

## Services (recommendations 22 to 27)

The Government agrees with the Committee that Canada has “a vital stake in seeing a successful outcome of the services negotiations”. Services now comprise over 60% of the Canadian economy, and international trade in services is expected to grow substantially from its current one-fifth share of all international trade. The Government is committed to ensuring a dynamic service sector tailored to the needs of all Canadians and is consulting with service providers and other stakeholders to establish Canadian priorities. We are also consulting on the detailed provisions of the General Agreement on Trade in Services (GATS) as suggested in recommendation 22. These consultations are providing critical detail on key export markets, service delivery methods, movement-of-people issues, and barriers to doing business.



*“More people now realize that exporting sustains and creates jobs in Sudbury.”*

James Marchbank,  
Chief Executive Officer,  
Science North,  
Sudbury, Ontario

The Government agrees with recommendation 23 that the consultation process should include discussions on areas of particular sensitivity (such as health, education, and transport) and on the need to harmonize provincial requirements and to examine other countries’ access commitments. In these discussions, the Government will uphold its clearly defined and long-established objective to safeguard Canada’s freedom of action in key services sectors to meet national policies objectives. The Government will continue to ensure that any revisions to the way that commitments are scheduled maintain current levels of liberalization and do not prejudice future liberalization.

Given the complexities of negotiating trade in services, the Government agrees with recommendation 24 that the interrelationships among service sectors must be understood in establishing negotiating positions for the service sectors. Government must take these interrelationships into account when consulting with stakeholders, and it must also ensure that the competition and investment policy elements in various WTO Agreements are properly co-ordinated with the relevant provisions of the GATS.