

# What did Corporate Tax Cuts Deliver?

## Background Report for Corporate Tax Freedom Day 2012

### Summary

Due to ongoing corporate tax cuts, corporate income taxes make up a falling share of all government revenues. In fact, by the end of January, corporations will have fully paid their share of taxes.

The general federal corporate income tax rate stood at 28% in 2000. It was cut to 21% under the Liberals, and then cut in stages, from 21% to 15%, under the Conservatives. The most recent cut was from 16.5% to 15%, effective January 1, 2012.

Each one percentage point cut to the corporate income tax rate costs the federal government about \$2 billion in annual revenues.

The argument for corporate income tax cuts has been that increased after-tax corporate profits would be re-invested in company operations, boosting economic growth, productivity, and jobs. However, studies have shown that rising corporate after-tax profits have not resulted in increased real investment.

This study looks at the profits and investments of Canada's largest companies, those listed on the S&P/TSX Composite Index, from 2000 to 2010.

In line with cuts to the statutory federal and provincial tax rate, the effective tax rate (that is, taxes actually paid by Canada's largest companies to the federal and provincial governments as a share of pretax profits) has fallen from one third in the early 2000s (35% in 2000), to between one fifth and one quarter (24% in 2010).

Companies have used increased after-tax profits to boost dividends paid out to their shareholders. Dividends as a percentage of after-tax profits have risen from 30% in 2000 to over 50% in recent years.

Companies have also chosen to retain higher after-tax profits as financial assets, as cash, and as longer term assets, not counting investments in capital stock.

The study looks at the change in the assets of Canada's largest non-financial companies. (Financial companies and conglomerates are excluded because they typically hold large financial investments as part of their ongoing business.)

The Top-10 Corporate Hoarders have collectively accumulated \$30.7 billion in extra short- and long-term assets between 2000 and 2010, since 2000.

The leading cash hoarder has been Potash Corporation of Saskatchewan, which accumulated over \$5 billion in assets over this period.

The Appendix lists Canada's top Corporate Hoarders.

Cuts to corporate taxes have resulted in a major loss of government revenues, without the anticipated result of higher corporate investment in machinery and equipment, new plants, and other areas of company operations. Instead, we have seen a big increase in dividend payouts and in financial assets.

## **1. Corporate Tax Freedom Day: Corporate Taxes and Government Revenues**

In 2010, corporate income taxes — paid to the federal and provincial governments combined — amounted to 8.8% of the revenues of all levels of government.<sup>1</sup>

It can be calculated that corporations in 2010 had paid their share of all taxes by February 1, which we therefore call “Corporate Tax Freedom Day.”

Corporate Tax Freedom Day used to fall much later in February. (From the mid-1960s to the mid-1970s, corporate taxes on average contributed almost 11% of government revenues.) With corporate tax rates still being cut, Corporate Tax Freedom Day will soon fall in late January.

## **2. Falling Corporate Income Tax Rates**

As shown in Table 1, since 1960, the general statutory rate of federal corporate income tax levied on taxable corporate profits has fallen very significantly, from 41% to just 15% as of January 1, 2012.<sup>2</sup>

Big cuts to the federal corporate tax rate took place under Liberal governments after 2000 (from 28% to 21%), and under the Harper Conservative government, which has dropped the statutory rate in steps, from 21% when they took office, to 15% in 2012. Provinces also levy taxes on corporate profits and have also been dropping their statutory rate. (The range in 2010 was between 11.5% and 15%.)

---

1 Source: Table 32, Total Government Income, Fiscal Reference Tables, Department of Finance Canada, October 2011.

2 Note that small businesses are taxed at a lower rate than the general rate. The small business rate is currently just 11% on the first \$500,000 of profits. Manufacturing and processing profits were taxed at a lower rate than the general rate until 2002. A small corporate surtax was in place from 1970 to 2007, which raised the statutory rate in those years by about 1.5 percentage points.

The combined federal/provincial statutory rate has fallen from 42.6% in 2000, to 34% in 2007, to 27.8% in 2011, and is expected to fall to just 25% over the next few years. This is about one half the level of the mid-1960s.

The statutory corporate tax rate in Canada is now well below that of our closest trading partner, the United States. The U.S. has a federal corporate tax rate of 35%, and state taxes result in a combined rate of about 40%.

