407 ETR
Economic Impact Assessment

October 2025

1 Introduction

Making the connection

This document summarizes the core economic benefits of Highway 407 Express Toll Route (ETR). Developed by Steer, a global transportation and infrastructure consultancy, it presents the benefits of Highway 407 ETR to its users and wider society across the Greater Toronto Area (GTA).

This report uses the following terminology:

- 'Highway 407 ETR' when referring to the highway
- '407 ETR' when referring to 407 ETR Concession Company Ltd, the manager and operator of Highway 407 ETR

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Executive Summary

Since 1999, Highway 407 ETR has helped better connect the Greater Toronto Area (GTA). Drivers and their passengers (referred to as 'users' in this report) benefit from faster, more reliable travel times to key regional destinations, have access to new jobs and leisure opportunities, can visit friends and family more often and businesses have access to larger markets.

Key travel time savings enabled by using Highway 407 ETR include:

- **55 minutes** from Milton to Vaughan during the evening rush hour
- **63 minutes** from Markham to Pearson Airport during the evening rush hour
- **31 minutes** from Hamilton to Mississauga during the evening rush hour

The enhanced mobility that Highway 407 ETR enables are known as **socioeconomic benefits** and are worth $1.2B every year to wider society.

Additionally, 407 ETR supports the wider economy through their spending on operations, maintenance, and state of good repair works on Highway 407 ETR. These are known as **expenditure impacts.** This spending circulates in the wider economy through wages and the supply chain. It supports jobs and economic activity across the wider provincial and Canadian economy equalling nearly $500M of economic output and 1,800 jobs, every year.

All values are in 2024 Canadian dollars. Values are annual sums for 2024 unless stated otherwise.

Highway 407 ETR generates the following benefits:

Socioeconomic benefits

Travel time savings
for a typical rush-hour trip

20 to 60 mins

Reduced commute times of

up to **10** hours
a week for a 5-day-a-week commuter

Reduced commute times of

up to **480** hours
a year for a 5-day-a-week commuter

Regional mobility
An additional

20%

more people can access key regional destinations within a 60-minute drive time

Reduced collisions

60%

lower collision rate compared to average 400-series highways

Expenditure impacts in 2024

Earnings

$490M

contribution to Gross Domestic Product (GDP)

Job creation

1,800

jobs supported across Canada

Earnings

$140M

of wages accruing to workers across Canada

About Highway 407 ETR

Highway 407 ETR opened in 1999. The 108-kilometre route connects Halton Region in the west through Peel and York to Durham Region in the east. Each week, Highway 407 ETR moves more than three million people – the size of Toronto's population or the Regions of Peel and York, combined.

The benefits of Highway 407 ETR

Highway 407 ETR contributes many benefits to drivers, passengers, wider society and the GTA economy. Benefits are grouped into two distinct categories:

Socioeconomic Benefits

Benefits to society from the **improved mobility** that Highway 407 ETR delivers. They benefit drivers, their passengers and the wider communities where the Highway is located.

Benefits are calculated by comparing today with an alternative scenario without Highway 407 ETR, where travellers instead make use of other regional highways and roads.

Socioeconomic benefits include faster and more reliable travel times, improved road safety and increased business productivity.

Expenditure Impacts

The impacts on the **regional economy** from the expenditure of the 407 ETR on construction, maintenance and operations, both to its staff and the wider supply chain.

Expenditure impacts include the impact on Canadian Gross Domestic Product (GDP), jobs supported and earnings that accrue to workers from these jobs.

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Socioeconomic Benefits

Up to $1.2B annually in benefits to society

$990M
from faster travel times and more reliable journeys

$70M
in safety benefits from reduced collisions

$130M
in productivity benefits from better access to jobs and workers

Socioeconomic Benefits

Every year, Highway 407 ETR generates $1.2B in socioeconomic benefits to drivers, passengers and wider society, including:

Faster travel times

Reduced fuel consumption from less stop-and-go traffic

Improved travel time reliability

Reduced collisions

Improved mobility across the region

Increased productivity from better access to jobs and workers

Travel times with and without Highway 407 ETR

Highway 407 ETR benefits users by offering a faster, more convenient and less congested route through the GTA compared to Highway 401. A 5-day-a-week commuter saves up to an hour per trip when using Highway 407 ETR, equating to up to 10 hours of time savings in a week and up to 480 hours a year[1].

Users also benefit from significantly more reliable travel times. Reduced stop-and-go traffic conditions mean users have more predictable travel times, and do not have to plan for extra time in the event of delays.

The combined benefits of faster and more reliable travel times equate to an annual benefit of $990M for Highway 407 ETR users.

The tables on page 12 summarize some of the key travel time benefits for trips using Highway 407 ETR.

