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Mind The Gap: Supporting Public Transit Infrastructure Across Canada

*Written submission for the pre-budget
consultations in advance of Budget 2024*

Canadian Urban Transit Association

February 8, 2024

Mind The Gap: Supporting Public Transit Infrastructure Across Canada

Recommendation 1: Resolve the current infrastructure funding gap for public transit systems by shifting the start date of the Permanent Public Transit Fund (PPTF) by introducing the baseline funding stream component of the program (\$500 million annually) into the 2024 budget. Additionally, the intake process for the remaining PPTF funds should begin in 2024, along with funding commitments, so that transit systems can begin the planning and procurement phases for their projects in advance of the program’s scheduled start date in 2026.

The accelerated sunset of the Investing in Canada Infrastructure Program (ICIP) in March 2023 and the planned rollout of the \$3 billion annual Permanent Public Transit Fund (PPTF) in 2026 leaves a significant infrastructure funding gap for Canada’s public transit industry. The Canadian Urban Transit Association (CUTA) recognizes the importance of a seamless and effective implementation of the PPTF to facilitate long-term planning for public transit systems across Canada. However, the current timing of the PPTF leaves transit agencies facing critical capacity problems and mounting state of good repair backlogs, at a time when demand for public transit continues to rise steadily. These challenges must be addressed to accommodate Canada’s population growth, and advance key policy aims such as increasing housing supply, ensuring affordability for families, and reducing GHG emissions. These benefits can only be maximized when public transit systems receive sufficient and timely investments, in order to avoid service reductions and fare hikes that undermine our industry’s ability to support Canadian communities.

Mounting Infrastructure Pressures

Based on the government’s ambitious immigration target of roughly 500,000 new Canadians each year, by the mid-2040s, Canada will have a population of 45 to 50 million people with transit network built for only 25 million people. Municipalities must be able to expand their transit capacities and capabilities to meet rising demand and to ensure new housing developments are properly integrated alongside public transit infrastructure. The alternative to expanding Canada’s transit service capacity will lead to greater road congestion, commuter dissatisfaction and higher GHG emissions. For example, in Brampton, where ridership has greatly surpassed 2019 levels, the transit system remains strained as the municipality is currently unable procure new busses or build new facilities. Similar situations are playing out in other fast-growing regions like St. John’s, Halifax, Sherbrooke, and metro Vancouver. Without swift action to resolve the transit infrastructure gap seen in municipalities across Canada, these communities and others like them will not have the transit service capacity needed to support their expanding populations. Moreover, public transit systems nationwide face mounting state of good repair backlogs, including facility maintenance, vehicle maintenance, track replacement and more. These backlogs must be addressed promptly to ensure infrastructure resilience and safety. This issue is compounded by climate change and the need for systems to retrofit and adapt their infrastructure to handle extreme weather conditions. Government support must be provided before these backlogs become insurmountable. For instance, Ottawa’s projected transit capital funding shortfall is expected to reach \$1.4 billion by 2032. This gap underscores the urgent need for support in order to maintain the transit system’s state of good repair needs and to fulfill planned infrastructure needs for the city.

A Smooth Launch for the PPTF

To achieve the seamless rollout of the PPTF in 2026, the government must support transit systems in the interim to ensure infrastructure remains in good condition and service capacity can grow along with the population. Additionally, it is critical that transit agencies have support from the government as they undertake steps to qualify for funding under the PPTF. Integrated regional transit plans feature prominently in eligibility for funding and many metropolitan regions across Canada have not gone through this extensive planning exercise yet. A portion of funds from the PPTF must be released for these planning exercises and associated studies in 2024. Without government support for this important work before 2026, the PPTF can stall at launch and lead to regional disparities with funds only flowing to those metropolitan regions that already have integrated regional transit plans in place.



Violence has no Place on Public Transit

Recommendation 2: Establish an application-based transit safety and security fund that allots a minimum of \$75M/year for two years. This will help support transit agencies with the specific expenditures needed to prevent, combat, and respond to safety and security incidents on their systems.

With the increase in incidents of violence and harassment on public transit systems across Canada, the Canadian Urban Transit Association (CUTA) recognizes the need for swift action to ensure the safety and security of transit riders and workers. Therefore, CUTA recommends the federal government to establish a two-year application-based transit safety and security fund that allots a minimum of \$75M/year.

A 2023 Ipsos survey revealed that 27% of Canadians expressed fear about using public transportation, particularly when traveling alone. Harassment, verbal abuse, physical threats, and unwelcome advances were identified as the primary drivers of these concerns, and the fear of crime significantly shapes public safety perceptions. These safety concerns not only jeopardize the ongoing recovery efforts of public transit systems across Canada, but also have the potential to ripple into other sectors, resulting in reduced use of vital community resources.

Addressing Broader Societal Issues

Public transit systems reflect the communities they serve, and certain societal issues such as homelessness, substance use, and mental health can profoundly impact these systems' facilities and operations. CUTA is calling on the federal government to take a leadership role in supporting Canada's transit agencies as they address urgent safety and security concerns.

Under the proposed transit safety and security funding program, eligible costs can include staffing, training, station enhancements, public awareness campaigns and other safety and security measures identified by transit agencies.





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