

BC Transit

**2026/27 – 2028/29
Service Plan**

February 2026



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Published by BC Transit

Board Chair's Accountability Statement



The 2026/27 – 2028/29 BC Transit Service Plan was prepared under the Board's direction in accordance with the *Budget Transparency and Accountability Act*. This plan is consistent with government's strategic priorities and fiscal plan. The Board is accountable for the contents of this plan and is responsible for the validity and reliability of the information presented.

All significant assumptions, policy decisions, events and identified risks, as of February 2026 have been considered in preparing the plan. The performance measures presented are consistent with the *Budget Transparency and Accountability Act*, BC Transit's mandate and goals, and focus on aspects critical to the organization's performance. The targets in this plan have been determined based on an assessment of BC Transit's operating environment, forecast conditions, risk assessment and past performance.

Signed on behalf of the Board by:

A handwritten signature in blue ink that reads "Sherri Bell".

Sherri Bell
Board Chair, BC Transit
February 9, 2026

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Strategic Direction

In 2026/27, the public sector organizations will do their part to support the Government of British Columbia's prioritizing support for people by taking action to make life better for everyone.

Despite a challenging fiscal environment due to global uncertainty, trade relationship reordering, and low resource prices, over the past year Government made significant progress on efforts to reduce costs for British Columbians, hire more doctors and nurses, and build more homes, hospitals and schools, faster. Crown Agencies will continue to advance these key priorities even as tariffs, trade policies, and instability outside of the province's borders continue to put pressure on the province's finances.

Ongoing fiscal pressure means all parts of Government, including Crown Agencies must continue to do their part to maximize efficiencies and make sure every dollar counts.

To respond to these extraordinary times, Crown Agencies will support Government's focus on expanding trade and investment both within Canada and abroad and delivering major projects that offer good jobs and opportunities for people and communities. This focus on economic growth and prosperity is critical to delivering the revenue needed to provide services and infrastructure.

Good relationships and mutually beneficial partnerships with First Nations are critical to building a better future for everyone in British Columbia. Crown Agencies will continue supporting efforts to implement the Declaration on the Rights of Indigenous Peoples Act Action Plan. Through collaboration and open dialogue, we aim to foster trust, stability and certainty for all.

This 2026/27 service plan outlines how BC Transit will support the Government's priorities and selected action items identified in the Minister's most recent [Mandate Letter](#).

Purpose of the Organization and Alignment with Government Priorities

BC Transit is the provincial Crown agency charged with coordinating the delivery of public transportation across British Columbia, except for those areas serviced by TransLink (Metro Vancouver). More than 1.9 million British Columbians in over 130 communities across the province have access to BC Transit local and regional transit services.

BC Transit's shared services model helps to ensure the most efficient and effective delivery of transit services across all transit systems. In most regional transit systems, service is provided through a partnership between BC Transit, a local government, and a contracted transit management company. Under this partnership model, BC Transit provides a variety of shared

services for all transit systems, including asset management and construction, procurement, marketing, planning, scheduling, safety, and training expertise.

BC Transit directly operates the conventional service in the Victoria Regional Transit System. The funding of transit service is provided through customer fares, advertising revenues, property tax and in Victoria, a regional motor fuel tax, with the remainder funded through a partnership between local governments and the provincial government through BC Transit.

Economic Statement

B.C.'s economy saw mixed performance among sectors in 2025 amid U.S. tariffs and related global economic uncertainty and declining B.C. population growth. Consumer spending was strong through the first half of the year, supported by front-loaded spending ahead of U.S. tariffs (particularly for automobiles), lower inflation and interest rates, but spending has slowed in recent months. Residential construction remained above average in 2025 despite declining from the high levels of activity seen in recent years, and home sales were subdued in 2025. Meanwhile other investment indicators (such as public sector investment and commercial building permits) saw steady growth despite headwinds from economic uncertainty. B.C.'s exports have been resilient amid U.S. tariffs. The value of international exports was unchanged as lower forestry exports and coal prices offset higher values of natural gas and copper exports.

