

## Wynne renews call for more infrastructure funding from feds

By Natalie Paddon - January 20, 2015

Premier **Kathleen Wynne** is again calling on the federal government to step up to the plate and provide more money to the provinces, including Ontario, for infrastructure.

While Wynne says the most efficient way to do this would be through a new transfer payment or a financing mechanism that allows the feds to go to bat for the provinces in securing large capital loans, it's not the method that matters.

"What is important is that our federal government and our provincial governments come together to tackle this challenge," she told the Canada 2020 luncheon in Ottawa on Tuesday. "To get on with building a true economic union for all Canadians."

With a federal election looming, Wynne called on Prime Minister **Stephen Harper**, NDP Leader **Thomas Mulcair** and Liberal Leader **Justin Trudeau** to tell Canadians how they would build a stronger "economic union" if elected.

From the feds, the premier said she's looking for a national infrastructure partnership that would see 5 per cent of the country's GDP invested in infrastructure renewal, up from the 3 to 3.5 per cent experts estimate the country's governments currently chip in.

Wynne told the crowd that the province invests three times as much as Ottawa does in Ontario's public infrastructure – taking into account the feds' own infrastructure assets and the money it transfers to municipalities – yet the federal government receives almost an equal share of the revenue generated from it.

Over the next 10 years, the province will invest close to \$130 billion in infrastructure, she said.

"This disparity is a detriment to the Canadian economy as a whole," she said. "Because modern infrastructure isn't just essential for the Ontario economy, or the B.C. economy, or the Quebec economy – it is essential for the Canadian economy."

The Liberals have repeatedly argued the federal government short-changes Ontario on transfer money, suggesting it cost the province about \$640 million in 2014.

Last month, Ottawa said it would increase the amount of transfer money for Ontario – to the tune of an extra \$1.25 billion – making the province the largest recipient of transfer payments with \$20.4 billion.

Two weeks ago, Wynne met with Harper where they spoke about issues including better coordinating water systems on First Nations reserves, the provinces' work on a Canadian energy strategy and working together to expand Ontario's auto sector by securing investments and research and development projects.

On Tuesday, Wynne said she and Harper also discussed progress being made under existing infrastructure agreements, but stressed it's only sufficient to maintain current infrastructure, not fund new projects going forward.

"[The federal government] has the fiscal capacity," she said. "It is on the verge of balancing the budget for the first time since 2008. It has the ability and the duty to invest in a manner that advances the interests of the people of Canada."

In her speech, Wynne emphasized the importance of the provinces all working together at a national level.

Touting her October trade mission to China, where she was joined by premiers **Philippe Couillard** of Quebec and **Robert Ghiz** of Prince Edward Island, Wynne said it was one example of provincial partnerships that encouraged job creation in Canada and amped up the ability to compete internationally.

But there's still room for more collaboration on a national level, she added, including on:

- The reduction of interprovincial trade barriers;
- The establishment of a strategic, long-term, national approach to training that helps ensure Canadians – in every region – have the skills they need to prosper in the work force of today and tomorrow;
- The creation of a pan-Canadian energy strategy to encourage economic development and help make the most of resources. And as part of that strategy: a coordinated plan to reduce greenhouse gases, ensuring that economic growth is sustainable.

"These are all important components of a true economic union," Wynne said. "And as premier of Ontario, I intend to speak out on each of them throughout this important year."