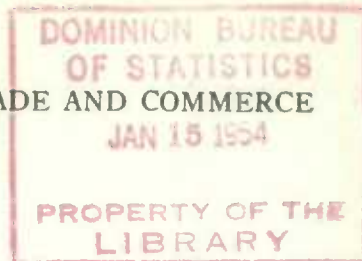


32-206 07

DOMINION BUREAU OF STATISTICS—DEPARTMENT OF TRADE AND COMMERCE
CANADA



THE DISTILLING INDUSTRY

1952

Published by

Authority of the Rt. Hon. C. D. Howe
Minister of Trade and Commerce

Prepared in the General Manufactures Section
Industry and Merchandising Division
Dominion Bureau of Statistics
Ottawa

205-58

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 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

1952

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 1952 there were twenty-one establishments operating in the distilling industry, one in Nova Scotia, eight in Quebec, nine in Ontario, one in Alberta and two in British Columbia. These establishments reported a payroll of 4,784 persons who received \$14,129,557 in salaries and wages, and had a value of production of \$115,984,960.

Whiskies and other potable spirits produced during the year 1952, and placed in bond for maturing, totalled 16,694,807 proof gallons with an inventory value of \$15,067,762 and industrial alcohol produced was 6,508,672 proof gallons valued at \$2,630,717.

Net sales of potable spirits, i.e. sales outside the industry (to Liquor Boards, export sales, etc.) amounted to 11,171,830 proof gallons valued at \$86,141,890. Sales of industrial alcohol amounted to 7,893,129 proof gallons of which 3,289,691 proof gallons were sold "not denatured" with a selling value of \$1,841,904 and 4,603,438 proof gallons were "denatured" and sold for \$3,506,923. The sales of "denatured" alcohol totalled 3,021,587 standard gallons, of which 768,906 gallons were sold for anti-freeze, 1,536,453 gallons for solvents and cleaning fluids and the balance 716,228 gallons for rubbing alcohol, perfume manufacturing, etc.

Corn to the extent of 102,923 tons and valued at \$8,027,325 was the most important grain used. Malt used totalled 16,186 tons valued at \$1,963,439 while molasses used totalled 7,430 tons with a value of \$348,851. It should be noted that sulphite liquor derived from the Pulp and Paper Industry is also a material in the production of industrial alcohol.

TABLE 1. Principal Statistics, 1931-1952

Year and Provinces	Establishments	Capital invested ¹	Em- ployees	Salaries and wages	Cost of materials used	Value of production ²
	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	20	-	4,121	10,555,240	30,115,026	88,413,413
1951						
Canada	20	-	4,645	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
Other provinces	3	-	877	2,170,291	6,161,127	14,628,464
1952						
Canada	21	-	4,784	14,129,557	43,188,519	115,984,960
Ontario	9	-	1,852	5,527,562	20,645,408	58,060,219
Quebec	8	-	2,140	6,504,777	16,231,634	44,887,778
Other provinces	4	-	792	2,097,218	6,311,477	13,036,963

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 ²
	No.	\$	No.	\$	\$	\$
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
1952						
\$ 100,000-\$ 500,000	2	-	264	776,206	2,147,648	4,318,337
\$ 500,000-\$1,000,000	5	-				
\$1,000,000 and over	14	-				
Total	21	-	4,784	14,129,557	43,188,519	115,984,960

1. This information not collected since 1943.

2. This "Value of production" includes the value of sales and intercompany transfers made within the distilling industry. (see Table 2, section (B) for these values in 1951 and 1952).

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

	1951		1952		
	Quantity	Value \$	Quantity	Value \$	
Production					
(A) New spirits, produced during the year:					
Whisky	pf. gal.	8,734,892	7,394,174	9,451,958	8,280,445
Neutral spirits-grain	" "	8,169,262	7,083,578	6,427,519	5,644,542
Neutral spirits-molasses	" "	99,491	84,316	217,260	151,721
Other beverage spirits	" "	609,825	956,351	598,070	991,054
Industrial alcohol—produced as such	" "	7,252,410	2,853,435	6,508,672	2,630,717
Total new spirits produced during the year, with inventory value	" "	24,865,880	18,371,854	23,203,479	17,698,479
Sales					
(B) Sales of beverage spirits during the year (see also Table 3):					
(1) Sales outside the industry:					
Whiskies:					
Highland	pf. gal.	301,894	2,429,698	235,769	2,025,009
Canadian Rye	" "	9,058,044	73,357,551	9,301,584	74,104,248
Other	" "	25,504	220,509	53,921	515,471
Brandies	" "	29,953	260,912	34,062	316,668
Gins	" "	907,346	5,009,318	970,552	5,340,378
Rums	" "	265,895	1,974,226	310,430	2,423,560
Liqueurs, cordials, cocktails, etc.	" "	97,858	1,077,696	114,856	1,220,575
Other beverage spirits	" "	114,731	124,075	150,656	195,981
Total sales outside the industry	" "	10,801,225	84,453,985	11,171,830	86,141,890
(2) Value of sales and transfers within the industry..		—	13,358,086	—	17,678,803
Total value of beverage spirits sold		—	97,812,071	—	103,820,693
(C) Industrial alcohol sold during the year ¹ (See also Table 4):					
Denatured ¹ (by end products):					
(a) Anti-freeze	st. gal.	932,266	1,298,890	768,906	1,060,770
(b) Solvents and cleaning fluids	" "	1,638,801	1,968,156	1,536,453	1,632,849
(c) Rubbing alcohol	" "	119,456	155,025	128,011	145,589
(d) Perfume manufacturing	" "	203,158	256,659	208,065	262,607
(e) All other (including that for hospitals, research, etc.)	" "	314,865	422,319	380,152	405,128
Total denatured	" "	3,208,546	4,101,049	3,021,587	3,506,923
Not denatured (i.e. potable spirits other than beverage spirits) ¹	pf. gal.	4,331,500	2,955,204	3,289,691	1,841,904

