

Further, it should be pointed out that the values as given do not represent the sales values to the final consumers as, in most provinces, the sale of beer by the glass is permissible. Of course, all the liquor sold in any province is not consumed by the residents of that province. The tourist traffic is a very important factor in this connection.

All the revenue resulting from the Liquor Control Acts is not paid to the Liquor Boards. In certain provinces, permit fees are paid directly to the governments and do not pass through the Boards. Table 41 further indicates the total revenue accruing to the governments through the control of liquor sales.

The reports of the Boards do not in all cases show the quantities of liquors sold; in comparing values for a series of years or between provinces it should be borne in mind that price variations may be an important factor.

Apparent Consumption of Liquor in Canada.—It is not possible to obtain accurate figures on Canadian consumption of liquor. Except in Nova Scotia, Quebec, Ontario, and Alberta, the Liquor Boards do not publish figures to show sales on a gallonage basis, and even were such data on quantity sales available for all provinces they would not necessarily represent total consumption. For example, our great tourist traffic must be considered, for it is likely that the quantities consumed by tourists reach a considerable amount. Further, there is no definite information regarding the illegal traffic in liquor, though inquiry has revealed that such illicit business has reached fairly large proportions.

In Tables 42, 43 and 44 an attempt has been made to indicate separately the apparent consumption in Canada of spirits, malt liquors, and wines. Obviously, these computations are subject to error for the reasons mentioned above, and also because no consideration has been given to increases or decreases in the quantities held in stock by the Boards or by licensees. For example, owing to exceptionally favourable conditions abroad, the Liquor Boards may in certain years buy heavily to replenish stocks or create reserves; such purchases would unduly weight the apparent consumption figures for these years. The figures in these tables have been arrived at as follows:—

Spirits.—Practically the total production of spirits is placed in bonded warehouses whence it is released for various purposes. The quantities shown as “entered for consumption” are released from warehouse, duty paid, presumably for consumption for beverage purposes in Canada. However, part of these may be exported. The supply of spirits available in Canada for home consumption or for export must be the sum of the quantities shown under (a) entered for consumption; (b) imports; and (c) exports in bond, and if the total domestic exports and re-exports of imported goods are deducted from this figure the remainder indicates the apparent consumption in Canada.

Malt Liquors.—Only a small part of the output of malt liquors is placed in warehouses. The available supply is, therefore, made up of (a) production; (b) changes in warehouse stock; and (c) imports. By deducting the domestic exports and re-exports of imported goods from this total supply, it is possible to obtain a figure to show the apparent consumption in Canada.

Wines.—The apparent consumption of native wines is obtained by dividing the rates of excise tax into the total tax collections. This is believed to furnish a better measure of consumption than the method formerly used, *i.e.*, to subtract the exports from the production, since part of the product is not consumed in the year of production but is placed in storage for maturing. The apparent consumption of imported wines is arrived at by deducting from the imports into Canada, the re-exports of foreign supplies.