

MEETING DATE: September 17, 2003

SUBJECT: Free TTC Service on "Smog Alert Days"

RECOMMENDATIONS

It is recommended that the Commission:

1. Receive this report for information, noting that the TTC should not support the provision of free TTC service on smog alert days in Toronto because:
 - the best way to improve Toronto's environment and to reduce the occurrence and severity of smog alerts in Toronto is by encouraging a long-term, sustainable, overall shift in travel from car to transit, through the implementation of the TTC's *Ridership Growth Strategy*, which was endorsed by the Commission in March, 2003;
 - the *Ridership Growth Strategy* is a cost-effective way of making transit more attractive and more affordable everyday for all residents, while the provision of free TTC service on smog days is a "novelty" or "one-off" approach which doesn't address the root cause of smog, which is the high level of use of private vehicles;
 - the provision of free TTC service on smog days would not significantly improve the environment on such days because TTC service levels are budgeted for, and set to accommodate only projected "normal" volumes of transit customers; the TTC does not have the spare capacity, or the surplus vehicles or workforce to provide the extra capacity which would be required to accommodate large increases in passenger volumes;
 - the provision of free TTC service on smog days would result in a loss of revenue of approximately \$2 million per day; for example, if free transit had been provided on the 12 smog days declared in Toronto so far this year, the revenue losses would have been \$24 million;
 - if additional funding of this magnitude is available to improve air quality through investing in transit, this funding should be directed towards implementation of the TTC's *Ridership Growth Strategy*; and
2. Forward this report to the City of Toronto, the Toronto Clean Air Alliance, the Toronto Environmental Alliance, Pollution Probe, the Central Ontario Smart Growth Panel, the Ontario Ministry of the Environment, the Ontario Ministry of Transportation, and Environment Canada.

FUNDING

This report has no effect on the TTC's budget. However, should Council decide to request the TTC to provide free transportation on "smog days", in addition to the costs associated with providing additional service, there would also be a direct loss of revenue to the TTC on "free transit" days. The TTC receives approximately \$2 million a day in fare revenue. For example, if 12 "free" transit days were declared each year, there would be a loss of \$24 million to the TTC.

BACKGROUND

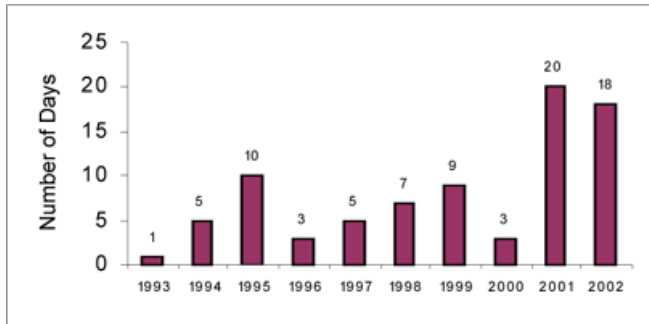
During the month of July 2003, Environment Canada and the City of Windsor jointly funded a program to provide free transit service in the City of Windsor on four "smog days" which were identified by the Ontario Ministry of the Environment. The program was successful from a transit ridership perspective; an estimated 30% to 50% more passengers used Transit Windsor's services on these days than on comparable fare-paid days. The program was terminated after four "smog days" due to a lack of ongoing funding for the program.

At its meeting of July 24, 25 and 26, 2003, Toronto City Council passed a motion requesting a report from the TTC on *"the costs, service level impacts and desirability of requesting funding from Environment Canada for Smog "Free" TTC on smog days"*. This report responds to that request.

DISCUSSION

The City of Toronto issued 20 smog alert warnings in 2001 and 18 in 2002. As of August 21 of this year, twelve smog alert warnings had been issued. The exhibit below suggests that the frequency of smog alert warnings has generally been increasing over the past ten years.

Smog alert days in Toronto since 1993



(Note: These days are recorded according to the Smog Advisories issued by

the Ontario Ministry of the Environment)

Travel by private automobile is a significant contributor to local air pollution. All levels of government have recently announced strong support for improving air quality in Toronto, both on smog alert days and throughout the year. Encouraging greater transit use is a simple, proven, and effective way of improving local air quality because, on average, travel by transit reduces CO₂ and NO_x by 30% to 50%, compared to automobile travel, on a per-passenger-kilometre basis.

While the provision of free travel on the TTC on "smog alert days" could encourage some people to use transit instead of their automobile, in practical terms, relatively few of these people could be accommodated on the TTC in a reasonable way. This is because, due to financial constraints, TTC services are budgeted for, and scheduled so that there is just enough capacity to accommodate the expected "normal" volume of passengers at peak times with a reasonable degree of crowding. The TTC does not have the spare capacity, or the surplus vehicles or workforce to increase capacity to accommodate a significant increase in customers. During the summer season, there are some vehicles available to increase service (this is not the case between September and May), but getting operators on short notice for such unscheduled additional service would have to be done on an overtime basis which would be very expensive.

The provision of free TTC service on smog days would result in unacceptable overcrowding conditions on most routes at peak times. Such a situation could actually be detrimental to transit ridership in the long term because crowding and poor service quality on a smog day could convince existing or potential future passengers that transit is too crowded and unreliable to be considered as a serious travel option.

If governments want to spend money to encourage greater transit use and, thereby, reduce air pollution, they would be much more effective if they spend the funds on improving overall transit services. The TTC's *Ridership Growth Strategy* report, which was approved by the Commission in March 2003, outlines a comprehensive approach to attracting new passengers to the system on an ongoing long-term basis. The highest-priority "Group 1 investments" in the report require \$64 million in annual funding and are forecast to increase transit ridership by 24 million passengers each year. Any available funding for maintaining and attracting new passengers to the TTC should be used to

implement elements of the *Ridership Growth Strategy*, rather than providing free transit on smog alert days.

SUMMARY

Free TTC service on smog alert days is not a cost-effective way of improving air quality in Toronto. If funds are available to encourage increased transit use and improve air quality, the money would be better spent on improving transit service on an ongoing basis as outlined in the TTC's *Ridership Growth Strategy*, rather than providing free transit service.

September 8, 2003

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