TABLE 2. Production and Sales — Concluded

	1951		1952	
	Quantity	Value	Quantity	Value
		\$		\$
(D) Other products and by-products sold during the year:				
Fusel oil	imp. gal. 43,638	28,220	21,786	15,164
Distillers' grains, dried	tons 25,629	1,310,024	24,068	1,609,467
All other products	—	1,950,720	—	2,742,916
Total selling value of all products sold during the year		108,157,288		113,537,067
(Minus) Prime cost of products of own manufacture reported under sections (B) and (C)		12,833,626		15,250,586
Net value of sales		95,323,662		98,286,481
(Plus) Total inventory value of products reported under section (A)		18,371,854		17,698,479
Value of output²		113,695,516		115,984,960

1. These figures contain the resale of 2,835,681 proof gallons of industrial alcohol in 1951 and 1,911,003 proof gallons in 1952.

2. This "Value of output" includes the value of sales and intercompany transfers made within the distilling industry. (See section (B) above).

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.	\$
1951				
Whiskies:				
(a) Highland	301,894	2,429,698	85,463	241,229
(b) Canadian Rye	9,058,044	73,357,551	6,520,310	11,835,237
(c) Other	25,504	220,509	634	2,004
Brandies	29,953	260,912	31,600	201,451
Gins	907,346	5,009,318	223,503	457,125
Rums	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
1952				
Whiskies:				
(a) Highland	235,769	2,025,009	56,887	155,380
(b) Canadian Rye	9,301,584	74,104,248	7,915,815	16,032,623
(c) Other	53,921	515,471	1,837	8,754
Brandies	34,062	316,668	26,522	159,081
Gins	970,552	5,340,378	225,786	491,204
Rums	310,430	2,423,560	59,964	151,535
Liqueurs, etc.	114,856	1,220,575	615	2,970
Other beverage spirits	150,656	195,981	806,406	677,256
Total	11,171,830	86,141,890	9,093,832	17,678,803

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

	1951		1952	
	Denatured	Not denatured	Denatured	Not denatured
	Proof gallons			
From grains (including hydrol)	407,125	203,109	482,044	222,509
From molasses	321,578	570,854	542,020	507,714
From sulphite liquor	4,365,894	3,557,537	3,579,374	2,559,468
Total	5,094,597	4,331,500	4,603,438	3,289,691

TABLE 5. Materials Used

	1951		1952		
	Quantity	Cost value	Quantity	Cost value	
		\$		\$	
Materials used for distilling:					
Corn:					
Canadian	pounds	87,249,809	3,302,945	106,761,602	4,127,378
Imported	"	120,326,611	4,539,098	99,085,176	3,899,947
Rye	"	29,684,329	1,053,272	27,388,058	1,031,469
Barley	"	—	—	—	—
Wheat	"	25,434,992	796,976	21,388,917	691,444
Other grains	"	—	—	—	—
Malt, Canadian	"	33,737,187	2,152,744	32,372,562	1,963,439
Malt, Imported	"	—	—	—	—
Sugar	"	395,786	39,548	468,397	42,038
Molasses	"	28,884,715	577,584	14,859,915	348,851
Water purchased	gallons	504,379,000	76,669	453,286,000	71,041
Denaturants:					
Wood alcohol	gallons	224,579	189,420	183,270	166,922
Other	—	—	106,511	—	84,528
Cooperage used for maturing	—	—	1,671,361	—	1,663,309
Sulphite liquor, used in manufacturing alcohol	—	—	481,195	—	482,866
All other materials (hydrol, glycol, fresh fruits, fruit extracts, flavourings, hops, yeast, etc.)	—	—	1,346,813	—	2,058,495
Materials used for bottling:					
Bottles, Canadian	—	—	4,007,544	—	4,116,634
Imported	—	—	1,722,751	—	1,676,268
Cases, wooden	—	—	612,643	—	653,201
Cases and cartons, other than wooden	—	—	1,326,289	—	1,623,390
Cooperage used for shipping	—	—	15,747	—	6,964
Other packaging materials (cans, drums, labels, corks, etc.)	—	—	3,776,711	—	3,378,058

