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THE DISTILLING INDUSTRY

1953

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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, 25¢
 - Section C. Quebec, 25¢
 - Section D. Ontario, 25¢
 - Section E. Prairie Provinces, 25¢
 - 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—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 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 DISTILLING INDUSTRY

1953

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 1953 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 5,110 persons who received \$15,432,739 in salaries and wages, and had a value of production of \$123,277,097.

Whiskies and other potable spirits produced during the year 1953, and placed in bond for maturing, totalled 17,925,007 proof gallons with an inventory value of \$13,331,969 and industrial alcohol produced was 6,206,226 proof gallons valued at \$2,163,114.

Net sales of potable spirits, i.e. sales outside the industry (to Liquor Boards, export sales, etc.) amounted to 12,445,166 proof gallons valued at \$97,715,878. Sales of industrial alcohol amounted to 8,998,304 proof gallons of which 3,777,018 proof gallons were sold "not denatured" with a selling value of \$1,651,349 and 5,221,286 proof gallons were "denatured" and sold for \$2,874,428. The sales of "denatured" alcohol totalled 3,328,210 standard gallons, of which 487,744 gallons were sold for anti-freeze, 1,781,254 gallons for solvents and cleaning fluids and the balance 1,059,212 gallons for rubbing alcohol, perfume manufacturing, etc.

Corn to the extent of 107,031 tons and valued at \$7,121,934 was the most important grain used. Malt used totalled 16,714 tons valued at \$1,935,868 while molasses used totalled 10,831 tons with a value of \$344,466. It should be noted that sulphite liquor derived from the Pulp and Paper Industry is also a material in the production of industrial alcohol.

Detailed statistics of production and sales, materials used, imports and exports, employment, power equipment, consumption of fuel and electricity will be found in the following tables. Beginning with 1948 the detailed information on power equipment and fuel consumption is collected every fifth year instead of annually.

TABLE 1. Principal Statistics, 1931-1953

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	20	—	4,643	12,938,163	43,393,190	113,695,516
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
1953						
Canada	21	—	5,110	15,432,739	44,308,034	123,277,097
Ontario	9	—	1,997	6,357,441	22,885,713	61,788,341
Quebec	8	—	2,327	7,094,325	15,810,307	48,511,848
Other provinces	4	—	786	1,980,973	5,612,014	12,976,908

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.	\$	\$	\$
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
1953						
\$ 100,000-\$ 500,000	2	—	303	855,838	2,275,854	4,720,040
\$ 500,000-\$1,000,000	5					
\$1,000,000 and over	14					
Total	21	—	5,110	15,432,739	44,308,034	123,277,097

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 1952 and 1953).

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.

TABLE 2. Production and Sales

	1952		1953		
	Quantity	Value	Quantity	Value	
Production					
(A) New spirits, produced during the year:		\$		\$	
Whisky	pf. gal.	9,451,958	8,280,445	9,717,425	7,233,956
Neutral spirits-grain	" "	7,025,589	6,635,596	7,801,588	5,890,498
Neutral spirits-molasses	" "	217,260	151,721	405,994	207,515
Industrial alcohol - produced as such	" "	6,508,672	2,630,717	6,206,226	2,163,114
Total new spirits produced during the year, with inventory value	" "	23,203,479	17,698,479	24,131,233	15,495,083
Sales					
(B) Sales of beverage spirits during the year (see also Table 3):					
(1) Sales outside the industry:					
Whiskies:					
Highland	pf. gal.	235,769	2,025,009	198,869	1,604,969
Canadian Rye	" "	9,301,584	74,104,248	10,523,906	85,761,941
Other	" "	53,921	515,471	20,832	170,133
Brandies	" "	34,062	316,668	33,933	318,532
Gins	" "	970,552	5,340,378	994,790	5,550,265
Rums	" "	310,430	2,423,560	381,805	2,687,005
Liqueurs, cordials, cocktails, etc.	" "	114,856	1,220,575	135,287	1,316,609
Other beverage spirits	" "	150,656	195,981	155,744	306,424
Total sales outside the industry	" "	11,171,830	86,141,890	12,445,166	97,715,878
(2) Value of sales and transfers within the industry		-	17,678,803	-	15,786,598
Total value of beverage spirits sold		-	103,820,693	-	113,502,476
(C) Industrial alcohol sold during the year ¹ (See also Table 4):					
Denatured ¹ (by end products):					
(a) Anti-freeze	st. gal.	768,906	1,060,770	487,744	611,912
(b) Solvents and cleaning fluids	" "	1,536,453	1,632,849	1,781,254	1,372,034
(c) Rubbing alcohol	" "	128,011	145,569	129,773	124,555
(d) Perfume manufacturing	" "	208,065	262,607	210,873	245,323
(e) All other (including that for hospitals, research, etc.)	" "	380,152	405,128	718,566	520,604
Total denatured	" "	3,021,587	3,506,923	3,328,210	2,874,428
Not denatured (i.e. potable spirits other than beverage spirits) ¹	pf. gal.	3,289,691	1,841,904	3,777,018	1,651,349
(D) Other products and by-products sold during the year:					
Fusel oil	imp. gal.	21,786	15,164	43,080	21,075
Distillers' grains, dried	tons	24,068	1,609,467	29,424	1,922,972
All other products	-	-	2,742,916	-	3,545,607
Total selling value of all products sold during the year			113,537,067		123,517,907
(Minus) Prime cost of products of own manufacture reported under sections (B) and (C)			15,250,586		15,735,893
Net value of sales			98,286,481		107,782,014
(Plus) Total inventory value of products reported under section (A)			17,698,479		15,495,083
Value of output²			115,984,960		123,277,097

