
REFINING TAX FROM GAS:

**A Historical Overview of Gasoline Taxes in Canada and
Recommendations for Affordable Pump prices and Renewed
Highway Development**

**Prepared for the 3rd Annual
Gas Tax Honesty Day**
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Canadian Taxpayers Federation
www.taxpayer.com

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About the Canadian Taxpayers Federation

The Canadian Taxpayers Federation (CTF) is a federally incorporated, non-profit, non-partisan, education and advocacy organization founded in Saskatchewan in 1990. In ten short years the CTF has grown to become Canada's foremost taxpayer advocacy organization with more than 83,000 supporters nation-wide.

The CTF's three-fold mission statement is:

- To act as a watchdog on government spending and to inform taxpayers of governments' impact on their economic well-being;
- To promote responsible fiscal and democratic reforms, and to advocate the common interest of taxpayers; and
- To mobilize taxpayers to exercise their democratic rights and responsibilities.

The CTF maintains a federal and Ontario office in Ottawa and offices in the four provincial capitals of British Columbia, Alberta, Saskatchewan and Manitoba. Provincial offices conduct research and advocacy activities specific to their provinces in addition to acting as regional organizers of Canada-wide initiatives.

The CTF's official publication, *The Taxpayer*, is published six times a year. CTF offices also send out weekly *Let's Talk Taxes* commentaries to more than 800 media outlets nationally as well as providing media comment on current events. The CTF staff and Board of Directors are not permitted to hold memberships in any political party. The CTF is funded by free will, non-receiptable contributions. The CTF does not receive contributions from government.

The CTF's award winning web site can be found at: www.taxpayer.com.

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Fuel Facts and Findings:

- In the last year, gasoline taxes accounted for an average of 42% of the pump price paid by Canadian motorists.
- Even with pump prices hovering around 75 cents a litre or more, Canadian motorists are still paying between 38% and 46% in taxes to federal and respective provincial and governments.
- Federal gasoline tax increased over 500% between 1985 and 1995, from 1.5 to 10 cents per litre.
- Ottawa increased the federal gasoline tax from 8.5 to 10 cents per litre in 1995 as a deficit reduction measure. The deficit is gone, but the tax remains.
- GST is charged on the full pump price, gasoline taxes included. It's a tax on tax.
- Gasoline tax revenues and motoring related fees have reached record high levels. The vast majority of federal gasoline tax revenues are not channeled back into road and highway improvements. Of the \$4.7 billion collected in federal gasoline taxes last year, Ottawa returned a paltry 4.0% or \$190 million back in provincial transfers for road and highway development, of which 96% was spent east of Ontario.
- A report by the federal and provincial transportation ministers found that the 25,000-kilometre National Highway System has not improved since 1988 and that a complete facelift would cost over \$17-billion. The report estimates that the average annual impact of such an investment would save drivers 84 million hours in travel time and 173 million litres in fuel.

- In 1998-99, the US federal government collected \$25 billion in gasoline tax revenues and spent \$21 billion on roads and highways. In all, 84% of US federal gasoline tax revenues went back into pavement.

CTF Recommendations

- Legislate federal, provincial and municipal gasoline tax as a user fee;
- Dedicate gasoline tax revenues to highway construction and maintenance;
- Reduce federal and provincial gasoline tax rates to levels commensurate with road and highway funding;
- Transfer greater share of federal gasoline tax revenues to the provinces for the express purpose of highway development;
- Having fulfilled provincial highway funding requirements, transfer a share of federal gasoline tax revenues to large urban centres for municipal roadway renewal;
- At a minimum, eliminate the 1.5 cent gas tax introduced in 1995 as a deficit fighting measure;
- Eliminate the HST and GST charges on the tax component of the pump price;
- Encourage service stations to post pre-tax and post-tax prices on appropriate exterior signage.

Introduction

During the past year, Canadians witnessed a great deal of volatility in the price of gasoline at the pumps, prompting motorists and consumer groups to renew their calls for market studies and gasoline retailer boycotts. The public outcry was primarily leveled against gasoline retailers and the petroleum industry. Until recently, government – the largest profiteer at the pumps – has largely eluded public scrutiny and criticism for high pump prices.

The purpose of this study is not to defend or explain the non-taxable portion of the pump price charged by Canada's oil companies. This is a task reserved for the petroleum industry to undertake. Rather, this study attempts to flush out the federal and provincial tax components that contribute to the soaring price of gasoline at the pumps and recommend a reasoned approach to affordable pump prices and reinvestment in decaying road infrastructure.

Consumer anger with high pump prices set by oil retailers is partly misplaced. Rather than solely blaming distributors and retailers, consumers should be equipped with better information about fuel tax policy and its impact on pump prices.

Gasoline taxes in Canada are tantamount to highway robbery. Although Ottawa collected \$4.7 billion in federal gasoline taxes last year, the Department of Transport returned a paltry \$190 million to the provinces for roadway and highway spending. The ten-year average of federal returns to the provinces is a paltry 4.7% of collected gasoline taxes. This amount fell to 4.0% in fiscal 1999-2000. Gasoline tax revenues continue to climb, while Ottawa's commitment to real roadway and highway spending is in retreat.

The correlation between improved highway infrastructure and national competitiveness has been well documented, yet governments fail to redirect the billions of dollars in annual gasoline tax revenues into roadway and highway development.

The Third Annual Gas Tax Honesty Day

Gas Tax Honesty Day is an annual public awareness campaign designed to awaken motorists' interest in the taxable share of pump prices. To mark the occasion, the CTF will launch the campaign with a press conference and the release of this document. In addition, the CTF will use its web site to facilitate a national petition campaign in advance of pre-budget deliberations. The petition calls for a reduction in federal and provincial tax rates to levels commensurate with highway and road funding. The petition also calls on government to dedicate gasoline revenue for road and highway construction and maintenance.

New this year, the CTF will also launch a national 'Worst Highway Contest' to highlight the poorest and most neglected highways in the country. The CTF will accept nominees (also available on the CTF's web site) throughout the summer and will announce Canada's 'worst highway' in the fall.

The CTF held the first Gas Tax Honesty Day on May 20, 1999. In two short years the CTF played a vital role in educating motorists and taxpayers about the taxable and non-taxable pump price components.

Snapshot of Canada's Gasoline Taxes and Transportation Spending

Federal government support for highway construction began in 1919, principally to accommodate heightened automotive production.¹ The economic interruption of the Depression in the 1930s and the Second World War seriously hampered the nascent auto industry. Regardless, some roadway construction continued. For instance, Ontario's Queen Elizabeth Way was built between 1931 and 1939.²

¹ Transport Canada, Transport Canada Annual Report 1997.

² Ministry of Transportation Ontario, "MTO History," <http://www.mto.gov.on.ca:80/english/about/history.htm>

With renewed prosperity in the post-war era came the need for large-scale roadway construction. In 1949, the Trans-Canada Highway Act confirmed the federal government's commitment to national infrastructure. This Act was followed up with the 1958 Road Resources Program, designed to provide a solid commitment to roadway development.³

Early details concerning fuel taxation are not well documented. A 1996 Statistics Canada study placed 1957 total fuel taxes at about 3-cents/litre.⁴ The province of Ontario began levying a regular gasoline tax of 3-cents/gallon, or 0.75-cents/litre as early as 1925.⁵ There was clearly an understanding that taxes levied were to be used, along with additional tax revenue, in the development of roadways.

Systematic federal roadway funding in conjunction with the construction of the Trans-Canada Highway began at a level of \$19 million and ended in 1970 at \$143 million. Trans-Canada Highway funding peaked at \$190 million in 1966.⁶ With the completion of the Trans-Canada Highway in 1971, the federal government's systematic commitment to roadway construction came to a halt.

In 1975 the federal government implemented a 1.5-cents/litre excise tax on regular gasoline. According to both Revenue Canada and Transport Canada, this tax was implemented in conjunction with oil price shocks of the early 1970s.⁷ The argument made was that this tax would help reduce fuel consumption. However, 25 years of steadily increasing tax revenue show that high gasoline taxes have not curbed consumption.

³Coalition to Renew Canada's Infrastructure, "Submission to House of Commons Standing Committee on Finance," p. 7.

⁴ Statistics Canada, "Forty Years of Gasoline Prices," Consumer Price Index, December 1996.

