

ANNUAL REPORT

**FOR THE FISCAL YEAR ENDING
MARCH 31, 2006**

© Minister of Public Works and Government Services Canada 2006

Cat. No. F40-2006E-PDF

ISBN 0-662-43391-2

ISSN 0846-6629

Accessible on the Tribunal's Web site at www.citt-tcce.gc.ca

Exemplaires en français aussi disponibles

June 7, 2006

The Honourable Jim Flaherty, P.C., M.P.
Minister of Finance
House of Commons
Ottawa, Ontario
K1A 0A6

Dear Minister:

I have the honour of transmitting to you, for tabling in the House of Commons, pursuant to section 41 of the *Canadian International Trade Tribunal Act*, the Tribunal's annual report for the fiscal year ending March 31, 2006.

Yours sincerely,

Pierre Gosselin
Chairman

TABLE OF CONTENTS

Chapter I—Highlights	1
Chapter II—Mandate, Organization and Activities	7
Chapter III—Dumping and Subsidizing Injury Inquiries and Reviews	11
Chapter IV—Safeguards	21
Chapter V—Appeals	25
Chapter VI—Procurement Review	31
Chapter VII—Economic, Trade and Tariff References	37
Chapter VIII—Standing Textile Reference	39

CHAPTER I

HIGHLIGHTS

Members

On October 24, 2005, Ms. Elaine Feldman was appointed Vice-chairperson of the Canadian International Trade Tribunal (the Tribunal). Prior to her appointment, she served as Associate Assistant Deputy Minister, Trade Policy and Negotiations, with the Department of International Trade. During her time in this position, she served as chief negotiator for Canada for the establishment of the Free Trade Area of the Americas. She was also responsible for the management of the Canada-United States softwood lumber dispute. Prior to this, she held a number of senior positions in the Department of Foreign Affairs and International Trade, including Minister and Deputy Permanent Representative of Canada to the World Trade Organization (WTO) from 1995 to 2000 and Director General of the Export and Import Controls Bureau from 2001 to 2003.

On January 31, 2006, Mr. Serge Fréchette was appointed Vice-chairperson of the Tribunal. He is a lawyer who specializes in international trade and regulatory affairs. A former senior official with the departments of Justice and Foreign Affairs and International Trade, Mr. Fréchette was involved in negotiations of various international trade agreements, including the *North American Free Trade Agreement (NAFTA)* and the *Agreement Establishing the World Trade Organization*. He represented Canada and other parties in several matters before the WTO. He has also served as an adjunct professor of law at the University of Ottawa, and he operated his own law firm that specialized in international trade matters prior to his appointment.

During the fiscal year, the terms of Dr. Patricia M. Close and Mr. Richard Lafontaine expired. The Tribunal would like to take this opportunity to recognize the valuable contribution that these former vice-chairpersons made to the Tribunal's work. They brought considerable expertise, handled a large number of cases and were innovative in their approaches. As vice-chairpersons, their experiences, their thoroughness and their leadership will be missed.

Dumping and Subsidizing Inquiries and Reviews

In the fiscal year, the Tribunal issued one preliminary determination of injury under subsection 37.1(1) of the *Special Import Measures Act (SIMA)*. The Tribunal also issued one injury finding following an inquiry under section 42. The Tribunal issued one order following an interim review pursuant to section 76.01. The Tribunal issued seven orders following reviews under section 76.03. At the end of the fiscal year, one inquiry and two expiry reviews were in progress.

Safeguards Inquiries

Since its establishment, the Tribunal has received few safeguard complaints. This year, however, it received three such complaints. Following the receipt of two global safeguard complaints filed by the Canadian Bicycle Manufacturers Association (CBMA) and the referral by the Governor in Council for a

remedy proposal, the Tribunal joined the two complaints and completed a global safeguard inquiry, issued a determination and made a remedy recommendation to the Government. The Tribunal also commenced a global safeguard inquiry into the importation of unmanufactured bright Virginia flue-cured tobacco. It was terminated upon receipt of a notice from the producers that they would no longer be participating in the inquiry.

As part of its protocol of accession to the WTO in 2001, the People's Republic of China (China) agreed to the establishment of a special safeguard mechanism to deal with instances of market disruption and trade diversion. In 2002, the *Canadian International Trade Tribunal Act (CITT Act)* was amended to incorporate these provisions into Canadian law. The Tribunal received three safeguard complaints with respect to imports from China during the fiscal year. The Tribunal completed a safeguard inquiry into one case, barbecues, and made a remedy recommendation to the Government in accordance with the referral from the Governor in Council. The Tribunal also determined that the complaint concerning residential furniture failed to comply with the content requirements of the *CITT Act* and that, accordingly, it would not proceed to the stage of determining whether an inquiry should be initiated. The third complaint, with respect to apparel products, was still under consideration at the end of the fiscal year.

Appeals

The Tribunal issued decisions on 47 appeals from decisions of the Canada Border Services Agency (CBSA), the Canada Customs and Revenue Agency (CCRA) (now the CBSA) and the Minister of National Revenue made under the *Customs Act* and the *Excise Tax Act*.

Procurement Review

In 1994, following the implementation of *NAFTA*, the Government mandated the Tribunal as its reviewing body for bid challenges. The mandate was expanded with inclusion of a bid challenge mechanism in both the *WTO Agreement on Government Procurement (AGP)* and Canada's own *Agreement on Internal Trade (AIT)*.

As Canada moves into the eighteenth year of procurement review, it is important to emphasize some key principles. Truly competitive procurement processes require open bidding, clear procedures and transparent criteria for selection. By so doing, the process enhances the integrity of the procurement system in Canada, invigorates the delivery of government services and translates into savings for the taxpayer.

One of the intended purposes of the recently introduced *Federal Accountability Act* is to ensure that the bidding process for government contracts be fair, open and transparent. Along the same lines, the *Canada-United States Free Trade Agreement*, and its successor, *NAFTA*, required that Canada adopt and maintain bid challenge procedures for procurement in order to promote fair, open and impartial procurement procedures.

The formal process of procurement review at the Tribunal allows Canada to meet these obligations, as well as similar ones under the *AGP* and the *AIT*. For procurements covered by these agreements, the Tribunal, in line with the objectives of the new *Federal Accountability Act*, has provided suppliers with an effective means of redress whenever they felt procurement actions were not conducted in a fair, open and transparent manner.

The Tribunal received 58 complaints during the fiscal year. The Tribunal issued 14 determinations of its findings and recommendations. Five of these determinations related to cases that were in progress at the end of fiscal year 2004-2005. One determination was remanded to the Tribunal.

In 2005-2006, the Department of Public Works and Government Services (PWGSC) alone issued approximately 20,250 contracts valued at between \$25,000 and \$100 million, for a total value of \$8.928 billion. The 58 complaints received in the fiscal year pertained to 57 different contracts, representing less than 1 percent of the total number of contracts issued by PWGSC in 2005-2006.

Economic, Trade and Tariff References

The Tribunal completed one tariff reference during the fiscal year, and one was in progress at year-end. On January 10, 2005, the Tribunal was directed by the Minister of Finance to inquire into and report on the availability of fibres and yarns produced by Canadian manufacturers and on the availability of fabrics produced by Canadian manufacturers for use in the production of apparel contained in Chapters 39, 40, 51, 52, 53, 54, 55, 56, 58, 59, 60 and 70. The Tribunal published its report on June 30, 2005, proposing a tariff structure that would result in the elimination of duties on 341 tariff items, with an estimated value of \$690 million during the two-year period of investigation. Two hundred and fifty tariff items remained dutiable.

On October 27, 2005, the Tribunal was directed by the Minister of Finance to inquire into and report on the availability from Canadian production of apparel fabrics classified under certain tariff items in the *Customs Tariff*. In his letter, the Minister of Finance noted that, in its previous inquiry, the Tribunal did not receive sufficiently detailed production information to enable it to make tariff relief recommendations on a number of tariff items that contain a wide variety of products. For 12 of these tariff items, the Minister of Finance asked the Tribunal to carry out additional inquiry.

On November 23, 2005, the Minister of Finance further directed the Tribunal, where appropriate, in identifying new eight-digit tariff items, to ensure that the scope of the product descriptions reflects market realities by considering the nature of the competition between products in the marketplace and the imminent production of any fabric.

The Tribunal completed the preliminary information-gathering phase of the inquiry on February 2, 2006, and plans to issue its report by April 27, 2006.

Textile Reference

In 1994, the Minister of Finance established a standing reference that mandated the Tribunal to investigate requests from domestic producers for tariff relief on imported textile inputs for use in their manufacturing operations and to make recommendations to the Minister of Finance. During the fiscal year, the Tribunal issued one report to the Minister of Finance concerning one request for tariff relief. There were no cases outstanding at the end of the fiscal year.

Access to Tribunal Notices, Decisions and Publications

The Tribunal's Web site provides an exhaustive repository of all Tribunal notices, decisions and publications, as well as other information relating to the Tribunal's current activities. The Tribunal offers a

subscriber alert service that notifies subscribers of each new posting on the Tribunal's Web site. Subscribers can choose their areas of interest. This service is available without charge.

Tribunal notices and decisions are also published in the *Canada Gazette*. Those relating to procurement complaints are also published on MERX (Canada's electronic tendering service).

Meeting Statutory Deadlines (Timeliness)

All the Tribunal's inquiries were completed on time, and decisions were issued within the statutory deadlines. For appeals of customs and excise decisions that are not subject to statutory deadlines, the Tribunal usually issues, within 120 days of the hearing, a decision on the matter in dispute, including the reasons for its decision.

Caseload

	Cases Brought Forward from Previous Fiscal Year	Cases Received in Fiscal Year	Total	Decisions/ Reports Issued	Cases Withdrawn/ Not Initiated/ Dismissed	Cases Outstanding (March 31, 2006)
SIMA Activities						
Preliminary Injury Inquiries	-	2	2	1	-	1
Inquiries	1	1	2	1	-	1
Public Interest Inquiries	-	-	-	-	-	-
Requests for Interim Reviews	3	2	5	1	4	-
Expiries	-	-	-	-	-	-
Expiry Reviews	7	2	9	7	-	2
Safeguards						
Global	2	1	3	1*	1	-
Imports from China	-	3	3	1	1	1
Appeals						
Extensions of Time						
<i>Customs Act</i>	-	6	6	2	1	3
<i>Excise Tax Act</i>	1	37	38	31	7	-
Appeals						
<i>Customs Act</i>	71	37	108	44	14	50
<i>Excise Tax Act</i>	66	16	82	3	12	67
<i>SIMA</i>	-	-	-	-	-	-
Economic, Trade, Tariff References and Standing Textile Reference						
Economic, Trade and Tariff References	1	1	2	1	-	1
Standing Textile Reference						
Requests for Tariff Relief	1	-	1	1	-	-
Expiries	-	-	-	-	-	-
Reviews	-	-	-	-	-	-
Requests for Reconsideration	-	-	-	-	-	-
Procurement Review Activities						
Complaints	8	59**	67	14	46	7
*The Tribunal combined the proceedings with respect to two complaints and published one report.						
**Includes one case that was remanded by the Federal Court of Appeal.						
Note: The number of appeals brought forward in this fiscal year is not the same as the number outstanding at the end of fiscal year 2004-2005 because of a reporting error in previous fiscal years.						

CHAPTER II

MANDATE, ORGANIZATION AND ACTIVITIES

Introduction

The Tribunal is an administrative tribunal operating within Canada's trade remedies system. It is an independent quasi-judicial body that carries out its statutory responsibilities in an autonomous and impartial manner and reports to Parliament through the Minister of Finance.

The main legislation governing the work of the Tribunal is the *CITT Act*, *SIMA*, the *Customs Act*, the *Excise Tax Act*, the *Canadian International Trade Tribunal Regulations*, the *Canadian International Trade Tribunal Procurement Inquiry Regulations* and the *Canadian International Trade Tribunal Rules (Rules)*.

Mandate

The Tribunal's primary mandate is to:

- inquire into whether dumped or subsidized imports have caused, or are threatening to cause, injury to a domestic industry;
- inquire into complaints by domestic producers that increased imports from all sources are causing, or threatening to cause, serious injury to domestic producers;
- conduct safeguard inquiries with respect to increased imports from China;
- hear appeals from decisions of the CBSA made under the *Customs Act* and *SIMA* or of the Minister of National Revenue under the *Excise Tax Act*;
- inquire into complaints by potential suppliers concerning federal government procurement that is covered by *NAFTA*, the *AIT* and the *AGP*;
- investigate requests from Canadian producers for tariff relief on imported textile inputs used in production operations and to make recommendations to the Minister of Finance on the relative benefits to Canada of the requests; and
- inquire into and provide advice on such economic, trade and tariff issues as are referred to the Tribunal by the Governor in Council or the Minister of Finance.

