# TRANSPORTATION FINANCE IN CANADA

## A PROVINCIAL, MUNICIPAL, AND NATIONAL ANALYSIS

# 2025

https://hawkins-tech-lab.github.io

# EXECUTIVE SUMMERY REPORT 2025

This report offers an in-depth and highly visual examination of how transportation infrastructure is funded across Canada. Drawing on more than twenty provincial and municipal funding diagrams and an extensive set of budget datasets, it provides a clear and accessible picture of how governments structure, allocate, and justify their transportation investments. The goal is to equip decision-makers with a concise, evidence-based understanding of how mobility systems are financed today and how strategic choices made now will shape infrastructure outcomes for decades.

The analysis shows that all provinces maintain a common foundation for transportation funding. Provincial general revenue remains the primary source of investment, complemented by federal cost-shared programs and, in some cases, targeted municipal or third-party contributions. Larger provinces including Alberta, British Columbia, Ontario, and Quebec administer the most complex and diversified infrastructure budgets. Smaller jurisdictions such as Prince Edward Island and Newfoundland and Labrador rely more heavily on general revenue as a result of narrower tax bases and smaller transportation asset inventories. Provinces with extensive rural networks continue to direct the majority of spending toward highway construction, rehabilitation, and bridge work, while coastal and northern provinces maintain substantial commitments to ferries, marine access, and winter roads.

Municipal case studies highlight the different pressures faced by Canada's largest cities. Calgary and Vancouver are advancing multimodal investment strategies that balance road renewal with transit expansion, climate resilience, and active transportation integration. Toronto and Ottawa present a distinctly urban funding landscape where transit absorbs a substantial share of capital commitments and where financial decisions are closely shaped by governance arrangements with Metrolinx and federal partners. These city-level patterns underscore the significant divergence between municipal mobility priorities and the more highway-focused spending that characterizes many provincial budgets.

Several national trends also frame the future of transportation investment in Canada. Zero-emission vehicle adoption continues to accelerate, reaching 14.6 percent of new registrations in 2024. Design complexity and regulatory requirements have increased consultant-related project costs. Household mobility expenses remain sensitive to fluctuations in fuel prices, insurance premiums, and inflation. Collectively, these factors reinforce the need for stable, predictable, and adaptable funding frameworks that can support safe, affordable, and low-carbon mobility systems.

Overall, the findings emphasize the importance of transparent capital and operating cost reporting, stronger performance-based budgeting, and long-term investment planning that integrates decarbonization, climate adaptation, and multimodal connectivity. As provinces and municipalities work to modernize Canada's transportation system, coordinated funding strategies and clear governance mechanisms will be essential for building an infrastructure network that is resilient, equitable, and fiscally sustaina

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# Alberta Infrastructure Funding Flow

Figure 1 introduces Alberta's transportation funding structure for 2022–23 by presenting an accurate and comprehensive overview of how the province finances its infrastructure system. The diagram is based on audited Infrastructure and Transportation and Economic Corridors (TEC) annual reports, along with Budget 2023 forward estimates. The largest contributor is the General Revenue from the Government of Alberta (GOA), which accounts for well over half of the total transportation budget. In 2022–23, transportation funding exceeded 1.3 billion dollars, reaffirming a long-standing pattern in which Alberta relies heavily on consolidated general revenues to support its road, bridge, and transit networks.


Note: 2023-24 data estimated based on Budget 2023 ($8B/3yrs)

**Figure 1**

Federal Transfers represent the next major source of funding. They contribute approximately 20 to 25 percent of total transportation revenue and include significant commitments such as the 418.2 million dollars allocated to Edmonton's Capital Line South Light Rail Transit (LRT) extension. While federal funding plays an important role in supporting large capital projects, it is not substantial enough to reduce Alberta's broader reliance on provincial general revenue.

Smaller but consistent revenue sources, including the Carbon Levy and Climate Fund at 12.8 million dollars annually and Vehicle Fees and Licenses at 8.8 million dollars, provide only limited support relative to overall transportation needs. Capital borrowing supplies several hundred million dollars for long-term infrastructure delivery, yet it does not resolve Alberta's underlying revenue shortfall.

A key improvement in the updated diagram is the inclusion of the "Unspecified / 2023–24 Projects" category. This reflects Budget 2023's three-year 8-billion-dollar infrastructure envelope. A portion of these funds was committed for future years but had not yet been assigned to specific projects during the reporting period. Including this category improves transparency and helps illustrate how multi-year capital planning, fund carryovers, and project readiness timelines affect annual allocations.

On the expenditure side, Figure 1 aligns directly with audited spending. Alberta invested 578.2 million dollars in Capital: Roads and Bridges, 573 million dollars in Highway Operations and Maintenance, and 452.3 million dollars in Municipal Capital Grants during 2022–23. Transit infrastructure received a major one-time investment of 418.2 million dollars, supported through the Investing in Canada Infrastructure Program (ICIP) and matched provincial contributions. Additional spending on Electric Vehicle (EV) Charging and Active Transportation, Aviation Infrastructure, and Vehicle Administration Services represents a smaller share of the budget but signals Alberta's gradual transition toward more diversified and multimodal planning.

Alberta's long-term fiscal challenge remains significant. Total transportation-related revenue excluding general revenue accounted for less than 350 million dollars in 2022–23, while total transportation expenditures surpassed 2 billion dollars. As noted in the TEC and Infrastructure Annual Reports, less than 20 percent of transportation spending is supported through dedicated or external funding sources. This persistent imbalance highlights Alberta's structural infrastructure deficit and emphasizes the need for more stable and diversified funding strategies in the years ahead.

# Calgary Case Study: Infrastructure Finance in an Alberta's Urban Core City

Calgary's 2022 financial data provide an informative municipal perspective within Alberta's broader infrastructure funding framework. In 2022, the City of Calgary recorded 3.48 billion dollars in capital asset acquisitions. Of this amount, 1.15 billion dollars was directed toward transportation infrastructure, including roads, bridges, public transit systems, and associated facilities. This level of investment reflects Calgary's role as a major urban hub and highlights the scale and complexity of funding required to support transportation assets in large municipalities.

Funding for Calgary's transportation initiatives was drawn from multiple sources. The largest share came from government transfers, which totaled 1.38 billion dollars. These transfers were primarily capital grants from the Government of Alberta and the Government of Canada through programs such as the Investing in Canada Infrastructure Program (ICIP) and the Green Transit Incentives Program (GreenTRIP). These funding streams supported major projects, including Phase 1 of the Green Line Light Rail Transit (LRT), one of the most significant municipal transit expansions in Canada.

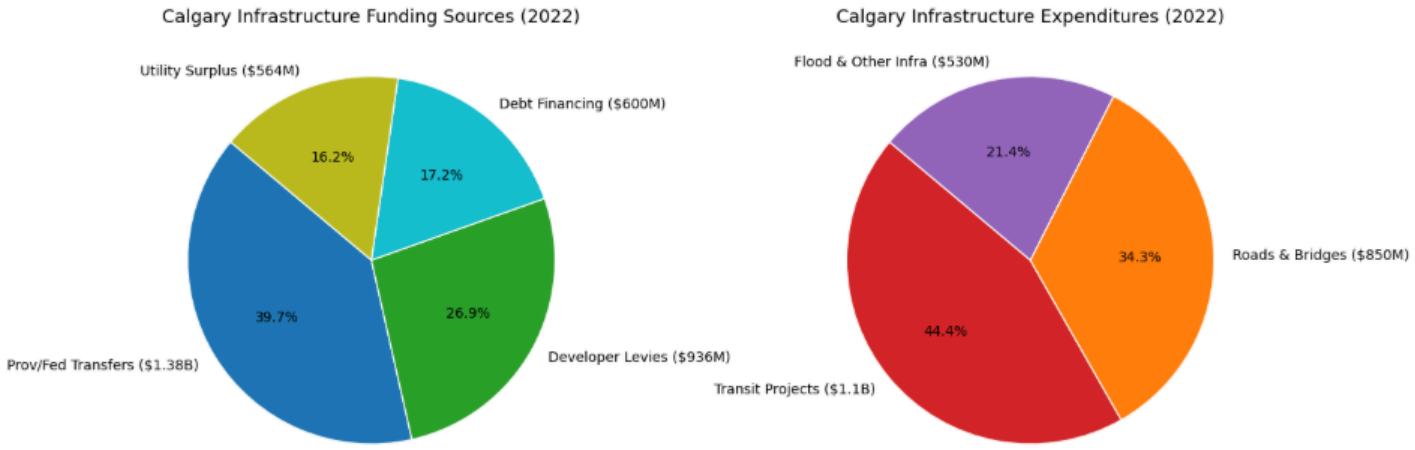



**Figure 2**

Calgary also relied on developer levies and contributed assets, which amounted to 936 million dollars. This approach places part of the infrastructure burden on private developers through offsite levies and in-kind contributions. These mechanisms are particularly important for roads, utilities, and transportation facilities in new neighbourhoods.

Long-term borrowing remains another key component of Calgary's financial strategy. The city's outstanding debt rose to 3.3 billion dollars in 2022, partly due to large-scale investments in transit, flood protection, and road network improvements. This borrowing is managed within Calgary's established debt servicing limit, which is set at 80 percent of tax-supported revenue, a threshold the city remained well below. Calgary also supplements capital funding through operating surpluses, utility revenues, and public-private partnerships (P3s). These P3 arrangements are used for asset maintenance, station upgrades, and selected infrastructure renewal projects.

A central insight from Calgary's experience is the increasing diversification of municipal funding tools. While provincial and federal transfers remain essential, the city increasingly complements them with user fees, development charges, targeted debt, and private-sector participation. This flexibility gives Calgary the ability to tailor its infrastructure responses to local needs. However, it also creates vulnerability to economic slowdowns, construction cost escalation, and fluctuations in developer activity.

Calgary's infrastructure strategies also reflect broader policy priorities, including transit-oriented development, climate resilience, and multimodal mobility. These priorities mark a gradual shift away from a predominantly road-focused approach toward a more integrated and sustainable transportation system.

In summary, Calgary demonstrates how an urban municipality in Alberta adapts to complex and evolving infrastructure needs by employing a blended and increasingly diversified funding model. While provincial and federal grants provide a foundational base, Calgary's growing use of debt financing, developer contributions, and specialized revenue tools shows a transition toward greater municipal autonomy. The connection between Calgary's infrastructure investments and Alberta's wider transportation funding flows highlights the need for coordinated and multi-level planning to ensure long-term, sustainable urban infrastructure development.

# Transportation Infrastructure Funding in British Columbia

Figure 3 presents the 2023 to 2024 transportation funding structure for the Province of British Columbia. The diagram illustrates a diverse mix of revenue sources and capital expenditures that together generate more than 3.8 billion dollars in total transportation funding. The largest contributor is General Revenue, which is estimated at approximately 2.2 billion dollars. This amount represents nearly sixty percent of the total inflow and reflects British Columbia's continued reliance on consolidated provincial funding to support infrastructure delivery.

A significant portion of the remaining inflow comes from Federal Transfers, which range between 700 million and 800 million dollars. These transfers are linked to national programs such as the Investing in Canada Infrastructure Program (ICIP). Capital Borrowing forms the third-largest revenue source at an estimated 500 million dollars, underscoring the province's use of debt-financed capital expansion for major highway and transit projects. Smaller, yet important, revenue streams include Vehicle Licensing and Fees, which contribute roughly 100 million dollars, and the Carbon Levy, which contributes approximately 85 million dollars. These funds support a mix of operating, emissions reduction, and climate transition projects.

The expenditure profile is heavily focused on capital investment. The largest allocations include Capital Roads and Bridges, estimated at 1.1 billion dollars, and Light Rail Transit (LRT) and Transit Projects, estimated at 1.0 billion dollars. A substantial portion of total expenditures is captured under Unspecified Projects, estimated at 2.3 billion dollars, which represents approximately forty percent of total outflows. This category reflects the evolving nature of multi-year project planning but also presents transparency challenges due to the lack of specific project attribution.

