

Q. Now, that indicates that the entire labour cost of that \$7.75 overcoat was \$1.20 labour included, and the amount made by the manufacturer for overhead was?—A. 73 cents.

Q. That is less than 10 per cent for the entire overhead for his factory plant, management and everything else; and what was the profit?—A. The profit was 78 cents.

Q. The profit was 78 cents?—A. Yes.

Q. That is 10 per cent of the selling price by the manufacturer on the total order. Then the profit was \$2,400 by the distributor?—A. \$3,410.

*By Mr. Young:*

Q. You speak of 50 cents for cutting, is that labour?—A. It goes into that but it is cut in a different operation, there is the hand work and the machine work; it is really part of the operation; it is a different operation in the factory.

Mr. SOMMERVILLE: It is cut by machine.

*By Mr. Young:*

Q. Are not they sewed by machines too?—A. Presumably.

Q. You cannot distinguish between the labour of the man and the machine, can you?

*By Mr. Sommerville:*

Q. You are taking the factory figures for the labour cost in making up the overcoat?—A. Yes.

*By Mr. Factor:*

Q. Can you tell me what the prevailing wage in that factory is?—A. No sir. An investigation will be made and will be reported on later.

Mr. SOMMERVILLE: We will have a full report on that.

*By Mr. Factor:*

Q. Can you tell me how many hours of labour that \$1.20 represents?—A. The report will show that.

Mr. SOMMERVILLE: I just want to get the relative proportion of labour to this. The matter of cutting, Mr. Young, enters into it. They may cut 100 coats at one operation, or fifty coats at one operation, but they only sew one coat at a time.

Mr. YOUNG: What is the 50 cents if it is not labour?

Mr. FACTOR: Partially it is labour.

Mr. YOUNG: Is it light, or is it heat, or oil, or what is it?

Mr. SOMMERVILLE: Perhaps Mr. Glassco or Mr. Johnston may tell us if there is any further light on it.

Mr. HEAPS: I cannot understand why it should be 50 cents to cut a coat and \$1.20 to make it especially if they cut it by a machine.

Mr. FACTOR: Mr. Chairman, I think it would be interesting if we could follow up this overcoat and find out what the textile industry received for the material.

The WITNESS: The cutter who operates the machine is on a time basis or regular wages; the girls or the men who make the coats are paid by the hour. That is really the reason for the division of these two charges.

*By Mr. Heaps:*

Q. How is the 50 cents arrived at, Mr. Johnston?—A. I cannot tell you, sir.

Q. If they cut say 50 coats at one time how is that determined?