The Economic Forecast Council (EFC) estimates that B.C. real GDP grew by 1.5 per cent in 2025. In the near-term, the EFC expects B.C.'s economy to also grow by 1.5 per cent in 2026 and by 1.9 per cent in 2027, similar to the national average. For Canada, the EFC estimates growth of 1.6 per cent in 2025 and projects national real GDP growth of 1.3 per cent in 2026 and 1.9 per cent in 2027.

A volatile global trade conflict as well as immigration and population fluctuations are the main risks to the outlook. Other risks include commodity price instability, renewed inflationary pressures leading to elevated interest rates, prolonged housing market weakness, and climate change impacts.

Performance Planning

Goal 1: Maximize Resources and Grow Ridership

Performance Measures

Performance Measure	2024/25 Baseline	2025/26 Forecast	2026/27 Target	2027/28 Target	2028/29 Target
1a Total ridership (passenger trips, millions), including taxi ^{1,2}	57.5	57.7	58.8	59.4	59.7
1b Conventional passenger trips per service hour ^{1,3}	27.2	26.4	25.6	25.9	26.1
1c Budgeted service delivered (revenue hours) ¹	2,560,285	2,646,855	2,773,466	2,773,466	2,773,466
1d Conventional operating cost per service hour ^{4,5}	\$159.58	\$164.71	\$172.93	\$172.93	\$172.93

¹Data source: BC Transit internal tracking data and reports from BC Transit operating partners.

²Total ridership includes conventional, custom and paratransit ridership.

³Passenger trips per service hour measures the effectiveness of, and the demand for, transit services as provided and is determined by dividing passenger trips by service hours.

⁴Data source: BC Transit financial system and audited financial statements.

⁵Operating cost per service hour is determined by dividing the total direct operating expenses by the service hours.

Objective 1.1: Complete key infrastructure projects.

Transit infrastructure plays a crucial role in supporting service capacity. Expanded and new transit facilities and exchanges will ensure that the transit system has capacity to grow ridership and meet demand.

Key Strategies

- Continue upgrades to existing transit operations and maintenance facilities in Kelowna and Victoria.
- Advance work on new and upgraded transit exchanges including downtown Nanaimo, downtown Trail, Abbotsford Highstreet, three exchanges in Kelowna and five exchanges in the Comox Valley.
- Advance work on retrofits of transit operations and maintenance facilities across the province to accommodate battery electric bus charging initiate and plan for additional infrastructure to support fleet electrification across the province.

Objective 1.2: Optimize the effectiveness and reliability of public transit.

Optimizing transit service enhances efficiency, reliability, and accessibility, attracting more people to use transit, which contributes to increased ridership.

Key Strategies

- Progress planning work for RapidBus infrastructure in the Victoria Regional Transit System.
- Plan for future phases of [OnDemand](#) transit service in additional communities.
- Begin the rollout of a custom transit (handyDART) reservation and dispatch software to support operational functions and provide insights into customer travel patterns.

Goal 2: Employees, Partners, and Customers are Satisfied and Supported by Safe Operations

Performance Measures

Performance Measure	2024/25 Baseline	2025/26 Forecast	2026/27 Target	2027/28 Target	2028/29 Target
2a BC Transit Employees' Total Recordable Injury Rate ¹	5.4	5.3	5.2	5.1	5.0
2b Preventable Incidents ²	10.7	11.0	10.5	9.5	8.5
2c Employee Engagement ³	74	75	75	75	75
2d Customer Satisfaction ^{4,5}	3.46	3.41	3.42	3.43	3.44
2e Customer Satisfaction – Custom Transit ^{5,6}	4.14	4.05	4.07	4.10	4.14
2f Partner Satisfaction ⁷	4.42	4.10	4.15	4.17	4.20

¹Data source: BC Transit internal tracking data; BC Transit employees only.

