



Forty-Fifth Report

OF THE

LIQUOR CONTROL BOARD

OF

ONTARIO

APRIL 1st, 1970 TO MARCH 31st, 1971

Forty-Fifth Report
OF THE
LIQUOR CONTROL BOARD
OF
ONTARIO

FROM APRIL 1st, 1970 TO MARCH 31st, 1971

PRINTED BY ORDER OF
THE LEGISLATIVE ASSEMBLY OF ONTARIO



ONTARIO

TABLE OF CONTENTS

SALES	7-9
WINERIES	9-10
PERSONNEL	10
STORES	11-12
PERMITS	12
FINANCIAL STATEMENTS	13-24

LIQUOR CONTROL BOARD OF ONTARIO

55 Lake Shore Boulevard East,
Toronto 2, Ontario,
December 13th, 1971.

The Honourable W. Ross Macdonald, P.C., C.D., Q.C., LL.D.,
The Lieutenant-Governor of the Province of Ontario,
Parliament Buildings,
Queen's Park,
Toronto, Ontario.

May It Please Your Honour,

In accordance with Section 14 of The Liquor Control Act of Ontario, I have the honour to submit herewith the forty-fifth report of the Liquor Control Board of Ontario. This report covers details of the activities of the Board for the fiscal year which ended March 31st, 1971. Proper control and efficient distribution of the products of the breweries, distilleries and wineries continued to be two of the main functions of the Board.

During the year the Board operated 434 stores. This figure included twelve new stores, four relocations and one store which was renovated at the same location. In keeping with the Board's policy to expand the self serve operation, eight of the new stores, two relocated stores and the one renovation were made self serve. There was a total of thirteen self serve stores in operation at March 31st, 1971. Additional stores will be converted to provide a better service for the purchasing public.

The sales of spirits, wines and beers through the stores exceeded 415 millions of dollars, an increase of 8.5% over the previous year. At the same time the profit of \$193,209,268.11 paid to the Treasurer of Ontario was the highest in the history of the Board. Ontario retail sales tax collected through the stores' sales and remitted to the Treasurer amounted to \$36,971,575.57.

The graph included in this report again indicates the growth of the Board over the past ten years. Two additional charts show the distribution of the revenue received during the fiscal year under review.

A number of minor changes in the Advertising Directive has been accepted by the general public and the industry. These changes continue to emphasize good taste in all liquor advertising and at the same time the Directive operates on a brand preference basis rather than an increase in the use of beverage alcohol.

Some years ago the Board introduced a training program for the store managers in the form of periodic area meetings. This program has been maintained and provides an excellent opportunity for the exchange of new ideas and improved communication between

head office and the stores. Other methods of employee training include the orientation program for new employees, training tours of the various industry plants, seminars for new store managers held annually at head office and specialized courses for the wine consultants.

Since I assumed office on December 1, 1970, I have had the opportunity to visit every area of the province and as many individual stores as possible. I am most pleased to report that my previous opinion of friendly courteous service and efficiency was confirmed. Accordingly I would like to thank the nearly 2700 permanent employees of the Board. Their hard work and efforts have contributed to the continued success of the Board's operations. In addition, the employees should be commended for the roles they play as citizens in their respective communities.

A warm tribute should also be paid to my predecessor Mr. G. H. Sheppard, for his fine record as Chief Commissioner over the past eight years. In addition I wish to thank Mr. R. J. Harris, Deputy Chief Commissioner, Reverend A. Walter Downer, M.P.P., Mr. J. S. Abra, General Manager and all the Board's executives, for their efforts over the past year.

I have the honour to be, Sir,

Your obedient servant,

GEORGE KITCHING,
Chief Commissioner.

SALES

The sales of spirits, wine and beer from liquor stores during the twelve months amounted to \$415,372,628.28. Sales in Ontario, of Canadian wine made direct to customers from licensed retail wine stores and wineries amounted to \$9,772,082.48. The net value of beer sold in Ontario, from breweries and brewers' retail stores, exclusive of any charge for containers, totalled \$272,219,709.21.

