

Ministry of Transportation & Infrastructure Overview Presentation

for the Honourable Mary Polak, Minister
September 2012

Ministry Overview

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Ministry Executive



Mary Polak
Hon. Minister of
Transportation
And Infrastructure



Deputy Minister
Grant Main



Dave Duncan
Assistant
Deputy Minister
– Highways
Department



Doug Caul
Assistant
Deputy Minister
– Partnerships
Department



Nancy Bain
Assistant
Deputy Minister
– Finance and
Management
Services
Department



Kevin Richter
Assistant
Deputy Minister
– Infrastructure
Department



Jacquie Dawes
Assistant
Deputy Minister
– Transportation
Policy and
Programs
Department

Ministry of Transportation and Infrastructure Department Responsibilities

- **Highways**

- Plan, build, operate, maintain highway system
- Commercial vehicle safety and enforcement

- **Partnerships**

- BC Transit, Evergreen Line
- Work with TransLink
- Land Management

- **Corporate Services**

- Financial Services
- Information Management
- Strategic Human Resources



Ministry of Transportation and Infrastructure

Department Responsibilities cont.

- **Infrastructure**
 - Marine
 - Evergreen Project
 - Infrastructure
 - Planning and Programming
- **Transportation Policy and Planning**
 - Pacific Gateway Program
 - Commercial passenger transportation services
 - Policy and legislation



Current Issues: Department Accountability

- **Highways** (Dave Duncan)

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- **Partnerships** (Doug Caul)

- Port Mann Tolling Framework

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- Upass

- **Corporate Services** (Nancy Bain)

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- **Infrastructure** (Kevin Richter)

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- **Transportation Policy & Programs**
(Jacquie Dawes)

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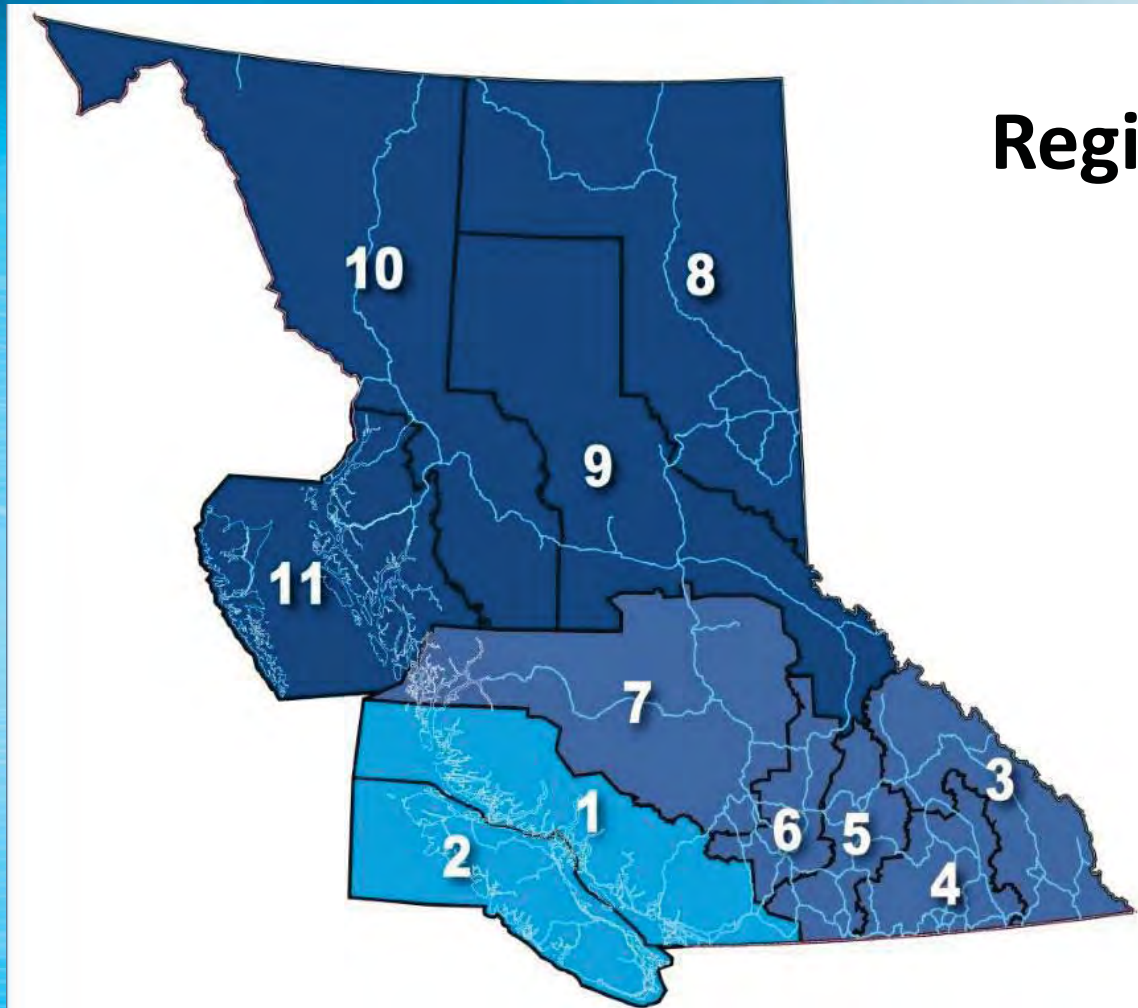
- BC Jobs Plan – Status

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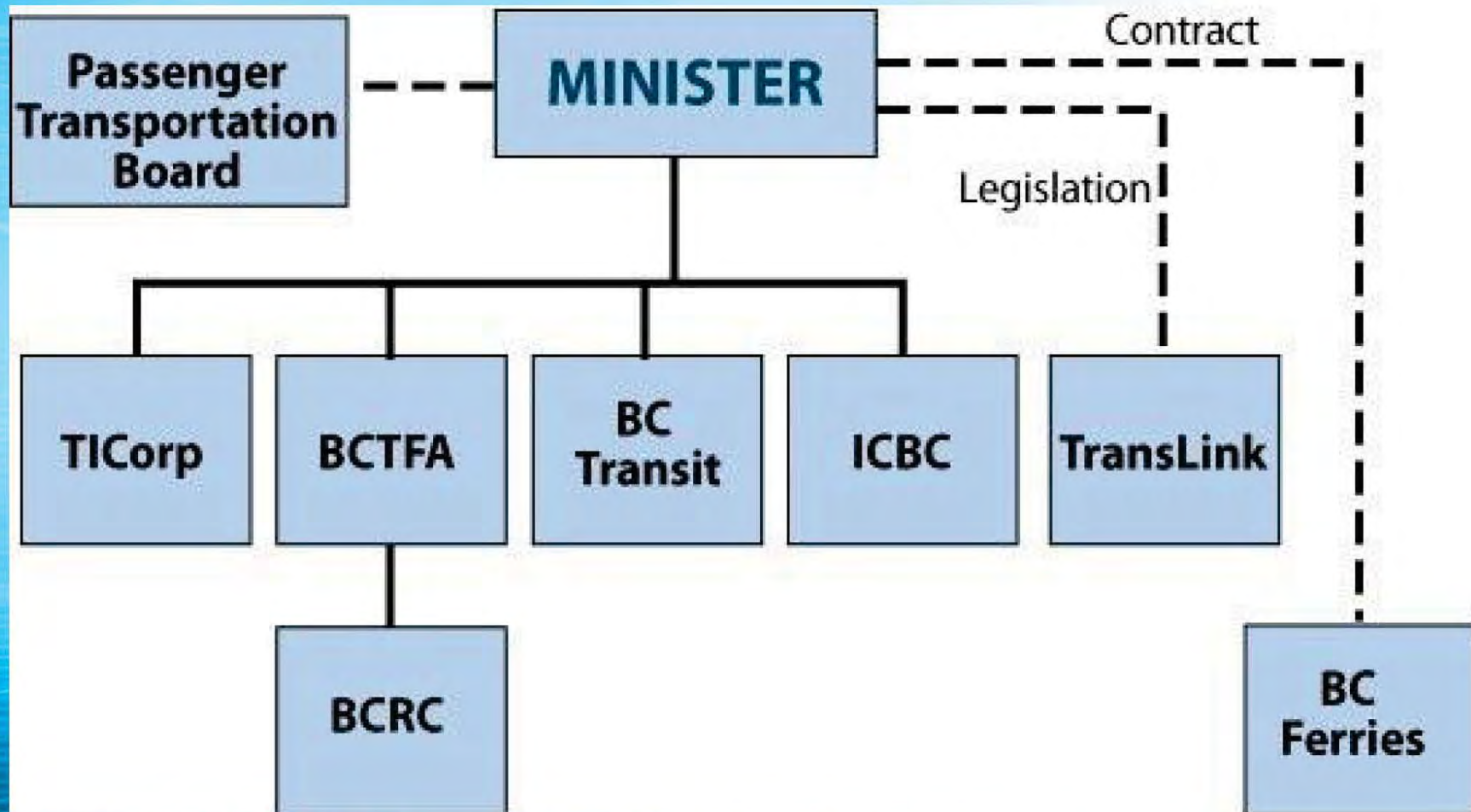
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Regional Breakdown



South Coast Region	Southern Interior Region	Northern Region
1 Lower Mainland 2 Vancouver Island	3 Rocky Mountain 4 West Kootenay 5 Okanagan-Shuswap 6 Thompson-Nicola 7 Cariboo	8 Peace 9 Fort George 10 Bulkley-Stikine 11 Skeena

Reporting Relationships



Crown Corporations and Public Agencies

- Transportation Investment Corporation (TI Corp)
- BC Transportation Financing Authority (BCTFA)
- BC Transit
- BC Railway Company (BCRC)
- Insurance Corporation of British Columbia (ICBC)
- Passenger Transportation Board

Key Ministry Partners

- Prince Rupert Port Authority
- Port Metro Vancouver
- Vancouver Airport Authority (YVR)
- BC Ferries Inc.
- Canadian National Railway
- Canadian Pacific Railway
- BC Road Builders and Heavy Construction
- Association of Consulting Engineering Companies
- BC Trucking Association
- BC Taxi Association
- Translink



Legislation



1	BC Rail Benefits (First Nations) Trust Act	11	Passenger Transportation Act
2	BC Railway Act	12	Public Works Agreement Act
3	BC Transit Act	13	Railway Act
4	Coastal Ferry Act	14	Railway Safety Act
5	Commercial Transport Act	15	Senior Citizen Automobile Insurance Grant Act
6	Industrial Roads Act	16	Significant Projects Streamlining Act
7	Insurance Corporation Act	17	South Coast BC Transportation Authority Act
8	Insurance (Vehicle) Act	18	Transportation Act
9	Land Title Act (section 77.2 only)	19	Transportation Investment Act
10	Motor Vehicle Act (only rules of the road sections)	20	Transport of Dangerous Goods Act



MINISTRY OF TRANSPORTATION AND INFRASTRUCTURE ISSUES SCAN

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Port Mann Highway 1 (PMH1) Tolling

- **Description** - TI Corp Board, Cabinet and TB final decisions on tolling framework have been made. Tolling framework must be announced to meet fiscal, legal and customer registration targets in order to achieve December 2012 opening
- **Milestones**
 - **September 5th** CEO announces traffic changes to open 3 lanes of new Port Mann Bridge
 - **September 12th** Minister to announce Tolling Framework with CEO of TI Corp
 - **September 13th** Minister scheduled for Worker Recognition and Guinness Book of World Records events
 - **December 2012** Bridge scheduled to open with full toll operations

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MINISTRY OF TRANSPORTATION AND INFRASTRUCTURE ISSUES SCAN

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Translink - Upass

- **Description** UPass is a low cost monthly pass available to 140,000 post secondary students across Metro Vancouver. The Ministry and Translink have agreed to renew the program for another 3 years (2013 2015) with a new price structure. Student costs will increase from \$30/mos, to \$35, 37.50 and 39.75 per month over the next three years this is a savings on a regular adult monthly pass (current prices: 2 zone \$110/mos, 3 zone \$151/mos). The program needs to be announced by mid September to enable student societies to hold referenda this fall.
- **Milestones**
 - o **September 11, 2012** GCPE is holding this date for announcement (otherwise announcement will be October which is too late for students societies' referenda)

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MINISTRY OF TRANSPORTATION AND INFRASTRUCTURE ISSUES SCAN

Canada Starts Here: The BC Jobs Plan

- **Description** Under the BC Jobs Plan, the Ministry of Transportation & Infrastructure was identified with responsibility for 8 actions, as well as tasked with the development of a transportation strategy. All actions are underway with required timelines met, and the transportation strategy was released in April 2012, entitled “**Building Markets, Growing Jobs: The Pacific Gateway Transportation Strategy 2012-2020**”. Under the Transportation Strategy, an additional 38 actions are identified which TRAN is tracking. Progress against all actions has been reported via a cabinet sharepoint site, and is contributing to the 12 month Jobs Plan Update.
- **Milestones**
 - Jobs Plan Update scheduled to be released on September 11th

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MINISTRY OF TRANSPORTATION AND INFRASTRUCTURE ISSUES SCAN

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ICBC

- **Description** ICBC is a provincially owned commercial crown, newly falling under the authority of the Minister

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ISSUE OVERVIEW

Issue:

- **Canada Starts Here: The BC Jobs Plan**

Background:

- *Canada Starts Here: The BC Jobs Plan* is a living plan for creating long term jobs and investment in B.C. Every strategy in the plan supports three overarching goals: enabling job creation in communities across the province, strengthening our infrastructure to get goods to market, and expanding the markets for our goods and services, particularly in Asia.
- The BC Jobs Plan focuses on maximizing economic growth in eight key sectors where our province already has a competitive edge. Transportation is one of the key sectors.

