

TO: CITY MANAGER 1997 December 10

FROM: DIRECTOR FINANCE File: T97

SUBJECT: THE FEDERAL GOVERNMENT'S MULTILATERAL AGREEMENT ON INVESTMENT

PURPOSE: To obtain Council's approval to write to the Federal Minister of Foreign Affairs and International Trade expressing the need for a public process in the discussions on the Multilateral Agreement on Investment.

RECOMMENDATION:

1. THAT Council ask the Federal Minister of Foreign Affairs and International Trade to ensure the views of the provinces, the private sector, Federation of Canadian Municipalities and the Union of B.C. Municipalities are heard and considered before committing Canada under the Multilateral Agreement on Investment.
2. THAT copies of this report are sent to the Federation of Canadian Municipalities, the Union of B.C. Municipalities, Provincial Government and local MLAs.

REPORT

At Council's meeting on December 08, 1997 a delegation from "The Council of Canadians" (COC) appeared before Council to explain their view of the impact that the Multilateral Agreement on Investment will have on local economies. The matter was referred to staff for a report.

In reviewing the material submitted by the COC, published in local newspapers, and addresses made by the Federal Minister it is evident that there are many views about this complex and far reaching document. One view that is consistent and expressed in all of the documents is the essential need for public discussion of the issue.

The Federal Minister, in his November 4, 1997 address, has stated that: "My department is consulting closely with the provinces, the private sector and non-governmental organizations." This is a view that is not, currently, held by COC and other organizations that have done a significant amount of analysis of the agreement.

The intent of the Federal Minister is to finish negotiations in April 1998, a process that began two and a half years earlier (September 1995). This provides less than five months to obtain and consider other points of view on an agreement that may have far reaching impact on municipal governments.

Local governments need more information about the mandate and potential impact of the MAI on local economies. The Federation of Canadian Municipalities and the Union of B.C. Municipalities are the appropriate resources for this purpose. By copy of this report it is requested that the two above organizations look into the agreement and the negotiation process and provide a municipal perspective and input into the issue.



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DIRECTOR FINANCE