

GENERAL AGREEMENT ON  
TARIFFS AND TRADE

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ARRANGEMENT REGARDING INTERNATIONAL TRADE IN  
COTTON TEXTILES

Bilateral Agreement Between Canada and Japan<sup>1</sup>

The following communication has been received by the Director-General from the Canadian mission for notification to the Cotton Textiles Committee.

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Letter from the Japanese Government

Referring to the recent discussions between the Canadian and the Japanese authorities concerning the request of the Canadian Government that the Japanese Government apply restraints on exports of certain products to Canada in the year 1972, I wish to inform you that, as a result of these discussions, the Japanese Government decided to restrain exports to Canada of those products specified in the attached annex to the levels indicated therein during the aforementioned calendar year.

Encl.:

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<sup>1</sup>For previous agreement see COT/51/Add.5.

ANNEXTextiles

<u>Item</u>	<u>Fibre</u>	<u>Quantity</u>
Woven blouses:	Polyester/Cotton	49,619 dozen
Woven trousers and outer shorts:	Cotton and/or man-made fibre (1)	312,948 dozen
<u>Note:</u> (1) Includes only synthetic garments and garments 71 per cent or more by weight of spun rayon.		
(2) Either of the restraints on polyester/cotton blouses and trousers may individually be increased by not more than 10 per cent by transfer between the two restraints. However, total shipments under the two restraints may not exceed the sum of the restraints and possible carry-in and carry-over thereof.		
Fabrics:	Nylon (1)	4,842,530 sq.yds.
<u>Note:</u> (1) Excludes woven tire cord fabrics, fabrics for belt manufacturing, fabrics for umbrella covering and ribbon cloth.		
Fabrics:	Polyester Filament (1)	17,200,000 sq.yds.
<u>Note:</u> (1) Excludes tic fabrics, and woven tire cord fabrics.		
Pillowcases:	Cotton and polyester/ cotton	283,714 dozen
Sheets:	Cotton and polyester/ cotton	1,244,080 pieces
<u>Note:</u> Either of the quotas for pillowcases or sheets may be increased by not more than 10 per cent by transfer from the other quota, using the following conversion ratio:		
Pillowcases	1 dozen - 13.008 square yards	
Sheets	1 piece - 6.200 square yards	
Elastic braid and elastic webbing:	All textile fibres	1,400,000 pounds (1)

Note: (1) Within this total either of the above two items shall not exceed the level of 750,000 pounds.

Yarn: Acrylic (1) 3,850,000 pounds

Note: (1) Applies only to machine-knitting yarns in hanks and skeins

Knitted fabrics: All textile fibres 7,500,000 pounds

Note: (1) Applies to warp-knit fabrics, 4 oz. and over by weight per square yard, and to double-knit fabrics.

(2) The above restraint applies to shipments during 1 April through 31 December 1972.

EXPLANATORY NOTES

1. All of the above quotas with the exception of the quota for knitted fabrics apply to total exports in the twelve-month period ending 31 December 1972.
2. With regard to cotton and/or man-made fibre textile products,
  - (1) shipments under the quotas may be increased by not more than 5 per cent in 1972, with equivalent reductions in shipments under the corresponding quotas for 1973.
  - (2) shipments under the quotas for 1972 may be increased by not more than 5 per cent, should shipments in 1971 fall short of the corresponding quotas by equivalent amounts.
3. In the above table "Synthetic" includes rayon filament and all other man-made fibres except spun rayon. See also Note 5 relating to mixtures of fibres.
4. In connexion with the swing provisions, and also more generally, the Japanese Government will use its best endeavour to urge Japanese producers and exporters to so plan their shipments that there will be no undue concentration on any item within the quota categories.

5. The following is a table of criteria used by the Japanese Government to distinguish between the quota categories of made-up textiles which are a mixture of various fibre components. The basic principle for the criteria is chief value, converted into percentage of fibre content by weight, so that the percentages vary extensively.

<u>Defined as</u>	<u>Fibre composition</u>	<u>Percentage of Fibre Content (by weight)</u>
<u>Cotton</u>	Cotton and silk	88% and over cotton
	Cotton and wool	67% and over cotton
	Cotton and rayon filament	40% and over cotton
	Cotton and spun rayon	30% and over cotton
	Cotton and synthetic fibre	51% and over cotton
<u>Spun rayon</u>	Spun rayon and wool	91% and over spun rayon
	Spun rayon and silk	91% and over spun rayon
	Spun rayon and jute or flax	71% and over spun rayon
	Spun rayon and synthetic fibre	71% and over spun rayon
	Spun rayon and cotton	71% and over spun rayon
	Spun rayon and rayon filament	Regardless of percentage fibre content
<u>Rayon filament</u>	Rayon filament and cotton	61% and over rayon filament
	Rayon filament and synthetic fibre	51% and over rayon filament
<u>Synthetic fibre</u>	Synthetic fibre and rayon filament	50% and over synthetic fibre
	Synthetic fibre and jute or flax	50% and over synthetic fibre
	Synthetic fibre and cotton	50% and over synthetic fibre
	Synthetic fibre and spun rayon	30% and over synthetic fibre