



FEDERATION  
OF CANADIAN  
MUNICIPALITIES

FÉDÉRATION  
CANADIENNE DES  
MUNICIPALITÉS

**Leeds Grenville Economic Development Summit**  
Kemptville, ON

## **Global Commerce & Local Leadership:**

The link between international trade and our  
cities and communities

Michael Buda, Director of Policy & Research, FCM

t. 613.907.6271 e. [mbuda@fcm.ca](mailto:mbuda@fcm.ca)  @mikebuda

November 22, 2013

# Making the case for local leadership

## All politics is local

- All politics is local...and so is foreign direct investment and international trade
- Key investment drivers are primarily municipally controlled:
  - **National:** currency, taxes, tariffs, banking system
  - **Provincial:** energy costs, resource availability, workforce, incentives
  - **Local:** land, utilities, transport links, local workforce, business community, quality of life, taxes, R&D support, political leadership



# Making the case for local leadership

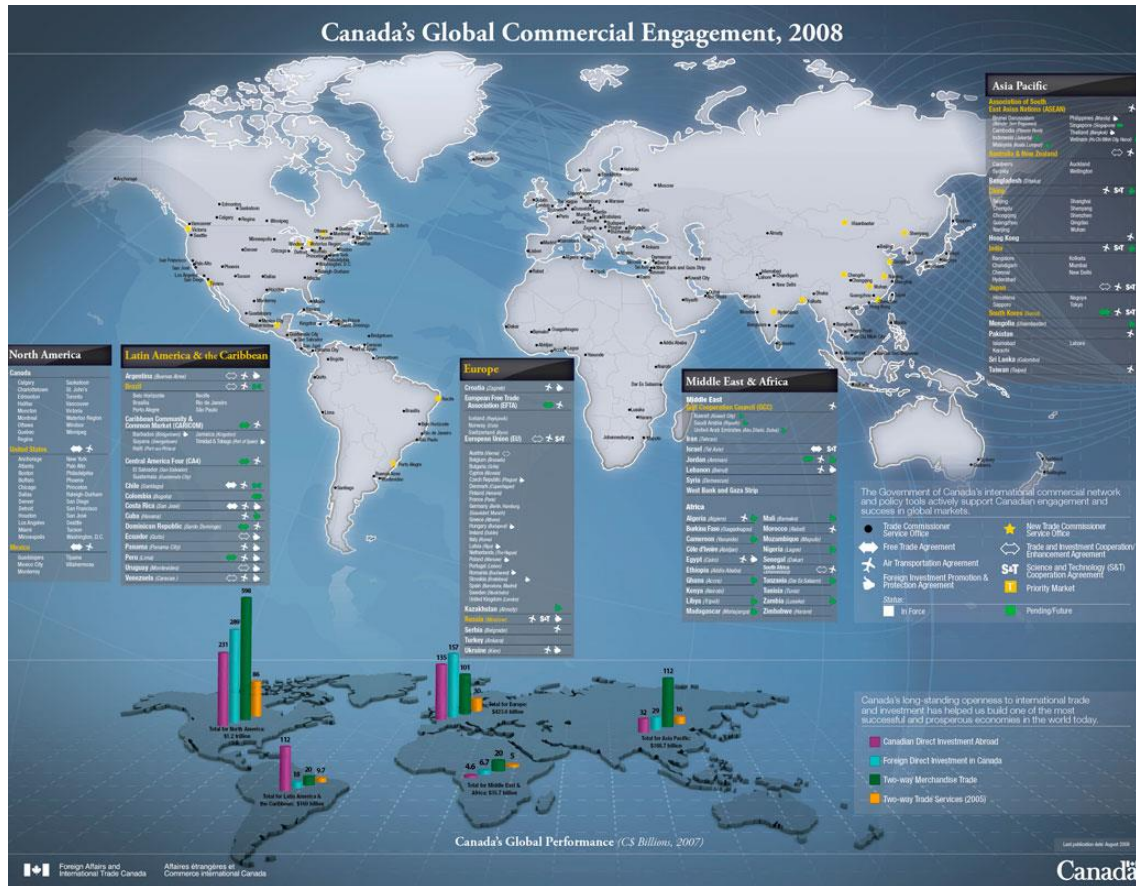
## Local action for Canada's global ambitions

