



Comments from the Ontario Professional Planners Institute on
An Act to amend the Income Tax Act to provide for a tax credit
for expenses incurred in using public transit

Standing Committee on Regulations and Private Bills
September 19, 2005

Good Morning. My name is Gregory Daly. I am the Chair of Policy Development at the Ontario Professional Planners Institute.

I would like to thank the Committee for the opportunity to speak and note that my remarks today are based on recommendations contained in our letter to the Minister, dated April 25, 2005. Copies of this submission are available on our website at www.ontarioplanners.on.ca.

The Ontario Professional Planners Institute, also known as OPPI, is the recognized voice of the province's planning profession. OPPI provides leadership and vision on policy matters related to planning, development, and other important socio-economic issues.

As the Ontario affiliate of Canadian Institute of Planners, OPPI brings together the more than 2,600 practicing professional planners from across the province. In addition, there are approximately 400 student members.

The breadth of our members' knowledge and the diversity of their experience provides OPPI with a unique perspective from which to contribute to planning and transportation issues.

OPPI members work for government, private industry, a wide variety of agencies, not-for-profits, and academic institutions, engaging in a broad range of practice areas including urban and rural community planning and design, and environmental assessment.

OPPI is a professional association funded entirely by membership fees and program and activity revenue.

Through our public policy program, we conduct research on planning issues and general quality of life issues. We distribute this information to our members, government, the public and the media. Our purpose is to provide objective and balanced submissions based on the collective experience and wisdom of our members.

We are very pleased to provide this submission on proposed Bill 137 and support this initiative.

Our members are active in formulating the land use and environmental policies and decisions that shape the land use fabric in Ontario.

An objective of OPPI is to improve the quality of the Ontario environment and communities by the application of sound planning principles. Many of our members are involved in the planning and assessment of transportation and other infrastructure projects in Ontario.

It is our submission that Bill 137 would have the effect of reducing travelers' costs of using public transit. In doing so, it would make the costs of travel by transit much closer to those of traveling by automobile (in particular, since transit use would receive similar tax treatment to that of employer-provided parking).

The expected result is that more drivers would leave their automobiles at home and use transit for their daily commute to work.

Our membership has advised that experience in the United States has shown increases upwards of 20 – 30% in new transit ridership when similar credits have been introduced.



OPPI wishes to express its support for Bill 137, for several reasons:

- The proposed tax credit for using public transit represents a proven and effective measure that is necessary to retain existing transit riders, attract new transit riders and promote a more level playing field between automobiles and transit.
- The expected resultant increase in transit ridership supports and is consistent with the basis of Official Plans in many of the Province's cities. In many Official Plans, transit is promoted as the key alternative to driving in order to improve the efficiency of existing urban infrastructure and to reduce consumption of greenfields for new development. Transit achieves this by reducing the demand for 'paved' areas – space allocated to new roads and to parking – and by increasing the overall accessibility of individual properties, making them more valuable for high-density, mixed-use development (which in turn is a more efficient use of land and generally attracts more transit riders).
- Increased transit demand improves the cost-effectiveness of providing transit services: as revenues increase, unit costs decrease. This helps to reduce the public expenditure required to support transit.
- By reducing the number of automobiles on the road during peak travel times, the resultant increased transit ridership will help reduce congestion. Recent research in Canadian cities has shown that the costs of congestion are substantial, and growing, including value of time lost to delay and increased vehicle operating costs.



- Removal of drivers who do have the choice to use transit improves operating conditions and reduces costs for those who do not have the choice, such as trucks. Reduced congestion times improve the reliability of 'on-time' deliveries an important tool in the Province's overall competitiveness.
- Reductions in congestion, and in the numbers of automobiles on the roads generally, results in reduced emissions of air pollutants and greenhouse gases. Because smog and poor air quality have been linked with increased incidents of childhood asthma and other health problems, reductions would reduce costs of health care and lost productivity, while quality of urban life and promoting healthy communities.

Conclusion

OPPI is dedicated in its support of good community planning in this Province. We appreciate this opportunity to indicate our support for this critical issue, which has the potential to benefit planning, human health and the environment while reducing public outlays of money for transportation infrastructure in Ontario.

Thank you and I would be pleased to answer any questions.

