

**National Farmers Union submission to**

**Public Engagement on Permanent Public Transit Funding in Canada**

October 14, 2022

The National Farmers Union (NFU) supports the expansion of inter-city and community public transit, such as Via Rail nationally, and regional public transit systems such as Go Transit and the former Saskatchewan Transportation Company. The NFU urges all levels of government to reinvest in regional public transit. We also encourage new Crown, co-operative, and Indigenous organization partnerships to share in promoting, funding, and operating appropriate and innovative regional and interprovincial bus services.

In this consultation, the key point we would like to emphasize is that publicly funded rural inter-community public transit is needed to serve Canada's rural and remote areas. Rural public transportation options have been eliminated over recent years, just when alternatives to private vehicles as a strategy to combat climate change and prevent rural depopulation is needed most.

In most of Canada, rural and remote areas are underserved, with intermittent, expensive and sometimes unsafe transportation options; in many cases no public transportation is available. A safe, reliable, accessible, affordable and climate-friendly national public transportation system can be designed to serve both rural and remote communities and larger centers. Such a system would provide greater autonomy, dignity and freedom to people including vulnerable women, youth, elderly, people with disabilities and health conditions and people living in poverty whose safety may depend on reliable transportation. Moreover, Canada's National Inquiry into Missing and Murdered Indigenous Women and Girls final report calls for "safe and affordable transit and transportation services... sufficient and readily available."

A publicly-owned, nationally integrated and properly funded inter-community public transit system is necessary to ensure Canadians in every province and territory can meaningfully exercise their right to freedom of movement, as recognized in Article 13 of the United Nations Universal Declaration of Human Rights.

In 2017 the government of Saskatchewan made life more difficult for farmers and other rural residents by shutting down the Saskatchewan Transportation Company (STC) which provided both passenger and freight (parcel) services to 284 communities in a network with onward connections to centers in other provinces. Many farmers deal with small businesses in communities that relied on STC to ship their orders between communities. Without STC, doing business has become more costly and time-consuming, to the extent that some may not survive. STC provided an essential service between smaller centers. With STC, people who don't drive could still live in a small community, knowing they could get to the city if they needed to, and urban residents without cars or drivers' licenses had the ability to safely and conveniently travel by bus to smaller communities. Ending STC increased rural isolation,

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limited opportunities, promoted depopulation and undermined the rural economy. Four years after STC was dismantled and its fleet sold off, Greyhound announced it would no longer run in Canada as of May 13, 2021. There are now many places where no public transit is available at all.

The aftermath of these bus companies' final exit from our highways highlights the need for a national public transit system that is not dependent on profitability for private providers nor vulnerable to short-term, parochial thinking by local or provincial governments.

We urge provincial, federal, municipal and Indigenous governments to work together to build a transportation system that serves all of our communities. This system can build upon experience with successful current and former public regional transit systems such as the Saskatchewan Transportation Company and GO Transit, and public passenger railway services such as VIA Rail and Northland Railway.

We caution against piecemeal efforts that would allocate profitable routes between major centres to private operators and leave smaller centers dependent on precarious private services that must cut corners or limit service to stay in business or rely on subsidies that belt-tightening governments could easily cut. National public transit must be understood as public utility — essential infrastructure that creates societal value as a whole system. Planning and funding arrangements must protect the national and public nature of a transit system designed to equitably serve rural and remote people.

As we emerge from the pandemic, Canadians are eager to travel across the country to visit family and friends, explore new places and make moves for work, education and new beginnings. As climate change costs rise and with greater awareness of climate justice, people increasingly seek alternatives to air travel.

The NFU agrees with the federal government's public transit goals to build better, more affordable, sustainable, and inclusive communities, and to do that in ways that create good jobs, reduce greenhouse gas emissions, and improve housing affordability. To this list, we must add the goals of connection between communities and improved accessibility for rural and remote residents.

**Social Inclusion:** The Government of Canada can ensure that public transit programs drive and deliver on social inclusion and accessibility by considering rural and remote residents' needs at the outset. A public transit network needs to be designed in an integrated way so that there are convenient nodes that connect transit *within* urban centres to transit *between* communities. A well-designed public transit system can promote higher quality of life in smaller centres, making it more attractive to make their homes and workplaces there, which would have a positive impact on urban sprawl and congestion.

Transit planners should consider integrating parallel services, such as courier, parcel, and freight to multiply the benefits of the public transportation network and to provide additional revenue streams to support the system.

Governments and transit agencies must consult with people affected by the loss of Greyhound, STC, and the reduction in service by VIA rail prior to making planning and investment decisions.