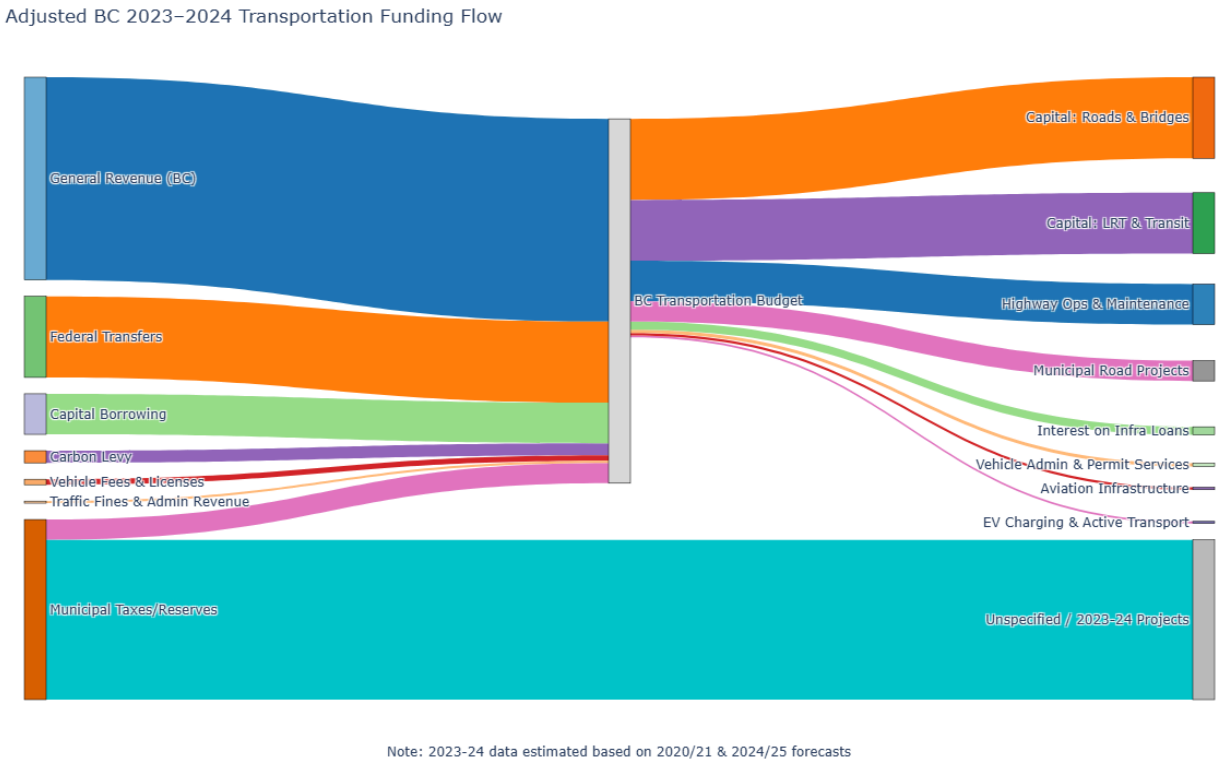



**Figure 3**

British Columbia's approach demonstrates strong investment in multimodal growth and climate-oriented strategies. Key examples include funding for Electric Vehicle (EV) Charging and Active Transportation, estimated at 85 million dollars, Aviation Infrastructure, estimated at 60 million dollars, and Vehicle Administration Services, estimated at 80 million dollars. Additionally, Loan Interest and fee-based administrative services together consume more than 130 million dollars, highlighting the cost of debt servicing and system administration within the provincial transportation network.

Overall, Figure 3 illustrates a transportation funding system that is both capital-intensive and diversified. British Columbia continues to balance traditional funding sources, such as general revenue and federal transfers, with targeted climate and mobility investments. The presence of a large unspecified funding category indicates ongoing multi-year planning and underscores the importance of transparency in communicating long-term infrastructure commitments.

# Case Study: City of Vancouver – A Micro-Level Operational Model

The City of Vancouver presents a transportation funding model that differs significantly from the broader provincial structure observed in British Columbia. In 2024, Vancouver's total transportation-related budget reached approximately 301.5 million dollars. This amount reflects a focused, operations-driven approach to municipal transportation finance. The largest revenue sources include property taxes, which generate roughly 1.1 billion dollars, utility fees and charges, which total approximately 600 million dollars, and smaller inflows such as capital contributions, estimated at 70 million dollars. Unlike the Province of British Columbia, Vancouver does not draw directly on fuel taxes or carbon levies. The city also makes limited use of debt-financed capital projects, relying instead on annual operating revenues supported by predictable tax and fee bases.

On the expenditure side, Vancouver allocates transportation funding to urban priorities that support daily mobility and local accessibility. Street Infrastructure and Maintenance represents the largest expenditure category at 117.8 million dollars. This funding supports essential services such as road resurfacing, bridge maintenance, intersection upgrades, and asset rehabilitation activities, including the ongoing work on the Granville Bridge.

Vancouver also contributes to regional transit through TransLink, the regional transportation authority. These contributions total 84.3 million dollars and support station improvements, bus shelter installations, transit exchanges, and infrastructure upgrades within the regional transit network. Vancouver's investments reflect its reliance on the broader Metro Vancouver transit system and its commitment to regional mobility integration.

The city's climate and mobility priorities are reflected in its growing investments in Active Transportation and Electric Vehicle (EV) Infrastructure, which together total 42.7 million dollars. These investments include expansions to protected cycling corridors, pedestrian zones, traffic calming measures, and EV charging stations aimed at reducing emissions and supporting sustainable travel patterns.

Administrative functions also represent a significant portion of Vancouver's transportation expenditures. Engineering and Administrative Services total 56.7 million dollars and support technical services, project oversight, planning, and program management across transportation divisions.

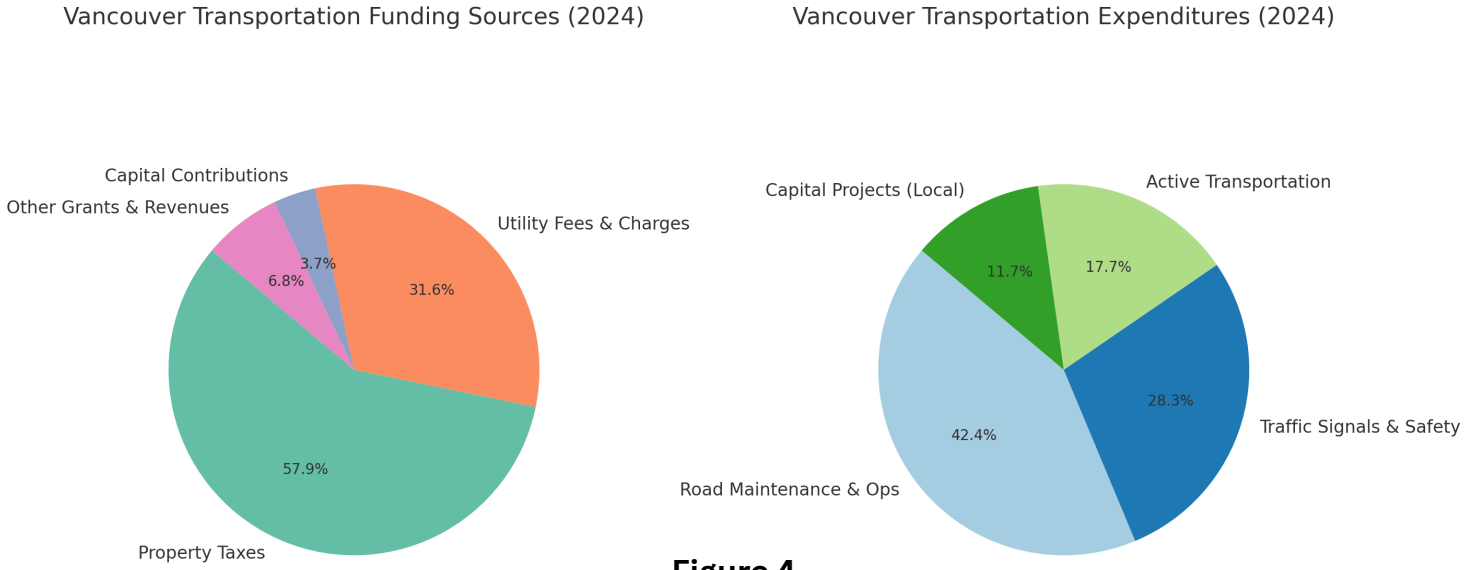



**Figure 4**

Figure 4 illustrates Vancouver's transportation funding and expenditure composition for 2024. The figures show a strong emphasis on maintaining existing assets, improving pedestrian and cyclist facilities, and supporting public transit contributions. This approach contrasts with British Columbia's provincial funding model, which allocates more than 3.8 billion dollars to large-scale capital projects such as highway expansions and major transit infrastructure.

The comparison highlights a clear vertical fiscal structure. The provincial government focuses on long-term, capital-intensive megaprojects that support regional mobility and strategic economic corridors. Municipal governments such as Vancouver prioritize operational efficiency, local street networks, pedestrian safety, and sustainable modes of travel. Vancouver's constrained tax-based model results in more itemized, short-term budgeting that aligns closely with localized transportation needs.

# Manitoba Funding Flow

In the 2023–24 fiscal year, Manitoba's transportation funding model (Figure 4) reveals a uniquely inward-looking structure compared to some other provinces, with a heavy reliance on auto and carrier fees as its principal revenue stream. As depicted in the updated Sankey diagram, Auto & Carrier Fees alone dominate the left side of the financial flow, emphasizing Manitoba's deep dependence on vehicle-related revenues to fund transportation infrastructure.

Federal transfers, while still present, are relatively modest in comparison, highlighting a limited intergovernmental infusion for the province's infrastructure projects. Meanwhile, contributions from Driver & Trucking Fees, Municipal/3rd Party Recoveries, and Other Government Programs (Safety) reflect a diversified but quantitatively minor inflow, accounting collectively for a small portion of the total transportation budget.

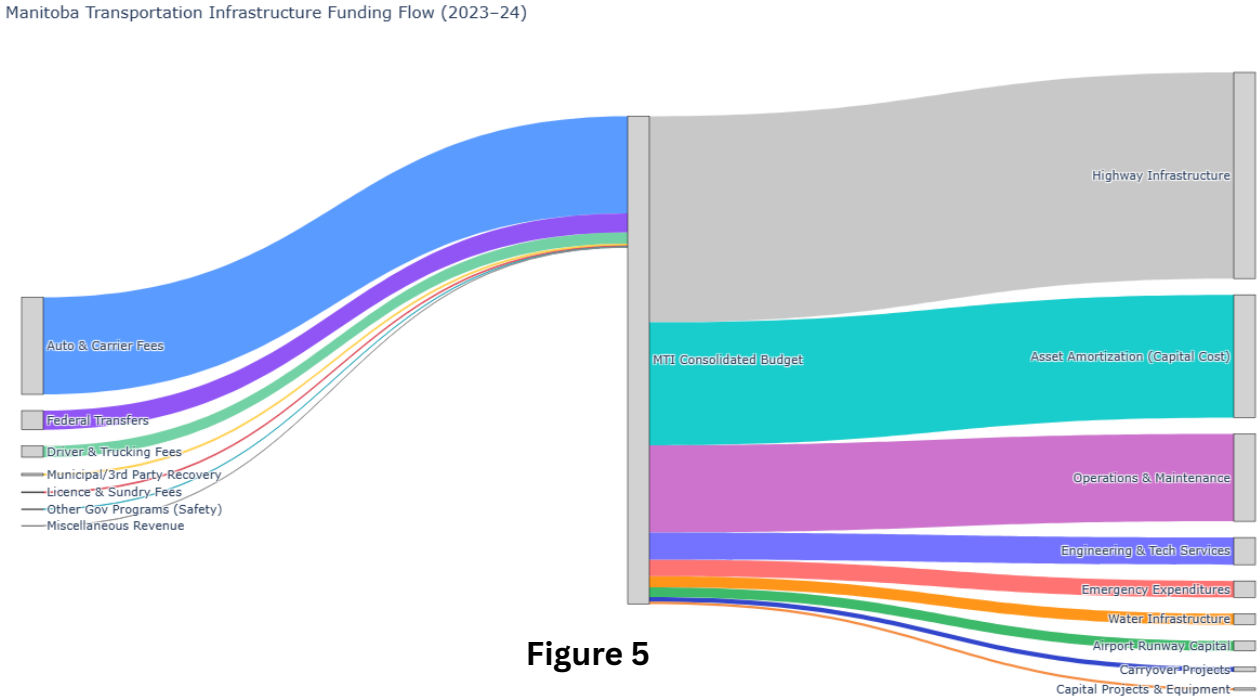



**Figure 5**

On the expenditure side, the most prominent category is Highway Infrastructure. This allocation underscores Manitoba's continued emphasis on the road network as a foundation for economic development, regional connectivity, and the movement of goods. Two additional expenditure categories are particularly important for understanding Manitoba's financial pressures:

Asset Amortization (Capital Cost) receives one of the largest allocations. This reflects the depreciation of Manitoba's existing transportation assets and suggests significant long-term financial obligations. A growing amortization burden can indicate aging infrastructure or the cumulative effects of underinvestment in past decades. This trend has implications for fiscal sustainability and may signal rising maintenance and renewal requirements in future years.

