

Table 2.14
Canada's Services Imports from the EU as a Proportion of Total Services Imports
(in percentage terms)

Year	Travel Payments	Freight and Shipping Payments	Business Services Payments	Government Transactions: Payments	Total Service Imports
1980	14.4	21.2	11.5	49.1	18.2
1981	12.9	21.8	12.2	50.7	17.9
1982	13.7	21.1	14.2	44.1	18.2
1983	13.9	21.7	12.4	42.1	17.5
1984	15.6	20.0	11.7	36.6	16.9
1985	17.5	22.4	15.1	32.5	19.0
1986	17.5	22.3	14.9	36.8	18.8
1987	17.0	21.4	14.5	43.6	18.5
1988	16.6	21.6	14.4	45.2	18.2
1989	14.6	21.7	15.1	46.5	17.7
1990	14.6	22.3	12.9	44.1	17.0
1991	10.8	20.5	14.2	42.7	15.5
1992	12.2	19.5	13.9	42.9	15.7
1993	12.7	20.6	13.7	41.3	16.0
1994	14.3	20.8	14.8	34.6	16.7
1995	16.0	21.6	13.6	34.6	17.0
1996	14.8	21.6	11.9	31.9	15.8

Source: Statistics Canada CANSIM matrices 2333, 2335 and 2336

Both tables 2.13 and 2.14 tend to suggest that Canada-EU trade in services is relatively more important as a proportion of total Canadian services trade than merchandise trade is. Of course, part of the reason that services trade with the EU is likely to be more important than merchandise trade relates to the factor of geographical distance, which is now an important determinant for merchandise trade patterns, in terms of transport costs, but is less important for the provision of services (with the exception of freight and shipping services, and to a certain extent travel services).

Many countries now acknowledge the strategic importance of a growing business services sector for international trade, and although statistics in this area are sparse, it is likely that a well-educated workforce with developed human capital will tend to promote exports in this area. Also included in business services are financial services, which are also of significant importance, and particularly as the single EU market offers opportunities for financial service companies to develop and expand into some of the EU Member States where financial sectors have just been opened up to the rigours of a more competitive environment.