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# TORONTO TRANSIT COMMISSION

•  
ANNUAL REPORT  
1980

# TORONTO TRANSIT COMMISSION

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## ANNUAL REPORT FOR THE YEAR 1980



# TORONTO TRANSIT COMMISSION

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## COMMISSIONERS

JULIAN PORTER, Q.C., Chairman  
KARL L. MALLETTE, Vice Chairman  
PAUL GODFREY, Commissioner  
JEFFERY S. LYONS, Q.C., Commissioner  
JUNE ROWLANDS, Commissioner



JULIAN PORTER



R.M. WARREN



D.C. PHILLIPS



KARL L. MALLETTE



L.G. BERNEY



L.O. MORLEY



PAUL GODFREY



S.T. LAWRENCE



W.G. CHASE



JEFFERY S. LYONS



JUNE ROWLANDS



August 6, 1981

Paul V. Godfrey, Chairman  
and Members of the Council of the  
Municipality of Metropolitan Toronto  
Ladies and Gentlemen:

The 1980 Annual Report of the Toronto Transit Commission is presented for the approval of the Council of the Municipality of Metropolitan Toronto.

1980 saw growth to record levels in passengers carried, miles operated, gross revenues and, inevitably, the Operating Subsidy required to meet net expenditures. Most noteworthy was the increase in passengers. In 1980 passengers increased by 20.2 million (5.8%) to a record 366.4 million. The previous passenger peak was 357.6 million in 1975. There were several contributing factors to this significant increase. Some of the major ones were (a) the soaring cost of automobile ownership and operation, (b) no fare increase in 1980, (c) the Commission's continued extensive marketing programme, (d) growth in population in the municipalities bordering on Metropolitan Toronto and (e) the introduction of "Metropass".

The introduction of a monthly unlimited-ride pass was one of the proposals made by the Joint Metro/TTC Transit Policy Committee in December 1979 and "Metropass" was introduced on an experimental basis in May, 1980. The pass price was fixed at \$26.00 a month (equivalent to 52 adult rides) and in the first month 38,000 were sold. By the end of 1980 sales were averaging about 57,000 a month and accounted for approximately 10% of total riding.

It is not possible to evaluate to what extent each of the other factors contributed to the 5.8% increase, the highest annual growth rate since the early 1970's. How long this high rate of growth continues will be dependent on such factors as population and employment growth, the TTC fare compared with the cost of operating an automobile and other political, social and economic changes.

The 1980 passenger increase helped to alleviate the increase in the Commission's operating costs, but the net Operating Subsidy required increased from \$45.7 million in 1979 to \$53.2 million in 1980 (equivalent to 14.5¢ per passenger). Expenses rose by \$25.2 million (11.9%) to a record \$236.8 million (64.6¢ per passenger), most of this increase resulting from inflation in labour and non-labour costs, particularly energy. Gross revenues increased by \$17.7 million to \$183.6 million (50.1¢ per passenger) mainly due to the passenger increase plus a full year's effect of the March 1979 fare increase. In a positive vein, the \$53.2 million Operating Subsidy was \$10.4 million less than the budgeted \$63.6 million, mostly due to higher ridership than forecast.

Consistent with prior years, the Commission's Operating Subsidy was assumed by the Municipality which, in turn, received a subsidy from the Province of Ontario. The Provincial subsidy formula was modified in 1980 and is now based on a sliding scale which increases the subsidy as the Commission's revenue/cost ratio decreases. The "target" revenue/cost ratio for 1980 was 68%, but an actual revenue/cost ratio of 71.2% (using Provincial subsidy rules) was realized, resulting in savings in the payment of subsidy dollars by both levels of government.

In the area of expansion and improvements to the system, the 0.9 mile Kipling and 1.6 mile Kennedy extensions to the Bloor-Danforth line were opened in November, 1980. In addition, as recommended by the Joint Metro/TTC Transit Policy Committee, express buses, route extensions and increased service on selected routes were introduced in 1980 on an experimental basis and the impact of these increases on ridership was monitored. Concurrently, during the year, the Commission took delivery of fifty buses, seventy-two new Canadian Light Rail Vehicles and fourteen subway cars.

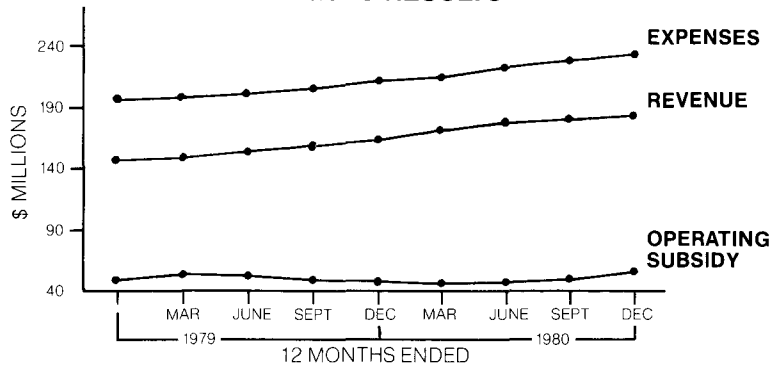
The Commission made further progress with its Communications and Information System (C.I.S.) developmental project for the installation of special programmed micro-computers on TTC vehicles to provide instant information to the central Transit Control Centre on vehicle and passenger movement. This programme was extended in 1980 to all vehicles operating out of Wilson Division. Other technological developments continued with the expansion of the RUCUS (Computerized RUn CUtting and Scheduling system) to several new divisions and the implementation of the CTDIS (Computerized Train Despatch and Information System) to the Bloor-Danforth subway line.

In the still comparatively new area of service for the physically disabled, the "Wheel-Trans" service was further expanded during the year and at December 31, 1980, 36 vans and 17 taxis were providing service. The service is provided by independent contractors and administered by Commission staff who report to an Advisory Committee which includes representatives of the disabled community. In addition, in 1980, a program for modifications to the regular transit system to facilitate accessibility for the elderly and ambulatory disabled was introduced. Various modifications to transit buildings and equipment, estimated to cost \$5.4 million in total, will be carried out in future years.

The remainder of this Annual Report sets out in more detail the financial and operating results and discusses other major activities and new developments in 1980.

# FINANCIAL

## OPERATING RESULTS

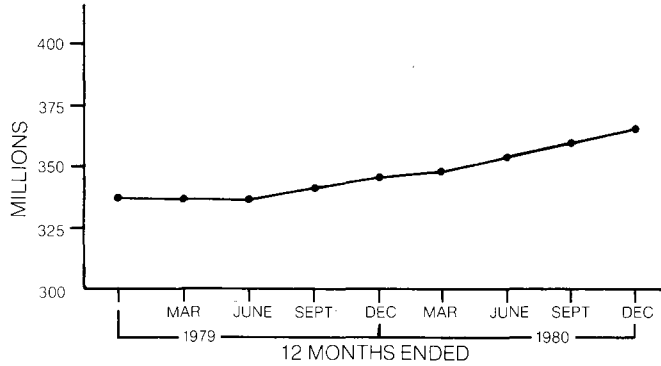


Expenses increased by \$25.2 million primarily as a result of wage increases and inflation in material prices.

Revenues increased by \$17.7 million mainly as a result of increased passengers and a full year's effect of the March 1979 fare increase.

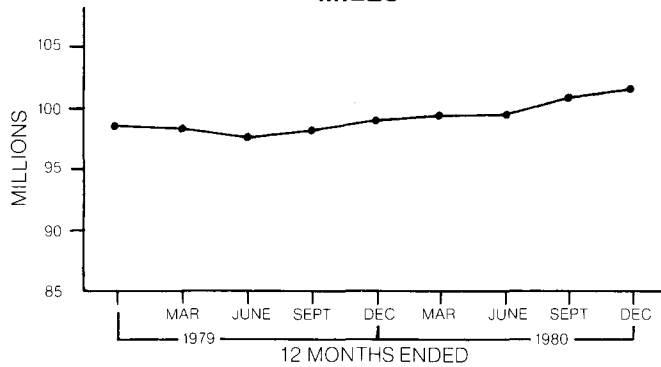
The Operating Subsidy increased by \$7.5 million.

## PASSENGERS



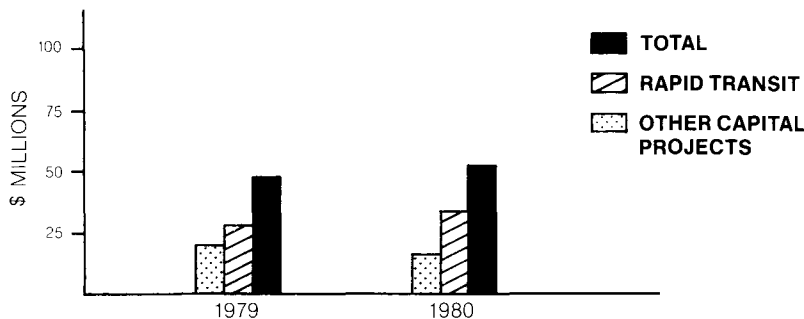
Passengers increased by 20.2 million or 5.8% to a record 366.4 million. The 5.8% annual increase is the highest recorded since the early 1970's and is attributable to several favourable influencing factors.

## MILES



Miles operated during 1979 and 1980 increased by 2.4 million (2.4%). Most of this increase pertains to the express buses, route extensions and increased service on selected routes introduced on an experimental basis.

## CAPITAL EXPENDITURES



Major capital expenditures in 1980 were for work on the Bloor-Danforth subway extensions to Kennedy and Kipling and on the new line to the Scarborough Town Centre, progress payments on the light rail vehicles contract and the purchase of fifty buses. In total, 1980 capital expenditures were \$2.9 million more than in 1979.




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<b>OPERATING RESULTS</b>	<b>1980</b>	<b>1979</b>	<b>Increase (Decrease)</b>	<b>%</b>
REVENUE (\$ Millions)	183.6	165.9	17.7	10.7
OPERATING SUBSIDY (\$ Millions)	53.2	45.7	7.5	16.4
EXPENSES (\$ Millions)	236.8	211.6	25.2	11.9

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<b>PASSENGERS</b> (Millions)	366.4	346.2	20.2	5.8
Revenue per Passenger	50.1¢	47.9¢	2.2¢	4.6
Operating Subsidy per Passenger	14.5¢	13.2¢	1.3¢	9.8
Expenses per Passenger	64.6¢	61.1¢	3.5¢	5.7

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<b>MILES</b> (Millions)	101.4	99.0	2.4	2.4
Revenue per Mile	181.1¢	167.5¢	13.6¢	8.1
Operating Subsidy per Mile	52.4¢	46.2¢	6.2¢	13.4
Expenses per Mile	233.5¢	213.7¢	19.8¢	9.3

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### **CAPITAL EXPENDITURES**

RAPID TRANSIT (\$ Millions)	35.0	29.2	5.8	19.9
OTHER CAPITAL PROJECTS (\$ Millions)	16.9	19.8	(2.9)	(14.6)
TOTAL (\$ Millions)	51.9	49.0	2.9	5.9

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## REVENUE

	1980	1979	Increase (Decrease)	%
	(Thousands of Dollars)			
1. Passenger Revenue	164,407	151,624	12,783	8.4
2. Metro Fare Subsidies	6,847	6,364	483	7.6
	<u>171,254</u>	<u>157,988</u>	<u>13,266</u>	<u>8.4</u>
3. Charters & Special Services	1,717	1,891	(174)	(9.2)
	<u>172,971</u>	<u>159,879</u>	<u>13,092</u>	<u>8.2</u>
4. Rental Income	3,225	2,718	507	18.7
5. Advertising	2,667	2,227	440	19.8
6. Other Revenue	4,779	1,039	3,740	360.0
<b>Total Revenue</b>	<u><u>183,642</u></u>	<u><u>165,863</u></u>	<u><u>17,779</u></u>	<u><u>10.7</u></u>

### 1. PASSENGER REVENUE – \$164,407,000

The favourable passenger results for 1980 are reflected in increased passenger revenue of \$12,783,000 or 8.4%. \$7,638,000 of the increase may be attributed to the increased riding, while a full year's effect of the March 1979 fare increase of 16.7% added a further \$6,145,000.

