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DOMINION BUREAU OF STATISTICS—DEPARTMENT OF TRADE AND COMMERCE
CANADA

THE DISTILLING INDUSTRY
1951

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NOTICE

The annual reports prepared by the Industry and Merchandising Division of the Bureau of Statistics are divided into 4 volumes, as follows: **Volume I**—The Primary Industries, including mining, forestry and fisheries, **Volume II**—Manufacturing; **Volume III**—Construction; **Volume IV**—Merchandising and Services. The volumes are made up of parts, and the parts in turn are subdivided according to the industries 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, by Provinces
 - Section 1. Principal Statistics of Major Industrial Groups and Leading Industries, 50¢.
 - Section 2. Principal Statistics of Individual Industries, 75¢.
 - Section 3. Principal Statistics by Regional Distribution, 75¢.

- III—Foods and Beverages
- IV—Tobacco and Tobacco Products
- V—Rubber Products
- VI—Leather Products
- VII—Textiles
- VIII—Wood and Paper Products
- IX—Printing Trades
- X—Iron and Steel Products
- XI—Transportation Equipment
- XII—Non-ferrous Metal Products
- XIII—Electrical Apparatus and Supplies
- XIV—Non-metallic Mineral Products
- XV—Products of Petroleum and Coal
- XVI—Chemicals and Allied Products
- XVII—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, and Sausage and Sausage Casings 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 and Feed Milling Industries, 25¢.
- G—The Prepared Breakfast Foods Industry, 25¢.
- H—The Prepared Stock and Poultry 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 DISTILLING INDUSTRY

1951

The Distilling 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 years. It is extremely difficult to measure, free of duplication, the value of production, i.e. the new wealth created by the industry each year, as 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 sales 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.

In 1951 there were twenty establishments engaged in the production of distilled liquor, eight in Quebec, nine in Ontario, one in Alberta and two in British Columbia. These twenty establishments reported a payroll of 4,643 persons who received \$12,938,163 in salaries and wages, and had a value of production of \$113,695,516.

Whiskies and other potable spirits produced during the year 1951, and placed in bond for maturing, totalled 17,613,470 proof gallons with an inventory value of \$15,518,419 and industrial alcohol produced was 7,242,410 proof gallons valued at \$2,853,435.

Net sales of potable spirits, i.e. sales outside the industry (to Liquor Boards, export sales, etc.) amounted to 10,801,225 proof gallons valued at \$84,453,985. Sales of industrial alcohol amounted to 9,426,097 proof gallons of which 4,331,500 proof gallons were sold "not denatured" with a selling value of \$2,955,204 and 5,094,597 proof gallons were "denatured" and sold for \$4,101,049. The sales of "denatured" alcohol totalled 3,208,546 standard gallons, of which 932,266 gallons were sold for anti-freeze, 1,638,801 gallons for solvents and cleaning fluids and the balance 637,479 gallons for rubbing alcohol, perfume manufacturing, etc.

Corn to the extent of 103,788 tons and valued at \$7,842,043 was the most important grain used. Molasses used totalled 14,442 tons valued at \$577,584, while malt used totalled 16,869 tons with a value of \$2,152,744. It should be noted that sulphite liquor derived from the Pulp and Paper Industry is an important new material in the production of industrial alcohol.

TABLE 1. Principal Statistics, 1931-1951

Year and Provinces	Establishments	Capital invested ¹	Em- ployees	Salaries and wages	Cost of materials used	Value of production
	No.	\$	No.	\$	\$	\$
1931	23	55,863,010	1,822	2,223,477	5,463,753	13,055,971
1933	17	53,316,284	1,394	1,615,833	3,655,641	10,463,099
1939	14	32,149,837	1,801	2,403,666	5,786,624	18,801,003
1940	15	34,725,336	1,889	2,695,483	7,520,472	18,640,545
1941	15	36,905,806	2,094	3,019,771	8,490,536	22,952,439
1942	16	42,172,467	2,612	3,870,247	11,805,770	32,128,490
1943	16	46,505,176	2,742	4,331,961	15,038,821	34,146,090
1944	17	—	3,180	5,377,040	20,533,253	46,719,558
1945	18	—	3,839	6,547,838	23,957,216	60,203,727
1946	18	—	4,075	7,122,533	21,437,733	67,119,358
1947	18	—	4,088	7,874,156	28,557,924	68,378,349
1948	18	—	4,213	9,416,330	34,418,708	81,445,047
1949	20	—	4,033	9,890,966	28,004,756	76,876,695
1950						
Canada	20	—	4,121	10,555,240	30,115,026	88,413,413
Ontario	9	—	1,674	4,285,819	15,605,728	46,377,878
Quebec	8	—	1,765	4,597,292	10,598,371	31,989,698
British Columbia and Alberta.	3	—	682	1,672,129	3,910,927	10,045,837
1951						
Canada	20	—	4,643	12,938,163	43,393,190	113,695,516
Ontario	9	—	1,733	4,835,154	19,554,358	53,825,784
Quebec	8	—	2,033	5,932,718	17,677,705	45,241,268
British Columbia and Alberta.	3	—	877	2,170,291	6,161,127	14,628,464