⁵ Ministry of Transportation Ontario, "MTO History."

⁶ Coalition to Renew Canada's Infrastructure, "Submission to the House of Commons Standing Committee on Finance."

⁷Revenue Canada, "Historical Tax & Excise Rates." <http://www.rc.gc.ca/E/publet/hisrate/n4.eng>

The federal excise tax increased throughout the 1980s, reaching 3.5-cents/litre in 1986, 5.5-cents/litre in 1987, 6.5-cents/litre in 1988, and 7.5-cents/litre in 1989. In the 1990s, gasoline excise taxes increased to 8.5-cents/litre and reached 10-cents/litre in 1995. In addition to the excise tax, the federal government also began charging the Goods and Services Tax at the pumps in 1990.

The GST replaced a number of manufacturing taxes, which had previously been levied at the wholesale or manufacturing level. These taxes were as high as 12% in 1971 and as low as 0.5-cents/litre in 1973. In accordance with the Weights and Measures Act, the GST was incorporated, with other gasoline taxes, into the price listed on the pump.

Survey of Gasoline Taxes, Fees and Spending

The pump price can be broken down into four components: crude costs, refining costs, retailer's profit margin and gas taxes. Gas taxes represent on average 38 to 46% of the national pump price.

Gasoline prices in Canada, excluding taxes, are at an all-time low. As a 1996 Statistics Canada study shows, gas prices, adjusted for inflation, actually fell by 26% between 1957 and 1995. Meanwhile, gas taxes rose 86% in the same period.⁸

Governments make out like thieves because gas taxes are hidden – out of sight, out of mind. Posting the full charge of gas taxes next to the retail pump price would reveal governments' true take at the pumps.

There are several different rates of fuel taxation. Chart 1 gives a comprehensive overview of current federal and provincial fuel tax rates.

Chart 1 -- Current Canadian Fuel Tax Rates⁹

	Regular Gasoline	Mid-grade Gasoline	Premium Gasoline	Diesel	Aviation Gasoline/ Turbo Gasoline	Propane
Federal Taxes						
GST †	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%
Excise (cents/litre)	10.0	10.0	10.0	4.0	11.0/4.0	
Harmonized Sales Tax *	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%
Provincial Taxes						
Newfoundland	16.5	16.5	16.5	16.5	0.7	7.0
PEI	13.0	13.0	13.0	13.5	0.7	12.0
Nova Scotia	13.5	13.5	13.5	15.4	0.7	7.0
New Brunswick	10.7	10.7	10.7	13.7	2.5	6.7
Quebec	15.2	15.2	15.2	16.2	3.0	
Quebec Sales Tax	7.5%	7.5%	7.5%	7.5%		7.5%
Ontario	14.7	14.7	14.7	14.3	2.7	4.3
Manitoba	11.5	11.5	11.5	10.9	4.2	9.0
Saskatchewan	15.0	15.0	15.0	15.0	3.5	9.0
Alberta	9.0	9.0	9.0	9.0	1.5	6.5
British Columbia	11.0	11.0	11.0	11.5	3.0/3.0-5.0	
BC Sales Tax						7.0%
Yukon	6.2	6.2	6.2	7.2	1.1	
NWT	10.5	10.5	10.5	8.9	1.0	

* HST (combination of the GST and provincial sales tax) is only levied in Newfoundland, Nova Scotia, and New Brunswick.

† The GST is levied in all other provinces and territories.

Depending on the local price of crude petroleum and local refining costs, Newfoundland and Quebec post the highest rates of fuel taxation. In terms of their fixed costs, fuel taxes on regular gasoline in Quebec amount to 25.2- cents/litre, plus 14.5% in sales tax levied on the final purchase price. Fixed fuel taxes on regular gasoline in Newfoundland amount to 26-cents/litre, plus 15% in Harmonized Sales Tax levied on the final

⁸ Statistics Canada, "Forty Years of Gasoline Prices," Consumer Price Index, December 1996.

⁹ M.J. Ervin and Associates, Current Consumption Taxes on Petroleum Products as of 2001/04/01

purchase price. At the low end of the spectrum, the lowest fuel tax rate is in the Yukon at 16.2-cents/litre and 7% GST.

Fuel tax rates are complicated by the inconsistency of municipal tax levies. Vancouver charges a 4-cents/litre gasoline transit tax; Victoria charges a 2.5-cents/litre transit tax; and Montreal charges a 1.5-cents/litre tax. Other municipalities have also pressed for the right to levy a local fuel tax to underwrite road development.

Most taxes are not expressed as a percentage of total price, but rather as a rate on a good or a service. If the retail price on gasoline before taxes is 29 cents and government charges an additional 25 cents in taxes, then the tax rate is an astounding 86%. Suddenly, the GST seems modest in comparison.

In 1989-90, the federal government collected \$2.5 billion in combined federal gasoline taxes. By 1999-2000, the \$2.5 billion increased by almost 90% to \$4.7 billion (Chart 2). The principal explanation for the precipitous increase in gasoline tax revenues is the unbridled increase in gasoline tax rates. The federal regular gasoline tax rate increased over 500% between 1985 and 1995, from 1.5 to 10 cents per litre (Appendix I).

As Chart 2 indicates, highway spending has historically represented a small component of the global Transport Canada budget envelope. The lack of federal attention to highway spending is evidenced by nominal spending decreases since 1996-97. This decline becomes more dramatic when inflation and its effects on purchasing power are factored into the equation.

Chart 2 -- Federal Fuel Tax Revenues vs. Highway Spending¹⁰

Year	Fuel Tax Revenue	GST Revenue (estimate)	Highway Spending Transfers
1989-90	\$ 2,471,000,000	N.A.	\$ 111,939,063
1990-91	2,472,000,000	N.A.	103,061,659
1991-92	3,441,000,000	N.A.	92,276,435
1992-93	3,437,000,000	N.A.	100,365,324
1993-94	3,656,000,000	729,000,000	197,299,238
1994-95	3,824,000,000	730,000,000	210,964,216
1995-96	4,404,000,000	761,000,000	256,997,085
1996-97	4,467,000,000	807,300,000	290,018,879
1997-98	4,638,000,000	845,500,000	268,414,848
1998-99	4,716,000,000	796,400,000	194,095,083
1999-2000	4,757,000,000	819,800,000	190,709,744

- GST revenue based on net GST on gasoline sales only (60% of 7%, multiplied by net sales).

- Highway Spending Transfers, refer to transfers to provincial governments from Transport Canada for the purpose of roadway and highway spending.

The gasoline tax rate has remained steady despite improvements to federal finances. In 1995, Ottawa increased the federal regular gasoline tax rate from 8.5 to 10 cents per litre as a deficit reduction measure. The deficit is gone, but the tax remains.

Another contributor to growing federal gasoline tax revenues is the Goods and Services Tax. The GST is charged on the full pump price, gasoline taxes included. It's a tax on tax. As pump prices climb, Ottawa's rakes in greater overall GST revenues.

Provincial gasoline tax revenues have also been on the rise but less dramatic than changes to federal levels. During the last decade, provincial gasoline tax revenues climbed by 54% from \$4.5 billion in 1990/91 to \$7.1 billion in 2000/01 (Appendix II). The provincial tax rate hikes account for part of the increase in overall provincial motoring revenues. The average provincial regular gasoline tax rate was 11.0 cents/litre in 1990-91. By 2000-01, this rate had increased to 12.9 cents/litre (Appendix I).

¹⁰ Source: Public Accounts, 1990-2000.

Chart 3 - Provincial Fuel Tax Revenues (million)¹¹

Year	NFLD	PEI	NS	NB	PQ	ON	MB	SK	AB	BC
1997-98	\$119.4	\$30.1	\$204.1	\$169.0	\$1,486.0	\$2,591.0	\$215.9	\$364.2	\$558.0	\$847.4
1998-99	121.5	32.1	211.6	171.0	1,559.0	2,660.0	221.3	368.2	547.0	872.1
1999-00	125.5	33.5	219.4	173.0	1,560.0	2,819.0	221.7	360.0	568.0	901.2
2000-01	125.0	33.6	209.1	184.0	1,528.0	2,893.0	224.0	365.0	585.0	905.1
2001-02	128.5	34.0	215.5	184.0	N.A.	2,955.0	224.0	367.7	581.0	926.4

- British Columbia includes dedicated taxes collected on behalf of municipalities and B.C. Crown Corporations.