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ISSUE OVERVIEW

Issue:

- **Port Mann Highway 1 (PMH1) Tolling** announcement of Port Mann Bridge tolling framework

Background:

- The Transportation Investment Corporation (TI Corp) entered into a Concession Agreement with the Province (through MoTI and BCTFA) in March 2010 for the purpose of delivering, managing and operating the Port Mann/Highway 1 Improvement Project. The Concession Agreement expires March 2090 with a tolling expiry date of March 2050. The Concession Agreement obligates TI Corp to manage the Design Build Agreement (“DBA”) it entered into in March 2009 with the Project’s Contractor, Kiewit Flatiron.
- The DBA sets a target toll commencement date of December 1, 2012. The bridge is on schedule to open eight lanes and start tolling on that date. The entire project, with 10 lanes on the bridge, will be substantially complete in late 2013.
- The Concession Agreement delegates toll setting authority to TI Corp with a restriction that rates cannot exceed the prescribed maximums. The maximum permitted toll rate for passenger vehicles at December 1, 2012 is \$3.15. TI Corp’s *Budget 2012* submission reflected a passenger vehicle toll rate on December 1, 2012 of \$3.00.
- In developing a final tolling framework, TI Corp identified the need to mitigate risks associated with achieving customer registration targets and risks to achieving target traffic volumes especially in the initial tolling period. After consideration of the detailed business case, the TI Corp Board approved the following toll framework:
 - A free period will be offered to all users for the first week following bridge opening;
 - A starting toll rate of \$1.50 will be available to all passenger vehicles, registered and unregistered until March 1, 2013.
 - The \$1.50 rate will continue to be available for registered users until December 1, 2013 at which point the rate will increase to \$3. For those users who have not registered by March 1, 2013, the toll rate will increase to \$3.
 - In addition a variety of discounts and incentives, an unlimited monthly pass will be available to motorcycles, passenger and medium vehicles valued at 50 crossings at the vehicle’s toll rate.

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Position: *(Advice/Recommended Response)*

Prior to September 12:

- Tolls on the Port Mann Bridge will be announced in the very near future.
- Drivers are likely to see low, introductory rates and incentives to encourage drivers to register. Introductory rates are common practice in jurisdictions around the world when new tolling operations are introduced.

Decision:

- Confirmation of the Minister’s September 12, 2012 announcement of the toll framework. Mike Proudfoot, TI Corp CEO will provide technical details and introduce the tolling brand (TReO).

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ISSUE OVERVIEW

Issue:

- **Translink UPass** Renewal of U Pass BC program in Metro Vancouver

Background:

- The existing U Pass BC program in Metro Vancouver ends March 2013. 140,000 students at 11 Post Secondary Institutions are provided with this opportunity.
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- The Ministry is working to conclude an Agreement with TransLink in early September to allow for Student referenda. Student costs will increase from \$30 per month to \$35 in Apr 2013; \$37.50 in May 2014 and \$39.75 in May 2015 (current pass prices: 1 zone \$81/mos, 2 zone \$110/mos, 3 zone \$151/mos)
- The renewed Agreement will be for 3 years and end Apr 2016.
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- Once MoTI and TransLink reach an agreement, student societies will hold referenda to decide whether to join the program. A successful referendum requires all students in the society to pay for a U Pass regardless of whether an individual uses the pass.

Position: *(Advice/Recommended Response)*

- The Province is very pleased to continue to support U Pass BC for up to 140,000 students at Metro Vancouver's public colleges and universities for another 3 years.
- U Pass saves students a significant amount of money each month and is available for all transit services while they are in school.
- Starting April 2013, students will pay \$35 per month for their U Pass BC transit pass. While this is an increase it is still a great deal for students (32 % of the cost of a 2 zone pass).
- U Pass BC is a successful program that enables next generation of riders to experience the benefits of public transit and to grow TransLink's ridership on the long term.
- Students will have the opportunity to vote on U Pass BC over the next few months and I look forward to hearing about the results.

Decision:

- No decision required
- A Provincial announcement is tentatively planned for September 11, 2012 anticipated to be held at Capilano University.

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MINISTRY BUDGET

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Core Business Area	2011/12 Restated Estimates ¹	2012/13 Estimates	2013/14 Plan	2014/15 Plan
Operating Expenses (\$000) ²				
Transportation and Infrastructure Improvements	10,821	10,821	10,821	10,821
Public Transportation ³	331,831	331,831	331,831	331,831
Highway Operations	454,828	454,828	454,828	454,828
Commercial Passenger Transportation Regulation	1,319	1,319	1,319	1,319
Executive and Support Services	8,123	8,122	8,122	8,122
Total	806,922	806,921	806,921	806,921
Ministry Capital Expenditures (Consolidated Revenue Fund) (\$000)				
Highway Operations	4,245	4,239	3,306	1,685
Total	4,245	4,239	3,306	1,685
Revenue (\$000)				
Total Receipts ⁴	79,542	62,669	80,259	66,861

1 These amounts have been restated, for comparative purposes only, to be consistent with Schedule A of the 2012/13 Estimates.

2 Operating expenses are reported net of funding from external sources, primarily the BC Transportation Financing Authority (see page 35).

3 Public Transportation operating expenses include government contributions towards public transit and coastal ferry services.

4 The majority of the Ministry's revenue comes from the federal contribution to coastal ferry services (\$27.5 million in 2011/12, adjusted annually for inflation) and payments from BC Railway Company (\$15 million in 2012/13, \$32 million in 2013/14 and \$18 million in 2014/15).

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Port Mann/Highway 1 Project

- In addition, the Port Mann/Highway 1 project (\$3.3 billion) is being delivered by the Transportation Investment Corporation (TIC). The project includes construction of a new 10-lane Port Mann Bridge and improvements to approximately 37 kilometres of Highway 1 from the McGill Street Interchange in Vancouver to 216th Street in Langley. The Project will widen the highway, expand the HOV network, upgrade interchanges and improve access and safety, reducing congestion along one of busiest corridors in the Lower Mainland.

The Transportation Investment Table is on the following page.

Transportation Investments

(\$ millions)	2012/13	2013/14	2014/15	Total
Provincial Investments				
Transportation Investment Plan				
Rehabilitation	146	179	190	515
Interior and Rural Side Roads	50	50	50	150
Oil and Gas Rural Road Improvement Program	45	20	20	85
Mountain Pine Beetle Strategy	30	30	30	90
Highway 1 – Kicking Horse Canyon, Kamloops to Golden	74	32	35	141
Gateway Program	128	56	2	186
Okanagan Valley Corridor	32	30	25	87
Cariboo Connector Program	48	22	38	108
Other Highway Corridors and Programs	156	148	135	439
Cycling Infrastructure	6	3	2	11
Total Transportation Investment Plan	715	570	527	1,812
Provincial Transit Plan				
Canada Line Rapid Transit Project	20	20	20	60
Evergreen Line Rapid Transit Project	123	163	126	412
Rapid Transit, Buses and Other Transit Priorities	106	168	219	493
Total Provincial Transit Plan	249	351	365	965
Total Provincial Investments ¹	964	921	892	2,777
Investments Funded through Contributions from Federal Government and Other Partners				
Evergreen Line (Federal Government and TransLink)	101	261	240	602
Contributions to the Transportation Investment Plan	113	92	30	235
Contributions to the Provincial Transit Plan	1	10	37	48
Total contribution from all partners	215	363	307	885
Total Investments in Transportation Infrastructure	1,179	1,284	1,199	3,662

¹ Provincial investment includes operating and capital spending.

Transportation Investment Corporation (\$ millions)	2012/13	2013/14	2014/15	Total
Port Mann Highway 1 Project	606	94	147	847
Total Investments in Transportation Infrastructure including the Port Mann Highway 1 Project	1,785	1,378	1,346	4,509

BCTFA – Budget (Statement of Earnings)

- BCTFA is a Crown corporation established in 1993 under the *Transportation Act*, with a mandate to plan, acquire, construct, hold and improve transportation infrastructure throughout BC.
- Chair of the Board of BCTFA is the Minister, the Deputy Minister is the Chief Executive Office (CEO).
- The BCTFA has no dedicated fulltime staff. Management is provided by Ministry of Transportation and Infrastructure staff.

The table on the following page outlines the three year operating budget for the BCTFA.

BCTFA Statement of Earnings

	2011/12 Forecast	2012/13 Plan	2013/14 Plan	2014/15 Plan
Revenue(\$000)				
Dedicated Taxes ¹	432,000	435,000	453,000	456,000
Amortization of deferred contributions ²	131,659	137,190	141,415	146,686
Other revenue ³	157,040	126,240	230,092	146,471
Total	720,699	698,430	824,507	749,157
Expenditures(\$000)				
Amortization	402,474	429,228	445,861	468,964
Interest ⁴	279,599	314,112	366,802	444,529
Interior and rural side roads ⁵	37,079	32,500	32,500	32,500
Grant programs ⁶	92,120	136,259	185,839	189,600
Operations and administration ⁷	93,966	84,765	116,910	121,999
Total	905,238	996,864	1,147,912	1,257,592
Net Loss(\$000)				
Net operating loss ⁸	(184,539)	(298,434)	(323,405)	(508,435)

¹ Dedicated taxes include 6.75 cents per litre motor fuel tax, and starting in 2013/14, the provincial sales tax on short-term car rental of \$1.50 per day.

² Contributions towards capital assets are deferred and amortized to income at the same rate as the related highway infrastructure is amortized to expense.

³ Other revenue includes interest income, grants from the Province, property sales, rentals and economic development revenues, and earnings from the equity investment in the British Columbia Railway Company.

⁴ Interest on borrowing used to finance construction work in progress is capitalized. Upon completion, related interest costs are expensed.

⁵ Improvements to interior and rural side roads are included in capital expenditures; repairs are expensed.

⁶ Grant programs include grants paid under the transportation partnerships program for cycling infrastructure, provincial contributions to Canada Line, grants to TransLink and BC Transit for transit purposes, and other projects.

⁷ Operations and administration expenditures include public-private-partnership project performance payments, inland ferries operations and maintenance, write-down and transfer of assets.

⁸ Excludes unrealized gain/loss from foreign exchange, financial derivatives and sinking fund investments.

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Key Stakeholders:

1. **BC Road Builders**
Scott Jacob, Chair 604 541 0303
Jack Davidson, President 604 436 0220
2. **BC Construction Association**
Manly McLachlan, President and CEO 250 475 1077
3. **BC Trucking Association**
Louise Yako, President and CEO 604 888 5319
4. **Vancouver Airport Authority**
Mary Jordan, Chair 604 207 7077
Larry Berg, President and CEO 604 276 6500
5. **Canadian Pacific Railway**
E. Hunter Harrison, President and CEO 403 319 7555
6. **Canadian National Railway**
Claude Mongeau, President and CEO 514 399 2963
7. **Burlington North and Santa Fe Railway**
Dean Wise, VP Network Strategy 817 593 3156
8. **Port Metro Vancouver**
Robin Silvester, President and CEO 604 665 9000
9. **Prince Rupert Port Authority**
Don Krusel, President and CEO 250 627 8980
10. **Greater Vancouver Gateway Council**
Robin Silvester, Chair 604 665 9000
11. **TransLink**
Nancy Olewiler, Board Chair S22
Ian Jarvis, President and CEO
12. **BC Transit**
Kevin Mahoney, Board Chair 250 995 5728
Manuel Achadinha, President and CEO S22
13. **BC Ferries**
Donald Hayes, Board Chair S22
Mike Corrigan, President and CEO S22
14. **Consulting Engineers of BC**
Steve Fleck President 604 696 8445
Kate Cockerill, Interim Executive Director 604 687 2811 extension #1
15. **BC Taxi Association**
Mohan Singh Kang, President 250 727 2580
16. **Ferry Commissioner**
Gord Macatee S22
17. **Transport Canada**
Minister Denis Lebel



18. Minister Responsible for Asia Pacific Gateway (federal)

Minister Ed Fast

19. BC Wharf Operators Association

Bob Wilds (604) 306 3010

20. British Columbia Aviation Council

Teara Fraser, Executive Director S22

Updated: September 5, 2012

Ministry of Transportation and Infrastructure

2010/11 – 2012/13 SERVICE PLAN

March 2010



For more information on the British Columbia
Ministry of Transportation and Infrastructure,
see Ministry Contact Information on page 34 or contact:

Ministry of Transportation and Infrastructure:

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STN PROV GOVT
VICTORIA, BC
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www.gov.bc.ca/tran/

Published by the Ministry of Transportation and Infrastructure

Message from the Minister and Accountability Statement



It is my pleasure to present the *2010/11 – 2012/13 Service Plan* for the Ministry of Transportation and Infrastructure.

British Columbia's transportation network is essential to the strength and future of our economy and communities. The Ministry of Transportation and Infrastructure is committed to developing an integrated and safe transportation network that incorporates all modes of transport, reflects regional priorities, and provides a strong foundation for economic growth. Over the next three years, we will continue the largest expansion of transportation infrastructure in the history of our province.

