



THE COUNCIL
OF THE FEDERATION

Council of the Federation Presents New Vision for Transportation

VICTORIA, December 8, 2005 – The Council of the Federation is calling for a new partnership with Ottawa to ensure that Canada's transportation system is safe, secure and supportive to the global trading network, Premiers Gordon Campbell of British Columbia, John Hamm of Nova Scotia and Joe Handley of the Northwest Territories announced today.

The Council outlined its plan with the release of the national transportation strategy document, *Looking to the Future: A Plan for Investing in Canada's Transportation System*. The strategy proposes a new transportation funding partnership, identifies a strategic transportation network, describes preliminary provincial and territorial priorities and recommends changes to the policy framework.

"Canada's transportation system is vital to promoting economic growth, international competitiveness and the best standard of living for all Canadians," said Premier Campbell. "We need to build and maintain a modern transportation system for Canada to succeed in the world marketplace."

Making the most of existing infrastructure and building for the future will require increased investments in gateways, trade corridors, the national highway system and rural roads, border crossings, rail networks, marine networks, ports, airports, intermodal facilities, major urban roads, and transit.

"First and foremost, such a system requires a strong partnership between governments," said Premier Hamm. "To gain the greatest benefit from local, provincial and territorial investments, it is essential and appropriate that the federal government make significant contributions."

Premiers noted the recent efforts of the federal government, working with provinces and territories, to pursue transportation related initiatives aimed at improving Canada's productivity and international competitiveness. They also say that much more needs to be done to ensure the health of Canada's critical transportation networks.

"In order to be a true national transportation strategy that benefits all Canadians, we must focus on infrastructure needs from coast to coast to coast," said Premier Handley. "Increased federal investment in transportation infrastructure – now – is critical for national economic development."

- more -

In 2004, the federal government collected over \$4.8 billion in excise fuel taxes. Even allowing for the current federal commitments through municipal infrastructure projects, the two year transit funding program, and for fluctuations in tax revenue, the federal government will collect \$33 billion more in excise fuel taxes than it will invest over the next decade.

The Council stresses that capital investment in transportation infrastructure needs to be supported by stable, long-term funding, not ad-hoc programs or term-limited initiatives. Premiers believe revenues derived from transportation through fuel taxes should be reinvested in transportation.

As a next step, premiers asked Premiers Campbell, Hamm and Handley, acting on their behalf, to invite the Prime Minister and the federal government to be a strategic partner in the implementation of this important national initiative.

The Council of the Federation is comprised of all thirteen provincial and territorial premiers. It enables premiers to work collaboratively to strengthen the Canadian federation by fostering a constructive relationship among the provinces and territories, and with the federal government.

To learn more and obtain a copy of the strategy document, visit www.councilofthefederation.ca.

- 30 -

For more information:

Mike Morton
Office of the Premier
Government of BC
(250) 213-8218

Peter Spurway
Office of the Premier
Government of Nova Scotia
(902) 424-4895

Julia Mott
Bureau du premier ministre
Government of Northwest Territories
(867) 669-2304

Loretta O'Connor
Council of the Federation Secretariat
(613) 563-4066