Operations and Maintenance is another major expenditure category and demonstrates Manitoba's commitment to preserving the performance and safety of existing roads and bridges. The ratio between capital expansion and asset maintenance appears to be shifting toward lifecycle management rather than new construction, which aligns with broader trends observed in jurisdictions facing aging transportation networks.

Smaller allocations include funding for Water Infrastructure, Airport Runway Capital, Emergency Expenditures, and Engineering and Technical Services. These categories represent essential but comparatively limited investments, reinforcing the priority Manitoba places on road and highway assets over non-road infrastructure.

The relatively small amounts designated for Carryover Projects and Capital Projects and Equipment suggest limited capacity for transformative projects, innovation, or new mobility technologies. In contrast to provinces that are increasingly prioritizing transit electrification, active transportation, or climate resilience, Manitoba's current funding approach remains centered on conventional transportation needs.

In summary, Manitoba's 2023 to 2024 transportation funding structure reflects a conservative and maintenance-oriented fiscal strategy. The Sankey diagram illustrates a system anchored in traditional road-based revenue and expenditure priorities. While this approach supports essential mobility, the lack of diversification in both revenue sources and capital investments may expose Manitoba to future infrastructure risks and evolving mobility trends.

# New Brunswick's Transportation Finance

New Brunswick's transportation finance system reflects a careful balance between capital expansion and budgetary restraint. This balance highlights both the province's ambitions for infrastructure improvement and the limitations created by fiscal pressures. According to the 2023 to 2024 Main Estimates, the Department of Transportation and Infrastructure (DTI) allocated 749.8 million dollars in total spending. Of this amount, 420.6 million dollars was directed toward capital construction. This allocation demonstrates a strong focus on upgrading highways, bridges, and key regional corridors. The remaining 329.2 million dollars supported operational expenditures, including highway maintenance, engineering services, and public building management. These figures show how New Brunswick must balance infrastructure renewal with the costs of maintaining an aging asset base.

Provincial sources continue to form the largest share of transportation revenue. The Highway Maintenance Branch operates through a Special Operating Agency (SOA) model, which recovered 66.7 million dollars internally through service contracts with other departments and municipalities. Federal transfers, largely from the Investing in Canada Infrastructure Program (ICIP), contributed 73.4 million dollars. These transfers provide essential capital support but are often linked to matching provincial contributions and strict reporting requirements.

New Brunswick also remains heavily dependent on fuel-based revenue. Gasoline and motive fuel taxes generated 263 million dollars in 2023 to 2024. However, this revenue stream is increasingly vulnerable as the adoption of Electric Vehicles (EVs) continues to grow. The New Brunswick Department of Finance has projected that fuel-tax revenues may plateau or decline by 2030 if vehicle electrification accelerates. This trend raises concerns about long-term funding reliability and highlights the need for revenue diversification.

Several major projects shaped the 2023 to 2024 capital program. The twinning of Route 11 between Shediac and Miramichi received nearly 114 million dollars in phased commitments. The Centennial Building Redevelopment and multiple bridge replacements along the Saint John River accounted for more than 55 million dollars. Despite these investments, operational challenges remain significant. An internal audit (NB2) identified a bridge inspection backlog that included more than eighty structures overdue for assessment beyond the province's biennial inspection standard. This backlog raises concerns about deferred maintenance and long-term risk management.

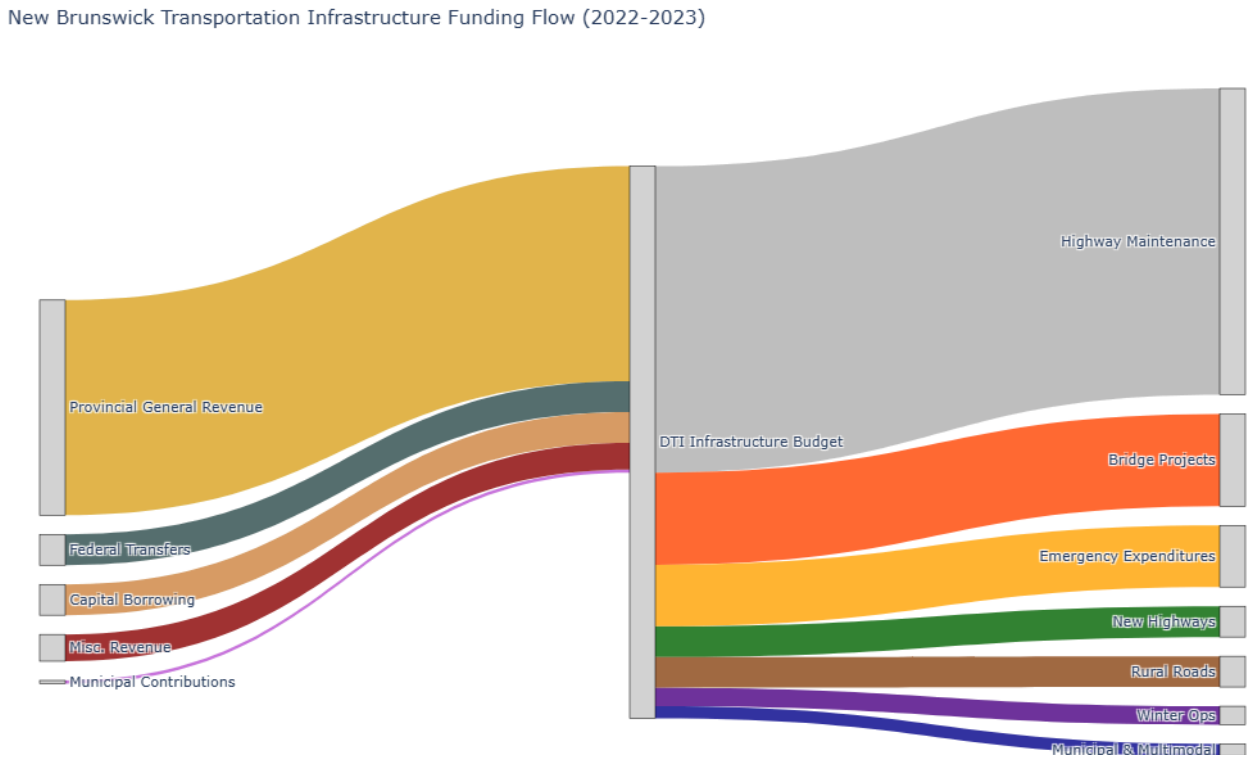



**Figure 6**

The accompanying Sankey diagram (Figure 6) illustrates New Brunswick's funding and expenditure flows. Provincial general revenues, fuel taxes, and federal contributions enter a consolidated funding envelope. These resources are then distributed primarily to capital construction, with smaller portions going to operations and contingency reserves. The emphasis on capital investment aligns with the province's goal of developing strategic highway infrastructure. However, this emphasis often limits the ability to expand routine maintenance, active transportation, and urban transit planning in cities such as Fredericton and Saint John.

In summary, New Brunswick's transportation strategy demonstrates strong activity in capital expansion but reveals weaknesses in funding diversification and lifecycle asset management. Without a shift toward more balanced long-term planning, the province may face increasing infrastructure pressures and financial risks in the coming decade.

# Newfoundland and Labrador Transportation Finance: Maritime Dependency and Infrastructure Realities

Newfoundland and Labrador's transportation funding framework reflects the province's rugged geography and the logistical challenges associated with serving widely dispersed communities. According to the 2023 to 2024 financial data, the province allocated more than 900 million dollars to transportation-related capital and operational spending. This funding is supported by multiple sources, including provincial general revenue, federal transfers, capital borrowing, miscellaneous income, and municipal contributions. The Sankey diagram in Figure 7 provides a visual representation of these inflows and outflows, showing that a large share of the consolidated transportation budget was directed toward highway maintenance. This emphasis demonstrates the government's commitment to preserving its extensive roadway network.

Highway maintenance and related rehabilitation projects received more than 450 million dollars in 2023 to 2024. These funds targeted the Trans-Canada Highway, snow-prone corridors, and essential rural roads. In comparison, bridge rehabilitation and associated capital works consumed more than 140 million dollars, while new highway construction, particularly in northern and rural corridors, received 70 million dollars. Municipal transportation projects and air and marine access programs together absorbed 135 million dollars, supporting regional airport operations and maintaining marine terminals that are essential to provincial economic continuity.

Newfoundland and Labrador's transportation system is shaped by its extensive maritime reality. The province operates a large intra-provincial ferry network that annually serves approximately 820,000 passengers, 400,000 vehicles, and 12,000 tonnes of freight. This network supports more than 11,000 residents across 38 marine access points. The scale and reach of this system underscore a persistent infrastructure burden. Many ferry terminals and coastal access facilities face aging structural conditions and increased exposure to climate-related risks, including storm surges, ice damage, and shoreline erosion.

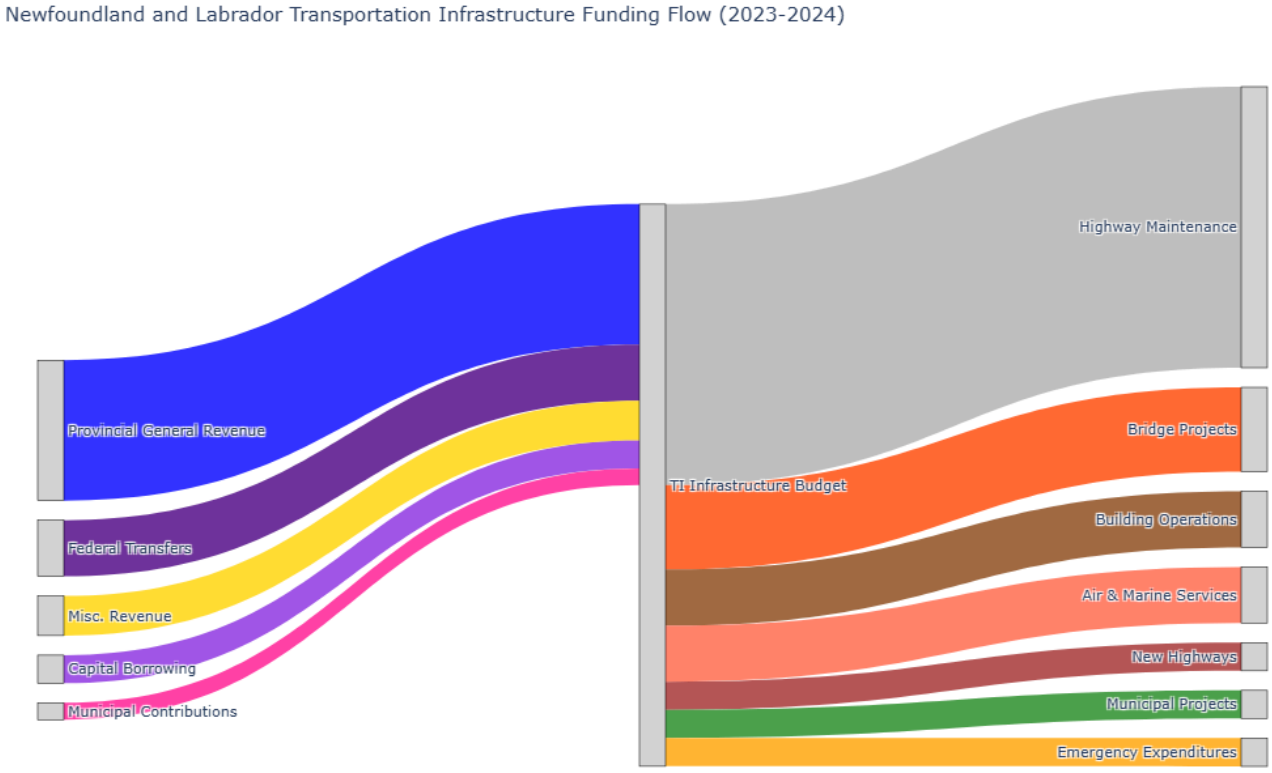



**Figure 7**

To address these challenges, the province introduced a 25 million dollar Five-Year Marine Infrastructure Plan. This plan provides funding for mechanical ramp upgrades at locations such as St. Barbe, terminal rebuilds in areas such as Portugal Cove, and shoreline resilience initiatives aimed at safeguarding marine assets. These investments support both local mobility and the broader economic stability of island and northern communities that depend on ferry connections.

