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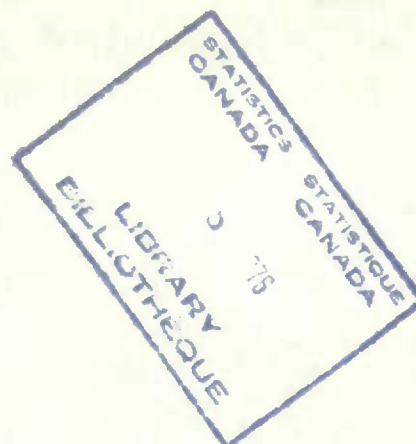
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CATALOGUE No.

32-225

ANNUAL



# TOBACCO PRODUCTS INDUSTRIES

1960

Formerly The Tobacco and Tobacco Products Industries

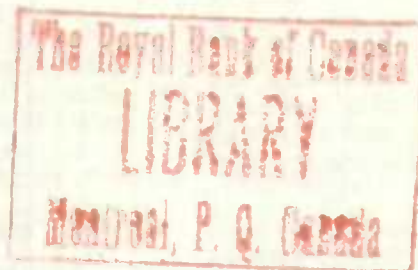
## ANNUAL CENSUS OF MANUFACTURES

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### SYMBOLS

The interpretation of the symbols used in the tables throughout this publication is as follows:

- .. figures not available.
- ... figures not appropriate or not applicable.
- nil or zero.
- P preliminary figures.
- r revised figures.

## EXPLANATORY NOTES

This report is one in a series of about 140 publications which present the results of the 1960 Census of Manufactures. Most reports in this series refer to specific industries, but there are summary reports for Canada and the provinces and for major industry groups. Adoption of the revised Standard Industrial Classification for 1960 compilations has necessitated changes in titles of many reports in this annual series. The content of many industries has also been affected (see following note on Industrial Classification).

Industry statistics given in these reports refer to number of establishments, employees, salaries and wages, cost of materials, supplies, fuel and electricity, gross value of shipments, inventories and value added by manufacturing. Details of materials used and products shipped are also given. Descriptions of the principal industry statistics, with special reference to 1960 are as follows:

### Period Covered

Firms are asked to submit figures for the calendar year, if at all possible, and most reports are on this basis. Financial year reports for periods differing from the calendar year are accepted in instances where the firms find it impossible to supply calendar year data from accounting records. However the data on employees, salaries and wages are requested on a calendar year basis in all cases.

### Establishment

Data for the annual census is collected on an establishment basis. A firm with more than one plant is required to file a report for each plant. In most cases an establishment is a complete factory; sometimes, however, a plant is divided into two or more establishments when it carries out operations classifiable to different industries and when separate accounting records are available. Usually the statistics for an establishment relate only to the manufacturing activities. Other activities such as construction at the plant by its own employees, wholesale or retail activities carried on at the plant location, etc., are not included. Plants engaged solely in repair work (except in the case of furniture, shipbuilding, boat building, aircraft and railway rolling stock industries) are not included but plants occupied in assembling parts into complete units are included.

### Employees

Administrative and office employees include all executives and supervisory officials such as presidents, vice-presidents, secretaries, treasurers, etc., together with managers, professional and technical employees, superintendents and factory supervisors above the working foremen level, and clerical employees. Working owners and partners are also included in this category.

Production and related workers include all other factory workmen whether paid on a monthly, weekly, hourly or piece-work basis. Working foremen doing work similar to that of the employees they supervise are included, as are maintenance, ware-

housing and delivery staffs. Employees on new construction work, in retail or wholesale operations, on outside piece work etc. are not included.

Production workers are reported by months, an average for the year being obtained by summing the monthly figures and dividing by twelve. This procedure is followed even though the plant did not operate in all months. Figures on employment refer to calendar years whether or not some establishments reported other data on a financial year basis.

### Salaries and Wages

Salaries and wages refer to gross earnings of the employees described above, including salaries, wages, commissions, bonuses, the value of room and board where provided, deductions for income tax and social services such as sickness and unemployment insurance, pensions, etc., as well as any other allowances forming part of the employees' wages. Payments for overtime are included.

Salaries refer to amounts paid to administrative and office employees. Withdrawals by working owners or partners for normal living expenses for self and family are included but not their withdrawals for income tax. Wages refer to the amounts paid to production and related workers as defined above. Data on earnings refer to the calendar year whether or not some establishments reported other data on a financial year basis.

### Cost of Fuel and Electricity

Figures for fuel refer to amounts actually used, (including fuel used in cars and trucks), not to purchases unless the quantities are the same. Values refer to the laid-down cost at the works, including freight, duty, etc.

### Materials and Supplies Used

Figures represent quantities and laid-down cost values, at the works, of materials and supplies actually used during the year whether purchased from others or received as transfers from other plants of the reporting company. Amounts paid to other manufacturers for work done on materials owned by the reporting company are included. Returnable containers or any other items charged to capital account are not included. Fuels are not included. Goods bought from others or received as transfers from other plants or reporting companies for resale without further processing are not included. Maintenance and repair supplies not chargeable to capital account are included.

### Factory Shipments

Factory shipments refer to shipments of goods made from own materials either in the reporting plant or by other manufacturers on the basis of a charge to the reporting plant for work done. All products and by-products shipped from the establishment are included whether for domestic use, export, or for government departments. Transfer shipments to sales outlets, distributing warehouses or to other manufacturing units of the reporting firm are included. Goods bought or received as transfers



and resold without further processing are not included. Values are computed on f.o.b. plant or plant warehouse basis, and do not include sales tax or excise duties. Values of containers not returnable are included. Amounts received in payment for work done on materials owned by others are included.

In a few industries such as shipbuilding, aircraft, etc., where work on principal products extend over a relatively long period, the value of production is recorded rather than the value of shipments. For those industries production is computed from the value of deliveries of complete units during the year plus the value of work done during the year on unfinished units less the value of work done in previous years on finished units delivered in the year under review.