The introduction of Metropass, while accounting for an estimated 2,750,000 additional passengers, also resulted in decreased revenue of approximately \$1,000,000, based on estimates of the trips which would have been taken and paid for by pass buyers in excess of the 52 ride "passenger break-even point".

A listing of the fares and their usage is shown in the table below.

### 2. METRO FARE SUBSIDIES – \$6,847,000

Metro pays a 50% adult fare subsidy for senior citizens (\$6,426,000) and a 100% adult fare subsidy for the blind and war amputees (\$421,000).

### 3. CHARTERS & SPECIAL SERVICES – \$1,717,000

Charters generated \$833,000 in revenue in 1980. Special services of \$884,000 include Woodbine and Greenwood horse racing specials (\$333,000) and services to the C.N.E. (\$197,000).

### 4. RENTAL INCOME – \$3,225,000

This includes station concessions such as Garfield News, rentals of Commission property, equipment "rented" to other operators, parking lot income and other items. Rentals of property to third parties (other than Gray Coach Lines, Ltd.) account for \$2,148,000. The six parking lots operated by the T.T.C. generated net revenue of \$454,000.

### 5. ADVERTISING – \$2,667,000

Revenue from advertising space sold on the Commission's fleet of subway cars, buses, streetcars and trolley coaches and in the subway stations totalled \$2,667,000 in 1980.

### 6. OTHER REVENUE – \$4,779,000

This includes all other miscellaneous revenue, including profit on the sale of land (\$2,752,000) and a dividend from Gray Coach Lines, Ltd., the Commission's wholly owned subsidiary company (\$500,000). Properties sold in 1980 were the Sherbourne Garage which was acquired in 1920 and had been rented to Gray Coach Lines, Ltd., since 1957 (profit of \$1,873,000) and the Glen Echo Loop (profit of \$879,000).

TTC Fares – 1980			
	Fares	Revenue Passengers Millions	%
TOKENS			
- Adult	6 for \$ 3.00	131.8	36.0
	20 for \$10.00		
TICKETS			
- Adult	6 for \$ 3.00	61.3	16.8
	20 for \$10.00		
- Scholar	6 for \$ 1.50	32.7	8.9
- Senior Citizen	6 for \$ 1.50	25.3	6.9
- Child	6 for \$ 1.00	9.2	2.5
- Family Pass	\$ 1.75	1.2	0.3
CASH			
- Adult	60¢	57.2	15.6
- Scholar	30¢	16.9	4.6
- Child	20¢	6.3	1.7
METROPASS	\$26.00	24.5	6.7
		<u>366.4</u>	<u>100.0</u>

NOTE: i) The breakdown of passengers by category is an estimate based on the sales and collections of tickets and tokens and a sample analysis of cash fares.  
ii) Metropass passengers are based on an estimated usage of 68 rides per pass in an average month.  
iii) Revenue passengers represent number of fares paid.



## EXPENSES

	1980	1979	Increase (Decrease)	%
	(Thousands of Dollars)			
1. Wages, Salaries, and Other Employee Costs	179,016	162,023	16,993	10.5
2. Materials, Services and Supplies	24,237	19,450	4,787	24.6
3. Electric Traction Power	11,312	10,375	937	9.0
4. Automotive Fuel	9,691	7,310	2,381	32.6
5. Vehicle and Other Licences	392	374	18	4.8
6. Municipal Taxes	2,396	2,252	144	6.4
7. Public Liability Costs	2,032	1,949	83	4.3
8. Depreciation	5,969	5,937	32	0.5
9. Debenture Interest	1,753	1,948	(195)	(10.0)
<b>Total Expenses</b>	<b>236,798</b>	<b>211,618</b>	<b>25,180</b>	<b>11.9</b>

### 1. WAGES, SALARIES AND OTHER EMPLOYEE COSTS – \$179,016,000

The operating costs for the Commission's employees consist of \$156,199,000 in wages and salaries and \$22,817,000 for employee costs which together represent close to 76% of total expenses.

Wage rate increases averaging 7.9% were implemented in 1980 under the terms of a two year contract negotiated with the Commission's three unions in 1979. Similar increases were given to non-union staff. These adjustments, together with a small increase in manpower strength account for the \$14,092,000 increase in wages and salaries from \$142,107,000 in 1979 to \$156,199,000 in 1980.

Payments made on behalf of the Commission's employees for pension, health care and other benefits, totalled \$22,817,000 in 1980, an increase of \$2,901,000 or 14.6% over 1979. Pension contributions accounted for the majority of the increase, as rates were increased under the terms of the agreements with the unions.

The Commission's labour costs are analyzed by functional activities on the following page.

### 2. MATERIALS, SERVICES AND SUPPLIES – \$24,237,000

The \$4,787,000 increase is equivalent to 24.6%, which largely relates to general price increases in these costs. An analysis of these costs by major activity is shown on the following page.

### 3. ELECTRIC TRACTION POWER – \$11,312,000

The Commission consumed 301.8 million kilowatts of power in 1980, in the operation of 52.0 million miles. Hydro rates increased by 8.4% in the year.

### 4. AUTOMOTIVE FUEL – \$9,691,000

The Commission's bus fleet operated 49.3 million miles and used 9.2 million gallons of diesel fuel in 1980. Diesel fuel prices increased by 25.8% in 1980.

### 5. VEHICLE AND OTHER LICENCES – \$392,000

Licence fees for the 1,262 bus fleet account for \$376,000. The remainder is for licences for escalators, elevators and non-revenue vehicles.

### 6. MUNICIPAL TAXES – \$2,396,000

The Commission pays both realty taxes (\$1,852,000) and business taxes (\$544,000) on all properties except those used for or in connection with rapid transit.

### 7. PUBLIC LIABILITY COSTS – \$2,032,000

The Commission carried catastrophe insurance in excess of a self-insured limit of \$500,000 per loss in 1980.

### 8. DEPRECIATION – \$5,969,000

This represents the amortization of the Commission's share of the cost of its capital assets; namely vehicles, plant, equipment and buildings.

### 9. DEBENTURE INTEREST – \$1,753,000

Debentures were issued to finance part of the Commission's share of subway construction costs prior to 1968. No new debentures have been issued since.



## EXPENSES BY FUNCTION

	1980	1979	Increase	%
(Thousands of Dollars)				
<b>WAGES, SALARIES AND OTHER EMPLOYEE COSTS</b>				
1. Vehicle Operations	103,588	94,361	9,227	9.8
2. Vehicle Maintenance	40,175	36,460	3,715	10.2
3. Non-Vehicle Maintenance	19,735	17,348	2,387	13.8
4. General and Administration	15,518	13,854	1,664	12.0
	<u>179,016</u>	<u>162,023</u>	<u>16,993</u>	<u>10.5</u>
<b>MATERIALS, SERVICES AND SUPPLIES</b>				
1. Vehicle Operations	932	769	163	21.2
2. Vehicle Maintenance	10,459	8,816	1,643	18.6
3. Non-Vehicle Maintenance	7,534	5,939	1,595	26.9
4. General and Administration	5,312	3,926	1,386	35.3
	<u>24,237</u>	<u>19,450</u>	<u>4,787</u>	<u>24.6</u>

The table above shows the breakdown of the Commission's expenditures for labour and for materials, services and supplies in terms of major functional activities. Set out below are comments on these areas:

### 1. VEHICLE OPERATIONS

This includes the labour costs for the Commission's 3,417 operators, as at December 31, 1980, as well as station collectors, inspectors, training staff and Transportation Department management. Vehicle operations account for approximately 53% of the Commission's work force (excluding employees working exclusively for Gray Coach Lines and on Engineering and Construction projects).

The non-labour costs mainly relate to the purchase and cleaning of uniforms.

### 2. VEHICLE MAINTENANCE

These expenses relate to the servicing, maintenance and repair of the Commission's fleet of 2,445 revenue vehicles at December 31, 1980 (1,262 buses, 632 subway cars, 400 streetcars and 151 trolley coaches) as well as the non-revenue fleet of maintenance, inspectors and other vehicles.

Approximately 26% of the Commission's employees are involved with vehicle maintenance. Most of the non-labour costs pertain to material drawn from the Commission's maintenance inventory. These materials were subject to a high rate of inflation in 1980 and increased consumption as vehicle miles operated increased.

### 3. NON-VEHICLE MAINTENANCE

In addition to its vehicle fleet, the Commission has a major investment in its subway buildings, track and equipment, surface track and overhead wiring, and maintenance and administrative facilities. These expenses cover the maintenance of these structures and facilities as provided by 12% of the Commission's work force.

In 1980, costs increased due to wage settlements and inflation (especially in energy related costs) together with increased track and station maintenance and janitorial services in the subway system, and in roadbed work in connection with the new light rail vehicles.

### 4. GENERAL AND ADMINISTRATION

This covers the cost of providing administration by senior management, accounting and financial management, marketing and community relations, human resources administration, purchasing and inventory control, corporate and transit planning, safety and security, legal activities and computer and other management services.

Administrative labour represents approximately 9% of the Commission's work force.

Non-labour costs in 1980 include \$1,722,000 in respect of media advertising to promote the new Metropass, service improvements and the Special Transit Plan. Computer associated costs and other management services account for \$1,084,000 while the cost of tickets, transfers and tokens increased to \$630,000.



## CAPITAL EXPENDITURES

	1980	1979	Increase (Decrease)
	(Thousands of Dollars)		
Rapid Transit	34,997	29,182	5,815
Other Capital Projects	16,948	19,806	(2,858)
Total Capital Expenditures	<u>51,945</u>	<u>48,988</u>	<u>2,957</u>

### RAPID TRANSIT

Bloor-Danforth	
Kennedy and Kipling Extensions	\$19,486
Scarborough Town Centre Line	7,410
Subway Cars	1,853
Union Station – Mezzanine Expansion	1,449
Other	4,799
	<u>\$34,997</u>

### OTHER CAPITAL PROJECTS

Light Rail Vehicles (progress payments)	\$ 6,245
Buses	5,192
Surface Track	1,782
Other	3,729
	<u>\$16,948</u>

The 1.6 mile Kennedy and 0.9 mile Kipling extensions to the Bloor-Danforth subway were opened on November 22, 1980. Although costs for this project are not yet final, the present estimate of \$99,000,000 is considerably less than the approved amount of \$140,000,000.

