

# GTA needs gas hikes, road tolls, congestion charges to fund transit: Experts

June 04, 2011

Brett Popplewell

Put a road toll on every highway in the GTA. Throw in a congestion charge in the downtown core. And hike up gas taxes in the region by another 10 cents.

Do it all to raise money for public transit.

Do it all and this city might solve the gridlock that has Toronto moving more slowly than almost any other city in the Western world.

Do it all and the stretch of Highway 401 that cuts through town might no longer be the most congested chunk of highway in North America. The average commuter might get back some of the 80 minutes per day they spend going to and from work. And Torontonians might save some of the \$6 billion they currently waste in time, fuel and productivity while idling in the city's arteries.

Call it the war on the car or call it sound economics, says Harry Kitchen, professor of economics at Trent University.

But whatever you want to call it, the GTA's drivers are going to have to accept it.

"It's inevitable," says Kitchen. "It's going to come. It has to come."

Even if road tolls and other new revenue sources make economic sense, should the potential billions of dollars raised by them go, as suggested, toward the Sheppard subway extension — an unfunded \$4.2 billion project that former TTC chief David Gunn says will only add to the city's transit woes?

It would make more sense for the new charges to help fund a system that makes better use of buses and eases congestion on the Yonge St. subway line, says Gunn, who's now retired and living in Cape Breton.

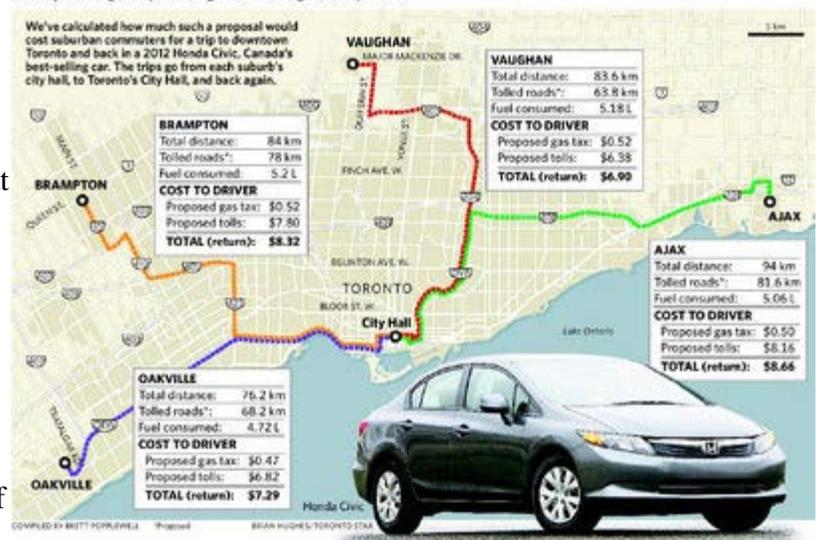
"The whole Sheppard line boggles the mind," he says. "The Yonge St. line is at capacity, so you're going to build more feeder lines into it? How does that make any sense?"

"Toronto is heading for a cliff," Gunn warns. Politicians are pushing us towards the edge.

Last week, Gordon Chong, who was selected by Mayor Rob Ford to figure out how the city might fund the

## How much could it cost you?

Experts say the GTA should implement road tolls and a regional gas tax to combat gridlock and help fund public transit. A 2010 report from the Toronto Board of Trade said \$1 billion per year could be raised by charging drivers a dime for every kilometre driven on the Gardiner Expressway, Don Valley Parkway and the 400 series highways. Another \$1 billion could be raised by collecting \$0.10 per litre of gas sold in the region, the report said.



Sheppard extension, said it will take pay-as-you-drive fees like road tolls, congestion charges and other taxes to pay for the subway line.

On Monday, Ford, the man who once publicly declared the war on the car to be over, said he was absolutely opposed to any notion of tolls or congestion charges.

Two days later, a public-opinion poll said 65 per cent of Torontonians also opposed the idea.

So here we are, caught in gridlock, with no idea how to get out of it.

Congestion is a fact of life in every city, but it's worse in Toronto than in New York, London or even Los Angeles.

Put another way: if Toronto were a human, it would have died long ago, because its arteries are far too clogged.

A 2010 report from the Toronto Board of Trade said Torontonians spend an average 80 minutes a day commuting to and from work. The board has pegged the annual economic impact of congestion in the GTA and Hamilton at \$6 billion in lost productivity.

Last year, the board released a report meant to educate decision makers on different ways to fight gridlock and raise money for transit.

It outlined how \$4 billion a year could be raised off the backs of drivers through four new levies that would each bring in \$1 billion. They included a \$1 per day surcharge on commercial parking spaces in the city; a 10 cent gas tax on every litre of fuel sold in the GTA; a 10 cent per kilometre toll on the QEW, Gardiner Expressway, Don Valley Parkway and the GTA's 400-series highways; and an unspecified congestion charge in a restricted zone (presumably the downtown core).

The board's proposals were similar to what Kitchen recommended in a 2008 report for the **Residential and Civil Construction Alliance of Ontario**.

"People ranted on me when I made these recommendations," Kitchen says. "(Canadian) drivers generally haven't been asked to pay for their use of our roads."

Other countries have found ways to make commuters pay-as-they-drive through tolls and congestion charging. Kitchen says the GTA must follow that lead.

Tolled roads are common in many developed countries, but somehow Canada has evolved into a mostly toll-free nation. Congestion charging in cities like London, Stockholm and Oslo is used to raise money for road maintenance and public transit. Other cities, including Vancouver and Montreal, collect money from taxes on gas sold within their respective cities to help fund public transit.

"Right now the people using private cars in the GTA are not paying a proper price for using the roads," says Kitchen.

Any road pricing scheme would have to be implemented slowly, however, because driving people off the roads could swamp the region's underfunded public transit systems.

So, Kitchen says the province should first implement a regionwide gas tax. Why? Because gas hikes don't seem to drive people off the roads, but the profits could and should be earmarked to prepare the public transit systems for increased ridership. Only then, Kitchen says, should tolls be placed on the region's major arteries. After that, the city or the region could start looking at congestion charging.

It's a grand vision. And yet, Kitchen's projected revenues from such schemes are much lower than those projected by the Board of Trade and amount to just \$1.32 billion per year. At that rate, it would take more than

three years to pay for the Sheppard extension.

That's not going to be enough, says Joe Mihevc, a city councillor who thinks Ford's Sheppard line is destined to economically cripple the city no matter how it's financed.

Ford says he has a mandate to build the subway and believes the private sector can help the city pay for it.

But Mihevc says: "If we shut down everything the city pays for and let all of the money go to the Sheppard line, we still couldn't pay for it. That's how ridiculous this is."

"The TTC is \$2 billion behind on state of good repair. Any money raised needs to first go to fixing that before we can start building projects."

As for the notion of congestion charging, Mihevc says he can't imagine downtown councillors supporting such a charge because it could potentially drive business out of town.

It's a classic Catch-22 that no one seems to know how to fix.

Not even Gunn.

"You've got some major problems and no great vision to get you out of it," he says.

"You really need — instead of the politicians having a dream at night and waking up in the morning and running in and saying this is it — you need something that's properly thought out.

"And then you need to pay for it."