Metrolinx’s GO Train and Bus Service Running on Time but Not the Integration of Fares across the GTHA: Auditor General

(TORONTO) Metrolinx kept GO trains on schedule more than 90% of the time for arrival at the final station within five minutes of the scheduled arrival time during the past five years, according to the Ontario Auditor General’s 2020 Annual Report. Its on-time performance for trains is comparable to that of other transit agencies in the United States and the United Kingdom. The audit also found that arrival time for buses for the past five years was consistently at 95% for arrival at the final stop within 15 minutes of the scheduled time.

The audit found that any delays and cancellations were mainly related to third-party services.

However, the audit also found that after 14 years, the PRESTO automatic fare system still has not been fully adopted across the Greater Toronto and Hamilton Area (GTHA). Riders still do not have two key elements of PRESTO: the convenience of integrated fares across the GTHA and the ability to use their own debit or credit cards to tap and pay.

The Report also looked into the estimated costs surrounding the cancelled Hamilton LRT system. The audit says the original $1-billion funding commitment made in 2015 by the government of the day covered only the construction cost and was based on a 2012 Environmental Project Report commissioned by the City of Hamilton. The audit found that the $5.5-billion cost estimate announced prior to the cancellation of the Hamilton LRT in December 2019 was a more reasonable estimate.

“The Ministry of Transportation was aware as early as December 2016 that the estimated costs for the project were significantly higher than its public commitment of $1 billion in 2015, which was only for construction costs. The increases were not made public or communicated to the City of Hamilton until fall of 2019,” Lysyk said.

The Auditor General’s audit of Information Technology (IT) Systems and Cybersecurity at Metrolinx found that eligible customers do not always receive a fare refund as entitled when experiencing train delays of 15 minutes or more or cancellations that are within Metrolinx’s control. Of the 4,500 train delays and cancellations caused due to IT incidents, only 23% of eligible customers applied for and received refunds totalling about $450,000. Metrolinx did not refund the remaining $2.2 million. The audit also found that Metrolinx relies heavily on external contractors for IT operations and services, and has paid approximately $157 million in salaries and benefits to contract staff in the last five years, more than twice the salaries and benefits paid for Metrolinx full-time staff.

For more information, please contact:
Bonnie Lysyk
Auditor General
(647) 267-9263

Read the report at www.auditor.on.ca
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Background and Other Findings:

• In 2019/20, Metrolinx’s total operating costs were $1.151 billion and as of December 31, 2019, Metrolinx employed the equivalent of 4,197 full-time staff. Since 2014/15, Metrolinx has had increasing operating deficits that have been subsidized by the province. At the time of the audit, preliminary analysis indicated a significant increase in the amount of provincial subsidy Metrolinx will require in 2020/21, of potentially as much as $600 million.

• Riders still do not have the convenience of integrated fares across the GTHA. While Metrolinx has made some progress in introducing discounts and co-fare arrangements with the transit agencies in the 905 area code regions, however, we found that there is currently no integration of fares between the GO and TTC and between the TTC and its neighbouring municipal transit agencies.

• Metrolinx has had a 14-year relationship with Accenture to deliver a GTHA-wide electronic fare system (PRESTO). As PRESTO services expanded after 2012, Metrolinx engaged Accenture for additional work worth over $1.7 billion under the existing agreement without competitive procurements. At the time of our audit, nearly $2 billion has been paid to Accenture. Metrolinx plans to competitively procure the services Accenture currently provides in anticipation of the PRESTO contract expiration in 2022.

• Metrolinx’s Memorandum of Understanding with the Ministry is out of date and does not reflect current accountability relationships and respective roles of Metrolinx and the Ministry of Transportation regarding transportation planning.

• Metrolinx has a qualified Board of Directors providing oversight. However, considering the complexity of Metrolinx’s business, Metrolinx needs to better stagger appointments to smooth turnover on the Board. Twelve of the 14 current Board members have been appointed only in the past two years.