In 1980, work on the Scarborough Rapid Transit Line was primarily on facilities at Kennedy Station. Opening of the Line is scheduled for 1984.

Expenditures on subway cars reflect progress payments required under the Commission's contract for the purchase of 138 H5 subway cars. All cars, which are equipped with air-conditioning and energy-saving chopper controls, were in service by the end of 1980.

Work continued on the major expansion of Union Station. This project is scheduled for completion in 1981.

Other rapid transit expenditures include additional and replacement escalators and the construction of commuter parking lots.

Rapid Transit expenditures do not include the cost of land which is paid directly by the Municipality of Metropolitan Toronto.

Expenditures in 1980 for light rail vehicles reflect progress payments required under the contract for the purchase of 125 vehicles.

Fifty buses were purchased in 1980 – nineteen were required for replacement of retired buses and thirty-one were required for increases in service resulting from implementation of the recommendations of the Joint Metro/TTC Transit Policy Committee.

Surface track projects are undertaken in conjunction with Metro Toronto or the City's program for repaving of streets.

Other major items of expenditure for surface assets include payments for substation equipment and a surface radio communications system for use by supervisory personnel monitoring transit operations.

## FINANCING

	1980	1979	Increase
	(Thousands of Dollars)		
<b>OPERATING EXPENDITURES</b>			
By the Commission	236,798	211,618	25,180
By Metro and Metro Boroughs	19,610	19,094	516
	<u>256,408</u>	<u>230,712</u>	<u>25,696</u>
<b>FINANCED BY</b>			
Commission Revenues	183,642	165,863	17,779
Provincial Subsidy	37,600*	33,212	4,388
Metro and Metro Boroughs	35,166	31,637	3,529
	<u>256,408</u>	<u>230,712</u>	<u>25,696</u>
<b>CAPITAL EXPENDITURES</b>			
By the Commission	51,945	48,988	2,957
By Metro and Metro Boroughs	2,357	(2,046)	4,403
	<u>54,302</u>	<u>46,942</u>	<u>7,360</u>
<b>FINANCED BY</b>			
Provincial Subsidy	39,800*	33,500*	6,300
Metro and Metro Boroughs	10,968	10,298	670
Commission	3,534	3,144	390
	<u>54,302</u>	<u>46,942</u>	<u>7,360</u>

\*Subject to Provincial audit and approval

### OPERATING

The Commission's operating subsidy requirement of \$53,156,000 was assumed by Metro Toronto. In addition, Metro and the Metro Boroughs incur certain public transit related costs totalling \$19,610,000, primarily for debenture debt payments, senior citizens' fare subsidy and maintenance of transit shelters. The Province of Ontario in turn pays operating subsidies directly to the municipality.

The financing of 1980 operating expenditures is shown in the table above.

When these figures are adjusted in accordance with Provincial subsidy regulations it results in a cost sharing between the three parties for 1980 as follows:

TTC Revenues	71.2%
Provincial Subsidy	15.5%
Metro and Metro Boroughs Contribution	13.3%

The Commission's revenue/cost ratio of 71.2% is considerably in excess of the target of 68%, resulting in savings of subsidy dollars at the Municipal and Provincial levels.

Amendments were made to the Provincial regular operating subsidy formula in 1980. In addition to the basic 13.75% of eligible operating expenses the Province now pays an additional 25% for each 1% that the actual revenue/cost ratio falls short of the Commis-

sion's notional revenue/cost ratio (as per Provincial subsidy regulations) of 72.5%.

The Province also pays a special operating subsidy to municipalities with new major transit facilities. In 1980 this is calculated as 50% of the notional deficit on the operation of the new transit facility. Discussions are taking place with the Province to change and improve this special subsidy in return for commitments by the municipalities concerned to encourage use of public transit by land use plans and other initiatives. Special subsidy arrangements have to date been developed for the Scarborough Rapid Transit Line currently under construction and for the Spadina Line.

### CAPITAL

The Commission's major rapid transit projects, such as subway and light rail construction projects, are included in Metro's annual Capital Works Programme expenditures. Metro receives a 75% Provincial subsidy for substantially all these costs. In addition, subway and light rail land purchased directly by Metro is eligible for 75% Provincial subsidy.

The Commission's other capital expenditures are borne by the Commission which receives, through Metro, a 75% Provincial subsidy for most projects.

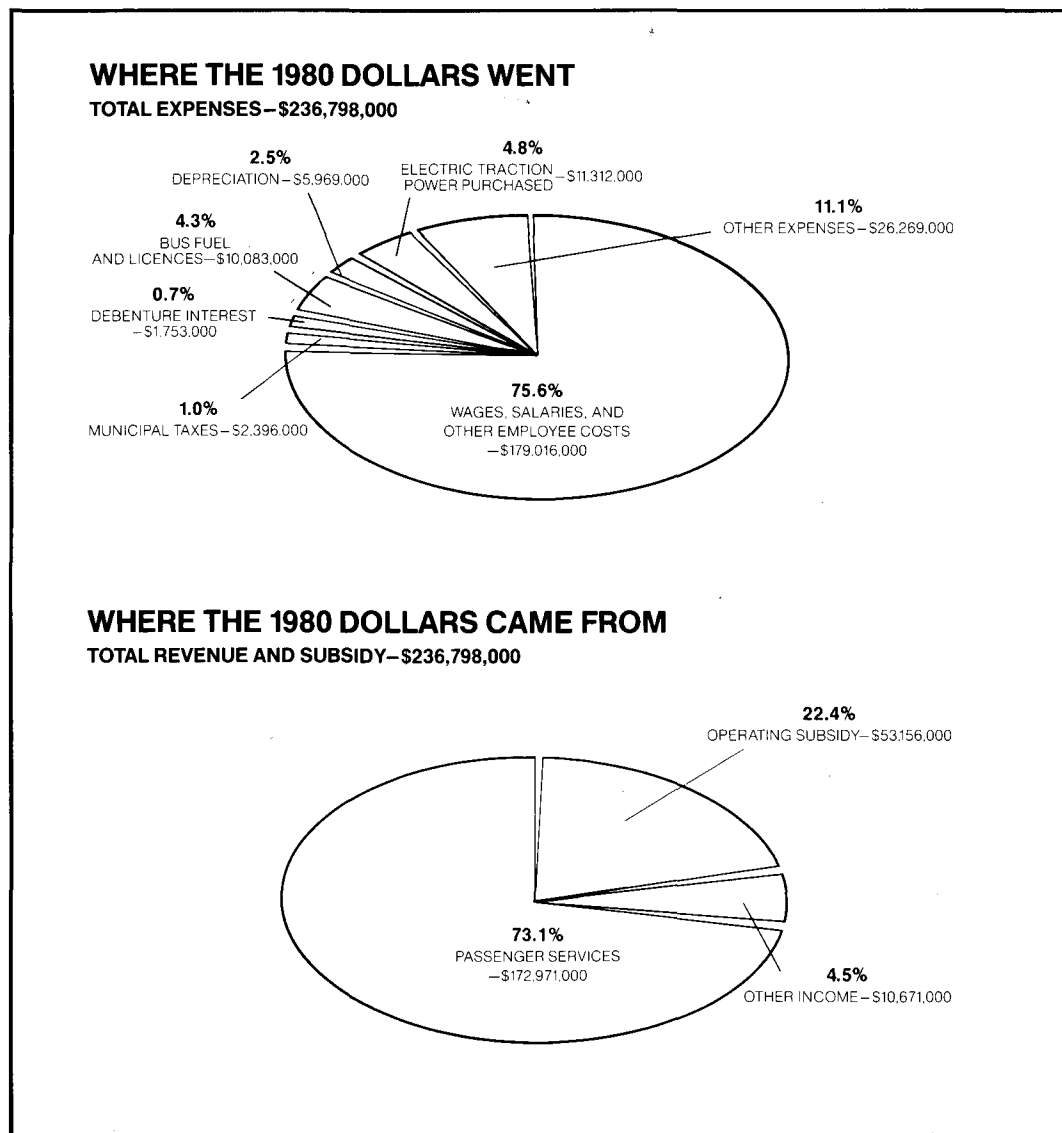
The financing of 1980 capital expenditures is summarized in the table above.



## FINANCIAL STATEMENTS AND AUDIT

Price Waterhouse & Co., the independent Chartered Accountants retained by the Commission, have reviewed the accounting procedures and made such tests of the accounting records for 1980 as they considered necessary. Their report is appended to the financial statements which are part of this report.

The Metropolitan Auditor has submitted his report covering the 1980 accounts.



# OPERATIONS

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## SENIOR MANAGEMENT CHANGES

During 1980, there were several important senior management changes.

John T. Harvey announced his retirement from the post of General Manager – Operations effective August 1, 1980. Mr. Harvey had been with the Commission since 1946 starting as a Junior Engineer in the Electrical Department. Mr. Harvey later headed the Electrical Design Section of the TTC's Rapid Transit Department during construction of Toronto's first subway system, and in 1959 he was appointed Chief Design Engineer of the Subway Construction Branch. He later became the General Manager – Engineering and Construction before assuming his last post.

The new General Manager – Operations is Lloyd G. Berney. Mr. Berney joined the TTC in 1949 and has held a variety of senior management positions including Director of Personnel, Manager of Transportation and Executive Director – Operations. He has also served on numerous transportation industry associations.

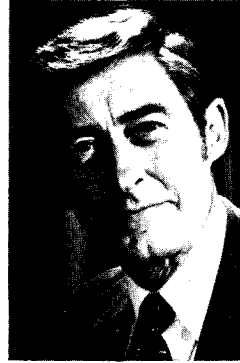
As the year drew to a close, two more officials announced their retirements. Patrick J. McCann, General Manager – Engineering and Construction, retired after 42 years' service with the Commission. Mr. McCann had been associated with Toronto's rapid transit system development since 1949. His career progressed through a number of senior positions including Director of Administration and Chief Engineer of the Subway Construction Branch.

Mr. McCann was succeeded by Stanley T. Lawrence who joined the Commission's Rapid Transit Department in 1945, where he was involved in the design of Toronto's original Yonge Street subway. Mr. Lawrence later became Manager of Engineering and was responsible for the Engineering Planning, Research and Development associated with Toronto's rapid transit system.

James G. McGuffin, the Commission's General Secretary, retired at the end of the year with forty years' service. His career progressed through many positions in the Commission's largest department – Transportation – where he became Assistant Superintendent in 1961. In 1965, he became Assistant General Secretary and was appointed General Secretary in 1975.

Mr. McGuffin's successor is David C. Phillips. Mr. Phillips has held a variety of senior staff positions in the TTC, most recently that of Manager of Property and Special Projects.

The Commission wishes to acknowledge the distinguished service of the senior executives who retired in 1980.



