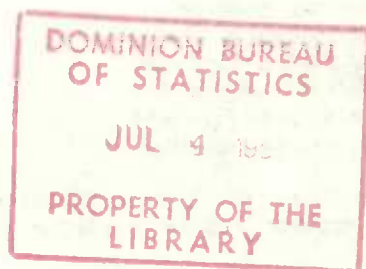


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THE PREPARED BREAKFAST FOODS INDUSTRY

1957



Published by Authority of
The Honourable Gordon Churchill, Minister of Trade and Commerce

DOMINION BUREAU OF STATISTICS
Industry and Merchandising Division
Foods and Beverages Section

5513-530-127

Price 25 cents

Vol. 2—Part III—G-1

EDMOND CLOUTIER, C.M.G., O.A., D.S.P., Queen's Printer and Controller of Stationery, Ottawa, 1958

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NOTICE

The annual reports prepared by the Industry and Merchandising Division of the Bureau of Statistics are divided into 3 volumes, as follows: **Volume I** - The Primary Industries, including mining, forestry and fisheries; **Volume II** - Manufacturing; **Volume III** - Merchandising and Services. The volumes are made up of parts, and the parts in turn are subdivided according to the industries or provinces which they comprise.

Volume II consists of the following parts, the first two of which deal with manufacturing as a whole and the balance with the major manufacturing groups.

I - General Review of the Manufacturing Industries, \$1.50

II - The Manufacturing Industries of Canada, (7 sections, as follows:)

Section A. Summary for Canada, 25¢

Section B. Atlantic Provinces, 50¢

Section C. Quebec, 25¢

Section D. Ontario, 25¢

Section E. Prairie Provinces, 40¢

Section F. British Columbia, 25¢

Section G. The Manufacturing Industries of Canada,
Regional Distribution, 75¢

III - Foods and Beverages

IV - Tobacco and Tobacco Products

V - Rubber Products

VI - Leather Products

VII - Textile Mills

VIII - Knitting Mills

IX - Clothing

X - Wood and Paper Products

XI - Printing Trades

XII - Iron and Steel Products

XIII - Transportation Equipment

XIV - Non-ferrous Metal Products

XV - Electrical Apparatus and Supplies

XVI - Non-metallic Mineral Products

XVII - Products of Petroleum and Coal

XVIII - Chemicals and Allied Products

XIX - Miscellaneous Manufactures

The present report belongs in Part III, Foods and Beverages. It is punched to permit of filing in a ring binder along with others of the group. The reports in this group are:

A - General Review, 25¢

B - The Slaughtering and Meat Packing Industries, 25¢

C - The Dairy Products Industry, 25¢

D - The Fish Processing Industry, 25¢

E - The Fruit and Vegetable Preparations Industry, 25¢

F - The Flour Milling Industry, 25¢

G - The Prepared Breakfast Foods Industry, 25¢

H - The Feeds Industry, 25¢

I - The Biscuit Industry, 25¢

J - The Bread and Other Bakery Products Industry, 25¢

K - The Carbonated Beverages Industry, 25¢

L - The Distilling Industry, 25¢

M - The Brewing Industry, 25¢

N - The Wine Industry, 25¢

O - The Confectionery Industry, 25¢

P - The Sugar Refining Industry, 25¢

Q - The Macaroni and Kindred Products Industry, 25¢

R - The Miscellaneous Food Preparations Industry, 25¢

S - The Canned Foods Summary, 25¢

THE PREPARED BREAKFAST FOODS INDUSTRY

1957

Prior to 1943 this industry included only firms whose principal products were prepared and unprepared breakfast foods. One flour mill whose principal products were flour and feed, but which produced large quantities of prepared breakfast foods, was, therefore excluded. This firm now makes two returns, one for the production of flour and feed which is included with the flour milling industry and another for their breakfast food production which is included with the prepared breakfast foods industry. We now have, therefore, all firms whose principal products are prepared breakfast foods classified in one industry, so that the figures given in the present report represent practically the total production in Canada of these products.

