

UNITE HERE! CANADA

Impact of the End of Quotas on Clothing Imports into Canada *With Reference to Nine Specific Product Categories*

5 July 2005

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Executive Summary: The Case for Safeguards

The Radical New Trade Order

- The World Trade Organization (WTO) system of quotas regulating the global apparel and textile industry expired on January 1, 2005, after 40 years. For the first time, there are no limits on the amount of goods that can be imported into Canada.
- The expiration of quotas has unleashed a global crisis of unprecedented dimension and with profound ramifications in Canada as well as in developing countries around the world.
- The Canadian clothing industry is in crisis: The clothing industry is the 6th largest manufacturing sector. However, 20% of jobs in the sector have been lost in the last sixteen months (55,432 jobs in April 2005 compared to 69,700 jobs in January 2004).¹

The Role of China

- China is already Canada's largest trading partner in clothing. Imports from China account for 40% of all clothing imports in dollars in Canada, four times greater than the second largest trading partner, and more than the next nine trade partners combined.²
- Since the phase-out of quotas, clothing imports from China have jumped by \$228 million – or 40% while imports from the rest of the world have declined by \$17 million – 1.4%.³
- For example, in the first four months of 2005 China imported into Canada *5,797,462 more* men's pants than during the same period last year – an increase of 163%.⁴
- For women's pants, China imported into Canada an astounding *11,584,491 more* women's pants than the same period last year – an increase of 228%.⁵
- For women's skirts, China imported into Canada a whopping *3,600,051 more* skirts during the first four months of 2005 than during the same period last year – an increase of 216%.⁶
- China's dominance costs least developed countries. The clothing industry has traditionally been a first step for many countries to develop industry. These opportunities are decreasing.

¹Statistics Canada. <http://cansim2.statcan.ca/cgi-win/CNSMCGI.EXE - Table 281-0023>. Downloaded June 23, 2005.

² Industry Canada. Strategis On-Line Trade Database. http://strategis.ic.gc.ca/sc_mrkti/tdst/engdoc/tr_homep.html. Downloaded June 2005.

³ Ibid.

⁴ Ibid. Data examined include all HS codes that comprise men's pants. See Appendix for more information.

⁵ Ibid. Data examined include all HS codes that comprise women's pants. See Appendix for more information.

⁶ Ibid. Data examined include all HS codes that comprise women's skirts. See Appendix for more information.

- The surge of imports from China is partially attributable to unfair trade practices, particularly a lack of labour rights (including freedom of association), illegal currency manipulation, non-performing loans, reduced or free utilities, shipping and property taxes, free land and factories, and export tax rebates.

The Solution: Safeguards

- The WTO allows the Canadian government the opportunity to impose limits – or “safeguards” – on the rate at which Chinese imports increase in specific categories. Imports can be limited to 7.5% growth per year for up to three years.
- In recognition of the threat, both rich and poor nations have already enacted safeguards this year, including the United States and the European Union, and Turkey, Mexico, Argentina. Brazil is pursuing safeguards.
- UNITE HERE is calling for the Canadian government to enact safeguards in nine specific product categories where imports from China are threatening good jobs in Canada:

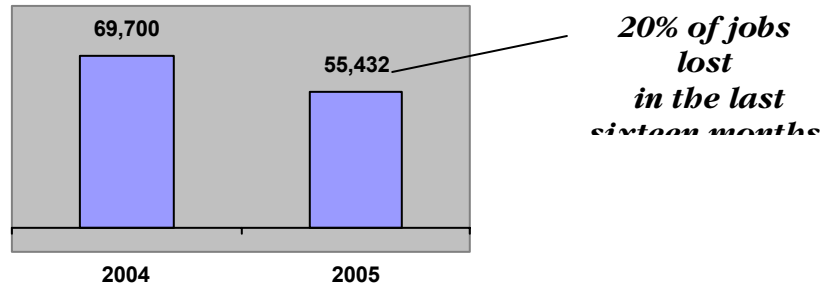
<i>Men’s and Boys’ Suits</i>	<i>Women’s and Girls’ Brassieres</i>
<i>Men’s and Boys’ Jackets and Blazers</i>	<i>Women’s and Girls’ Jackets & Blazers</i>
<i>Men’s and Boys’ Overcoats</i>	<i>Women’s and Girls’ Pants</i>
<i>Men’s and Boys’ Pants</i>	<i>Women’s and Girls’ Skirts</i>
<i>Men’s and Boys’ Woven Dress Shirts</i>	
- In all but one of the nine categories of clothing examined, imports from China have increased over 100% so far in 2005.
- In men’s sports jackets and blazers, for example, imports from China have surged 282% in the first four months of 2005. China’s share of imports has increased from 35% to 54%. Over 4,000 members of UNITE HERE sew men’s jackets and blazers in Canada.⁷
- Imports from China are multiplying in these categories partly due to huge decreases in the prices of imports from China this year. In every category, China is below the price of imports from other countries.
- The Canadian government has the responsibility to act to protect good jobs in an industry that employs largely women and largely immigrant workers.
- Canada’s inaction will only induce Chinese producers to focus on Canada as the sole outstanding unrestricted market. Inaction in this case is actually an active invitation to the further decimation of the Canadian clothing industry and fair trade among least developed countries and Canada.

⁷ Ibid. Union membership numbers from UNITE HERE Canada.

Introduction: The New Trade Order

The end of WTO quotas on January 1, 2005, sparked a radical restructuring of the global clothing industry. Most urgently, we note that employment in clothing manufacturing in Canada has plummeted 20% in the last sixteen months. In January 2004, 69,700 Canadians were employed in clothing manufacturing. By April 2005, this number had fallen to 55,432 – a loss of 14,268 jobs or *one-fifth of the jobs in the industry*.⁸

Chart 1: Employment in Clothing Manufacturing in Canada

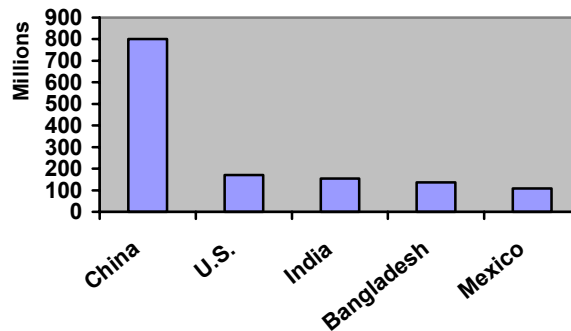


A significant reason for the loss of jobs is explained by a surge of imports from China into Canada. Import data reveal that imports from China are aggressively reshaping where clothing sold in Canada is made.

China Is Already By Far the Largest Exporter of Clothing to Canada

- Imports from China equal over 4 times the value of the second largest source of imports in dollars.
- Imports from China are greater than the next 9 largest trading partners combined in dollars.

Chart 2: Value of Imports from Top 5 Clothing Exporters to Canada (Jan-Apr 2005)



Since the End of Quotas in January 2005, Imports From China Have Surged 40%...

- Clothing imports from China jumped by \$228 million – or 40% – during the first four months of 2005 over the same period in 2004.⁹

⁸ Statistics Canada. <http://cansim2.statcan.ca/cgi-win/CNSMCGLEXE - Table 281-0023>. Downloaded June 23, 2005.

⁹ Industry Canada. Strategis On-Line Trade Database. http://strategis.ic.gc.ca/sc_mrkti/tdst/engdoc/tr_homep.html. Downloaded June 2005.

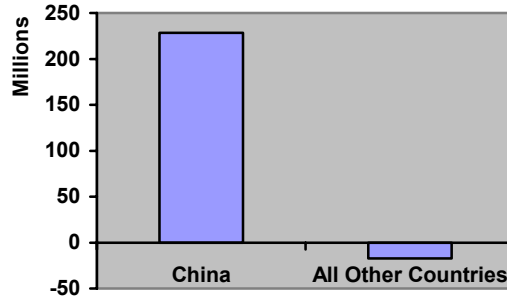
...While Imports from All Other Countries Combined Have **Decreased 1.4%**

- Clothing imports from all other countries combined during the same period decreased by \$17 million – or 1.4%.¹⁰

Chart 3: Change in Clothing Imports

In Millions of Canadian Dollars

(Jan-Apr 04 – Jan-Apr 05)



China Now Equals 40% of All Clothing Imports

- China now constitutes 40% of the value all clothing imports, up from 32% just a year ago.¹¹

¹⁰ Ibid.

¹¹ Ibid.

