

**CANADA – NEW BRUNSWICK
AGREEMENT ON THE TRANSFER OF FEDERAL GAS TAX REVENUES FOR CITIES
AND COMMUNITIES
2005-2015**

This Amending Agreement made this 2nd day of October 2008,

BETWEEN:

HER MAJESTY THE QUEEN IN RIGHT OF CANADA (“Canada”) represented by the Minister of Transport, Infrastructure and Communities

- and -

HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF NEW BRUNSWICK (“New Brunswick”) represented by the Minister responsible for the Regional Development Corporation (“Provincial Minister”) and the Minister of Local Government (“Minister of LG”).

Whereas Canada and New Brunswick entered into an Agreement for the Transfer of Federal Gas Tax Revenues on November 24, 2005 (“the Agreement”);

Whereas Canada and New Brunswick entered into an Infrastructure Framework Agreement on December 7, 2007 in respect of the Building Canada plan;

Whereas the Building Canada plan includes a comprehensive and integrated suite of infrastructure initiatives intended to augment infrastructure programming and investments over the long term, including an extension of the Gas Tax Fund (GTF);

Whereas the Gas Tax Fund is a component of the Building Canada plan, providing stable, predictable, and flexible funding to local governments until 2014;

Whereas the purpose of this amendment is to confirm local governments’ GTF allocations to 2014, thereby allowing them to undertake long-term infrastructure planning;

Whereas the Agreement commits the Parties to complete a joint program evaluation by March 2009;

And Whereas the Agreement indicates the Parties may elect to amend the Agreement, as appropriate, following the completion of the evaluation mentioned above

NOW THEREFORE the Parties hereby agree as follows:

1. The Agreement is amended as set out below.
2. Terms not defined in this Amending Agreement have the meanings assigned in the Agreement.
3. Subsection 9.2 of the Agreement is deleted and replaced with the following:

9.2 Review

The Parties agree to consider amending the Agreement, taking into account the evaluation referenced in section 7.3. Funds for 2010-2014 will be released only after Parties incorporate any agreed upon amendments into the Agreement.

4. Subsection 9.3 will be added:

9.3 Agreement Renewal

(a) Once the Parties have incorporated any amendments into the Agreement as per 9.2, Canada's contribution to New Brunswick will be as follows:

Fiscal year	Canada's Contribution
2010-2011	44,633,000
2011-2012	44,633,000
2012-2013	44,633,000
2013-2014	44,633,000
TOTAL	178,532,000

(b) Canada's contribution identified in 9.3 (a) shall be allocated annually in the amount of 80% for incorporated areas.

(c) Canada's contribution identified in 9.3 (a) shall be allocated annually in the amount of 20% for unincorporated areas.

(d) The Provincial Minister shall distribute the portion of gas tax funding allocated under subsection 9.3 (b) to all incorporated areas on a per capita basis.

(e) The Provincial Minister shall administer the portion of gas tax funding allocated under subsection 9.3 (c) on the basis of need and regional considerations.

(f) Before determining Fund allocations to unincorporated areas, New Brunswick may deduct from Canada's Fund contributions such amounts as Canada may approve for the purpose of paying New Brunswick's administrative costs mentioned in section 6.3

5. All other terms and conditions of the Agreement remain the same.

SIGNATURES

This Amending Agreement has been executed on behalf of Canada by the Minister of Transport, Infrastructure and Communities, and on behalf of New Brunswick by the Minister responsible for the Regional Development Corporation and the Minister of Local Government.

GOVERNMENT OF CANADA
Original signed by:

GOVERNMENT OF NEW BRUNSWICK
Original signed by:

The Honourable Lawrence Cannon
Minister of Transportation, Infrastructure
and Communities

The Honourable Victor Boudreau
Minister responsible for the Regional
Development Corporation

The Honourable Carmel Robichaud
Minister of Local Government