Section	Authority
<i>CITT Act</i>	
18	Inquiries on economic, trade or commercial interests of Canada by reference from the Governor in Council
19	Inquiries into tariff-related matters by reference from the Minister of Finance
19.01	Safeguard inquiries concerning goods imported from the United States and Mexico
19.02	Mid-term reviews of safeguard measures and report
20	Safeguard inquiries concerning goods imported into Canada and inquiries into the provision, by persons normally resident outside Canada, of services in Canada
23	Safeguard complaints by domestic producers
23(1.01) and (1.02)	Safeguard complaints by domestic producers concerning goods imported from the United States and Mexico
30.08 and 30.09	Safeguard measures
30.11	Complaints by potential suppliers in respect of designated contracts
30.21 to 30.26	Safeguard inquires concerning market disruption, trade diversion and market disruption extension regarding goods originating in China at the request of either the government or a domestic producer
<i>SIMA</i>	
33 and 37	Advice regarding reference to the Tribunal
34(2) and 35(3)	Preliminary injury inquiry
37.1	Preliminary determination of injury
42	Inquiries with respect to injury caused by the dumping and subsidizing of goods
43	Findings of the Tribunal concerning injury
44	Recommencement of inquiry (on remand from the Federal Court of Appeal or a binational panel)
45	Public interest
46	Advice to the CBSA
61	Appeals of re-determinations of the CBSA made pursuant to section 59 concerning whether imported goods are goods of the same description as goods to which a Tribunal finding applies, normal values and export prices or subsidies
76	Reviews of findings of injury initiated by the Tribunal or at the request of the CBSA or other interested persons
76.01	Interim reviews of orders by the Tribunal
76.02	Reviews of orders by the Tribunal on referral back and re-hearing
76.03	Expiry reviews
76.1	Reviews of findings of injury initiated at the request of the Minister of Finance
89	Rulings on who is the importer
<i>Customs Act</i>	
60.2	Application for an extension of time to request a re-determination or a further re-determination
67	Appeals of decisions of the CBSA concerning value for duty and origin and classification of imported goods
67.1	Requests for time extension to file notices of appeal
68	Appeals to the Federal Court of Appeal
70	References of the CBSA relating to the tariff classification or value for duty of goods
<i>Excise Tax Act</i>	
81.19, 81.21, 81.22, 81.23, 81.25 and 81.33	Appeals of assessments and determinations of the Minister of National Revenue
81.32	Requests for extension of time for objection or appeal
<i>Energy Administration Act</i>	
13	Declarations concerning the amount of oil export charge

Method of Operation

In carrying out most of its inquiry responsibilities, the Tribunal conducts hearings that are open to the public. These are normally held at the Tribunal's offices in Ottawa, Ontario, although hearings may also

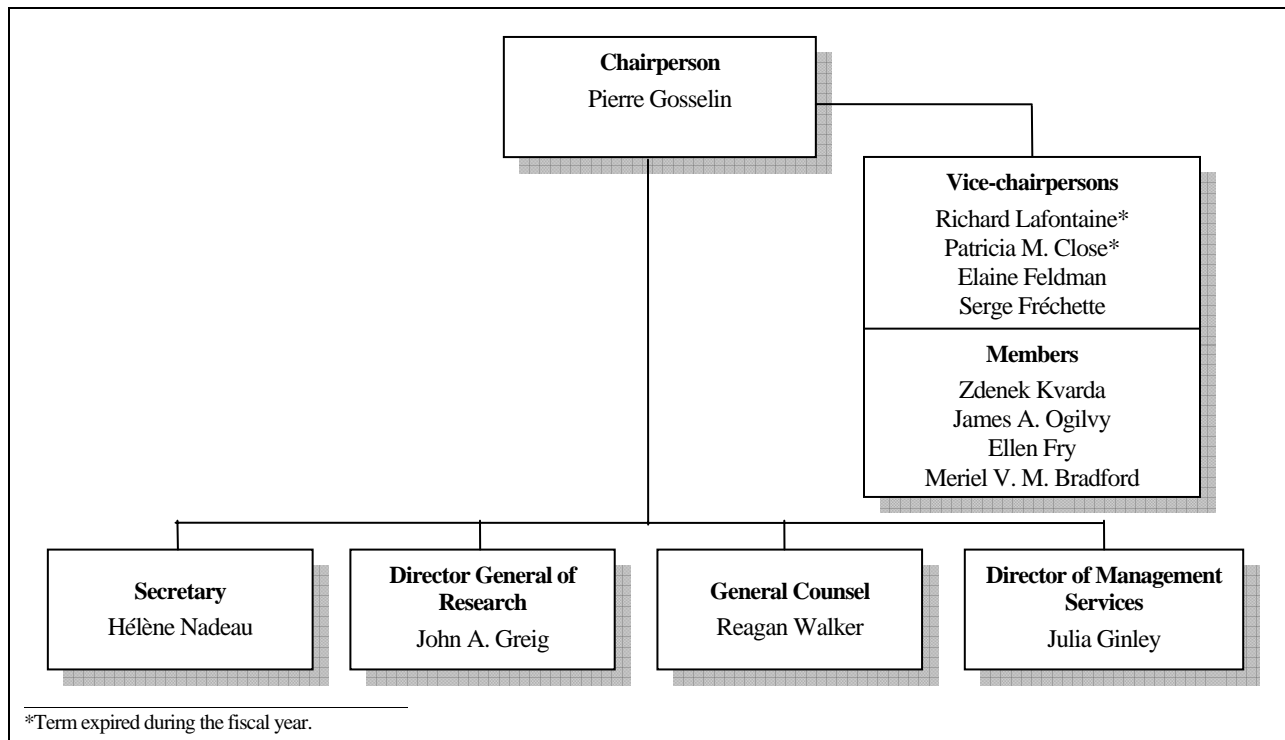
be held elsewhere in Canada, in person or through videoconferencing. The Tribunal has rules and procedures similar to those of a court of law; however, to facilitate access, these are not as formal or strict. The *CITT Act* states that hearings, generally conducted by a panel of three members, should be carried out as “informally and expeditiously” as the circumstances and considerations of fairness permit. The Tribunal has the power to subpoena witnesses and require parties to submit information. The *CITT Act* contains provisions for the protection of confidential information. Only independent counsel who have filed declarations and confidentiality undertakings may have access to confidential information. Protecting commercially sensitive information against unauthorized disclosure has been, and continues to be, of paramount importance to the Tribunal.

Membership

The Tribunal may be composed of nine full-time members, including a Chairperson and two Vice-chairpersons, who are appointed by the Governor in Council for a term of up to five years that is renewable once. The Chairperson is the Chief Executive Officer responsible for the assignment of members and for the management of the Tribunal’s work. Members come from a variety of educational backgrounds, careers and regions of the country.

Organization

There are currently 7 Tribunal members assisted by a permanent staff of 87 persons. Its principal officers are the Secretary, responsible for relations with the public and parties, and the court registry functions of the Tribunal; the Director General of Research, responsible for the investigative portion of inquiries, for the economic and financial analysis of firms and industries and for other fact finding required for Tribunal inquiries; the General Counsel, responsible for the provision of legal services; and the Director of Management Services, responsible for corporate management.



Consultations

Through the Bench and Bar Committee (Tribunal-Canadian Bar Association), the Tribunal provides a forum to promote discussion with the bar on issues of importance. The committee also includes representatives from the trade consulting community. The Tribunal consults with bar associations, representatives of industries and others that appear or are likely to appear before the Tribunal to exchange views on new procedures being considered by the Tribunal prior to their distribution as guidelines or practice notices. The Tribunal also briefs federal government departments and trade associations on its procedures.

Judicial Reviews and Appeals to the Federal Court of Appeal

Any person affected by Tribunal findings or orders under section 43, 44 or 76 of *SIMA* can request a judicial review by the Federal Court of Appeal, for instance, on grounds of alleged denial of natural justice and error of fact or law. Similarly, any person affected by Tribunal procurement orders or determinations under the *CITT Act* can request a judicial review by the Federal Court of Appeal. Lastly, Tribunal appeal orders and decisions, under the *Customs Act*, *SIMA* or the *Excise Tax Act*, can be appealed to the Federal Court of Appeal or the Federal Court.

Judicial Review by NAFTA Binational Panel

Tribunal findings or orders under section 43, 44 or 76 of *SIMA* involving goods from the United States and Mexico may be reviewed by a *NAFTA* binational panel.

WTO Dispute Resolution

Governments that are members of the WTO may challenge Tribunal injury findings or orders in dumping and countervailing duty cases before the WTO dispute settlement bodies. This is initiated by intergovernmental consultations.

CHAPTER III

DUMPING AND SUBSIDIZING INJURY INQUIRIES AND REVIEWS

Process

Under *SIMA*, the CBSA may impose anti-dumping and countervailing duties if domestic producers are injured by imports of goods into Canada:

- at prices lower than sales in the home market or lower than the cost of production (dumping), or
- that have benefited from certain types of government grants or other assistance (subsidizing).

The determination of dumping and subsidizing is the responsibility of the CBSA. The Tribunal determines whether such dumping or subsidizing has caused “injury” or “retardation” or is threatening to cause injury to a domestic industry.

Preliminary Injury Inquiries

A Canadian producer or an association of Canadian producers begins the process of seeking relief from alleged injurious dumping or subsidizing by making a complaint to the CBSA. If the CBSA initiates a dumping or subsidizing investigation, the Tribunal initiates a preliminary injury inquiry under subsection 34(2) of *SIMA*. The Tribunal seeks to make all interested parties aware of the inquiry. It issues a notice of commencement of preliminary injury inquiry that is published in the *Canada Gazette* and forwarded to all known interested persons.

In the inquiry, the Tribunal determines whether the evidence discloses a “reasonable indication” that the dumping or subsidizing has caused injury or retardation, or is threatening to cause injury. The primary evidence is the information received from the CBSA and submissions from parties. The Tribunal seeks the views of parties on what are the like goods and which domestic producers comprise the domestic industry. In most cases, it does not issue questionnaires or hold a public hearing. The Tribunal completes its inquiry within 60 days.

If the Tribunal finds that there is a reasonable indication that the dumping or subsidizing has caused injury or retardation, or is threatening to cause injury, it makes a determination to that effect, and the CBSA continues the dumping or subsidizing investigation. If there is no reasonable indication that the dumping or subsidizing has caused injury or retardation, or is threatening to cause injury, the Tribunal terminates the inquiry, and the CBSA terminates the dumping or subsidizing investigation. The Tribunal issues reasons no later than 15 days after its determination.

Preliminary Injury Inquiries Completed in the Fiscal Year

The Tribunal completed one preliminary injury inquiry in the fiscal year. The following table summarizes the Tribunal's preliminary injury inquiry activities during the fiscal year.

Preliminary Injury Inquiry No.	Product	Country	Date of Determination	Determination
PI-2005-001	Grain Corn	United States	November 15, 2005	Injury
PI-2005-002	Cross-linked Polyethylene Tubing	United States		In progress

Advice Given Under Section 37 of SIMA

When the CBSA decides not to initiate an investigation because the evidence does not disclose a reasonable indication that the dumping or subsidizing of the goods has caused injury or retardation, or threatens to cause injury, the CBSA or the complainant may, under section 33 of *SIMA*, refer the matter to the Tribunal for an opinion as to whether or not the evidence before the CBSA discloses a reasonable indication that the dumping or subsidizing has caused injury or retardation or is threatening to cause injury to a domestic industry.

Section 37 of *SIMA* requires the Tribunal to render its advice within 30 days. The Tribunal makes its decision, without holding a public hearing, on the basis of the information before the CBSA when the decision regarding initiation was reached.

There were no references under section 33 of *SIMA* during the fiscal year.

Final Injury Inquiries

If the CBSA makes a preliminary determination of dumping or subsidizing, the Tribunal commences a final injury inquiry under section 42 of *SIMA*. The CBSA may levy provisional duties on imports from the date of the preliminary determination. The CBSA continues its investigation to a final determination of dumping or subsidizing.

As in a preliminary injury inquiry, the Tribunal seeks to make all interested parties aware of its inquiry. It issues a notice of commencement of inquiry that is published in the *Canada Gazette* and forwarded to all known interested parties.

In conducting final injury inquiries, the Tribunal requests information from interested parties, receives representations and holds public hearings. The Tribunal's staff carries out extensive research for each inquiry. The Tribunal sends questionnaires to domestic producers, importers, purchasers and foreign producers. Based primarily on questionnaire responses, the Tribunal's staff prepares a report that focuses on the factors that the Tribunal considers in arriving at decisions regarding injury or retardation or threat of injury to a domestic industry. The report becomes part of the case record and is made available to counsel and parties.

Parties participating in the proceedings may conduct their own cases or be represented by counsel. Confidential or business-sensitive information is protected in accordance with provisions of the *CITT Act*.

The *Special Import Measures Regulations* prescribe factors that the Tribunal may consider in its determination of whether the dumping or subsidizing of goods has caused injury or retardation or is threatening to cause injury to a domestic industry. These factors include, among others, the volume of dumped or subsidized goods, the effects of the dumped or subsidized goods on prices and the impact of the dumped or subsidized goods on production, sales, market shares, profits, employment and utilization of production capacity.

The Tribunal holds a public hearing about 90 days after the commencement of the inquiry, usually starting once the CBSA has made a final determination of dumping or subsidizing. At the public hearing, domestic producers attempt to persuade the Tribunal that the dumping or subsidizing of goods has caused injury or retardation or is threatening to cause injury to a domestic industry. Importers and exporters challenge the domestic producers' case. After cross-examination by parties and questioning by the Tribunal, each side has an opportunity to respond to the other's case and to summarize its own. In many inquiries, the Tribunal calls witnesses who are knowledgeable about the industry and market in question. Under certain circumstances, parties may seek exclusions from the effects of a Tribunal finding.

The Tribunal must issue its finding within 120 days from the date of the preliminary determination of dumping and/or subsidizing by the CBSA. It has an additional 15 days to issue a statement of reasons supporting its finding. A Tribunal finding of injury or retardation or threat of injury to a domestic industry is the legal authority for the CBSA to impose anti-dumping or countervailing duties.

Final Injury Inquiries Completed in the Fiscal Year

The Tribunal completed one final injury inquiry in the fiscal year. It concerned *Laminate Flooring* (NQ-2004-006). In 2004, the estimated value of the Canadian market for laminate flooring was \$375 million.

