

multilateral and bilateral negotiations were pursued with the multiple aims of liberalizing world trade, expanding market access for Canadian farm and fishery products and upgrading the framework of international consultation and co-operation for trade in these products. Major tariff negotiations continued in the MTN context for agricultural and fishery products and bilateral tariff negotiations took place to implement the Tariff Board recommendations for changes in the tariff on fruits and vegetables.

Following the decision late in 1977 to impose a global quota, under Article XIX of GATT, on imports of footwear, consultations have continued with three principal suppliers, the U.S.A. the European Community and Brazil.

In October 1978, Canada initiated its first "countervail" investigation under the new "countervail regulations" adopted in 1977. The investigation is to determine whether imports into Canada of baler twine have benefited from Government subsidies within the meaning of the Customs Tariff Act.

During the course of 1978, Canada negotiated bilateral textiles agreements with seven major suppliers of low-cost textile and clothing imports, including the Republic of Korea, the People's Republic of China, Hong Kong, Taiwan, the Philippines, Poland and Romania. The agreements cover a wide range of textile and apparel items, and extend to some 80 percent of Canada's imports of low-cost textile products. They were negotiated under the auspices of the Arrangement Regarding International Trade in Textiles (ITA), which was extended for a further four years at the end of 1977. Canada accepted the Protocol of Extension in October 1978. The bilateral agreements came into effect on January 1, 1979, and, with the exception of the agreement with the R.R.C., will be in effect for three years. At the same time, the global quotas on clothing, which were introduced in November 1976, came to an end on December 31, 1978. The new agreements, plus a system of import-monitoring, will ensure that the Government will maintain imports to a level that will not seriously disrupt the industry. The global quotas achieved their desired effect by allowing the industry to recover from the injurious effects of massive imports in 1975 and 1976.

#### Commodities

The UNCTAD Integrated Program for Commodities continued during 1978 to generate considerable international activity. Canada, as a major commodity exporter and importer with a vital stake in international commodity questions, was represented at some 20 UNCTAD meetings on commodities ranging from tea to iron ore. Of particular importance to Canada was continuing UNCTAD preparatory work on possible international arrangements on copper; three copper meetings were held in 1978, with further work scheduled for 1979.