

were held in Toronto, Montreal and Ottawa, to advise exporters on how to take advantage of the changed political

situation in Eastern Europe and the resulting relaxation of export controls to those countries.

K. IMPORT CONTROLS

Import controls are administered for numerous products, particularly agricultural ones. On some products, to support Canada's domestic industries, the government has imposed restrictions on price and production. To make these restrictions effective, it is necessary to limit imports of these products from other countries by imposing quotas.

In addition to the agricultural products involved (including eggs, dairy products, chicken and turkey), import controls also apply to steel and to endangered species. In the past year, Canada took a leadership role in the effort to halt the slaughter of African elephants by unilaterally enhancing import controls on African elephant ivory.

Much interaction with industry, other government departments and agencies has taken place over the past year. The allocation of import quotas is often controversial, as they are instituted in support of domestic policy decisions by the Canadian government. Import controls continue to be in effect with relation to some products of South African origin.

The increased import quotas negotiated under the Free Trade Agreement were successfully implemented during the year.

The Export and Import Permits Act is currently under revision so that it may more accurately reflect current requirements.

Textiles and Clothing

The principal objective of Canada's clothing import policy is to ensure a moderate pace of import growth consistent with the orderly adjustment of the domestic industry. To this end, Canada participated in the extension of the Multi-Fibre Arrangement (MFA). The MFA allows importers such as Canada to limit textile and clothing imports from low-cost sources, through bilaterally negotiated restraint agreements. Canada has renegotiated existing bilateral restraints and has pursued negotiations with unrestrained supplier sources.

In 1989/90, new restraints were negotiated with three exporting sources: South Africa (clothing and worsted