ARRANGEMENT REGARDING INTERNATIONAL TRADE IN COTTON TEXTILES

Agreement between Canada and the Republic of China

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

1See document COT/111
Mr. J.A. Macpherson,
Acting Director,
International Economic Relations,
Department of Finance,
Government of Canada,
Ottawa, Ontario.

Re: Cotton and Rayon Textile Products

Dear Mr. Macpherson:

I have the honour to refer to recent discussions in Ottawa between the officials of the Government of the Republic of China and the Government of Canada concerning the request of the Canadian Government that the Chinese Government apply restraints on exports of certain cotton and rayon textile products to Canada.

As a result of these discussions and pursuant to the provisions of the Long-Term Arrangement Regarding International Trade in Cotton Textiles (hereinafter referred to as the Arrangement) the Chinese Government agrees to restrain exports to Canada of those textile products specified in the attached annex to the levels indicated therein during the two twelve-month periods beginning 1 July 1969 and 1 July 1970.

It is the understanding of the Chinese Government that the Chinese and Canadian Governments shall consult with each other on any question arising from the implementation of this agreement if either Government deems such consultation necessary.

It is further understood that the Canadian Government may request consultations regarding further export restraints under the provisions of the Arrangement should circumstances warrant this, and that the Chinese Government may request consultations concerning the removal and modification of export restraints under the provisions of the Arrangement should circumstances warrant this.

Would you please confirm that the foregoing is acceptable to the Canadian Government.

Yours very truly,

(signed) K.T. Hu
Economic Counsellor
7 November 1969
(Ref. No. 58-110702R
as amended
11 December 1969)

Annex

ANNUAL RESTRAINT LEVELS FOR COTTON AND RAYON TEXTILE PRODUCTS FROM T'IWAN, THE REPUBLIC OF CHINA TO CANADA FOR TWO TWELVE-MONTH PERIODS BEGINNING 1 JULY 1969 AND 1 JULY 1970

<table>
<thead>
<tr>
<th>Twelve-month period beginning</th>
<th>Unit</th>
<th>1 July 1969</th>
<th>1 July 1970</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cotton fabrics</td>
<td>sq.yd.</td>
<td>673,365</td>
<td>707,033</td>
</tr>
<tr>
<td>Woven cotton shirts</td>
<td>dozen</td>
<td>71,010</td>
<td>72,075</td>
</tr>
<tr>
<td>Cotton sleepwear</td>
<td>dozen</td>
<td>77,446</td>
<td>79,382</td>
</tr>
<tr>
<td>Trousers, slacks and shorts of cotton or rayon</td>
<td>dozen</td>
<td>71,050</td>
<td>72,116</td>
</tr>
</tbody>
</table>
Mr. J.A. Macpherson,
Acting Director,
International Economic Relations,
Department of Finance,
Government of Canada,
Ottawa, Ontario.

Re: Polyester/Cotton and Polyester/Polynosic Garments

Dear Mr. Macpherson:

I have the honour to refer to recent discussions in Ottawa between officials of the Government of the Republic of China and the Government of Canada concerning the Canadian Government's request that the Chinese Government restrain exports of woven fabric polyester/polynosic shirts from Taiwan, Republic of China to Canada.

As a result of these discussions the Chinese Government agrees to restrain exports to Canada of polyester/polynosic as well as polyester/cotton shirts and to continue to restrain polyester/cotton trousers, slacks and shorts to the levels indicated in the attached Annex during the two-year period beginning 10 October 1969.

It is the understanding of the Chinese Government that the Chinese and Canadian Governments shall consult with each other on any question arising from the implementation of this agreement if either Government deems such consultation necessary.

Would you please confirm that the foregoing is acceptable to the Canadian Government.

Yours very truly,

(signed) K.T. Hu
Economic Counsellor
Annex

ANNUAL RESTR AINT LEVELS FOR CERTAIN WOVEN POLYESTER/COTTON AND POLYESTER/POLYNOSIC GARMENTS
FROM THE REPUBLIC OF CHINA TO CANADA
FOR TWO TWELVE-MONTH PERIODS BEGINNING
10 OCTOBER 1969 AND 10 OCTOBER 1970

<table>
<thead>
<tr>
<th>Category A:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Woven polyester/cotton and/or polyester/polynosic shirts</td>
<td></td>
</tr>
<tr>
<td>Basic level</td>
<td>60,181</td>
</tr>
<tr>
<td>Deduction related to previous shipments</td>
<td>14,145</td>
</tr>
<tr>
<td>Effective level</td>
<td>46,036</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Category B:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Woven polyester/cotton trousers, slacks and outer shorts</td>
<td></td>
</tr>
<tr>
<td>Basic level</td>
<td>21,078</td>
</tr>
<tr>
<td>Deductions related to previous shipments</td>
<td>8,082</td>
</tr>
<tr>
<td>Effective level</td>
<td>12,996</td>
</tr>
</tbody>
</table>

These restraint levels will apply to (1) those shirts, trousers, slacks and outer shorts that are made of polyester and cotton fibre blends in which the percentage of polyester fibre by weight is 50 per cent or more, and (2) shirts of polyester and polynosic fibre blends.