The Ministry continues to improve and maintain the provincial highway system, ensuring that people and goods move safely and efficiently. A prime example is our Cariboo Connector strategy to gradually four-lane Highway 97 between Prince George and Cache Creek to support economic growth. We've added five projects to our original \$200-million commitment, bringing our total investment to \$241 million worth of projects that are completed or underway. In 2009, I was pleased to officially open the new Simon Fraser Bridge, a key piece of the Cariboo Connector.

Construction to widen 26 kilometres of the Trans-Canada Highway through Kicking Horse Canyon is moving ahead, with Phase 3 of construction well underway. This section of highway is our gateway to the rest of Canada and is vital for transporting commercial goods and supporting tourism.

In the Lower Mainland, construction continues on our Gateway Program, as we work to get people and goods moving. The new seven-lane Pitt River Bridge is now open and has improved safety and reliability for commuters. The construction focus now will be on the Port Mann/Highway 1 project, to relieve congestion on the biggest bottleneck in western Canada, and the South Fraser Perimeter Road, to move goods more efficiently while reducing the volume of truck traffic on community streets. The Gateway Program is restoring public transit to the Highway 1 corridor, across the new Port Mann Bridge, and providing a \$50-million investment in cycling and pedestrian infrastructure, the largest such investment in B.C.'s history.

As we continue to expand, improve and strengthen B.C.'s transportation system we are also looking for sustainable technologies that reduce greenhouse gas emissions. A major element of our climate action efforts, the *Provincial Transit Plan*, aims to double transit ridership by 2020. The new Canada Line, completed on budget and ahead of schedule, is a successful part of our plan, as it has the transit capacity equivalent of 10 lanes of road and is already approaching 100,000 people a day, ridership growth that was not anticipated until 2013. Design and planning work will continue on the Evergreen Line, which will remove another 60,000 cars from the road by 2020, reducing greenhouse gas emissions by 60,000 tonnes. Bike BC will invest in cycling infrastructure in communities across B.C. over the next three years, enhancing cycling as a viable transportation alternative.

As we welcomed the world to B.C. in February for the Vancouver 2010 Olympic and Paralympic Winter Games, we added to our legacy of innovative transportation investments with the world's largest hydrogen fuel cell bus fleet to operate in a single location, in Whistler. And of course, our improved Sea-to-Sky Highway will provide safe and reliable access and support economic growth for many years to come.

Through our Pacific Gateway Strategy, we will continue to invest with our government and industry partners to strengthen our transportation and trade links to the Asia-Pacific. With our natural geographic advantage, B.C. offers a supply chain delivery system unmatched on the west coast of North America.

To further stimulate economic development, the provincial government will continue to partner with the federal government to invest in important infrastructure projects throughout B.C. To date we have committed over \$4.3 billion in funding toward more than 700 projects that will help build vital infrastructure across B.C.

This Service Plan is the Ministry's blueprint for the next three years, with goals that are bold and ambitious. I am proud to be part of a team of dedicated professionals in this Ministry. Together we will build the most competitive, reliable, and efficient transportation system and move B.C. towards a strong and prosperous future.

The *Ministry of Transportation and Infrastructure 2010/11 - 2012/13 Service Plan* was prepared under my direction in accordance with the *Budget Transparency and Accountability Act*. I am accountable for the basis on which the plan has been prepared and for achieving the specific objectives in the plan.



Honourable Shirley Bond
Minister of Transportation and Infrastructure
March 2, 2010

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Purpose of the Ministry

The Ministry of Transportation and Infrastructure plans transportation networks, provides transportation services and infrastructure, develops and implements transportation policies, and administers many related acts and regulations. The Ministry also administers federal-provincial funding programs to build sustainable communities.

The Ministry is committed to opening up B.C. through innovative, forward-thinking transportation strategies that move people and goods safely, and fuel our provincial economy.

To accomplish its mandate, the Ministry:

- Works to expand and integrate various modes of transportation in consultation with local and regional authorities, and stakeholder groups, and in cooperation with transportation-related Crown corporations;
- Pursues policies and other initiatives to enhance the competitiveness of B.C.'s ports and airports, our gateways for economic growth and development;
- Works with partners and other levels of government, and provides funding, to develop and deliver cost-effective public transit, ferry services, and cycling networks;
- Builds highway infrastructure to fulfill the economic and social needs of British Columbians;
- Maintains highways to a high standard through contracts with private sector road maintenance providers;
- Undertakes vehicle safety inspections and sets commercial vehicle operating standards;
- Licenses and regulates commercial passenger transportation;
- Manages funding for high-quality, modern public infrastructure that supports the development of strong communities by contributing to long-term economic growth and a clean environment; and
- Operates in cooperation with the BC Transportation Financing Authority, which is a Crown corporation that supports the financing of the capital program.

Information regarding the Ministry's Core Business Areas can be found on the Ministry website at www.th.gov.bc.ca/publications/ministry_reporting/.

Legislation governing the Ministry's activities can be found on the Ministry website at www.th.gov.bc.ca/key_initiatives/legislation/statutes.htm.

Crown Corporations

The Minister of Transportation and Infrastructure is responsible for the following Crown corporations:

- BC Transportation Financing Authority – The BC Transportation Financing Authority is a provincial Crown corporation operating under the *Transportation Act*. It owns provincial highways and provides for their rehabilitation and expansion through dedicated fuel taxes and other revenues. The Authority can also acquire, hold, construct, or improve other transportation infrastructure throughout B.C.
- British Columbia Railway Company (BCRC) – On April 1, 2010, the shares of the British Columbia Railway Company will be transferred to the BC Transportation Financing Authority (BCTFA), resulting in the BCRC becoming a wholly-owned subsidiary of the BCTFA. Continuing as its own entity, BCRC will retain its legal and legislative authorities and agreements. BCRC core operations will be managed by the Ministry of Transportation and Infrastructure. BCRC core functions include:
 - management of the Revitalization Agreement between BCRC and CN Rail;
 - ownership and operation of the 40 km Port Subdivision rail line;
 - control of key land assets, including land ownership and lease arrangements with Vancouver Wharves and Squamish Terminals;
 - land, permitting and environmental management of over 2,300 km of rail line;
 - sale of surplus property not required for railway or Pacific Gateway purposes; and
 - investment in rail, land and other infrastructure that supports Pacific Gateway capacity expansion.

The transition of BCRC management and operations to the Ministry will result in lower administrative and overhead costs and will provide closer integration with Pacific Gateway and other strategic initiatives. More information can be found at www.bcrproperties.com/bcr1/.

- BC Transit – BC Transit is the provincial Crown agency charged with coordinating the delivery of public transportation throughout B.C. (outside Metro Vancouver). More information can be found at www.bctransit.com/.
- Transportation Investment Corporation – The Transportation Investment Corporation (TI Corp) is established under the *Transportation Investment Act*. Its primary purpose is to implement the Port Mann/Highway 1 Project. More information about the project can be found at www.pmh1project.com/.
- Rapid Transit Project 2000 – Rapid Transit Project 2000 completed its mandate to build the Millennium Line and concluded direct project activities in 2006. The Ministry is responsible for any continuing Rapid Transit Project 2000 administration and financial reporting.

Strategic Context

The Economic Forecast Council estimates that British Columbia's real GDP contracted by 2.6 per cent in 2009. The Council projects a return to growth for B.C. in 2010 and 2011, with real GDP expected to increase by 2.9 per cent and 3.1 per cent, respectively, in those years. Risks to B.C.'s economic outlook include a double-dip recession originating in the U.S., slower than anticipated global demand resulting in reduced demand for B.C.'s exports, a Canadian dollar valued above the current forecast, and further weakening of the U.S. dollar resulting in significant disruptions to global commodity and financial markets.

In addition to the economic outlook, other themes and drivers continue to shape the development and execution of the Ministry's programs. Chief among these:

Climate Change. Transportation accounts for about 40 per cent of the greenhouse gas emissions in the province; automobiles alone account for 16 per cent and provincial strategies for reducing emissions must entail significant investment in transit infrastructure and services and cycling facilities. We also need initiatives that will reduce emissions from buses, trucks, trains, planes, and ships. The Ministry's main focus will be reducing fuel consumption through the development and adoption of new emission standards and through incentives to encourage the deployment of new technologies. We have set a target of reducing greenhouse gas emissions by 33 per cent by 2020. In the meantime we are focused on achieving our reduction targets of six per cent by 2012 and 18 per cent by 2016.

Growth in Asia-Pacific Trade. Canada's continued economic prosperity depends upon its success in world trade. Economic growth in Asia offers businesses in B.C. and the rest of Canada enormous opportunities to expand trade and tap into existing markets, as well as establish new ones. China is Canada's second largest trading partner and B.C.'s largest off-shore trading partner. By 2020, China is forecast to be the world's second largest economy and trade between China and North America is expected to increase by 300 per cent from its 2006 level. India and other Asian nations, with their newly thriving economies, also have the potential to become far more significant trading partners. India's annual economic growth rate is forecasted to exceed eight per cent over the next 20 years, which would place the country amongst the most powerful economies in the world. B.C.'s geographic location is a tremendous natural advantage as a gateway between Asia and North America. The provincial government's Ports Strategy has set



A gantry crane loads a shipping container onto a truck at Port Metro Vancouver's Centerm Terminal.

a goal of expanding B.C.'s share of west coast Asia-Pacific container traffic from nine to 17 per cent by the year 2020, thereby creating 32,000 jobs in the province and increasing the provincial GDP by \$2.2 billion. Canada's west coast ports, airports and supporting road and rail networks are central to achieving this objective.

Urban Population Growth. To accommodate urban population growth with denser community development, British Columbians will need alternatives to single-occupant vehicles. The *Provincial Transit Plan* calls for the provision of a world-class transit network to increase the market share for Metro Vancouver public transit from 12 per cent in 2008, to 17 per cent by 2020, and up to 22 per cent by 2030. Denser communities will encourage further transit use and will facilitate carpooling, walking and cycling as alternative travel modes. Volatile, but generally rising, fuel prices will also change travel behaviour and shift mode preferences away from single-occupant vehicles. As part of this initiative we plan to increase the provincial bus fleet outside Metro Vancouver by 70 per cent with new, cleaner-technology buses.

Changing Regional Economies. Rural economies continue to diversify and will rely on a range of infrastructure improvements to facilitate their evolution. Additional log and forest product hauls from accelerated harvests triggered by the mountain pine beetle epidemic are projected to peak in 2013 and continue for some years after. Oil and gas development continues to expand outside the northeast region to other areas of the province. To facilitate the increase in industrial traffic and ensure roads remain suitable for all users, the Ministry will make additional investments in affected road networks, including maintenance and rehabilitation due to incremental wear and tear. The Ministry is also pursuing partnership opportunities with First Nations to stimulate economic development through improved commercial access, involving First Nations in the delivery of transportation projects, and resolving highway tenure issues.

Trade Barriers. Efficient and secure border flows between Canada and the U.S. are crucial for trade and tourism. Transportation infrastructure improvements have improved travel time to and from border crossings, but security demands have increased processing times at land border crossings, leading to continued border delays. Border delays disturb supply chain reliability, affect trade and business opportunities, and reduce overall competitiveness. Although border processing is a federal responsibility, B.C. works with other jurisdictions to contribute to border processing efficiency through measures such as NEXUS/FAST lanes, border wait time information systems, truck staging areas, border greening, the Enhanced Driver Licence, research and development and publicity campaigns. B.C. and Washington State also work together to encourage federal agencies and other partners to improve border operations, increase participation in trusted traveller programs, and lower institutional and operational barriers at the border.

Aging Infrastructure. Much of the existing highway infrastructure was constructed in the 1950s and 1960s and continued investment is required to keep B.C. competitive.

Unplanned Events and Conditions. Weather and natural occurrences such as slides, floods, avalanches, earthquakes, and fires are highly unpredictable and could result in major disruptions to the transportation system and service providers.

Leveraging. The scope and magnitude of transportation investments and renewal requirements are extensive and the Ministry will need the participation of federal and other partners to deliver essential infrastructure within required timeframes.

Competitive Marketplace. Competition for engineering and construction services from the oil and gas and other sectors within and outside B.C. continues to constrain the marketplace. Escalation in the cost of labour, equipment, and construction materials increases the costs for new infrastructure and the preservation of existing infrastructure.

Goals, Objectives, Strategies and Performance Measures

The Ministry of Transportation and Infrastructure has the following goals:

- Key infrastructure is improved to drive economic growth and trade;
- British Columbia's transportation industries become more globally competitive;
- Reduction of greenhouse gas for the transportation sector;
- British Columbia is provided with a safe and reliable highway system; and
- Excellent customer service.

Goal 1: Key infrastructure is improved to drive economic growth and trade

Objective 1.1: Improved mobility servicing major economic gateways

Strategies

- Identify infrastructure projects for both short-term and long-term economic benefits;
- Improve mobility and reliability and reduce bottlenecks on major urban and rural trade corridors using partnership cost-sharing where feasible;
- Reduce congestion at inspection stations (formerly known as weigh scales) by relocating and/or redesigning facilities, and by using intelligent transportation systems to process truck traffic more efficiently; and
- Reduce congestion at Canada/U.S. border crossings through the use of intelligent transportation systems, such as an improved Advanced Traveller Information System that manages border capacity more efficiently.