Chart 4 - Provincial Revenues from Motoring Related Levies (million)¹²

Year	NFLD	PEI	NS	NB	PQ	ON	MB	SK	AB	BC
1997-98	\$50.5	\$10.4	\$51.3	\$69.7	\$641.0	\$820.0	\$64.0	\$96.0	\$182.0	\$316.3
1998-99	49.5	10.7	58.1	71.1	664.0	890.0	63.4	104.1	196.0	329.0
1999-00	52.0	11.1	58.5	72.9	667.0	911.0	68.3	110.0	200.0	335.0
2000-01	53.0	11.1	61.6	77.5	683.0	930.0	70.5	112.4	206.0	340.0
2001-02	53.0	11.0	59.9	77.7	N.A.	925.0	75.1	112.7	208.0	341.5

- Includes automobile licensing fees and other related fees.

Chart 5 - Combined Fuel Taxes and Motoring Related Revenues (million)

Year	NFLD	PEI	NS	NB	PQ	ON	MB	SK	AB	BC
1997-98	\$169.9	\$40.5	\$255.4	\$238.7	\$2,127.0	\$3,411.0	\$279.9	\$460.2	\$740.0	\$1,163.7
1998-99	171.0	42.7	269.7	242.1	2,223.0	3,550.0	284.7	472.3	743.0	1,201.0
1999-00	177.5	44.6	277.9	245.9	2,227.0	3,730.0	290.0	470.0	768.0	1,236.0
2000-01	178.0	44.7	270.7	261.6	2,211.0	3,823.0	294.5	477.4	791.0	1,245.0
2001-02	181.5	45.0	275.5	261.7	N.A.	3,880.0	299.1	480.4	789.0	1,267.0

¹¹ Source: Provincial Budgets, Main Estimates, 1997-2001.

¹² Source: Provincial Budgets 1997-2001.

During the last 13 years, provincial highway spending, on average, roughly equals the amount collected in fuel taxes and roadway related revenues. However, the spread to arrive at this average is striking. Alberta spent 179% of its fuel tax revenue through its Department of Infrastructure. Though not all of this spending was dedicated to roads and highways, Alberta has a reasonable record on spending fuel taxes on roads. At the other end of the scale during the last decade, Saskatchewan (50%), Ontario (69%) and Quebec (80%) rank as the provinces with the worst tax revenue-to-road spending ratio.

Coastal provinces tend to spend more on transportation on account of marine expenditures. Hence, the coastal provinces register disproportionately high spending to revenue ratios - ranging from 199% for PEI to 132% for Newfoundland.

Chart 6 - Provincial Transportation Spending – Ministry of Transportation¹³(million)

Year	NFLD	PEI	NS	NB	PQ	ON	MB *	SK	AB	BC
1997-98	\$126.3	\$59.0	\$166.2	\$125.1	\$1,363.0	\$752.0	\$224.9	\$208.4	\$667.0	\$791.3
1998-99	142.5	62.2	236.5	131.8	1,507.0	590.0	232.8	229.7	1,242.0	792.0
1999-00	141.3	66.7	236.3	131.4	1,578.0	587.0	293.9	236.7	1,861.0	1,702.0
2000-01	152.0	73.2	245.4	132.9	1,491.0	549.0	300.6	275.0	2,596.0	616.0
2001-02	159.2	70.3	233.5	133.0	N.A.	519.0	311.2	311.7	3,828.0	669.0

* MB spending from 1999-00 forward reflects amalgamation of the former Government Services dept. Refer to Appendix 3 for a more accurate historical overview of provincial transportation spending.

Chart 7 - Provincial Capital Spending – Ministry of Transportation (million)¹⁴

Year	NFLD	PEI	NS	NB	PQ	ON	MB	SK	AB	BC
1997-98	\$94.0	\$37.2	(\$96.8)	\$239.2	N.A.	\$2,022.0	N.A.	(\$76.1)	(\$148.0)	N.A.
1998-99	124.7	30.1	N.A.	196.2	N.A.	936.0	N.A.	(111.9)	(247.0)	N.A.
1999-00	141.8	32.1	N.A.	198.9	N.A.	830.0	N.A.	(106.0)	(241.0)	N.A.
2000-01	157.0	26.9	N.A.	97.0	N.A.	810.0	N.A.	(133.2)	(371.0)	N.A.
2001-02	148.6	25.9	N.A.	116.7	N.A.	873.0	N.A.	(167.0)	(534.0)	N.A.

- Numbers not contained within brackets should be added to arrive at total transportation spending. Those within brackets are numbers included in the transportation number found in Chart 6.

¹³ Source: Provincial Budgets 1997-2001.

¹⁴ Source: Provincial Budgets 1997-2001.

Chart 8 - Total Transportation Spending (million)

Year	NFLD	PEI	NS	NB	PQ	ON	MB	SK	AB	BC
1997-98	\$220.3	\$96.2	\$263.2	\$364.3	\$1,363.0	\$2,774.0	\$224.9	\$208.5	\$667.0	\$791.0
1998-99	267.2	92.3	236.4	328.0	1,507.0	1,526.0	232.8	229.7	1,242.0	792.0
1999-00	283.2	97.8	236.3	330.3	1,578.0	1,417.0	293.9	236.8	1,861.0	1,702.0
2000-01	309.0	100.1	245.4	229.9	1,491.0	1,359.0	300.6	275.0	2,596.0	616.0
2001-02	307.8	96.3	233.5	249.6	N.A.	1,392.0	311.2	311.7	3,828.0	669.0

Ontario and Quebec account for the majority of total transportation spending.

Meanwhile, Alberta and British Columbia spend larger proportions of their total budgets on transportation.

Capital spending figures also reveal a great deal of variance between each province.

About half of all spending in Newfoundland is devoted to capital, as is the case in Prince Edward Island. Ontario and New Brunswick devote more than 50% of their transportation budget on capital. In contrast, Nova Scotia, Saskatchewan and Alberta spend less than half of their transportation budgets on capital.

Chart 9 - 2000/01 Total Revenue and Fees as a Percent of Total Spending (million)

	NFLD	PEI	NS	NB	PQ	ON	MB	SK	AB	BC
Revenues										
Taxes	\$125.0	\$ 33.6	\$ 209.1	\$ 184.0	\$1,528.0	\$2,893.0	\$ 224.0	\$ 365.0	\$ 585.0	\$ 905.1
Fees	53.0	11.1	61.6	77.6	683.0	930.0	70.5	112.4	206.0	340.0
Total	\$178.0	\$ 44.7	\$ 270.7	\$ 261.6	\$2, 211.0	\$3,823.0	\$ 294.5	\$ 477.4	\$ 791.0	\$1,245.0
Spending										
Budget	\$152.0	\$ 73.2	\$ 245.4	\$132.9	\$1,491.0	\$ 549.0	\$ 300.5	\$ 275.0	\$2,599.0	\$616
Capital	156.9	26.9	Inc.	97.0	Inc.	810.0	Inc.	Inc.	Inc.	Inc.
Total	\$309.0	100.1	\$245.4	\$229.9	\$1,491.0	\$1,359.0	\$ 300.5	\$ 275.0	\$2,596.0	\$616
Percent	174 %	224 %	91 %	88 %	67 %	36 %	102 %	58 %	328 %	50 %

- Inc. signifies that Capital Spending is included in the budget figure.
- Note to Reader: Ten-year overviews of transportation spending are found in Appendix 3. It should also be noted that the transportation budget includes administration costs and commitments to other modes of transportation, funds that are diverted away for road and highway spending.

Fill 'er Up

The variables that condition inconsistent gasoline prices across the country are not explored in this study, with one notable exception - the variation in the ten different provincial and municipal gasoline tax rates.

The following figures illustrate the cost breakdown of a fill-up in each of Canada's ten provinces. For comparative purposes, industry cost data (April 24, 2001) have been applied to a "fill-up" of 50 litres of regular unleaded gasoline.

