

# BUILDING SUSTAINABLE MOBILITY: FEDERAL TRANSIT INVESTMENTS ACROSS CANADA



Calgary Transit

Canada's recent trend of record investments in transit infrastructure is evidence of a strong commitment to transit at all levels of government. Canadians, for their part, are responding by taking transit more than ever. National ridership reached an all-time high of 1.83 billion trips in 2009, after rising more than 14% over five years—a rate that continued into 2010.<sup>3</sup>

Capital investments are key to sustaining transit's long-term contribution to Canada's prosperity. Infrastructure renewal and expansion are critical to increasing capacity, attracting new riders and ensuring the efficient use of operating dollars. Transit systems rely primarily on rider fares and municipal property taxes to fund their operations, and these sources are relatively inflexible. Capital projects can enable vital efficiencies, and mitigate the intense operating cost pressures felt by most transit systems.

While all orders of government have helped transit systems meet their capital investment challenges, the federal government has

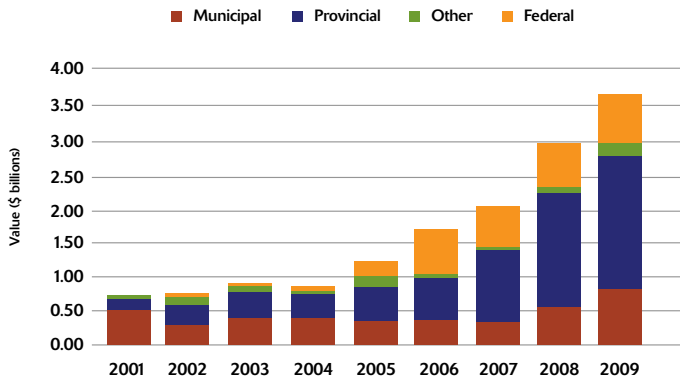
played a particularly important role—not only through its direct contributions, but also by leveraging funds from provincial and municipal governments. Federal investment also raises transit's profile in communities, and confirms the national interest in sustainable mobility. Direct federal investment in transit capital needs reached almost \$720 million in 2009, up from \$624 million in 2008.<sup>4</sup> This continued a trend of strong growth from a base of zero investment as recently as 2001 (see Figure 1, next page).

This issue paper summarizes some of the key types of transit infrastructure supported by recent federal investment, and illustrates them with examples drawn from across Canada.

Note: This CUTA issue paper is a follow-up to Issue Paper 32, *Enabling the Future: Federal Transit Investments Across Canada* (April 2009). It also builds on Issue Paper 38, *Bridging the Gap: The Federal Role in Transit Investment* (November 2010). Both are available at [www.cutaactu.ca](http://www.cutaactu.ca).

Figure 1

Sources of transit capital investment (2001-2009)



Sources of federal investment

Most of the federal government’s recent investments in public transit have been through the **Building Canada Plan**, a collection of funds offering \$33.2-billion of support to municipal, provincial and territorial infrastructure initiatives through 2014 (see [www.buildingcanada.gc.ca](http://www.buildingcanada.gc.ca) for more information). Its key elements include the Gas Tax Fund, Building Canada Fund, Provincial/Territorial Base Fund and the Goods and Services Tax (GST) Rebate. Between 2005 and 2009, municipalities drew on the Gas Tax Fund (which has now been extended beyond 2014 as a \$2-billion-per-year permanent measure) for \$714 million of transit infrastructure support, or 35% of the fund’s total investment.<sup>b</sup>

Another recent source of transit capital investment has been the \$4-billion **Infrastructure Stimulus Fund**, which requires projects to be completed by October 31, 2011 (see [www.buildingcanada.gc.ca](http://www.buildingcanada.gc.ca) for more information). Public transit infrastructure is expected to receive only 7% of the fund’s total investment, less than one-fifth of the amount expected to be claimed by highway, road and bridge projects.<sup>c</sup>

Lesser amounts of federal funding for transit infrastructure continue to flow through the **P3 Fund** and the Federation of Canadian Municipalities (FCM) **Green Municipal Fund**.

Investing in transit fleets

Efforts to renew and expand the Canadian transit fleet have reduced the average age of buses from 10.3 years in 2004 to 7.4 years in 2009, while raising the proportion of fully accessible low-floor buses from 52% to 83% over the same period.<sup>3</sup> However, CUTA’s 2010 report *Transit Infrastructure Needs for the Period 2010–2014* observed that current funding sources will not meet one-third of Canadian transit systems’ five-year needs for continued rolling stock rehabilitation and replacement. In some communities, having sufficient buses or rail cars to carry waiting passengers is essential to retain current riders and maintain ridership growth momentum. In others, the goal of ensuring full accessibility for persons with disabilities can only be met by adding new low-floor buses to the fleet.