The following comparative sales statistics are given for the fiscal period under review and also for the preceding twelve months:

SALES BY VALUE

	Twelve months ending March 31, 1971	Twelve months ending March 31, 1970	Increase
Sales by Board Stores			
Canadian Spirits	\$286,907,099.38	\$270,509,190.33	\$ 16,397,909.05
Imported Spirits	60,099,102.33	53,912,321.91	6,186,780.42
Canadian Wines	28,447,201.65	24,669,392.37	3,777,809.28
Imported Wines	26,565,038.59	21,801,942.52	4,763,096.07
Canadian Beers	11,752,821.51	10,444,884.40	1,307,937.11
Imported Beers	1,601,364.82	1,477,946.32	123,418.50
Total Sales by Board Stores	\$415,372,628.28	\$382,815,677.85	\$ 32,556,950.43
Sales by Ontario Wineries and Winery Stores	\$ 9,772,082.48	\$ 8,864,317.55	\$ 907,764.93
Sales by Breweries and Brewers' Retail Stores (exclusive of container value)	\$272,219,709.21	\$255,770,227.90	\$ 16,449,481.31

SALES BY GALLONS

	Twelve months ending March 31, 1971	Twelve months ending March 31, 1970	Increase
Sales by Board Stores			
Canadian Spirits	8,869,134	8,352,067	517,067
Imported Spirits	1,584,059	1,427,352	156,707
Canadian Wines	3,503,265	3,122,981	380,284
Imported Wines	1,972,937	1,551,759	421,178
Canadian Beers	4,429,885	3,936,532	493,353
Imported Beers	264,967	247,255	17,712
Total Sales by Board Stores	20,624,247	18,637,946	1,986,301
Sales by Ontario Wineries and Winery Stores	1,270,028	1,181,659	88,369
Sales by Breweries and Brewers' Retail Stores	126,398,766	118,991,175	7,407,591

Revenue payments totalling \$463,444,428.16 were received by the Treasurer of Ontario, the Government of Canada and by 244 Ontario Municipalities, as a result of levies on beverage alcohol sold in Ontario during the year. This amount is exclusive of Corporation, Realty and Business Taxes paid to these Governments and Municipalities by the distilleries, wineries, breweries and licence holders. It is also exclusive of Ontario Retail Sales Tax collected by licence holders and agency stores on their sales of beverage alcohol. It should be noted that this total represents the highest ever paid to the various levels of government.

A summary of the aforementioned revenue payments follows:

TREASURER OF ONTARIO

Remitted by the Board—

On account of profits, licence fees, etc \$193,209,268.11
 Ontario Retail Sales Tax on sales through
 liquor stores 36,971,575.57

230,180,843.68

Remitted by others—

Ontario Retail Sales Tax on sales through
 retail wine stores and brewers' retail stores 20,457,812.25

\$250,638,655.93

GOVERNMENT OF CANADA

Paid by the Board—

Customs and Excise Duties 106,945,255.12
 Federal Sales Tax on spirits, wines and
 imported beers 22,736,486.77

129,681,741.89

Paid by others—

Malt duties and taxes on domestic beers and
 wines 80,330,328.66

ONTARIO MUNICIPALITIES

Paid by the Board—

Rebates of a proportion of fees received from licencees	1,651,450.00	
Grants in lieu of realty and business taxes	1,142,251.68	
		\$ 2,793,701.68
		<u>\$463,444,428.16</u>

SALES BY BREWERIES TO OTHER PROVINCES AND COUNTRIES

	1967 Gallons	1968 Gallons	1969 Gallons	1970 Gallons	1971 Gallons
Sales to other Provinces	14,653,759	1,122,986	1,383,050	1,137,053	3,019,168
Export Sales	2,931,541	2,525,208	2,656,871	3,050,946	2,900,609
	17,585,300	3,648,194	4,039,921	4,187,999	5,919,777

All brands of beer produced by the Ontario Breweries and by the Quebec and Manitoba Breweries which were sold in this province were periodically analyzed as in previous years, thus ensuring that beer sold in Ontario is in conformity with the Regulations passed pursuant to the Food and Drugs Act of Canada and the standards set by the Board.

The Board receives from its Laboratory, at the Toronto Warehouse, current analytical reports on all brands of spirits, wine and beer.