NQ-2004-006—Laminate Flooring

This inquiry concerned dumped imports from Austria, Belgium, France, Germany and Poland and dumped and subsidized imports from China. In the CBSA's final determination of dumping and subsidizing, it terminated its dumping investigation regarding imports from Austria, Belgium, Germany and Poland due to insignificant margins of dumping. Uniboard Surfaces Inc. constituted the domestic industry.

The Tribunal found that the domestic industry was materially injured in terms of lost sales volumes and the postponement of a major investment as a result of the growing volume of low-priced dumped imports from China and France and subsidized imports from China that entered the Canadian market during the period of inquiry.

Final Injury Inquiries in Progress at the End of the Fiscal Year

There was one inquiry in progress at the end of the fiscal year, *Grain Corn* (NQ-2005-001). This inquiry concerns dumped and subsidized imports from the United States.

The following table summarizes the Tribunal's final injury inquiry activities during the fiscal year.

Inquiry No.	Product	Country	Date of Finding	Finding
NQ-2004-006	Laminate Flooring	Austria, Belgium, China, France, Germany and Poland	June 16, 2005	Injury with regard to China and France
NQ-2005-001	Grain Corn	United States		In progress

Public Interest Inquiry Under Section 45 of SIMA

Following a finding of injury, the Tribunal notifies all interested parties that any submissions requesting a public interest inquiry must be filed within 45 days. It may initiate, either after a request from an interested person or on its own initiative, a public interest inquiry following a finding of injury caused by dumped or subsidized imports. It may decide that there are reasonable grounds to consider that the imposition of part or all of the duties may not be in the public interest. It then conducts a public interest inquiry pursuant to section 45 of *SIMA*. The result of this inquiry may be a report to the Minister of Finance recommending that the duties be reduced and by how much.

The Tribunal received no requests for a public interest inquiry during the fiscal year.

Importer Ruling

Under section 89 of *SIMA*, the CBSA may request the Tribunal to rule on the question as to which of two or more persons is the importer of goods on which anti-dumping or countervailing duties are payable. If the Tribunal identifies as the importer a person other than the one specified by the CBSA, it may reconsider its original finding of injury under section 91.

There were no requests for an importer ruling in the fiscal year.

Requests for Interim Reviews

The Tribunal may review its findings of injury or orders at any time, on its own initiative or at the request of the Minister of Finance, the CBSA or any other person or government (section 76.01 of *SIMA*). It commences an interim review where one is warranted and determines if the finding or order (or any aspect of it) should be rescinded or continued to its expiry date, with or without amendment.

An interim review may be warranted where there is a reasonable indication that new facts have arisen or that there has been a change in the circumstances that led to the finding or order. For example, since the finding or order, the domestic industry may have ceased production of like goods or foreign subsidies may have been terminated. An interim review may also be warranted where there are facts that, although in existence, were not put into evidence during the previous review or inquiry and were not discoverable by the exercise of reasonable diligence at that time.

Interim Reviews Completed in the Fiscal Year

The Tribunal ruled on five requests for interim reviews, two of which were received in the fiscal year. Regarding Requests for Interim Review Nos. RD-2004-009, *Fasteners*, RD-2004-010, *Dishwashers and Dryers*, RD-2005-001, *Leather Footwear With Metal Toe Caps*, and RD-2005-002, *Concrete Reinforcing Bar*, the Tribunal determined that interim reviews were not warranted.

On February 8, 2005, the Tribunal received a request for an interim review of its order made on October 18, 2002, in Expiry Review No. RR-2001-005 concerning waterproof rubber footwear. The applicant, Tracktion Canada Inc., requested the review for the exclusion of steel-studded over-the-shoe rubbers. On June 27, 2005, the Tribunal determined that an interim review was warranted. On August 18, 2005, it amended the order to exclude the product for which the exclusion had been requested.

Interim Reviews in Progress at the End of the Fiscal Year

There were no interim reviews in progress and no requests for interim reviews under consideration at the end of the fiscal year.

The following table summarizes the Tribunal's interim review activities during the fiscal year.

Request No.	Product	Country	Date of Order	Order
RD-2004-008	Waterproof Rubber Footwear	China	August 18, 2005	Order amended
RD-2004-009	Fasteners	China and Chinese Taipei	April 20, 2005	No review
RD-2004-010	Dishwashers and Dryers	United States	April 25, 2005	No review
RD-2005-001	Leather Footwear With Metal Toe Caps	China	November 25, 2005	No review
RD-2005-002	Concrete Reinforcing Bar	Indonesia, Japan, Latvia, Moldova, Poland, Chinese Taipei and Ukraine	November 9, 2005	No review

Expiry Reviews

Subsection 76.03(1) of *SIMA* provides that a finding or order expires after five years, unless an expiry review has been initiated. No later than 10 months before the expiry date of the order or finding, the Secretary publishes a notice of expiry in the *Canada Gazette*. The notice invites persons and governments to submit their views on whether the order or finding should be reviewed and gives direction on the issues that should be addressed in the submissions. The Tribunal initiates a review of the order or finding, as requested, if it determines that such a review is warranted. It then issues a notice of review and notifies the CBSA of its decision. The notice of expiry review is published in the *Canada Gazette* and forwarded to all known interested parties.

During the fiscal year, the Tribunal issued five notices of expiry: LE-2005-001 (*Garlic*); LE-2005-002 (*Concrete Reinforcing Bar*); LE-2005-003 (*Carbon Steel Welded Pipe*); LE-2005-004 (*Flat Hot-rolled Carbon and Alloy Steel Sheet and Strip*); and LE-2005-005 (*Leather Footwear*).

In Expiry No. LE-2005-002, *Concrete Reinforcing Bar*, the Tribunal received no request for a review of its finding made on June 1, 2001, in Inquiry No. NQ-2000-007. The Tribunal decided that a review of its finding was not warranted. The finding is scheduled to expire on May 31, 2006.

In Expiry No. LE-2005-003, *Carbon Steel Welded Pipe*, the Tribunal received no request for a review of its order made on July 24, 2001, in Review No. RR-2000-002, continuing, with amendment, its order made on July 25, 1996, in Review No. RR-95-002, continuing, without amendment, its finding made on July 26, 1991, in Inquiry No. NQ-90-005, and its finding made on January 23, 1992, in Inquiry No. NQ-91-003. The Tribunal decided that a review of its order was not warranted. The order is scheduled to expire on July 23, 2006.

The purpose of an expiry review is to determine whether anti-dumping or countervailing duties remain necessary. There are two phases in an expiry review. The first phase is the investigation by the CBSA to determine whether there is a likelihood of resumed or continued dumping or subsidizing if the finding or order expires. If the CBSA determines that such likelihood exists with respect to any of the goods, the second phase is the Tribunal's inquiry into the likelihood of injury or retardation. If the CBSA determines that such likelihood does not exist for any of the goods, the Tribunal does not consider those goods in its subsequent determination of the likelihood of injury and issues an order rescinding the order or finding with respect to those goods.

The Tribunal's procedures in expiry reviews are similar to those in final injury inquiries.

Upon completion of an expiry review, the Tribunal issues an order with reasons, rescinding or continuing a finding or order, with or without amendment. If a finding or order is continued, it remains in force for a further five years, unless an interim review has been initiated and the finding or order is rescinded. If the finding or order is rescinded, imports are no longer subject to anti-dumping or countervailing duties.

Expiry Reviews Completed in the Fiscal Year

In the fiscal year, the Tribunal completed seven expiry reviews, all of which had been commenced in the previous fiscal year.

On April 29, 2005, the Tribunal rescinded its order in *Women's Boots* (RR-2004-002) respecting dumped imports from China.

On June 3, 2005, the Tribunal rescinded its order in *Carbon Steel Welded Pipe* (RR-2004-003) respecting dumped imports from the Republic of Korea (Korea).

On June 27, 2005, the Tribunal rescinded its finding in *Hot-rolled Carbon Steel Plate* (RR-2004-004) respecting dumped imports from Brazil, Finland and Ukraine, and dumped and subsidized imports from India, Indonesia and Thailand.

On July 29, 2005, following the CBSA's determination that the expiry of the findings would unlikely result in a continuation or resumption of dumping, the Tribunal rescinded its findings in *Dishwashers and Dryers* (RR-2004-005) respecting dumped imports from the United States.

On September 12, 2005, the Tribunal continued its order in *Whole Potatoes* (RR-2004-006) respecting dumped imports from the United States, with an amendment to exclude red potatoes, yellow potatoes and the exotic potato varieties, regardless of packaging, and white and russet potatoes imported in 50-lb. cartons in the following count sizes: 40, 50, 60, 70 and 80.

On November 2, 2005, the Tribunal continued its orders in *Refined Sugar* (RR-2004-007) respecting dumped imports from Denmark, Germany, the Netherlands, the United Kingdom and the United States and subsidized imports from the European Union, with an amendment to exclude individually wrapped rectangular cane sugar tablets.

On December 7, 2005, the Tribunal continued its finding in *Waterproof Footwear and Bottoms* (RR-2004-008) respecting dumped imports from China.

Expiry Reviews in Progress at the End of the Fiscal Year

There were two expiry reviews in progress at the end of the fiscal year.

On January 25, 2006, the Tribunal issued a notice of determination (RR-2005-001) with respect to the expiry of the finding respecting the dumping of fresh garlic from Vietnam and frozen garlic from China and Vietnam in Inquiry No. NQ-2000-006 and the order respecting the dumping of fresh garlic from China in Expiry Review No. RR-2001-001. The Tribunal determined, in view of the facts that no parties were participating and that no information had been filed on the factors to be considered by the Tribunal in an

expiry review, that the expiry of the finding and order was unlikely to result in injury. The Tribunal will issue orders, with reasons, rescinding the finding and order when they expire on May 1, 2006, and March 19, 2007, respectively.

Expiry Review No. RR-2005-002 is a review of the finding in *Flat Hot-rolled Carbon and Alloy Steel Sheet and Strip* respecting dumped imports from Brazil, Bulgaria, China, Chinese Taipei, the former Yugoslav Republic of Macedonia, Serbia and Montenegro, South Africa and Ukraine, and dumped and subsidized imports from India.

The following table summarizes the Tribunal's expiry review activities during the fiscal year.

Review No.	Product	Country	Date of Order	Order
RR-2004-002	Women's Boots	China	April 29, 2005	Order rescinded
RR-2004-003	Carbon Steel Welded Pipe	Korea	June 3, 2005	Order rescinded
RR-2004-004	Hot-rolled Carbon Steel Plate	Brazil, Finland, India, Indonesia, Thailand and Ukraine	June 27, 2005	Finding rescinded
RR-2004-005	Dishwashers and Dryers	United States	July 29, 2005	Findings rescinded
RR-2004-006	Whole Potatoes	United States	September 12, 2005	Order continued
RR-2004-007	Refined Sugar	United States, Denmark, Germany, Netherlands, United Kingdom and European Union	November 2, 2005	Orders continued
RR-2004-008	Waterproof Footwear and Bottoms	China	December 7, 2005	Finding continued
RR-2005-001	Garlic	China and Vietnam		In progress
RR-2005-002	Flat Hot-rolled Carbon and Alloy Steel Sheet and Strip	Brazil, Bulgaria, China, Chinese Taipei, India, former Yugoslav Republic of Macedonia, Serbia and Montenegro, South Africa and Ukraine		In progress

Judicial or Panel Review of SIMA Decisions

The following table lists the Tribunal's decisions under section 43, 44 or 76 of *SIMA* that were before the Federal Court of Appeal in the fiscal year.

Case No.	Product	Country of Origin	File No./Status
NQ-2004-002	Fuel Tanks	China and Chinese Taipei	A—527—04
NQ-2004-005	Fasteners	China and Chinese Taipei	A—46—05 Application discontinued (October 13, 2005) A—47—05 Application dismissed (March 31, 2006) A—48—05 Application allowed in part (March 21, 2006) A—49—05 Application dismissed (March 21, 2006) A—50—05 Application dismissed (March 21, 2006)

WTO Dispute Resolution

There are no Tribunal findings or orders before the dispute settlement bodies of the WTO.

International Assistance

As a major player in Canada's trade remedies system, the Tribunal is often called upon to provide assistance to countries seeking to establish trade remedy systems or to countries negotiating to become members of the WTO. The Tribunal also participates in technical exchange meetings with other anti-dumping authorities. In 2005-2006, the Tribunal hosted delegations from China, Indonesia, Australia, South Africa and Russia. In addition, Tribunal staff provided training programs in Korea, Morocco, Vietnam and Germany.