- >200 city-to-city economic partnerships
- Municipalities host thousands of foreign delegations a year, selling Canada as a place to do business
- “Team Canada” trade missions are now “Team Local”
- New Canadians: a unique link and “in”



# A Work in Progress

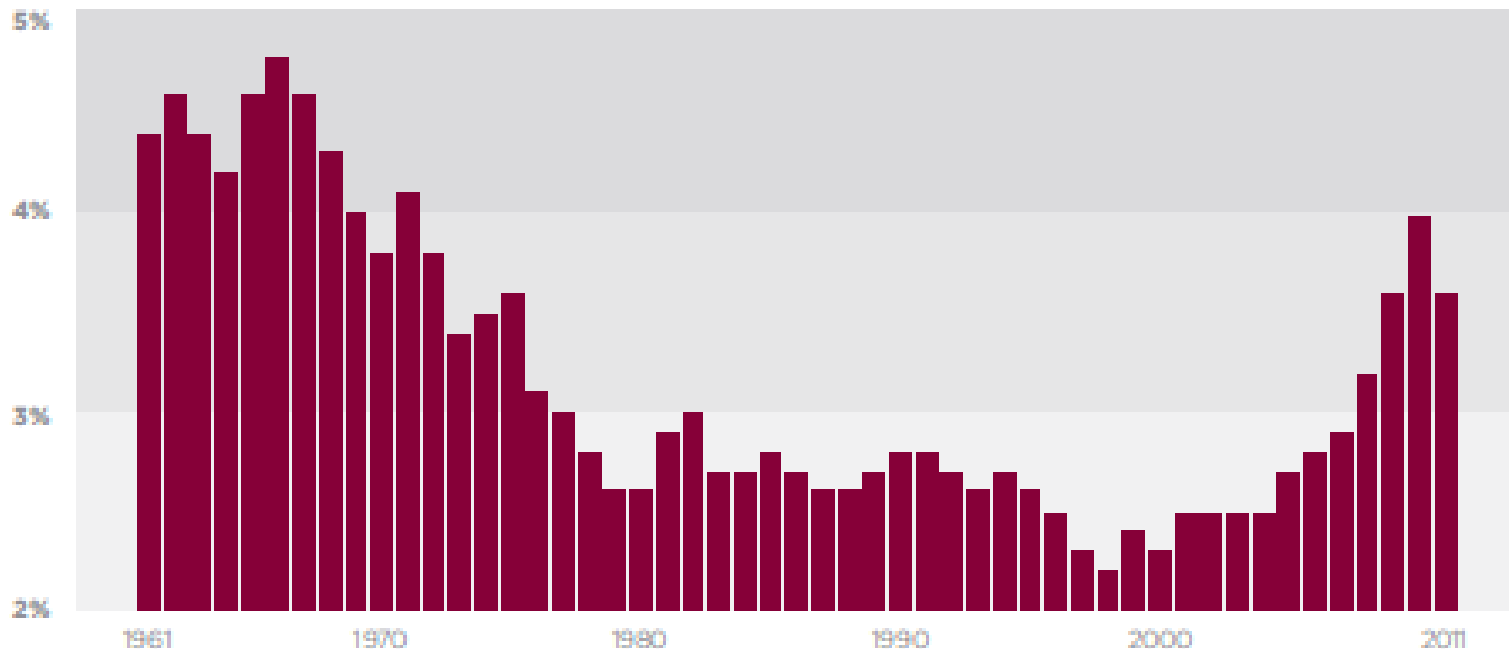
## Global Commerce Strategy



# A Work in Progress

Sustained underinvestment in our infrastructure

*Total Gov't Infrastructure Investment Relative to GDP*



# A Work in Progress

## A broken municipal finance system

- Municipalities collect just **8 cents** of every tax dollar paid in Canada.
- Over **50%** of municipal revenues come from the property tax, which does not respond to economic growth
- Growing responsibilities due to downloading, immigration, urbanization, new regulations, climate change, etc.



