
News Release

GOVERNMENT OF CANADA PERMANENTLY EXTENDS GAS TAX FUNDING TO MUNICIPALITIES

Whitby, Ontario, May 5, 2008 — The Honourable Jim Flaherty, Minister of Finance, today announced the Government of Canada is permanently extending federal gas tax funding to municipalities within Durham Region and throughout Canada. Today's announcement was made on behalf of the Honourable Lawrence Cannon, Minister of Transport, Infrastructure and Communities.

“By making federal gas tax funding permanent, our government is providing municipalities large and small, from coast to coast, with the ability to plan and finance their infrastructure needs every year, forever,” said Minister Flaherty. “Municipal leaders asked for a reliable source of infrastructure funding, and we delivered in Budget 2008.”

The Gas Tax Fund will reach \$2 billion a year nationally by 2009 – 2010 and will be made permanent at that level.

Over the next two years, Durham Region and the eight local area municipalities will receive more than \$49.4 million from the federal Gas Tax Fund. This funding will support local priority infrastructure projects, including road and bridge projects across Durham, as well as a pedestrian bridge across Highway 401 CN/GO rail corridors and Pickering Parkway.

“By providing permanent gas tax funding Durham Region and our area municipalities can begin to address urgent infrastructure needs,” said Roger Anderson, Chair of the Regional Municipality of Durham. “This is funding we can count on year after year, allowing our communities to plan and build facilities and equipment that will improve the environment and enhance our quality of life.”

From 2005 to 2008, municipalities within Durham received more than \$32 million in federal gas tax funding which supported a variety of projects, including:

- the new Material Recovery Facility for the Region of Durham;
- improvements to the organics collection program in Oshawa; and
- energy efficiency upgrades to the Greenwood community centre in Pickering.

The federal Gas Tax Fund supports environmentally sustainable municipal infrastructure that contributes to cleaner air, water and reduced greenhouse gas emissions. Eligible categories of investment include public transit, water and wastewater infrastructure, community energy systems, the management of solid waste, and local roads and bridges.

“The federal Gas Tax Fund acknowledges that all orders of government must work together in order to address the pressing need for infrastructure investment in Ontario,” said Doug Reycraft, President of the Association of Municipalities of Ontario (AMO). “The funding is supporting hundreds of important infrastructure projects and is critical to Ontario's competitiveness and environmental sustainability.”

The federal Gas Tax Fund is an important piece of the Government of Canada's unprecedented \$33 billion *Building Canada* infrastructure plan which is providing long-term, stable and predictable funding to help meet infrastructure needs across Canada.

In addition to *Building Canada*, the Government of Canada announced a \$500 million public transit trust in Budget 2008. This funding will be dedicated to several specific projects across Canada, including a joint federal-provincial study to re-establish the rail link between the City of Peterborough and Toronto's Union Station.

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For more information on Building Canada, visit www.buildingcanada.gc.ca.

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