

The GATS Consultations Process

Citizen engagement has become an integral part of the Government of Canada's trade policy agenda. In February 1999, the government announced that it would seek the views of Canadians on the scope, content and process for negotiations to establish the Free Trade Area of the Americas (FTAA) and for the expected next round of negotiations at the World Trade Organization (WTO). Through hearings conducted by the Standing Committee on Foreign Affairs and International Trade (SCFAIT), the government launched the most extensive parliamentary consultations ever conducted across Canada on the direction of multilateral trade and investment policies. Fully one-third of the recommendations made by SCFAIT in its report, *Canada and the Future of the World Trade Organization: Advancing a Millennium Agenda in the Public Interest*, encourage the government to engage and consult Canadians in preparation for new negotiations.

Intensive and ongoing consultations on the General Agreement on Trade in Services (GATS) remain an integral part of the government's overall commitment to seek the views of Canadians in developing trade policies and positions, using a broad range of consultative mechanisms involving the SCFAIT process, as well as the Sectoral Advisory Groups on International Trade (SAGITs); sectoral consultations with industry representatives; and regular meetings with our counterparts in provincial, territorial and municipal governments. Equally important, all interested Canadians were invited to provide their comments

and views on the issues, via the GATS 2000 Web site; in virtual (online) consultations; and in response by e-mail, letter or fax to a notice placed in the *Canada Gazette*.

To address issues of interest to diversified audiences, the government also conducted a series of multi-stakeholder roundtable sessions on the GATS in partnership with the governments of ten provinces and two of the three territories in 12 cities across Canada from June to October 2000. Of the more than 1000 organizations and groups that were invited, 335 individuals participated in the sessions; they represented 274 organizations drawn from business and labour associations, non-governmental and public interest groups, consumers, producers, regulators, academics and service industry representatives. In addition to opening up a mutually educational dialogue between government officials and stakeholders, the sessions also provided a regional dimension and balance to Canadians' input concerning the GATS.

The government will continue to consult, inform and engage citizens as the negotiations progress to ensure that Canada's position on the GATS continues to reflect the interests of all Canadians.

The Government of Canada welcomes the views of interested Canadians. To provide your comments and views, please visit the Web site of the Department of Foreign Affairs and International Trade (www.dfait-maeci.gc.ca/tna-nac) or the Canadian government's Web site for the GATS negotiations (services2000.ic.gc.ca).

Financial Services

Many Canadian financial institutions (FI) have a long history of being active internationally. As intermediaries, they were "brought" abroad, often by their Canadian clients that had significant export and/or production facilities abroad. Moreover, expanding internationally has enabled them to grow in spite of the maturity of the Canadian financial market. In fact, the foreign operations of Canadian banks or of life insurance companies account for over 40 percent of their earnings.

The WTO Agreement on Financial Services was concluded in 1997 and was implemented in 1999. Financial services issues are included in the current round of GATS negotiations where our priority is to seek broader and deeper market access commitments from our trading partners. The market priorities for Canadian financial institutions continue to be the United States and South East Asia, and, to a lesser extent, Latin America and Europe. Impediments to market access and national treatment remain a concern in South East Asia and Latin America and will be a focus of our participation in the GATS negotiations on financial services. In addition to