Red Deer, AB

Providing green, accessible travel choices

Red Deer Transit continues to modernize its fleet by replacing older buses with low-floor, low-emission vehicles. In 2010, the federal Gas Tax Fund supported three-quarters of the purchase price of five replacement buses, one bus for service expansion and three paratransit vehicles.



Red Deer Transit

Whitehorse, Yukon

System achieves full accessibility

With \$900,000 in support from the federal Gas Tax Fund, the City of Whitehorse has purchased four new low-floor buses to replace older vehicles. In doing so, the city has met its objective of creating a fully accessible transit system while also fighting air pollution.



City of Whitehorse

Saskatoon, Saskatchewan

New articulated buses boost system capacity

With the help of just over \$2 million in support from the federal Public Transit Capital Trust, Saskatoon Transit unveiled three new articulated buses in July 2010. Because of their higher capacity, these buses are being used to meet growing demand on the city’s DART rapid transit routes.

## Investing in rapid transit

Bus rapid transit (BRT) and light rail transit (LRT) projects have been a focus of transit planning and implementation in many Canadian communities, and the federal government has been financially supportive of this work. Still, rapid transit lines and stations are the largest unfunded infrastructure need of Canadian transit systems. CUTA's 2010 transit infrastructure needs report highlighted a \$9.4-billion capital funding gap over the next five years that could prevent systems from meeting future demands.<sup>d</sup> This is about 35% of the total five-year rapid transit infrastructure needs.

*Kelowna, British Columbia*

### Central Okanagan gains BRT service

The first phase of Kelowna's Rapid Bus Project was completed in 2010 with partial funding from the federal Infrastructure Stimulus Fund, Gas Tax Fund and Public Transit Fund, in partnership with BC Transit, the provincial Ministry of Transportation and Infrastructure, and the City of Kelowna. This phase of the long-term project includes BRT service to seven stations in the Highway 97 corridor between Kelowna's downtown transit exchange and the University of British Columbia's Okanagan campus. The next two phases will extend Rapid Bus service another 14 kilometres to West Kelowna, with additional support from the federal Gas Tax Fund and Building Canada Fund. The project will provide vital support to the Central Okanagan region's growth and economic development.



City of Kelowna

*Calgary, Alberta*

### Building on LRT success

As part of a package of six enhancements to Calgary's CTrain light rail system, the federal government has committed \$51.3 million from the Building Canada Fund to be matched by provincial and municipal governments. Among the priority initiatives are enhancements at 22 CTrain stations to accommodate four-car trains and upgrade or introduce other features. The new stations, some of which were completed in 2010, also feature a real-time passenger information displays to make CTrain service more convenient and predictable for customers. Other projects that are underway include a new CTrain station, a new Southeast BRT route, system-wide advanced passenger information, various transit priority improvements, and work towards an electronic fare collection system.

*Brampton, Ontario*

### BRT service Züms into action

Züm, Brampton's new BRT service, was launched in September 2010. Züm boosts the quality of Brampton Transit's overall service, and boasts a wide-range of customer-focused features including limited stops to reduce travel time, advanced technology to help keep buses on schedule, real-time "next bus" information at all stops and stations, and seamless fare integration with conventional transit services. This phase of the rapid transit system was partially supported by \$53 million in federal funds through the Canada Strategic Infrastructure Fund, as part of the Government of Canada's FLOW action plan for the Greater Toronto Area.



Brampton Transit

*Mississauga, Ontario*

### Bringing BRT to Mississauga

The federal government is contributing up to \$59 million to the City of Mississauga and \$24 million to GO Transit (a division of Metrolinx) for the \$259 million Mississauga BRT Project. The 18 kilometre bus right-of-way will be a key element of the city's future transit system. It will include 12 stations and is expected to be in service in 2013. The federal investment is being made through the Canada Strategic Infrastructure Fund, as part of the Government of Canada's FLOW action plan for the Greater Toronto Area.



Mississauga Transit

*Quebec City, Quebec*

### A new BRT route for RTC customers

Federal investment through the Gas Tax Fund will support the new Métrobus 803 route to be operated by the Réseau de transport de la Capitale (RTC). The \$40-million project broke ground in April 2010 and is expected to begin service late in 2011. It is also receiving provincial and local government funding. Métrobus 803 riders will enjoy faster, more frequent service aided by transit priority lanes and signals. They will also benefit from an additional investment by federal and provincial governments in 40 new buses.