Figures for value added by manufacture, prior to 1952 were obtained by subtracting the cost of materials used, including fuel and electricity, from value of production. In 1952 the gross value of production was replaced by value of factory shipments, f.o.b. plant. As no information on inventory change is available for 1952 and 1953 value added figures for these years were obtained by subtracting from the value of shipments the cost of materials, fuel and electricity. Beginning in 1954 information on the value of year-end inventory holdings at plant and plant warehouses was collected as part of the annual Census of Industry and information thus made available was taken into account in calculating the value added figures.

There were 17 establishments reporting in the prepared breakfast foods industry in 1956, 7 were located in Ontario, 3 in Quebec, 2 in Manitoba, 2 in Alberta and 3 in British Columbia. These establishments furnished employment to 1,402 persons who were paid \$4,984,569 in salaries and wages and spent \$13,352,637 for materials. This industry is practically confined to the province of Ontario which is responsible for 90 per cent of the total value of production.

Shipments in 1957 totalled 85,734,742 pounds of prepared breakfast foods (corn flakes, bran flakes, wheat flakes, puffed grains, shredded wheat, muffets, force, etc.) valued at \$26,613,115, unprepared breakfast foods 8,823,020 pounds, valued at \$1,201,670 and other products to the value of \$4,712,400. Unprepared cereal products, such as oatmeal, rolled oats, etc. are mainly produced in the flour milling industry and the total production is not shown in this report.

Beginning in 1954 statistics were collected on opening and closing inventory values at each plant. The results have been summarized and are shown in Table 3.

The tables following give detailed statistics of shipments, materials used, employment, etc.

TABLE 1. Principal Statistics of the Prepared Breakfast Foods Industry, Significant Years, 1930-1957 by Provinces, 1956 and 1957¹

Year and province	Establishments	Employees	Salaries and wages	Cost at plant of fuel and electricity	Cost at plant of materials used	Value added by manufacture	Selling value of factory shipments ²
	No.	No.	\$	\$	\$	\$	\$
1922 to 1929 ³	—	—	—	—	—	—	—
1930	14	453	611,645	150,971	2,553,523	3,894,948	6,599,442
1933	14	538	622,725	156,082	2,258,321	4,867,783	7,282,186
1937	34	764	896,188	194,806	4,377,758	6,888,649	11,461,213
1939	36	794	923,837	182,287	2,910,687	6,116,604	9,209,578
1940	32	696	893,325	152,404	2,730,385	4,762,465	7,645,254
1944	29	926	1,534,522	242,057	6,048,985	5,939,799	12,230,841
1946	23	1,156	2,062,310	233,533	7,535,527	7,186,162	14,955,222
1949	20	1,154	2,554,985	290,414	8,702,820	9,418,397	18,411,631
1954	17	1,339	4,020,334	314,147	9,791,577	15,088,299	25,604,147
1955	17	1,262	4,139,486	334,904	10,497,068	17,638,670	28,584,222
1956							
Canada	18	1,374	4,752,031	392,817	12,398,876	18,703,988	30,967,880
Ontario	7	1,256	4,472,352	377,515	11,003,077	17,197,188	28,025,110
British Columbia	3	16	26,802	2,316	100,380	53,016	155,170
Other provinces	8	102	252,877	12,986	1,295,419	1,453,784	2,787,600
1957							
Canada	17	1,402	4,984,569	449,772	13,352,637	18,622,667	32,527,185
Ontario	7	1,282	4,673,028	433,771	11,961,778	16,947,419	29,455,674
British Columbia	3	16	32,728	2,726	116,609	73,426	192,937
Other provinces	7	104	278,813	13,275	1,274,250	1,601,822	2,878,574

¹ Profits or losses cannot be estimated from Census figures as no data are collected for certain expense items such as interest, rent, depreciation, taxes, insurance, advertising, etc.

² Prior to 1952, the basis of collection was "Gross value of products". Beginning in 1954 shipments includes value of work done for others. See Table 5.

³ Included with Miscellaneous Foods.