Overall, Newfoundland and Labrador's 2023 to 2024 transportation funding structure demonstrates a dual focus on roadway preservation and maritime infrastructure. The province continues to make significant investments in highways, bridges, and coastal transport services while navigating the complex fiscal demands created by its dispersed population and challenging geography. The emphasis on maintenance, coupled with targeted marine upgrades, highlights the province's ongoing efforts to maintain essential connectivity across remote and island communities.

# Nova Scotia Transportation Funding, Spending Priorities, and Strategic Direction

Figure 8 illustrates Nova Scotia's transportation funding and planning structure for the 2023–24 fiscal year. The Sankey diagram shows a multi-stream investment framework supported by a strong provincial commitment and several diversified revenue channels. According to the Department of Public Works (DPW), the total departmental budget estimate for 2023–24 was $672.3 million. Of this total, $569.6 million was allocated to highway programs. This amount represents more than 84 percent of the department's core operating budget and demonstrates the central role that road infrastructure continues to play in Nova Scotia's transportation strategy.

Nova Scotia draws on a broad set of funding sources. These include the Provincial General Fund, Federal Transfers, Debt Financing and Public-Private Partnerships (P3), User Fees and Permits, Municipal and Third-Party (3P) Contributions, and Miscellaneous Revenue. The province's Tangible Capital Asset (TCA) purchase requirement for the fiscal year totaled $547.6 million, and federal cost-shared revenue amounted to $79.0 million. These figures confirm that Nova Scotia relies heavily on federal programs such as the Investing in Canada Infrastructure Program (ICIP) to support major infrastructure commitments.

On the expenditure side, Nova Scotia's transportation investments are distributed across a well-defined set of priorities. Highway Construction and Twinning represents the largest single allocation. Substantial funding also supports Bridge and Ferry Repairs, Winter, Rural, and Seasonal Access, and Airport Infrastructure. Additional investments are directed toward Administration and Planning, Health and Safety, Active Transportation Grants, and emerging Intelligent Transportation Systems (ITS) and safety-related operations. The distribution of funding reflects continued expansion of the provincial highway network alongside targeted support for rural mobility and marine access.

Spending priorities also reveal clear trends. Nova Scotia shows a strong bias toward highway-oriented capital investment, supported by notable allocations to bridge, ferry, and marine infrastructure, as well as winter and seasonal road access. Moderate expenditures for ITS, active transportation, and local grants point to ongoing modernization and early-stage multi-modal adaptation. The Grants and Contributions line, which stood at $74.8 million in 2022–23, is projected at $54.3 million in 2023–24. This decline suggests a return to baseline levels following one-time or pandemic-era disbursements.

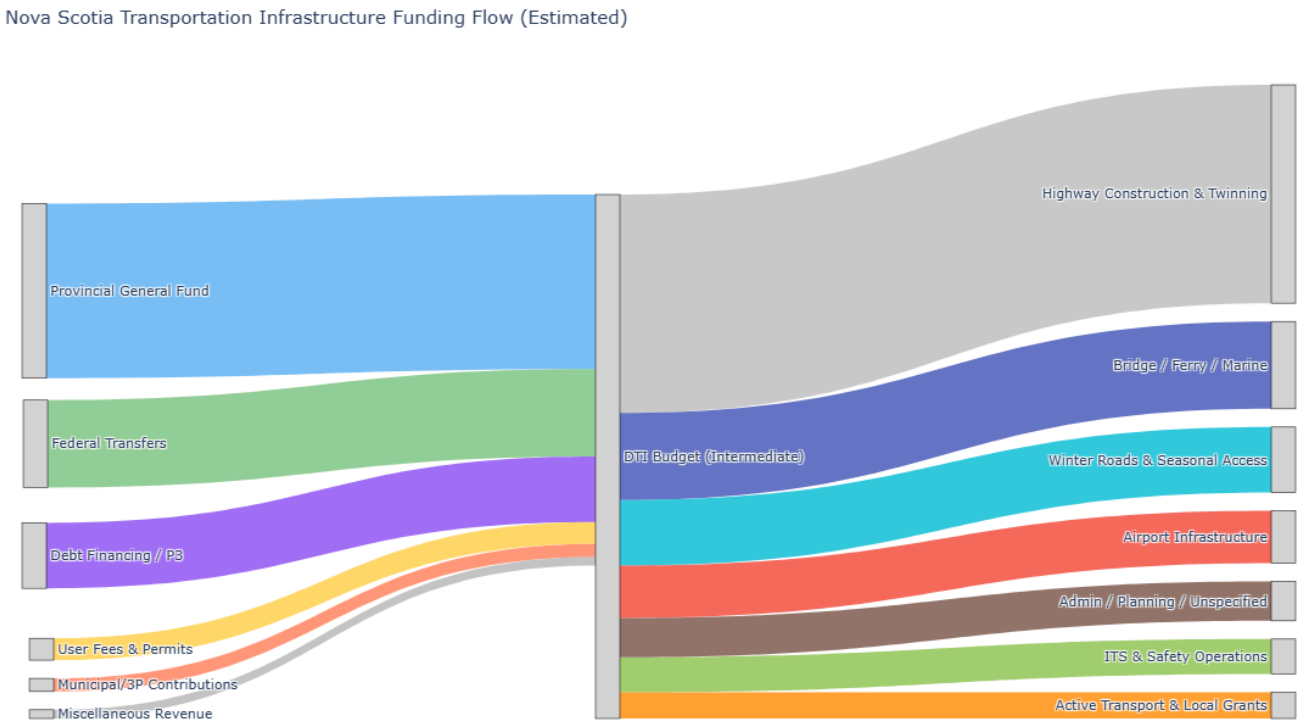



**Figure 8**

Nova Scotia's Five-Year Highway Improvement Plan further reinforces this strategic direction. The plan prioritizes rural road upgrades, gravel road stabilization, and repaving under the Rural Impact Mitigation (RIM) program. These investments aim to increase pavement lifespan, improve safety outcomes, and enhance accessibility for rural communities. The province also promotes community inclusion through the Blue Route active transportation initiative, which delivered 6.9 kilometres of road improvements and 12.2 kilometres of shoulder upgrades in 2023–24. These upgrades were implemented in partnership with municipalities and Bicycle Nova Scotia. In addition, Nova Scotia is developing a province-wide active transportation strategy aligned with the Environmental Goals and Climate Change Reduction Act, which integrates climate considerations into long-term mobility planning.

Despite these strengths, the system faces several structural challenges. Infrastructure Management received an estimated $22.6 million, which appears modest given that the province oversees more than 1,800 government-owned structures across 550 sites. This raises concerns about whether current funding levels will be adequate for long-term condition assessments, resilience planning, and maintenance of aging assets.

Further transparency issues arise with respect to lifecycle costs. While Nova Scotia participates in federal programs such as the Disaster Mitigation and Adaptation Fund (DMAF) and the National Trade Corridors Fund (NTCF), the cost-benefit analysis and risk modeling of these projects are not disclosed in disaggregated or publicly detailed formats. Similarly, Nova Scotia does not routinely publish performance-based financial indicators for accessibility audits, safety reviews such as rumble strips and reflector installations, or climate-resilient design integration.

In summary, Nova Scotia's 2023–24 transportation infrastructure portfolio reflects a substantial and diversified investment strategy supported by provincial leadership and strategic federal co-funding. The province's approach is strongly oriented toward road construction, highway twinning, rural accessibility, and targeted upgrades to marine and airport infrastructure. However, to enhance fiscal accountability and ensure long-term sustainability, future plans should prioritize clearer separation of capital and operational costs, transparent decarbonization performance metrics, and deeper disclosure of cost-shared project outcomes across the full infrastructure lifecycle.

# Ontario Transportation Infrastructure Funding, Expenditure Patterns, and Strategic Investment Priorities

Ontario's transportation infrastructure system is one of the largest and most complex in Canada. Figure 9 illustrates the province's funding and expenditure structure for the 2023–24 fiscal year, framed around a total $6.61 billion allocation administered primarily through the Ministry of Transportation Ontario (MTO) Infrastructure Budget. This centralized budget supports a wide range of provincial mobility responsibilities, including highways, bridges, transit corridors, ferries, road safety programs, and digital modernization initiatives.

Ontario relies on a multi-source funding model that blends consolidated revenue with external contributions and dedicated operational income. The largest revenue stream is Provincial General Revenue, contributing $3.3 billion to the transportation portfolio, representing roughly half of the total budget. This heavy reliance highlights the centrality of provincially funded capital programming in Ontario's infrastructure strategy.

Federal Transfers, delivered through programs such as the Investing in Canada Infrastructure Program (ICIP), provide an additional $1.1 billion. These transfers support major capital priorities including regional transit expansion, bridge rehabilitation, and freight corridor modernization. Capital Borrowing, totaling $700 million, enables the province to advance multi-year megaprojects while distributing costs across multiple fiscal cycles.

Additional revenue inflows include:

- Toll and Miscellaneous Revenue: $250 million
- Municipal Contributions: $160 million
- Metrolinx Revenue: $100 million

These sources reflect the interconnected nature of Ontario's transportation ecosystem. Metrolinx's contribution, in particular, underscores the alignment between the provincial budget and the Greater Toronto and Hamilton Area (GTHA) commuter rail and regional bus networks.

Overall, Ontario's funding structure demonstrates a robust but highly centralized model that depends significantly on general revenue and non-repayable federal contributions, supported by selective borrowing and moderate municipal co-investment.

Ontario's expenditure profile places substantial emphasis on capital-intensive programs. Highway Capital and Maintenance receives $3.35 billion, accounting for more than half of total transportation spending. This allocation supports highway expansion, resurfacing, structural rehabilitation, pavement preservation, winter maintenance operations, and corridor safety improvements. The province's continued prioritization of highways reflects both the historical development of Ontario's network and its role in supporting interprovincial and international trade.

Bridge Construction and Renewal receives $1.2 billion, a significant share that highlights the province's need to address aging structures, modernize high-volume crossings, and enhance long-term resilience.

Ontario also invests in regional and municipal mobility through:

- Transit Projects: $900 million: These include GO Transit expansions, Light Rail Transit (LRT) construction, station upgrades, and municipal fleet modernization.

Supporting expenditures include:

- Road Safety: $300 million
- Emergency Expenditures: $250 million
- Administrative Costs: $180 million
- Ferries and Marine Services: $140 million
- Digital Planning and Transformation: $90 million

Together, these allocations demonstrate a transportation model that balances legacy system maintenance with emerging modernization needs.

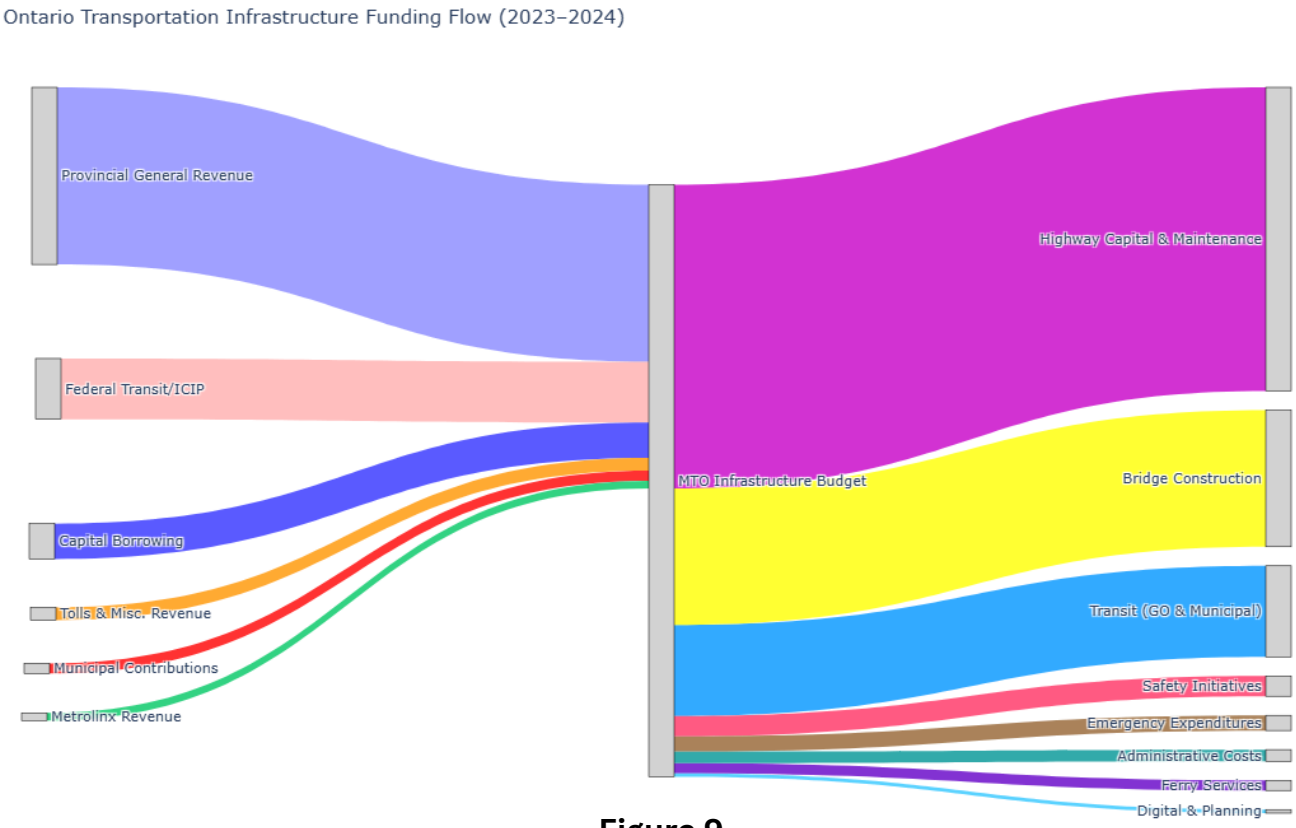



**Figure 9**

Ontario's transportation strategy reveals a consistent prioritization of highway and bridge infrastructure. While transit receives meaningful investment, its relative share remains markedly smaller than that devoted to highway capital and maintenance. This imbalance reflects long-standing policy orientations but also highlights a growing challenge as urban congestion, climate policy requirements, and multimodal expectations evolve.