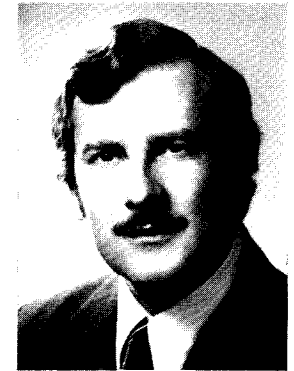
J.T. HARVEY



P.J. McCANN



J.G. McGUFFIN



ALAN TONKS

## COMMISSION CHANGE

The two-year term of Commissioner Alan Tonks expired November 30, 1980. Mr. Tonks was succeeded by Mrs. June Rowlands, a member of Metropolitan Toronto and City of Toronto Councils and the first woman ever to be appointed to the Commission.

## PERSONNEL AND LABOUR RELATIONS

As of December 31, 1980 the Commission's employee strength – including Gray Coach Lines, Limited, the TTC's wholly-owned interurban subsidiary – totalled 8,568 regular employees and 180 full-time temporary employees. In addition, a total of 1,769 were receiving a pension from the TTC Pension Fund Society. The number of employment applications filed with the TTC increased in 1980, reflecting continued high unemployment. The Commission filled 1,614 job vacancies in 1980 from the more than 21,000 employment applications received. This represents an increase of 30 percent in job applications received over 1979.



The Work Availability Program, developed to assist management in monitoring attendance, and the Employee Assistance Program were both viewed as being successful and will be continued in 1981.

The three-year actuarial review of the Pension Fund Society determined that the Fund continued to be in a strong financial position as of December 31, 1979. In fact, there were sufficient assets to provide some improvements in benefits for active members and pensioners.

The Co-ordinator of the Commission's Affirmative Action Committee has initiated various programs to encourage the employment of physically disabled persons in the TTC. In addition the Co-ordinator has initiated other programs with respect to the emergence of women in non-traditional occupations. As these Programs gain momentum during 1981, they will increasingly influence the hiring and training policies of the Commission.

The design of a fully computerized on-line Personnel Data System neared completion and the first stage of implementation is scheduled for 1981.

The Commission had 308 employees retire on pension in 1980, and had 280 employees and spouses participate in the Pre-Retirement Planning Program.

During 1980, a first contract was negotiated with Local 1962 of the United Plant Guard Workers of America which represents Security staff in the Safety and Security Department.

### **BLOOR-DANFORTH SUBWAY EXTENSIONS**

One of the operating highlights of 1980 was the November 22 opening of the east and west extensions to the crosstown Bloor-Danforth subway line. In the east, the subway was extended 1.6 miles from Warden Station to a new terminus at Kennedy Station. The westerly extension from Islington Station to the new Kipling Station terminus is 0.9 miles in length. The opening of the extensions increased the length of the subway system to 33.8 miles.

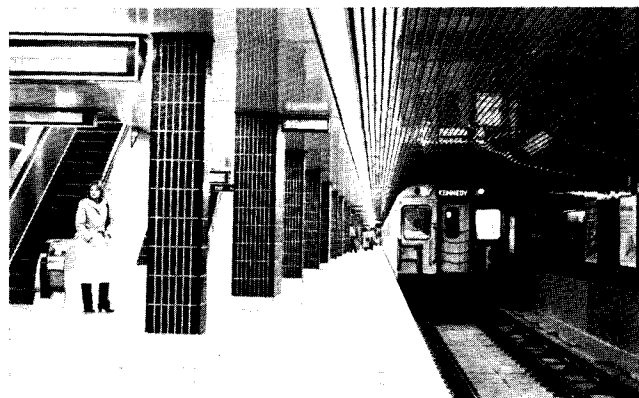
The two new terminal stations include large commuter parking lots, Kiss-and-Ride facilities and convenient subway/bus passenger transfer platforms. A total of eleven escalators are included in the stations.

Kennedy Station is a four-level structure incorporating elevated platforms to serve as the southern terminus for the Scarborough Rapid Transit Line. On June 30, 1981, the Commission approved a change in the technology to be used for the Scarborough project. This change will require modification to the LRT platform level to suit the new technology.

Kipling Station has provision for a connection with GO Transit commuter rail trains and for a future Light Rail or Intermediate Capacity Transit Line to the north and west.



Kennedy Station



Kennedy Station

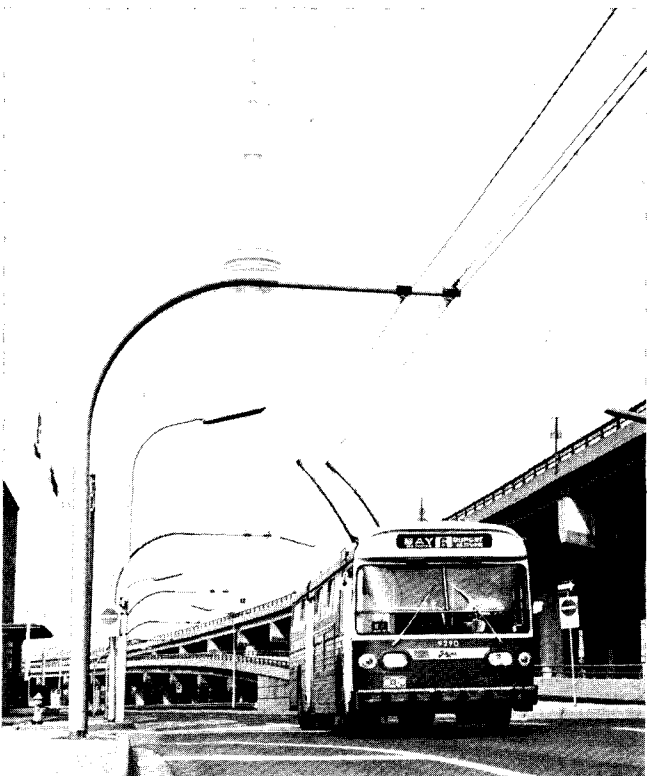


Kipling Station

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## SURFACE ROUTE CHANGES ASSOCIATED WITH THE OPENING OF THE BLOOR-DANFORTH EXTENSIONS

Co-incident with the opening of the east and west subway extensions, the Commission introduced an extensive program of associated surface route changes. The new routes and extensions were designed to provide as many direct-to-subway feeder routes as practicable so that passengers would get the maximum benefit from faster subway service. In all, four new routes were started, twelve were rerouted or extended to the new stations, and service improvements and schedule changes were introduced on many more.



## ROUTE AND SCHEDULE IMPROVEMENTS

In addition to the new and extended routes associated with the opening of the subway extensions the Commission continued to expand and improve service on a Metro-wide basis. The major service developments during 1980 were as follows:

### ANCASTER PARK 3

– New route to serve the De Havilland – Downsview area.

### BATHURST 7

– Route extended north from Steeles Avenue to Arnold Avenue in Thornhill.

### BELLAMY 9

– Route extended to serve the Malvern area.

### BROADVIEW 8

– New route branch added to serve Cosburn Avenue.

### BROADVIEW 8C

– Route extended to service the Commissioners Street industrial area.

### JANE 35A

– Route extended to serve the Hullmar Drive area.

### JANE 35D

– Route extended to serve the Falstaff Avenue area.

### KENNEDY 43C

– Route extended to serve the Malvern area.

### MALTON 58

– Route extended to Westwood Mall to provide connections with Mississauga Transit routes serving the Malton area.

### WILSON HEIGHTS 105

– Route extended north from Steeles Avenue to Glen Shields area in the Town of Vaughan.



## TRANSIT IN THE 1980's: A NEW DIRECTION

In early 1979, the Commission released the report "Transit in Metro: Some Tough Choices". This report acknowledged that for a number of reasons, many of them beyond Commission control, e.g. increased automobile ownership, a static population, unemployment, the state of the economy, and fare increases, system usage had declined from the previous all-time high of over 357 million in 1975 to an annual rate of 345 million in 1978. (Actual ridership was reduced by a strike to 337.6 million.) The Tough Choices report argued that some basic decisions had to be made in 1979 with respect to the fundamental role that transit would be expected to play in Metropolitan Toronto in the future. In this regard the report also outlined a series of options designed to serve as the basis for the long-term future direction of transit.

Throughout 1979, a special Metro-TTC Policy Committee met regularly to review the data contained in Tough Choices. Based on their evaluation of all the information detailed in the document, the Committee released a summary staff report entitled "Transit In The 1980's: A New Direction". In November, 1979, the Committee held public meetings to generate and receive responses to the staff recommendations which focussed on four possible options for the general direction of transit in Metro. In late 1979, the Committee accepted staff's recommendation for the option which involved a full-scale commitment to give transit more priority and support through a variety of policies and to provide additional financial aid for the implementation of these policies.

The Committee's recommendation was approved by Metropolitan Toronto Council in January, 1980 and throughout the year a number of the recommended initiatives were implemented. These included a fare freeze in 1980, a reduction in the Commission's revenue/cost ratio target, the introduction of a monthly transit pass, new express bus services and significantly improved rush hour service on a number of major surface transit routes. Also recommended and approved was the introduction of new technology, including system-wide implementation of the Communications and Information System (C.I.S.) based on Phase VI evaluation results and experiments with articulated buses; providing transit more priority on roads; encouraging transit-oriented redevelopment; improvements to the fare collection system; study of peak and off-peak fares and continued high priority for transit-oriented commuter parking. Work in these areas is continuing.

## METROPASS

On May 1, 1980 the Commission introduced METROPASS – a monthly transit pass which enables TTC customers to travel anywhere, anytime on all regular TTC subway and surface routes. The pass consists of two parts – a permanent photo identification card which customers purchase only once for \$1.50, and a separate portion which is purchased every month.

The introduction of a monthly transit pass was part of the recommendations contained in "Transit In The 1980's: A New Direction". Metropass was implemented on an experimental basis to enable the Commission to evaluate customer acceptance of the monthly pass concept and to determine its effect on TTC usage and revenue.

The monthly pass proved popular with passengers and by year end sales were averaging over 50,000 a month. The pass is sold at 52 times the regular adult ticket fare (priced at \$26.00 in 1980) and is popular with heavy users of the system; sales have been in line with forecasts and a report on one year's experience will be made in 1981.





## COMMUNICATIONS AND INFORMATION SYSTEM (C.I.S.)

During 1980, work continued on the design and implementation of Phase VI of C.I.S., a computer-based, data and communications system for all Commission surface transit vehicles. Operational experience with a 100-vehicle test fleet at Wilson Division indicated that improvements in areas such as schedule adherence, emergency response, route supervision and incident handling have been achieved.



Based on these results, the Commission authorized the extension of the C.I.S. program to include the remaining vehicles at Wilson Division. This expansion is now underway and is expected to be completed by late 1982.

## RUCUS – COMPUTERIZED SCHEDULING

The RUCUS (computerized run cutting and scheduling) system is designed to create more cost effective schedules and crew guides by means of various computer programs. Development of the RUCUS program has been carried out since 1978 and during 1980 the system was introduced to Lansdowne, Davenport and Danforth Divisions. With the addition of these three divisions, 78.4 percent of the scheduled bus fleet and 100 percent of the scheduled trolley bus fleet are now run cut by RUCUS to provide improved scheduling.

## COMPUTERIZED TRAIN DESPATCH AND INFORMATION SYSTEM

The Commission's Computerized Train Despatch and Information System is designed to upgrade the control and monitoring systems used in the subway. During 1979, the new system was introduced to the Yonge/University/Spadina line.