TABLE 2. Principal Statistics of the Prepared Breakfast Foods Industry, Grouped according to Size of Establishments, 1956 and 1957

Establishments having shipments of:	Establishments	Employees	Salaries and wages	Cost at plant of materials used	Selling value of factory shipments
	No.	No.	\$	\$	\$
1956					
Under \$5,000	1	5	7,057	25,861	37,199
\$5,000 to \$24,999	2				
\$25,000 to \$49,999	3	25	44,906	160,192	240,544
\$50,000 to \$99,999	2				
\$100,000 to \$499,999	3	121	347,706	1,383,173	2,428,355
\$500,000 to \$999,999	2				
\$1,000,000 and over	5	1,223	4,352,362	10,829,650	28,261,782
Total	18	1,374	4,752,031	12,398,876	30,967,880
1957					
Under \$5,000	1	9	16,047	50,134	95,414
\$5,000 to \$24,999	1				
\$25,000 to \$49,999	2	18	40,593	149,373	229,558
\$50,000 to \$99,999	3				
\$100,000 to \$499,999	3	55	145,684	768,478	1,577,057
\$500,000 to \$999,999	1				
\$1,000,000 and over	6	1,320	4,782,245	12,384,652	30,625,156
Total	17	1,402	4,984,569	13,352,637	32,527,185

TABLE 3. Inventory Values, 1957

	Raw materials and supplies	Goods in process	Finished goods of own manufacture	Total inventory
	\$	\$	\$	\$
Opening inventory¹				
Canada	2,642,883	54,315	1,485,224	4,182,422
Ontario	2,449,754	54,128	1,362,091	3,865,973
British Columbia	17,912	—	1,426	19,338
Other provinces	175,217	187	121,707	297,111
Closing inventory				
Canada	2,109,193	78,839	1,358,591	3,546,623
Ontario	1,918,326	78,029	1,225,484	3,221,839
British Columbia	18,973	—	1,250	20,223
Other provinces	171,894	810	131,857	304,561

¹ The opening inventory for the current year differs from the closing inventory published last year due to transfers, discards, corrections, or addition of new firms.

TABLE 4. Capital and Repair Expenditures, 1950-1957

(Figures prepared in General Assignments Division)

	Capital expenditures			Repair expenditures			Capital and repair expenditures		
	Construction	Machinery and equipment	Sub-total	Construction	Machinery and equipment	Sub-total	Construction	Machinery and equipment	Total
	thousands of dollars								
1950	1	1	528	1	1	520	132	918	1,048
1951	1	1	1,576	1	1	811	496	1,891	2,387
1952	1	1	718	1	1	654	131	1,241	1,372
1953	1	1	862	1	1	723	109	1,476	1,585
1954	1	458	1	1	632	1	1	1,090	1,216
1955	1	436	1	1	657	1	133	1,093	1,226
1956	1	677	1	1	722	1	105	1,399	1,504
1957 ²	1	1,731	1	1	899	1	167	2,630	2,797

¹ Not available.

² Preliminary.

TABLE 5. Factory Shipments, 1956 and 1957

Products ¹	1956		1957	
	Quantity	Value of shipments f.o.b. plant	Quantity	Value of shipments f.o.b. plant
	pounds	\$	pounds	\$
Prepared breakfast foods, (ready for serving):				
Corn flakes	28,922,723	8,477,191	27,803,670	8,095,992
Wheat and bran flakes	9,974,339	2,732,786	9,324,685	2,715,292
Puffed grains	20,899,944	8,126,585	21,943,505	8,241,575
Other	25,934,534	6,220,992	26,662,882	7,560,256
Total	85,731,540	25,557,554	85,734,742	26,613,115
Unprepared breakfast cereals	9,174,483	1,156,506	8,823,020	1,201,670
Prepared flour, cake, and pastry mixtures, etc.	14,230,111	1,956,610	13,877,968	2,042,855
Hominy feed and other stock feeds	(13,804 tons)	773,039	(12,811 tons)	679,903
Other products and by-products	—	1,519,697	—	1,985,701
Amount received in payment for work done on materials owned by others	—	4,474	—	3,941
Total	—	30,967,880	—	32,527,185

¹ This is not the total production in Canada of these products. A very substantial quantity of "unprepared breakfast cereals" is produced in the flour milling industry, as well as smaller quantities in other industries. A small quantity of "prepared breakfast foods" (such as puffed grains, etc.) is produced in other industries. Self-rising and prepared flour is also reported in other industries. For the total production, see the alphabetical list of products published annually in the report "General Review of the Manufacturing Industries of Canada".