WINERIES

During the year, two retail wine stores were relocated as follows:

Jordan Wines Limited	From 169 Sparks Street, Ottawa to 1200 St. Laurent Boulevard, Ottawa.
The Parkdale Wines Limited	From 40 Government Road, Kirkland Lake to Sherway Gardens, 25 The West Mall, Etobicoke.

As at March 31, 1971 the total number of wineries and winery retail stores were eight and fifty-one respectively.

SALES BY WINERIES TO OTHER PROVINCES AND COUNTRIES

	1967 Gallons	1968 Gallons	1969 Gallons	1970 Gallons	1971 Gallons
Sales to other					
Provinces.....	3,476,788	3,373,191	2,957,728	3,536,132	3,970,456
Export Sales.....	13,245	16,652	21,955	34,414	34,409
	3,490,033	3,389,843	2,979,683	3,570,546	4,004,865

The tonnage of grapes and cherries used by the various wineries during the past five years was as follows:

Years ended March 31:	1967 Tons	1968 Tons	1969 Tons	1970 Tons	1971 Tons
Grapes used in the manufacture of wine	34,223	35,057	34,453	36,417	40,278
Grapes used in the manufacture of concentrates.....	2,127	2,954	1,681	2,015	2,139
Cherries used in the manufacture of wine	154	65	154	292	12
	36,504	38,076	36,288	38,724	42,429

PERSONNEL

The number of Board Members and permanent employees of the various departments of the Board as at March 31, 1971, was as follows:

Board Members.....	3	Legal.....	3
Staffs of Departments—		Licencee Accounting.....	10
Chief Commissioner.....	2	Permit.....	6
General Manager.....	4	Personnel.....	11
Accounting.....	79	Purchasing.....	7
Brewery Audit.....	7	Realty and Maintenance.....	18
Customs.....	4	Stock Administration.....	21
Distribution Depot.....	28	Stores.....	2,219
Garage.....	3	Store Audit.....	19
Internal Audit.....	9	Store Operations.....	29
Laboratory.....	8	Traffic.....	8
		Warehouses.....	183

2,681

BOARD STORES

The number of board stores operated during the year was 434, which figure includes twelve additional stores opened at the following locations:

April 11, 1970	*First and Fourth Streets	Moosonee
April 13, 1970	1125 Bloor Street East	Mississauga
April 25, 1970	*1 Park Street	Burford
May 7, 1970	615 Grand Avenue	Chatham
May 15, 1970	2868 Ellesmere Road	Scarborough
May 21, 1970	1 Prince Street	Lansdowne
May 21, 1970	1379 Woodroffe Street	Ottawa
June 27, 1970	Highway 511	Calabogie
July 30, 1970	Highway 11	Marten River
August 14, 1970	*42 Main Street North	Hagersville
February 8, 1971	Long Sault Shopping Centre	Long Sault
March 24, 1971	Westmount Centre	London

*Board-owned Properties

On June 13, 1970, the store at 29 Charles Street, Hamilton closed for business due to expropriation of the property by the City of Hamilton.

There were, therefore, 433 stores in operation at March 31, 1971 including the distribution depot.

Four stores were moved to new locations during the year as follows:

Store	From	To
54	156 McIntyre Street West	*186 Worthington Street, North Bay
58	67 Balsam Street South	70 Algonquin Street West, Timmins
129	Main Street	*100 Main Street, Geraldton
144	67 Raglan Street	*114 Argyle Street, Renfrew

*Board-owned Properties

AGENCY STORES

There were six new agency stores established during the year at the following locations:

July 2, 1970		Jellicoe
July 22, 1970		Perrault Falls
August 25, 1970		Dalton
October 19, 1970		Sioux Narrows
October 20, 1970		Dubreuilville
October 22, 1970		Marten River

The agency at Gowganda ceased operations on November 27, 1970 and the licence was cancelled. As a result there were forty agency stores in operation at March 31, 1971.

BREWERIES AND BREWERS' RETAIL STORES

Eighteen breweries were licensed to sell their products in Ontario, at March 31, 1971. There were ten breweries located in Ontario, five in Quebec and three in Manitoba.

