-.84	-.02	.78	-.82	-1.32	-2.02
2. MACM BLOEDEL	6	.695	5.30	.53	.37	3.08	.98	2.38	-1.82	-3.52
3. C P R	6	.350	67.30	6.73	2.36	2.78	7.88	4.48	-.92	-.42
4. INTER PIPE	6	.547	-23.50	-2.35	-1.29	-3.62	-3.42	-3.32	-1.32	-1.12
5. B C TEL	6	.450	-16.00	-1.60	-.72	-2.32	-2.52	-2.12	-2.32	-2.12
6. CONS GAS	6	.952	33.10	3.31	3.15	7.78	6.28	5.88	4.78	3.28
7. ROYAL BANK	6	.750	-39.90	-3.99	-2.99	-2.02	-.62	.58	-10.12	-9.12
8. B OF MTRL	6	.792	-10.60	-1.06	-.84	-.32	-1.42	-2.32	-3.42	-3.12
9. B OF N S	6	.865	-3.70	-.37	-.32	-.82	-.82	-1.02	-1.12	-.92
10. IND ACCEPT	6	.891	-3.40	-.34	-.30	-.32	-.82	-1.52	-1.32	-.62
11. C I L	6	.154	12.70	1.27	.20	-.12	.18	.28	-.82	.08
TOTAL FOR ALL COMPANIES			11.77		-1.23	4.08	6.48	2.48	-19.72	-19.62
CANADIAN PORTION OF TOTAL						4.69	4.10	1.73	-12.54	-13.47

10 YEAR COMPANIES, PERIOD 1955 - 1964

TOTAL UNDISTRIBUTED EARNINGS BROUGHT INTO THE CORPORATE TAX BASE UNDER THE COMMISSION'S RECOMMENDATIONS

NEW ISSUE ASSUMED AT BEGINNING OF YEAR
100 PERCENT OF CURRENTLY UNTAXED REPORTED INCOME IS
ASSUMED TO BE BROUGHT INTO THE CORPORATE TAX BASE

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	TOTAL OVER ALL YEARS	AVERAGE OVER ALL YEARS	CANADIAN PORTION OF AVERAGE	ANNUAL FIGURES				
						1959	1958	1957	1956	1955
1. ABITIBI	6	.882	-9.50	-.95	-.84	-1.42	-1.42	-1.22	-.72	-1.32
2. MACM BLOEDEL	6	.695	5.30	.53	.37	-.22	.58	.28	1.88	1.68
3. C P R	6	.350	67.30	6.73	2.36	1.98	6.18	13.28	18.18	13.88
4. INTER PIPE	6	.547	-23.50	-2.35	-1.29	-5.02	-3.72	-2.52	.98	-.42
5. B C TEL	6	.450	-16.00	-1.60	-.72	-1.52	-.82	-.52	-.72	-1.02
6. CONS GAS	6	.952	33.10	3.31	3.15	1.78	1.68	1.08	.48	.08
7. ROYAL BANK	6	.750	-39.90	-3.99	-2.99	-3.72	-7.42	-6.12	-.92	-.42
8. B OF MTRL	6	.792	-10.60	-1.06	-.84	-.42	-2.12	.38	1.18	.98
9. B OF N S	6	.865	-3.70	-.37	-.32	-.42	.02	.48	.18	.68
10. IND ACCEPT	6	.891	-3.40	-.34	-.30	-.42	-.02	.18	.88	.58
11. C I L	6	.154	12.70	1.27	.20	.68	2.78	4.48	4.38	.78
TOTAL FOR ALL COMPANIES			11.77		-1.23	-8.72	-4.22	9.78	25.78	15.48
CANADIAN PORTION OF TOTAL						-6.21	-6.26	.16	9.56	5.93

4 YEAR COMPANIES, PERIOD 1961 - 1964

PERCENTAGE TOTAL RATE OF RETURN

NEW ISSUE ASSUMED AT BEGINNING OF YEAR

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	AVERAGE OVER ALL YEARS	ANNUAL FIGURES			
				1964	1963	1962	1961
1. DUPONT	6	.142	31.4	37.1	12.9	30.8	44.6
2. TOR DOM BANK	6	.862	8.0	9.7	5.5	-10.6	27.4
3. B C FOREST	6	.500	34.9	32.3	92.9	4.0	10.5
4. CALGARY PWR	6	.842	-2.2	-9	5.9	-17.6	3.6
5. CAN PACK	6	.950	15.8	23.8	26.4	-5	13.5
6. CAN CEMENT	6	.833	24.7	41.0	37.2	8.2	12.4
7. DOM GLASS	6	.940	9.9	-5.6	26.1	-5.1	24.1
8. DOM STORES	6	.860	16.7	32.8	27.1	.7	6.3
9. DOM TEXT	6	.960	42.1	46.2	48.2	8.8	65.3
10. FRASER COS	6	.969	13.5	15.7	21.4	-3.2	20.1
11. GRT LAKES PA	6	.936	18.6	7.9	40.5	-4.7	30.5
12. IMP TOB	6	.320	8.7	13.7	.2	-15.9	37.0
13. INVEST SYND	6	.963	20.6	22.1	4.0	-19.4	75.8
14. JOHN LABATT	6	.585	25.6	24.1	24.9	-4.0	57.3
15. MACLAREN P-P	6	.939	7.3	2.7	24.9	-5.8	7.4
16. PRICE BROS	6	.739	9.0	11.5	16.1	-31.7	39.8
17. SIMPSONS	6	.919	46.3	142.6	37.1	5.9	-4
18. TRADERS FIN	6	.994	5.3	33.6	-16.1	-17.8	21.4
19. TRANS MT	6	.800	25.6	38.3	14.7	7.0	42.5
20. UNION GAS	6	.881	19.2	19.1	24.4	-17.3	50.8
21. WOODWARD	6	.655	24.9	25.4	35.4	27.5	11.4

AVERAGE RETURNS

UNWEIGHTED	19.33	27.30	24.27	-2.89	28.64
WEIGHTED BY BASE	18.07	30.03	18.99	-4.49	27.76
WEIGHTED BY OWNERSHIP	18.67	27.43	23.82	-4.42	27.85
WEIGHTED BY BASE AND OWNERSHIP	17.09	30.28	19.84	-7.45	25.68

STANDARD DEVIATIONS OF RETURNS

UNWEIGHTED	25.69	29.29	21.42	14.73	20.95
WEIGHTED BY BASE	26.25	30.94	17.76	17.13	19.99
WEIGHTED BY OWNERSHIP	26.09	31.31	19.76	12.84	21.60
WEIGHTED BY BASE AND OWNERSHIP	27.62	34.62	17.50	13.70	20.82

4 YEAR COMPANIES, PERIOD 1961 - 1964

PERCENTAGE OF RETURN FROM DIVIDENDS

NEW ISSUE ASSUMED AT BEGINNING OF YEAR

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	AVERAGE OVER ALL YEARS	ANNUAL FIGURES			
				1964	1963	1962	1961
1. DUPONT	6	.142	8.7	6.5	18.9	8.9	6.7
2. TOR DOM BANK	6	.862	52.9	34.9	62.5	-26.2	11.5
3. B C FOREST	6	.500	12.3	10.8	5.3	100.0	51.9
4. CALGARY PWR	6	.842	-84.4	-307.7	50.2	-12.3	44.2
5. CAN PACK	6	.950	19.8	11.5	12.7	-700.0	26.3
6. CAN CEMENT	6	.833	13.6	7.5	11.1	43.5	31.3
7. DOM GLASS	6	.940	45.9	-63.1	15.3	-71.4	18.2
8. DOM STORES	6	.860	13.8	8.8	10.2	300.0	29.4
9. DOM TEXT	6	.960	13.7	10.9	12.5	57.4	10.5
10. FRASER COS	6	.969	39.1	30.6	26.1	-158.2	25.4
11. GRT LAKES PA	6	.936	24.9	55.6	11.8	-74.2	13.2
12. IMP TOB	6	.320	72.4	39.6	3333.3	-26.0	14.7
13. INVEST SYND	6	.963	13.9	11.0	54.1	-7.4	2.7
14. JOHN LABATT	6	.585	14.8	13.3	13.2	-73.3	7.4
15. MACLAREN P-P	6	.939	78.2	183.3	23.9	-91.7	66.7
16. PRICE BROS	6	.739	174.8	44.4	35.1	-11.6	11.3
17. SIMPSONS	6	.919	5.1	1.9	8.2	47.4	-657.9
18. TRADERS FIN	6	.994	210.3	21.1	-35.2	-24.8	23.6
19. TRANS MT	6	.800	28.1	16.9	47.6	100.0	17.8
20. UNION GAS	6	.881	16.6	14.0	11.3	-12.8	5.9
21. WOODWARD	6	.655	7.4	7.1	5.7	7.9	15.1

AVERAGE RETURNS

UNWEIGHTED	37.23	7.57	177.81	-29.75	-10.68
WEIGHTED BY BASE	20.48	12.01	20.38	-73.98	13.35
WEIGHTED BY OWNERSHIP	38.87	7.48	84.00	-39.02	-15.35
WEIGHTED BY BASE AND OWNERSHIP	22.04	12.24	20.16	-44.58	14.23

STANDARD DEVIATIONS OF RETURNS

UNWEIGHTED	59.33	82.14	705.90	174.69	145.58
WEIGHTED BY BASE	23.20	-1.70	80.73	-65.48	-17.27
WEIGHTED BY OWNERSHIP	61.88	85.90	456.24	187.72	156.39
WEIGHTED BY BASE AND OWNERSHIP	24.20	-3.84	53.58	-30.96	-20.46

PERCENTAGE OF RETURN FROM RETENTION OF AFTER-TAX TAXED CORPORATE INCOME

4 YEAR COMPANIES, PERIOD 1961 - 1964

NEW ISSUE ASSUMED AT BEGINNING OF YEAR

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	AVERAGE OVER ALL YEARS	ANNUAL FIGURES			
				1964	1963	1962	1961
1. DUPONT	6	.142	11.0	8.8	22.4	11.1	8.8
2. TOR DOM BANK	6	.862	24.0	14.9	26.2	-13.0	5.6
3. B C FOREST	6	.500	1.9	-6.9	.6	113.0	24.1
4. CALGARY PWR	6	.842	-96.8	-242.3	42.6	-15.3	88.8
5. CAN PACK	6	.950	36.7	19.8	26.8	-1473.4	39.1
6. CAN CEMENT	6	.833	27.6	16.5	19.9	101.8	56.3
7. DOM GLASS	6	.940	45.7	-49.5	5.4	-156.0	12.4
8. DOM STORES	6	.860	27.0	13.4	18.2	677.5	81.2
9. DOM TEXT	6	.960	15.8	12.8	13.1	57.9	15.3
10. FRASER COS	6	.969	9.4	9.1	4.4	-41.9	5.8
11. GRT LAKES PA	6	.936	18.2	28.1	8.7	-81.3	9.6
12. IMP TOB	6	.320	47.3	21.6	1771.6	-19.0	11.8
13. INVEST SYND	6	.963	8.4	4.9	16.8	-6.2	2.8
14. JOHN LABATT	6	.585	13.5	10.2	14.0	-74.0	6.3
15. MACLAREN P-P	6	.939	28.0	85.0	5.7	-38.3	20.7
16. PRICE BROS	6	.739	58.0	25.1	3.9	-2.0	6.3
17. SIMPSONS	6	.919	2.9	1.4	5.4	13.1	-347.4
18. TRADERS FIN	6	.994	63.6	9.2	-3.2	-3.7	13.0
19. TRANS MT	6	.800	2.5	4.6	-1.1	5.6	.7
20. UNION GAS	6	.881	18.2	14.6	14.9	-13.5	5.7
21. WOODWARD	6	.655	15.1	10.7	11.6	17.3	41.9

AVERAGE RETURNS

UNWEIGHTED	18.00	.57	96.55	-44.77	5.17
WEIGHTED BY BASE	15.89	9.04	13.84	-61.13	11.62
WEIGHTED BY OWNERSHIP	18.15	.08	46.45	-59.46	2.92
WEIGHTED BY BASE AND OWNERSHIP	16.54	8.97	13.11	-35.57	12.03

STANDARD DEVIATIONS OF RETURNS

UNWEIGHTED	30.95	58.67	374.70	355.62	82.56
WEIGHTED BY BASE	5.38	-6.94	43.35	-25.11	11.01
WEIGHTED BY OWNERSHIP	31.70	60.92	242.19	384.55	88.48
WEIGHTED BY BASE AND OWNERSHIP	3.15	-7.89	29.17	39.36	11.64

PERCENTAGE OF RETURN FROM UNTAXED RETAINED SURPLUS

4 YEAR COMPANIES, PERIOD 1961 - 1964

NEW ISSUE ASSUMED AT BEGINNING OF YEAR

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	AVERAGE OVER ALL YEARS	ANNUAL FIGURES			
				1964	1963	1962	1961
1. DUPONT	6	.142	-1.9	-1.5	-1.5	-2.2	-2.3
2. TOR DOM BANK	6	.862	-5.2	-1.7	-4.0	3.9	-1.7
3. B C FOREST	6	.500	26.9	40.1	16.9	69.4	23.1
4. CALGARY PWR	6	.842	-10.5	-103.8	4.4	-.3	-.4
5. CAN PACK	6	.950	-5.1	2.6	-4.4	473.4	-6.5
6. CAN CEMENT	6	.833	-4.7	-1.4	-3.1	-23.9	-13.3
7. DOM GLASS	6	.940	-9.2	5.8	6.1	78.6	-.3
8. DOM STORES	6	.860	-2.6	-1.8	-1.4	-40.0	-9.1
9. DOM TEXT	6	.960	-2.3	-1.5	-1.5	2.2	-5.4
10. FRASER COS	6	.969	6.3	9.7	4.9	-14.3	.8
11. GRT LAKES PA	6	.936	-4.3	-6.5	-1.3	16.8	-3.9
12. IMP TOB	6	.320	7.0	1.6	418.9	-2.9	1.6
13. INVEST SYND	6	.963	7.9	6.6	37.3	-3.8	1.1
14. JOHN LABATT	6	.585	-1.5	3.1	.5	-2.9	-6.3
15. MACLAREN P-P	6	.939	7.4	15.0	2.0	-7.5	9.3
16. PRICE BROS	6	.739	30.6	17.9	7.6	-.9	-1.0
17. SIMPSONS	6	.919	2.6	.6	3.6	34.3	-389.4
18. TRADERS FIN	6	.994	13.9	1.7	-.8	-2.7	1.3
19. TRANS MT	6	.800	-.6	-.5	-2.0	-.3	-.1
20. UNION GAS	6	.881	-7.0	-5.3	-5.5	5.1	-2.6
21. WOODWARD	6	.655	1.7	2.1	1.2	2.0	1.5

AVERAGE RETURNS

UNWEIGHTED	2.36	-.82	22.75	27.81	-19.22
WEIGHTED BY BASE	1.23	2.16	2.38	1.78	-1.00
WEIGHTED BY OWNERSHIP	1.77	-1.65	11.02	32.02	-22.67
WEIGHTED BY BASE AND OWNERSHIP	1.07	1.97	1.82	1.19	-.99

STANDARD DEVIATIONS OF RETURNS

UNWEIGHTED	10.49	25.07	89.05	103.02	83.07
WEIGHTED BY BASE	7.72	7.39	12.37	25.68	-10.75
WEIGHTED BY OWNERSHIP	10.07	25.20	58.01	111.88	89.04
WEIGHTED BY BASE AND OWNERSHIP	7.32	5.88	9.63	23.55	-12.66