**Table 1: Federal Corporate Tax Rate on General Income**

---

<b>1960</b>	41.0
<b>1970</b>	40.0
<b>1980</b>	36.0
<b>1990</b>	28.0
<b>2000</b>	28.0
<b>2001</b>	27.0
<b>2002</b>	25.0
<b>2003</b>	23.0
<b>2004</b>	21.0
<b>2005</b>	21.0
<b>2006</b>	21.0
<b>2007</b>	21.0
<b>2008</b>	20.5
<b>2009</b>	20.0
<b>2010</b>	19.0
<b>2011</b>	16.5
<b>2012</b>	<b>15.0</b>

---

The *statutory* tax rate is levied on corporate profits as defined for tax purposes, that is after various deductions are applied. The *effective* corporate tax rate — the actual percentage of profits paid as taxes — is lower than the statutory rate — varying between 20% and 25% of before-tax profits since 2005. The effective rate is lower than the statutory rate because not all forms of corporate income are fully included in taxable income, and because corporations can deduct some costs from their taxable income on very generous terms and conditions.<sup>3</sup>

---

3 In 2010, companies saved \$3.3 billion in federal corporate taxes alone due to the fact that only half of capital gains income is taxed. The Scientific Research and Experimental Development tax credit cost \$3.5 billion, and the special low tax rate for small business cost \$3.9 billion. Corporations also benefit from timing differences — for example, the ability to write off new investments at a faster rate for tax purposes than is done for their own internal accounting purposes. There is special tax treatment for foreign business income, and a range of measures in place in specific sectors, not least the resource sector. For details and estimates, see: Department of Finance. Tax Expenditures and Evaluations, 2010.

---

### **3. Corporate Tax Cuts and Real Corporate Investment**

KPMG ranks Canada's corporate taxes as the lowest in the G7.<sup>4</sup> Proponents of ever lower corporate taxes argued that the money corporations saved from lower taxes would be reinvested in real assets such as new factories, new machinery and equipment, and training, thus boosting economic growth and productivity, and helping create more and better jobs; however, this is not what has happened. Real investment has languished while profitable corporations have been paying out much more in dividends to shareholders and accumulating more financial assets.

While high levels of private investment are important, corporate tax cuts are a costly and ineffective way to raise real business investment. A detailed study for the Canadian Centre for Policy Alternatives (CCPA) by economist Jim Stanford shows that corporate tax cuts since the late 1980s have greatly increased corporate cash flow, while real business investment in building, and in machinery and equipment, has actually fallen as a share of the economy.<sup>5</sup>

As corporate taxes have been cut, corporate after-tax cash flow has risen, but an increasing portion of that cash has been used to pay down debt, to buy up shares and to increase dividends. The share of after-tax corporate cash flow which has been re-invested in company operations has fallen significantly.

According to Statistics Canada, total corporate cash reserves of private, non-financial corporations grew from \$157 billion in the second quarter of 2001, to \$477 billion in the second quarter of 2011.<sup>6</sup>

A *Globe and Mail* front page story published on April 6, 2011, under the title "Corporate tax cuts don't spur growth," found that:

---

4 KPMG, "Competitive Alternatives 2010: Special Report Focus on Tax," 2010.

5 Jim Stanford. "Having Their Cake and Eating It Too: Business Profits, Taxes and Investment in Canada, 1961 Through 2010." CCPA. 2011.

6 Source: <http://www.statcan.gc.ca/pub/13-022-x/2011002/t/tab06-eng.htm>

*Canadian companies have added tens of billions of dollars to their stockpiles of cash at a time when tax cuts are supposed to be encouraging them to plow more money into their businesses. ...But an analysis of Statistics Canada figures by The Globe and Mail reveals that the rate of investment in machinery and equipment has declined in lockstep with falling corporate tax rates over the past decade...*

*The issue boils down to this: At a time when Ottawa and many provinces are awash in deficit, should governments invest scarce resources in making life more affordable for families by enhancing social programs or in giving corporations additional tax cuts?*

The level of the corporate income tax rate is only one small factor in business investment decisions. Ultimately, an investment will be made if expected returns exceed a break-even level. Canada does not have to be the lowest tax jurisdiction in North America or the world to provide good corporate investment opportunities so long as corporations can find what they value — accessible, natural resources; low cost power; good infrastructure; skilled workers; lower benefit costs because of our public health care system, etc. (Many of these things, of course, have to be financed through taxes.)

Further, at any given time, especially in periods of strong economic growth, some corporations will be earning exceptionally high profits. If they anticipate continued high rates of return, an increase in effective rates of tax will not decrease new investment. This is the case today in much of the energy and minerals sector. Corporate tax cuts simply divert the benefits of high resource prices from citizens to corporate shareholders (half of whom live outside Canada). The cost is cuts to services or higher taxes for ordinary Canadians.

