

COMMUTING

Tolls more effective at easing congestion than building roads: report

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It is long past time that congested cities such as Vancouver began putting a price on some of their most precious real estate, says a new report from Canada's Ecofiscal Commission.

It's not talking about tony residential enclaves, gleaming office towers, retail districts, industrial parks or condominium complexes, but rather the thoroughfares that join them.

"We've got a very scarce commodity called road space during peak times, and it's unpriced," Chris Ragan, the McGill University economics professor who heads the private think-tank, said in an interview. "We don't price road access, and the cardinal rule in economics is if you have an unpriced resource it gets over-used."

Traffic gridlock has a huge economic cost, he said, citing the example of a plumber who can only do five jobs in a day instead of seven because of time spent driving between calls, or companies holding larger inventories because of higher shipping costs, translating into higher prices.

"We think of congestion as time waste, you all feel this viscerally and you hate it," said Ragan. "But it's actually worse than that. There are these other costs that most of us don't experience directly."

The 49-page report is larded

with fascinating facts: That as much as 50 per cent of local congestion can come from drivers circling looking for parking; that 90 per cent of the goods we consume daily are transported by truck; that congestion directly costs Toronto about \$7 billion annually and Vancouver \$1.4 billion; that slow-moving vehicles are less fuel efficient and emit more exhaust.

Both Toronto and Vancouver have an average peak period delay of 60 per cent, the increased amount of time it takes to make a trip during rush hour.

And Vancouver's all-day traffic congestion delay is the worst in Canada, at 35 per cent, ranking it with Shanghai, Sydney and Paris, but behind New York.

The McGill report looks at five congestion pricing models currently being used internationally.

Road and bridge tolls are nowhere near as widely used in Canada as in many other countries, the report says.

Ragan says part of the problem may be that governments look at tolls strictly as revenue generators, rather than a way to alter driving habits and encourage use of public transit. Combine that with an impulse to fight congestion by building more roads and the problem never gets solved.

"Over and over again we see from cities around the world, when you build more capacity you actually don't reduce congestion," said the economist.