4 YEAR COMPANIES, PERIOD 1961 - 1964

PERCENTAGE OF RETURN FROM GOODWILL CAPITAL GAINS

NEW ISSUE ASSUMED AT BEGINNING OF YEAR

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	AVERAGE OVER ALL YEARS	ANNUAL FIGURES			
				1964	1963	1962	1961
1. DUPONT	6	.142	82.1	86.2	60.3	82.2	86.8
2. TOR DOM BANK	6	.862	28.3	51.9	15.4	135.2	84.5
3. B C FOREST	6	.500	58.8	56.0	77.2	-182.4	.9
4. CALGARY PWR	6	.842	291.7	753.8	2.8	128.0	-32.6
5. CAN PACK	6	.950	48.7	66.1	64.8	1800.0	41.1
6. CAN CEMENT	6	.833	63.5	77.4	72.1	-21.4	25.8
7. DOM GLASS	6	.940	17.6	206.8	73.1	248.8	69.7
8. DOM STORES	6	.860	61.8	79.6	72.9	-837.5	-1.5
9. DOM TEXT	6	.960	72.7	77.8	76.0	-17.5	79.6
10. FRASER COS	6	.969	45.3	50.7	64.7	314.3	68.0
11. GRT LAKES PA	6	.936	61.2	22.8	80.8	238.7	81.1
12. IMP TOB	6	.320	-26.7	37.2	-5423.8	147.9	71.9
13. INVEST SYND	6	.963	69.8	77.6	-8.1	117.4	93.4
14. JOHN LABATT	6	.585	73.2	73.4	72.3	250.2	92.6
15. MACLAREN P-P	6	.939	-13.6	-183.3	68.5	237.5	3.3
16. PRICE BROS	6	.739	-163.4	12.5	53.4	114.4	83.4
17. SIMPSONS	6	.919	89.4	96.1	82.8	5.1	1494.7
18. TRADERS FIN	6	.994	-187.8	68.1	139.2	131.2	62.1
19. TRANS MT	6	.800	70.0	79.0	55.6	-5.3	81.6
20. UNION GAS	6	.881	72.3	76.7	79.3	121.2	91.0
21. WOODWARD	6	.655	75.8	80.1	81.5	72.9	41.5
AVERAGE RETURNS							
UNWEIGHTED			42.41	92.68	-197.11	146.71	124.72
WEIGHTED BY BASE			62.41	76.78	63.40	233.33	76.04
WEIGHTED BY OWNERSHIP			41.21	94.09	-41.48	166.46	135.10
WEIGHTED BY BASE AND OWNERSHIP			60.36	76.81	64.91	178.96	74.73
STANDARD DEVIATIONS OF RETURNS							
UNWEIGHTED			91.77	161.64	1169.11	435.75	308.46
WEIGHTED BY BASE			28.93	-17.97	133.09	-125.99	-35.26
WEIGHTED BY OWNERSHIP			94.85	168.09	755.55	467.76	331.21
WEIGHTED BY BASE AND OWNERSHIP			28.10	-20.42	87.95	-62.20	-41.97

4 YEAR COMPANIES, PERIOD 1961 - 1964

TOTAL CAPITAL GAINS AFTER ADJUSTING FOR EFFECTS OF INTEGRATION

NEW ISSUE ASSUMED AT BEGINNING OF YEAR
 0 PERCENT OF CURRENTLY UNTAXED REPORTED INCOME IS
 ASSUMED TO BE BROUGHT INTO THE CORPORATE TAX BASE

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	TOTAL OVER ALL YEARS	AVERAGE OVER ALL YEARS	CANADIAN PORTION OF AVERAGE	ANNUAL FIGURES			
						1964	1963	1962	1961
1. DUPONT	6	.142	222.29	55.57	7.89	94.12	20.51	51.85	55.82
2. TOR DOM BANK	6	.862	10.38	2.60	2.24	9.48	1.18	-32.42	32.14
3. B C FOREST	6	.500	61.09	15.27	7.64	24.81	37.18	-1.92	1.02
4. CALGARY PWR	6	.842	-37.99	-9.50	-8.00	-6.76	.46	-30.12	-1.57
5. CAN PACK	6	.950	18.50	4.62	4.39	12.58	9.98	-6.82	2.76
6. CAN CEMENT	6	.833	45.72	11.43	9.52	29.20	18.06	-2.50	.96
7. DOM GLASS	6	.940	.90	.22	.21	-4.38	6.20	-5.50	4.58
8. DOM STORES	6	.860	49.42	12.35	10.63	35.48	21.68	-7.02	-.72
9. DOM TEXT	6	.960	49.24	12.31	11.82	21.60	15.48	-.56	12.72
10. FRASER COS	6	.969	15.82	3.95	3.83	6.12	8.28	-5.88	7.30
11. GRT LAKES PA	6	.936	24.90	6.22	5.83	1.06	19.48	-7.92	12.28
12. IMP TOB	6	.320	-7.61	-1.90	-.61	6.85	-10.51	-39.07	35.12
13. INVEST SYND	6	.963	41.42	10.35	9.97	17.68	1.08	-26.07	48.73
14. JOHN LABATT	6	.585	41.18	10.29	6.02	14.30	11.54	-6.75	22.09
15. MACLAREN P-P	6	.939	-.68	-.17	-.16	-2.02	6.48	-5.52	.38
16. PRICE BROS	6	.739	-17.66	-4.41	-3.26	4.38	11.12	-62.78	29.63
17. SIMPSONS	6	.919	204.90	51.23	47.08	176.39	30.56	2.16	-4.20
18. TRADERS FIN	6	.994	-11.14	-2.79	-2.77	11.34	-13.71	-17.38	8.61
19. TRANS MT	6	.800	70.27	17.57	14.05	34.73	8.43	-.42	27.53
20. UNION GAS	6	.881	36.78	9.20	8.10	13.83	14.98	-22.67	30.64
21. WOODWARD	6	.655	49.29	12.32	8.07	17.80	18.73	10.48	2.28
TOTAL FOR ALL COMPANIES			867.01		142.49	518.57	237.18	-216.84	328.10
CANADIAN PORTION OF TOTAL						372.49	178.41	-202.20	221.26

4 YEAR COMPANIES, PERIOD 1961 - 1964

TOTAL DIVIDENDS, INCLUDING DIVIDENDS ON NEW SHARES ISSUED

NEW ISSUE ASSUMED AT BEGINNING OF YEAR

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	TOTAL OVER ALL YEARS	AVERAGE OVER ALL YEARS	CANADIAN PORTION OF AVERAGE	ANNUAL FIGURES			
						1964	1963	1962	1961
1. DUPONT	6	.142	24.10	6.02	.86	7.30	6.60	5.80	4.40
2. TOR DOM BANK	6	.862	24.80	6.20	5.34	6.60	6.50	6.10	5.60
3. B C FOREST	6	.500	8.80	2.20	1.10	2.80	2.10	1.70	2.20
4. CALGARY PWR	6	.842	11.40	2.85	2.40	3.20	3.20	2.90	2.10
5. CAN PACK	6	.950	8.40	2.10	1.99	2.10	2.10	2.10	2.10
6. CAN CEMENT	6	.833	10.60	2.65	2.21	2.90	2.90	2.40	2.40
7. DOM GLASS	6	.940	4.90	1.22	1.15	1.30	1.20	1.20	1.20
8. DOM STORES	6	.860	11.50	2.87	2.47	4.00	3.10	2.40	2.00
9. DOM TEXT	6	.960	9.60	2.40	2.30	3.10	2.60	2.10	1.80
10. FRASER COS	6	.969	12.00	3.00	2.91	3.10	3.10	3.10	2.70
11. GRT LAKES PA	6	.936	10.90	2.72	2.55	3.60	2.90	2.30	2.10
12. IMP TOB	6	.320	28.00	7.00	2.24	7.00	7.00	7.00	7.00
13. INVEST SYND	6	.963	7.40	1.85	1.78	2.30	2.00	1.70	1.40
14. JOHN LABATT	6	.585	8.50	2.12	1.24	2.50	2.10	2.00	1.90
15. MACLAREN P-P	6	.939	8.60	2.15	2.02	2.20	2.20	2.20	2.00
16. PRICE BROS	6	.739	25.00	6.25	4.62	6.40	6.40	6.40	5.80
17. SIMPSONS	6	.919	11.40	2.85	2.62	3.40	2.90	2.60	2.50
18. TRADERS FIN	6	.994	13.80	3.45	3.43	3.50	3.50	3.50	3.30
19. TRANS MT	6	.800	28.50	7.12	5.70	7.50	7.50	7.50	6.00
20. UNION GAS	6	.881	9.40	2.35	2.07	2.70	2.30	2.30	2.10
21. WOODWARD	6	.655	4.80	1.20	.79	1.60	1.30	1.10	.80
TOTAL FOR ALL COMPANIES			282.40		51.79	79.10	73.50	68.40	61.40
CANADIAN PORTION OF TOTAL						57.99	53.92	50.19	45.09

4 YEAR COMPANIES, PERIOD 1961 - 1964

TOTAL UNDISTRIBUTED EARNINGS PRESENTLY TAXED AT CORPORATE LEVEL

NEW ISSUE ASSUMED AT BEGINNING OF YEAR

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	TOTAL OVER ALL YEARS	AVERAGE OVER ALL YEARS	CANADIAN PORTION OF AVERAGE	ANNUAL FIGURES			
						1964	1963	1962	1961
1. DUPONT	6	.142	30.68	7.67	1.09	9.82	7.82	7.22	5.82
2. TOR DOM BANK	6	.862	11.28	2.82	2.43	2.82	2.72	3.02	2.72
3. B C FOREST	6	.500	1.38	.35	.17	-1.78	.22	1.92	1.02
4. CALGARY PWR	6	.842	13.08	3.27	2.75	2.52	2.72	3.62	4.22
5. CAN PACK	6	.950	15.58	3.90	3.70	3.62	4.42	4.42	3.12
6. CAN CEMENT	6	.833	21.48	5.37	4.47	6.32	5.22	5.62	4.32
7. DOM GLASS	6	.940	4.88	1.22	1.15	1.02	.42	2.62	.82
8. DOM STORES	6	.860	22.58	5.65	4.85	6.12	5.52	5.42	5.52
9. DOM TEXT	6	.960	11.08	2.77	2.66	3.62	2.72	2.12	2.62
10. FRASER COS	6	.969	2.88	.72	.70	.92	.52	.82	.62
11. GRT LAKES PA	6	.936	7.98	2.00	1.87	1.82	2.12	2.52	1.52
12. IMP TOB	6	.320	18.28	4.57	1.46	3.82	3.72	5.12	5.62
13. INVEST SYND	6	.963	4.48	1.12	1.08	1.02	.62	1.42	1.42
14. JOHN LABATT	6	.585	7.78	1.95	1.14	1.92	2.22	2.02	1.62
15. MACLAREN P-P	6	.939	3.08	.77	.72	1.02	.52	.92	.62
16. PRICE BROS	6	.739	8.68	2.17	1.60	3.62	.72	1.12	3.22
17. SIMPSONS	6	.919	6.48	1.62	1.49	2.52	1.92	.72	1.32
18. TRADERS FIN	6	.994	4.18	1.05	1.04	1.52	.32	.52	1.82
19. TRANS MT	6	.800	2.48	.62	.50	2.02	-.18	.42	.22
20. UNION GAS	6	.881	10.28	2.57	2.26	2.82	3.02	2.42	2.02
21. WOODWARD	6	.655	9.68	2.42	1.59	2.42	2.62	2.42	2.22
TOTAL FOR ALL COMPANIES			218.31		38.73	59.53	49.93	56.43	52.43
CANADIAN PORTION OF TOTAL						42.53	35.07	39.95	37.37

4 YEAR COMPANIES, PERIOD 1961 - 1964

TOTAL UNDISTRIBUTED EARNINGS BROUGHT INTO THE CORPORATE TAX BASE UNDER THE COMMISSION'S RECOMMENDATIONS

NEW ISSUE ASSUMED AT BEGINNING OF YEAR

100 PERCENT OF CURRENTLY UNTAXED REPORTED INCOME IS ASSUMED TO BE BROUGHT INTO THE CORPORATE TAX BASE

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	TOTAL OVER ALL YEARS	AVERAGE OVER ALL YEARS	CANADIAN PORTION OF AVERAGE	ANNUAL FIGURES			
						1964	1963	1962	1961
1. DUPONT	6	.142	-5.18	-1.30	-.18	-1.72	-.52	-1.42	-1.52
2. TOR DOM BANK	6	.862	-2.48	-.62	-.53	-.32	-.42	-.92	-.82
3. B C FOREST	6	.500	19.22	4.80	2.40	10.38	6.68	1.18	.98
4. CALGARY PWR	6	.842	1.42	.35	.30	1.08	.28	.08	-.02
5. CAN PACK	6	.950	-2.18	-.55	-.52	.48	-.72	-1.42	-.52
6. CAN CEMENT	6	.833	-3.68	-.92	-.77	-.52	-.82	-1.32	-1.02
7. DOM GLASS	6	.940	-.98	-.25	-.23	-.12	.48	-1.32	-.02
8. DOM STORES	6	.860	-2.18	-.55	-.47	-.82	-.42	-.32	-.62
9. DOM TEXT	6	.960	-1.58	-.40	-.38	-.42	-.32	.08	-.92
10. FRASER COS	6	.969	1.92	.48	.46	.98	.58	.28	.08
11. GRT LAKES PA	6	.936	-1.88	-.47	-.44	-.42	-.32	-.52	-.62
12. IMP TOB	6	.320	2.72	.68	.22	.28	.88	.78	.78
13. INVEST SYND	6	.963	4.22	1.05	1.02	1.38	1.38	.88	.58
14. JOHN LABATT	6	.585	-.88	-.22	-.13	.58	.08	.08	-1.62
15. MACLAREN P-P	6	.939	.82	.20	.19	.18	.18	.18	.28
16. PRICE BROS	6	.739	3.92	.98	.72	2.58	1.38	.48	-.52
17. SIMPSONS	6	.919	5.82	1.45	1.34	1.18	1.28	1.88	1.48
18. TRADERS FIN	6	.994	.92	.23	.23	.28	.08	.38	.18
19. TRANS MT	6	.800	-.58	-.15	-.12	-.22	-.32	-.02	-.02
20. UNION GAS	6	.881	-3.98	-1.00	-.88	-1.02	-1.12	-.92	-.92
21. WOODWARD	6	.655	1.12	.28	.18	.48	.28	.28	.08
TOTAL FOR ALL COMPANIES			16.49		2.42	14.27	8.57	-1.63	-4.73
CANADIAN PORTION OF TOTAL						9.37	4.86	-1.32	-3.23

PERCENTAGE TOTAL RATE OF RETURN

20 YEAR COMPANIES, PERIOD 1945 - 1964

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	AVERAGE OVER ALL YEARS	NEW ISSUE ASSUMED AT BEGINNING OF YEAR							
				ANNUAL FIGURES							
				1964	1963	1962	1961	1960	1959	1958	1957
1. IMPERIAL OIL	3	.245	12.9	35.3	4.0	-9.9	38.5	5.0	-15.6	13.6	-24.3
2. B A OIL	3	.280	10.0	21.8	-4.6	-17.7	27.1	-8.7	-14.8	20.8	-27.2
3. PAC PETROL	3	.191	28.3	-1.7	-1.0	19.3	-2	46.1	-33.8	32.4	78.0
4. CONS MS	2	.630	16.6	35.6	46.0	-2.5	26.9	9.9	-2.4	29.1	-35.1
5. INCO	2	.273	16.7	26.4	12.4	-21.7	54.6	15.4	25.3	25.7	-27.0
6. NORANDA	2	.886	14.8	25.0	26.8	17.1	50.0	-9.3	-5.6	51.1	-33.1
AVERAGE RETURNS											
UNWEIGHTED				16.56	23.73	13.95	-2.58	32.81	9.73	-7.83	28.77
WEIGHTED BY BASE				13.64	27.69	10.68	-13.76	41.67	7.26	-2.26	21.98
WEIGHTED BY OWNERSHIP				15.77	26.42	22.23	1.58	37.18	3.90	-5.59	34.31
WEIGHTED BY BASE AND OWNERSHIP				13.95	28.26	15.75	-10.43	41.48	5.58	-2.02	25.41
STANDARD DEVIATIONS OF RETURNS											
UNWEIGHTED				28.80	12.47	17.64	15.89	18.10	18.62	17.87	11.66
WEIGHTED BY BASE				23.34	8.12	12.73	10.78	13.65	11.06	18.73	8.79
WEIGHTED BY OWNERSHIP				26.47	9.61	17.75	15.07	15.38	15.46	13.66	13.33
WEIGHTED BY BASE AND OWNERSHIP				23.52	6.97	15.53	13.30	13.01	10.95	16.81	11.50

