

ONTARIO 360 – PUBLIC TRANSIT – TRANSITION BRIEFING

Empowering cities to work together to solve regional transit issues

Issue

Many of the challenges that urban regions face spill over the boundaries of municipal governments – none more so in the current Ontario debate than public transit. More than one-third of the Ontario’s government’s \$190-billion, 13-year Long-Term Infrastructure Plan is dedicated to transit infrastructure. The incoming government will need to ensure that these resources are not only effectively targeted but also that we have the right operational and governance structures in place to address Ontario’s long-term transit demands.

Overview: transit operations and governance in Ontario

Much of the transit debate in the pending election will be about spending. The various political parties will set out their respective funding strategies and transit priorities. But it is important that operational and governance questions are not neglected. Getting these aspects right is essential for Ontario.

The history of regional transit operations and governance is marked by the imposition of some form of amalgamation. A better model is a bottom-up driven approach that enables cities rather than the province govern regional bodies, such as Metrolinx.

Originally created in 2007, Metrolinx started with the intent of creating a regional transit plan for the Greater Toronto and Hamilton area with a board made up of local government officials. Two years later, Metrolinx expanded to become the GO Transit operator. The province then removed the local government officials from the Metrolinx board, which is now made up of people appointed by the province.

PROJECT PRINCIPALS

Sean Speer
Project Director,
Ontario 360

Peter Loewen
Director,
School of Public Policy
& Governance

Rudyard Griffiths
Project Chair,
Ontario 360

BOARD OF ADVISORS

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School of Public Policy
& Governance

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Canada

Metrolinx now faces many difficult decisions. Foremost is integrating regional and local transit fares. The government announced a \$1.50 discount for those who transfer from the GO train to the Toronto Transit Commission (TTC) system starting in January of 2018. However, this is only a stop-gap measure, as the issue of people transferring from one system to another will be substantially greater once the Regional Express Rail plan is up and running. Other problems keep coming up such as which projects to prioritize, who should operate new lines, and how to pay for it all.

The need for reform

There is a clear need to move towards consolidating some parts of the disparate transit operators across the Toronto region into a single entity. For example, a single planning agency could integrate fares across the region, fixing the current practice of many bus lines stopping at municipal borders and requiring passengers to pay a separate fare when they cross them. A single large transit agency would also likely be better at executing large regional plans.

However, it will likely be less successful at getting the local details right, such as which corner of a road to put a bus stop because there is a senior's residence there. Local politicians, who are accountable to residents of a neighborhood every few years, with a window into both local and regional problems can bridge that divide. Furthermore, creating an agency that has the ability to set taxes without the ability of taxpayers to decide on its performance creates a democratic deficit.

Another approach is to create a single regional transit agency from the bottom-up, led by municipalities. The core of any reform centres on the board of directors of Metrolinx. The current board lacks the accountability that municipal politicians would have if they failed to deliver on transit promises.

How to move forward

The first step in such a plan would be for the province to restore the role of municipal governments on the board of Metrolinx akin to what existed before 2009. But, an all-politician board would have no transit-specific expertise.

The province can solve that problem by having a combination of policymakers and experts on the board, but with a majority still composed of municipal policymakers.

It can then create subsidiary operations to Metrolinx that, while reporting to the board with many regional elected officials, has area-specific expertise. For example, there could be a corporation with a mandate on planning and capital investment. Another company could specialize in bus and transit delivery. Another for heavy rail, for example. The province could even create a company responsible for operating major highways in the region, which could eventually integrate the provincially owned 400 series highways with the Don Valley Parkway and Gardiner Expressways that the City of Toronto operates.

Some of the largest transit investments happening now would fit this model nicely. For example, the new Eglinton Crosstown LRT line will be owned by Metrolinx. However, it has signed a ten-year agreement with the TTC to operate it. The TTC is one of North America's best transit operators, winning the award of transit agency of the year in 2017. But, the TTC does not have the remit to plan for new projects, such as subway expansions, or operate buses outside of Toronto's borders. Nor has it been great at building new projects, after suffering delays and cost overruns on a subway expansion to York Region, along with being part of a bungled renewal of Union Station in downtown Toronto. If the TTC operated under contract to Metrolinx, the TTC would be able to operate its routes just as it does today. It could also expand its operations outside Toronto if it can prove it's the best operation for the job.

There are great examples Toronto can look to. One model to follow is Transport for London (TFL), which successfully operates transit in the UK's largest city. Its board is chaired by the Mayor of London and includes diverse representation, such as from workers, disability advisors, and industry experts. It also contracts out the delivery of many of its bus routes to private operators.

TFL shows how to combine a board that represents the people that ride on transit with the area-specific expertise to oversee operations. TFL has a plethora of subsidiary companies, ranging from property management companies to rail line-specific operating companies to financial services operations. Each subsidiary has its own board of directors to oversee each

distinct service. There is overlap of board members, which enables integration of various services.

Toronto policymakers do not have far to look for such a model. In Vancouver, the provincial legislation lays out that a Mayor's Council made up of representatives from each of the region's 21 municipalities appoints most of board of Translink, the regional transit coordinating body. Translink has many subsidiary companies that operate transit services under contract. The contracting allows cities the flexibility to own and operate their own bus system, if they like, as West Vancouver does. That operating flexibility allows cities to operate their own transit, with additional local services if they like. It also allows the flexibility to have private contracting for bus services.

The Ontario transit debate has centered on amalgamation as a solution to our regional coordination problem. Instead, we should look to a middle path of empowering cities to solve regional problems together.

Benjamin Dachis is Associate Director, Research, at the C.D. Howe Institute

