

GENERAL AGREEMENT ON
TARIFFS AND TRADE

RESTRICTED

COM.TEX/SB/531
18 February 1980

Special Distribution

Textiles Surveillance Body

Original: English

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Articles 7 and 8

Agreement between Canada and the People's Republic of China

The Textiles Surveillance Body has received from Canada a notification under Articles 7 and 8 of a new agreement concluded with the People's Republic of China. This agreement covers the period 1 January 1979 to 31 December 1981.

This notification has been made in accordance with the request by the Textiles Committee that agreements concluded with non-participating countries in the Arrangement should be notified.

The TSB is circulating the notification to participating countries for their information.

PEKING, 12 May 1979

Dear Mr. Wang,

I wish to refer to the consultations held in Peking from May 3 to 12, 1979 between representatives of the People's Republic of China, headed by Mme Hsu Fang-yu and the Government of Canada, headed by myself. I wish further to confirm on behalf of the Government of Canada acceptance of the Memorandum of Understanding and Annex I attached thereto both of which were initialled by Mme Hsu Fang-yu and myself in Peking on May 12, 1979.

I propose that this letter, together with the Memorandum of Understanding and Annex I, and your reply confirming acceptance on behalf of the People's Republic of China shall constitute an arrangement between our two Governments which shall enter into force on the date of your reply. The provisions of this arrangement shall supersede the provisions of the arrangement contained in the Memorandum of Understanding initialled by yourself and Mr. W.G. Pybus in Peking on April 15, 1978 and which entered into force by exchange of letters on October 21, 1978.

Yours sincerely,

C. D. Arthur
Director General
Office of Special Import Policy
Department of Industry, Trade
and Commerce

Mr. Wang Ming-chun
General Manager
China National Textile
Import and Export Corporation
Peking
People's Republic of China

PEKING, May 12, 1979

Dear Mr. Wang,

I refer to the consultations held in Peking from May 3 to 12, 1979 between representatives of the People's Republic of China headed by Madame Hsu Fang-yu and the Government of Canada, headed by myself. I wish further to refer to the Memorandum of Understanding and Annex I initialled by Madame Hsu Fang-yu and myself in Peking on May 12, 1979 and which entered into force by exchange of letters dated May 12, 1979.

I understand that the authorities of the People's Republic of China are in the process of developing an export control system. I wish to propose therefore that once this system is in place and meets the requirements outlined below, that the appropriate authorities of our two Governments shall enter into consultations under the provisions of paragraph 19 of the MOU with a view to reaching agreement on the transfer of administrative control of the restraint levels in the MOU to the Chinese authorities. I wish to confirm our understanding that in order to assist the Chinese authorities in the interim the administration of the restraint levels, at least for the remainder of 1979, shall remain with the Canadian authorities.

In the view of the Canadian authorities, a satisfactory export control system would be based on an export visa or license which conveys the information contained in the specimen attached. Such a document, properly certified, would accompany each and every shipment exported to Canada. Canadian authorities would then issue import permits against properly certified export licenses up to the restraint levels for that calendar year.

I would be grateful for your confirmation of this understanding.

Yours sincerely,

C. D. Arthur
Director General
Office of Special Import Policy
Department of Industry, Trade
and Commerce

Mr. Wang Ming-chun
General Manager
China National Textile
Import and Export Corporation
Peking, People's Republic of China

PEKING, May 12, 1979

Dear Mr. Wang,

I refer to the consultations held in Peking from May 3 to 12, 1979 between representatives of the People's Republic of China headed by Mme Han Fang-yu and the Government of Canada headed by myself. I wish further to refer to the Memorandum of Understanding and Annex I initialled by Mme Han Fang-yu and myself in Peking on May 12, 1979 and which entered into force by exchange of letters dated May 12, 1979.

I wish to propose, pursuant to the provisions of paragraphs 13 and 19 of the Memorandum of Understanding initialled on May 12, 1979, that the sum of the restraint levels in all clothing categories contained in Annex I of that Memorandum of Understanding for each of the three calendar years 1979, 1980 and 1981 may be considered, for the purpose specified below, as a single, total restraint level for each of those categories for the three calendar year period 1979-1981 taken together. In order to facilitate the shipment of clothing products contracted for by Canadian importers before January 1, 1979, the China National Textile Import and Export Corporation, after giving due notice to the appropriate Canadian authorities, may authorize the shipment of up to 50% of the total three-year restraint level during the 1979 calendar year (40% for outerwear, shirts with tailored collars MB, sweaters MB and structured suits). The remaining entitlement of the total three-year restraint level for each category so treated shall then be divided into two equal portions, the first portion of which will constitute the restraint level for 1980 and the second portion the restraint level for 1981. The provisions of paragraphs 9 to 13 regarding swing and carryover/borrow forward shall then only apply to the adjusted 1980 and 1981 restraint levels and not to the 1979 transitional entitlement.