PERCENTAGE TOTAL RATE OF RETURN

20 YEAR COMPANIES, PERIOD 1945 - 1964

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	AVERAGE OVER ALL YEARS	NEW ISSUE ASSUMED AT BEGINNING OF YEAR							
				ANNUAL FIGURES							
				1956	1955	1954	1953	1952	1951	1950	1949
1. IMPERIAL OIL	3	.245	12.9	44.5	.1	46.6	-19.5	-5.8	41.8	22.7	21.0
2. B A OIL	3	.280	10.0	26.5	30.6	44.8	5.3	-3.4	53.4	11.2	16.0
3. PAC PETROL	3	.191	28.3	-8.9	11.3	53.1	-32.5	15.9	28.3	69.0	51.4
4. CONS MS	2	.630	16.6	-19.5	22.4	34.8	-23.6	-5.4	53.1	31.5	-8.6
5. INCO	2	.273	16.7	27.7	50.4	74.6	-19.1	11.4	17.5	27.1	-2.6
6. NORANDA	2	.886	14.8	3.9	45.4	43.9	-15.5	-2.4	19.8	9.6	33.7
AVERAGE RETURNS											
UNWEIGHTED				16.56	12.39	26.72	49.63	-17.49	1.74	35.66	28.53
WEIGHTED BY BASE				13.64	23.01	23.16	50.92	-18.75	-1.09	36.07	24.41
WEIGHTED BY OWNERSHIP				15.77	6.15	31.50	46.01	-17.30	-4.68	34.50	23.01
WEIGHTED BY BASE AND OWNERSHIP				13.95	13.53	26.09	47.31	-19.26	-2.03	37.21	23.59
STANDARD DEVIATIONS OF RETURNS											
UNWEIGHTED				28.80	22.39	17.75	12.40	11.49	8.62	14.65	19.76
WEIGHTED BY BASE				23.34	22.30	21.25	14.13	6.73	7.33	14.31	7.55
WEIGHTED BY OWNERSHIP				26.47	20.63	16.00	11.25	9.31	6.85	15.57	16.14
WEIGHTED BY BASE AND OWNERSHIP				23.52	24.49	19.24	13.72	6.21	6.34	15.24	8.73

PERCENTAGE TOTAL RATE OF RETURN

20 YEAR COMPANIES, PERIOD 1945 - 1964

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	AVERAGE OVER ALL YEARS	NEW ISSUE ASSUMED AT BEGINNING OF YEAR ANNUAL FIGURES			
				1948	1947	1946	1945
1. IMPERIAL OIL	3	.245	12.9	30.7	23.9	-14.7	21.1
2. U A OIL	3	.280	10.0	8.2	-6.6	-5.3	22.1
3. PAC PETROL	3	.191	28.3	153.8	29.2	-26.3	83.3
4. CONS MS	2	.630	16.6	37.3	20.8	14.4	66.6
5. INCO	2	.273	16.7	12.1	-4.1	-7.1	35.2
6. NORANDA	2	.886	14.8	16.4	2.1	-13.8	30.9
AVERAGE RETURNS							
UNWEIGHTED			16.56	43.11	10.88	-8.79	43.20
WEIGHTED BY BASE			13.64	23.76	8.76	-6.00	34.10
WEIGHTED BY OWNERSHIP			15.77	32.17	9.34	-6.06	42.39
WEIGHTED BY BASE AND OWNERSHIP			13.95	25.52	9.94	-3.64	38.22
STANDARD DEVIATIONS OF RETURNS							
UNWEIGHTED			28.80	50.56	14.21	12.37	23.50
WEIGHTED BY BASE			23.34	11.62	13.09	10.04	14.57
WEIGHTED BY OWNERSHIP			26.47	36.49	12.27	12.84	20.47
WEIGHTED BY BASE AND OWNERSHIP			23.52	11.45	12.14	11.87	16.64

PERCENTAGE OF RETURN FROM DIVIDENDS

20 YEAR COMPANIES, PERIOD 1945 - 1964

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	AVERAGE OVER ALL YEARS	NEW ISSUE ASSUMED AT BEGINNING OF YEAR							
				ANNUAL FIGURES							
				1964	1963	1962	1961	1960	1959	1958	1957
1. IMPERIAL OIL	3	.245	31.4	11.2	88.6	-28.0	9.7	73.0	-17.1	21.7	-8.9
2. B A OIL	3	.280	82.2	16.4	-44.9	-8.7	7.3	-20.4	-10.0	7.5	-4.3
3. PAC PETROL	3	.191	.1	.0	.0	.0	.0	.0	.0	.0	.0
4. CONS MS	2	.630	46.5	13.9	12.4	-182.2	18.5	52.6	-159.4	16.6	-14.0
5. INCO	2	.273	28.1	14.1	26.7	-9.8	5.0	19.0	13.9	14.4	-13.7
6. NORANDA	2	.886	34.1	13.9	13.7	22.1	10.1	-45.5	-69.0	10.9	-10.7
AVERAGE RETURNS											
UNWEIGHTED			37.08	11.59	16.08	-34.44	8.45	13.12	-40.26	11.86	-8.60
WEIGHTED BY BASE			33.10	13.36	30.65	-17.58	7.42	43.05	-122.41	14.13	-10.65
WEIGHTED BY OWNERSHIP			39.09	12.88	14.51	-42.80	10.56	4.08	-65.75	12.58	-10.14
WEIGHTED BY BASE AND OWNERSHIP			35.34	13.55	22.51	-25.95	8.28	61.27	-148.35	13.79	-11.01
STANDARD DEVIATIONS OF RETURNS											
UNWEIGHTED			24.55	5.39	39.50	67.72	5.63	40.63	59.18	6.90	5.04
WEIGHTED BY BASE			11.18	1.44	13.60	17.67	3.36	-20.43	-109.32	5.57	3.00
WEIGHTED BY OWNERSHIP			19.11	3.88	31.05	82.36	5.39	44.91	61.70	5.34	4.12
WEIGHTED BY BASE AND OWNERSHIP			10.52	1.29	12.34	23.53	4.08	-47.19	-123.02	4.75	3.03

PERCENTAGE OF RETURN FROM DIVIDENDS

20 YEAR COMPANIES, PERIOD 1945 - 1964

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	AVERAGE OVER ALL YEARS	NEW ISSUE ASSUMED AT BEGINNING OF YEAR							
				ANNUAL FIGURES							
				1956	1955	1954	1953	1952	1951	1950	1949
1. IMPERIAL OIL	3	.245	31.4	6.6	1906.0	6.9	-11.5	-33.4	5.1	10.5	12.2
2. B A OIL	3	.280	82.2	5.1	9.2	8.5	59.5	-68.4	6.4	29.3	25.9
3. PAC PETROL	3	.191	.1	.0	.0	.0	.0	.0	.0	.0	.0
4. CONS MS	2	.630	46.5	-23.3	25.2	16.1	-15.4	-83.3	16.3	29.1	-89.1
5. INCO	2	.273	28.1	16.5	13.0	11.3	-27.2	53.0	38.2	23.0	-222.2
6. NORANDA	2	.886	34.1	90.9	11.0	12.8	-35.2	-214.3	29.0	62.1	22.4
AVERAGE RETURNS											
UNWEIGHTED			37.08	15.96	327.41	9.28	-4.97	-57.74	15.84	25.65	-41.80
WEIGHTED BY BASE			33.10	15.55	18.27	9.99	-18.51	-329.81	14.02	21.23	73.32
WEIGHTED BY OWNERSHIP			39.09	29.30	199.09	11.44	-13.77	-101.89	19.75	36.07	-34.62
WEIGHTED BY BASE AND OWNERSHIP			35.34	27.76	17.70	11.23	-19.53	-197.63	15.93	25.92	97.07
STANDARD DEVIATIONS OF RETURNS											
UNWEIGHTED			24.55	35.64	706.03	5.09	30.92	83.14	13.72	19.34	89.59
WEIGHTED BY BASE			11.18	-9.02	87.33	3.38	-6.08	-313.52	11.46	11.30	-113.68
WEIGHTED BY OWNERSHIP			19.11	47.31	562.07	4.37	28.24	92.44	11.88	20.93	80.29
WEIGHTED BY BASE AND OWNERSHIP			10.52	-20.37	68.24	3.57	-2.85	-160.27	10.04	13.30	-132.09

20 YEAR COMPANIES, PERIOD 1945 - 1964

PERCENTAGE OF RETURN FROM DIVIDENDS

NEW ISSUE ASSUMED AT BEGINNING OF YEAR

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	AVERAGE OVER ALL YEARS	ANNUAL FIGURES			
				1948	1947	1946	1945
1. IMPERIAL OIL	3	.245	31.4	10.6	16.4	-21.7	17.9
2. B A OIL	3	.280	82.2	52.6	-58.8	-66.7	18.9
3. PAC PETROL	3	.191	.1	3.0	31.6	.0	.0
4. CONS MS	2	.630	46.5	30.0	43.8	36.6	7.5
5. INCO	2	.273	28.1	50.0	-133.3	-55.0	14.4
6. NORANDA	2	.886	34.1	40.9	195.7	-47.0	25.7
AVERAGE RETURNS							
UNWEIGHTED			37.08	31.18	15.87	-25.62	14.06
WEIGHTED BY BASE			33.10	26.84	64.48	-69.32	14.32
WEIGHTED BY OWNERSHIP			39.09	34.59	63.11	-22.98	16.42
WEIGHTED BY BASE AND OWNERSHIP			35.34	29.33	61.79	-129.06	14.17
STANDARD DEVIATIONS OF RETURNS							
UNWEIGHTED			24.55	18.83	100.98	35.46	8.31
WEIGHTED BY BASE			11.18	14.98	-75.39	-54.30	5.25
WEIGHTED BY OWNERSHIP			19.11	14.63	111.65	38.23	8.51
WEIGHTED BY BASE AND OWNERSHIP			10.52	12.21	-54.48	-118.95	6.73

20 YEAR COMPANIES, PERIOD 1945 - 1964

PERCENTAGE OF RETURN FROM RETENTION OF AFTER-TAX TAXED CORPORATE INCOME

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	AVERAGE OVER ALL YEARS	NEW ISSUE ASSUMED AT BEGINNING OF YEAR							
				ANNUAL FIGURES							
				1964	1963	1962	1961	1960	1959	1958	1957
1. IMPERIAL OIL	3	.245	1.4	-3.7	-16.2	.6	.5	6.2	-1.6	-3.7	-3.5
2. B A OIL	3	.280	-27.6	-9.2	17.2	5.6	-6.1	17.3	8.6	-6.5	3.7
3. PAC PETROL	3	.191	.2	-5	-8	.1	-5.9	.0	-0	.1	.0
4. CONS MS	2	.630	-14.7	-1.3	-2.5	36.2	-2.7	-8.6	36.2	-8.1	8.1
5. INCO	2	.273	-1.2	-2.5	-9.1	3.2	1.5	6.7	4.8	-3.6	-5
6. NORANDA	2	.886	-16.0	-1.7	-5.1	-2.5	-2.1	10.0	33.6	-6.5	5.4
AVERAGE RETURNS											
UNWEIGHTED			-9.66	-3.15	-2.76	7.21	-2.46	5.28	13.59	-4.73	2.21
WEIGHTED BY BASE			-4.32	-3.31	-8.63	3.99	.12	1.53	-.87	-4.74	.73
WEIGHTED BY OWNERSHIP			-12.42	-2.62	-3.16	9.28	-2.34	4.65	22.31	-5.83	3.99
WEIGHTED BY BASE AND OWNERSHIP			-7.50	-2.85	-6.42	5.57	-.30	-1.58	13.44	-5.48	2.34
STANDARD DEVIATIONS OF RETURNS											
UNWEIGHTED			10.63	2.87	10.25	13.22	2.87	8.07	15.45	2.68	3.92
WEIGHTED BY BASE			7.40	2.01	-4.25	3.61	2.32	-4.31	17.14	1.93	4.06
WEIGHTED BY OWNERSHIP			8.72	2.45	8.30	15.84	2.23	8.64	15.56	2.27	3.73
WEIGHTED BY BASE AND OWNERSHIP			7.99	1.96	-2.12	5.02	2.34	-5.31	23.77	1.93	4.39

20 YEAR COMPANIES, PERIOD 1945 - 1964

PERCENTAGE OF RETURN FROM RETENTION OF AFTER-TAX TAXED CORPORATE INCOME

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	AVERAGE OVER ALL YEARS	NEW ISSUE ASSUMED AT BEGINNING OF YEAR							
				ANNUAL FIGURES							
				1956	1955	1954	1953	1952	1951	1950	1949
1. IMPERIAL OIL	3	.245	1.4	2.5	1068.5	2.6	-4.8	-12.1	3.2	.2	-6.8
2. B A OIL	3	.280	-27.6	-2.5	5.8	4.5	67.5	-106.4	6.8	23.2	-1.7
3. PAC PETROL	3	.191	.2	-.4	.3	.1	-.1	.3	.2	.2	.4
4. CONS MS	2	.630	-14.7	9.4	-8.2	-5.8	6.3	24.0	-3.0	-13.1	44.1
5. INCO	2	.273	-1.2	1.9	1.3	.3	-7.6	8.0	10.4	-1.2	85.1
6. NORANDA	2	.886	-16.0	-12.9	-4.7	-7.5	23.4	130.5	-14.8	-42.6	-14.6
AVERAGE RETURNS											
UNWEIGHTED			-9.66	-.32	177.17	-.95	14.13	7.37	.47	-5.55	17.75
WEIGHTED BY BASE			-4.32	.62	1.81	.24	-2.28	-21.65	1.80	-4.76	-34.39
WEIGHTED BY OWNERSHIP			-12.42	-2.05	101.58	-3.29	16.12	40.00	-3.76	-15.86	14.37
WEIGHTED BY BASE AND OWNERSHIP			-7.50	-2.04	-.95	-1.39	1.95	21.37	-.63	-9.15	-48.61
STANDARD DEVIATIONS OF RETURNS											
UNWEIGHTED			10.63	6.72	398.63	4.30	25.93	69.29	8.06	19.76	35.48
WEIGHTED BY BASE			7.40	-2.13	49.45	3.36	-4.68	69.05	5.60	9.91	-49.58
WEIGHTED BY OWNERSHIP			8.72	8.88	318.38	4.50	21.51	76.51	9.12	22.23	33.93
WEIGHTED BY BASE AND OWNERSHIP			7.99	-4.97	38.77	4.11	6.08	63.10	6.33	12.30	-61.86

