

The Toronto Sun

New road tolls?

Study also to recommend fuel levy to pay for transit systems in GTA, Hamilton

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JASON BUCKLAND, SUN MEDIA

A study to be released today will urge local governments to adopt a range of new taxes -- including road tolls and a gas levy -- to fund highway and public transit systems.

The study, authored by Trent University professor Harry Kitchen, proposes a tax for the use of major 400-series highways in the GTA and Hamilton area, as well as the QEW, Don Valley Parkway, Gardiner Expressway and other "major arterial highways deemed appropriate."

It also suggests a fuel tax for the area and notes that "a charge of 6 cents per litre would generate new revenue of between \$300 million and \$420 million per year.

"A municipal fuel tax is a blunter instrument than road tolls for controlling individual behaviour but it is most certain to have an impact as commuters are likely to drive less if gas prices rise," Kitchen noted in the study, to be released at a Queen's Park press conference.

Funds collected would aim to relieve gridlock and improve the transit infrastructure without raising property taxes.

BILL IN THE MAIL

Kitchen suggests a governing body like Metrolinx -- a public transit authority created by the Ontario government in 2006 -- be given power to implement taxes and decide the allocation of cash.

The cost or how taxes would be collected is not provided, but drivers could receive a bill in the mail like the ones Hwy. 407 sends out.

A toll of 7 cents per km of travel would generate \$700 million in revenue annually, the report estimates.

"There's no right answer to how something like this should work," said Andy Manahan, executive director of the Residential and Civil Construction Alliance of Ontario (RCCAO), which commissioned the study.

"But traffic gets worse and worse every year and it's important to open up a dialogue on these issues."

The report recommends varying degrees of road tax, based on type of vehicle and distance travelled.

A large truck that causes more damage to roadways would be charged more than a hybrid, for example. Time of day when travelling would also factor into the cost.

"It gives people incentive to become more fuel efficient," Manahan said, noting how similar road tax systems are already in place in the U.K. and Singapore.

"If money is funnelled into public transit, the better it will become and the more people will use it."

Manahan said road tolls work in London because the public transportation structure is so expansive.

"We're not at that point yet where the transit system reaches enough people in the GTA," he said.

"That might take 10 or 20 years to get, but we've got to start somewhere to generate revenue."

The RCCAO will meet with Transportation Minister Jim Bradley on Wednesday to discuss the study.

The study also proposes a tax on fuel, non-residential parking and vehicle registration.

PARKING SPOT

Fuel could see a hike of 6 cents per litre, while each parking spot would be taxed \$25 annually to subsidize local transit and streets.

Right now, Toronto is the only municipality that imposes vehicle registration fees.

Kitchen argues this authority should be imposed across the GTA and Hamilton area.