SIMA Findings and Orders in Force as of March 31, 2006

Review No. or Inquiry No.	Date of Decision	Product	Country	Related Decision No. and Date
NQ-99-003	May 1, 2000	Iodinated Contrast Media	United States (including the Commonwealth of Puerto Rico)	
NQ-2000-006	May 2, 2001	Garlic, Fresh or Frozen	China and Vietnam	
NQ-2000-007	June 1, 2001	Concrete Reinforcing Bar	Indonesia, Japan, Latvia, Republic of Moldova, Poland, Chinese Taipei and Ukraine	
RR-2000-002	July 24, 2001	Carbon Steel Welded Pipe	Argentina, India, Romania, Chinese Taipei, Thailand and Brazil	RR-95-002 (July 25, 1996) NQ-91-003 (January 23, 1992) NQ-90-005 (July 26, 1991)
NQ-2001-001	August 17, 2001	Flat Hot-rolled Steel Sheet and Strip	Brazil, Bulgaria, China, Chinese Taipei, India, Macedonia, South Africa, Ukraine and Yugoslavia	
NQ-2001-003	December 27, 2001	Leather Footwear with Metal Toe Caps	China	
RR-2001-001	March 20, 2002	Fresh Garlic	China	NQ-96-002 (March 21, 1997)
RR-2001-005	October 18, 2002	Waterproof Rubber Footwear	China	RR-97-001 (October 20, 1997) RR-92-001 (October 21, 1992) R-7-87 (October 22, 1987) ADT-2-82 (April 23, 1982) ADT-4-79 (May 25, 1979)
RR-2001-006	January 10, 2003	Hot-rolled Carbon Steel Plate	Mexico, China, South Africa and Russian Federation	NQ-97-001 (October 27, 1997)
RR-2002-001	December 9, 2002	Bicycles and Frames	Chinese Taipei and China	RR-97-003 (December 10, 1997) NQ-92-002 (December 11, 1992)

SIMA Findings and Orders in Force as of March 31, 2006 (cont'd)

Review No. or Inquiry No.	Date of Decision	Product	Country	Related Decision No. and Date
RR-2004-006	September 12, 2005	Whole Potatoes	United States	RR-99-005 (September 13, 2000) RR-94-007 (September 14, 1995) RR-89-010 (September 14, 1990) CIT-16-85 (April 18, 1986) ADT-4-84 (June 4, 1984)
RR-2004-007	November 2, 2005	Refined Sugar	United States, Denmark, Germany, Netherlands, United Kingdom and European Union	RR-99-006 (November 3, 2000) NQ-95-002 (November 6, 1995)
RR-2004-008	December 7, 2005	Waterproof Footwear and Bottoms	China	NQ-2000-004 (December 8, 2000)
NQ-2002-003	March 4, 2003	Xanthates	China	
NQ-2002-004	July 16, 2003	Carbon Steel Pipe Nipples, Threaded Couplings and Adaptor Fittings	China	
NQ-2003-001	December 23, 2003	Structural Tubing	Korea, South Africa and Turkey	
NQ-2003-002	January 9, 2004	Hot-rolled Carbon Steel Plate and High-strength Low-alloy Steel Plate	Bulgaria, Czech Republic and Romania	
NQ-2003-003	June 18, 2004	Wood Venetian Blinds and Slats	China and Mexico	
NQ-2004-001	July 30, 2004	Stainless Steel Wire	Korea, Switzerland, United States and India	
NQ-2004-005	January 7, 2005	Fasteners	China and Chinese Taipei	
NQ-2004-006	June 16, 2005	Laminate Flooring	China and France	

Note: For complete product descriptions, refer to the most recent finding or order.

CHAPTER IV

SAFEGUARDS

Global Safeguard Inquiries

The Tribunal conducts inquiries to determine if Canadian producers are being seriously injured by increased imports of goods into Canada. The Tribunal may initiate import safeguard inquiries following a complaint by domestic producers. The Government may also direct the Tribunal to conduct import safeguard inquiries. Pursuant to an inquiry where the Tribunal determines that increased imports of the goods have caused, or are threatening to cause, serious injury to Canadian producers of like or directly competitive goods, the Government may apply import safeguard measures to assist those domestic producers.

The Government may also direct the Tribunal to conduct inquiries to determine if the provision, by persons normally resident outside Canada, of services in Canada is causing or threatens to cause injury to, or retards, the provision of any services in Canada by persons normally resident in Canada.

Inquiry Completed in the Fiscal Year

GS-2004-001—Bicycles

GS-2004-002—Finished Painted Bicycle Frames

On February 10, 2005, following a complaint filed by the CBMA, the Tribunal commenced a global safeguard inquiry into the importation of bicycles and bicycle frames. On March 24, 2005, following a second complaint filed by the CBMA, the Tribunal commenced a global safeguard inquiry into the importation of finished painted bicycle frames. Also on March 24, 2005, the Tribunal decided to combine the proceedings with respect to the two complaints. On May 10, 2005, the Government directed the Tribunal to determine whether an affirmative injury determination would remain the same if goods imported from a *NAFTA* country, Israel or another beneficiary of the *Canada-Israel Free Trade Agreement*, or Chile were excluded and to recommend the most appropriate remedy to address any injury.

Fifty parties filed notices with the Tribunal indicating that they wished to participate in the global safeguard inquiry. The Tribunal held a nine-day public hearing from June 20 to 24 and June 27 to 30, 2005.

The Tribunal found that there had been a recent, sharp, sudden and significant increase in imports of bicycles, both in absolute terms and relative to the production in Canada of like or directly competitive goods. The Tribunal determined that the increased imports were a principal cause of serious injury to domestic producers of bicycles in the form of a serious deterioration in production, capacity utilization, sales volume, market share, sales revenue, cash flow, employment, and ability to invest. The Tribunal examined several other factors alleged to have caused injury to domestic producers and found that none was a principal cause of the injury.

With respect to Canada's obligations under the *General Agreement on Tariffs and Trade 1994 (GATT 1994)*, the Tribunal found that the significant increase in imports of bicycles was due to unforeseen

developments and resulted from the effect of the obligations incurred by Canada under *GATT 1994*. The Tribunal determined that the quantity of bicycles imported from each of Canada's free trade partners did not account for a substantial share of total imports. The Tribunal also determined that its finding was not changed by the exclusion of imports from these countries.

The Tribunal considered that the most appropriate remedy was a surtax set at 30 percent in the first year of application, 25 percent in the second year and 20 percent in the third year, applied to imports of bicycles, assembled or unassembled, with a wheel diameter greater than 38.1 centimetres (15 inches) with an FOB value of \$225 or less (equivalent to \$400 retail). It recommended that certain types of bicycles for which it had received requests for product exclusions should not be subject to the remedy, as should imports from Canada's free trade partners and certain developing countries.

The Tribunal found that there had been a recent, sharp, sudden and significant increase in imports of finished painted bicycle frames in absolute terms and relative to the production in Canada of like or directly competitive goods. The CBMA did not allege serious injury to the production of finished painted bicycle frames, nor did the evidence indicate that such injury had occurred. After deducting imports by domestic producers, the Tribunal determined that the remaining volume and increase in imported finished painted bicycle frames were insufficient to threaten serious injury to domestic producers of finished painted bicycle frames.

Inquiry Terminated in the Fiscal Year

GS-2005-001—Tobacco

On October 17, 2005, the Ontario Flue-Cured Tobacco Growers Marketing Board (the Board) submitted a complaint to the Tribunal requesting that it initiate a global safeguard inquiry into the importation of unmanufactured bright Virginia flue-cured tobacco (flue-cured tobacco).

On November 29, 2005, following consideration of the complaint and the additional information provided by the Board, the Tribunal determined that the complaint was properly documented.

On December 29, 2005, the Tribunal commenced a global safeguard inquiry. In its statement of reasons, the Tribunal found that the evidence demonstrated that there was a significant increase in the subject imports from 2001 to 2005 and that there was decreased domestic production and market share, reduced revenues, and price suppression during the same period. Accordingly, the Tribunal was satisfied that there was a reasonable indication that the subject goods were being imported in such increased quantities and under such conditions as to cause or threaten to cause serious injury to domestic producers of like or directly competitive goods.

On February 14, 2006, the Board notified the Tribunal that its members no longer wished to participate in the inquiry and would not submit evidence to support their complaint.

On February 16, 2006, the Tribunal terminated its inquiry into the complaint.

Safeguard Inquiries—Imports from China

The Tribunal may conduct inquiries to determine if increased imports of goods from China are causing or threatening to cause market disruption to domestic producers. It may also conduct inquiries to determine if any action affecting imports of goods from China into the market of another WTO country causes, or threatens to cause, a significant diversion of trade into Canada. It may initiate market disruption or

trade diversion inquiries following a complaint by domestic producers. The Government may also direct the Tribunal to conduct market disruption or trade diversion inquiries. Pursuant to an inquiry where the Tribunal makes determinations of market disruption or trade diversion, the Government may apply import safeguard measures to assist domestic producers.

Inquiry Completed in the Fiscal Year

CS-2005-001—Barbeques

On May 30, 2005, the Tribunal received a complaint asking it to initiate a safeguard inquiry to determine if increased imports of barbeques originating in China were causing or threatening to cause market disruption to domestic producers of barbeques. On July 11, 2005, the Tribunal determined that the complaint was properly documented and that the conditions listed in subsection 30.22(3) of the *CITT Act* were satisfied. Therefore, on July 11, 2005, the Tribunal commenced an inquiry into the complaint. On August 10, 2005, the Government asked the Tribunal to recommend a remedy to deal with the market disruption in the event that it made an affirmative determination, directing that the remedy be in accordance with Canada's rights and obligations under international trade agreements.

Twenty-two parties filed notices with the Tribunal indicating that they wished to participate in the safeguard inquiry. The Tribunal held a three-day public hearing from September 7 to 9, 2005.

As a preliminary matter, the Tribunal determined that it did not need to resort to international agreements, including the *WTO Agreement on Safeguards*, the Protocol on the Accession of China to the WTO (the Protocol) and Article XIX of *GATT 1994*, in its determination of market disruption because the *CITT Act* and the *Canadian International Trade Tribunal Regulations* are unambiguous and free of gaps. However, the Tribunal determined that it was bound to consider the provisions of the Protocol with respect to its remedy recommendation, by virtue of the express language found in the Government's referral order.

The Tribunal found that there had been a rapid increase in imports of barbeques from China, both in absolute terms and relative to the production in Canada of like or directly competitive goods. In arriving at its decision with respect to whether domestic producers had suffered injury, the Tribunal applied the same injury threshold and considered similar indicators as in dumping and subsidizing inquiries under *SIMA*. Based on the evidence provided, the Tribunal concluded that domestic producers had suffered injury in the form of lower sales volume and market share, as well as lower sales revenues and profits. In the Tribunal's view, the poor financial performance of domestic producers negatively affected their cash flow and their ability to recoup the investments that they had made in their businesses. The Tribunal reviewed other factors that may have had an impact on the performance of the domestic industry. However, it did not consider that there was evidence that any of these factors was pervasive or of such magnitude as to explain the loss of market share.

The Tribunal determined that barbeques from China were being imported in such increased quantities or under such conditions as to be a significant cause of market disruption to domestic producers of like or directly competitive goods. Furthermore, it found that no exclusions were warranted. It recommended that the Government impose a surtax of 15 percent for a period of three years on imports of barbeques from China.

Inquiry Terminated in the Fiscal Year

CS-2005-003—Residential Furniture

On October 28, 2005, the Canadian Council of Furniture Manufacturers (CCFM) and its constituent members submitted a complaint to the Tribunal requesting that it initiate a safeguard inquiry into the market disruption caused by the importation of residential furniture from China.

On December 5, 2005, the Tribunal requested additional information from the CCFM in the form of a request for information divided along the lines of eight distinct product groupings of like or directly competitive goods. The CCFM responded to that request in February 2006.

On March 15, 2006, the Tribunal notified the CCFM of its decision that the complaint failed to comply with the requirements of subsection 30.22(2) of the *CITT Act* and that the Tribunal would not proceed to the stage of determining whether an inquiry should be initiated. The Tribunal's letter of March 15, 2006, was published on the Tribunal's Web site.

Inquiry in Progress at Year-end

CS-2005-002—Apparel

On July 7, 2005, UNITE HERE Canada, Ms. Radika Quansoon, Mr. Carlos Costa and Ms. Christina Ling (UHC) submitted two complaints to the Tribunal requesting that it initiate a safeguard inquiry into market disruption and trade diversion caused by the importation of certain apparel products from China.

On September 14, 2005, the Tribunal received additional information provided by UHC and four companies that expressed their support for the complaints, but determined that information on employment was not a surrogate for information on production and that it did not have sufficient data to assess the domestic production of like goods in order to determine whether the complaints were properly documented.

On October 14, 2005, the Tribunal requested that production data for each of the nine product categories be provided. At year-end, these data had not been provided.

Safeguard Cases Before the Federal Court of Appeal

The following table lists the Tribunal's safeguard cases that were before the Federal Court of Appeal in the fiscal year.

Case No.	Product	Country of Origin	File No./Status
GS-2004-001 and GS-2004-002	Bicycles and Frames	All countries	A-439-05 A-440-05 Application discontinued (January 3, 2006) A-448-05
CS-2005-001	Barbeques	China	A-532-05 A-534-05 A-537-05 A-539-05

CHAPTER V

APPEALS

Introduction

The Tribunal hears appeals from decisions of the CBSA under the *Customs Act* and *SIMA* or of the Minister of National Revenue under the *Excise Tax Act*. It hears appeals relating to the tariff classification and value for duty of goods imported into Canada and relating to the origin of goods imported from the United States, Mexico and Chile under the *Customs Act*. It also hears and decides appeals concerning the application, to imported goods, of a Tribunal finding or order concerning dumping or subsidizing and the normal value or export price or subsidy of imported goods under *SIMA*. Under the *Excise Tax Act*, a person may appeal the Minister of National Revenue's decision about an assessment or determination of federal sales tax or excise tax.

The Tribunal strives to be informal and accessible. However, there are certain procedures and time constraints that are imposed by law and by the Tribunal. For example, the appeal process is set in motion with a notice (or letter) of appeal, in writing, sent to the Secretary of the Tribunal within the time limit specified in the act under which the appeal is made.

Rules

Under the *Rules*, the person launching the appeal (the appellant) normally has 60 days to submit to the Tribunal a document called a "brief". Generally, the brief states under which act the appeal is launched, gives a description of the goods in issue and an indication of the points at issue between the appellant and the Minister of National Revenue or the CBSA (the respondent), and states why the appellant believes that the respondent's decision is incorrect. A copy of the brief must also be given to the respondent.

