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Bill Johnson - Local 583
Executive Member Western Canada

Amalgamated Transit Union Canada
61 International Blvd
Suite 210
Etobicoke, Ontario
M9W 6K4

Tel 416.679.8846
Toll Free 1.800.263.0710

www.atucanada.ca



October 3, 2022

Infrastructure Canada

-- Public Engagement on Permanent Public Transit Funding

180 Kent Street

Suite 1100

Ottawa, Ontario K1P 0B6

Dear Sirs/Madams:

Please find attached our Submission to the Public Engagement on Permanent Public Transit Funding in Canada dated October 3, 2022.

Sincerely,

John Di Nino
President
ATU Canada



Representing our members from coast to coast in solidarity.
One Voice. One Canada. One ATU!

**ATU Canada -- Submissions to the Public Engagement on Permanent Public
Transit Funding in Canada**

October 3, 2022

OVERVIEW:

ATU Canada welcomes this opportunity to provide feedback and suggestions to the Government of Canada regarding its commitment to invest \$3 billion annually in permanent public transit funding for eight years, commencing in 2026-2027.

First, ATU Canada commends the Government for recognizing the important role that permanent and predictable funding for public transit plays in creating a more prosperous, equitable, and sustainable country. Public transit is intrinsically linked with the development of equitable and affordable housing, access to better jobs, reducing gaps in income inequality, and creating a cleaner environment. The Government's commitment to permanently fund public transit investments provides a unique opportunity for transit providers to engage in the long-term planning needed to make investments that benefit all Canadians, regardless of their social-economic background, or whether they live in sparse rural areas or busy urban centres.

ATU Canada hopes the Government will hear from a wide range of public and community stakeholders as a part of this consultation. ATU Canada provides its input as the national voice for 36 different ATU Locals who represent more than 34,000 transit workers employed by a range of municipalities or transit providers across Canada. Our members have invaluable insight and expertise in how transit investments get implemented on the ground, and are uniquely positioned to offer an insider perspective on what transit investments have worked -- and what have not -- to promote social inclusion, stable jobs, and a cleaner environment. To these ends, ATU Canada makes the following broad recommendations, described further in the submissions that follow, for the design and delivery of a measurable and efficient public transit funding program:

1. In terms of the form of funding, ATU Canada believes that regular and predictable transfers that are made directly to municipalities and public transit providers for operation, core infrastructure renewal, and capital improvements will best support the development of transit systems that are inclusive, environmental, and ultimately create stable jobs. ATU Canada also supports funding being provided through targeted application-based programs if those programs require results

from transit providers, like making meaningful commitments to increase training and equipment investments for changing technology.

2. Crucially, ATU Canada implores the Government to reject public-private partnerships (“P3s”) or AFP financing arrangements that create the potential for a private entity to operate and maintain transit services, which has proven to result in more precarious jobs and sub-standard service models. The Government must reject the myth, which was refuted by the Auditor General in her 2014 Annual Report based on an audit of seventy-four AFP projects, that P3s save costs in comparison to publicly-controlled development.¹
3. In terms of improving transit accessibility and equity, a growing body of research supports that municipalities are associated with deeper consultation with the local groups and general public impacted most by transit developments. Direct investments in municipalities, along with multi-faceted policy initiatives to reduce transit fares and other barriers to transit for low-income Canadians, provide a path towards inclusivity. As do specific investments earmarked towards robust and accessible consultation processes in the early stages of public transit infrastructure planning. Such consultations must be measured through defined benchmarks for widespread community engagement.
4. As this Government has recognized, housing affordability and accessible transit are deeply interrelated. Federal funding programs should create incentives that mandate local transit providers to account for the impact on affordable housing at all stages of transit development and design, including decisions about the level of service provided, the location of transit networks and hubs, and the destinations ultimately served. The Federal Government could facilitate meaningful reporting