TABLE 1a. Principal Statistics Grouped According to the Size of Establishments

Establishments having a production of	Establishments	Capital invested ¹	Em- ployees	Salaries and wages	Cost of materials used	Value of production
	No.	\$	No.	\$	\$	\$
1950						
\$ 100,000 - \$ 500,000	4	—	97	298,438	417,080	991,468
\$ 500,000 - \$1,000,000	4	—	203	571,397	1,391,348	3,198,626
\$1,000,000 and over	12	—	3,821	9,685,405	28,306,598	84,223,319
Total	20	—	4,121	10,555,240	30,115,026	88,413,413
1951						
\$ 100,000 - \$ 500,000	1	}	200	630,731	1,893,401	4,109,294
\$ 500,000 - \$1,000,000	5					
\$1,000,000 and over	14					
Total	20	—	4,643	12,938,163	43,393,190	113,695,516

1. This information not collected since 1943.

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.

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 years; 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 sales 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 compilation on this basis.

TABLE 2. Production and Sales

	1950		1951	
	Quantity	Value	Quantity	Value
PRODUCTION				
(A) New spirits, produced during the year:				
Whiskey	pf. gal.			
Neutral spirits-grain	" "			
Neutral spirits-molasses	" "			
Other beverage spirits	" "			
Industrial alcohol - produced as such	" "			
Total new spirits produced during the year, with inventory value	" "	21,621,514	13,411,788	24,865,880
SALES				
(B) Beverage spirits, sold during the year either bottled or in bulk (see also Table 3):				
Whiskey:				
Scotch type	pf. gal.			
Rye type	" "			
Other types	" "			
Gin	" "			
Brandy	" "			
Rum	" "			
Liqueurs, cordials, cocktails, etc.	" "			
Other beverage spirits	" "			
Total beverage spirits sold during the year	" "	18,209,143	80,901,986	18,270,522
(C) Industrial alcohol sold during the year ¹ (See also Table 4):				
Denatured ¹ (by end products):				
(a) Anti-freeze	st. gal.			
(b) Solvents and cleaning fluids	" "			
(c) Rubbing alcohol	" "			
(d) Perfume manufacturing	" "			
(e) All other (including that for hospitals, research, etc.)	" "			
Total denatured	" "	3,835,517	3,169,099	3,208,546
Not denatured (i.e. potable spirits other than beverage spirits) ¹	pf. gal.			
(D) Other products and by-products sold during the year:				
Fusel oil	Imp. gal.			
Distillers' grains, dried	ton			
All other products	-			
Total selling value of all products sold during the year	-	88,005,411	-	108,157,288
(Minus) Prime cost of products of own manufacture reported under sections (B) and (C)	-	13,003,786	-	12,833,626
Net value of sales	-	75,001,625	-	95,323,662
(Plus) Total inventory value of products reported under section (A)	-	13,411,788	-	18,371,854
Value of output	-	88,413,413	-	113,695,516

1. These figures contain the resale of 1,975,633 proof gallons of industrial alcohol in 1950 and 2,835,681 proof gallons in 1951.

Table 2, immediately preceding, shows gross sales (or shipments) of beverage spirits, by Distillers, during the year. In the table following, these sales are broken down to show separately (a) sales outside the distilling industry, including sales to Liquor Boards, export sales, etc. and (b) sales

within the distilling industry, including intercompany transfers and sales to subsidiaries and other distillers. The break-down is of interest since sales outside the industry represent a real disposal of products. It should be noted that values are selling values at the distillery, excluding sales and excise taxes, etc.

TABLE 3. Beverage Spirits Sold or Transferred During the Year

	Sales outside the Distilling Industry		Sales within the Distilling Industry	
	Quantity	Selling value	Quantity	Selling value
	pf. gal.	\$	pf. gal.	\$
1950				
Whiskey:				
(a) Scotch type	317,412	2,547,892	180,943	363,474
(b) Rye type	7,521,143	58,804,614	8,141,974	10,565,429
(c) Other types	32,888	292,176	3,775	43,840
Brandy	23,907	265,281	39,553	259,771
Gin	858,518	4,575,220	203,343	371,310
Rum	228,012	1,695,774	1,549	1,549
Liqueurs, etc.	61,063	704,562	429	2,331
Other beverage spirits	88,960	82,797	505,674	325,966
Total	9,131,903	68,968,316	9,077,240	11,933,670
1951				
Whiskey:				
(a) Scotch type	301,894	2,429,698	85,463	241,229
(b) Rye type	9,058,044	73,357,551	6,520,310	11,835,237
(c) Other types	25,504	220,509	634	2,004
Brandy	29,953	260,912	31,600	201,451
Gin	907,346	5,009,318	223,503	457,125
Rum	265,895	1,974,226	36,247	99,498
Liqueurs, etc.	97,858	1,077,696	585	3,465
Other beverage spirits	114,731	124,075	570,955	518,077
Total	10,801,225	84,453,985	7,469,297	13,358,086

Table 4 shows, by raw material type, the number of Proof Gallons of industrial alcohol required to produce the products shown in section (C) of Table 2.