According to Statistics Canada Chief Economist Philip Cross:

*A couple of billion dollars (of savings from tax cuts) is a drop in the bucket of corporate income... Canada's natural resources, the price of oil, currency fluctuations and the state of the country's financial markets have been far more influential on corporate investment decisions than recent tax cuts.<sup>7</sup>*

Even David Dodge, former deputy minister of Finance and governor of the Bank of Canada, questioned the need for the 2012 corporate tax cut:

*[T]he final scheduled cut in the corporate tax rate might be foregone (or postponed well past 2013) without losing tax competitiveness as it now seems unlikely that major cuts in the U.S. or European corporate tax rates will take place. These additional revenues later in the decade would help to maintain the federal balance.<sup>8</sup>*

Recent corporate tax cuts have had no impact on real investment, but have been very costly in terms of foregone government revenues. In 2012–13, the federal government expects to collect \$33.1 billion in corporate income tax revenues, based on a corporate income tax rate of 15%. If the corporate tax rate was still at 21%, where it was when the Conservatives took office, revenues would be \$13 billion higher.

Lower corporate tax revenues contribute to the deficit, meaning that the federal government has to borrow to finance tax cuts for corporations. And the government is cutting spending on programs by at least \$4 billion per year to pay for the corporate tax cuts.

---

7 Source: [http://www.canadianbusiness.com/news\\_and\\_markets](http://www.canadianbusiness.com/news_and_markets)

8 Source: <http://www.bennettjones.com/Images/Guides/external8378.pdf>

#### 4. What did Canada's Largest Public Companies do with Their Tax Breaks?

This part of the paper examines Canada's largest publicly traded companies which make up the S&P/TSX Composite Index.<sup>9</sup> There are approximately 250 companies on the index at any given time. For the purposes of this study, only those companies that have continuous data since 2000 and are still on the S&P/TSX Composite are included. These restrictions bring the sample down to 195 companies. While this may seem like a small number of companies, they represented 65%, or \$2 of every \$3, of the pretax earnings for all Canadian corporations in 2010.<sup>10</sup>

Table 2: Canada's Corporate Giants (\$ shown in millions)

Year	Sales	Earnings Before Income Taxes	Income Taxes	After-Tax Earnings	Dividends	Effective Tax Rate	Statutory Rate	Percentage of Profits as Dividends
2000	\$436,390	\$50,868	\$17,643	\$37,171	\$11,273	35.0%	42.4%	30.0%
2001	\$466,182	\$43,730	\$14,871	\$29,946	\$14,195	34.0%	40.5%	47.0%
2002	\$472,902	\$42,253	\$14,381	\$30,551	\$13,989	34.0%	38.0%	46.0%
2003	\$495,696	\$58,842	\$16,882	\$42,149	\$18,780	29.0%	35.9%	45.0%
2004	\$551,898	\$74,662	\$21,999	\$52,057	\$19,308	29.0%	34.4%	37.0%
2005	\$633,267	\$93,700	\$25,349	\$64,688	\$24,025	27.0%	34.2%	37.0%
2006	\$702,793	\$112,631	\$25,628	\$87,287	\$29,206	23.0%	33.9%	34.0%
2007	\$769,045	\$119,355	\$26,695	\$93,076	\$35,506	22.0%	34.0%	38.0%
2008	\$832,614	\$104,765	\$23,072	\$77,114	\$40,899	22.0%	31.4%	53.0%
2009	\$752,957	\$71,987	\$13,706	\$53,729	\$37,364	19.0%	31.0%	69.0%
2010	\$826,574	\$117,305	\$27,776	\$85,359	\$41,599	24.0%	29.4%	49.0%

Source: GlobeInvestor.com, OECD Tax Database Tables II.1, author's calculations.

Table 2 shows the sales, earnings before income tax, income taxes, after-tax profits, dividends paid out to shareholders in dollars and as a percentage of profits, as well as the statutory and effective tax rates. (Note that companies report total taxes paid to the federal and provincial governments combined.)

#### Lower effective tax rates

What is immediately clear from the table is that the effective tax rate that Canada's biggest companies pay has gone down dramatically since 2000,

<sup>9</sup> The paper builds on David Macdonald's "Corporate Income Taxes, Profit and Employment Performance of Canada's Largest Companies," Canadian Centre for Policy Alternatives, April 2011.

