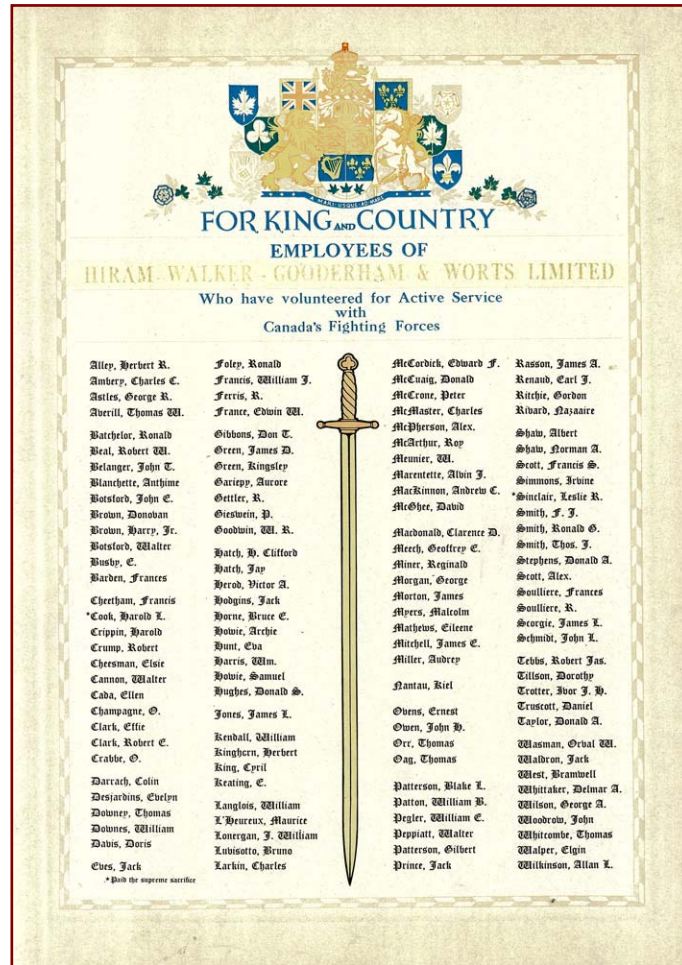


War again (1939-1945)



Gooderham & Worts – Hiram Walker Honour Roll DHD

On September 10, 1939, Canada was again at war. Able-bodied distillery workers volunteered. Some went overseas. Some died. And all were transformed by the experience. The distillery itself was again devoted to war work, primarily pumping out ethanol for fuel and the manufacture of rubber so essential to the allied victory. In the absence of Prohibition, large inventories of whisky and other beverage alcohol were sold. But as the war progressed, supplies declined, rationing ensued, prices rose, and line-ups at liquor stores lengthened. According to newspaper reports, Gooderham & Worts – Hiram Walker remained profitable, but less profitable than before.

Unfortunately, the Second World War at the distillery has not received the same documentary and research attention as the First World War. The story remains to be written. For now, we simply present the Honour Roll to identify and celebrate those employees who put their lives on hold and those who gave their lives during the Second World War (1939-1945).

The Honour Roll contains the names of workers from both the Toronto (Gooderham & Worts) and Walkerville (Hiram Walker) distilleries, and draws from all levels of the workforce, from lowly labourer to upper management. But

the names of those who worked on the home front, in the distilleries, have not yet been unearthed, and their contributions to the war effort remain untold.

If you have information about Gooderham & Worts during the Second World War – photographs, documents, personal memories, acquaintance with someone who would be willing to share knowledge, please contact Sally Gibson, sg@thedistillerydistrict.com.

Distillery Earnings to Dip, But Dividends Seem Secure

Montreal, Jan. 19. With the capacity of the distilling industry turned over to the manufacture of alcohol for war purposes and the companies rationing their supplies to conserve inventories, it is anticipated that the trend of earnings for the industry will decline. However, Canada's two largest distillers have always maintained a conservative policy with respect to dividends and earnings have always been well in excess of distributions. As a result, it is expected that these companies will be able to maintain their current dividend rates under present conditions.

Distillers-Seagrams is currently paying dividends at the annual rate of \$2 per share with earnings for the fiscal year ended July 31, 1942, equal to \$3.75 a share and the average for the past five years, \$4.41 per share, or better than twice the current dividend requirement.

Hiram Walker-Gooderham & Worts Limited is paying currently at the annual rate of \$4 per share, with earnings for the fiscal period ended Aug. 31, 1942, \$9.07 a share and the five-year average equivalent to \$8.01 or more than double the dividend rate.

Both companies have added substantially to earned surplus—important under the ruling of the Foreign Exchange Control Board restricting payment of dividends out of current earnings and surplus accumulated from January, 1939. In the period Aug. 31, 1938, to Aug. 31, 1942, Walker's made an addition of \$11,417,498 to surplus, equal to \$15.77 per share, and Distillers, an addition of \$4,975,265, equal to \$2.26 a share.

Globe & Mail, January 20, 1943

Calls Canadian Distilleries To Report Drop in Earnings

Canada's three leading distillery companies will end their respective fiscal periods by Aug. 31 and operating results for the first nine months of the year would indicate earnings slightly below those of the preceding year, but showing a good margin over dividends, says Financial Counsel.

The period completes about 1 1/2 years in which the facilities of the industry were fully engaged in the production of alcohol for war and essential purposes and was a year in which sales of beverage alcohol were under restrictions in Canada and voluntary rationing by the companies in the United States.

United States distillers in August are being given a month's holiday from the distilling of war alcohol or the final month of the fiscal year for Canadian Industrial Alcohol and Hiram Walker-Gooderham & Worts.

However, this holiday will be means of partially replenishing inventories for aging and is unlikely to have any effect on operating results for the 1943-1944 fiscal year.

Canadian Industrial Alcohol for the first nine months has reported earnings equal to 35c per share against dividend disbursements for the entire year of 40c a share. Quarterly earnings reported to date for the current year have closely approximated those for corresponding quarters of the preceding year, with net for the first nine months of 38c a share comparing with 35c.

Hiram Walker-Gooderham & Worts Limited for the first nine months reported net equal to \$7.69 per share, or well in excess of the entire year's dividend disbursements of \$4 a share and comparing with \$8.71 for the nine months of 1942-1943.

Policy adopted by Distillers-Seagrams of "Last-in-first-out" for valuing inventories and the write-offs made in 1942-1943 before presenting complete figures for that year complicate any estimate to be made of earnings of this company for 1943-1944. Net for the first nine months is reported at \$3.53 (U.S.) a share against \$3.87 (U.S.) for similar months of the preceding year.

Globe & Mail, August 3, 1944

Please send your comments or questions to Manager of Heritage Services, Sally Gibson, sg@thedistillerydistrict.com.

For more about the history of the Distillery District, visit www.distilleryheritage.com

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