### **Inventories**

Values represent the book values of manufacturing inventories owned and held at the reporting plant. Figures include inventories held in warehouses or selling outlets which have been included with plant operations for purposes of reporting shipments.

### **Value added by Manufacturing**

Figures are computed from value of shipments plus or minus changes in inventories of finished goods and goods in process less cost of materials, fuel and electricity. This figure is sometimes referred to as net production.<sup>1</sup>

### **Standard Industrial Classification**

The revised Standard Industrial Classification which has been introduced with the 1960 Census of Manufactures provides for a breakdown of the universe into 140 industries arranged in 20 major groups compared with 135 industries in 17 major groups in the old classification which was used in the compilations for the years 1949 to 1959 inclusive. It incorporates changes considered desirable on the basis of experience in using the earlier classification as well as those which take account of changes in the structure of Canadian industries associated with the rapid developments of the past decade. Full details are contained in the Standard Industrial Classification Manual, Catalogue No. 12-501, which is available from either the Queen's Printer or the Dominion Bureau of Statistics. Reporting establishments are classified or allotted to specific industries on the basis of the value of principal products made or shipped.

Many industries remain unchanged in the new classification but in many instances there have been substantial changes in content because of the shifting of establishments from one industry to another or in re-grouping of establishments. Where

<sup>1</sup> To arrive at the National Accounts concept of "gross domestic product at factor cost", it would be necessary to subtract also the cost of office supplies used, advertising, insurance and other goods and services obtained from other businesses. Data on these inputs are not collected on the annual Census of Manufactures. Value added figures for "The primary industries and construction" are published in D.B.S. publication 61-202, *Survey of Production*.

changes have occurred the principal statistics for 1957, 1958 and 1959 have been re-compiled to provide data on a basis comparable with those for 1960.

### **Short Forms**

Between 1949 and 1957, in an effort to ease the reporting burden for smaller firms, a short form was used asking for the total value of shipments only or, in a few cases where losses of detail were significant, for quantities and values of principal products. For purposes of publication, missing data were estimated on the basis of appropriate ratios. In general the cut-off point for these short forms was set at \$50,000 value of shipments. About 40% of the total number of establishments reported on the short form and accounted for less than 3 per cent of the total value of shipments.

In 1958, in order to establish a new base year, the small firms were asked to report all items of principal statistics together with some detail on materials and products.

For the 1959 Census, the short form was used again, but further steps were taken to ease the respondents' burden. First, the general limit for short forms was raised to \$100,000 value of shipments. In addition, a new intermediate form was developed. This form is a shortened version of the long form in that most of the general questions were pared down and the detailed lists of materials and products were limited to the more important items. The general limits for firms in this category were set at between \$100,000-\$500,000 value of shipments, but in the case of both the short and intermediate forms there were lower cut-offs for a number of industries in which the smaller firms accounted for a larger share of total shipments. On the other hand, limits were raised where this could be done without a significant loss of coverage. On most of the short forms for 1959, in addition to total value of shipments, data on principal products were requested. In a few industries, where loss of employment and earnings data were considered too large because of higher cut-offs, a question on total payroll was placed on the short form. This practice was followed again in 1960.

The intermediate and long forms provide complete data for the compilation of all elements of principal industry statistics and the details of materials and products. The one-page short form, although containing data on principal products and total value of shipments, does not request information on other elements of principal statistics such as value of inventories, materials, fuel and electricity and, in most cases, employment and salaries and wages, nor does it contain detailed data on volume and value of materials used. For purposes of compiling aggregates of principal statistics by industry and by geographic location, the missing data for each establishment were estimated for 1959 by using, in general, ratios based on the change in the value of shipments between 1958 and 1959. The proportion of the estimated data was generally less than 5 per cent of the total in each category of principal statistics.

# TOBACCO PRODUCTS INDUSTRIES

1960

The 1960 statistics in this report have been compiled on the basis of the Standard Industrial Classification-revised, 1960. In Tobacco Products Industries (formerly The Tobacco and Tobacco Products Industries) there was no change in the content of the Industry, therefore the 1960 statistics in this report are comparable with previous years.

Tobacco Products Industries in Canada perform two distinct operations, and this report is separated into two sections accordingly. Section 1 covers the operations of all firms engaged in the manufacture of smoking and chewing tobacco, snuff, cigars and cigarettes. Section 2 deals with the preliminary operations, which consist of the processing and packing of raw leaf tobacco.

## SECTION 1. TOBACCO PRODUCTS MANUFACTURERS

The value of shipments of the tobacco products manufacturers in 1960 amounted to \$217,887,989 (excise duties and taxes excluded) which was \$5,527,652 greater than the 1959 value of \$212,360,337.

The increase in value of shipments was accompanied by an increase in the cost of materials consumed in manufacture from \$111,616,950 in 1959 to \$112,189,623 in 1960. The monthly payrolls listed an average of 7,860 persons in 1960 compared with 8,356 in 1959. Salaries and wages which totalled \$32,908,179 in 1960 were higher than the \$32,638,000 in 1959. Establishments numbered 24 and were distributed provincially as follows: Prince Edward Island 1, Quebec 16, and Ontario 7.

The selling value of the products shipped by the industry in 1960, including excise duties and taxes, amounted to \$596,459,717. Shipments of cigarettes, the industry's main product, totalled 34,698,794 thousand valued at \$509,689,068. Next in importance was smoking tobacco with shipments amounting to 22,089,389 pounds worth \$59,308,034. Shipments of cigars totalled 328,688 thousand and were valued at \$22,661,734.

