

Jerry L. Lampert  
President and Chief Executive Officer

2006 05 23

TransLink Governance Review Panel  
c/o PO Box 9850 Stn Prov Govt  
Victoria BC V8W 9T5

**Via email - Original in mail**

Dear Panel Members:

**Re: TransLink Governance Review**

The Business Council of British Columbia is pleased to make this submission to the TransLink Governance Review Panel established by the Minister of Transportation earlier this year.

We have reviewed background documentation relevant to the Review Panel's mandate and consulted with a number of Business Council members, as well as with other B.C. business associations that share an interest in the regional transportation system. The results of this analysis and consultation are summarized in the recommendations outlined below.

Background and Context

The Greater Vancouver Transportation Authority (TransLink) occupies an important position in the region as well as in the province. It has primary responsibility for the planning, development, operation and maintenance of the regional transportation network, consisting of regional roads and bridges as well as the various elements of the public transit system. TransLink is a large organization with an operating budget approaching \$900 million and an ambitious, multi-year capital program.

TransLink's impact is not limited to a single region. Because Greater Vancouver is a major North American gateway to the Asia-Pacific, the effectiveness and efficiency of its transportation network has implications for adjacent regions, the rest of British Columbia, other Western provinces, and indeed for Canada as a whole. In particular, the competitiveness of many exporting and importing businesses in B.C. and elsewhere in Western Canada depends, in part, on the existence of a well-functioning and well-managed transportation system in the Lower Mainland. In this connection, it is useful to

remember that Greater Vancouver accounts for more than half of British Columbia's population and GDP. It is also the main entry and exit point for traded goods imported into and exported from B.C. and for international visitors to the province. The provincial government therefore cannot afford to assign decision-making authority over the region's transportation network to a body that represents only local municipalities.

Growing congestion on major transportation routes and insufficient investment in key components of Greater Vancouver's commercial transportation system are imposing a heavy economic cost on businesses and residents of this region and represent a significant competitiveness issue for British Columbia. As Greater Vancouver's population continues to increase, the demand for transportation services can be expected to grow in tandem, putting additional pressure on the region's transportation infrastructure.

The Business Council is supportive of integrating planning for public transit and major roads/bridges in the region in a single agency. In the past, TransLink and its predecessor agencies were preoccupied with public transit issues. However, we have been pleased to see a more balanced approach in recent years, as TransLink has given more attention to road improvements and the need for a competitive commercial transportation system in the region.

#### The TransLink Board: Size, Composition and Appointment Process

The past several years have highlighted weaknesses in TransLink's governance arrangements. The Greater Vancouver Transportation Authority is overseen by a 15 person Board of Directors, of whom 12 are elected representatives from municipalities in Greater Vancouver. In practice, these municipal representatives to TransLink's Board are chosen by the Greater Vancouver Regional District. TransLink Board appointees from the region's municipalities have one-year terms. Under the *Greater Vancouver Transportation Authority Act*, the remaining three Board seats are to be filled by provincial government appointees. However, at present the three provincial Board seats are vacant.

The Business Council believes that TransLink's governance arrangements need to be overhauled in several respects.

To begin with, the fact that TransLink's existing Board is comprised solely of municipal politicians is a structural mistake. While Greater Vancouver municipalities have a strong, legitimate interest in TransLink's activities and should be represented on its Board, they are not the only relevant stakeholders. The province of British Columbia also has a vital interest in the development and management of transportation infrastructure in the Lower

Mainland and ought to have a significant and direct role in TransLink's decision-making through representation on the agency's Board of Directors. Provincial government appointees to TransLink's Board should not be elected MLAs. They should be highly qualified individuals with demonstrated expertise in areas such as law, finance, transportation, engineering, and the development and management of major projects. The province may wish to select its appointees using processes such as those used to appoint members to the Board of the Vancouver Port Corporation or the Boards of provincial Crown corporations.

