

The data for the EU was then disaggregated for both imports and exports to see the composition of these receipts and payments and to identify any discernable trends, as with merchandise exports. Table 2.11 presents the results of this exercise for services exports in percentage terms.

Table 2.11
Canadian Service Exports to the EU
(in percentage terms)

Year	Travel Receipts	Freight and Shipping Receipts	Business Services Receipts	Government Transactions: Receipts	Total Service Exports
1980	20.6	61.2	15.4	2.8	100.0
1981	21.1	58.4	17.5	3.0	100.0
1982	23.7	53.6	19.6	3.2	100.0
1983	24.1	55.3	16.1	4.5	100.0
1984	23.8	52.3	19.1	4.9	100.0
1985	21.8	48.2	24.5	5.5	100.0
1986	23.0	44.1	27.7	5.2	100.0
1987	23.4	40.7	31.1	4.8	100.0
1988	25.4	40.4	29.9	4.3	100.0
1989	25.6	41.4	29.3	3.8	100.0
1990	29.9	38.3	27.5	4.3	100.0
1991	31.7	37.1	28.1	3.2	100.0
1992	31.3	36.2	29.9	2.5	100.0
1993	34.3	32.6	30.5	2.6	100.0
1994	33.4	33.4	30.9	2.3	100.0
1995	33.1	32.7	32.1	2.0	100.0
1996	35.5	33.5	28.9	2.1	100.0

Source: Statistics Canada CANSIM matrices 2335 and 2336

The table suggests that transportation exports have risen throughout the period, but that freight and shipping receipts have fallen substantially in percentage terms (- in fact they have risen slightly in dollar terms from a trough in the early 1980s), and business services receipts have risen over the period. Government service receipts, although erratic, showed no discernable trend. Government service exports and imports relate to services provided to other governments or provided by other governments - in this category the costs of defence bases might appear, or the payments made for housing international organisations in Canada. Transportation exports might be expected to remain roughly level, as competition in the airline industry intensified quite dramatically in the late 1980s and early 1990s, forcing prices down, even though volumes increased. The fall in freight and shipping receipts might be expected to reflect merchandise export volumes to the EU, but as this would suggest a spurt in growth during the latter half of the 1980s, this does not appear to concur with the data presented above. It may be that intense competition in the freight and shipping industry forced many Canadian companies to cut prices considerably over this period, masking any volume effects, or perhaps Canadian shipping companies lost business during this period to lower-cost competitors.