

The issue of mutual recognition agreements (MRAs) was raised throughout consultations as one to be targeted in the negotiations. Canada has participated in WTO work over the past three years on improving GATS provisions on mutual recognition. The WTO's work has resulted in comprehensive guidelines for mutual recognition and provisions on licensing, qualification requirements, and procedures, as well as technical standards for the accountancy sector. The new negotiations will afford an opportunity to further expand the application of the guidelines and provisions beyond the accountancy profession. Over the past two years, domestic consultations on these issues have taken place with the relevant stakeholders, in particular the national professional associations and provincial self-regulating professional bodies.

The Government agrees with recommendation 26 and will participate in any discussions in the new services negotiations on possible rules for safeguard practices and subsidies. The Government has participated in negotiations concerning subsidies and safeguard practices in accordance with Articles X (Emergency Safeguards) and XV (Subsidies) of the GATS. Although these negotiations have yet to yield firm results, they have served to expand our understanding of these complex issues and will facilitate discussions during the new negotiations.

The Government agrees with recommendation 27. Improving service trade data remains a priority for Statistics Canada and other departments, and they will continue to work closely with the private sector. Recent improvements include increased country information, more detail on trade and investment in the area of culture, and a multi-year program to collect data on services sold by Canadian-owned businesses located abroad. Canada is also participating in efforts spearheaded by the International Monetary Fund (IMF) to link the service definitions of the United Nations Central Product Classification to the common categories being compiled internationally. The Government will continue to work with domestic and international agencies to improve the classification of service products with a view to increasing the transparency of GATS and promoting further liberalization in services trade.