

WRITTEN SUBMISSION TO TORONTO BUDGET COMMITTEE

Re: TTC's "Unanticipated" \$39-Million Shortfall and Wasted Service Kilometres

Submitted by: *James D. Golding, Toronto Resident & Municipal Property Tax Advocate*

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Executive Summary

Toronto taxpayers are being asked to cover a so-called "unanticipated" \$39-million TTC shortfall. This shortfall was not unanticipated — it was the predictable result of TTC planning decisions that increased service hours and service kilometres despite declining ridership. At the same time, the TTC wasted tens of millions of kilometres on deadheading and non-revenue movements, costing taxpayers hundreds of millions of dollars. Ridership decline is not a tax, and taxpayers should not be billed for forecasting errors.

Submission

Chair and Members of the Budget Committee,

I am submitting this written statement because Toronto homeowners are being asked to absorb a \$39-million TTC shortfall that is being described as "unanticipated." The evidence shows the opposite: this shortfall was built into the TTC's own planning.

1. TTC Service Levels vs. Ridership (2025)

In 2025, the TTC increased service hours from **9.2 million to 9.6 million** and scheduled **229 million service kilometres**. Yet ridership reached only **439 million rides**, far below what those service levels were designed to support.

2. Massive Wasted Kilometres (Deadheading)

A significant portion of TTC service kilometres are wasted on deadheading — buses running empty to and from garages, counted as operating cost but generating zero ridership.

- **2024:** ~26 million wasted kilometres → **~\$312 million in operating cost**
- **2025:** ~23 million wasted kilometres → **~\$276 million in operating cost**

These are operational costs, not surprises. They are known, recurring, and preventable.

3. TTC Planning for 2026

Despite this pattern, the TTC increased service hours again for 2026 — to **9.9 million** — and increased kilometres to **246 million**, while projecting **lower ridership** of just **426 million rides**.

More service. More kilometres. Fewer riders.

Hundreds of millions spent on empty kilometres.

4. This Is Not a Taxpayer Problem

No homeowner should be told:

“We ran more empty kilometres than the ridership justified, so you owe us \$39 million annually.”

Ridership decline is **not** a tax.

It is a **forecasting error** and a **planning failure**.

Taxpayers should not be billed for it.

Recommendations

I respectfully request that the Budget Committee:

A. Reject the TTC's framing of this shortfall as "unanticipated."

The trend has been documented for years.

B. Hold the TTC accountable for wasted kilometres.

At roughly **\$12 per service kilometre**, taxpayers deserve relief.

Council should consider reducing TTC funding by **\$5 for every wasted kilometre**.

C. Alternatively, require the TTC to reduce fares to \$2.00

If taxpayers are expected to subsidize operational inefficiency, riders should receive direct affordability benefits.

D. Stop rewarding bad budgeting

The TTC is funded through multiple revenue sources — not just property taxes.

Homeowners should not be the default backstop for planning failures.

Closing

Toronto needs honest budgeting that aligns service with ridership reality. The TTC's \$39-million shortfall is not a surprise — it is the result of decisions made in advance. Taxpayers should not be punished for declining ridership or wasted kilometres.

Thank you for considering this submission.

Respectfully submitted,

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