



## **2026-2028 Ridership Growth Strategy: 2026 Budget Considerations**

**Date:** September 4, 2025  
**To:** Strategic Planning Committee  
**From:** Chief Strategy & Customer Experience Officer

### **Recommendations**

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It is recommended that the Strategic Planning Committee:

1. Endorse the following ridership growth initiatives for 2026 and recommend that staff include budget requests to implement them in the TTC's 2026 Operating and Capital Budget submission:
  - a. Replace monthly passes with fare capping.
  - b. Implement Year 1 of the TTC Wayfinding Strategy (pending Board approval).
  - c. Support increased ridership from change in work from home policies.
  - d. Improve service reliability.
  - e. Implement outstanding 2024 / 2025 Annual Network Plan proposals.
  - f. Meet Service Standards for crowding, express network routes, and the 10-minute network.
2. Request staff to report back to the Strategic Planning Committee following the approval of the 2026 Operating and Capital Budgets with a final 2026-2028 Ridership Growth Strategy.

### **Summary**

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This report provides a follow-up to the Framework for Ridership Growth ([TTS1.3](#)), responding to the Strategic Planning Committee's direction to advance ridership growth initiatives aligned with the endorsed guiding principles. The report outlines progress made since the July 2025 meeting, including refinement of guiding principles and Planning Advisory Group engagement.

Revised guiding principles emphasize putting customers first, delivering efficient and reliable service, and driving results through transparency and accountability. In alignment with the guiding principles, six recommended ridership growth initiatives have been developed for implementation in 2026, each designed to support TTC's long-term

financial sustainability. Staff are seeking direction from the Committee to include these recommended initiatives in the TTC's 2026 Operating and Capital Budget submission for consideration by the Board and City Council.

While this report focuses on the immediate priorities for 2026, there are many further enhancements to service quality, infrastructure modernization, and customer experience that have been identified for future years. TTC staff will report back on the final 2026-2028 Ridership Growth Strategy to the Strategic Planning Committee in 2026 following approval of the 2026 Operating and Capital Budgets.

## **Background and Analysis**

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### **Guiding Principles for 2026-2028 Ridership Growth Strategy**

At their July 2025 meeting, the Committee considered principles to guide the development and evaluation of the RGS. Based on the Committee's direction, the guiding principles have been refined as follows:

#### **1. *Put Customers First***

- Centre riders and their experiences to inform and drive decisions
- Ensure that the TTC remains affordable, accessible, and equitable for customers
- Focus on key customer groups (including women, people with low income, and shift workers)
- Support the needs of frequent, occasional, and non-riders
- Address barriers to mode shift and reduce points of friction in the customer journey

#### **2. *Deliver Efficient, Reliable Service***

- Improve reliability and reduce service interruptions
- Maximize use of existing fleet and resources
- Bundle complementary improvements for greater impact
- Leverage partnerships to extend reach and resources

#### **3. *Drive Results Through Transparency and Accountability***

- Align with TTC's approved plans (e.g., Corporate Plan, 5YSP, 5YFP)
- Partner with the City on advocacy efforts
- Use and report on indicators, standards, and metrics that support reducing barriers to new ridership

### **2026 Look Ahead - Ongoing Initiatives Supporting Ridership Growth**

In addition to considering new investments, it's important to recognize the substantial, funded work already underway. TTC is actively delivering initiatives from the 5-Year Service and Customer Experience Action Plan, 2024-2028 (5YSP), and 5-Year Fare Policy (5YFP) goals, that are improving service, modernizing fare collection, enhancing the customer experience, and removing barriers to transit use, all in support of ridership growth. Additional information and initiatives are described in Attachment 2.

## **Strategic Ridership Growth Initiatives**

Building on the 5YSP and 5YFP initiatives already in delivery, presented below are a series of ridership growth initiatives recommended for implementation in 2026, each offering a different level of investment and designed to support increased transit use through varying levels of fare, service, and customer experience improvements. They were developed through internal collaboration and informed by customer feedback, operational analysis, and financial review. Each initiative was evaluated based on its alignment with the guiding principles and its expected impact on ridership and revenue.

### **1. Replace monthly passes with fare capping**

This initiative would replace unlimited-ride monthly passes with monthly fare capping where all trips are free after a customer takes a defined amount of single-ride trips in a calendar month and reaches the fare cap. From a rider's perspective, fare capping is simple to use. Fares are paid using the same fare media as before, and the total amount paid per month is calculated automatically, based on the selected trip rate.

