



Truly Regional Transportation Authorities

Submission of the BC Chamber of Commerce to the Translink Governance Review Panel

The British Columbia Chamber of Commerce (The Chamber) is a volunteer, not for profit association, which serves its members as the provincial federation of autonomous community chambers of commerce/boards of trade and corporate members.

The Chamber is the widest and broadest based business organization in the province. Representing the views of more than 130 chambers of commerce and boards of trade and over 31,000 businesses from every size, sector and region of the province The Chamber is “The Voice of BC Business.”

Known to be in operation as early as March 1867, The Chamber was re-established in 1951 with a mandate to:

- Develop a true cross section of opinions of the British Columbia business community
- Present members’ opinions to the provincial and federal governments
- Promote trade and commerce
- Improve the economic and human well being of the people of British Columbia

The recommendations contained in this submission derive from The Chamber’s 2006-2007 Policy and Positions Manual. The Chamber is pleased to provide these recommendations as a strong advocacy platform based on a unique policy development process.

This policy process has been highly successful at generating innovative policy solutions through local, evidence-based, analysis. This analysis is based on information and judgments about the needs of communities across the province reflecting the values of influential stakeholders and community members. The understanding that it is only through the direct input of local chambers that The Chamber develops policy recommendations has come to a growing realization by the media, public and by government that The Chamber is the organization best able to offer real solutions to real challenges facing business and communities across the province.

Given our mandate – to advocate a policy framework that promotes a healthy and vibrant economy in which all British Columbians can grow and prosper – we are very pleased to be able to make this submission on the Translink Governance Review.

Introduction

The BC Chamber was an active participant in the development of the Lower Mainland Chambers Transportation Panel submission, “An Accountable Transportation Authority for the Lower Mainland.”

We would like to take this opportunity to wholeheartedly endorse the recommendations contained in this report.

The intent of the following submission is to highlight the importance of the review to the rest of the province and to provide the policy recommendations of chambers of commerce from all regions of British Columbia.

We will also provide a summary of the recommendations of the Lower Mainland Chamber of Commerce Transportation Panel, beginning on page 7, all of which the BC Chamber fully endorse.

Finally we have included policy recommendations that were passed by delegates to the BC Chamber of Commerce Annual General meeting that directly relate to the terms of reference of the panel;

- **Regional Transportation Authorities (page 9)**
- **Ensuring Transportation Funding is Equitable (page 11)**

Economic Context

While the terms of reference of the review panel are concerned with how a regional transportation authority can best serve the interests of the Lower Mainland it cannot be overlooked that this issue carries a significant degree of importance to communities across the province.

As the province looks to grow, our success will be based on the ability of our transportation infrastructure to effectively and efficiently move people, but more importantly, goods around the region and the province. Indeed as an open, trading province BC will play a critical role in the future prosperity of Canada. This becomes clear when we realize that BC ports are responsible for half Canada’s maritime exports and 85% of the western provinces marine exports from grain, coal and forest products to petroleum and petrochemicals.

International Traffic Profile¹

Canadian Port Authorities	Tonnes
Fraser Port: autos, forest products, general cargo, containers	6,200,000
Nanaimo: forest products	616,000
North Fraser: forest products, aggregates	Domestic
Port Alberni: forest products	100,000
Prince Rupert: forest products, coal, grain, general cargo, cruise	3,400,000

¹ British Columbia Port Strategy, Ministry of Small Business and Economic Development/Ministry of Transportation. March 2005

Vancouver: coal, grain, potash, sulphur, forest products, containers, cruise	66,700,000
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Private/Public Harbours	
Campbell River: dry bulk, forest products	1,000,000
Crofton: forest products	800,000
Kitimat: dry/liquid bulk, forest products	2,200,000
Powell River: forest products	400,000
Squamish: forest products	800,000
Stewart: dry bulk, forest products	200,000
Victoria: cruise	N/A

As we can see at present the Port of Vancouver and Fraser port represent an astonishing 88% of all international traffic. The Chamber will continue to work hard on the rapid expansion of Prince Rupert and the development of a Common Carrier Break Bulk Terminal in Kitimat as essential mechanisms to relieve the transportation time and cost for business involved in shipping to the Lower Mainland. However, even if these two alternative options were available the simple fact remains - for the foreseeable future the provincial economy is dependent on the ability of the Lower Mainland to move goods efficiently and smoothly to and from the ports.

