

Standing Committee on Finance (FINA)

Pre-budget consultations 2012

Anders Swanson

Responses

1. Economic Recovery and Growth

Given the current climate of federal and global fiscal restraint, what specific federal measures do you feel are needed for a sustained economic recovery and enhanced economic growth in Canada?

To see sustained economic recovery and growth, the federal government must lower our national health care costs by fighting preventable chronic disease, increase our productivity per hour worked and reduce transportation costs for Canadians. The only effective way to do all of the above at once is to adopt proven strategies that will encourage Canadians to ride bicycles and walk more often. Overall, the required actions can be summarized in three steps: 1. Invest in better cycling infrastructure immediately. Cycling infrastructure is relatively inexpensive to build, much cheaper to maintain and the rewards across a broad spectrum are great. A wide majority of Canadians report that they are willing to cycle to work if they can do so on dedicated infrastructure and if it takes less than 30 minutes. The average Canadian commute is well under 10km, making gaps in dedicated cycling infrastructure the only barrier to an immediate increase in cycling mode share. The pace at which such infrastructure is being built across Canada has exploded over the last five years. The uptake has matched – or exceeded – the investment in every case. Municipalities big and small already have plans on the books for age-friendly, bikeable, walkable communities. In the last five years alone, for example, every major Canadian city has developed a bicycle and walking roadmap for the future with ready-to-go projects totaling billions of dollars. The chance to apply for federal funding would bring these projects to the forefront and get Canadians moving much sooner. 2. Invest in better walking infrastructure immediately. New designs and new best practices have made our current methods obsolete. Pedestrians now must come first. Help cities, towns and communities adapt. Walking infrastructure quality affects everything from commercial activity to diabetes levels to the viability of mass transit. Follow the example of the United States and set aside a large and predictable amount of federal funding. 3. Develop a national active transportation policy that sees the needs of pedestrians and cyclists integrated into the mandates of Health Canada, Environment Canada, Transport Canada and any department that stands to benefit from increased walking and cycling.

2. Job Creation

As Canadian companies face pressures resulting from such factors as uncertainty about the U.S. economic recovery, a sovereign debt crisis in Europe, and competition from a number of developed and developing countries, what specific federal actions do you believe should be taken to promote job creation in Canada, including that which occurs as a result of enhanced internal and international trade?

Building cycling infrastructure creates more jobs: Comprehensive American research into the results of recent economic stimulus funding shows that building cycling infrastructure creates more jobs than regular road projects for every million dollars spent. Dealing with the impacts of volatile financial markets requires flexibility and quick turnarounds: Cycling infrastructure projects, as compared to roads projects, take far less time from conception to completion, meaning that they are, by definition, shovel ready. They begin providing returns immediately. Investing in the local travel means investing in Canadian energy: Consider evaluating the potential of human energy in any National Energy strategy. There will always be a market for oil. Less domestic consumption for daily travel over short distances

simply means that more oil is available for export to lucrative markets. We have an unlimited domestic supply of human energy for transportation that we simply need to tap into. Walking is free and bicycles are very inexpensive. High cycling mode share = financial sustainability: It is worth noting that those European countries that have fared best during the economic downturn are those same countries that have the highest levels of cycling. Germany, Scandinavia, Holland, Belgium – all have cycling mode shares in the double digits. In successful cities, bicycle trips represent as much as 40% of all trips. We are in direct competition with them. With Canadian family transportation budgets in the range of 13-17% of household income, the savings can add up extremely quickly. Note that European countries with lower cycling mode shares – Spain, Italy, Portugal – are the ones suffering. It may not be a coincidence. Consider setting targets and funding levels with a goal of matching the mode share of these competitors. Bicycles mean business: Canada has significant bicycle manufacturing industry. Bicycle touring already contributes hundreds of millions of tourist dollars annually. The bicycle repair and retail industry is fast-growing, and has a high ratio of labour to material, which requires a growing pool of skilled labour. Consider tax exemptions, training grants or other means to boost the domestic bicycle industry.

3. Demographic Change

What specific federal measures do you think should be implemented to help the country address the consequences of, and challenges associated with, the aging of the Canadian population and of skills shortages?