Objective 1.2: Identify and select priority improvement projects

Strategies

- Identify key safety and mobility improvements to enhance the movement of goods;
- Develop options for improvements;
- Evaluate and prioritize options;
- Develop business cases for individual projects; and
- Amalgamate into an integrated investment strategy.

Objective 1.3: Available provincial investment dollars are used as effectively as possible

Strategies

- Complete projects on budget and on time;
- Develop public-private partnerships in consultation with Partnerships BC, where appropriate;
- Capture value from surplus lands to fund transportation improvements; and
- Secure federal funding for transportation projects in British Columbia.

Performance Measure 1: Project performance

Performance Measure	2009/10 Forecast	2010/11 Target	2011/12 Target	2012/13 Target
The percentage of projects that meet their budget and schedule.	91.5%	91.5%	91.5%	91.5%

Data Source: Ministry of Transportation and Infrastructure.

Discussion

This performance measure evaluates all the Ministry capital construction and rehabilitation projects completed each year within the overall *Transportation Investment Plan*. The number and total value of these projects varies from year to year as new investments are made. The performance measure allows the ministry to assess how efficiently and effectively it delivers a large suite of projects.

Projects range in size, scope, and value from the very small to the extremely complex and costly, and they use a variety of procurement methods from traditional design/bid/build to public-private partnerships. Programs are continuously evolving to meet the needs of the infrastructure and to best

serve the citizens of the province. The constant target represents the Ministry's ability to maintain a high level of achievement despite these challenges and the broad range of projects included in the target.

Objective 1.4: Improved road access for resource industries and rural residents

Strategies

- Strategically invest in roadway rehabilitation and improvements on the roads serving industry and rural residents as follows:
 - Interior and Rural Side Roads Program. Invest \$150 million between 2010/11 and 2012/13;
 - Oil and Gas Rural Road Improvement Program. Invest \$51 million in 2010/11; and
- Support B.C.'s *Mountain Pine Beetle Action Plan* through the strategic investment of \$30 million per year in 2010/11, 2011/12 and 2012/13.

Objective 1.5: Manage programs that provide funding to communities to build and improve infrastructure that contributes to their sustainable development

Strategies

- Manage the implementation of over \$900 million of joint federal/provincial funding programs to support local government infrastructure priority projects.

Goal 2: British Columbia's transportation industries become more globally competitive

Objective 2.1: Developing Canada's Pacific Gateway

Strategies

- Implement the *Pacific Gateway Action Plan*;
- Work closely with other levels of government and stakeholders to achieve the objectives of the British Columbia Ports Strategy; and
- Provide leadership through the Asia Pacific Gateway Authority.

Performance Measure 2: Container traffic growth

Performance Measure	2009/10 Forecast	2010/11 Target	2011/12 Target	2012/13 Target
Growth in container volume handled at B.C. ports in TEUs (twenty-foot equivalent units)	2.42 million TEUs	2.45 million TEUs	2.57 million TEUs	2.68 million TEUs

Data Source: Growth in container volumes is based on traffic forecasts produced by British Columbia's key trading ports. This includes Port Metro Vancouver and the Port of Prince Rupert. TEUs are twenty foot equivalent units, a standard measure for containers where one TEU = one 20-foot container.

Discussion

Container growth targets for 2010/11 to 2012/13 have been revised downward from the targets in the *2009/10-2011/12 Service Plan Update* to reflect the continued slowdown in international trade. The global economic and financial crisis has halted the strong growth in consumer spending that led to the steep increase in container import traffic to North American ports over the last ten years. Container volumes to the Port of Vancouver fell 14% in 2009 (compared to 2008) and are expected to remain flat in 2010. Volumes at other West Coast ports were down as well through 2009 (Seattle -7%, Tacoma -20%, Los Angeles -14%, Long Beach -22%). Volumes to the Port of Prince Rupert were up 46 per cent in 2009 and are expected to increase further in 2010 and beyond as the container terminal there continues to attract new customers. Forecasts for future container traffic are difficult to make at this time, but when the economic recovery does occur it is expected that economic growth may be at a slower pace than in the past.

Growth in container volumes is based on traffic forecasts produced by British Columbia's key trading ports. This growth is driven by market demand but is also influenced by a multitude of factors such as provision of appropriate infrastructure, creation of sufficient capacity to accommodate demand, a supportive policy environment for trade and investment, and sound security measures. The Ministry has a role to play in creating a competitive industry environment with the federal government through policy and legislation that supports industry investment decisions. In addition, the Ministry actively

participates in or leads marketing missions to promote Canada's Pacific Gateway in both North America and Asia.

Through Canada's Pacific Gateway Strategy, the Ministry also facilitates communication, coordination and information-sharing across the transportation supply chain. In addition to participating in infrastructure projects with other private and public agencies, the Ministry has direct responsibility for implementing road and bridge improvements such as the Gateway Program, the Kicking Horse Canyon Project, and the Roberts Bank Rail Corridor, which are integral components of the transportation supply chain.

Goal 3: Reduction of greenhouse gas for the transportation sector

Objective 3.1: Increase use of transit, cycling and other alternative modes of personal transportation

Strategies

- Build rapid transit backbone and supportive rapid and frequent bus service to create rider options;
- Invest in public transit infrastructure;
- Improve high-occupancy vehicle and transit priority measures;
- Encourage increased land use density around transit stations and along transit corridors through policy and funding agreements; and
- Invest in an integrated cycling and walking network.

Performance Measure 3: Transit ridership

Performance Measure	2009/10 Forecast	2010/11 Target	2011/12 Target	2012/13 Target
Annual public transit ridership in B.C.	246 million	263 million	274 million	281 million

Data Source: Estimates for future public transit ridership are provided by BC Transit and TransLink and are based on the anticipated effects of transit investments, changing local conditions such as the price of fuel and the forecast of annual budgets that impact service hours and transit capacity. Some fluctuation in forecasting has occurred as TransLink has adjusted ridership estimates based on changes to its anticipated budgets. Forecasted ridership is on track to meet the Provincial Transit Plan's goal to double ridership from 2007 to 2020.

Discussion

Transit ridership is the number of rides taken by people using public transit over a set period of time. Ridership is a measure that allows the Province to monitor the success of transit investments on a year to year basis. An increase in the number of travel trips using transit is related to a reduction in auto use, which reduces congestion and the emission of greenhouse gases by the transportation system.

More than 75 per cent of the provincial transit ridership occurs in Metro Vancouver with the remaining ridership distributed between 81 transit systems in other communities around the province. Cumulative transit ridership is forecast to increase by 15 per cent over the next three fiscal years and our government's goal is to double transit ridership in all areas of the province by 2020.

Ridership increases for the next three years reflect the result of transit capacity investment over the last few years, including the opening of the new Canada Line in Metro Vancouver. To date, Canada Line ridership is 30 per cent higher than expected, achieving ridership levels not anticipated until 2013. They do not yet reflect increasing urban densities and the corresponding demand for transit services that will be generated with the completion of the Evergreen Line, RapidBus investments, and other high capacity transit investments to the University of British Columbia and Surrey.

The *Provincial Transit Plan* also includes up to 600 new clean-technology buses throughout the rest of the province, and BC Transit will work with local governments to determine the best ways to deploy the new fleet so that it serves our ridership and climate change goals, while taking into consideration the unique needs of the communities they serve.

Objective 3.2: Improve supply chain efficiency for the movement of goods

Strategies

- Reduce ship wait times in port;
- Reduce ship idling through port electrification;
- Reduce truck idling by minimizing wait times and empty kilometres travelled;
- Improve rural road infrastructure;
- Build rail grade separations; and
- Free up road capacity for goods movement by reducing the use of single-occupant vehicles.

Objective 3.3: Reduce greenhouse gases through the adoption of new technologies

Strategies

- Support the development of the hydrogen highway;
- Put into operation the world's first fleet of hydrogen powered buses;
- Invest in new buses that use the latest technology;
- Reduce harmful particulate matter emissions from heavy-emitting diesel vehicles by at least 20 per cent through the Diesel Retrofit Requirement coming into enforcement on October 1, 2010;
- Increase the use of weigh-in-motion technology to reduce the need for trucks to stop and idle at inspection stations; and
- Implement intelligent traffic control systems to reduce idling and create time advantages for transit.

Goal 4: British Columbia is provided with a safe and reliable highway system

Objective 4.1: Contractors maintain the provincial highway system to a high standard

Strategy

Administer the highway maintenance contracts and assess how well the contractors are delivering their services through the Contractor Assessment Program.

Performance Measure 4: Contractor assessment

Performance Measure	Baseline	2009/10 Forecast	2010/11 Target	2011/12 Target	2012/13 Target
Rating of the maintenance contractors' performance using Contractor Assessment Program.	91%	92.5%	92.5%	92.5%	92.5%

Data Source: Ministry of Transportation and Infrastructure, Construction and Maintenance Branch.



A plow truck clears snow to protect travellers on Highway 37 near Dease Lake.

Discussion

Ratings measure whether the contractors exceed contract requirements based on the results of local and regional assessments and road user satisfaction ratings.

Contractors that exceed basic requirements are entitled to a bonus. A rating between 85 and 90 per cent warrants a one per cent bonus, between 90 and 95 per cent warrants a 1.5 per cent bonus, and above 95 per cent warrants a two per cent bonus. The performance measure is a provincial average of the combined summer and winter ratings for all 28 contractors in the province.

Objective 4.2: The main highway system is rehabilitated on a lowest life-cycle cost basis

Strategies

- Maintain the current condition of the main highway system (roads and structures) and mitigate the onset of deterioration in ways that provide the least cost over the life-cycle of the infrastructure; and
- Systematically assess the condition of the infrastructure to determine priority in the annual resurfacing and structure rehabilitation and replacement programs.

Objective 4.3: Improved highway safety and reliability

Strategies

- Monitor highway safety and improve high-risk locations in consultation with local and regional authorities and stakeholders;
- Maximize highway safety and reliability through both safety-focused enhancements and low-cost improvements, such as signs, lighting, and lane markings; and
- Work with safety partners such as the Insurance Corporation of British Columbia, the RCMP, and the Ministry of Public Safety and Solicitor General to identify areas for safety improvements.

Adaptation to Climate Change

The Ministry's Chief Engineer is leading a provincial pilot project using the Public Infrastructure Engineering Vulnerability Committee Protocol to measure our current transportation infrastructure's capacity to adapt to climate changes predicted to 2050. The Ministry is working with the Public Infrastructure Engineering Vulnerability Committee, the Ministry of Environment, the Pacific Institute for Climate Solutions, the Pacific Climate Impacts Consortium and Engineers Canada. A final report is expected in summer 2010.

Performance Measure 5: Highway safety

Performance Measure	Baseline	2009/10 Forecast	2010/11 Target	2011/12 Target	2012/13 Target
Crash reduction after construction on safety improvement capital projects.	152	20% reduction from baseline	25% reduction from baseline	30% reduction from baseline	N/A

Data Source: The crash data is gathered by the RCMP as part of its on-site crash investigation. The RCMP then passes the data to ICBC. The data (provincial roads only minus personal information) are then passed on to the Ministry and input into the Collision Information System. Data reliability is dependent on RCMP attendance at crashes and the accuracy of the form completion.

Discussion

The performance measure compares the before and after crash reduction on 19 new safety improvement capital projects on completion of construction. These projects will be delivered throughout the reporting period. The baseline is established at 152 crashes per year measured over five years.

Beginning 2012/2013, a new baseline and new targets will be established for a new set of projects. These projects will form the basis for the subsequent reporting period until they are delivered. This measure directly assesses Ministry progress towards providing a safe highway system.

Objective 4.4: Effective road safety enforcement, education and programs for the commercial transport industry**Strategies**

- Establish and enforce regulations to enhance vehicle safety in B.C.;
- Work with other jurisdictions to coordinate and harmonize commercial transport and vehicle safety standards;
- Introduce system improvements to enhance the quality and timeliness of commercial vehicle safety data for law enforcement; and
- Implement technologies to enhance safety and improve efficiency for the commercial transport industry.

Goal 5: Excellent customer service

Objective 5.1: Continue to improve service levels to the British Columbia business community

Strategies

- Participate in cross government integration of permitting;
- Streamline application and review processes for rural sub-divisions; and
- Implement online application and tracking tools to support reduced turn-around times.

Objective 5.2: Excellent customer service is provided to all British Columbians

Strategies

- Undertake annual surveys of customer satisfaction and compare survey results with baseline data to ensure customer needs are met;
- Use survey results and public feedback to better understand various elements of customer expectations and levels of customer service provided through existing processes and procedures; and
- Evaluate results to determine how to adjust internal processes, procedures and communications to enable more rapid information exchange within and between Ministry business units to deliver enhanced customer service.

Performance Measure 6: Customer service

Performance Measure	2005/06 Baseline	2009/10 Forecast	2010/11 Target	2011/12 Target	2012/13 Target
Customer Satisfaction Survey: Stakeholder satisfaction with existing Ministry services and delivery processes, rated on a scale of 1 to 5.	3.89	4.10	4.10	4.10	4.10

Data Source: The Ministry's Customer Satisfaction Survey is based on the Common Measurement Tool, a survey framework designed by the Institute for Citizen-Centred Service to be administered by public-sector organizations to facilitate the measurement of citizen satisfaction.