PERCENTAGE OF RETURN FROM RETENTION OF AFTER-TAX TAXED CORPORATE INCOME 20 YEAR COMPANIES, PERIOD 1945 - 1964

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	AVERAGE OVER ALL YEARS	NEW ISSUE ASSUMED AT BEGINNING OF YEAR ANNUAL FIGURES			
				1948	1947	1946	1945
1. IMPERIAL OIL	3	.245	1.4	-5.1	-6.6	8.5	-9.2
2. B A OIL	3	.280	-27.6	-1.5	-.4	13.8	-5.3
3. PAC PETROL	3	.191	.2	-2.4	-25.2	-5.5	4.1
4. CONS MS	2	.630	-14.7	-13.0	-12.5	-4.9	-.7
5. INCO	2	.273	-1.2	-15.4	53.3	30.8	-6.7
6. NORANDA	2	.886	-16.0	-29.6	-138.2	37.5	-17.7
AVERAGE RETURNS							
UNWEIGHTED			-9.66	-11.15	-21.61	13.37	-5.91
WEIGHTED BY BASE			-4.32	-11.01	-23.56	31.04	-6.42
WEIGHTED BY OWNERSHIP			-12.42	-16.24	-48.84	17.33	-8.34
WEIGHTED BY BASE AND OWNERSHIP			-7.50	-13.21	-22.90	59.67	-6.50
STANDARD DEVIATIONS OF RETURNS							
UNWEIGHTED			10.63	9.72	57.72	16.34	6.79
WEIGHTED BY BASE			7.40	6.22	-24.46	-13.00	4.67
WEIGHTED BY OWNERSHIP			8.72	10.80	69.11	18.36	7.66
WEIGHTED BY BASE AND OWNERSHIP			7.99	6.86	4.62	-43.26	6.16

PERCENTAGE OF RETURN FROM UNTAXED RETAINED SURPLUS

20 YEAR COMPANIES, PERIOD 1945 - 1964

NEW ISSUE ASSUMED AT BEGINNING OF YEAR

ANNUAL FIGURES

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	AVERAGE OVER ALL YEARS	1964	1963	1962	1961	1960	1959	1958	1957
1. IMPERIAL OIL	3	.245	18.7	8.5	56.2	-15.9	4.7	25.9	-6.0	11.1	-4.6
2. B A OIL	3	.280	148.8	23.4	-86.0	-21.0	18.6	-48.9	-19.8	13.5	-13.1
3. PAC PETROL	3	.191	-1.1	-105.3	-141.9	8.7	-284.7	-6.0	7.9	-13.5	-3.8
4. CONS MS	2	.630	29.3	7.9	7.5	-88.9	8.4	31.4	-80.0	9.2	-10.2
5. INCO	2	.273	16.8	12.0	25.3	-10.0	3.0	8.7	8.4	4.3	-7.4
6. NORANDA	2	.886	31.4	13.8	14.5	16.9	6.7	-28.2	-52.7	7.1	-9.0
AVERAGE RETURNS											
UNWEIGHTED			40.67	-6.61	-20.74	-18.36	-40.57	-2.85	-23.72	5.30	-8.01
WEIGHTED BY BASE			23.55	11.80	28.05	-16.24	5.43	26.70	-77.48	7.43	-8.11
WEIGHTED BY OWNERSHIP			38.69	3.59	-5.16	-20.70	-14.37	-4.51	-40.07	6.88	-8.76
WEIGHTED BY BASE AND OWNERSHIP			25.69	11.58	20.17	-22.19	5.76	38.75	-96.93	7.73	-8.56
STANDARD DEVIATIONS OF RETURNS											
UNWEIGHTED			49.51	44.42	69.54	34.23	109.30	28.58	32.59	8.87	3.20
WEIGHTED BY BASE			21.82	-4.55	-24.70	3.37	1.95	-30.79	-68.40	5.69	2.98
WEIGHTED BY OWNERSHIP			40.11	31.61	52.94	41.83	77.78	29.19	32.39	6.35	2.53
WEIGHTED BY BASE AND OWNERSHIP			19.25	-2.20	-16.19	-8.93	2.91	-42.09	-81.64	4.45	2.68

PERCENTAGE OF RETURN FROM UNTAXED RETAINED SURPLUS

20 YEAR COMPANIES, PERIOD 1945 - 1964

NEW ISSUE ASSUMED AT BEGINNING OF YEAR

ANNUAL FIGURES

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	AVERAGE OVER ALL YEARS	1956	1955	1954	1953	1952	1951	1950	1949
1. IMPERIAL OIL	3	.245	18.7	3.5	1200.0	3.3	-6.8	-15.9	2.1	10.7	16.1
2. B A OIL	3	.280	148.8	11.1	9.9	9.8	95.1	-68.1	8.9	37.1	43.4
3. PAC PETROL	3	.191	-1.1	11.2	9.2	-1.7	3.5	15.9	-.2	-.2	1.7
4. CONS MS	2	.630	29.3	-12.3	12.7	8.2	-6.9	-41.9	9.6	23.2	-74.2
5. INCO	2	.273	16.8	10.1	7.0	5.3	-6.2	18.7	12.8	15.2	-94.2
6. NORANDA	2	.886	31.4	109.9	11.9	12.0	-30.1	-206.7	27.0	61.9	24.1
AVERAGE RETURNS											
UNWEIGHTED			40.67	22.26	208.46	6.15	8.10	-49.67	10.04	24.63	-13.86
WEIGHTED BY BASE			23.55	10.36	11.40	5.50	-9.30	-168.99	7.39	17.45	60.34
WEIGHTED BY OWNERSHIP			38.69	39.32	127.36	8.17	-2.82	-89.55	14.56	34.55	-13.86
WEIGHTED BY BASE AND OWNERSHIP			25.69	19.54	11.51	6.61	-10.65	-112.31	9.48	21.71	83.12
STANDARD DEVIATIONS OF RETURNS											
UNWEIGHTED			49.51	40.04	443.43	4.50	40.23	76.55	8.81	20.20	51.55
WEIGHTED BY BASE			21.82	8.72	54.94	2.71	-12.46	-142.28	5.89	10.56	-75.25
WEIGHTED BY OWNERSHIP			40.11	52.90	353.17	4.01	36.68	90.16	9.84	22.07	50.98
WEIGHTED BY BASE AND OWNERSHIP			19.25	15.07	42.86	3.07	-8.99	-56.78	6.74	13.50	-99.16

PERCENTAGE OF RETURN FROM UNTAXED RETAINED SURPLUS

20 YEAR COMPANIES, PERIOD 1945 - 1964

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	AVERAGE OVER ALL YEARS	NEW ISSUE ASSUMED AT BEGINNING OF YEAR			
				ANNUAL FIGURES			
				1948	1947	1946	1945
1. IMPERIAL OIL	3	.245	18.7	12.4	15.1	-14.6	13.3
2. B A OIL	3	.280	148.8	37.2	-26.9	-25.7	7.9
3. PAC PETROL	3	.191	-1.1	2.4	25.2	5.5	-4.1
4. CONS MS	2	.630	29.3	28.5	31.0	29.7	3.7
5. INCO	2	.273	16.8	29.1	-64.3	-41.2	6.5
6. NORANDA	2	.886	31.4	44.7	238.2	-51.6	17.7
AVERAGE RETURNS							
UNWEIGHTED			40.67	25.71	36.40	-16.32	7.53
WEIGHTED BY BASE			23.55	23.27	43.92	-54.11	8.09
WEIGHTED BY OWNERSHIP			38.69	31.70	85.46	-19.15	9.79
WEIGHTED BY BASE AND OWNERSHIP			25.69	26.85	45.21	-109.93	8.24
STANDARD DEVIATIONS OF RETURNS							
UNWEIGHTED			49.51	14.33	96.17	27.53	6.91
WEIGHTED BY BASE			21.82	9.59	-31.17	-41.91	4.44
WEIGHTED BY OWNERSHIP			40.11	12.97	116.69	32.83	6.97
WEIGHTED BY BASE AND OWNERSHIP			19.25	9.33	20.99	-99.09	5.35

PERCENTAGE OF RETURN FROM GOODWILL CAPITAL GAINS

20 YEAR COMPANIES, PERIOD 1945 - 1964

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	AVERAGE OVER ALL YEARS	NEW ISSUE ASSUMED AT BEGINNING OF YEAR							
				ANNUAL FIGURES							
				1964	1963	1962	1961	1960	1959	1958	1957
1. IMPERIAL OIL	3	.245	48.5	83.9	-28.5	143.3	85.0	-5.1	124.7	70.9	117.0
2. B A OIL	3	.280	-103.4	69.4	213.6	124.1	80.1	151.9	121.2	85.5	113.7
3. PAC PETROL	3	.191	100.8	205.8	242.7	91.2	390.6	106.0	92.1	113.4	103.7
4. CONS MS	2	.630	38.9	79.4	82.7	334.8	75.7	24.6	303.2	82.2	116.0
5. INCO	2	.273	56.3	76.4	57.2	116.5	90.5	65.6	73.0	84.9	121.7
6. NORANDA	2	.886	50.5	74.1	76.9	63.5	85.4	163.6	188.1	88.5	114.3
AVERAGE RETURNS											
UNWEIGHTED				31.92	98.17	107.42	145.59	134.57	84.44	150.39	87.57
WEIGHTED BY BASE				47.67	78.14	49.93	129.83	87.02	28.72	300.76	83.18
WEIGHTED BY OWNERSHIP				34.63	86.16	93.82	154.22	106.16	95.77	183.51	86.36
WEIGHTED BY BASE AND OWNERSHIP				46.46	77.72	63.73	142.57	86.25	1.56	331.83	83.96
STANDARD DEVIATIONS OF RETURNS											
UNWEIGHTED				63.67	48.33	93.21	88.32	114.60	62.24	77.09	12.81
WEIGHTED BY BASE				26.88	-5.01	-23.44	19.52	.85	-45.91	-189.86	8.94
WEIGHTED BY OWNERSHIP				51.26	34.59	70.97	108.08	81.86	66.02	79.67	9.23
WEIGHTED BY BASE AND OWNERSHIP				23.49	-2.76	-11.33	20.27	3.52	-80.70	-207.90	7.23

PERCENTAGE OF RETURN FROM GOODWILL CAPITAL GAINS

20 YEAR COMPANIES, PERIOD 1945 - 1964

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	AVERAGE OVER ALL YEARS	NEW ISSUE ASSUMED AT BEGINNING OF YEAR							
				ANNUAL FIGURES							
				1956	1955	1954	1953	1952	1951	1950	1949
1. IMPERIAL OIL	3	.245	48.5	87.4	-4074.5	87.2	123.0	161.5	89.6	78.6	78.5
2. B A OIL	3	.280	-103.4	86.2	75.0	77.1	-122.2	342.9	77.9	10.5	32.4
3. PAC PETROL	3	.191	100.8	89.1	90.5	101.6	96.6	83.8	100.0	100.0	97.8
4. CONS MS	2	.630	38.9	126.2	70.3	81.4	116.0	201.2	77.0	60.8	219.2
5. INCO	2	.273	56.3	71.6	78.6	83.0	141.0	20.3	38.6	63.1	331.4
6. NORANDA	2	.886	50.5	-87.9	81.8	82.7	141.9	390.5	58.7	18.6	68.2
AVERAGE RETURNS											
UNWEIGHTED				31.92	62.10	-613.04	85.52	82.73	200.04	73.65	55.26
WEIGHTED BY BASE				47.67	73.47	68.52	84.27	130.09	620.44	76.79	66.07
WEIGHTED BY OWNERSHIP				34.63	33.43	-328.02	83.68	100.48	251.45	69.45	45.24
WEIGHTED BY BASE AND OWNERSHIP				46.46	54.74	71.74	83.55	128.23	388.58	75.22	61.52
STANDARD DEVIATIONS OF RETURNS											
UNWEIGHTED				63.67	69.09	1548.03	7.76	92.92	131.65	20.12	31.59
WEIGHTED BY BASE				26.88	7.88	191.37	3.76	-30.94	-494.00	16.98	15.32
WEIGHTED BY OWNERSHIP				51.26	91.43	1233.55	5.66	80.24	131.01	16.67	28.62
WEIGHTED BY BASE AND OWNERSHIP				23.49	-6.68	149.33	3.26	-25.69	-239.09	14.57	16.66

PERCENTAGE OF RETURN FROM GOODWILL CAPITAL GAINS

20 YEAR COMPANIES, PERIOD 1945 - 1964

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	AVERAGE OVER ALL YEARS	NEW ISSUE ASSUMED AT BEGINNING OF YEAR ANNUAL FIGURES			
				1948	1947	1946	1945
1. IMPERIAL OIL	3	.245	48.5	82.1	75.2	127.9	78.0
2. B A OIL	3	.280	-103.4	11.7	186.1	178.6	78.4
3. PAC PETROL	3	.191	100.8	97.0	68.4	100.0	100.0
4. CONS MS	2	.630	38.9	54.5	37.7	38.7	89.4
5. INCO	2	.273	56.3	36.3	244.3	165.3	85.7
6. NORANDA	2	.886	50.5	44.0	-195.7	161.1	74.3
AVERAGE RETURNS							
UNWEIGHTED			31.92	54.26	69.34	128.58	84.32
WEIGHTED BY BASE			47.67	60.89	15.16	192.39	84.02
WEIGHTED BY OWNERSHIP			34.63	49.95	.27	124.80	82.13
WEIGHTED BY BASE AND OWNERSHIP			46.46	57.03	15.89	279.32	84.10
STANDARD DEVIATIONS OF RETURNS							
UNWEIGHTED			63.67	28.41	138.75	47.97	8.65
WEIGHTED BY BASE			26.88	18.89	-85.17	-80.62	5.09
WEIGHTED BY OWNERSHIP			51.26	21.72	158.69	53.67	8.02
WEIGHTED BY BASE AND OWNERSHIP			23.49	15.39	-56.82	-173.71	5.96

TOTAL CAPITAL GAINS AFTER ADJUSTING FOR EFFECTS OF INTEGRATION

20 YEAR COMPANIES, PERIOD 1945 - 1964

NEW ISSUE ASSUMED AT BEGINNING OF YEAR
 0 PERCENT OF CURRENTLY UNTAXED REPORTED INCOME IS
 ASSUMED TO BE BROUGHT INTO THE CORPORATE TAX BASE

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	TOTAL OVER ALL YEARS	AVERAGE OVER ALL YEARS	CANADIAN PORTION OF AVERAGE	ANNUAL FIGURES				
						1964	1963	1962	1961	1960
1. IMPERIAL OIL	3	.245	1248.45	62.42	15.29	455.23	15.30	-201.26	405.76	12.13
2. B A OIL	3	.280	83.12	4.16	1.16	123.36	-38.42	-138.86	162.61	-61.12
3. PAC PETROL	3	.191	129.40	6.47	1.24	-4.18	-2.23	28.70	-.36	44.56
4. CONS MS	2	.630	665.40	33.27	20.96	163.03	155.26	-24.30	74.54	17.44
5. INCO	2	.273	2224.10	111.20	30.36	508.20	204.26	-604.96	872.92	174.08
6. NORANDA	2	.886	434.80	21.74	19.26	90.59	76.70	37.03	84.50	-26.82
TOTAL FOR ALL COMPANIES			4785.26		88.27	1336.23	410.87	-903.64	1599.97	160.27
CANADIAN PORTION OF TOTAL						466.98	214.10	-230.36	505.01	29.12

TOTAL CAPITAL GAINS AFTER ADJUSTING FOR EFFECTS OF INTEGRATION

20 YEAR COMPANIES, PERIOD 1945 - 1964

NEW ISSUE ASSUMED AT BEGINNING OF YEAR
 0 PERCENT OF CURRENTLY UNTAXED REPORTED INCOME IS
 ASSUMED TO BE BROUGHT INTO THE CORPORATE TAX BASE

