improvements in the Container and Tube Segments of $13.7 million and $3.2 million, respectively. The Label Segment improved slightly, 1.4% for 2011 compared to 2010 excluding the negative impact of currency translation. Further details on the business segments are provided later in this report.

Earnings before interest, taxes, depreciation and amortization ("EBITDA") before restructuring and other items (a non-IFRS measure; see "Key Performance Indicators and Non-IFRS Measures" in Section 5A below) in 2011 was $239.1 million an improvement of 8.8% compared to $219.8 million recorded in 2010. Excluding the unfavourable impact of currency translation, EBITDA increased by 10.4% over the prior year.

Net finance costs were $21.4 million in 2011, a decline of $3.9 million from the $25.3 million recorded in 2010. The decrease reflects lower debt levels and favourable currency translation on the interest of the U.S. dollar-denominated debt. Net finance expenses includes interest expense net of interest earned on short-term investments, adjusted by interest from interest rate swap agreements ("IRSAs") and cross-currency interest rate swap agreements ("CCIRSAs"). The IRSAs and CCIRSAs are discussed later in this report in Section 3C.

For the full year 2011, restructuring costs and other items represented a loss of $0.8 million ($0.8 million after tax) as follows:

- In the first quarter, a loss of $0.5 million ($0.4 million after tax) related to the closure costs to shut down a small label plant in the U.S.;
- In the fourth quarter, a loss of $0.8 million (with no tax effect) related to severance costs to restructure the Paris label plant operations; and
- In the fourth quarter, a gain of $0.5 million ($0.4 million after tax) related to the final settlement of residual lease payments and closure costs for the Tube Segment's building in Los Angeles, CA, attributable to its move to a new location.

The negative earnings impact of these restructuring and other items in 2011 was $0.03 per Class B share.

For the full year 2010, restructuring costs and other items represented a loss of $0.2 million as follows:

- In the fourth quarter, a loss related to severance costs for the Container operations of $0.2 million (with no tax effect).

Restructuring costs and other items in 2010 had a negative impact of $0.01 per Class B share.

In 2011, the consolidated effective tax rate was 29.0% compared to 28.6% in 2010, excluding earnings in equity accounted investments. The combined Canadian federal and provincial statutory tax rate was 26.8% in 2011. The increase in the effective tax rate for 2011 is attributable to the negative impact of $1.0 million (2010 – positive impact of $2.7 million), for the reduction in recorded accounting benefits of certain Canadian tax losses. As previously disclosed in prior quarters, the ability to benefit the Canadian tax losses is mainly dependent on the movement of the unrealized foreign exchange gains on the Company's U.S. dollar-denominated debt and related euro swaps. This benefit will fluctuate with the movement in the Canadian dollar versus the U.S. dollar and the euro and as such this benefit would reverse fully or in part in the future if the Canadian dollar weakens and would grow larger if it strengthens. Excluding the benefit from the Canadian tax losses, the overall effective tax rates in 2011 and 2010 were 28.1% and 31.3%, respectively, reflecting a higher portion of the Company's income earned in lower tax jurisdictions in 2011.

Approximately 96% of CCL's sales are from products manufactured in plants outside of Canada, and the income from these foreign operations is subject to varying rates of taxation. The Company's effective tax rate varies from year to year as a result of the level of income in the various countries, recognition or reversal of tax losses, tax reassessments and income and expense items not subject to tax. The Company's tax rate may increase in the future since the Company may not be able to tax-benefit its future tax losses in certain countries.

Net earnings for 2011 were $84.1 million, an increase of 18.3% compared to $71.1 million recorded in 2010 due to the items described above.

Basic earnings per Class B share was $2.54 for 2011 versus the $2.17 recorded for 2010. Diluted earnings per Class B share were $2.50 for 2011 and $2.13 for 2010.

The movement in foreign currency exchange rates in 2011 versus 2010 had an estimated negative impact of $0.03 on basic earnings per Class B share. This estimated foreign currency impact reflects the currency translation in all foreign operations and the translation of U.S. dollar-denominated transactions in the Canadian Container operations, where almost all sales and a significant portion of input costs are U.S. dollar-denominated.