

# **SAUGEEN MOBILITY**

**and REGIONAL TRANSIT**

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Tuesday, May 28, 2019

Dear Member Council,

I would like to flag a recent decision by the Government of Ontario regarding the dedicated Gas Tax for Public Transportation (Gas Tax) Program. In its 2019 Budget, the provincial government announced a cancellation of a planned increase to municipalities of much-needed operational and capital funding for transit.

Under the Gas Tax for Transit Program, transfers to transit services were set to increase from the current two cents per litre to four cents per litre by 2021-22. This small increase at the pump would have provided much needed additional funding to all public transit services across the province for capital projects and rising operational costs.

In addition to cancelling the planned two cent increase to municipalities, the province also announced a review of the Gas Tax Program. As you know, this program plays a crucial role in enabling municipalities across Ontario to deliver on the transit services that Ontarians need and deserve.

Since its inception in 2004, the Gas Tax Program has become an irreplaceable, flexible source of capital and operational funding that Ontario transit systems of all sizes count on to serve their communities. This program has delivered on its objectives and demonstrably led to ridership increases for transit, year over year. Transit systems will not be able to meet the needs of Ontarian commuters if they do not have operational funding to provide convenient, affordable and reliable services.

In 2018, SMART provided over 36,000 rides to the most vulnerable members of your community enabling them to get to medical appointments, go to work, go shopping, visit family and friends and generally stay mobile and involved. These residents already have difficult lives and would find it nearly impossible to leave their homes without the transportation service you provide through SMART.

The Gas Tax for Transit program is critically important for SMART.

I believe that a discussion at Council is warranted regarding the potential effects that the cancelled increase could have on SMART, as well as any future impacts from potential changes to the existing two cents per litre Gas Tax for Transit program. The program review will last for a few months this spring/summer, and a decision by the government on its future is anticipated in late summer/early fall.

I am becoming very, very concerned about the future of this program.

I am asking council to discuss this urgent matter and that you consider the draft Council motion attached that was developed by our industry association, the Ontario Public Transit Association.

***local and personal since 1977***

Council's support for SMART and the Ontario transit industry's advocacy on this issue would be greatly appreciated.

I look forward to working with you to preserve the services that your residents depend on from their transit system.

Best regards,



Roger Cook  
Manager

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**MOTION TO URGE THE PROVINCE OF ONTARIO TO PRESERVE THE DEDICATED GAS TAX FOR PUBLIC TRANSPORTATION PROGRAM**

Whereas the Government of Ontario unilaterally cancelled a planned two cent incremental increase to gas tax transfers to municipalities; and

Whereas transit systems will not be able to meet the needs of Ontarian commuters if they do not have operational funding to provide convenient, affordable and reliable services; and

Whereas the dedicated Gas Tax for Public Transportation Program has, since its inception in 2004, become an irreplaceable source of capital and operational funding that Ontario transit systems of all sizes count on to serve their communities; and

Whereas transit systems have, since the program became permanent in 2014, experienced year-over-year ridership increases as a result of service level improvements; and

Whereas Saugeen Mobility and Regional Transit provides a vital transportation service for the vulnerable residents of our municipality.

IT IS RESOLVED THAT THIS COUNCIL:

Request that the Government of Ontario continue to support transit systems across the province, recognizing the economic, environmental, and social benefits of public transit investments.

Request that the Government of Ontario make evidence-based decisions when considering the effectiveness of current gas tax transfers to municipalities in growing transit ridership across Ontario.

Request that the Government of Ontario preserve and continue existing gas tax transfers to municipalities as a dedicated source of funding for public transit.