

Chapter 2

Canada's Trade in Goods and Services

to address non-tariff barriers—particularly in the area of standards—that affect various sectors, including the automotive sector. In ongoing and future trade negotiations, Canada will aim for high-level agreements that enhance Canadian economic prosperity by eliminating tariffs on all non-agricultural and a range of agricultural goods, and by effectively addressing any non-tariff barriers confronting Canadian companies.

Improving Access for Trade in Services

Canada works to expand market access for services providers through various mechanisms including the General Agreement on Trade in Services (at the World Trade Organization) and a number of bilateral free trade agreements. These types of agreements facilitate services trade by gradually removing impediments to trade, and they support a rules-based trading system rooted in predictability, transparency and fairness. Canada continues to seek an ambitious outcome for services trade in the Doha Round of WTO negotiations and to negotiate services chapters in bilateral trade agreements with selected partner countries.

The increased trade in services made possible by free trade agreements—which promote access to foreign markets and reduce regulatory barriers within Canada and abroad—benefits Canada through job creation, increased productivity, greater business activity and more consumer choice in services. Increased trade in services, including transportation, distribution, communications and even legal services, can also benefit trade in other sectors of the economy by increasing efficiency in the export of Canadian manufactured goods and primary sector products.

In 2007, Canada made significant progress on bilateral air services agreements. Under its Blue Sky international air policy, Canada continues to participate in bilateral air transport agreement negotiations to expand opportunities for airlines to add or improve passenger and all-cargo services in response to market demand. For information on the Blue Sky policy, please visit www.tc.gc.ca/pol/en/ace/consultations/bluesky.htm. For information on bilateral air agreements concluded in 2007, please visit www.international.gc.ca/trade-agreements-accords-commerciaux/agr-acc/facts-air-eclair.aspx?lang=en.