¹ The Auditor General found the March 31, 2014 Public Accounts reported almost \$23.5 billion in liabilities and commitments relating to AFP projects that the present and future governments, and ultimately taxpayers, will have to pay. However, the financial impact of AFP projects is higher since the province has also borrowed funds to make the payments to AFP contractors when the various projects reached substantial completion. These borrowed amounts, which we estimate to be an additional \$5 billion, are part of the total public debt recorded in the March 31, 2014, Public Accounts. She also found that Infrastructure Ontario incorrectly assessed risk with respect to P3s, noting that public-sector project delivery could save costs in comparison to an AFP model if contracts for public-sector projects had strong provisions to manage risk and provide incentives for contractors to complete projects on time and on budget, and if there is a willingness and ability on the part of the public sector to manage the contractor relationship and enforce the provisions when needed. See Auditor General: 2014 Annual Report, Chapter 3.05: Infrastructure Ontario Alternative Financing and Procurement at pp. 198-200 available online: <https://www.auditor.on.ca/en/content/annualreports/arreports/en14/305en14.pdf>

on these points through a national transit strategy with a permanent forum for regular participation and collaboration between the different levels of government, transit service providers, and their unions.

5. In addition to improving ridership, more funding targeted to updating and electrifying public transit vehicles and rail service is essential to meeting the Government's GHG emission goals. The potential for the zero-emission technology is already here; but it needs the funding prioritization to be implemented across Canada on an urgent basis. A necessary component of such funding must be for local transit providers to acquire the tools and training needed for their workforce to maintain these electric vehicles and keep them in service.

RESPONSES TO THE QUESTIONS POSED BY THE CONSULTATION:

- 1. How can the Government of Canada ensure that public transit programs drive and deliver on social inclusion and accessibility before project construction, during construction, and beyond?**

A growing body of research indicates that municipalities are associated with deeper consultation with the local groups and the general public impacted most by transit developments.² Unlike private entities driven by corporate profit, municipalities are democratically accountable and more transparent in their decision-making. Local government is closest to the people, and in this sense uniquely positioned to engage in strategic planning in ongoing consultation with the general public, public transit agencies, workers, and grassroots organizations to determine: (1) which urban areas will benefit the most from service and/or route expansion; (2) what barriers to access currently exist in transit-dense areas; and (3) how accessibility can be increased throughout all transit-

² *Ours to keep: municipal public services and assets*. CUPE, 28 May 2015. Accessed online: <https://cupe.ca/ours-keep-municipal-public-services-and-assets>; *Best Practice in National Support for Urban Transportation*, Institute for Transportation & Development Policy, 2015, Accessed online: <https://itdpdotorg.wpengine.com/wp-content/uploads/2015/11/Best-Practice-in-National-Support-for-Urban-Transport-Part-2-Funding-Finance-and-Capacity-1.pdf>; *A Blueprint for Permanent Transit Funding*, CUTA ACTU, June 2021, Accessed online: <https://cutaactu.ca/wp-content/uploads/2021/06/Issue-Paper-A-blueprint-for-permanent-transit-funding.pdf>; "Let's empower municipalities, too often the little siblings of federalism" by Enid Slack and Tomas Hachard, *Policy Options*, 9 June 2021, Accessed online: <https://policyoptions.irpp.org/magazines/june-2021/lets-empower-municipalities-too-often-the-little-siblings-of-federalism/>.

deprived areas. Accordingly, one of the simplest ways for the Government to ensure that its permanent funding is used in investments that improve social inclusion and accessibility is to direct that funding to the municipalities or the public agencies that have the ultimate control and oversight over the provision of transit.

In the ATU Canada's view, improving accessibility and equity in transit service will also require specific investment directed at creating robust and accessible consultation processes in the early stages of public transit infrastructure design. Such consultations must be measured through defined benchmarks for widespread community engagement. At a minimum, early consultation processes should include outreach to local community groups of diverse and disadvantaged backgrounds. The processes adapted should be designed to ensure public voices, including those of transit workers, are not drowned out by elite or corporate interests. Requiring those responsible for transit consultations to report on the inputs and the outcome of their consultation processes as a condition for funding may incentivize the development of better consultation and community engagement processes.