The tobacco industry contributes materially to the agricultural economy of Canada. Of the

\$112,189,623 total cost of materials \$76,547,482 was spent for domestic raw tobacco. All told, the tobacco industry consumed 92,943,226 pounds of raw leaf tobacco in 1960 of which 91,255,492 pounds were of domestic origin. For the production of cigars 1,327,957 pounds of imported and 3,609,239 pounds of domestic tobacco were used; for the production of cigarettes 308,675 pounds imported and 67,475,680 pounds of domestic tobacco were required, while for production of smoking and chewing tobacco and snuff 51,102 pounds of imported and 20,170,573 pounds of domestic tobacco were used.

A compilation of statistics showing opening and closing inventory values, is shown in Table 11.

In 1954, value of factory shipments replaced value of production and opening and closing inventory valuations were collected for the first time. For 1954 and 1955 value of production was computed by using the value of shipments plus or minus the change in finished goods inventories. From 1956 the change in goods in process inventory was also taken into account. When value of production was thus determined, value added by manufacture was arrived at by subtracting cost of raw materials and of fuel and electricity. See table 1.



**TABLE 1. Principal Statistics of the Tobacco Products Manufacturers, Significant Years 1932 - 58,  
and by Provinces 1959 and 1960**

Year and provinces	Establish- ments	Employees	Salaries and wages	Cost of fuel and electricity	Cost at plant of materials used	Value added by manufacture <sup>1</sup>	Value of factory shipments <sup>1</sup>
	number				dollars		
1932 .....	116	8,236	7,127,070	152,457	18,787,261	18,422,063	37,361,781
1935 .....	116	8,145	7,221,048	157,784	19,701,385	19,244,706	39,103,875
1939 .....	80	8,185	7,733,023	180,559	23,001,316	23,872,832	47,054,707
1942 .....	78	10,502	10,757,712	245,155	28,716,426	30,428,451	59,390,032
1944 .....	69	10,587	13,105,796	274,262	36,864,416	34,303,711	71,442,389
1948 .....	62	8,959	17,127,448	322,921	53,617,566	53,136,323	107,076,810
1950 .....	53	8,503	19,511,951	363,508	62,681,958	59,383,685	122,429,151
1951 .....	48	7,981	20,961,157	357,933	62,886,259	53,244,619	116,488,811
1952 .....	47	7,587	22,036,719	391,374	73,168,064	64,864,521	138,423,959
1953 .....	42	7,711	23,376,081	423,598	79,261,880	67,702,851	147,388,329
1954 .....	39	7,418	24,000,407	444,874	79,009,327	72,327,224	152,033,653
1955 .....	40	7,470	25,118,846	462,692	84,438,935	78,959,320	162,382,718
1956 .....	35	7,828	26,447,523	494,296	89,837,143	79,120,370	169,528,803
1957 .....	33	8,372	29,349,732	567,793	100,293,925	82,037,358	182,794,564
1958 .....	25	8,476	32,144,308	569,450	108,871,666	88,230,628	196,947,716
1959							
Canada .....	24	8,356	32,638,000 <sup>f</sup>	562,269	111,616,950	100,985,081	212,360,337
Quebec .....	15	7,171	28,240,805	489,169	97,163,759	85,514,022	182,802,251
Ontario .....	7	1,185	4,397,195 <sup>f</sup>	73,100	14,453,191	15,471,059	29,558,086
Other provinces .....	2						
1960							
Canada .....	24	7,860	32,908,179	652,848	112,189,623	105,751,246	217,887,989
Quebec .....	16	6,686	28,361,119	497,597	97,654,844	86,255,281	183,612,398
Ontario .....	7	1,174	4,547,060	155,251	14,534,779	19,495,965	34,275,596
Other provinces .....	1						

<sup>1</sup> See last paragraph on previous page.

**TABLE 1A. Principal Statistics of the Tobacco Products Manufacturers grouped according to the Size  
of Establishments, 1959 and 1960**

Size of establishment	Establish- ments	Employees	Salaries and wages	Cost of fuel and electricity	Cost at plant of materials used	Value of shipments
	number				dollars	
1959						
Factory shipments of:						
Under \$10,000 .....	4	8	10,555	346	5,888	17,708
\$ 10,000 to under \$ 25,000 .....	1	83	341,262	11,041	124,655	245,446
25,000 " " 50,000 .....	—					
50,000 " " 100,000 .....	3					
100,000 " " 200,000 .....	1	214	617,522	17,849	1,154,921	1,991,382
200,000 " " 500,000 .....	1					
500,000 " " 1,000,000 .....	2					
1,000,000 and over .....	12	8,051	31,968,661 <sup>f</sup>	533,033	110,331,486	210,105,801
Totals .....	24	8,356	32,638,000 <sup>f</sup>	562,269	111,616,950	212,360,337
1960						
Factory shipments of:						
Under \$10,000 .....	4	7	7,656	496	5,710	15,531
\$ 10,000 to under \$ 25,000 .....	—	35	73,966	4,145	68,077	160,180
25,000 " " 50,000 .....	2					
50,000 " " 100,000 .....	1					
100,000 " " 200,000 .....	2	129	344,423	8,565	632,291	1,044,640
200,000 " " 500,000 .....	—					
500,000 " " 1,000,000 .....	1					
1,000,000 and over .....	14	7,689	32,482,134	639,642	111,483,545	216,667,638
Totals .....	24	7,860	32,908,179	652,848	112,189,623	217,887,989

