Friday, November 17, 2017

To: The Honourable Steven Del Duca, M.P.P.
        Minister of Transportation
        3rd Floor, Ferguson Block
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        Toronto, Ontario M7A 1Z8
        Sent via email to: sdelduca.mpp.co@liberal.ola.org

cc: Phil Verster, President & Chief Executive Officer, Metrolinx (by email to:
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Re: Pembina Institute recommendations for transparent, evidence-based decision-making on transportation in the Greater Toronto and Hamilton Area

Dear Minister Del Duca,

We are pleased to have the opportunity to participate in the review of the Regional Transportation Plan (RTP) for the Greater Toronto and Hamilton Area (GTHA) led by Metrolinx. Joined to this letter, please find the comments we have provided to Metrolinx on the content of the draft RTP.

In addition to these comments, we are writing to you because we have a number of concerns regarding the role of the province in the movement of goods, transit decision-making processes and governance structures in the GTHA that will not be resolved via the RTP. Immediate action is needed to align your government's investment in transit infrastructure with established, evidence-based project selection processes. This will help to restore public trust in transportation decision-making processes and ensure that dollars are spent in ways that address congestion and offer viable, sustainable options for moving people and goods.

Below, we provide specific recommendations pertaining to goods movement, transit governance and transportation funding. Addressing these concerns will increase public confidence in transit planning, support the economy through efficient goods movements, and help deliver a regional transportation plan faster.

Goods movement: Who owns freight?

Goods movement directly contributes one-third of the region's gross domestic product (GDP) and 1.4 million jobs. Having increased 142% since 1990, emissions from heavy-duty trucks and rail freight are now responsible for 18.7 Mt, or just over 10% of total provincial emissions.[1] Given the economic importance of goods movement and the growing GHG emissions profile, leadership from the MTO is paramount.

Within the *Metrolinx Act (2006)*, Metrolinx's objective is to provide "leadership in the co-ordination, planning, financing, development and implementation of an integrated, multi-modal transportation network" that "supports a high quality of life, a sustainable environment and a strong, prosperous and competitive economy" While Metrolinx did develop a goods movement strategy in 2008 and has proposed a Strategic Goods Movement Network (SGMN) in their draft RTP, we have concerns that there are no resources to implement the strategy or to ensure the SGMN is developed.

The Pembina Institute has learned from municipalities through interviews and focus groups[2] that there is a strong desire for the province to establish a regional SGMN to support their local freight efforts and ensure cross-boundary coordination and harmonization. As such, we support the implementation of the proposed network, but, we realize that there is no ministry or agency accountable to implement the SGMN.

Safe, reliable and environmentally sustainable goods movement is critical to supporting the region's growing economy. The Ministry of Transportation needs to take a leadership role in managing regional goods movement, ensure that GHG emissions are reduced from this sector and address it in their *Greater Golden Horseshoe Multi-Modal Transportation Plan,* or assign Metrolinx duties to deliver on this work through the *Metrolinx Act.*

Enabling the delivery of the Regional Transportation Plan through policy and governance

Implementing the 2041 transportation network outlined in the draft RTP requires municipalities to both support the regional vision, and deliver on local infrastructure and services like the priority bus routes, local bus services and pedestrian and cycling connections to major transit infrastructure. These components, which are delivered by municipalities, are essential to creating a coherent and comprehensive regional transit network that feeds into regional transit services. There are currently no mechanisms in place to ensure that municipal plans align with the RTP.

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[1] Plumptre, Bora, Eli Angen and Dianne Zimmerman. *The State of Freight: Understanding greenhouse gas emissions from goods movement in Canada*. The Pembina Foundation, 2017.

[2] Lindsay Wiginton, *Local planning for goods movement in Ontario* (October 2017), 5. http://www.pembina.org/reports/local-freight-planning-in-ontario-final.pdf

International best practice indicates that a strong governance structure is critical to delivering high quality and integrated public transit services.[3] A lack of clearly defined roles and responsibilities between municipal and provincial transportation agencies has resulted in costly delays in the planning as well as implementation phases of major transportation projects across the province.[4]

We recommend enacting powers set out in the *Metrolinx Act* to create a Transportation Planning Policy Statement, which would municipal transportation master plans to align with the RTP. These powers are critical to actually deliver on the vision and goals of the RTP.

Along with enacting regulations in the *Metrolinx Act,* there needs to be municipal representations on Metrolinx's Board of Directors. Some best practice solutions include adding non-voting members, or having citizen members on the board that represent municipalities.

Paying for the plan: It's time to set things straight

The draft RTP sets out an ambitious plan to build and operate a region-wide transit system with an estimated capital cost of $45 billion without identifying the source of the additional capital and operating revenue required. A 2017 study on transit indicates that the net capital and operating funding gap for new and existing infrastructure is around 2 billion per year.[5]

Metrolinx had proposed revenue tools and an investment strategy for the capital funding gap in its 2013 Investment strategy. Unfortunately, none of the recommended tools have been adopted to date. A regional transportation authority needs the ability to raise revenue and independently allocate it to projects selected via robust, transparent and consistent business case analyses. The province should approve any recommended sustainable revenue tools Metrolinx proposed in the 2013 Investment Strategy or by the subsequent Transit Investment Strategy Advisory Panel. Barring this, the province needs to propose an alternative strategy for funding the roll out of the 2041 transportation network. In other jurisdictions, transportation planning agencies that have the ability to raise revenue to implement their plans are proven to be more effective.

We would be pleased to discuss these or any other aspects of our comments with you at your convenience. Over the next year, our organization will continue to propose solutions to ensure

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[3] Toronto Region Board of Trade, *Discussion paper: Build regional transportation* now (2014), 13. https://www.bot.com/portals/0/unsecure/advocacy/2014_TRBOT_BuildRegionalTransportation.pdf

[4] Toronto Region Board of Trade, *Discussion paper: Build regional transportation* now (2014), 14. https://www.bot.com/portals/0/unsecure/advocacy/2014_TRBOT_BuildRegionalTransportation.pdf

[5] Transport Action Ontario, *Update on Funding Gaps for GTHA Rapid and Conventional Transit* (September 2017), 2. http://ontario.transportaction.ca/wp-content/uploads/2017/09/TAO-GapUpdate2017-09.pdf

that Ontario catches up to its national and international peers in terms of building smart, evidence-based and innovative transportation infrastructure.
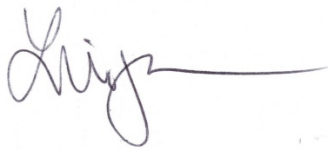
Please contact us at any time.

Yours sincerely,

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