I propose that this letter and your reply confirming acceptance on behalf of the People's Republic of China shall constitute an arrangement between our two Governments and form an integral part of the arrangement contained in the Memorandum of Understanding and Annex I initialled on May 12, 1979 and which entered into force on May 12, 1979.

Yours sincerely,

C. D. Arthur
Director General
Office of Special Import Policy
Department of Industry, Trade
and Commerce

Mr. Wang Ming-chun
General Manager
China National Textile Import
and Export Corporation
Peking, People's Republic of China

PEKING, May 12, 1979.

Dear Mr. Arthur,

I wish to refer to your letter of May 12, 1979 which reads as follows:

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"I understand that the authorities of the People's Republic of China are in the process of developing an export control system. I wish to propose therefore that once this system is in place and meets the requirements outlined below, that the appropriate authorities of our two governments shall enter into consultations under the provisions of paragraph 19 of the MOU with a view to reaching agreement on the transfer of administrative control of the restraint levels in the MOU to the Chinese authorities. I wish to confirm our understanding that in order to assist the Chinese authorities in the interim the administration of the restraint levels, at least for the remainder of 1979, shall remain with the Canadian authorities.

"In the view of the Canadian authorities, a satisfactory export control system would be based on an export visa or license which conveys the information contained in the specimen attached. Such a document, properly certified, would

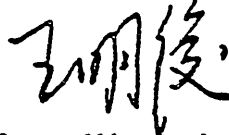
Mr. C.D. Arthur,
Director General,
Office of Special Import Policy,
Department of Industry, Trade and Commerce,
Ottawa, Canada.

accompany each and every shipment exported to Canada. Canadian authorities would then issue import permits against properly certified export licenses up to the restraint levels for that calendar year.

"I would be grateful for your confirmation of this understanding."

I wish to confirm the understanding contained in the above letter.

Yours sincerely,



Wang Ming-chun
General Manager
China National Textile
Import and Export Corporation

PEKING, May 12, 1979.

Dear Mr. Arthur,

I refer to your letter of May 12, 1979 which reads as follows:

"I refer to the consultations held in Peking from May 3 to 12, 1979 between representatives of the People's Republic of China headed by Mme Han Fang-yu and the Government of Canada headed by myself. I wish further to refer to the Memorandum of Understanding and Annex I initialled by Mme Han Fang-yu and myself in Peking on May 12, 1979 and which entered into force by exchange of letters dated May 12, 1979.

"I wish to propose, pursuant to the provisions of paragraphs 18 and 19 of the Memorandum of Understanding initialled on May 12, 1979, that the sum of the restraint levels in all clothing categories contained in Annex I of that Memorandum of Understanding for each of the three calendar years 1979, 1980 and 1981 may be considered, for the purpose specified below, as a single, total restraint level for each of those categories for the three calendar year period 1979-1981 taken together. In order to facilitate the shipment of clothing products contracted for by Canadian importers before January 1, 1979, the China National Textile Import and Export Corporation, after giving due notice to the appropriate Canadian authorities, may authorize the shipment of up to 50% of the total three-year restraint level during the 1979 calendar year (40% for outerwear, shirts with tailored collars MB, sweaters MB and structured suits). The remaining entitlement of the total three-year restraint level for each category so treated shall then be divided into two equal portions, the first portion of which will constitute the restraint level for 1980 and the second portion the restraint

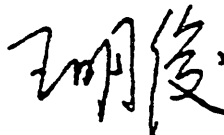
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Ottawa, Canada.

level for 1981. The provisions of paragraphs 9 to 13 regarding swing and carryover/borrow forward shall then only apply to the adjusted 1980 and 1981 restraint levels and not to the 1979 transitional entitlement.

