

2010 Pre-Budget Oral Presentation

25 October 2010

Thank you, Mr. Chair.

Ladies and gentlemen, it goes without saying that more and more Canadians are realizing that public transit contributes to their quality of life. Not only does transit support the access of Canadians to jobs, to schools, to shopping and recreation, but transit is also emerging as a key solution to economic competitiveness, urban congestion, clean air and healthy living.

The public transit industry fully recognizes the economic challenges we face, along with the fiscal realities that governments must tackle in the coming years.

Nonetheless, it is now more important than ever, that specific financial commitments to transit infrastructure

are seen for what they are – a critical investment in the economy we must build for current and future generations.

Les investissements gouvernementaux dans le transport en commun génèrent d'importantes retombées économiques en augmentant notre compétitivité économique, en créant de la richesse et en améliorant la santé et la qualité de vie de nos concitoyens.

Une récente analyse estime à plus de 10 milliards de dollars annuellement les retombées économiques des investissements en transport en commun au Canada, représentant près de 1% du produit intérieur brut.

I only need to quote our Prime Minister, who last month stated categorically that ... “improvements to public transit have a real long-term positive economic impact.”

Indeed, according to the Prime Minister, “of all the

solutions, public transit is the best. It is one area where smart infrastructure investments can make a big difference.”

Well, needless to say, I couldn't agree more.

In addition, the transit industry directly employs over 45,000 Canadians and indirectly creates an additional 24,000 jobs.

Canadians across the country have benefited significantly from key federal transit investments in recent years. The Canada Line in Vancouver, Edmonton's light rail extensions, GO Transit in Toronto, the Metro in Montreal, and Metrolinx bus rapid transit in Halifax, to name just a few.

But it's not just the big cities that have benefited. Small communities have also been able to expand and revitalize

their systems from federal support. And that has meant an awful lot to those communities.

Il est clair que les citoyens ont depuis longtemps adopté le transport en commun. Le nombre croissant d'usagers et de déplacements le démontrent. Il est primordial que l'accroissement de la demande soit soutenu par des investissements prévisibles et à long terme.

Report after report shows that traffic congestion is costing our urban economies billions of dollars every year.

CUTA's most recent national survey identifies transit infrastructure investment needs at \$53 billion over the next 5 years, of which about 70% can be covered from existing sources. That's much better than it used to be. So the question is, how do we bridge the gap?

If we assume that this investment might be shared equally across the three orders of government, it implies a federal portion of about \$6 billion of additional investment – admittedly at a time of extreme fiscal constraints, as I know all too well that we have to work on eliminating deficits.

Il est possible de combler les écarts de financement de façon stratégique par le biais d'un mode de financement dédié. Dans son prochain budget, le gouvernement fédéral devrait présenter un cadre de financement quinquennal dans lequel les investissements seraient échelonnés d'une manière qui tienne compte de la reprise économique progressive.

Dans un tel scénario, les investissements seraient plus modestes lors de la première année du cadre financier et ils croitraient proportionnellement à la reprise économique et à la diminution du déficit.

I talked earlier about congestion and economic competitiveness. Well, one of the best ways to address this is to give people incentives to get out of their cars – for the journey to work at rush hour when the road network is at capacity. The Government of Canada can take a lead role and do this as a simple complement to the existing tax credit for public transit passes.

For over a decade, CUTA has pursued the idea of tax-exempt status for employer-provided transit benefits. This would level the playing field between transit and free parking, and encourage employers to offer a choice between driving and transit. Many studies have shown the benefits are tangible and immediate – and at a relatively low cost.

Ladies and gentlemen, let me close with this.

Recognizing that the future is shaped with long-term views and bold leadership, CUTA has developed a 30-year blueprint for the future of transport in our cities and communities. We call it Transit Vision 2040. It's a 6-point plan that sets the course for public transit to maximize its contribution to the quality of life.

Now is the time to be bold. Now is the time to be leaders. Now is the time to take action. The Government of Canada can respond and demonstrate leadership in this critical area.

Grâce à la mise sur pied d'un cadre de politiques en matière de transport en commun, élaboré en étroite collaboration avec les provinces et municipalités, et qui comporterait un mécanisme de financement dédié et à long terme, nous pourrions bâtir ensemble un Canada prospère et tourné vers l'avenir.

Through the development of a Canadian Transit Policy Framework, designed in collaboration with provincial, territorial and municipal governments, and with a long-term, sustainable and predictable funding mechanism, we can all move forward to build a better Canada for the future.

That way, we wouldn't need to be coming to you every year with a new request.

Thank you!