

Enhanced telecommunications and computer services are a growing part of the service sector in B.C. This part of the services agreement will recognize the existing open and competitive markets for enhanced telecommunications services and computer services and ensure that provincial based companies in this advanced technology sector retain access to the U.S. market in the future. The agreement does not apply to basic telecommunications services such as local and long-distance service nor does it affect federal or provincial regulation of the basic telecommunications sector.

The Services Code in conjunction with the overall agreement and the elimination of tariffs should encourage the further development of these two important industries and companies such as B.C. Tel and its manufacturing subsidiary Microtel.

In addition to the Services Code in the FTA, there is a chapter which responds to the major problems which have been encountered in the past by Canadian business persons wishing to cross the Canada-U.S. border to trade in goods and services. Export sales today require more than a good product at a good price. They require a good sales network and most of all, reliable after-sales service. The agreement will provide Canadians travelling to the U.S. on business, including those engaged in the services industries with improved and easier border crossing.

Earlier this year, the Government of British Columbia announced that it will remove the membership restrictions on its provincially regulated securities firms. The agreement reached in financial services between Canada and the U.S. is consistent with that policy direction. Together, they will help build on the advantage of Vancouver's unique character, particularly its location on the Pacific Rim and its strong trade orientation, to develop a stronger international orientation in the financial services sector.

Non-Canadian companies are increasingly finding it attractive to seek capital through the innovative Vancouver Stock Exchange. In 1985, for example, one quarter of the enterprises financed on the VSE were from outside Canada. The Free Trade Agreement will help to expand the financial services base of Vancouver as a means of diversifying the provincial economy and broaden the actual and potential employment economic growth opportunities while improving the level of financial services available to British Columbians.

Culture

From the beginning of the negotiations Canadians expressed concern about the government's capacity to encourage and foster Canada's cultural industries. Canada's unique cultural identity remains untouched by the agreement.