8) For the first time, an agreement to facilitate trade in services. The service sector is critical to the Nova Scotia economy, as it accounts for nearly 80% of Nova Scotia jobs and production. Trade in services is increasingly important to the Nova Scotia service sector, both in U.S. and offshore markets, and includes services such as financial (e.g. insurance) services, computer services, construction, professional services (e.g. architects, accountants and management consultants), as well as the important sector of tourism.

The agreement covers government regulations of trade in services, with the exception of transportation and basic telecommunication services. Existing measures will remain in place, while future measures must comply with agreed upon principles, the most important of which is not to discriminate against U.S. service providers. Existing measures that are grandfathered could be subject to further negotiations to liberalize trade. In this respect, Nova Scotia tourism would benefit from greater and more adequate direct air access to the U.S. market. Important Nova Scotia service sectors such as those in the cultural area and those providing health and education services are not covered by the agreement.

9) Easier border crossings for temporary business purposes. Many Nova Scotia exporters of both goods and services have encountered difficulties at the border when seeking entry for temporary business purposes. Examples include exporters of goods wanting to service their product, or consultants wanting to meet with U.S. clients. The agreement specifies, under four categories, expanded lists of those persons who are to be offered temporary access for business purposes and under what conditions.

10) A hospitable investment climate on both sides of the border. Nova Scotia has traditionally welcomed U.S. investment at home and increasingly is investing in the U.S. The agreement recognizes these realities. While it provides for a non-discriminatory framework of rules and principles governing cross-border investments, it also grandfathers existing investment restrictions (e.g. fishery, energy, telecommunications, culture), including the right of Investment Canada to review significant direct acquisitions and to impose performance requirements that do not distort trade. In this manner, the agreement is sensitive to particular Nova Scotia concerns, both in terms of import sensitivities and export interests.

Overall, it is clear that the agreement will provide Nova Scotia with significant benefits. This positive assessment is based both on the economic impact assessments that have been made, such as the recent studies by the