

It can be seen immediately that the very basic US Government reporting figures do not make provision for KD furniture shipments as separate or even differentiated categories.

These overall figures disguise the fact that furniture imports have been increasing and still continue to increase at a substantially greater rate than domestic production and this is creating a great deal of concern in the US furniture manufacturing community. The total amount of furniture imported in 1984 was \$US 2.04 billion. This figure represented a substantial 32.9 percent increase over 1983 imports, which totalled \$US 1.43 billion. We shall be examining the question of imports and Canada's position as a leading furniture exporter to the US in a later section.

Changes in furniture prices were moderate during 1984 and increased by an average of 2.5%. This low price increase reflected the highly price competitive nature of the industry and its attempts to counter increasing foreign competition in the face of a 4.3% wage increase and even greater increases in raw material prices over the same period.

The US furniture industry is extremely fragmented. Whilst the official US Census of Manufacturers lists over 6,000 firms as furniture manufacturers covering the four SIC classifications only fifty percent of these employ more than twenty production workers and approximately ten percent of these employ more than two