TABLE 6. Materials Used in the Prepared Breakfast Foods Industry, 1956 and 1957

Materials	1956		1957	
	Quantity	Cost value at the plant	Quantity	Cost value at the plant
		\$		\$
Wheat	bu. 771,424	1,443,882	766,895	1,466,672
Rye	" 9,863	19,553	8,384	16,270
Barley	" 77,515	113,789	62,901	79,626
Buckwheat	" 4,696	12,898	6,093	17,472
Oats	" —	—	—	—
Corn	" 1,103,639	1,663,389	1,084,271	1,632,319
Corn grits	lb. 1,663,400	66,436	1,729,800	66,605
Rice and rice meal	" 9,565,315	993,969	16,448,212	1,777,291
Bran	" 6,873,373	180,911	5,986,544	143,985
Flour (wheat, etc.)	" 14,625,055	698,290	18,184,792	896,733
Flax	" 82,952	6,261	63,620	5,006
Wheat germ, wheatlets, etc.	" 5,720,081	262,747	6,116,412	288,098
Other grains, meals, etc.	" 1,600	208	180,000	2,738
Malt and malt flour	" 940,555	56,635	910,211	63,711
Malt extract and syrup	" 39,856	5,418	46,301	6,213
Sugar	" 8,574,000	657,630	8,706,333	856,885
Glucose and dextrose	" 673,743	51,352	647,817	49,309
Salt	" 1,958,338	24,094	2,132,299	25,834
Shortening (oils, etc.)	" 472,356	96,099	440,341	97,924
Containers and packaging material	—	4,609,647	—	4,605,656
All other materials including chemical	—	941,717	—	814,613
Amount paid out to others for work done on materials owned by this plant	—	13,135	—	3,870
Operating, maintenance and repair supplies	—	480,816	—	388,445
Office supplies	—	1	—	47,362
Total cost of materials	—	12,398,876	—	13,352,637

¹ Office supplies amounted to \$67,446 in 1956 and is not included in total cost of materials used or any calculations made from this figure.

TABLE 7. Imports of Cereal Foods, 1956 and 1957

Product	1956		1957	
	Quantity	Value	Quantity	Value
		\$		\$
Oatmeal and rolled oats	lb. 11,140	1,439	8,229	954
Cereal foods, prepared, in packages	" 1,784,344	394,098	3,317,542	631,680
Cereal foods, prepared, n.o.p.	—	993,245	—	690,350
Total	—	1,388,782	—	1,322,984

TABLE 8. Exports of Cereal Foods, 1956 and 1957

Product	1956		1957	
	Quantity	Value	Quantity	Value
		\$		\$
Oatmeal	cwt. 150	563	20	62
Rollled oats	" 64,362	572,503	56,434	542,124
Cereal foods, prepared	—	339,543	—	1,052,816
Total	—	912,609	—	1,595,002

TABLE 9. Production Workers, by Months, 1956 and 1957

	1956			1957		
	Male	Female	Total	Male	Female	Total
	No.	No.	No.	No.	No.	No.
January	655	339	994	674	341	1,015
February	674	334	1,008	691	377	1,068
March	712	384	1,096	711	375	1,086
April	719	392	1,111	712	403	1,115
May	759	409	1,168	758	432	1,190
June	771	419	1,190	771	482	1,253
July	760	403	1,163	773	510	1,283
August	757	402	1,159	771	462	1,233
September	718	367	1,085	763	415	1,178
October	728	343	1,071	725	377	1,102
November	707	344	1,051	713	343	1,056
December	744	377	1,121	728	378	1,106
Monthly average	727	376	1,103	734	408	1,142