The respondent must also comply with time and procedural constraints. Normally, within 60 days after having received the appellant's brief, the respondent must provide the Tribunal and the appellant with a brief setting forth the respondent's position. The Secretary of the Tribunal then contacts both parties in order to schedule a hearing. Hearings are generally conducted before Tribunal members in public. The Tribunal publishes a notice of the hearing in the *Canada Gazette* to allow other interested persons to attend. Depending on the complexity and precedential nature of the matter at issue, appeals will be heard by a panel of one or three members. Persons may intervene in an appeal by specifying the nature of their interest in the appeal and by indicating the reason for intervening and how they may assist the Tribunal in the resolution of the appeal.

Hearings

An individual may present a case before the Tribunal in person, or be represented by legal counsel or by any other representative. The respondent is generally represented by counsel from the Department of Justice.

Hearing procedures are designed to ensure that the appellant and the respondent are given a full opportunity to make their cases. They also enable the Tribunal to have the best information possible to make a decision. As in a court, the appellant and the respondent can call witnesses, and these witnesses are questioned under oath or affirmation by the opposing parties, as well as by Tribunal members, in order to test the validity of their evidence. When all the evidence is gathered, parties may present arguments in support of their respective positions.

The Tribunal, on its own initiative or at the request of the appellant or the respondent, may decide to hold a hearing by way of written submissions. In that case, it publishes a notice of the hearing in the *Canada Gazette* to allow other interested persons to participate. In the notice, the Tribunal establishes the manner and timing for filing the submissions and the requirement, if appropriate, for the parties to file an agreed statement of facts.

Usually, within 120 days of the hearing, the Tribunal issues a decision on the matters in dispute, including the reasons for its decision.

If the appellant, the respondent or an intervener disagrees with the Tribunal’s decision, the decision can be appealed to the Federal Court of Appeal or the Federal Court.

Extensions of Time

Under section 60.2 of the *Customs Act*, a person may apply to the Tribunal for an extension of time to file a request for a re-determination or a further re-determination with the President of the CBSA. Such an application may be granted by the Tribunal after either the President has refused an application under section 60.1 or 90 days have elapsed after the application was made and the person has not been notified of the President’s decision. Under section 67.1, a person may make an application to the Tribunal for an extension of time within which to file a notice of appeal with the Tribunal. During the fiscal year, the Tribunal issued two orders under the *Customs Act*, both of which granted extensions of time. One request was closed, and three requests were outstanding at the end of the fiscal year.

Under section 81.32 of the *Excise Tax Act*, a person may apply to the Tribunal for an extension of time to serve a notice of objection with the Minister of Finance under section 81.15 or 81.17 or to file a notice of appeal with the Tribunal under section 81.19. During the fiscal year, the Tribunal issued 31 orders; 23 orders granted extensions of time, and 8 denied extensions of time. Seven requests were withdrawn or closed. There were no requests under the *Excise Tax Act* that were outstanding at the end of the fiscal year.

Appeals Considered

During the fiscal year, the Tribunal heard 44 appeals, of which 37 related to the *Customs Act* and 7 to the *Excise Tax Act* as shown in the following table.

Act	Allowed	Allowed in Part	Dismissed	Total
<i>Customs Act</i>	26	8	10	44
<i>Excise Tax Act</i>	1	-	2	3

The following table lists the appeal decisions rendered in the fiscal year.

Appeal No.	Appellant	Date of Decision	Decision
Customs Act			
AP-2004-013	Diversco Supply Inc.	August 12, 2005	Appeal dismissed
AP-2004-018	Gladu Tools Inc.	September 7, 2005	Appeal allowed
AP-2004-011	Decolin Inc.	September 13, 2005	Appeal allowed
AP-2004-009	Cherry Stix Ltd.	October 6, 2005	Appeal dismissed
AP-2004-007	Romain L. Klaasen	October 18, 2005	Appeal dismissed
AP-2002-027, AP-2002-029 to AP-2002-033 and AP-2002-108	Asea Brown Boveri Inc.	October 18, 2005	Appeal allowed in part
AP-2004-012	McAsphalt Industries Limited	November 9, 2005	Appeal allowed
AP-2004-016	Innovak DIY Products Inc.	December 20, 2005	Appeal dismissed
AP-2005-005, AP-2005-010, AP-2005-011 and AP-2005-020	Arctic Cat Sales Inc.	January 20, 2006	Appeals dismissed
AP-2003-036	Roche Vitamins Canada Inc.	January 26, 2006	Appeal allowed in part
AP-2004-024 to AP-2004-046	Mammoet Canada Eastern Ltd. and Mammoet Canada Western Ltd.	February 14, 2006	Appeals allowed
AP-2005-006	Jam Industries Ltd.	March 20, 2006	Appeal dismissed
AP-2004-017	3319067 Canada Inc. (Universal Lites)	March 23, 2006	Appeal dismissed
Excise Tax Act			
AP-2002-012	Quay Developments Ltd.	December 21, 2005	Appeal allowed
AP-2004-051	Transport Gilles Perrault Inc.	March 28, 2006	Appeal dismissed
AP-2005-027	Les Huiles Thuot et Beauchemin Inc.	March 29, 2006	Appeal dismissed

Summary of Selected Decisions

Of the many cases heard by the Tribunal in carrying out its appeal functions, several decisions stand out, either because of the particular nature of the product in issue or because of the legal significance of the case. Brief summaries of a representative sample of such appeals follow, one of which was heard under the *Customs Act* and the other under the *Excise Tax Act*. These summaries have been prepared for general information purposes only and have no legal status.

AP-2004-009—Cherry Stix Ltd. v. President of the Canada Border Services Agency

This was an appeal under subsection 67(1) of the *Customs Act* from a decision of the President of the CBSA. This appeal concerned the value for duty of clothes imported from Asia by Cherry Stix Ltd. (Cherry Stix) of New York. The valuation turned on whether Cherry Stix had agreed to sell the clothes to Wal-Mart Canada Corporation (Wal-Mart) before it purchased the clothes from manufacturers in Asia. If Cherry Stix was able to show that no such agreements had been in place, it would have been entitled to a more favourable valuation as a “purchaser in Canada” under the *Customs Act*. Applying common law contract principles, Ontario’s *Sale of Goods Act* and the United Nations Convention on Contracts for the International Sale of Goods, 1980, the Tribunal determined that, prior to ordering the clothes from its Asian suppliers, Cherry Stix had in fact entered into agreements with Wal-Mart to sell the clothes to Wal-Mart, notwithstanding subsequent changes in price and quantity. Accordingly, the appeal was dismissed.

AP-2002-012—Quay Developments Ltd v. M.N.R.

This was an appeal under section 81.19 of the *Excise Tax Act* from a decision of the Minister of National Revenue. The issue in this appeal was whether Quay Developments Ltd. (Quay) was entitled to receive a federal sales tax new housing rebate under paragraph 121(3)(b) of the *Excise Tax Act*.

Quay was the developer of the Renaissance Development, which consisted of two phases, the Lido and the Rialto. Quay applied for and received a rebate under paragraph 121(3)(b) of the *Excise Tax Act* for the first phase, the Lido. This appeal dealt with the application for a rebate for the second phase, the Rialto. Quay requested a rebate for the entire development (i.e. both the Lido and the Rialto), assessed as a single “condominium complex”, for the difference between the rebate granted for the Lido, on its own, and the rebate that it claimed that it ought to have received for the Lido and the Rialto, assessed together. In the alternative, Quay requested a rebate for the Rialto alone.

The Tribunal found that the Renaissance Development, which included both the Lido and the Rialto, constituted a single “building” for the purposes of the *Excise Tax Act*. It found that, by reviewing the architectural design of the project, it became apparent that the Renaissance Development was, in fact, a complex which consisted of two towers sitting on a single foundation with common services and shared property developments. Furthermore, the evidence also indicated that both the Lido and the Rialto shared common basement walls, parking facilities, waterfront and other amenities. On this basis, the Tribunal found that the Lido and the Rialto, together, constituted a “condominium complex” for the purposes of the *Excise Tax Act*. The Tribunal therefore returned this matter to the Minister of National Revenue for reconsideration of Quay’s application for a rebate in a manner consistent with the above determination.

Appeal Cases Before the Federal Court of Appeal or the Federal Court

Appeal No.	Appellant	File No./Status
AP-90-117	Artec Design Inc.	T—1556—92 Appeal discontinued (December 20, 2001)
AP-99-062	Barney Printing Limited	T—1627—01
AP-2000-034	Scott Paper Limited	T—1270—02 Appeal dismissed (October 3, 2005)
AP-2002-005	P.L.B. Graphique Inc.	T—1331—03 Appeal discontinued (December 8, 2005)
AP-2002-006	Gray O’Rourke Sussmann Advertising Inc.	T—1334—03 Appeal discontinued (December 8, 2005)
AP-2002-007	King West Communications Inc.	T—1335—03
AP-2002-008	The Russo Group Inc.	T—1332—03
AP-2002-010	Corlab Inc.	T—1333—03 Appeal discontinued (December 8, 2005)
AP-2002-034 to AP-2002-037	Pierre Roy et Associés Inc. for Lithochrome (1974) Inc. (in Bankruptcy), Le Groupe Lithochrome Inc. (in Bankruptcy), Filmographie P.F. Inc. (in Bankruptcy) and Opticouleur Inc. (in Bankruptcy)	T—1134—05
AP-2002-097	Pièces d’autos usagées RTA (1986) Inc.	T—816—04 Appeal allowed (May 31, 2005)

Appeal Cases Before the Federal Court of Appeal or the Federal Court (cont'd)

Appeal No.	Appellant	File No./Status
AP-2002-113	Excelsior Foods Inc.	A—675—04 Appeal dismissed (November 9, 2005)
AP-2002-116	Black & Decker Canada Inc.	A—33—05 Appeal dismissed (November 15, 2005)
AP-2003-008	PartyLite Gifts Ltd.	A—252—04 Appeal dismissed (May 3, 2005)
AP-2003-010	Agri-Pack	A—34—05 Appeal dismissed (December 12, 2005)
AP-2003-035	713460 Ontario Ltd. o/a Heirloom Clock Company	T—2203—04 Appeal allowed (February 24, 2006)
AP-2003-040	Les Produits Laitiers Advidia Inc.	A—214—05 Appeal dismissed (January 31, 2006) A—255—05 Appeal dismissed (January 31, 2006) A—256—05 Appeal discontinued (June 28, 2005)
AP-2004-009	Cherry Stix Ltd.	A—607—05
AP-2004-011	Decolin Inc.	A—608—05
AP-2004-015	Magnum Transport Inc.	A—239—05 Appeal dismissed (March 30, 2006)
AP-2004-016	Innovak DIY Products Inc.	A—6—06 Appeal discontinued (February 22, 2006)
AP-2004-018	Outils Gladu Ltée	A—594—05
<p>Note: The Tribunal has made reasonable efforts to ensure that the information listed is complete. However, since the Tribunal does not always participate in appeals to the Federal Court of Appeal or the Federal Court, it is unable to confirm that the list contains all appeals or decisions rendered that were before the Federal Court of Appeal and the Federal Court.</p>		

CHAPTER VI

PROCUREMENT REVIEW

Introduction

Suppliers may challenge federal government procurement decisions that they believe have not been made in accordance with the requirements of the following agreements: Chapter Ten of *NAFTA*, Chapter Five of the *AIT* or the *AGP*. The bid challenge portions of these agreements came into force on January 1, 1994, July 1, 1995, and January 1, 1996, respectively.

Any potential suppliers who believe that they may have been unfairly treated during the solicitation or evaluation of bids, or in the awarding of contracts on a designated procurement, may lodge a formal complaint with the Tribunal. A potential supplier with an objection is encouraged to attempt to resolve the issue first with the government institution responsible for the procurement. If this process is not successful or a supplier wishes to deal directly with the Tribunal, the complainant may ask the Tribunal to consider the case by filing a complaint within the prescribed time limit. Complainants may utilize the on-line procurement complaint form that can be found on the Tribunal's Web site.

When the Tribunal receives a complaint, it reviews the submission against the criteria for filing. If there are deficiencies, the complainant is given an opportunity to correct these within the specified time limit. If the Tribunal decides to conduct an inquiry, the government institution and all other interested parties are sent a formal notification of the complaint and a copy of the complaint itself. An official notice of the complaint is also published on MERX and in the *Canada Gazette*. If the contract in question has not been awarded, the Tribunal may order the government institution to postpone awarding any contract pending the disposition of the complaint by the Tribunal.

After receipt of its copy of the complaint, the government institution responsible for the procurement files a response called the Government Institution Report. The complainant and any intervener are sent a copy of the response and then have the opportunity to submit comments. Any comments made are forwarded to the government institution and other parties to the inquiry.

Copies of any other submissions or reports prepared for the inquiry are also circulated to all parties for their comments. Once this phase of the inquiry is completed, the Tribunal reviews the information collected and decides if a public hearing is necessary or if the case can be decided on the basis of the information on the record.

The Tribunal then determines whether the complaint is valid. If the complaint is found to be valid, the Tribunal may make recommendations to the government institution (such as re-tendering, re-evaluating or providing compensation). The government institution, as well as all other parties and interested persons, is notified of the Tribunal's decision. Recommendations made by the Tribunal in its determination are, by statute, to be implemented to the greatest extent possible.

The Tribunal may also award reasonable costs to the complainant or the responding government institution depending on the nature and circumstances of the case. The Tribunal publishes, on its Web site, a guideline for further streamlining the review process by recommending standard complaint costs to be awarded to either side, depending on the relative complexity of the case.

