

- . a differentiation between the dominant, newly industrialized suppliers and the smaller, newer entrants. It is essential that those in the latter group, many of whom are among the world's poorest countries, be allowed continued expansion in their market access.

### **Duty Remission**

Based on proposals put forward by the industry, the Government is also implementing a duty remission program for tailored collar shirts. The program will enable domestic shirt manufacturers to import, duty-free, product lines which will complement their own domestic output. This will enable them to rationalize their operations and become more competitive.

To qualify, a manufacturer must maintain the value and volume of production attained in 1984. The duty remission formula also includes an incentive to use domestic fabrics:

- . one shirt can be imported duty-free for each shirt made in Canada with domestic fabrics.
- . remission of three-quarters of the duty will be granted for each shirt made from imported unfinished fabrics.
- . duty remission will be reduced to one-half for each shirt produced from imported finished fabrics.

### **Additional Policy Measures**

A number of other steps are also being taken:

- . a prompt response when new unrestrained imports disrupt the market. More than 30 new restraints have already been negotiated since September 1984.
- . tighter border controls through increased laboratory testing of the fibre content in imports. This will ensure that goods are not falsely declared in an effort to evade quotas, tariffs or labelling regulations.