"I propose that this letter and your reply confirming acceptance on behalf of the People's Republic of China shall constitute an arrangement between our two Governments and form an integral part of the arrangement contained in the Memorandum of Understanding and Annex I initialled on May 12, 1979 and which entered into force on May 12, 1979."

I wish to confirm on behalf of the People's Republic of China acceptance of the arrangements contained in your letter.

Yours sincerely,



Wang Ming-chun
General Manager
China National Textile
Import and Export Corporation
Peking, People's Republic of
China

PEKING, May 12, 1979.

Dear Mr. Arthur,

I refer to your letter of May 12, 1979 which reads as follows:

"I wish to refer to the consultations held in Peking from May 3 to 12, 1979 between representatives of the People's Republic of China, headed by Mme Han Fang-yu and the Government of Canada, headed by myself. I wish further to confirm on behalf of the Government of Canada acceptance of the Memorandum of Understanding and Annex I attached thereto both of which were initialled by Mme Han Fang-yu and myself in Peking on May 12, 1979.

"I propose that this letter, together with the Memorandum of Understanding and Annex I, and your reply confirming acceptance on behalf of the People's Republic of China shall constitute an arrangement between our two Governments which shall enter into force on the date of your reply. The provisions of this arrangement shall supersede the provisions of the arrangement contained in the Memorandum of Understanding initialled by yourself and Mr. W.G. Pybus in Peking on April 15, 1978 and which entered into force by exchange of letters on October 21, 1978."

I wish to confirm on behalf of the People's Republic of China acceptance of the arrangement contained in your letter.

Yours sincerely,



Wang Ming-chun
General Manager
China National Textile
Import and Export Corporation
Peking, People's Republic of China

Mr. C.D. Arthur,
Director General,
Office of Special Import Policy,
Department of Industry,
Trade and Commerce,
Ottawa, Canada.

May 12, 1979

MEMORANDUM OF UNDERSTANDING
RELATING TO THE TRADE IN CERTAIN TEXTILE AND CLOTHING PRODUCTS
BETWEEN
CANADA AND THE PEOPLE'S REPUBLIC OF CHINA

Introduction

1. The Canadian Delegation authorized by the Government of Canada, and the Chinese Delegation authorized by the Ministry of Foreign Trade of the People's Republic of China, met in Peking from May 3 to 12, 1979, and initialled this Memorandum of Understanding (MOU) regarding the export of certain textile and clothing products from the People's Republic of China to Canada.

Coverage

2. The conduct of mutual trade in those Chinese textile products dispatched from the People's Republic of China listed in Annex I shall be governed by the provisions of this MOU.
3. Imports into Canada of textile products covered by this MOU will be debited to the quantitative limits established for the calendar year of the MOU in which they enter Canada.
4. For the purposes of classifying textile and clothing products in the appropriate category, the definitions and footnotes set out in Annex I shall apply.

Duration of the MOU

5. This MOU shall apply for the three separate calendar year periods commencing on January 1, 1979 and terminating on December 31, 1981.

Restraint Limits

6. Except as provided for in paragraphs 9 to 13 below:
- a. the People's Republic of China shall limit its exports (i.e. shipments) to Canada of the textile and clothing products described in Annex I to the amounts set out for each of the periods specified in Annex I;
 - b. the Government of Canada shall accept for entry into Canada imports of the textile and clothing products described in Annex I up to the amount set out for each of the periods specified in Annex I.

Administration

7. The appropriate authorities of the Government of Canada shall issue import permits for entry into Canada of all textile and clothing products exported from the People's Republic of China, subject to the quantitative limits specified in Annex I, due account being given to the annual contract level and historical performance of Canadian importers and having regard to normal channels of trade.

8. The appropriate authorities of the People's Republic of China shall endeavour to ensure that shipments of all textile and clothing products, subject to quantitative limits, are spaced as evenly as possible during each calendar year of the MOU, due account being taken of seasonal factors and having regard to normal channels of trade.

Swing

9. Subject to the specific limitations set out in Annex I, any quantitative limit shown may be exceeded by the percentage shown in Column (E) of Annex I, provided that an equivalent amount is deducted from any other quantitative limit.
10. For the purpose of implementing the Swing provisions in paragraph 9, the conversion factors shown in Column (D) of Annex I shall apply. Swing is not permitted between the clothing and textile categories.

