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CANADA

DEPARTMENT OF TRADE AND COMMERCE

DOMINION BUREAU OF STATISTICS

CENSUS OF INDUSTRY

GENERAL MANUFACTURES BRANCH

REPORT

ON THE

DISTILLED LIQUOR INDUSTRY

IN

CANADA

1944



APR 1946



OTTAWA
1946

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DEPARTMENT OF TRADE AND COMMERCE
DOMINION BUREAU OF STATISTICS
GENERAL MANUFACTURES BRANCH
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THE DISTILLED LIQUOR INDUSTRY IN CANADA, 1944

In 1944 there were seventeen establishments engaged in the production of distilled liquor, six in Quebec, nine in Ontario and two in British Columbia. These seventeen establishments reported a payroll of 3,180 persons who received \$5,377,040 in salaries and wages, and a value of production of \$46,719,558.

This industry performs three distinct operations, namely, (1) distillation of liquors which are stored away for maturing and which are, therefore, not sold during the current year, (2) distillation of non-potable alcohol, which may be sold during the year that it is produced, and (3) bottling of matured liquors which have been produced in the previous years.

Whiskies and other potable spirits produced during the year 1944 and put in bond for maturing totalled 8,502,038 proof gallons with an inventory value of \$4,925,320, while whiskies and other potable spirits sold during the year either bottled or in bulk totalled 6,347,403 proof gallons valued at \$31,615,382. Other important products were: unmatured alcohol, denatured 8,896,616 proof gallons valued at \$4,767,514 and unmatured alcohol, not denatured 17,824,944 proof gallons valued at \$9,286,007. In order to avoid duplication, however, the prime cost of spirits produced in previous years and bottled or shipped in bulk during 1944, must be deducted from the value of production in order to arrive at the value of new products made by the industry in 1944. Detailed statistics of production are given in Table 2.

The exigencies of war had a profound effect on the operations of this industry during 1943. Due to the great demands for industrial alcohol, the production of potable alcohol had to be curtailed, with the result that the quantity of beverage spirits produced during the year and placed in bond for maturing declined from 9,009,874 proof gallons in 1942 to 2,699,050 proof gallons in 1943. On the other hand the output of unmatured alcohol jumped from 9,761,725 proof gallons to 20,325,529 proof gallons. In 1944, the production of unmatured alcohol rose to 26,721,560 proof gallons and that of beverage spirits also rose to 8,502,038 proof gallons.

There were also changes in the nature of the materials used for distilling. The use of wheat increased from 319,647,661 pounds in 1943 to 402,535,232 pounds in 1944, while wheat flour (alcomeal) jumped from 3,855,803 to 77,268,410 pounds. The use of molasses was practically nil, dropping from 93,895,056 pounds in 1942 to 622,951 pounds in 1943 and 4,658 pounds in 1944. No imported corn was reported in 1944, the quantity used declining from 22,970,249 to 15,833,741 pounds.

For the consumption of spirituous liquors see the publication "The Sale and Control of Liquors in Canada" published annually.

Detailed statistics of production, materials used, employment, imports and exports, etc. are given in the tables following.

THE DISTILLED LIQUOR INDUSTRY IN CANADA, 1944

Table 1. - Principal Statistics, by Provinces, 1938 to 1944.