In 1980, the system was introduced to the Bloor/Danforth line and train run numbers can now be monitored. The year also saw significant changes to the signal equipment in the field as well as extensive testing to allow for computer controlled terminal despatching.

In the future, the system will allow for intermediate point schedule control to maintain even headways, and computer controlled regulatory signing for train operation to improve energy efficiency and schedule adherence.

## PASSENGER VEHICLE FLEET

At the year end, the passenger vehicle fleet was as follows:

	1980	1979
Diesel Buses	1262	1231
Street Cars	311*	344*
Canadian Light Rail Vehicles (CLR V)	89**	17
Trolley Buses	151	151
Subway Cars	632	618
<b>TOTAL</b>	<b>2445</b>	<b>2361</b>

\* includes two Witt cars leased from the Ontario Electric Railway Historical Association and the Ontario Rail Association.

\*\* includes 32 vehicles leased from the Province of Ontario.

During 1980, fifty new buses were placed into service and nineteen buses were retired. Thirty-three PCC street cars, replaced by CLR V units, were sold during 1980. In addition, seventy-two CLR V's and fourteen subway cars were received from Hawker Siddeley Canada Limited. Delivery of the entire 196-CLR V order is expected to be completed in late 1981.

TTC ridership climbed beyond projected levels to over 366 million riders in 1980. As a result, the number of vehicles that were retired was kept to a minimum to accommodate the unparalleled demand for service. In addition, orders were placed for one hundred and forty-nine 40-foot transit buses and nine 30-foot transit buses in 1980. Delivery of these two orders began in 1981. Also, twelve articulated buses, which are part of a demonstration program sponsored by the Ontario Government, are scheduled for delivery in 1982.



### CANADIAN LIGHT RAIL VEHICLE (CLRV)

The delivery of Canadian Light Rail Vehicles to the TTC was interrupted between April and October by a strike at the Thunder Bay plant of Hawker Siddeley. By the end of 1980, 111 CLRV's had been delivered and 89 cars were accepted by the Commission.

In May 1980, a training program for Operators and Carhouse personnel started at Russell Division. Two hundred and three Russell Operators, 302 Roncesvalles Operators and Equipment Department personnel at Roncesvalles and Russell Carhouses received training on the CLRV units by the end of the year. A total of 505 Operators are trained in the operation of the CLRV.

The new cars now operate on the 502, 503, 507, 511 and 512 routes in daily service. (Route numbers were introduced in 1980 for street car routes.)



In the Spring of 1980, three CLRV's were leased to the car designers, the Urban Transportation Development Corporation (UTDC), for a 90-day test demonstration in Boston. The cars ran in revenue service and were well received in that city.

### OPERATIONS TRAINING CENTRE

The Operations Training Centre is responsible for training and certifying all personnel who operate TTC vehicles. Support programs dealing with passenger and traffic safety and passenger relations are included in the O.T.C.'s programs.

During 1980, a total of 384 operators joined the TTC staff compared to 224 in 1979. In addition, supplementary and refresher training was given to over 2,700 operating and supervisory employees. Another 800 employees from other TTC departments were involved in O.T.C. training programs. Over 48,000 instruction hours were devoted to staff training in 1980.

Also in 1980, the Operations Training Centre accepted delivery of a CLRV training simulator unit. The size and layout of the simulator closely resemble the actual car. All operator controls in the front of the vehicle are provided and function as an actual vehicle. An instructor's control panel is provided.

The unit can simulate a wide variety of normal and emergency conditions that can be encountered under actual operating conditions. The instructor can check that correct techniques are being used to minimize delays and inconvenience to passengers.

### TRANSIT CONTROL

The Commission's Transit Control Centre is the nerve centre of TTC Operations. The centre has three separate but inter-related functions, each one vital to the operation of the 754.29 miles of subway and surface route system — Communications, Signal Control and Power Control.

Throughout 1979, a Steering Committee of senior TTC officials studied the recommendations made in a 1978 report on Transit Control. Four major projects were developed in 1980.

The installation of a new surface supervisory radio communications system was started during 1980. The multi-channel system is designed to improve communications between Transit Control and Supervisory staff who are responsible for regulating service. This system will eventually replace the obsolete PAX call box system.

A new master clock system to ensure that all TTC operations are standardized in terms of time, was installed during 1980. The clock is continually updated automatically by radio signal from Boulder, Colorado.

Emergency microfiche drawings and emergency procedures were completed during 1980. All subway facilities are carefully documented and the material is available for use by TTC, Police, Ambulance Services and Fire Department personnel in the event an emergency situation occurs.

Work also started on the design of a computerized alarm monitoring and emergency procedure system for use in Transit Control. This computerized information storage and retrieval system will improve operating efficiency replacing the current manual data handling methods.

## WHEEL-TRANS

Wheel-Trans is a parallel public transit service for the physically disabled community of Metropolitan Toronto, utilizing both vans and taxis.



It is administered by the TTC and funded by Metropolitan Toronto and the Province of Ontario. Van service is provided by All-Way Transportation Services Limited, a private contractor experienced in operating transportation service for physically disabled persons, while the taxi service is provided by Metro Cab Limited.

Registrations for Wheel-Trans service increased by 35% in 1980 to more than 6,700 registered users. Average daily ridership grew from 450 in January 1980 to approximately 550 in December. In addition to this van ridership, about 95 trips were accommodated on weekdays using 18 taxis. This represented an increase from 70 trips at the beginning of the year when 14 taxis were used.

While Wheel-Trans is not yet a "mature" transit service, expansion will continue in future to provide improved and increased service to Metro's disabled citizens.

## TECHNICAL ADVISORY COMMITTEE ON IMPROVED ACCESSIBILITY (TACIA)

The Technical Advisory Committee on Improved Accessibility (TACIA) was formed in 1979 and comprised of representatives from various TTC departments. The purpose of the Committee was to develop a program to improve accessibility to the surface and subway facilities for the ambulatory handicapped and elderly.

Throughout late 1979 and 1980 TACIA surveyed the entire TTC subway and surface system to identify obstacles to disabled customers. Once compiled, the list of identified obstacles was sent to thirty organizations for the physically disabled for their comments, suggestions and general input. Using this information, TACIA evaluated various projects which would require modifications or additions to rolling stock – subway

and surface – and fixed facilities throughout the transit system. Factors such as the number of disabled persons benefitting, costs, safety implications, time required to implement, comfort and convenience, etc. were used in the evaluation process.

The TACIA draft report and recommendations were subsequently reviewed with the organizations representing the disabled and elderly of Metropolitan Toronto and twenty-one projects which were recommended for implementation and/or further investigation and testing received support.

The TACIA program, estimated to cost \$5.4 million will be implemented between 1980 and 1984 and includes such projects as courtesy seats on subway cars; additional handholds and stanchions on surface and subway vehicles; additional benches; design modifications to existing benches; talk-thru communicators at station collectors' booths; coloured and textured platform edge markers in subway stations; replacement of subway station doors; improved subway train PA system and automatic station stop announcements (audio and visual). A number of other improved accessibility projects for the subway and surface system are also planned for implementation or testing.





## MATERIALS

The Materials Department processed almost 1,200 bids and issued 18,400 purchase orders in respect of 38,350 items valued at \$28,000,000.

Some of the larger purchases included:

	Thousands of Dollars
GM bus and coach parts (2-year contract)	3,750
Fuel oil for 1980-81 heating season	577
1,000 tons of rail for surface track	558
Supervisors and Operators uniforms for 1981	433
4,660 lead acid batteries for 1981-83	416

184,400 requisitions were filled from the 30,000 different maintenance items carried on inventory.

Proceeds from the sale of obsolete vehicles and scrap material amounted to \$585,000.

## UNION CARBIDE PROPERTY ACQUISITION

During 1980, Union Carbide accepted the Commission's offer to purchase the 10-acre property adjacent to the Hillcrest Yard area. When combined, the 32-acre site will allow the TTC to consolidate two of its major shop facilities at Hillcrest. It is expected that the Parkdale Shop will be relocated at Hillcrest by the mid 1980's.

## TRACK, ROADWAY AND OVERHEAD

During 1980, the TTC continued its program of rehabilitating surface trackwork. In conjunction with the City of Toronto and Metro paving programs, major track rehabilitation was carried out on sections of Gerrard Street, King Street, Queen Street, College Street, Church Street, Dufferin Street, Lake Shore Blvd. and Bathurst Street. Special trackwork was replaced at eight locations and worn rail at car stops was renewed at 14 locations.

TTC Plant Department crews also carried out rail programs in the subway. Rail was transposed in two sections totalling 4,000 feet. Rail was also installed for the Bloor-Danforth subway extensions. Subway rail renewal was carried out at 18 locations on the Yonge and Bloor/Danforth lines.

Electrical crews replaced 42,000 feet of trolley wire as part of both emergency and regular maintenance programs. In relation to the overhead power system, the TTC undertook complete installation of equipment for the new Russell Substation.

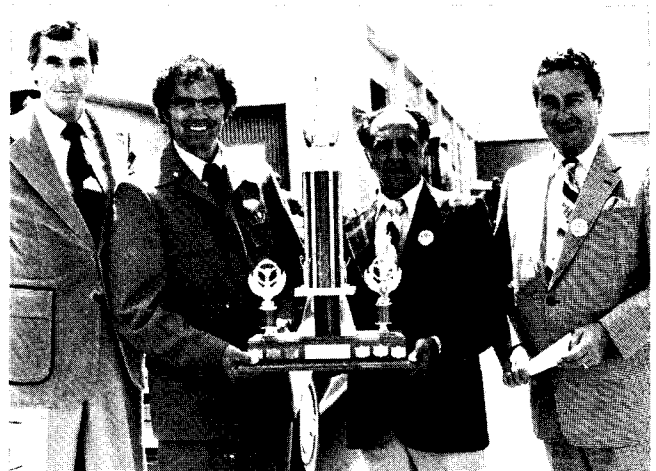
## SAFE DRIVERS

TTC Operators set another record in 1980 reducing the accident rate to 3.89 per 100,000 miles of operation, the lowest accident rate in TTC history. It represents a 48.5 percent improvement since 1967. Birchmount Division recorded the most improved traffic accident rate with a 27.1 percent improvement.

The TTC's overall accident rate for surface transit operations was the lowest in North America for cities over 1 million population as recognized by an annual competition sponsored by the American Public Transit Association (APTA). The APTA Silver Plaque was awarded to the TTC for the 11th time in the past 14 years, an unprecedented achievement.

During 1980, 746 operators and drivers, each of whom had achieved 10 or more consecutive years of safe driving, were eligible to attend the Annual Safe Drivers Luncheon. Ten of these operating personnel joined the 25-year Safe Driving Club which now brings the total of this elite group to 24 members.

The winner of the Commission's Ninth Annual Bus Rodeo competition, Operator W. Moore of Wilson Division, represented the Commission at the Canadian Urban Transit Association (CUTA) Bus Rodeo in Thunder Bay where he won the Canadian championship, and at the American Public Transit Association Bus Rodeo in San Diego where he placed fourth in a field of 67 drivers from across North America. Operator Moore won the APTA championship in 1977.