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	TOTAL OVER ALL YEARS	AVERAGE OVER ALL YEARS	CANADIAN PORTION OF AVERAGE	ANNUAL FIGURES				
						1959	1958	1957	1956	1955
1. IMPERIAL OIL	3	.245	1248.45	62.42	15.29	-261.82	142.76	-476.30	473.25	-42.83
2. B A OIL	3	.280	83.12	4.16	1.16	-122.22	126.70	-236.14	88.82	65.10
3. PAC PETROL	3	.191	129.40	6.47	1.24	-47.53	33.62	44.22	-5.53	6.28
4. CONS MS	2	.630	665.40	33.27	20.96	-18.34	71.98	-167.52	-131.80	94.66
5. INCO	2	.273	2224.10	111.20	30.36	256.54	234.42	-454.72	271.08	359.48
6. NORANDA	2	.886	434.80	21.74	19.26	-17.67	78.73	-88.57	2.18	76.83
TOTAL FOR ALL COMPANIES			4785.26		88.27	-211.04	688.21	-1379.04	698.00	559.52
CANADIAN PORTION OF TOTAL						-64.62	255.97	-482.52	132.66	234.78

TOTAL CAPITAL GAINS AFTER ADJUSTING FOR EFFECTS OF INTEGRATION

20 YEAR COMPANIES, PERIOD 1945 - 1964

NEW ISSUE ASSUMED AT BEGINNING OF YEAR
 0 PERCENT OF CURRENTLY UNTAXED REPORTED INCOME IS
 ASSUMED TO BE BROUGHT INTO THE CORPORATE TAX BASE

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	TOTAL OVER ALL YEARS	AVERAGE OVER ALL YEARS	CANADIAN PORTION OF AVERAGE	ANNUAL FIGURES				
						1954	1953	1952	1951	1950
1. IMPERIAL OIL	3	.245	1248.45	62.42	15.29	351.58	-242.36	-97.52	288.77	127.05
2. B A OIL	3	.280	83.12	4.16	1.16	67.10	-2.34	-15.42	50.39	4.02
3. PAC PETROL	3	.191	129.40	6.47	1.24	19.33	-17.57	7.35	8.14	9.39
4. CONS MS	2	.630	665.40	33.27	20.96	122.68	-139.52	-51.62	191.38	89.88
5. INCO	2	.273	2224.10	111.20	30.36	330.30	-170.22	27.86	51.00	99.40
6. NORANDA	2	.886	434.80	21.74	19.26	54.22	-28.56	-7.72	26.58	11.68
TOTAL FOR ALL COMPANIES			4785.26		88.27	945.21	-600.57	-137.08	616.26	341.42
CANADIAN PORTION OF TOTAL						324.12	-223.06	-58.56	244.46	128.16

TOTAL CAPITAL GAINS AFTER ADJUSTING FOR EFFECTS OF INTEGRATION

20 YEAR COMPANIES, PERIOD 1945 - 1964

NEW ISSUE ASSUMED AT BEGINNING OF YEAR
 0 PERCENT OF CURRENTLY UNTAXED REPORTED INCOME IS
 ASSUMED TO BE BROUGHT INTO THE CORPORATE TAX BASE

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	TOTAL OVER ALL YEARS	AVERAGE OVER ALL YEARS	CANADIAN PORTION OF AVERAGE	ANNUAL FIGURES				
						1949	1948	1947	1946	1945
1. IMPERIAL OIL	3	.245	1248.45	62.42	15.29	105.14	120.30	74.51	-70.32	69.08
2. B A OIL	3	.280	83.12	4.16	1.16	8.13	2.60	-7.58	-6.42	12.82
3. PAC PETROL	3	.191	129.40	6.47	1.24	2.77	1.99	.28	-.30	.48
4. CONS MS	2	.630	665.40	33.27	20.96	-50.62	99.73	41.14	25.97	101.43
5. INCO	2	.273	2224.10	111.20	30.36	-31.16	38.18	-39.42	-52.62	149.48
6. NORANDA	2	.886	434.80	21.74	19.26	37.12	15.84	.98	-20.98	32.14
TOTAL FOR ALL COMPANIES			4785.26		88.27	71.37	278.64	69.91	-124.68	365.43
CANADIAN PORTION OF TOTAL						21.05	117.87	32.21	-35.68	153.79

TOTAL DIVIDENDS, INCLUDING DIVIDENDS ON NEW SHARES ISSUED

20 YEAR COMPANIES, PERIOD 1945 - 1964

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	TOTAL OVER ALL YEARS	AVERAGE OVER ALL YEARS	CANADIAN PORTION OF AVERAGE	NEW ISSUE ASSUMED AT BEGINNING OF YEAR ANNUAL FIGURES				
						1964	1963	1962	1961	1960
1. IMPERIAL OIL	3	.245	586.10	29.30	7.18	55.40	49.00	44.20	44.20	42.50
2. B A OIL	3	.280	159.00	7.95	2.23	21.80	13.50	12.50	12.10	12.10
3. PAC PETROL	3	.191	.20	.01	.00	.00	.00	.00	.00	.00
4. CONS MS	2	.630	453.90	22.69	14.30	26.50	21.30	18.00	16.40	16.40
5. INCO	2	.273	856.50	42.82	11.69	81.30	66.30	55.90	46.90	44.50
6. NORANDA	2	.886	185.00	9.25	8.20	16.80	12.30	10.40	9.40	9.00
TOTAL FOR ALL COMPANIES			2240.70		43.59	201.80	162.40	141.00	129.00	124.50
CANADIAN PORTION OF TOTAL						73.45	58.20	50.14	45.68	44.25

TOTAL DIVIDENDS, INCLUDING DIVIDENDS ON NEW SHARES ISSUED

20 YEAR COMPANIES, PERIOD 1945 - 1964

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	TOTAL OVER ALL YEARS	AVERAGE OVER ALL YEARS	CANADIAN PORTION OF AVERAGE	NEW ISSUE ASSUMED AT BEGINNING OF YEAR ANNUAL FIGURES				
						1959	1958	1957	1956	1955
1. IMPERIAL OIL	3	.245	586.10	29.30	7.18	37.70	37.70	37.70	35.90	28.40
2. B A OIL	3	.280	159.00	7.95	2.23	12.10	10.60	10.10	9.40	7.60
3. PAC PETROL	3	.191	.20	.01	.00	.00	.00	.00	.00	.00
4. CONS MS	2	.630	453.90	22.69	14.30	13.10	13.10	22.10	27.00	28.70
5. INCO	2	.273	856.50	42.82	11.69	43.80	37.90	54.70	54.70	54.70
6. NORANDA	2	.886	185.00	9.25	8.20	9.00	9.00	9.00	9.00	9.00
TOTAL FOR ALL COMPANIES			2240.70		43.59	115.70	108.30	133.60	136.00	128.40
CANADIAN PORTION OF TOTAL						40.81	38.78	48.89	51.34	50.07

TOTAL DIVIDENDS, INCLUDING DIVIDENDS ON NEW SHARES ISSUED

20 YEAR COMPANIES, PERIOD 1945 - 1964

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	TOTAL OVER ALL YEARS	NEW ISSUE ASSUMED AT BEGINNING OF YEAR		ANNUAL FIGURES				
				AVERAGE OVER ALL YEARS	CANADIAN PORTION OF AVERAGE	1954	1953	1952	1951	1950
1. IMPERIAL OIL	3	.245	586.10	29.30	7.18	26.90	23.90	22.40	17.60	15.00
2. B A OIL	3	.280	159.00	7.95	2.23	6.80	5.30	4.00	3.80	3.30
3. PAC PETROL	3	.191	.20	.01	.00	.00	.00	.00	.00	.00
4. CONS MS	2	.630	453.90	22.69	14.30	22.10	19.70	27.00	36.00	31.10
5. INCO	2	.273	856.50	42.82	11.69	42.30	34.30	37.90	37.90	29.20
6. NORANDA	2	.886	185.00	9.25	8.20	7.30	9.00	9.00	9.00	9.00
TOTAL FOR ALL COMPANIES			2240.70		43.59	105.40	92.20	100.30	104.30	87.60
CANADIAN PORTION OF TOTAL						40.43	37.09	41.94	46.38	40.14

TOTAL DIVIDENDS, INCLUDING DIVIDENDS ON NEW SHARES ISSUED

20 YEAR COMPANIES, PERIOD 1945 - 1964

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	TOTAL OVER ALL YEARS	NEW ISSUE ASSUMED AT BEGINNING OF YEAR		ANNUAL FIGURES				
				AVERAGE OVER ALL YEARS	CANADIAN PORTION OF AVERAGE	1949	1948	1947	1946	1945
1. IMPERIAL OIL	3	.245	586.10	29.30	7.18	13.60	13.50	13.50	13.50	13.50
2. B A OIL	3	.280	159.00	7.95	2.23	2.80	2.80	2.80	2.80	2.80
3. PAC PETROL	3	.191	.20	.01	.00	.00	.10	.10	.00	.00
4. CONS MS	2	.630	453.90	22.69	14.30	31.10	36.00	26.20	13.90	8.20
5. INCO	2	.273	856.50	42.82	11.69	29.20	29.20	29.20	23.30	23.30
6. NORANDA	2	.886	185.00	9.25	8.20	9.00	7.30	4.50	9.00	9.00
TOTAL FOR ALL COMPANIES			2240.70		43.59	85.70	88.90	76.30	62.50	56.80
CANADIAN PORTION OF TOTAL						39.65	41.23	32.58	27.18	23.59

TOTAL UNDISTRIBUTED EARNINGS PRESENTLY TAXED AT CORPORATE LEVEL

20 YEAR COMPANIES, PERIOD 1945 - 1964

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	TOTAL OVER ALL YEARS	NEW ISSUE ASSUMED AT BEGINNING OF YEAR						
				AVERAGE OVER ALL YEARS	CANADIAN PORTION OF AVERAGE	ANNUAL FIGURES				
						1964	1963	1962	1961	1960
1. IMPERIAL OIL	3	.245	27.01	1.35	.33	-18.38	-8.98	-.98	2.42	3.62
2. B A OIL	3	.280	-52.59	-2.63	-.74	-12.18	-5.18	-8.08	-9.98	-10.28
3. PAC PETROL	3	.191	.21	.01	.00	.02	.02	.02	.02	.02
4. CONS MS	2	.630	-143.29	-7.16	-4.51	-2.38	-4.38	-3.58	-2.38	-2.68
5. INCO	2	.273	-37.09	-1.85	-.51	-14.58	-22.68	-18.48	14.02	15.72
6. NORANDA	2	.886	-85.49	-4.27	-3.79	-2.08	-4.58	-1.18	-1.98	-1.98
TOTAL FOR ALL COMPANIES			-291.26		-9.21	-49.58	-45.78	-32.28	2.12	4.42
CANADIAN PORTION OF TOTAL						-15.23	-16.65	-10.84	-1.62	-1.14

TOTAL UNDISTRIBUTED EARNINGS PRESENTLY TAXED AT CORPORATE LEVEL

20 YEAR COMPANIES, PERIOD 1945 - 1964

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	TOTAL OVER ALL YEARS	NEW ISSUE ASSUMED AT BEGINNING OF YEAR						
				AVERAGE OVER ALL YEARS	CANADIAN PORTION OF AVERAGE	ANNUAL FIGURES				
						1959	1958	1957	1956	1955
1. IMPERIAL OIL	3	.245	27.01	1.35	.33	3.52	-6.38	14.72	13.92	15.92
2. B A OIL	3	.280	-52.59	-2.63	-.74	-10.38	-9.18	-8.58	-4.48	4.82
3. PAC PETROL	3	.191	.21	.01	.00	.02	.02	.02	.02	.02
4. CONS MS	2	.630	-143.29	-7.16	-4.51	-2.98	-6.38	-12.88	-10.88	-9.38
5. INCO	2	.273	-37.09	-1.85	-.51	15.02	-9.58	2.12	6.32	5.52
6. NORANDA	2	.886	-85.49	-4.27	-3.79	-4.38	-5.38	-4.58	-1.28	-3.88
TOTAL FOR ALL COMPANIES			-291.26		-9.21	.82	-36.88	-9.18	3.62	13.02
CANADIAN PORTION OF TOTAL						-3.70	-15.53	-10.38	-4.10	-2.59

TOTAL UNDISTRIBUTED EARNINGS PRESENTLY TAXED AT CORPORATE LEVEL

20 YEAR COMPANIES, PERIOD 1945 - 1964

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	TOTAL OVER ALL YEARS	AVERAGE OVER ALL YEARS	CANADIAN PORTION OF AVERAGE	NEW ISSUE ASSUMED AT BEGINNING OF YEAR ANNUAL FIGURES				
						1954	1953	1952	1951	1950
1. IMPERIAL OIL	3	.245	27.01	1.35	.33	10.02	9.92	8.12	11.02	.32
2. B A OIL	3	.280	-52.59	-2.63	-.74	3.62	6.02	6.22	4.02	2.62
3. PAC PETROL	3	.191	.21	.01	.00	.02	.02	.02	.02	.02
4. CONS MS	2	.630	-143.29	-7.16	-4.51	-7.88	-8.08	-7.78	-6.58	-13.98
5. INCO	2	.273	-37.09	-1.85	-.51	1.12	9.62	5.72	10.32	-1.58
6. NORANDA	2	.886	-85.49	-4.27	-3.79	-4.28	-5.98	-5.48	-4.58	-6.18
TOTAL FOR ALL COMPANIES			-291.26		-9.21	2.62	11.52	6.82	14.22	-18.78
CANADIAN PORTION OF TOTAL						-4.98	-3.64	-4.46	-1.56	-13.90

TOTAL UNDISTRIBUTED EARNINGS PRESENTLY TAXED AT CORPORATE LEVEL

20 YEAR COMPANIES, PERIOD 1945 - 1964

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	TOTAL OVER ALL YEARS	AVERAGE OVER ALL YEARS	CANADIAN PORTION OF AVERAGE	NEW ISSUE ASSUMED AT BEGINNING OF YEAR ANNUAL FIGURES				
						1949	1948	1947	1946	1945
1. IMPERIAL OIL	3	.245	27.01	1.35	.33	-7.58	-6.48	-5.48	-5.28	-6.98
2. B A OIL	3	.280	-52.59	-2.63	-.74	-.18	-.08	.02	-.58	-.78
3. PAC PETROL	3	.191	.21	.01	.00	.02	-.08	-.08	.02	.02
4. CONS MS	2	.630	-143.29	-7.16	-4.51	-15.38	-15.58	-7.48	-1.88	-.78
5. INCO	2	.273	-37.09	-1.85	-.51	-11.18	-8.98	-11.68	-13.08	-10.78
6. NORANDA	2	.886	-85.49	-4.27	-3.79	-5.88	-5.28	-3.18	-7.18	-6.18
TOTAL FOR ALL COMPANIES			-291.26		-9.21	-40.18	-36.48	-27.88	-27.98	-25.48
CANADIAN PORTION OF TOTAL						-19.85	-18.57	-12.07	-12.57	-10.83

20 YEAR COMPANIES, PERIOD 1945 - 1964

TOTAL UNDISTRIBUTED EARNINGS BROUGHT INTO THE CORPORATE TAX BASE UNDER THE COMMISSION'S RECOMMENDATIONS

NEW ISSUE ASSUMED AT BEGINNING OF YEAR
100 PERCENT OF CURRENTLY UNTAXED REPORTED INCOME IS
ASSUMED TO BE BROUGHT INTO THE CORPORATE TAX BASE