# A Turning Tide?

## Buy America, CETA, TPP, etc.

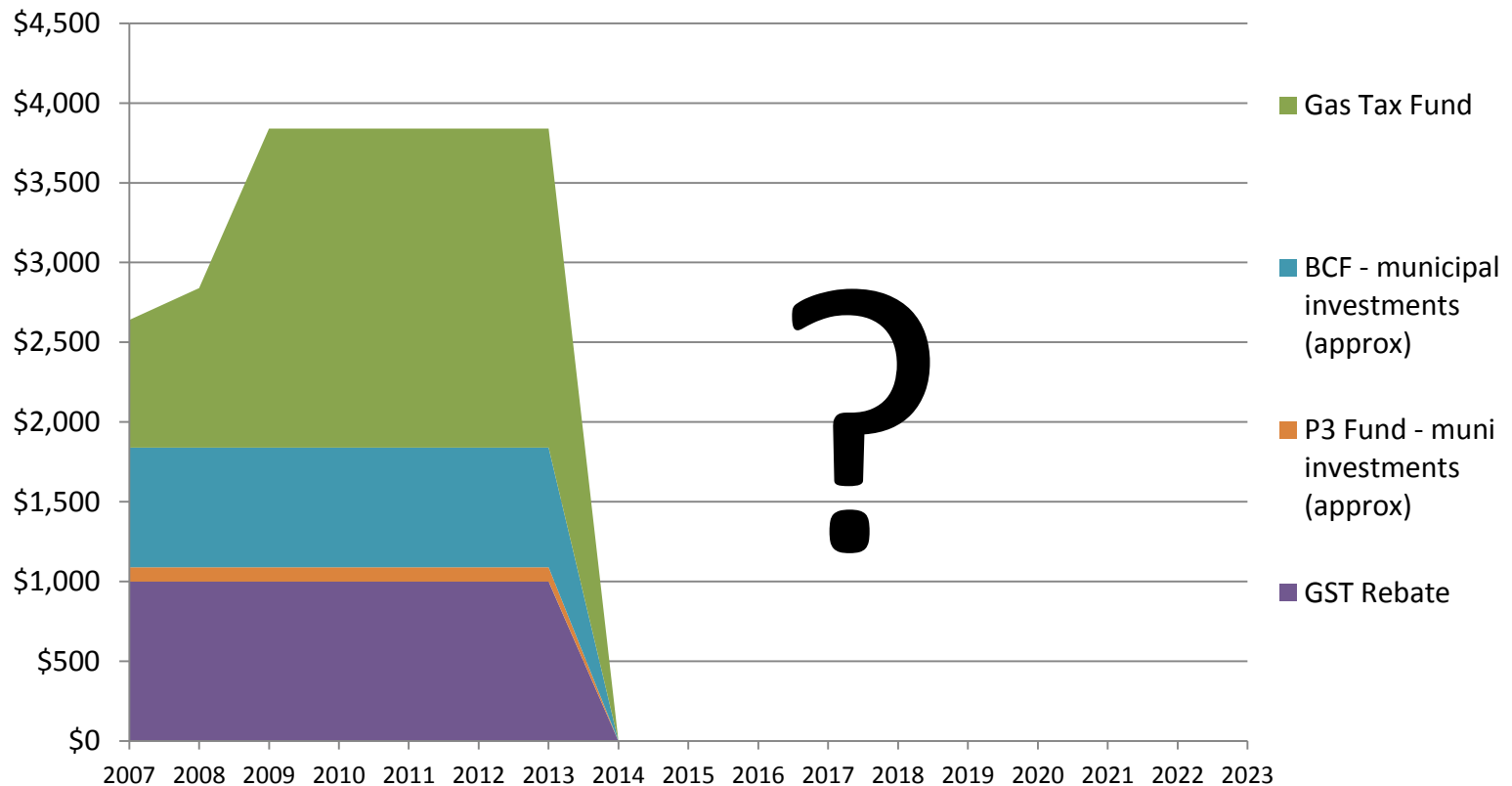
- Sub-national procurement the new reality – and the new stumbling block – in new trade agreements:
  - **Buy America** opened our eyes to the risks of leaving sub-national procurement out.
  - **CETA** showed us how municipalities can work successfully in partnership with Ottawa on a global issue like trade
- TPP, China, India (and Buy America again!) are on deck
- Global Commerce Strategy a framework to deepen the partnership