1. These figures contain the resale of 1,911,003 proof gallons of industrial alcohol in 1952 and 1,778,198 proof gallons in 1953.

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.	\$
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
1953				
Whiskies:				
(a) Highland.....	198,869	1,604,969	51,211	139,096
(b) Canadian Rye	10,523,906	85,761,941	7,819,536	13,979,795
(c) Other.....	20,832	170,133	568	2,389
Brandies.....	33,933	318,532	27,755	174,036
Gins.....	994,790	5,550,265	241,834	537,797
Rums.....	381,805	2,687,005	83,718	279,104
Liqueurs, etc.	135,287	1,316,609	579	3,929
Other beverage spirits.....	155,744	306,424	973,482	670,452
Total.....	12,445,166	97,715,878	9,198,683	15,786,598

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

	1952		1953	
	Denatured	Not denatured	Denatured	Not denatured
	Proof gallons			
From grains (including hydrol).....	482,044	222,509	152,912	251,384
From molasses	542,020	507,714	239,822	395,141
From sulphite liquor.....	3,579,374	2,559,468	4,828,552	3,130,493
Total.....	4,603,438	3,289,691	5,221,286	3,777,018

TABLE 5. Materials Used

	1952		1953		
	Quantity	Cost value \$	Quantity	Cost value \$	
Materials used for distilling:					
Corn:					
Canadian	pounds	106,761,602	4,127,378	133,146,603	4,323,416
Imported	"	99,085,176	3,899,947	80,916,180	2,798,518
Rye	"	27,388,058	1,031,469	40,565,196	1,227,698
Barley	"	—	—	—	—
Wheat	"	21,388,917	691,444	1,187,780	36,017
Other grains	"	—	—	—	—
Malt, Canadian	"	32,372,562	1,963,439	33,391,509	1,933,904
Malt, Imported	"	—	—	36,008	1,964
Sugar	"	468,397	42,038	476,449	38,268
Molasses	"	14,859,915	348,851	21,662,199	344,466
Water purchased	gallons	453,286,000	71,041	460,402,000	73,720
Denaturants:					
Wood alcohol	gallons	183,270	166,922	206,853	159,699
Other	—	—	84,528	—	64,392
Cooperage	—	—	1,670,273	—	1,789,116
Sulphite liquor, used in manufacturing alcohol	—	—	482,866	—	454,494
All other materials (hydrol, glycol, fresh fruits, fruit extracts, flavouring, hops, yeast, etc.)	—	—	2,058,495	—	2,197,022
Materials used for bottling:					
Bottles, Canadian	—	—	4,116,634	—	4,838,388
Imported	—	—	1,676,268	—	1,965,108
Cases, wooden	—	—	653,201	—	542,453
Cases and cartons, other than wooden	—	—	1,623,390	—	1,921,421
Other packaging materials (cans, drums, labels, corks, etc.)	—	—	3,378,058	—	4,027,069
Matured liquors purchased for bottling, blending etc.:					
Whiskies:					
Canadian	pf. gal.	5,670,188	8,461,274	6,523,329	9,665,887
Imported	" "	1,102,829	3,535,703	1,372,683	3,288,213
Brandies:					
Canadian	" "	113,362	393,110	45,429	123,206
Imported	" "	39,068	134,999	40,259	150,018
Gins:					
Canadian	" "	165,699	332,127	174,443	352,092
Imported	" "	—	—	21,576	46,388
Rums:					
Canadian	" "	20,154	45,034	37,047	87,612
Imported	" "	179,071	411,557	153,835	336,424
Liqueurs, cordials, wines, etc.:					
Canadian	" "	13,235	96,546	28,115	98,551
Imported	" "	2,846	30,416	3,658	31,938
Other beverage spirits:					
Canadian	" "	924,129	698,457	1,112,450	698,214
Imported	" "	7,327	19,944	33,600	93,129
Industrial alcohol purchased:					
Canadian	pf. gal.	1,882,811	926,939	1,754,348	587,251
Imported	" "	28,192	16,171	23,850	11,978
Total cost of materials			43,188,519		44,308,034

