

Gas tax take a drag on TransLink's budget



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Drivers are continuing to gas up less within Metro Vancouver, resulting in an ongoing drag on TransLink's finances.

Fuel sold in the region dropped 2.1 per cent in 2012, according to TransLink's year-end report.

The transportation authority's actual fuel tax revenue was up by 7.5 per cent to more than \$335 million, but the gain only happened because TransLink's dedicated tax was [raised two cents](#) to 17 cents per litre in April of 2012.

"I think it's a long-term trend," TransLink board chair Nancy Olewiler said. "I don't think we can count on fuel revenue being at the same level as in the past."

Fuel tax sales in the region have declined an average of two per cent a year for the past five years.

"I don't think it's ever going to go back. Unless gasoline prices go back down below \$1 a litre and people start going nuts again."

Olewiler attributes the drop to drivers simply not driving as much, and not primarily from them seeking cheaper gas in the U.S. or Fraser Valley.

She said a trend of motorists to choose more fuel-efficient vehicles is another factor.

Transit use is also growing – TransLink reported the number of transit trips grew nearly two per cent last year to 363 million.

Financial statements show TransLink ended 2012 with a small surplus, thanks to aggressive [cost-cutting](#).

The transportation agency saved about \$45 million more than it planned, much of it from running leaner bus service.

Chief financial officer Cathy McLay said some of the extra money came from revenue gains.

TransLink's bus route optimization – where service is strategically shifted from underused routes to ones where more riders can be carried – has helped pull in more fare revenue.

The bigger savings have helped TransLink forego its original plan – opposed by area mayors – to raise property taxes an average of \$23 per home.

Customer satisfaction ratings are up and complaints are down, McLay said, in part due to fewer SkyTrain system stoppages or bus breakdowns.

TransLink took in 15 per cent more in tolls last year from drivers using the Golden Ears Bridge.

Bus service spending accounts for about half of TransLink's \$1.3-billion budget.

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