Eight brewers' retail stores opened during the year, located at the following addresses:

April 9, 1970	2866 Ellesmere Road	Toronto
July 23, 1970	3875 Keele Street	Toronto
October 8, 1970	2540 Finch Avenue West	Toronto
December 8, 1970	Shirley and Monique Streets	Chelmsford
December 14, 1970	2401 Eglinton Avenue East	Toronto
December 19, 1970	1177 Danforth Avenue	Toronto
December 21, 1970	155 Clarke Road	London
March 24, 1971	785 Wonderland Road	London

On November 28, 1970 the brewers' retail store in Spanish was closed.

Two stores were relocated as follows:

From	To	
111 Bruce Street	Highway #101	South Porcupine
400 College Street	452 Bathurst Street	Toronto

There were 374 brewers' retail stores in operation at March 31, 1971.

PERMITS

A classification of permits and licences issued during the year follows:

PERMITS 1970-1971

Physicians.....	27
Druggists.....	96
Dentists and Veterinarians.....	47
Mechanical and Scientific.....	403
Manufacturers.....	141
Kitchen.....	51
Hospitals.....	275 (Free)
First Aid.....	19 (Free)

LICENCES 1970-1971

Breweries.....	15
Wineries.....	8
Sacramental Wine Vendorships.....	14
Non-potable Alcohol, Storage Warehouses.....	1

FINANCIAL STATEMENTS

Current Assets totalling \$51,824,097.29 consisted of the following:

Cash on hand and in banks	\$11,157,782.84
Accounts Receivable; Licence holder fees, beer levies, duty recoverable items, freight claims, hospital charge sales, etc.	4,907,142.61
Inventories of liquors and supplies	35,759,171.84
	<u>\$51,824,097.29</u>

Prepaid charges for insurance, taxes, etc., amounted to \$40,400.85.

Mortgage Receivable \$25,733.75, represents the principal amount outstanding, of the mortgage taken on the old Thunder Bay warehouse property which was sold in 1965.

Fixed Assets are shown at a nominal valuation of \$1.00 for each parcel of land, and \$1.00 for each building, either completed or in process, plus \$1.00 for all furniture, fixtures, machinery, equipment and leasehold improvements in stores, warehouses and offices. The real estate consists of the land and buildings at 55 Lake Shore Boulevard East, Toronto, together with the adjacent land between Cooper Street and the Government building occupied by the Ontario Provincial Police; land and warehouse at Thunder Bay; land and warehouse at Ottawa; and land and warehouse at London. Also included in the real estate are 152 store sites on which completed stores are located; 24 store sites, against 16 of which charges have been made for costs of uncompleted store buildings and 1 store parking lot. The cost of all lands and buildings incurred during the year (less \$1.00 each unit), totalling together \$1,050,695.92 have been charged against Income. The accumulations of Reserve for Depreciation, have been increased by \$681,379.56, representing the purchases, less disposals of furniture, fixtures, machinery, equipment and alterations to owned and rented premises.

Current Liabilities of the Board totalled \$25,316,071.73 and consisted of accounts payable for liquors and supplies, accrued charges, deposits, deferred licence fees and licences, etc.

The Reserve for Insurance of \$1,000,000.00 and the Reserve for Contingencies of \$500,000.00 remained the same as at the end of the previous year.

Outstanding Commitments amounted to \$33,658,000.00. These items represent the value of undelivered orders totalling \$25,991,000.00, the amount of \$7,324,000.00 for Customs Duties and Sales Tax which are payable on the goods which were in bond in warehouses on March 31st, 1971, and the liabilities for property under option and uncompleted building contracts of \$343,000.00. These outstanding commitments have not been reflected in the trading profits of the Board.

The Statement of Income shows that sales for the twelve months of spirits, wines and beer from Liquor Control Board stores amounted to \$415,372,628.28.