²Data source: BC Transit internal tracking; number of preventable incidents per million vehicle-kilometres driven.

³Data source: Employee survey.

⁴Customer satisfaction is determined by the average rating of customer tracking survey respondents when asked to rate their overall transit experience from one ("very poor") to five ("excellent"). It currently does not distinguish between conventional and custom.

⁵Data source: Annual customer survey, conducted by a third-party research firm.

⁶Customer satisfaction Custom Transit is determined by the average rating of respondents when asked to rate their experience out of 100. This score is then converted to a mark out of five.

⁷Data source: Annual partner survey, conducted by a third-party research firm.

Objective 2.1: Maintain high levels of passenger and employee safety.

Safety is paramount in public transit. For passengers, it builds trust and confidence in the system and encourages ridership growth. Employee safety promotes a positive work environment and contributes to the delivery of high-quality services.

Key Strategies

- Continue to deliver and improve on-road safety programs, such as enhanced BC Transit Operator training with a focus on hazard avoidance techniques.
- Continue to implement and develop workplace safety and awareness programs, training, policies and procedures that support employees' physical and psychological safety.
- Continue to deliver programs and training that aim to reduce the frequency of conflicts between transit operators and passengers.
- Regularly review on-board safety issues and implementation of corrective actions.
- Work towards ISO 45001¹ occupational health and safety certification.

Objective 2.2: Improve employee, partner, and community engagement.

Employee engagement drives a motivated workforce, ensuring excellent service and customer satisfaction. Partner engagement provides insights into the communities served, supporting the delivery of quality services. Community engagement, through building trust and positive relationships, offers insights into community needs to support effective service delivery.

Key Strategies

- Complete and implement an updated People and Culture Plan and continue to progress the Work Environment Survey recommendations.
- Continue to advance inclusion, diversity, equity, and accessibility (IDEA) by utilizing the Evolving Reconciliation Framework to develop actions to support reconciliation with Indigenous communities and empower BC Transit's IDEA forum group to promote an inclusive work environment.
- Continue to work with local government partners to build relationships and improve transit service in their communities as well as support regional and intercity connections.
- Continue to engage with customers and improve their perception of public transit by commencing the implementation of a new [Customer Experience Plan](#).

¹ ISO 45001 is an international standard that specifies requirements for an occupational health and safety management system. It provides a framework for organizations to manage risks and improve occupational health and safety performance.

Goal 3: Reduce Greenhouse Gas and Localized Emissions

Performance Measures

Performance Measure	2024/25 Baseline	2025/26 Forecast	2026/27 Target	2027/28 Target	2028/29 Target
3a Total GHG emissions ^{1,2,3}	43,182	55,553	61,335	56,211	55,472
3b Carbon (GHG) intensity per service hour ^{1,2,3}	15.40	20.20	20.25	18.23	17.84

¹Data source: BC Transit energy and paper consumption data as defined in scope by provincial regulation.

²Data source: BC Government Clean Government Reporting Tool data and BC Transit internal tracking data.

³Unit of measure for GHG emissions is tonnes of carbon dioxide equivalent and carbon (GHG) intensity is kg of GHG per service hour.

Discussion

Total GHG emissions and carbon intensity per service hour are projected to increase in 2026/27 due to an increase in service hours from annualizing service expansion from 2025/26. These targets are expected to decrease in following years with the implementation of battery electric buses and hybrid buses.

Objective 3.1: Transition to a low carbon fleet to support provincial GHG targets by 2040.

While public transit is already a sustainable transportation option, the shift to a low-carbon fleet will further decrease greenhouse gas emissions associated with public transit.

Key Strategies

- Continue to advance the [Low Carbon Fleet Program](#) to support the electrification of BC Transit's fleet and the transition to cleaner fuel technologies.
- Continue to introduce battery electric buses across the province to support the CleanBC GHG emissions reduction targets.
- Continue to implement the [Environmental Sustainability Plan](#) by assessing and reducing operational energy consumption where possible, through replacing equipment, changing operational processes, and building to meet lower energy-use standards in BC Transit buildings and facilities (LEED Gold and StepCode).

