

**GENERAL AGREEMENT ON
TARIFFS AND TRADE**

RESTRICTED

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Limited Distribution

Group on Quantitative Restrictions
and Other Non-Tariff Measures

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PROPOSALS REGARDING QUANTITATIVE RESTRICTIONS
AND OTHER NON-TARIFF MEASURES

Canada

The report (1985) of the Group on Quantitative Restrictions and Other Non-Tariff Measures, adopted by the CONTRACTING PARTIES at their forty-first session, contains the recommendation that contracting parties, following on the submissions already presented in 1985 (NTM/W/12 and Addenda), should make specific written proposals by the end of April 1986 directed towards the achievement of the objectives laid down by Ministers (L/5888, paragraph 49).

The following communication, dated 11 June 1986, has been received from the Permanent Mission of Canada.

I have the honour to request that the attached submission pursuant to the recommendation in paragraph 54(g) of the Report (1985) of the Group on Quantitative Restrictions and Other Non-Tariff Measures be circulated to contracting parties.

CANADA

With reference to the 1985 report of the group on quantitative restrictions and other non-tariff measures (L/5888) adopted by the Contracting Parties at their forty-first session, the Government of Canada wishes to take the opportunity to submit to the group the following notes on recent developments related to quantitative restrictions and non-tariff measures maintained by Canada as notified to the GATT Secretariat in various documents.

Canada maintains a very small number of quantitative restrictions on imported products as indicated in the current documentation of the group of quantitative restrictions and other non-tariff measures. In fact a number of quantitative restrictions are maintained by virtue of Canada's participation in international agreements or arrangements (e.g. CITES, IWC). Other Canadian quantitative restrictions are largely concentrated in the agricultural area. Some are maintained for reasons of supply management or under the provision of a price stabilization program. The remaining measures are maintained for evident health or security reasons (e.g. used mattresses, offensive weapons). Canada has already provided consistent GATT justification for these quantitative restrictions and has repeatedly expressed its willingness to work in several GATT committees in order to achieve more liberalized international trade.

With regards to current quantitative restrictions, there has been a substantial reduction in the scope of Canada's article XIX safeguards actions on leather and non-leather footwear (CCCN 64). Effective 1 December 1985, import quotas were discontinued on mens' and boys' footwear, childrens' and infants' footwear, athletic/utility footwear, and slippers. Only womens and girls dress and casual footwear remain under quota. The import restraints on womens and girls footwear is being progressively phased-out over three years, ending 30 November 1988, by means of increases in allowable imports of 6 percent, 8 percent and 10 percent in each of the three years.

As regards non-tariff measures, in 1985, Canada requested that notification numbers I.B1 and II.A.4.1, relating to anti-dumping and countervailing duty procedures as well as notifications numbers II.B7, 8, 9, 11, 12, 13 and 14 relating to the valuation of goods for customs purposes be deleted. At that time the appropriate justification to do so had been submitted to the contracting parties. However, since that time, responses to these requests have not been received from the countries concerned. Canada would appreciate being informed when the appropriate measures will be taken to delete the above mentioned notification numbers.

In addition, in view of notifications under inventory number IV.A.17 and IV.A.18, Canada considers that Japan's allegations about the Textile and Clothing Board and about section 5(2) of the Export and Import Permits Act are no longer valid. In the period of time that has elapsed since these notifications were made by Japan, there have been a number of important developments; the most significant in this regard being that since 1982 the bilateral restraints on textile and clothing imports from Japan have been discontinued. A second development is that all textile and clothing restrictions now maintained by Canada are made pursuant to section 5(1)(c) of the Export and Import Permits Act (i.e. to implement inter-governmental arrangements or commitments) and not under section 5(2). Taking into account the foregoing, the Government of Canada is of the view that notification number IV.A.18 can now be deleted from the GATT inventory of non-tariff measures. Concerning notification number IV.A.17 on the Textiles and Clothing Board, the Government of Canada wishes to update the second paragraph of the comments section to read as follows: To date the Board has undertaken 38 inquiries, 17 of which were undertaken at the request of the Minister, 19 on receipt of a complaint filed pursuant to section 8 and 2 which have been initiated at the discretion of the Board.

Again Canada would be pleased to hear as soon as possible from the countries directly concerned by our previous request for deletion of notification numbers concerning Canada which are no longer accurate.