On-demand transit: Further consideration needed ahead of pilot project

SUBMISSION TO BURLINGTON CITY COUNCIL, COMMITTEE OF THE WHOLE

APRIL 13, 2026

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Introduction

The past number of weeks on the transit front have been interesting to say the least. From the heavy promotion of a private-sector transit provider by city councillors, to the surprise demand by Cllr. Sharman for a "value-for-money" audit of Burlington Transit, to the appearance of Argo Corporation buses picking up current users of specialized transit, discussion about transit has reached a peak of interest not seen since the municipal elections of 2018.

We welcome any debate about the value of transit to our community. But we are concerned that the current discussion, focused as it has been around the Argo Corporation, concentrates too much on the trees and not enough on the forest. It seems that Argo has been promoted more as a cheaper alternative to some of Burlington Transit's operations than as part of a complete transit strategy. As such, it is somewhat of a distraction from the current transit Strategic Plan initiative that has been ongoing for some months now, the report of which should be ready soon.

It is unfortunate that the promoters of the Argo plan seem to have elected not to contribute their ideas to the city's own transit Strategic Plan. It leads one to believe that this new proposal was conceived hurriedly. The lack of participation in the city's transit plan has prevented discussion in the context of a larger vision for transit operations over the next five to 10 years.

The study and pilot project contemplated by the motion will also have to address an important question that could have been a part of the Strategic Plan: how much of our city's transit system should be turned over to a for-profit private enterprise. This question could have been discussed in the public consultation process around the transit plan. It would certainly have generated interest and could have been an important part of the resulting document.

These and other issues surrounding the Argo promotion go far beyond the motion contemplated here. We will, however, limit our comments to the document as presented to the Committee.

Motion for Council to Consider

We find it revealing that the first area of analysis that the motion directs the Director of Transit to consider is to "increase vehicle capacity utilization" rather than to improve transit service. Two of

the four issues specified for study do not address transit improvements but cost-saving measures.

This goes to our earlier statement about not seeing the forest for the trees. Rather than study how the proposed service could fit city priorities such as the Climate Action Plan, the Integrated Mobility Plan and the city and regional Strategic Plans, which contemplate higher transit use to help reduce congestion, curb expenses related to road maintenance and the environmental degradation caused by over-reliance on private transport, this motion places too much emphasis on budget cuts which will inevitably lead to service cuts.

Financial implications

Cllr. Sharman's Motion Memorandum (COW-10-26) states that "The pilot would be initially examined with the goal of no proposed increase to the municipal tax levy."

The cost of a one-year pilot program, covering a 4km x 4km central area, now underway in Brampton is $10.9 million. The City of Brampton just signed another on-demand pilot program contract with private operator Argo Corporation that will replace three little-used rural bus routes at a cost to the city of $3.5 million over 15 months. The province will contribute an additional $1.1 million.

Given the above, and the size difference between Brampton and Burlington, we might anticipate that the cost for a pilot project of similar duration here would be in the range of $6-8 million. Provincial and federal funding might reduce the net cost to the City of Burlington to $5 million.

This is equivalent to more than 20% of the City of Burlington's contribution (roughly $23 million) to Burlington Transit's current budget. If Burlington Transit were forced to cut its budget by an equivalent amount, the result would be a threat to the entire system.

In fact, we have already seen what happens when the transit budget is cut indiscriminately. Under the watch of the pre-2019 City Council, transit budgets were cut regularly and fares increased. Ridership dropped significantly. Deferred maintenance was on the brink of causing unsafe conditions for both passengers and other road users. Casual employees made up much of the workforce and turnover was high.

Our point here is that a study of the scope proposed by Cllr. Sharman is expensive. Anyone who visits Burlington Transit's Spartan headquarters can readily see that there is no fat left to cut. Perhaps the objective of not increasing municipal taxes to pay for this study can be achieved by some sort of financial engineering. However it is funded, the burden should not fall solely on transit users or on a system that has only now recovered from years of deliberate neglect.

Cllr. Sharman's memo also calls for a focus on "overall subsidy management." It sometimes seems the only time we hear about "subsidies" is when we talk about transit. Subsidies for drivers, such as road construction and maintenance, subsidized parking and (hitherto) free EV charging, do not seem to factor into budget discussions.

If on-demand transit is important to our priorities as a city, it must be treated as an investment. That investment will require funding. It cannot come from a reduction in other areas of transit service. It would not be a mistake to look at the possibility of "reduc[ing] per-trip subsidy over

time." But pretending that transit can achieve the lofty goals expressed in the "Reason" section of Cllr. Sharman's memo without increased funding is unrealistic.

Legal Implications

If you go to the Apple App Store to download the Argo Transit app, you will see a section called "App Privacy." This section informs you that "identifiers" and usage data will be used to track you, and the following data may be collected and linked to your identity: contact info, identifiers, usage data and diagnostics. This data will be in the hands of a private company.

We believe that Data collection and management should be an important issue in determining which system to use for the on-demand transit pilot. Privacy is of utmost importance and we may need protections that go beyond those mandated by legislation.

Communication and Engagement Implications

We are pleased to see an emphasis on "clear public communication" and "community consultation" for the proposed pilot project. However, the experience of Brampton in this regard should be of interest.

Unfortunately, data from the Brampton trial has not yet been made available, after nearly six months since the start of the project. When a local news organization tried to obtain a copy of the contract with the company, they had to file a Freedom of Information request and when the city complied, more than 90% of the content was redacted. The city claimed it could not release a copy of the $10.9 million contract because it was a confidential document that would reveal trade information that might damage the interests of the private contractor.

We believe it is important that as many details as possible be made public. True consultation is impossible without information. The information blackout on the financial details of the Brampton contract is an important consideration in the public-vs.-private issue.

Climate Implications

The memo returns to a theme that has been a constant in Cllr. Sharman's critique of transit over the years: "right-sizing vehicles to demand." The theory is that smaller vehicles will result in fewer costs. The reality is that smaller vehicles increase transit costs. The smaller vehicles simply cannot stand up to 250,000 km. per year of city driving.

Several years ago, Burlington Transit bought some buses manufactured by Vicinity, a Canadian company. The buses, which can often be seen on Route 4 today, have proven to be a failure. The rate of repairs is much greater than for larger buses; one of them had to be taken out of service to be cannibalized for parts when the manufacturer went bankrupt.

The Karsen eJEST electric minibuses used by many systems seem to be more reliable. However, they still require their own charging and maintenance infrastructure. And they still require a driver. The fixed costs of operating a transit vehicle do not change with a smaller bus.

We understand the optics of operating smaller vehicles are better in some instances. We don't

have any principled objections to them, if they are robust enough. They would be environmentally better if they were electric. But it should be understood that smaller vehicles do not necessarily reduce costs and, in certain situations, are not as environmentally friendly as operating standard-sized transit vehicles.

Conclusion

Given the promotional campaign for a private company which seems to have been undertaken by some members of Council, and given the information which continues to come to light, we believe there is a danger that Council could be acting too hastily in approving this motion as it stands. BFAST believes the motion should be tabled for at least a month to allow for further consideration, independent of the promotional efforts that have already been undertaken, to allow Councillors to engage in some of the community consultation the motion favours, examine how this proposal aligns with other city and regional strategic goals, and consider funding possibilities that are not predicated exclusively on budget cuts to the existing transit system.

All of which is submitted with respect.

Burlington for Accessible, Sustainable Transit (BFAST)