<sup>10</sup> Based on total reported corporate profits before tax of \$181 billion.

from more than one third, to as low as one fifth. While effective tax rates vary somewhat depending upon the state of the economy, the fall in the effective tax rate should come as no surprise given that the federal government embarked on two significant rounds of reductions: under the Liberals in the early 2000s, and later under the Conservatives. Several provinces followed suit. Canada's largest companies have seen that gain as effective rates dropped from 35% in 2000, to just 24% in 2010. The effective rate dropped even lower in 2009 due to losses for some companies during the recession.

The full set of 2011 corporate returns are not yet available. However, the effective corporate income tax rate will undoubtedly continue to drop as the federal statutory rate falls from 18% in 2010, to 15% in 2012.

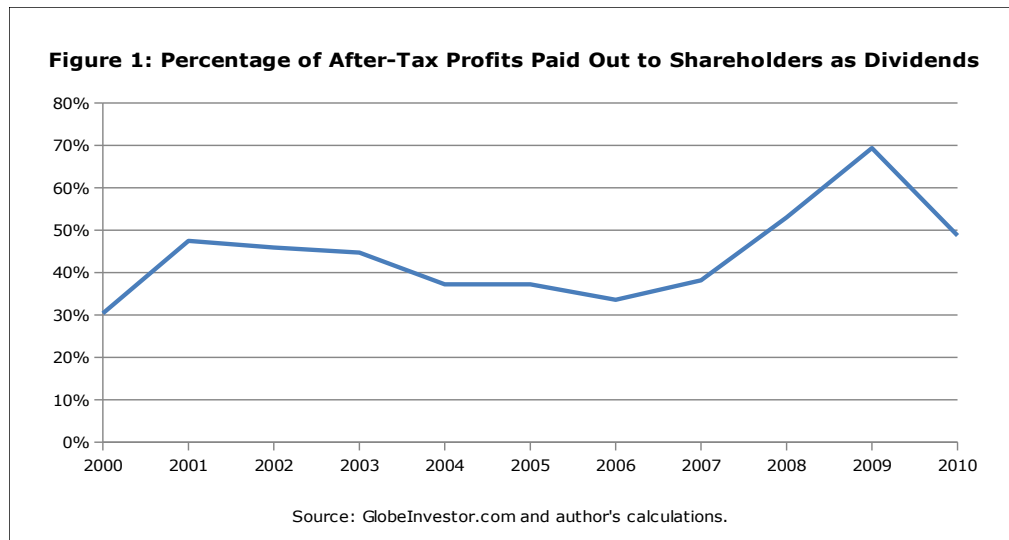
### ***Higher dividend payouts***

As noted above, corporate tax cuts are not supposed to be an end in themselves. The tradeoff for lower corporate tax revenue was supposed to be higher capital investment leading to higher growth, more and better jobs, and improved productivity. Proponents argue that as companies make more money because tax rates are lower, they will invest more in capital stock. That is to say, they will buy more factories and more computers to make their companies more productive. Canada's lagging productivity will be pulled up.

Given the significant drop in corporate tax rates since 2000, what effect can be seen? Figure 1 — based on the last column of Table 2 — shows the percentage of profits that have been simply paid out to investors as dividends instead of retained and reinvested in the company. In 2000, corporate Canada was paying out 30% of its profits to shareholders in the form of dividends.

While the effective tax rate has declined significantly since 2000, companies are doing the opposite of investing: they are paying an even larger share of their profits out as dividends. In 2010, for every dollar in

after-tax profits, 49 cents was paid out directly to shareholders, and the share was even higher in the recession year of 2009. Much of the increase in after-tax profits coming from corporate tax cuts that corporations said would be invested to boost productivity is, instead, being paid out to those who own dividend-paying stocks in Canada's largest companies. About one half of all dividends are paid to taxpayers earning more than \$150,000 per year.