Adopt an 8-80 design vision for every federal project and invest heavily in adapting our built environment for an aging population: Aging in place is very important to the long-term health of a given community: As Canadians age and driving becomes less possible, opportunities for independent living and local recreation become very important. Small communities are already at risk of losing their elderly to larger cities with better transit and walking facilities, disrupting the social fabric. Consider the important role that simpler forms of transportation already play in other countries, and increasingly plays in Canada: Skills shortages have meant that an increasing number of immigrant families are coming to Canada to work. Agencies that work with new immigrants always report a very high desire for low-cost, independent transportation that enables newcomers to access job opportunities and avoid ghettoization immediately. Many of these agencies turn to bicycle programs to help their clients. Workplaces with migrant workers always report high levels of bicycle usage. Better investment in cycling infrastructure will ensure safe, convenient travel and will encourage all Canadians to stay active. A transition towards an older society also means that preventative healthcare is really the only sustainable solution. An aging population that is also inactive very quickly becomes a burden on the healthcare system and a magnet for chronic disease. It is no secret that exercise is far and away the best medicine. And, research has consistently shown that the simplest way to ensure that a population gets more daily activity is to integrate it into our daily routines. It is not possible to build enough swimming pools, hockey arenas or soccer fields to keep everyone healthy – especially seniors. The most effective solution is to integrate physical activity into daily behaviours by building well-connected community bike paths, safe routes to the grocery store, accessible curbs and signals, etc. This will slowly see us replace many of the trips that we currently make by car with more sustainable methods.

4. Productivity

With labour market challenges arising in part as a result of the aging of Canada's population and an ongoing focus on the actions needed for competitiveness, what specific federal initiatives are needed in order to increase productivity in Canada?

Well-documented studies show that employee productivity is greatly increased when employees use active transportation to get to work. People who walk or cycle to work are happier, more energetic, less

distracted, less stressed and more likely to arrive on time. The aforementioned countries with high cycling mode shares experience significant benefits to the national GDP as a consequence. It is also very well-known that, at the upper echelons of the workforce especially, community liveability and office location play a major role in the ability of corporations and businesses to attract talented, highly-skilled employees who have the ability to dictate their own terms. More and more, walkable, bikeable cities are becoming seen as the most desirable cities to live in. In increasingly urban societies, younger generations are growing up with far less dependence on personal automobiles, are driving less, and consequently expect different outcomes for their families. Skilled workers can and will simply move to other locations when they find that the lifestyle matches the one they desire. Lastly, as mentioned previously, while other competing countries' labour pools are making do with less, Canadians spend a disproportionately high amount of annual income on personal transportation, effectively meaning that we are working longer for less. This has a side effect of reducing our collective ability to expand to meet labour targets internally.

5. Other Challenges

With some Canadian individuals, businesses and communities facing particular challenges at this time, in your view, who is facing the most challenges, what are the challenges that are being faced and what specific federal actions are needed to address these challenges?

Those most at risk are those individuals faced with poverty and an overall lack of options for improving their future. This is why simple, cost-effective forms of transportation are so effective. They are "the great equalizer". Direct federal investment in the infrastructure that makes it possible is far and away the most effective strategy for ensuring that transportation is not a barrier for equitable access to employment and training. As a result of the last few decades of transportation planning, small Canadian businesses risk losing customers to foreign-owned "big box stores" and conglomerates. As mentioned, larger businesses have trouble attracting well-paid, highly skilled "upwardly mobile" workers who can demand the family-friendly urban lifestyle on the Western European or bigger city model. Increasingly, they will insist on living conditions where cycling and walking have become an important part of the transportation diaspora and will want to live where such modes are taken seriously and embraced. Smaller rural communities face a struggle to attract young families and to retain older family members due to their desire to have independent transportation as they age. Northern resource-based communities like Thompson are struggling to retain highly-skilled workers such as engineers and machinists and are looking to active transportation and outdoor recreation options to attract residents. Urban communities in general face an overall struggle to repair even their existing infrastructure and must find low-maintenance sustainable growth models that ensure cost-recovery into the future. For these reasons, the Canadian government needs to follow the lead of other Western nations and begin to take the simplest forms of transportation seriously. That means prioritizing available funding, adopting robust policies, leading by example and in general, recognizing that doing so is both advantageous and a critical area of responsibility.