

the GATS negotiations, the completion of China's accession to the World Trade Organization is also expected to provide new opportunities to Canadian financial institutions.

Basic Telecommunications Services

In order to ensure that Canadian industry can take full advantage of access to new markets resulting from the 1998 GATS Agreement on Basic Telecommunications (ABT), Canada is closely monitoring implementation of this agreement by its trading partners as this takes place over the next decade. The Agreement on Basic Telecommunications consists of specific commitments, by participating countries, on market access, national treatment and the application of pro-competitive regulatory principles. Nearly 90 countries, accounting for over 90 percent of world-wide telecommunication revenues, have made such commitments. There is a good basis for further liberalization of the telecommunications services market in negotiations under the GATS, and Canada is working toward this objective.

Professional Services

In recent years, Canadian professional services providers (which include engineers, accountants, architects, legal consultants and geologists) have increasingly exported their expertise abroad. Canadian engineering consulting firms ranked fourth in total international billings after the United States, the United Kingdom and the Netherlands. Canadian law firms are well placed to take advantage of business opportunities world-wide, as Canada functions within the two main law regimes (common law and civil law). Canadian accountancy firms are increasingly moving to develop international alliances in addition to the national or interprovincial affiliations that some have established. Our architectural firms have undertaken projects in areas in which they are recognized world experts (school buildings, airports, Arctic design and construction technology and office complexes) and are particularly active in the Asia-Pacific region.

Canadian professional services providers benefited greatly from the commitments that Canada obtained from other countries in the GATS. The ongoing GATS negotiations provide an excellent

vehicle to promote greater market access for our professional services. Improved market access could be achieved through securing improved commitments from our WTO partners and through strengthening the existing GATS disciplines to ensure that measures such as qualification requirements and procedures, technical standards and licensing requirements, are based on objective and transparent criteria. To this end, the World Trade Organization established a Working Party of Domestic Regulations in April 1999, with a mandate to develop any necessary disciplines for professional services (and potentially other services), building on the work done since 1995 by the Working Party on Professional Services.

Another tool to enhance the potential for Canadian exports of professional services is the facilitation of Mutual Recognition Agreement negotiations between Canadian and foreign professional bodies. The government will continue to promote and support the negotiation of such agreements.

Temporary Entry for Services Providers

Many Canadian services firms actively export their services to foreign markets around the world. In order for them to be able to continue and expand their export activities, these businesses require the additional certainty that results from the development of international rules on trade in services, especially with respect to the mobility of people.

Canada is party to several regional, bilateral and multilateral trade agreements (the NAFTA, the Canada-Chile Free Trade Agreement (CCFTA), the GATS), and is currently negotiating various bilateral/regional trade agreements that include provisions on the movement of people. The labour mobility provisions of these trade agreements promote trade in goods and services by facilitating the temporary cross-border movement of business persons. Companies often need key personnel to move to a foreign market on a temporary basis in order to assist with the delivery of their services, or simply to consult with clients, negotiate contracts, etc. Both the bilateral agreements and the GATS contain provisions that facilitate the movement of short term business visitors, intra-company transferees, and certain professionals. In addition, the NAFTA and the CCFTA facilitate the movement of traders and investors.