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Which funding tools will drive Metrolinx investment plan?

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Road pricing, sales tax and increased transit fares are being considered as funding tools for The Big Move's investment strategy.

Fundamentally, it is better to rely on a few tools, rather than just relying on one, said Andy Manahan, executive director of the **Residential and Civil Construction Alliance of Ontario**.

"One of the reasons for looking at different investment tools, is that they're at least trying to spread the investment burden. If you do have a few tools, then at least one tool is not going to hit really hard," he said.

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The investment strategy will help finance the \$34-billion regional transportation plan, and the next wave of projects including the Downtown Relief Line, the Yonge Subway Extension into York Region, new rapid transit in Mississauga, Brampton, Hamilton, new bus rapid transit corridors in Halton, Peel, Toronto and Durham, and major changes to the GO Transit rail network, municipal transit projects, roads and highways and green transportation options, such as cycling and walking.

[Metrolinx](#) is considering: development charges, employer payroll tax, fuel tax, high occupancy toll (HOT) lanes, highway tolls, land value capture, a parking space levy, property tax, sales tax, transit fare increase, and a vehicle kilometres travelled (VKT) fee.

Metrolinx examined over 25 strategies and investment tools that are used in other jurisdictions and received input through a series of 12 roundtable meetings with residents across the Greater Toronto and Hamilton Area on ways to fund public transit.

"At our round table meetings, we heard that there is wide recognition of the problem of congestion and there is impatience for a solution," said Metrolinx chief executive officer Bruce McCuaig in a news release.

"Participants want to see more transit and transportation expansion, they understand that this requires significant investment and overall they supported tools to build new transit and transportation."

The selection criteria includes strong, predictable and durable revenues; reasonable cost and ease of implementation; price signals to encourage efficient travel choices; tools that promote economic competitiveness and tools that promote social fairness and equity.

Manahan said a VKT fee probably makes more sense, but "we know it's more difficult to implement that one whereas certain other ones are easier to implement and administer because there are existing tax systems. These are things they're grappling with."

Metrolinx is also concerned about changing behaviour and building more cycling and pedestrian infrastructure.

“They are thinking about those things, but they know they don’t raise close to the \$2 billion a year that’s needed,” said Manahan.

Clive Thurston, president of the [Ontario General Contractors Association](#), is disappointed with the proposed funding tools as they lack a vision on how get the private sector more involved.

“In other province and other countries the private sector is far more engaged in delivering infrastructure like this and this just seemed to be the same old ideas trotted out once again — tax and spend,” he said.

Thurston spoke of a recent meeting with new Ontario infrastructure and transportation minister Glen Murray, who had some bold initiatives while serving as mayor of Winnipeg to get infrastructure funded.

“They built a bridge there and there was a platform of stores and things that tied into the bridge that help finance it,” explained Thurston.

“Why can’t we look at a thing where a private sector company can build a subway station, turn it into a work of art, but include within that space stores and so on, but done by the private sector, not funded by taxpayers.

“I think you’ll find private sector people would jump at the opportunity.”

The next steps for Metrolinx’s investment strategy will be to get public and stakeholder input on these potential investment tools and consulting with municipal partners. The investment strategy, to be released by June 1, will provide funding options for implementation of The Big Move.