



ASSOCIATION OF CONSULTING  
ENGINEERING COMPANIES | CANADA

ASSOCIATION DES FIRMES  
D'INGÉNIEURS-CONSEILS | CANADA

## BRIEFING: ROAD PRICING



### **Road pricing is a critical element of sustainable infrastructure**

- The Association of Consulting Engineering Companies – Canada (ACEC) believes that all levels of government need to consider road pricing strategies as one tool to ensure stable, long-term investment in sustainable transportation and transit systems.
- Road pricing is an equitable, cost-recovery based means of both reducing congestion and funding our transportation and transit needs by putting a direct price on using road infrastructure according to the time and/or frequency of use.
- Road pricing (also called congestion pricing) can be implemented in many ways including GPS distance-based schemes, flat fees for unlimited travel, to “per use” on roads, bridges and/or tunnels.
- All levels of government and transportation stakeholders need to engage in rational and objective discussions about financing options and how, we as a society, pay for and maintain critical transportation and transit infrastructure that is vital to our economy.

### **Benefits to Canadians**

- Road pricing recognizes the full economic, social, and environmental costs of driving motor vehicles.
- Road pricing similar to what is done in other leading cities such as London, UK and elsewhere delivered on a region-wide basis will improve the efficiency and fairness of the overall transportation and transit network.
- Road pricing is an effective and attractive demand-management tool that is particularly effective in reducing congestion by encouraging people to consider other forms of transportation, drive less, and/or travel at non-peak travel times.

- Road pricing is one tool to help bridge the infrastructure deficit and resultant municipal funding gap for transportation and transit.
- Road pricing more reliably reflects road use than the Gas Tax, on which much municipal infrastructure is funded, and would offset potential decreases in Gas Tax revenues caused by more fuel efficient vehicles, increased use of electric vehicles and uncertain fuel prices.

## Current situation

- Significant commitments to capital investments in infrastructure by all levels of government are welcomed, however capital costs only represent about 10% of the total life-cycle costs of most infrastructure assets; ongoing operation and maintenance represents 90% of infrastructure over its life.
- One of the primary sources for funding road infrastructure is fuel taxes which could decline as vehicles become more fuel-efficient;
- As the market for electric cars grows, there will be more cars on the road burning less fuel, resulting in a decreasing pool of funds for building and maintaining roads meaning funding for roads will increasingly lag behind demand for road space.
- In 2006, Transport Canada calculated the economic cost of traffic congestion in major Canadian cities: it was \$2.5 billion annually in the Greater Toronto and Hamilton Area (\$473 per person) and \$5.2 billion overall per year in Canada's five largest cities.

## Additional resources

- [Canadian and North American Experience With Road Pricing](#) (Geoff Stiles, Healthy Transportation Coalition, 2016)
- [The Free Ride is Over: Why Cities, and Citizens, Must Start Paying For Much-Needed Infrastructure](#) (Philip Bazel and Jack Mintz, The School of Public Policy, University of Calgary, 2014)
- [Metro Vancouver – Road Pricing Research](#) (TransLink/Deloitte, 2010)
- [Road Pricing in an Urban Context](#) (Transportation Association of Canada, 2009)
- [Prospects for Urban Road Pricing in Canada](#) (Robin Lindsey, 2008)
- [Congestion Relief: Assessing the Case for Road Tolls in Canada](#) (Robin Lindsey, C.D. Howe Institute, 2007)

## For more information, please contact:

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