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**Submission on Modernizing Intercity Bus Service: EBR 012-4351**

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This submission is made in response to the above-cited EBR posting. The Southwestern Ontario Transportation Alliance (SWOTA) is a collaboration of various non-government organizations advocating for sustainable transportation in southwestern Ontario, including Canadian Federation of University Women (Stratford), Rail Advocacy in Lambton, Save VIA (St Marys), Southwest Economic Alliance, and Transport Action Ontario (TAO) .

It goes without saying that the need for good intercity bus service in Ontario is high. Just as with urban transit, it provides connectivity and travel options for individuals, businesses and communities, with tangible economic, social, health and environmental benefits.

Several of our members have submitted personal comments as individuals in response to the questions of the survey. These largely decried the absence of bus service, the need for more service and the need for government subsidies to encourage bus operators to provide affordable, frequent service.

SWOTA will not repeat these individual comments. Instead, we will provide comments under the “Optional” section of the survey, focussing on another concept – namely development of an integrated rail/bus network.

**1. Integrated Rail/Bus Network Plan**

In early 2015, SWOTA completed a report called *Network Southwest Passenger Rail and Bus Action Plan*. Although it focussed on southwestern Ontario, the principles and actions could be applied all across the province. The report is available at [www.swota.ca/network-southwest](http://www.swota.ca/network-southwest).

The major highlights from that report as they pertain to modernizing intercity bus service are:

**1.1. Council of Deputy Ministers Intercity Bus Service Task Force (2010)**

The report summarized the results of this task force on the future of the industry. The task force noted the importance of intercity bus service, especially to rural and northern communities, and admitted that the state of the industry was dismal, with declining ridership and profitability. The task force identified several factors contributing to the industry’s decline including

- An inflexible regulatory model, with restrictions on fare/schedule/ route adjustments, entry of new carriers, and use of alternate vehicles
- “Tension” as a result of publically-funded competition from VIA Rail and urban transit agencies such as GO Transit
- The need to connect intercity bus services with other modes of transportation

Fiscal options were suggested to counter the decline, including

- Partnerships with communities to provide alternative modes of service delivery
- Capital support for purchase of new buses or refurbishment of existing vehicles
- Support to cover operating losses/operating costs for specific routes or full systems
- Fuel tax and ticket tax exemptions
- A federal tax credit for bus passengers, such as the federal public transit tax credit
- Partnerships between local authorities and carriers to maintain existing services and develop new ones

### 1.2. Significant Decline in Intercity Bus Routes 2009 – 2015

To date, in Ontario, no fiscal assistance to the industry has been provided and the private bus operators have continued to reduce or eliminate routes. The *Network Southwest* report shows that route-km in southwestern Ontario decreased by about 30% between 2009 and 2015, even in the face of higher population, aging demographics, higher gas prices and more traffic congestion.

### 1.3. Components of Integrated Rail and Bus Plan

The USA has faced similar problems to Ontario with declining intercity public mobility. The best practice solution has been to encourage development of a rail-bus integrated network with three components:

- High Performance Rail (moderate speeds, high service frequency) - although this is a key component of the plan, it will not be discussed in this submission.
- Bus Feeders – service that is integrated (schedules, fares, tickets) with rail, as well as serving as intercity bus routes or urban transit routes in their own right.
- Mobility Hubs – many states used financial incentives to encourage the relocation of both intercity bus and urban transit to modified improved rail stations known as mobility hubs. These facilities have led to ridership gains for all 3 modes of transportation. Some hubs have recently been constructed in Ontario (Guelph, Kitchener – pending).

### 1.4. Successful USA Role Models

The *Network Southwest* report documents 3 examples. The intercity bus program is best described in the Michigan example:

*In addition to the trains, state-assisted, privately-operated intercity buses serve as components of the nationwide Amtrak Thruway bus feeder network. Funding for the buses, which serve nearly 150 Michigan communities and connect directly with the three rail routes, have been provided through a variety of low-cost MDOT programs. These include the Bus Loan, Terminal Development, Intercity Services and Intercity Bus Capital Equipment programs. Under the last, the state acquires new buses under a lease agreement that requires private carriers to provide daily service. This program has helped launch new services and has preserved existing routes.*

The USA approach involves integrating stand-alone local and intercity bus routes into the Amtrak Thruway feeder system in aspects such as timetabling, fare integration, printed and online information and even station signage.

While the Amtrak Thruway network appears to be a homogeneous operation, it is not. It is composed of two types of service, defined as “dedicated” and “coordinated”. The dedicated services are operated totally in conjunction with the rail service and are available only to those making combined rail and bus journeys. These routes have been specifically created to function as rail feeders and nothing else.

In contrast, the coordinated Thruway services are actually routes operated by municipal agencies or through state-supported programs primarily as local or intercity services in their own right; they do double duty as coordinated components of the rail service. This has been accomplished through scheduling, fare integration and physical connectivity at the rail stations.

## **2. Conclusions**

Coordinated integration of passenger rail, intercity bus and urban transit has the potential to be a transportation game changer in Ontario, resulting in higher ridership for all three modes and tangible economic, social, health and environmental benefits.

The intercity bus service is a key component of this vision. To be effective, the bus regulatory regime needs to be modernized to

- Increase flexibility to make fare/schedule/route adjustments, and to bring on new vehicles
- Allow new carriers to enter the market on new and underserved routes
- Allow municipalities to collaborate on services that cross municipal boundaries
- Mandate fare integration with the operators of connecting routes, local transit agencies, GO, and VIA Rail so that passengers can plan and book their entire journey easily. (VIA Rail’s online ticketing system already supports this, with intermodal partnerships including GO, UPX, and RobertQ)
- Encourage intermodal rail/bus/transit travel by facilitating connecting schedules and ensuring regular service on a core network of feeder routes
- Provide government fiscal support to both private and public bus operators, as per examples earlier in this submission

We thank you for the opportunity to make this submission and would be happy to answer any questions.

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