Chart 10 -- Comparative Gasoline Cost Breakdown¹⁵

Newfoundland

Fill-up	83.0 cents/litre	
Capacity	50.0 litres	
Total Sale	\$ 41.50	
Newfoundland Tax	\$ 8.25	Total Tax \$18.65 or 45%
Federal Tax	\$ 5.00	
HST	\$ 5.40	
Crude Costs	\$ 13.30	55%
Refining Margin	\$ 7.30	Actual
Marketing Margin	\$ 2.20	Cost

Fill-up at April 24, 2001 prices

Nova Scotia

Fill-up	78.4 cents/litre	
Capacity	50.0 litres	
Total Sale	\$ 39.20	
Nova Scotia Tax	\$ 6.75	Total Tax \$16.85 or 43%
Federal Tax	\$ 5.00	
HST	\$ 5.10	
Crude Costs	\$ 13.30	57%
Refining Margin	\$ 6.45	Actual
Marketing Margin	\$ 2.60	Cost

Fill-up as of April 24, 2001 prices

Prince Edward Island

Fill-up	73.1 cents/litre	
Capacity	50.0 litres	
Total Sale	\$ 36.55	
PEI Tax	\$ 6.50	Total Tax \$13.91 or 38%
Federal Tax	\$ 5.00	
GST	\$ 2.41	
Crude Costs	\$ 13.30	62%
Refining Margin	\$ 6.45	Actual
Marketing Margin	\$ 2.90	Costs

Fill-up at April 24, 2001 prices

New Brunswick

Fill-up	74.5 cents/litre	
Capacity	50.0 litre	
Total Sale	\$ 37.25	
New Brunswick Tax	\$ 5.35	Total Tax \$15.19 Or 40%
Federal Tax	\$ 5.00	
HST	\$ 4.84	
Crude Costs	\$ 13.30	60%
Refining Margin	\$ 6.60	Actual
Marketing Margin	\$ 2.15	Costs

Fill-up at April 24, 2001 prices

¹⁵ Source: CPPI, "Fuel Fax", Volume 2 Issue 8, April 24, 2001.

Quebec

Fill-up	81.9 cents/litre	
Capacity	50.0 litres	
Total Sale	\$ 40.95	
Quebec Tax	\$ 7.60	Total Tax \$18.74 or 46%
Federal Tax	\$ 5.00	
GST	\$ 2.25	
PST	\$ 3.89	
Crude Costs	\$ 13.75	54%
Refining Margin	\$ 6.30	Actual
Marketing Margin	\$ 2.20	Cost

Fill-up at April 24, 2001 prices

Saskatchewan

Fill-up	70.2 cents/litre	
Capacity	50.0 litres	
Total Sale	\$ 35.10	
Saskatchewan Tax	\$ 7.50	Total Tax \$14.80 or 42%
Federal Tax	\$ 5.00	
GST	\$ 2.30	
Crude Costs	\$ 13.10	
Refining Margin	\$ 5.45	58%
Marketing Margin	\$ 1.75	Actual
		Cost

Fill-up at April 24, 2001 prices

Ontario

Fill-up	72.0 cents/litre	
Capacity	50.0 litres	
Total Sale	\$ 36.00	
Ontario Tax	\$ 7.35	Total Tax \$14.69 or 40%
Federal Tax	\$ 5.00	
GST	\$ 2.34	
Crude Costs	\$ 13.75	
Refining Margin	\$ 6.55	60%
Marketing Margin	\$ 1.00	Actual
		Cost

Fill-up at April 24, 2001 prices

Alberta

Fill-up	61.5 cents/litre	
Capacity	50.0 Litres	
Total Sale	\$ 30.75	
Alberta Tax	\$ 4.50	Total Tax \$11.50 or 38%
Federal Tax	\$ 5.00	
GST	\$ 2.00	
Crude Costs	\$ 13.10	
Refining Margin	\$ 5.15	62%
Marketing Margin	\$ 1.00	Actual
		Cost

Fill-up at April 24, 2001 prices

Manitoba

Fill-up	62.8 cents/litre	
Capacity	50.0 litre	
Total	\$ 31.40	
Manitoba Tax	\$ 5.75	Total Tax \$12.82 or 40%
Federal Tax	\$ 5.00	
GST	\$ 2.07	
Crude Costs	\$ 13.10	
Refining Margin	\$ 5.65	60%
Marketing Margin	-\$ 1.50	Actual
		Cost

Fill-up at April 24, 2001 prices

British Columbia

Cost	67.9 cents/litre	
Capacity	50.0 Litres	
Total Sale	\$ 33.95	
British Columbia Tax	\$ 5.50	Total Tax \$14.75 or 43%
B.C. Transit Tax	\$ 2.00	
Federal Tax	\$ 5.00	
GST	\$ 2.24	
Crude Costs	\$ 13.60	57%
Refining Margin	\$ 4.75	Actual
Marketing Margin	\$ 0.85	Cost

Fill-up at April 24, 2001 prices

While the tax burden varies by province, as of April 2001, the national average tax burden was 42% of the pump price.¹⁶ During the twelve-month period prior to March 2000, the tax-take at the pumps averaged 50%. This report does not cost-out the various taxes paid at every stage of oil production from the day it is extracted from the ground until it reaches the pump.

The Canada vs. US Comparison

The comparison with the United States on gasoline tax and transportation spending illuminates the abysmal state of Canada's gasoline tax rates and record on road renewal.

The following chart is derived from data supplied by the U.S. Tax Foundation (see Appendix III) for fiscal year 1997-98 (all figures in Canadian dollars and cents).

Chart 11 – Canada vs. United States Comparison (in C\$)

Category	USA	Canada
All state/provincial fuel tax revenues	\$41 billion	\$6.7 billion
Average state/provincial gasoline tax rate	7.6 cents/litre	12.9 cents/litre
Federal revenues from motoring related charges	\$36.6 billion	\$4.6 billion
Direct federal spending on highways	\$1.3 billion	\$0.0
Federal transfers to state/provinces for highways	\$26.2 billion	\$0.126 billion
Total spending on highways	\$159.7 billion	unknown
Total spending on transportation	unknown	\$6.3 billion
Total revenues from motoring	\$168.6 billion	\$13.8 billion
State/provincial spending as percentage of total budget (1996-97)	8.9%	2.7%

The chart shows that most American motoring revenues find their way back to highways. Though there are more “user fees” or tolls in the United States, this revenue is still returned to benefit those who pay these fees in the form of roadway spending.

¹⁶ Source: M.J. Ervin and Associates, April 6th 2000. <http://www.mjervin.com>.

Even though Canada collects more in tax and motoring related revenues per litre of gasoline sold, the US has demonstrated a greater commitment to maintenance of highway infrastructure.

In Search of the Conspiracy

In spite of evidence to the contrary, politicians continue to perpetuate conspiracy theories about market collusion in the gasoline refining, distribution and retailing industry. Every year, some level of government is commissioning yet another study to look at gasoline pricing and market competition.

In 1999, the Ontario government launched its “Gasbusters” committee comprised of MPPs to study the industry. Not to be outdone, the federal government, through Industry Canada, hired the Conference Board of Canada to conduct a similar investigation. Predictably when the Conference Board made its final report in January of 2001 the conclusion was that:

*Canadians are well served by the current market system that determines gasoline prices. ... The volatility and uniformity in gasoline prices is a direct result of the competitive nature of the business at the street level ...*¹⁷

Competition Bureau Findings

In 1999, the Competition Bureau of Canada investigated the gasoline refining, distributing and retailing industry for evidence of collusion. Their July 1999 survey was in response to 243 consumer complaints. Below is one of their key findings:

*There is no evidence of communication among the gasoline companies to coordinate a price increase.*¹⁸

¹⁷ The Conference Board of Canada, “The Final Fifteen Feet of Hose: The Canadian Gasoline Industry in the Year 2000,” January 2001.

¹⁸ Competition Bureau of Canada, “July 1999 Gasoline Price Increases: A Competition Bureau Examination Report.” 1999.

Since 1986 the Competition Bureau of Canada has specifically acted 19 times on behalf of consumers. Of these 19 actions, 14 were investigations related to either proposed or completed transactions that were deemed to have an impact on the gasoline refining, distribution or retailing industry.

The remaining five investigations led to convictions for illegal pricing practices. In the same time period, the Competition Bureau commented 17 times about competition in the industry. In each these cases they discovered no evidence of price collusion.

