

GENERAL AGREEMENT ON TARIFFS AND TRADE

Original: English

ARTICLE XIX - ACTION BY CANADA

Extension of Global Quota on Shirts

The following communication dated 9 January 1975 has been received from the delegation of Canada.

The Government of Canada hereby notifies the contracting parties that it has received the third annual review of the Canadian Textiles and Clothing Board respecting imports of woven and knitted shirts. The Government of Canada has assessed the findings of the Board and has decided:

1. To extend the existing Article XIX global quota measures which was notified to the GATT on 25 October 1971 (reference document L/3613), to the end of November 1975, and
2. to increase the quota level of 1,336,500 dozen by 6 per cent.

The Board concluded that a threat of serious injury to production in Canada arising out of imports continues to exist and that serious injury would be caused if special measures of protection were not continued. The Canadian Government has concluded that the extension of the global quota is necessary to encourage stability in the Canadian market, particularly during this present period of great uncertainty in the textile and apparel industries, and to enable domestic producers to carry out their plans for increasing efficiency and growth. At the same time the expanded quota will permit continuing keen competition both in the low-cost and higher priced sector of the shirt market and provide exporting countries with a greater opportunity to increase their exports to the Canadian market of shirts subject to the quota measures, i.e. woven and knitted fabric shirts priced for export below \$30 and \$33 per dozen respectively.

The Board will be undertaking a review of the shirt situation again in 1975, at which time the Government will be advised of its findings regarding the need, if any, to extend special measures of protection beyond 30 November 1975.