



KEEPING PUBLIC TRANSIT RUNNING

Every day, more than one million Ontarians rely on public transit. They're going to work or school, supporting our economic recovery. They're seniors or people living with disabilities taking essential trips or seeing family or friends. People of every income take public transit, including many who can't afford to drive.

Unless the significant operating support provided by the Ontario and federal governments last year is extended, service cuts are almost inevitable. That won't help our economy reopen, will make our cities more congested, and make employment and education inaccessible to too many Ontarians.

WHY PUBLIC TRANSIT NEEDS ONGOING SUPPORT



Before Covid, 55% of the costs of running public transit were covered by fares but ridership is less than half what it was.

Before the pandemic, 55% of the cost of operating public transit in Ontario was covered by fares. In Toronto, fares covered almost two-thirds of operating costs—the highest ratio in North America. But ridership is now less than half pre-Covid levels, and for every 10% drop in ridership Ontario transit systems lose \$245 million in revenue. Last year's Safe Restart Agreement largely filled this gap, but funds are running out. If they're not extended, service cuts are likely.

Transit systems' finances are further impaired in two other ways. Some funds allocated through the Safe Restart Agreement had very specific timeframes. If unused during these periods, they were clawed back, resulting in almost 10% of the \$2.15 billion in restart funds being lost. In addition, because fewer people drove during the pandemic, gas tax revenues flowing to transit systems are forecast to drop by almost a quarter in 2022.

-\$260 million

Combined impact of lost restart funds and lower gas tax funding

HOW TO KEEP PUBLIC TRANSIT RUNNING

Public transit urgently needs extended operating support. In the United States, federal support was extended through 2024. OPTA has no preferred mechanism for how this may happen. Returning unused allocations is one option. A second Safe Restart Agreement, ideally with federal support, is another which could also offset lower gas tax revenues.



The Ontario Public Transit Association is grateful for the significant financial support the province provided during the pandemic. We also acknowledge Premier Ford's and Minister Mulroney's leadership in ensuring transit was included in the Safe Restart Agreement.

To keep transit running, we will need more support—and with our partners in the Canadian Urban Transit Association would be most willing to add our voices to yours in calling for extended federal support.