Carryover/Borrow Forward

11. By notification to the appropriate Canadian authorities of the quantities involved, portions of any quantitative limit set out in Annex I which are not used during any calendar year of the MOU may be carried over and added to the corresponding quantitative limit for the following calendar year within the percentage limit set out in Column (F) of Annex I.

12. Any quantitative limit may be increased within the percentage limit set out in Column (F) of Annex I by an amount advanced from the corresponding quantitative limit for the following calendar year of the MOU. The quantitative limit for the following calendar year shall be reduced by an amount equal to the amount so advanced.
13. Notwithstanding the foregoing, the swing, carryover and borrow forward provisions may be used in combination only up to the percentage limit set out in the Footnotes of Annex I.

Exchange of Statistics

14. The appropriate authorities of the People's Republic of China shall provide the Canadian authorities with quarterly statistics relating to exports to Canada of the textile and clothing products listed in Annex I.
15. The Canadian authorities shall provide the authorities of the People's Republic of China with monthly statistics of imports from the People's Republic of China in respect of the textile and clothing products subject to this MOU.

Re-Exports

16. Imports into Canada of those textile and clothing products to which this MOU applies which are for immediate re-export or

for inward processing and subsequent re-export outside Canada shall not be subject to quantitative limits established under this MOU, provided they are entered as such under an administrative system of control in force for this purpose within Canada.

17. Canadian authorities shall, so far as possible, inform Chinese authorities when imports into Canada of textile and clothing products subject to this MOU are subsequently re-exported from Canada. Where such re-exports have been debited by the Chinese authorities to quantitative limits, they may then credit the amounts involved to the appropriate quantitative limits.

Consultations

18. Either party to this MOU shall have the right to request, in writing, consultations with the other party on any matter arising from the implementation or operation of this MOU or any other matter arising out of trade in textiles and clothing between Canada and the People's Republic of China. The other party to this MOU shall accept such a request and such consultations shall be held as soon as possible.
19. The request for consultations shall be accompanied by or followed within a reasonable period (and in any case not later

than 15 days following the request) by a statement setting out the reasons and circumstances which, in the opinion of the requesting Government, justify the submission of such a request; the appropriate authorities of both Governments shall enter into consultations within one month at the latest of the request for consultation, with a view to reaching a mutually acceptable conclusion within one further month at the latest. Any consultations held under these provisions shall be approached by both Governments in a spirit of cooperation and with a desire to reconcile the differences between them.

Annex

20. The Annex to this MOU shall be considered as an integral part of the MOU.

HEAD OF CANADIAN DELEGATION

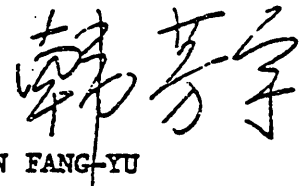


C. D. ARTHUR

PEKING

MAY 12, 1979

HEAD OF CHINESE DELEGATION



HAN FANG-YU

PEKING

MAY 12, 1979

ANNEX 1

| (A) Item No. | (B) <u>Description of Product</u> | (C) Levy Units | (D) Conversion factor, per unit unless otherwise stated. | (E) Swing | (F) Carryover/ barrier forward |
|--------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------|--------------|-----------------------------------------|
| 1. | <p>Winter outerwear garments, men's, boys', women's, girls', children's and infants', (commonly referred to as snowsuits, snow-mobile suits, ski suits, ski pants and snow-pants, and jackets & vests including parkas, ski-jackets, and similar jacket-type garments) that have an outer shell manufactured substantially by surface area with woven fabrics and that are lined and designed to protect the wearer against cold, e.g. quilted linings, down or fibre filling, etc., but not plain acetate or viscose lining, wholly or mainly by weight of cotton, man-made fibres or wool, or blends thereof, but excluding: all unlined outerwear; all coats three-quarter length or longer, that is, to the knee or below the knee; garments commonly known as squall jackets, windbreakers or similar jacket-type garments where there is no thermal insulation; bona fide industrial end-use clothing, although they meet the requirements of the above description; and ski-pants and cross-country ski-suits which do not meet the above description (e.g., constructed entirely from knitted fabric).</p> <p style="text-align: center;">- of which children's and infants'</p> <p>Footnotes:</p> <p>(1) A unit comprises garments which have been designed to be sold as a set, e.g., matching or co-ordinated ski-jackets and ski-pants comprising a ski suit will be counted as a set. Vests are counted separately.</p> <p>(2) Swing is permitted from adults' to infants' at a 3 to 5 ratio.</p> <p>(3) Children's and infants' are sizes 0 - 6X.</p> | <p>1979: 203,000 1980: 205,510 1981: 225,000</p> <p>1979: 24,000 1980: 24,720 1981: 30,000</p> | 3.50 | 0 | 0 |