Between 1986 and 2000, the Competition bureau logged 7,000 total separate complaints with respect to gasoline pricing. Only 36 of the complaints warranted any action. And fewer still warranted any legal action. The Competition Bureau found no evidence of a price-fixing conspiracy yet elected officials and misinformed commentators continue to abide by the conspiracy theory.

All too often, the oil companies, refiners, distributors and retailers have been blamed for high fuel prices in Canada. Though the CTF is not an apologist for business interests, nor a consumer advocate, we find the brunt of the blame to be misplaced. Canadian gasoline taxes are too high which in turn contributes to higher fuel prices. Governments are the main profiteers at the gasoline pump, yet they have escaped the brunt of the blame for high prices.

Conclusion

Motorists have been besieged by highway robbery at the gas pumps but the political rescue team is nowhere to be found. The absence of any political leadership on the pump price crisis is deafening at a time when motorists and homeowners are turning to their elected representatives to help ease the financial pain with a gasoline tax cut.

As pump prices climb by the day, taxpayers' patience is wearing thin. To compound matters, they've been caught in the crossfire between Ottawa and the provinces over a war of words. Leadership on the pump price crisis is sorely lacking.

Governments have done a fantastic job of leveling blame elsewhere for high pump prices but have done precious little to make gasoline more affordable.

Ottawa refuses to act on a gasoline tax cut without bringing the provinces on board. The provinces fire back at Ottawa for fleecing motorists without spending on roads.

Together, they lambaste on the oil producing countries for closing the taps on oil production. And they spare no quarter for the national oil companies who are accused of price fixing.

Ottawa and the provinces should stop passing the buck and begin a dialogue to make pump prices more affordable by lowering taxes. A legislated gasoline tax as a user fee will ensure that the current practice of spending the full complement of fuel taxes on provincial roads continues indefinitely.

Appendix I

Gasoline Tax Rates, Federal and Provincial 1971-1981¹⁹

Year	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981
Federal Excise Tax					2.2	2.2	2.2	1.5	1.5	1.5	1.5
(cents/litre)											
Federal Sales Tax	12%	12%			0.6 cents	0.9 cents	1.1 cents	1.1 cents	1.1 cents	9%	9%
Provincial Fuel Tax											
(cents/litre)											
Newfoundland	5.5	5.5	5.5	5.5	5.5	5.9	5.9	5.9	6.0	6.0	6.0
Prince Edward	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6	6.2
Island											
Nova Scotia	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.7	4.7	4.7
New Brunswick	4.4	4.4	4.4	4.4	4.4	4.4	4.4	4.4	4.4	4.4	4.4
Quebec	4.2	4.2	4.2	4.2	4.2	4.2	4.2	4.2	4.2	4.2	4.2
Ontario	4.0	4.2	4.2	4.2	4.2	4.2	4.2	4.2	4.2	4.6	4.6
Manitoba	3.7	3.7	3.7	3.3	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Saskatchewan	4.2	4.2	4.2	2.6	2.6	3.3	4.2	4.2	4.2	4.2	4.2
Alberta	3.3	3.3	3.3	2.2	2.2	2.2	2.2	0.0	0.0	0.0	0.0
British Columbia	3.3	3.3	3.3	3.3	3.7	3.7	3.7	3.7	3.7	3.7	3.7
Average Provincial	4.2	4.2	4.2	4.2	3.9	4.2	4.2	4.1	4.1	4.0	4.2
Total Fixed Tax	4.2	4.2	4.6	4.8	6.7	7.0	7.2	6.7	6.7	5.5	5.7

-- Federal Tax was charged at either the manufacturing or wholesale level. Between 1973 and 1980 this tax was charged at a fixed rate. Prior to 1975, the federal government did not charge an excise tax on fuel.

-- Average Provincial tax was calculated by taking an average of all the gasoline tax for the 10 provinces. It is not a weighted average and is not completely representative of the average gasoline tax burden.

-- Total Fixed Tax, adds the average provincial gasoline tax with the federal excise tax. Therefore sales tax is not part of this calculation and as such it is not representative of the total gasoline tax burden.

¹⁹ Source: Natural Resources Canada, "Historical Gasoline Prices," <http://www.nrcan.gc.ca/es/erb/od/pips/Previous.html>

Gasoline Tax Rates, Federal and Provincial 1982-1992²⁰

Year	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992
Federal Excise Tax	1.5	1.5	1.5	1.5	3.5	5.5	6.5	7.5	8.5	8.5	8.5
(Cents/litre)											
Federal Sales Tax	9%	9%	9%	10%	3.6	N.A	N.A.	N.A.	N.A.	7%	7%
Provincial Fuel Tax											
(cents/litre)											
Newfoundland	7.9	9.2	9.8	10.5	11.1	9.2	9.2	9.3	10.7	12.4	13.7
Prince Edward Island	8.3	9.5	9.8	10.7	10.0	8.6	8.6	8.3	9.2	13.6	11.8
Nova Scotia	4.7	8.4	8.8	9.6	10.1	8.5	8.5	8.2	9.0	13.8	12.3
New Brunswick	5.3	6.2	8.1	9.0	9.8	7.7	8.5	10.7	10.3	11.5	12.7
Quebec	13.0	15.2	11.8	12.9	12.9	13.7	14.7	14.4	14.4	10.0	14.5
Ontario	6.3	7.5	8.0	8.0	8.3	8.3	8.3	9.3	11.3	11.3	14.7
Manitoba	6.2	6.4	7.5	7.5	8.9	8.9	8.0	8.0	9.0	9.0	10.5
Saskatchewan	6.4	0.0	0.0	0.0	0.0	0.0	0.0	7.0	10.0	10.0	10.0
Alberta	0.0	0.0	0.0	0.0	0.0	0.0	0.0	5.0	5.0	7.0	9.0
British Columbia	6.1	6.4	7.6	8.0	8.6	6.4	6.4	7.8	9.0	11.0	9.8
Average Provincial	6.4	6.9	7.1	7.6	8.0	7.1	7.2	9.8	11.0	11.0	11.9
Total Fixed Tax	7.9	8.4	8.6	9.1	11.5	12.6	13.7	17.3	19.5	19.5	20.4

-- Federal sales tax 1987-1989, is not documented.

-- Average Provincial was arrived at by taking a average of all the gasoline tax for the 10 provinces. It is not a weighted average and is not completely representative of the average gasoline tax burden.

-- Total Fixed Tax, adds the average provincial gasoline tax with the federal excise tax. Therefore sales tax is not part of this calculation and as such it is not representative of the total gasoline tax burden.

²⁰ Source: Natural Resources Canada, "Historical Gasoline Prices," <http://www.nrcan.gc.ca/es/erb/od/pips/Previous.html>

Gasoline Tax Rates, Federal and Provincial 1993-2000²¹

Year	1993	1994	1995	1996	1997	1998	1999	2000	2001
Federal Excise Tax	8.5	8.5	10	10	10	10	10	10	10
(cents/litre)									
Federal Sales Tax	7%	7%	7%	7%	7%	7%	7%	7%	7%
Provincial Tax									
(cents/litre)									
Newfoundland	15.7	15.7	16.5	16.5	16.5	16.5	16.5	16.5	16.5
Prince Edward Island	11.7	10.7	12.0	12.0	13.0	13.0	13.0	13.0	13.0
Nova Scotia	11.8	12.8	13.5	13.5	13.5	13.5	13.5	13.5	13.5
New Brunswick	10.7	10.7	10.7	10.7	10.7	10.7	10.7	10.7	10.7
Quebec	14.5	14.5	15.2	15.2	15.2	15.2	15.2	15.2	15.2
Ontario	14.7	14.7	14.7	14.7	14.7	14.7	14.7	14.7	14.7
Manitoba	10.5	11.5	11.5	11.5	11.5	11.5	11.5	11.5	11.5
Saskatchewan	13.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0
Alberta	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0
British Columbia	10.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0
Average Provincial	12.2	12.6	12.9	12.9	12.9	12.9	12.9	12.9	12.9
Total Fixed Tax	20.7	21.1	22.9	22.9	22.9	22.9	22.9	22.9	22.9

-- Federal GST was replaced with the Harmonized Sales tax, at 15% in the provinces of Newfoundland, Nova Scotia and New Brunswick. In Quebec, provincial sales tax of 7.5% is also part of the at pump price

-- Average Provincial was arrived at by taking a average of all the gasoline tax for the 10 provinces. It is not a weighted average and is not completely representative of the average gasoline tax burden.