1 Calculation assumes four weeks for leave, including holidays and vacation

Travel times between regional destinations with and without Highway 407 ETR (AM Peak)

Origin	Destination	Average travel time in minutes		Time saving for users	
		With Highway 407 ETR	Without Highway 407 ETR	Minutes	As %
Hamilton	Peterborough	155	225	70	↓ 31%
Milton	Vaughan	45	85	40	↓ 47%
Markham	Pearson Airport	33	65	32	↓ 50%
Brampton	Richmond Hill	58	100	42	↓ 43%
Hamilton	Mississauga	54	73	19	↓ 26%

Travel times between regional destinations with and without Highway 407 ETR (PM Peak)

Origin	Destination	Average travel time in minutes		Time saving for users	
		With Highway 407 ETR	Without Highway 407 ETR	Minutes	As %
Hamilton	Peterborough	163	265	102	↓ 39%
Milton	Vaughan	50	105	55	↓ 52%
Markham	Pearson Airport	35	98	63	↓ 64%
Brampton	Richmond Hill	65	123	58	↓ 47%
Hamilton	Mississauga	55	86	31	↓ 36%

Note that the above origin-destination travel times are derived from 2025 data.

Many trips are more than 40% faster using Highway 407 ETR, especially in the evening peak. A commuter driving home from Brampton to Richmond Hill saves nearly an hour each evening using Highway 407 ETR compared to other routes in the region.

Who benefits from Highway 407 ETR?

In 2024, drivers and their passengers saved more than 43 million hours by using Highway 407 ETR. This equals seven million minutes every day and an average of 25 minutes for every trip taken. A user making six trips a month saves 30 hours a year, and a user making four trips a week saves 87 hours a year.

Benefits are greatest for long-distance, rush-hour trips at the busiest times. This means more time spent at home or at the destination — and less spent travelling.

These trips are made by everyone: residents, visitors and businesses, for a wide variety of purposes. This includes:

Commuting

Weekday trips for commuters going to or from work.

Commercial purposes

Work-related travel like transporting goods.

Leisure trips

Trips for local tourism, shopping or vacation purposes.

Family commitments

Visiting or helping family members.

Increased regional accessibility through travel time reductions

The GTA is home to over seven million[2] people. With Highway 407 ETR, more people can access key regional destinations within a 60-minute travel time. For example, an extra 1.2 million people can access Downtown Markham — an increase of 20% — compared to using other routes in the region.

Highway 407 ETR reduces the time it takes to reach key regional destinations. New commuting patterns open up, access to additional residential areas are enabled and further job opportunities become within reach.

Population within a 60-minute travel time of regional destinations with and without Highway 407 ETR

	Without 407 ETR	With 407 ETR
1 **Niagara Falls**	1,447,000	1,461,000
2 **Hamilton**	4,883,000	5,664,000
3 **Mississauga City Centre**	7,209,000	8,266,000
4 **Toronto Pearson**	7,175,000	7,970,000
5 **Downtown Toronto**	5,874,000	5,962,000
6 **Downtown Markham**	6,285,000	7,537,000
6 **Peterborough[3]**	7,662,000	8,085,000

2 Statistics Canada, Canada's population estimates: Subprovincial areas, 2024 (2025)

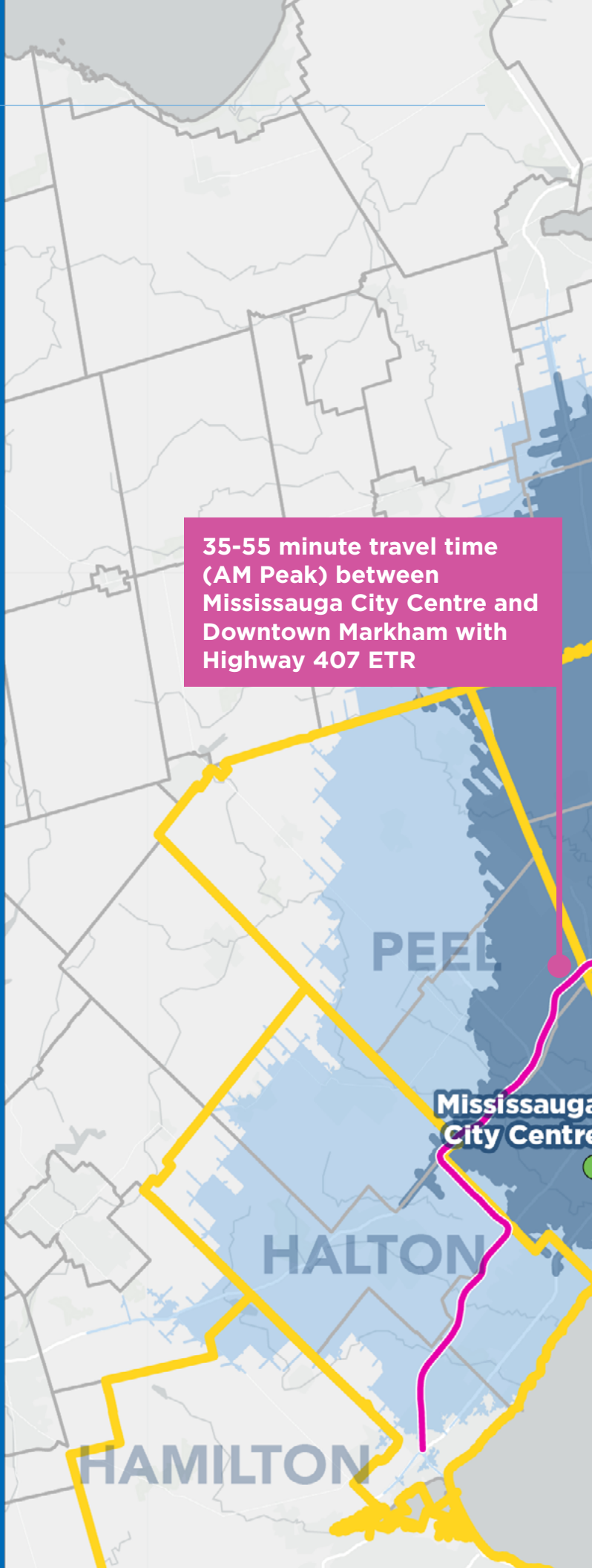
3 Assumed catchment area of 120 minutes for the Peterborough analysis only.