Impact of Clothing Imports from China In Specific Categories

Clothing imports from China have particularly surged in a number of product categories where UNITE HERE has significant membership, including:

<i>Men's and Boys' Suits</i>	<i>Women's and Girls' Brassieres</i>
<i>Men's and Boys' Jackets and Blazers</i>	<i>Women's and Girls' Jackets & Blazers</i>
<i>Men's and Boys' Overcoats</i>	<i>Women's and Girls' Pants</i>
<i>Men's and Boys' Pants</i>	<i>Women's and Girls' Skirts</i>
<i>Men's and Boys' Woven Dress Shirts</i>	

In just the first four months since the end of WTO quotas, each of these categories demonstrates the tremendous increase in imports from China into the Canadian market.¹²

- The volume of imports from China has increased well over 100% in all but one category, including men's suits (106%), men's jackets and blazers (282%), men's overcoats (629%), men's pants (153%), women's brassieres (415%), women's jackets and blazers (466%), women's pants (252%) and women's skirts (190%).
- The increase in the volume of imports in all categories is greater than the increase of volume from all other countries combined.
- In two categories, the number of imports from China increased while the volume of imports from all other countries declined: In women's pants, the volume of imports from China increased by 252% while the rest of the world decreased by 2%. In women's skirts, the volume of imports from China increased by 190% while the rest of the world decreased 4%.
- When examining the value of clothing imports from China, in many categories the total value of imports from China increased while the total value of imports from all other countries combined actually decreased: For example, the value of imports from China of men's overcoats increased by 96% while imports of overcoats from the rest of the world decreased by 5%. Imports from China of brassieres increased by 186% while imports from all other countries decreased by 9%. Imports from China of women's pants increased by 132% while imports from all other countries decreased by 10%. Imports from China of women's skirts increased by 118% while imports from all other countries combined decreased by 3%.
- China now represents anywhere from 22% to 86% of all imports in each of the studied categories, having increased its share of imports by over 50% in all but three categories, and doubling in two of the categories (women's brassieres and women's pants).
- The unit value of imports from China to Canada has fallen in all categories and drastically – as much as 72% - in several categories in just the first four months of 2005. For example, in men's pants, China's prices were roughly equal to the unit value of other countries in 2004 (about \$9-10). In the first four months of 2005, however, unit values from China have dropped 22% to \$7.30 per imported pant, whereas the rest of the world has maintained a unit value of about \$10.

Each of these categories is discussed in detail below.

¹² Ibid.

Category 1: Men's and Boys' Suits¹³
Estimated UNITE HERE membership: 3,888

Import Data By Quantity

- The amount of imports from China of men's suits has jumped 106.03% so far this year compared to an increase of 16.27% from all other countries combined. See Chart 1A below.
- Canada has imported 82,907 more men's suits from China during the first four months of 2005 compared to the same period of 2004, whereas Canada has imported 8,643 more men's suits from all other countries combined. See Chart 1B below.

Chart 1A:
Percentage Change in Imports by Quantity
Jan-Apr 04 – Jan-Apr 05

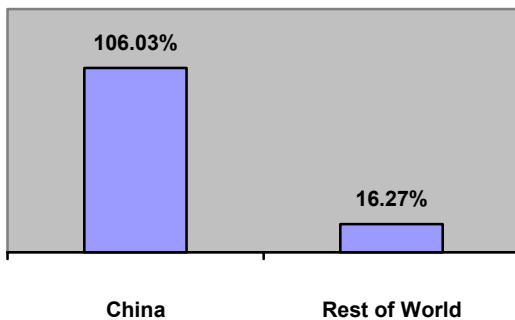
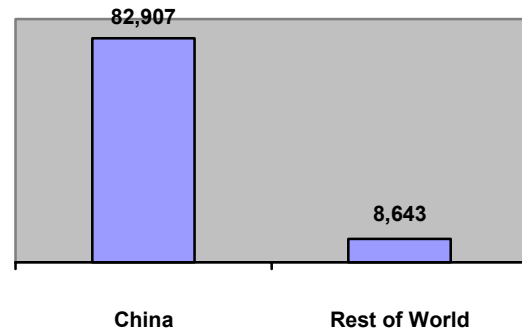
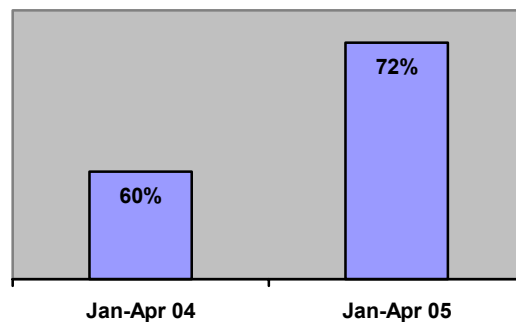


Chart 1B:
Change in Imports by Quantity
Jan-Apr 04 – Jan-Apr 05



- China's share of total imports to Canada of men's suits by volume has increased from 60% to 72% in the first four months of 2005 over the same period in 2005. See Chart 1C.

Chart 1C: China's Share of Imports By Quantity

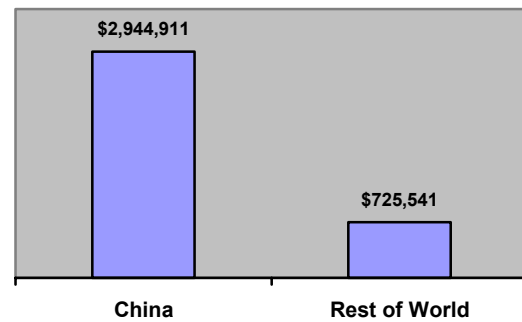
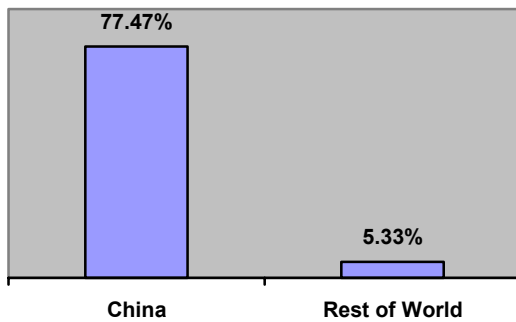


¹³ See the appendix for information about the sources and methodology used to examine imports in this product category.

Import Data by Value

- The value of imports from China of men's and boys' suits has increased by 77.47% in the first four months of 2005 over the same period last year, compared to an increase of 5.33% in imports from all other countries combined. See Chart 1D below.
- So far in 2005, Canada has imported \$2.9 million more worth of men's suits from China than during the same period last year, compared to an increase of \$725,000 for all other countries combined. Chart 1E below.

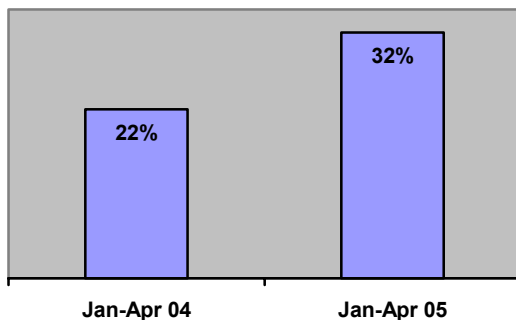
Chart 1D: Change in China Imports by Value Jan-Apr 04 – Jan-Apr 05 **Chart 1E: Change in China Imports by Value Jan-Apr 04 – Jan-Apr 05**



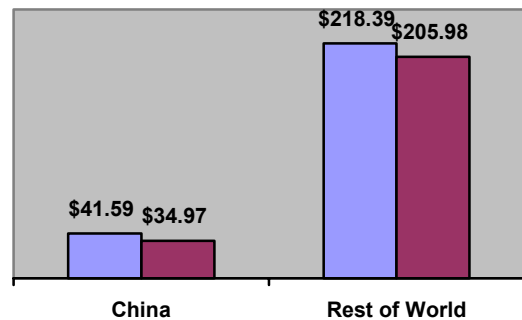
- Because of these increases, imports from China now constitute 32% of all imports of men's and boys' suits, compared to 22% a year ago. See Chart 1F below.
- Within the last year, the unit value of imports from China in men's and boys' suits decreased by 16% from \$41.59 in 2004 to \$34.97 in 2005. This compares to a 6% decrease in the value of suits from all other countries, from \$218.39 to \$205.98 per unit. The value per unit of Chinese suits is 17% of the unit value of imports from other countries. See Chart 1G below.

Chart 1E: China's Share of Total Imports by Value

Chart 1F: Changes in Unit Value



■ 2004
■ 2005



Category 2: Men's and Boys' Jackets and Blazers¹⁴

Estimated UNITE HERE membership: 4,246

Import Data By Quantity

- The amount of imports from China of men's jackets and blazers has jumped 282.02% so far this year compared to an increase of 73.03% from all other countries combined. See Chart 2A below.
- Canada has imported 147,164 more men's jackets and blazers from China during the first four months of 2005 compared to the same period of 2004, whereas Canada has imported 70,745 more men's jackets and blazers from all other countries combined. See Chart 6B below.