Fare capping provides customers the same price certainty as a monthly pass without the often-substantial barrier of an up-front cost (currently \$156 for an adult monthly pass). Customers will always receive the best price and will no longer need to worry about overpaying and not using a monthly pass to its full value. Customers travelling across the Toronto boundary will be also able to take advantage of the One Fare Program and receive a free TTC fare when transferring to/from GO Transit or a free transfer when using transferring from a neighbouring transit agency, whereas monthly pass users do not currently benefit from One Fare when returning into Toronto or using GO Transit.

Fare capping is rapidly becoming the industry standard for modernized fare collection, with many transit agencies within the Greater Toronto Area (GO Transit, York Region Transit, Burlington Transit, Hamilton Street Railway, MiWay) and cities internationally (London, UK; Los Angeles, Portland and New York, USA) having implemented it. For the TTC itself, fare capping enables straightforward incremental changes as new funding and subsidies become available. It allows the agency to estimate more clearly and precisely the cost of some of those changes.

### **2. Implement Year 1 of the Wayfinding Strategy**

This initiative would implement the first year of TTC's new Wayfinding Strategy. This would include full implementation of the strategy at three pilot stations (TMU, St George, and Finch West), plus platform boarding mats at nine stations (TMU, St George, Finch West, Union, St Andrew, Bathurst, Dufferin, Kipling, Bloor-Yonge). TTC will also seek to increase its digital customer experience (CX) capabilities in-house.

Benefits of this initiative include:

- The opportunity to engage with customers at pilot stations to receive feedback on changes before implementing system-wide.

- Expanding the rollout of platform boarding mats which assist with station capacity, service improvements.
- Adding exit numbering in high-traffic stations (Union, St Andrew, Bathurst, Dufferin, Kipling and Bloor-Yonge)

### **3. Support increased ridership from change in work from home policies**

This initiative includes targeted subway service investment to support anticipated ridership growth resulting from planned changes to work from home policies that have been announced by several major employers starting in fall 2025. The banking industry's upcoming planned shift to four in-office days is expected to increase peak point demand during rush hours by 8% compared to today's levels should the policy changes be fully realized.

Line 1 and Line 2 act as a spine to the TTC network and play a key role in moving large amounts of customers across the city. These improvements would not only benefit workers returning to office but also all other rider groups who use Line 1 and Line 2 to complete trips.

### **4. Improve service reliability**

This initiative includes additional resources to support route management and advancing the implementation of transit signal priority across the City.

Organizational changes to route management in 2019 have placed greater demands on Surface Operations Supervisors to manage a high volume of calls related to mechanical issues, bus and streetcar collisions, and security incidents. Operational data indicates that the current average supervisor-to-bus ratio of 1:76 is insufficient to manage and respond to the increased volume of calls and incidents in a timely manner. An increase in resources would reduce the number of vehicles and routes monitored by an individual Supervisor, reduce the response time to manage delays and address incidents, and improve service reliability. These resources would also be used to support next steps on the Bunching and Gapping pilot.

In addition to route management, transit signal priority plays a key role in improving service reliability across the network. Current staffing allows 50 updates or new deployments of transit signal priority per year. This initiative would include additional staffing to enable an additional 50 updates or new deployments per year.

Both initiatives would maximize the use of existing fleet and resources and support one of the consistently highest priority areas noted by customers during consultations

### **5. Implement outstanding 2024 / 2025 Annual Network Plan proposals**

This initiative includes implementing bus network changes that were approved in the 2024 and 2025 Annual Network Plans (ANP). These include Blue Night Network changes, two new express bus routes in the Line 5 and Line 6 Network Plan, and revisions to regular bus routes.

Implementing these changes will support several key customer groups including shift workers, women and people with low income; respond to customer feedback; and hold TTC accountable to previous consultations and approved plans.

## **6. Meet Service Standards (Crowding, Express Network, 10-Minute Network)**

While TTC regularly reallocates service from less busy routes to busier ones to match capacity with demand and deliver service levels that meets service standards, while remaining within available budget, additional funding is required to meet all service standards. This initiative includes adding service to routes to meet Board-approved Service Standards for crowding as well as express network and 10-minute network minimum periods of operation.