	Difference	Difference (%)
	14,000	1%
	781,000	16%
	1,057,000	15%
	795,000	11%
	88,000	1%
	1,252,000	20%
	423,000	6%

With Highway 407 ETR, up to 20% more people can access key regional destinations within a 60-minute drive time.

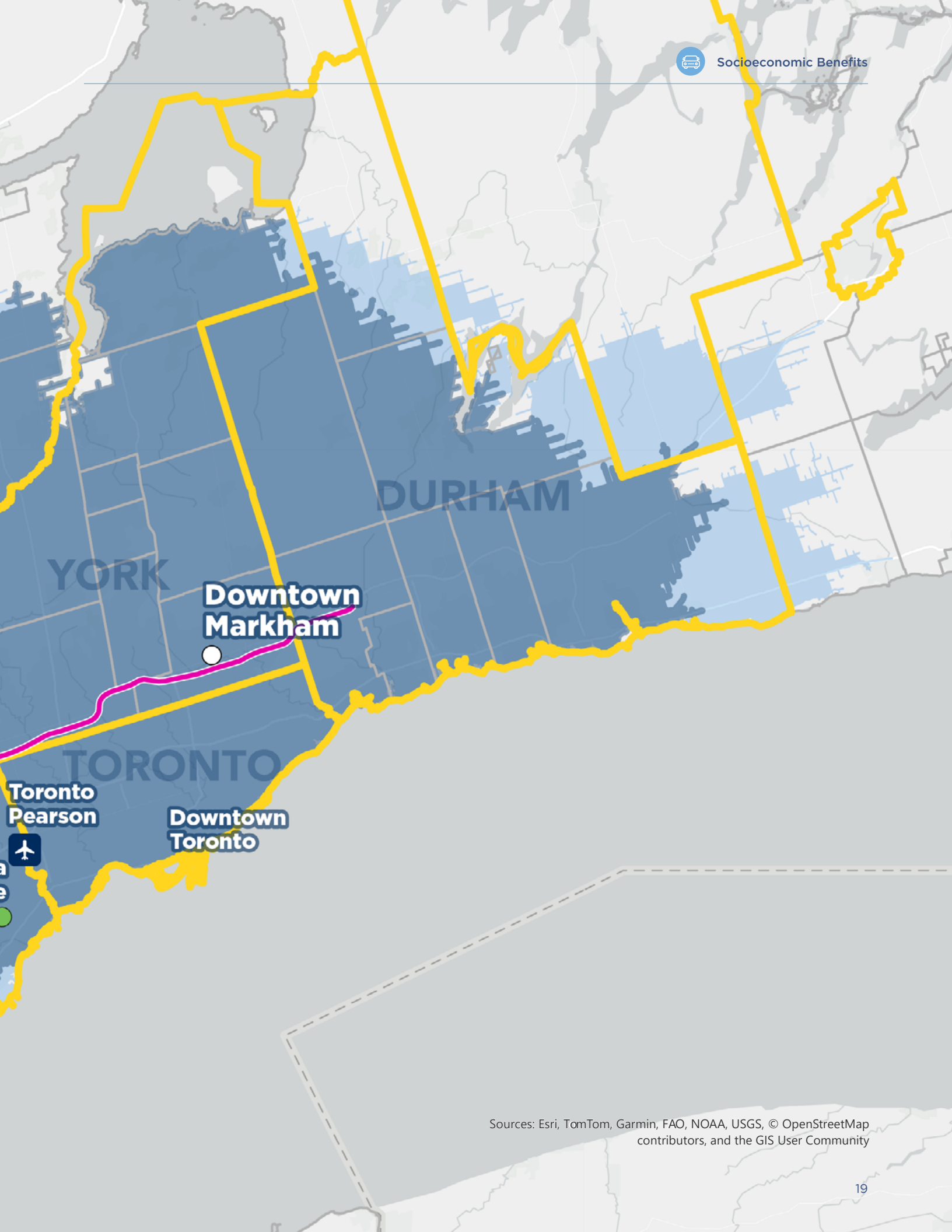
Access to Downtown Markham

Highway 407 ETR connects growing communities from Halton Region in the west to Durham Region in the east within an hour of Downtown Markham.