-- Total Fixed Tax, adds the average provincial gasoline tax with the federal excise tax. Therefore sales tax is not part of this calculation and as such it is not representative of the total gasoline tax burden.

²¹ Source: Natural Resources Canada, "Historical Gasoline Prices," <http://www.nrcan.gc.ca/es/erb/od/pips/Previous.html>

Appendix II

Provincial Motoring Revenues 1990-2001²²

Year	Newfoundland	PEI	Nova Scotia	New Brunswick	Quebec	Ontario	Manitoba	Saskatchewan	Alberta	British Columbia*	Total Provincial
Gasoline Tax Revenue											
1990-91	\$87,000,000	\$23,200,000	\$138,799,000	\$115,000,000	\$1,150,100,000	\$1,762,000,000	\$189,000,000	\$176,100,000	\$390,765,000	\$555,000,000	\$4,586,964,000
1991-92	106,500,000	24,100,000	141,687,000	129,200,000	1,117,100,000	1,997,000,000	205,300,000	201,800,000	481,941,000	538,800,000	4,943,428,000
1992-93	106,500,000	23,394,200	168,594,000	145,000,000	1,222,200,000	2,274,000,000	200,500,000	308,000,000	519,157,000	591,100,000	5,557,445,200
1993-94	118,400,000	23,200,000	172,000,000	152,000,000	1,257,000,000	2,364,000,000	213,300,000	330,000,000	494,000,000	641,700,000	5,765,600,000
1994-95	125,500,000	26,164,200	193,000,000	160,000,000	1,340,000,000	2,434,000,000	214,500,000	339,200,000	525,000,000	666,000,000	6,023,964,200
1995-96	121,947,000	26,625,000	197,486,000	163,000,000	1,407,000,000	2,444,000,000	213,500,000	333,900,000	527,000,000	827,700,000	6,262,158,000
1996-97	108,500,000	27,200,000	198,668,000	168,000,000	1,454,000,000	2,491,000,000	216,200,000	343,900,000	540,000,000	832,400,000	6,379,868,000
1997-98	119,400,000	30,100,000	204,114,000	169,000,000	1,486,000,000	2,591,000,000	215,900,000	364,200,000	558,000,000	847,400,000	6,585,114,000
1998-99	121,500,000	32,067,400	211,606,000	171,000,000	1,559,000,000	2,660,000,000	221,300,000	368,200,000	547,000,000	872,100,000	6,763,773,400
1999-2000	125,500,000	33,500,000	219,389,000	173,000,000	1,560,000,000	2,819,000,000	221,700,000	360,000,000	568,000,000	901,200,000	6,981,289,000
2000-2001	125,000,000	33,600,000	209,100,000	184,000,000	1,528,000,000	2,893,000,000	224,000,000	365,000,000	585,000,000	905,100,000	7,083,800,000
2001-2002	128,500,000	34,000,000	215,500,000	184,000,000	N.A.	2,955,000,000	224,000,000	367,700,000	581,000,000	926,400,000	N.A.
Licensing Fees											
1990-91	\$29,000,000	\$6,082,700.00	\$47,236,000.00	\$50,723,600.00	\$458,800,000.00	\$665,000,000.00	\$43,628,000.00	\$82,000,000.00	\$149,041,000.00	\$199,000,000.00	\$1,730,511,300.00
1991-92	30,616,000	6,090,000	49,107,000	62,089,000	511,800,000	659,000,000	46,366,000	83,000,000	151,120,000	219,900,000	1,819,088,000
1992-93	31,000,000	7,109,600	55,912,000	61,668,900	558,600,000	665,000,000	49,729,000	78,200,000	158,381,000	231,600,000	1,897,200,500
1993-94	32,500,000	8,351,200	57,420,000	65,987,000	555,000,000	725,000,000	54,556,800	86,000,000	163,000,000	268,700,000	2,016,515,000
1994-95	43,500,000	8,964,300	66,750,000	70,000,200	500,000,000	751,000,000	58,126,000	87,000,000	159,000,000	297,700,000	2,042,040,500
1995-96	46,500,000	9,134,700	70,990,000	71,371,800	482,000,000	736,000,000	57,991,300	91,000,000	164,000,000	326,300,000	2,055,287,500
1996-97	45,240,000	9,242,200	56,078,000	70,950,000	490,000,000	816,000,000	59,423,500	92,500,000	171,000,000	321,900,000	2,132,333,700
1997-98	50,500,000	10,368,400	51,300,000	69,728,000	641,000,000	820,000,000	64,039,900	96,000,000	182,000,000	316,300,000	2,301,236,300
1998-99	49,500,000	10,657,800	58,137,000	71,098,000	664,000,000	890,000,000	63,403,600	104,100,000	196,000,000	329,000,000	2,435,896,400
1999-2000	52,000,000	11,064,200	58,488,000	72,943,000	667,000,000	911,000,000	68,316,000	110,000,000	200,000,000	335,000,000	2,485,801,200
2000-2001	53,000,000	11,077,900	61,583,000	77,580,000	683,000,000	930,000,000	70,514,000	112,400,000	206,000,000	340,000,000	2,535,154,900
2001-2002	53,000,000	10,982,100	59,975,000	77,708,000	N.A.	925,000,000	75,059,000	112,700,000	208,000,000	341,500,000	N.A.
Total Motoring Revenues											
1990-91	\$116,000,000	\$29,282,700	\$186,035,000	\$165,723,600	\$1,608,900,000	\$2,427,000,000	\$232,628,000	\$258,100,000	\$539,806,000	\$754,000,000	\$6,317,475,300
1991-92	137,116,000	30,190,000	190,794,000	191,289,000	1,628,900,000	2,656,000,000	251,666,000	284,800,000	633,061,000	758,700,000	6,762,516,000
1992-93	136,500,000	30,503,800	224,506,000	206,668,900	1,780,800,000	2,939,000,000	250,229,000	386,200,000	677,538,000	822,700,000	7,454,645,700
1993-94	150,900,000	31,551,200	229,420,000	217,987,000	1,812,000,000	3,089,000,000	267,856,800	416,000,000	657,000,000	910,400,000	7,782,115,000
1994-95	169,000,000	35,128,500	259,750,000	230,000,200	1,840,000,000	3,185,000,000	272,626,000	426,200,000	684,000,000	964,300,000	8,066,004,700
1995-96	168,447,000	35,759,700	268,476,000	234,371,800	1,889,000,000	3,180,000,000	271,491,300	424,900,000	691,000,000	1,154,000,000	8,317,445,800
1996-97	183,740,000	36,442,200	254,746,000	238,950,000	1,944,000,000	3,307,000,000	275,623,500	436,400,000	711,000,000	1,154,300,000	8,512,201,700
1997-98	169,900,000	40,468,400	255,414,000	238,728,000	2,127,000,000	3,411,000,000	279,939,900	460,200,000	740,000,000	1,163,700,000	8,886,350,300
1998-99	171,000,000	42,725,200	269,743,000	242,098,000	2,223,000,000	3,550,000,000	284,703,600	472,300,000	743,000,000	1,201,100,000	9,199,669,800
1999-2000	177,500,000	44,554,200	277,877,000	245,943,000	2,227,000,000	3,730,000,000	290,016,000	470,000,000	768,000,000	1,236,200,000	9,467,090,200
2000-2001	178,000,000	44,677,900	270,683,000	261,580,000	2,211,000,000	3,823,000,000	294,514,000	477,400,000	791,000,000	1,245,100,000	9,618,954,900
2001-2002	181,500,000	44,982,100	275,475,000	261,708,000	N.A.	3,880,000,000	299,059,000	480,400,000	789,000,000	1,267,900,000	N.A.

