

Transport Agreement, and elimination or reduction of barriers to trade in high technology goods and related services.

The Canadian and U.S. economies both have an overwhelming percentage of gross domestic product accounted for by services (in 1983, approximately 63% in Canada, with government administration accounting for an additional 8.3%). Furthermore, the services sector has been the major source of new employment growth in the U.S. and Canada in recent years, especially during the recession period. This growth has come from several sources: technology-inspired new services, consumer demand for leisure services, producing industries' demand for competitive services needed for themselves (some of which were previously provided "in-house"), and foreign demand generated from increasing foreign production activities of multinational enterprises and from foreign firms seeking access to new services to increase their competitiveness.

In 1984, trade in services between Canada and the United States amounted to approximately \$20 billion. Of the total 1984 Canadian revenue of approximately \$14.1 billion generated by tradeable services exports,