

While apparel made in the Free Trade Area from fabrics woven in Canada or the U.S. will qualify for FTA tariff treatment, apparel manufactured from most third-country fabrics will qualify up to the following levels only:

	Non-woolen apparel	Woolen apparel
	(In million square metre/square yard equivalent)	
Imports from Canada	41.8 m ² (50)	5 m ² (6)
Imports from the U.S.	8.8 m ² (10.5)	0.9 m ² (1.1)

Above these tariff rate quota (TRQ) levels, apparel made from these third-country fabrics will be considered, for tariff purposes, as products of the country from which the fabrics were obtained.

Apparel made from certain third-country fabrics, such as woven silk, will not, however, be subject to the TRQ levels since it already qualifies for Free Trade benefits under a specific Rule of Origin.

The levels established for apparel imports from Canada are well above current trade levels. This means that Canadian clothing manufacturers can continue to buy fabric from the most competitive supplier and still benefit from FTA preferential tariff access to the United States.

As well, under the FTA, there is a similar quantitative limit governing preferential access to the U.S. of exports of non-woolen fabrics or textile articles woven or knitted in Canada from yarn imported from a third country.

Such exports, that otherwise meet the applicable conditions, will benefit from FTA treatment up to a maximum annual quota of 25 million square metre (30 million square yard) equivalents. This quota will remain in effect until December 31, 1992, and it will be reviewed in 1990-91 to work out a mutually satisfactory revision.

External Affairs and International Trade Canada, through the issuance of import and export permits and Certificates of Eligibility (under the authority of the

Export and Import Permits Act) will allocate and control the tariff rate quotas.

Further information regarding the administration of the tariff rate quotas can be obtained from External Affairs and International Trade Canada's Special Trade Relations Bureau. Tel: (613) 992-1133. Fax: (613) 996-7411.

Questions concerning the Rules of Origin as established by the FTA, may be directed to the Free Trade coordinators located in the following regional offices of Revenue Canada, Customs and Excise. Certificates of Origin are available through these regional offices:

- **PACIFIC**
1001 West Pender Street
Vancouver, B.C. V6E 2M8
Tel: (604) 666-2112
Fax: (604) 666-4780
- **ALBERTA**
P.O. Box 2910
Station M
Calgary, Alta. T2P 2M7
Tel: (403) 292-4639
Fax: (403) 292-6577
- **CENTRAL**
Federal Building
269 Main Street
Winnipeg, Man. R3C 1B3
Tel: (204) 983-7989
Fax: (204) 983-8849
- **SOUTHWESTERN ONTARIO**
Federal Building
Windsor, Ont. N9A 4H8
Tel: (519) 973-8538
Fax: (519) 973-8519
- **HAMILTON**
10 John Steet South
P.O. Box 989
Hamilton, Ont. L8N 3V8
Tel: (416) 572-2396
Fax: (416) 572-2375