One key transparency limitation is the lack of clear separation between operational and capital spending. While the Sankey diagram captures broad categories, provincial reporting does not fully disaggregate cost drivers, lifecycle obligations, or long-term operating commitments associated with major capital builds. This makes it difficult for the public and stakeholders to evaluate infrastructure sustainability or to assess whether spending is aligned with long-term performance targets.

Similarly, although Ontario participates in federal infrastructure programs, the province does not routinely publish project-level risk profiles, lifecycle cost assessments, or expected returns on major corridor upgrades. Greater transparency in these areas would strengthen public accountability and support more evidence-based long-term planning.

Taken together, Ontario's 2023–24 funding and expenditure patterns present a system that is capital-intensive, highway-focused, and reliant on consolidated revenue streams. At the same time, targeted investments in digital services, transit, marine access, and safety initiatives indicate incremental progress toward modernization.

To advance long-term sustainability, Ontario will benefit from:

- More transparent reporting on capital versus operational costs
- Stronger integration of climate resilience metrics
- Multimodal and transit-oriented prioritization
- Lifecycle-based cost disclosure for megaprojects
- Enhanced coordination with municipal and federal partners

These reforms would improve fiscal accountability and help align transportation investment with Ontario's long-term economic, environmental, and mobility objectives.

# Case Study: Toronto and Ottawa – Transportation Funding Metrics and Investment Profiles

Figure 10 compares Ontario, Toronto, and Ottawa using five transportation funding metrics: Funding Diversity, Priority Clarity, Transparency, Levy Policy, and Challenge Severity. The radar chart highlights how municipal investment strategies differ from the broader provincial approach and illustrates the specific funding pressures facing Canada's two largest urban centres.

Toronto shows one of the strongest profiles among the three jurisdictions. The city ranks high in Priority Clarity and Challenge Severity, reflecting the scale of projects required to support a rapidly growing metropolitan region. Its score for Funding Diversity indicates reliance on a mix of transit fares, property taxes, development charges, reserve funds, and targeted capital programs. Toronto's Transparency rating is moderate, since project-level reporting varies across major capital initiatives. The lower Levy Policy score reflects that Toronto does not rely heavily on road tolls or mobility pricing, even though several policy studies have explored these options.

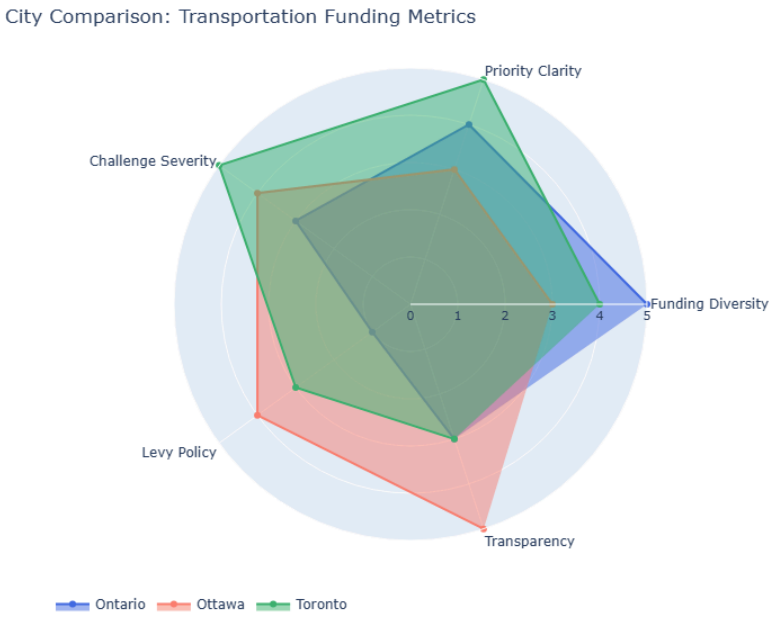



**Figure 10**

The city's expenditure pattern supports the radar interpretation. Toronto allocates approximately $2.1 billion to transit, including subway expansion, LRT development, and network rehabilitation. An estimated $1.15 billion supports roads and bridges, while $150 million is directed to active transportation. Administrative, planning, and support services total approximately $300 million. These numbers align with Toronto's high Challenge Severity score and confirm its transit-oriented, multimodal planning focus.

Ottawa shows a more balanced but moderate pattern across the five metrics. The city performs consistently in Priority Clarity, Transparency, and Levy Policy, which reflects its structured long-term financial planning for transit and road networks. Its lower score in Funding Diversity indicates greater reliance on municipal taxation and federal cost-shared programs. Ottawa's Challenge Severity score sits between the provincial and Toronto profiles, showing meaningful infrastructure pressures but at a smaller scale than Toronto.

Ottawa allocates approximately $620 million to the O-Train LRT system, supporting expansion and maintenance of the city's rail backbone. Roads and bridges receive about $220 million, and $60 million supports active transportation, including commuter cycling routes and pedestrian connectivity. Administrative and system-coordination functions account for approximately $100 million. These values align with Ottawa's radar pattern, which reflects steady but moderate growth pressures.

The radar chart also provides important context for Ontario's provincial profile, which scores highest in Funding Diversity but lowest in Transparency and Levy Policy. The provincial system benefits from multiple large-scale revenue channels but provides limited disaggregated reporting on capital-outcome metrics. Toronto and Ottawa, by contrast, score higher in Priority Clarity because their budgets focus on immediate urban mobility needs such as corridor rehabilitation and transit capacity expansion.

Taken together, Toronto and Ottawa illustrate how urban transportation financing differs from Ontario's broader provincial strategy. Both cities emphasize transit investment and multimodal expansion, while the province maintains a more highway-oriented portfolio. Figure 10 demonstrates that municipal systems face greater operational pressures, require clearer investment prioritization, and operate with less funding diversity than the provincial government.

# Prince Edward Island Transportation Infrastructure Funding Flow

Prince Edward Island's transportation system is managed through the Department of Transportation and Infrastructure (DTI), which oversaw a total capital infrastructure budget of approximately 163 million dollars in the 2022–2023 fiscal year. As Figure 11 illustrates, the majority of funding flowed from Provincial General Revenue, which contributed 120 million dollars, representing nearly 74 percent of the total budget. This strong reliance on provincial revenue indicates a clear internal prioritization of infrastructure renewal and expansion.

Federal Transfers provided approximately 22 million dollars and supported major replacement and resilience initiatives through intergovernmental programs. Additional revenue streams included Municipal Contributions of about 7 million dollars and User Fees and Borrowing, which accounted for 6 million dollars. Other Revenues, such as departmental service charges, contributed a modest 0.4 million dollars.

On the expenditure side, the province directed the largest share of its capital budget toward Bridge Construction, which totaled 110 million dollars, or roughly 67 percent of all infrastructure spending. This reflects PEI's substantial need to rehabilitate or replace aging bridge assets across the province. Building Renovations received 20 million dollars, supporting upgrades to government facilities, while New Building Construction accounted for 11 million dollars, likely associated with new depots, operational facilities, or public buildings.

The province allocated 8 million dollars for Land Purchases associated with right-of-way expansion and future development. Highway Maintenance represented a relatively small portion of the budget at 6 million dollars, underscoring a continued emphasis on long-term capital work over ongoing operational needs. Other expenditures included Ferry Services at 5 million dollars, Administrative Costs at 1.2 million dollars, Emergency Expenditures at 0.9 million dollars, and Road Safety and Digital Infrastructure at 0.5 million dollars.

Figure 11 visually reinforces the province's infrastructure priorities. The diagram shows a wide stream flowing from Provincial General Revenue into the DTI capital budget, followed by a disproportionately large outflow into Bridge Construction. The narrower streams associated with Land Purchases, Ferry Services, Administrative Costs, and Road Safety highlight PEI's concentrated emphasis on structural renewal rather than diversified transportation programming. The figure also reveals the relatively minor role of municipal, federal, and other revenue streams in shaping the province's transportation investment profile.

