

NEWS RELEASE

For immediate release August 09, 2001

Auditor General calls for provincial government and TransLink to rebuild trust and cooperation

VICTORIA—Auditor General Wayne Strelioff today released the results of his review of the structure set up to govern the Greater Vancouver Transportation Authority ("TransLink') and the agreements originally made between the Province and TransLink.

Strelioff concluded that TransLink has been unable to meet its service and financial expectations because the Province did not live up to its commitment to assist the authority in collecting a vehicle levy. Without the necessary revenues, TransLink has had to suspend its service growth and reduce its expansion plans to avoid running a deficit. Strelioff recommends that the Province should follow through on its commitment to help TransLink efficiently collect the revenue it needs to maintain and expand its service levels.

The provincial government transferred responsibility for transportation services in the Greater Vancouver Regional District to TransLink in 1999. The arrangement was intended to make local decision-making possible and improve planning and accountability. The Province provided TransLink and the GVRD with a range of revenue sources and the right and responsibility to decide which sources to use. It also committed to helping TransLink collect these revenues.

TransLink and the GVRD both supported a transportation plan that included service expansion as well as the collection of a vehicle levy to help pay for the expansion. However, when TransLink asked the Province to assist it by having ICBC collect the vehicle levy on its behalf, the assistance was denied.

The lack of agreement between the Province and TransLink on two SkyTrain-related issues is also covered in the report. One issue is who will pay the start-up costs on the new Millennium line (extending from Columbia Station to Lougheed Mall and beyond). The other issue is whether Bombardier Inc. (approached by the Province in 1998) should still be contracted to operate and maintain the system. The Auditor General recommends a number of ways the two parties might work to reach agreement on the disputed matters. He adds, "Despite the differences between the Province and TransLink, rapid transit expansion is occurring as planned. Construction and start-up preparations for the Millennium line are very close to schedule and budget, and work on other phases of the expansion is proceeding at a reasonable pace."

Strelioff calls for improvement to the governance structure currently in place for regional transportation. At the same time, he urges that the problems be looked at in context. "TransLink started little more than two years ago. Its governance structure is complex. And the issues it deals with are not always easy to resolve. It's not surprising that difficulties and differences have arisen."

Strelioff concludes, "It's time to rebuild the trust and cooperation necessary to make regional transportation work. Once that's done, I believe the other outstanding issues can be resolved."

- 30 -

2001/2002 Report #2 - Transportation in Greater Vancouver:

A Review of Agreements Between the Province and TransLink, and of TransLink's Governance Structure

On the Internet at the Office of the Auditor General By contacting:

1 of 2 4/4/09 5:20 PM

homepage http://bcauditor.com

387-6803.

Office of the Auditor General 8 Bastion Square Victoria, B.C. V8V 1X4 Tel: 250 387-6803 Fax: 250 387-1230

Top of page

Toll free enquiries by dialing Enquiry BC at 1-800-663-7867 (in Vancouver 660-2421) and requesting a transfer to

2 of 2 4/4/09 5:20 PM