

Partnering to Strengthen Canada's Economic Security

The City of Prince George

Submission for the 2026 Federal Budget

Submitted to the Standing Committee on Finance

April 30, 2026

Summary of Recommendations

{Placeholder pending confirmation}

Introduction

Located just outside the Golden Triangle and along the Highway 16 corridor, the City of Prince George is Canada's second-most-northern Census Metropolitan Area. It has seen significant growth in recent years, with the city surpassing its population target of 100,000 in 2026.

Prince George is also a natural coordinating point for industrial growth. It serves as the starting point of the North Coast Transmission Line and a key inland anchor connecting supply chains from the Prairies to the Port of Prince Rupert and onward to global markets. As one of the closest manufacturing hubs to the Arctic, the city is increasingly central to Canada's defence posture. Prince George is also supported by significant infrastructure assets, including one of the longest airport runways in the country, direct connections to two major highways, and mainline rail linking the city to Prince Rupert in under a day.

Just as importantly, Prince George has built strong, collaborative relationships with regional partners - including Prince Rupert, neighboring municipalities, Indigenous partners, and the provincial government. Building on these relationships, the city is well positioned to align partners, accelerate project delivery, and ensure national priorities are advanced with coordination and shared benefit.

The following recommendations outline how Prince of George can leverage its strategic positioning as a regional hub in partnership with the federal government to advance these shared priorities and strengthen Canada's economic sovereignty and security.

Strengthening Trade Corridors through Reliable Rail Capacity

Amid increasingly volatile geopolitics and a focus on diversifying international trading relationships, bolstering rail connections to Canada's coastal ports are paramount. Prince George is connected by rail to the Port of Prince Rupert, along one of Canada's most strategic trade corridors, and the two regions have a strong, collaborative relationship. Prince Rupert stands out among Canadian ports for its ability to accommodate additional growth, offering capacity that is increasingly constrained elsewhere.

Together, this corridor is essential to moving Canadian goods to global markets and supporting trade diversification. However, though the rail corridor between the two cities is a vital link for trade, the corridor currently relies on a single rail line. Should any segment become unusable, the entire route is disrupted.

This lack of redundancy limits growth, deters investment, and introduces avoidable risk into Canada's supply chains at a time when Canada is focusing on scaling international trade. Targeted duplication of rail along key segments of the rail line to the coast would address this vulnerability, improving both reliability and overall capacity. Prince George is well positioned to convene regional partners along the corridor to the coast, including municipalities, industry, and Indigenous communities - to advance a coordinated solution.

Recommendation: That the Government of Canada work with industry and regional partners to support the introduction of rail duplication along key segments of the trade corridor between Prince George and the Port of Prince Rupert.

Unlocking Energy Trade and Transmission Infrastructure

Canada is embarking on a bold mission to expand trade with Indo-Pacific economies, South America, and trusted global partners. Energy exports - including crude oil, liquefied natural gas, and hydrogen - have the potential to grow the Canadian economy dramatically over the coming decades. Each faces specific bottlenecks, but transportation should not be one of them.

Prince George is a critical inland gateway in this equation. The City supports the development of energy transmission infrastructure, including pipelines, that will bring prosperity to our city, our region, and our country. Leveraging Prince George's role as a strategic inland hub and convener, there is a significant opportunity to coordinate development across jurisdictions and sectors. The City has also built strong partnerships with local Indigenous communities, who bring essential perspectives to ensure projects move forward responsibly, with shared benefits and long-term certainty.

Recommendation: That the Government of Canada invest in energy and trade corridor infrastructure in Northern British Columbia, including pipelines and related systems, while leveraging Prince George's role as a strategic inland hub and convener.

Supporting Arctic Defence through Strategic Housing

As Canada strengthens its focus on Arctic sovereignty and northern readiness, Prince George stands out as a logical inland hub to support defence operations, personnel, and supply chains. Its proximity to the North, combined with its industrial base and transportation connectivity, positions it as a strategic asset in Canada's evolving defence landscape.

The federal government's recent announcement of approximately 7,500 new military housing units across 25 Canadian locations is a significant step forward. However, Prince George is not currently included on this list, despite being geographically closer to the Arctic than other British Columbia locations selected. At the same time, the city is punching above its weight in delivering housing at speed and scale and is actively undertaking a land inventory to further accelerate development. Including Prince George as a priority for defence housing construction would strengthen operational readiness while leveraging an existing capacity to deliver.

Recommendation: That the Government of Canada include Prince George in future phases of military housing expansion under the National Defence and Canadian Forces Housing Agency initiative, recognizing its proximity to the Arctic, housing capacity, and strategic role in supporting Canada's northern defence objectives.

Investing in Sovereign Skies

Shifting geopolitical tensions and ongoing energy volatility have exposed a critical gap in Canada's aviation fuel supply: a heavy reliance on imports, particularly from the United States. At a time when Canada is seeking to strengthen economic sovereignty and ensure it can reliably power key industries, this dependency presents both a risk and an opportunity.

As a regional hub for many burgeoning industries, local businesses in Prince George offer a scalable, made-in-Canada solution. Tidewater Renewables is advancing Sustainable Aviation Fuel (SAF) production using Canadian agricultural inputs - creating a domestic, lower-emissions alternative to conventional jet fuel. Scaling this capability would strengthen Canada's fuel independence, reduce emissions, and anchor high-value industrial activity in Northern British Columbia. With the right federal support, Prince George can become a national leader in SAF production while helping secure Canada's aviation future.

Recommendation: That the Government of Canada work with Prince George and local industry partners to prioritize investment, incentives, and regulatory support to scale Sustainable Aviation Fuel production in the region.