



MEMBER ADVISORY

BUILDING CANADA FUND

September 8, 2008 – On September 5, 2008, the Building Canada Framework Agreement was signed between the Government of Canada and the Government of Manitoba under Building Canada.

The Framework Agreement includes a number of components including the Communities Component which is similar to the current Municipal Rural Infrastructure Fund program in Manitoba.

The Communities Component will consist of at least \$41 million each in federal, provincial and local funding to provide approximately \$120 million for projects in communities outside of Winnipeg.

Now that the Framework Agreement has been signed, the details of the Communities Component program, including the application process, will be finalized. It is anticipated that the application process will be launched in the fall of 2008.

The Canada-Manitoba Building Canada Framework Agreement is available on the Building Canada website at www.buildingcanada-chantierscanada.gc.ca.

A copy of the news release is attached.

The AMM will be working very hard in the coming weeks to ensure the Communities Component is finalized as soon as possible. More details will be forthcoming as they become available.

If you have any specific questions, please contact Joe Masi, Executive Director, Association of Manitoba Municipalities, at 204-856-2360 or jmasi@amm.mb.ca.

NewsRelease



September 5, 2008

CANADA AND MANITOBA SIGN HISTORIC \$718 MILLION BUILDING CANADA INFRASTRUCTURE AGREEMENT

Winnipeg, Manitoba, September 5, 2008 - Manitobans and their communities will receive a significant boost for their priority public infrastructure initiatives thanks to a Framework Agreement, worth \$718 million, signed today between the Government of Canada and the Government of Manitoba under Building Canada. The signing of this agreement marks the completion of all Framework Agreements of the Building Canada rollout. All provinces and territories have embraced Building Canada, the federal government's historic long-term infrastructure plan.

The Honourable Lawrence Cannon, Minister of Transport, Infrastructure and Communities, the Honourable Vic Toews, President of the Treasury Board, along with Gary Doer, Premier of Manitoba, and the Honourable Ron Lemieux, Manitoba Minister of Infrastructure and Transportation, today announced the signing of this Framework Agreement.

At the same time, they announced \$85 million in funding for improvements to Highway 75 for reconstruction, rehabilitation and safety projects through the town of Morris, from Morris to Aubigny and from St. Jean to Letellier. The Government of Canada will contribute 50 per cent of total eligible costs, up to a maximum of \$42.5 million. Manitoba will provide matching funds toward this project. Highway 75 is Manitoba's key trade route to the United States, connecting to the Emerson border crossing, which supported \$14.4 billion in Canada-U.S trade traffic last year.

"Today, we are keeping our word to the people of Manitoba. The Framework Agreement between our Government and the Government of Manitoba will result in significant infrastructure initiatives that will strengthen Manitoba's economy and communities, and enhance the quality of the environment," said Minister Cannon. "Canadians look to their governments to collaborate, in the spirit of open federalism, and provide safe, modern and efficient infrastructure, such as improvements to roads, highways and sewer and water systems. Initiatives funded under Building Canada will provide these results."

"Manitoba is a strong trading province with a strategic central location within Canada, vital links by rail, road, air and sea and a 'can-do' business climate. Today's agreement will allow us to continue to invest in the infrastructure that will cement Manitoba's place as a key trade and transportation centre," said Premier Doer. "Manitoba's economy is strong and these investments will help ensure we keep growing."

"This investment by the Government of Canada is important for all Manitobans, and will help address the infrastructure needs of our communities," said Minister Toews. "The Building Canada infrastructure plan will help support economic growth, a cleaner environment and the overall prosperity of all Manitobans."

"With today's signing, a significant amount of unallocated funding will be made available to Manitoba communities of all sizes," said Minister Lemieux. "Manitoba municipalities will have direct access to another \$264 million in gas tax while another \$312 million will be available for infrastructure priorities. In addition, we will be cost sharing \$85 million in new improvements to Hwy 75 and completing the floodway expansion project, which is essential for the protection of the citizens and businesses of Winnipeg. Taken together, this is a positive package for Manitoba."

