



# Local Investment in the Great Lakes and St. Lawrence

## Introduction

Local governments in the United States and Canada are investing billions of dollars to protect and restore the Great Lakes and St. Lawrence River basin ecosystem, one

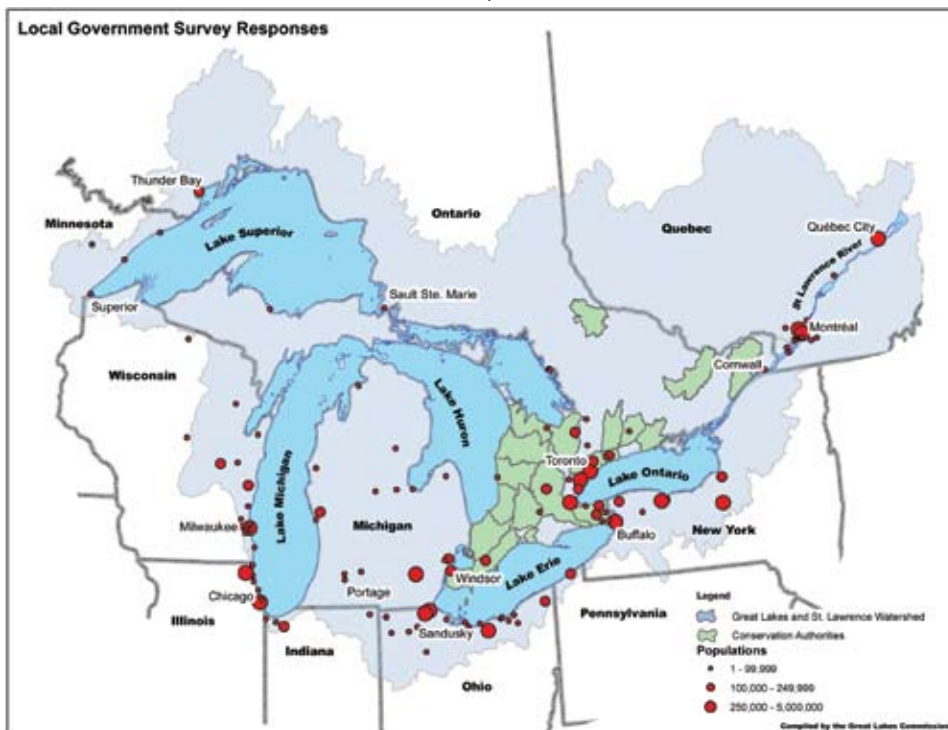
**Local governments spend an estimated \$15 billion annually to protect and restore the Great Lakes and St. Lawrence River.**

of the most valuable natural resources in the world. For centuries, the native peoples, explorers, settlers and others who have chosen this region as their home have enjoyed a high quality of life and well-being supported by this expansive freshwater system. As a source of drinking water, food, transportation, water for industry, agriculture, recreation, and many other uses, its value and importance are immeasurable.

Although the significance of the resource has been clear for some time, it has not always been fully appreciated. Over the past century, there has been extensive damage inflicted by industrial, agricultural and urban activities. Toxic pollution, contaminated beaches, invasive species, lost wetlands, sewage overflows and many other threats have created numerous problems that have not been solved. Although much work has been done over the past 35 years to improve the resource, much more is required. Restoring from past damage, reducing ongoing contamination, and preventing

future problems all must be considered a high priority if the resource is to retain its value in the future.

The people of the United States and Canada, governments at all levels, industry and agriculture, and the nonprofit world share a responsibility to and for the resource. How high a priority this work is given is reflected in the time, attention, and money dedicated to the effort of protecting and restoring the Great Lakes and St. Lawrence River. This report demonstrates that local governments spend nearly \$15 billion per year to protect the Great Lakes and St. Lawrence. While we know that other orders of government have also contributed substantial amounts, those contributions have fallen short.



# The Study

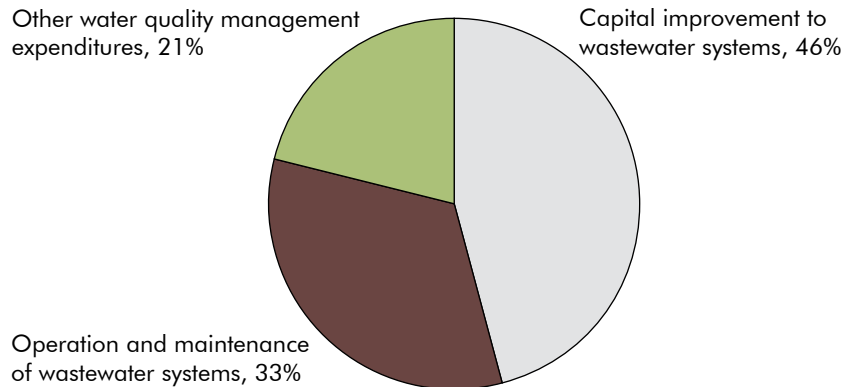
In the spirit of better accounting for investment, the Great Lakes Commission and the Great Lakes and St. Lawrence Cities Initiative partnered in 2007 to determine how much local governments are spending on Great Lakes and St. Lawrence protection and restoration activities. Surveys were sent to 688 local governments. The 143 responses tell a very interesting story. In 2006, these 143 local governments reported investing almost \$3.3 billion from local sources to protect and restore the Great Lakes and St. Lawrence basin ecosystem. Extrapolating this data to 688 local governments across the basin, the estimated annual local expenditure is well over \$15 billion, with \$11.1 billion in the United States and \$4.3 billion in Canada.