Many academics have studied the negative impact that inaccessible and underserved public transit has on perpetuating other systemic disadvantages faced by marginalized economic and social groups. For individuals located in transit deprived areas, limited public transportation options can compound other forms of social deprivation, such as low wages, unemployment, and health concerns limiting active travel. Increased social deprivation often results in social exclusion: the obstruction of people from participating in activities which are important for their livelihood and wellbeing.³

It is important to appreciate that equity issues also vary considerably with geography and land use. Rural communities, for example, face unique hurdles caused by a dispersed population. Western Canada has been devastated by the loss of Greyhound in 2018, with many former patrons being forced to ride the bus for hours to reach another city to access

³ Planning transport for social inclusion: An accessibility-activity participation approach by Jeff Allen and Steven Farber (2020), *Transportation Research Part D: Transport and Environment* at page 4. View online: <https://www.sciencedirect.com/science/article/abs/pii/S1361920919308788>

essential amenities.⁴ Almost 39% of Indigenous people live in rural areas, with another 20% in “small population centres,” wherein five other demographic groups face transportation disadvantages: older adults, people with disabilities, youth, low-income households, and women.⁵ Indigenous women living in rural areas face increased threats to their safety and security that must be addressed to ensure transit is truly inclusive.⁶ In contrast, members of ATU working in Toronto are aware of the frequent bus delays and service cuts that impacted Toronto’s poorest neighbourhoods more harshly and immediately than the affluent.⁷

These are complex and deeply-rooted problems that require multi-faceted policy solutions. However, funding initiatives that encourage public transit providers to recognize and address the unique challenges faced by Canadians living in poorer neighbourhoods are key to improving transit equity and accessibility. This will only be possible if the funding is available for robust and integrated community engagement – that identifies and addresses unique local problems – at all stages of transit development and delivery.

2. How can the Government of Canada ensure permanent public transit funding contributes to efforts to improve housing affordability?

It is well-established that transit-oriented development increases housing density around transit stations throughout urban centres. However, proximity to transit is often associated with an increase in rent.⁸ Without careful planning, transit-oriented development can lead to what is referred to as “densification”: where transit development has the impact of

⁴ “Greyhound’s departure leaves ‘gaping wound’ in northern B.C. one year on” by Michelle Ghoussoub, CBC News, 2 November 2019. Accessed online: <https://www.cbc.ca/news/canada/british-columbia/greyhound-s-departure-leaves-gaping-wound-in-northern-b-c-one-year-on-1.5344904>

⁵ “Focus on Geography Series, 2016 Census: Aboriginal Peoples” Statistics Canada, 2019, Accessed online: <https://www12.statcan.gc.ca/census-recensement/2016/as-sa/fogs-spg/Facts-CAN-eng.cfm?Lang=Eng&GK=CAN&GC=01&TOPIC=9>; “Assessing Transportation Disadvantage in Rural Ontario, Canada: A Case Study of Huron County,” *Journal of Rural and Community Development* 10(2) (2015) at 102.

⁶ Still Waiting for the Bus: The Unnatural Death of Prairie Intercity Transit Audio Documentary Fact Sheet, Amalgamated Transit Union, Prepared by Emily Leedham, 3 October 2019. [ATU Leedham].

⁷ “For TTC Bus Riders, the Wait is Endless” by Inori Roy, *The Local*, Issue 4 – Spring 2022, 16 May 2022. Accessed online: <https://thelocal.to/for-ttc-bus-riders-the-wait-is-endless/>.

⁸ Farber et. al, *Transit Access and Social Equity in the Greater Toronto and Hamilton Area: Background Paper to the 2041 Regional Transportation Plan*. Metrolinx. March 2018. Available online: <https://www.metrolinx.com/en/regionalplanning/rtp/background/Transit%20Access%20and%20Equity%202018.pdf>

pushing out existing communities due to increases in rent and construction of condos.⁹ For example, the construction of Toronto's Eglinton Cross LRT was heavily criticized by Black business owners in Little Jamaica for obstructing customer access and threatening tax hikes that will likely have the effect of displacing their decades-long presence in the community in favour of condo development.¹⁰

In order to minimize the likelihood that transit investment will displace lower-income residents and diverse communities, consideration of the impact on affordable housing should occur at all stages of transit development, including when public transit providers make decisions about the level of service provided, the location of transit networks and hubs, and the destinations ultimately served.¹¹ Transit subsidy programs for low income Canadians, discussed below, are a critical tool for offsetting densification. Finally, municipalities must be required to develop community benefits agreements for development projects well in advance of the construction phase.¹²

Municipalities are uniquely positioned to couple infrastructure development with the right economic and social supports to keep lower-income residents in the community. For example, Burnaby, British Columbia recently implemented a policy that provides four pillars to support tenants displaced due to transit-related development: (1) assistance in finding a new place to rent if requested; (2) rent top-up payments, if necessary, to bridge the gap between current rent and rent for a new unit; (3) financial support for moving; and (4) the right to return to the redeveloped building at the same rent.¹³ This type of multi-faceted policy approach is effective when developed locally, based on ongoing assessment of local geographic and social-demographic information. Such targeting is most feasible where permanent transit funding is provided directly to municipalities, in a stable and transparent manner.

