

The Study

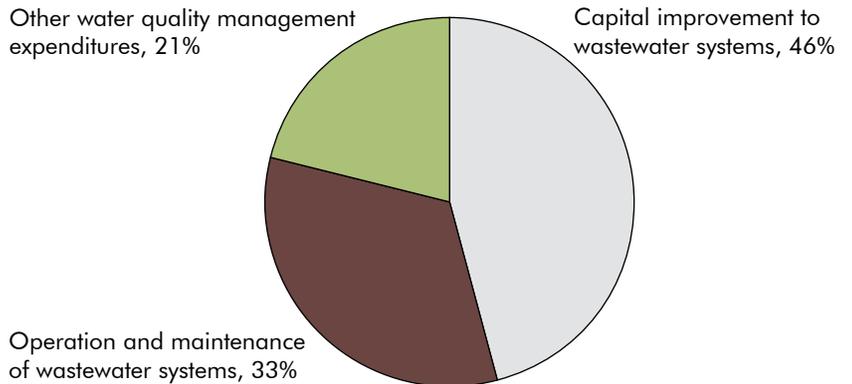
In the spirit of better accounting for investment, the Great Lakes Commission and the Great Lakes and St. Lawrence Cities Initiative partnered in 2007 to determine how much local governments are spending on Great Lakes and St. Lawrence protection and restoration activities. Surveys were sent to 688 local governments. The 143 responses tell a very interesting story. In 2006, these 143 local governments reported investing almost \$3.3 billion from local sources to protect and restore the Great Lakes and St. Lawrence basin ecosystem. Extrapolating this data to 688 local governments across the basin, the estimated annual local expenditure is well over \$15 billion, with \$11.1 billion in the United States and \$4.3 billion in Canada.

According to the U.S. Census Bureau and Statistics Canada, local governments spend about 20 percent of their total budgets on environmental improvements, which shows a major commitment to the Great Lakes and St. Lawrence River basin ecosystem. Building and maintaining wastewater collection and treatment systems, acquiring and preserving land, restoring brownfields, managing beaches and shorelines, and many other actions are all part of the day-to-day work of local governments.

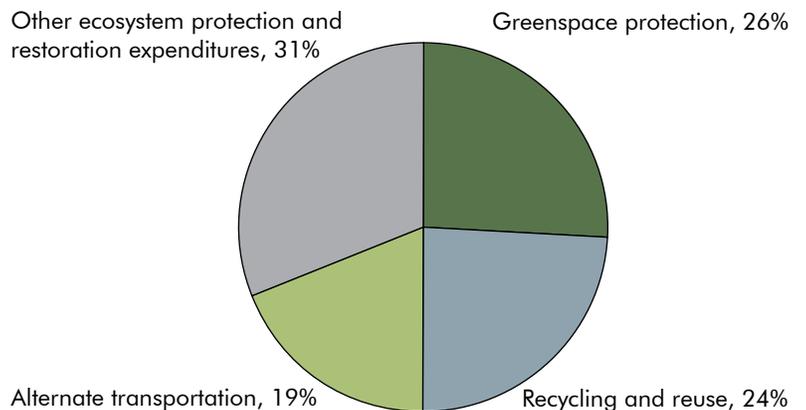


Top Local Government Investments by Survey Category (in millions of dollars)	
Water Quality Management	
Capital Improvement to Wastewater Systems	1,134
Operation and Maintenance of Wastewater Systems	850
Other Water Quality Management Expenditures	504
<i>Sub-total</i>	<i>2,488</i>
Ecosystem Protection and Restoration	
Greenspace Protection	213
Recycling and Reuse Programs	185
Alternate Transportation (not including mass transit systems)	151
Other Ecosystem Protection and Restoration Expenditures	235
<i>Sub-total</i>	<i>784</i>
GRAND TOTAL	3,272

Investments Reported for Water Quality Management



Investments Reported for Ecosystem Protection and Restoration Activities



Investment Deficit

Given the regional, national, international and global significance of the resource and its increasing value, it is reasonable to expect a major financial commitment by all orders of government. Unfortunately, the trend appears to be otherwise, particularly at the federal level. Since 2004, for example, U.S. federal funding under the Clean Water State Revolving Fund for wastewater infrastructure has decreased by 49 percent. Additional cuts are proposed for 2009.

This investment deficit for the Great Lakes and St. Lawrence River ecosystem is particularly disturbing in light of the international commitments and legal obligations to protect the resource, as well as the statistics showing the magnitude of investment needed. The Great Lakes Water Quality Agreement between the United States and Canada, the Canada - Ontario Agreement on the Great Lakes, the St. Lawrence Plan between Canada and Québec, and the Great Lakes Regional Collaboration Strategy have all set out actions to take and goals to be met, but progress has been slow.

Despite the multi-billion dollar annual investment by local governments in wastewater infrastructure and operations, it is clearly not keeping up with the real need. Perhaps one of the best indicators of the magnitude of the deficit relates to wastewater infrastructure, where a report released in January 2008 by the U.S. Environmental Protection Agency documents an almost \$206 billion need for clean water infrastructure across the United States, of which about \$73 billion can be attributed to the eight Great Lakes states. Cost estimates from the 2005 Great Lakes Regional Collaboration Strategy were more than \$20 billion for a five- to 10-year period in eight priority areas, with about \$13.7 billion identified for wastewater management infrastructure.

U.S. federal funding for wastewater infrastructure in the Great Lakes states has decreased 49 percent since 2004.

In Canada, the estimates for the amount needed to upgrade water and wastewater infrastructure is \$31 billion nationally. When infrastructure is not maintained adequately and replaced in a timely manner, the deficit grows larger and the resource suffers. We owe it to ourselves, our neighbors near and far, and future generations to do much better.



What Needs to Happen

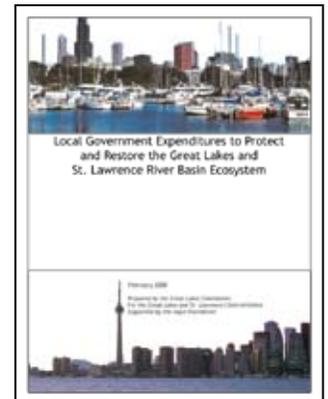
Given the major investments by local governments and the major shortfall in wastewater infrastructure spending at the federal level, there is a significant need for further action:

- **Increase commitment by all orders of government to eliminate the deficit and fully protect and restore the Great Lakes and St. Lawrence.**
- **Significantly increase investment from federal governments for wastewater treatment infrastructure.**
- **Determine fair and appropriate allocations for investment at each level of government.**



The priorities of people as reflected by their governments should be a guide for how funds are invested. It is time for the Great Lakes and St. Lawrence River basin ecosystem to receive the priority attention and investment it deserves as the premier freshwater ecosystem in the world.

Note: Dollars are U.S. and Canadian, which were very close in value at the time of printing.



The full report, is available at www.gslcities.org or www.glc.org/glinvestment

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