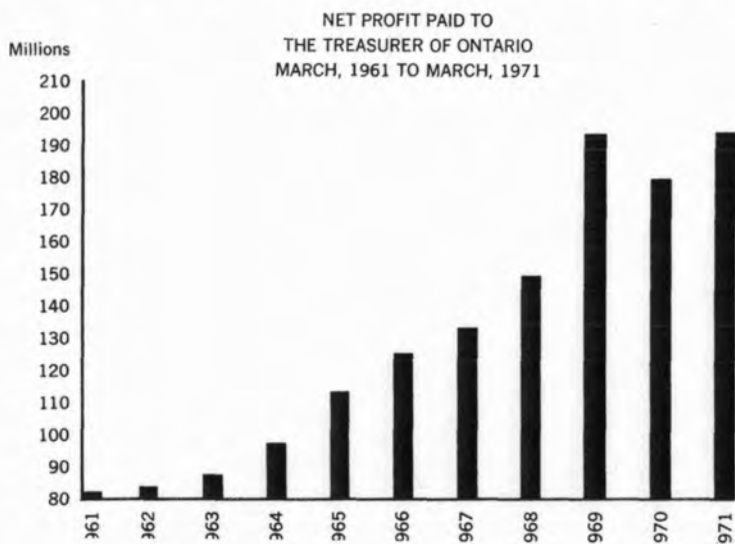
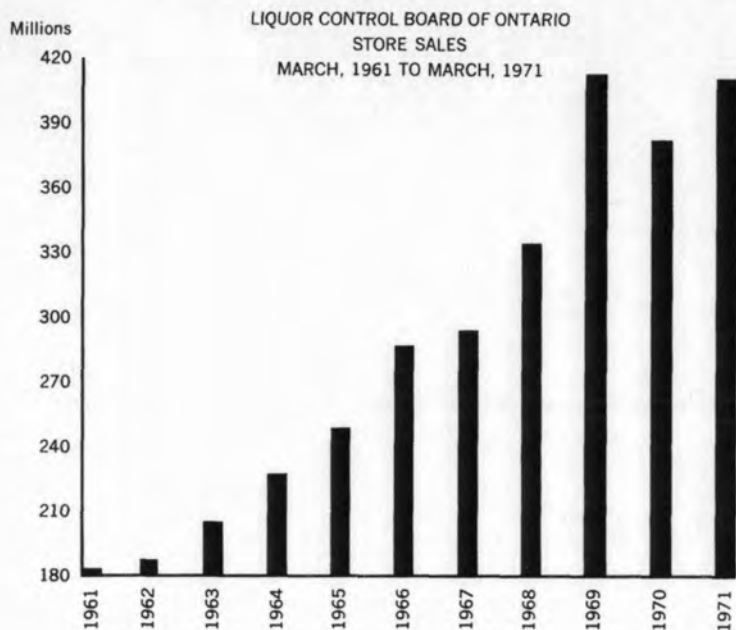
The same statement shows a gross trading profit of \$183,584,469.21 and other revenue of \$46,453,879.63 consisting of levies on brewers and wine manufacturers and their products, licence holders' fees, permit sales, transfer fees and miscellaneous income. Expenses for the year totalled \$36,829,080.73 consisting of administrative and operating expenses (including \$1,582,577.28 incurred by the Liquor Licence Board) and cost of additions to lands and buildings and furniture, fixtures, equipment and alterations. The net income carried forward to the Statement of Retained Income is \$193,209,268.11. After bringing forward the net income of \$193,209,268.11 a balance of \$25,074,515.16 remained in Retained Income.

For comparative purposes, the percentages that the cost of stock sold, other revenue and expenses bear to sales and income are given for the twelve month period reported upon herein and the two preceding fiscal years.

The Statement of Source and Application of Funds summarizes how the funds were made available and how funds were disbursed during the year.

In addition, a statement showing the expenses of administration and operation for the twelve months is also attached. Individual percentages in comparison to the total sales are given for the twelve months and also for the preceding fiscal year.