TABLE 6. Imports and Exports of Distilled Liquors

	1952		1953	
	Quantity	Value	Quantity	Value
	Pf. gal.	\$	Pf. gal.	\$
Imports				
Brandy	290,311	1,533,582	322,717	1,784,002
Gin of all kinds	90,051	450,771	96,981	503,566
Rum	1,104,017	3,372,940	1,045,784	3,391,979
Whisky	2,438,130	11,260,155	2,317,288	10,077,542
Cordials and liqueurs	72,877	839,485	84,707	935,116
Ethyl and Methyl Alcohol	1,473,328	306,047	1,919,671	501,715
Exports				
Gin	46,820	190,342	43,473	169,744
Whisky	6,296,355	54,253,511	7,322,797	63,086,402
Potable spirits, n.o.p.	2,072	13,600	10,222	60,921
Industrial alcohol:				
Non-potable spirits, n.o.p.	190,533	84,333	91,721	19,254

TABLE 7. Wage-earners by Months and Sex

Months	1952			1953		
	Male	Female	Total	Male	Female	Total
	Number					
January	2,400	1,151	3,551	2,520	1,349	3,869
February	2,395	1,308	3,703	2,468	1,286	3,754
March	2,351	1,285	3,636	2,410	1,302	3,712
April	2,288	1,194	3,482	2,423	1,381	3,804
May	2,252	1,126	3,378	2,386	1,324	3,710
June	2,202	1,171	3,373	2,399	1,462	3,861
July	2,230	1,321	3,551	2,377	1,434	3,811
August	2,330	1,283	3,613	2,498	1,431	3,929
September	2,327	1,557	3,884	2,574	1,681	4,255
October	2,443	1,865	4,308	2,698	1,849	4,547
November	2,627	1,962	4,589	2,940	2,539	5,479
December	2,543	1,750	4,293	2,648	1,714	4,362
Average number employed per month	2,368	1,413	3,781	2,530	1,562	4,092

TABLE 8. 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.	\$
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
1953									
Canada	695	323	4,253,307	2,530	1,562	11,179,432	3,225	1,885	15,432,739
Ontario	233	137	1,470,148	1,104	523	4,887,293	1,337	660	6,357,441
Quebec	367	155	2,314,433	1,062	743	4,779,892	1,429	898	7,094,325
Other provinces	95	31	468,726	364	296	1,512,247	459	327	7,980,973

TABLE 9. Power Equipment, 1948 and 1953

Description	1948		1953	
	Number of units	Total h.p. (according to manufacturers' rating)	Number of units	Total h.p. (according to manufacturers' rating)
Steam engines { In use	21	1,056	17	1,010
Idle	8	590	4	295
Steam turbines { In use	10	1,834	6	4,592
Idle	8	2,252	3	915
Gasoline, gas and oil engines { In use	4	173	—	—
Idle	1	246	—	—
Hydraulic turbines or water wheels { In use	—	—	—	—
Idle	—	—	1	246
Electric motors:				
Operated by purchased power { In use	1,476	8,873	1,917	9,005
Idle	120	1,009	181	1,372
Total Power available for Manufacturing	1,648	16,033	2,129	17,435
Operated by power generated in the establishment { In use	306	2,636	520	3,450
Idle	—	—	1	20
Boilers for power purposes only { In use	33	10,717	21	6,810
Idle	7	1,730	3	1,625

TABLE 10. Fuel Consumption, 1948 and 1953

Kind	Unit of measure	1948		1953	
		Quantity	Cost at plant	Quantity	Cost at plant
Bituminous coal:			\$		\$
(a) From Canadian mines	ton	15,108	142,450	2,647	33,283
(b) Imported	"	83,621	782,416	83,884	786,190
Anthracite coal	"	—	—	455	5,369
Gasoline (including gasoline used in cars and trucks)	gal.	49,434	17,437	67,154	25,027
Kerosene or coal oil	"	1,145	248	—	—
Fuel oil	"	8,912,202	957,634	8,402,413	706,741
Manufactured gas	M. cu. ft.	734	698	192	258
Natural gas	" " "	—	—	71,973	14,967
Other fuel	—	—	7,712	—	289,508
Electricity purchased	Kw. h.	15,195,988	145,568	22,922,143	189,228
Total			2,054,163		2,050,571

Note. Detailed information on "Power Equipment" and "Fuel Consumption" is only collected every five years.



List of Distilleries Reporting in 1953

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 ⁴	Mimico
The Ontario Paper Co. Limited ²	Thorold
Joseph E. Seagram & Sons, Limited ¹	Waterloo
Duncan Harwood Distillers Ltd. 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. ¹	105 Braid Street, New Westminster
Duncan Harwood Distillers Ltd 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 1953.