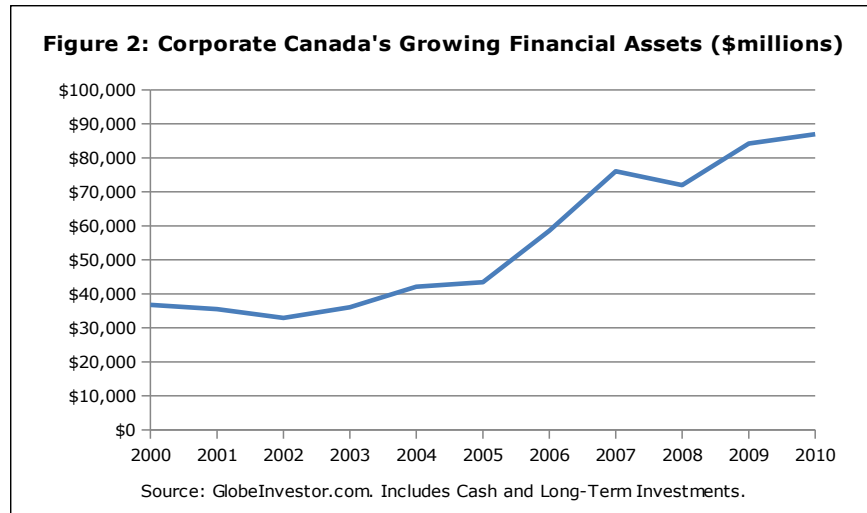


### ***Accumulating financial assets***

At the same time as corporate tax cuts are being paid out to investors, corporate Canada is also building an enormous pile of mainly financial assets. Canada's biggest non-financial companies have more than doubled their holdings of such assets, from \$37 billion in 2000, to \$87 billion today. (Financial companies and conglomerates are excluded since they commonly hold large financial assets.) Only the financial crisis of 2008–2009 slowed the growth of their bulging bank accounts.

The term financial assets includes both “Cash and Cash Equivalents” and “Long-Term Investments” which the company intends to hold for at least one year. Long-term investments consist of financial assets, and *do*

not include investments in capital stock (nor accounts receivable, inventories, or intangible assets).



Giving tax breaks to corporate Canada when times are uncertain leads them to simply shove more money under their collective mattress. That is, unless they haven't already paid out the savings as dividends.

Some of Canada's major non-financial corporate hoarders have accumulated much more than others. Table 3 shows the Top-10 non-financial corporations who have accumulated the most short- and long-term assets since 2000. (For a full list, see the Appendix.) Potash Corporation tops the list having stashed away an additional \$5 billion since 2000. Their assets now stand at over \$5.3 billion.

George Weston Ltd. comes in a close second having socked away an additional \$4 billion since 2000, leaving their assets at \$5.6 billion in 2010.

In fact, the Top-10 hoarders alone have managed to pile up \$30.7 billion since 2000. Instead of investing the savings from corporate tax cuts to boost real investment and productivity, and to create jobs, they have kept those funds locked away for an undefined future point. While some

of these funds may be invested in productive assets in the future, their accumulation has meant that we have foregone government revenues which could have been used to increase public investment in areas like transit, green energy, and early childhood learning, or to increase business investment through more direct and targeted means, such as accelerated write-offs for equipment investment, and investment tax credits.

**Table 3: Top-10 Corporate Hoarders (\$millions)**

Company	Sector	2010 Earnings Before Income Tax	2010 Taxes	After-Tax Profits 2010	Short- and Long-Term Assets 2010	Short- and Long-Term Assets 2000	Assets Change
<b>Potash Corporation of Saskatchewan Inc.</b>	Materials	\$2,449	\$643	\$1,806	\$5,350	\$214	\$5,136
<b>George Weston Limited</b>	Consumer Staples	\$1,095	\$370	\$452	\$5,558	\$1,468	\$4,090
<b>Barrick Gold Corporation</b>	Materials	\$4,587	\$1,370	\$3,274	\$4,552	\$642	\$3,910
<b>Research In Motion Limited</b>	Information Technology	\$3,266	\$809	\$2,457	\$2,870	\$218	\$2,652
<b>Kinross Gold Corporation</b>	Materials	\$1,161	\$276	\$772	\$2,172	\$93	\$2,080
<b>Lundin Mining Corporation</b>	Materials	\$430	\$113	\$317	\$1,974	\$6	\$1,968
<b>Cameco Corporation</b>	Energy	\$473	\$27	\$515	\$1,888	\$166	\$1,722
<b>Magna International Inc.</b>	Consumer Discretionary	\$1,197	\$236	\$973	\$2,459	\$753	\$1,706
<b>Talisman Energy Inc.</b>	Energy	\$1,168	\$760	\$648	\$1,766	\$76	\$1,690
<b>Air Canada</b>	Industrials	\$119	\$48	\$107	\$2,192	\$538	\$1,654

Source: GlobeInvestor.com.

## Conclusion

Data for all of corporate Canada and for our largest public non-financial companies show that lower corporate taxes in and of themselves have mainly resulted in higher dividend payouts to shareholders and the accumulation of mainly financial assets, not an increase in capital stock and other investments which boost productivity and sustain and create good jobs. Government revenues have taken a big hit, without the expected upside of a stronger and more productive economy. The winners have been those who own company shares, notably Canada's highly paid CEOs and other members of the top 1%.

