

Bounties paid under this authority for the five years 1947-51 were as follows:—

	1947	1948	1949	1950	1951
Quantity.....ton	555,386	712,150	740,288	830,752	810,608
Amount.....\$	275,139	352,514	366,443	411,222	401,251

Section 6.—Control and Sale of Alcoholic Beverages*

The provincial liquor control Acts have been constituted to establish provincial monopolies of the retail sale of alcoholic beverages, with the practical elimination therefrom of private profit. Partial exception is made in the retail sale of beer by brewers, or others which certain provinces permit, while reserving regulative rights and taxing such sales heavily. The provincial monopoly extends to the retail sale and not to the manufacture of alcoholic beverages. The original liquor control Acts have been modified from time to time as deemed advisable.

The distilled liquor industry produces not only beverage spirits but also industrial alcohol such as (1) unmatured, denatured by distillers, used in anti-freeze and numerous other items, and (2) unmatured, non-denatured, used in chemical compounds, pharmaceutical preparations and vinegar. Production of industrial alcohol (denatured and non-denatured) totalled 6,474,056 pf. gal. in 1950, a decrease of 1,061,042 pf. gal. from 1949. Beverage spirits produced in 1950 and placed in bond for maturing totalled 15,147,458 pf. gal. as compared with 14,251,996 pf. gal. the previous year. Sales in 1950 of denatured alcohol for anti-freeze, solvents, cleaning fluids, perfume manufacturing, etc., amounted to 3,835,517 standard gal. as compared with sales of 3,538,803 standard gal. in 1949. Sales of 3,548,958 pf. gal. of non-denatured alcohol in 1950 were 1,070,503 pf. gal. higher than in 1949. Beverage spirits sold (domestic and export sales) amounted to 18,209,143 pf. gal. in 1950 and 15,371,626 pf. gal. in 1949.

Materials used show important changes. Wheat was the major item during World War II but in 1950, owing to restrictions resulting from world food problems, consumption declined to only 1,432 750 lb. from a peak of 402,535,232 lb. in 1944. Corn replaced wheat, increasing from 15,833,741 lb. in 1944 and 45,191,740 lb. in 1945 to 184,910,915 lb. in 1950. Wheat flour (alcomeal), introduced during the War and consumed to the extent of 77,268,410 lb. in 1944, ceased to be of importance in the later years.

Net Revenue from Liquor Control.—The provincial figures of net revenue shown in Table 6 include not only the net profit made by Liquor Control Boards or Commissions but also additional amounts of revenue received from permits, licences, etc., sometimes paid direct to the Provincial Governments.

The Federal Government, for the year ended Mar. 31, 1950, also collected in excise duties, customs duties, excise taxes, licence fees, etc., \$80,749,812 on spirits, \$59,754,546 on malt and malt products and \$2,713,057 on wines.† Corresponding collections for the year ended Mar. 31, 1951, were \$92,217,597 on spirits, \$68,234,475 on malt and malt products and \$2,921,321 on wines.

* Abridged from the D.B.S. report, *The Control and Sale of Alcoholic Beverages in Canada*, which gives an outline of federal and provincial legislation concerning the control and sale of alcoholic beverages.

† Excludes sales tax, details of which are not available for separate commodities.