⁹ *Do Androids Dream of Electric Cars?* by James Wilt (2020) Between the Lines Publications, at page 29.

¹⁰ *Ibid.*

¹¹ Farber et. al, *Transit Access and Social Equity in the Greater Toronto and Hamilton Area: Background Paper to the 2041 Regional Transportation Plan*. Metrolinx. March 2018. Available online: <https://www.metrolinx.com/en/regionalplanning/rtp/background/Transit%20Access%20and%20Equity%202018.pdf>

¹² *Do Androids Dream of Electric Cars?* by James Wilt (2020) Between the Lines Publications, at page 63.

¹³ Tenant Assistance, City of Burnaby, Accessed online: <https://www.burnaby.ca/our-city/programs-and-policies/housing/tenant-assistance>.

3. How can permanent public transit funding reduce overall GHG emissions and accelerate Canada's path towards achieving net-zero?

According to the United Nation's Intergovernmental Panel on Climate Change, governments have limited time to mitigate the irrevocable effects of climate change. Their 2018 report warned that the world has to slash greenhouse gas emissions by 45% by 2030 and achieve zero emissions by 2050 in order to keep average temperatures under 1.5 Degrees Celsius.¹⁴

It is trite that funding projects and policy initiatives that increase ridership are necessary to reduce GHG emissions by taking personal vehicles off the road.¹⁵ Some stakeholders have estimated that the proportion of public transit journeys taken in cities must double in the next ten years to combat the effects of the 1.5 degree increase in temperature.¹⁶ COVID-19 resulted in a sharp decline in ridership across Canada, which also led to major losses of fare revenue, service cuts, and layoffs.¹⁷ Although the decline is not as severe as it was one year ago, as of June 2022, Canadian public transit ridership sits at 63.6% of what it was pre-pandemic.¹⁸ Permanent public transit funding is therefore coming a critical juncture to address ridership levels and provides a much-needed opportunity to engage in the systemic changes needed to increase ridership for good. But these changes must start now, and require innovative policy and funding measures to draw drivers from their personal vehicles and onto transit and active transportation.

¹⁴ "Transit Union Says Damning IPCC Report Shows Need for Transformative Change and a Green New Deal," by John Di Nino, Amalgamated Transit Union of Canada, 9 August 2021. Accessed online: <https://www.atucanada.ca/press-releases/transit-union-says-damning-ipcc-report-shows-need-transformative-change>

¹⁵ One bus at full capacity takes the place of 70 single occupancy cars. Clean-diesel buses at the TTC produce less than 1/10 the emissions per passenger than a personal vehicle. E-Buses operate on truly green technology with the potential for zero emission. See i.e. <https://www.ttc.ca/riding-the-ttc/TTC-Green-Initiatives>.

¹⁶ The International Transport Workers' Federation (ITF), Making COP26 Count: How investing in public transit this decade can protect our jobs, our climate, our future at p.. 1. Available online: <https://www.c40.org/wp-content/uploads/2021/11/ITF-C40-joint-report-Making-COP26-count-Nov-2021-EN.pdf>

¹⁷ Fighting for transit in a world on fire by James Wilt, *Canadian Dimension*, 28 October 2021, Accessed online: <https://canadiandimension.com/articles/view/fighting-for-transit-in-a-world-on-fire>

¹⁸ Urban public transit, June 2022, *Statistics Canada*, Released: 2022-08-18, Accessed online: <https://www150.statcan.gc.ca/n1/daily-quotidien/220818/dq220818c-eng.htm>

First, it is obvious that the exorbitant cost of transit fares discourages ridership. The historical underfunding of public transit has resulted in the consistent hiking of fares to make up for a lack of available funds, pushing more and more riders into personal vehicles.¹⁹ In some areas, such as Winnipeg, the removal of low-income fare subsidy programs have made public transit entirely unaffordable for those considered low-income.²⁰