| (A) Item No. | (B) Description of Product | (C) Level Units | (D) Conversion Factor None of the other items stated. | (E) Swing | (F) Carryover/ Borrow Forward |
|--------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------|--------------|----------------------------------------|
| 2. | <p>Pants, trousers, slacks, jeans, men's, boys', women's, and girls', wholly or mainly by weight of cotton, man-made fibres, or wool, or blends thereof, being garments which do not extend above the waist but extend to the knee or below. Included are jodhpurs, knickerbockers, footless tights and gouchons.</p> <p>of which woollen garments for men and boys shall not exceed</p> <p><u>Note:</u> Garments in this item manufactured of fabric containing 5% or more by weight of wool or hair are considered to be woollen garments.</p> | <p>1979: 3,368,000 1980: 3,336,400 1981: 4,120,000</p> <p>1979: 168,400 1980: 176,820 1981: 200,000</p> | 1.90 | 5% | 10% |
| 3. | <p>Shorts, men's, boys', women's and girls', wholly or mainly by weight of cotton, man-made fibres or wool or blends thereof, being garments similar to trousers described above but not extending to the knee.</p> | <p>1979: 584,000 1980: 601,520 1981: 700,000</p> | 1.25 | 5% | 10% |

X I

| (A) Item No. | (B) Description of Product | (C) Level Units | (D) Conversion Factor <small>Ratio of weight of cotton to weight of blend stated.</small> | (E) Swing | (F) Carryover/ Borrow Forward |
|--------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------|--------------|----------------------------------------|
| 4. | <p>Overalls and coveralls, men's, boys', women's, and girls', wholly or mainly by weight of cotton, man-made fibres or wool or blends thereof, being one piece garments as either pants or shorts but extending above the waist in the form of a bib or permanently affixed straps or other structure which partially or fully covers the upper part of the body. One-piece jump suits are included.</p> | <p>1979: 404,000 1980: 428,240 1981: 510,000</p> | 3.50 | 7% | 11% |
| 5. | <p>Pants, trousers, slacks, jeans, shorts, overalls and coveralls, wholly or mainly by weight of cotton, man-made fibres, or wool or blends thereof for children and infants in sizes 0 - 6X.</p> <p><u>Footnote:</u> (1) The restraint limits in Column (c) may not be increased by more than 10% in the case of pants and shorts or by more than 12% in the case of overalls, coveralls and children's and infants' sizes by the combined use of swing, carryover and borrow forward.</p> <p>(2) Swing is permitted from adults' to children's and infants' sizes at the ratio of 3 to 5.</p> | <p>1979: 135,000 1980: 143,100 1981: 200,000</p> | 1.25 | 7% | 11% |

ANNEX I

| (A) Item No. | (B) <u>Description of Product</u> | (C) Level Units | (D) Conversion factor, Sq. Yds. per unit unless stated otherwise | (E) Swing | (F) Carryover/ to row forward |
|--------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------|------------------------------------------------------------------------------------|--------------|----------------------------------------|
| 6. | <p>Blouses and shirts, women's and girls', wholly or mainly by weight of cotton, man-made fibres or wool, or blends thereof, knitted or woven, being garments with complete or partial front or back opening covering the upper part of the body, excluding underwear, jackets, T-shirts, sweatshirts and sweaters.</p> <p><u>Footnote:</u> The restraint limits in column (c) may not be increased by more than 12% by the combined use of swing, carryover and borrow forward.</p> | <p>1979: 443,000 1980: 469,580 1981: 525,000</p> | 1.70 | 7% | 11% |
| 7. | <p>T-shirts, men's and boys', women's and girls', wholly or mainly by weight of cotton, man-made fibres or wool, or blends thereof. T-shirts are knitted garments without front opening, covering the upper part of the body, of construction 19 cut or finer, i.e., 19 or more vertical stitches per inch. Sweaters are not included.</p> <p><u>Footnote:</u> The restraint limits in column (c) may not be increased by more than 10% by the combined use of swing, carryover and borrow forward.</p> | <p>1979: 3,204,000 1980: 3,364,200 1981: 4,100,000</p> | 1.70 | 5% | 10% |

