

Canada's recovery hinges on tackling transit crunch

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By Mike SavageContributors

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Right now, Canadians are united by two shared realities: a growing exhaustion with the effects of this pandemic, and a yearning to create something better on the other side.

As Canadian mayors, we're right there with you. All pandemic long, municipalities have kept front-line services going strong and helped millions get vaccinated against COVID-19. We want to continue being there for Canadians to foster a strong recovery. And we see real opportunities to boost people's quality of life and drive progress on national challenges, from the housing crisis to climate change.

Last week, we took that message to our federal partners, with our colleagues from the Big City Mayors' Caucus of the Federation of Canadian Municipalities. In meetings with several cabinet ministers, including Finance Minister Chrystia Freeland, we looked at how government can drive this progress together, with support from the next federal budget. But we were also clear: there's a pandemic-driven financial crunch emerging in our cities that threatens this recovery.

With firm federal and provincial commitments, we could end this crisis now. But after months of urging this and still no commitments, we are sounding the alarm.

COVID savaged cities' balance sheets. Very acutely: our transit systems are fuelled by fare box revenues that plummeted in the pandemic. And while ridership is inching back, we have a long way to go. Metro Vancouver's TransLink forecasts a \$200 million revenue loss for 2022. The Toronto Transit Commission's 2022 shortfall projection reaches \$561 million. And by law, cities cannot run deficits to cover these gaps. We've already made tough decisions on service levels, layoffs and property taxes. To balance the books, as we must, we are out of options that do not hurt Canadians in ways that are simply unacceptable.

We must continue to protect transit riders. Millions of Canadians continue to rely on this lifeline to get to work, school and essential services — we are not going to strand front-line workers and marginalized communities, or invite people into overcrowded buses mid-pandemic. Canadians also rightfully expect us to restore full transit services in their cities as workplaces, restaurants and businesses reopen.

We must keep property tax increases as affordable as possible on the eve of economic recovery. We must also preserve nation-building capital projects. That means not delaying plans to replace retiring diesel buses with low-emission electric models. That means protecting long-needed investments infrastructure projects, along with the jobs they generate.

Everybody agrees on protecting transit, keeping life affordable and preserving infrastructure projects. That's why our federal and provincial partners provided emergency operating funding earlier in the pandemic. We

are grateful for that. But this support was never designed to last into 2022, as the pandemic obviously has.

With the ministers, we had productive conversations on kick-starting a strong recovery. We looked at scaling up the Rapid Housing Initiative to eradicate chronic homelessness. We looked at scaling up local green innovation — from building retrofits to landfill gas capture — to achieve Canada's 2030 climate goals.

Cities are eager to deliver results Canadians want: good jobs, new affordable housing, emission reductions and more. But no city can lean all the way into recovery while juggling a financial crisis. We need that crisis tackled first. And with city budgets closing in on final stages, we need it tackled now.

It comes down to this: there's broad agreement that governments need to solve this together. Some provinces are already there — so long as Ottawa steps up too. Let's not allow jurisdictional debates to derail the recovery Canadians deserve. Let's move forward together, and let's do it now.

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