TRANSPORT ACTION CANADA

A Permanent Public Transit Fund: Nobody Left Behind

Submission to Infrastructure Canada Public Consultation
September 29, 2022

We enthusiastically welcome the Government of Canada's commitment to creating a Permanent Public Transit Fund to build a prosperous, inclusive, and sustainable Canada.

As research-based advocates for sustainable public transportation since our founding as Transport 2000 Canada in 1976, we recommend that the following factors be considered in the design of the new funding program:

1. Design around equity and inclusion

The objective of the program should be to remove mobility barriers to participation in society. Rural-urban equity, settler-indigenous equity, age, racial, disability, and gender inclusion should all be considered in the design of this program so that nobody in Canada is literally "left behind" and therefore at risk. In particular, the Government of Canada has an obligation to fulfil the MMWIG Calls to Justice promptly and in their entirety, including ubiquitous access to safe transportation.

There is a danger that any new transit funding program will primarily serve larger cities, rather than the entire populace of the country. Particular care must be taken to include those living in rural, northern, and indigenous communities that do not have the fiscal or administrative capacity of Canada's larger cities.

We assert that building a ubiquitous, interconnected transit ecosystem that adequately serves everyone who needs it will also attract discretionary ridership, contributing to its economic sustainability.

2. Intercommunity Transit funding must be considered in parallel

In keeping with "Nobody Left behind" as the theme of this program, there is a pressing need for federal leadership to enable Canadians to get from one community to any other safely and efficiently by train or bus. The Rural Transit Solutions Fund represents a positive step in this direction but is not, on its own, an adequate response to mobility poverty. For example, longer-distance inter-regional services are not eligible. Transit services within smaller communities often find it difficult to be relevant to potential passengers because, rather than being the first or last miles in a wider transportation ecosystem, they are the only miles, devoid of wider connectivity. Potential passengers cannot rely on such transit services to go anywhere, anytime, and so the services face challenges meeting their ridership goals.

We recommend that a comprehensive intercommunity transportation program be established, complementary and parallel to the Permanent Public Transit Fund. This should encompass both publicly

and privately operated motorcoach services, ensuring reliable connectivity between services regardless of operator, and provide for the re-establishment of terminals in major cities that all operators have access to. The industry's proposal for an Essential Bus Network, submitted to Transport Canada in 2021, remains relevant,[1] and Transport Action is currently undertaking further research in the area of intercommunity motorcoach services.

3. The formula for operating funding should be needs-based, stable, and transparent

Current ridership patterns are not a good reflection of the potential transit ridership when adequate service becomes available. Therefore, we recommend a funding formula based on population, with increments to account for the cost of serving lower population density communities and on indicators such as labour force participation and healthcare outcomes which reflect the socio-economic consequences of inadequate access to transit.

For example, the Ontario's Gas Tax for Transit Fund is currently weighted 70% toward existing ridership such that the TTC gets 50% of the total pot, even though Toronto only has 20% of the provincial population, the TTC has the highest farebox recovery in North America, and it serves a city with unrivaled fiscal capacity. This kind of funding formula makes it harder for rapidly growing but currently transit-weak communities in Ontario to raise their service levels to an adequate baseline.

The funding model should recognise Canada's mixture of single tier and two-tier municipal governance, plus the existence of regional transit agencies, and be equitable amongst them, while recognising that provincially-established boundaries may not reflect travel demand patterns.

4. Universal accessibility must be the default

Currently, many accessible transit services must be booked at least 48 hours in advance, may only be reserved people who have previously completed an application process unique to the municipality or transit system concerned, and eligibility may only encompass certain kinds of disabilities. Furthermore, eligibility criteria for similar services may differ from one community to another. Similarly, intercommunity motorcoach and rail services, even if they offer accessible vehicles, may also require 48-hour advance booking, and some motorcoach designs with lifts require the majority of the passengers already on the vehicle to alight so that rows of seats can be folded while the person using the mobility device boards. These practices are exclusionary, not inclusive, and make multiple operator itineraries for passengers with disabilities even more brittle and prone to becoming stranded than they currently are for most passengers.

Providing vehicles with level boarding, mobility device spaces, visual and audible announcements on board and at stops, barrier-free washrooms at transfer points or on board longer-distance vehicles, and other infrastructure and vehicle costs to deliver genuine equality of access, are all costs that should be factored into the design of the program. Municipalities not meeting these requirements should be guided towards meeting them, as outlined below.

Separated accessible services, siloed services designated as only for seniors, and buses provided using healthcare system funds to get people to appointments independent of the wider public transit ecosystem, often operate with very poor passengers-per-vehicle-hour ratios while passing up

[1] https://www.transportaction.ca/national-news/coast-to-coast-bus-network-proposed/

opportunities to provide needed seats to other potential passengers. This results in sub-optimal use of fiscal capacity to support transit operating funding across all levels of government.

With up-to-date on-demand and dynamic vehicle routing technology, we believe that full integration of transit networks and a completely inclusive service model are possible, although we caution against the poor accessibility of some current "on-demand transit" smartphone apps; the false assumption that everyone has access to smartphones with data plans; and siloed, parochial, incompatible interfaces to the transit network and between transit systems.

5. Operating funding must not be considered in isolation from capital funding.

One of the drawbacks of the Investing in Canada Infrastructure Fund was that municipalities with contracted-out transit services, mostly smaller communities, were unable to access funds to upgrade their transit fleets because the lifecycle cost of vehicles was embedded in multi-year operating contracts.

