thestar.com

Ambitious new public transit plan for the GTA thin on funding details

Regional transportation agency won't discuss long-term financing options for five years

October 03, 2008

Andy Manahan

Metrolinx, the provincial agency mandated by Queen's Park to develop a regional transportation plan, formally presented a draft plan at its meeting on Sept. 26. Chair Rob MacIsaac and the rest of the Metrolinx board are to be commended for delivering a plan that will result in significant transportation improvements in the Greater Toronto and Hamilton areas.

Although the transportation plan, branded as "The Big Move," envisions a massive $50 billion expansion of the public transit system over 25 years, the plan contains an expenditure of only $11.5 billion. This is the amount committed by Premier Dalton McGuinty in June last year, before the Ontario election, and known as "MoveOntario 2020."

Where is the remaining $38.5 billion to come from? Part of the MoveOntario announcement contemplated a $6 billion share from the federal government but to date there has been no sign from the Harper Conservatives that there will be any further allocations until already announced funding has been spent.

It is most unfortunate that the Metrolinx board, and by extension the province, has decided to defer consideration of long-term financing options until 2013. Despite a plea at the September board meeting by Paul Bedford, the only citizen director, to begin a process of public dialogue now rather than wait another five years, no other board members voiced a dissenting opinion on the postponement.

MacIsaac has stated that the public will be more receptive to new funding tools once there are tangible projects in place. But there are potential problems with this strategy. Will the required expenditures be made in a timely fashion or will there be delays in the release of funds for these vital transportation projects due to the current economic turmoil?

Somewhat reassuringly, McGuinty has indicated that the $11.5 billion in funding has already been set aside and that he wants to see "shovels in the ground" as soon as possible. In the fall economic statement to be delivered by Ontario Finance Minister Dwight Duncan on Oct. 22, we will get a better insight into the state of provincial budget projections, but "restraint" will probably be the rallying cry. It would restore my confidence if the finance minister announced that at least $2 billion per year will be invested over the next five years in order to realize the MoveOntario commitment.

The premier has been a strong advocate for the innovation agenda and progressive road-pricing mechanisms are now being implemented in other jurisdictions that use GPS technology. In fact, a firm based in Toronto is on the leading edge of these developments. Major cities and countries around the world recognize that a diverse set of funding tools is necessary to foster a competitive economy by targeting these funds to transportation and other infrastructure projects.

So, why are the people around the premier playing it safe rather that acting in a bolder fashion? Electoral cycles often dictate how aggressive a government is with new measures and waiting until 2013 means that the 2011 provincial election can safely be held without having a controversial debate on road pricing and other potential solutions.

Polls have suggested that the public is not ready to fully embrace toll roads or other transportation demand-management measures. But is the public prepared for everworsening gridlock over the coming years? Probably not, and the result could be lost opportunities by firms where locational decisions are influenced by mobility measures.

Rather than conduct simplistic polls asking whether someone is in favour of a new tax or not, it would be better to survey the motoring public and the goods movement sector on how important it is to save time, be more productive and less stressed out by paying user-type fees.

From my understanding, customer satisfaction surveys for Highway 407, as well as other toll roads around the world, indicate that there is high satisfaction with tolled facilities. Increasing ridership numbers – even with progressively higher fees per kilometre on the 407 – would appear to bolster that argument.

Harry Kitchen, who authored a report on financing transportation earlier this year for the Residential and Civil Construction Alliance of Ontario, stated that there would be resistance to new road-pricing schemes but that heading to more of a direct user-pay approach is the most appropriate way to ensure sustainable transportation revenues in the Greater Toronto and Hamilton areas.

Public consultation will be held on the draft Metrolinx plan later this fall in seven centres. I would encourage those who are interested in the future of this region to attend one of these public sessions and provide feedback on the plan priorities as well as to discuss new transportation funding tools.

Even though it is clear that new funding measures for highways, roads and public transit infrastructure will not be implemented soon, there is no legitimate reason why the public and businesses should refrain from having an intelligent – and bold – dialogue on these matters.

Andy Manahan is the executive director of the Residential and Civil Construction Alliance of Ontario. Over the past two years, the association has commissioned three independent research *papers on transportation issues that are available at rccao.com.*