TABLE 2. Comparative Summary of Products, Specified Years, 1929-60

Year	Cigars		Cigarettes		Tobacco, chewing			
	Quantity	Selling value at the plant¹	Quantity	Selling value at the plant¹	Quantity	Selling value at the plant¹		
	M	\$	M	\$	pounds	\$		
1929	191,041	9,997,380	4,966,612	49,258,851	4,759,942	4,301,445		
1933	112,030	4,731,335	4,310,305	34,878,274	3,062,849	2,765,653		
1937	129,873	5,857,003	6,724,333	52,138,442	2,807,973	2,360,393		
1939	135,825	5,411,054	7,163,433	57,277,062	2,577,890	2,184,537		
1941	196,724	7,300,244	9,548,466	86,652,775	2,451,738	2,396,322		
1943	200,370	9,665,753	13,591,320	155,930,531	2,927,050	3,660,488		
1944	198,512	10,470,972	15,484,605	171,001,575	2,785,693	3,619,612		
1945	207,861	11,715,058	17,684,707	207,612,532	2,803,753	3,640,867		
1947	214,745	14,081,505	15,687,127	220,649,206	2,382,245	3,604,139		
1948	210,335	14,453,386	16,071,779	240,838,123	2,044,952	3,183,708		
1949	207,213	15,538,813	17,053,442	255,713,618	2,029,263	3,298,571		
1950	198,987	14,467,354	17,311,062	266,821,398	1,762,551	3,010,763		
1951	169,408	13,896,713	15,816,166	261,909,840	1,598,922	3,267,632		
1952	201,517	15,487,025	18,037,368	290,947,786	1,445,139	3,231,906		
1953	236,248	18,233,475	21,156,092	289,424,673	1,448,105	3,252,801		
1954	240,520	17,925,856	22,425,791	303,682,204	1,307,367	3,259,552		
1955	257,233	19,360,206	24,864,332	332,011,517	1,306,976	3,041,898		
1956	260,900	19,723,097	27,343,996	366,114,213	1,042,444	2,624,060		
1957	283,706	20,442,301	30,394,572	407,237,324	932,412 <sup>2</sup>	2,316,915 <sup>2</sup>		
1958	319,595	22,518,284	32,777,573	439,366,706	1,109,709	2,743,546		
1959	313,472	23,014,368	34,273,046	493,910,645	1,037,648	2,541,334		
1960	328,688	22,661,734	34,698,794	509,689,068				
	Tobacco, smoking				Snuff			
	Quantity		Selling value at the plant¹		Quantity		Selling value at the plant¹	
	pounds		\$		pounds		\$	
1929	15,930,657 <sup>2</sup>		18,521,483 <sup>2</sup>		997,078		1,280,933	
1933	19,920,925		20,834,043		756,079		1,013,641	
1937	22,439,360		22,607,786		828,473		1,130,086	
1939	24,709,819		24,498,111		836,955		1,149,262	
1941	26,019,604		29,251,455		895,802		1,313,446	
1943	24,808,718		35,536,053		941,740		1,796,435	
1944	24,263,076		36,098,232		980,780		1,947,633	
1945	26,234,568		39,122,699		978,389		1,961,149	
1947	25,404,039		42,967,981		977,700		2,074,361	
1948	26,337,329		46,606,959		992,359		2,109,405	
1949	26,202,733		47,313,008		958,164		2,058,335	
1950	26,794,763		50,863,770		947,592		2,038,976	
1951	28,095,415		65,327,040		873,652		2,217,542	
1952	31,635,023		77,789,494		869,863		2,299,246	
1953	26,658,760		65,716,280		834,251		2,161,738	
1954	25,124,638		62,603,868		852,954		2,211,267	
1955	24,149,936		59,999,473		838,292		2,194,354	
1956	21,588,083		53,655,153		825,446		2,135,685	
1957	20,854,727 <sup>2</sup>		52,083,206 <sup>2</sup>		798,003		2,065,202	
1958	21,608,808		55,771,402		2		2	
1959	22,134,074		58,732,972		2		2	
1960	22,089,369		59,308,034		2		2	

<sup>1</sup> Selling values given in this table include excise duties and sales tax.<sup>2</sup> Withheld in accordance with the confidential clauses of the Statistics Act.

TABLE 3. Factory Shipments 1959 and 1960

Products	Canada, 1959		Canada, 1960	
	Quantity	Selling value	Quantity	Selling value
		\$		\$
Chewing tobacco, plug	1	1	1	1
"    "    twist	1	1	1	1
Smoking tobacco, plug	1	1	1	1
"    "    fine cut	1b.	19,525,035	52,011,810	
"    "    coarse cut	"	2,401,559	6,286,960	
"    "    leaf	"	39,686	23,811	
Snuff	1	1	1	1
Cigars	M	313,472	23,014,368	22,661,734
Cigarettes	"	34,273,048	493,910,645	509,689,068
All other products		—	32,148	777
Total value of shipments (including excise duties and taxes)	—	580,456,021	—	596,459,717
House duties and taxes	—	368,095,684	—	378,571,728
Value of shipments (less duties and taxes)	—	212,360,337	—	217,887,989

<sup>1</sup> Withheld in accordance with the confidential clauses of the Statistics Act.

## TOBACCO PRODUCTS MANUFACTURERS

TABLE 4. Materials Used, 1959 and 1960

Materials used	1959		1960	
	Quantity	Cost value	Quantity	Cost value
		\$		\$
Raw leaf tobacco, imported, (see also Table 5) .....	1,926,410	3,741,452	1,687,734	3,769,095
Raw leaf tobacco, domestic (see also Table 5) .....	94,860,264	76,568,905	91,255,492	76,547,482
All other tobacco (inc. scraps and cuttings) .....	1,320,702	82,572	9,301,812	142,952
Boxes, wooden and tin .....	17,635,791	1,472,327	17,244,674	1,366,228
Boxes, plastic .....	—	300,449	—	260,848
Boxes, other .....	—	7,134,021	—	6,045,741
Cigarette papers .....	3,508,200	1,870,762	3,349,056	1,876,737
Lead, tin and aluminum foil .....	8,359,632	4,249,446	8,968,611	4,331,909
Cellophane .....	3,906,705	2,843,850	3,817,890	2,709,154
Other containers, wrappers, labels, bands, etc. ....	—	6,020,202	—	6,678,075
Filter tips and filter tip materials .....	—	4,102,027	—	5,046,056
All other materials and supplies <sup>1</sup> .....	—	1,173,699	—	1,151,686
Operating maintenance and repair supplies .....	—	2,057,238	—	2,263,660
Amount paid out to others for work done on material owned by this plant .....	—	—	—	—
<b>Total cost</b> .....	—	<b>111,616,950</b>	—	<b>112,189,623</b>

<sup>1</sup> Includes molasses, honey, sugar, salt, glycerine, licorice, gum tragacanth, perfumes, essences, etc.

