

Federal, Ontario Liberals sign \$1.49B transit funding agreement

Toronto to get most of first \$688M worth of projects being outlined across province today

[for CBC News](#)

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Prime Minister said money from the transit infrastructure fund will go toward new transit vehicles and station upgrades. (Tina Mackenzie/CBC)

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The federal government has cracked open its coffers with \$1.49 billion in new transit infrastructure money for everything from new transit vehicles to upgraded stations.

The money is part of the first phase of a \$60-billion infrastructure funding plan to pay for projects nationwide over the next 10 years.

The details were announced Tuesday morning by Prime Minister Justin Trudeau and Ontario Premier Kathleen Wynne at a municipal transit garage in Barrie, Ont.

The money will cover \$688 million worth of projects in five Ontario cities lined up to be the first recipients of the dedicated transit funding.

The federal funds can be used against up to half the costs of eligible projects; the funding is retroactive to April 1 to cover any costs cities and provinces have incurred since then.

A complete list of the projects approved so far is [here](#).

About \$500 million of the projects announced [this morning will be in Toronto](#), with Ottawa next on the list at \$156 million.

Waterloo, Barrie and Sudbury, where the federal cabinet just wrapped up a two-day retreat, will receive about \$30.6 million combined for 20 projects.

In Toronto the money will go toward fixing up bridges, a subway yard upgrade and replacing a fire main at Wilson Yard along with upgrades to buses and streetcars.

Trudeau said the money will benefit "not just people here in Barrie, but all across the province."

"This will shorten commute times and make transit more efficient and inclusive," he said.

Wynne praised the Trudeau government for choosing to work with the province in deciding where the money will go. For most projects, the province will pick up half of the cost not covered by Ottawa.

"We know there is an enormous amount more to do," she said. "But I can tell you, having a federal government makes a huge difference."

Money spread across the province

Federal cabinet ministers are also making announcements Tuesday as the Trudeau government seeks to capitalize politically on the long-awaited deal. Newly minted House leader Bardish Chagger will be in Waterloo, Environment Minister Catherine McKenna in Ottawa and Finance Minister Bill Morneau in Toronto, the city that's getting most of the funding destined for Ontario.

The federal Liberals are betting that the \$6.6 billion set aside this year and next for infrastructure work — the first infusion of a promised extra \$60 billion over 10 years — will help kick-start the economy and pad government coffers with new tax revenue that will help bring the budget back to balance.

The federal government has also been pushing to spend the money quickly so as not to miss the summer construction season, but has been stymied by provincial delays in finalizing funding

wish lists, including Ontario. Under the new federal program, provinces are required to fill half of their funding wish lists before Ottawa can begin distributing the money.

An Ontario government source with knowledge of the deal being announced said the province is using a streamlined funding process to get money to municipalities as soon as possible.

Federal officials say Ontario has yet to finalize a funding wish list of water and wastewater projects, something that it must do over the coming months to get \$570 million for projects like water treatment facility upgrades and sewers. Similar work is ongoing in British Columbia, which — like Ontario — signed a transit funding deal first, given the volume of outstanding work required.

The federal government must still sign agreements with Alberta, Saskatchewan, Nunavut and the Northwest Territories. Saskatchewan has said it has concerns that cities could cut corners on work or planning in order to meet the federal government's deadline of March 2018 for the completion of new construction or expansion projects.

The infrastructure money this year and next is focused on repairing Canada's aging water and public transit infrastructure, as well as for smaller projects that can be completed by 2019.

There is also money available for planning larger projects that are to be the focus of the second and more lucrative phase of the Liberal infrastructure program.