ANNEX I

| (A) <u>Item No.</u> | (B) <u>Description of Product</u> | (C) <u>Level Units</u> | (D) <u>Conversion Factor</u> <i>(By column stated.)</i> | (E) <u>Swing</u> | (F) <u>Carryover/Borrow Forward</u> |
|------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------|---------------------------------------------------------------|---------------------|----------------------------------------|
| 8. | <p>Sweatshirts, men's, boys', women's and girls', wholly or mainly by weight of cotton, man-made fibres or wool, or blends thereof. Sweatshirts are garments, at least one side of which is brushed or fleeced, covering the upper part of the body. Sweaters are not included.</p> <p><u>Footnote:</u> The restraint limits in column (C) may not be increased by more than 10% by the combined use of swing, carryover and borrow forward.</p> | <p>1979: 390,000 1980: 401,700 1981: 520,000</p> | 1.70 | 5% | 10% |
| 9. | <p>Shirts, blouses, T-shirts and sweatshirts, children's and infants', wholly or mainly by weight of cotton, man-made fibres or wool, or blends thereof.</p> <p><u>Footnote:</u> (1) Children's and infants' garments are sizes 0 - 6X. (2) The restraint limits in column (C) may not be increased by more than 12% by the combined use of swing, carryover and borrow forward.</p> | <p>1979: 125,000 1980: 132,500 1981: 250,000</p> | 1.40 | 7% | 11% |

| (A) Item No. | (B) Description of Product | (C) Level Units | (D) Conversion Factor Units of other units stated. | (E) Swing | (F) Carryover/ Borrow Forward |
|--------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------|-------------------------------------------------------------------|--------------|----------------------------------------|
| 10. | <p>Shirts with tailored collars, men's and boys', wholly or mainly by weight of cotton, man-made fibres or wool, or blends thereof, knitted or woven, being garments covering the upper part of the body normally worn next to the skin or directly over underwear and with a full or partial front or back opening which may include a zipper. Included are all men's and boys' shirts meeting this description whether exported separately or as part of a set.</p> <p><u>Footnote:</u> (1) A "tailored collar" consists of one or more pieces of material which are cut and sewn or cut and fused and designed with two pointed or rounded ends.</p> | <p>1979: 1,141,200 1980: 1,154,612 1981: 1,300,000</p> | 2.10 | 0 | 0 |
| 11. | <p>Shirts, men's and boys', other than with tailored collars, including full-fashioned collars, wholly or mainly by weight of cotton, man-made fibres or wool, or blends thereof. A full-fashioned collar consists of one piece knitted to shape collar.</p> <p><u>Footnote:</u> For Item 11, the restraint limit in column (C) may not be increased by more than 10% by the combined use of swing, carryover and borrow forward.</p> | <p>1979: 270,000 1980: 285,600 1981: 205,000</p> | 2.10 | 5% | 10% |

ANNEX I

| (A) <u>Item No.</u> | (B) <u>Description of Product</u> | (C) <u>Level Units</u> | (D) <u>Conversion Factor 50 Yds. of Hull Collar equiv. is stated.</u> | (E) <u>Swing</u> | (F) <u>Carryover/ Balance Forward</u> |
|------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------|------------------------------------------------------------------------------------------|---------------------|--------------------------------------------------|
| 10 A. | Shirts with tailored collars, men's and boys' commonly known as Lumberjack Shirts, made wholly of cotton flannel weighing not less than 10.24 ounces per square yard. | 1979: 450,000 1980: 450,000 1981: 500,000 | 2.10 | 0 | 0 |