TABLE 5. Distribution of Raw Leaf Tobacco Reported in Table 4

	Raw leaf tobacco used in the manufacture of:							
	Cigars		Cigarettes		Tobacco and snuff		Total	
	Quantity	Cost value	Quantity	Cost value	Quantity	Cost value	Quantity	Cost value
	pounds	\$	pounds	\$	pounds	\$	pounds	\$
<b>1959</b>								
Imported raw leaf tobacco .....	1,253,090	3,077,488	622,744	632,691	50,576	31,273	1,926,410	3,741,452
Domestic raw leaf tobacco .....	3,959,250	3,183,851	71,682,899	60,031,824	19,218,115	13,353,230	94,860,264	76,568,905
<b>Total raw leaf tobacco (stemmed weight)</b> .....	<b>5,212,340</b>	<b>6,261,339</b>	<b>72,305,643</b>	<b>60,664,515</b>	<b>19,268,691</b>	<b>13,384,503</b>	<b>96,786,674</b>	<b>80,310,357</b>
<b>1960</b>								
Imported raw leaf tobacco .....	1,327,957	3,426,937	308,675	310,130	51,102	32,028	1,687,734	3,769,095
Domestic raw leaf tobacco .....	3,609,239	3,248,046	67,475,680	59,044,859	20,170,573	14,254,577	91,255,492	76,547,482
<b>Total raw leaf tobacco (stemmed weight)</b> .....	<b>4,937,196</b>	<b>6,674,983</b>	<b>67,784,355</b>	<b>59,354,989</b>	<b>20,221,675</b>	<b>14,286,605</b>	<b>92,943,226</b>	<b>80,316,577</b>

TABLE 6. Imports of Tobacco and Tobacco Products, 1959 and 1960

Articles imported	1959		1960	
	Quantity	Value	Quantity	Value
	pounds	\$	pounds	\$
Tobacco, unmanufactured .....	2,274,614	3,294,137	2,638,026	3,950,364
Cigars .....	90,681	356,858	83,087	344,836
Cigarettes .....	487,978	915,417	471,644	903,057
Snuff .....	—	—	—	—
Tobacco, cut .....	594,467	842,904	655,904	895,772
All other manufactures of tobacco, n.o.p. ....	56,726	73,604	61,695	77,943
<b>Total imports of tobacco</b> .....	<b>3,504,666</b>	<b>5,482,920</b>	<b>3,910,356</b>	<b>6,171,972</b>



TABLE 7. Exports of Tobacco and Tobacco Products, 1959 and 1960

Articles exported	1959		1960		
	Quantity	Value	Quantity	Value	
		\$		\$	
Tobacco, unmanufactured .....	lb.	40,540,977	25,140,390	36,940,962	25,326,721
Cigars .....	"	1,994	7,775	2,339	6,676
Cigarettes .....	M	103,456	419,869	52,340	216,896
Tobacco, plug and twist .....		—	—	—	—
Tobacco, stems and cuttings .....	lb.	168,836	21,178	258,513	29,828
Tobacco, manufactured, n.o.p. ....	"	4,199	5,196	3,876	4,873
Total exports of tobacco .....	—	25,594,408	—	25,584,994	

TABLE 8. Employees and their Earnings, by Provinces, 1959 and 1960

	Supervisory and office employees			Production workers (monthly average)			Total employees		Total salaries and wages
	Male	Female	Total salaries	Male	Female	Total wages	Male	Female	
	number		\$	number		\$	number		\$
<b>1959</b>									
Canada .....	795	477	6,658,351 <sup>r</sup>	2,695	4,389	25,979,649 <sup>r</sup>	3,490	4,866	32,638,000 <sup>r</sup>
Quebec .....	634	430	5,738,718	2,321	3,786	22,502,087	2,955	4,216	28,240,805
Ontario .....	161	47	919,633 <sup>r</sup>	374	603	3,477,562 <sup>r</sup>	535	650	4,397,195 <sup>r</sup>
Other provinces .....									
<b>1960</b>									
Canada .....	825	499	7,458,503	2,687	3,849	25,448,676	3,512	4,348	32,908,179
Quebec .....	656	445	6,466,296	2,273	3,312	21,894,823	2,929	3,757	28,361,119
Ontario .....	169	54	992,207	414	537	3,554,853	583	591	4,547,060
Prince Edward Island .....									

TABLE 9. Production Workers by Months and Sex, 1960<sup>1</sup>

	Male	Female
	number	
January .....	2,755	3,958
February .....	2,708	3,799
March .....	2,709	3,819
April .....	2,673	3,731
May .....	2,693	3,794
June .....	2,720	3,876
July .....	2,663	3,938
August .....	2,661	3,858
September .....	2,672	3,821
October .....	2,669	3,977
November .....	2,674	3,917
December .....	2,636	3,680
<b>Monthly average</b> .....	<b>2,687</b>	<b>3,849</b>

<sup>1</sup> The number of production workers, by months, was collected only for establishments generally reporting value of shipments of \$500,000 and over. For establishments generally reporting value of shipments of less than \$500,000, no data on number of workers were collected. Average was estimated by using change in value of shipments to arrive at value of payroll which was then used in conjunction with estimated average earnings to arrive at number of workers.