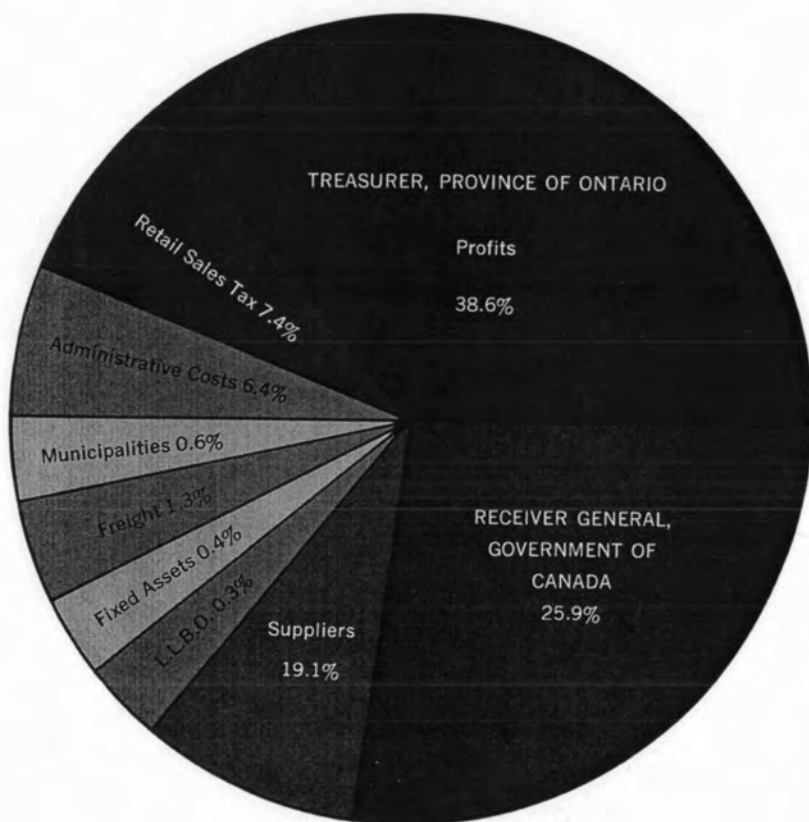
The Statement of Administration and Operation includes a total of \$396,379.95 for sundry expenses that do not warrant separate disclosure. Of this total \$230,455.48 represents expenses paid from the stores' and warehouses' petty cash.