There are a myriad of ways that funding can be used to incentivize reducing fares and reaching milestones for increased ridership. The Federal Government may also require commitments to reduce fares as a part of the funding process. The Government can incentivize investors by putting sustainable development at the heart of transit development, budgeting, and procurement. It could additionally provide tax incentives to users to switch to public transit. Finally, the Government could provide funding to advocacy organizations to work with municipalities to ensure that these objectives are met and in the best interests of riders and transit workers.²¹

Even with an increased emphasis on improving ridership, more funding targeted to updating and electrifying public transit vehicles and rails is also essential to meeting the Government's environmental goals.²² The potential for the zero-emission technology is already there; it just needs the immediate funding prioritization to be implemented across Canada. Electric buses now boast incredibly long ranges (up to 1,102 miles on a single charge), which makes them suitable for intercity trips made by regional transit providers.²³ Federal payments specifically targeted to accelerate commitments already made by local

¹⁹ "Transit is the new frontline of the war on the unhoused," by James Wilt, Canadian Dimension, 12 June 2022. Accessed online: <https://canadiandimension.com/articles/view/transit-is-the-new-frontline-of-the-war-on-the-unhoused>

²⁰ Transportation Equity & the Low Income Buss Pass. A Presentation to the City of Winnipeg Council by Molly McCracken, Director, Canadian Centre for Policy Alternatives given on 24 October 2019. Accessed online: <https://policyfix.ca/2019/10/29/transportation-equity-the-low-income-bus-pass/>

²¹ See i.e. Functional Transit Winnipeg (see Transit Priorities – Functional Transit Winnipeg, 2022, Accessed online: <https://functionaltransit.com/transit-priorities/>), and Abundant Transit BC (see About Abundant Transit BC, 2022, Accessed online: <https://www.abundanstransit.org/about>).

²² In March of 2021, the Federal Government committed \$2.75bn to updating and electrifying public transit across Canada with the promise of 5,000 zero-emissions buses (ZEBs) on the road by the end of 2025. See "Government of Canada targets zero emission bus transportation with launch of new fund" Infrastructure Canada, Government of Canada, News release 10 August 2021. Accessed online: <https://www.canada.ca/en/office-infrastructure/news/2021/08/government-of-canada-targets-zero-emission-bus-transportation-with-launch-of-new-fund.html>

²³ *Do Androids Dream of Electric Cars?* by James Wilt (2020) Between the Lines Publications, at page 120.

transit providers to reach their GHG emission goals may help ensure the Government's environmental goals remain a priority in transit development, without encroaching on municipal policy development.

In addition to investments in rapidly electrifying public transit, funding must be provided to local transit providers to acquire the tools and training needed for their workforce to maintain these vehicles and keep them in service. Investing in green technology involves investing in the maintenance of that technology by experienced professionals such as our members. As set out further below, this will also help provide good and stable jobs in the sector, which will have widespread positive impacts on Canada's economic development more broadly.

- 4. How can the Government of Canada ensure that permanent public transit funding drives jobs creation and broader economic benefits through planning, construction, and operations?**
- 5. How can the Government of Canada ensure alternative financing methods are leveraged effectively?**

In ATU Canada's view, the best way to ensure the creation of good jobs in the transit sector is to direct funding for the design, build, operation and maintenance of public transit to the municipalities or public entity ultimately responsible for the provision of transit services. By investing more in operating dollars, public transit providers can prioritize smaller projects such as line expansions or increasing service routes in underserved areas, which will create immediate and long-lasting jobs in the industry.