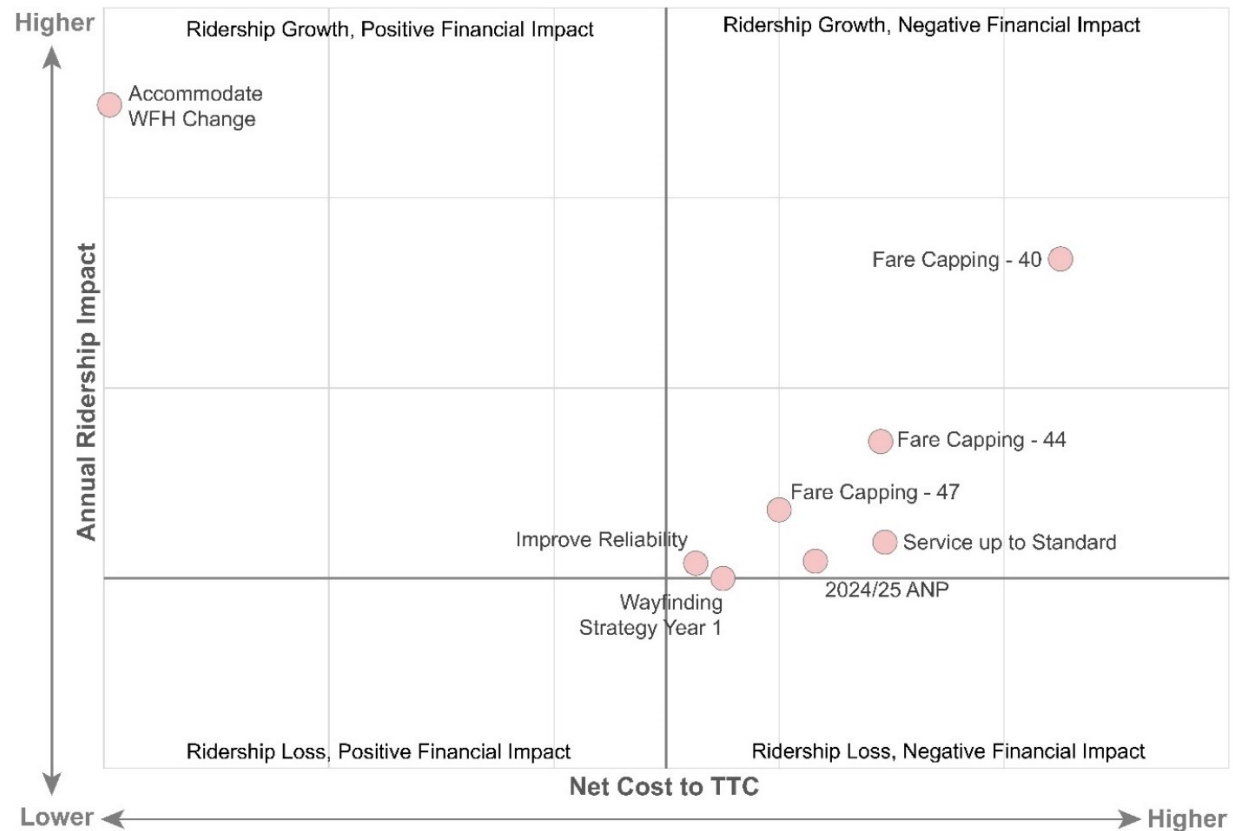
- Crowding: Adding service to 64 time periods on 39 routes where crowding levels exceed standards.
- Express Network: Adding service to 27 time periods on 10 routes to meet Express Network standards.
- 10-Minute Network: Implementing maximum 10-minute headways during 46 time periods on 11 routes.

Benefits of this proposal include putting customers first, a positive impact for all riders, and holding TTC accountable to approved Service Standards.

### **Summary**

There are a wide range of factors that influence the way in which people make travel choices, and which, ultimately, determine the extent to which the TTC can attract new riders while also retaining our existing customer base. Not every investment (capital and/or operating) gets the same rate of return when it comes to ridership and revenue growth. Figure 1 below compares the expected return on investment of the six proposals presented in this report.

**Figure 1: Return on Investment of Ridership Growth Proposals**



## Consultation

On August 21, TTC staff met with the Planning Advisory Group to present the proposed ridership growth initiatives for 2026 and to seek input on prioritizing initiatives for 2027-28. The consultation focused on gathering feedback on TTC's approach to supporting ridership growth, the six recommended 2026 initiatives, potential future initiatives for 2027 and 2028, and perspectives on a potential fare increase.

