

GENERAL AGREEMENT
ON TARIFFS AND
TRADE

ACCORD GENERAL SUR
LES TARIFS DOUANIERS
ET LE COMMERCE

CONFIDENTIAL
TEX.SB/W/382
7 March 1979

Textiles Surveillance Body

Organe de surveillance des textiles

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 3:5

Note by the Chairman

I attach hereto a copy of a letter received from Canada concerning the imposition of quantitative restrictions on worsted spun acrylic yarn when imported from Malaysia during the period 1 November 1978 to 31 December 1979.

ARRANGEMENT CONCERNANT LE COMMERCE INTERNATIONAL DES TEXTILES

Notification conformément à l'article 3, paragraphe 5

Note du Président

Les membres de l'OST trouveront ci-joint une lettre que j'ai reçue du Canada au sujet de l'application de restrictions quantitatives sur les filés acryliques peignés, à l'importation en provenance de Malaisie pendant la période allant du 1er novembre 1978 au 31 décembre 1979.

TS/1140-3

The Permanent Mission of Canada
to the United Nations



La Mission Permanente du Canada
aupres des Nations Unies

454

10a, Avenue de Budé
1202 Geneva

March 2, 1979

Dear Ambassador Wurth,

My authorities have requested me to bring to the attention of the Textiles Surveillance Body the Canadian decision to restrict import of worsted spun acrylic yarn from Malaysia for the period 1 November 1978 to 31 December 1979, in line with the provisions of article 3 (5) of the Arrangement Regarding International Trade in Textiles. The attached note was presented to the Malaysian authorities on January 22, 1979.

Please accept, dear Ambassador Wurth, the assurances of my highest consideration.

R. Harry Jay
Ambassador and
Permanent Representative

H.E. Ambassador Paul WURTH
Chairman, Textiles Surveillance Body
Centre William Rappard
154 rue de Lausanne
Geneva

7/CS
6/3/79

ANSWERED	DOC. ISSUED	FOI
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For:		
TRADE POLICY DIV.		
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Agril. Div.		
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TRADE DEVELOPMENT		
Sp. Asst. Trade		
Dev. Div.		
Intel. Div.		
CHARGÉ		
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CANADIAN NOTE TO MALAYSIAN AUTHORITIES ON IMPORTS INTO CANADA
OF WORSTED SPUN ACRYLIC YARN FROM MALAYSIA FOR PERIOD 1 NOVEMBER
1978 TO 31 DECEMBER 1979.

On 30 August 1978 the Canadian authorities requested the Malaysian authorities to enter into consultations with the view to concluding an export restraint arrangement on machine-knitting and hand-knitting worsted spun acrylic yarn. The Canadian authorities regret that since that time it has not proven possible to enter into formal consultations. During this period, the situation in the acrylic yarn industry continued to be serious, and consequently the Canadian authorities now wish to inform the authorities of Malaysia that as an interim action it has become necessary, pursuant to the provisions of Article 3 (5) of the Arrangement Regarding International Trade in Textiles (ITA) to place temporary restraint on further imports of this product from Malaysia. This action is being taken to prevent further disruption of Canadian production and employment in this sector.

The Canadian note of 30 August 1978 outlined the difficulties being encountered in the Canadian acrylic yarn industry due to a significant increase in imports. In order to alleviate this situation, Canada has concluded bilateral export restraint arrangements with Korea, Philippines and Taiwan for machine- and hand-knitting acrylic yarn and with Japan for hand-knitting acrylic yarn. An arrangement has also been reached and will be signed shortly with Brazil while consultations are continuing with Singapore.

Canadian import statistics indicate that Malaysia exported

no acrylic yarn to Canada in 1973/74/75, 42,000 lbs. in 1976 and 44,000 lbs. in 1977. Trade statistics for 1978 indicate that a total of 144,000 lbs. entered Canada in the first 10 months of 1978. Based on this import performance and in keeping with the provisions of the ITA, the Canadian government has decided to limit imports of worsted spun acrylic yarn from Malaysia for the period 1 November 1978 to 31 December 1979 to 128,616 lbs. representing the ITA base level of 110,242 lbs. prorated for 14 months. The shipment of 44,092 lbs. which entered after 31 October 1978 has been counted against this quota.

It is the opinion of the Canadian authorities that this step is necessary in order to prevent imports from Malaysia from further disrupting Canadian acrylic yarn production and employment and to meet the equity provisions in both the International Arrangement Regarding Trade in Textiles and the bilateral arrangements already negotiated with other suppliers. Canadian authorities wish to stress that this is an interim measure and that they continue to look forward to negotiation of a mutually acceptable solution in the near future. To this end, we would be grateful for an early suggestion from the Malaysian authorities as to a convenient time and place to commence these discussions.