

Municipal Infrastructure

AMO Position

- Ontario's 444 municipalities own and operate more infrastructure for the benefit of the public than the provincial and federal governments.
- Municipal infrastructure support health, social and cultural engagement, economic activity, productivity and quality of life.
- More and more, municipalities need to plan for and finance infrastructure investments to adapt to the impacts of climate change that are increasingly felt at the local level.
- To support demand for housing supply, municipalities need to invest in infrastructure such as water and wastewater, roads, parks, and more.
- Municipalities are facing major challenges to address future infrastructure needs because the province has changed how growth infrastructure is financed, and the federal Investing in Canada Infrastructure Plan funding program has come to an end.
- Municipalities need long-term funding partnerships to plan, finance, and construct the necessary infrastructure to support growth across the province.

Overview

- Municipal infrastructure runs the gamut from roads and bridges, water and wastewater, stormwater and flood control to recreation facilities and community centres, public and community housing, long-term care homes, transit and many others.
- Historically, successful partnership between all orders of government has delivered high-quality infrastructure.
- Ontario's municipalities have invested extensively in infrastructure systems. However, many systems were built between the 1950s and 1970s and need to be renewed or expanded to serve a growing population and support economic growth.
- The provincial and federal governments support Ontario's municipal infrastructure needs through a variety of programs. These include the Ontario Gas Tax for Transit which provides 2-cents per litre of gasoline sold in the province and Ontario Community Infrastructure Fund, which provides \$400 million per year for core municipal systems such as roads, bridges, water and wastewater.
- The federal government supports municipal infrastructure through the Canada Community Building Fund, the Disaster Mitigation and Adaptation Fund, the new Housing Accelerator Fund and the multi-year \$33 billion Investing in Canada Infrastructure Program (ICIP). The ICIP was established in 2016 for ten years and has been fully allocated.
- The provincial government and AMO have called on the federal government to renew its main infrastructure funding program to support priorities such as building safe and healthy communities. Federal funding details are anticipated in Fall 2023.

Key facts

- Ontario municipalities manage \$484 billion worth of infrastructure systems.
- Municipalities require an estimated \$52 billion in added investment beyond what they currently spend to bring all of their systems into a state of good repair.
- While adapting to climate change will increase the cost of infrastructure to make communities more resilient to weather challenges, not investing for changing climate would cost more.
- Municipalities have about \$60 billion in annual revenues and spent nearly \$50 billion in 2021 on local services, including \$12 billion in infrastructure investment.

Other resources and reports

- [FAO Review of Ontario Municipal Infrastructure](#)
- [Minister Surma letter](#)

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