It is time for corporate Canada to take its share of the blame for capital underinvestment. It is also high time for Canada's most profitable companies to pay their fair share of taxes.

*This report was prepared by David Macdonald, President, Embryonic Business Technologies, with Andrew Jackson, Chief Economist, Canadian Labour Congress.*

DM:AJ:jc:cope 225/2012-01-12  
File: 2-03-20302-E02

What did Corporate Tax Cuts Deliver?  
Background Report for Corporate Tax Freedom Day 2012

**Appendix: Asset Hoarders (\$millions)**

Company	Sector	2010 Sales	2010 Earnings Before Income Tax	2010 Taxes	Profits 2010	Short- and Long-Term Assets 2010	Short- and Long-Term Assets 2000	Asset Change
<b>Potash Corporation of Saskatchewan Inc.</b>	Materials	\$6,539	\$2,449	\$643	\$1,806	\$5,350	\$214	\$5,136
<b>George Weston Limited</b>	Consumer Staples	\$32,008	\$1,095	\$370	\$452	\$5,558	\$1,468	\$4,090
<b>Barrick Gold Corporation</b>	Materials	\$10,924	\$4,587	\$1,370	\$3,274	\$4,552	\$642	\$3,910
<b>Research In Motion Limited</b>	Information Technology	\$14,953	\$3,266	\$809	\$2,457	\$2,870	\$218	\$2,652
<b>Kinross Gold Corporation</b>	Materials	\$3,010	\$1,161	\$276	\$772	\$2,172	\$93	\$2,080
<b>Lundin Mining Corporation</b>	Materials	\$849	\$430	\$113	\$317	\$1,974	\$6	\$1,968
<b>Cameco Corporation</b>	Energy	\$2,124	\$473	\$27	\$515	\$1,888	\$166	\$1,722
<b>Magna International Inc.</b>	Consumer Discretionary	\$24,102	\$1,197	\$236	\$973	\$2,459	\$753	\$1,706
<b>Talisman Energy Inc.</b>	Energy	\$8,076	\$1,168	\$760	\$648	\$1,766	\$76	\$1,690
<b>Air Canada</b>	Industrials	\$9,893	\$119	\$48	\$107	\$2,192	\$538	\$1,654
<b>Goldcorp Inc.</b>	Materials	\$3,800	\$1,007	\$346	\$1,574	\$1,574	\$21	\$1,553
<b>Husky Energy Inc.</b>	Energy	\$18,178	\$1,558	\$385	\$1,173	\$1,536	\$0	\$1,536
<b>Teck Resources Limited</b>	Materials	\$9,339	\$2,915	\$932	\$1,860	\$2,393	\$936	\$1,457
<b>SNC - Lavalin Group Inc.</b>	Industrials	\$6,315	\$571	\$123	\$437	\$1,675	\$295	\$1,380
<b>First Quantum Minerals Ltd.</b>	Materials	\$2,378	\$440	\$495	<b>-\$123</b>	\$1,363	\$6	\$1,357
<b>Enbridge Inc.</b>	Energy	\$11,990	\$1,221	\$251	\$970	\$2,956	\$1,756	\$1,200
<b>Suncor Energy Inc.</b>	Energy	\$33,198	\$4,247	\$1,559	\$3,571	\$1,212	\$29	\$1,183
<b>WestJet Airlines Ltd.</b>	Industrials	\$2,609	\$197	\$60	\$137	\$1,188	\$79	\$1,109