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	TOTAL OVER ALL YEARS	AVERAGE OVER ALL YEARS	CANADIAN PORTION OF AVERAGE	ANNUAL FIGURES				
						1964	1963	1962	1961	1960
1. IMPERIAL OIL	3	.245	349.29	17.46	4.28	42.08	31.08	25.18	21.28	15.08
2. B A OIL	3	.280	288.69	14.43	4.04	31.08	25.88	30.18	30.58	28.98
3. PAC PETROL	3	.191	- .71	- .04	- .01	4.38	3.68	2.98	.98	-2.82
4. CONS MS	2	.630	286.49	14.32	9.02	15.08	12.88	8.78	7.48	9.78
5. INCO	2	.273	511.49	25.57	6.98	69.08	62.68	56.78	27.88	20.48
6. NORANDA	2	.886	170.29	8.51	7.54	16.68	13.08	7.98	6.18	5.58
TOTAL FOR ALL COMPANIES			1605.56		31.86	178.38	149.28	131.88	94.38	77.08
CANADIAN PORTION OF TOTAL						62.99	52.38	43.29	31.76	27.97

20 YEAR COMPANIES, PERIOD 1945 - 1964

TOTAL UNDISTRIBUTED EARNINGS BROUGHT INTO THE CORPORATE TAX BASE UNDER THE COMMISSION'S RECOMMENDATIONS

NEW ISSUE ASSUMED AT BEGINNING OF YEAR
100 PERCENT OF CURRENTLY UNTAXED REPORTED INCOME IS
ASSUMED TO BE BROUGHT INTO THE CORPORATE TAX BASE

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	TOTAL OVER ALL YEARS	AVERAGE OVER ALL YEARS	CANADIAN PORTION OF AVERAGE	ANNUAL FIGURES				
						1959	1958	1957	1956	1955
1. IMPERIAL OIL	3	.245	349.29	17.46	4.28	13.28	19.28	19.58	19.28	17.88
2. B A OIL	3	.280	288.69	14.43	4.04	23.88	19.08	30.68	20.28	8.18
3. PAC PETROL	3	.191	- .71	- .04	- .01	-3.92	-4.62	-1.72	-.62	.58
4. CONS MS	2	.630	286.49	14.32	9.02	6.58	7.28	16.18	14.18	14.48
5. INCO	2	.273	511.49	25.57	6.98	26.38	11.28	29.38	33.38	29.48
6. NORANDA	2	.886	170.29	8.51	7.54	6.88	5.88	7.58	10.88	9.78
TOTAL FOR ALL COMPANIES			1605.56		31.86	73.08	58.18	101.68	97.38	80.38
CANADIAN PORTION OF TOTAL						26.63	22.06	37.99	37.97	32.62

20 YEAR COMPANIES, PERIOD 1945 - 1964

TOTAL UNDISTRIBUTED EARNINGS BROUGHT INTO THE CORPORATE TAX BASE UNDER THE COMMISSION'S RECOMMENDATIONS

NEW ISSUE ASSUMED AT BEGINNING OF YEAR
100 PERCENT OF CURRENTLY UNTAXED REPORTED INCOME IS
ASSUMED TO BE BROUGHT INTO THE CORPORATE TAX BASE

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	TOTAL OVER ALL YEARS	AVERAGE OVER ALL YEARS	CANADIAN PORTION OF AVERAGE	ANNUAL FIGURES				
						1954	1953	1952	1951	1950
1. IMPERIAL OIL	3	.245	349.29	17.46	4.28	12.68	14.18	10.68	7.28	15.18
2. B A OIL	3	.280	288.69	14.43	4.04	7.78	8.48	3.98	5.28	4.18
3. PAC PETROL	3	.191	-.71	-.04	-.01	-.32	-.62	1.18	-.02	-.02
4. CONS MS	2	.630	286.49	14.32	9.02	11.18	8.88	13.58	21.28	24.78
5. INCO	2	.273	511.49	25.57	6.98	19.98	7.88	13.38	12.68	19.28
6. NORANDA	2	.886	170.29	8.51	7.54	6.88	7.68	8.68	8.38	8.98
TOTAL FOR ALL COMPANIES			1605.56		31.86	58.18	46.48	51.48	54.88	72.38
CANADIAN PORTION OF TOTAL						23.82	20.28	23.85	27.55	33.72

20 YEAR COMPANIES, PERIOD 1945 - 1964

TOTAL UNDISTRIBUTED EARNINGS BROUGHT INTO THE CORPORATE TAX BASE UNDER THE COMMISSION'S RECOMMENDATIONS

NEW ISSUE ASSUMED AT BEGINNING OF YEAR
100 PERCENT OF CURRENTLY UNTAXED REPORTED INCOME IS
ASSUMED TO BE BROUGHT INTO THE CORPORATE TAX BASE

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	TOTAL OVER ALL YEARS	AVERAGE OVER ALL YEARS	CANADIAN PORTION OF AVERAGE	ANNUAL FIGURES				
						1949	1948	1947	1946	1945
1. IMPERIAL OIL	3	.245	349.29	17.46	4.28	17.88	15.78	12.48	9.08	10.08
2. B A OIL	3	.280	288.69	14.43	4.04	4.68	1.98	1.28	1.08	1.18
3. PAC PETROL	3	.191	-.71	-.04	-.01	.08	.08	.08	-.02	-.02
4. CONS MS	2	.630	286.49	14.32	9.02	25.88	34.28	18.58	11.28	4.08
5. INCO	2	.273	511.49	25.57	6.98	12.38	16.98	14.08	17.48	10.58
6. NORANDA	2	.886	170.29	8.51	7.54	9.68	7.98	5.48	9.88	6.18
TOTAL FOR ALL COMPANIES			1605.56		31.86	70.58	77.08	51.98	48.78	32.08
CANADIAN PORTION OF TOTAL						33.97	37.74	23.84	23.15	13.73

10 YEAR COMPANIES, PERIOD 1955 - 1964

PERCENTAGE TOTAL RATE OF RETURN

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	AVERAGE OVER ALL YEARS	NEW ISSUE ASSUMED AT BEGINNING OF YEAR							
				ANNUAL FIGURES							
				1964	1963	1962	1961	1960	1959	1958	1957
1. FALCON	2	.600	22.1	42.4	24.5	-18.0	69.9	25.1	17.1	34.9	-41.3
2. H BAY MS	2	.757	12.9	27.5	21.4	-.8	26.6	-2.3	-9.5	41.8	-42.6
3. MCINTYRE	2	.718	17.2	29.2	30.0	-2.2	73.2	-5.9	-3.6	45.2	-6.8
4. SHERRIT	2	.473	9.4	65.6	3.5	-34.4	59.4	27.7	-32.5	.0	-49.4
5. STEEPROCK	2	.530	9.2	46.2	-17.7	-33.8	19.1	-40.9	-10.9	53.6	-57.6
AVERAGE RETURNS											
UNWEIGHTED			14.16	42.17	12.33	-17.84	49.63	.73	-7.88	35.09	-39.53
WEIGHTED BY BASE			14.91	37.33	20.40	-14.11	50.25	-1.29	-5.17	37.76	-43.51
WEIGHTED BY OWNERSHIP			14.52	39.86	14.52	-15.33	49.65	.16	-6.72	36.85	-37.61
WEIGHTED BY BASE AND OWNERSHIP			15.05	36.11	21.28	-12.36	49.45	-1.01	-4.86	38.88	-42.32
STANDARD DEVIATIONS OF RETURNS											
UNWEIGHTED			35.67	13.80	17.46	14.57	22.46	24.92	15.88	18.54	17.34
WEIGHTED BY BASE			32.94	9.65	12.15	12.22	22.51	23.76	13.81	15.32	12.97
WEIGHTED BY OWNERSHIP			34.26	13.21	16.87	14.41	22.69	23.18	14.84	16.72	17.87
WEIGHTED BY BASE AND OWNERSHIP			31.78	9.17	11.14	11.85	22.61	21.94	12.85	13.49	13.21

10 YEAR COMPANIES, PERIOD 1955 - 1964

PERCENTAGE TOTAL RATE OF RETURN

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	AVERAGE OVER ALL YEARS	NEW ISSUE ASSUMED AT BEGINNING OF YEAR	
				ANNUAL FIGURES	
				1956	1955
1. FALCON	2	.600	22.1	31.2	34.8
2. H BAY MS	2	.757	12.9	34.7	32.6
3. MCINTYRE	2	.718	17.2	-4.4	17.5
4. SHERRIT	2	.473	9.4	-4.8	58.8
5. STEEPROCK	2	.530	9.2	17.2	116.7
AVERAGE RETURNS					
UNWEIGHTED			14.16	14.78	52.07
WEIGHTED BY BASE			14.91	20.77	46.69
WEIGHTED BY OWNERSHIP			14.52	15.81	48.01
WEIGHTED BY BASE AND OWNERSHIP			15.05	22.03	43.25
STANDARD DEVIATIONS OF RETURNS					
UNWEIGHTED			35.67	16.88	34.90
WEIGHTED BY BASE			32.94	15.39	31.69
WEIGHTED BY OWNERSHIP			34.26	17.18	33.75
WEIGHTED BY BASE AND OWNERSHIP			31.78	15.38	29.47

PERCENTAGE OF RETURN FROM DIVIDENDS

10 YEAR COMPANIES, PERIOD 1955 - 1964

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	AVERAGE OVER ALL YEARS	NEW ISSUE ASSUMED AT BEGINNING OF YEAR							
				ANNUAL FIGURES							
				1964	1963	1962	1961	1960	1959	1958	1957
1. FALCON	2	.600	21.0	10.9	20.1	-21.3	6.2	18.3	24.2	15.4	-7.3
2. H BAY MS	2	.757	67.3	21.4	29.5	-680.3	24.6	-261.0	-53.5	16.5	-13.2
3. MCINTYRE	2	.718	19.9	11.1	12.1	-110.2	4.9	-54.6	-83.3	9.5	-56.1
4. SHERRIT	2	.473	-346.2	10.7	196.6	-9.1	15.8	33.1	.0	.0	.0
5. STEEPROCK	2	.530	-43.9	13.4	-21.9	-7.3	.0	.0	.0	.0	.0
AVERAGE RETURNS											
UNWEIGHTED			-56.37	13.50	47.26	-165.66	10.29	-52.85	-22.53	8.28	-15.32
WEIGHTED BY BASE			36.10	13.00	24.82	-26.83	9.44	-324.38	-59.00	10.81	-6.63
WEIGHTED BY OWNERSHIP			-35.47	13.93	40.41	-199.85	10.82	-68.28	-27.89	9.28	-17.76
WEIGHTED BY BASE AND OWNERSHIP			36.73	13.37	23.87	-31.29	9.76	-427.58	-68.76	11.55	-7.75
STANDARD DEVIATIONS OF RETURNS											
UNWEIGHTED			149.15	4.08	76.65	260.14	8.79	108.24	39.66	7.17	20.98
WEIGHTED BY BASE			-23.91	4.06	14.89	79.16	7.33	-263.47	-37.73	6.82	8.23
WEIGHTED BY OWNERSHIP			137.04	4.38	68.66	277.20	9.11	114.11	40.78	6.94	21.73
WEIGHTED BY BASE AND OWNERSHIP			-16.28	4.33	12.77	91.33	7.70	-357.44	-45.70	6.44	8.50

PERCENTAGE OF RETURN FROM DIVIDENDS

10 YEAR COMPANIES, PERIOD 1955 - 1964

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	AVERAGE OVER ALL YEARS	NEW ISSUE ASSUMED AT BEGINNING OF YEAR	
				ANNUAL FIGURES	
				1956	1955
1. FALCON	2	.600	21.0	12.2	13.0
2. H BAY MS	2	.757	67.3	25.7	28.3
3. MCINTYRE	2	.718	19.9	-79.3	22.9
4. SHERRIT	2	.473	-346.2	.0	.0
5. STEEPROCK	2	.530	-43.9	.0	.0
AVERAGE RETURNS					
UNWEIGHTED			-56.37	-8.27	12.83
WEIGHTED BY BASE			36.10	19.73	10.78
WEIGHTED BY OWNERSHIP			-35.47	-9.79	14.83
WEIGHTED BY BASE AND OWNERSHIP			36.73	21.23	12.87
STANDARD DEVIATIONS OF RETURNS					
UNWEIGHTED			149.15	36.77	11.56
WEIGHTED BY BASE			-23.91	-11.73	12.19
WEIGHTED BY OWNERSHIP			137.04	39.54	11.48
WEIGHTED BY BASE AND OWNERSHIP			-16.28	-12.99	12.54

PERCENTAGE OF RETURN FROM RETENTION OF AFTER-TAX TAXED CORPORATE INCOME 10 YEAR COMPANIES, PERIOD 1955 - 1964

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	AVERAGE OVER ALL YEARS	NEW ISSUE ASSUMED AT BEGINNING OF YEAR							
				ANNUAL FIGURES							
				1964	1963	1962	1961	1960	1959	1958	1957
1. FALCON	2	.600	-13.6	-5.7	-14.6	12.2	-4.0	-10.7	-5.8	-10.5	6.3
2. H BAY MS	2	.757	-38.4	-8.8	-15.0	490.1	-18.0	147.2	25.7	-7.9	10.8
3. MCINTYRE	2	.718	-17.8	-10.8	-11.7	105.3	-4.6	51.8	82.6	-8.6	48.3
4. SHERRIT	2	.473	341.3	-10.6	-194.8	9.0	-15.7	-32.9	-.1	.0	-.0
5. STEEPROCK	2	.530	42.2	-13.2	21.6	7.2	.2	-.1	-.2	.1	-.0
AVERAGE RETURNS											
UNWEIGHTED			62.74	-9.82	-42.90	124.78	-8.44	31.06	20.43	-5.40	13.05
WEIGHTED BY BASE			-24.10	-7.95	-18.00	19.48	-7.31	220.20	28.49	-6.53	5.49
WEIGHTED BY OWNERSHIP			43.47	-9.70	-35.47	150.12	-8.68	41.12	24.40	-6.00	15.13
WEIGHTED BY BASE AND OWNERSHIP			-24.16	-7.99	-16.93	22.68	-7.49	283.92	34.09	-6.89	6.41
STANDARD DEVIATIONS OF RETURNS											
UNWEIGHTED			141.80	2.52	77.21	186.42	7.11	64.36	32.96	4.51	18.08
WEIGHTED BY BASE			-27.68	2.53	15.38	57.88	5.86	-192.26	17.20	4.00	6.94
WEIGHTED BY OWNERSHIP			129.56	2.44	69.17	197.95	7.11	66.70	34.14	4.28	18.74
WEIGHTED BY BASE AND OWNERSHIP			-22.64	2.46	12.72	66.78	5.96	-249.75	13.58	3.68	7.17

PERCENTAGE OF RETURN FROM RETENTION OF AFTER-TAX TAXED CORPORATE INCOME 10 YEAR COMPANIES, PERIOD 1955 - 1964

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	AVERAGE OVER ALL YEARS	NEW ISSUE ASSUMED AT BEGINNING OF YEAR	
				ANNUAL FIGURES	
				1956	1955
1. FALCON	2	.600	-13.6	-11.4	-11.7
2. H BAY MS	2	.757	-38.4	-14.3	-12.3
3. MCINTYRE	2	.718	-17.8	51.0	-14.7
4. SHERRIT	2	.473	341.3	-.5	.1
5. STEEPROCK	2	.530	42.2	.1	.0
AVERAGE RETURNS					
UNWEIGHTED			62.74	5.00	-7.71
WEIGHTED BY BASE			-24.10	-12.54	-5.92
WEIGHTED BY OWNERSHIP			43.47	6.11	-8.71
WEIGHTED BY BASE AND OWNERSHIP			-24.16	-13.24	-6.87
STANDARD DEVIATIONS OF RETURNS					
UNWEIGHTED			141.80	23.72	6.42
WEIGHTED BY BASE			-27.68	-8.34	6.21
WEIGHTED BY OWNERSHIP			129.56	25.41	6.18
WEIGHTED BY BASE AND OWNERSHIP			-22.64	-9.07	6.20

