

- (a) From page 445 of Report of Department of Customs and Excise 1922.
- (b) Compiled from report of Department of Customs and Excise 1922.

WAGES IN CANADA AS COMPARED WITH WAGES IN THE UNITED KINGDOM

Without going into extensive statistical comparisons of wages paid in Canada and in the United Kingdom in the woollen industry, which are available in the official publications, the general rule is that Canadian wages are about double those paid in the United Kingdom. The reason for this condition is as follows: the United States industry is protected by a very high tariff which keeps their industries running and consequently they are in a position to pay high wages to textile workers. Owing to the proximity of the United States, Canadian employers have to pay approximately United States wages or their employees will go to the United States to obtain work and therefore United States wages practically fix Canadian wages.

The labor costs represent about 40% of the finished fabric and thus the wage factor is a serious one in the cost of production. Consequently Canadian woollen manufacturers are in this unfortunate position, they have to compete with the high labor costs of the United States while on the other hand, they have to compete with the finished products of the United Kingdom imported under the low rates of the British Preference tariff and produced at about half the labor cost of similar Canadian products.

RAW WOOL USED IN CANADA

The following estimate was prepared from figures supplied by the Canadian Wool Dealers' Association for the year, 1922.

Total wool produced annually in Canada, approximately	13,000,000 lbs.
Total Canadian wool exported	<u>7,900,000 lbs.</u>
Used in Canada	5,100,000 lbs.
Total wool imported annually into Canada approximately,	15,000,000 lbs.
Total imported wool re-exported from Canada, approximately	<u>1,200,000 lbs.</u>
Used in Canada	13,800,000 lbs.
Canadian wool used in Canada	5,100,000 lbs.
Imported wool used in Canada	<u>13,800,000 lbs.</u>
Total wool used in Canada	18,900,000 lbs.

Owing to the Canadian (and in fact the almost universal) demand for clothing made of cloth of fine texture only about 30% of the total wool grown in Canada is utilized for making clothing. A certain amount of Canadian wool is used in the manufacture of other goods so that we manufacture in Canada about 40% of the wool grown in Canada.

The balance of the wool used is imported from New Zealand, Australia and other countries where wool is grown under more uniform climatic conditions, producing larger quantities of the finer grades of wool.

THE DELUGE

Comparison of importation of woollen cloths and worsted cloths, imported from Great Britain, during the six months ending Feb. 28th, 1923, into Canada and into the United States.