<b>HudBay Minerals Inc.</b>	Materials	\$779	\$155	\$88	\$73	\$1,007	\$0	\$1,007
<b>Ivanhoe Mines Limited</b>	Materials	\$80	<b>-\$103</b>	<b>-\$15</b>	<b>-\$211</b>	\$1,019	\$46	\$973
<b>Agrium Inc.</b>	Materials	\$10,743	\$996	\$265	\$714	\$968	\$67	\$901
<b>Nexen Inc.</b>	Energy	\$5,411	\$1,167	\$554	\$1,197	\$1,005	\$110	\$895
<b>Loblaw Companies Limited</b>	Consumer Staples	\$30,997	\$996	\$297	\$681	\$2,042	\$1,239	\$803
<b>Canadian Utilities Limited</b>	Utilities	\$2,657	\$544	\$109	\$435	\$875	\$154	\$721
<b>Canadian Tire Corporation Ltd.</b>	Consumer Discretionary	\$8,981	\$597	\$143	\$454	\$927	\$214	\$713
<b>Emera Incorporated</b>	Utilities	\$1,436	\$179	<b>-\$13</b>	\$194	\$784	\$76	\$707
<b>Sherritt International Corporation</b>	Materials	\$1,771	\$350	\$111	\$214	\$1,174	\$468	\$706
<b>Yamana Gold Inc.</b>	Materials	\$1,687	\$552	\$161	\$451	\$683	\$1	\$682
<b>Inmet Mining Corporation</b>	Materials	\$1,098	\$442	\$135	\$359	\$702	\$158	\$544
<b>Thomson Reuters Corporation</b>	Consumer Discretionary	\$13,070	\$1,072	\$139	\$933	\$864	\$337	\$527
<b>Encana Corporation</b>	Energy	\$8,870	\$2,060	\$561	\$1,499	\$709	\$204	\$505
<b>Silver Standard Resources Inc.</b>	Materials	\$112	<b>-\$32</b>	\$23	\$346	\$499	\$2	\$497
<b>New Gold Inc.</b>	Materials	\$530	\$120	\$41	\$177	\$498	\$3	\$495
<b>Atco Ltd.</b>	Utilities	\$3,445	\$678	\$133	\$293	\$784	\$304	\$480
<b>Canadian National Railway Company</b>	Industrials	\$8,297	\$2,876	\$772	\$2,104	\$616	\$143	\$473
<b>Metro Inc.</b>	Consumer Staples	\$11,343	\$541	\$149	\$392	\$450	\$22	\$428
<b>TransCanada Corporation</b>	Energy	\$8,064	\$1,767	\$380	\$1,272	\$1,159	\$744	\$415
<b>Osisko Mining Corporation</b>	Materials	\$0	<b>-\$30</b>	<b>-\$4</b>	<b>-\$19</b>	\$414	\$0	\$414
<b>Paramount Resources Ltd.</b>	Energy	\$184	<b>-\$201</b>	<b>-\$72</b>	<b>-\$122</b>	\$380	\$26	\$354
<b>Pan American Silver Corp.</b>	Materials	\$632	\$205	\$91	\$113	\$362	\$8	\$354
<b>Uranium One Inc.</b>	Energy	\$327	<b>-\$106</b>	\$74	<b>-\$190</b>	\$344	\$1	\$344
<b>Eldorado Gold Corporation</b>	Materials	\$791	\$313	\$90	\$206	\$329	\$3	\$326
<b>Russel Metals Inc.</b>	Industrials	\$2,175	\$96	\$26	\$70	\$324	\$9	\$315
<b>SXC Health Solutions Corp.</b>	Health Care	\$1,948	\$98	\$33	\$65	\$321	\$10	\$311

