

TransLink seeking federal and provincial funding to fill \$200M revenue hole



Kenneth Chan | Jan 26 2022, 1:39 pm



SkyTrain Rupert Station. (Kenneth Chan/Daily Hive)

Public transit ridership in Metro Vancouver has been gradually rebounding, but the continued gap from pre-pandemic ridership volumes will lead to major operating revenue shortages for



The public transit authority is estimating it will see operating revenue losses of \$216 million in 2022, and \$200 million in 2023.

This is down from \$409 million in 2020 and \$395 million in 2021, which were offset by a combination of TransLink cost reductions of \$267 million, and federal and provincial emergency operating funding of \$537 million.

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Senior governments provided TransLink with a total of \$644 million in one-time emergency operating funding originally intended to cover revenue losses in 2020 and 2021, but the public transit authority has been able to stretch out this subsidy by covering a portion of the losses for 2022 and 2023.

TransLink will use \$90 million in remaining emergency operating funding to cover a portion of



TransLink did not have to draw on its cash reserves in 2020 and 2021 due to emergency operating funding and cost reductions, but without additional emergency operating funding it will have to take this measure in 2022 and 2023 – a total of \$200 million from cash reserves. Instead of drawing on cash reserves, TransLink wants the federal and provincial governments to fill the \$200 million hole.

The public transit authority has indicated its cash reserves are meant for rainy days, to maintain liquidity and stability of operations, and avoid steep service cuts or tax hikes.

TransLink is estimating it will see total pandemic revenue losses of over \$1.6 billion, with \$409 million from 2020, and \$1.2 billion projected between 2021 and 2025.

In its formal submission to the federal government’s pre-budget consultation for the 2022 federal budget, the Mayors’ Council warns that without additional emergency operating funding from the federal and provincial governments, it is suggested that TransLink could be forced to cut service levels, and defer expansion and improvement projects.

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In **early January 2021**, as an initial measure, TransLink cut 2% of its services on 37 bus routes, specifically targeting routes and periods operating with more capacity than needed, to slow down its financial bleed.



and TransLink to protect transit services,” said Jonathan Cote, chair of TransLink’s Mayors’ Council, and the mayor of New Westminster.

“However, as the pandemic continues to challenge all essential services, we need the federal government to recommit to additional emergency support for transit in British Columbia. If the federal government doesn’t extend this critical funding, we face making difficult decisions on service levels and future projects, or, shifting the burden of pandemic-related losses to more regressive local tax sources impacting already hard-hit businesses and residents struggling with affordability challenges.”

TransLink ridership rebounded to 60% of pre-pandemic volumes as of the start of 2022, which is amongst the highest ridership recovery in North America. This is up from 40% earlier in 2021, and the pandemic low of 17% in April 2020.

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By late 2022, ridership is expected to further recover to 80% to 90% of pre-pandemic volumes, which is roughly equivalent to the annual ridership experienced between 2015 and 2017.

“While TransLink’s ridership recovery is out-performing expectations and surpassing most other urban transit systems in North America, we are not immune to the ongoing challenges of the



“As we head towards a ‘new normal’ for transit ridership – with less revenue coming from transit fares – we will need continued support from senior governments as we work to identify alternative revenue sources.”

The initial federal and provincial emergency operating funding program also allocated \$86 million to BC Transit, and \$308 million to BC Ferries.

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On Thursday, after a years-long planning and public consultation effort, the Mayors’ Council will convene to review and provide final approval to [TransLink’s Transport 2050 plan](#) of creating a new 30-year transportation expansion strategy for Metro Vancouver.