Legend

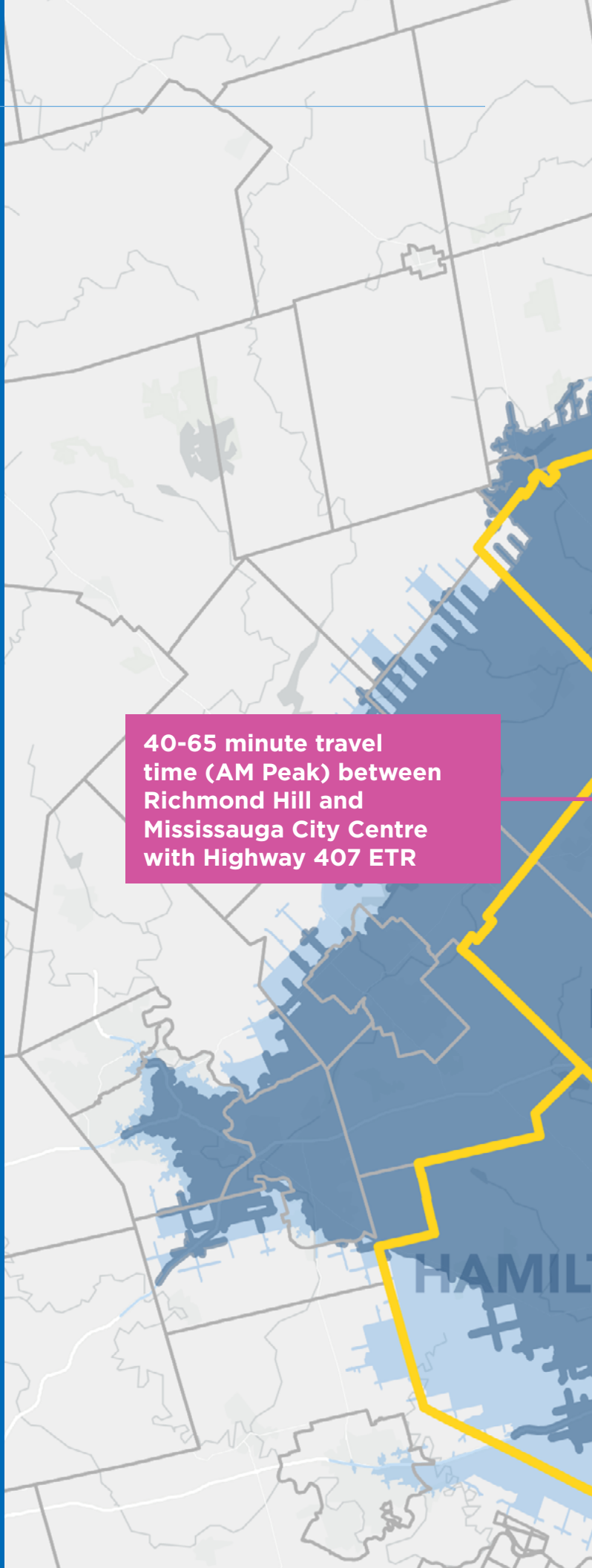
- Origin
- Destination
- Highway 407 ETR route
- 60 min travel catchment of Downtown Markham without Highway 407 ETR
- 60 min travel catchment of Downtown Markham with Highway 407 ETR
- Selected municipal boundaries



Sources: Esri, TomTom, Garmin, FAO, NOAA, USGS, © OpenStreetMap contributors, and the GIS User Community