Year and Provinces	Estab-lish-ments No.	Capital Invested \$	Em-ployees No.	Salaries and Wages \$	Cost of Materials Used \$	Value of Production \$
<u>1 9 3 8</u>						
CANADA	15	33,411,988	1,780	2,431,437	6,855,623	21,726,436
Ontario	8	20,056,991	937	1,406,385	3,476,101	14,012,460
Quebec and British Columbia	7	13,354,997	843	1,025,052	3,379,522	7,713,976
<u>1 9 3 9</u>						
CANADA	14	32,149,837	1,801	2,403,666	5,786,624	18,801,003
Ontario	7	18,671,485	953	1,363,088	3,620,838	13,232,242
Quebec and British Columbia	7	13,478,352	848	1,040,578	2,165,786	5,568,761
<u>1 9 4 0</u>						
CANADA	15	34,725,336	1,889	2,695,483	7,520,472	18,640,545
Ontario	7	19,208,052	949	1,455,088	4,889,729	12,677,149
Quebec and British Columbia	8	15,517,284	940	1,240,395	2,630,743	5,963,396
<u>1 9 4 1</u>						
CANADA	15	36,905,806	2,094	3,019,771	8,490,536	22,952,439
Ontario	7	21,279,097	1,062	1,644,484	5,163,903	15,517,309
Quebec and British Columbia	8	15,626,709	1,032	1,375,287	3,326,633	7,435,130
<u>1 9 4 2</u>						
CANADA	16	42,172,467	2,612	3,870,247	11,805,770	32,128,490
Ontario	8	23,758,237	1,286	2,090,731	7,068,954	20,618,174
Quebec and British Columbia	8	18,414,230	1,326	1,779,516	4,736,816	11,510,316
<u>1 9 4 3</u>						
CANADA	16	46,505,176	2,742	4,331,961	15,038,821	34,146,090
Ontario	8	27,510,587	1,309	2,186,631	8,620,827	19,496,598
Quebec and British Columbia	8	18,994,589	1,433	2,145,330	6,417,994	14,649,492
<u>1 9 4 4</u>						
CANADA	17	Not	3,180	5,377,040	20,533,253	46,719,558
Ontario	9	Collected	1,433	2,520,760	9,523,709	22,339,896
Quebec and British Columbia	8	This Year	1,747	2,856,280	11,009,544	24,379,662

Note: 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.

THE DISTILLED LIQUOR INDUSTRY IN CANADA, 1944

As the industry performs two distinct industrial operations, viz. (a) distillation of spirits which are placed in bond for maturing and which are, therefore, not sold during the current year, as well as the distillation of non-potable alcohol which may be sold during the year in which it is produced; and (b) bottling and blending of matured liquors which have been produced in previous year; it becomes extremely difficult to measure, free of duplication, the value of production, i.e. the new wealth created by the industry each year. Neither of the above sections of the industry when taken individually reflects the true value of production. To arrive at the value of production it has been decided to collect statistics of both the products made as well as the products sold, with an adjustment being made for the sale of products made in previous years, i.e. liquors taken from bond and which were reported in the year of production at inventory values. From the total sale figures, therefore, a deduction is made of the prime cost of all products sold, leaving a net value of sales. To this net value of sales is then added the inventory value of all goods produced, the result is what may be termed a "value of output" for the year. This "value of output" corresponds with the gross value of production in other industries.

The table immediately following represents the first annual collection and compilation on this basis.

Table 2. - Production, 1944

	Unit of Measure	Quantity	Value
<u>PRODUCTS</u>			
(A) Beverage spirits, produced during the year -			
Whiskey - Scotch type	pf. gal.	1,975,733	1,145,854
Rye type	" "	2,949,014	1,582,596
Other types	" "	646,779	361,702
Gin	" "	685,226	594,608
Brandy	" "	26,606	56,350
Rum	" "		
Other beverage spirits	" "	2,218,681	1,184,210
(B) Other products produced during the year -			
Alcohol, unmatured -			
Denatured	pf. gal.	8,896,616	4,767,514
Not denatured	" "	17,824,944	9,286,007
Fusel Oil	Imp. gal.	77,791	36,772
Distillers' grains	ton	29,000	714,180
All other products	-	-	215,630
TOTAL INVENTORY VALUE OF PRODUCTS MADE DURING THE YEAR			\$ 19,945,423
<u>SALES</u>			
(C) Beverage spirits, sold during the year, either bottled or in bulk -			
Whiskey - Scotch type	pf. gal.	308,034	2,024,616
Rye type	" "	4,090,678	22,682,846
Other types	" "	363,949	1,624,096
Gin	" "	937,934	4,325,530
Brandy	" "	75,158	431,197
Rum	" "		
Liqueurs, cordials, cocktails	" "	12,690	117,215
Other beverage spirits	" "	558,960	429,882
(D) Other products sold during the year -			
Alcohol, unmatured -			
Denatured	" "	9,021,694	5,585,295
Not denatured	" "	16,023,832	10,151,511
Fusel Oil	Imp. gal.	74,406	39,472
Distillers' grains	ton	28,058	703,661
All other products	-	-	301,898
TOTAL SELLING VALUE OF PRODUCTS SOLD DURING THE YEAR			\$ 48,397,219
(Minus) Prime cost of products reported under sections (C) and (D)			\$ 21,623,084
Net Value of Sales			\$ 26,774,135
(Plus) Total inventory value of products made in 1944, as reported under Sections (A) and (B)			\$ 19,945,423
VALUE OF OUTPUT			\$ 46,719,558

