Subject: For FONVCA: Speech to GVRD
Date: Sun, 29 Feb 2004 08:54:43 -0700
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To: Kost@triumf.ca

Chair Marvin Hunt and Board Members of the GVRD Feb. 27/2003

Dear Board Members:

Re: Translink[1]s Funding Options for the 3 Year Plan and 10 Year Outlook

Thank you for the opportunity to speak on this regional matter. Never have the citizens of the region been faced, collectively, with such a funding request is proposed by the Board of Translink.

With regard to the public process, we urge you to delay making a decision for 30 days so you can properly evaluate the input that you have received. We believe the input you have received needs time for the GVRD board to evaluate.

I am representing the Responsible Tax Coalition which is a coalition of community associations, strata organizations and homeowners[1] groups across the GVRD. We are also on side with the representatives of ThinkLink in asking Translink and the GVRD directors to defer a decision on Translink[1]s financing plans until more effective consultation with all stakeholders has occurred. The Responsible Tax Coalition believes the financial underpinnings of the 3 year plan and 10 Year Outlook are not supportable or fair.

You are aware that there are serious questions about the funding for the Translink[1]s transportation plan for the region. GVRD staff have expressed reservations about the financial underpinnings of the plan. In the opinion of other financial experts the financial projections about the funding for RAV do not amount to a supportable business case. Despite promises from Victoria of $300 million, the GVRD taxpayers will be saddled for all cost overrunns and future debt.

Looking at the 3 Year Plan, Translink proposes to fund $1.9 billion in expenditures in part by increasing property taxes from $30 per 100,000 of assessed value to $50 per assessed value in order to gain $171 million over the three year life of the plan.

However, we are aware that if Translink does not receive additional funding from the Federal governmnet, after 2008 homeowners will be hit by a further property tax increase of $40 per 100,000 of assessed value. The public is unaware of this proposal nor was it mentioned in the Translink news release of February 20 concerning [3]Translink contingency plan spells out options if federal government fails to deliver on fuel tax promises.[2]

It is claimed that the people in the region just want to get on with improving transportation and therefore the menu of taxes proposed should be acceptable as long as the total of new taxes adds up to the expected expenditure at the end of 2007. As a reason for supporting the proposed funding options, we think that argument has serious flaws.

The Responsble Tax Coalition believes one of the principal flaws in the funding for the 3 Year Plan is the choice of the property rather than the gas tax. What we are asking is that Translink reads its own surveys. Three Ipsos Reid surveys paid for by Translink show there is greater support for an increased gasoline tax than more property tax.

During the course of these surveys there was a shift of opinion away from the property tax in favour of the gasoline tax. By the last survey in November twice as many respondents favoured the gas tax as a revenue source than the property tax.

Asked which tax they [3]particularly opposed,[2] respondents were were over four times more opposed to the property tax versus the gasoline tax. Why spend $120,000 on surveys if you are not going to publicly acknowledge the results?

Members of the Board, those surveys point to at least one conclusion: asked whether they preferred the user pay option to the property tax, a majority favoured user pay.

Should property owners, including renters, really subsidize those who consume large amounts of gasoline whether through inefficient vehicles or because they have many vehicles on the road? Thousands of householders use public transit and have just one car. Should they subsidize industry and those familiies who have two, three or more vehicles?

What are we asking? By increasing the gas tax by 2 1/2 cents per litre in year 1 of the plan (2005) and 3 cents a litre in the two following years, we think that is fairer and more responsible way to raise the same amount that an increase in the property tax is projected to bring in. In this way Translink would achieve the desired goal of $171 million dollars over the life of the plan that the property tax is supposed to raise.

Members of the Board, don[1]t you think that homeowners and renters at this time are paying their fair of taxes in order to sustain services and transportation infrastructure? Is the homeowner the right source to target for increased transportation taxes when the gas tax directly targets use of the roads, bridges and helps to improve transit?

Shall I be frank? I believe the property owner has been selected to take the hit for this increase because the property tax is more hidden and less obvious than a gas tax. If you as politicians wish to discount the results of surveys and public consultation, the public will hold you to account in the November elections next year.

Thank you again, for this opportunity to speak.

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