



The Right Honorable Stephen Harper
Prime Minister of Canada
Office of the Prime Minister
80 Wellington Street
Ottawa, Ontario K1A 0A2

DATE

Brussels, 21 April 2010

OUR REFERENCE

100420/HAR/LIB

YOUR CONTACT PERSON

Hans Rat

Dear Mr Prime Minister,

I am writing to support Bill C-466 "An Act to Amend the Income Tax Act: transportation benefits (www2.parl.gc.ca/HousePublications/Publication.aspx?Docid=4174281&file=4).

At the International Association of Public Transport (UITP), we have seen such measures implemented in a number of different countries worldwide, and we are convinced that they are worthwhile and effective.

By way of example, the US Federal Government introduced tax incentives for employers to provide employees with benefits for public transit usage. Analysis by the US Federal Government found that public transit increased by 25% among employees who were offered the incentives. In Washington DC, for example, and 11% modal shift from private cars to public transit is attributed to this initiative alone.

In Ireland, after the implementation of similar measures by the government, Dublin Buses reported 39,459 "tax saver tickets" had been issued in 2005, an increase from 894 in 1999. It is thought that this is partly responsible for a decrease in private car use during peak hours in Dublin from 72% in 1997 to 70% in 2002.

The benefits of increased usage of public transit are clear – better mobility and productivity, reduced congestion, energy consumption and pollution, not to mention a reduction in road traffic accidents, are among the many advantages.

I firmly believe that we must work towards a modal shift to public transit in order for our towns and cities to remain productive and liveable. Providing employers strong incentives to offer transit subsidies to their employees can constitute a significant step in this direction, a step of which Canada could be very proud.

Yours sincerely,

Hans Rat
UITP Secretary General

CC: The Honourable John Baird, Minister of Transport, Infrastructure and Communities
The Honourable James M. Flaherty, Minister of Finance
Mr Michael Roschlau, President & CEO, CUTA