It is this simple fact that has driven the recommendations of the BC Chamber of Commerce. As we strive to achieve our full potential as the Gateway to Asia Pacific, combined with the fact that the Lower Mainland accounts for more than half the GDP, it is unconscionable that decisions regarding transportation that affect the economies of all municipalities, regions, indeed of western Canada and the country; are left to the whim of selected representatives from only 22 municipalities.

As such the need for change is paramount and we welcome the timely review being undertaken by the Provincial Government.

The Need for Regional Transportation Authorities

The Province of BC has growing regional transportation concerns that are not being addressed at regional levels. Efficient Transportation systems is a key to economic prosperity and long term transportation planning and implementation is critical. The current transportation management system is not effective at accomplishing these tasks. The overlapping responsibilities of Municipalities, Transit Authorities, Ministry of Transport and Regional Districts create the situation where acting in a coordinated fashion is difficult. The creation of a Regional Transportation Model in which a single body is responsible for regional transportation and infrastructure would enhance the economy at every level.

The Vancouver Example

In 1998, the Legislature adopted the Greater Vancouver Transportation Authority Act, which was the result of extensive negotiations between the province and the Greater Vancouver Regional District (GVRD). This was significant in a number of respects: It gave

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the GVRD new powers in transit, major roads, air care and Transportation Demand Management, and provided revenue sources to meet these new areas of responsibility.

The Greater Vancouver Transportation Authority (GVTA) obtained local control of all aspects of transportation; including transit, light rail transit, and a coordinated system of roads and significant sources of finances.

Prior to the creation of the Translink, responsibility for Greater Vancouver public transit was divided between local municipalities and provincial ministries. Similar to most Regional Districts current challenges, transportation decision-making was not integrated with land use planning and was contributing to uncoordinated growth and urban sprawl, which was straining the transportation network.

Following the much publicized debacle over significant transportation issues such as RAV, and the current position of the GVTA with regards to the Gateway project, it has become clear that the structure of this model has failed. Regional transportation authorities are essential to regions ability to drive our future economic growth; however the model as defined by the GVTA must be revisited.

Having said this, the GVTA was an important step toward creating a province wide model of regional transportation as it recognized that the complexities of coordinating all aspects for regional transportation are enormous and must therefore be addressed on a regional basis.

As we look to build regional transportation models for other regions of the province where a capacity and need exist the lessons learned from this experience are welcome and are eagerly anticipated in other regions of the province.

The Capital Region Example

The provincial capital's current transportation strategy, a document dubbed Travel Choices that has involved partnership with BC Transit, and to a lesser degree, the BC Ministry of Transportation, acknowledges the regional aspect of the area's transportation challenges: "In the Capital Regional District, two-thirds of communities cross at least one municipal boundary daily". Citing growth projections, the report states that congestion is expect to increase by 200% by the year 2026. The document is, however, simply a vision statement and has no financial muscle on its own. Transportation planning is currently not accomplished in an integrated regional manner, but rather relies on the cooperation of a number of municipalities with varying interests and limited capacities.

As we look at the proposed recommendations that could be reached by the panel, chamber members across the province have agreed that the results of the current review must address the following areas:

Board Membership.

The Board composition should balance accountability with a broad-based selection of skill sets needed to manage and develop significant infrastructure projects.

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Members have also been clear that accountability does not refer to locally elected representatives. While it is appreciated that given the impact of transportation infrastructure on local concerns, combined with the fact that a significant financial responsibility rests with local taxpayers there is a need and a requirement for local representation on the board of regional transportation authorities.

But it must be clear – they are there to provide input, advice and perspective – not a veto.

