

March 19, 2019

Federal Budget 2019: Progress for Municipal Government Priorities

Canada's Finance Minister, the Honourable Bill Morneau, introduced the [2019 federal Budget](#) in the House of Commons today. The Budget includes funding for a number of Ontario and national municipal advocacy priorities and demonstrates the progress municipalities can achieve working together toward common goals. Highlights include:

Federal Gas Tax Fund Top-Up

The federal government will top-up the federal Gas Tax Fund with a one-time \$2.2 billion. This will double Ontario's share of federal GTF in 2019.

Funding for Rural and Northern High Speed Internet

Budget 2019 commits to the goal of connecting all Canadians to high speed internet by 2030. This includes \$5-6 billion over the next ten years. The funding will leverage private sector investment.

Municipal Energy Efficiency Funding

Funding to the Federation of Canadian Municipalities (FCM) will help municipalities invest in energy efficiency improvements in their communities including:

- \$350M for grants and loans to municipal governments for energy efficiency in large public buildings, community and demonstration projects
- Community EcoEfficiency Acceleration - \$300M to FCM to provide municipal governments finance to support home energy efficiency upgrades with repayment on property taxes
- Sustainable Affordable Housing - \$300M to improve energy efficiency
- \$60M additional Municipal Asset Management Capacity Funds

Support for More Affordable Market Housing

The Budget also includes a number of initiatives to help increase the affordability of housing:

- Expansion of the Rental Housing Construction Finance Incentive to provide low interest loans to affordable rental construction projects
- First Time Home Buyer's Incentive: up to 10 per cent shared equity mortgage backed by CMHC without increasing mortgage insurance
- Increase RRSP withdrawal limit for down payments on homes to \$35k from \$25k

The 2019 Federal Budget also includes other commitments of interest to local governments and communities in the areas of energy efficient transportation; a new national pharmacare program; and worker skills training. Municipal officials are encouraged to review the Budget document for greater detail.