TABLE 4. Industrial Alcohol, by Raw Material Type

	1950		1951	
	Denatured	Not denatured	Denatured	Not denatured
	Proof gallons			
From grains (including hydrol)	295,995	230,683	407,125	203,109
From molasses	1,382,914	1,218,246	321,578	570,854
From sulphite liquor	3,823,070	2,100,029	4,365,894	3,557,537
Total	5,501,979	3,548,958	5,094,597	4,331,500

TABLE 5. Materials Used

	1950		1951		
	Quantity	Cost value \$	Quantity	Cost value \$	
Materials used for distilling:					
Corn:					
Canadian	Pounds	59,479,336	1,845,400	87,249,809	3,302,945
Imported	"	125,431,579	4,085,489	120,326,611	4,539,098
Rye	"	34,301,508	943,940	29,684,329	1,053,272
Barley	"	—	—	—	—
Wheat	"	1,432,750	37,461	25,434,992	796,976
Other grains	"	—	—	—	—
Malt, Canadian	"	27,682,325	1,661,899	33,737,187	2,152,744
Malt, Imported	"	—	—	—	—
Sugar	"	353,667	30,712	395,786	39,548
Molasses	"	43,854,839	521,113	28,884,715	577,584
Water purchased	Gallons	684,040,000	64,336	504,379,000	76,669
Denaturants:					
Wood alcohol	Gallons	238,159	188,977	224,579	189,420
Other	—	—	77,625	—	106,511
Cooperage used for maturing	—	—	842,438	—	1,671,361
Sulphite liquor, used in manufacturing alcohol	—	—	330,000	—	481,195
All other materials (hydrol, glycol, fresh fruits, fruit extracts, flavourings, hops, yeast, etc.)	—	—	1,251,933	—	1,346,813
Materials used for bottling:					
Bottles, Canadian	—	—	3,108,761	—	4,007,544
Imported	—	—	1,155,021	—	1,722,751
Cases, wooden	—	—	340,203	—	612,643
Cases and cartons, other than wooden	—	—	904,827	—	1,326,289
Cooperage used for shipping	—	—	35,527	—	15,747
Other packaging materials (cans, drums, labels, corks, etc.)	—	—	2,491,397	—	3,776,711
Matured liquors purchased for bottling, blending, etc.:					
Whiskey — Scotch type:					
Canadian	Pf. Gal.	113,455	329,900	88,671	251,471
Imported	" "	98,331	514,517	67,311	365,214
Whiskey — Rye type:					
Canadian	" "	4,024,458	5,674,723	7,032,414	8,821,736
Imported	" "	42,866	59,126	170,099	444,024
Whiskey — Other types:					
Canadian	" "	94,885	118,448	42,980	54,084
Imported	" "	309,013	1,697,502	423,982	2,555,776
Brandy:					
Canadian	" "	48,134	129,678	48,620	144,741
Imported	" "	38,891	137,905	35,637	118,947
Gin:					
Canadian	" "	148,233	258,583	161,477	294,527
Imported	" "	—	—	—	—
Rum:					
Canadian	" "	10,009	12,677	17,306	40,153
Imported	" "	117,674	250,138	147,831	378,383
Liqueurs, cordials, wines, etc.:					
Canadian	" "	11,038	81,411	12,857	94,681
Imported	" "	5,860	33,113	6,176	46,847
Other Beverage Spirits:					
Canadian	" "	440,044	345,880	1,085,457	810,688
Imported	" "	31,243	32,493	23,950	27,873
Industrial Alcohol purchased:					
Canadian	Pf. Gal.	1,975,633	521,873	2,835,681	1,148,224
Imported	" "	—	—	—	—
Total Cost of Materials		—	30,115,026	—	43,393,190

TABLE 6. Imports and Exports of Distilled Liquors

	1950		1951	
	Quantity	Value	Quantity	Value
	pf. gal.	\$	pf. gal.	\$
Imports				
Brandy	235,923	1,214,709	276,657	1,419,696
Gin of all kinds	78,137	368,796	94,275	442,482
Rum	773,125	3,050,301	1,035,954	3,166,991
Whiskey	1,111,459	9,193,533	1,629,809	9,853,418
Cordials and liqueurs	58,548	697,205	62,008	706,874
Ethyl and Methyl Alcohol	628,810	141,854	692,370	211,731
Exports				
Gin	33,188	141,634	45,451	185,601
Whiskey	4,728,489	41,681,540	6,151,965	54,039,237
Potable spirits, n.o.p.	603	5,831	1,211	11,750
Industrial alcohol: Non-potable spirits, n.o.p.	199,052	116,120	18,700	27,221