According to the U.S. Census Bureau and Statistics Canada, local governments spend about 20 percent of their total budgets on environmental improvements, which shows a major commitment to the Great Lakes and St. Lawrence River basin ecosystem. Building and maintaining wastewater collection and treatment systems, acquiring and preserving land, restoring brownfields, managing beaches and shorelines, and many other actions are all part of the day-to-day work of local governments.

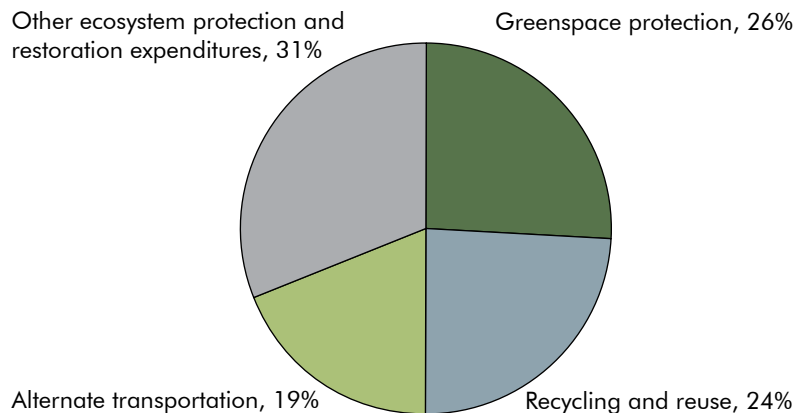


Top Local Government Investments by Survey Category (in millions of dollars)	
<b>Water Quality Management</b>	
Capital Improvement to Wastewater Systems	1,134
Operation and Maintenance of Wastewater Systems	850
Other Water Quality Management Expenditures	504
<i>Sub-total</i>	<b>2,488</b>
<b>Ecosystem Protection and Restoration</b>	
Greenspace Protection	213
Recycling and Reuse Programs	185
Alternate Transportation (not including mass transit systems)	151
Other Ecosystem Protection and Restoration Expenditures	235
<i>Sub-total</i>	<b>784</b>
<b>GRAND TOTAL</b>	<b>3,272</b>

## Investments Reported for Water Quality Management



## Investments Reported for Ecosystem Protection and Restoration Activities





## Investment Deficit

Given the regional, national, international and global significance of the resource and its increasing value, it is reasonable to expect a major financial commitment by all orders of government. Unfortunately, the trend appears to be otherwise, particularly at the federal level. Since 2004, for example, U.S. federal funding under the Clean Water State Revolving Fund for wastewater infrastructure has decreased by 49 percent. Additional cuts are proposed for 2009.

This investment deficit for the Great Lakes and St. Lawrence River ecosystem is particularly disturbing in light of the international commitments and legal obligations to protect the resource, as well as the statistics showing the magnitude of investment needed. The Great Lakes Water Quality Agreement between the United States and Canada, the Canada - Ontario Agreement on the Great Lakes, the St. Lawrence Plan between Canada and Québec, and the Great Lakes Regional Collaboration Strategy have all set out actions to take and goals to be met, but progress has been slow.

Despite the multi-billion dollar annual investment by local governments in wastewater infrastructure and operations, it is clearly not keeping up with the real need. Perhaps one of the best indicators of the magnitude of the deficit relates to wastewater infrastructure, where a report released in January 2008 by the U.S. Environmental Protection Agency documents an almost \$206 billion need for clean water infrastructure across the United States, of which about \$73 billion can be attributed to the eight Great Lakes states. Cost estimates from the 2005 Great Lakes Regional Collaboration Strategy were more than \$20 billion for a five- to 10-year period in eight priority areas, with about \$13.7 billion identified for wastewater management infrastructure.

**U.S. federal funding for wastewater infrastructure in the Great Lakes states has decreased 49 percent since 2004.**

In Canada, the estimates for the amount needed to upgrade water and wastewater infrastructure is \$31 billion nationally. When infrastructure is not maintained adequately and replaced in a timely manner, the deficit grows larger and the resource suffers. We owe it to ourselves, our neighbors near and far, and future generations to do much better.



# What Needs to Happen

Given the major investments by local governments and the major shortfall in wastewater infrastructure spending at the federal level, there is a significant need for further action:

- **Increase commitment by all orders of government to eliminate the deficit and fully protect and restore the Great Lakes and St. Lawrence.**
- **Significantly increase investment from federal governments for wastewater treatment infrastructure.**
- **Determine fair and appropriate allocations for investment at each level of government.**



The priorities of people as reflected by their governments should be a guide for how funds are invested. It is time for the Great Lakes and St. Lawrence River basin ecosystem to receive the priority attention and investment it deserves as the premier freshwater ecosystem in the world.

*Note: Dollars are U.S. and Canadian, which were very close in value at the time of printing.*



The full report, is available at [www.gslcities.org](http://www.gslcities.org) or [www.glc.org/glinvestment](http://www.glc.org/glinvestment)

## Photo credits

Page 1: Chicago skyline, courtesy Chicago Convention and Tourism Bureau; Toronto skyline, courtesy Tourism Toronto

Page 2: Racine, courtesy Julie Kinzelman

Page 3: Montreal, courtesy Tony Tremblay; Grand Rapids, courtesy Christopher Gray; Lakewalk in Duluth, courtesy Visit Duluth

Page 4: Windsor skyline, courtesy Convention & Visitors Bureau of Windsor, Essex County & Pelee Island



Printed on 100% recycled paper, 50% post-consumer waste, processed chlorine free

Produced by the Great Lakes Commission and the Great Lakes and St. Lawrence Cities Initiative with funding support from the Joyce Foundation. February 2008. Findings of the study are those of the project partners.