Chart 2A:
Percentage Change in Imports by Quantity
Jan-Apr 04 – Jan-Apr 05

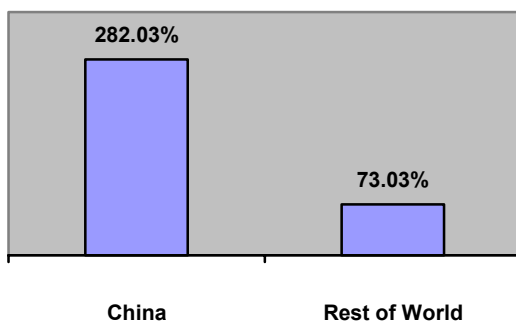
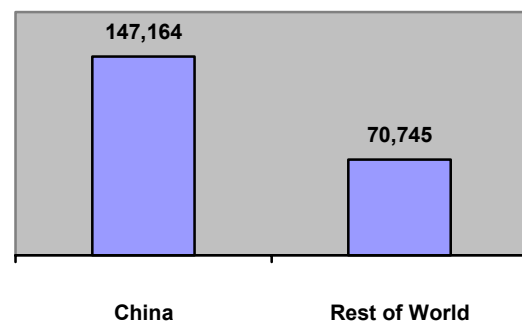
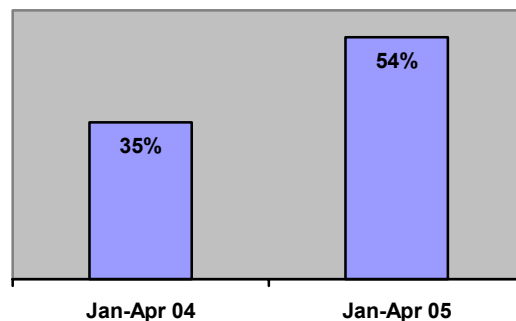


Chart 2B:
Change in Imports by Quantity
Jan-Apr 04 – Jan-Apr 05



- China's share of the total number of imports has increased from 35% to 54%, as shown in Chart 2C.

Chart 2C: China's Share of Imports by Quantity



¹⁴ See the appendix for information about the sources and methodology used to examine imports in this product category.

Import Data By Value

- The value of imports from China of men's and boys' jackets and blazers surged 205% during the first four months of 2005 over the same period in 2004, compared to a 44% increase in imports from all other countries combined. See Chart 2D below.
- The value of imports from China increased by roughly the same amount as imports from all other countries combined: \$3.3 million from China compared with \$3.7 for the rest of the world. See Chart 2E below.

Chart 2D:
Percentage Change in Imports by Value
Jan-Apr 04 – Jan-Apr 05

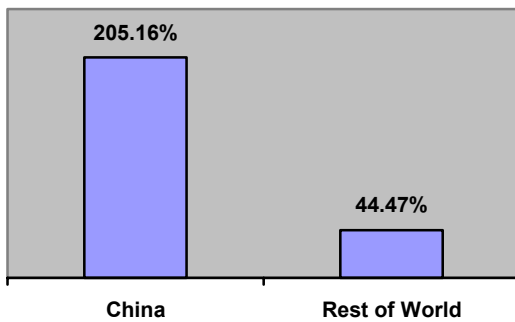
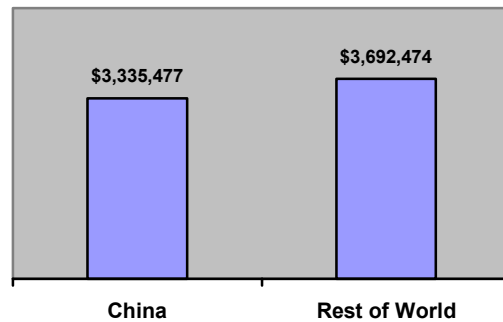


Chart 2E:
Change in China Imports by Value
Jan-Apr 04 – Jan-Apr 05



- China's share of total imports by value has nearly doubled in the last year from 16% to 29%. See Chart 2F below.
- Imports from China decreased in per unit value by 23% in the last year from \$28.43 to \$21.98, compared to a 17% decrease in per unit values of imports from other countries, from \$77.38 to \$64.08. See Chart 2G below.

Chart 2F: China's Share of Total Imports by Value

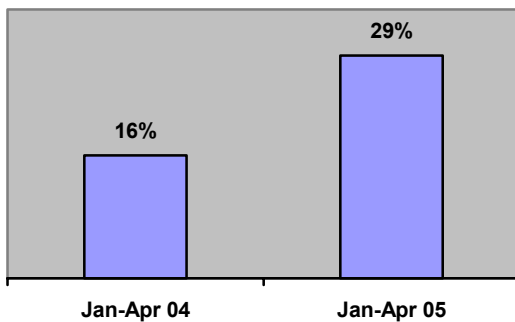
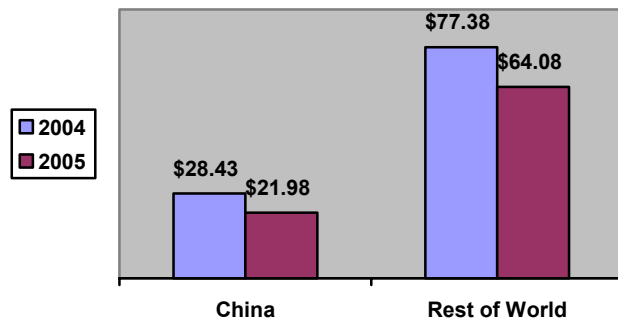


Chart 2G: Changes in Unit Value



Category 3: Men's and Boys' Overcoats¹⁵

Estimated UNITE HERE membership: 301

Trade Data by Quantity

- The amount of imports from China of men's overcoats has skyrocketed 628.72% so far this year compared to an increase of 25.90% from all other countries combined. See Chart 3A below.
- Canada has imported 211,665 more men's overcoats from China during the first four months of 2005 compared to the same period of 2004, whereas Canada has imported 8,064 more overcoats from all other countries combined. See Chart 3B below.

Chart 3A:
Percentage Change in Imports by Quantity
Jan-Apr 04 – Jan-Apr 05

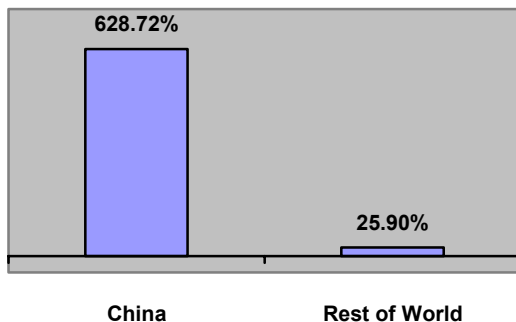
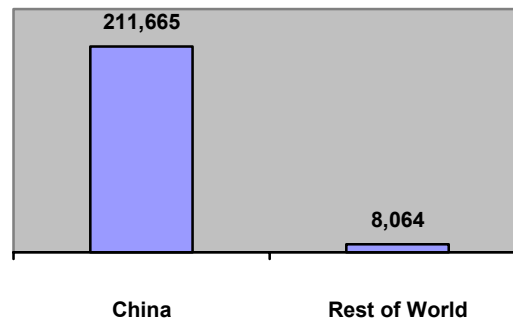
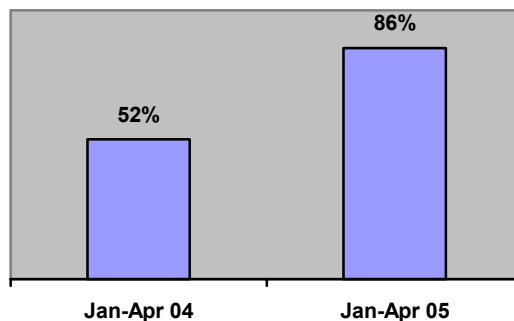


Chart 3B:
Change in Imports by Quantity
Jan-Apr 04 – Jan-Apr 05



- 86% of the overcoats imported into Canada now come from China, up from 52% last year. See Chart 3C below.

Chart 3C: China's Share of Imports by Quantity



¹⁵ See the appendix for information about the sources and methodology used to examine imports in this product category.

Trade Data by Value

- The value of imports from China of men's and boy's overcoats increased 96.02% during the first four months of 2005 over the same period last year, compared to a decrease of 4.67% of imports from all other countries into Canada. See Chart 3D.
- The value of imports from China of overcoats increased \$789,252, whereas imports from other countries decreased \$119,006. See Chart 3E below.