(left to right) R. Michael Warren, Chief General Manager, Operator Bill Moore of Wilson Division, Dominic Bonazzo, President/Business Agent, Local 113, Amalgamated Transit Union and Lloyd G. Berney, General Manager - Operations.

## INDUSTRIAL SAFETY

The Commission's 1980 industrial injury frequency rate of 17.3 lost-time injuries per million hours worked, compares very favourably with an all-industry average rate of 33.0 in the Province of Ontario and a rate of 39.0 for the North American Transit Industry as reported by the National Safety Council.

The Commission received the Canadian Urban Transit Association's first place award for the greatest improvement for the reduction of lost-time injuries for cities with a population of 400,000 or more.

Also, various TTC work groups received industrial Safety Achievement Awards from the American Public Transit Association including one Gold Award for 1,000,000 injury-free hours worked, and two Silver Awards for 500,000 hours.

In the Commission's Zero Injury Contest program 28 awards were presented for safety performance among the 43 competing groups. The Parkdale Shop – Unit Overhaul and Free Stores Section – continued their injury-free period which dates back to 1972, reaching 1,300,000 hours. Transportation Department personnel at Lansdowne Division reached the 1,000,000 injury-free hours plateau during 1980.

## SAFETY DISPLAYS AND VISITS

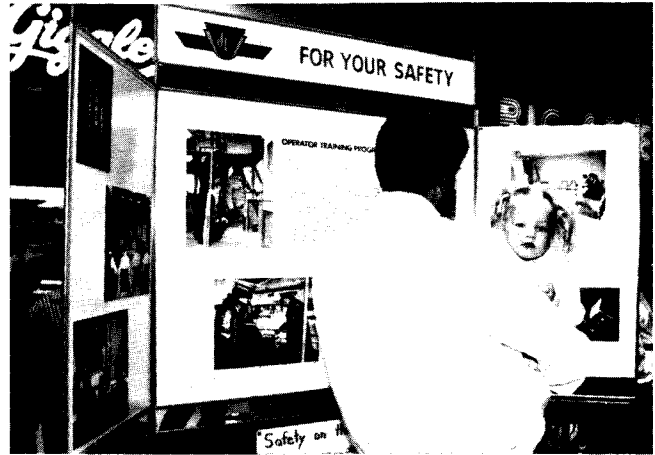
Commission staff from the Safety and Security, Transportation and Marketing and Community Relations Departments, led by the TTC Safety Symbol, Barney Beaver, actively participated in various community functions during the year in order to increase public awareness of the TTC's safety program.

Safety displays were presented at eight shopping malls throughout Metropolitan Toronto, making the public aware of the Commission's safety record, operator training programs and problems associated with vandalism and security on the system. Approximately 77,000 people visited these displays.

In addition to appearances at the mall displays, Barney also participated in visits to City Hall, the Grange Park Festival, three hospitals and four parades, including the Eaton's Santa Claus Parade.

During the year, 77 schools were visited by TTC staff in order to provide students in the junior grades with an understanding of the proper and safe use of their transit system. Approximately 30,000 students and 1,000 teachers participated in this program.

Also, assistance was provided to the Toronto Board of Education and the Adult Rehabilitation Centre in the training of mentally handicapped persons in the safe use of the transit system.





### TRANSIT SECURITY

As part of an ongoing program to ensure passenger safety, uniformed Metropolitan Toronto Police Officers increased their presence in the subway during 1980. This high profile approach to transit security, supplemented by a plain clothes staff of TTC and Police, resulted in the investigation of 1,622 Criminal Code occurrences during the year. This number represents only 0.76 percent of the total number of such offences in Metropolitan Toronto during 1980.

Instruction was provided for approximately 400 Metro Police Officers and 300 new TTC Operators to familiarize them with transit security and emergency procedures.

### FIRE PREVENTION

As a result of a major fire at Christie Station in October 1976, the Ontario Fire Marshal made a series of recommendations regarding fire prevention. As of the end of 1980, all of the recommendations had been implemented, including the installation of fire retardant Neoprene seat cushions in all subway cars, and the installation of a subway dry-drop standpipe system for fire-fighting purposes.

The microfiche system was updated to continue to provide ready access to an up-to-date, completely accurate inventory of all TTC Safety and Security facilities. Copies were distributed to TTC, Police, Fire and Ambulance personnel.

On-site instructional tours of the Bloor-Danforth subway extensions were provided for personnel from Etobicoke and Scarborough Fire Departments. In addition, the annual review of subway fire-fighting facilities with senior officers of all Metro Fire Departments was completed.

## MARKETING AND COMMUNITY RELATIONS

In 1980, Marketing activities were directed at implementation of new programs such as the TTC's monthly pass – Metropass – and the Service Improvements package, which included experiments in express and "local/express" service, in addition to general activities designed to increase ridership.

Community Relations concentrated on improvements and increased emphasis on the distribution of consumer information.

Promotion activities encouraged increased riding during peak period among heavy riders, with secondary emphasis on increased off-peak use of the system. Featuring the economies of using the TTC versus the automobile, advertising capitalized on the growing benefits of using TTC as a result of increased gasoline, parking and car operating costs. Pre- and post-advertising studies strongly supported this approach and assisted by positive external factors, ridership reached 366,000,000 in 1980, an all-time high.

Major activities designed to increase off-peak ridership in 1980 included the successful co-op transit destinations program promoting off-peak travel to Harbourfront, the CN Tower, the Royal Ontario Museum and other major traffic generators and the Special Transit Plan encouraging use of TTC to attend sports events at Exhibition Stadium.

Community Relations activities increased markedly during 1980, in response to the ridership improvement and increased consumer interest. Telephone information capacity was improved, existing consumer information material, such as the Ride Guide and pocket timetables, received increased distribution and new consumer information media were created, including "Our Riders Write", a transit advertising campaign enabling passengers to express their ideas and concerns to other passengers and "Your TTC", a multi-lingual, general TTC information brochure.

The department helped host approximately 1,100 international visitors to the TTC and visited a variety of local community organizations, service clubs and schools throughout Metro who viewed the TTC's audio-visual presentation, "Moving People".

TV programming activity included a second "Transit in the 1980's – A New Direction" program, produced by the TTC, and "Inside The TTC", which provided viewers with a behind-the-scenes look at TTC operations. Transit displays, viewed by an estimated 85,000 people in Metro covered themes such as "Transit Saves Energy", "Transit In The 1980's", and "Wheel-Trans – Transportation For The Physically Disabled".





A variety of research programs were conducted to meet departmental and Commission needs, including a comprehensive Attitude Survey, which assessed attitudes towards various aspects of TTC service, safety, cleanliness and reliability. Overall, the attitudes expressed were slightly more favourable than in 1978.

Effective January 1, 1980, a five-year contract was awarded to Metro Trans-Public Advertising Limited, to handle the sale of advertising space in TTC vehicles and subway stations. The company's sales performance has exceeded expectations.

## CORPORATE PLANNING

During 1980, the TTC's Corporate Planning staff concentrated their efforts on the energy issue. A joint study was carried out with the Ontario Ministry of Transportation and Communications and Metro staff to examine the inter-relationship of transportation and energy efficiency in the Metropolitan Toronto context. This Metropolitan Toronto Area Transportation Energy Study showed conclusively that the TTC does indeed save energy.

Corporate Planning staff are also involved in a review of future rapid transit needs, and in analysing the potential impact of future social changes on the role of the TTC.

## MANAGEMENT SERVICES

The Management Services Department was formed in 1978 to provide a wide range of support services to Commission departments.

In the field of Data Processing additional computer equipment was installed to further improve on-line inquiry capability. Late in the year a PRIME 550 computer for use in the scheduling of driver assignments (RUCUS) was installed in the McBrien Building. This system will result in considerable cost savings in the Transit Planning Department which previously purchased computer services for this purpose from outside sources.

The Graphic Services section continued to improve its capability in printing, art layout and photography through the purchase of a new typesetter and additional photographic equipment.

The Operations Research section contributed to Commission activities through studies on Wheel-Trans Scheduling and Reservation System, New Garage Feasibility and Employment Office Procedures. This group also continued work on the implementation of the Computerized Train Dispatch and Information System.

The Administrative Services section continued to effect cost reductions in such vital functions as office copying, word processing and office equipment maintenance. The section carried out studies for a number of departments on records management, microfilm applications and information retrieval.

The System Development staff continued work on the surface Communications and Information System and implemented improvements to Financial Control and Reporting and Payroll systems. Following a review of available systems, a new Payroll and Human Resources system was selected for installation in 1981.

**Our Riders Write.**  
(Second in a series)

**Vandalism**  
Last year it cost the TTC \$166,400.00. You paid. But last year more people were arrested for vandalism on the system — by TTC security people and by Metro Police. They paid. If you see a vandal on the subway — press the yellow alarm strip. On a bus or streetcar notify the driver. We're getting very good at catching these people. And you're helping us. We offer a \$100 reward for information leading to the arrest and conviction of people causing willful damage to your TTC.

**"A driver asked me if I would design an advertisement explaining the importance of showing the student card as you enter. I hope this idea helps the TTC..."**

**"There is a need for cheap, easily understood subway/train/bus route maps."**

We're trying and trying to make it the better way.

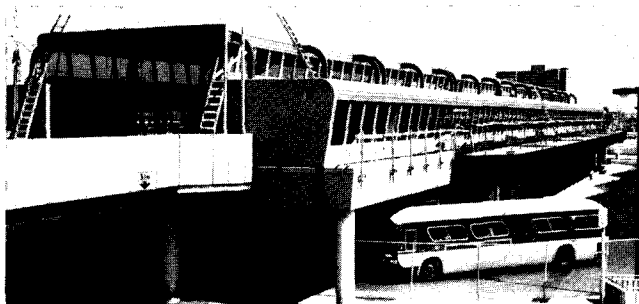


# ENGINEERING AND CONSTRUCTION

## RAPID TRANSIT SYSTEM IMPROVEMENTS

As previously mentioned, the \$99-million extensions to the Bloor/Danforth Subway opened on November 22, 1980. Work also continued on the Scarborough Rapid Transit Line facilities at Kennedy Station in preparation for the opening of the line in 1984.

Improvements to the existing subway system continued in 1980 as outlined below.



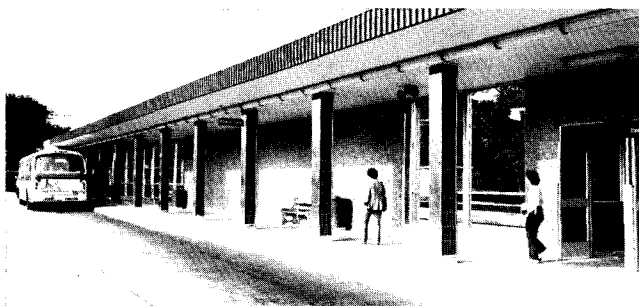
Kennedy Station

## STATION UPGRADING

Three stations on the original Yonge line received considerable work during 1980. The mezzanine and platform areas at Queen Station were redesigned to improve passenger flow. New artwork was installed on the train platforms.