Discussion

The customer satisfaction score is based on British Columbians' ratings of service they received from the Ministry. For example, Ministry staff may have checked the status of an application, provided information on government requirements, directed citizens to the correct source of information, or assisted with forms. The survey questions focus on fairness, willingness to go the extra mile, staff knowledge, timeliness, accessibility, staff courtesy, and overall service quality.

Survey respondents include local governments, commercial highway operators, permit applicants, emergency services, resource industries, highway construction and maintenance companies, professional and technical consultants, real estate industry, business groups, and general highway users.

The Ministry uses the survey results to identify areas and processes to improve service delivery. The constant targets for 2009/10 onwards represent the Ministry's ability to consistently deliver good customer service.

Resource Summary

Resource Summary Table

Core Business Area	2009/10 Restated Estimates ¹	2010/11 Estimates	2011/12 Plan	2012/13 Plan
Operating Expenses (\$000)²				
Transportation and Infrastructure Improvements	11,917	10,352	10,451	10,451
Public Transportation ³	250,673	273,449	331,889	332,294
Highway Operations	461,644	459,243	455,795	455,390
Commercial Passenger Transportation Regulation	1,755	1,755	1,755	1,755
Executive and Support Services	8,212	8,015	8,014	8,014
Total	734,201	752,814	807,904	807,904
Ministry Capital Expenditures (Consolidated Revenue Fund) (\$000)				
Transportation and Infrastructure Improvements	0	0	0	0
Highway Operations	2,981	4,273	2,782	2,274
Commercial Passenger Transportation Regulation	0	0	0	0
Executive and Support Services	0	0	0	0
Total	2,981	4,273	2,782	2,274
Other Financing Transactions (\$000)				
Receipts	0	0	0	0
Disbursements	0	0	0	0
Net Cash Source (Requirements)	0	0	0	0

Core Business Area	2009/10 Restated Estimates ¹	2010/11 Estimates	2011/12 Plan	2012/13 Plan
Revenue (\$000)				
Total Receipts⁴	45,327	46,637	47,245	47,838

¹ These amounts have been restated, for comparative purposes only, to be consistent with the presentation of the *Estimates* 2010/11. Schedule A of the Estimates, presents a detailed reconciliation. The 2009/1- restated estimates reflect a change in funding model for corporately provided operations support such as accommodation, most information technology, freedom of information, corporate accounting services, payroll and corporate sustainability. Funds previously in Ministries for these activities were centralized into Shared Services BC, the existing service delivery body for these services.

² Operating expenses are reported net of funding from external sources, primarily the BC Transportation Financing Authority (see next page).

³ Public Transportation: Operating Expenses include government contributions towards public transit and coastal ferry services.

⁴ The majority of the Ministry's revenue comes from the federal contribution to coastal ferry service (was \$27 million in Fiscal 2009/10).

BC Transportation Financing Authority

Statement of Earnings

	2009/10 Forecast	2010/11 Plan	2011/12 Plan	2012/13 Plan
Revenue (\$000)				
Dedicated Taxes ¹	430,000	416,500	411,000	409,000
Amortization of deferred contributions ²	142,690	141,355	147,844	155,564
Other revenue ³	43,799	80,238	125,983	128,661
Total	616,489	638,093	684,827	693,225
Expenditures (\$000)				
Amortization	366,297	380,542	420,392	451,131
Interest ⁴	238,261	287,123	348,917	382,848
Interior and rural side roads ⁵	39,963	32,500	32,500	32,500
Grant programs ⁶	125,894	79,991	106,190	128,179
Operations and administration ⁷	66,220	51,588	52,755	53,910
Total	836,635	831,744	960,754	1,048,568
Net Earnings (Loss)(\$000)				
Net operating loss⁸	(220,146)	(193,651)	(275,927)	(355,343)

¹Dedicated taxes include 6.75 cents per litre motor fuel tax.

²Contributions towards capital assets are deferred and amortized to income at the same rate as the related highway infrastructure is amortized to expense.

³Other revenue includes interest income, grants from the Province, property sales, rentals and economic development revenues, and earnings from the equity investment in the British Columbia Railway Company.

⁴Interest on borrowing used to finance construction work in progress is capitalized. Upon completion, related interest costs are expensed.

⁵Improvements to interior and rural side roads are included in capital expenditures; repairs are expensed. Total interior and rural side road program expenditure is \$61 million for 2009/10 and \$50 million from 2010/11 to 2012/13.

⁶Grant programs include grants paid under the transportation partnerships program for cycling infrastructure, provincial contributions to Canada Line, grants to TransLink and BC Transit for transit purposes, and other projects.

⁷Operations and administration expenditures include public-private-partnership project performance payments, inland ferries operations and maintenance, write-down and transfer of assets.

⁸Excludes unrealized gain/loss from foreign exchange, financial derivatives and sinking fund investments.

Major Capital Projects

Kicking Horse Canyon

Objective: Upgrade the 26-kilometre section of the Trans-Canada Highway to a modern, four-lane standard from the junction of Highway 95 at Golden to the western boundary of Yoho National Park. This highway corridor was originally constructed in the 1950s and is mostly two lanes wide. It is an important route for tourism and inter-provincial trade, serving as a gateway between B.C. and the rest of North America. By connecting remote resource extraction sites with processing, manufacturing, and distribution centres, this portion of the Trans-Canada Highway is a key part of our province's resource economies, particularly forestry and mining.

The Kicking Horse Canyon Project has four phases. The first two, the \$64 million Yoho Bridge and the \$143 million Park Bridge (public-private-partnership), are complete and in use.

Phase 3 includes Golden Hill to West Portal and 10-Mile Brake Check to Yoho National Park. A federal funding partnership has been secured for Phase 3 under the Building Canada Fund.

Construction of the 10-Mile Brake Check to Yoho National Park segment was awarded to Ledcor CMI in the fall of 2008 and is scheduled for completion by March 2011. A contract has been awarded for the Golden Hill to West Portal design-build project. Completion of construction is targeted for 2012.



Placing deck concrete for the new four-lane Mount Hunter Creek Bridge on Phase 3 of the Kicking Horse Canyon Project, 20 km east of Golden.

Phase 4 includes the Highway 1/95

Intersection and the West Portal to Yoho Bridge section. Preliminary engineering work continues on the challenging section from West Portal to Yoho Bridge.

Costs: The total cost was \$207 million for the first two phases. Current estimates for Phase 3 are \$134 million.

Benefits:

- Safer roads and increased capacity on a critical provincial and national gateway;
- Fewer road closures due to slides and accidents; and
- Economic development through increased tourism and more efficient movement of goods and services.

Risks:

- Challenging climatic and geographic conditions; and
- Managing traffic during construction.

South Fraser Perimeter Road

Objective: The South Fraser Perimeter Road Project, approximately 40 kilometres long, is a new four-lane, 80 kilometres per hour route along the south side of the Fraser River. The project extends from Deltaport Way in Southwest Delta to 176th Street (Highway 15) in Surrey, with connections to highways 1, 91, and 99 and to TransLink's new Golden Ears Bridge.

The project will provide a much-needed continuous and efficient route to serve the important freight and service industry along this key economic corridor and will benefit commuters as well as tourists accessing borders, ferries and the B.C. Interior. After a rigorous environmental assessment, the project received provincial and federal environmental certification and Agricultural Land Commission approval in 2008.

Costs: The overall cost of the project is approximately \$1.2 billion. A federal contribution agreement was signed in September 2008 for \$365 million under the Canada-British Columbia Asia-Pacific Gateway and Corridor Transportation Infrastructure Fund.



Preloading in place for construction of the South Fraser Perimeter Road. Pattullo Bridge is in the foreground.

Benefits:

- Improved movement of people and goods through the region via enhanced connections to the provincial highway network;
- Reduced east-west travel times, particularly for heavy truck traffic by providing a continuous highway along the south side of the Fraser River;
- Improved access to major trade gateways and industrial areas, and enhanced development in designated industrial areas along the south side of the Fraser River;
- Improved safety and reliability; and
- Reduced truck traffic on municipal road networks, restoring them as community streets.

Risks:

- Construction in soft soils (preloading in some areas may take more than a year to settle); and

- Construction across wood-waste landfill sites (requiring remediation of contaminated soils).

Port Mann/Highway 1

Objective: The Port Mann/Highway 1 project includes construction of a new 10-lane Port Mann Bridge and improvements to approximately 37 kilometres of Highway 1 from the McGill Street Interchange in Vancouver to 216th Street in Langley. The project will widen the highway, expand the high occupancy vehicle network, upgrade interchanges and improve access and safety.

Responsibility for the Port Mann/Highway 1 Project has been transferred to Transportation Investment Corporation. As a provincial Crown corporation, Transportation Investment Corporation prepares its own service plan, separate from the Ministry's.

Evergreen Line Rapid Transit Project

Objective: The Evergreen Line is a new rapid transit line that will connect Coquitlam to Burnaby via Port Moody. It will seamlessly connect to the current SkyTrain network, moving passengers from Coquitlam City Centre to downtown Vancouver in 40 minutes. The Evergreen Line will also integrate with regional bus networks as well as the West Coast Express.

The Evergreen Line has been a centerpiece of Metro Vancouver's regionally-developed transportation plan for over 15 years and is a key element of the *Provincial Transit Plan*. The project will extend Metro Vancouver's rapid transit network to the growing northeast sector communities, providing alternative transit choices, increasing transit ridership, and reducing greenhouse gas emissions and road congestion by getting people out of their cars.

The Evergreen Line is estimated to take four years to build, with construction anticipated to start in 2011.

More information about the project can be found at www.evergreenline.gov.bc.ca/.

Costs: The estimated construction cost is \$1.4 billion. The Province has committed \$410 million and the federal government has committed \$417 million to the project.

Benefits:

- Provides fast, frequent, and convenient service, with service almost 20 hours a day, every 3 minutes during peak periods;
- Provides greater transit choice;
- Increases transit ridership and capacity, with 70,000 riders per day by 2021;
- Reduces traffic congestion;
- Supports regional and municipal growth management plans;
- Stimulates community growth and development; and
- Provides economic opportunities by creating 8,000 new jobs during construction.

Risks:

- Construction through a developed urban area;
- Managing traffic during construction through busy urban commuter routes; and
- Construction staging of a two-kilometre bored tunnel.

Transportation Investments

(\$ millions)	2010/11	2011/12	2012/13	Total
Provincial Investments				
Transportation Investment Plan				
Rehabilitation	203	146	146	495
Interior and Rural Side Roads	50	50	50	150
Oil and Gas Rural Road Improvement Program	51	-	-	51
Mountain Pine Beetle Strategy	30	30	30	90
Highway 1 – Kicking Horse Canyon	46	7	-	53
Highway 1 – Kamloops to Golden	88	46	45	179
Gateway Program	128	113	100	341
Okanagan Valley Corridor	87	39	7	133
Cariboo Connector Program	53	10	20	83
Other Highway Corridors and Programs	124	91	80	295
Cycling Infrastructure	3	3	3	9
Total Transportation Investment Plan	863	535	481	1879
Provincial Transit Plan				
Canada Line Rapid Transit Project	20	20	20	60
Evergreen Line	33	133	136	302
Rapid Transit Projects	52	34	158	244
Buses and Other Transit Priorities	68	63	85	216
Total Provincial Transit Plan	173	250	399	822
Total Provincial Investment¹	1,036	785	880	2,701
Investments Funded through Contributions from Federal Government and Other Partners				
Evergreen Line (Federal Government and TransLink)	66	239	263	568
Contributions to other projects	394	170	170	734
Total Investments Funded through Contributions	460	409	433	1,302
Total Investments in Transportation Infrastructure	1,496	1,194	1,313	4,003

¹ Total provincial investment includes operating and capital spending.

Major Programs

Highway Rehabilitation – Investing \$495 million over three years (2010/11 through 2012/13) in road and bridge surfacing, bridge rehabilitation, seismic retrofits and highway safety improvements.

Interior and Rural Side Roads – Making these roads safer and more reliable, and improving connections between communities. The Ministry is investing \$150 million from 2010/11 through 2012/13 to renew the interior and rural road networks.

Oil and Gas Rural Road Improvement Program – Rehabilitating the existing public road infrastructure in the Northeast region of the province to help eliminate seasonal road restrictions and extend the winter drilling season for oil and gas exploration, thereby attracting new investment and creating jobs. This rehabilitation is being done in partnership with the Ministry of Energy, Mines and Petroleum Resources. An investment of \$51 million will be made in 2010/11.

Mountain Pine Beetle Strategy – Investing \$30 million per year to facilitate the safe and efficient transportation of harvested mountain pine beetle killed timber; to repair damage done to the highways system by the extraordinary increase in heavy truck traffic, and to help ensure that the goals and objectives of B.C.'s *Mountain Pine Beetle Action Plan* are met.

Okanagan Corridor Improvements – Supporting trade and tourism through corridor improvements that reduce congestion. The Province has approved expenditures of \$133 million over the next three years for improvements, and additional funding will be secured through partnerships with federal and municipal governments. Projects include four-laning Highway 97 between Summerland and Peachland, constructing an interchange for Highway 97 in partnership with the Westbank First Nation, widening highways 33 and 97 within Kelowna, four-laning Highway 97 on a new alignment west of Wood Lake in the District of Lake Country, improving the Highway 97/6 intersection in Vernon, four-laning two separate projects on Highway 97A north of Vernon to Armstrong and upgrading Highway 97A in Enderby. Corridor projects have included infrastructure improvements that support transit expansion, including the introduction of the first high-occupancy vehicle lanes in B.C. outside the Lower Mainland.