Procurement Complaints

Summary of Activities

	2004-2005	2005-2006
Number of Complaints		
Carried Over from Previous Fiscal Year	11	8
Received in Fiscal Year	62	58
Remanded	1	1
Total	74	67
Cases Resolved		
Withdrawn or Resolved by the Parties	6	4
Abandoned While Filing	3	2
Subtotal	9	6
Inquiries Not Initiated		
Lack of Jurisdiction	2	3
Late or Improper Filing	16	14
No Valid Basis/No Reasonable Indication of a Breach/Premature	20	20
Subtotal	38	37
Inquiry Results		
Complaints Dismissed	-	3
Complaints Not Valid	6	4
Complaints Valid or Valid in Part	10	10
Remand Decisions	3	-
Subtotal	19	17
Outstanding at End of Fiscal Year	8	7

In 2005-2006, PWGSC alone issued approximately 20,250 contracts valued at between \$25,000 and \$100 million, for a total value of \$8.928 billion. The 58 complaints received in the fiscal year pertained to 57 different contracts, representing less than 1 percent of the total number of contracts issued by PWGSC in 2005-2006.

Summary of Selected Determinations

During the fiscal year, the Tribunal issued 14 determinations of its findings and recommendations. In 10 of the 14 determinations, the complaints were determined to be valid or valid in part. Five cases were in progress or being filed at year-end. The table at the end of this chapter summarizes these activities.

Of the cases investigated by the Tribunal in carrying out its procurement review functions, certain decisions stand out because of the legal significance of the cases. Brief summaries of a representative sample of such cases have been prepared for general information purposes only and have no legal status.

PR-2005-004—Northern Lights Aerobatic Team, Inc.

This was a complaint filed by Northern Lights Aerobatic Team, Inc. (Northern Lights) concerning a procurement by PWGSC on behalf of the Department of National Defence (DND) for the provision of airborne training services. Northern Lights submitted that PWGSC incorrectly declared its proposals

non-compliant with the Contract Program Manager requirement and the ejection seat requirement and incorrectly found Top Aces Consulting Inc.'s proposal compliant with the aircraft's cold start capability requirement.

As the Tribunal did not believe that the written submissions would be adequate to address Northern Lights' third ground of complaint regarding the cold start capability, it held a hearing on August 10 and 11, 2005.

Having examined the evidence presented by the parties and considered the provisions of the *AIT* and *NAFTA*, the Tribunal determined that the complaint was not valid.

The Tribunal awarded PWGSC costs in the amount of \$4,100 for responding to the complaint.

Northern Lights has applied for judicial review of the Tribunal's decision.

PR-2005-017—Radiation Detection Service

In a complaint filed by Radiation Detection Service (RDS), RDS alleged that PWGSC, when procuring power supplies on behalf of the Royal Canadian Mounted Police, did not include the criteria for contract award and that PWGSC improperly awarded the contract to a higher-priced bidder. More specifically, RDS claimed that it submitted the lowest-priced, technically compliant bid in accordance with the terms of the RFP and that, had it known that PWGSC was going to award the contract using a different methodology, it would have structured its proposal differently. RDS requested, as a remedy, that the Tribunal award it the contract or its lost profit for having been denied the contract. It also requested that the Tribunal award it its bid preparation costs and the costs that it incurred in bringing the complaint to the Tribunal.

Having examined the evidence presented by the parties, notably that PWGSC acknowledged that the contract award criteria were not present in the RFP, and in consideration of the provisions of the *AIT* and *NAFTA*, the Tribunal determined that the complaint was valid.

The Tribunal, taking into account PWGSC's admission and the fact that there were four bidders evaluated as being technically compliant and, therefore, equally affected by PWGSC's breach, recommended that PWGSC compensate RDS by an amount that represented one quarter of the profit that RDS would have earned, had it been awarded the contract.

The Tribunal also awarded RDS \$1,000 for the costs that it incurred in bringing the complaint before the Tribunal.

PR-2005-020—C2 Logistics Incorporated

Regarding a DND procurement for air charter services, C2 Logistics Incorporated (C2) alleged that DND: (1) failed to provide suppliers with a reasonable period of time to submit bids; (2) failed to clearly identify the evaluation criteria; (3) biased the technical specifications against the services offered by C2; and (4) failed to ensure that the procurement was conducted in a manner that ensured equal access to all suppliers.

Having examined the evidence presented by the parties, and in consideration of the provisions of the *AIT*, the Tribunal determined that the complaint was valid in part.

The Tribunal determined that the four days that DND had allowed for suppliers to submit bids was not reasonable, even taking into account both industry practice and the particular circumstances of the procurement at issue. The Tribunal also found that DND, despite its argument that its contracting policy was publicly available, had breached the *AIT* by not clearly identifying the criteria that it would use in the evaluation of bids and the methods of weighting and evaluating the criteria. The Tribunal was not convinced however that DND had biased its technical specification for or against any bidder. Regarding the final allegation, the Tribunal noted that the *AIT* provision alleged to have been breached is the purpose clause for Chapter 5 of the *AIT* and, as such, does not give rise to a ground of complaint that requires separate treatment.

The Tribunal considered that C2 should be compensated for its lost opportunity to profit from the contract. Given that DND had established a list of eight pre-qualified suppliers and that they all might have submitted proposals, had they been given more time, the Tribunal estimated the opportunity lost by C2 to be successful to be one chance in eight and that it should be compensated by an amount equal to one eighth of the profit that it would have earned, had it been the successful bidder.

The Tribunal also awarded C2 \$2,400 for the costs that it occurred in bringing the complaint before the Tribunal.

Judicial Review of Procurement Decisions

The following table lists the procurement decisions that were appealed to and/or decided by the Federal Court of Appeal during the fiscal year.

File No.	Complainant at the Tribunal	Applicant before the Federal Court of Appeal	File No./Status
PR-2003-070	CSI Consulting Inc.	Attorney General of Canada	A—299—04 Application dismissed (September 6, 2005)
PR-2003-073	Canadyne Technologies Inc.	Attorney General of Canada	A—267—04 Application dismissed (September 13, 2005)
PR-2004-013	Flag Connection Inc.	Flag Connection Inc.	A—358—04 Application dismissed (May 12, 2005)
PR-2004-037	Ville Marie Holding Limited	F.-M. Marcotte Inc.	A—684—04 Application discontinued (February 2, 2005)
PR-2004-050	Med-Emerg International Inc.	Med-Emerg International Inc.	A—330—05 A—365—05
PR-2004-054	Envoy Relocation Services	Envoy Relocation Services	A—134—05 Application dismissed (November 2, 2005)
PR-2004-054	Envoy Relocation Services	Attorney General of Canada	A—286—05 Application allowed Remanded to the Tribunal (January 11, 2006)
PR-2004-058 and PR-2004-059	Trust Business Systems	Attorney General of Canada	A—278—05
PR-2004-061	MTS Allstream Inc., Call-Net Enterprises and TELUS Communications Inc.	Bell Canada	A—377—05 Application discontinued (November 29, 2005)
PR-2005-004	Northern Lights Aerobatic Team, Inc.	Northern Lights Aerobatic Team, Inc.	A—465—05

Disposition of Procurement Complaints

File No.	Complainant	Status/Decision
PR-2004-054R	Envoy Relocation Services	Remanded to the Tribunal
PR-2004-050	Med-Emerg International Inc.	Decision rendered on June 15, 2005 Complaint valid in part
PR-2004-051	ProSpect Scientific	Complaint withdrawn
PR-2004-052	Everest VIT, Inc.	Complaint dismissed
PR-2004-054	Envoy Relocation Services	Decision rendered on May 16, 2005 Complaint valid
PR-2004-058	Trust Business Systems	Decision rendered on May 13, 2005 Complaint valid
PR-2004-059	Trust Business Systems	Decision rendered on May 13, 2005 Complaint valid
PR-2004-061	MTS All Stream Inc., Call Net Enterprises Inc. and Telus Communications Inc.	Decision rendered on August 5, 2005 Complaint valid
PR-2004-062	Albatross Aviation Services	Not accepted for inquiry, no reasonable indication of a breach
PR-2005-001	Cindy's Cleaning Co.	Not accepted for inquiry, late filing
PR-2005-002	Antian	Not accepted for inquiry, no reasonable indication of a breach
PR-2005-003	Joint Venture of Rosemary Trehearne and Associates and Bud Long and Associates Inc.	Not accepted for inquiry, no jurisdiction
PR-2005-004	Northern Lights Aerobatic Team, Inc.	Decision rendered on September 7, 2005 Complaint not valid
PR-2005-005	Allen Systems Group	Not accepted for inquiry, no reasonable indication of a breach
PR-2005-006	Joint Venture of Rosemary Trehearne and Associates and Bud Long and Associates Inc.	Not accepted for inquiry, late filing
PR-2005-007	1590459 Ontario Inc., o/a Trillium Construction Services	Not accepted for inquiry, not a designated contract
PR-2005-008	Connors Basics Office Products Ltd.	Not accepted for inquiry, late filing
PR-2005-009	Envoy Relocation Services	Not accepted for inquiry, no reasonable indication of a breach
PR-2005-010	SNC Technologies Inc.	Decision rendered on September 16, 2005 Complaint not valid
PR-2005-011	Canadian Bonded Credits Limited	Not accepted for inquiry, no reasonable indication of a breach
PR-2005-012	The Corporate Research Group	Not accepted for inquiry, no reasonable indication of a breach
PR-2005-013	Corporate Renaissance Group	Abandoned while filing
PR-2005-014	Spectral Systems Ltd.	Not accepted for inquiry, no reasonable indication of a breach
PR-2005-015	Ville Marie Holding	Decision rendered on November 21, 2005 Complaint valid in part
PR-2005-016	The Masha Krupp Translation Group Ltd.	Not accepted for inquiry, no reasonable indication of a breach
PR-2005-017	Radiation Detection Service	Decision rendered on December 12, 2005 Complaint valid
PR-2005-018	MAXXAM Analytics Inc.	Not accepted for inquiry, late filing
PR-2005-019	Vita-Tech Laboratories Ltd.	Decision rendered on January 18, 2006 Complaint not valid
PR-2005-020	C2 Logistics Incorporated	Decision rendered on January 27, 2006 Complaint valid in part
PR-2005-021	Titan Tactical Incorporated	Not accepted for inquiry, late filing
PR-2005-022	MTS Allstream Inc.	Not accepted for inquiry, no reasonable indication of a breach
PR-2005-023	Landcruisers Property Maintenance	Not accepted for inquiry, no reasonable indication of a breach
PR-2005-024	MAXXAM Analytics Inc.	Not accepted for inquiry, no reasonable indication of a breach
PR-2005-025	CDI Education Corporation	Not accepted for inquiry, no reasonable indication of a breach
PR-2005-026	P&L Communications Inc.	Decision rendered on December 22, 2005 Complaint valid in part

Disposition of Procurement Complaints (cont'd)

File No.	Complainant	Status/Decision
PR-2005-027	Trust Business Systems	Not accepted for inquiry, not a designated contract
PR-2005-028	Joncas Postexperts, a Division of Quebecor World Inc., on behalf of the consortium composed of Joncas Postexperts, Enveloppe Concept Inc. and The Data Group of Companies	Complaint dismissed
PR-2005-029	Privasoft Corporation	Complaint withdrawn
PR-2005-030	Boiler Inspection and Insurance Company of Canada	Not accepted for inquiry, no reasonable indication of a breach
PR-2005-031	International Infrared Camera Sales and Leasing Ltd.	Not accepted for inquiry, late filing
PR-2005-032	L-3 Communications Electronic Systems Inc.	Complaint dismissed
PR-2005-033	Data Device Corporation	Not accepted for inquiry, late filing
PR-2005-034	Raymond Arsenault Consultants Inc.	Not accepted for inquiry, late filing
PR-2005-035	Avema Technologies Inc.	Decision rendered on February 13, 2006 Complaint valid
PR-2005-036	Valcom Consulting Group Inc.	Complaint withdrawn
PR-2005-037	Biz-Pro Ltd.	Decision rendered on February 16, 2006 Complaint not valid
PR-2005-038	Western Marine Community Association	Not accepted for inquiry, late filing
PR-2005-039	PSC Ltd.	Not accepted for inquiry, late filing
PR-2005-040	Market Research Ltd.	Not accepted for inquiry, late filing
PR-2005-041	Raymond Arsenault Consultants	Not accepted for inquiry, premature
PR-2005-042	Raymond Arsenault Consultants	Accepted for inquiry, case in progress
PR-2005-043	Société Gamma	Not accepted for inquiry, no reasonable indication of a breach
PR-2005-044	Deloitte & Touche LLP	Accepted for inquiry, case in progress
PR-2005-045	Promaxis System	Not accepted for inquiry, no reasonable indication of a breach
PR-2005-046	Neptune Military Husbanding	Not accepted for inquiry, no reasonable indication of a breach
PR-2005-047	OYE! Canada	Not accepted for inquiry, no reasonable indication of a breach
PR-2005-048	Superior Safety – Helon Safety Division	Abandoned while filing
PR-2005-049	BMCI Consulting Inc.	Not accepted for inquiry, late filing
PR-2005-050	The Impact Group	Accepted for inquiry, case in progress
PR-2005-051	Cisco Systems	Complaint withdrawn
PR-2005-052	Les Systèmes Equinox	Not accepted for inquiry, late filing
PR-2005-053	DigiDyne	Not accepted for inquiry, no reasonable indication of a breach
PR-2005-054	Entreprise aérogologique Rafale O Nord	Accepted for inquiry, case in progress
PR-2005-055	Bell Canada	Not accepted for inquiry, no reasonable indication of a breach
PR-2005-056	P & L Communications Inc.	Accepted for inquiry, case in progress
PR-2005-057	Basil Corporate Solutions Inc.	Not accepted for inquiry, late filing
PR-2005-058	Excel HR (operating as excel ITR)	Being filed

CHAPTER VII

ECONOMIC, TRADE AND TARIFF REFERENCES

Economic, Trade and Tariff References

The *CITT Act* contains broad provisions under which the Government or the Minister of Finance may ask the Tribunal to conduct an inquiry on any economic, trade or tariff matter. In an inquiry, the Tribunal acts in an advisory capacity, with powers to conduct research, receive submissions and representations, find facts, hold public hearings and report, with recommendations as required, to the Government or the Minister of Finance.