Work continued on the Union Station expansion program. By the end of the year, almost 80 percent of the work had been finished and the project is expected to be completed in 1981.

Rosedale is the first station to undergo complete renovation as part of a program to upgrade all stations on the original Yonge line. New station finishing, improved lighting and new signs were installed, and the collector's booth was relocated.



Rosedale Station: Bus platform above  
Train platform below

## ESCALATOR EXPANSION PROGRAM

As part of the Escalator Expansion Program, six new escalators were installed in the subway system during 1980. Four additional escalators were installed at Queen's Park, Pape, Christie and College Stations. Two escalators were installed at Queen Station at the same time as the station renovation.



## PARKING LOT EXPANSIONS

The 768-space expansion of the Finch West parking lot was completed in the first half of 1980. This brings the number of parking spaces at Finch Station to approximately 3,000.

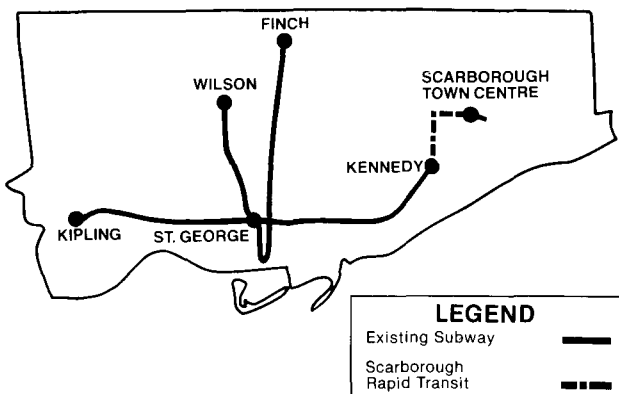
By the end of 1980, over 80 percent of the construction was complete on a third parking lot at Wilson Station. This lot will add another 600 spaces for commuters to the existing 1,400.

Plans are underway to expand the Kennedy Station parking areas during 1981.



## SCARBOROUGH RAPID TRANSIT

Construction of the 4.35-mile Scarborough Rapid Transit project continued during 1980. One construction contract was active at year's end with another six either out to tender or awarded. Design was underway on six further contracts at the end of 1980. However, the Commission at its meeting of June 30, 1981, authorized a change to the technology for the Scarborough project and, as a result, considerable modifications are required to existing and planned structures. The new estimated cost of this project is \$134 million.



Islington and Bloor: The Shipp Centre complex, shown on the extreme right, is directly opposite Islington subway station.

## PRIVATE DEVELOPMENT ALONG THE SUBWAY

TTC involvement has continued on developments being carried out adjacent to our rapid transit system, including such projects as:

- 110 Bloor Street West
- 150 Bloor Street West
- Shipp Centre (Islington and Bloor)
- The Atrium on Bay (Dundas, Bay, Yonge)

These developments are designed such that the subway station is an integral feature of the complex. TTC staff work with developers to ensure that the most efficient designs are employed.

## SPECIAL PROJECTS AND RESEARCH

Engineering and Construction staff were engaged in several special projects during the year. These included the study of various light rail transit lines, subway fire fighting facilities, the articulated bus, an intermediate capacity transit line from Kipling Station to the airport area and expanded commuter parking facilities.

The Research section of the branch is heavily involved with noise and vibration studies for the subway and surface rail systems. Environmental, energy and signal system projects were also undertaken by the section during 1980.



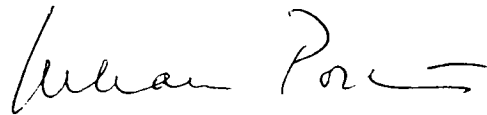
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## CONCLUSION

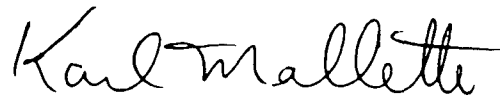
The foregoing are the principal developments in the operation of the transit system during 1980. Your Commissioners believe that the results achieved are indicative of its continuing efforts to extend and improve transit services throughout the entire Metropolitan area. The Commission extends its appreciation to Metropolitan Council, to the elected representatives and officials of all area municipalities, to the Province and to the public generally for their continued support and co-operation.

Preparations for the opening of the Bloor-Danforth subway extensions in the Fall of the year meant much added responsibility and work for all TTC departments. That this work was efficiently carried out during a year when 20.2 million more revenue passengers used the system fully reflects the conscientious effort of the entire staff. The Commission is proud of its employees.

YOURS TRULY



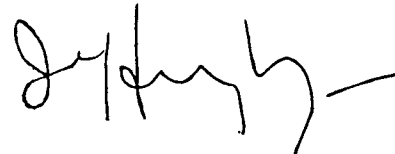
CHAIRMAN



VICE CHAIRMAN



COMMISSIONER



COMMISSIONER



COMMISSIONER

# TORONTO TRANSIT COMMISSION FINANCIAL STATEMENTS DECEMBER 31, 1980



## STATEMENT OF REVENUE AND EXPENSES

	For the year ended December 31	
	1980	1979
	(in thousands)	
REVENUE FROM OPERATIONS:		
Passenger services	\$172,971	\$159,879
Rental of land, air rights, buildings, subway concessions and equipment	3,225	2,718
Rental of advertising space	2,667	2,227
Dividend from Gray Coach Lines, Limited	500	100
Profit on sale of land	2,752	88
Miscellaneous	1,527	851
Total	183,642	165,863
OPERATING SUBSIDY (Note 1)	53,156	45,755
Total Revenue and Operating Subsidy	\$236,798	\$211,618
EXPENSES:		
Wages, salaries and other employee costs	\$179,016	\$162,023
Materials, services and supplies other than the items shown below	24,237	19,450
Electric traction power	11,312	10,375
Automotive fuel, including provincial taxes of \$2,536,000 (1979 – \$2,406,000)	9,691	7,310
Vehicle and other licences	392	374
Municipal taxes	2,396	2,252
Public liability costs	2,032	1,949
Depreciation (Note 3)	5,969	5,937
Debenture interest	1,753	1,948
Total Expenses	\$236,798	\$211,618

# BALANCE SHEET

## ASSETS

	As at December 31	
	1980	1979
	(in thousands)	
CURRENT ASSETS:		
Cash	\$ 722	\$ 821
Accounts receivable –		
Gray Coach Lines, Limited – current account	2,945	2,437
Operating subsidy receivable (Note 1)	20,433	21,973
Capital subsidy and other receivables	12,626	14,267
Materials and supplies, at cost	9,372	7,526
Working funds and prepaid expenses	1,487	1,029
	<u>47,585</u>	<u>48,053</u>
INVESTMENT in capital stock of Gray Coach Lines, Limited, at cost (Note 4)	1,000	1,000
UNAMORTIZED DEBENTURE DISCOUNT	524	568
CAPITAL ASSETS (Note 2):		
Land, buildings, subway, power distribution system, trackwork, rolling stock, buses and other equipment, at cost	967,644	844,750
Less: Capital contributions	<u>753,717</u>	<u>631,143</u>
	213,927	213,607
Less: Accumulated depreciation	<u>140,955</u>	<u>138,064</u>
	72,972	75,543
Subway and other assets under construction	42,693	117,067
Less: Capital contributions	<u>42,693</u>	<u>117,067</u>
	–	–
Total capital assets	<u>72,972</u>	<u>75,543</u>
	<u>\$122,081</u>	<u>\$125,164</u>



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## LIABILITIES

	As at December 31	
	1980	1979
	(in thousands)	
<b>CURRENT LIABILITIES:</b>		
Accounts payable and accrued liabilities	\$ 33,615	\$ 35,106
Debenture interest accrued	421	449
	<u>34,036</u>	<u>35,555</u>
<b>PROVISION FOR:</b>		
Tickets and tokens held by the public	7,450	5,650
Public liability and workmen's compensation	2,000	2,000
	<u>9,450</u>	<u>7,650</u>
<b>CAPITAL DEBT (Note 5):</b>		
The Municipality of Metropolitan Toronto –		
For debentures maturing in annual instalments from 1981 to 1995	24,850	27,028
For sinking fund debentures maturing between 1981 and 1997 less sinking fund balance of \$11,558,000 (1979 – \$12,421,000)	8,560	9,746
	<u>33,410</u>	<u>36,774</u>
<b>EQUITY</b>		
<b>EQUITY ACQUIRED FROM TORONTO TRANSPORTATION COMMISSION ON JANUARY 1, 1954:</b>		
Earnings retained and invested in improvement and expansion of the system by Toronto Transportation Commission	24,804	24,804
<b>EARNINGS RETAINED AND INVESTED IN THE SYSTEM by Toronto Transit Commission (unchanged from prior year)</b>	20,381	20,381
	<u>45,185</u>	<u>45,185</u>
	<u>\$122,081</u>	<u>\$125,164</u>

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## STATEMENT OF CHANGES IN FINANCIAL POSITION

	For the year ended December 31	
	1980	1979
	(in thousands)	
<b>SOURCE OF FUNDS:</b>		
Revenue from operations	\$183,642	\$165,863
Book value of capital asset disposals	135	126
	<u>183,777</u>	<u>165,989</u>
Operating subsidy	53,156	45,755
	<u>236,933</u>	<u>211,744</u>
 <b>APPLICATION OF FUNDS:</b>		
Operating expenses	236,798	211,618
Deduct items not requiring current funds –		
Depreciation	(5,969)	(5,937)
Other	(1,000)	(442)
	<u>229,829</u>	<u>205,239</u>
Expenditures on capital assets (Note 2)	51,945	48,988
Less: Capital contributions	48,411	45,844
	<u>3,534</u>	<u>3,144</u>
Debenture debt repayments	2,519	2,465
	<u>235,882</u>	<u>210,848</u>
 INCREASE IN WORKING CAPITAL	 1,051	 896
WORKING CAPITAL AT BEGINNING OF YEAR	<u>12,498</u>	<u>11,602</u>
WORKING CAPITAL AT END OF YEAR	<u>\$ 13,549</u>	<u>\$ 12,498</u>



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## **NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 1980**

### **1. OPERATING SUBSIDY:**

In 1980, as in prior years, The Municipality of Metropolitan Toronto, after reviewing the Commission's operating budget, agreed to provide an operating subsidy to cover the excess of the Commission's total expenses over total revenue from operations.

The Province of Ontario, through its Transit Operating Assistance Programme, provides funding to the Municipality which in 1980 amounted to approximately 50% of the total of (a) the operating subsidy paid by the Municipality and (b) transit related expenditures made directly by the Municipality.

The Municipality had made payments to the Commission of \$32,723,000 in respect of the 1980 operating deficit leaving a balance receivable of \$20,433,000 at December 31, 1980.

### **2. CAPITAL ASSETS AND CAPITAL CONTRIBUTIONS:**

The Commission constructs or purchases its capital asset additions and receives capital contributions from The Municipality of Metropolitan Toronto and the Province of Ontario. Capital assets are recorded at gross cost in the financial statements and the capital contributions received are recorded as a deduction from this cost. Capital assets do not include land for subways which is purchased by the Municipality and is not recorded on the Commission's books. The current bases for capital contributions are as follows:

- (i) For additions and major improvements to the subway and light rail systems and equipment and for 125 light rail vehicles the Municipality makes a capital contribution equal to the total cost and recovers 75% of this amount from the Province.
- (ii) For most of its other capital asset additions the Commission receives from the Province a 75% capital contribution that is paid through the Municipality.