TABLE 10. Consumption of Fuel and Electricity, 1959 and 1960

Kind	1959		1960	
	Quantity	Cost at plant	Quantity	Cost at plant
		\$		\$
Establishments reporting commodity detail: <sup>1</sup>				
Bituminous coal (a) From Canadian mines .....	ton	245	307	5,254
(b) Imported .....	"	1,814	1,624	19,042
Gasoline (including gasoline used in cars and trucks) .....	Imp. gal.	22,032	28,889	11,535
Fuel oil including kerosene or coal oil .....	"	2,284,867	2,775,999	227,912
Gas (a) Liquefied petroleum gases .....		—	12,700	2,985
(b) Other manufactured gas .....		—	—	—
(c) Natural gas .....	M cu. ft.	1,396	1,391	1,378
Electricity purchased .....	kwh.	29,942,254	35,483,042	351,839
Steam purchased .....	pound	16,816,164	16,955,112	25,123
Estimate for establishments for which no data were collected: <sup>2</sup>				
Cost of fuel and electricity .....	—	7,205	—	7,780
All establishments:				
Total cost of fuel and electricity .....	—	562,269	—	652,848

<sup>1</sup> Establishments generally reporting value of shipments of \$500,000 and over.<sup>2</sup> Establishments generally reporting value of shipments of less than \$500,000.

TABLE 11. Inventories, 1960

Province	Raw materials and supplies	Goods in process	Finished goods of own manufacture	Total inventory value <sup>1</sup>
dollars				
Opening inventory: <sup>2</sup>				
Quebec .....	34,319,077	2,326,638	2,503,923	39,149,638
Ontario .....	4,042,883	261,031	869,644	5,173,558
Other provinces .....				
Canada .....	38,361,960	2,587,669	3,373,567	44,323,196
Closing inventory:				
Quebec .....	32,903,119	2,562,267	3,063,623	38,529,009
Ontario .....	4,857,091	377,679	663,395	5,898,165
Other provinces .....				
Canada .....	37,760,210	2,939,946	3,727,018	44,427,174

<sup>1</sup> Book value of all manufacturing inventories held at plants or plant warehouses.<sup>2</sup> The "Opening inventory" for 1960 differs from the "Closing inventory" published in 1959 because of the receipt of revised data and the removal of figures for firms which did not operate during 1960.

TABLE 12. Capital and Repair Expenditures in the Tobacco Products Industry, 1956-60

(Figures prepared in the Business Finance Division)

	Capital expenditures		Repair expenditures		Total
	Construc- tion	Machinery and equipment	Construc- tion	Machinery and equipment	
	thousands of dollars				
1956 .....	2,977	4,086	776	1,851	9,690
1957 .....	1,027	6,912	1,058	2,459	11,456
1958 .....	3,292	6,957	806	2,503	13,558
1959 .....	3,203	4,495	889	2,521	11,108
1960 <sup>P</sup> .....	1,280	3,864	716	2,751	8,611

The following list gives the name, location and main products of the firms reporting the manufacture of tobacco, cigars and cigarettes in Canada in 1960.

**Index to Main Products: (1) Tobacco; (2) Cigars; (3) Cigarettes; (4) Snuff.**

Name of firm	Address	Main products
<b>Prince Edward Island:</b>		
Hickey & Nicholson Tobacco Co. Ltd. ....	118-120 Prince St., Charlottetown .....	(1)
<b>Quebec:</b>		
Allied Cigar Corporation .....	2373 ave Jeanne d'Arc, Montreal .....	(2)
Benson & Hedges (Canada) Ltd. ....	161 Lagauchetière St. W., Montréal .....	(1) (2) (3)
Canadian Tobacofina Ltd. ....	5555 Royalmount Ave., Town of Mount Royal .....	(1) (3)
Capuano & Pasquale Company Ltd. ....	1002 De Fleurimont St., Montreal .....	(1) (2)
La Cle de Tabac Trans Canada .....	2359 Demontigny St. E., Montreal .....	(1) (3)
J.O. Forest et Cie, Enrg. ....	St-Roch de L'Achigan .....	(1)
General Cigar Co. Limited .....	2275 Holt St., Montreal .....	(2)
Hottin & Cie Limitée .....	95, rue Ste-Angélique Nord, Joliette .....	(1) (2)
B. Houde & Grothé, Limited .....	1035 Vincent Massey Street, Quebec .....	(3)
Imperial Tobacco Co. of Canada Ltd. ....	3810 St. Antoine St., Montreal .....	(3)
Imperial Tobacco Co. of Canada Ltd. ....	160 Cowie Street, Granby .....	(1)
Bob Lachance Enr'g .....	L'Epyphanie .....	(2)
MacDonald Tobacco Inc. ....	P.O. Box 490, Place D'Armes, Montreal .....	(1) (3)
National Tobacco Company, Limited .....	3810 St. Antoine St., Montreal .....	(4)
Rock City Tobacco Co. (1936), Limited .....	355, rue, Gignac, Québec .....	(1) (3)
H. Simon & Sons Limited .....	151 Rockland Rd., Town of Mount Royal .....	(2)
<b>Ontario:</b>		
Imperial Tobacco Co., (Ontario) Ltd. ....	115 Woodlawn Road, Guelph .....	(3)
Joseph A. Lopez .....	184 Adelaide St. W., Toronto .....	(2)
Ontario Tobacco Company Limited, (also operates Wedgewood Cigar Co.) .....	76 Stafford Street, Toronto .....	(1) (2)
Rothmans of Pall Mall Canada Ltd. ....	75 Dufflaw Rd., Toronto .....	(3)
Rea Hermanos .....	7 Gilead Place, Toronto .....	(2)
The Tuckett Tobacco Company Ltd. ....	145 Queen St. N., Hamilton .....	(3)
F.A. Wilkinson .....	Wheatly, R.R. #3 .....	(1)



## SECTION 2. LEAF TOBACCO PROCESSING

This section of the tobacco industry deals with the primary operations of processing the green raw leaf into a state suitable to undergo the final stage of conversion into the finished article in the form of smoking and chewing tobacco, cigars and cigarettes. During the year 1960 reports were received from 16 establishments, 6 of which were located in the province of Quebec and 10 in Ontario. Principal Statistics for this section of the industry, are shown in Table 1.

