

Section 10.—Control and Sale of Alcoholic Liquors and Beverages in Canada.*

During the years 1916 and 1917, as a War policy, legislation prohibiting the sale of alcoholic liquors, except for medicinal and scientific purposes, was passed in all the provinces except Quebec, where similar legislation was passed in 1919. The prohibition extended to the sale of beer and wine except in Quebec. Native wine, however, could be sold in Ontario.

In aid of provincial legislation prohibiting or restricting the sale of intoxicating liquors, the Dominion Government, in 1916, passed a law making it an offence to send intoxicating liquors into any province to be dealt in contrary to the law of that province. In 1919 this Act was changed to read that "on the request of the Legislative Assembly of a province a vote would be taken on the question that the importation and the bringing of intoxicating liquors into such province be forbidden". If the majority of those voting were found to be in favour of such prohibition, the Governor in Council was to declare it in force.

After the War the provinces continued under prohibition for varying periods. Plebiscites were taken from time to time to ascertain the will of the electorate as to whether the policy of prohibition, adopted as an emergency War measure, should be continued. During 1921 Quebec and British Columbia discarded the existing prohibition laws and adopted the policy of liquor sale under government control. The same course was followed by Manitoba in 1923, Alberta in 1924, Saskatchewan in 1925, Ontario and New Brunswick in 1927, and Nova Scotia in 1930. Thus Prince Edward Island is the only province still adhering to a policy of prohibition.

The provincial Liquor Control Acts have been framed to conform to conditions peculiar to the regions where they are in force and no two are exactly alike. The salient feature of all is the establishment of a provincial monopoly of the retail sale of alcoholic beverages, with the practical elimination of private profit therefrom. Partial exception is made in the retail sale of malt liquor by brewers, which certain provinces permit while reserving regulative rights and taxing such sales heavily. In all the provinces, however, spirits may be bought only at government liquor stores. The provincial monopoly extends only to the retail sale of alcoholic beverages, the manufacture being still in private hands but under the supervision of the Liquor Boards or Commissions. The original Liquor Control Acts have been modified from time to time as deemed advisable. Brief summaries of the legislation are given in the Bureau's annual report on the Control and Sale of Liquor.

Sales by Liquor Control Boards.—Data on gross sales, other revenue, and net profits of the provincial Liquor Boards, are tabulated in Table 42. In connection with the figures on gross sales it is essential to note that for Quebec, Manitoba, and for Alberta (prior to Apr. 1, 1936), the sales of beer made directly by the brewers to the licensees are not included. The proceeds from such sales do not pass through the Boards, but the purchasers must pay through the brewers to the Boards a tax equal to 5 p.c. of the purchases in the case of Quebec, and 12½ cents per gallon in Manitoba. In Alberta purchasers from the brewers paid a tax of 12½ cents per gallon prior to Apr. 1, 1932, and 15½ cents per gallon thereafter to Apr. 1, 1936.† For Manitoba and Alberta, it is possible to calculate from the taxes the gallonage of beer sold but the corresponding values are not available.

* Abridged from the report: "The Control and Sale of Liquor in Canada", by Miss L. J. Beehler, M.A., published by the Dominion Bureau of Statistics.

† An amendment to the Alberta Liquor Control Act passed at the 1936 session of the Legislature provides that "brewers who manufacture beer in Alberta may sell only to the Liquor Board". All sales, both to beer licensees and to permit holders, are now made only through the Board. Under the new arrangement the gallonage tax is no longer levied.