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# Background

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## **GAS TAX FUND: DELIVERING RESULTS FOR CANADIANS**

On April 1<sup>st</sup>, 2009, the federal Gas Tax Transfers to the provinces and territories for municipal infrastructure doubled to \$2 billion annually. The Gas Tax Fund (GTF) will remain at that level beyond 2014, when the Government makes it a permanent measure, providing municipalities with stable funding for their long-term infrastructure priorities. The federal government is accelerating the first payment of the Gas Tax Fund, making up to \$1 billion available to municipalities almost three months early.

The Gas Tax Fund is part of an ongoing commitment from the Government of Canada to create jobs and stimulate the economy through modern public infrastructure. It is also an example of all levels of government working together to improve infrastructure and the quality of life of Canadians.

The GTF makes capital investments in water, wastewater and solid waste infrastructure, public transit, community energy systems, and local roads and bridges. The Gas Tax Fund combines predictable, long-term funding with local decision making and planning to enable municipalities to build and rehabilitate their core public infrastructure. The first payment will be made in April, in the past, payments have been made in July and then November.

Gas tax funding is provided through negotiated bilateral agreements, between the Government of Canada and each province and territory, as well as the City of Toronto. The money is allocated based on population, with set amounts for Prince Edward Island and the territories to ensure they have access to sufficient funds for significant projects. The Association of Municipalities of Ontario and the Union of British Columbia Municipalities are the delivery partners in their two provinces.

### **Gas Tax Fund Allocations by Province/Territory**

| <b>Province or Territory</b> | <b>Gas Tax Funds through 2014</b> |
|------------------------------|-----------------------------------|
| British Columbia             | \$1.638 Billion                   |
| Alberta                      | \$1.275 Billion                   |
| Saskatchewan                 | \$372 Million                     |
| Manitoba                     | \$431.9 Million                   |
| Ontario                      | \$4.853 Billion                   |
| Quebec                       | \$3.005 Billion                   |
| New Brunswick                | \$294.5 Million                   |
| Nova Scotia                  | \$368.9 Million                   |
| Prince Edward Island         | \$97.5 Million                    |
| Newfoundland and Labrador    | \$206.95 Million                  |
| Yukon                        | \$97.5 Million                    |
| Northwest Territories        | \$97.5 Million                    |
| Nunavut                      | \$97.5 Million                    |

**Gas Tax Fund Allocations by Province/Territory between 2008-2010:**

| <b>Province or Territory</b> | <b>2008-2009</b> | <b>2009-2010</b> |
|------------------------------|------------------|------------------|
| British Columbia             | 127.1 Million    | 254.2 Million    |
| Alberta                      | 95.4 Million     | 190.8 Million    |
| Saskatchewan                 | 29.5 Million     | 59.1 Million     |
| Manitoba                     | 33.5 Million     | 66.9 Million     |
| Ontario                      | 373.1 Million    | 746.2 Million    |
| Quebec                       | 230.2 Million    | 460.4 Million    |
| New Brunswick                | 23.2 Million     | 46.4 Million     |
| Nova Scotia                  | 29 Million       | 58 Million       |
| Prince Edward Island         | 7.5 Million      | 15 Million       |
| Newfoundland and Labrador    | 16.5 Million     | 32.9 Million     |
| Yukon                        | 7.5 Million      | 15 Million       |
| Northwest Territories        | 7.5 Million      | 15 Million       |
| Nunavut                      | 7,500,000        | 15 Million       |
| Fist Nations                 | 12.5 Million     | 25 Million       |
| <b>Total</b>                 | <b>1 Billion</b> | <b>2 Billion</b> |

For more information please visit:

<http://www.infc.gc.ca/ip-pi/gtf-fte/gtf-fte-eng.html>