



TRANSPORT ACTION ONTARIO

(formerly Transport 2000 Ontario)

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Via email: Melissa.evers@ontario.ca

Dear Ms. Evers:

Comments on EBR Registry Proposal 012-7896: Intercity Bus Modernization

Per our telephone conversation, this submission is a combined submission of Transport Action Ontario (TAO), the Southwestern Ontario Transportation Alliance (SWOTA), and the Northern and Eastern Ontario Rail Network (NEORN).

Our groups have been actively involved in this proposal since its initiation in 2015. On September 24, 2015, SWOTA and TAO submitted a joint letter emphasizing the need for an integrated rail/bus network plan and highlighting the following points:

- 2010 Council of Deputy Ministers Intercity Bus Service Task Force noted the importance of intercity bus service, the dismal state of the industry, the inflexible regulatory model, the tension from publically-funded competition from VIA Rail and urban transit agencies such as GO Transit, the need for intermodal connections and the need for financial assistance to the industry to counter the decline. About 6 fiscal options were suggested.
- 30% decline in route-km in Southwestern Ontario between 2009 and 2015.
- US best practice solutions involve a rail-bus integrated network.
- USA has several successful role models, including Michigan, which provides state assistance to private bus operators through a variety of programs.

We will not elaborate on those points in this letter but emphasize that they are still very relevant.

Our groups attended at least 6 of the recent province-wide consultation sessions. Based on discussions at these sessions, and our own research, we have the following additional comments on the proposal:

1. **Format of consultation meetings troubling.** Some of our attendees were concerned with the format of the consultation meetings. Critical information had to be pried from MTO staff, most of whom were not introduced. We were requested to vote on sketchy data and on selected vague comments from the 2015 consultation. There was the impression that the final recommendations were already determined (see Item 4 below) and the consultations were merely an exercise to justify these.

2. **Intercommunity bus network needs expansion and integration with passenger rail.** As stated at the sessions, the intercommunity bus industry plays a critical role in Ontario's transportation system. We believe that, in an era of climate change, road congestion, aging population and need for travel alternatives, a full intercommunity public

transportation network, consisting of bus and rail, is critical, with good geographic coverage and adequate frequencies. There are large gaps in the current network.

Passenger rail is a critical component of a proper intercommunity public transportation network. Traveling long distances on buses is difficult for many people. Passenger rail is particularly needed for the longer distances with buses serving as feeders to the rail service.

Northern Ontario has significant public transportation challenges. Distances are vast, the population is aging, and there is a lack of a grid-like highway network. Service cuts by private and public bus operators have been considerable. But bus transportation has its limitations in circumventing highway closures, automobile collisions or weather-related problems. The motor coach alone is not a sufficient solution for Northern Ontario. Both TAO and NEORN are participating in the Northern Ontario Multi Modal Study, which we hope will reach the same conclusions that an integrated passenger rail/bus network is needed for this region.

3. **Financial subsidies needed for some routes.** Just as a good urban transit network requires a financial subsidy from government, so does a proper intercommunity public transportation network. . Government must be prepared to step in and provide financial subsidies to maintain service on less popular routes as part of a full network.

Savings for healthcare and social service providers, who are currently providing ad-hoc transportation to cover public transportation service gaps, should be considered when justifying investment to support full-service routes. Integration of the various existing funding streams already provided by government (Health, Community Services, Education, Veterans, etc) will reduce the amount of new money needed.

Subsidies should be on a renewable time-limited basis and should be tied to participation in shared ticketing systems and connection to other modes.

As cited in our 2015 submission, there are numerous ways to provide government fiscal support.

4. **Deregulation is not a magic bullet to repair the bus industry.** The discussion report strongly leans towards deregulation. Transitioning to a more flexible or no licensing requirement has positives, as it could allow new entrants into markets, allow easier fare/schedule/route adjustments and encourage innovative service ideas such as municipal collaboration. However, there is a complete lack of evidence that deregulation alone would restore the vital bus services to rural and smaller communities across the province.

In fact, there is evidence to the contrary. We learned at the Toronto session that there are thousands of dormant licenses in Ontario, including ones between major Ontario population centres. The fact that an incumbent private carrier with an exclusive license chooses not to operate a particular route tells us that some routes, although important to the network, cannot break even financially. They will require a subsidy. Easing license requirements to allow new entrants will do very little to restore service on such routes.

5. **Deregulation plus subsidies appears to be best regime.** As stated above, transitioning to a more flexible or no licensing requirement has positives. But it cannot occur at the expense of service reductions on less popular routes. Government must be prepared to step in and provide financial subsidies to maintain those routes as part of a full network.

6. **Safety.** We are supportive of maintaining the current safety and insurance requirements (Commercial Vehicle Operator Registration) for intercommunity passenger vehicles with 10 or more passengers for hire. We have not reached consensus within our organizations on the appropriateness of less onerous requirements (CVOR-light) for smaller vehicles.

Regulations for all vehicles should be updated to allow electronic recordkeeping and adapt to the maintenance requirements of additional vehicle types such as hybrid and electric powertrains.

7. **Intercommunity bus network planning and coordination is crucial.** There is much work to be done by industry and government in this area to improve service:

- **Needs and resource assessment.** The Ministry should encourage each community or county to undertake a public transportation needs and resource (ie available transit, school, private and agency buses, passenger rail) assessment. This should include obtaining data from other parts of government – healthcare, education, social services, etc – that have data on travel needs that would help to build the business case for restored services. These can then be aggregated to develop a needs and resource summary for larger geographic areas, such as Northern Ontario or Southwestern Ontario
- **Gap filling.** Gaps identified through this process could be filled by private carriers under a deregulation/subsidy regime, by public private partnerships such as under the Community Transportation Pilot Grant Program, or by provincial carriers (GO, ONTC). A useful model to explore is in Saskatchewan, where the government-owned Saskatchewan Transportation Company fills gaps not filled by private carriers.
- **Central repository.** The Ministry or industry should develop a central repository listing all scheduled intercommunity bus services in Ontario and connection options. This would be similar to the Metrolinx Triplinx application, which provides schedule and route planning information integrating 11 different transit operators in Greater Toronto and Hamilton.
- **Central brokerage.** The Ministry or communities should develop a central intake and booking application for public use of school buses and community transportation services. Customers input “give me a ride from x to y at time z”, and Providers input “Give me trips”. The brokerage matches these up efficiently.

In conclusion, intercommunity buses fill a critical role in Ontario. Modernization of the industry is badly needed along the lines of this letter. We welcome any opportunity to discuss these matters further with you.

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