



## Durham Region Transit Report

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To: Durham Region Transit Executive Committee  
From: General Manager, Durham Region Transit and Treasurer Durham Region Transit  
Report: #2025-DRT-19  
Date: November 5, 2025

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**Subject:**

2026 Transit Fares

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**Recommendation:**

That the Transit Executive Committee recommends to Regional Council that the proposed transit fares (Attachment 1) be approved and implemented effective July 1, 2026.

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**Report:****1. Purpose**

The purpose of this report is to obtain TEC and Council approval for the proposed 2026 fare increases, such that they can be included in the 2026 Durham Region Transit Business Plans and Budget.

**2. Background**

2.1 DRT's long-term fare strategy and framework was approved by the Transit Executive Committee in December 2019, based on several key principles, including:

- Recognizing fare pricing influences service use
- Applying fare increases to the standard (adult) single-ride fare and translating increases to other fare concessions and products
- Providing choice for customers through incentives offering value for frequent use
- Incentivizing and prioritizing electronic fare payment; and
- Minimizing oversight of fares by bus operators.

- 2.2 DRT continues to work toward modernizing its fare structure, and has recently partnered with KPMG, to develop an updated DRT Fare Strategy which will consider existing gaps, modernized fare concessions including fare-capping, means-based fare programs, and opportunities in new technology. This fare strategy is expected to be complete in Q1 2026.
- 2.3 Discounts to the standard fare continue to be common across transit agencies. In 2024, total transit fare subsidies provided by the Region were approximately \$4.9 million; current subsidy levels for DRT are shown below.
- Children aged 12 years and under do not pay a fare
  - Senior riders pay a discounted rate of 40 per cent (standard monthly pass) and 66 per cent (single ride PRESTO fare)
  - Youth (aged 13-19 years old) riders pay a discounted rate of up to 65 per cent of the standard fares. Additional incentive programs include the Y10 Youth Loyalty Pass Program, the Summer 2-for-1 pass, and the school board bulk purchase program.
  - DRT's Transit Assistance Program (TAP) riders pay a discounted rate of 39% per cent of the standard fare, for residents registered with Ontario Disability Support Program and Ontario Works.
  - The Universal Pass (U-Pass) offers unrivalled value for all full-time post-secondary students at Durham College, Ontario Tech University and Trent University (Durham Campus). At 30 per cent cost of DRT's standard monthly pass, the U-Pass is the lowest monthly equivalent fare across all DRT concessions. As highlighted in report #2025-DRT-05, a new multi-year U-Pass agreement has been successfully negotiated effective September 2025 to August 2028, resulting in a 4.9% fare increase annually, for 3 years.
  - In September 2025, TEC agreed to implement free fares for Canadian Armed Forces Members (Active-Duty Personnel, Reservists and Veterans) from the last Friday of October to the end of Remembrance Week.

DRT staff continue to explore fare and funding opportunities, including engagement with local employers, community groups, and other orders of government in building ridership growth and promoting sustainable & cost-effective transit options.

- 2.4 Operating funding generally includes revenue from fares and advertising, with the balance of funding provided by the Region of Durham through the general tax levy. For the 2025 budget, the Region of Durham tax levy funding accounts for 71.1 per cent of the DRT operating budget, with fare revenue (including the U-Pass) accounting for 28.9 per cent of the DRT operating budget. In 2026, there is a need for DRT to increase public transit fares to continue supporting transit network growth as part of DRT's 10 Year Service & Financing strategy, address a growing State of Good Repair (SOGR) backlog for the fleet, significant capital pressures related to new facilities, and to address rising operating costs.
- 2.5 In February 2024, the Ministry of Transportation launched the One Fare program that allows transit customers to only pay once when transferring between participating transit systems (DRT, York Region Transit, Brampton Transit, MiWay, GO Transit) and the Toronto Transit Commission (TTC). Through this program, the Ministry of Transportation reimburses Transit Agencies for their forgone fare revenue. The One Fare program currently accounts for approximately seven per cent of DRT ridership. The One Fare agreement signed with the Ministry of Transportation expires March 31, 2026, and all participating transit agencies are anxiously awaiting confirmation that the province will extend the agreement.
- 2.6 Financing of the DRT 2025 approved Business Plans and Budget included \$43.0 million from transit fares including U-Pass revenue, or 16.1 per cent of the \$266.8 million gross transit budget, and 28.9 per cent of the operating budget. Transit fares were budgeted to include \$34.0 million from PRESTO and cash fares, \$8.8 million from the U-Pass program and \$0.4 million in property tax funding for TAP passes issued to residents registered with the Ontario Disability Support Program.
- 2.7 As highlighted in DRT's 2025 Regional Business Plans and Budget, DRT plans to operate a 9 per cent increase in revenue transit service in 2025, or 69,625 new revenue service hours, to respond to ridership pressures, reliability challenges, and service growth for communities across the Region. Also, the annual service level investments highlighted in DRT's 10 Year Service & Financing strategy are planned to increase DRT services by 127 per cent by 2032 and improve Durham Region's Revenue Hours Per Capita to 1.4 from the current 0.76.

- 2.8 Fare pricing is elastic and is just one factor that influences ridership. Other factors have a greater influence on ridership, including service frequency and reliability, coverage and access, and travel time. Continued investment in DRT services is needed to deliver the level of public transit service required to provide the convenience and reliability that residents and businesses need to choose public transit for their travel needs.
- 2.9 In consideration of the 2026 budget guideline, ongoing inflationary pressures, capital pressures, and the need to continue to enhance the transit network to improve reliability, access and frequency of service, DRT recommends a three per cent fare increase to the base single ride fare, or 11 cents, with corresponding adjustments to the other fare products and concessions (Attachment #1). Based on forecasted ridership, the fare adjustment will result in an estimated \$460,000 increase in 2026 fare revenue, and an annualized revenue increase of approximately \$910,000.