Chart 3D:
Percentage Change in Imports by Value
Jan-Apr 04 – Jan-Apr 05

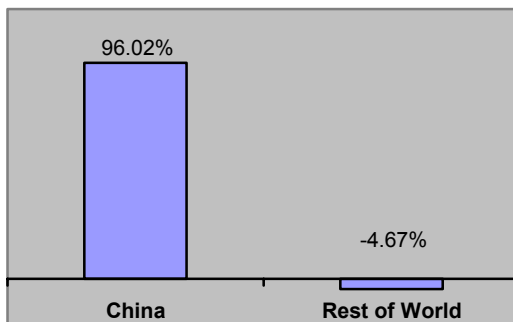
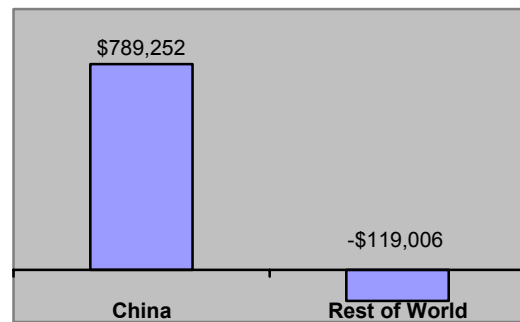


Chart 3E:
Percentage Change in Imports by Value
Jan-Apr 04 – Jan-Apr 05



- China's share of total imports of overcoats increased from 24% to 40% during the first four months of 2005 over the same period last year. See Chart 3F.
- China's per unit value of overcoat imports decreased 72% from \$21.87 to \$6.03 during the first four months of 2005. Per unit values of imports from other countries decreased 27% in comparison, from \$58.07 to \$42.17. Imports from China now cost 14% of what imports from other countries cost. See Chart 3G below.

Chart 3F: China's Share of Total Imports by Value

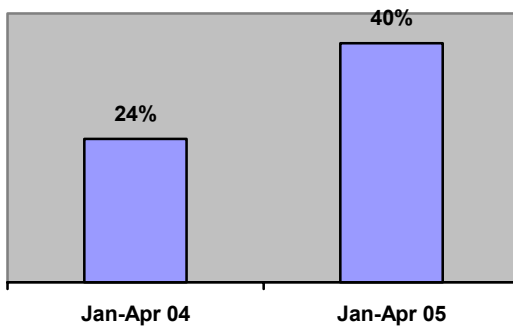
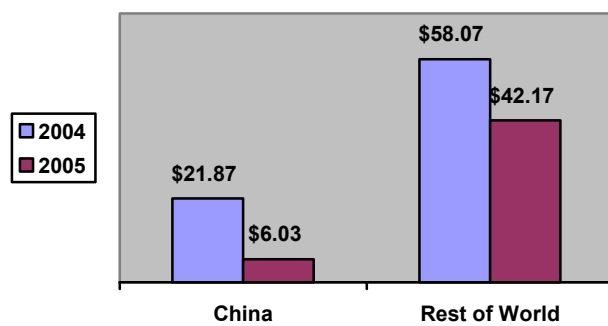


Chart 3G: Changes in Unit Value



Category 4: Men's and Boys' Pants¹⁶
Estimated UNITE HERE membership: 4,597

Trade Data by Quantity

- The amount of imports from China of men's pants has jumped 152.53% so far this year compared to an increase of 10.00% from all other countries combined. See Chart 4A below.
- Canada has imported 4,571,382 more men's pants from China during the first four months of 2005 compared to the same period of 2004, whereas Canada has imported 1,044,099 more pants from all other countries combined. See Chart 4B below.

Chart 4A:
Percentage Change in Imports by Quantity
Jan-Apr 04 – Jan-Apr 05

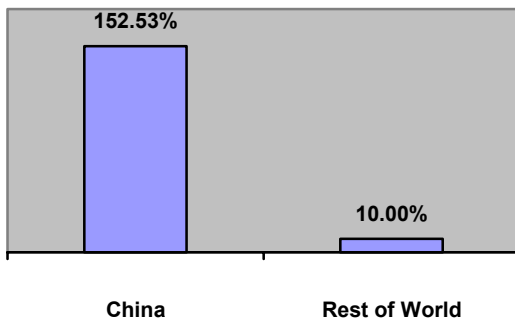
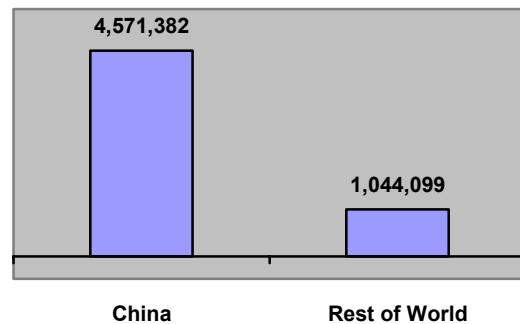
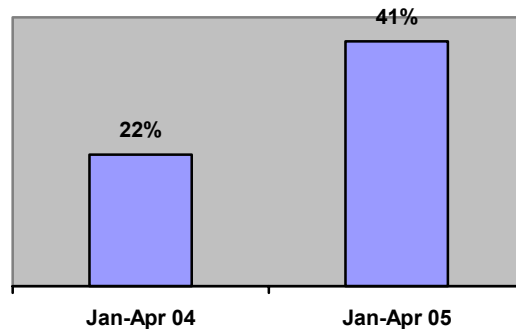


Chart 4B:
Percentage Change in Imports by Volume
Jan-Apr 04 – Jan-Apr 05



- China's share of the total number of imports has nearly doubled from 22% in 2004 to 41% in 2005. See chart 4C below.

Chart 4C:
China's Share of Imports by Quantity



¹⁶ See the appendix for information about the sources and methodology used to examine imports in this product category.

Trade Data by Value

- The value of imports from China of men's and boys' pants increased 100% during the first four months of 2005 over the same period in 2004, whereas imports from all other countries combined increased 5.64%. See Chart 4D below.
- The value of imports from China of pants increased four times greater than the value of all other countries combined: over \$32 million from China compared with \$7.8 million from all other countries. See Chart 4E.

Chart 4D:
Percentage Change in Imports by Value
Jan-Apr 04 – Jan-Apr 05

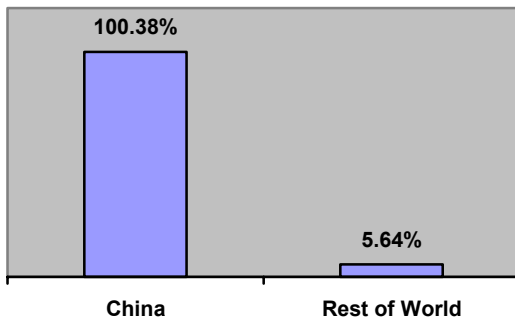
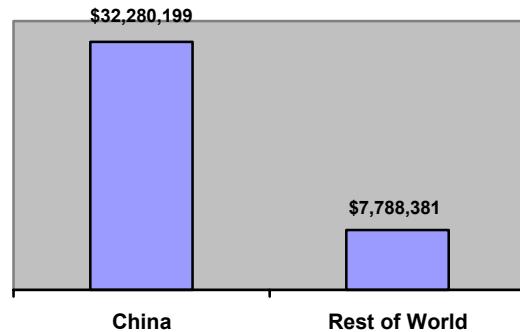


Chart 4E:
Change in Imports by Value
Jan-Apr 04 – Jan-Apr 05



- China's share of the total value of imports grew from 19% to 31% in men's pants. See Chart 4F below.
- The per unit value of imports from China in men's pants decreased by 22% from \$9.30 in 2004 to \$7.30 so far in 2005. The unit value of imports from other countries has been stable. The unit value of imports from China equals 70% the unit value of other imports. See Chart 4G.

Chart 4F: China's Share of Total Imports by Value

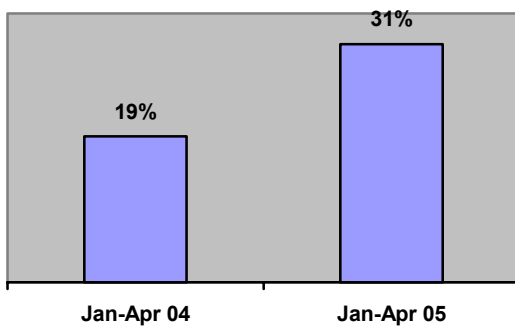
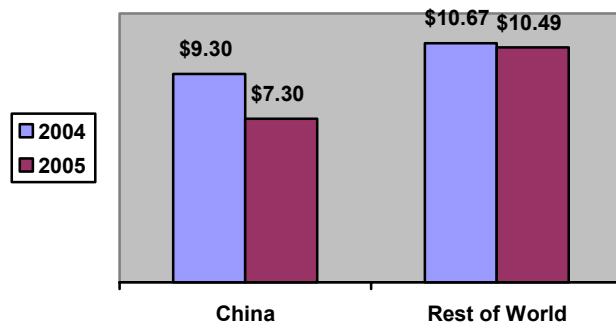


Chart 4G: Changes in Unit Value



Category 5: Men's and Boys' Woven Dress Shirts¹⁷

Estimated UNITE HERE membership: 586

Trade Data By Quantity

- The amount of imports from China of men's woven dress shirts has jumped 34.04% so far this year compared to an increase of 20.13% from all other countries combined. See Chart 5A below.
- Canada has imported 1,874,783 more men's woven dress shirts from China during the first four months of 2005 compared to the same period of 2004, whereas Canada has imported 780,850 more men's woven dress shirts from all other countries combined. See Chart 5B below.