THE DISTILLED LIQUOR INDUSTRY IN CANADA, 1944

Table 2a. - Production, 1942 and 1943

Products		Unit of Measure	1 9 4 2		1 9 4 3	
			Quantity	Value	Quantity	Value
				\$		\$
A. Spirits produced during the year but placed in bond for maturing-	Whiskey: Scotch type	Prf.gal.	1,875,464	772,784x	410,727	183,186x
	Rye type ..	" "	4,081,106	1,643,818x	836,037	379,454x
	Other types	" "	99,056	37,789x	374,300	181,918x
	Gin	" "	745,538	347,246x	417,562	261,133x
	Other spirits	" "	2,208,710	952,891x	659,824	500,928x
B. Matured spirits sold during the year, either bottled or in bulk, including purchases from other firms	Whiskey: Scotch type	" "	583,877	3,503,370	423,769	2,717,681
	Rye type ..	" "	3,544,826	17,971,412	4,324,532	19,683,028
	Other types	" "	32,208	134,971	60,246	151,545
	Brandy	" "	88,604	516,170	51,654	287,205
	Gin	" "	1,175,252	4,542,001	801,519	3,494,934
	Other spirits	" "	1,548,380	1,314,117	745,851	769,844
C. Alcohol, unmaturred -						
Denatured		" "	7,476,776	3,507,549	7,985,816	4,013,340
Not denatured		" "	2,284,949	1,116,677	12,339,713	6,097,265
Fusel oil		Gallon	44,595	24,237	59,447	29,309
Distillers' grains		-	-	460,987	-	524,849
All other products		-	-	313,313	-	149,927
Total Value of Production			-	37,159,940	-	59,425,546
D. Deduction						
Prime cost of spirits of own manufacture produced in previous years included above under Section "B"		-	-	5,031,450	-	5,279,456
Net Value of Production			-	32,128,490	-	34,146,090

x These are "inventory values". All others are "selling values" at the distillery (excluding taxes, duties etc.)

THE DISTILLED LIQUOR INDUSTRY IN CANADA, 1944.

