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Backgrounder: A Plan to Permanently Fund Public Transit and Support Economic Recovery

From: [Infrastructure Canada](#)

Backgrounder

Historic investments made since 2015

Since 2015, the Government of Canada has invested more than \$13 billion for public transit projects through the Public Transit Infrastructure Fund, the Investing in Canada Infrastructure Program and the Canada Infrastructure Bank.

These historic investments in public transit have resulted in over 1,300 projects right across the country. Thanks to these investments, more than 247 km of new public transit subway and light rail line has been built, over 300 zero-emission buses have been purchased, and almost 500 km of active transportation trails, bike and pedestrian lanes and recreational paths have been created.

For example, in Vancouver, BC, investments have allowed for upgrades to the Skytrain Expo and Millennium Lines. In Coldwell, MB, the purchase of a handi-van is providing mobility options for seniors and residents with disabilities, and in Montreal, the construction of the Réseau express métropolitain, a new automated light rail network that will span the greater Montréal area, is now well under way.

With these investments, the government has worked with its provincial, territorial and municipal partners to create jobs, reduce greenhouse gas emissions and foster more inclusive communities.

The impacts of COVID-19 and need to build back better

The COVID-19 pandemic has changed the way we use public transit but has not made it any less important. Public transit, rural transit solutions and active transportation infrastructure continue to provide reliable, fast, affordable and clean ways for people to get around. These benefits are felt the most by disadvantaged groups for whom car travel isn't accessible. Essential workers have relied on buses, subways, ride-sharing programs and pathways to get to where they are needed in grocery stores, hospitals and care facilities.

In addition to providing an essential service, Canada's transit systems are key economic drivers, generating hundreds of thousands of jobs and billions in economic benefits, starting from the planning stage all the way through construction and operation. Investments in public transit, particularly in electrification, are critical to Canada's meeting its climate targets since the transportation sector accounts for about 25 percent of Canada's greenhouse gas emissions. As the government looks to economic recovery, public transit is critical to getting the economy moving again.

Canada has a great story to tell on public transit. Most Canadians may not realize that Canada is a world leader in transit manufacturing. Automotive sector workers in Winnipeg, Thunder Bay, Kingston, Saint-Eustache and Saint-Jérôme produce some of the world's best buses, subways and LRTs.

Establishing the permanent public transit fund

Today's announcement establishes the creation of a permanent public transit fund of \$3 billion per year, beginning in 2026-27 . For decades governments have heard from municipalities and transit authorities that a source of permanent and stable funding is essential to allow for careful and long-term project planning and delivery.

Over the coming months, Infrastructure Canada will work with provinces, territories, municipalities, local governments, Indigenous communities, transit agencies, policy experts and other stakeholders to develop programming for the \$3 billion in permanent public transit funding in a manner that offers the greatest benefits to Canadians from coast to coast to coast. Consultations on the design of the new permanent transit funding will begin in the near future to address how all orders of government can work in partnership to get the most out of investments in public transit.

Accelerating ambitious public transit projects and planning

The government is moving rapidly to support the recovery from COVID-19. Building on these historic investments, today the government also announced additional public transit funding that will accelerate ambitious projects and planning that will:

1. Help Canadians move around easier and create new jobs by building major public transit projects, providing dedicated planning funding to accelerate future major projects, and supporting the expansion of large urban transit systems that many Canadians depend on every day.
2. Reduce pollution and create jobs for Canadians by enhancing public transit systems and switching them to cleaner electrical power, including supporting the use of zero-emission vehicles and related infrastructure.
3. Support healthy lifestyles in our communities and meet the growing demand for active transportation projects, including by building walkways and paths for cycling, walking, scooters, e-bikes, and wheelchairs.
4. Help Canadians living in rural and remote areas travel to and from work easier and access essential services, by working with rural, remote, and Indigenous communities to identify and create transit solutions that meet their needs.

The importance of safe, modern, and efficient public transit systems has been magnified over the course of the pandemic, and public transit will remain a critical element of the sustainable mobility of future cities, providing an efficient way to address congestion and reduce pollution, and enabling people in our communities to access jobs, services, and be active participants in those communities. Investments under these new funds will be directed to projects that best support the recovery from COVID-19 and create the greatest benefits for Canadians.