Chart 5A:
Percentage Change in Imports by Quantity
Jan-Apr 04 – Jan-Apr 05

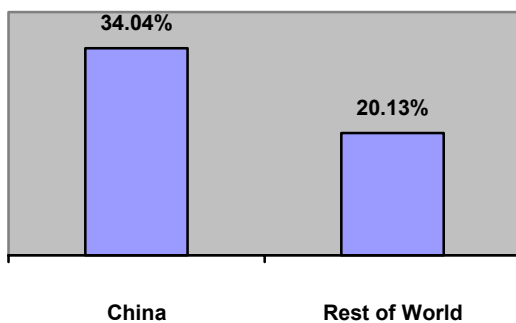
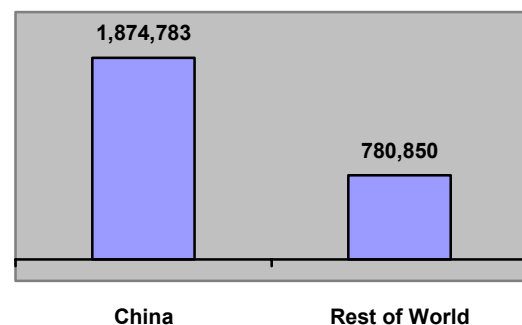
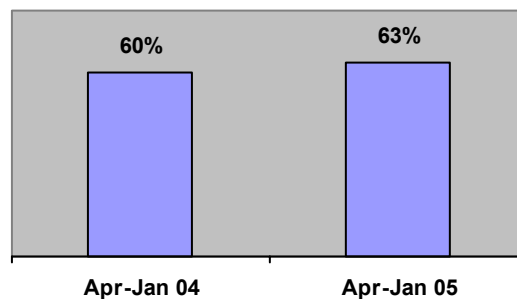


Chart 5B:
Change in Imports by Quantity
Jan-Apr 04 – Jan-Apr 05



- China's share of the total number of imports has increased from 60% during the first four months of 2004 to 63% during the same period in 2005. See Chart 5C below.

Chart 5C:
China's Share of Imports by Quantity



¹⁷ See the appendix for information about the sources and methodology used to examine imports in this product category.

Trade Data by Value

- The value of imports of men's and boys' woven dress shirts increased 18% from China, versus an increase of 13% in value of imports in this category from all other countries. See Chart 5D below.
- Canada has imported nearly \$8 million more worth of woven dress shirts in the first four months of 2005 versus the same time period last year, which compares with an increase of \$6.4 million of imports from all other countries. See Chart 5E below.

Chart 5D:
Percentage Change in Imports by Value
Jan-Apr 04 – Jan-Apr 05

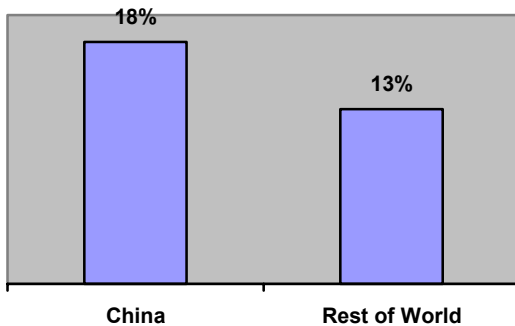
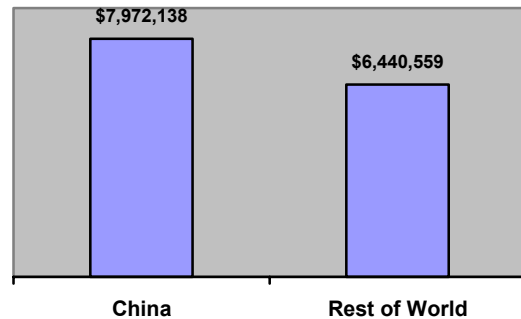


Chart 5E:
Change in Imports by Value
Jan-Apr 04 – Jan-Apr 05



- China's share of the total value of imports in men's dress shirts already constituted nearly half of all imports last year, and has inched up this year again from 48% to nearly 49%. See Chart 5F.
- The unit value of imports from China of men's dress shirts has decreased 12% in the last year from \$6.97 to \$6.15. The unit value of imports from China now fell from 69% of the value of other imports to 62% by the first four months of 2005. See Chart 5G below.

Chart 5F: China's Share of Total Imports by Value

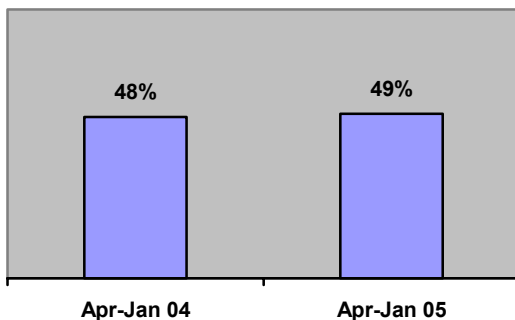
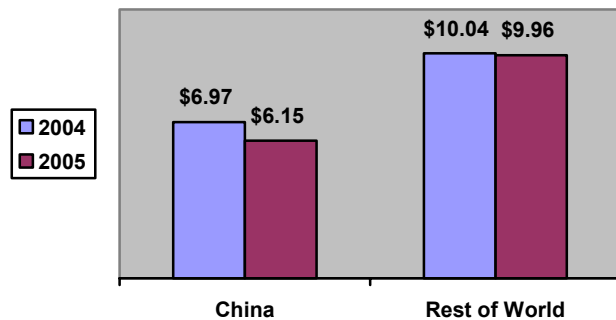


Chart 5G: Changes in Unit Value



Category 6: Women's and Girls' Brassieres¹⁸

Estimated UNITE HERE membership: 107

Trade Data by Quantity

- The amount of imports from China of women's brassieres has jumped 415.15% so far this year compared to an increase of 20.66% from all other countries combined. See Chart 6A below.
- Canada has imported 306,694 dozens more brassieres from China during the first four months of 2005 compared to the same period of 2004, whereas Canada has imported 181,965 dozen more brassieres from all other countries combined. See Chart 6B below.

Chart 6A:
Percentage Change in Imports by Quantity
Jan-Apr 04 – Jan-Apr 05

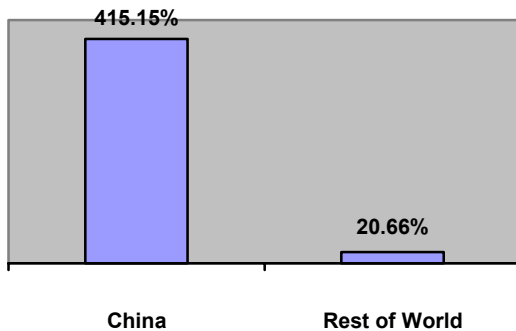
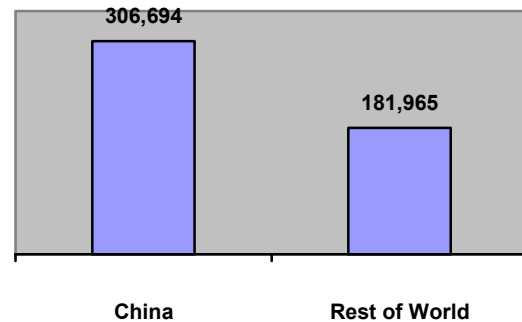
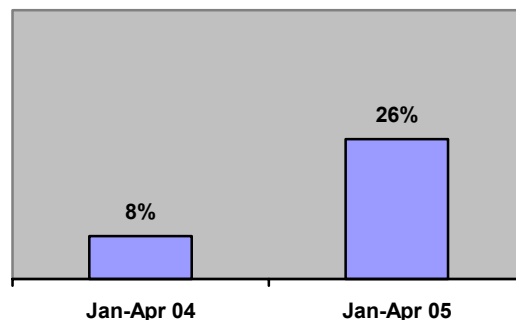


Chart 6B:
Change in Imports by Quantity (in Dozens)
Jan-Apr 04 – Jan-Apr 05



- China's share of brassiere imports into Canada has more than tripled from 8% last year to 26% so far in 2005. See Chart 6C below.

Chart 6C: China's Share of Imports by Quantity



¹⁸ See the appendix for information about the sources and methodology used to examine imports in this product category.

Trade Data by Value

- The value of imports from China of brassieres has surged 185.65% over the last year, compared to a decrease in imports from all other countries of 8.65%. See Chart 6D below.
- Canada has imported \$12 million more worth of brassieres from China so far in 2005 than it did during the same period last year, and \$3.9 million less in brassieres from other countries in the same time period. See Chart 6E below.

