

# PERMANENT PUBLIC TRANSIT FUNDING IN CANADA



Railway Association  
of Canada



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# INTRODUCTION

The Railway Association of Canada (RAC) represents close to 60 freight and passenger railway companies—railways that transport tens of millions of passengers and around \$320 billion worth of goods across our country each year. RAC also counts a growing number of industrial railways and railway supply companies in its associate membership. The breakdown for RAC's passenger rail membership consists of 5 commuter railways, 4 intercommunity railways, and 6 tourism rail operators.

Passenger railways play a vital role in supporting economic development, accessibility, and GHG emission reductions across Canada. By providing safe, affordable, and reliable passenger rail service, Canadians can rely on passenger railways as a transportation option.

In 2019, commuter railways in British Columbia, Ontario, and Quebec safely transported a record 101.9 million passengers<sup>1</sup>. These millions of passenger trips represent significant GHG emissions savings as it allows Canadians to leave their vehicles at home for their daily commute to and from work. Commuter rail provides affordable fares for passengers and has the additional societal benefit of reducing traffic congestion on busy roads while also reducing the wear and tear on road infrastructure.

Similarly, intercommunity passenger railways transported more than 5.3 million people in 2019, up 5.5 per cent from 2018 levels.<sup>2</sup> Intercommunity passenger railways provide a safe, accessible, and environmentally friendly transportation option for Canadians between various communities. This important connectivity allows Canadians to connect with businesses and their loved ones from different communities.

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1 Railway Association of Canada. Rail Trends 2020. [https://www.railcan.ca/wp-content/uploads/2021/03/Rail-Trends-2020\\_Eng.pdf](https://www.railcan.ca/wp-content/uploads/2021/03/Rail-Trends-2020_Eng.pdf) pg. 13

2 Railway Association of Canada. Rail Trends 2020. [https://www.railcan.ca/wp-content/uploads/2021/03/Rail-Trends-2020\\_Eng.pdf](https://www.railcan.ca/wp-content/uploads/2021/03/Rail-Trends-2020_Eng.pdf) pg. 14

As the RAC advocates on behalf of the rail sector to ensure the continued delivery of safe, sustainable, and efficient freight and passenger rail operations across the country, the RAC appreciates the opportunity to provide comments to Infrastructure Canada regarding permanent public transit funding in Canada. To this end, the RAC would like to share the views of its passenger members on:

1. Social inclusion
2. Housing Supply & Affordability
3. Clean and Healthy Environment
4. Stronger Coordination and Planning
5. Holistic View of Public Transit

**FIGURE 1. MAP OF CANADIAN RAIL NETWORK**





# SOCIAL INCLUSION



Few things can have as direct an impact on social inclusion as the access to reliable transit. As such, the key outcomes for social inclusion should be to measure the positive impacts on the key drivers of inclusion such as accessibility & equality, with KPIs based on access to housing, employment, education, and health care.

As was evidenced during the pandemic, public transit is a lifeline for front line workers, as they cannot work from home. These workers are more likely to be part of a [marginalized population](#), whether due to race, income level or disability.<sup>3</sup> Ensuring the social inclusion of these populations in any transit project becomes an economic, racial, and disability justice issue.

Consultative activities that inform planning and investment decisions need to ensure greater participation, and an increased ability of diverse groups to participate by reducing barriers to participation.

Early consideration for equity and accessibility as well as the application of universal design principles in all transit planning will ensure that more Canadians have optimal transit options available to them and minimize the need for specialized, often more costly services.

In its [Issue Paper, A Blueprint for Permanent Transit](#), the Canadian Urban Transit Association puts forth recommendations that recognize the need to resolve regional disparities by drawing on lessons from existing programs.<sup>4</sup> “In smaller communities in smaller provinces that largely do not fund public transit, service levels are much lower.”

Currently, the four most populated provinces, British Columbia, Alberta, Ontario and Quebec, benefit from the most support for transit investments. In the rest of the country, provinces tend to leave transit funding to municipalities, and often lack the resources required to expand transit. This also leads to the lack of provincial funding which prevents federal dollars from reaching communities.

In terms of inclusion, this is compounded by the fact that current consultation exercises are not particularly inclusive, they tend to reflect the input users who currently use the service, and overlook that of those who would use the service if it were improved either by enhancing accessibility or increasing service outside of the typical timetables – to accommodate front-line shift workers – again impacting underrepresented or marginalized populations.

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3 “Giving Up Public Transit During the Coronavirus Is a Luxury Many Canadians Can’t Afford”. 2020. The Conversation. <https://theconversation.com/giving-up-public-transit-during-the-coronavirus-is-a-luxury-many-canadians-cant-afford-138875>.

4 CUTA (2021) Issue Paper, A Blueprint for Permanent Transit, page 8

### **To support social inclusion, the RAC recommends:**

1. The federal government institute broader, more inclusive consultations during the early and decision-making phases to ensure greater participation, and enable a broader diversity of groups to participate and provide input.