### Feedback on 2026 budget enhancement recommendations:

1. Overall, participants supported prioritizing recommendations that improve service reliability and frequency. Some also suggested small changes with high impact for retaining and attracting riders, such as improving wayfinding, promoting service on social media, and keeping stations and vehicles clean and comfortable (for example, addressing pigeons on stairs and adding shade).
2. There was strong support for fare capping. Participants had many questions about the proposed model and implementation, including open payments, 30-day versus calendar-month rollout, weekly versus day-specific options, and how it would apply to students and weekend users. Consider using the fare capping system to reduce fare evasion, since riders will be encouraged to pay to qualify.

3. Feedback on implementing the Wayfinding Strategy was mixed. Many supported it, while some felt TTC should prioritize improving service reliability and frequency.
4. Opinions were mixed on prioritizing RapidTO. There is strong support for the program, with some advocating for more resources and faster implementation of outstanding RapidTO projects from the 5-Year Service Plan, and others preferring to prioritize recommendations with citywide impact.
5. Service Standards need a comprehensive review.
6. Overall, there is strong opposition to a fare increase. If an increase is necessary, consider:
  - a. reducing the number of qualifying rides for fare capping
  - b. explaining clearly why the increase is needed and how it will change the customer experience
  - c. starting subway service earlier on Sundays

### **Other feedback and advice**

7. More context about the data should be included in the presentation narrative to help decision-makers and the public understand the reasons behind the findings. Suggestions included: adding geographic detail for longer trips (which are regional versus city-based), providing area-specific data (for example, bus trips in Etobicoke may differ from Downtown), explaining why TTC user groups are decreasing and where those riders go (for example, to active transportation or private vehicles), reporting net customer retention and churn, presenting safety satisfaction versus safety perception scores (including potential underreporting), and addressing inconsistencies (for example, overcrowding on buses).
8. Safety is an important factor for ridership growth, especially for women and gender-diverse people. This is not only about capital investment but also about culture change, policies, and accountability processes, which can be implemented faster than infrastructure projects.
9. The aging population should be a priority customer group, particularly for Wheel-Trans. Some neighbourhoods with older residents are underserved by Wheel-Trans and may be interested in using it.
10. Participants want stronger alignment with relevant City policies, such as TransformTO, which recommends that by 2040 public transit should be free and that 75 percent of trips should be outside private vehicles.
11. Participants expressed appreciation for the work the TTC has done and for the presentation.

### **Next Steps**

TTC staff will refine and finalize the ridership growth initiatives included in the 2026 Operating and Capital Budget submission based on input received from the Committee.

While this report focuses on the immediate priorities for 2026, there are many further enhancements to service quality, infrastructure modernization, and customer experience that have been identified for future years. TTC staff will report back on the

final 2026-2028 Ridership Growth Strategy to the Strategic Planning Committee following approval of the 2026 Operating and Capital Budgets.

### **Diversity, Equity and Inclusion Matters**

The proposed initiatives aim to grow ridership by improving affordability, accessibility, and reliability for those who rely on TTC the most, including equity-deserving groups.

Fare capping supports affordability by ensuring predictable costs for frequent riders and can potentially reduce costs for TTC's most loyal and reliant customers, while also providing simplicity all riders. The design of the wayfinding system will follow universal design principles to ensure the system is easier to use for newcomers, seniors, and people with disabilities. Enhancing service reliability helps build trust in TTC as a dependable option for daily travel.

The initiatives are grounded in consistent findings from years of deliberate, ongoing engagement with diverse communities. Equity impacts will be monitored during implementation to ensure alignment with broader equity goals.

### **Innovation and Sustainability Considerations**

Increasing ridership is central to TTC's sustainability goals. A faster, more frequent, and more reliable TTC network encourages more people to choose transit, helping reduce car dependency, lower emissions in support of the City's TransformTO NetZero Strategy, and makes better use of existing fleet and infrastructure.

Wayfinding improvements support this modal shift by combining traditional signage with digital tools that reflect an evolution in how riders navigate. Mobile-friendly solutions, aligned with the TTC's Innovation and Sustainability Strategy 2024-2028, are being explored to enhance the customer journey and support future system growth.

Fare capping uses advancements in fare collection technology to offer riders more flexibility and potentially lower costs for customers, reinforcing both ridership and sustainability objectives.

### **Corporate Plan Alignment**

The RGS advances the TTC's Corporate Plan 2024-2028 by delivering on Strategic Direction 2: *Attract New Riders and Retain Customer Loyalty*. By focusing on faster, more frequent, and more reliable service, along with improved affordability and customer experience, the initiatives proposed in this report aim to position TTC as the preferred choice for more Torontonians.

