Public transit keeps Canadian cities on the move—getting people to work and school, reducing congestion and air pollution, supporting smart growth, and keeping our downtowns vibrant. Transit is clean, safe and efficient—it’s our ticket to a better quality of life.

The Canadian Urban Transit Association (CUTA) is the voice of Canadian transit systems, suppliers and related organizations. CUTA was founded in 1904 as the Canadian Street Railway Association, and celebrated its 100th anniversary in 2004.

CUTA provides training, communications, research and advocacy services on behalf of over 100 transit systems, 250 private companies, and 75 government agencies, institutions and individuals. Its mandate is to promote the role of transit in providing mobility to Canadians, and to help members achieve their objectives.

We’ve come a long way

Canadians have enjoyed urban transit service for over 140 years. Since the Toronto Street Railway Co. started a horse-drawn streetcar service in 1861, our country has seen electric trolleys, motorized buses, steel-wheeled and rubber-tired subways, automated people-movers, and even hydrogen-powered buses that emit nothing but water vapour.

Over the years, Canada has seen many leading-edge transit developments. Our North American milestones have included the continent’s first electric streetcar (Windsor, Ont.), the first modern light rail line (Edmonton, Alta.), the first rubber-tired subway (Montreal, Que.), and the first line-haul automated people mover (Vancouver, B.C.). On a global scale, Canadians can claim one of the world’s first bus rapid transit systems (Ottawa, Ont.) and the first wind-powered light rail system (Calgary, Alta.).

Moving Canadians effectively and efficiently

More Canadians than ever are served by public transit—over 20 million people, or 80% of those living in urban areas. They make an average of 78 transit trips each year, for a national total of more than 1.5 billion trips (see Figure 1).

Many urban Canadians rely on transit to meet their daily transportation needs. In the country’s 27 largest metropolitan areas, about 15% of commuters (or 1.35 million people) take transit to work—outnumbering the combined number of walkers, cyclists and car passengers. In Canada’s several largest downtowns, an even higher proportion of commuters—over 50% in most cases—ride transit to avoid road congestion and costly parking fees.

Figure 1
Transit ridership in Canada

Note: This issue paper is a revised and updated version of Issue Paper 4 (published in April 2003), and presents information on the services provided by CUTA members. All figures exclude the relatively small number of Canadian transit systems and suppliers that are non-members. Unless otherwise noted, operating information on Canadian transit systems has been provided by members. CUTA’s annual Summary of Canadian Transit Statistics (available from www.cutactu.ca) provides a summary of related information.
For transit systems, serving large passenger volumes efficiently is a complex and high-stakes objective. Every day, Canada’s 12,200 buses and 2,600 rail vehicles travel millions of kilometres with a cost-effectiveness that outshines most other countries. Passenger fares generate 61% of the $3.4 billion invested by Canadian transit systems in their operations each year. This level of cost recovery is almost double the 34% rate reported by transit systems in the United States for 2003. This accomplishment has resulted from much hard work by Canadian transit systems over the last decade, as they have struggled to improve performance and make the most of limited financial resources.

The cost-effectiveness of Canadian transit systems was confirmed by a recent comparison of five large Canadian transit systems to numerous others in the United States, Europe, Australia and Asia. The Canadian systems’ average operating cost per passenger-kilometre of service was lower than that of the Australian, European and American cities, and almost as low as that of Asian cities like Hong Kong and Tokyo.

**Offering mobility to those who need it**

Transit creates important opportunities for Canadians with disabilities. To serve them better, conventional transit systems are becoming more accessible. Almost 40% of buses have low floors that make it easy for people with disabilities to get on and off—and the number of low-floor buses grows significantly each year.

Many Canadians, however, have mobility needs that cannot be met by conventional transit. CUTA’s membership includes 60 specialized transit providers that serve about 240,000 registered users in 130 communities. Over 40% of their customers rely on a wheelchair or scooter, while 55% can walk but still need travel assistance.

In total, specialized transit providers carry almost 12 million passengers each year. They employ 2,500 workers and a fleet of 1,900 vehicles, ranging from passenger cars to medium-sized, low-floor or lift-equipped buses. The annual investment in specialized operations and infrastructure is over $250 million. Municipalities provide 70% of specialized transit systems’ operating funding, with 20% coming from provinces and the remainder from fares.

