

## Premier Announces Increase to Ontario Gas Tax Fund for Transit

Increased provincial gas tax funding for transit projects is welcome news. Funding is expected to begin in 2019. Currently, 99 Ontario municipalities receive funding from this program. The remaining 345 have different infrastructure pressures, for example, they manage thousands of kilometres of roads and bridges that are important to keep the rest of Ontario moving. In total, Ontario's 444 municipal governments manage 140,000 kilometres of roads. That's enough to wrap around the earth almost four times.

"This funding announcement is positive news for municipal transit and it is complimentary to increases in the Ontario Community Infrastructure Fund (OCIF) announced last year," said Lynn Dollin, AMO President. "Municipal leaders will be looking for more information at the Rural Ontario Municipal Association (ROMA) conference next week".

OCIF funding is set to triple while the provincial gas tax will double over the period set out in the chart below. These increases, providing more than \$900 million per year for municipal transit, roads and bridges, water and wastewater services, help to improve the balance between the need and available funding.

	<b>Transit (Millions) Gas Tax Funding</b>	<b>Infrastructure Fund (Millions) OCIF</b>
<b>2017</b>	\$334.5	\$145
<b>2018</b>	\$321.0	\$230
<b>2019</b>	\$401.3	\$300
<b>2020</b>	\$481.5	TBD
<b>2021</b>	\$642.0	TBD

Rural municipalities face an infrastructure gap for roads and bridges of about \$468 per person. That's double the gap that exists in small and large urban municipalities with

populations greater than 100,000. With lower incomes, older populations and limited property taxes, rural communities have fewer options to raise revenue to address this growing gap.