TABLE 5. Materials Used - Concluded

	1951		1952	
	Quantity	Cost value	Quantity	Cost value
		\$		\$
Matured liquors purchased for bottling, blending etc.:				
Whiskies:				
Canadian	7,164,065	9,127,291	5,670,188	8,461,274
Imported	661,392	3,365,014	1,102,829	3,535,703
Brandies:				
Canadian	48,620	144,741	113,362	393,110
Imported	35,637	118,947	39,068	134,999
Gins:				
Canadian	161,477	294,527	165,699	332,127
Imported	—	—	—	—
Rums:				
Canadian	17,306	40,153	20,154	45,034
Imported	147,831	378,383	179,071	411,557
Liqueurs, cordials, wines, etc.:				
Canadian	12,857	94,661	13,235	96,546
Imported	6,176	46,847	2,846	30,416
Other beverage spirits:				
Canadian	1,085,457	810,688	924,129	698,457
Imported	23,950	27,873	7,327	19,944
Industrial alcohol purchased:				
Canadian	2,835,681	1,148,224	1,882,811	926,939
Imported	—	—	28,192	16,171
Total cost of materials		43,393,190		43,188,519

TABLE 6. Imports and Exports of Distilled Liquors

	1951		1952	
	Quantity	Value	Quantity	Value
	Pf. gal.	\$	Pf. gal.	\$
Imports				
Brandy	276,657	1,419,696	290,311	1,533,582
Gin of all kinds	94,275	442,482	90,051	450,771
Rum	1,035,954	3,166,991	1,104,017	3,372,940
Whisky	1,629,809	9,853,418	2,438,130	11,260,155
Cordials and liqueurs	62,008	706,874	72,877	839,485
Ethyl and Methyl Alcohol	692,370	211,731	1,473,328	306,047
Exports				
Gin	45,451	185,601	46,820	190,342
Whisky	6,151,965	54,039,237	6,296,355	54,253,511
Potable spirits, n.o.p.	1,211	11,750	2,072	13,600
Industrial alcohol:				
Non-potable spirits, n.o.p.	18,700	27,221	190,533	84,333

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.	\$
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
Other provinces	90	31	499,291	376	380	1,671,000	466	411	2,170,291
1952									
Canada.....	691	312	4,131,040	2,368	1,413	9,998,517	3,059	1,725	14,129,557
Ontario	219	138	1,356,116	1,032	463	4,171,446	1,251	601	5,527,562
Quebec	369	145	2,247,207	989	637	4,257,570	1,358	782	6,504,777
Other provinces	103	29	527,717	347	313	1,569,501	450	342	2,097,218

TABLE 8. Wage-earners by Months and Sex

Months	1951			1952		
	Male	Female	Total	Male	Female	Total
	Number					
January	2,156	1,061	3,217	2,400	1,151	3,551
February	2,207	1,434	3,641	2,395	1,308	3,703
March	2,300	1,690	3,990	2,351	1,285	3,636
April	2,188	1,044	3,232	2,288	1,194	3,482
May	2,157	1,069	3,226	2,252	1,126	3,378
June	2,166	1,154	3,320	2,202	1,171	3,373
July	2,270	1,308	3,578	2,230	1,321	3,551
August	2,231	1,311	3,542	2,330	1,283	3,613
September.....	2,286	1,587	3,873	2,327	1,557	3,884
October	2,439	1,994	4,433	2,443	1,865	4,308
November	2,510	1,798	4,308	2,627	1,962	4,589
December	2,386	1,056	3,442	2,543	1,750	4,293
Average number employed per month	2,278	1,375	3,653	2,368	1,413	3,781

TABLE 9. Consumption of Fuel and Electricity

Kinds of Fuel	1951		1952	
	Quantity	Cost value	Quantity	Cost value
		\$		\$
All fuel (coal, coke, gasoline, fuel oil, gas, wood, etc.)....	—	2,030,420	—	1,881,314
Electricity purchased (including service charges) k.w.h.	22,597,152	174,571	22,497,692	181,208
Total cost of fuel and electricity	—	2,204,991	—	2,062,522



1010712650

List of Distilleries Reporting in 1952

Name of Firm	Address
Nova Scotia:	
McGuinness Maritimes Distillers, Limited ⁴	Bridgetown
Quebec:	
Canadian Schenley Limited ¹	1 Salaberry Street, Valleyfield
Commercial Alcohols Limited ²	Gatineau
Commercial Alcohols Limited ⁴	3176 Notre Dame Street East, Montreal
Distillers Corporation Limited ³	Ville LaSalle
Meagher Brothers & Company Limited ¹	1161 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 Limited ⁴	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.
2. These firms manufactured "industrial" alcohol only.
3. These firms manufactured both "beverage" and "industrial" alcohol.
4. These firms did not produce "new spirits" in 1952.