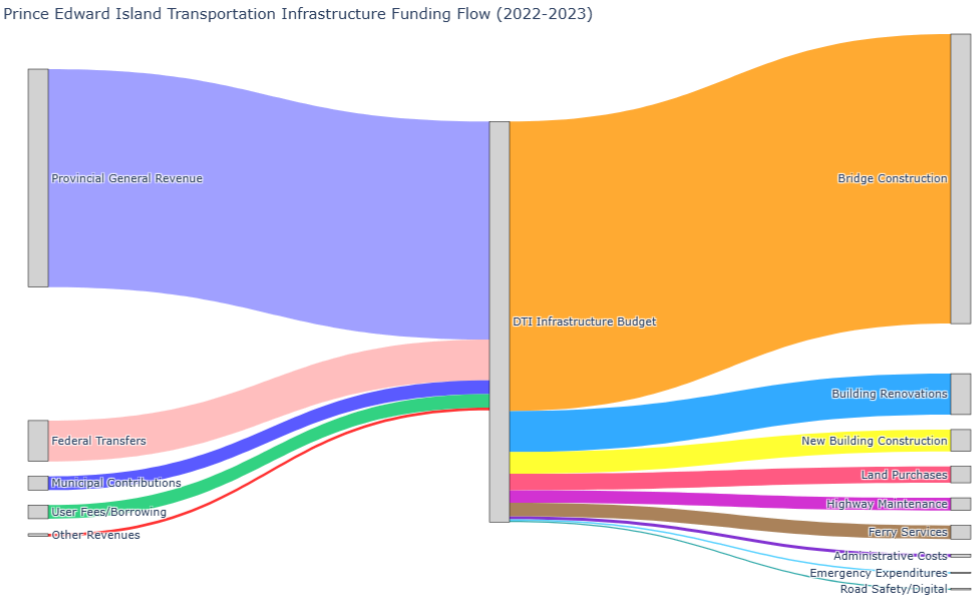



**Figure 11**

# Quebec Transportation Infrastructure Funding Flow

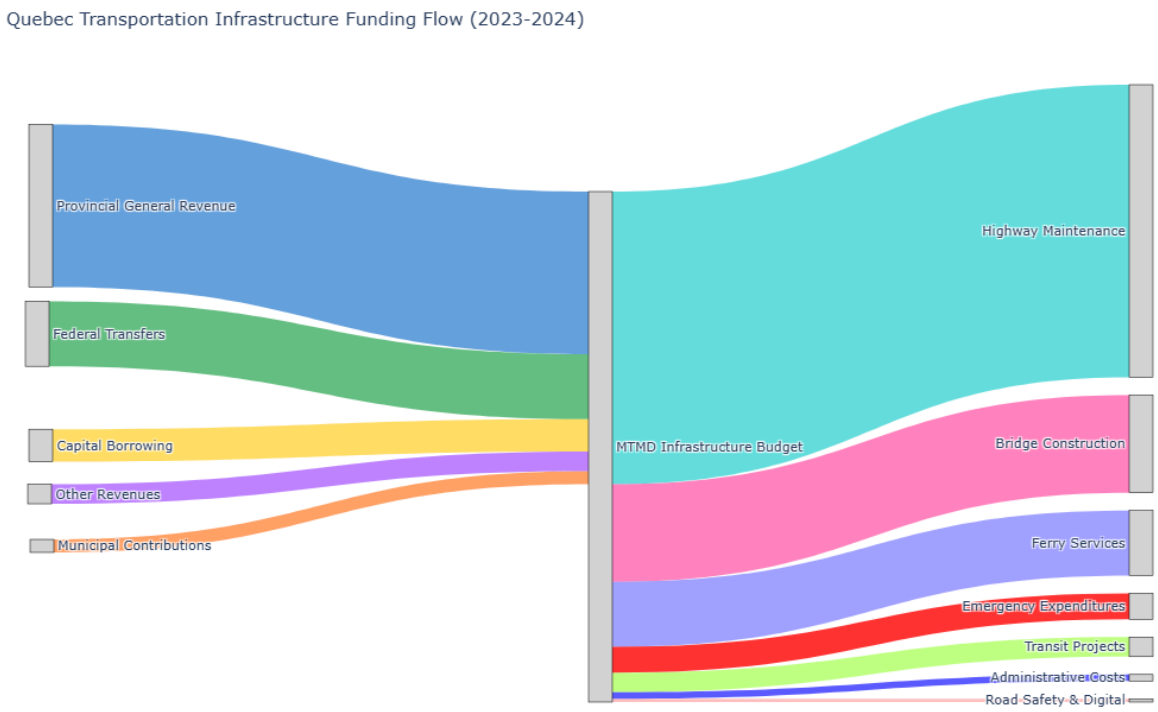



**Figure 12**

Quebec Transportation Infrastructure Funding Flow

Figure 12 illustrates Quebec's transportation funding structure for the 2023–2024 fiscal year, showing how the Ministère des Transports et de la Mobilité durable (MTMD) assembles and allocates a diverse set of financial resources. The diagram reveals a broad revenue base led by Provincial General Revenue, which contributes approximately 3.25 billion dollars and continues to serve as the foundation of Quebec's transportation financing system. This is supported by Federal Transfers of about 1.25 billion dollars, which reflect the province's extensive participation in cost-shared national infrastructure programs. Additional revenue sources include Capital Borrowing, estimated at 500 million dollars, Municipal Contributions of about 200 million dollars, and Other Revenues, including fees, permits, and transfers from Crown agencies, totaling approximately 300 million dollars. Page 16

On the expenditure side, Highway Maintenance and Rehabilitation remains Quebec's dominant investment category at more than 3.8 billion dollars. This emphasis reflects the province's long-term strategy to sustain and modernize its extensive road network, which faces recurring pressures from winter conditions, aging assets, and high-volume usage. Bridge Construction receives 1.2 billion dollars, underscoring the significant renewal needs of both rural and urban bridge structures across the province.

Figure 12 also shows substantial provincial investment in Ferry Services, which total 850 million dollars. These services are essential to accessibility in regions such as Gaspésie and Îles-de-la-Madeleine and reflect Quebec's ongoing commitment to coastal and inter-island mobility. Emergency Expenditures receive 450 million dollars, likely linked to extreme weather events, climate resilience projects, and rapid-response infrastructure repairs.

Although Quebec maintains strong support for public transit, Transit Projects receive a comparatively modest 300 million dollars, suggesting a temporary adjustment in capital priorities. This may be due to the completion of major phases of recent transit expansions or the need to redirect funding toward asset renewal and maintenance. Additional spending includes approximately 150 million dollars for Administrative Costs and 50 million dollars for Road Safety and Digital Modernization. The latter indicates continued progress toward smart mobility systems, improved traffic management, and digital infrastructure upgrades.

Overall, Quebec's 2023–2024 transportation budget highlights a strong commitment to core maintenance, climate resilience, and regional accessibility. The funding blend shown in Figure 12 demonstrates fiscal stability through reliance on provincial revenue, supported by targeted borrowing and federal partnerships. The province's expenditure pattern reflects both immediate operational needs and long-term infrastructure renewal across a geographically diverse transportation network.

# Saskatchewan's Transportation Infrastructure Funding Flow

Saskatchewan's 2023–2024 transportation funding strategy reflects a strong commitment to road-centric development across a vast and sparsely populated province. As shown in Figure 13, the total allocation for transportation infrastructure is approximately 925 million dollars, with the majority, 670.7 million dollars, or nearly 73 percent, sourced from the General Revenue Fund (GRF). This significant reliance on provincial funds reinforces Saskatchewan's fiscal independence, although it may introduce vulnerabilities if macroeconomic conditions shift.

Federal Transfers contribute an additional 120.9 million dollars, primarily through the Investing in Canada Infrastructure Program (ICIP) and federal disaster-mitigation support. Municipal cost-sharing agreements and public-private partnership (P3) arrangements account for 62.3 million dollars, showing ongoing community and private-sector participation in regional infrastructure development. Additional inputs include 46.6 million dollars from vehicle licensing fees, 26.3 million dollars in miscellaneous revenues, 10.5 million dollars from federal disaster funds, and 8.2 million dollars in strategic contingency allocations.

These revenues support a wide range of expenditure categories. The largest investment, 550.5 million dollars, is directed toward capital projects, including highway twinning, new construction, and major corridor upgrades. Another 165.7 million dollars is allocated to surface preservation, which focuses on the rehabilitation and maintenance of Saskatchewan's extensive road network.

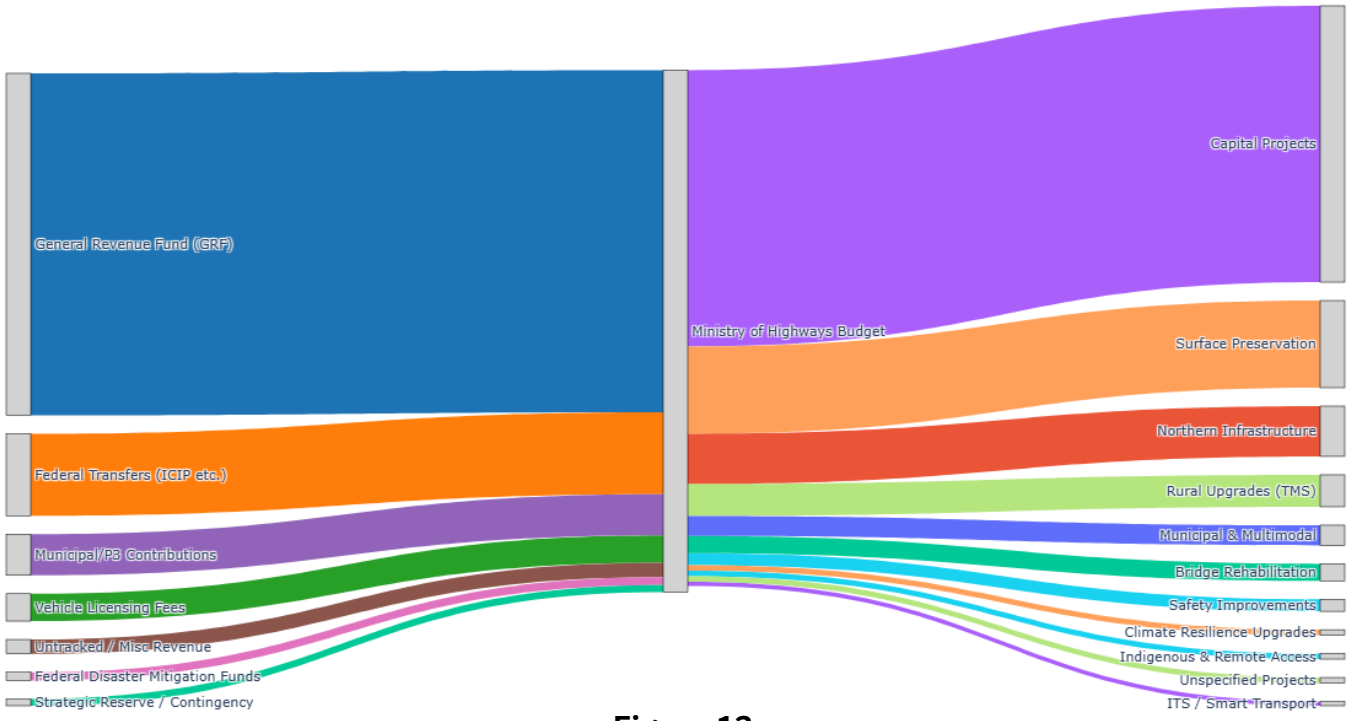



**Figure 13**

The province also invests substantially in regional and rural equity initiatives. Northern Infrastructure Development receives 80.3 million dollars, supporting accessibility and safety in northern communities. Thin Membrane Surface (TMS) upgrades to rural roads account for 47.6 million dollars, improving the durability and safety of lightly trafficked routes. Bridge rehabilitation receives 33.9 million dollars, reflecting ongoing structural renewal across the province.

Additional program areas include 41.2 million dollars for local and multimodal transport enhancements, supporting regional connectivity and small-scale mobility projects. Safety improvements, including guardrails and roadway signage, receive 17.4 million dollars, reinforcing Saskatchewan's continued focus on collision prevention and road-user protection. The province also commits 7.2 million dollars to climate resilience and flood protection, 5.5 million dollars to Indigenous access initiatives, and 2.1 million dollars to Intelligent Transportation Systems (ITS) and digital modernization. A further 3.8 million dollars is reserved for contingencies or emerging infrastructure needs.

Figure 13 visually highlights Saskatchewan's strong internal funding base and its focus on capital construction. The diagram shows a large inflow from the General Revenue Fund into provincial capital accounts, followed by broad and thick expenditure streams directed toward highway expansion, surface preservation, and regional development. Smaller but significant flows represent targeted commitments to northern communities, rural mobility upgrades, safety programs, and digital innovation.

Although Saskatchewan's transportation strategy is supported by clear revenue streams and transparent allocation patterns, the current approach continues to prioritize capital expansion over long-term sustainability and modernization. As climate risks intensify and road assets age, future budgets may need to place greater emphasis on digital systems, resilience planning, and inclusive access for rural and Indigenous populations.

# The Evolution of Vehicle Electrification in Canada: A Decade of Transformation

As automotive industry analysts with over a decade of experience, we've observed a significant shift in Canada's new vehicle registrations from 2017 to 2029, based on Statistics Canada's data (Table 20-10-0024-01, released March 13, 2025). This article traces the transition from gasoline dominance to an electrified future, driven by policy, consumer trends, and technology.

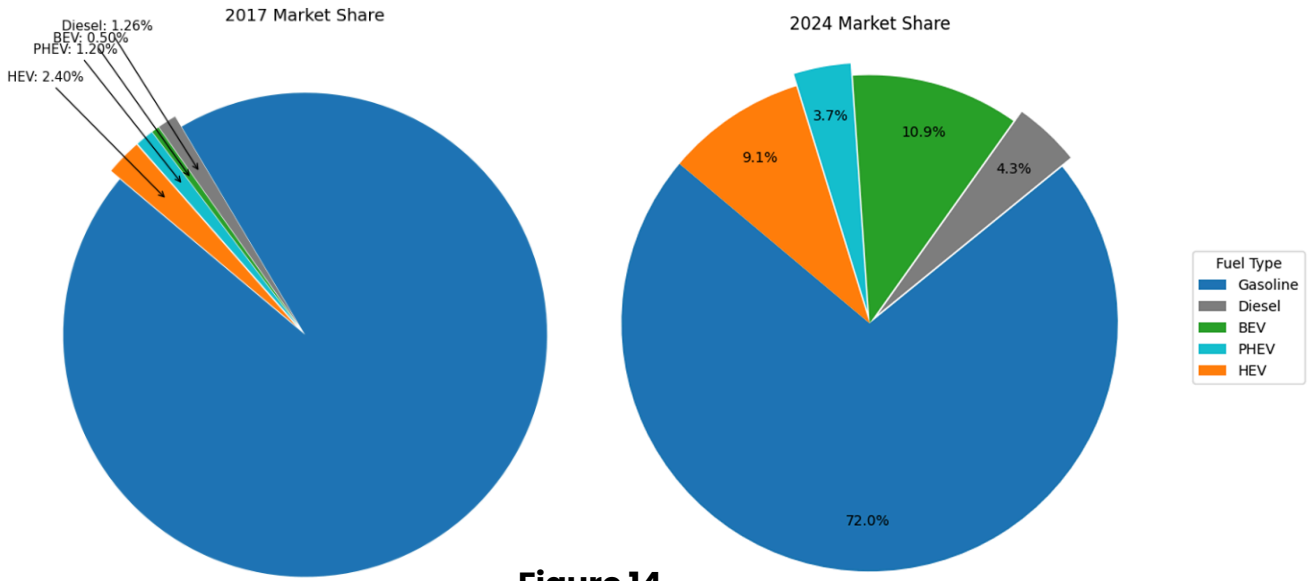



**Figure 14**

## The Gasoline Era Wanes (2017–2022)

In 2017, the Canadian automotive landscape was overwhelmingly powered by gasoline, accounting for 94.6% of new vehicle registrations, as depicted in the 2017 Market Share pie chart. Diesel, battery electric vehicles (BEVs), plug-in hybrid electric vehicles (PHEVs), and hybrid electric vehicles (HEVs) collectively held a mere 5.4%, with BEVs and PHEVs, classified as zero-emission vehicles (ZEVs), contributing a negligible 0.5% and 1.2%, respectively. This dominance was not surprising, given the entrenched infrastructure for internal combustion engines and the limited availability of charging networks. However, the seeds of change were sown early, as environmental concerns and rising fuel costs began to influence consumer behaviour.

