



200 University Ave, Suite 801  
Toronto, ON M5H 3C6  
Tel.: (416) 971-9856 | Fax: (416) 971-6191  
E-mail: amo@amo.on.ca

MEDIA

## BACKGROUND

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### About the Federal Gas Tax Fund

The Federal Gas Tax Fund provides municipalities with long-term funding for infrastructure investments that promote cleaner water, cleaner air, and reduced greenhouse gas emissions, right across Canada.

In total, the Fund commits \$13 billion in federal funding to Canadian municipalities between 2005 and 2014. Ontario's portion of that is approximately \$4.8 billion. This amounts to \$746 million each year when the program reaches maturity, beginning in 2009.

The 2008 Federal Budget committed to making the Federal Gas Tax Fund permanent beyond 2014. Once implemented, this would provide \$2 billion annually in much needed infrastructure funding for Canada's municipalities.

To date, more than 1,600 infrastructure projects in Ontario are supported by this funding. The benefits of the 1,166 projects completed to the end of 2008, include:

- More than 2,000 kilometres of road improvements;
- The diversion of 71,000 tonnes of waste;
- A close to 95% reduction in adverse water test results in eight municipalities;
- The implementation of an organics diversion (composting) program to 270,000 households; and,
- A reduction in annual energy consumption of 7.65 million kWh – enough to power 732 Ontario households for a year!

A joint evaluation by AMO and the Government of Canada revealed that a large portion of these projects would not have been undertaken, or would have been greatly scaled back, without this funding.

Predictability is a key benefit of the program. Funds are distributed twice annually on a per capita basis, which empowers municipal governments to plan and finance infrastructure investments over longer periods of time.

The Gas Tax Fund has proven to be an efficient and effective infrastructure program. In addition to the environmental benefits, funding is stimulating economic development, creating new jobs, and improving infrastructure to support long-term prosperity and sustainability in Ontario's municipalities.

The full benefits of completed projects are summarized in the [Outcomes Summary Report](#).

#### FOR MORE INFORMATION CONTACT:

Pat Vanini, AMO Executive Director 416-971-9856, ext. 316 or (416) 729-4394  
Brian Lambie, AMO Media Contact, 416-729-5425