**Helping the environment**

On behalf of the entire transit industry, CUTA was awarded the GLOBE Foundation’s Industry Association Award for Environmental Performance in 2004. This honour is given to “an association representing an industry sector that has shown leadership by going beyond regulatory compliance to develop a collective commitment to improved environmental performance through research, development and education in partnership with governments, with non-governmental organizations, communities and other stakeholders.”

The GLOBE award reflects the value that Canadian communities place on transit as they strive for greater social, environmental and economic sustainability. Of equal importance, it also reflects the industry’s high degree of environmental commitment and industrial innovation. CUTA’s members have moved aggressively to develop new vehicle and fuel technologies that can reduce the emission of greenhouse gases and smog-causing pollutants, and to reduce fuel consumption through driver training. Canada’s transit suppliers and operators have become international leaders in the research, testing and implementation of clean diesel, bio-diesel, hybrid diesel-electric, natural gas and fuel cell technologies that are helping to preserve both our environment and public health.

**Building a strong economy**

Public transit in Canada is big business, with transit systems investing almost $5 billion each year in operations and infrastructure. Their payrolls include over 43,000 Canadians who live in the very communities they serve. This number alone is similar to the car and light truck assembly, broadcasting, advertising or petroleum extraction industries, while thousands more are employed by a host of private companies that supply essential products and services. The industry creates positive economic impacts through research, development and international sales, but also by reducing traffic congestion, enhancing personal mobility, revitalizing downtown areas, and improving public health and safety.

CUTA’s 250 business members include many leaders in the international marketplace. They offer a complete range of specialized transit products and services:

- Buses and railcars
- Engines, brakes, glass, tires and other vehicle parts
- Heating and lighting systems
- Wheelchair restraints
- Vehicle washing systems
- Tickets and other printed items
- Benches and shelters
- Smart card systems
- Scheduling and dispatch software
- Rail signal engineering
- Planning and design services
- Marketing and advertising

Canada is home to three major bus manufacturers that employ about 2,000 workers and sell about 2,700 buses annually—more than half the volume of the six major bus builders in North America. Sales to the United States make up 80% of their business, and are a large part of Canada’s $2-billion rail and bus export industry.
Doing more with less

Over the 1990s, Canada’s provincial governments significantly reduced their level of investment in public transit. By 2001, they funded just 15% of transit capital costs and 5% of transit operating costs. Some progress had been made by 2003, when provincial funding amounted to 35% of transit capital costs but still less than 5% of operating costs. Several provinces also transfer fuel tax or vehicle licensing revenues to cities that they can use for transit purposes.

For years, Canada’s federal government invested little in transit, and it remains the only member of the G-7 without a dedicated program of direct transit investment. The situation has improved somewhat in recent years, through a series of federal investments in transit infrastructure projects. Indeed, federal announcements of new contributions grew to over $800 million in 2004, from none at all in 2001. A commitment to transfer a portion of the federal gas tax to Canadian communities for sustainable infrastructure was included in the 2005 federal budget, and holds great promise for the future.

While recent transit investments by provincial and federal governments are welcome, they do not fully rectify the operating investment declines of the previous decade. During that period, many municipalities were forced to balance their transit operating budgets by cutting service, raising property taxes or raising fares. In fact, between 1994 and 2003 the average Canadian transit fare increased by 40% while the cost of living rose only 20% (see Figure 2). Continuation of this trend will pose a serious threat to future increases in transit ridership and urban quality of life.

One of the most pronounced effects of inadequate investment has been the deterioration of Canada’s transit infrastructure. The average Canadian transit vehicle is now 10 years old, compared to 7 years in the United States where state and federal governments have played a larger financial role. Buses are typically kept in service for 18 to 20 years, versus 12 to 15 years in the United States.

While maintaining and renewing today’s infrastructure is a real concern, it is equally important that the industry be positioned to meet growing demands from 2004 to 2008. Figure 3 shows how the shortfall of planned investment in infrastructure expansion grew to $8.3 billion for that period, from $3.7 billion for the preceding five-year window.

Figure 2
Average adult transit fare vs. consumer price index

Figure 3
Canadian transit infrastructure expansion needs

REFERENCES

d) Information from www.globe2004.com
e) Information from CUTA members
f) Information from CUTA members and www.apta.com