Workers install mesh to keep rock off the travelled roadway as part of the Highway 97, Bentley Road to Okanagan Lake Park Project.

Cariboo Connector Program – Widening the 460-kilometre portion of Highway 97 from Cache Creek to Prince George to increase safety and decrease travel times, while providing northern communities with a first-class trade corridor that meets the needs of a rapidly expanding economy. Phase 1 of the program began in 2005/06 with an initial commitment of \$200 million, but federal infrastructure programs have allowed new projects to be brought on stream, raising the total commitment to approximately \$241 million in projects initiated over the five-year timeframe. Federal cost-sharing up to \$87 million has been secured under the federal *Building Canada Plan* and mountain pine beetle component of the Asia Pacific Gateway Initiative Fund.

Other Highway Corridors and Programs – Improving the performance of highway corridors through projects such as passing lanes, four-laning, left turn slots, realignments and safety upgrades. Expenditures also include partnership projects, environmental enhancement programs, and land settlements.

Bike BC – Identifying and building cycling facilities of regional and provincial significance while continuing to assist local governments to develop their local networks. Bike BC is a comprehensive provincial cycling investment plan, which will complement the *Provincial Transit Plan* in reducing traffic congestion and greenhouse gas emissions by providing convenient and attractive alternatives to car travel. Bike BC will also improve public health and fitness by promoting physical activity. The Ministry will be investing \$18 million over three years to help make cycling a safe and attractive alternative transportation option for commuters. This investment will be further leveraged through cost-sharing agreements with local governments. Additionally, the Gateway Program includes a \$50 million investment to construct cycling facilities on the Gateway corridors, and the *Provincial Transit Plan* will establish up to 1,000 new bike lockers at key locations by 2020.

Provincial Transit Plan – Reducing greenhouse gases by over 4.7 million tonnes and doubling transit ridership by 2020 by providing a foundation of transportation infrastructure to support the development of healthier, more efficient communities. To accomplish these goals, the plan calls for long-term thinking and strong support from all levels of government, including the investment of \$14 billion in transit infrastructure investments. During the next three years (2010/11 – 2012/13) the plan is to invest up to \$1.9 billion in transit infrastructure throughout the province. These investments include: commencing construction of the Evergreen Line; upgrading existing Expo Line infrastructure, including expanded stations; acquiring additional SkyTrain cars, buses, and West Coast Express cars; constructing new Park and Ride facilities and transit supportive highway infrastructure; undertaking rapid bus projects in Victoria, Kelowna, and Metro Vancouver; and upgrading and expanding transit service centres. In pursuit of our goal to expand the bus fleet outside Metro Vancouver by 70 per cent, we will be looking at options that support the transit needs of smaller communities, including smaller community buses, custom transit such as handyDART buses and paratransit, which includes mini-buses, taxis and vans with flexible routes and schedules.

In addition to these investments, the Province is leading transit planning initiatives that will identify future infrastructure requirements including: improved transit services for the Fraser Valley; future potential transit use of the E&N Rail Corridor on Vancouver Island; Regional Transit Studies for Greater Victoria and the Central Okanagan. Finally, the Province is working with TransLink in detailed planning work to evaluate options for future rapid transit services to UBC and Surrey. More information on the *Provincial Transit Plan* can be found at www.th.gov.bc.ca/transit_plan.



Artist's rendition of the new Evergreen Line, a rapid transit line that will connect Coquitlam, Port Moody, Burnaby and Vancouver.

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BUILDING MARKETS GROWING JOBS

The Pacific Gateway
Transportation Strategy
2012 – 2020

*Moving Goods
and People*



THE BC
JOBS PLAN



BRITISH
COLUMBIA

TRA-2012-00331
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Cover image courtesy of the Port of Vancouver

Message from the Premier

New and emerging markets in Asia are giving us an exciting chance to create jobs and opportunities right across our province and sustain a thriving economy for all British Columbians. With our location, our resources and our long-established history of family, business and cultural ties to the Asia Pacific, we are ideally situated to take advantage of growing demand for a broad range of Canadian products in China, India, Korea and Japan.

The United States continues to be our closest trading partner. At the same time, our efforts to build new markets in Asia since 2005 are paying off. In 2011, our exports grew by more than 14 per cent to \$32.8 billion. And – for the first time ever – we exported more to the Pacific Rim than to the United States.

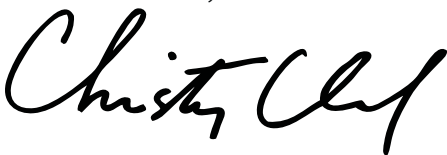
Our success is due in part to our unprecedented partnership with other provinces, the Government of Canada and the private sector, through the Pacific Gateway Alliance. No other jurisdiction in the world has achieved this level of cooperation.

We also have an enviable record of strong fiscal management. In today's uncertain global economy, many other places are struggling with the impacts of overspending, high debt and high taxes. But British Columbia maintains an AAA credit rating – the highest rating possible – and that sends a powerful message to investors that B.C. is a safe, secure place to invest. Just as important, it keeps the Province's debt-service costs low, so we can afford to continue investing in needed capital infrastructure – creating jobs and enabling growth in industries throughout B.C.

This *Pacific Gateway Transportation Strategy 2012-2020* follows through on our commitment to expand British Columbia's world-class transportation network, strengthening our infrastructure to get our goods to market and generate sustainable economic growth. In support of *Canada Starts Here – The BC Jobs Plan*, our *Pacific Gateway Transportation Strategy 2012-2020* will ensure B.C. is the preferred North American gateway for Asia Pacific trade.

Our government will continue leading trade missions to Asia to sustain our reputation as a reliable supplier of goods and services, and a destination of choice for investors and visitors. We will also bring more potential investors here, so they can see our advantages first-hand.

We are on the verge of seizing an amazing opportunity, and I look forward to continuing to work with our business partners, federal and provincial colleagues, First Nations and communities – so we can all benefit from the fact that, with our Pacific Gateway, Canada starts here.



The Honourable Christy Clark
Premier of British Columbia





Message from the Minister

British Columbia is fortunate to be at the crossroads of the world's biggest markets. We know where the opportunities are and, with the *BC Jobs Plan*, we are leveraging British Columbia's advantages to create and protect jobs in every region. This *Pacific Gateway Transportation Strategy 2012-2020* will ensure our transportation network can support growth across our economy and seize the new opportunities emerging in Asia.

In countries including China and India, fast-paced urbanization and a rapidly growing middle class are driving demand for products from B.C. and Western Canada. Asia needs resources such as potash for fertilizer, grain to feed its people, liquefied natural gas for fuel, coal for manufacturing steel, and wood for building.

With that demand, our B.C. ports are busier than ever. Total B.C. exports reached a new high in 2011. Volumes at Port Metro Vancouver were up 3.4 per cent from the previous year, while the Port of Prince Rupert had record exports of forest, coal and grain products to China, Japan and Korea. And ports are only one part of the transportation system we count on to get our goods to market.

This strategy describes our plan to work with the private sector, communities, First Nations, and other governments to build on our entire transportation network to carry exports and imports, and to secure a solid economic future for British Columbia's communities and families.

Our vision is to make B.C. the gateway of choice for trade and travel between North America and Asia. Together, we will open the doors to a world of opportunity.

A stylized, handwritten signature in black ink, consisting of a large, flowing 'B' followed by a series of loops and a long horizontal stroke.

The Honourable Blair Lekstrom
Minister of Transportation and Infrastructure

Executive Summary

Vision:

British Columbia is North America's gateway of choice for Asia Pacific trade

Targets:

At least \$25 billion in total investment will be required by 2020, beyond the \$22 billion previously committed. This \$25 billion in new investment includes:

- ▶ \$3.1 billion to increase major road and rail capacity, including new provincial investment of \$700 million in B.C.'s major trade corridors and the Prince Rupert Road Rail Utility Corridor announced in the *BC Jobs Plan*
- ▶ \$18 billion to support the previously announced *BC Jobs Plan* goal of three Liquefied Natural Gas plants in B.C., and at least \$222 million to increase access to natural resources in rural B.C.
- ▶ \$3.8 billion to increase bulk and container terminal capacity at ports in B.C., including the Province's \$50-million commitment to the Deltaport Terminal, Road and Rail Improvement Project

New investment will create at least 17,000 additional jobs by 2020 ¹.

Goals:

- ▶ Build on our world-class transportation network
- ▶ Ensure an attractive climate for investment
- ▶ Enhance collaboration with partners and stakeholders

Actions:

Build on our world-class transportation network to:

- ▶ upgrade key road transportation corridors to support trade with new provincial investments of \$700 million over the next five years
- ▶ increase railway capacity by investing \$2.8 billion by 2015 to meet CN and Canadian Pacific rail mainline growth
- ▶ expand coal terminal capacity in Vancouver and Prince Rupert with new private sector investments of between \$300 million and \$1.1 billion to accommodate up to 93 million tonnes of coal a year by 2020
- ▶ expand metal and mineral port terminal capacity in Northwest B.C. and Vancouver with new private sector investments of up to \$60 million to accommodate seven million tonnes a year by 2020
- ▶ develop additional potash terminal capacity to accommodate 24 million tonnes a year by 2020 with new private sector infrastructure investments of up to \$700 million
- ▶ invest over \$30 million to develop port terminal capacity for forest products in the North to handle products such as wood pellets and chips
- ▶ increase access to mines and forest resources through new transportation networks – for example, roads connecting mines in the North with Highway 37

¹ Asia Pacific Gateway Skills Table: B.C. Labour Market Requirement for the Asia Pacific Gateway: 2011-2019.

Actions (continued):

Including projects underway that will:

- ▶ Support bulk handling capacity at Ridley Island with the \$300 million Prince Rupert Road Rail Utility Corridor. The Province committed \$15 million in the *BC Jobs Plan* – along with partners Canada, CN and the Prince Rupert Port Authority; the \$90 million Phase 1 of the project is now fully funded
 - ▶ develop pipeline and plant capacity to transport LNG, in support of the *BC Jobs Plan* target of three LNG plants by 2020 through \$18 billion in private sector investment
 - ▶ increase access to gas reserves through \$222 million continued investment in the Oil and Gas Rural Road Improvement Project and the Sierra Yoyo Desan Road
 - ▶ attract new air passenger and cargo routes and carriers and improve the customer experience by completing the Vancouver International Airport \$1.8 billion terminal, baggage and runway improvements announced in January 2012
 - ▶ increase Vancouver container capacity by carrying out the Deltaport Terminal, Road and Rail Improvement Project announced in the *BC Jobs Plan* and new investments in the \$2-billion Roberts Bank Terminal 2 as part of the Port's Container Capacity Improvement Program
 - ▶ increase Prince Rupert container capacity by building the \$800-million Prince Rupert Fairview Phase 2
 - ▶ improve container logistics handling in Western Canada by completing over \$250 million in private sector investments in support of new integrated logistics facilities across the Pacific Gateway supply chain
 - ▶ increase major road capacity – completing \$4.9-billion investment on provincial road and bridges including the Port Mann Bridge, the new South Fraser Perimeter Road, Highway 1 upgrades from Kamloops to Golden and the Kicking Horse Canyon
 - ▶ improve rail efficiency and provide safer travel for residents by completing the \$307-million Roberts Bank Rail Corridor projects and the \$410-million investments in the North and South Shore Trade Area projects in Vancouver
 - ▶ consolidate transportation oversight operations in Vancouver at the \$11.6-million Regional Traffic Management Centre under construction
 - ▶ improve border crossing efficiency with the \$5.6 million border infrastructure and information systems announced in the *BC Jobs Plan*, and continue to work with Washington State
- Ensure an attractive climate for investment with actions including:
- ▶ eliminating the provincial jet-fuel tax for international flights, saving airlines thousands of dollars a day, resulting in more air service to B.C. as announced in Budget 2012
 - ▶ capping the property tax on designated ports as announced in Budget 2012, generating at least \$2 billion in new port investment in Prince Rupert and Vancouver and up to 1,000 additional jobs according to the BC Wharf Operators Association
 - ▶ working with stakeholders to realize Vancouver's potential as a Maritime Centre of Excellence
 - ▶ strengthening Alliance partnerships to ensure YVR becomes North America's aviation hub to Asia
 - ▶ implementing a detailed aviation strategy to make B.C. more competitive in the global aviation market
 - ▶ harmonizing regulations for transport trucks across Western Canada, minimizing barriers to inter-provincial trade, investment and labour mobility
 - ▶ supporting the recently-announced Canada/US Beyond the Border Initiative to ensure border-efficiency improvements
 - ▶ co-ordinating federal and provincial environmental assessment processes for timely decision-making for investors
 - ▶ marketing B.C.'s competitive advantages around the world and attracting the world to B.C., in collaboration with the private sector, federal government, other provinces, labour and First Nations
 - ▶ ensuring transportation construction and operations have skilled labour when it is needed, in the right location, supported by best-practice recruitment and training
 - ▶ ensuring labour reliability by building on the eight year International Longshore and Warehouse Union (ILWU) agreements by expanding the model to other transportation sectors
 - ▶ continuing implementation of supply-chain performance standards, measurement and improvement

Actions (continued):

Enhance collaboration with partners and stakeholders by building on our past success. Actions in this area include:

- ▶ a B.C. Transportation Summit entitled 'Corridors to BC's Economic Future', hosted by the B.C. Chamber of Commerce in Vancouver in June 2012
- ▶ working with communities to integrate industrial land-use planning
- ▶ engaging with communities to advance specific projects as they are planned and developed
- ▶ supporting business-to-business relationships and other agreements that ensure First Nations benefit from projects in their traditional territories
- ▶ working with the Aboriginal Business and Investment Council to broaden engagement with Aboriginal people and businesses





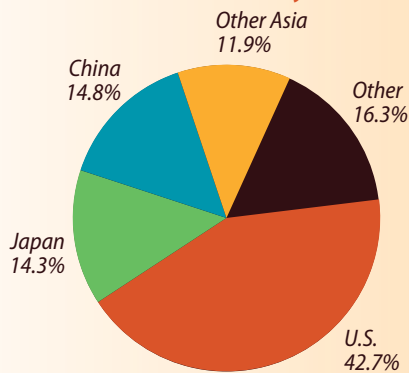
Worker on the Port Mann Bridge

Introduction

B.C. is Canada's Pacific Gateway, the preferred gateway for Asian trade to North America and the world. Transportation is a key support for economic growth and development. That's why it is singled out for special focus in the BC Jobs Plan. More than any other sector, it serves the dual purpose of generating direct employment and underpinning job creation, development and progress throughout B.C.