In terms of accountability the key for chambers of commerce across the province is not so much being accountable to the electorate (indeed this has proven incompatible with an ability to provide long term leadership); it is being held to an appropriate level of fiduciary accountability – in short being held accountable for their actions and decisions.

Authority.

The Authority must be provided access to a clearly defined, guaranteed source of financing that is equitable to all sectors.

It has become clear that access to numerous revenue sources combined with the power to set these rates does not contribute to an inclusive approach to transportation investment. We need go no further than the Parking Site Tax to see the result.

Yet dedicated, secure funding is fundamental to the ability of a regional transportation authority to plan for the long term. This funding can only be achieved through an active partnership between provincial, federal and local government.

Planning.

The Authority must develop a plan that addresses such issues as capital investment, revenue and land use over at least a five year period.

This plan cannot be developed in isolation of the needs of the rest of the province. The Chamber sees the creation of regional transportation authorities as the first step in the development of a truly integrated transportation network.

The fundamental principle underlying this concept must be provincial involvement. The B.C. government must take the lead in ensuring that regional transportation plans are developed in an integrated fashion that serves the interests of the community, the region and the province.

Summary

A strong transportation system is critical to economic development. Fast, easy and reliable transportation modes attract and retain investors while declining transportation infrastructure and poor planning stifles growth. Regional coordination of transportation initiatives is critical to the creation of an efficient transportation system. The current Translink model provides a starting point for continuing development of the Regional Transportation Model.

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The Chamber views the current review process as essential to ensure we can develop a system that serves the needs of the region, the province and Canada through the development of result driven future improvements.

The need for regional transportation planning and implementation is not unique to the Vancouver region. Other regions need to have access to a Regional Transportation Model. Such a model will address the body of knowledge and experience in Canada on this subject is critical and demonstrative of the need for the creation of a Regional Transportation Model.

Summary of Lower Mainland Chambers Transportation Panel Recommendations

In response to the particular issues raised by the Review Panel terms of reference the Chamber feels that the recommendations provided by the Lower Mainland Chambers Transportation Panel provide an exceptional framework for developing a comprehensive framework for regions across the province to develop a workable, accountable regional transportation authority.

What follows is a summary of the recommendations that are fully endorsed by the British Columbia Chambers of Commerce;

[The appropriate division of responsibility and control between the Province and Translink for transportation matters in Greater Vancouver.](#)

The Chamber recommends;

that transportation planning needs to be broader geographically and be more integrated with adjacent municipalities and contiguous areas.

Therefore, we see regional transportation planning as extending beyond the GVRD to the FVRD and the SLRD -- resulting in a broader mandate for Translink. To achieve this truly regional mandate we see an immediate need for the province, GVRD, FVRD, SLRD and Translink, to begin an intensive integration of transportation planning.

[The appropriate responsibilities, authorities and powers of the GVRD in relation to Translink under the GVTA Act](#)

The Chamber recommends;

that given the need for the authority to be truly regional this will necessitate an extension of the authorities mandate beyond the footprint of the GVRD. As such, regional transportation planning needs to be extended to the true Lower Mainland region, through the establishment of a new Lower Mainland Transit & Transportation Authority (LMTTA).

The creation of the LMTTA will clearly require a significant revision of the GVTA Act, or may even require the introduction of new legislation.

[The appropriate size, composition and appointment process for the Board of Directors of Translink](#)

The Chamber recommends;

that a critical element in the panel's recommendations must be recognition that more professional and business expertise and experience is needed on Board.

It is also clear that there is more fiscal responsibility and accountability to the public required by the Board. With this in mind new Board members MUST observe fiduciary responsibility to the LMTTA to be truly effective.

In that the province's transportation planning needs to be integrated more with the region's transportation planning, the LMTTA recommends that the B.C. government direct all the appointments to the Regional Transportation Authority.

The LMTTA also recommends that under a new board the following appointments be made:

- ⇒ 3 elected municipal representatives.
- ⇒ 6 representatives from the business community from various areas of expertise, such as law, accounting, engineering, transportation and small and large business.
- ⇒ 1 BC Government representative.
- ⇒ 1 Federal Government rep. /appointment, providing the Federal Government provides a part of the required stable, sustainable funding required by Translink.
 - That the terms of Directors be at least 3 years.