TABLE 7. Employees, Salaries and Wages

	Employees on salaries			Employees on wages			Total employees on salaries and wages		
	Male	Female	Total salaries	Male	Female	Total wages	Male	Female	Salaries and wages
	No.	No.	\$	No.	No.	\$	No.	No.	\$
1950									
Canada	652	279	3,427,548	2,043	1,147	7,127,692	2,695	1,426	10,555,240
Ontario	252	126	1,254,013	910	386	3,031,806	1,162	512	4,285,819
Quebec	313	124	1,750,974	823	505	2,846,318	1,136	629	4,597,292
Alberta and British Columbia	87	29	422,561	310	256	1,249,568	397	285	1,672,129
1951									
Canada	703	287	3,971,213	2,278	1,375	8,966,950	2,981	1,662	12,938,163
Ontario	247	120	1,283,702	939	427	3,551,452	1,186	547	4,835,154
Quebec	366	136	2,188,220	963	568	3,744,498	1,329	704	5,932,718
Alberta and British Columbia	90	31	499,291	376	380	1,671,000	466	411	2,170,291

TABLE 8. Wage-earners by Months and Sex

Months	1950			1951		
	Male	Female	Total	Male	Female	Total
	Number					
January	1,944	890	2,834	2,156	1,061	3,217
February	1,848	671	2,519	2,207	1,434	3,641
March	1,919	692	2,611	2,300	1,690	3,990
April	1,981	960	2,941	2,188	1,044	3,232
May	1,949	991	2,940	2,157	1,069	3,226
June	1,977	1,155	3,132	2,166	1,154	3,320
July	1,960	1,235	3,195	2,270	1,308	3,578
August	2,117	1,221	3,338	2,231	1,311	3,542
September	2,113	1,346	3,459	2,286	1,587	3,873
October	2,193	1,466	3,659	2,489	1,994	4,483
November	2,295	1,794	4,089	2,510	1,798	4,308
December	2,242	1,326	3,568	2,386	1,056	3,442
Average Number Employed per Month	2,043	1,147	3,190	2,278	1,375	3,653

TABLE 9. Consumption of Fuel and Electricity

Kinds of Fuel	1950		1951	
	Quantity	Cost value	Quantity	Cost value
		\$		\$
All fuel (coal, coke, gasoline, fuel oil, gas, wood, etc.).... —	—	1,698,712	—	2,030,420
Electricity purchased (including service charges) k.w.h.	20,729,471	160,098	22,597,152	174,571
Total cost of fuel and electricity	—	1,858,810	—	2,204,991

List of Distilleries Reporting in 1951

Name of Firm	Address
Quebec:	
Canadian Schenley Limited ¹	1 Salaberry Street, Valleyfield
Commercial Alcohols Limited ²	Gatineau
Commercial Alcohols Limited ⁵	3176 Notre Dame Street East, Montreal
Distillers Corporation Limited ³	Ville LaSalle
Meagher Brothers & Company Limited ¹	1151 Britannia Street, Montreal
Melchers Distilleries Limited ³	Berthierville
Montreal Products Company Limited ³	1410 Montmorency Street, Montreal
Montmorency Distillery, Ltd. ¹	30, 1st Avenue, Beaupré
Ontario:	
Calvert Distillers (Canada) Limited ⁵	Amherstburg
H. Corby Distillery Limited ³	Corbyville
W. & A. Gilbey, Limited ¹	120-18th Street, New Toronto
Gooderham & Worts Limited ³	2 Trinity Street, Toronto
L. J. McGuinness & Co. Limited ¹	Mimico
The Ontario Paper Co. Limited ²	Thorold
Joseph E. Seagram & Sons, Limited ¹	Waterloo
United Distillers, Limited ⁴	Grimsby
Hiram Walker & Sons, Limited ¹	Walkerville
Alberta:	
Alberta Distillers Limited ³	14th St. and 34th Ave. S.E., Calgary
British Columbia:	
The British Columbia Distillery Co. Ltd. ³	105 Braid Street, New Westminster
United Distillers Limited ¹	8900 Shaughnessy Street, Vancouver

1. These firms manufactured "beverage" alcohol only in 1951.
2. These firms manufactured "industrial" alcohol only in 1951.
3. These firms manufactured both "beverage" and "industrial" alcohol in 1951.
4. This firm bottled "beverage" alcohol in 1951.
5. These firms did not produce "new spirits" in 1951.

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