Source: GlobeInvestor.com, OECD Tax Database, author's calculations.

What did Corporate Tax Cuts Deliver?  
Background Report for Corporate Tax Freedom Day 2012

**Appendix: Asset Hoarders (\$millions)**

Company	Sector	2010 Sales	2010 Earnings Before Income Tax	2010 Taxes	Profits 2010	Short- and Long-Term Assets 2010	Short- and Long-Term Assets 2000	Asset Change
<b>Iamgold Corporation</b>	Materials	\$1,167	\$390	\$135	\$280	\$348	\$45	\$303
<b>China Gold International Resources Corp. Ltd.</b>	Materials	\$133	\$42	\$15	\$26	\$302	\$2	\$300
<b>Taseko Mines Limited</b>	Materials	\$278	\$107	\$47	\$149	\$301	\$7	\$294
<b>Canadian Pacific Railway Ltd.</b>	Industrials	\$4,853	\$871	\$220	\$651	\$512	\$226	\$287
<b>Valeant Pharmaceuticals International Inc.</b>	Health Care	\$1,133	-\$236	-\$28	-\$208	\$402	\$128	\$275
<b>Niko Resources Ltd.</b>	Energy	\$334	\$123	\$4	\$119	\$283	\$20	\$263
<b>Canfor Corporation</b>	Materials	\$2,390	\$167	\$5	\$161	\$343	\$91	\$252
<b>Gildan Activewear Inc.</b>	Consumer Discretionary	\$1,311	\$196	-\$2	\$198	\$259	\$26	\$234
<b>Alimentation Couche-Tard Inc.</b>	Consumer Staples	\$16,440	\$412	\$109	\$303	\$240	\$7	\$233
<b>Precision Drilling Corporation</b>	Energy	\$1,430	\$54	-\$8	\$62	\$257	\$28	\$229
<b>Semafo Inc.</b>	Materials	\$323	\$125	\$20	\$103	\$240	\$16	\$224
<b>Dundee Precious Metals</b>	Materials	\$202	\$11	-\$10	\$24	\$284	\$69	\$215
<b>Open Text Corporation</b>	Information Technology	\$912	\$91	\$1	\$89	\$326	\$116	\$210
<b>Calfrac Well Services Ltd.</b>	Energy	\$936	\$61	\$8	\$54	\$217	\$8	\$208
<b>Aecon Group Inc.</b>	Industrials	\$2,746	\$36	\$4	\$27	\$263	\$63	\$200
<b>Alamos Gold Inc.</b>	Materials	\$189	\$94	\$28	\$66	\$199	\$1	\$198
<b>Northland Power Inc.</b>	Utilities	\$304	-\$36	-\$33	\$1	\$190	\$0	\$190
<b>Agnico-Eagle Mines Ltd.</b>	Materials	\$1,423	\$435	\$103	\$332	\$201	\$14	\$187
<b>MacDonald Dettwiler and Associates</b>	Information Technology	\$689	\$110	\$47	\$41	\$228	\$46	\$182
<b>CCL Industries Inc.</b>	Materials	\$1,192	\$100	\$29	\$71	\$208	\$32	\$176
<b>Golden Star Resources Ltd.</b>	Materials	\$433	\$1	\$1	-\$8	\$178	\$4	\$174
<b>BlackPearl Resources Inc.</b>	Energy	\$143	-\$31	\$0	-\$31	\$171	\$4	\$167
<b>Minefinders Corporation Ltd</b>	Materials	\$93	\$13	\$7	\$6	\$167	\$1	\$166
<b>Flint Energy Services Ltd</b>	Energy	\$1,781	\$51	\$18	\$33	\$166	\$0	\$166
<b>NovaGold Resources Inc.</b>	Materials	\$1	-\$205	-\$1	-\$204	\$159	\$0	\$159
<b>Mullen Group Ltd.</b>	Energy	\$1,040	\$106	\$27	\$79	\$151	\$6	\$145
<b>Aurizon Mines Ltd.</b>	Materials	\$179	\$30	\$14	\$16	\$147	\$3	\$144
<b>Vermilion Energy Inc.</b>	Energy	\$728	\$137	\$17	\$111	\$164	\$22	\$142
<b>Reitmans (Canada) Ltd.</b>	Consumer Discretionary	\$1,057	\$99	\$32	\$67	\$277	\$137	\$140
<b>Northern Dynasty Minerals Ltd.</b>	Materials	\$0	-\$14	\$0	-\$14	\$140	\$2	\$137
<b>Viterra Inc.</b>	Consumer Staples	\$8,256	\$189	\$44	\$145	\$213	\$76	\$137
<b>West Fraser Timber Co Ltd.</b>	Materials	\$2,826	\$239	\$69	\$166	\$168	\$35	\$133
<b>Toromont Industries Ltd.</b>	Industrials	\$2,332	\$149	\$48	\$99	\$188	\$55	\$132
<b>Aurico Gold Inc.</b>	Materials	\$238	-\$167	-\$21	-\$147	\$134	\$2	\$132
<b>Pembina Pipeline Corporation</b>	Energy	\$1,255	\$182	-\$5	\$187	\$125	\$0	\$125
<b>Gabriel Resources Ltd.</b>	Materials	\$0	-\$30	-\$7	-\$23	\$122	\$5	\$117
<b>ShawCor Ltd.</b>	Energy	\$1,034	\$124	\$35	\$105	\$192	\$79	\$113
<b>Finning International Inc.</b>	Industrials	\$4,631	\$214	\$46	-\$78	\$403	\$291	\$113
<b>FirstService Corporation</b>	Industrials	\$1,986	\$77	\$29	\$14	\$122	\$12	\$110
<b>Pason Systems Inc.</b>	Energy	\$250	\$50	\$14	\$36	\$110	\$1	\$109
<b>Stantec Inc.</b>	Industrials	\$1,513	\$134	\$40	\$94	\$117	\$10	\$106
<b>Romarco Minerals Inc.</b>	Materials	\$0	-\$15	\$0	-\$15	\$110	\$4	\$106
<b>Bankers Petroleum Ltd.</b>	Energy	\$170	\$38	\$24	\$14	\$107	\$1	\$105

Source: GlobeInvestor.com, OECD Tax Database, author's calculations.