Table 3. - Materials Used

Materials	Unit of Measure	1 9 4 4		1 9 4 3	
		Quantity	Cost Value	Quantity	Cost Value
(A)			\$		\$
Materials used for distilling:					
Corn - Canadian	Pound	15,833,741	407,236	5,317,794	115,498
Imported	"	-	-	17,652,455	408,473
Rye	"	21,419,599	498,293	7,368,895	110,036
Wheat	"	402,535,232	8,726,354	319,647,661	5,949,592
Wheat flour (alcomeal)	"	77,268,410	2,443,711	3,855,803	117,143
Other grains	"	-	-	48,115	997
Malt, Canadian	"	61,724,098	1,989,269	38,187,971	1,163,696
Malt, Imported	"	-	-	-	-
Sugar	"	79,800	5,593	67,067	4,808
Molasses	"	4,658	854	622,951	7,926
Water purchased	Gallon	787,944,000	115,721	540,414,000	76,241
Yeast	Pound	34,165	6,259	9,408	2,377
Hops	"	7,741	7,323	7,413	3,696
Denaturants:-					
Wood Alcohol	Gallon	260,148	284,845	315,590	310,156
Other	-	-	92,953	-	89,169
Cooperage used for maturing	-	-	355,097	-	118,403
All other materials	-	-	236,877	-	312,000
(B)					
Materials used for bottling:-					
Bottles, Canadian	-	-	1,274,406	-	1,222,954
Imported	-	-	798,875	-	698,368
Cases, wooden	-	-	239,773	-	111,717
Cases and cartons, other than wooden	-	-	236,379	-	149,935
Cooperage used as shipping containers	-	-	37,717	-	3,403
Other packaging materials (labels, corks, etc.)	-	-	1,200,562	-	1,238,157
(C)					
Matured liquors purchased for bottling, blending, etc. :-					
Whiskey:					
Scotch type, Canadian	Prf.Gal.	37,741	148,241	41,582	143,317
" " Imported	" "	66,417	365,761	87,666	540,674
Rye type, Canadian	" "	542,779	477,590	1,461,097	1,518,852
" " Imported	" "	9,842	31,678	-	-
Other types, Canadian	" "	76,495	86,795	9,721	18,212
" " Imported	" "	8,419	34,383	-	-
Other spirits: Canadian ...	" "	253,162	282,349	157,374	216,388
Imported ...	" "	36,892	135,941	35,999	131,328
(D)					
Other alcohol, unmatured ...	" "	29,743	12,418	720,631	255,305
TOTAL COST OF MATERIALS					
			20,533,253		15,038,821

THE DISTILLED LIQUOR INDUSTRY IN CANADA, 1944

Table 4. - Principal Statistics of the Distilled Liquor Industry,
Grouped According to the Size of Establishments.

Establishments having a production of:	Number of Establish- ments	Capital Invested	Total Number of Employees	Salaries and Wages	Cost of Materials Used	Value of Production
		\$		\$	\$	\$
<u>1 9 4 4</u>						
Under \$5,000	-	-	-	-	-	-
\$5,000 - \$25,000	-	-	-	-	-	-
\$25,000 - \$50,000	-	-	-	-	-	-
\$50,000 - \$100,000	-	-	-	-	-	-
\$100,000 - \$500,000 ...	3	Not	77	103,582	401,859	761,987
\$500,000 - \$1,000,000 .	3	Collected	122	260,494	542,383	2,017,518
\$1,000,000 and over ...	11	this year	2,981	5,012,964	19,589,011	43,940,053
 TOTAL	 17	 -	 3,180	 5,377,040	 20,533,253	 46,719,558
<u>1 9 4 3</u>						
Under \$5,000	-	-	-	-	-	-
\$5,000 - \$25,000	-	-	-	-	-	-
\$25,000 - \$50,000	-	-	-	-	-	-
\$50,000 - \$100,000	-	-	-	-	-	-
\$100,000 - \$500,000 ...	5)	5,946,143	283	476,520	1,191,726	2,553,481
\$500,000 - \$1,000,000 .	2)					
\$1,000,000 and over ...	9	40,559,033	2,459	3,855,441	13,847,095	31,592,609
 TOTAL	 16	 46,505,176	 2,742	 4,331,961	 15,038,821	 34,146,090

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THE DISTILLED LIQUOR INDUSTRY IN CANADA, 1944.

Table 5. - Capital Employed.