Our transportation system is truly world-class. Our Pacific Gateway Alliance – an unprecedented public-private partnership – is already delivering \$22 billion worth of improvements to port, road, rail and airport infrastructure. These investments, made or committed since 2005, build on our natural advantages and help make B.C. the gateway of choice for trade with the Asia Pacific – and future investments will continue to fulfill that promise.

Trade continues to diversify



Containers at Fairview Terminal
Port of Prince Rupert

Today, we see clear evidence that the Pacific Gateway strategy is working. For example, in 2001, almost 70 per cent of our exports went to a single market – the United States. While the U.S. will always be our most important trading partner, today it accounts for less than 50 per cent of B.C. exports, thanks to our growing trade with countries in Asia. Their economies are widely expected to lead international growth for years to come and B.C. has unprecedented opportunities to benefit from this growth.

China is rapidly becoming a global manufacturing centre and is transforming its domestic infrastructure. As China and India urbanize, their demand for our natural resources is soaring. By 2020, the amount of coal moving through the Pacific Gateway is expected to increase by 150 per cent. The increase in forest products could be as high as 100 per cent and the increase in metals and minerals is expected to top 300 per cent.

We are also seeing strong demand for B.C. agri-food products, with exports to China topping \$100 million for the first time in 2010. Those figures will likely rise with the advent of Canada's first-ever dedicated cargo flights to Mainland China. These began in 2011, delivering fresh seafood and other high-value exports to the Chinese market.

New demand in Asia translates into jobs for British Columbians and revenues for government to pay for public services. In order to achieve these and other benefits, we must act decisively to build on our transportation infrastructure.

In today's global economy, competition is fierce. Customers are knowledgeable and well aware of their options when it comes to getting goods to market. That means B.C. has to move quickly: if we do not seize the opportunity before us now, we risk losing it forever.

This *Pacific Gateway Transportation Strategy 2012 - 2020* builds on record levels of infrastructure investments and sets out the steps we will take to enable new development in all the sectors identified in the *BC Jobs Plan*. We have a strong foundation. We have a great partnership and, with this strategy, we have a clear plan to guide our work through 2020 – supporting and creating jobs in every region of our province.



B.C. blueberries
are in high
demand in Asia

Vision:

British Columbia is North America's gateway of choice for Asia Pacific trade

Targets:

At least \$25 billion in total investment will be required by 2020, beyond the \$22 billion previously committed. This \$25 billion in new investment includes:

- *\$3.1 billion to increase major road and rail capacity, including new provincial investment of \$700 million in B.C.'s major trade corridors and the Prince Rupert Road Rail Utility Corridor announced in the BC Jobs Plan*
- *\$18 billion to support the previously announced BC Jobs Plan goal of three Liquefied Natural Gas plants in B.C., and at least \$222 million to increase access to natural resources in rural B.C.*
- *\$3.8 billion to increase bulk and container terminal capacity at ports in B.C., including the Province's \$50-million commitment to the Deltaport Terminal, Road and Rail Improvement Project*

New investment will create at least 17,000 additional jobs by 2020².

Goals:

- *Build on our world-class transportation network*
- *Ensure an attractive climate for investment*
- *Enhance collaboration with partners and stakeholders*

Canada's Pacific Gateway – The Strategic Alliance

The Pacific Gateway Alliance is a unique partnership of transportation industries and governments. Recognizing the vital importance of trade to all of Canada, the partners have been working together since 2005 to take advantage of B.C.'s strategic location at the crossroads of North America and Asia.

The Alliance includes the governments of B.C., Alberta, Saskatchewan and Canada, along with executive representatives from CN and Canadian Pacific, the ports of Vancouver and Prince Rupert and Vancouver International Airport (YVR).

Canada Starts Here: Building on the BC Jobs Plan

This transportation strategy was developed in extensive consultation with senior leaders in the transportation, forestry, mining, energy, tourism and agri-food sectors. It supports the BC Jobs Plan, which is built on three key pillars:

- *Working with employers and communities to enable job creation across B.C.*
- *Strengthening our infrastructure to get our goods to market.*
- *Expanding markets for B.C. products and services, particularly in Asia.*

For more on the BC Jobs Plan, including opportunities to share your ideas and talk about what's happening in your community, go to www.bcjobsplan.ca

² Asia Pacific Gateway Skills Table:
B.C. Labour Market Requirement for the Asia Pacific Gateway: 2011-2019.



Work on Neptune ship-loader
at Ramsay Machine Works
in Sidney, B.C.



Canadian Pacific Intermodal train in
the Columbia Valley, B.C.
Photo courtesy of Canadian Pacific

1 Build on our world-class transportation network

British Columbia's rich supply of natural resources has fuelled our economy for over 150 years. Today, with demand for our products on the rise in the fast-growing nations of the Asia Pacific, our province is attracting new investment, creating jobs and generating revenues – with the support of a reliable, efficient, cost-effective transportation network.

Through the Pacific Gateway Alliance, the public and private sectors are working together to keep goods and people moving smoothly – since 2005, \$22 billion has been committed. Of that, more than \$12 billion in completed investments to date have helped expand our seaports, airports, railways and roadways and \$10 billion is underway. We are determined to keep the momentum going.

To help set priorities for future investment, the Province brought together more than 160 senior leaders in transportation, forestry, mining, energy, tourism and agri-food during 2011. Using expert information and advice, they assessed their sectors' growth potential and worked with the Province to develop Pacific Gateway transportation strategies to meet that growth.

Based on their findings and recommendations, Pacific Gateway Alliance partners have agreed to move forward in five key areas to build on our world-class transportation network:

- ▶ **increasing major rail and road capacity**
- ▶ **increasing rural resource transportation capacity**
- ▶ **increasing bulk terminal capacity at B.C. ports**
- ▶ **increasing container terminal capacity at B.C. ports**
- ▶ **increasing air passenger and cargo capacity**

You can have the largest supply of coal compared to your competitors, but if you don't have a reliable and cost-effective way to move it, it's worth nothing.

*Rick Evans
Manager, Transportation and Logistics, Strategic Initiatives
Peace River Coal*

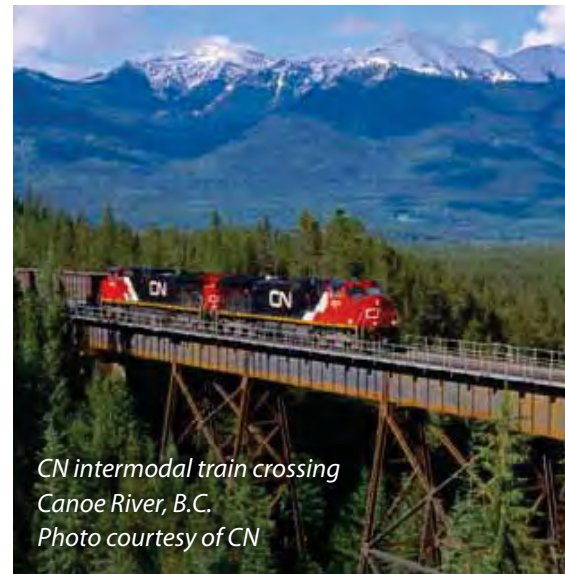
1.1 Increase major road and rail capacity

Of the \$22 billion committed to infrastructure projects since 2005, \$7 billion has been invested in road and rail networks. Results to date include highway improvements such as the Border Infrastructure Program, Pitt River Bridge, Golden Ears Bridge, Kicking Horse Canyon and Cariboo Connector, along with rail expansions and acquisitions across CN and Canadian Pacific's North American network.

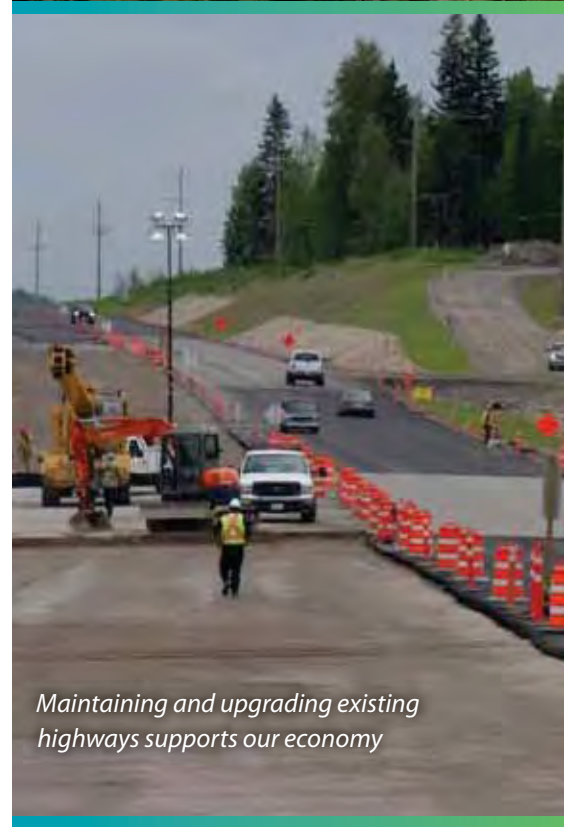
These investments support our growing trade with Asia by bringing products such as coal from the Kootenays, grain from the Peace and Prairie regions, and potash from Saskatchewan to the coast for shipping overseas – as well as moving goods and people within British Columbia.

To further increase capacity on our major roads and railways, the Province will work with its partners in the Pacific Gateway Alliance to:

- ▶ **Upgrade transportation trade corridors in British Columbia.** The Province will invest \$700 million over the next five years to make capacity and safety improvements to help keep goods and people moving smoothly and efficiently.
- ▶ **Invest in rail capacity improvements to meet future growth.** CN and Canadian Pacific are together investing more than \$700 million in 2012 track, rolling stock and technology to increase capacity and improve efficiency. This forms part of both Canadian Pacific and CN's plans to invest over \$2.8 billion by 2015 for capacity improvements as part of their multi-year strategies to enable growth.
The railway companies will continue working in partnership to develop creative solutions, such as the co-production agreements that enable them to share their tracks, improving efficiency for both companies.
- ▶ **Construct the Prince Rupert Road Rail Utility Corridor.** This \$300-million project will develop badly-needed infrastructure on Ridley Island to help ensure the Port of Prince Rupert can accommodate projected growth in exports by 2020. Phase 1 of the project is funded jointly by B.C., Canada, CN and the Port of Prince Rupert. With the *BC Jobs Plan*, the Province has committed \$15 million to the project's \$90 million first phase – with commitments from the Government of Canada, CN and the Prince Rupert Port Authority, funding is now in place.
- ▶ **Complete the \$1.3-billion South Fraser Perimeter Road** – a new industrial corridor that will benefit commuters, the trucking industry and tourists by connecting Pacific Gateway facilities with access to borders, the Tsawwassen ferry terminal and the B.C. Interior. The new road will help to increase efficiency while reducing truck and other traffic on municipal roads in Delta and Surrey. For details, go to www.th.gov.bc.ca/gateway/SFPR/sfpr.htm
- ▶ **Complete the \$3.3-billion project now underway to improve the Port Mann Bridge/Trans Canada Highway 1.** The project includes a new 10-lane Port Mann Bridge, along with a series of improvements to increase access and safety on Highway 1. In keeping with the Provincial Transit Plan, the project also includes congestion-reduction measures such as high occupancy vehicle lanes, transit and commercial vehicle priority measures, and improvements to the cycling network. For details, go to www.pmh1project.com



*CN intermodal train crossing Canoe River, B.C.
Photo courtesy of CN*



Maintaining and upgrading existing highways supports our economy

- **Complete Highway 1 road infrastructure investments to support safe, reliable and efficient movement of goods and people.**

This includes on-going upgrades to Highway 1 from Kamloops to Golden (\$224 million) and the Province's partnership with the federal government for the third phase of the Kicking Horse Canyon project (\$121 million).