### **3. DEPRECIATION POLICY:**

The provision for depreciation on capital assets is computed on the straight-line method at rates based on the estimated average useful life of each asset group. Depreciation is charged only on that portion of the total cost of capital assets borne by the Commission.



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#### 4. GRAY COACH LINES, LIMITED:

Gray Coach Lines, Limited, a wholly-owned subsidiary of the Toronto Transit Commission, operates interurban coach services and, through its subsidiary, Gray Coach Travel Inc., a travel business. Its consolidated financial statements are published separately. The accounts of Gray Coach Lines are not consolidated with those of the Toronto Transit Commission because consolidation is not felt to be the more informative presentation in the circumstances. The earnings of the Company, after payment of dividends to the Commission, are retained to maintain and improve the service and facilities for the benefit of the population it serves and are not likely to accrue to the Commission. In addition, the Company's fares and routes are regulated by the Province of Ontario and a significant part of the Company's operations is carried out under an agreement with the Toronto Area Transit Operating Authority as part of the "Go Transit" commuter system.

The earnings of Gray Coach Lines, Limited are recorded in the accounts of the Commission only to the extent of dividends received which amounted to \$500,000 in January 1980 (January 1979 - \$100,000). A dividend of \$600,000 was received in January 1981. The results of Gray Coach Lines' operations are summarized as follows:

	GRAY COACH LINES, LIMITED (including Gray Coach Travel Inc.)	
	For the Year ended December 31	
	1980	1979
	(in thousands)	
Revenue	\$34,593	\$33,906
Expenses, including Ontario income taxes	32,540	32,403
Net earnings for the year	<u>\$ 2,053</u>	<u>\$ 1,503</u>

The Company's balance sheet is summarized as follows:

	ASSETS	
	As at December 31	
	1980	1979
	(in thousands)	
Current assets	\$ 6,290	\$ 5,614
Short term investments, held for replacement of terminals and other capital assets and public liability settlements	4,400	3,000
Capital assets, at cost less accumulated depreciation	10,902	11,320
	<u>\$21,592</u>	<u>\$19,934</u>
	LIABILITIES AND SHAREHOLDERS' EQUITY	
Current liabilities	\$ 5,171	\$ 4,987
Provisions, mainly for public liability and workmen's compensation	1,490	1,469
Capital stock, reserve and retained earnings	14,931	13,478
	<u>\$21,592</u>	<u>\$19,934</u>

The Statement of Revenue and Expenses reflects charges of \$4,390,000 in 1980 (\$4,866,000 in 1979) made to Gray Coach Lines, Limited by the Commission for rental of property and equipment, use of joint facilities and administrative services.



## 5. CAPITAL DEBT:

Capital borrowings by the Commission are effected through the issue of Municipality of Metropolitan Toronto debentures. The Commission is required to provide the Municipality with funds to meet all principal and interest payments on such debentures. At December 31, 1980 the net capital debt of the Commission was as follows:

	1980	1979
	(in thousands)	
Instalment debentures –		
2 <sup>3</sup> / <sub>4</sub> % due 1980	\$ –	\$ 185
3 <sup>3</sup> / <sub>8</sub> % due 1981*	347	684
3 <sup>1</sup> / <sub>2</sub> % due 1983*	837	1,096
4% due 1983	582	761
3 <sup>1</sup> / <sub>2</sub> % due 1984	695	854
5 <sup>3</sup> / <sub>8</sub> % due 1992	2,457	2,601
5 <sup>1</sup> / <sub>2</sub> % due 1993	6,272	6,597
5 <sup>1</sup> / <sub>4</sub> % due 1995	13,660	14,250
	<u>24,850</u>	<u>27,028</u>
Sinking fund debentures –		
4 <sup>1</sup> / <sub>8</sub> % due 1986*	121	263
5% due 1993	665	813
6% due 1996	4,158	4,679
6% due 1997	1,623	1,798
7% due 1997	1,993	2,193
	<u>8,560</u>	<u>9,746</u>
	<u>\$33,410</u>	<u>\$36,774</u>

\*These debentures are payable in U.S. dollars and have been converted into Canadian dollars at rates ruling at time of issue. On the basis of the December 31, 1980 exchange rate the Commission would have an additional liability of approximately \$258,000 on the above amounts.

Instalment debenture maturities and scheduled sinking fund payments required in each of the next five years are approximately \$2,100,000.

The sinking fund balance of \$11,558,000 at December 31, 1980 consists of:

- (i) the annual levies paid by the Commission into The Municipality of Metropolitan Toronto sinking fund together with interest credited at the rate of 3% per annum, which is the rate to provide sufficient funds to retire the debentures at maturity, and
- (ii) the Commission's equity of \$3,248,000 in the actual earnings of the sinking fund in excess of the 3% rate.

## 6. PENSIONS:

The Commission has a contributory pension plan covering substantially all employees including those assigned to Gray Coach Lines, Limited. The Commission and employees contribute equally to the Pension Fund Society. The rate of contributions for 1980 for each member and the Commission was 7.5% of wages and salaries less the amounts required to be contributed to the Canada Pension Plan. The contribution by the Commission covers both its share of current service costs and amounts required to liquidate the unfunded liabilities of the plan, which at December 31, 1980 amounted to approximately \$72,000,000, over the periods prescribed by law. These unfunded liabilities result from improvements made to the plan in 1980 and prior years, based on the advice of the Society's independent actuaries.

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April 10, 1981

## **AUDITORS' REPORT**

To the Chairman and Members  
of the Toronto Transit Commission:

We have examined the balance sheet of Toronto Transit Commission as at December 31, 1980 and the statements of revenue and expenses and changes in financial position for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Commission as at December 31, 1980 and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

*Pricewaterhouse & Co.*

Chartered Accountants

# FINANCIAL AND OPERATING STATISTICS

## 10 YEAR SUMMARY

### 1971 – 1980



	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	% Increase (Decrease) 1971-1980
<b>PASSENGERS/OPERATING REVENUE</b>											
Passengers (Millions)	281.5	293.0	329.0	329.8	357.6	350.6	348.7	337.6	346.2	366.4	30.2
Basic Adult Fare (at December 31)	25.0¢	25.0¢	25.0¢	25.0¢	33.3¢	40.0¢	40.0¢	42.9¢	50.0¢	50.0¢	100.0
Total Operating Revenue (\$ Millions)	83.6	86.7	85.3	84.3	107.9	132.1	137.7	146.0	165.9	183.6	119.6
Operating Revenue per Mile	113.9¢	116.1¢	106.5¢	101.0¢	114.4¢	137.5¢	145.9¢	147.9¢	167.6¢	181.1¢	59.0
Operating Revenue per Passenger	29.7¢	29.6¢	25.9¢	25.6¢	30.2¢	37.7¢	39.5¢	43.2¢	47.9¢	50.1¢	68.7
<b>OPERATIONS/EXPENDITURES</b>											
Miles Operated, Including Charters and Special Services (Millions)											
Motor Buses	35.6	36.9	39.4	40.5	46.0	47.5	46.9	46.9	48.1	49.3	38.5
Subway Cars	22.8	23.0	26.2	29.7	34.1	34.6	33.8	38.2	37.7	38.6	69.3
Streetcars	11.0	10.8	10.9	9.9	10.5	10.1	9.5	9.4	9.1	9.4	(14.5)
Trolley Buses	4.0	4.0	3.6	3.4	3.7	3.9	4.2	4.2	4.1	4.1	2.5
	<u>73.4</u>	<u>74.7</u>	<u>80.1</u>	<u>83.5</u>	<u>94.3</u>	<u>96.1</u>	<u>94.4</u>	<u>98.7</u>	<u>99.0</u>	<u>101.4</u>	<u>38.1</u>
Average Number of Employees (Including Gray Coach Lines, Ltd.)	6,815	7,042	7,330	7,565	8,047	8,473	8,525	8,632	8,703	8,689	27.5
Average Hourly Wages & Benefits per Driver	\$5.16	\$5.79	\$6.07	\$7.52	\$8.15	\$8.86	\$9.62	\$10.27	\$10.81	\$11.67	126.2
Total Expenses (\$ Millions)	86.5	92.8	103.2	118.5	146.0	167.7	180.0	196.4	211.6	236.8	173.8
Expense per Mile	117.8¢	124.2¢	128.8¢	141.9¢	154.8¢	174.5¢	190.7¢	199.0¢	213.7¢	233.5¢	98.2
Expense per Passenger	30.7¢	31.7¢	31.4¢	35.9¢	40.8¢	47.8¢	51.6¢	58.2¢	61.1¢	64.6¢	110.4
<b>OPERATING SUBSIDY</b>											
Operating Subsidy (\$ Millions)	2.9	6.2	17.9	34.2	38.2	35.6	42.3	50.4	45.7	53.2	
Operating Subsidy per Mile	4.0¢	8.3¢	22.3¢	41.0¢	40.5¢	37.0¢	44.8¢	51.1¢	46.2¢	52.4¢	
Operating Subsidy per Passenger	1.0¢	2.1¢	5.4¢	10.4¢	10.7¢	10.2¢	12.1¢	14.9¢	13.2¢	14.5¢	
<b>CAPITAL ASSETS</b>											
Investment in Capital Assets (before depreciation and contributions) at Dec. 31 (\$ Millions)											
Subway	372.6	407.1	436.6	453.1	523.1	611.7	726.8	786.8	827.3	836.3	124.4
Surface	90.3	92.8	93.9	107.1	117.1	124.6	125.0	126.6	134.5	174.0	92.7
	<u>462.9</u>	<u>499.9</u>	<u>530.5</u>	<u>560.2</u>	<u>640.2</u>	<u>736.3</u>	<u>851.8</u>	<u>913.4</u>	<u>961.8</u>	<u>1,010.3</u>	<u>118.3</u>
Metro and Provincial Contributions	260.6	291.9	320.4	349.1	426.8	522.9	637.6	701.0	748.2	796.4	205.6
T.T.C. Investment (before depreciation)	<u>202.3</u>	<u>208.0</u>	<u>210.1</u>	<u>211.1</u>	<u>213.4</u>	<u>213.4</u>	<u>214.2</u>	<u>212.4</u>	<u>213.6</u>	<u>213.9</u>	<u>5.7</u>
Vehicle Fleet											
Buses	963	1,006	1,097	1,165	1,218	1,219	1,235	1,219	1,231	1,262	31.0
Subway Cars	334	410	410	416	498	494	534	590	618	632	89.2
Trolley Coaches	152	152	152	151	151	151	151	151	151	151	(0.7)
Streetcars	422	418	393	389	388	358	354	342	342	311	(26.3)
C.L.R.V.s	-	-	-	-	-	-	-	-	17	89	
	<u>1,871</u>	<u>1,986</u>	<u>2,052</u>	<u>2,121</u>	<u>2,255</u>	<u>2,222</u>	<u>2,274</u>	<u>2,304</u>	<u>2,359</u>	<u>2,445</u>	<u>30.7</u>