Tariff References Completed in the Fiscal Year or in Progress at Year-end

The Tribunal completed one tariff reference during the fiscal year, and one was in progress at year-end.

MN-2004-002—Production in Canada of Certain Fibres, Yarns and Apparel Fabrics

On January 10, 2005, the Tribunal was directed by the Minister of Finance to inquire into and report on the availability of fibres, yarns and apparel fabrics (the textile inputs) produced by Canadian manufacturers and to propose a new tariff structure based on that availability.

In the course of its inquiry, the Tribunal reviewed 591 textile tariff items covered by Chapters 39, 40, 51, 52, 53, 54, 55, 56, 58, 59, 60 or 70 of the *Customs Tariff*. The preliminary information-gathering and analysis phase of the inquiry was based on a survey of known manufacturers of the textile inputs. The Tribunal sent out questionnaires to 185 domestic textile manufacturers. Forty-eight firms reported domestic sales or production for internal processing of the textile inputs. On March 31, 2005, the Tribunal issued a report entitled “Staff Analysis of Textile Industry Questionnaire Replies”, which included a draft tariff structure. This tariff structure was based strictly on evidence of actual or imminent production and did not take into account issues raised by questionnaire respondents on competing or substitutable products.

Seventy-one submissions were received from companies in the textile and apparel industries and by the Canadian Textiles Institute and the Canadian Apparel Federation in response to the findings contained in the staff report. Generally, the textile manufacturers submitted that the Tribunal’s period of inquiry had been too short to include all production capabilities and that failure to retain protection for what they considered to be different but competitive products, under any revised tariff structure, was putting the survival of the textile industry at risk. On the other hand, users of textile inputs submitted that there was a need for significantly more tariff-free items because, in their view, a number of dutiable tariff items were too broadly defined and that tariff protection should be limited to actual or imminent production.

On the basis of the information gathered, the Tribunal published a report on June 30, 2005, in which it proposed a tariff structure that would result in the elimination of duties on 341 tariff items, with 250 tariff

items remaining dutiable. The proposed tariff structure was based on evidence of actual or imminent production for sale in Canada or abroad. Greige fabrics produced by integrated knitters and weavers, dyed fabrics when the greige equivalent is produced and printed fabrics when the greige or dyed fabric equivalent is produced retained tariff protection, as these products are part of the chain of production. On the whole, the information submitted was not detailed enough to allow the Tribunal to provide tariff relief for particular imports when there was production reported under the same tariff item, nor retain tariff protection on competitive products when there was no production. Had this tariff structure been in place for the two-year period of inquiry (i.e. 2003-2004), an estimated \$690 million of imports would not have been subject to duties on entering the country. Domestic production amounting to \$915.1 million, over the same period, retained tariff protection.

MN-2005-001—Availability of Fabrics Produced in Canada

On October 27, 2005, the Tribunal was directed by the Minister of Finance to inquire into and report on the availability from Canadian production of apparel fabrics classified under certain tariff items in the *Customs Tariff*. In his letter, the Minister of Finance noted that, on June 30, 2005, the Tribunal released its *Report on the Production in Canada of Certain Fibres, Yarns and Apparel Fabrics* and that the Tribunal did not receive sufficiently detailed production information during the course of that inquiry to enable it to make tariff relief recommendations on a number of tariff items that contain a wide variety of products. For 12 of these tariff items, the Minister of Finance asked the Tribunal to carry out additional inquiry.

On November 23, 2005, the Minister of Finance further directed the Tribunal, where appropriate, in identifying new eight-digit tariff items, to ensure that the scope of the product descriptions reflects market realities by considering the nature of the competition between products in the marketplace and the imminent production of any fabric.

The Tribunal completed the preliminary information-gathering phase of the inquiry on February 2, 2006, and plans to issue its report by April 27, 2006.

CHAPTER VIII

STANDING TEXTILE REFERENCE

Pursuant to a reference from the Minister of Finance dated July 6, 1994, as last amended on October 27, 2005, the Tribunal is directed to investigate requests from domestic producers for tariff relief on imported textile inputs for use in their manufacturing operations and to make recommendations, in respect of those requests to the Minister of Finance, that would maximize net economic gains to Canada.

The terms of reference call for the Tribunal to report annually to the Minister of Finance on the investigation process. This chapter reports on the Tribunal's activities under the textile reference.

Scope of the Reference

A domestic producer may apply for tariff relief on an imported textile input used, or proposed to be used, in its manufacturing operations. The textile inputs on which tariff relief may be requested are the fibres, yarns and fabrics of Chapters 51, 52, 53, 54, 55, 56, 58, 59 and 60; certain monofilaments or strips and textile and plastic combinations of Chapter 39; rubber thread and textile and rubber combinations of Chapter 40; and products of textile glass fibres of Chapter 70 of the schedule to the *Customs Tariff*. The following yarns are not included in the textile reference:

Knitting yarns, solely of cotton or solely of cotton and polyester staple fibres, measuring more than 190 decitex, of Chapter 52 or subheading No. 5509.53 other than those used to make sweaters, having a horizontal self-starting finished edge and the outer surfaces of which are constructed essentially with 9 or fewer stitches per 2 centimetres (12 or fewer stitches per inch) measured in the horizontal direction.

Types of Relief Available

The tariff relief that may be recommended by the Tribunal to the Minister of Finance ranges from the removal or reduction of tariffs on one or several, partial or complete, tariff lines, textile- and/or end-use-specific tariff provisions. Except in exceptional circumstances, recommendations are not to include a gender-specific "end use". The recommendation could be for tariff relief for either a specific or an indeterminate period of time.

Process

Domestic producers seeking tariff relief must file a request with the Tribunal. Along with their request, producers must file either samples of the textile input for which tariff relief is being sought or a National Customs Ruling from the CBSA covering the input. If the Tribunal determines that the request is properly documented, it will conduct an investigation to determine if it should recommend tariff relief.

Filing and Notification of a Request

Upon receipt of a request for tariff relief, and before commencement of an investigation, the Tribunal issues a brief electronic notice on its Web site announcing the request. The minimum period of time for the notification of a request before the start of an investigation is 30 days.

This notification is designed to increase transparency, identify potential deficiencies in the request, avoid unnecessary investigations, provide an opportunity for the domestic textile industry to contact the requester and agree on a reasonable domestic source of supply, inform other users of identical or substitutable textile inputs, prepare the domestic industry to respond to subsequent investigation questionnaires and give associations advance time for planning and consultation with their members.

Investigations

When the Tribunal is satisfied that a request is properly documented, it commences an investigation. A notice of commencement of investigation is sent to the requester, all known interested parties and any appropriate government department or agency, such as the Department of International Trade, the Department of Industry, the Department of Finance and the CBSA. The notice is also published in the *Canada Gazette*.

Interested parties include all persons whose rights or pecuniary interests may be affected by the Tribunal's recommendations. Interested parties are given notice of the request and can participate in the investigation.

To prepare a staff investigation report, the Tribunal's staff gathers information through such means as questionnaires and plant visits. Information is obtained from the requester and interested parties to determine whether the tariff relief sought will maximize net economic gains for Canada.

In most cases, a public hearing is not required, and the Tribunal will dispose of the matter on the basis of the full written record, including the request, the staff investigation report and all submissions and evidence filed with the Tribunal. In cases where the written record is not sufficient to dispose of the matter, a public hearing is held.

The procedures for the conduct of the Tribunal's investigation envisage the full participation of the requester and all interested parties. A party, other than the requester, may file submissions, including evidence, in response to the properly documented request, the staff investigation report and any information provided by a government department or agency. The requester may subsequently file submissions with the Tribunal in response to the staff investigation report and any information provided by a government department, agency or other party.

Recommendations to the Minister of Finance

The Tribunal will normally issue its recommendations, with reasons, to the Minister of Finance within 120 days from the date of commencement of the investigation. In exceptional cases, where the Tribunal determines that critical circumstances exist, it will issue its recommendations within an earlier specified time frame.

Request for Review

Where the Minister of Finance has made an order for tariff relief pursuant to a recommendation of the Tribunal, certain domestic producers may ask the Tribunal to commence an investigation for the purpose of recommending the renewal, amendment or termination of the order. A request for the amendment or termination of the order should specify what changed circumstances justify the request.

Review on Expiry

Where the Minister of Finance has made an order for tariff relief subject to a scheduled expiry date, the Tribunal will, before the expiry date, issue a formal notice that the tariff relief provided by the order will expire unless the Tribunal issues a recommendation that tariff relief should be continued and the Minister of Finance implements the recommendation. The notice invites interested parties to file submissions for or against continuation of tariff relief.

Summary of Activities

New Requests

	2004-2005	2005-2006
Requests		
Received	1	0
Withdrawn	1	0
Awaiting Initiation of Investigation	1	0
Investigations Completed During the Year	3	1
Investigations in Progress at Year-end	0	0
Recommendations to Minister of Finance		
Tariff Relief	3	1
No Tariff Relief	0	0
Reports to Minister of Finance	3	1
Cumulative Totals (since 1994)		
Requests Received	175	175
Recommendations to Minister of Finance		
Tariff Relief	104	105
No Tariff Relief	49	49

During the fiscal year, the Tribunal issued one report to the Minister of Finance that related to one request for tariff relief. The following table summarizes this activity.

Request No.	Requester	Textile Input	Date of Disposition	Status/Recommendations
TR-2004-001	Tricots Liesse (1983) Inc.	Yarn	January 9, 2006	Indeterminate Tariff Relief

Effects

The implementation of Tribunal recommendations is made by adding new tariff items to the *Customs Tariff* or, occasionally, by issuing specific customs duty remission orders. The table at the end of this chapter provides a summary of recommendations currently implemented by the Government. During the period from January 1 to December 31, 2005, the Tribunal estimates that these tariff items covered imports worth about \$184 million and provided tariff relief worth about \$24 million; for the comparable period in 2004, these amounts were about \$205 million and about \$26 million respectively. It should be noted that, on November 21, 2005, as part of its implementation of the recommendations made by the Tribunal in Reference No. MN-2004-002, the Government put in place a new tariff structure that created a number of duty-free tariff items. In instances where these broader duty-free tariff items covered products that were already provided duty-free treatment by individual tariff items implemented under the standing textile reference, the latter individual tariff items were deleted from the *Customs Tariff*. The table at the end of this chapter also provides a list of tariff items that, as of November 21, 2005, provide duty-free treatment as a result of recommendations made by the Tribunal under the authority of the standing textile reference.

As stated earlier, textile inputs on which tariff relief may be requested are limited to 12 chapters of the *Customs Tariff*. From January 1 to December 31, 2005, tariff relief principally affected textile inputs falling in 2 chapters: Chapter 51 (“Wool, fine or coarse animal hair; horsehair yarn and woven fabric”); and Chapter 52 (“Cotton”). The percentage of total imports accounted for by the imports benefiting from tariff relief, falling in these 12 chapters, ranged from 0 to 20 percent. Overall, slightly less than 1 percent of total imports falling in the 12 chapters benefit from tariff relief. The following table provides, for calendar year 2005, a distribution of the imports benefiting from tariff relief, by *Customs Tariff* chapter.

Distribution of Imports by Customs Tariff Chapter

	Percentage
Chapter 39	0.0
Chapter 40	0.0
Chapter 51	27.7
Chapter 52	10.0
Chapter 53	2.4
Chapter 54	4.2
Chapter 55	4.3
Chapter 56	0.4
Chapter 58	1.7
Chapter 59	4.2
Chapter 60	1.5
Chapter 70	<u>0.1</u>
Weighted Average	<u>0.7</u>

Source: Statistics Canada.

Summary of Selected Recommendations

A summary of the Tribunal recommendation issued during the fiscal year follows.

TR-2004-001—Tricots Liesse (1983) Inc.

The Tribunal recommended to the Minister of Finance that tariff relief be granted, for an indeterminate period of time, on importations from all countries of synthetic filament yarn, solely of nylon, textured, measuring per single yarn 75 decitex or more but not exceeding 200 decitex, of subheading No. 5402.31, for use in the manufacture of swimwear fabrics; and synthetic filament yarn, solely of polyester, textured, measuring per single yarn 150 decitex or more but not exceeding 200 decitex, of subheading No. 5402.33, for use in the manufacture of swimwear fabrics.

Tricots Liesse (1983) Inc. (Liesse) requested the tariff relief. Two yarn producers, Bermatex Inc. (Bermatex) and Canatex Industries (Canatex), and one yarn importer and distributor, Texturon Inc. (Texturon), opposed the request. The Tribunal noted that Bermatex sold significant volumes of yarns to Liesse, including yarns similar to the subject yarns, during the 1999-2003 period and had recently sold a certain amount of yarns to other companies for use in the manufacture of swimwear fabrics. The Tribunal also noted that Canatex provided some yarns to Liesse for testing, but that the latter found them unacceptable. Furthermore, Canatex provided some information in seeking to demonstrate that, by making minor adjustments to its texturing machines, it was capable of producing yarns similar to those purchased by Liesse from Unifi. This led the Tribunal to believe that Bermatex and Canatex had the ability to serve the needs of Canadian downstream industries in the general marketplace.

