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South Coast British Columbia
Transportation Authority

Honorable David L. Emerson, P.C., O.B.C.
Chair of the *Canadian Transportation Act Review*

January 19, 2015

Dear Review Committee Members,

Re: Federal Government Review of the Canadian Transportation Act

Thank you for providing public agencies with an opportunity to provide input to your review of the Canadian Transportation Act. We participated in the previous review to the Act in 2000, and were thankful that considerable progress was made in the public interest. We hope for similar outcomes to this process. As the government entity responsible for managing the movement of goods and people in Metro Vancouver, we would like to highlight two challenging areas for urban transportation providers that, if addressed, could bring significant gains to regional economies.

Levelling the Playing Field for Different Transportation Modes

All levels of government are struggling with gaps between current funding capacity and growing infrastructure investment needs. Experience has shown that this gap can be narrowed if we first manage demand more effectively through pricing, and secondly look at the performance of the transportation system as a whole when making investment decisions. Due to overlapping finance and governance responsibilities between different levels of government and agencies, these principles would have to be adopted by all to achieve effective outcomes.

As you have highlighted in the discussion document, the current transportation system includes discrepancies between how different modes are funded; some modes depend heavily on user fees, such as marine and air, while other modes rely on subsidization from other funding sources, such as road. This discrepancy causes distortions in the choice of mode by users. To improve competitiveness between modes and the efficiency of the system as a whole, we agree that one of the most effective methods is providing price signals throughout the transportation system. Aligning the price of transportation with the full cost of provision makes the system fairer, since those who use and benefit from it pay more. To maintain and improve Canada's competitiveness in the global marketplace, a more strategic approach to transportation funding and investment should be pursued at the national level.

In June of this year, the Mayors' Council on Regional Transportation released their Vision for Regional Transportation Investments in Metro Vancouver¹ in response to a request by the BC Minister of Transportation and Infrastructure. The Vision built upon the 30-Year long range strategy adopted by TransLink in 2013, and includes multi-modal investments and actions to move both people and goods safely and reliably over the next

¹ http://mayorscouncil.ca/wp-content/uploads/2014/12/Mayors-Council_Vision_updated_June-12-20142.pdf

decade and beyond. Pricing for efficiency, fairness and revenue is one of the key policy pillars of both documents. A second pillar is the need to make outcomes-driven investment decision-making, giving equal consideration to all modes and gauge performance against the associated operating and capital life-cycle costs. The region's mayors have committed to developing and implementing comprehensive mobility pricing within the next 5 to 8 years.

To this end, we recommend that the federal government consider infusing user-pay principles for all transportation infrastructure decisions, regardless of mode. We also suggest that the federal government support the development of a national road tolling policy to increase the competitiveness between modes. Finally, that funding decisions be based on full-life cycle costs of both capital and operating.

First Right of Refusal to Governments for the Disposal of Rail Land Assets

In cases where railways are seeking to dispose of lands that were originally provided by government to develop and operate as transportation corridors, we believe that government should have first option of purchase. As a result of the last CTA review, changes were made to that legislation that better outlined the disposal of assets process. These assets could be of critical long-term importance to the urban transportation needs of our growing urban regions. Preserving those assets for the best and highest use will better ensure that they continue to deliver strategic transportation value for taxpayers.

To this end, we reiterate our recommendation from our 2000 submission, that CTA legislation should be amended to designate urban rail corridors as transportation corridors, and to require that the corridors be made available for urban transportation at a value appropriate to a transportation corridor when disposal of the asset is required. If this is to occur, we recognize that additional policy work would be necessary to identify the conditions and evaluation criteria for disposing of assets and what constitutes highest and best use. Further clarification on the definition of 'net salvage value' is desired, with preference given to either equivalent present-day value of the original provision from the government, or the current assessed property tax value.

As we did in 2000, we would be happy to develop these suggestions in greater detail and testify in hearings that you are scheduling for 2015. Please keep us apprised on how we can effectively contribute to your important work.

Sincerely,



Bob Paddon

Executive Vice-President, Strategic Planning and Public Affairs, TransLink

c: Marcella Szel, Chair TransLink Board of Directors
Mayor Gregor Robertson, Chair, Mayors' Council for Regional Transportation
Ian Jarvis, CEO, TransLink