Fares should be kept low to ensure public transit is affordable to those who need it most, and an attractive alternative to private cars.



**Housing Supply and Affordability:** The Government of Canada ensure permanent public transit funding contributes to efforts to improve housing affordability by ensuring the system design creates affordable, comfortable and convenient transportation between smaller centers and large cities. This would make living in smaller communities that often have lower housing prices more attractive – and it would also help keep smaller communities vibrant, preventing decline and deterioration of their housing stock. Excellent inter-city transit would help communities support a wider array of services and businesses, and would also provide access to big city amenities when needed or desired. Better rural transit would improve the quality of life for rural people, making farming a more attractive career choice for young people.

**A Clean and Healthy Environment:** Permanent public transit funding can reduce overall GHG emissions and accelerate Canada's path towards achieving net-zero by guaranteeing freedom of mobility in all parts of Canada. This would reduce the necessity of private cars for every trip made by people in less urbanized areas. New public transit should use electric fleets and electric trains. Transit depots can be equipped with public charging stations to encourage and support a shift to electric cars in rural and remote areas.

Dispersed renewable energy infrastructure can be designed to integrate with electrified inter-community public transit. Renewable electricity sources located along transit routes could be set up to operate independently in the event of grid disruptions from storms. This could help reduce the impact of severe weather while also mitigating climate change by reducing emissions.

The Government of Canada can effectively support investments in zero-emission transit fleets across the country by financing transition from fossil fuel powered fleets with grants and low-interest loans, along with programs to support recovery and recycling of materials from the retiring fleets. Having a highly functional vision and plan for a national publicly funded public transit system that communities can participate in will help speed this transition by making it more attractive.

Because transportation is one of Canada's top sources of GHG emissions, and because public transit can reduce these emissions very effectively, the growing need for climate resilience should be a major factor that informs investments in transit.

**Economic Benefits:** The Government of Canada can ensure that permanent public transit funding drives jobs creation and broader economic benefits by ensuring transit system jobs are unionized, and by ensuring the publicly funded national transit system is designed to provide convenient, affordable service to smaller communities.

**Stronger Coordination and Planning:** The Government of Canada, provincial/territorial, municipal and Indigenous governments can better coordinate and collaborate with one another to deliver the best public transit for their communities by making publicly funded public transit a priority. It may be necessary for the federal government to make a strong case for the benefits of a national public transit system that ties communities together across provincial boundaries. Public transit should be seen as both an essential service to residents of Canada and critical infrastructure that is just as valuable as fixed infrastructure like bridges and roads.

**Future Proof Public Transit Investments:** The Government of Canada *should not* rely on alternative financing methods to support a national public transit system. Public transit needs to be publicly funded



so that it supports public goals and interests. Alternative financing systems would introduce self-interested private actors, whose goals will not be aligned with better, more affordable, sustainable, and inclusive communities, the creation good jobs, GHG reduction, housing affordability and better connection between communities and improved accessibility for rural and remote residents.

Alternative financing systems such as “public-private-partnerships” have a track-record of cost over-runs, inferior quality, exploitation of labour, access restrictions, etc. Government financing is the least expensive and most appropriate option. Creating a national, climate-friendly public transit system is an immense public good that will benefit everyone, and will be in place for the long term. Investing in upfront costs to reduce costs in the future is one of the most prudent uses of public funds. Private investors that might be beneficiaries of “alternative financing systems” through interest payments or profit-guaranteed service contracts would unfairly benefit from the efforts made by all levels of government to upgrade our public transit capacity to serve future needs.

Public-private-partnerships are notorious for locking in sweet deals for the private partner and tying the hands of the public. Our investment in new public transit capacity needs to retain the flexibility to adjust to changing circumstances, as climate change is making our world less predictable.

We recommend that program design elements ensure full public financing of public transit, and that public-private partnerships and private sector financing through the Infrastructure Bank of Canada are prohibited. The Government of Canada can only ensure financing aligns with and/or supports social inclusion and related objectives by ensuring all projects are publicly financed.

Public transit should not stop at the city limits.

Now is the perfect time to create a national publicly-owned, publicly funded transit system that provides safe, reliable transportation for all Canadians.

All of this respectfully submitted by

The National Farmers Union

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*The National Farmers Union is a voluntary direct-membership, non-partisan, national farm organization made up of thousands of farm families from across Canada. Founded in 1969, the NFU advocates for policies that promote the dignity, prosperity and sustainable future of farmers, farm families and their communities.*

