

January 16, 2015

Canadian Transportation Act Review Committee
By email: secretariat@reviewcta-examenlrc.gc.ca

Re: Transportation Research and Innovation

I am writing to the Committee in support of Dr. Trevor Heaver's recent submission regarding the need to support Transportation Research and Innovation in Canada.

By way of introduction, I am a former student of Dr. Heaver's at UBC (B.Com, Transportation & Utilities, 1975), and began my professional career in 1975 as Dr. Heaver's Research Associate on his major study (published as a book) examining the impact of the 1967 National Transportation Act. I went on to complete an M.Phil. (Management Studies) at Oxford, specializing in transportation, followed by three years in transportation policy and research with the UBC Centre for Transportation Studies and the BC Ministry of Transportation. I then spent 21 years with KPMG Consulting, specializing in transportation consulting, including 10 years as the Partner in charge of KPMG's BC planning & economic practice. For the past 14 years I have been the President of MMK Consulting, specializing in transportation planning, financial & economic analysis, and site location analysis. Over my 40 year professional career, I have directed and performed more than 200 transportation research and consulting assignments.

Canada is a trading nation, and our international and domestic transportation systems are essential to our economic well-being. The importance of transportation to the Canadian economy continues to increase over time, as indicated the strong growth in our international/inter-regional movements of goods and people in recent decades. The regional transportation needs of our increasingly urbanized population have also grown, causing a need for sophisticated (and expensive!) urban transit and road systems. Transportation issues are leading news items in communities across the country, on a daily basis.

The growing importance of transportation to Canadians is reflected in a growing need for Transportation Research and Innovation, as a basis for informed decision-making. To cite just two examples:

- ▶ in Metro Vancouver, a number of multi-billion-dollar rapid transit and road/bridge infrastructure projects are currently under active consideration. One of the key factors in evaluating the various projects is their potential to support future population, economic and employment growth.

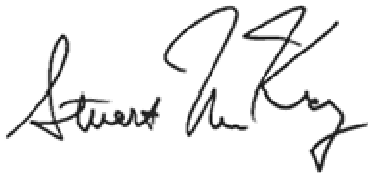
Unfortunately, our understanding of the future impacts of the various projects, in terms of future population/economic/employment growth is extremely limited. A better understanding of these relationships, through Transportation Research and Innovation, would be tremendously helpful in assessing and setting priorities among these very large public investments.

- ▶ MMK Consulting has assisted many individual firms over the years in strategic business planning, including many assignments evaluating alternate site locations in Canada and the United States. In addition, we are KPMG's research partner on the bi-annual publication *Competitive Alternatives: KPMG's Guide to International Business Location Costs* (www.CompetitiveAlternatives.com). Through this work, we have developed a good understanding of the importance to re-locating firms having access to effective and efficient transportation systems. In executive opinion surveys (e.g. as reported annually in *Area Development* magazine), transportation is perennially listed as a key factor in site location decisions. However, other than these opinion surveys, there is limited research-based evidence regarding the importance of transportation facilities at the "micro" level in influencing individual site location decisions.

While these are just two specific examples of the potential value of supporting Transportation Research and Innovation in Canada, my hope is that they provide the Committee with some insight into the potential for Canadians to realize real-life benefits from the results of such research.

In summary, I strongly support Dr. Heaver's submission to the Committee with respect to supporting Transportation Research and Innovation in Canada. I would be pleased to respond to any comments or questions you may have, and can be reached as indicated below.

Yours truly,



Stuart MacKay
President, MMK Consulting Inc.
☎ 604-484-4621
✉ smackay@mmkconsulting.com