### **3. Previous Reports**

2019-DRT-25 Durham Region Transit Fare Strategy

2023-F-5 Transit Service and Financing Strategy, approved by Council on March 1, 2023

2024-DRT-19 2025 Transit Fares, approved by TEC on November 6, 2024

2025-DRT-05 U-Pass Agreement Extension, approved by TEC on May 7, 2025

### **4. Financial Summary**

- 4.1 The recommended three per cent increase to the base fare will enable DRT to maximize planned revenue service investments and respond to inflationary pressures in the 2026 DRT budget.
- 4.2 The recommended fare increase is estimated to result in an additional \$460,000 in fare revenues in 2026 (based on a July 1, 2026, effective date), with an annualized revenue increase estimated at \$910,000 based on predicted 2025 ridership.

### **5. Relationship to Strategic Plan**

- 5.1 This report aligns with/addresses the following strategic goals and priorities in the Durham Region Strategic Plan:

**Environmental Sustainability and Climate Action: E2**

The proposed fare increase will provide additional revenue to help support DRT's expansion of sustainable transportation through service enhancements and fleet electrification through adoption of zero emission technologies.

### **Resilient Local Economies: R1, R2, R3, R5**

The proposed fare increase will enable DRT to enhance services in key growth areas, which will position Durham Region as the location of choice for businesses, and connecting people to employment, education, and tourism opportunities.

### **Healthy People, Caring Communities: H2, H5**

The proposed fare increase will further advance the objective of equitable transit service for all residents. DRT will also continue to offer discounted fares for children, youth, seniors, and persons receiving social assistance benefits, in addition to U-Pass and bulk purchase program for school boards.

### **Connected and Vibrant Communities: C3**

The proposed fare increase will enable DRT to continue to invest in service enhancements that will reduce wait times, reduce reliance on personal vehicles, and to meet Durham's rapidly growing population. As customer expectations for public transit continue to rise, service enhancements will ensure that public transit provides an increasingly competitive travel option for customers across the network.

## **6. Conclusion**

6.1 DRT continues to face increasing financial challenges due to various financial pressures, while continuing to expand the transit network to meet the demands and expectations for public transit in one of Ontario's most rapidly growing Regions. The three per cent fare increase recommended for 2026 will enable DRT to maximize revenue service hours towards the planned service levels of the 10-year Transit Service and Financing strategy.

6.2 The Commissioner of Finance has been consulted and concurs with the recommendations in this report.

## **7. Attachments**

Attachment #1: 2026 Proposed Fares Table

Respectfully submitted,

Original signed by

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William Holmes

General Manager, DRT

Recommended for Presentation to Committee

Original signed by

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Elaine C. Baxter-Trahair

Chief Administrative Officer

## Attachment 1 – Proposed Fares effective July 1, 2026

Fare Category		Current Fare	DRT Fare Structure	Proposed Fare effective July 1, 2026 <sup>1</sup>	Per cent Change
Adult	Single Ride (Presto Card and E-Ticket)	\$3.73	Base Fare	\$3.84	3.0%
	Single Ride (Cash and Open Payment)	\$4.75	\$1.00 over base	\$4.85	2.1%
	Monthly Pass	\$134.28	36 trips at base fare	\$138.24	3.0%
Child (aged 12 years and under)	All Rides	Free	NA	Free	NA
Youth (aged 13-19 years)	Single Ride (Presto Card and E-Ticket)	\$3.36	90 per cent of base fare	\$3.46	3.0%
	Single Ride (Cash and Open Payment)	\$4.75	Equivalent to Adult cash fare	\$4.85	2.1%
	Monthly Pass	\$107.42	80 per cent of Adult pass	\$110.59	3.0%
	2-for-1 Youth Summer pass	\$107.42	80 per cent of Adult pass	\$110.59	3.0%
	Y10 (10 month loyalty pass)	\$87.28	65 per cent of Adult pass	\$89.86	3.0%
Senior (aged 65 years and over)	Single Ride (Presto Card and E-Ticket)	\$2.46	66 per cent of base fare	\$2.53	2.8%
	Single Ride (Cash)	\$3.45	\$1.00 over single ride senior PRESTO	\$3.55	2.9%
	Single Ride (Open Payment)	\$4.75	Equivalent to Adult cash fare	\$4.85	2.1%
	Monthly Pass	\$53.71	40 per cent of Adult pass	\$55.30	3.0%
School Board Bulk Purchase Program	Fewer than 125 passes per month	\$107.42	80 per cent of Adult pass	\$110.59	3.0%
	125-250 passes per month	\$100.71	75 per cent of Adult pass	\$103.68	3.0%
	More than 250 passes per month	\$87.28	65 per cent of Adult pass	\$89.86	3.0%

Transit Assistance Program (TAP)	TAP PRESTO E-Purse (paid trips in excess of 14 per month are free)	\$3.73	Each month - First 14 paid trips are at base fare, additional trips thereafter are free	\$3.84	3.0%
	TAP PRESTO Monthly Pass	\$52.22	14 trips at base fare	\$53.76	3.0%

1 All cash fares are rounded up to the nearest \$0.05.

2 U-Pass rates are not included in this table due to the timing of rate increase, which will occur on September 1, 2026. The current U- Pass rate per semester through August 2026 is \$160.34 per student. Beginning September 1, 2026, the semester rate will increase to \$168.20 per student.

3 Customers not required to pay a fare between 7 PM December 31, 2026, through 8 AM January 1, 2027.

4 Free fares for Canadian Armed Forces Members (Active-Duty Personnel, Reservists and Veterans) from the last Friday of October to the end of Remembrance Week (as recognized annual by the Royal Canadian Legion).