TABLE 10. Employees and their Earnings, by Provinces, 1956 and 1957

	Average number					Salaries and wages		
	Supervisory and office employees		Production workers		Total	Supervisory and office employees	Production workers	Total
	Male	Female	Male	Female				
	No.	No.	No.	No.	No.	\$	\$	\$
1956								
Canada	171	100	727	376	1,374	1,263,595	3,488,436	4,752,031
Ontario	152	93	683	328	1,256	1,164,083	3,308,269	4,472,352
British Columbia	3	1	4	8	16	10,400	16,402	26,802
Other Provinces	16	6	40	40	102	89,112	163,765	252,877
1957								
Canada	163	97	734	408	1,402	1,149,590	3,834,979	4,984,569
Ontario	145	87	690	360	1,282	1,039,746	3,633,282	4,673,028
British Columbia	4	2	3	7	16	14,085	18,643	32,728
Other Provinces	14	8	41	41	104	95,759	183,054	278,813

TABLE 11. Fuel Consumption, 1956 and 1957

Kind	1956		1957		
	Quantity	Cost at plant	Quantity	Cost at plant	
		\$		\$	
Bituminous coal:					
(a) From Canadian mines	ton	6,425	63,000	9,835	109,126
(b) Imported	"	7,619	80,969	4,840	52,363
Sub-bituminous coal (from Alberta mines only)	"	—	—	—	—
Anthracite coal	"	—	—	—	—
Lignite coal	"	—	—	—	—
Coke	"	—	—	—	—
Gasoline	Imp. gal.	61,071	25,419	59,157	23,004
Kerosene or coal oil	" "	1,200	175	—	—
Fuel oil	" "	66,162	7,510	58,065	7,176
Wood (cords of 128 cubic feet of piled wood)	cord	1	20	1	20
Gas:					
(a) Liquefied petroleum gases (propane, etc.)	Imp. gal.	8,700	6,041	130,784	30,490
(b) Other manufactured gas	1,000 cu. ft.	26,365	22,919	200	160
(c) Natural gas	" " "	56,526	50,344	55,730	84,850
Other fuel	—	—	—	—	—
Electricity purchased:					
(a) For lighting and motors	kwh.	12,294,905	111,544	14,172,301	130,099
(b) For other purposes	"	2,520,200	24,876	957,700	12,484
Total		—	392,817	—	449,772



List of Firms in the Prepared Breakfast Foods Industry in 1957

List of firms	Location of plants
Eastern Cereal Food Products Co. Ltd.	Richelieu, Que.
Dr. Jackson Foods Limited	City of Jacques Cartier, Que.
Empire Milling Co.	1451 Prefontaine St., Montreal, Que.
General Foods, Limited	Windsor, Ont.
Nabisco Foods Limited	Niagara Falls, Ont.
Durum Cereals, Limited	4 Shaftesbury Place, Toronto, Ont.
Kellogg Company of Canada, Limited	1097 Dundas St. E., London, Ont.
MacKay Cereals Ltd.	1050 King St. W., Toronto, Ont.
The Quaker Oats Co. of Canada, Ltd. (Cereal Division)	Peterborough, Ont.
General Mills (Canada), Ltd.	1500 Martin Grove Road, Weston
Cream of Wheat (Canada) Ltd.	312 Chambers Street, Winnipeg, Man.
Prairie Maid Cereals, Limited	875 Tache Ave., St. Boniface, Man.
Prairie Maid Cereals, Limited	8625 Stadium Road, Edmonton, Alta.
Sunny Boy Limited	Camrose, Alta.
Melograin Milling Co. Ltd.	425 Industrial Avenue, Vancouver, B.C.
Rockhill Food Products Ltd.	231-10th St. New Westminster, B.C.
Superior Health Food Company (1932) Ltd.	1040 Hamilton Street, Vancouver, B.C.