| (A) Item No. | (B) Description of Product | (C) Level Units | (D) Conversion Factor Nil (do) else otherwise stated. | (E) Swing | (F) Carryover/ Borrow Forward |
|--------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------|----------------------------------------------------------------------|--------------|----------------------------------------|
| 12. | <p><u>Eyewear and sleepwear, men's, boys', women's and girls', children's and infants', wholly or mainly by weight of cotton, man-made fibres or wool, or blends thereof, being garments normally worn for sleeping.</u></p> <p>Man's and boys'</p> | <p>1979: 700,000 1980: 721,000 1981: 850,000</p> | 3.40 | 7% | 11% |
| 13. | <p>Women's and girls'</p> | <p>1979: 360,000 1980: 381,600 1981: 460,000</p> | 3.40 | 7% | 11% |
| 14. | <p>Children's and infants'</p> | <p>1979: 83,000 1980: 87,530 1981: 150,000</p> | 1.50 | 7% | 11% |
| 15. | <p><u>Bathrobes, dressing gowns and housecoats, men's, boys', women's and girls', wholly or mainly by weight of cotton, man-made fibres or wool, or blends thereof, being garments other than sleepwear normally worn in privacy, including bed jackets and negligees.</u></p> <p><u>Footnote:</u> For items 12, 13, 14, and 15, the restraint limits in column (C) may not be increased by more than 12% by the combined use of swing, carryover and borrow forward.</p> | <p>1979: 360,000 1980: 378,000 1981: 475,000</p> | 4.00 | 7% | 11% |

ANNEX I

| (A) Item No. | (B) <u>Description of Product</u> | (C) Level Units | (U) Conversion factor Sq. Yds. per unit unless otherwise stated | (E) Swing | (F) Carryover/ Borrow forward |
|-----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------|-----------------------------------------------------------------------|--------------|-------------------------------------|
| 16. | <p><u>Jackets, men's, boys, women's, girls', childrens' and infants', wholly or mainly be weight of cotton, man-made fibres, or wool, or blends thereof.</u></p> <p>Jackets are outerwear garments covering the upper part of the body not extending to the knee, including woven ponchos, vests, boleros, but excluding garments covered by Item 1.</p> <p>Footnote: (1) The restraint limits in column (C) may not be increased by more than 10% by the combined use of swing, carryover and borrow forward. (2) Swing is permitted from adults' to infants' at ratio of 3 to 5.</p> | <p>1979: 560,000 1980: 576,500 1981: 610,000</p> | 3.50 | 5% | 10% |

ANNEX I

| (A) Item No. | (B) Description of Product | (C) Level Units | (D) Conversion Factor S.M. Units stated | (E) Swing | (F) Carrying Factor Forward |
|--------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------|-----------------------------------------------------|--------------|--------------------------------------|
| 17. | <p>Sweaters, pullovers, cardigans (including knitted ponchos), men's, boys', women's, girls', children's and infants', wholly or mainly by weight of cotton, man-made fibres or wool, or blends thereof, being knitted garments covering the upper part of the body, of construction coarser than 19 cut, i.e. less than 19 vertical stitches per inch. Included are such items with co-ordinating or matching accessories, e.g., hats, scarves, gloves, mittens, booties, etc. A garment in this item when shipped with such co-ordinating or matching accessories shall be considered a set and counted as one unit.</p> <p>- Men's and boys'</p> | <p>1979: 550,000 1980: 555,500 1981: 625,000</p> | 1.40 | 0 | 0 |
| 18. | <p>- Women's and girls'</p> | <p>1979: 540,000 1980: 545,400 1981: 600,000</p> | 1.40 | 0 | 0 |
| 19. | <p>- Children's and infants'</p> <p>Footnote: Swing is permitted from adults' to infants' at a 3 to 5 ratio.</p> | <p>1979: 315,000 1980: 319,150 1981: 400,000</p> | 1.40 | 0 | 0 |

ANNEX I

| (A) Item No. | (B) Description of Product | (C) Level Units | (D) Copyweight per Sq. Yds. per unit unless otherwise stated | (E) Swing | (F) Carryover forward |
|-----------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------|-----------------------------------------------------------------|--------------|--------------------------|
| 20. | <p><u>Structured suits and blazers, men's and boys', wholly or mainly by weight of cotton, man-made fibres or wool, or blends thereof.</u></p> <p>The suit-jacket or blazer must contain the following three elements or equivalent:</p> <ul style="list-style-type: none"> (i) lining, (ii) shoulder padding, and (iii) front stiffening <p>A unit is either a jacket or a suit. A suit is a two-or-three piece garment consisting of matching or co-ordinated jacket/pants or jacket/vest/pants packed and shipped together.</p> <p><u>Footnote:</u> The restraint limits in column (C) may not be increased by more than 12% by the combined use of swing, carryover and borrow forward.</p> | <p>1979: 0,500 1980: 0,755 1981: 20,000</p> | 4.50 | 7% | 11% |