The amount of raw leaf tobacco processed during the year 1960 was 161,190,523 pounds with a selling value of \$116,525,646 compared with 177,145,084 pounds processed in 1959 with a selling value of \$112,203,324. The principal variety of processed raw leaf was "bright flue-cured" of which 144,533,722 pounds were prepared with a valuation of \$107,715,321. The quantity and selling value of all tobacco processed is shown by kinds in Table 2.

The materials used in this section of the tobacco industry are given in Table 3. The raw leaf tobacco used in 1960 to produce the 161,190,523 pounds of processed leaf was 190,679,105 pounds. The expenditure incurred in providing the necessary containers and other packaging material and supplies amounted to \$1,568,360.

Contrary to the general change to the "gross value of shipments" concept throughout manufacturing industries in 1954, this industry remained on a "value of production" basis. This policy was adopted because, being dependent upon agricultural output, processed year-end inventories of leaf tobacco change extensively from year to year. Thus "Value added by manufacture" in this segment is determined simply by subtracting the total of the cost of raw materials and of fuel and electricity from the "gross value of production".

TABLE 1. Principal Statistics of Leaf Tobacco Processing, 1932 - 60

Year and province	Establishments	Employees	Salaries and wages	Cost of fuel and electricity	Cost at plant of materials used	Value added by manufacture	Value of production
	number				dollars		
1932	18	1,439	916,273	44,533	6,752,694	1,903,218	8,700,444
1934	22	1,358	851,955	47,655	4,154,898	1,362,278	5,564,831
1935	21	1,489	942,202	43,104	6,807,056	1,385,603	8,235,763
1936	16	1,722	1,155,503	50,567	10,795,356	2,078,748	12,924,104
1939	19	2,636	2,028,407	65,967	18,234,819	4,237,893	22,538,679
1940	20	2,461	2,095,820	66,540	15,388,397	4,414,751	19,869,688
1941	18	2,170	1,739,823	58,580	11,617,955	2,844,204	14,520,739
1942	18	2,485	2,321,236	76,619	19,885,077	3,674,922	23,636,618
1943	15	1,670	1,896,534	74,642	21,023,560	3,228,516	24,326,718
1944	13	1,193	1,435,061	75,895	23,244,910	4,209,358	27,530,163
1945	14	1,545	1,893,967	91,087	35,336,958	5,004,653	40,432,698
1946	17	1,317	1,699,198	101,125	33,799,632	3,933,492	37,834,249
1947	18	1,509	2,202,718	143,494	48,335,803	6,035,192	54,514,469
1948	17	1,500	2,423,115	152,287	42,233,705	4,530,640	46,916,632
1949	15	1,657	2,867,997	160,725	54,037,536	4,887,886	59,086,147
1950	15	1,819	3,116,967	180,982	59,928,221	5,792,169	65,901,372
1951	14	1,845	3,477,061	195,782	56,703,794	5,788,706	62,688,282
1952	14	1,690	3,368,353	208,216	71,369,606	5,912,589	77,490,411
1953	13	1,783	3,389,562	215,627	59,229,168	7,312,367	66,757,162
1954	14	2,051	3,868,532	243,862	65,951,442	7,112,019	73,307,323
1955	16	2,059	4,328,045	268,505	78,588,950	9,693,612	88,551,067
1956	16	1,785	3,861,332	261,287	60,274,356	9,178,426	69,714,069
1957	16	1,533	3,973,089	276,821	60,416,497	6,246,474	66,939,792
1958	15	1,843	4,999,294	331,932	97,171,868	10,687,120	108,190,920
1959							
Canada	16	1,931	5,090,218	340,462	101,153,728	10,709,134	112,203,324
Quebec	6	210	587,100	47,193	2,238,434	728,238	3,013,865
Ontario	10	1,721	4,503,118	293,269	98,915,294	9,980,896	109,189,459
1960							
Canada	16	1,871	5,446,304	322,419	104,164,607	12,038,620	116,525,646
Quebec	6	193	562,859	57,330	3,690,246	987,135	4,734,111
Ontario	10	1,678	4,883,445	265,089	100,474,361	11,051,485	111,790,335

Note: Profits and losses cannot be estimated from the figures published in this report as no data are collected for overhead expenses, such as interest, rent, depreciation, taxes, insurance, advertising, etc.

TABLE 2. Production by Types, 1959 and 1960

Kinds of processed leaf	1959		1960	
	Quantity	Selling value	Quantity	Selling value
	pounds	\$	pounds	\$
Bright, flue-cured .....	161,657,612	104,481,428	144,533,722	107,715,321
Burley .....	1	1	8,582,935	4,410,455
Dark, air-cured and fire-cured .....	1	1	1	1
Cigar leaf .....	5,565,014	2,654,101	7,066,464	3,901,387
Pipe varieties .....	9,922,458	5,067,795	1,007,402	498,483
<b>Total tobacco processed</b> .....	<b>177,145,084</b>	<b>112,203,324</b>	<b>161,190,523</b>	<b>116,525,646</b>

<sup>1</sup> Confidential, included with "Pipe varieties".

