

and production, and by the Chief Clerk of the office as to the extension and accuracy of the rates and final figure for pay.

The above is a general description of the methods used in recording the data upon which the payrolls are made up and of the payrolls themselves. The details of the methods by which the records of production are made up and checked is to be found in the evidence of Eugene Gariepy and of W. D. Fleming, which illustrates the various steps taken, such as the recordings from the hank clocks upon the spindle sheets in the spinning department; the recording of the cuts produced from each loom in the weaving department, and the consolidation of that information upon the "cut board" etc.

In no part of the evidence with respect to the payroll was there any suggestion of an improvement to the present system, other than a suggestion by the Commission counsel of the use of time clocks. This suggestion was discussed by Mr. G. B. Gordon in his evidence at pages 4496 to 4499, in which he pointed out the unsuitability of their use under the circumstances.

- (4) *The relationship of wages to:*
- (a) *Cost of production, and*
  - (b) *Total salaries and wages.*
- (a) *Cost of production.*

Mill wages form the second largest item of production cost and the largest controllable element in the cost of producing goods. Exhibit 1230 (distribution of the sales dollar for the years 1927-1936) shows graphically the importance of mill wages as an element of the sales dollar. It shows the following relationship between materials and mill wages:—

1927-1931

|            |   |           |
|------------|---|-----------|
| Materials  | — | 4483 cts. |
| Mill wages | — | 2609 cts. |
| TOTAL      |   | 7092 cts. |

1932-1936

|            |   |           |
|------------|---|-----------|
| Materials  | — | 4259 cts. |
| Mill wages | — | 2764 cts. |
| TOTAL      |   | 7023 cts. |

Pages 4695  
to 4699.

Pages 3716  
to 3718.

Exhibit  
No. 202.

MEIGHEN PAPERS, Series 5 (M.G. 26, I, Volume 197)

PUBLIC ARCHIVES  
ARCHIVES PUBLIQUES  
CANADA