

Government Pledges To Double Gas Tax Fund

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Local municipalities may be getting more money to complete critical infrastructure projects.

The federal government plans to double the size of the Gas Tax Fund, with an extra \$2.2 million.

Infrastructure Minister Catherine McKenna says this will help fund the construction or expansion of broadband internet access, public transit, roads and recreation centres.

McKenna says they recognize the vital role that immediate investments in local infrastructure play in addressing the needs of cities and towns, as well as Indigenous communities.

The Residential and Civil Construction Alliance of Ontario applauds the move.

Executive Director Nadia Todorova says, “We commend the federal government for the co-operative approach it has taken with provinces and municipalities since the beginning of the pandemic and the leadership it is taking on providing much-needed funding to municipalities in 2021. It is critical that the proposed funding be swiftly approved by the Parliament of Canada to prevent municipalities across Ontario from being forced to use

money from their capital budgets to pay for higher operating expenses caused by the pandemic.”

Todorova adds, “It is imperative that the Government of Canada continues to work closely with the Province of Ontario to ensure that municipalities can invest in capital projects and jobs, which is vital to a strong and healthy economic recovery in the wake of COVID-19.”

The pledge is included in a new bill that was tabled Thursday in the House of Commons.

It also provides a one-time payment of \$7 billion to provinces, territories, cities and First Nations communities to help them cover the cost of health services, COVID-19 vaccination campaigns and infrastructure projects.

If passed, it would provide a \$4 billion one-time increase to Canada Health Transfer payments to provinces.

Another \$1 billion would fund COVID-19 immunization campaigns across the country.