As for the allocation of Board seats, we do not believe the GVRD should have the right to appoint a majority of TransLink Board members, as is presently the case. That is, TransLink's governance structure should be changed so that only a minority of its directors come from GVRD municipalities. Moreover, the GVRD should no longer have the right to veto TransLink's financial arrangements or operating activities. Finally, we recommend that a formula be used to apportion those TransLink directors chosen by the GVRD based on the size of the populations residing in communities on the north and south sides of the Fraser River. In our view, this is preferable to the current system which assigns a certain number of Board seats to individual municipalities.

There may also be a case for adding a single federal government representative to TransLink's Board given ongoing federal financial support for transportation infrastructure projects as well as the Greater Vancouver Gateway's national significance.

Another problem with the current governance model is that TransLink Board members are appointed for only a one-year term. To provide for effective and knowledgeable governance, we recommend that TransLink directors have three-year terms, and that one third of the Board be replaced or reconfirmed each year.

As for the number of directors, the Business Council is comfortable with anything in the range of 11 to 15. This should be sufficient to provide for representation of diverse interests while also facilitating meaningful interaction among Board members.

#### The Need for Provincial Policy Direction

The mandate of the TransLink Governance Review Panel includes making recommendations on the appropriate division of roles and responsibilities between TransLink, the GVRD and the province on transportation-related matters. The above recommendations touching on TransLink's Board structure are directly relevant to this matter. Overall, the Business Council's view is that the B.C. government must have the capacity to ensure that the region's transportation system is developed and operated in a

way that is consistent with broad provincial policy directions, such as strengthening the Pacific Gateway and improving the global competitiveness of B.C. industries. More specifically, the provincial government should have overriding authority concerning key transportation policy decisions in Greater Vancouver.

#### TransLink and the GVRD

While the Business Council does not believe the GVRD should have control of TransLink, we recognize the benefits of close linkages between transportation and land use decisions in the region. To this end, as noted above we believe that the GVRD should have direct representation on TransLink's Board. We also recommend that the province require that TransLink, in arriving at decisions on its operational activities and capital planning, consult with and take account of the land use and related policies of the GVRD and its constituent municipalities.

We also recommend that TransLink increase cooperation with contiguous regions that form part of the larger Lower Mainland area and pursue opportunities for joint planning with the Fraser Valley Regional District and the Squamish/Lillooet Regional District.

Finally, we believe that TransLink should have authority to override municipal decisions touching on arterial roads and their regulation and the overall management of the regional transportation network.

#### Revenue Issues

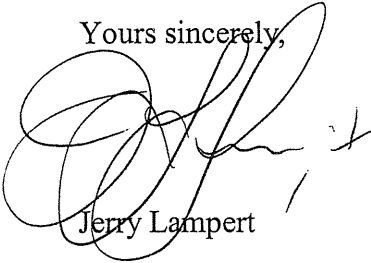
The TransLink Governance Review Panel was also asked to make recommendations on revenue issues that bear on TransLink's ability to fund services and capital projects.

Currently, TransLink depends on the provincial and federal governments and local municipalities/the GVRD to provide approval for revenue-raising measures, with the important exception of fare box revenues. It is clear that TransLink needs access to appropriate and reasonably stable sources of revenue. This is necessary to enable the agency to undertake sensible long-term planning. Funding should come from a mix of sources, including users and beneficiaries of the transportation system as well as regional property owners. We support the province's decision to allocate a portion of provincial fuel tax revenue to the GVTA. Looking ahead, the province, the GVRD and other B.C. stakeholders should continue to lobby the federal government to increase financial support for transportation in the region, particularly given the importance of the Lower Mainland transportation network to the national transportation system and to Canada's global competitive position.

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The Business Council appreciates the opportunity to share our views and recommendations with the TransLink Governance Review Panel.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Jerry Lampert", with a large, stylized flourish on the left side.

Jerry Lampert

JAf/vjc