The New Vehicle Registrations by Fuel Type in Canada (2017–2029) area chart illustrates this initial phase vividly. Gasoline registrations peaked at approximately 1.75 million units in 2018, reflecting a robust market. Yet, by 2022, this figure had declined to around 1.25 million, a 28% drop, signalling the first cracks in the gasoline stronghold. Meanwhile, electrified options, particularly HEVs, began to gain traction, peaking at 1.5 million units in 2022, as consumers sought fuel-efficient alternatives without the need for charging infrastructure.

The turning point arrived post-2022, catalyzed by Canada's 2035 ZEV mandate and incentives like the iZEV program. The 2024 Market Share pie chart reveals a transformed market, with gasoline's share plummeting to 72.0%. BEVs surged to 10.9%, outpacing HEVs at 9.1%, while PHEVs and Diesel held steady at 3.7% and 4.3%, respectively. This shift, a 22.6-point decline for gasoline since 2017, underscores a rapid adoption of ZEVs, driven by expanded charging networks and consumer demand for sustainable options, especially in multi-purpose vehicles like SUVs.

The area chart further highlights this acceleration. BEV registrations climbed steadily from 2023, overtaking HEVs by 2024, while gasoline continued its downward trajectory. The combined ZEV share (BEVs + PHEVs) reached 14.6% in 2024, a 13.8-fold increase from 2017, aligning with national electrification goals. HEVs, though not ZEVs, served as a critical bridge, maintaining a significant presence with their 9.1% share, appealing to those transitioning from traditional engines.

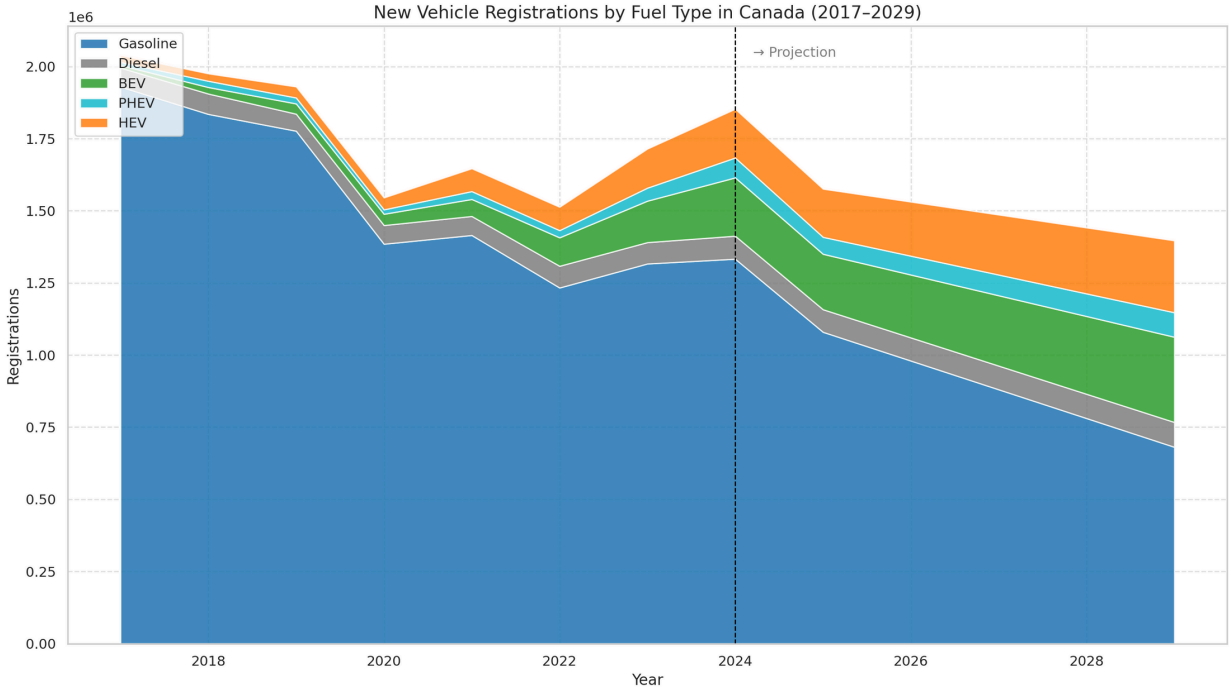



**Figure 15**

## Projecting the Future (2025–2029)

Looking ahead, the area chart's projection line for 2024 offers us a glimpse into the next five years. Gasoline registrations are expected to decline further, potentially falling below 1 million units by 2029, as ZEVs take center stage. BEVs are projected to exceed 1.5 million units annually by 2028, fueled by advancements in battery technology and government subsidies. PHEVs may plateau as consumers opt for fully electric options, while HEVs could see a gradual decline as charging infrastructure matures.

This evolution reflects more than market dynamics; it's a narrative of policy success and societal shift. The 2035 ZEV mandate, coupled with investments in public charging, has accelerated the decline of fossil-fuel vehicles, positioning Canada as a leader in North American electrification. As experts, we anticipate that by 2029, ZEVs could command over 50% of the market, a testament to the power of coordinated action in shaping a greener automotive future

**28%**

**Drop in gasoline registrations**

The shift away from gasoline dominance inspires change, driven by environmental concerns and rising fuel costs.

**1.5 million**

**BEV registrations annually by 2028**

this emphasizes the key role of battery technology and incentives in Canada's electrified future.

# Consultant Fees in Canadian Transportation Projects

Every year, billions of dollars are poured into roads, bridges, transit systems, and infrastructure upgrades across Canada. Behind the scenes, an enormous portion of this spending flows to consulting firms, planners, designers, engineers, and specialists who help turn ideas into blueprints and policies into concrete.
And yet, despite this critical role in public service delivery, very little is publicly known about how much provincial governments actually pay these consultants, how fees are structured, or whether spending is consistent with value delivered.
This study draws on data from Alberta, British Columbia, Ontario, Ottawa's LRT program, and public financial disclosures to demystify consultant fee mechanisms in Canada's infrastructure sector and to show just how much remains hidden.

## Provincial Fee Structures: A Patchwork of Disclosure

### Alberta

Alberta's consulting contracts typically structure costs into three progressive phases

- Stage A (Planning) – Ballpark budgeting without detailed design
- Stage B (Preliminary Design) – Quantity estimates refined
- Stage C (Final Design) – Tender-ready figures

Consultant costs are embedded within multi-stage project estimates (Stages A–C). There is no separate line item for consulting fees in most public documents. Cost escalation tied to APEGGA salary indices is referenced in contracts, but documentation for actual fee values remains inaccessible.

This lack of transparency is also evident in recent major municipal projects. For instance, the December 2024 Calgary Green Line Alternative Alignments Assessment report relies heavily on consultant contributions, including AECOM and others. However, it does not disclose specific payments made to these consultants. Key cost categories such as planning, design, and strategic advisory are aggregated or redacted entirely. While general infrastructure costs are outlined (e.g., for utility relocation, station structures), professional service fees are embedded within broader contingency or construction categories. This reinforces the broader pattern in Alberta where consultant compensation is not itemized in public-facing reports, obstructing the public's ability to scrutinize or compare consultant spending across projects.

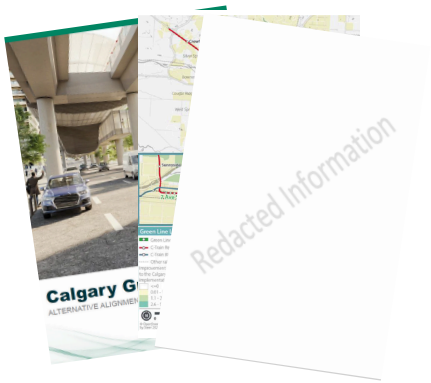



**Figure 16**

### Ontario

Ottawa's Stage 2 LRT project maintains consultancy fees at approximately 6% of total costs, consistent with industry benchmarks. Progress milestones include tunnelling initiation in January 2023 and early upgrades at Finch Station completed by 2023, reflecting steady advancement. This fee rate supports a structured approach to design and construction oversight, though the absence of detailed cost breakdowns limits insight into how fees are distributed across project phases. The reliance on this benchmark suggests stability, but potential escalation due to delays or scope changes remains unquantified.
Data is limited to the 6% fee estimate and key project milestones, with no comprehensive fee schedules or recent updates provided as of July 2025. This gap in detailed financial data hinders a thorough evaluation of fee trends, necessitating enhanced reporting from Ottawa's transit authorities.

## British Columbia

In British Columbia, the budgeting of engineering services is highly structured, governed by the Budget Guidelines for Engineering Services. The guideline categorizes services into stages and planning, preliminary design, detailed design, tender preparation, and construction supervision and provides percent-based fee structures tied to the total construction cost.

The province employs fee tables that scale with project budgets, including ranges such as $1M–$2M and $5M–$10M, with associated fees ranging from 5.8% to 5.2% on successive cost brackets. This model emphasizes the proportional nature of consultancy costs and justifies higher fees during earlier stages, where more planning and design input is required. Additionally, BC identifies that while engineering fees may appear to be a minor portion of capital costs, their influence on long-term operation, maintenance, and lifecycle costs can be immense and emphasizing the importance of getting the early-stage consultancy right.

**Table 1**

| Cost of Construction | Fee |
|---|---|
| Less than $1,000,000 | Use Other Methods |
| $1,000,000 - $2,000,000 | **$68,000** on first $1,000,000<br>plus **5.8%** on next $1,000,000 |
| $2,000,000 - $5,000,000 | **$126,000** on first $2,000,000<br>plus **5.6%** on next $3,000,000 |
| $5,000,000 - $10,000,000 | **$294,000** on first $5,000,000<br>plus **5.4%** on next $5,000,000 |
| $10,000,000 - $15,000,000 | **$565,000** on first $10,000,000<br>plus **5.3%** on next $5,000,000 |
| $15,000,000 - $20,000,000 | **$828,000** on first $15,000,000<br>plus **5.2%** on next $5,000,000 |
| Over $20,000,000 | **$1,086,288** on first $20,000,000<br>plus **5.2%** on balance |

In BC, consultancy fees are well-defined, with the Budget Guidelines offering a tiered structure from $68,000 for $1M–$2M projects (plus 5.8%) to $1,086,288 for over $20M (plus 5.2%), supported by a $312M provincial funding commitment for 2025–2027. TransLink aligns fees at 5–6% of costs, but faces a projected $600M annual funding gap from 2026, driven by a $34M fuel tax revenue loss in 2023. This contrast highlights a structured fee system challenged by emerging financial instability post-2025 provincial relief.

While BC provides robust fee tier data and TransLink reports a clear 5–6% range, transparency is limited by the absence of detailed breakdowns (e.g., TransLink's fees are buried in 'Supply of Goods or Services') and no post-2027 projections or inflation adjustments. This lack of granular and forward-looking data, as of July 2025, impedes thorough analysis and long-term planning.

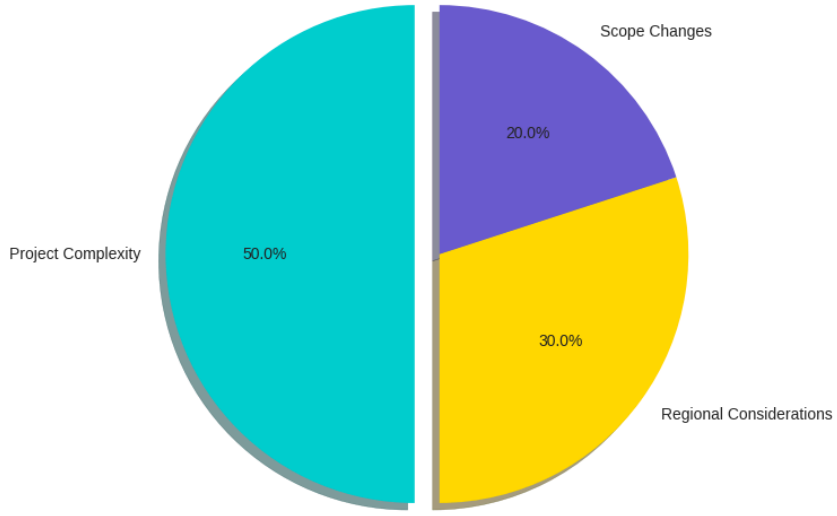
TransLink, as BC's regional transportation authority, plays a critical role in linking consultancy fee structures to operational realities. Its $90M in cost efficiencies offsets some pressures, yet the reliance on ending provincial relief and declining revenues underscores the need for TransLink to align its 5–6% fee model with BC's broader funding strategy. This integration is vital, but the lack of synchronized data between TransLink's financials and the Budget Guidelines highlights a coordination gap that could affect fee sustainability moving forward.

