



# CANADA'S GREAT LAKES PROGRAM

The Economic Benefits Of The Great Lakes Sustainability Fund



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of Canada

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Canada

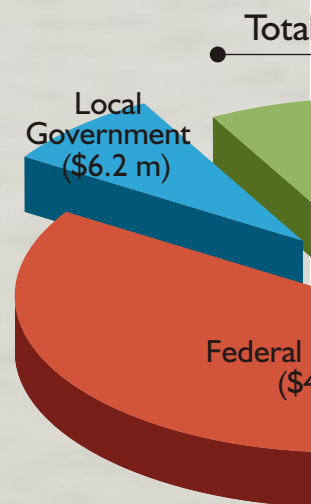
## A cleaner, more sustainable Great Lakes



The Great Lakes Sustainability Fund (GLSF) is a major component of the Government of Canada's Great Lakes Program. GLSF is administered by Environment Canada on behalf of seven other federal partners: Agriculture and Agri-Food Canada, Fisheries and Oceans Canada, Health Canada, Natural Resources Canada, Public Works and Government Services, Transport Canada, and the Parks Canada Agency.

GLSF, which has evolved from the Great Lakes Clean-up Fund, was announced in July 2000 to provide \$30 million over 5 years to significantly accelerate work to restore the environmental quality of Canada's remaining Areas of Concern. GLSF can contribute up to one-third of the total cost of projects that implement remedial actions to complete the clean-up and restoration of Areas of Concern. Such projects may include habitat restoration, contaminated sediment remediation, stewardship and control of urban and rural runoff.

The Canada-U.S. Great Lakes Water Quality Agreement (GLWQA) designates 43 Areas of Concern (AOCs), or pollution "hot spots" in the Great Lakes. The GLWQA commits both countries to an "ecosystem approach" for restoring and protecting these environmentally degraded areas. Currently there are 10 AOCs in Canada, 26 in the United States, and 5 additional AOCs shared by both countries. In Canada, both the Collingwood Harbour and Severn Sound AOCs have been restored. "Delisting", however, does not mean all the work is done. Continued diligence is essential to ensure that the environmental quality of these areas is sustained into the future.



## Results in significant economic benefits

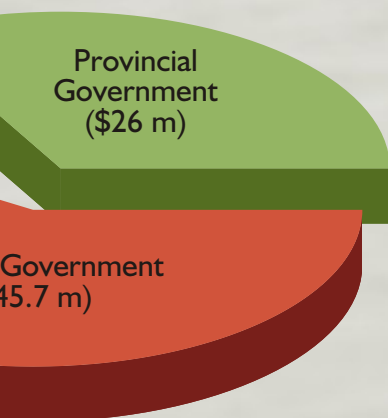
The total economic benefits of the environmental activities funded by GLSF and GLSF's partners are considerable, but not widely acknowledged. Yet, the actions taken to improve the Areas of Concern produce not only a cleaner environment, but also generate jobs, boost sales and tax revenue and contribute to stimulating regional development.

Since 1990, GLSF and its predecessor, the Great Lakes Clean-up Fund, directly spent over \$82.8 million on environmental initiatives in the Canadian Areas of Concern. During the period 1990-2002 alone, these expenditures leveraged another \$189.1 million from outside partners for similar activities. To put it another way, for every dollar provided by GLSF, more than two dollars were spent, in cash or in-kind, by local partners.

The money spent between 1990-2004 by the Government of Canada and its partners to clean up Areas of Concern resulted in...

- an increase in total employment of over 7,076 person years (full-time equivalent jobs).
- a \$174 million increase in wages and salaries in the Province of Ontario.
- a \$257 million increase in Ontario's Gross Provincial Product (GPP).
- an \$81 million increase in federal, provincial and local tax revenues.
- substantial tax savings. Municipalities in four Canadian Areas of Concern have already saved their taxpayers over \$70 million in capital costs by optimising their sewage treatment plants. Just \$3 million in GLSF funding translated to more than a 20:1 return on the original investment.
- avoided costs associated with wastewater treatment, streambank maintenance and flood protection. These savings enabled the Hamilton-Halton Watershed Stewardship Program to realize a 10:1 benefit to cost ratio.
- increased recreational value. The clean-up of contaminated sediments in the St. Clair Area of Concern is expected to generate over \$300,000 per year in economic benefits from improvements in recreational fishing in the lake.
- higher property values in Areas of Concern. In addition to benefiting property owners, they also increase the community's tax base. In the Hamilton Harbour Area of Concern, it is estimated that approximately 18.5% of the residential

l tax revenues



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property values in the study area were attributable to improvements in water quality and the establishment of the Pier 4 and Bayfront Parks.

- **new trade and development opportunities.** There is significant commercial value in the intellectual property, restoration knowledge, tools and technology generated and supported by GLSF. For example, integrated habitat enhancement initiatives developed and implemented in the restoration of Areas of Concern on Lake Superior are now drawing the attention of the Chinese central government for environmental restoration work in the City of Wuxi.
- **user benefits and expenditures** that create new income potential for citizens.
- **many other cost-savings** and avoided costs that accrue to neighbours and users as environmental amenities are expanded and preserved.

## RECENT STUDIES

Restoration activities in the United States' Areas of Concern have demonstrated similar returns on investment. A recent study of the potential benefits of contaminated sediment remediation in Waukegan Harbour, Lake Michigan, indicated a benefit equivalent of 10 to 13% of the total value of Waukegan's owner-occupied housing stock, and considerable value to homeowners elsewhere in the surrounding region. Another study of sediment remediation in the lower Fox River of Green Bay, Wisconsin, indicated average annual benefits of \$100 to \$300 per household.

## Get more information

GLSF is a unique and effective community-based model of ecosystem management that contributes to a cleaner, more sustainable Great Lakes environment and provides significant economic benefits. For further information on the Government of Canada's Great Lakes Program and GLSF, please visit Environment Canada's Great Lakes website at:

[www.on.ec.gc.ca/water/greatlakes](http://www.on.ec.gc.ca/water/greatlakes)

Questions about this fact sheet?

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