

The quality, expertise and technological capacity of our service sector is clearly an essential part of our competitive position as a nation.

This government has recognized the importance of the service sector since 1984. However, we also realized that the collection and analysis of statistics on the service sector was inadequate. To begin correcting this, the government initiated, in 1986, the Service Industry's Studies Program. Over 80 reports from this program paint a picture of a vitally dynamic sector of the Canadian economy whose growth is an integral part of the industrial development of our economy. In short, they showed that a competitive economy is dependent on competitive services. To improve our understanding of this sector, I am pleased to announce that the government has instructed Statistics Canada to develop new information about this sector.

Few Canadians realize the importance of services to the growth of international trade. At least 15 per cent of Canada's international trade is in services, and the dollar value for worldwide trade in services was more than \$600 billion in 1989. Exports in commercial services have grown at twice the rate of merchandise exports since 1980.

The government is making every effort in international fora to ensure that that growth will continue. For the first time ever, services are included in the Multilateral Trade Negotiations (MTN). Canada is pushing hard for multilateral disciplines to govern trade in services, and for greater access to other markets in such key areas as financial services, telecommunications, computer services and a range of professional services, to name a few. Clearly it is not an easy task with more than 100 countries at the negotiating table, but I am hopeful that we can get a good agreement.

I have just returned from a meeting of Asia Pacific countries in Seoul, where the Asia Pacific Economic Co-operation (APEC) Conference made a strong declaration on the MTN. I believe that the outcome of this meeting demonstrates that the political will exists to overcome the remaining stumbling blocks in the coming weeks, and recent EC-U.S. discussions on the trade talks are also encouraging.

Canada's interest in expanding access to services markets is also reflected in the successful inclusion of services in the Free Trade Agreement (FTA) with the United States.

Services will also be an important component of a North American Free Trade Agreement (NAFTA), where good progress is being made in a number of areas. Our negotiators are consulting with the various service sectors, among others, in developing our negotiating positions in these talks.