A. Newfoundland, Vehicle and Drivers Licenses.
 B. Prince Edward Island, Motor Vehicle Licenses
 C. Nova Scotia, Registry of Motor Vehicles.
 D. New Brunswick, Motor Vehicle Licenses.
 E. Quebec, Motor Vehicle Duties and Permits.
 F. Ontario, Vehicle and Driver Registration Fees.
 G. Manitoba, Automobile and Motor Carrier Licenses Fees, and Drivers' Licenses.
 H. Saskatchewan, Motor Vehicle Fees.
 I. Alberta, Motor Vehicle Licenses.
 J. British Columbia, Motor Vehicle Fees.
 K. British Columbia, Motor Vehicle Fees.
 *: British Columbia. Revenues include: Fuel Taxes, Dedicated Vancouver Transportation Authority, B.C. Transportation Financing Authority, B.C. Ferry Corporation.

²² Source: Provincial Budget Documents 1989-2001.

Appendix III

Provincial Transportation Expenditures 1990-2001

Year	Newfoundland	PEI	Nova Scotia	New Brunswick	Quebec	Ontario	Manitoba	Saskatchewan	Alberta	British Columbia*	Total Provincial
Transportation Spending ¹											
1990-91	\$129,855,000	\$50,794,200	\$143,175,000	\$136,162,600	\$1,962,000,000	\$811,000,000	\$234,831,800	\$119,400,000	\$887,286,000	\$1,187,700,000	\$5,662,184,600
1991-92	153,863,000	50,815,700	153,481,000	127,223,900	2,053,500,000	870,000,000	229,716,700	125,953,000	376,675,000	1,262,100,000	5,403,328,300
1992-93	156,442,000	51,047,400	132,970,000	128,324,300	2,025,500,000	838,000,000	232,047,300	174,010,000	393,634,000	1,077,600,000	5,209,975,000
1993-94	147,866,000	48,810,500	129,989,000	127,043,900	1,992,800,000	760,000,000	236,297,800	189,530,000	653,000,000	1,030,000,000	5,315,337,200
1994-95	146,526,000	43,761,700	121,648,000	125,200,000	1,551,000,000	598,000,000	225,284,700	194,316,000	610,000,000	909,000,000	4,524,736,400
1995-96	147,300,000	42,471,300	106,420,000	125,530,100	1,460,000,000	1,054,000,000	229,584,000	173,092,000	646,000,000	610,000,000	4,594,397,400
1996-97	147,173,000	44,249,900	166,604,000	128,839,000	930,000,000	1,449,000,000	222,209,300	177,350,000	620,000,000	861,600,000	4,742,025,200
1997-98	126,324,000	59,039,400	166,290,000	125,141,600	1,363,000,000	752,000,000	224,884,200	208,483,000	667,000,000	791,000,000	4,483,162,200
1998-99	142,509,000	62,220,200	236,468,000	131,830,500	1,507,000,000	590,000,000	232,809,500	229,730,000	1,242,000,000	792,000,000	5,166,567,200
1999-2000	141,349,000	65,672,900	236,303,000	131,426,900	1,578,000,000	587,000,000	293,881,000	236,780,000	1,861,000,000	1,702,000,000	6,833,412,800
2000-2001	152,027,000	73,216,000	245,401,000	132,909,000	1,491,000,000	549,000,000	300,565,000	274,994,000	2,596,000,000	616,000,000	6,419,112,000
2001-2002	159,206,000	70,300,100	233,469,000	132,948,000	N.A.	519,000,000	311,222,000	311,692,000	3,828,000,000	669,000,000	N.A.
Transportation Capital											
1990-91	\$159,428,000	\$41,386,700	\$123,750,000	\$158,806,000	N.A.	\$1,779,000,000	N.A.	\$100,940,000	-\$683,669,000	\$1,187,700,000	\$3,046,979,700
1991-92	140,234,000	47,449,800	118,419,000	195,347,000	N.A.	1,851,000,000	N.A.	84,436,000	401,601,000	1,262,100,000	2,838,486,800
1992-93	129,823,000	42,675,000	172,618,000	169,300,000	N.A.	1,738,000,000	N.A.	-63,458,000	382,816,000	1,077,600,000	2,698,690,000
1993-94	104,178,000	35,145,200	134,446,000	213,900,000	N.A.	1,552,200,000	N.A.	-75,594,000	-216,000,000	1,030,000,000	2,331,463,200
1994-95	95,261,000	33,896,900	97,420,000	193,325,000	N.A.	1,757,000,000	N.A.	-85,323,000	-144,000,000	909,000,000	2,406,225,900
1995-96	101,700,000	35,885,100	132,022,000	142,290,000	N.A.	1,387,000,000	N.A.	-82,602,000	-134,000,000	861,600,000	2,015,499,100
1996-97	107,436,000	41,364,300	74,332,000	314,053,300	N.A.	1,259,000,000	N.A.	-55,067,000	-115,000,000	791,000,000	1,966,252,600
1997-98	93,945,000	37,198,700	-96,890,000	239,192,900	N.A.	2,022,000,000	N.A.	-76,114,000	-148,000,000	792,000,000	2,713,340,600
1998-99	124,674,000	30,122,800	N.A.	196,175,000	N.A.	936,000,000	N.A.	-111,982,000	-247,000,000	1,702,000,000	1,645,953,800
1999-2000	141,806,000	32,100,000	N.A.	198,875,000	N.A.	830,000,000	N.A.	-106,017,000	-241,000,000	1,702,000,000	1,549,798,000
2000-2001	156,952,000	26,876,900	N.A.	97,000,000	N.A.	810,000,000	N.A.	-133,192,000	-371,000,000	616,000,000	1,784,020,900
2001-2002	148,606,000	25,972,900	N.A.	116,650,000	N.A.	873,000,000	N.A.	-166,948,000	-534,000,000	669,000,000	N.A.
Total Transportation Expenditures											
1990-91	\$289,283,000	\$92,180,900	\$266,925,000	\$294,968,600	\$1,962,000,000	\$2,590,000,000	\$234,831,800	\$220,340,000	\$887,266,000	\$1,187,700,000	\$8,709,164,300
1991-92	294,097,000	98,265,500	271,900,000	322,570,900	2,053,500,000	2,721,000,000	229,716,700	210,389,000	376,675,000	1,262,100,000	8,241,815,100
1992-93	286,265,000	93,722,400	305,588,000	297,624,300	2,025,500,000	2,576,000,000	232,047,300	174,010,000	393,634,000	1,077,600,000	7,908,665,000
1993-94	252,044,000	83,955,700	264,435,000	340,943,900	1,992,800,000	2,312,200,000	236,297,800	189,530,000	653,000,000	1,030,000,000	7,646,800,400
1994-95	241,787,000	77,658,600	219,068,000	318,525,000	1,551,000,000	2,355,000,000	225,284,700	194,316,000	610,000,000	909,000,000	6,930,962,500
1995-96	249,000,000	78,356,400	238,442,000	267,820,100	1,460,000,000	2,441,000,000	229,584,000	173,092,000	646,000,000	861,600,000	6,609,896,500
1996-97	254,609,000	85,614,200	240,936,000	442,892,300	930,000,000	2,708,000,000	222,209,300	177,350,000	620,000,000	791,000,000	6,708,277,800
1997-98	220,269,000	96,238,100	263,180,000	364,334,500	1,363,000,000	2,774,000,000	224,884,200	208,483,000	667,000,000	792,000,000	7,196,502,800
1998-99	267,183,000	92,343,000	236,468,000	328,005,500	1,507,000,000	1,526,000,000	232,809,500	229,730,000	1,242,000,000	792,000,000	6,812,521,000
1999-2000	283,155,000	97,772,900	236,303,000	330,301,900	1,578,000,000	1,417,000,000	293,881,000	236,780,000	1,861,000,000	1,702,000,000	8,838,210,800
2000-2001	308,979,000	100,092,900	245,401,000	229,909,000	1,491,000,000	1,359,000,000	300,565,000	274,994,000	2,596,000,000	616,000,000	8,203,132,900
2001-2002	307,812,000	96,273,000	233,469,000	249,598,000	N.A.	1,392,000,000	311,222,000	311,692,000	3,828,000,000	669,000,000	N.A.

