

**Note 9. Basic and Diluted Net (Loss) Earnings per Common Share** (\$, except where otherwise indicated)

	2006	2005
Net (loss) earnings (\$ millions)	\$ (219)	\$ 746
Weighted average common shares outstanding (in millions)	274.1	274.2
Dilutive effect of stock-based compensation (in millions)	.2	.8
Diluted weighted average common shares outstanding (in millions)	274.3	275.0
Basic net (loss) earnings per common share	\$ (.80)	\$ 2.72
Dilutive effect of stock-based compensation per common share	—	(.01)
Diluted net (loss) earnings per common share	\$ (.80)	\$ 2.71

Stock options outstanding with an exercise price greater than the market price of the Company's common shares at December 30, 2006 were not recognized in the computation of diluted net (loss) earnings per common share. Accordingly, for 2006, 4,027,406 (2005 – 2,254,639) stock options, with a weighted average exercise price of \$61.55 (2005 – \$69.58) per common share, were excluded from the computation of diluted net (loss) earnings per common share.