Year	Fixed Capital	Working Capital			Total Capital
	Present value of land, buildings, fixtures, machinery, tools, etc.	Inventory value of raw materials, stocks in process, fuel and miscellaneous supplies on hand	Inventory value of finished products on hand	Cash, bills and accounts receivable, prepaid expenses etc.	
	\$	\$	\$	\$	\$
1931	17,144,322	33,371,651		5,347,037	55,863,010
1932	15,648,875	32,184,970		4,108,939	51,942,784
1933	14,690,714	31,780,601		6,844,969	53,316,284
1934	13,333,790	28,377,854		6,268,986	47,980,630
1935	11,693,530	25,828,296		4,523,225	42,045,051
1936	10,904,879	21,641,681		5,441,044	37,987,604
1937	10,231,736	19,698,410		4,632,930	34,563,076
1938	10,046,108	17,515,953		5,849,927	33,411,988
1939	9,335,654	17,876,162		4,938,021	32,149,837
1940	9,386,979	20,176,363		5,161,994	34,725,336
<u>1 9 4 1</u>					
CANADA	9,446,190	4,310,763	16,172,657	6,976,196	36,905,806
Ontario	5,284,595	3,515,184	8,203,674	4,275,644	21,279,097
Quebec and British Columbia.	4,161,595	795,579	7,968,983	2,700,552	15,626,709
<u>1 9 4 2</u>					
CANADA	9,703,613	6,494,211	17,009,169	8,965,474	42,172,467
Ontario	5,142,318	4,973,360	8,655,803	4,986,756	23,758,237
Quebec and British Columbia.	4,561,295	1,520,851	8,353,366	3,978,718	18,414,230
<u>1 9 4 3</u>					
CANADA	10,860,747	7,499,629	15,652,930	12,691,870	46,505,176
Ontario	5,062,270	5,875,703	7,156,834	9,415,780	27,510,587
Quebec and British Columbia.	5,598,477	1,623,926	8,496,096	3,276,090	18,994,589
<u>1 9 4 4</u>					
This information not collected for 1944.					

THE DISTILLED LIQUOR INDUSTRY IN CANADA, 1944

Table 6. - Employees, Salaries and Wages

Provinces	Employees on Salaries			Employees on Wages			Total Employees on Salaries and Wages		
	Male	Female	Total	Male	Female	Total	Male	Female	Salaries and Wages
	No.	No.	\$	No.	No.	\$	No.	No.	\$
<u>1 9 4 4</u>									
CANADA	412	207	1,777,390	1,567	994	3,599,650	1,979	1,201	5,377,040
Ontario	165	107	761,416	738	423	1,759,344	903	530	2,520,760
Quebec and British Columbia	247	100	1,015,974	829	571	1,840,306	1,076	671	2,856,280
<u>1 9 4 3</u>									
CANADA	448	208	1,637,890	1,277	809	2,694,071	1,725	1,017	4,331,961
Ontario	210	108	780,663	666	325	1,405,968	876	433	2,186,631
Quebec and British Columbia	238	100	857,227	611	484	1,288,103	849	584	2,145,330

Table 7. - Wage-earners by Months and Sex.

Months	1 9 4 4		1 9 4 3	
	Male	Female	Male	Female
	No.	No.	No.	No.
January	1,366	965	1,231	765
February	1,455	916	1,205	771
March	1,426	881	1,180	671
April	1,447	886	1,158	615
May	1,466	851	1,169	630
June	1,529	965	1,214	616
July	1,542	961	1,230	625
August	1,613	989	1,298	902
September	1,616	1,024	1,348	962
October	1,768	1,191	1,392	997
November	1,787	1,172	1,453	1,085
December	1,792	1,113	1,411	1,040
AVERAGE NUMBER EMPLOYED PER MONTH .	1,567	994	1,277	809

THE DISTILLED LIQUOR INDUSTRY IN CANADA, 1944.

Table 8. - Number of Wage-earners in Month of Highest Employment,
with their Hours of Work per Week and Average
Weekly Earnings

Number of Hours Worked per Week	1 9 4 4		1 9 4 3	
	Male	Female	Male	Female
	No.	No.	No.	No.
30 hours or less	126	94	122	79
31 - 43 hours	229	567	119	100
44 hours	253	243	212	54
45 - 47 hours	159	83	77	146
48 hours	592	182	279	57
49 - 50 hours	81	17	69	129
51 - 54 hours	121	8	140	203
55 hours	35	16	88	12
56 - 64 hours	202	-	305	242
65 hours and over	41	-	115	106
AVERAGE HOURS PER WEEK	46.6	40.3	49.6	50.7
AVERAGE WEEKLY EARNINGS	\$32.20	\$19.69	\$32.75	\$21.25