Chart 6D:
Percentage Change in Imports by Value
Jan-Apr 04 – Jan-Apr 05

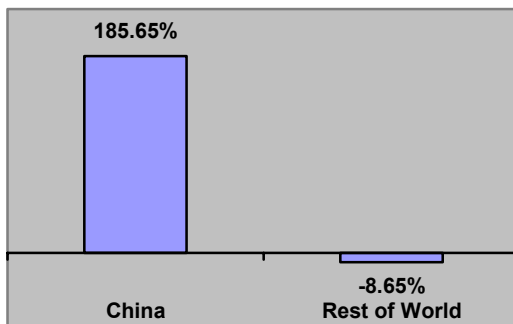
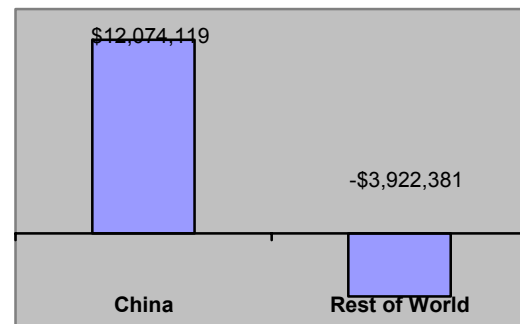
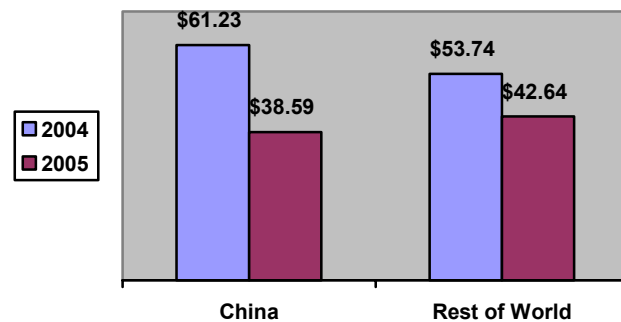
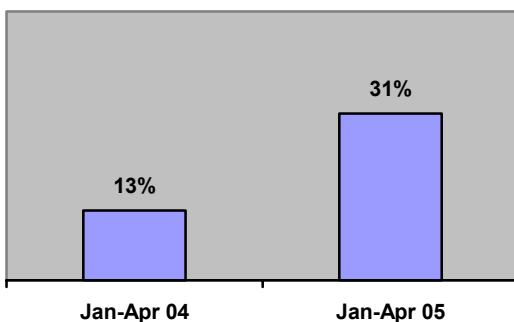


Chart 6E:
Change in Imports by Value
Jan-Apr 04 – Jan-Apr 05



- China now constitutes 31% of the value of all brassiere imports into Canada, compared to 13% a year ago. See Chart 6F.
- The unit value of brassieres from China has decreased 37% from \$61.23 to \$38.59 per dozen, compared to a unit value of \$42.64 per dozen for brassieres imported from other countries. See Chart 6G below.

Chart 6F: China's Share of Imports by Value **Chart 6G: Changes in Unit Value (Per Dozen)**



Category 7: Women's and Girls' Jackets and Blazers¹⁹

Estimated UNITE HERE membership: 1,458

Trade Data by Quantity

- The amount of imports from China of women's jackets and blazers has jumped 465.56% so far this year compared to an increase of 101.06% from all other countries combined. See Chart 7A below.
- Canada has imported 1,070,003 more jackets and blazers from China so far over last year, whereas Canada has imported 330,753 more from all other countries. See Chart 7B below.

Chart 7A:
Percentage Change in Imports by Quantity
Jan-Apr 04 – Jan-Apr 05

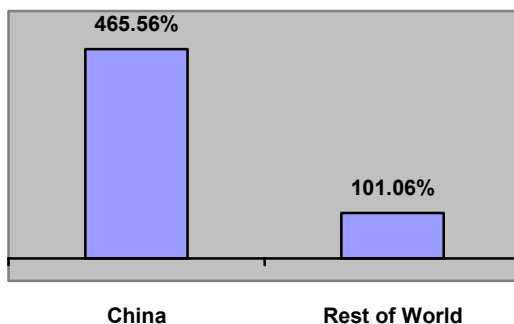
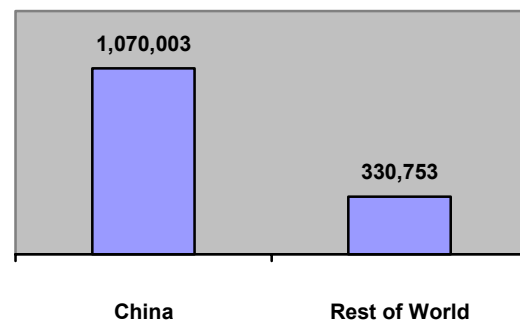
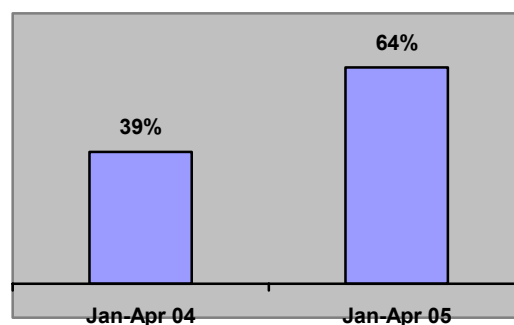


Chart 7B:
Change in Imports by Quantity
Jan-Apr 04 – Jan-Apr 05



- China's share of the total number of imports has increased from 39% to 64% within the last year. See Chart 7C below.

Chart 7C:
China's Share of Imports by Quantity



¹⁹ See the appendix for information about the sources and methodology used to examine imports in this product category.

Trade Data by Value

- The total value of imports of women's jackets from China has increased 252.09% so far in 2005 over the same period in 2004, compared to an increase of 46.42% of imports from all other countries. See Chart 7D below.
- Canada has imported \$14.8 million more worth of women's jackets and blazers from China so far in 2005 over the same period in 2004, compared to an increase of \$8.9 million from all other countries combined. See Chart 7E below.

Chart 7D:
Percentage Change in Imports by Value
Jan-Apr 04 – Jan-Apr 05

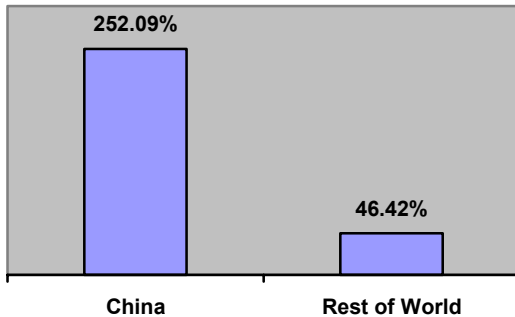
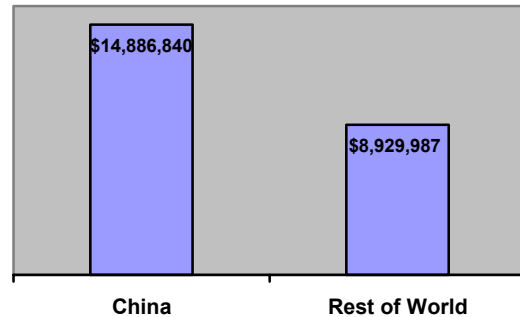


Chart 7E:
Change in China Imports by Value
Jan-Apr 04 – Jan-Apr 05



- China now represents 42% of the value of all imports of women's jackets and blazers, compared to 23% a year ago. See Chart 7F.
- The unit value of imports from China have decreased 29% in the last year, from \$20.27 to \$14.40 per unit. This is 45% the unit value of imports from all other countries, which so far in 2005 stands at \$32.03. See Chart 7G below.

Chart 7F: China's Share of Total Imports by Value

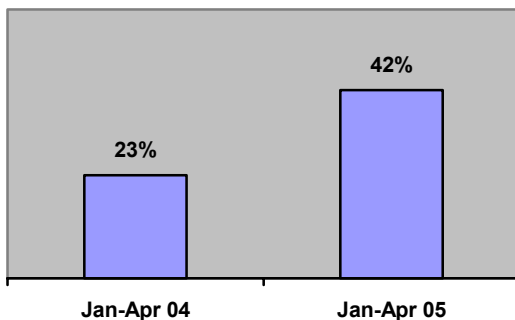
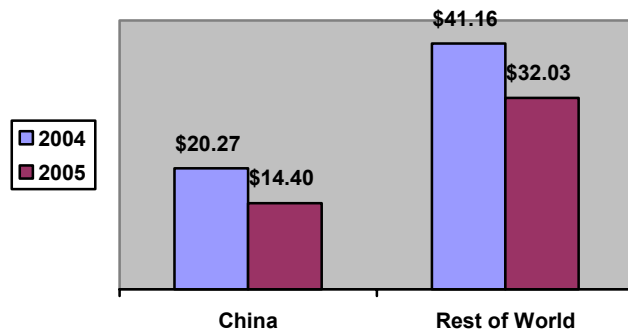


Chart 7G: Changes in Unit Value



Category 8: Women’s and Girls’ Pants²⁰
Estimated UNITE HERE membership: 1,960

Trade Data by Quantity

- The amount of imports from China of women’s pants has jumped 252.23% so far this year compared to an overall decrease of 2.34% from all other countries combined. See Chart 8A below.
- Canada has imported 9,693,999 more skirts from China so far over last year, whereas Canada has imported 320,706 fewer skirts from all other countries. See Chart 8B below.