Financial Plan

Financial Summary

\$000s	2025/26 Forecast	2026/27 Budget	2027/28 Plan	2028/29 Plan
Revenues				
Operations ¹	87,195	90,137	90,137	90,137
Provincial operating contributions	178,664	195,054	195,054	195,054
Local government contributions	179,127	201,327	219,491	235,515
Deferred capital contributions ²	58,121	66,929	84,972	98,368
Investment and other income	5,839	5,324	5,324	5,324
Total Revenue	508,946	558,771	594,978	624,398
Expenses				
Operations	259,453	282,301	282,301	282,301
Maintenance	108,390	114,627	114,627	114,627
Administration	52,459	60,476	60,476	60,476
Use of asset	88,644	101,367	137,574	166,994
Total Expenses	508,946	558,771	594,978	624,398
Annual Surplus (Deficit)	0	0	0	0
Total Debt³	137,119	207,752	445,578	422,341
Accumulated Surplus (Deficit)	61,322	61,322	61,322	61,322
Capital Expenditures	294,770	325,527	489,229	347,195

Note: The above financial information was prepared based on current Generally Accepted Accounting Principles.

¹ Includes a Provincial contribution of \$2M annually in fare revenue compensation provided to participating Local Government Partners for the Free Transit for Children Age 12 and Under program.² BC Transit receives capital funding for the construction or acquisition of assets and their use in program/service delivery. Capital contributions are deferred and recognized in revenue over the useful life of the asset, as programs/services are delivered, as directed by the Province.

³ All debt, net of sinking funds, consistent with prior years' service plans.

Key Forecast Assumptions, Risks and Sensitivities

Forecasts reflect changes in estimated costs associated with planned transit services for 2026/27, including contract negotiations with operating companies, inflationary pressures related to vehicle maintenance and operations, collective bargaining impacts and operating costs associated with customer-focused fleet technology (including electronic fare collection technology). Fuel price volatility continues to be a key risk, as fluctuations can drive material variances in operating expenditures. While BC Transit has made extensive efforts to increase domestic procurement, some uncertainty remains due to continued reliance on international supply chains, including potential tariff exposure.

Management's Perspective on Financial Outlook

Due to the prevailing fiscal environment, BC Transit is delivering a Service Plan, which prioritizes maintenance of existing service levels. Consequently, this forecast includes a degree of risk, with limited capacity to absorb additional cost pressures beyond current assumptions.

BC Transit continues to realize savings from its fuel management supply contracts, yet there remains a great deal of uncertainty over the longer-term price of oil and the subsequent effect on fuel costs. This risk will decrease in future years as BC Transit relies less on diesel vehicles and transitions towards a lower emission fleet.

Use of asset costs continue to be driven upward by increasing fleet replacement costs and the transition to battery electric buses, the addition of new facilities, and refurbishment of existing facilities.

The Canadian dollar exchange rate and potential tariff exposure also poses risk to the budget as some of BC Transit's materials are manufactured in the USA and Europe. BC Transit and the Ministry of Transportation and Transit will work closely to respond to any changing conditions and adjust the assumptions of future service periods as required. Finally, this Service Plan is based on management's best current forecasts of 2026/27 environmental and financial conditions, which are subject to change.