PERCENTAGE OF RETURN FROM UNTAXED RETAINED SURPLUS

10 YEAR COMPANIES, PERIOD 1955 - 1964

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	AVERAGE OVER ALL YEARS	NEW ISSUE ASSUMED AT BEGINNING OF YEAR							
				ANNUAL FIGURES							
				1964	1963	1962	1961	1960	1959	1958	1957
1. FALCON	2	.600	31.5	14.7	18.2	-26.1	14.2	44.6	26.8	19.1	-15.0
2. H BAY MS	2	.757	59.9	16.3	24.1	-736.0	26.0	-213.2	-36.0	9.7	-16.0
3. MCINTYRE	2	.718	23.5	15.5	15.5	-211.5	6.9	-54.1	-86.2	8.6	-53.2
4. SHERRIT	2	.473	-995.4	23.2	229.0	-10.6	18.1	43.5	-16.2	.0	-12.4
5. STEEPROCK	2	.530	-516.0	31.9	-57.2	-15.4	38.3	-11.1	-80.2	3.8	-8.6
AVERAGE RETURNS											
UNWEIGHTED			-279.31	20.32	45.94	-199.93	20.69	-38.06	-38.36	8.25	-21.03
WEIGHTED BY BASE			53.90	16.91	25.94	-35.12	16.00	-522.41	-94.96	9.96	-13.52
WEIGHTED BY OWNERSHIP			-215.47	19.54	38.46	-239.72	20.14	-51.59	-40.03	8.77	-22.64
WEIGHTED BY BASE AND OWNERSHIP			50.69	16.63	24.41	-40.63	15.86	-641.55	-95.75	10.06	-14.03
STANDARD DEVIATIONS OF RETURNS											
UNWEIGHTED			417.65	6.55	96.26	278.44	10.72	95.02	41.92	6.45	16.26
WEIGHTED BY BASE			-111.85	4.49	6.47	88.94	7.71	-508.42	-70.64	5.25	5.59
WEIGHTED BY OWNERSHIP			391.01	6.29	86.08	293.93	10.64	99.50	41.69	6.09	17.02
WEIGHTED BY BASE AND OWNERSHIP			-96.28	4.11	2.65	102.29	7.79	-621.00	-71.88	4.91	5.84

PERCENTAGE OF RETURN FROM UNTAXED RETAINED SURPLUS

10 YEAR COMPANIES, PERIOD 1955 - 1964

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	AVERAGE OVER ALL YEARS	NEW ISSUE ASSUMED AT BEGINNING OF YEAR	
				ANNUAL FIGURES	
				1956	1955
1. FALCON	2	.600	31.5	18.7	24.1
2. H BAY MS	2	.757	59.9	21.3	26.6
3. MCINTYRE	2	.718	23.5	-57.9	18.7
4. SHERRIT	2	.473	-995.4	-125.1	28.7
5. STEEPROCK	2	.530	-516.0	56.8	12.6
AVERAGE RETURNS					
UNWEIGHTED			-279.31	-17.24	22.14
WEIGHTED BY BASE			53.90	33.30	20.59
WEIGHTED BY OWNERSHIP			-215.47	-14.07	22.18
WEIGHTED BY BASE AND OWNERSHIP			50.69	30.91	21.12
STANDARD DEVIATIONS OF RETURNS					
UNWEIGHTED			417.65	65.67	5.83
WEIGHTED BY BASE			-111.85	-24.80	6.71
WEIGHTED BY OWNERSHIP			391.01	61.05	5.54
WEIGHTED BY BASE AND OWNERSHIP			-96.28	-21.42	6.50

10 YEAR COMPANIES, PERIOD 1955 - 1964

PERCENTAGE OF RETURN FROM GOODWILL CAPITAL GAINS

NEW ISSUE ASSUMED AT BEGINNING OF YEAR

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	AVERAGE OVER ALL YEARS	ANNUAL FIGURES							
				1964	1963	1962	1961	1960	1959	1958	1957
1. FALCON	2	.600	61.0	80.1	76.3	135.2	83.7	47.8	54.7	76.0	116.0
2. H BAY MS	2	.757	11.2	71.1	61.4	1026.2	67.4	427.0	163.9	81.7	118.4
3. MCINTYRE	2	.718	74.4	84.2	84.1	316.4	92.8	157.0	187.0	90.5	161.0
4. SHERRIT	2	.473	1100.3	76.8	-130.8	110.7	81.8	56.2	116.3	.0	112.5
5. STEEPROCK	2	.530	617.7	67.9	157.5	115.5	61.5	111.2	180.4	96.1	108.7
AVERAGE RETURNS											
UNWEIGHTED			372.94	76.01	49.69	340.80	77.46	159.85	140.46	68.87	123.30
WEIGHTED BY BASE			34.09	78.04	67.25	142.47	81.87	726.59	225.46	85.76	114.65
WEIGHTED BY OWNERSHIP			307.46	76.22	56.60	389.45	77.71	178.76	143.52	72.58	125.27
WEIGHTED BY BASE AND OWNERSHIP			36.73	77.99	68.65	149.24	81.87	885.22	230.42	85.27	115.36
STANDARD DEVIATIONS OF RETURNS											
UNWEIGHTED			425.72	5.91	96.13	351.11	11.38	139.32	49.46	35.13	19.12
WEIGHTED BY BASE			-112.39	4.85	3.28	109.74	8.95	-590.27	-104.70	7.56	6.77
WEIGHTED BY OWNERSHIP			399.07	6.02	86.05	372.07	11.56	147.33	49.25	31.66	19.96
WEIGHTED BY BASE AND OWNERSHIP			-96.16	5.00	1.37	126.29	9.30	-738.04	-108.73	7.14	7.06

10 YEAR COMPANIES, PERIOD 1955 - 1964

PERCENTAGE OF RETURN FROM GOODWILL CAPITAL GAINS

NEW ISSUE ASSUMED AT BEGINNING OF YEAR

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	AVERAGE OVER ALL YEARS	ANNUAL FIGURES	
				1956	1955
1. FALCON	2	.600	61.0	80.4	74.6
2. H BAY MS	2	.757	11.2	67.2	57.4
3. MCINTYRE	2	.718	74.4	186.2	73.2
4. SHERRIT	2	.473	1100.3	225.6	71.2
5. STEEPROCK	2	.530	617.7	43.1	87.4
AVERAGE RETURNS					
UNWEIGHTED			372.94	120.52	72.73
WEIGHTED BY BASE			34.09	59.50	74.55
WEIGHTED BY OWNERSHIP			307.46	117.74	71.70
WEIGHTED BY BASE AND OWNERSHIP			36.73	61.10	72.89
STANDARD DEVIATIONS OF RETURNS					
UNWEIGHTED			425.72	71.83	9.55
WEIGHTED BY BASE			-112.39	-30.03	11.92
WEIGHTED BY OWNERSHIP			399.07	68.84	9.74
WEIGHTED BY BASE AND OWNERSHIP			-96.16	-27.15	12.28

TOTAL CAPITAL GAINS AFTER ADJUSTING FOR EFFECTS OF INTEGRATION

10 YEAR COMPANIES, PERIOD 1955 - 1964

NEW ISSUE ASSUMED AT BEGINNING OF YEAR
 0 PERCENT OF CURRENTLY UNTAXED REPORTED INCOME IS
 ASSUMED TO BE BROUGHT INTO THE CORPORATE TAX BASE

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	TOTAL OVER ALL YEARS	AVERAGE OVER ALL YEARS	CANADIAN PORTION OF AVERAGE	ANNUAL FIGURES				
						1964	1963	1962	1961	1960
1. FALCON	2	.600	303.63	30.36	18.22	118.12	56.64	-48.16	100.84	28.36
2. H BAY MS	2	.757	109.50	10.95	8.29	39.54	26.14	-3.54	31.56	-6.80
3. MCINTYRE	2	.718	132.15	13.21	9.49	38.50	31.22	-2.57	47.00	-4.33
4. SHERRIT	2	.473	-3.81	-1.38	-1.18	21.49	1.15	-18.66	21.46	8.43
5. STEEPROCK	2	.530	-12.04	-1.20	-.64	14.94	-7.33	-21.91	10.38	-37.62
TOTAL FOR ALL COMPANIES			529.42		35.18	232.59	107.82	-94.84	211.24	-11.96
CANADIAN PORTION OF TOTAL						146.53	72.84	-53.86	133.79	-7.19

TOTAL CAPITAL GAINS AFTER ADJUSTING FOR EFFECTS OF INTEGRATION

10 YEAR COMPANIES, PERIOD 1955 - 1964

NEW ISSUE ASSUMED AT BEGINNING OF YEAR
 0 PERCENT OF CURRENTLY UNTAXED REPORTED INCOME IS
 ASSUMED TO BE BROUGHT INTO THE CORPORATE TAX BASE

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	TOTAL OVER ALL YEARS	AVERAGE OVER ALL YEARS	CANADIAN PORTION OF AVERAGE	ANNUAL FIGURES				
						1959	1958	1957	1956	1955
1. FALCON	2	.600	303.63	30.36	18.22	15.14	27.78	-62.62	36.48	31.04
2. H BAY MS	2	.757	109.50	10.95	8.29	-19.82	45.98	-101.32	56.78	40.98
3. MCINTYRE	2	.718	132.15	13.21	9.49	-2.77	24.00	-4.42	-3.72	9.24
4. SHERRIT	2	.473	-3.81	-1.38	-1.18	-14.71	-.02	-44.09	-3.14	24.28
5. STEEPROCK	2	.530	-12.04	-1.20	-.64	-11.22	35.98	-91.22	23.18	72.78
TOTAL FOR ALL COMPANIES			529.42		35.18	-33.38	133.72	-303.67	109.58	178.32
CANADIAN PORTION OF TOTAL						-20.81	87.77	-186.65	73.00	106.34

TOTAL DIVIDENDS, INCLUDING DIVIDENDS ON NEW SHARES ISSUED

10 YEAR COMPANIES, PERIOD 1955 - 1964

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	TOTAL OVER ALL YEARS	AVERAGE OVER ALL YEARS	CANADIAN PORTION OF AVERAGE	ANNUAL FIGURES				
						1964	1963	1962	1961	1960
1. FALCON	2	.600	71.80	7.18	4.31	13.60	12.10	12.00	6.40	5.60
2. H BAY MS	2	.757	103.60	10.36	7.84	9.70	9.00	8.30	8.30	8.30
3. MCINTYRE	2	.718	26.90	2.69	1.93	4.30	3.80	2.70	2.30	2.30
4. SHERRIT	2	.473	12.50	1.25	.59	2.30	2.30	1.70	3.40	2.80
5. STEEPROCK	2	.530	5.20	.52	.28	2.00	1.60	1.60	.00	.00
TOTAL FOR ALL COMPANIES			220.00		14.95	31.90	28.80	26.30	20.40	19.00
CANADIAN PORTION OF TOTAL						20.74	18.74	17.07	13.38	12.62

TOTAL DIVIDENDS, INCLUDING DIVIDENDS ON NEW SHARES ISSUED

10 YEAR COMPANIES, PERIOD 1955 - 1964

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	TOTAL OVER ALL YEARS	AVERAGE OVER ALL YEARS	CANADIAN PORTION OF AVERAGE	ANNUAL FIGURES				
						1959	1958	1957	1956	1955
1. FALCON	2	.600	71.80	7.18	4.31	4.50	4.50	4.50	4.50	4.10
2. H BAY MS	2	.757	103.60	10.36	7.84	8.30	8.30	13.10	16.50	13.80
3. MCINTYRE	2	.718	26.90	2.69	1.93	2.30	2.30	2.30	2.30	2.30
4. SHERRIT	2	.473	12.50	1.25	.59	.00	.00	.00	.00	.00
5. STEEPROCK	2	.530	5.20	.52	.28	.00	.00	.00	.00	.00
TOTAL FOR ALL COMPANIES			220.00		14.95	15.10	15.10	19.90	23.30	20.20
CANADIAN PORTION OF TOTAL						10.63	10.63	14.27	16.84	14.56

10 YEAR COMPANIES, PERIOD 1955 - 1964

TOTAL UNDISTRIBUTED EARNINGS PRESENTLY TAXED AT CORPORATE LEVEL

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	TOTAL OVER ALL YEARS	AVERAGE OVER ALL YEARS	CANADIAN PORTION OF AVERAGE	NEW ISSUE ASSUMED AT BEGINNING OF YEAR ANNUAL FIGURES				
						1964	1963	1962	1961	1960
1. FALCON	2	.600	-46.10	-4.61	-2.77	-7.08	-8.78	-6.88	-4.18	-3.28
2. H BAY MS	2	.757	-59.10	-5.91	-4.47	-3.98	-4.58	-5.98	-6.08	-4.68
3. MCINTYRE	2	.718	-24.10	-2.41	-1.73	-4.18	-3.68	-2.58	-2.18	-2.18
4. SHERRIT	2	.473	-12.30	-1.23	-.58	-2.28	-2.28	-1.68	-3.38	-2.78
5. STEEPROCK	2	.530	-5.00	-.50	-.26	-1.98	-1.58	-1.58	.02	.02
TOTAL FOR ALL COMPANIES			-146.58		-9.82	-19.50	-20.90	-18.70	-15.80	-12.90
CANADIAN PORTION OF TOTAL						-12.39	-13.29	-12.14	-10.26	-8.38

10 YEAR COMPANIES, PERIOD 1955 - 1964

TOTAL UNDISTRIBUTED EARNINGS PRESENTLY TAXED AT CORPORATE LEVEL

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	TOTAL OVER ALL YEARS	AVERAGE OVER ALL YEARS	CANADIAN PORTION OF AVERAGE	NEW ISSUE ASSUMED AT BEGINNING OF YEAR ANNUAL FIGURES				
						1959	1958	1957	1956	1955
1. FALCON	2	.600	-46.10	-4.61	-2.77	-1.08	-3.08	-3.88	-4.18	-3.68
2. H BAY MS	2	.757	-59.10	-5.91	-4.47	-3.98	-3.98	-10.68	-9.18	-5.98
3. MCINTYRE	2	.718	-24.10	-2.41	-1.73	-2.28	-2.08	-1.98	-1.48	-1.48
4. SHERRIT	2	.473	-12.30	-1.23	-.58	.02	.02	.02	.02	.02
5. STEEPROCK	2	.530	-5.00	-.50	-.26	.02	.02	.02	.02	.02
TOTAL FOR ALL COMPANIES			-146.58		-9.82	-7.30	-9.10	-16.50	-14.80	-11.10
CANADIAN PORTION OF TOTAL						-5.28	-6.33	-11.81	-10.50	-7.78

10 YEAR COMPANIES, PERIOD 1955 - 1964

TOTAL UNDISTRIBUTED EARNINGS BROUGHT INTO THE CORPORATE TAX BASE UNDER THE COMMISSION'S RECOMMENDATIONS

NEW ISSUE ASSUMED AT BEGINNING OF YEAR
100 PERCENT OF CURRENTLY UNTAXED REPORTED INCOME IS
ASSUMED TO BE BROUGHT INTO THE CORPORATE TAX BASE

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	TOTAL OVER ALL YEARS	AVERAGE OVER ALL YEARS	CANADIAN PORTION OF AVERAGE	ANNUAL FIGURES				
						1964	1963	1962	1961	1960
1. FALCON	2	.600	106.70	10.67	6.40	18.38	10.98	14.68	14.68	13.68
2. H BAY MS	2	.757	92.20	9.22	6.98	7.38	7.38	8.98	8.78	6.78
3. MCINTYRE	2	.718	31.80	3.18	2.28	5.98	4.88	5.18	3.28	2.28
4. SHERRIT	2	.473	40.80	4.08	1.93	4.98	2.68	1.98	3.88	3.68
5. STEEPROCK	2	.530	61.10	6.11	3.24	4.78	4.18	3.38	3.98	4.18
TOTAL FOR ALL COMPANIES			332.58		20.83	41.50	30.10	34.20	34.60	30.60
CANADIAN PORTION OF TOTAL						25.80	19.16	22.05	21.75	18.93