Chart 8A:
Percentage Change in Imports by Quantity
Jan-Apr 04 – Jan-Apr 05

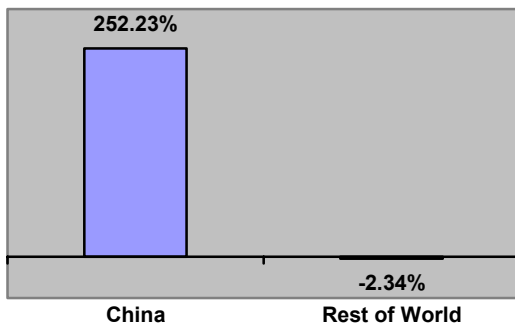
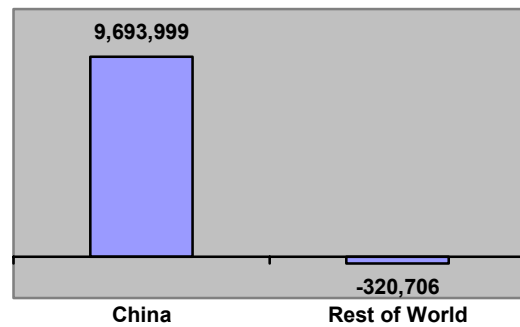
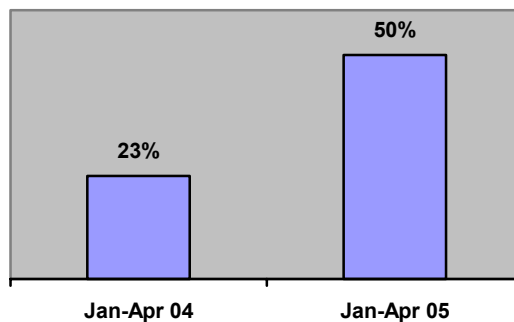


Chart 8B:
Change in Imports by Quantity
Jan-Apr 04 – Jan-Apr 05



- China’s share of the total number of imports has doubled in the last year from 23% to 50%. See Chart 8C below.

Chart 8C:
China’s Share of Total Imports by Quantity



²⁰ See the appendix for information about the sources and methodology used to examine imports in this product category.

Trade Data by Value

- The value of imports of women's pants have jumped over 132% so far in 2005 over 2004, compared to a decrease of 10% in imports from all other countries combined. See Chart 8D.
- Canada has imported \$63.6 million more worth in women's pants from China this year, and \$19 million less from all other countries combined. See Chart 8E.

Chart 8D:
Percentage Change in Imports by Value
Jan-Apr 04 – Jan-Apr 05

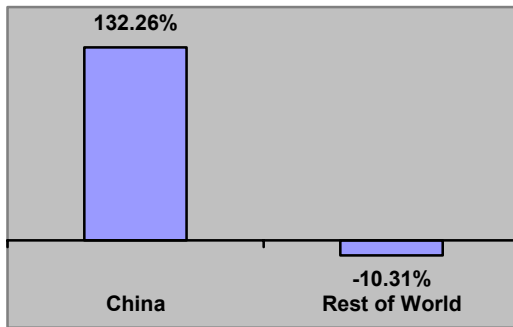
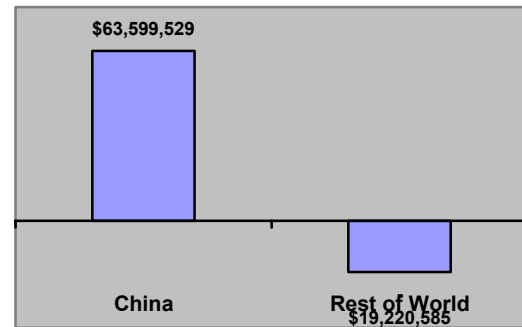


Chart 8E:
Change in Imports by Value
Jan-Apr 04 – Jan-Apr 05



- China's share of the total value of imports in women's pants has doubled from 21% last year to 40% so far this year. See Chart 8F.
- Whereas China's unit value was roughly the same as other countries' imports last year, China's unit value has decreased 30% so far this year to \$7.05 compared to \$10.07 for imports from other countries. See Chart 8G.

Chart 8F: China's Share of Total Imports by Value

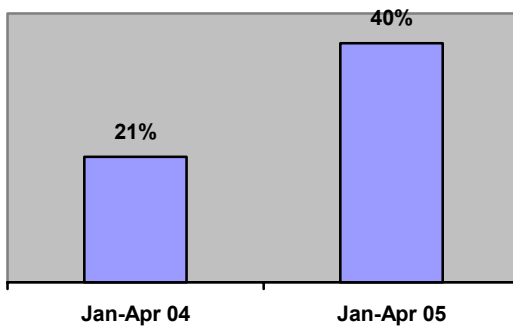
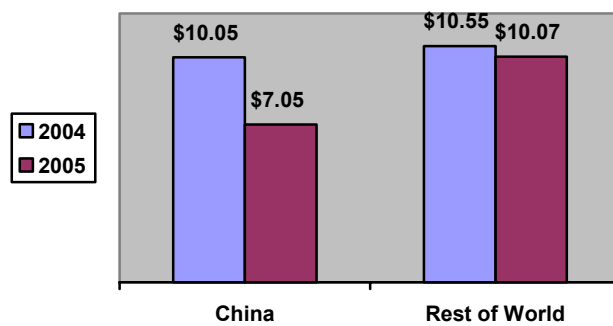


Chart 8G: Changes in Unit Value



Category 9: Women's and Girls' Skirts²¹

Estimated UNITE HERE membership: 800

- The amount of imports from China of skirts has jumped 189.59% so far this year compared to an overall decrease of 3.77% from all other countries combined. See Chart 9A below.
- Canada has imported 2,739,121 more skirts from China so far over last year, whereas Canada has imported 116,047 fewer skirts from all other countries. See Chart 9B below.

Chart 9A:
Percentage Change in Imports by Quantity
Jan-Apr 04 – Jan-Apr 05

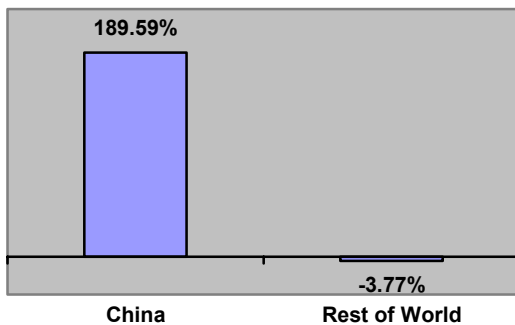
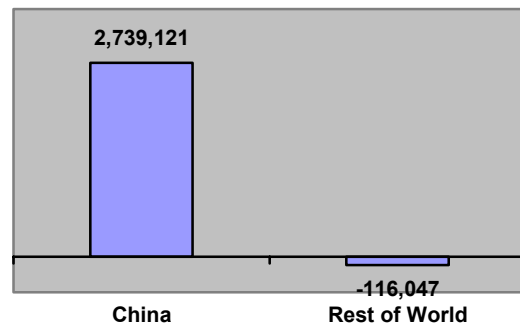
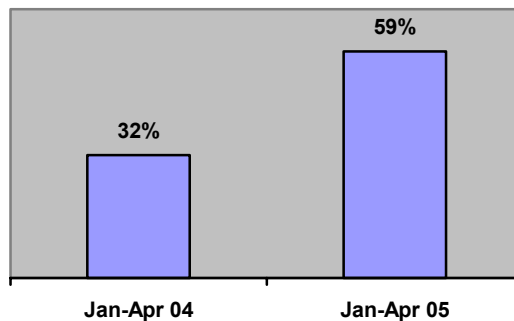


Chart 9B:
Change in Imports by Quantity
Jan-Apr 04 – Jan-Apr 05



- China's share of the total number of imports has increased from 32% to 59% in the last year. See Chart 9C below.

Chart 9C:
China's Share of Imports by Quantity



²¹ See the appendix for information about the sources and methodology used to examine imports in this product category.

Trade Data by Value

- The overall value of imports of skirts from China has jumped 117.99% so far in 2005 compared to the same period last year, whereas imports of skirts from all other countries have fallen 3%. See Chart 9D below.
- Canada has imported \$19.1 million more worth of skirts from China so far in 2005 than during the same period of 2004, and \$1.3 million less from all other countries combined. See Chart 9E.