The RGS also supports Strategic Direction 3: *Place Transit at the Centre of Toronto's Future Mobility* by encouraging mode shift, reducing emissions, and preparing the network for long-term growth. These efforts align with the TTC's commitment to building a resilient, competitive, and sustainable transit system.



Additionally, the initiatives support Strategic Direction 5: *Address the Structural Fiscal Imbalance* by maximizing revenue potential through increased ridership, improving value for money, and reinforcing the case for a sustainable funding model.

## Financial Impact

This report has no direct financial impact. However, if the recommended ridership growth initiatives in this report are approved as part of the 2026 Budget process they would result in incremental increases in operating and capital costs starting in 2026, as shown in Table 1 below.

**Table 1: Budget impact for 2026 ridership growth initiatives**

Initiative	2026 Operating Cost (M)	2026 Capital Cost (M)	2026 Revenue (M)	2026 Net Operating Impact (M)	2026 Ridership Impact (M)
1a. Fare capping: free after 47 rides / month*	-	-	\$(10.0)	\$10.0	3.6
1b. Fare capping: free after 44 rides / month*	-	-	\$(19.0)	\$19.0	7.2
1c. Fare capping: free after 40 rides / month*	-	-	\$(35.0)	\$35.0	16.8
2. Implement Year 1 of Wayfinding Strategy	-	\$5.0	-	-	-
3. Increase subway service to accommodate change in WFH policies	\$10.90	-	\$60.4	\$(49.50)	24.9
4. Improve service reliability	\$1.62	-	-	-	-
5. Implement outstanding 2024 / 2025 ANP Proposals	\$15.50	-	\$2.3	\$13.2	0.9
6. Service Up to Standard	\$21.00	-	\$1.60	\$19.40	1.90

\* Potential incremental costs to operate additional service to accommodate increased ridership from fare capping are not included in this analysis.

As an additional consideration, a fare increase could be applied to help offset implementation costs and support financial sustainability. TTC fares have been frozen since April 2023 despite an approximately 4.5% increase in inflation over the past two years, making it challenging to introduce new initiatives and improvements unless additional funding is secured from funding partners. Table 2 below indicates the revenue and ridership impacts expected from a full year fare increase.

A fare increase could be implemented in various ways from increases to all fares, to cash fares only, or to PRESTO/credit/debit single ride fares only. Fare increases of up to 10 cents per ride are projected to have minimal ridership impacts while raising significant funds that could be used to implement the new initiatives recommended in this report.

In recent years TTC has maintained a 5-cent differential between cash and PRESTO/credit/debit single ride fares. Increasing that differential and raising cash fares by a higher amount than PRESTO/credit/debit would:

- further encourage customers to transition from cash to PRESTO/credit/debit
- reward frequent TTC users by implementing a lower (or no) fare increase for PRESTO/credit/debit

**Table 2: Revenue and ridership impact of a full year fare increase**

Category	Description	Annual Revenue (M)	Annual Ridership Impact (M)
<b>Full Year Fare Increases to all Cash fares</b>	+\$0.10	\$2.2	-0.03
	+\$0.25	\$4.6	-0.30
	+\$0.35	\$6.2	-0.50
<b>Full Year Fare Increases to all PRESTO Single Ride Fares</b>	+\$0.05	\$15.0	0.00
	+\$0.10	\$27.6	-0.40
	+\$0.25	\$57.8	-4.30
	+\$0.35	\$78.2	-6.60
<b>Full Year Fare Increases to all Fares</b>	+\$0.05	\$17.7	0.00
	+\$0.10	\$32.7	-0.50
	+\$0.15	\$45.5	-2.00
	+\$0.25	\$68.5	-5.50
	+\$0.35	\$92.6	-8.50

An opportunity also exists to simplify TTC's fare policy by implementing a single cash fare and eliminating concession cash fares. Concession fares would continue to be available for eligible users when using a PRESTO card. A single cash fare would enable TTC to:

- Reduce fare evasion by requiring use of a PRESTO card for concession fare use.
- Deliver on Board direction from July 2024 to "phase out cash fares at stations" as the single cash fare could be purchased at fare vending machines, enabling TTC

to remove cash fare boxes at stations that currently exist to primarily to collect concession cash fares along with transfer machines.

- Continue TTC’s transition from cash and legacy fare media to PRESTO as required by the TTC-Metrolinx 2012 Master E-Fare Agreement.
- Align with peer transit agencies that only offer concession fares through electronic fare media like York Region Transit, Edmonton Transit, Bay Area Rapid Transit, MARTA (Atlanta), and Transport for London.
- Improve data collection to support customer insights and demand forecasting.