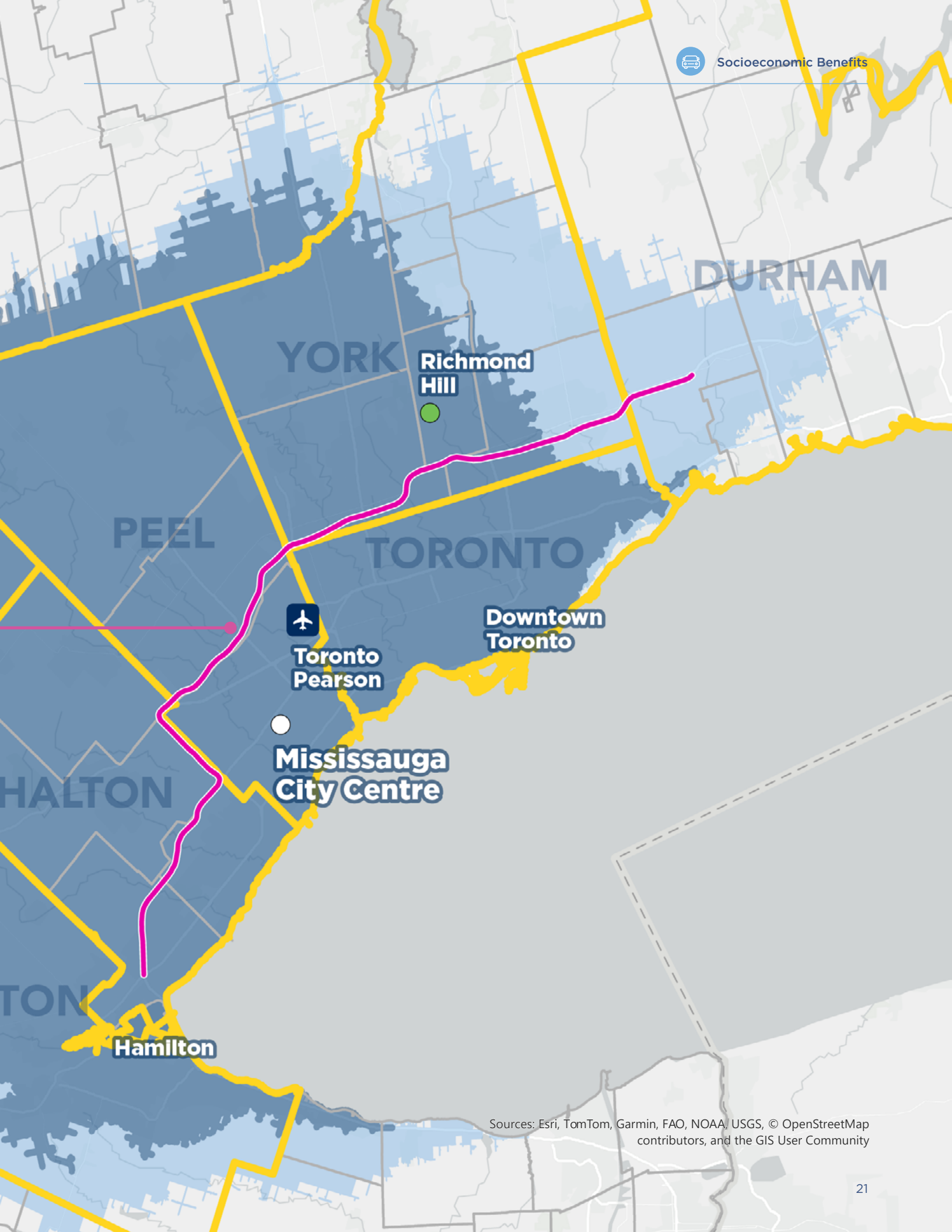
Access to Mississauga City Centre

Highway 407 ETR connects communities across the GTA and beyond to Mississauga City Centre within an hour's drive time.



Legend

- Origin
- Destination
- Highway 407 ETR route
- 60 min travel catchment of Missisauga City Centre without Highway 407 ETR
- 60 min travel catchment of Missisauga City Centre with Highway 407 ETR
- Selected municipal boundaries



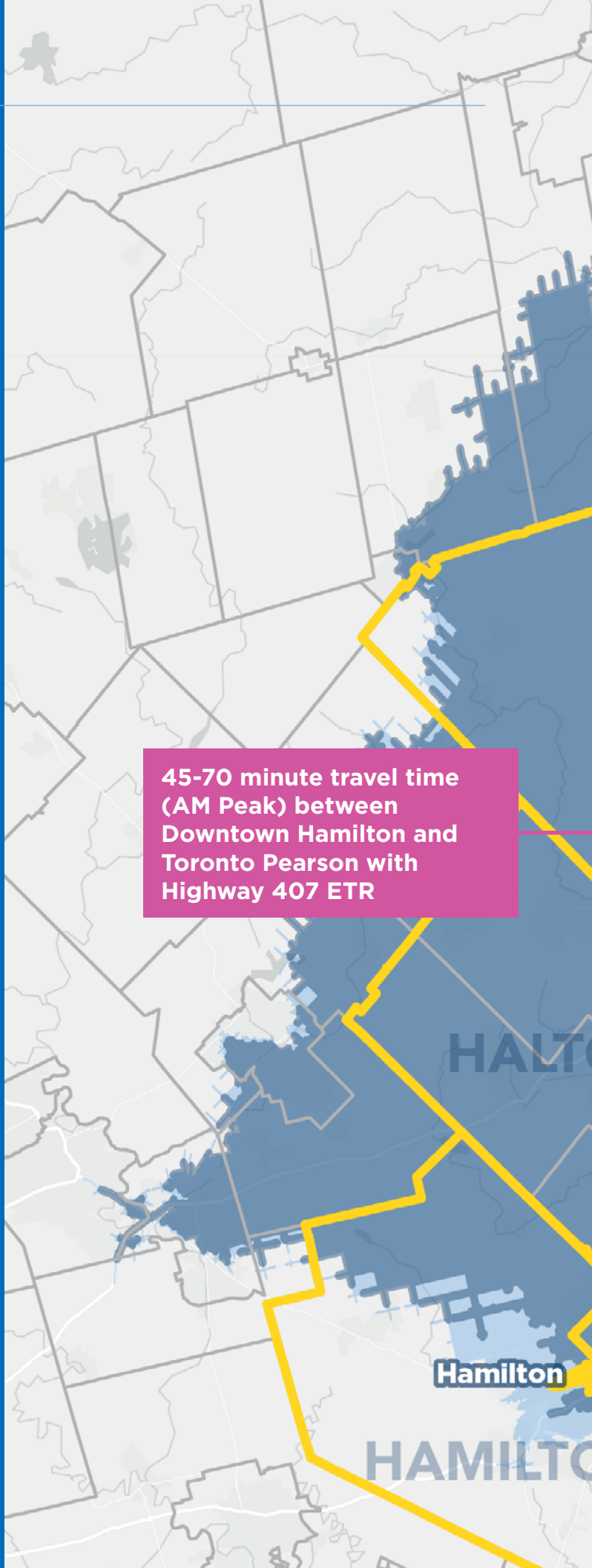
Sources: Esri, TomTom, Garmin, FAO, NOAA, USGS, © OpenStreetMap contributors, and the GIS User Community