Chart 9D:
Percentage Change in Imports
Jan-Apr 04 – Jan-Apr 05

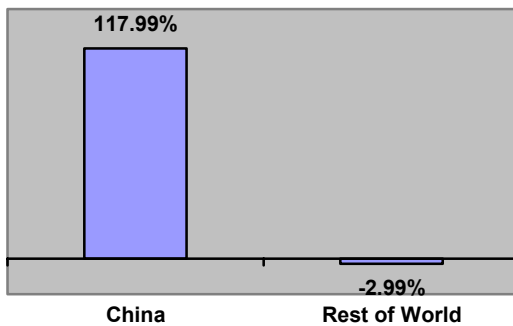
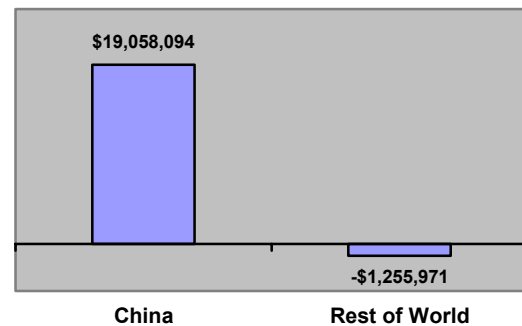


Chart 9E:
Change in Imports by Value
Jan-Apr 04 – Jan-Apr 05



- China now represents 46% of the total value of skirt imports into Canada, up from 28% last year. See Chart 9F.
- The unit value of Chinese skirt imports was roughly equal to the unit value of imports from other countries: \$9.49 compared to \$9.77. So far in 2005, however, the unit value of Chinese skirts has dropped 25% to \$7.14, whereas imports from other countries have remained stable, marginally increasing to \$10.20. See Chart 9G.

Chart 9F: China's Share of Total Imports by Value

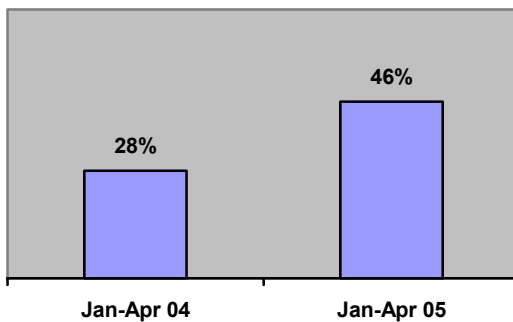
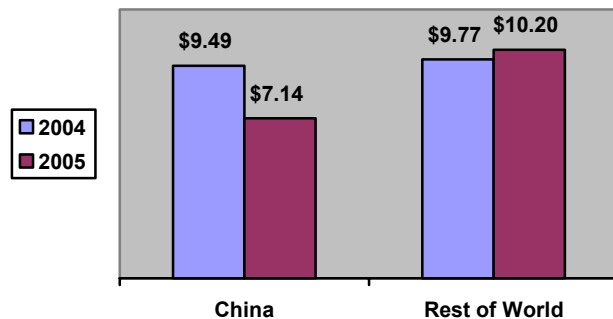


Chart 9G: Changes in Unit Value



APPENDIX : Methodology

Products that are imported and exported are tracked and categorized by “Harmonized System” or “HS codes.”

Import volumes and values are available from Statistics Canada through Industry Canada’s Strategis On-Line Trade Database Strategis (http://strategis.ic.gc.ca/sc_mrkti/tdst/engdoc/tr_homep.html; Downloaded June 2005). Unit value data is available through Statistics Canada through its website, http://www.statcan.ca/trade/scripts/trade_search.cgi (Downloaded June 2005).

Each product category in this report is defined by numerous HS codes. For the purposes of the import data analysis of this report, data for only the primary HS codes which constitute each product category were compiled and analyzed. For each product category, these HS codes constitute over 80% of both the value and volume of the imports. Each HS code which defines the category were not used because Industry Canada and Statistics Canada charge fees to download select data. We believe, however, that the data for the HS codes used accurately represent what is occurring in each product category as the HS codes collectively for each category constitute the overwhelming portion of both volume and value of imports for the respective category.

The only point of the report where we use data for all HS codes comprising the product category is on page i of the executive summary where the total quantity increase for men’s pants, women’s pants, and women’s skirts is cited.

Please see the table on the next page for the list of specific HS codes studied to compile data for each product category analyzed in this report.

List of HS Codes Examined By Product Category

General Description	HS Codes (Trade Commodity Code)
Women's and Girls' Brassieres	HS 621210 – Brassieres
Women's and Girls' Skirts	HS 610451 – WG Skirts and Divided Skirts – Knitted – Wool/Hair HS 610452 – WG Skirts and Divided Skirts – Knitted – Cotton HS 610453 – WG Skirts and Divided Skirts – Knitted – Synthetic Fibers HS 610459 – WG Skirts and Divided Skirts – Knitted – Textile – nes HS 620451 – WG Skirts and Divided Skirts – Woven – Wool/Hair HS 620452 – WG Skirts and Divided Skirts – Woven – Cotton HS 620453 – WG Skirts and Divided Skirts – Woven – Synthetic Fibers HS 620459 – WG Skirts and Divided Skirts – Woven – Textile – nes
Women's and Girls' Pants	HS 610461 – WG Trousers, Overalls and Shorts – Knitted – Wool/Hair HS 610462 – WG Trousers, Overalls and Shorts – Knitted – Cotton HS 610463 – WG Trousers, Overalls and Shorts – Knitted – Synthetic Fibers HS 610469 – WG Trousers, Overalls and Shorts – Knitted – Textile – nes HS 620461 – WG Trousers, Overalls and Shorts – Woven – Wool/Hair HS 620462 – WG Trousers, Overalls and Shorts – Woven – Cotton HS 620463 – WG Trousers, Overalls and Shorts – Woven – Synthetic Fibers HS 620469 – WG Trousers, Overalls and Shorts – Woven – Textile – nes
Women's and Girls' Jackets & Blazers	HS 610431 – WG Jackets & Blazers – Knitted – Wool/Hair HS 610432 – WG Jackets & Blazers – Knitted – Cotton HS 610433 – WG Jackets & Blazers – Knitted – Synthetic Fibers HS 610439 – WG Jackets & Blazers – Knitted – Textiles nes HS 620431 – WG Jackets & Blazers – Woven – Wool/Hair HS 620432 – WG Jackets & Blazers – Woven – Cotton HS 620433 – WG Jackets & Blazers – Woven – Synthetic Fibers HS 620439 – WG Jackets & Blazers – Woven – Textile nes
Men's and Boys' Woven Shirts	HS 6205 – MB Shirts – Woven
Men's and Boys' Pants	HS 610341 – MB Trousers, Overalls and Shorts – Knitted – Wool/Hair HS 610342 – MB Trousers, Overalls and Shorts – Knitted – Cotton HS 610343 – MB Trousers, Overalls and Shorts – Knitted – Synthetic Fibers HS 610349 – MB Trousers, Overalls and Shorts – Knitted – Textile – nes HS 620341 – MB Trousers, Overalls and Shorts – Woven – Wool/Hair HS 620342 – MB Trousers, Overalls and Shorts – Woven – Cotton HS 620343 – MB Trousers, Overalls and Shorts – Woven – Synthetic Fibers HS 620349 – MB Trousers, Overalls and Shorts – Woven – Textile – nes
Men's and Boys' Overcoats	HS 620111 – MB Overcoats, Raincoats, Capes, Cloaks and Similar Articles – Woven – Wool/Hair HS 620112 – MB Overcoats, Raincoats, Capes, Cloaks and Similar Articles – Woven – Cotton HS 620113 – MB Overcoats, Raincoats, Capes, Cloaks and Similar Articles – Woven – Man-Made Fibers HS 620119 – MB Overcoats, Raincoats, Capes, Cloaks and Similar Articles – Woven – Textile nes
Men's and Boys' Jackets & Blazers	HS 610331 – MB Jackets & Blazers – Knitted – Wool/Hair HS 610332 – MB Jackets & Blazers – Knitted – Cotton HS 610333 – MB Jackets & Blazers – Knitted – Synthetic Fibers HS 610339 – MB Jackets & Blazers – Knitted – Textiles nes HS 620331 – MB Jackets & Blazers – Woven – Wool/Hair HS 620332 – MB Jackets & Blazers – Woven – Cotton HS 620333 – MB Jackets & Blazers – Woven – Synthetic Fibers HS 620339 – MB Jackets & Blazers – Woven – Textile nes
Men's and Boys' Suits	HS 610311 – MB Suits – Knitted – Wool/Hair HS 610312 – MB Suits – Knitted – Synthetic Fibers HS 610319 – MB Suits – Knitted – Textile nes HS 620311 – MB Suits – Woven – Wool/Hair HS 620312 – MB Suits – Woven – Synthetic Fibers HS 620319 – MB Suits – Woven – Textile nes