ATU Canada is aware of that governments see the public-private partnership (P3) model of transit development as appealing because P3s allegedly transfer short-term risks and costs to the private sector, which allows for construction debt to be kept off the public books. However, the commuters of Ottawa have recently become well-acquainted with the drawbacks of P3s as Ottawa's Confederation Line faced constant delays in construction, criticisms over lack of transparency, and concerns about safe operations in the winter. Since the line began to operate, it has been plagued with shutdowns, safety

issues, and is now the subject of a public inquiry.²⁴ It is questionable whether any cost was saved in the short-term by using this financing arrangement; it is undoubtable that the project has cost more in the long run with an end result that is plagued by delays and inefficiencies.²⁵

Likewise, in 2018, Metrolinx contracted with Crosslinx Transit Solutions – an AFP consortium of private partners – to build its Eglinton Crosstown LRT project. Due to repeated delays in part caused by the complex contractual arrangement underlying the project, Metrolinx was forced to pay a large settlement amount to Crosslinx, in the amount of \$237 million. The Auditor-General’s report concluded that the agreement did not transfer the risks to the AFP consortium as the Government had initially hoped.²⁶ The Consortium and Metrolinx recently announced that the Eglinton Crosstown would be further delayed for another year. In the meantime, the Consortium has sought to contract out maintenance jobs on the line through a complex web of corporate subsidiaries, which is likely to result in sub-standard working conditions for maintenance workers, and sub-standard service on the line for the public. The evidence is clear that transit providers do better when all stages of the development process involve public oversight and control.

The rhetoric surrounding the alleged efficiencies of P3s often serve as a justification to reduce labour costs by cutting wages, pensions and benefits, reducing hours or worsening the conditions of work.²⁷ These short-sighted savings become pernicious and expensive over time. They drive skilled employees away from the industry and negatively impact service and safety standards. This is evident from the numerous accidents, near accidents, and safety lapses in the construction of the Ottawa LRT as compared to traditional transit development elsewhere.²⁸ P3 arrangements often contribute to a

²⁴ “Public inquiry reveals how the Ottawa LRT became the wildest ride in town” by Fatima Syed, The Narwhal, Published 8 August 2022. Accessed online: <https://thenarwhal.ca/ottawa-lrt-public-inquiry/>

²⁵ *Do Androids Dream of Electric Cars?* by James Wilt (2020) Between the Lines Publications, at page 24

²⁶ “Government-Managed Projects Could Save Ontario Money: Auditor-General,” by Adrian Morrow, Globe and Mail, 9 December 2014. Accessed online: <https://www.theglobeandmail.com/news/politics/private-partnerships-cost-ontario-taxpayers-8-billion-auditor-general/article22012009/>

²⁷ “Asking the Right Questions: A Guide for Municipalities Considering P3s” 2nd Ed. by John Loxly and Salim Loxley, CUPE, September 2020. Accessed online: https://cupe.ca/sites/cupe/files/p3_guide_en.pdf

²⁸ *Ibid.*

'tragedy of the commons' type situation, where it is difficult to untangle what entity is responsible for accountability to the public.²⁹

Any financing arrangement that leads to the potential for a private entity to operate and maintain the service will ultimately worsen the conditions of employment for transit workers, for example by encouraging private contract-flipping, which results in precarious and temporary jobs. A good example of this is the perpetual contract-flipping for bus service provided through York Region, which has destroyed the collective power that these workers may exert to improve their working conditions because the Region can simply contract with a new employer whenever they demand better terms.³⁰ Ultimately, public transit costs the Government and taxpayers more in York Region than comparable services delivered by a municipality. In 2014, York Region's operating subsidy for transit was \$4.50, compared to Mississauga's \$2.21. Presently, York Region's adult fares are \$4.25 (cash) and \$3.88 (Presto), whereas Brampton and Mississauga's adult fares are \$4.00 (cash) and \$3.10 (Presto).³¹

6. How can the Government of Canada, provincial/territorial, municipal and Indigenous governments better coordinate and collaborate with one another to deliver the best public transit for their communities?

Over the last decade, Canada has seen the demise of inter-city transit services, particularly in the Western provinces.³² In ATU Canada's submission, a national public transit strategy is needed, which can only be developed with established forums for input and participation from all levels of government, regional and local transit service providers, their unions, and community groups who are invested in delivering better public

²⁹ "Asking the Right Questions: A Guide for Municipalities Considering P3s" 2nd Ed. by John Loxly and Salim Loxley, CUPE, September 2020. Accessed online: https://cupe.ca/sites/cupe/files/p3_guide_en.pdf

³⁰ "Contract flipping leaves York transit employees feeling like 'temporary workforce'" by Sara Mojtehdzadeh. Toronto Star, 1 October 2015, Accessed online: <https://www.thestar.com/news/gta/2015/10/01/contract-flipping-leaves-york-transit-employees-feeling-like-temporary-workforce.html>

