

November 4, 2008

## **Terminal Loss**

### **\$26.2 M STC bus depot caps \$70 million of subsidies since 1999**

**REGINA:** The Canadian Taxpayers Federation reports that Regina's new \$26.2 million Saskatchewan Transportation Corporation (STC) bus depot caps more than 70 million taxpayer dollars put into STC over the past ten years. Late and over budget, STC's Regina bus terminal opens to the public today.

"Taxpayers finally get to see the crystal cathedral for busses," said Lee Harding, CTF Saskatchewan Director. "And while the building may be beautiful, the bill is not."

As late as December 2005, the provincial government promised the new bus depot would open in mid-2007 at a cost of \$19 million. The number was soon revised to \$25.5 million, but the final tally was \$26.2 million and more than a year overdue.

"Overkill" may be the best word to describe this building," said Harding. "It will have no bearing whatsoever on freight, which is half of STC's business. And who ever rode the bus because of how big the terminal was or what it looked like? Besides, only 35 percent of STC's passengers and freight pass through Regina anyway."

Since 1999, STC has taken \$29 million from Saskatchewan taxpayers in operating grants, and \$41 million in capital grants. The crown's annual operating losses grew from \$3 million in 2000 to \$6.6 million last year and total \$44 million since 1999.

The number of passengers has declined almost every year for the past 20. Even so, STC officials hope to increase ridership in the future by adding full-sized coaches with fewer seats and more leg room, complete with plug-ins for laptop computers.

"How will fewer seats on bigger busses lower expenses?" Harding asked. "Taxpayers have already dished out big time for a luxurious building for bus passengers. Must they dish out again for luxurious busses? Leave it to government to spend more to lose more."

"This bus depot and the business approach of STC make it clear the government doesn't have to invest out of province to blow money. It can do so right here at home. STC should be sold and taxpayers' losses finally cut loose."

—30—

***For further information contact:***

Lee Harding  
Provincial Director, CTF - SK  
TF: 1-306-352-5273 ext 108. Cell: 306-591-1044

### Backgrounder

More facts about STC from the 2007 annual report:

- STC earns revenue through leasing out excess space in its Regina and Saskatoon facilities. In 2007, this activity accounted for revenues of \$194,500.
- Subsidy per passenger mile was \$1.40 in 2007, but was budgeted to be \$1.80 in 2008.
- Only about 18 percent of the total 3.1 million miles traveled annually by STC buses, and about 35 percent of the total freight and passenger services provided by the company pass through the Regina depot.
- STC has a fleet of 45 coaches and vans, 20% of which are wheel-chair accessible varying in size from 15-seats to 55-seats, as well as a freight truck and freight trailers
- STC employs 238 people (196 full-time, 35 part-time and seven temporary); 206 employees are in-scope, 32 employees are out-of-scope. In-scope employees are represented by the Amalgamated Transit Union, Local 1374.

Additional items:

- According to the 2007 Crown Payee report, 77 STC employees were paid more than \$50,000, including five executives with salaries over \$100,000.

### Saskatchewan Transportation Corporation, 1999 to mid-2008

(\$ in 1000s)

Year	Revenues	Expenses	Loss	Operating Grant	Capital Grant	Employees	Payroll	Assets
*2008	\$7,703	\$11,880	<b>\$4,177</b>	\$3,500	\$5,250	n/a	n/a	n/a
2007	\$16,065	\$22,720	<b>\$6,655</b>	\$5,000	\$15,550	238	\$10,800	\$39,000
2006	\$15,493	\$21,238	<b>\$5,745</b>	\$4,000	\$4,250	244	\$9,700	\$24,300
2005	\$14,828	\$20,266	<b>\$5,438</b>	\$3,500	\$3,900	252	\$9,200	\$21,200
2004	\$14,031	\$18,763	<b>\$4,732</b>	\$3,700	\$1,900	233	\$8,800	\$19,300
2003	\$13,580	\$18,158	<b>\$4,578</b>	\$1,600	\$1,900	235	\$9,000	\$18,300
2002	\$13,423	\$17,462	<b>\$4,039</b>	\$2,400	\$2,400	234	\$8,800	\$19,300
2001	\$13,651	\$17,040	<b>\$3,389</b>	\$2,000	\$1,900	237	\$8,500	\$18,500
2000	\$13,618	\$16,536	<b>\$2,918</b>	\$1,750	\$1,900	234	\$8,200	\$18,200
1999	\$12,732	\$15,807	<b>\$3,075</b>	\$1,980	\$2,000	n/a	n/a	\$17,500
TOTAL	\$135,124	\$179,870	<b>\$44,746</b>	\$29,430	\$40,950			

Source: STC Annual Reports, 2000-2007, 2008 2nd quarter report

\*2008 stats are as of June 30, 2008.