

Federal Budget 2019 - Highlights



FPEIM is pleased with the 2019 Federal budget, which includes several commitments that support municipal governments including doubling the Gas Tax Fund for one year. Budget 2019 also delivers funding for rural broadband, recreation, and policing to name a few services municipalities provide to their residents.

CBC article: [P.E.I. municipalities happy with federal budget](#)

Gas Tax Fund (GTF)

A \$2.2 Billion additional transfer means an increase of \$16.5 million in the Gas Tax Fund for one year. The Gas Tax Fund is a permanent, indexed fund provided directly to municipalities to support infrastructure improvements. Prince Edward Island receives base funding of 0.75 percent of the GTF budget for the country, which is significantly higher than a per capita share. The additional funding is expected to flow soon after the adoption of the Federal Budget, and to be allocated according to the current formula. [Gas Tax Fund Information Sheet](#) [Gas Tax Fund Allocation Table](#)

FCM Programs

Budget 2019 commits more than \$1 B for programs delivered by the Federation of Canadian Municipalities. This includes a renewed investment in the Municipal Asset Management Capacity Fund for five years and the addition of the following new programs to be delivered through the Green Municipal Fund:

- Collaboration on Community Climate Action
- Community Ecoefficiency Acceleration
- Sustainable Affordable Housing Innovation

Additional information is available [here](#).

Expanding Rural Internet Access

The Budget 2019 proposes significant investments of between \$5 and \$6 billion over the next 10 years. \$1.7 billion will constitute new funding with an additional \$1 billion in financing to be made available through the Canada Infrastructure Bank.

Climate Change

As noted above, the budget invests in [new programs](#) through FCM to reduce GHG emissions. Budget 2019 also provides \$130 M over five years for zero-emission and electric vehicles through Natural Resources Canada. \$300 million has been allocated over three years for a new federal purchase incentive of up to \$5000 for electric battery or hydrogen fuel cell vehicles.

Ferry Services

PEI will benefit from increased support for the operation of ferry services in Atlantic Canada with the procurement of two ferries to replace the existing aging ones.

Public Safety

Emergency Management

New investments to promote better disaster management and preparation regarding the evolving role of municipal emergency services and to assist municipalities to build back after a disaster event.

Marine Environmental Response Planning

New funding will provide for joint multi-level government planning for quicker and more efficient response to marine pollution.

Policing/Crime Prevention

New funding will be used to support policing operations, enhance federal police capacity, and support transportation security with a focus on assisting the RCMP to become more modern and effective organization with the establishing of the Interim Management Advisory Board. The Public Safety Canada's Communities at Risk: Security Infrastructure Program has had its budget doubled with the aim of making community gathering places safer to live, work, and play.

Housing/Inclusive Communities

Investments will include funding for local government projects for arts and heritage, diversity and inclusion, poverty, gender equality and economic development.

Healthy Communities

Additional monies have been added to the Local Food Infrastructure Fund to support local food projects, including food banks, farmer's markets, and other community-driven projects.

Seniors

Community projects through the New Horizons for Seniors Program and Enabling Accessibility Fund will receive additional monies to provide new fitness equipment for seniors' centres and improve safety and accessibility of community spaces.