Appropriate provision should be made to blend operating funding, lifecycle funding, and capital upgrade grants for accessibility or electrification, such that the Government of Canada's overall funding model for transit neither penalizes nor rewards the choice of in-house or contracted operations.

6. Capital funding decisions should be evidence-based, transparent and coordinated with other programs

As it is likely that annual requests for capital funding will far exceed the federal government's allocation to this fund, a transparent prioritization tool needs to be developed that will include factors like business case cost/benefit, regional equity, and social inclusion.

The capital stream of the Permanent Public Transit Fund should primarily aim to eliminate services gaps and ensure universal accessibility. Thus, this program should be co-ordinated with other programs that provide seed funding, such as the Rural Transit Solutions Fund and Ontario's Community Transportation Grants. However, the Ontario Community Transportation Grant program has two weaknesses that this new program should avoid: (a) It is purely application-based and (b) lacks a mechanism for broader network coordination and passenger transfers between services, so significant services gaps and usability challenges remain.

The process of obtaining funding to provide a baseline service must not be onerous and should not be contingent upon provincial cooperation. The Permanent Public Transit Fund should include a seed funding stream to allow Transport Canada to actively approach and engage smaller municipalities, with limited fiscal and administrative capacity, empowering them to develop proposals to address service gaps and connect their communities to the wider public transportation ecosystem.

For large capital investments to enhance existing large urban transit networks should continue to a be joint federal-provincial projects. For projects like the Eglinton West Subway Extension, Réseau Express Métropolitain, Surrey-Langley Skytrain, or the Edmonton Valley Line LRT, the federal government must demand and use Business Case Analyses that include a broad range of route and technology options and fully consider the projects' impacts on the wider Canadian public transportation ecosystem. This will prevent such projects being over-specified and absorbing a disproportionate share of the federal government's fiscal capacity.

7. Ensure best value though best-practice sharing and capacity building

Because public transit exists in the service of socio-economic objectives and the efficiency of transport networks can not be considered in isolation, achieving the best value for the fiscal capacity deployed requires active consideration both of the transit technologies deployed and the context in which transit systems operate.

In line with our recommendation above that operating funding be needs-based, municipalities should be encouraged and supported in maximizing the outcomes for each dollar spent. Smaller municipalities may lack a dedicated transit planner, with training in considering the socio-economic context as well as the operational aspects of the service, let alone a team with transit procurement experience. Therefore, regional and nationwide coordination and best-practice sharing will be necessary to leverage a critical mass of expertise and the analytical capacity to apply data-driven approaches to service delivery, empowering municipalities to succeed while also measuring outcomes and publishing benchmarking data to ensure transparency in the use of public funds. This approach will also inherently allow better consideration of service designs that accommodate travel patterns across municipal boundaries.

Joint procurements, such as those led by Metrolinx on behalf of smaller Ontario municipalities, have already proven successful in securing modern accessible buses at reasonable prices, and this model should be extended to other aspects on the transit ecosystem, including software and operations.

Capital funding for transit hubs and rapid transit corridors should be linked to planned or existing housing and employment intensification, including a target percentage of affordable housing, and municipalities should be encouraged to leverage synergies between this fund and others such as the Rapid Housing Initiative.

Where feasible, transit hubs in smaller towns should collocated with libraries, post offices, leisure centers and other staffed public facilities to reduce the overall cost of providing a safe waiting area.

8. Active transportation is part of service design

Public transit journeys start and end with active transportation – walking, cycling, using a wheelchair, scooter, etc. If the infrastructure to safely use active transportation to reach public transit and compete the journey at the other end is not readily available, potential passengers are deterred or experience mobility poverty, even where a transit service otherwise appears adequate.

Best practice sharing in this area could include drawing on other transit systems' experience of providing secure bicycle storage, attracting bicycle rental and scooter services to operate from transit hubs, and planning developments around transit hubs for walkability.

9. Seek synergies across the broader public sector and beyond.

Building bridges between level-of-government and inter-departmental silos, to share resources and reduce duplicate vehicle miles travelled, could vastly improve outcomes per tax dollar spent. Many areas of the broader public sector are users of transportation, both for passengers and packages, often running dedicated vehicles half-empty. For example, libraries regularly transfer and rotate stock between branches. School boards are significant providers of transportation, and some rural school bus

services in Quebec have found ways to accommodate other passengers,[2] but elsewhere in the country this is rare.

Northern residents and businesses face premiums on delivery fees because packages are currently spread across multiple couriers and Canada Post, all operating separate vehicles. Meanwhile, the nearest pharmacy may send a pickup truck many miles to deliver a single prescription to a rural senior. Grocery delivery may be unavailable to the same rural senior because the distance makes the service, if operated in isolation, uneconomic. These use cases could be accommodated, at minimal marginal cost, on a dynamically routed transit vehicle operated in conjunction with Canada Post, following the Swiss model of rural PostBus service.

By actively seeking opportunities to stack passenger transit and other last-mile transportation needs on to a single vehicle fleet, and then sharing these best-practice examples across the country, we can maximize the outcomes of the Permanent Public Transit Fund while reducing our impact on the environment and assuring the sustainability of other aspects of Canada's public services.

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[2] https://www.transportaction.ca/topics/interurban-rail-and-bus/can-school-buses-provide-public-transit/