



**GREAT LAKES AND  
ST. LAWRENCE**  
CITIES INITIATIVE



June 2023

*A Resolution Submitted by the City of Welland*



## **Strengthening Water Quality and Community Resilience Through a Dedicated Water Infrastructure Funding Program**

WHEREAS for the purpose of this resolution, 'water infrastructure' refers to municipal drinking water treatment plants and systems, wastewater treatment plants and lagoon systems, stormwater and combined stormwater systems, underground pipes and conveyance systems, pump stations storage facilities and other assets that contribute to safe drinking water and help maintain healthy water quality; and

WHEREAS 60% of Canada's public infrastructure is owned by local governments and yet only 10% of collected tax dollars in the country are available to municipalities; and

WHEREAS between 2016 and 2022, the Government of Canada invested more than \$4.6 billion in drinking water and wastewater infrastructure as part of the over \$46 billion invested to support infrastructure projects across the country; and

WHEREAS in 2017, the government launched the Clean Water and Wastewater Fund (CWWF) with short-term funding of \$2 billion for targeted projects that would contribute to rehabilitating water treatment and distribution infrastructure and existing wastewater and storm water treatment systems and initiatives that improve asset management, system optimization and planning for future upgrades; and

WHEREAS the CWWF was never renewed by the federal government; and

WHEREAS other than the CWWF, upgraded wastewater treatment or collection infrastructure and upgraded drinking water treatment and distribution infrastructure are among the eligible projects of the Green Infrastructure stream under the Investing in Canada Infrastructure Program, but the stream is not exclusively dedicated to water infrastructure projects; and

WHEREAS the Canada Community-Building Fund (CCBF; formerly known as the Gas Tax Fund until June 29, 2021) is a permanent, bankable and predictable source of funding provided up front, twice-a-year, to provinces and territories, who in turn flow this funding to their municipalities to support local infrastructure priorities, including water infrastructure and drinking water among 19 different project categories; and

WHEREAS the federal government and provinces and territories will be negotiating the next agreement regarding the CCBF; and

WHEREAS the increasing use of electric vehicles in Canada will diminish the amount of excise taxes collected by federal, provincial and municipal governments on gasoline and diesel over the coming decade, with no alternate revenue sources currently identified by those entities to offset lost revenue, which could impact the viability of the CCBF and other similar programs; and

WHEREAS according to the Government of Canada's 2020 Core Public Infrastructure survey, despite the investments made by all levels of government, water and wastewater infrastructure investments have not kept up with the deterioration of existing assets as the remaining useful life of water and sewage infrastructure declined from 2017 to 2021; and

WHEREAS changes in precipitation frequency and rainstorm intensity are increasingly overwhelming municipal water infrastructure, leading to further contamination of beaches and waterways with untreated runoff and sewage, as well as causing urban flooding; and

WHEREAS we have increasing awareness of a range of contaminants of emerging concern finding their way into our source water and waste water – PFAS, microplastics, pharmaceuticals, etc. – which pose additional challenges for municipal treatment systems and a threat to ecosystem and human health; and

WHEREAS over the past few decades, the prices charged by municipalities for residential water and wastewater services in many Canadian cities have increased much faster than increases in the rate of inflation and some of the highest rates for water in Ontario are in cities and towns within the Great Lakes watershed; and

WHEREAS provinces and territories requested the Government of Canada to commit \$10 billion per year over 10 years to support infrastructure renewal, accelerate climate adaptation and sustain economic growth ahead of the federal Budget 2023; and

WHEREAS the Federation of Canadian Municipalities is also calling on the federal government for a dedicated water and wastewater fund that would invest at least \$1 billion annually; and

WHEREAS Budget 2023 announced that the federal government is actively reviewing Canada's continued infrastructure needs as it charts a course for future federal infrastructure programming and will provide an update on this work later this year; and

WHEREAS provision of clean, safe and affordable water resources and the principle of water equity are key priorities for the Great Lakes and St. Lawrence Cities Initiative and its members.

THEREFORE BE IT RESOLVED THAT the Great Lakes and St. Lawrence Cities Initiative (Cities Initiative) calls on the Government of Canada to invest in a renewed dedicated water infrastructure funding program; and

FURTHER BE IT RESOLVED THAT the federal government further enhance the CCBF in the next federal-provincial agreement to ensure that municipalities have even greater access to stable, predictable and bankable infrastructure funding, including for water infrastructure projects; and

FURTHER BE IT RESOLVED THAT the federal government work with provinces, territories, municipalities and municipal organizations, including the Cities Initiative, to identify alternate revenue tools to complement excise taxes on gasoline and diesel, as well as other revenue mechanisms that would specifically support stable and predictable funding dedicated to water infrastructure projects; and

FURTHER BE IT RESOLVED THAT copies of this resolution be distributed to the federal Deputy Prime Minister and Minister of Finance, Minister of Intergovernmental Affairs, Infrastructure and Communities, Minister of Environment and Climate Change, Parliamentary Secretary to the Minister of Intergovernmental Affairs, Infrastructure and Communities and Parliamentary Secretary to the Minister of Environment and Climate Change, the Premier of Ontario and Minister of Intergovernmental Affairs and Ontario Minister of Infrastructure and the Quebec Minister Responsible for Canadian Relations and the Canadian Francophonie and Minister of Municipal Affairs.