# A Turning Tide?

## An Infrastructure Investment “Cliff” ...

*Federal infrastructure programs, 2007-2014 (in millions \$)*

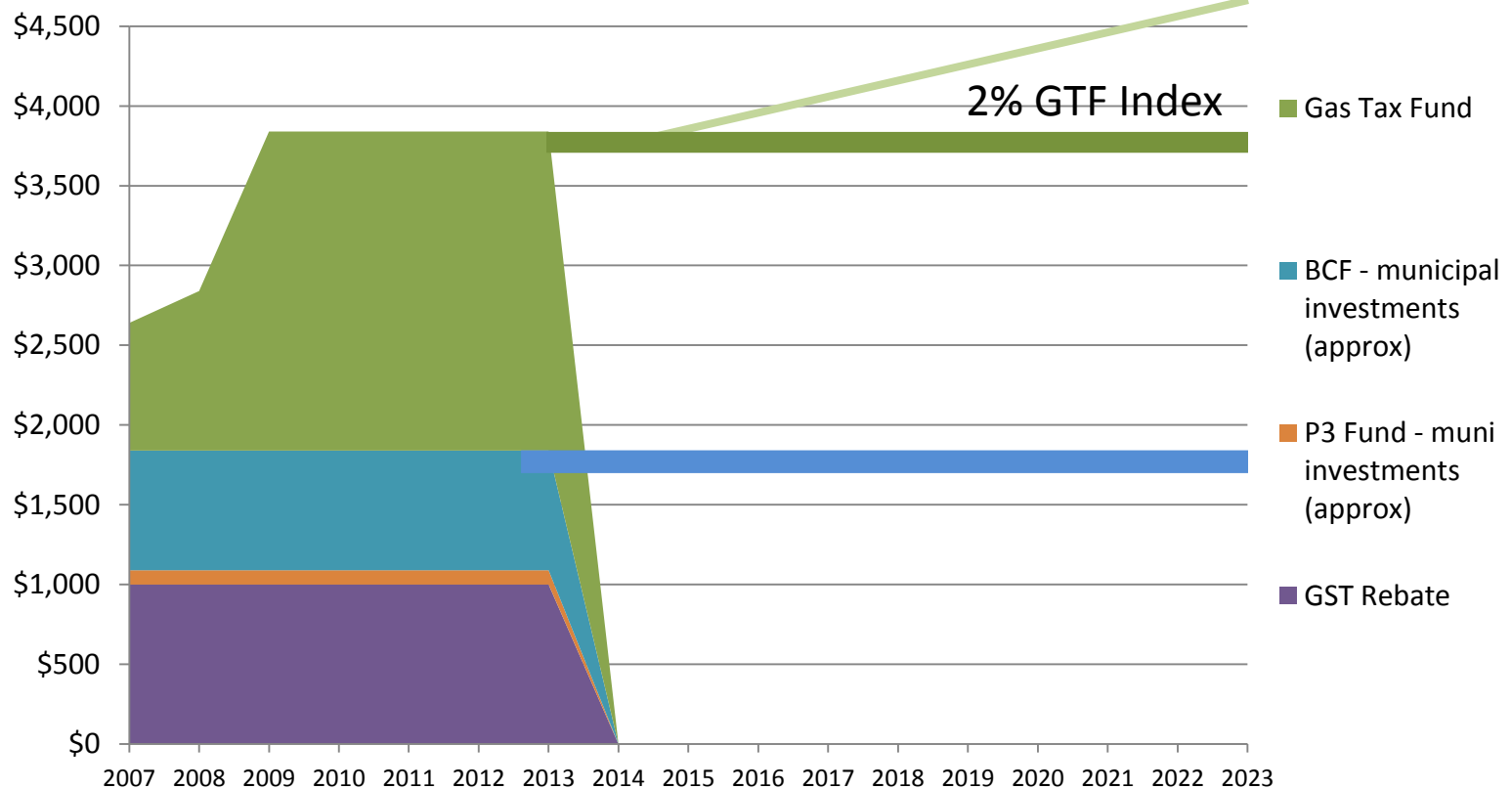




# A Turning Tide?

...Turns into a solid, long-term foundation

*Budget 2013 infrastructure investments, 2007-2023 (in millions \$)*



# Closing the deal

## Towards a real role for local leaders

- 1. Formalize the local-federal partnership**
  - FCM-DFATD Joint Working Group
  - Consider Canada
- 2. Create official “communities portal” to access DFATD trade and investment resources, embassy support**
- 3. Quick action:**
  - Team Canada/Team Local Trade Mission