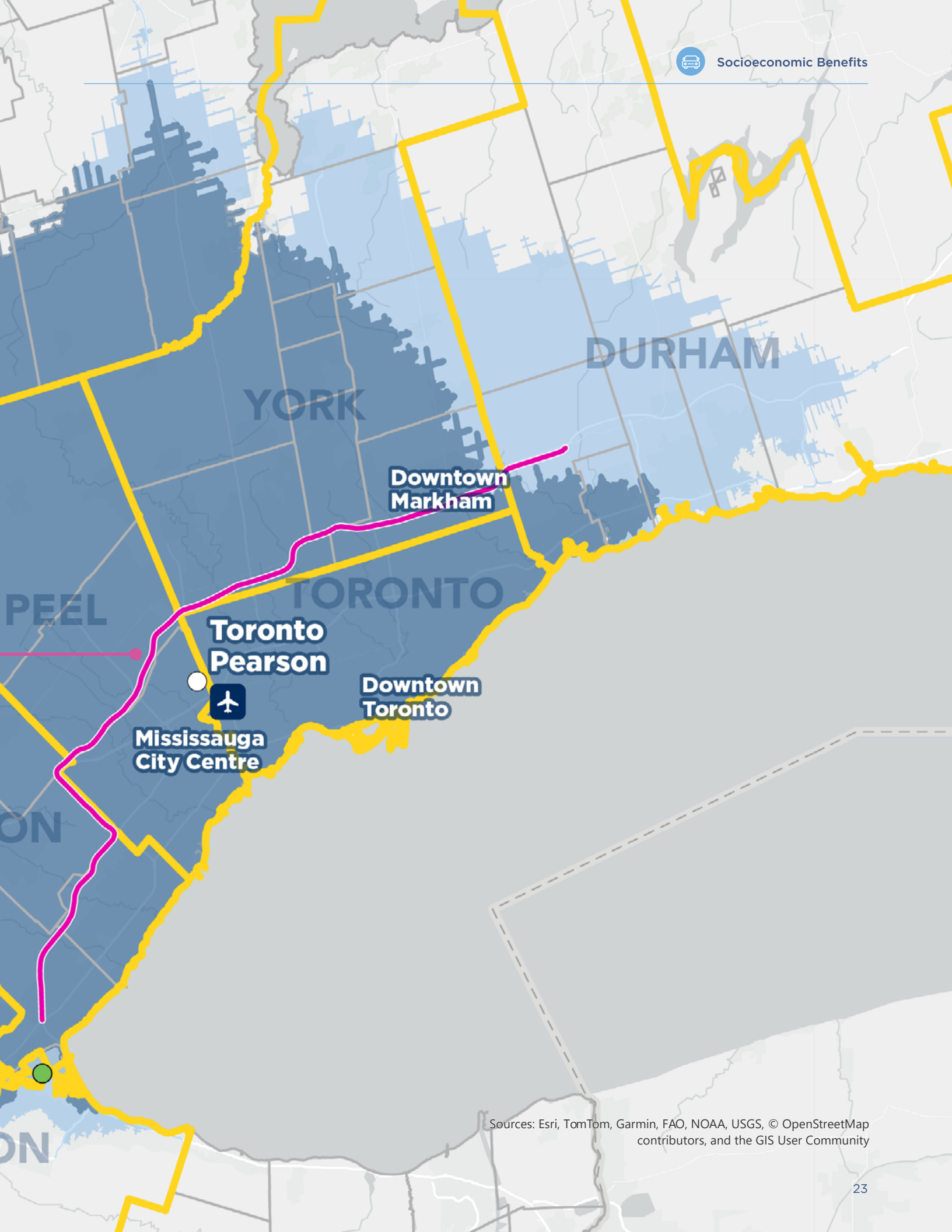
Access to Pearson Airport

Highway 407 ETR connects communities spanning from Hamilton in the west to Simcoe in the north and Peterborough in the east with domestic and international flights from Pearson Airport.

Legend

- Origin
- Destination
- Highway 407 ETR route
- 60 min travel catchment of Pearson Airport without Highway 407 ETR
- 60 min travel catchment of Pearson Airport with Highway 407 ETR
- Selected municipal boundaries





Sources: Esri, TomTom, Garmin, FAO, NOAA, USGS, © OpenStreetMap contributors, and the GIS User Community

Reduced fuel consumption from less stop-and-go traffic

Using Highway 407 ETR helps drivers avoid stop-and-go traffic, which can lead to longer drive times and wasted fuel. Driving in free-flow conditions also means less wear-and-tear on drivers' vehicles, with lower maintenance costs, and an easier, less stressful journey.

