

‘No’ vote could cost Metro up to \$1.2 billion a year: study (with video)

Report details the economic costs of increased traffic congestion

BY KELLY SINOSKI, VANCOUVER SUN MARCH 9, 2015 9:20 AM



If approved, the tax will generate \$250 million annually, the mayors' council estimates, which will help fund transportation projects including more buses, a subway for Vancouver and light rail for Surrey, in the first 10 years.

Photograph by: NICK PROCAYLO, PNG

VANCOUVER -- A No vote in the upcoming transportation plebiscite could cost Metro Vancouver up to \$1.2 billion a year in potential economic benefits because of increased congestion, according to an independent study released today.

The C.D. Howe Institute study — Tackling Traffic: The Economic Cost of Congestion in Metro Vancouver — found gridlock often stops people from going out to restaurants, meetings, shops across town and other events because they don't want to face the traffic, and tallies the cost of that lost productivity, time wasted and missed face-to-face connections. The institute found that, depending on assumptions, hidden costs total between \$500 million and \$1.2 billion a year.

"We heard from other cities about lost productivity, time wasted and what (congestion) does," said Merran Smith, executive director of think-tank Clean Energy Canada, which contracted C.D. Howe Institute to do the report. "People are not inspired to go out and engage in business. We found it really shackles the region's economic potential."

The study, authored by Ben Dachis to determine the total costs of congestion, underlines the need for a

Yes vote in the upcoming transportation plebiscite, Smith said.

The report comes a week before ballots will be mailed out to Metro Vancouver residents in the plebiscite, which asks if they will support a 0.5-per-cent sales tax increase to help fund transportation projects across the region. Residents will be able to vote by mail-in ballot between March 16 and May 29.

If approved, the tax will generate \$250 million annually, the mayors' council estimates, which will help fund transportation projects including more buses, a subway for Vancouver and light rail for Surrey, in the first 10 years.

However, the Yes campaign has faced an uphill battle as critics have argued TransLink, the transportation authority responsible for transit in Metro Vancouver, is wasteful and should not be trusted with more public dollars.

"This is not just a vote about TransLink; this is an opportunity for Vancouver to become a world-class city," Smith said. "We're hoping the report will nudge people sitting on the fence and they'll choose a better future for the region."

1/3 of \$500m/yr ~ \$170m/yr, but "cost"/yr is \$250m.
Conclusion? - cjk

The report notes the mayors' council estimates that congestion costs residents about \$500 million per year in excess vehicle crashes and wasted time in traffic, and their plan will avoid one-third of that cost. But Dachis said there are also hidden and wider economic costs involved, owing to trips that are missed because of traffic snarls, while companies may lose out on prospective workers, because of a shallower pool to draw from.

Consideration of \$250m/yr taken from pockets of taxpayers should also have been done. - cjk

He maintains increased investment in transportation infrastructure, along with lower congestion, could result in better travel time savings and higher incomes, because workers would have access to higher-paying jobs.

"Once you find out the cost of congestion is half-a-billion dollars to \$1 billion, that is a serious impact to our economy," Smith said. "We're expecting a million people to join (Metro) Vancouver over the next 25 years so that's just going to get worse. We need a solution to this."

ksinoski@vancouversun.com

[Click here](#) to report a typo or visit vancouversun.com/typo.

Is there more to this story? We'd like to hear from you about this or any other stories you think we should know about. [CLICK HERE](#) or go to vancouversun.com/moretothestory

© Copyright (c) The Vancouver Sun

The ROI (return on investment) for this proposal is much lower than, for example, spending the \$250m/yr on public health. For details see https://www.youtube.com/watch?v=TVZxtuZhN_M

For "Best Practices" on calculating ROI for a transportation project see http://statewideplanning.org/wp-content/uploads/240_NCHRP-8-36-62.pdf