* Newfoundland, Ministry of Works, Services and Transportation

1. Newfoundland, Ministry of Works, Services and Transportation

2. Nova Scotia, Ministry of Transportation and Communications after 1997 Transportation and Public Works

3. Prince Edward Island, Department of Transportation and Public Works

4. New Brunswick, Ministry of Transportation

5. Quebec, Department of Transport

6. Ontario, Ministry of Transportation. Includes Restructuring costs of \$550 million in 1998-99.

7. Manitoba, Department of Highways and Transportation. After 1998-99 Department of Highways and Government Services.

8. Saskatchewan, Ministry of Highways and Transportation.

9. Alberta, Department of Transportation and Utilities. After 1998-99 Alberta Department of Infrastructure.

10. British Columbia, Ministry of Transportation and Highways

III. Nova Scotia, Ministry of Transportation and Communications Capital Expenditures.

IV. Prince Edward Island, Highways Capital Expenditures.

V. New Brunswick, Ministry of Transportation Capital Expenditures.

VI. Quebec, Department of Transportation Capital Expenditures are included in Ministry Expenditures.

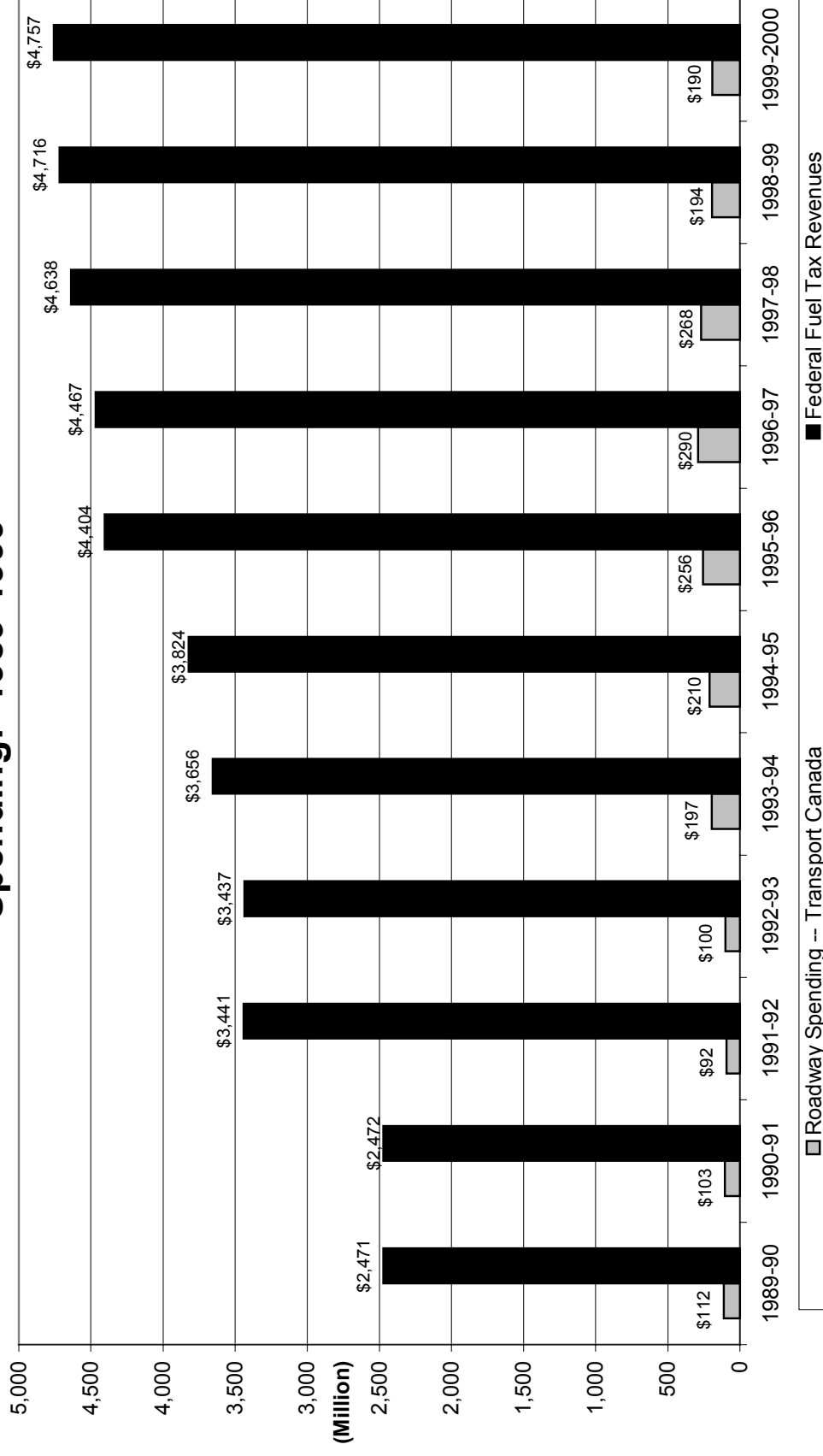
VII. Ontario, Ministry of Transportation Capital Expenditures. Includes SuperBuild Millennium Partnerships \$200 million 2000-01

VIII. Saskatchewan, Ministry of Highways and Transportation Capital Expenditures.

IX. Alberta, Department of Transportation and Utilities, Capital Investment. After 1998-99 Alberta Department of Infrastructure Capital Expenditure.

X. British Columbia

Appendix IV Federal Fuel Tax Revenues and Transport Canada Roadway Spending: 1989-1999



Appendix V

Gasoline Tax Rates and Revenues United States 1997-1998²³

State	Rate Cents/US Gallon	Rate cents/litre	Rate CD	Gas Tax Revenues (U.S. Million)	Gas Tax Revenues (CD Million)
Federal	4.3	1.1	1.7	\$19,695	\$29,346
Alabama	16.0	4.2	6.3	487	726
Alaska	8.0	2.1	3.1	34	51
Arizona	18.0	4.8	7.1	535	797
Arkansas	19.5	5.2	7.7	349	520
California	18.0	4.8	7.1	2,844	4,238
Colorado	22.0	5.8	8.7	501	747
Connecticut	32.0	8.5	12.6	573	854
Delaware	23.0	6.1	9.1	99	148
Florida	4.0	1.1	1.6	1,486	2,214
Georgia	7.5	2.0	3.0	556	829
Hawaii	16.0	4.2	6.3	73	109
Idaho	25.0	6.6	9.8	208	310
Illinois	19.0	5.0	7.5	1,305	1,944
Indiana	15.0	4.0	5.9	643	959
Iowa	20.0	5.3	7.9	327	487
Kansas	20.0	5.3	7.9	321	478
Kentucky	15.0	4.0	5.9	413	615
Louisiana	20.0	5.3	7.9	529	788
Maine	19.0	5.0	7.5	156	233
Maryland	23.5	6.2	9.3	680	1,013
Massachusetts	21.0	5.5	8.3	623	928
Michigan	19.0	5.0	7.5	1,041	1,551
Minnesota	20.0	5.3	7.9	552	823
Mississippi	18.0	4.8	7.1	387	576
Missouri	17.0	4.5	6.7	666	992
Montana	27.0	7.1	10.6	178	266
Nebraska	23.9	6.3	9.4	266	396
Nevada	23.0	6.1	9.1	249	370
New Hampshire	18.0	4.8	7.1	115	171
New Jersey	10.5	2.8	4.1	484	721
New Mexico	17.0	4.5	6.7	239	357
New York	8.0	2.1	3.1	506	754
North Carolina	21.0	5.5	8.3	1,110	1,653
North Dakota	21.0	5.5	8.3	106	157
Ohio	22.0	5.8	8.7	1,323	1,972
Oklahoma	16.0	4.2	6.3	355	529
Oregon	24.0	6.3	9.4	380	566
Pennsylvania	12.0	3.2	4.7	805	1,199
Rhode Island	28.0	7.4	11.0	125	186
South Carolina	16.0	4.2	6.3	341	508
South Dakota	21.0	5.5	8.3	113	169
Tennessee	20.0	5.3	7.9	756	1,126
Texas	20.0	5.3	7.9	2,512	3,743
Utah	24.5	6.5	9.6	308	459
Vermont	19.0	5.0	7.5	57	84
Virginia	17.5	4.6	6.9	759	1,131
Washington	23.0	6.1	9.1	708	1,055
West Virginia	20.5	5.4	8.1	232	346
Wisconsin	25.8	6.8	10.2	636	947
Wyoming	13.0	3.4	5.1	45	68
Average State Tax	19.3	5.1	7.6		
Average Total Tax	23.6	6.2	9.3	47,791	71,208

²³ Source: Tax Foundation, "State Tax Collections and Rates," March 2000