



MEMBER ADVISORY

FEDERAL BUDGET 2010

March 10, 2010 – Federal Finance Minister Jim Flaherty introduced the 2010-11 Federal Budget on March 4, 2010.

Leading up to the budget, the Federation of Canadian Municipalities (FCM) called for the Federal Government to sustain its core commitments to cities and communities. Despite concern that the budget would deliver spending cuts and offloading, Budget 2010 protected these commitments. The Gas Tax Fund, the GST rebate and the existing social housing programs will continue, even as the government begins its long term plan to balance its books.

Key points:

- ✓ The budget has committed to year two of its Economic Action Plan funding, meaning all infrastructure stimulus programs will continue as planned.
- ✓ The government reiterated its commitment to the March 31, 2011 construction deadline for communities undertaking stimulus projects.
- ✓ The budget recommits the government to continuing the Gas Tax Fund through its deficit cutting plan.
- ✓ The budget protects provincial transfers and equalization.
- ✓ There are no references to discontinuing the GST rebate.
- ✓ The government's commitment to the five-year funding for the three existing social housing funds appears intact, although the budget is not clear on this point.

Currently, there is little stimulus funding still available for access by municipal projects – virtually every dollar has been committed, and in many cases projects have begun. We hope the Federal Government will continue to partner with provinces and territories to monitor stimulus projects, identify regional challenges, and show flexibility where delays are caused by factors outside of municipal control.

Along with FCM, we continue to urge the federal government to stand by municipalities as they put Canada's stimulus plan to work.