ANNEX I

| (A) Item No. | (B) <u>Description of Product</u> | (C) Level Units | (D) Conversion Factor Sq. Yds. per unit unless otherwise stated | (E) Swing | (F) Carryover/ Diff. Brk forward |
|--------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|--------------|-------------------------------------------|
| 21. | <p><u>Work Gloves</u>, wholly or mainly of textile fabrics, wholly or mainly by weight of cotton, man-made fibres or blends thereof, whether or not impregnated or coated. Included are such gloves with a leather component.</p> <p>Footnote: The restraint limits in column (C) may not be increased by more than 10% by combined use of swing, carryover and borrow forward.</p> | <p>1979: 7,200,000 pairs 1980: 7,632,000 pairs 1981: 9,000,000 pairs (of which not less than 500,000 pairs shall be 100% cotton work gloves)</p> | <p>0.29 sq. yards /pair</p> | 7% | 10% |
| 22. | <p><u>Horsted Fabrics</u>, having 17% or more by weight of wool.</p> | <p>1979: 260,000 lbs 1980: 265,200 lbs 1981: 325,000 lbs</p> | <p>2.16 sq. yards/lb.</p> | 0 | 10% |
| 23. | <p><u>Bedsheets</u> of woven fabrics wholly or mainly by weight of cotton or man-made fibre yarns, or blends thereof. Included are flannelette sheets and/or blankets. Bedsheets can be flat or fitted for all bed sizes. This item includes embroidered bedsheets.</p> | <p>1979: 520,000 units 1980: 535,600 units 1981: 600,000 units</p> | <p>6.20</p> | 7% | 10% |

ANNEX I

| (A) Item No. | (B) Description of Product | (C) Level Units | (D) Conversion Factor sq. yds. per unit unless otherwise stated | (E) Swing | (F) Carryover/Unwoven forward |
|-----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------|--------------------------------------------------------------------|--------------|----------------------------------|
| 24. | Pillowcases, woven, wholly or mainly by weight of cotton, man-made fibres, or blends thereof. This item includes embroidered pillowcases | 1979: 3,350,000 units 1980: 3,450,500 units 1981: 3,600,000 units | 1.25 | 7% | 10% |
| 25. | Cotton Terry towels, washcloths, and sets, of fabrics woven on a terry loom using single or plied cotton (or blends thereof) yarns with loop pile on one or both sides covering the entire surface in either plain or patterned weave, whether greige, bleached, dyed or printed, including tea, hand, beach and bath towels and bath sheets. Footnote: For Items 23, 24, and 25, the restraint limits in column (C) may not be increased by more than 10% by the combined use of swing, carryover and borrow forward. | 1979: 1,800,000 lbs 1980: 1,908,000 lbs 1981: 2,100,000 lbs | 1.50 sq. yards/lb. | 7% | 10% |
| 26. | Blankets of cotton (not to include sheets whether flat woven or flannelette as covered by Item 23) | 1979: 302,500 units 1980: 332,720 units 1981: 365,000 units | 4.50 | 10% | 11% |

ANNEX I

| (A) Item No. | (B) <u>Description of Product</u> | (C) Level Units | (H) Conversion Factor Sq. Yds. per unit unless otherwise stated | (E) Swing | (F) Carryover/Borrow forward |
|-----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------|--------------|---------------------------------|
| 27. | <p><u>Denim and Corduroy Fabrics.</u> 50% or more by weight of cotton.</p> <p><u>Footnote:</u> For Items 26 and 27, the restraint limits in column (C) may not be increased by more than 12% the combined use of swing, carryover and borrow forward.</p> | <p>1979: 120,000 pieces (equivalent to 2,400,000 lbs)</p> <p>1980: 127,800 pieces (equivalent to 2,556,000 lbs)</p> <p>1981: 150,000 pieces (equivalent to 3,000,000 lbs)</p> | 2.31 sq. yards/lb | 10% | 11% |
| 28. | <p><u>Handbags</u> made of uncoated fabrics, containing natural or man-made fibres or blends of these fibres, with a body area, excluding handles, between 40 and 190 square inches, in the manufacture of which leather and plastic materials may be used as trim and finish but not as a major component of the shell.</p> <p><u>Footnote:</u> The restraint limits in column (C) may not be increased by more than 10% by the combined use of swing, carryover and borrow forward.</p> | <p>1979: 600,000 units</p> <p>1980: 636,000 units</p> <p>1981: 700,000 units</p> | .31 sq. yards/unit | 7% | 10% |