

competitive price. In addition, Canada will work collectively with other WTO members to improve the agreement's transparency and clarity in order to make it more user-friendly.

In the negotiations, Canada will push for greater market access for services suppliers in sectors of expansionary interest (professional, business, financial, telecommunications, computer, environmental and transportation services). At the same time, however, there are certain domestic services sectors in which our interest in undertaking further liberalization may be limited. The Canadian government intends to continue to uphold its clearly defined and long-established objectives to safeguard Canada's freedom of action in key services sectors, including health, education and culture.

Financial Services

Financial services are involved in every domestic or international trade operation. For that reason, Canadian financial institutions (FIs) play a central role in supporting the activities of Canadian exporters of goods and services. Moreover, beyond their intermediary role, Canadian FIs are themselves exporters of services. In 1999, their exports totalled over \$5 billion.

Key market access priorities are the United States, Mexico, Asia (notably China) and Latin America. In that respect, the completion of China's accession to the WTO will provide Canadian financial institutions with new opportunities. In addition, in the context of the current GATS negotiations, Canada is looking to build on the results of the GATS Agreement on Financial Services, which was concluded in 1997 and entered into force on March 1, 1999.

Basic Telecommunications Services

The GATS Agreement on Basic Telecommunications (ABT) was concluded in February 1997, with the participation of countries accounting for over 90 percent of worldwide telecommunication revenues, and came into effect on February 5, 1998. It consists of the participants' specific commitments regarding market access, national treatment and the application of pro-competitive regulatory principles. To date, Canada has implemented all of its commitments on or ahead of schedule, and the last Canadian

telecommunications monopoly, the Telesat monopoly on fixed satellites, ended on schedule on March 1, 2000. The ABT does not cover broadcasting services. The commitments made by participating countries will be implemented over the next decade. Canada will closely monitor implementation of the agreement by its trading partners to ensure Canadian industry can take advantage of access to new markets.

Professional Services

In recent years, Canadian professional services providers (which include engineers, accountants, architects and foreign legal consultants) have increasingly exported their expertise abroad. As an illustration, Canadian engineering consulting firms ranked fourth in total international billings after the United States, the United Kingdom and the Netherlands. Canadian law firms are well placed to take advantage of business opportunities worldwide, as Canada functions within the two main law regimes: common law and civil law. Canadian accountancy firms are increasingly moving to develop international alliances in addition to the national or interprovincial affiliations that some have established. Our architectural firms have undertaken projects in areas in which they are recognized world experts (school buildings, airports, Arctic design and construction technology and office complexes) and are particularly active in the Asia-Pacific region.

Canadian professional services benefited greatly from the commitments that Canada obtained from other countries in the GATS. The upcoming GATS negotiations will be an excellent vehicle to promote greater market access for our professional services; this could be achieved through securing improved commitments from our WTO partners and through strengthening the existing GATS disciplines on domestic regulations (i.e. qualification requirements and procedures, technical standards and licensing requirements) to ensure that they are based on objective and transparent criteria. In this regard, the WTO established a Working Party of Domestic Regulations in April 1999, with a mandate to develop general disciplines for professional services (and, potentially, other services), building on the work done since 1995 by the Working Party on Professional Services.