The Tribunal concluded that yarns produced by Bermatex and Canatex were, in general, similar to the subject yarns. However, the evidence was unclear as to whether Canadian yarns could be used by Liesse in the manufacture of swimwear fabrics if Bermatex or Canatex were given sufficient opportunity to develop acceptable yarns. In any event, faced with strong competition for its swimwear fabrics in the United States, its principal market, it was the Tribunal's view that Liesse must source the subject yarns at the most competitive prices possible. On the basis of the evidence, it was clear that potential benefits to Liesse outweighed any potential costs to domestic producers of yarns. Moreover, given that such tariff relief, as recommended, centred only on fabrics used in the manufacture of swimwear fabrics, Bermatex could potentially serve the needs of Liesse for other end uses.

Based on information provided by Liesse, the Tribunal estimated that tariff relief would represent significant direct net gains of over \$500,000.

Tariff Relief Recommendations in Place

Request No./ Review No.	Expiry No. (Original Request No.)	Requester/Textile Input	Tariff Item No. to November 20, 2005	Tariff Item No. from November 21, 2005/Order in Council
TR-94-001		Canatex Industries (Division of Richelieu Knitting Inc.)	5402.41.12	5402.41.00*
TR-94-004		Woods Canada Limited	5208.52.10	5208.52.10
TR-94-010		Palliser Furniture Ltd.	5806.20.10	5806.20.10
TR-94-012		Peerless Clothing Inc.	5309.29.20	5309.29.30*
TR-94-013 and TR-94-016		MWG Apparel Corp.	5208.42.20 5208.43.20 5208.49.20 5513.31.10 5513.32.10 5513.33.10	5208.42.91* 5208.43.70* 5208.49.94* 5513.31.20* 5513.32.20* 5513.33.20*
TR-94-017 and TR-94-018		Elite Counter & Supplies	9943.00.00	9943.00.00
TR-95-003		Landes Canada Inc.	5603.11.20 5603.12.20 5603.13.20 5603.14.20 5603.91.20 5603.92.20 5603.93.20 5603.94.20	5603.11.20 5603.12.20 5603.13.20 5603.14.20 5603.91.20 5603.92.20 5603.93.20 5603.94.20
TR-95-004		Lingerie Bright Sleepwear (1991) Inc.	5208.12.20 5208.52.20	5208.12.20 5208.52.20
TR-95-005		Lingerie Bright Sleepwear (1991) Inc.	5513.11.10 5513.41.10	5513.11.91* 5513.41.10
TR-95-009		Peerless Clothing Inc.	5408.21.10 5408.21.20 5408.22.21 5408.22.30	5408.21.40* 5408.21.40* 5408.22.23* 5408.22.91*
TR-95-010 and TR-95-034		Freed & Freed International Ltd. and Fen-nelli Fashions Inc.	5111.19.10 5111.19.20	5111.19.10 5111.19.20
TR-95-011		Louben Sportswear Inc.	5408.31.10 5408.32.20	5408.31.40* 5408.32.60*
TR-95-012		Perfect Dyeing Canada Inc.	5509.32.10	5509.32.10
TR-95-013A		Doubletex	5208.11.30 5208.12.40 5208.13.20 5208.19.30 5208.21.40 5208.22.20 5208.23.10 5208.29.20 5209.11.30 5209.12.20 5209.19.30 5209.21.20 5209.22.10 5209.29.20	5208.11.30 5208.12.40 5208.13.20 5208.19.30 5208.21.40 5208.22.20 5208.23.10 5208.29.20 5209.11.30 5209.12.20 5209.19.30 5209.21.20 5209.22.10 5209.29.20
TR-95-036		Canadian Mill Supply Co. Ltd.	5208.21.20	5208.21.20
TR-95-037		Paris Star Knitting Mills Inc.	5408.24.11 5408.24.91 5408.34.10 5516.14.10 5516.24.10	5408.24.12* 5408.24.92* 5408.34.30* 5516.14.20* 5516.24.10

Tariff Relief Recommendations in Place (cont'd)

Request No./ Review No.	Expiry No. (Original Request No.)	Requester/Textile Input	Tariff Item No. to November 20, 2005	Tariff Item No. from November 21, 2005/Order in Council
TR-95-051		Camp Mate Limited	5407.41.10 5407.42.10 5407.42.20 5903.20.22	5407.41.10 5407.42.10 5407.42.20 5903.20.22
TR-95-053 and TR-95-059		Majestic Industries (Canada) Ltd. and Caulfeild Apparel Group Ltd.	5802.11.10 5802.19.10 5802.19.20	5802.11.20* 5802.19.40* 5802.19.40*
TR-95-056		Sealy Canada Ltd.	3921.19.20 5407.69.10 5407.73.10 5407.94.10 5516.23.10 5903.90.21 6005.34.20	3921.19.20 5407.69.10 5407.73.10 5407.94.10 5516.23.10 5903.90.21 6005.34.20
TR-95-057 and TR-95-058		Doubletex	5407.51.10 5407.61.95 5407.61.96 5407.69.10 5515.11.10 5516.21.10 5516.91.10	5407.51.10 5407.61.95 5407.61.96 5407.69.10 5515.11.10 5516.21.10 5516.91.10
TR-95-060		Triple M Fiberglass Mfg. Ltd.	7019.59.10	7019.59.10
TR-95-061		Camp Mate Limited	6005.31.20 6005.32.20 6005.33.20 6005.34.30	6005.31.20 6005.32.20 6005.33.20 6005.34.30
TR-95-064 and TR-95-065		Lady Americana Sleep Products Inc. and el ran Furniture Ltd.	6005.34.60 6005.44.20	6005.34.60 6005.44.20
TR-96-003		Venture III Industries Inc.	5407.61.95 5407.61.96	5407.61.95 5407.61.96
TR-96-004		Acton International Inc.	5906.99.21	5906.99.21
TR-97-001		Jones Apparel Group Canada Inc.	5407.91.10 5407.92.20 5407.93.10 5408.21.30 5408.22.40 5408.23.20 5408.31.30 5408.32.40 5408.33.10	5407.91.10 5407.92.20 5407.93.10 5408.21.40* 5408.22.91* 5408.23.91* 5408.31.40* 5408.32.60* 5408.33.30*
TR-97-002 and TR-97-003		Universal Manufacturing Inc.	5208.43.30 5513.41.20	5208.43.70* 5513.41.20
TR-97-006		Peerless Clothing Inc.	5407.51.30 5903.90.22 5903.90.23 5903.90.24 6005.31.30 6005.31.40 6005.32.30 6005.32.40 6005.33.30 6005.33.40 6005.34.40 6005.34.50	5407.51.30 5903.92.22 5903.90.23 5903.90.24 6005.31.30 6005.31.40 6005.32.30 6005.32.40 6005.33.91* 6005.33.91* 6005.34.40 6005.34.50
TR-97-004, TR-97-007, TR-97-008 and TR-97-010		Blue Bird Dress of Toronto Ltd.	5407.51.20 5407.52.20 5407.61.94 5407.69.20	5407.51.20 5407.52.20 5407.61.94 5407.69.20

Tariff Relief Recommendations in Place (cont'd)

Request No./ Review No.	Expiry No. (Original Request No.)	Requester/Textile Input	Tariff Item No. to November 20, 2005	Tariff Item No. from November 21, 2005/Order in Council
TR-97-011		Australian Outback Collection (Canada) Ltd.	5209.31.20 5907.00.16	5209.31.20 5907.00.16
TR-97-012		Ballin Inc.	5407.93.30 5516.23.20	5407.93.30 5516.23.20
TR-97-014		Lenrod Industries Ltd.	5603.93.40	5603.93.40
TR-97-015, TR-97-016 and TR-97-020		Helly Hansen Canada Ltd.	5903.20.24	5903.20.24
TR-98-001		Cambridge Industries	5608.19.20	5608.19.20
TR-98-002		Distex Inc.	6006.23.10	6006.23.10
TR-98-004, TR-98-005 and TR-98-006		Ladcal Investments Ltd., O/A Pintar Manufacturing Nour Trading House and T.S. Simms and Company Limited	5806.10.20	5806.10.20
TR-98-007		Caulfeild Apparel Group Ltd.	5208.43.30	5208.43.70*
TR-98-016		Peerless Clothing Inc.	5407.93.20	5407.93.20
TR-98-017		Jones Apparel Group Canada Inc.	5408.32.50 5408.33.20 5408.34.20	5408.32.60* 5408.33.30* 5408.34.30*
TR-98-019		Tribal Sportswear Inc.	5209.12.30 5209.22.20 5209.32.10	5209.12.10* 5209.22.40* 5209.32.10
TR-99-002		Albany International Canada Inc.	5404.10.20	5404.10.00*
TR-99-003/003A		Western Glove Works Ltd.	5209.31.30 5209.32.30	5209.31.30 5209.32.30
TR-99-004		Peerless Clothing Inc.	5112.11.20 5112.11.30 5112.19.20 5112.19.30	5112.11.50* 5112.11.50* 5112.19.20 5112.19.30
TR-99-005		Distex Inc.	6006.22.20	6006.22.20
TR-99-006		Coloridé Inc.	5402.41.15	5402.41.00*
TR-99-008		JMJ Fashions Inc.	5407.61.20	5407.61.20
TR-2000-001		Peerless Clothing Inc.	5408.22.22	5408.22.23*
TR-2000-002		Majestic Industries (Canada) Ltd.	5802.19.30	5802.19.40*
TR-2000-003		Tantalum Mining Corporation of Canada Limited	5911.40.10	5911.40.10
TR-2000-004		Ballin Inc.	5516.23.30 5516.93.20	5516.23.30 5516.93.20
TR-2000-005		Peerless Clothing Inc.	5112.11.40 5112.19.40	5112.11.50* 5112.19.40
TR-2000-006		Doubletex	5512.11.30 5512.19.20 5513.11.20 5513.12.10 5513.13.10 5513.19.10 5514.11.10 5514.12.10 5514.13.10 5514.19.10 9997.00.00	5512.11.30 P.C. 2002-1266 5513.11.20 5513.12.10 5513.13.10 P.C. 2002-1266 5514.11.10 5514.12.10 5514.13.10 P.C. 2002-1266 9997.00.00
TR-2000-007 and TR-2000-008		Scapa Tapes North America Ltd.	5208.21.50 5208.31.20	5208.21.50 5208.31.20
TR-2001-001		Gibson Textile Dyers	5512.29.10	5512.29.10
TR-2001-002		Beco Industries Ltd.	5513.41.30	5513.41.30

Tariff Relief Recommendations in Place (cont'd)

Request No./ Review No.	Expiry No. (Original Request No.)	Requester/Textile Input	Tariff Item No. to November 20, 2005	Tariff Item No. from November 21, 2005/Order in Council
TR-2002-001		Richlu Manufacturing Ltd.	5209.39.10	5209.39.10
TR-2002-002		Peerless Clothing Inc.	5602.10.20	5602.10.20
TR-2002-006		C.S. Brooks Inc.	5407.91.20 5513.11.30	5407.91.20 5513.11.30
TR-2002-007		Peerless Clothing Inc.	5408.22.50 5408.23.30	5408.22.91* 5408.23.91*
TR-2002-008		Tribal Sportswear Inc.	5515.11.20	5515.11.20
TR-2002-010/010A		Ballin Inc.	5516.22.10 5516.23.40	5516.22.10 5516.23.40
TR-2003-001		Tribal Sportswear Inc.	5208.39.20 5209.32.40 5209.39.20 5209.52.10 5209.59.10	5208.39.20 5209.32.40 5209.39.20 5209.52.10 5209.59.10
TR-20003-002		Sunshine Mills Inc.	5205.24.30 5205.26.30 5205.27.30	5205.24.30 5205.26.30 5205.27.30
TR-2003-003		Peerless Clothing Inc.	5603.92.40	5603.92.40
TR-2003-004		Peerless Clothing Inc.	5903.90.23	5903.90.23
TA-98-001	TE-97-004 (TR-95-009)	Dyed woven fabrics of rayon and polyester	5408.31.20 5408.32.30	5408.31.40* 5408.32.60*
TA-98-002	TE-97-003 (TR-94-009)	Vinex FR-9B fabric	5512.99.10	5512.99.10
TA-98-003	TE-98-001 (TR-95-014)	Woven cut warp pile fabrics	5801.35.10	5801.35.10
TA-2003-001	TE-2003-001 TE-2001-001 TE-98-002 (TR-94-002 and TR-94-002A)	Ring-spun yarns	5205.14.20 5205.15.20 5205.24.20 5205.26.20 5205.27.20 5205.28.20 5205.35.20 5205.46.20 5205.47.20 5205.48.20 5206.14.10 5206.15.10 5206.24.10 5206.25.10 5509.53.10 5509.53.20 5509.53.30 5509.53.40	5205.14.20 5205.15.00* 5205.24.20 5205.26.00* 5205.27.00* 5205.28.00* 5205.35.00* 5205.46.00* 5205.47.00* 5205.48.00* 5206.14.00* 5206.15.00* 5206.24.10 5206.25.00* 5509.53.10 5509.53.20 5509.53.30 5509.53.40

*These tariff items encompass more goods than those covered in the original request.