Reduced collisions

Per vehicle kilometre, the number of collisions on Highway 407 ETR is 60% less than that of 400-series highways as a whole. If all trips using Highway 407 ETR instead used other highways, based on average crash rates, this would result in 110 additional collisions resulting in injury or death every year.

Productivity benefits

Highway 407 ETR helps support a more productive GTA economy by making travel between jobs and businesses faster and more reliable. Organizations benefit from access to more workers and larger markets. These productivity gains — known as agglomeration benefits — equal $130M annually.

Safety benefits

$70M

in benefits from 110 fewer collisions resulting in death and serious injury on GTA roads annually[4]

Highway 407 ETR is significantly safer than comparable highways in Ontario. Fewer accidents means not only fewer deaths and injuries on Ontario's roads, but reduced traffic delays and more predictable journeys.

4 Value captures the benefit from reduction in serious collisions (those resulting in injury and death) only. It includes both the direct cost of damage to vehicles and infrastructure, and wider costs to healthcare and emergency services.

3

Expenditure Impacts

Up to $490M annually in economic impacts from Highway 407 ETR construction, maintenance and operating expenditures

$490M
contribution to Gross Domestic Product

which support
1,800 jobs

and generates
$140M
in worker earnings

Expenditure Impacts

Every year, 407 ETR spends more than $250M on operations, maintenance, and state of good repair for the highway. This spending, in both staff wages and through the supply chain, triggers a far larger economic impact.

Expenditure impacts refer to the economic impacts that arise from the day-to-day spending of 407 ETR, both on workers and through the wider supply chain. 407 ETR directly employs 550 staff, is a major buyer of materials from asphalt to road salt, and regularly contracts out major projects to local contractors.

This spending circulates through the wider economy, supporting more than 1,800 full-time equivalent jobs.

Value of every $ invested in Highway 407 ETR

Every

$1

invested in and spent on Highway 407 ETR

Delivered

$1.93

of value across the GTA economy in 2024

How Highway 407 ETR spending contributes to the Canadian economy

In 2024, 407 ETR spent approximately $250M operating and maintaining the highway.

This expenditure directly supports jobs at 407 ETR and others within the wider supply chain — for example on construction materials and equipment.

Employees of both 407 ETR and their suppliers earn wages for their work, and spend their salaries on things like groceries, housing and utilities. As these wages circulate through the wider economy, the total economic impact of the highway multiplies.

This explains why Highway 407 ETR's total economic impact of $490M is **far greater** than the spending of 407 ETR alone.

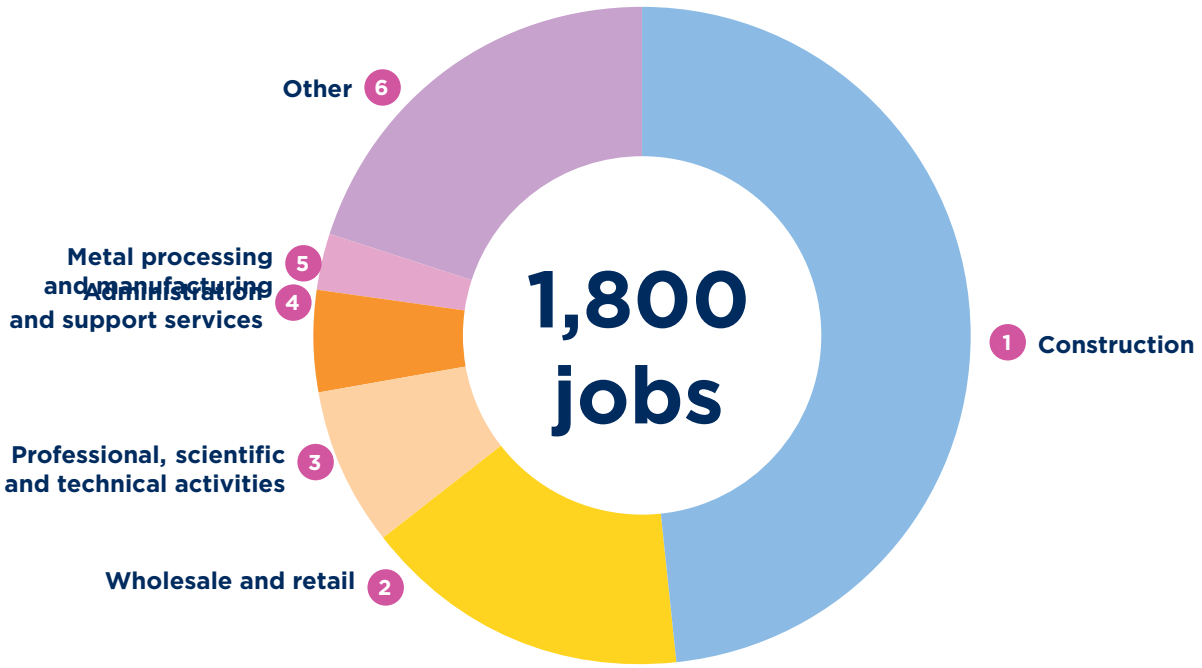
Since many workers live away from Highway 407 ETR, and supply chains spread far and wide, economic benefits spread beyond the highway itself. They support businesses and jobs across not only the GTA, but Ontario and Canada as a whole.