**We also support CUTA's recommendations that the Permanent Transit Fund adopt a three-stream approach<sup>5</sup> to minimize regional disparities and ensure a continuation of access to funds for municipalities without service as well as:**

2. Include a stream for larger, often rail-based, projects that require provincial matching funds. Larger transit systems are often in greater need of capital dollars because rail projects are more capital intensive—and leveraging additional funding from provinces is crucial to cover the larger costs of these transformative projects.

**Regarding the mitigation of negative impacts and temporary disruption caused during the constructions of transit projects, the RAC recommends:**

3. The federal government put in place policies and funding models that incent project phasing of large-scale, multi-year transit projects to drive benefits to the community as early as possible during the transitional building phase.

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<sup>5</sup> CUTA (2021) Issue Paper, A Blueprint for Permanent Transit, page 8

# HOUSING SUPPLY & AFFORDABILITY



Planning for an increase in affordable housing and affordability requires policies that recognize and consider the travel needs of those living in affordable units and new transit-oriented developments that already include affordable housing in their plans.

It also requires a high level of collaboration between all levels of government, transit authorities and developers to realize projects that address adequate integration of land use planning.

Early coordination between all stakeholders increases the opportunity for smart planning that can lower the costs of construction. Leveraging transit development planning to address housing needs can also create revenue sources to offset some project costs.

Of note, earlier this year, the National Institute for Transportation and Communities found that “naturally occurring affordable units are approximately half as common as designated affordable housing units in transit-oriented developments.”<sup>6</sup>

## **The RAC recommends that:**

1. The federal government put in place policies and funding models that facilitate and incent provincial governments to work with municipalities to improve the issues affecting land use and transit planning coordination.
2. The transit fund should prioritize new transit projects that allocate a minimum number of units or percentage of total used space for affordable housing.

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<sup>6</sup> Reid Ewing, Ph.D., Nicole Iroz-Elardo, Ph.D., Arlie Adkins, Ph.D. (2022) Is Transit-Oriented Development Affordable for Low and Moderate Income Households? Page 1 [https://ppms.trec.pdx.edu/media/project\\_files/NITC-RR-1328-Is\\_Transit-Oriented\\_Development\\_Affordable\\_for\\_Low\\_and\\_Moderate\\_Income\\_Households\\_in\\_terms\\_of\\_HT.pdf](https://ppms.trec.pdx.edu/media/project_files/NITC-RR-1328-Is_Transit-Oriented_Development_Affordable_for_Low_and_Moderate_Income_Households_in_terms_of_HT.pdf)

# CLEAN AND HEALTHY ENVIRONMENT



The priority for any new transit and transit-improvement projects should be to get commuters out of their car and using transit. As the government seeks to achieve net-zero emissions by 2050, this should be the number one goal as active and public transit are the cleanest forms of transportation.

More transit users mean more demand, paired with reliable funding options, results in increased service in terms of reliability, quality or frequency. And, increased quality means even greater transit adoption.

This could be further accelerated by incentives and policies that drive Canadians to live near transit and choose transit use over car ownership. This would be in contrast to incentivizing a potential transit user to buy a more energy efficient vehicle, as these still have a significant impact on the environment and personal carbon footprints.

## **The RAC recommends that:**

1. The federal government create incentive programs to individuals that drive transit adoption.
2. The public transit fund earmark funds specifically for larger, often rail-based, projects that can move more passengers in an environmentally efficient way.
3. The federal government create a competitive tax framework that recognizes and encourages investments that result in a reduction in GHG emissions.
4. The transit fund includes criteria around total GHG emissions reductions of projects, including the use of “clean”, as part of the funding request evaluation framework.
5. The federal government create a competitive tax framework that recognizes and encourages investments that promote the use of building materials with the lowest carbon footprint.





# STRONGER COORDINATION AND PLANNING

There is currently a lack of consistency with respect to land-use planning across Canada, and specifically the lack of adequate integration into land use planning and development of transit systems. The federal government can play a crucial role in ensuring that provincial governments work with municipalities to improve the issues affecting land use and transit planning coordination.

The Federation of Canadian Municipalities (FCM) and RAC believe it is crucial for Canada's economic and public safety interests to promote proper land-use planning practices between railways and municipalities. Through a Memorandum of Understanding (MOU), they developed the *Guidelines for New Development in Proximity to Railway Operations* (Guidelines) in 2003 and updated them in 2013. The Guidelines will be reviewed again in 2023.