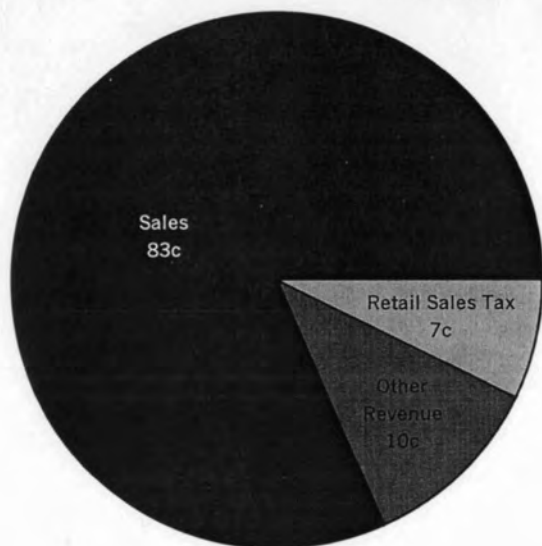
LIQUOR CONTROL BOARD OF ONTARIO

DISTRIBUTION OF GROSS REVENUE

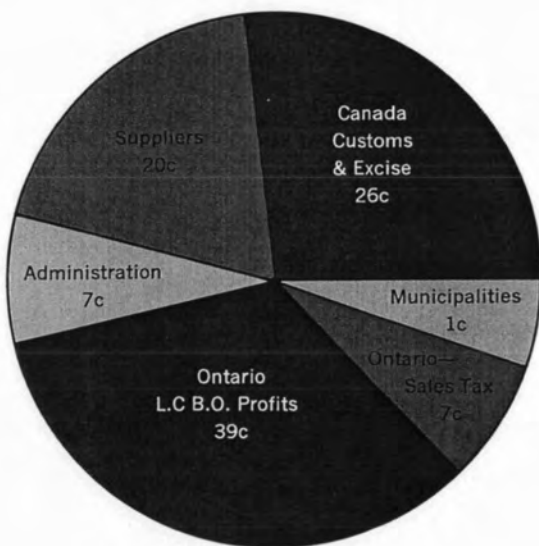
1970 - 1971



THE L.C.B.O. DOLLAR
1970 - 1971



Where it comes from



How it is spent

LIQUOR CONTROL

BALANCE SHEET

(with comparative

ASSETS	1971	1970
	\$	\$
CURRENT		
Cash on hand, in transit and in banks.....	11,157,782.84	10,439,004.27
Accounts receivable.....	4,907,142.61	4,010,686.96
Inventories:		
Liquors in warehouses and stores, at cost...	35,513,362.08	30,764,152.03
Stationery, supplies, empties, etc.....	245,809.76	203,623.13
	<u>35,759,171.84</u>	<u>30,967,775.16</u>
Total Current.....	51,824,097.29	45,417,466.39
PREPAID INSURANCE AND OTHER CHARGES..	40,400.85	192,737.53
MORTGAGE RECEIVABLE.....	25,733.75	27,667.50
FIXED		
Land, at cost.....	6,874,196.23	6,644,216.20
Buildings, at cost.....	29,000,037.62	28,179,303.73
Furniture and equipment, at cost.....	6,057,383.28	5,681,968.56
Alterations to owned and rented premises, at cost	5,920,597.30	5,614,632.46
	<u>47,852,214.43</u>	<u>46,120,120.95</u>
Less amounts written off.....	<u>47,851,859.43</u>	<u>46,119,783.95</u>
	355.00	337.00
	<u><u>51,890,586.89</u></u>	<u><u>45,638,208.42</u></u>

Approved

J. S. ABRA,
General Manager.

F. A. MacINNIS,
Assistant General Manager—Finance.

BOARD OF ONTARIO

March 31, 1971

figures for 1970)

	LIABILITIES	
	1971 \$	1970 \$
CURRENT		
Accounts payable, accrued charges, etc	25,046,181.73	18,792,624.42
Deferred revenue	269,890.00	271,068.84
	<u>25,316,071.73</u>	<u>19,063,693.26</u>
RESERVE FOR INSURANCE	1,000,000.00	1,000,000.00
RESERVE FOR CONTINGENCIES	500,000.00	500,000.00
RETAINED INCOME	25,074,515.16	25,074,515.16
 OUTSTANDING COMMITMENTS		
Duty on stocks in bond	\$ 7,324,000	
Liquors ordered but not delivered (including duty, freight, etc.)	25,991,000	
Property under option and uncompleted building contracts	343,000	
	<u>\$33,658,000</u>	
	 <u>51,890,586.89</u>	<u>45,638,208.42</u>

AUDITOR'S REPORT

I have examined the balance sheet of the Liquor Control Board of Ontario as at March 31, 1971 and the statements of income, retained income and source and application of funds for the year ended on that date. My examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as I considered necessary in the circumstances.

In my opinion these financial statements present fairly the financial position of the Board as at March 31, 1971 and the results of its operations and the source and application of its funds for the year then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

GEORGE H. SPENCE, F.C.A.,
Provincial Auditor.

Toronto, August 16, 1971.

LIQUOR CONTROL

STATEMENT OF

For the year ended

SALES

Sales of spirits, wines and beers	
Cost of Sales:	
Inventories at beginning of year	\$ 30,764,152.03
Purchases	236,537,369.12
	\$267,301,521.15
Less: Inventories at end of year	35,513,362.08
Gross Profit on Sales	

OTHER REVENUE

Brewers' licence fees	\$ 22,500.00
Brewery store and brewers' retail store licence fees	221,100.00
Gallage fees on beer production—Ontario breweries	32,747,546.75
Gallage fees on beer sales—Extra-Provincial breweries ..	1,858,618.72
Licences and fees—The Liquor Licence Act (net after deducting Municipalities' share)	7,314,589.96
Ontario wine licence fees	1,022,083.99
Miscellaneous permits	1,294.00
Special occasion permits	1,343,680.00
Transfer fees	1,122,794.38
Interest on bank balances	123,564.75
Remuneration for collecting Ontario Retail Sales Tax	373,632.07
Miscellaneous income	302,475.01

INCOME

EXPENSES—(the Liquor Control Board and the Liquor Licence Board)

Administrative and operating expenses	\$ 34,958,979.55
Furniture and equipment and alterations to owned and rented premises written off	819,405.26
Additions to land and buildings during the year—written off ..	1,050,695.92