[The appropriate responsibilities, authorities and powers of Translink to institute revenue measures for funding service delivery and capital projects](#)

The Chamber recommends;

that the LMTTA will require adequate, on-going access to sustainable funding to support transportation planning and implementation.

The LMCTP believes that the founding principle for this funding mechanism must be more equity in taxation – meaning a fair and equitable system of “user pay”.

Inherent in any expenditure with taxpayer's money must be accountability. As such there should be an annual report to the public and to Lower Mainland municipal governments. As a largely unelected body it is also critical that the LMTTA must not have the power to raise taxes. This must be done by the province. The province then has the option to allocate specific taxes to the funding of Translink's budget.

[How to ensure the Province will have effective input into, and oversight of, Translink activities and decisions as they affect provincial interests](#)

The Chamber recommends;

As noted earlier in this paper, we believe the BC government and the LMTTA need to develop more formal liaisons and integrated transportation planning. Our recommendations for more B.C. government involvement in the appointments and governance processes should accommodate this integration.

The B.C. government should lead in ensuring that the need to address the broader Lower Mainland transportation issues are addressed in an integrated fashion.

REGIONAL TRANSPORTATION AUTHORITIES

The Province of BC has growing regional transportation concerns that are not being addressed at regional levels. Municipalities within a region lack of ability to address regional transportation needs.

Efficient Transportation systems is a key to economic prosperity and long term transportation planning and implementation is critical. The current transportation management system is not effective at accomplishing these tasks. The overlapping responsibilities of Municipalities, Transit Authorities, Ministry of Transport and Regional Districts create the situation where acting in a coordinated fashion is difficult. The creation of a Regional Transportation Model in which a single body is responsible for regional transportation and infrastructure would enhance the Province's economy.

The Vancouver Example

In 1998, the Legislature adopted the Greater Vancouver Transportation Authority Act, which was the result of extensive negotiations between the province and the Greater Vancouver Regional District (GVRD). This was significant in a number of respects: It gave the GVRD new powers in transit, major roads, air care and Transportation Demand Management, and provided revenue sources to match. Significantly, it removed hospital financing as a regional district responsibility as one of the swaps necessary to achieve a balanced and mutually acceptable package.

The Greater Vancouver Transportation Authority (Translink) obtained local control of all aspects of transportation, including transit, light rail transit, a coordinated system of roads and stable, predictable sources of finances. It was no longer dependant on intermittent Provincial government grants to improve its system. Prior to the creation of the Translink, responsibility for Greater Vancouver public transit was divided between local municipalities and provincial ministries. Similar to most Regional Districts current challenges, transportation decision-making was not integrated with land use planning and was contributing to uncoordinated growth and urban sprawl, which was straining the transportation network.

Translink was an important step toward creating a province wide model of Regional Transportation. The complexities of coordinating all aspects for regional transportation are enormous. Translink has experienced its challenges and a review of this model is underway. The review is welcome and the results of that review are expected to address areas including:

- **Board Membership.** The Board composition should balance accountability with a broad-based selection of skill sets needed to manage and develop significant infrastructure projects.
- **Authority.** The Authority have access to a clearly defined, guaranteed source of financing that is equitable to all sectors.
- **Planning.** The Authority develop a plan that addresses such issues as capital investment, revenue and land use over at least a five year period.

The Capital Region Example

The provincial capital's current transportation strategy, a document dubbed Travel Choices that has involved partnership with BC Transit, and to a lesser degree, the BC Ministry of Transportation, acknowledges the regional aspect of the area's transportation challenges: "In the Capital Regional District, two-thirds of communities cross at least one municipal boundary daily". Citing growth projections, the report states that congestion is expected to increase by 200% by the year 2026. The document is, however, simply a vision statement and has no financial muscle on its own. Transportation planning is currently not accomplished in an integrated regional manner, but rather relies on the cooperation of a number of municipalities with varying interests and limited capacities.