Capital Expenditures

Major Capital Projects (over \$50 million in total)	Targeted Year of Completion	Project Cost to Dec 31, 2025 (\$m)	Estimated Cost to Complete (\$m)	Anticipated Total Cost (\$m)
<u>Victoria handyDART Operating and Maintenance Facility</u>	2025	\$73	\$11	\$84
<p>The purpose of the BC Transit Victoria handyDART Facility is to construct a new BC Transit-owned Victoria Regional handyDART operations and maintenance facility at the corner of Burnside Road and Watkiss Way in the Town of View Royal.</p> <p>The scope of this project includes:</p> <ul style="list-style-type: none"> • A new facility in View Royal that will support a future fully electric handyDART vehicle fleet in the Victoria Regional Transit System. • Improvements to Burnside Road West to mitigate traffic impacts and enhance streetscape with trees and sidewalk; and • Realignment of the Galloping Goose Regional Trail for improved safety and visibility and enhanced user experience. <p>Assets have been put into service and only trailing costs remain.</p>				

Significant IT Projects (over \$20 million in total)	Targeted Year of Completion	Project Cost to Dec 31, 2025 (\$m)	Estimated Cost to Complete (\$m)	Anticipated Total Cost (\$m)
<u>Electronic Fare Collection System</u>	2026	\$18	\$3	\$21
<p>The implementation of the Electronic Fare Collection System will improve the customer experience by introducing new forms of payments including mobile app and contactless credit cards.</p>				

Appendix A: Subsidiaries and Operating Segments

Active Subsidiaries

Incorporated in 2011, BC Transit has four wholly owned subsidiaries that held properties intended for future transit development. In the interim period, they operate as rental properties with net revenues attributed back to the Province. The subsidiaries are:

- 0928624 BC Ltd.
- 0925406 BC Ltd.
- 0922667 BC Ltd.
- 0915866 BC Ltd.

Operating Segments

BC Transit has no operating segments.

Appendix B: Mandate Letter from the Minister Responsible



May 23, 2025

Sherri Bell, Chair
Board of Directors
BC Transit
520 Gorge Road East
Victoria, BC V8T 2W6

Dear Chair Bell:

On behalf of Premier Eby and Executive Council, I would like to extend my thanks to you and your board members for your organization's leadership, dedication, and expertise in which you serve the people of British Columbia.

Public sector organizations—including Crown corporations, Health Authorities and Post-Secondary Institutions—support British Columbians by delivering vital public services and are accountable to the public through their Minister responsible. Your continued leadership in advancing and preserving the public interest strengthens trust in public institutions.

This mandate letter, which I am sending in my capacity as Minister responsible for BC Transit, communicates our government's priorities for the entire public sector and provides specific direction and expectations of your organization for the duration of Government's term.

Government's priority is to make a tangible difference in people's lives through growing the economy, creating good paying jobs, strengthening health care and making our communities and neighbourhoods safer for British Columbians. British Columbians expect public sector organizations to deliver responsible, quality services equitably in all regions across the province. This includes strategic stewardship in planning, operations, financial, risk, and human resource management including information security and privacy protection. Providing equitable service requires due consideration of the diverse needs of local communities with specific attention to the unique needs of rural, remote and First Nation communities.

...2/

In the current economic and fiscal context, including the threat of U.S. tariffs and other global economic challenges affecting British Columbian families, your organization is to work with ministry staff to review all existing programs and initiatives to ensure programs remain relevant, efficient, sustainable, grow the economy, and help keep costs low for British Columbians. Public sector organizations are expected to adhere to the principles of: cost consciousness, accountability, appropriate compensation, service, and integrity. This includes following the spirit and intent of core government fiscal management practices to make all efforts to achieve administrative and operating efficiencies while delivering core programs and services.

Strategic stewardship requires public sector organizations keep up-to-date systems and implement effective cybersecurity practices, including maintaining information management and cybersecurity policies, guidelines, and standards; assessing enterprise risk for high-value information and services, including confidential and sensitive data; and continuously evaluating and updating security practices to align with industry standards. The [Office of the Chief Information Officer](#) within the Ministry of Citizens' Services is available to support and offer guidance to your organization in any of these areas including communication protocols with core government.

As required by the *Climate Change Accountability Act*, you must ensure your organization implements plans and strategies for minimizing greenhouse gas emissions and managing climate risk. Your organization is expected to work with my ministry to report out on these plans and activities as required by legislation. Public sector organizations will continue to take action on climate change, a commitment that remains foundational and key to a healthy and prosperous BC for future generations.