10 YEAR COMPANIES, PERIOD 1955 - 1964

TOTAL UNDISTRIBUTED EARNINGS BROUGHT INTO THE CORPORATE TAX BASE UNDER THE COMMISSION'S RECOMMENDATIONS

NEW ISSUE ASSUMED AT BEGINNING OF YEAR
100 PERCENT OF CURRENTLY UNTAXED REPORTED INCOME IS
ASSUMED TO BE BROUGHT INTO THE CORPORATE TAX BASE

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	TOTAL OVER ALL YEARS	AVERAGE OVER ALL YEARS	CANADIAN PORTION OF AVERAGE	ANNUAL FIGURES				
						1959	1958	1957	1956	1955
1. FALCON	2	.600	106.70	10.67	6.40	4.98	5.58	9.28	6.88	7.58
2. H BAY MS	2	.757	92.20	9.22	6.98	5.58	4.88	15.78	13.68	12.98
3. MCINTYRE	2	.718	31.80	3.18	2.28	2.38	2.08	2.18	1.68	1.88
4. SHERRIT	2	.473	40.80	4.08	1.93	2.38	3.18	5.48	5.58	6.98
5. STEEPROCK	2	.530	61.10	6.11	3.24	8.98	1.38	7.88	13.18	9.18
TOTAL FOR ALL COMPANIES			332.58		20.83	24.30	17.10	40.60	41.00	38.60
CANADIAN PORTION OF TOTAL						14.81	10.77	25.85	25.31	23.89

PERCENTAGE TOTAL RATE OF RETURN

4 YEAR COMPANIES, PERIOD 1961 - 1964

NEW ISSUE ASSUMED AT BEGINNING OF YEAR

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	AVERAGE OVER ALL YEARS	ANNUAL FIGURES			
				1964	1963	1962	1961
1. HUD BAY OIL	3	.289	26.2	10.8	-4.0	-10.8	108.9
2. SHELL CANADA	3	.045	9.6	21.5	17.1	.0	.0
3. GUNNAR	2	.871	5.4	-28.2	-10.5	28.2	31.9
4. HOLLINGER	2	.820	20.1	17.2	43.7	-12.6	32.2
5. INT UTIL	3	.583	18.6	24.3	16.1	-.3	34.2
6. TEXACO CAN	3	.294	6.6	12.8	31.3	-22.9	4.9
AVERAGE RETURNS							
UNWEIGHTED			14.42	9.73	15.63	-3.05	35.36
WEIGHTED BY BASE			16.25	15.96	14.32	-10.94	45.66
WEIGHTED BY OWNERSHIP			14.46	3.99	15.50	1.46	36.89
WEIGHTED BY BASE AND OWNERSHIP			15.90	13.41	17.60	-8.25	40.85
STANDARD DEVIATIONS OF RETURNS							
UNWEIGHTED			27.16	17.59	18.73	16.01	35.60
WEIGHTED BY BASE			25.68	9.10	16.76	10.47	42.13
WEIGHTED BY OWNERSHIP			26.16	21.46	22.16	18.61	25.60
WEIGHTED BY BASE AND OWNERSHIP			25.27	12.98	20.25	12.46	34.24

PERCENTAGE OF RETURN FROM DIVIDENDS

4 YEAR COMPANIES, PERIOD 1961 - 1964

NEW ISSUE ASSUMED AT BEGINNING OF YEAR

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	AVERAGE OVER ALL YEARS	ANNUAL FIGURES			
				1964	1963	1962	1961
1. HUD BAY OIL	3	.289	13.1	21.2	-46.1	-15.0	2.0
2. SHELL CANADA	3	.045	.0	.0	.0	.0	.0
3. GUNNAR	2	.871	440.1	-45.5	-97.4	41.7	43.5
4. HOLLINGER	2	.820	18.2	20.0	9.9	-19.8	10.0
5. INT UTIL	3	.583	19.3	12.7	20.9	-1114.3	12.4
6. TEXACO CAN	3	.294	63.7	22.8	11.9	-12.1	57.5
AVERAGE RETURNS							
UNWEIGHTED			92.41	5.21	-16.79	-186.59	20.90
WEIGHTED BY BASE			12.12	13.48	17.48	13.51	7.55
WEIGHTED BY OWNERSHIP			148.87	-1.02	-25.62	-219.67	24.39
WEIGHTED BY BASE AND OWNERSHIP			24.53	26.95	21.72	-62.63	10.02
STANDARD DEVIATIONS OF RETURNS							
UNWEIGHTED			156.73	23.92	42.00	415.38	21.74
WEIGHTED BY BASE			32.64	-8.27	-25.03	-55.04	12.50
WEIGHTED BY OWNERSHIP			191.22	29.36	50.30	449.28	19.16
WEIGHTED BY BASE AND OWNERSHIP			53.40	-26.38	-31.09	102.46	12.98

4 YEAR COMPANIES, PERIOD 1961 - 1964

PERCENTAGE OF RETURN FROM RETENTION OF AFTER-TAX TAXED CORPORATE INCOME

NEW ISSUE ASSUMED AT BEGINNING OF YEAR

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	AVERAGE OVER ALL YEARS	ANNUAL FIGURES			
				1964	1963	1962	1961
1. HUD BAY OIL	3	.289	-13.1	-21.1	45.9	14.9	-2.0
2. SHELL CANADA	3	.045	.0	.0	.0	.0	.0
3. GUNNAR	2	.871	-301.2	45.2	96.9	-5.7	-23.4
4. HOLLINGER	2	.820	-18.1	-19.9	-9.8	19.7	-9.9
5. INT UTIL	3	.583	10.4	4.5	13.3	-834.4	5.4
6. TEXACO CAN	3	.294	-2.2	-3.9	-2.0	.7	14.6
AVERAGE RETURNS							
UNWEIGHTED			-54.03	.82	24.06	-134.14	-2.55
WEIGHTED BY BASE			-5.31	-8.02	-9.24	-3.93	-2.16
WEIGHTED BY OWNERSHIP			-94.97	6.37	33.36	-162.22	-7.45
WEIGHTED BY BASE AND OWNERSHIP			-11.87	-17.72	-12.90	15.97	-3.69
STANDARD DEVIATIONS OF RETURNS							
UNWEIGHTED			110.94	22.07	37.20	313.28	11.92
WEIGHTED BY BASE			22.05	-6.17	-22.05	-40.97	6.22
WEIGHTED BY OWNERSHIP			135.47	27.13	44.49	337.17	12.80
WEIGHTED BY BASE AND OWNERSHIP			38.07	-20.08	-27.14	91.35	7.77

4 YEAR COMPANIES, PERIOD 1961 - 1964

PERCENTAGE OF RETURN FROM UNTAXED RETAINED SURPLUS

NEW ISSUE ASSUMED AT BEGINNING OF YEAR

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	AVERAGE OVER ALL YEARS	ANNUAL FIGURES			
				1964	1963	1962	1961
1. HUD BAY OIL	3	.289	27.8	45.6	-102.8	-31.0	4.0
2. SHELL CANADA	3	.045	11.9	30.2	32.6	2.4	.0
3. GUNNAR	2	.871	126.2	63.6	-121.8	20.0	51.9
4. HOLLINGER	2	.820	45.7	29.7	31.4	-83.1	15.0
5. INT UTIL	3	.583	1.4	6.4	-1.1	291.5	.6
6. TEXACO CAN	3	.294	65.6	30.2	14.4	-10.9	39.6
AVERAGE RETURNS							
UNWEIGHTED			46.42	34.30	-24.56	31.46	18.51
WEIGHTED BY BASE			21.12	26.68	38.00	22.34	7.71
WEIGHTED BY OWNERSHIP			60.65	36.86	-36.20	36.91	24.34
WEIGHTED BY BASE AND OWNERSHIP			29.81	18.07	38.34	-92.34	10.27
STANDARD DEVIATIONS OF RETURNS							
UNWEIGHTED			41.43	17.42	63.31	120.72	20.20
WEIGHTED BY BASE			17.57	8.41	-45.98	-39.88	11.03
WEIGHTED BY OWNERSHIP			46.95	20.70	67.17	133.76	20.99
WEIGHTED BY BASE AND OWNERSHIP			22.98	-8.42	-47.26	-45.70	13.52

4 YEAR COMPANIES, PERIOD 1961 - 1964

PERCENTAGE OF RETURN FROM GOODWILL CAPITAL GAINS

NEW ISSUE ASSUMED AT BEGINNING OF YEAR

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	AVERAGE OVER ALL YEARS	ANNUAL FIGURES			
				1964	1963	1962	1961
1. HUD BAY OIL	3	.289	72.1	54.3	203.0	131.1	96.0
2. SHELL CANADA	3	.045	88.1	69.8	67.4	97.6	.0
3. GUNNAR	2	.871	-165.0	36.6	222.3	44.0	28.0
4. HOLLINGER	2	.820	54.2	70.2	68.6	183.3	85.0
5. INT UTIL	3	.583	68.9	76.3	66.9	1757.1	81.6
6. TEXACO CAN	3	.294	-27.1	50.9	75.7	122.4	-11.7
AVERAGE RETURNS							
UNWEIGHTED			15.20	59.67	117.30	389.27	46.48
WEIGHTED BY BASE			72.06	67.86	53.77	68.07	86.90
WEIGHTED BY OWNERSHIP			-14.56	57.79	128.46	444.98	57.17
WEIGHTED BY BASE AND OWNERSHIP			57.53	72.70	52.84	238.99	83.39
STANDARD DEVIATIONS OF RETURNS							
UNWEIGHTED			88.73	13.72	67.70	613.13	42.94
WEIGHTED BY BASE			29.64	5.54	-50.28	-89.97	22.90
WEIGHTED BY OWNERSHIP			102.27	16.00	72.86	660.09	35.73
WEIGHTED BY BASE AND OWNERSHIP			35.99	-9.11	-51.95	132.76	22.97

TOTAL CAPITAL GAINS AFTER ADJUSTING FOR EFFECTS OF INTEGRATION

4 YEAR COMPANIES, PERIOD 1961 - 1964

NEW ISSUE ASSUMED AT BEGINNING OF YEAR
 0 PERCENT OF CURRENTLY UNTAXED REPORTED INCOME IS
 ASSUMED TO BE BROUGHT INTO THE CORPORATE TAX BASE

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	TOTAL OVER ALL YEARS	AVERAGE OVER ALL YEARS	CANADIAN PORTION OF AVERAGE	ANNUAL FIGURES			
						1964	1963	1962	1961
1. HUD BAY OIL	3	.289	156.53	39.13	11.31	30.17	-11.60	-35.43	173.40
2. SHELL CANADA	3	.045	360.30	90.07	4.05	84.33	36.07	239.92	-0.02
3. GUNNAR	2	.871	-1.31	-0.33	-0.28	-9.48	-3.64	5.38	6.43
4. HOLLINGER	2	.820	83.82	20.95	17.18	24.48	44.56	-15.15	29.93
5. INT UTIL	3	.583	56.64	14.16	8.26	27.56	11.62	-7.17	24.63
6. TEXACO CAN	3	.294	12.56	3.14	.92	18.48	39.28	-47.72	2.52
TOTAL FOR ALL COMPANIES			668.54		41.44	175.54	116.29	139.82	236.89
CANADIAN PORTION OF TOTAL						45.83	49.96	-25.39	95.35

TOTAL DIVIDENDS, INCLUDING DIVIDENDS ON NEW SHARES ISSUED

4 YEAR COMPANIES, PERIOD 1961 - 1964

NEW ISSUE ASSUMED AT BEGINNING OF YEAR

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	TOTAL OVER ALL YEARS	AVERAGE OVER ALL YEARS	CANADIAN PORTION OF AVERAGE	ANNUAL FIGURES			
						1964	1963	1962	1961
1. HUD BAY OIL	3	.289	20.70	5.17	1.50	6.40	5.50	5.30	3.50
2. SHELL CANADA	3	.045	.00	.00	.00	.00	.00	.00	.00
3. GUNNAR	2	.871	15.60	3.90	3.40	4.30	4.30	3.50	3.50
4. HOLLINGER	2	.820	15.30	3.83	3.14	4.90	4.40	3.00	3.00
5. INT UTIL	3	.583	16.80	4.20	2.45	5.10	4.10	3.90	3.70
6. TEXACO CAN	3	.294	20.80	5.20	1.53	5.20	5.20	5.20	5.20
TOTAL FOR ALL COMPANIES			89.20		12.01	25.90	23.50	20.90	18.90
CANADIAN PORTION OF TOTAL						14.11	12.86	10.84	10.21

TOTAL UNDISTRIBUTED EARNINGS PRESENTLY TAXED AT CORPORATE LEVEL

4 YEAR COMPANIES, PERIOD 1961 - 1964

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	TOTAL OVER ALL YEARS	AVERAGE OVER ALL YEARS	CANADIAN PORTION OF AVERAGE	ANNUAL FIGURES			
						1964	1963	1962	1961
1. HUD BAY OIL	3	.289	-20.62	-5.15	-1.49	-6.38	-5.48	-5.28	-3.48
2. SHELL CANADA	3	.045	.08	.02	.00	.02	.02	.02	.02
3. GUNNAR	2	.871	-10.92	-2.73	-2.38	-4.28	-4.28	-4.48	-1.88
4. HOLLINGER	2	.820	-15.22	-3.80	-3.12	-4.88	-4.38	-2.98	-2.98
5. INT UTIL	3	.583	8.98	2.25	1.31	1.82	2.62	2.92	1.62
6. TEXACO CAN	3	.294	-.72	-.18	-.05	-.88	-.88	-.28	1.32
TOTAL FOR ALL COMPANIES			-38.41		-5.73	-14.58	-12.38	-6.08	-5.38
CANADIAN PORTION OF TOTAL						-8.77	-7.63	-2.77	-3.75

TOTAL UNDISTRIBUTED EARNINGS BROUGHT INTO THE CORPORATE TAX BASE UNDER THE COMMISSION'S RECOMMENDATIONS

4 YEAR COMPANIES, PERIOD 1961 - 1964

NEW ISSUE ASSUMED AT BEGINNING OF YEAR
 100 PERCENT OF CURRENTLY UNTAXED REPORTED INCOME IS
 ASSUMED TO BE BROUGHT INTO THE CORPORATE TAX BASE

COMPANY	INDUSTRY CLASS	CANADIAN OWNERSHIP FRACTION	TOTAL OVER ALL YEARS	AVERAGE OVER ALL YEARS	CANADIAN PORTION OF AVERAGE	ANNUAL FIGURES			
						1964	1963	1962	1961
1. HUD BAY OIL	3	.289	43.92	10.98	3.17	13.78	12.28	10.98	6.88
2. SHELL CANADA	3	.045	37.32	9.33	.42	25.48	18.68	4.98	-11.82
3. GUNNAR	2	.871	5.22	1.30	1.14	-6.02	5.38	1.68	4.18
4. HOLLINGER	2	.820	38.32	9.58	7.86	7.28	13.98	12.58	4.48
5. INT UTIL	3	.583	1.52	.38	.22	2.58	-.22	-1.02	.18
6. TEXACO CAN	3	.294	21.42	5.35	1.57	6.88	6.28	4.68	3.58
TOTAL FOR ALL COMPANIES			147.71		14.38	49.98	56.38	33.88	7.48
CANADIAN PORTION OF TOTAL						9.38	22.26	15.96	9.93