The Alberta Example

In Alberta, unlike BC's regional districts, counties play a big role in transportation. Counties control the vast majority of Alberta roads, as each county's public works department looks after roads and transportation, except for primary highways, which are maintained by the province. Alberta Counties and municipalities each take care of their own transportation maintenance, which includes: road grading, crack filling, snow plowing, signs, bridge inspections, dust control, roadside garbage cleanup, and traffic counting.

Summary

A strong transportation system is critical to economic development. Fast, easy and reliable transportation modes attract and retain investors while declining transportation infrastructure and poor planning stifles growth. Regional coordination of transportation initiatives is critical to the creation of an efficient transportation system. The current Translink model provides a starting point for continuing development of the Regional Transportation Model, with the current review process designed to ensure future improvements.

The need for regional transportation planning and implementation is not unique to the Vancouver region. Other regions need to have access to a Regional Transportation Model. Such a model will address the body of knowledge and experience in Canada on this subject is critical and demonstrative of the need for the creation of a Regional Transportation Model.

THE CHAMBER RECOMMENDS

1. That the provincial government creates and implements a Regional Transportation Model.
2. The Regional Transportation Model should incorporate:
 - transportation planning, development, and control; and,
 - best practices as determined by the review of Translink, other provinces, and the unique requirements of British Columbia regions.

ENSURING TRANSPORTATION FUNDING IS EQUITABLE

The BC Chamber is generally supportive of investments in transportation infrastructure that facilitate the movement of goods and services. That said, it is important to examine the funding mechanisms for these large, costly projects to ensure they are both equitable and efficient and reflect the basic principle that user pays.

As part of the Greater Vancouver Transportation Authority (Translink) 3 year plan and 10 year outlook one of the funding mechanisms proposed was a Parking Stall Tax. Following approval of this plan by the Greater Vancouver Regional District (GVRD) Board on December 6, 2005 the provincial government adopted, Bill 9 -- Greater Vancouver Transportation Authority Amendment Act, which provided the authority for the decision and implementation of a tax based on parking.

The Chambers concern is that the Parking Site Tax is neither equitable, nor efficient as it is a tax that unfairly discriminates against the business community and bears no relation to actual use of the transportation infrastructure.

While this tax has been implemented to date only in the Lower Mainland, the Chamber is concerned both with its implementation there, as well as the precedent set for potential implementation elsewhere in the province. This is particularly important as other regions look to develop a structure for local control and funding of transportation infrastructure. The Chamber believes it is critical that the government ensure that the current model must not be available for use in regions across the province.

Background

The tax is designed to mirror property assessments and will utilize the existing property tax framework. The parking tax will be assessed as a tax on parking area, calculated as a rate per square meter of taxable parking area. Translink have contracted with BC Assessment to create a parking site roll that assesses commercial parking spaces, loading areas, truck turn-arounds and even traffic islands. As currently conceived, it will raise \$20 million a year – or 2.4% of Translink's 2006 annual operating budget. As with property tax a variety of institutions are excluded from paying the tax including schools, churches and government offices.

The Parking Site Tax is problematic for a number of reasons;

- The new tax is being levied by an unelected body that it not accountable to voters.
- It is a punitive tax on business owners and possibly there employees, not drivers who will benefit directly from the expanded infrastructure.
- It is a double tax on parking lots and loading areas already taxed through municipal property taxes.
- The burden of this tax is concentrated on fewer than 30,000 business owners in the Lower Mainland, most of who are small and medium-sized entrepreneurs.

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- Given that revenues raised from this tax will fund only 2.4% of TransLink's annual operating costs, the significant negative impact of the tax on business owners is disproportionate to the net benefits to the business community.
- The variety and number of exclusions serve to concentrate the tax burden to an even greater degree on the business community.

THE CHAMBER RECOMMENDS

That the Provincial Government;

1. Commit to funding transportation infrastructure investment through mechanisms that are equitable, efficient and reflect the basic principle that user pays; and
2. immediately rescind the Parking Site Tax