The Framework Agreement sets the stage for a collaborative investment in Manitoba's infrastructure, providing approximately \$718.42 million in new federal infrastructure funding. This funding is in addition to the amounts already being provided by the Gas Tax Fund and the Municipal Rural Infrastructure Fund to Manitoba communities. In total, the Government of Canada will provide more than \$853.8 million in guaranteed funding through to 2014 for infrastructure initiatives in Manitoba, under the Building Canada plan.

Under this agreement, the Government of Canada is providing close to \$279 million through the Building Canada Fund, a centrepiece of the overall plan, toward infrastructure initiatives in Manitoba. Of this amount, approximately \$41 million will be allocated to smaller-scale projects in communities of less than 100,000 residents. This amount will be matched by the Province of Manitoba and its communities, for a total of approximately \$120 million.

The completion of the Red River Floodway expansion has been a signature infrastructure project for both the Government of Canada and the Province of Manitoba. The total federal-provincial funding committed to the project is \$665 million. In 2007, the Government of Canada and the Province of Manitoba announced \$425 million in funding to complete the project. Of this amount, \$141.5 million will be funded through Manitoba's allocation of the Building Canada Fund, with \$96.29 million still available for new further major project investments in the province.

Under the Framework Agreement, the Government of Canada will also provide \$25 million in annual base funding to the province, for a total of \$175 million through to 2014, for infrastructure priorities in Manitoba. A further \$264.63 million will flow to Manitoba municipalities through the extension of the Gas Tax Fund agreement from 2010 to 2014, bringing the total funding from the Gas Tax Fund to Manitoba to \$392 million over the life of the Building Canada plan.

The Framework Agreement outlines how the Building Canada plan will operate in the province. It also establishes a governance framework through which the two governments will work together to identify and address infrastructure priorities, such as water and sewer systems, roads and highways, bridges, public transit, green energy and community initiatives.

Manitoba infrastructure initiatives in eligible categories will also have the opportunity to benefit from two national merit-based programs, the Public-Private Partnership Fund and the Gateways and Border Crossings Fund. In addition, Manitoba communities receive a full rebate on the GST they pay, for local infrastructure priorities.

Federal funding for the Highway 75 project is subject to the signing of a contribution agreement detailing specific project elements and capital costs to the mutual satisfaction of Canada and Manitoba, securing any necessary federal and provincial Treasury Board approvals and the successful conclusion of any necessary environmental assessments.

Through its unprecedented \$33-billion Building Canada infrastructure plan, the Government of Canada will provide long-term, stable and predictable funding to help meet infrastructure needs across Canada. Building Canada will support a stronger, safer and better country.

[Read the Framework Agreement >>](#)

Backgrounder

Canada-Manitoba Building Canada Framework Agreement

On September 5, 2008, the governments of Canada and Manitoba signed the Canada-Manitoba Framework Agreement worth **\$718.42 million** in new federal infrastructure funding under the Building Canada plan.

Accounting for previous programs not yet depleted, total guaranteed federal infrastructure spending in Manitoba will be close to **\$854 million** by 2014.

Allocation Table (2007-2014)

Framework Agreement Funding	\$ Million
Building Canada Fund (New Funding)	\$278.79
Provincial/Territorial Base Fund (New Funding)	\$175.00
Gas Tax Funding (New Funding from 2010-2014)	\$264.63
Total Framework Agreement Funding	\$718.420
Previous programs not yet depleted	
Gas Tax Funding (existing to 2009)	\$127.11
Municipal Rural Infrastructure Fund Top-Up (new funding announced in 2007)	\$8.33
Total Guaranteed Federal Funding to Manitoba under the Building Canada Plan	\$853.86

In addition, the Province will have the opportunity to benefit from two national funds: the P3 Fund (\$1.25 billion); and the Gateways and Border Crossings Fund (\$2.1 billion).

Finally, every Manitoba municipality will receive the full GST rebate, which is also in addition to the above-noted funding.