These Guidelines aim to provide a standard framework for the mitigation and prevention of issues that may arise when people live and work near railway operations. They provide detailed land use planning and development standards for minimizing noise, vibration and safety issues for sensitive land uses in proximity to railway corridors. Furthermore, implementation of the Guidelines also addresses trespassing issues which continue to remain a public safety concern. For instance, 42 incidents, 29 fatalities, and 8 serious injuries have occurred year-to-date in Canada.<sup>7</sup> The Guidelines provide important guidance for the installation of appropriate safety barriers to deter trespassing.

While progress is being made in terms of adoption of the Guidelines, to date, approximately 120 Canadian municipalities have adopted all or parts of the Guidelines. The RAC encourages municipalities to require consultation with railways when reviewing development applications near railway infrastructure. This provides opportunity for railways to provide feedback when establishing setbacks and safety barriers. Public transit funding should require a demonstration that feedback from railways was completed.

The vast Canadian geographical territory, encompassing over 43,000 route kilometres of rail – the rail network in Canada being 12% larger than its highway network (38,000 kms) – makes driving adoption of the guidelines on a municipality-by-municipality basis challenging. As such, the approach has been to encourage provincial governments to adopt the guidelines in provincial regulations to mandate consideration of setback distances between developments and rail infrastructure (e.g., Government of Saskatchewan *Statements of Provincial Interest Regulations*)<sup>8</sup>.

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7 Operation Lifesaver. <https://www.operationlifesaver.ca/resources/statistics/>

8 Government of Saskatchewan. The *Statements of Provincial Interest Regulations*. See Section 614 Transportation. <https://www.saskatchewan.ca/government/municipal-administration/community-planning-land-use-and-development/developing-communities-for-provincial-interest>



Despite ongoing efforts to drive adoption the Guidelines since they came into effect in 2003, the 2017 *"Land Use Planning, Rail Proximity and Public Safety"* report by CPCS found that *"A key concern around the issue of proximity between railway lines and land development is the lack of consistency with respect to land use planning across Canada, and specifically the lack of adequate integration into land use planning and development of safety considerations and other matters created by the presence of rail operations."*

**The RAC recommends:**

1. The federal government recognize and address the division of authority over land use among the federal, provincial, and municipal levels of government.
2. The federal government institute consultation protocols or land-use appeal mechanisms across the country as current provincial and municipal land zoning and permit procedures vary widely.

# HOLISTIC VIEW OF PUBLIC TRANSIT



The RAC and its members believe that public transit should be viewed holistically as a global network rather than a series of transportation options offered in parallel. Viewing this as a global network improves service by linking the different transportation options together.

**For instance, the following considerations support a global view:**

- Public transit projects and funding must consider efficient intermodal connections (e.g., bus to rail and rail to bus) to ensure that passengers receive a high level of service between modes of transport. Co-operation between passenger carriers is needed to provide seamless integration among various modes of transport. Otherwise, if the system is too complicated, people will drive a personal vehicle instead.
- The distance to reach a transit station is also an important factor for public transit. The U.S. Department of Transportation Federal Highway Administration states that “most people are willing to walk for five to ten minutes” to reach a transit stop.<sup>9</sup> Limiting this distance is crucial for ensuring accessibility for passengers. If the distance is too far, then people will elect to drive to their destination.
- Research also indicates that a top consideration regarding use of public transit from the passenger perspective is the frequency of service.<sup>10</sup>

<sup>9</sup> U.S. Department of Transportation Federal Highway Administration. [https://safety.fhwa.dot.gov/ped\\_bike/ped\\_transit/ped\\_transguide/ch4.cfm#:~:text=A-.Typical%20Walking%20Distance%20to%20Transit,stop%20\(see%20figure%20below\)](https://safety.fhwa.dot.gov/ped_bike/ped_transit/ped_transguide/ch4.cfm#:~:text=A-.Typical%20Walking%20Distance%20to%20Transit,stop%20(see%20figure%20below).).

<sup>10</sup> Miller et. al., 2018. *Canadian Transit Ridership Trends Study*. [https://cutaactu.ca/wp-content/uploads/2021/01/cuta\\_ridership\\_report\\_final\\_october\\_2018\\_en.pdf](https://cutaactu.ca/wp-content/uploads/2021/01/cuta_ridership_report_final_october_2018_en.pdf)

## CONCLUSION

Thank you for your consideration of the RAC's views regarding permanent public transit funding in Canada. The RAC looks forward to working with the federal government on ensuring that public transit funding supports transit agencies and passenger railways across Canada.

Should you have any questions or comments, please contact Ben Chursinoff ([bchursinoff@railcan.ca](mailto:bchursinoff@railcan.ca)).

Sincerely,



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# APPENDIX

## LIST OF MUNICIPALITIES WITH COMMUTER RAIL

### EXISTING SYSTEMS

- Calgary
- Edmonton
- Montreal
- Ottawa
- Toronto
- Vancouver
- Waterloo Region

### SYSTEMS IN DEVELOPMENT OR PLANNED

- Gatineau
- Hamilton
- Longueuil
- Peel Region
- Quebec City