

Feds asked to pony up more for transit

B.C., Vancouver lobby Ottawa to alter formula that makes cities pay a third of projects

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VANCOUVER SUN

The B.C. government and the City of Vancouver are lobbying the Trudeau government to reduce the municipal share of

the cost of major infrastructure projects, such as subway lines, and Ottawa is signalling it is willing to consider a change.

Vancouver Mayor Gregor Robertson, who in a speech in Ottawa on Thursday likened the Oct. 19 federal election to the dismantling of the Berlin Wall,

confirmed on Thursday he is asking the federal government to lower the municipal contribution to major projects to 10 per cent from 33 per cent.

That would be a game-changer for Metro Vancouver transit projects, by offering a way out of the logjam on local funding

that could easily force another plebiscite for local taxpayers and politicians.

It would also put the cities' share more in line with the proportion of total taxes they raise, said Robertson, who is also the chairman of Federation of Canadian Municipalities' big

city mayors' caucus. Currently the provincial and federal governments and local municipalities each fund one-third of major local infrastructure projects.

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"A new formula that recognizes what we currently collect in tax dollars is the fair way to approach this," Robertson said.

Robertson said the federal government and the provinces could split the remaining 90 per cent, though he said a new formula could provide some flexibility on who pays how much. Robertson was in Ottawa to lobby a number of Trudeau's cabinet ministers, including Finance Minister Bill Morneau and Infrastructure Minister Amarjeet Sohi, to make that change as well as push for other city-friendly policies in the 2016 federal budget.

The B.C. government confirmed it is also pushing for Ottawa to change the funding formula, though no specifics were offered on what Victoria is seeking.

Peter Fassbender, B.C.'s minister for TransLink, said it's premature to talk about how the funding formula should be revamped, or who should pay what. However, he acknowledged the province will go to the federal government and reinforce both the provincial transportation plan and Metro's transit priorities in an attempt to find a way to fund them.

"Right now, what we need to do is not get hung up on a percentage, but get all of us at the table," Fassbender said. "We are still operating under the same formula we have in the past — a third, a third, a third — but if that changes because someone is prepared to put more on the table, of course we will talk about that."

"Whether that is something the federal government is willing to look at that, we're willing as a government to work with all the parties to help facilitate finding a solution. This is all about getting the job done."

Robertson acknowledged it's the "early days" and ministers have not made any commitments.

But he noted Sohi has already moved to ease the pressure on cities. The federal infrastructure



JUSTIN TANG/THE CANADIAN PRESS

Federal Infrastructure Minister Amarjeet Sohi announced this week that provinces and cities will no longer be required to consider public-private partnerships before receiving infrastructure funding.

minister announced this week that Ottawa will drop a Tory requirement that provinces and cities consider creating public-private partnerships before receiving infrastructure dollars.

That demand has been a major hurdle for Metro Vancouver in its bid for federal dollars to construct a \$700-million Lions Gate waste water treatment plant by 2020. Metro has been lobbying for three years to get funding, but hasn't qualified under the federal government's rules.

"So they have already sent some clear signals," Robertson said before making a speech at a policy conference here. "There's an openness to looking at the design of a new program with local governments and to do what makes sense."

Sohi gave strong hints in a speech Thursday that the new federal government is open to easing municipalities' burden. Echoing Robertson's concerns, he noted cities have far less ability to raise tax revenues than

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There is only one taxpayer we all serve.

PETER FASSBENDER

MINISTER RESPONSIBLE FOR TRANSLINK

the provinces and especially Ottawa.

In a subsequent interview, Sohi told The Sun his government has heard the cities' pitch and wants to negotiate a new formula that "works for all of us."

While Robertson was quick to criticize the Conservative approach to infrastructure funding under Stephen Harper, the requirement that cities come up with one-third of the funding for roads, water systems, bridges and transit systems goes back to 1993.

That year, the new Liberal government under Jean Chretien, trying to kickstart a sluggish economy while dealing with a massive debt, announced a job creation-focused public works program funded equally by the three levels of government.

Robertson told The Sun that approach is outdated and is simply unaffordable for cities.

He said the failure earlier this year of the TransLink plebiscite, on using a sales tax levy to fund major transit improvements, has left Metro Vancouver with little ability to take advantage of Trudeau's promise to pour money into cities — the old funding formula continues to apply.

The provincial government has said any new funding sources proposed by TransLink would have to go to another referendum.

Major projects like Vancouver's Broadway Corridor subway and Surrey's light rail could proceed if Trudeau agrees to boost

Ottawa's share and persuades provincial governments to follow suit.

Fassbender said transportation is crucial for the future of B.C.'s economy, but taxpayers sent a clear message through the plebiscite.

"We have to be very clear. We need to find a way that's fair and equitable to the people in the region who benefit from the transportation system," he said in a speech Thursday hosted by the Urban Development Institute. "It's not just about moving people — it's about moving goods and services. There is only one taxpayer we all serve."

In his speech at a conference of policy-makers, Robertson lauded initial Trudeau steps that included unsmiling scientists, bringing back the long-form census and moving to reopen the Coast Guard station in Kitimat.

"So it says a lot about the last decade that just restoring some basic common sense measures to the federal government can feel like the Berlin Wall coming down," he said, according to a prepared text.

Cities were put on the backburner by Harper, he said, while the Tories focused on resource projects in the "hinterlands."

He also complained in his speech about the B.C. government's demand that cities raise their own funds to transit, a requirement that led to this year's plebiscite failure.

"It should never have come to this," he said. "And have a new sense of hope that it never will again... if the new federal government works with us on a historic partnership to craft a comprehensive, national strategy for transit."

If that happens then Ottawa and municipal leaders can unite to "compel provinces to be willing partners."

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