

## Coalition of economists prescribes road tolls as a solution to congestion

Ecofiscal Commission urges Canadian cities to develop tolling policies that have been proven in other cities to relieve traffic.



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Minnesota's MNPass High Occupancy Toll (HOT) lanes give single-occupant vehicles access to HOV lanes during rush hours. Tolls change every three minutes depending on the speed the HOT lanes are moving. That information is posted on electronic signs along the road. The system is credited with maintaining 80 km/h speeds and increasing traffic speed by 6 per cent in the untolled lanes.

**By:** Tess Kalinowski Transportation reporter, Published on Mon Nov 02 2015

A coalition of prominent Canadian economists is the latest group to endorse [tolling roads](#) in the Toronto region.

Canada's Ecofiscal Commission recommends turning the high occupancy vehicle (HOV) lanes on provincial highways around Toronto into high occupancy toll ([HOT](#)) lanes. Those would allow single-occupant vehicles to use the HOV lanes in exchange for paying a toll.

The province already has plans to test the idea.

But [a new report](#) being released by the Ecofiscal Commission on Monday goes a step further. It suggests that, in the longer term, some of the busiest stretches of the 400-series highways and even the Gardiner and Don Valley Parkway could be converted to full-out toll roads.

The study urges all levels of government to test road pricing as soon as possible as urban congestion worsens and transportation systems fail to keep pace with population growth. Even when the tolls themselves don't represent a large source of revenue, their effect on people, goods and services contributes to economic prosperity.

The economists, from universities and think-tanks across the country, know that road pricing is a tough sell with the public.

But building more roads and transit won't be enough to throttle congestion, at least not on a sustained basis, said commission chair and McGill University associate professor Chris Ragan.

It prescribes individual tolling prescriptions for four Canadian cities, including Toronto, and stresses that every centre is unique — that congestion pricing isn't a one-size-fits-all solution.

Traffic is crippling mobility and damaging the health and the environment in centres that are home to 80 per cent of Canadians, says the study, called *We Can't Get There From Here: Why Pricing Traffic Congestion is Critical to Beating It*.

Gridlock is very costly, because road space is a scarce resource that isn't being priced in the current market system, Ragan said Wednesday. That is a loss of potential revenue that could be invested in transit or other public needs.

Everybody knows congestion is a serious problem, because we all experience the wasted time, the anxiety of being late for work or picking up children.

"But there are other costs ... all the goods that are sitting on the backs of trucks that are slowed down as they're crossing our provincial highways and crossing our country drives up the price of goods. There's the health cost. One-third of Canadians live close enough to a major thoroughfare that their health is impacted by tailpipe emissions. Just the cost of that part alone is about \$7 billion a year," he said.

"This is a perfect example of something that was a serious cost across the country, and there is an ideal solution that hasn't been tried in Canada, for the most part. It's been tried elsewhere — and very successfully," Ragan said.

"We're not at the very front of the parade, but if we act now we could get close to the front," he said.

Ragan's hunch as to why Canada hasn't experimented more widely with road pricing is that people simply don't believe drivers will change their behaviour.

"If that were true, then nothing changes, nothing gets speeded up, but you've taken money away from me. So it's a tax grab," he said.

But there are examples around the world, from Stockholm to Minnesota, that show road pricing — at a low cost — does change behaviour.

"On any given day, some people have a more flexible schedule. The neat thing is, I might choose to drive earlier or later and you may not. But when I decide to get off the road and do something different, the road is less full and you get to work faster, more safely, with fewer accidents and with less anxiety."

The report advocates that governments design pilot projects that will prove road pricing works before it rolls the schemes out permanently.

The Ontario government has committed to testing high occupancy toll (HOT) lanes, allowing cars with fewer than the specified two or three occupants to use HOV lanes for a fee, but it hasn't released any specifics.

## **TORONTO AREA**

**The problem:** Road congestion is estimated to cost the region \$15 billion annually by 2031, and an underdeveloped transit system hasn't kept up with population growth.

**The landscape:** In a sprawling city region, many commuters drive between various employment and activity centres. The GTA has the highest transit use in the country but also the second lowest transit capacity in the country, and 89 per cent of residents see congestion as a serious problem.

**The prescription:** Convert the 400-series highways HOV lanes to HOT (high occupancy toll) lanes, giving motorists the choice to pay a toll to escape more heavily used "free" lanes.

**Longer term:** Convert the same 400-series highways and maybe the Gardiner Expressway and Don Valley Parkway to full toll roads. This would probably not be applied to the entire network, just to key pinch routes, according to study author Chris Ragan.

## **VANCOUVER**

**The problem:** Despite ongoing transportation expansion, the city struggles to keep up with population growth. About 1 million more residents are expected by 2041.

**The landscape:** A series of municipalities connected by 20 bridges and two tunnels but few high-capacity roads. People travel among various hubs rather than in a single direction. Seventy per cent of residents say traffic impedes their mobility, but a \$7.5-billion transit improvement plan failed in a referendum this year.

**The prescription:** Variable tolling of bridges, with pricing varying according to time of day or demand.

**Longer-term recommendation:** A per-kilometre fee for all road use, levied by time, day and possibly type of vehicle.

## **CALGARY**

**The problem:** A higher percentage of car commuters than other Canadian centres, and low taxes, which suggest residents will be particularly resistant to road pricing.

**The landscape:** Sprawling, low-density development connected by an extensive road network, including a ring road around the city centre. There are plans to build 440 kilometres of high occupancy vehicle (HOV) lanes in the next 10 to 60 years.

**The prescription:** HOV lanes on five major roads, whereby single-occupant vehicles would be charged to use HOV lanes.