

**Customs Warehouses.**—Warehouses for the storage of in-bond goods are known as customs warehouses and are divided into three categories. (1) Those occupied by the Federal Government, some of which are used for examination and appraisal of imported goods and others, known as Queen's warehouses, used for the storage of unclaimed, abandoned, seized or forfeited goods. (2) Bonded warehouses operated and owned by a person other than the Crown and used for the storage and safekeeping of imported goods after entry and conforming to one of the following: (a) an entire building or part of a building completely separated from the remainder of the building by adequate partitions or walls and devoted to the safekeeping of imported goods consigned or sold to the warehouse keeper or other persons; (b) a yard, shed or other suitable enclosure or area devoted to the safekeeping of imported goods too large or too heavy for lodging in a Class 2(a) warehouse; and (c) a farm, yard or other suitable enclosure devoted to the safekeeping of horses, sheep and cattle for feeding and pasturage. (3) Sufferance warehouses for the landing, storage, safekeeping, transfer, examination, delivery and forwarding of imported goods before entry and conforming to one of the following: (a) a warehouse operated or provided by railway, express, airline and shipping companies; (b) warehouses for in-bond goods arriving by commercial motor vehicle; and (c) all sufferance warehouses not described under (a) or (b).

**Subsection 5.—Bonded Warehousing and Storage of Wines**

**Bonded Warehousing.**—The Excise Duty Branch of the Department of National Revenue considers any premises licensed under the Excise Act to be a warehouse, whether for storage of raw materials to produce finished tobacco or cigar products or for spirits or malt used for brewing. Practically the total production of spirits is placed in bonded warehouses and only a small part of the output of beer is retained in storage. Wine, unlike spirits and beer, is not secured under bond. All imports of alcoholic beverages must go through bonded warehouses before being released to Provincial Liquor Commissions or Boards, or other agencies authorized by the Commissions or Boards to take alcoholic beverages out of bond. Similarly, tobacco, cigars and cigarettes that are not stamped and duty paid are secured in bond. In addition to these warehouses, there are those in which no manufacturing or production is carried on but which are used solely for the storage of goods upon which duty has not been paid. Goods are stored in these warehouses usually for the purpose of rapid distribution and for delivery as ships' stores.

Table 35 shows the quantities of distilled liquor, tobacco, cigars and cigarettes in bond in recent years. In addition, the year-end inventories of beer in breweries amount to some 30,000,000 gal.

**35.—Distilled Liquor, Tobacco, Cigars and Cigarettes in Bond, Quarterly 1958-62**

Item and Quarter	1958	1959	1960	1961	1962
<b>Distilled Liquor—</b>					
March..... '000 pf. gal.	123,289	126,052	135,656	143,076	151,183
June..... "	125,661	130,082	137,554	146,072	153,663
September..... "	125,579	130,907	137,743	146,614	153,697
December..... "	126,057	132,054	139,070	147,659	150,695
<b>Tobacco, Unmanufactured—</b>					
March..... '000 lb.	197,282	204,836	224,622	246,367	227,245
June..... "	187,174	213,529	191,142	228,044	239,170
September..... "	162,040	179,611	158,357	197,726 <sup>r</sup>	206,080
December..... "	150,965	178,078	179,170	188,633	187,791
<b>Cigars—</b>					
March..... '000	2,727	1,977	1,300	1,393	1,734
June..... "	1,150	349	156	115	154
September..... "	980	237	195	129	172
December..... "	530	119	124	156	177
<b>Cigarettes at 3 lb. or under—<sup>1</sup></b>					
March..... '000	4,410	5,195	9,505	4,874	7,384
June..... "	5,341	—	3,235	7,968	9,177
September..... "	5,531	3,139	6,805	6,018	5,692
December..... "	6,696	5,738	3,443	3,376	6,584

<sup>1</sup> Excludes Newfoundland.