Underlying all this work is our partnership with Indigenous peoples and our commitment to advancing reconciliation. I expect your organization to comply with the *Declaration on the Rights of Indigenous Peoples Act*, including implementing existing commitments made under it. I expect your organization to work in partnership with First Nations rights-holders to advance shared interests.

Public sector organizations must also adhere to government direction provided through the [Public Sector Employers' Council Secretariat](#) (PSEC) with respect to public sector compensation and bargaining mandates. Your organization's compensation decisions must be consistent with policy direction provided through PSEC. Please coordinate closely with PSEC before finalizing compensation decisions for existing CEOs or Presidents and Vice Presidents and in the recruitment of new CEOs or Presidents. PSEC consultation is also encouraged prior to hiring for Vice President positions.

The Crown Agencies Secretariat (CAS) in the Ministry of Finance supports public sector organizations to operate effectively, in the public interest, and aligned with government's strategic direction and priorities. Within CAS, the [Crown Agencies and Board Resourcing Office](#) will continue to support your board on recruitment, appointments and professional development by ensuring board composition and governance reflects the diversity of our province.

I expect you to ensure the important priorities and areas of focus listed in this letter are incorporated into the practices of your organization and as you develop plans to address the following priorities:

- Improve the integrative experience of customers with a focus on opportunities for expanded regional connections.
- Work with the Ministry of Transportation and Transit and local governments to deliver key transit infrastructure projects in communities across B.C. to improve transit services, passenger and operations facilities, and service capacity. Continue to work with the ministry to ensure that the crown lands located at Douglas Street/Uptown in Saanich support the transit-oriented development of a multi-modal transit hub.
- Manage finances in accordance with the directions set forth in the annual Budget Letter provided by the Ministry of Transportation and Transit, ensuring that spending is within approved budget limits.
- Support the Ministry of Transportation and Transit and local partners in identifying opportunities to strengthen rural and intercity passenger transportation services that meet the needs of communities.
- Identify affordable and efficient opportunities for expansion of RapidBus to meet the transportation needs of growing populations.
- In partnership with the Province and local governments, ensure safety and efficiency across our public transportation systems through the use of technology in relation to enforcement of public transportation safety.
- Ensure that our provincial transit services are being delivered in a way that is cost effective for taxpayers, responsive to the concerns of transit riders, and not duplicative of administration by reviewing the private delivery model for BC Transit systems starting with handyDART.

Each board member is asked to sign this letter to acknowledge this direction from government to your organization. The signed letter is to be posted publicly on your website by June 2025.

I look forward to continuing to work with you and your board colleagues to ensure the sustainable delivery of the services the public relies on.

Sincerely,



Mike Farnworth
Minister

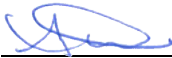
Date: May 23, 2025



Sherri Bell, Chair
BC Transit
Date: June 12, 2025



Marianne Alto, Director
BC Transit
Date: June 12, 2025



Gladys Atrill, Director
BC Transit
Date: June 12, 2025



David Cubberley, Director
BC Transit
Date: June 12, 2025



Paul Horn, Director
BC Transit
Date: June 12, 2025



Blair Redlin, Director
BC Transit
Date: June 12, 2025



Ryan Windsor, Director
BC Transit
Date: June 12, 2025

Copy to: Honourable David Eby, KC
Premier

Shannon Salter
Deputy Minister to the Premier, Cabinet Secretary and
Head of the BC Public Service

Douglas S. Scott
Deputy Minister and Secretary to Treasury Board
Ministry of Finance

Elenore Arend
Associate Deputy Minister, Crown Agencies Secretariat
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Heather Wood
Deputy Minister
Ministry of Transportation and Transit

Sherri Bell, Chair
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Marianne Alto, Director
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Gladys Atrill, Director
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Ryan Windsor, Director
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Erinn Pinkerton, President and CEO
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