## Investing in buildings

Transit systems need buildings to store and maintain expanding vehicle fleets, and to house planning and administrative staff. CUTA's 2010 transit infrastructure needs report noted that over the next five years, almost half of the maintenance facilities that Canadian transit systems need to expand service levels cannot be built with current funding.<sup>d</sup> Inadequate, outdated garage facilities will make it harder to minimize vehicle down time and keep growing bus and rail fleets in service.

*St. Albert, Alberta*

### Community expands its transit facility

In November 2010, St. Albert Transit opened its newly renovated Dez Liggett Transit Facility. The federal Gas Tax Fund contributed \$2.8 million to the \$3.8-million project, in partnership with the Province of Alberta and the City of St. Albert. The expanded facility features more work and storage space, as well as upgrades to its mechanical systems and tanks for fuel and waste oil.



St. Albert Transit

*St. John's, Newfoundland and Labrador*

### A 21st-century home for Metrobus Transit

With the help of \$26 million in federal funds, Metrobus Transit is constructing a new \$34.2-million building to replace one dating from 1958. The centrally located facility will include offices, operations areas, storage for 60 buses, a bus wash and a state-of-the-art repair garage. To be opened in 2012, Metrobus Transit's new home will be the first LEED-designated building in St. John's. It will reduce operating costs and environmental impacts through geothermal heating, energy-efficient lighting, and rainwater recycling to wash buses.

## Investing in plans and technologies

The use of advanced technologies for fleet management, fare collection, customer information and security is increasingly fundamental to meeting targets for transit service quality and efficiency. Despite this importance, CUTA's 2010 transit infrastructure needs report found that more than half of advanced technology needs to enable transit service expansion through 2014 cannot be met by current funding sources.<sup>d</sup> Federal funds have contributed to recent successes in this area, however, as illustrated by the Calgary and Brampton profiles earlier in this issue paper.

Of course, none of the transit infrastructure investments discussed in this paper would be possible without good planning. While the costs of transit plans are small compared to other capital needs, they can still be significant. This is especially true for smaller transit systems as they prepare for rapid service expansion or next-generation technologies. For this reason, federal investments have also supported the development of transit plans in many Canadian communities.

*Regional Municipality of Durham, Ontario*

### Long-term strategy sets the course

Durham Region's new Long Term Transit Strategy, completed in early 2010, provides a comprehensive 50 year transit plan to meet residents' sustainable transportation needs over the coming decades. The project was partially enabled by \$2.5 million in federal funds through the Canada Strategic Infrastructure Fund, as part of the Government of Canada's FLOW action plan for the Greater Toronto Area. Durham's new strategy considered growth projections, transit priority and rapid transit options, technological and human resource needs, and the benefits of transit-oriented development and transportation demand management strategies. It recommends greatly expanded surface transit services and the creation of several new rapid transit corridors.

## Conclusion

CUTA's 2010 transit infrastructure needs report showed that the capital requirements of Canadian transit systems have grown by a factor of five over the last decade. Clearly, communities are increasingly relying on transit to give residents an alternative to less sustainable car travel.

While it is true that growing needs have been met with greater investment, there are still critical gaps. In the next five years, current funding programs can support only two-thirds of \$53.5 billion in total transit infrastructure requirements. This leaves almost \$18 billion of unfunded transit infrastructure needs.<sup>d</sup>

This looming transit infrastructure gap could be overcome through a mid-term program of dedicated federal investment in public transit, with participation by other orders of government. Looking farther ahead, CUTA is seeking to work with Canada's federal, provincial, territorial and municipal governments to develop a sustainable and predictable long-term funding mechanism as part of a comprehensive Canadian transit policy framework.

#### References:

- a) Ridership, capital investment and transit fleet data are based on member operating statistics collected by CUTA
- b) Information provided by Transport Canada, October 2010
- c) Government of Canada, *Canada's Economic Action Plan, Year 2: A Sixth Report to Canadians* (2010), available at [www.actionplan.gc.ca](http://www.actionplan.gc.ca)
- d) CUTA, *Transit Infrastructure Needs for the Period 2010–2014* (2010), available at [www.cutaactu.ca](http://www.cutaactu.ca)

The Canadian Urban Transit Association (CUTA) is the voice of Canada's public transit industry. For additional information including research reports, industry updates, news bulletins and more, please contact us or visit our website.



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