Table 9. - Power Equipment

Classes of Power	1 9 4 4		1 9 4 3	
	Number of Units	Horse-power Capacity	Number of Units	Horse-Power Capacity
Steam engines and turbines -				
In use	42	4,353	38	4,423
Idle	7	402	5	355
Diesel engines -				
In use	-	-	-	-
Idle	1	246	1	246
Electric motors operated by purchased power -				
In use	1,022	5,866	824	5,129
Idle	84	807	68	706
TOTAL POWER AVAILABLE FOR MANUFACTURING	1,156	11,674	936	10,859
Electric motors operated by power generated in the establishment -				
In use	155	2,192	153	2,162
Stationary boilers (In use ...	41	10,265	46	12,283
(Idle	6	1,293	3	128

Kinds of Fuel	Unit of Measure	1 9 4 4		1 9 4 3	
		Quantity	Cost Value	Quantity	Cost Value
Bituminous coal (Canadian)	Ton	11,361	82,438	11,297	88,834
Bituminous coal (Imported)	"	118,366	957,618	77,263	608,344
Anthracite coal	"	3,359	29,156	1,024	8,472
Gasoline x	Gallon	30,638	9,758	28,069	9,276
Fuel oil	"	2,431,716	152,516	2,870,629	184,094
Gas, manufactured	-	531	572	500	503
Other fuel	-	-	41,991	-	38,681
TOTAL COST OF FUEL USED .	-	-	1,274,049	-	938,204
Electricity purchased (including service charges)	Kw.H.	12,879,674	118,373	8,088,825	92,910
TOTAL COST OF FUEL AND ELECTRICITY	-	-	1,392,422	-	1,031,114

Table 11. - Imports and Exports of Distilled Liquors, 1943 and 1944

Kinds	1 9 4 4		1 9 4 3	
	Quantity pf. gallons	Value \$	Quantity pf. gallons	Value \$
<u>IMPORTS</u>				
Brandy	149,871	409,870	117,985	327,409
Gin of all kinds	10,806	58,433	20,725	101,726
Rum	295,938	818,560	207,165	498,347
Whiskey	481,420	3,480,697	426,383	2,976,559
Cordials and liqueurs	1,642	19,536	1,924	20,544
<u>EXPORTS</u>				
Gin	92,180	446,062	84,695	354,613
Whiskey	2,569,112	14,874,488	2,073,211	11,770,081
Potable spirits, n.o.p. ..	22,113	77,456	2,197	9,188

THE DISTILLED LIQUOR INDUSTRY IN CANADA, 1944

List of Distilleries Reporting in 1944.

QUEBEC

Commercial Alcohols Limited	3176 Notre Dame Street East, Montreal
Distillers Corporation Limited	Ville La Salle
Meagher Brothers & Company Limited	1161 Britannia Street, Montreal
Melchers Distilleries Limited	Berthierville
Montreal Products Company Limited	1410 Montmorency Street, Montreal
Quebec Distillers Incorporated	36 Salaberry Street, Valleyfield

ONTARIO

Calvert Distillers (Canada) Limited	Amherstburg
Canadian Industries Alcohol Co. Limited	Corbyville
W. & A. Gilbey, Limited	120 - 18th Street, New Toronto
Gooderham & Worts Limited	2 Trinity Street, Toronto
L. J. McGuinness & Co. Limited	Mimico
The Ontario Paper Co. Ltd.	Thorold
Joseph E. Seagram & Sons, Limited	Waterloo
United Distillers, Limited	Grimsby
Hiram Walker & Sons, Limited	Waterville

BRITISH COLUMBIA

The British Columbia Distillery Co. Limited	105 Braid Street, New Westminster
United Distillers Limited	8900 Shaughnessy Street, Vancouver

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