TABLE 3. Materials Used, by Types, 1959 and 1960

Kind of raw leaf grown and purchased for processing	1959		1960	
	Quantity (green weight)	Cost value	Quantity (green weight)	Cost value
	pounds	\$	pounds	\$
Bright, flue-cured .....	189,783,268	93,266,185	170,662,971	95,366,808
Burley .....	11,384,593	4,036,967	10,376,430	3,817,970
Dark, air-cured and fire-cured .....	..	..	..	..
Cigar leaf .....	6,939,675	1,874,803	8,558,956	3,007,499
Pipe varieties .....	..	..	..	..
Containers and packaging material .....	—	1,285,125	—	1,217,398
Operating, maintenance and repair supplies .....	—	421,051	—	350,962
Amount paid out to others for work done on materials owned by this plant .....	—	57,907	—	47,229
<b>Totals</b> .....	—	<b>101,153,728</b>	—	<b>104,164,607</b>

TABLE 4. Employees and their Earnings, by Provinces, 1959 and 1960

Year and provinces	Supervisory and office employees			Production workers (monthly averages)			Total employees and total earnings		
	Male	Female	Total salaries	Male	Female	Total wages	Male	Female	Salaries and wages
	number		\$	number		\$	number		\$
<b>1959</b>									
Canada .....	200	30	1,295,242	1,071	630	3,794,976	1,271	660	5,090,218
Quebec .....	25	4	115,267	154	27	471,833	179	31	587,100
Ontario .....	175	26	1,179,975	917	603	3,323,143	1,092	629	4,503,118
<b>1960</b>									
Canada .....	215	33	1,481,878	1,016	607	3,964,426	1,231	640	5,446,304
Quebec .....	30	6	138,314	145	12	424,545	175	18	562,859
Ontario .....	185	27	1,343,564	871	595	3,539,881	1,056	622	4,883,445

TABLE 5. Production Workers, by Months, 1959 and 1960

Months	1959			1960		
	Male	Female	Total	Male	Female	Total
	number					
January .....	2,105	1,512	3,617	2,116	1,560	3,676
February .....	2,235	1,419	3,654	2,266	1,377	3,643
March .....	1,790	1,365	3,155	1,306	938	2,244
April .....	1,516	712	2,228	594	389	983
May .....	632	348	980	339	23	362
June .....	436	93	529	329	23	352
July .....	291	15	306	292	25	317
August .....	330	15	345	300	25	325
September .....	404	16	420	370	23	393
October .....	391	17	408	321	25	346
November .....	770	742	1,512	1,821	1,272	3,093
December .....	1,827	1,302	3,129	2,133	1,585	3,718
Monthly average .....	1,071	630	1,701	1,016	607	1,623

TABLE 6. Consumption of Fuel and Electricity, 1959 and 1960

Kinds of fuel	1959		1960	
	Quantity	Cost value at factory	Quantity	Cost value at factory
		\$		\$
Bituminous coal:				
(a) From Canadian mines .....	ton 170	2,500	107	1,693
(b) Imported .....	" 7,231	96,133	6,882	86,784
Anthracite coal .....	" 112	2,106	115	2,080
Coke .....	" 4	122	3	92
Gasoline (including gasoline used in cars and trucks) .....	Imp. gal. 50,098	21,711	48,705	20,091
Fuel oil .....	" 1,062,087	112,886	1,117,923	108,221
Wood .....	cord 15	300	12	252
Liquefied petroleum gases (propane, etc.) .....	Imp. gal. 410	90	375	82
Natural gas .....	M cu. ft. 172	180	529	381
Electricity purchased (including service charges) .....	kwh. 8,871,704	104,434	7,259,782	100,743
Totals .....	—	340,462	—	322,419

TABLE 7. Inventories, 1960

Province	Raw materials and supplies	Goods in process	Finished goods of own manufacture	Total inventory value <sup>1</sup>
	dollars			
Opening inventory: <sup>2</sup>				
Quebec .....	1,012,212	7,800	713,685	1,733,697
Ontario .....	29,309,586	2,181,558	33,038,876	64,530,020
Canada .....	30,321,798	2,189,358	33,752,561	66,263,717
Closing inventory:				
Quebec .....	1,254,892	16,950	436,955	1,708,797
Ontario .....	34,311,836	3,337,000	44,311,415	81,960,251
Canada .....	35,566,728	3,353,950	44,748,370	83,669,048

<sup>1</sup> Book value of all manufacturing inventories held at plants and plant warehouses.<sup>2</sup> The "Opening inventory" for 1960 differs from the "Closing inventory" published for 1959 because of the receipt of revised data.



TABLE 8. Capital and Repair Expenditures in Leaf Tobacco Processing, 1956 - 60

(Figures prepared in the Business Finance Division)

Year	Capital expenditures		Repair expenditures		Total
	Construc- tion	Machinery and equipment	Construc- tion	Machinery and equipment	
	thousands of dollars				
1956 .....	550	620	151	255	1,576
1957 .....	897	300	120	196	1,513
1958 .....	736	576	250	272	1,834
1959 .....	<sup>1</sup>	523	316	330	1,169
1960 <sup>P</sup> .....	300	577	149	161	1,187

<sup>1</sup> Withheld in accordance with the confidential clauses of the Statistics Act.

## List of Firms engaged in Leaf Tobacco Processing in 1960

Name of firm	Address
<b>Quebec:</b>	
Benson & Hedges (Canada) Limited .....	605 Main St., Farnham
Imperial Tobacco Co. of Canada, Limited .....	289 Dugas St., Joliette
F. H. Jones Tobacco Sales .....	295 Helen Boulé St., Joliette
O. Prevost Ltée .....	308 St. Louis St., Joliette
La Société Co-opérative Agricole de la Vallée d'Yamaska .....	St. Césaire
La Société Co-Opérative Agricole de Tabac du District de Joliette .....	St-Jacques de Montcalm
<b>Ontario:</b>	
British Leaf Tobacco Co. of Canada Limited .....	238 Patterson Ave., Chatham
Canadian Leaf Tobacco Co. Limited .....	Dover & St. Clair Sts., Chatham
Consolidated Leaf Tobacco Co. Limited .....	Kingsville
Dibrell Brothers Inc. ....	Oak St., Leamington
Hodge Tobacco Co. of Canada, Limited .....	Kingsville
Imperial Leaf Tobacco Co. of Canada, Limited .....	Aylmer
Imperial Leaf Tobacco Co. of Canada, Limited .....	Delhi
Norfolk Leaf Tobacco Company, Limited .....	Tillsonburg
Simcoe Leaf Tobacco Company Limited .....	2nd Ave. S.W.
The Ontario Flue-cured Tobacco Growers Co-operative Limited .....	Kin-

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