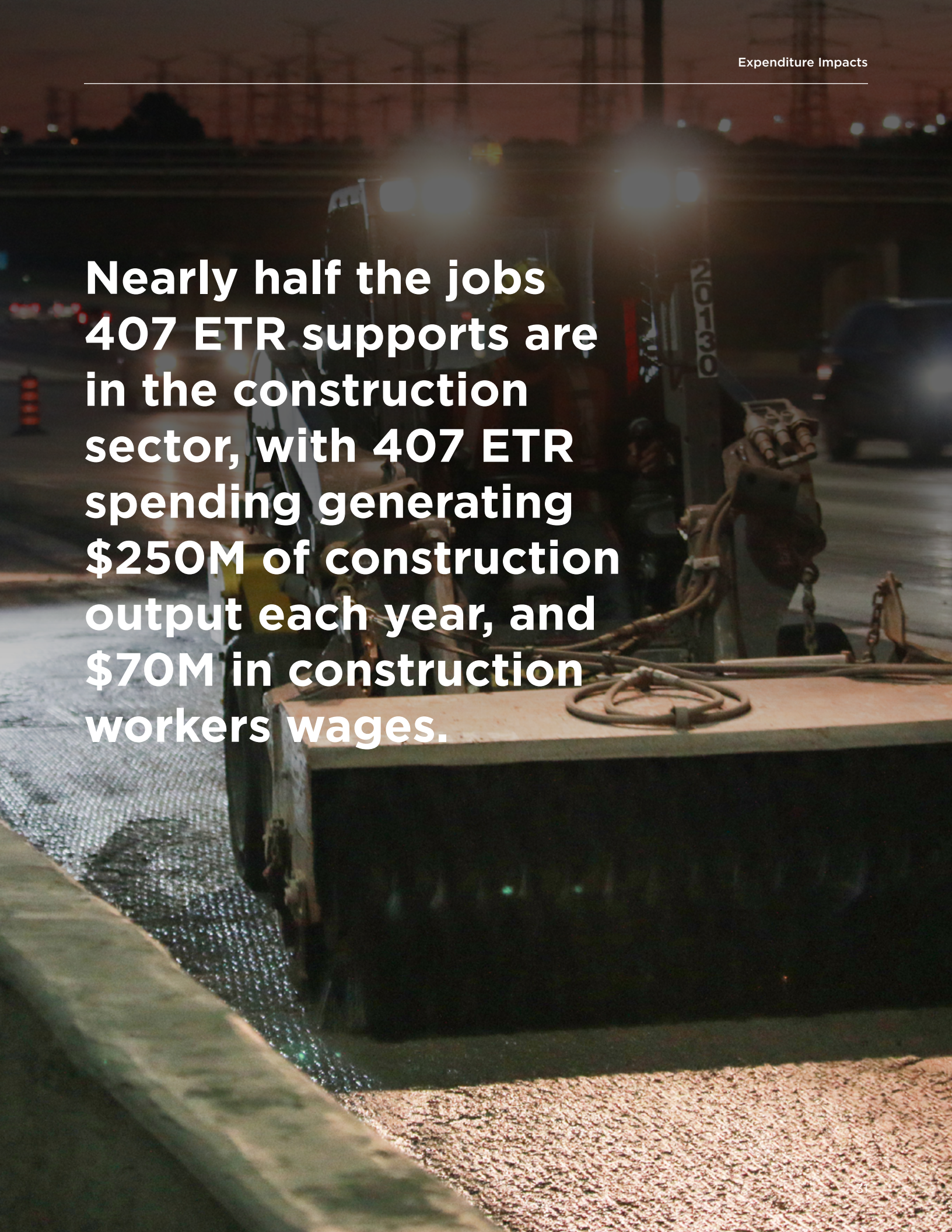
Impacts by Sector

Highway 407 ETR's spending contributes towards multiple sectors in the provincial economy.

	Economic Output (GDP)	Jobs	Wages
1 **Construction**	$250M	870	$70M
2 **Wholesale and retail**	$40M	290	$20M
3 **Professional, scientific and technical activities**	$30M	140	$10M
4 **Administration and support services**	$10M	90	$5M
5 **Metal processing and manufacturing**	$10M	50	$5M
6 **Other**	$140M	360	$30M
Total	**$490M**	**1,800**	**$140M**

Note that the GDP values for individual sectors do not equal total due to rounding





Nearly half the jobs 407 ETR supports are in the construction sector, with 407 ETR spending generating $250M of construction output each year, and $70M in construction workers wages.

407 ETR
Express Toll Route