Table 3 below provides three sample options illustrating the revenue and ridership impacts of implementing a single cash fare.

**Table 3: Revenue and ridership impact of cash harmonization / single cash fare**

Category	Description	Annual Revenue (M)	Annual Ridership Impact (M)
<b>Full Year Cash Harmonization</b>	Single cash fare: \$3.35	\$1.70	-1.00
	Single cash fare: \$3.50	\$4.30	-1.20
	Single cash fare: \$3.75	\$7.50	-1.80

## External levers

The Strategic Planning Committee and TTC Board could also advocate for changes to external levers to advance several organizational priorities including generating sustainable sources of revenue, increasing transit ridership, and implementing measures to reduce delays and increase priority for transit vehicles.

As an example, large cities across North America have successfully implemented rideshare levies to achieve municipal objectives such as reducing traffic in congested areas and funding city services, including public transit. Rideshare levies can serve as an additional source of sustainable municipal revenue, with precedents ranging from approximately CA\$25M annual revenue in Washington, DC to ~CA\$451M in New York City and ~CA\$55M in Chicago.

In addition to providing the City and TTC with an additional source of revenue, a rideshare levy could help convert rideshare trips into transit trips (or another sustainable mode). In 2024, a [City of Toronto study](#) found that while 34% of rideshare users do use it to connect to transit, a significant portion of rideshare trips are competing with public transit for riders. The study reported that if rideshare was not available, a shift of trips to public transit “*would represent approximately 4.6% to 6.9% in weekday TTC ridership*”.

An added benefit of implementing a rideshare levy is that it could reduce rideshare vehicle kilometres travelled on City streets and could improve speed and reliability of TTC buses and streetcars due to less traffic impeding transit vehicles. In 2024, the City

study reported that rideshare vehicles “*accounted for 14.2% of total traffic in the downtown core, compared to 3.6% in the suburban areas, and 4.5% city-wide*”.

Authority under the *City of Toronto Act, 2006*, would need to be established before proceeding with a rideshare levy.

The Chief Financial Officer has reviewed this report and agrees with the financial impact information.

## **Contact**

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## **Attachments**

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Attachment 1 – Decision History  
Attachment 2 – 5-Year Service and Customer Experience Action Plan: 2025 accomplishments and 2026 look ahead

## **Attachment 1 – Decision History**

### **May 16, 2024 – 5-Year Service and Customer Experience Action Plan**

The TTC Board approved the 5-Year Service and Customer Experience Action Plan and directed staff to bring forward actions and initiatives every year through the TTC's Annual Service Plan and Budget process. The Board also approved updates to the TTC Service Standards to reflect current conditions and performance. TTC Board Decision: [5-Year Service and Customer Experience Action Plan](#)

### **January 10, 2025 – Recommended 2025 Operating Budget: 2025-2034 Capital Budget and Plan, 15-Year Capital Investment Plan and Real Estate Investment Plan Update**

The TTC Board requested TTC to establish a Strategic Planning Committee to assist the TTC Board in managing strategic planning and priorities, including through a Ridership Growth Strategy and other existing strategic documents. TTC Board Decision: [Recommended 2025 Operating Budget: 2025-2034 Capital Budget and Plan, 15-Year Capital Investment Plan and Real Estate Investment Plan Update](#)

### **January 27, 2025 – 2025 Annual Service Plan**

The TTC Board approved the 2025 Annual Service Plan (ASP) and its associated proposed route changes. The 2025 ASP provides a roadmap for service changes for the coming year, including recommendations for new and revised routes based on input and engagement with TTC customers, front-line staff, and the community. The 2025 ASP focuses on enhancing connections across the transit network and making the system more attractive to all customers including the three key priority groups (women, shift workers and lower income customers) in the coming years. TTC Board Decision: [Agenda Item History - 2025.TTC1.3](#)

### **July 10, 2025 – Framework for Ridership Growth**

The Strategic Planning Committee reviewed ridership trends and a draft Ridership Growth Strategy focused on increasing TTC ridership and supporting financial sustainability. The Committee directed staff to consult with the Planning Advisory Group and begin a full review of service standards in 2026. The Committee updated one guiding principle to emphasize affordability, accessibility, and equity, and added new principles to prioritize rider experience, reduce barriers, and ensure transparency. Strategic Planning Committee Decision: [Agenda Item History – 2025.TTS1.3](#)