itself, to say nothing of moving expenses, closing costs, utility deposits, etc. Little remains for furniture purchases in these early stages.

"The brisk housing demand of 1983 should translate into very favorable demands for furnishings this year," he said. This is the traditional pattern for furniture sales. The lag between housing starts and furniture sales is usually 6 to 9 months. "In addition, there is a significant amount of deferred demand left over from an extremely lengthy recession," Epperson said.

The American Furniture Manufacturers Association has predicted that the United States shipments of furniture at wholesale prices will increase from $11.38 billion in 1983 to $13.08 billion in 1984, an increase of 14.9%. In 1985 it is expected to increase again by 10.4% reaching a total of $14.4 billion. Upholstery shipments make up about one-third of this total. While most official statistics, both Canadian and U.S., indicate that upholstery sales are more or less consistently about one-third of total furniture sales, retailer interviews project a different pattern. Under "Summary of Interviews," earlier in this report, retailers indicated that their sales mix was comprised of 55% upholstered furniture. Although we have been unable to account for this apparent discrepancy, the reader should be aware that the discrepancy does exist. Our best explanation of