NET INCOME

BOARD OF ONTARIO

INCOME

March 31, 1971

	Percentages to Sales			Percentages to Income		
	1970-71 %	1969-70 %	1968-69 %	1970-71 %	1969-70 %	1968-69 %
\$415,372,628.28	100.00	100.00	100.00			
231,788,159.07	55.80	55.76	55.63			
\$183,584,469.21	44.20	44.24	44.37	79.81	79.94	82.36
46,453,879.63	11.18	11.10	9.50	20.19	20.06	17.64
\$230,038,348.84	55.38	55.34	53.87	100.00	100.00	100.00
36,829,080.73	8.87	8.65	7.55	16.01	15.64	14.01
\$193,209,268.11	46.51	46.69	46.32	83.99	84.36	85.99

LIQUOR CONTROL BOARD OF ONTARIO

STATEMENT OF RETAINED INCOME

For the year ended March 31, 1971

Balance at beginning of year.....	\$ 25,074,515.16
-----------------------------------	------------------

Add:

Net income for the year ended March 31, 1971.....	193,209,268.11
	<u>\$218,283,783.27</u>

Deduct:

Payments to Treasurer of Ontario on account of profits.....	193,209,268.11
	<u>193,209,268.11</u>

Balance at end of year.....	<u><u>\$ 25,074,515.16</u></u>
-----------------------------	--------------------------------

LIQUOR CONTROL BOARD OF ONTARIO

STATEMENT OF SOURCE AND APPLICATION OF FUNDS

For the year ended March 31, 1971

SOURCE OF FUNDS

Net Income.....	\$193,209,268.11	
Add: Items not requiring an outlay of funds—		
Provision for write off:		
Land and buildings..	\$1,050,695.92	
Furniture and equip- ment and altera- tions to premises..	819,405.26	
		1,870,101.18
		<u>\$195,079,369.29</u>
Decrease in Prepaid Insurance and Other Charges.....		152,336.68
Decrease in Mortgage Receivable.....		1,933.75
		<u>\$195,233,639.72</u>

APPLICATION OF FUNDS

Investment in:		
Land and buildings.....	\$ 1,050,713.92	
Furniture and equipment and alterations to premises.....	819,405.26	
		<u>\$ 1,870,119.18</u>
Payments to Treasurer of Ontario on account of profits.....		193,209,268.11
Increase in Working Capital.....		154,252.43
		<u>\$195,233,639.72</u>

LIQUOR CONTROL BOARD OF ONTARIO

ADMINISTRATIVE AND OPERATING EXPENSES

(including Liquor Licence Board of Ontario expenses)

For the year ended March 31, 1971

		Percentage to Sales	
		1970-71	1969-70
Salaries.....	\$25,070,779.03	6.04	5.77
Superannuation and Retirement Funds..	1,022,183.18	.25	.23
Canada Pension Plan.....	299,295.66	.07	.07
Employees' insurance and health plan.	548,110.10	.13	.08
Workmen's Compensation and Unemployment Insurance.....	59,218.93	.01	.01
Rent.....	2,090,709.08	.50	.52
Light, heat and power.....	620,908.50	.15	.15
Premises protection.....	60,476.71	.01	.01
Repairs and maintenance.....	974,650.65	.23	.23
Insurance.....	70,134.35	.02	.02
Grants in lieu of business taxes	522,482.64	.13	.11
Grants in lieu of property taxes.....	619,769.04	.15	.14
Postage.....	70,428.07	.02	.02
Stationery.....	498,512.90	.12	.11
Telephone and telegraph.....	164,172.80	.04	.04
Packing material.....	485,122.92	.12	.11
Freight.....	13,242.57	.00	.00
Discounts.....	44,613.74	.01	.01
N.A.T.O. discounts.....	88,915.86	.02	.03
Agency commissions.....	204,017.87	.05	.05
Agency expenses.....	12,313.30	.00	.00
Breakages.....	80,042.87	.02	.02
Sundries.....	396,379.95	.10	.09
Travelling.....	460,040.27	.11	.10
Car and truck expenses	5,998.17	.00	.00
Tabulating equipment rental and supplies.....	257,242.68	.06	.06
Toronto Warehouse simulation studies	70,837.50	.02	
Ontario Provincial Police— Reimbursement of certain adminis- trative and enforcement expenses.	148,380.21	.04	.04
	<u>\$34,958,979.55</u>	<u>8.42</u>	<u>8.02</u>