³¹ York Region, "YRT Fares..." available online: <https://www.york.ca/newsroom/yrt-fares-will-remain-rate-set-2019>; City of Mississauga, "Fare prices" available online: <https://www.mississauga.ca/miway-transit/fares/fare-prices/>; City of Brampton, "Bus Fares" available online: <https://www.brampton.ca/EN/residents/transit/Fares/Pages/TransitFares.aspx>

³² "1 Year Later: Intercity Transit after Greyhound" by Madelin Burt-D'Agnillo, Amalgamated Transit Union Canada, 31 October 2019, Accessed online: <https://www.atucanada.ca/blog/1-year-later-intercity-transit-after-greyhound>.

transit. ATU Canada is encouraged in this respect by the Federal Government's efforts to establish a National Active Transportation Strategy and the National Housing Strategy,³³ and urges the Government to take on a facilitator role in setting up a robust and stable forum for collaboration on both local and regional public transit initiatives. Unions are critical stakeholders in these processes and should be invited to the table as partners with the shared goal of delivering strong and effective public transit services across Canada.

ATU Canada recognizes that improving social inclusion, job development, and environment sustainability in transit are shared goals, and that all partners must be invested in setting up forums and processes to leverage expertise and foster shared accountability for realizing these goals.

7. How can the Government of Canada ensure public transit systems – physically, financially, and otherwise – are able to be responsive to changing conditions and continue to function effectively over the long term?

Providing stable and predictable long-term operational funding for our transit systems is critical for ensuring service keeps pace with changing technology and function effectively over the long-term. In terms of technological change, the solution is to provide public transit providers with sufficient resources to retrain and retool its workforce to adapt, rather than incentivizing local transit providers to contract out such services to private entities. For example, short-term investments now, in the training to do warranty work on new electric vehicles, will go a long way towards keeping maintenance jobs in Canada, with a workforce that is prepared to adapt to further technological change as needed.

In terms of physical infrastructure, the best solution is to flow funding directly to the municipalities that understand local priorities for renewing and modernizing core infrastructure. Operational funding is often overshadowed by infrastructure development. But ensuring funding is effective over the long-term requires significant contributions to the upkeep of existing operations. In this respect, the Federal Government should

³³ National Housing Strategy, Government of Canada, Accessed online: <https://www.placetocallhome.ca/>; National Active Transportation Strategy, Government of Canada, Accessed online: <https://www.infrastructure.gc.ca/trans/active-strat-actif-eng.html>

develop a funding strategy that recognizes unique local factors may result in a greater need for renewal funding in rural and Northern communities, where constraints in transport services are often compounded by limitations in the development and resilience of technological infrastructures.³⁴ Partnerships between the federal, provincial, and municipal governments must recognize the efficiency gained by having municipalities directly and predictably resourced to conduct life-cycle analysis and identify and address core infrastructure and operational renovation.

8. How can different solutions like stable and predictable transfers, application-based programs, or other models be best used to support transit systems and advance the federal objectives laid out in this paper?

In the ATU's view, stable and predictable transfers for operational funding and capital improvements will best support transit systems to make investments that are more inclusive, environmental, and ultimately create jobs. The majority of permanent transit funding should be provided in regular and predefined increments directly to municipalities and public transit providers, who are best-positioned to prioritize local needs and deliver innovation and efficiency.

However, application based funding may be an appropriate supplement when it is targeted at communities that are underserved and face unique challenges to developing effective transit infrastructure. For example, ATU Canada supports the provision of additional application-based funding if it is earmarked towards the creation of new solutions to the barriers to public transit faced in rural and remote communities. ATU Canada would also support application-based funding initiatives which result in meaningful commitments being made by transit providers to increase training and equipment investments for its workforce, which in turn will increase the number of stable jobs in the industry.

ALL OF WHICH IS RESPECTFULLY SUBMITTED

³⁴Nagendra R. Velaga, Mark Beecroft, John D. Nelson, David Corsar, Peter Edwards, *Transport Poverty Meets The Digital Divide: Accessibility And Connectivity In Rural Communities*, Journal Of Transport Geography, Volume 24, September 2012, Page 536.