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Ottawa, Canada K1A 0N5

REPORT 26 2010

His Worship Fred Eisenberger  
Mayor  
City of Hamilton  
Hamilton City Centre  
77 James Street North, Suite 230  
Hamilton, Ontario L8R 2K3

Dear Mayor Eisenberger:

I am writing in response to your correspondence of May 18, 2010, addressed to my predecessor and to the Honourable Brad Duguid, regarding the City of Hamilton’s endorsement that a request for funding be submitted to the provincial and federal governments for the John C. Munro International Airport. Please accept my apologies for the delay in replying.

The Government of Canada is taking action and is making strategic investments in infrastructure that contribute to our economy, job creation, a cleaner environment, and strong and prosperous communities. The $33-billion Building Canada plan represents the largest federal commitment to public infrastructure ever.

In Budget 2009, the Government committed to streamline approvals and to accelerate investments under Building Canada, and to provide almost $12 billion in new infrastructure stimulus funding over two years.

Our immediate action is providing benefits to Canadians in light of the economic downturn. First, it is providing timely economic stimulus in the construction, engineering and manufacturing sectors. Second, it will help Canada emerge from this economic crisis with a more modern infrastructure that is the foundation of sustainable long-term economic growth. In the first year of Canada’s Economic Action Plan, we have committed more than $9.5 billion in federal funding towards over 6,000 projects. Thanks to funding from provinces, territories, municipalities and other partners, this will leverage a total investment in infrastructure of $27.4 billion.

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Other major elements of the Building Canada plan will continue to provide a source of long-term, predictable funding for municipalities. More than 50 percent of Building Canada, or $17.6 billion, goes to municipalities to fund their priorities, through the Gas Tax Fund and through the GST Rebate. The federal Gas Tax Fund doubled on April 1, 2009 from $1 billion to $2 billion per year.

In addition, the first payment to provinces and territories last fiscal year was made in April, rather than in July, to put funds in municipal hands as quickly as possible. The Government has announced that the program will become permanent beyond 2014 at $2 billion per year nationally, so that municipalities will be able to count on this stable funding for their infrastructure needs now and in the future.

More information on the Building Canada plan is available at www.creatingjobs-creerdesemplois.gc.ca.

Please be assured that the Government of Canada will continue to work closely with the Government of Ontario to identify and address key funding priorities.

No single program can address the full range of infrastructure needs across the country, and that is why the federal government has designed a suite of infrastructure programs that work together to ensure that Canadians benefit from world-class infrastructure.

Sincerely,

Chuck Strahl

C.C.: The Honourable Brad Duguid, M.P.P.