## What Drives Consultant Fees?

The Figure 17 visually summarizes the primary elements that influence consultant fees in transportation infrastructure projects in Canada. Based on synthesis from budget guidelines, contract templates, and expert interpretation of project stages:

- Project Complexity (50%) emerges as the dominant factor. More intricate projects demand greater technical expertise, extended timelines, and multi-disciplinary collaboration, all of which significantly increase consultant costs.
- Regional Considerations (30%) reflect differences in labor markets, local regulations, permitting requirements, and logistical challenges in different jurisdictions (e.g., rural vs. urban settings or between provinces like Alberta and BC).
- Scope Changes (20%) account for the common occurrence of mid-project revision and such as route realignments, environmental findings, or political shifts , which often lead to rework, renegotiation, and added consultant time and resources.

These estimates serve as a generalized breakdown for analytical purposes and help illustrate why consultant fees vary across seemingly similar infrastructure undertakings. Notably, a lack of transparency in public reports means actual weightings are seldom disclosed, reinforcing the need for open data practices in public procurement.




Note: Exact provincial spending on consultancy remains undisclosed despite these guidelines.

**Figure 17**

# Key Insights

- Hidden Costs: Public reports keep consultant fees under wraps across Canada, leaving citizens in the dark about spending, even with vague guidelines like Alberta's stage-based approach or BC's tiered scales.
- Guideline Gaps: BC's 5.2%-5.8% ranges and Ottawa's 6% benchmark sound promising, but without detailed province-wide breakdowns, the public can't grasp real costs or how they stack up.
- Transparency: With drivers like project complexity (50%) and regional factors (30%) hinted at, the lack of itemized data keeps the true consultancy budget a mystery!

## Trends in Transportation Costs and CPI (2010-2021)

This section analyzes transportation cost trends from 2010 to 2021 using data from the Household Expenditure Census and Statistics Canada's CPI tables. It compares transportation expenses with other key spending categories: shelter, food, and health and personal care. By examining these trends, we aim to understand how transportation costs have evolved concerning inflation and other household expenses, offering insights for policymakers and families

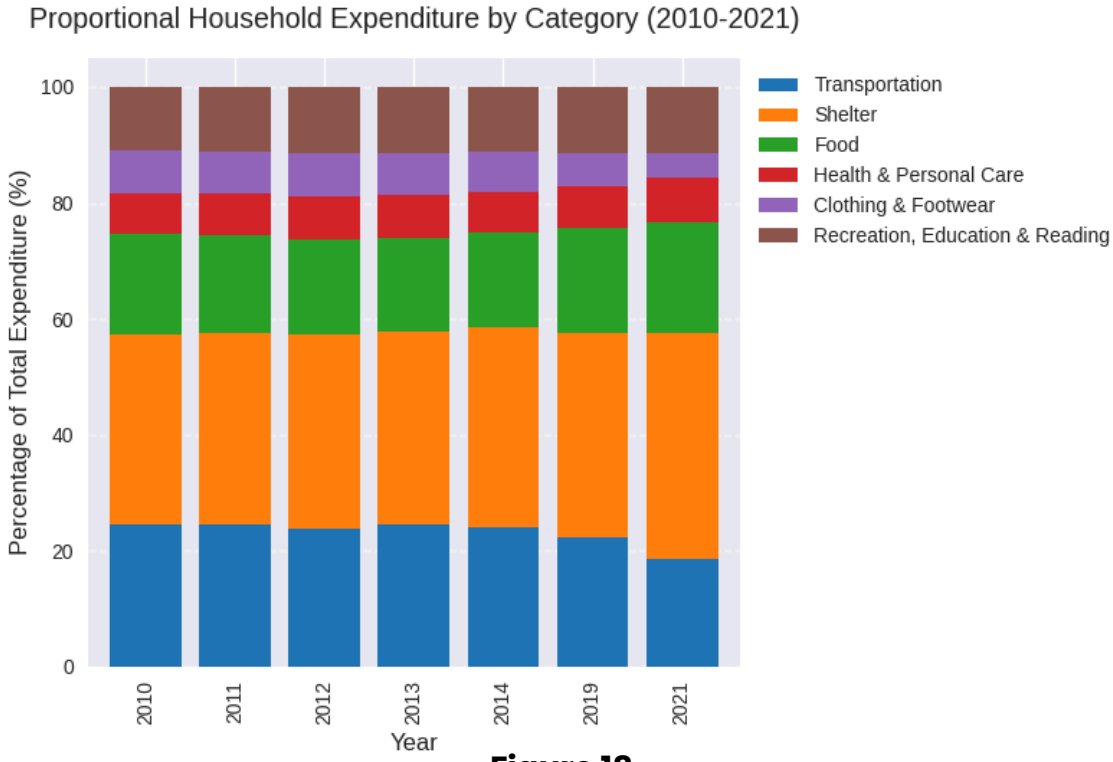



**Figure 18**

Transportation costs, as reported in the Household Expenditure Census, include private transportation (e.g., vehicle purchases, fuel, insurance) and public transportation (e.g., transit fares, inter-city travel). From 2010 to 2021, total transportation expenditure fluctuated, peaking at $12,737 in 2019 before dropping to $10,099 in 2021, a 20.7% decrease. This decline likely reflects reduced travel during the COVID-19 pandemic, particularly in public transportation, which fell from $1,479 in 2019 to $598 in 2021 (-59.6%).

Private transportation, which dominates the category (e.g., $10,097 in 2010, $11,258 in 2019), showed more stability but also declined to $9,501 in 2021. Key subcomponents like gasoline and vehicle insurance, as highlighted in the 2025 CPI data, saw significant increases (5.1% and 8.1%, respectively), suggesting that the 2021 dip may have been temporary, driven by pandemic-related restrictions rather than structural changes.

**Comparison with Other Categories**

To contextualize transportation costs, we compare them to shelter, food, and health & personal care expenditures from the Census data:

Shelter: Rose steadily from $15,020 in 2010 to $21,106 in 2021 (40.5% increase). This category, including principal accommodation and utilities, consistently outpaced transportation in growth rate, reflecting rising housing costs.

Food: Increased from $7,850 in 2010 to $10,305 in 2021 (31.3% increase). Food expenditures grew more slowly than shelter but faster than transportation in most years.

Health & Personal Care: Grew from $3,186 in 2010 to $4,206 in 2021 (32.0% increase). This category showed moderate growth, similar to food but less volatile than transportation.

The plot above visualizes these trends, showing total expenditure in each category over time (excluding 2018 and 2020 due to missing data).

## Analyzing CAGR Trends (2010-2021)

The polar visualization of the Compound Annual Growth Rate (CAGR) for household expenditures from 2010 to 2021 offers a detailed view of economic changes over the decade. Shelter shows a strong 3.15% increase, highlighting the ongoing rise of housing costs as a major pressure on household budgets. Food and Health Care follow with moderate growth of 2.49% and 2.56%, respectively, emphasising steady demand for essential goods and services. Recreation, with a 2.06% increase, reflects a resilient but moderated trend in discretionary spending. Conversely, Transportation and Clothing stand out with negative growth rates of -0.92% and -3.67%, respectively, indicating significant disruptions—possibly linked to pandemic-related travel declines for the former and a shift in consumer priorities for the latter. This analytical visualisation, enhanced with distinct colour coding and clear annotations, helps improve understanding of these contrasting patterns and encourages further exploration into the socioeconomic factors and their long-term effects on expenditure trends.

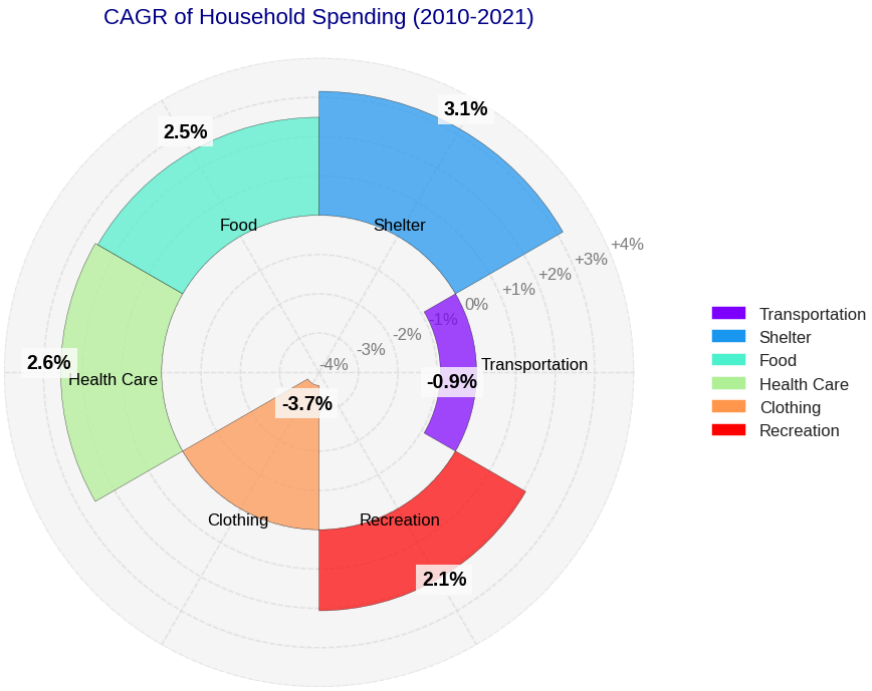



**Figure 19**

## CPI Trends (February 2025)

The CPI data for February 2025 provides a snapshot of recent price changes across categories. Transportation costs rose by 3.0% year-over-year.

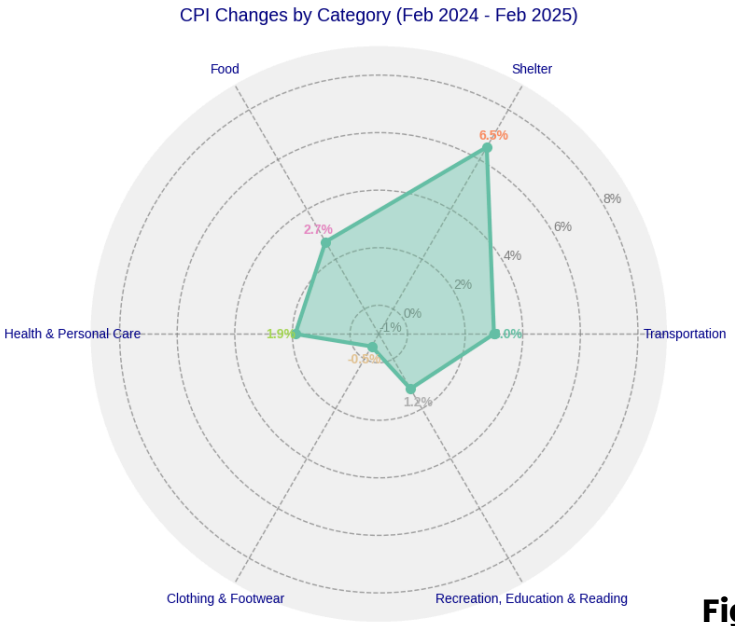



**Figure 20**

As shown in the radar plot (Figure 20), Shelter leads with a 6.5% increase, the highest among all categories, underscoring the persistent pressure on housing costs. Food follows with a 2.7% rise, slightly below transportation, while Health & Personal Care shows a modest 1.9% increase. Notably, Clothing & Footwear stands out with a -0.5% decrease, the only category to see deflation, possibly due to reduced demand or discounts. Recreation, Education & Reading increased by 1.2%, reflecting stable discretionary spending. The radar chart's shape highlights shelter's outsized influence, with its peak extending farthest, while transportation's 3.0% growth appears moderate but significant in the context of other categories. This visualization emphasizes the uneven inflation landscape, with shelter driving the overall CPI upward more than transportation or other categories.

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