- **Complete the \$307-million Roberts Bank Rail Corridor, \$283-million North Shore Trade Area and \$127-million South Shore Trade Area improvements.**

These projects are designed to expand rail capacity and alleviate rail/road conflicts in the highly populated Lower Mainland region.

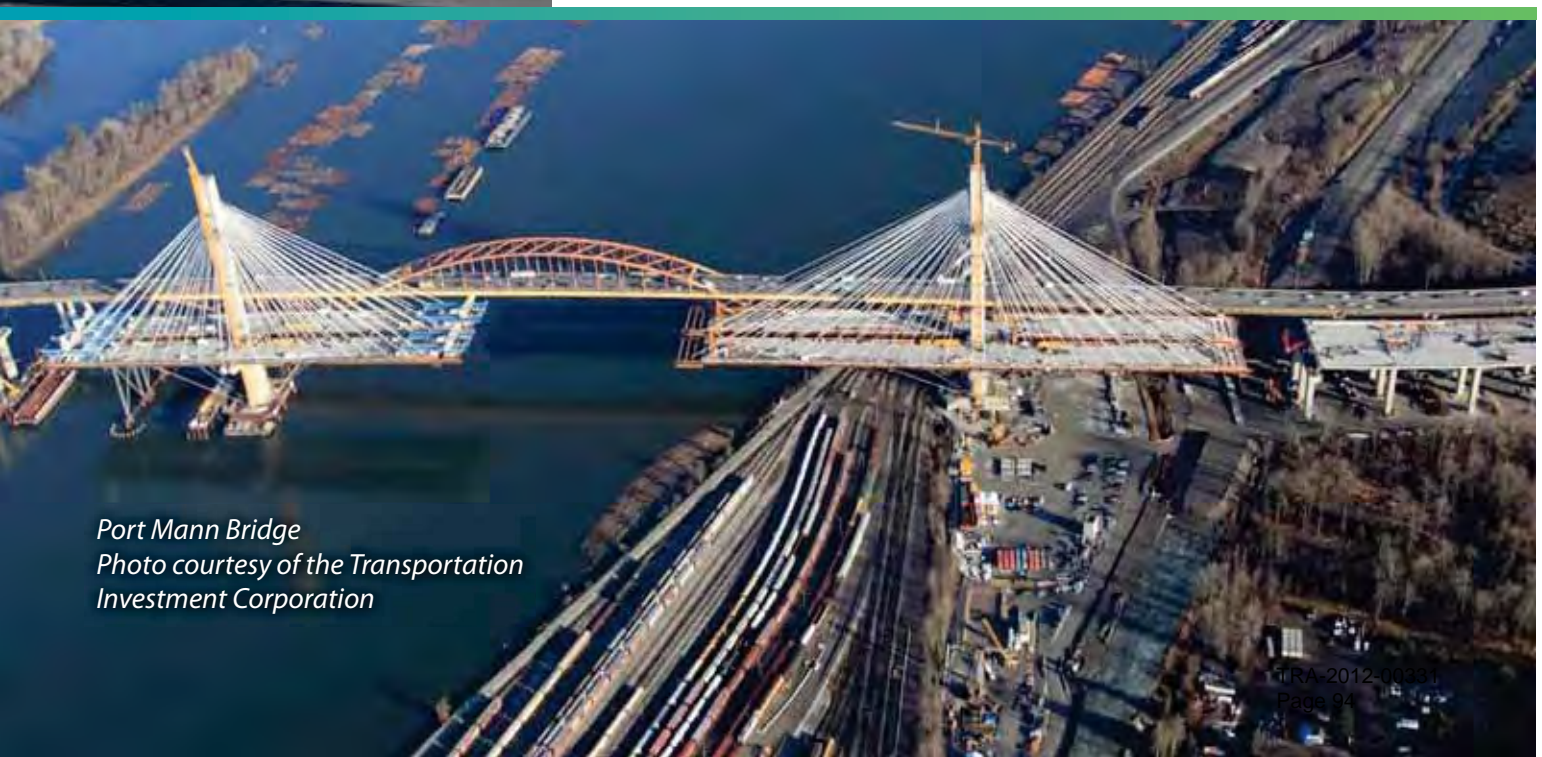
- **Complete the new Regional Traffic Management Centre to consolidate transportation oversight operations.** The centre, a partnership between the Province, Translink and the federal government, will allow for more effective traffic management on a day-to-day basis. The centre will provide enhanced multiple

agency coordination of incident management, special event and post disaster response/recovery for the major road network in Metro Vancouver.

- **Continue working with Washington State to develop joint initiatives that keep goods and people moving smoothly and safely across the border, investing in border infrastructure and information systems to improve border crossing efficiency.** B.C. and Washington State have a well-established track record of working together to integrate and coordinate infrastructure investments. For example, with the *BC Jobs Plan*, the Province recently invested \$5.6 million for a series of improvements, including a smart phone border application, a new NEXUS lane at the Sumas-Huntington border station and a new "queue-jump" to minimize border delays for transport trucks. The two jurisdictions will continue to collaborate, identifying and addressing issues as they arise.



Overhead signage showing wait time at border



Port Mann Bridge
Photo courtesy of the Transportation Investment Corporation

1.2 Increase rural resource transportation capacity

Summary of Opportunities	Commodity/Mode	Projected Trade Volume INCREASE (by 2020)	Capacity Gap 2015	Capacity Gap 2020
Total Projected Bulk/ Break Bulk Volume Increase: 114 million tonnes	Coal	+ 150% (56 million tonnes)	11 million tonnes	24 million tonnes
	Metals and Minerals	+ 310% (5 million tonnes)	Sufficient capacity	3 million tonnes
	Liquefied Natural Gas	+ 18 million tonnes	6 million tonnes	18 million tonnes
Total Projected Increase in Container Traffic: 3 million TEUs (20-foot equivalent units)	Potash	+ 340% (19 million tonnes)	3 million tonnes	13 million tonnes
	Forest Products	+ 100% (4 million tonnes)	Sufficient capacity	2 million tonnes (Wood Chips & Pellets)
	Grain	+ 5% (1 million tonne)	Sufficient capacity	Sufficient capacity
New Operational and Construction Supply Chain Jobs: Over 17,000	Containers	+ 105% (3 million TEUs)	Committed	Committed
	Air Passenger	+ 40% (6 million passengers)	Committed	Committed
	Air Cargo	+ 70 % (164,000 tonnes)	Committed	Committed
New Investment: \$25 Billion	Cruise	+ 50% (286,000 passengers)	Sufficient capacity	Sufficient capacity

Many of B.C.'s resource industries are poised for major growth. For example, the *BC Jobs Plan* is targeting eight new mines, with expansions or upgrades to nine existing mines, by 2015. We also have vast reserves of shale gas that support the potential to export millions of tonnes of LNG in the future.

Some of this development will be supported by expanding and strengthening existing networks of rural and resource roads. In other areas, the Province and its private sector partners will be opening up new territory, especially in the North, creating opportunities to build dedicated corridors for moving goods and people. Specifically, B.C. and its Pacific Gateway Alliance partners will:

- **Build on existing rural and resource roads to increase access to gas reserves.** Since 2001/02, the Province has invested more than \$364 million in the Oil and Gas Rural Road Improvement Program to upgrade public road infrastructure in the Northeast region of the province. These investments help to minimize seasonal road restrictions and extend the winter drilling season for oil and gas exploration, thereby attracting new investment, creating jobs and improving safety for both industry and residents.

As part of this strategy and as announced in Budget 2012, the Province will invest \$222 million in the Oil and Gas Rural Road Improvement Program and the Sierra Yoyo Desan Road to access the Horn River and Cordova Basins,

which are home to some of B.C.'s largest undeveloped gas reserves.

- **Build new transportation networks to increase access to natural resources.** A number of new, large-scale developments will be taking place in the regions served by the Northwest Transmission Line (NTL). Led by BC Hydro, the NTL project will extend the provincial electricity grid to serve B.C.'s Northwest – so the industries generating jobs in the region can be fuelled by clean power, and residents will no longer have to rely on diesel generators. Also, access will be required for the eight new mines committed to in the *BC Jobs Plan*.

As the line opens up new opportunities for resource development, the Province will

work with industry to develop an efficient transportation network connecting the area to key infrastructure such as ports, and to the larger communities that provide needed services for business, industry and families alike. Examples will include connecting mines in the North to Highway 37 and export facilities in northwest B.C.

- **Develop transportation capacity supporting the BC Jobs Plan target of three LNG plants by 2020.** The Province will work with proponents and communities to find the most effective infrastructure solutions to support the development of B.C.'s newest industry, consistent with the B.C. LNG Strategy, which identifies over \$18 billion in private sector pipeline and plant investment. The strategy in full is available at www.gov.bc.ca/ener/natural_gas_strategy.html

1.3 Increase bulk terminal capacity at B.C. ports

B.C.'s ports are critical to our competitive advantage. Vancouver and Prince Rupert are Asia's closest ports of entry on the west coast of North America – saving shippers up to 58 hours, compared to the ports of Los Angeles and Long Beach.

Along with supporting industrial exports such as coal, potash and minerals, B.C.'s port advantage helps to lower costs for everyday consumer goods we import from overseas. It also supports job creation – at the ports themselves, and in other parts of the transportation network. Employment in these areas is projected to grow in the years ahead as we add port capacity to meet the rising demand for exports from across Western Canada.

For example, by 2020:

- coal export volumes are expected to grow by 150 per cent,
- Metal and mineral exports are expected to increase more than 300 per cent, and
- B.C. ports will be handling millions of tonnes of liquefied natural gas as B.C. brings a brand new industry on stream.



*Transportation and Infrastructure
Minister Blair Lekstrom at
Ridley Terminals, Prince Rupert*

To meet demand and help support the economic development that is generating jobs in every region of the province, B.C. will work with its private sector partners in the Pacific Gateway Alliance to:

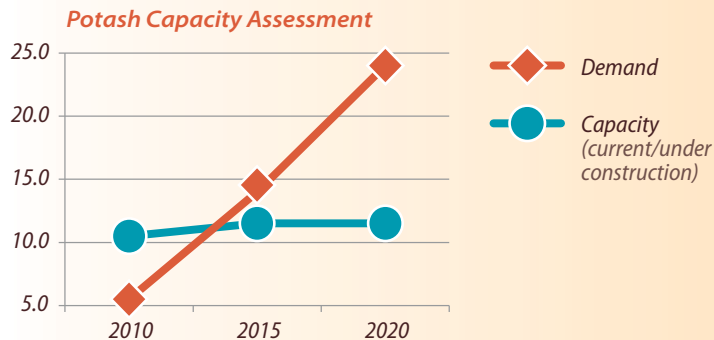
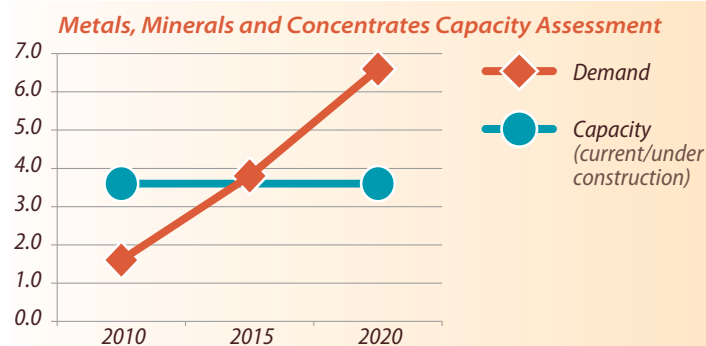
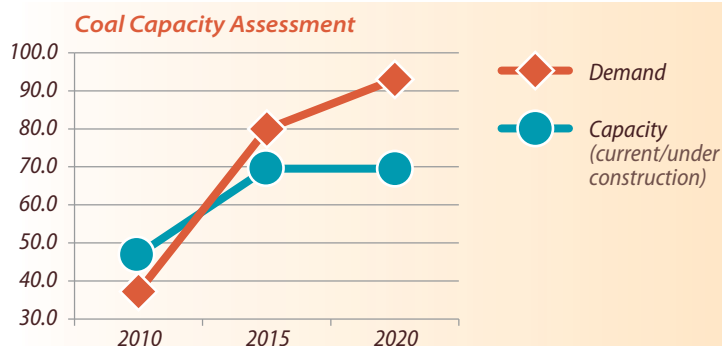
► **Expand coal terminal capacity in Vancouver and Prince Rupert to accommodate up to 93 million tonnes a year by 2020.** This will support projected growth in both B.C. and Alberta, which expect to see many new or expanded coal mines in production by 2020.

► **Expand metal and mineral terminal capacity in Northwest B.C. and Vancouver to accommodate up to seven million tonnes a year by 2020.** B.C. is Canada's largest producer of copper, its only producer of the steel-additive molybdenum, and – with a variety of mines producing gold, silver, lead and zinc – the largest producers of metals in Western Canada.

During 2011, mineral exploration spending across British Columbia was 1,500 times higher than it was a decade earlier. With new production coming on stream, B.C. risks losing valuable customers unless it has the capacity to move these materials. New port terminal capacity will primarily be needed in the North, where much of B.C.'s mining growth is now taking place, but major investments will also continue in the South.

► **Develop additional potash terminal capacity to accommodate 24 million tonnes a year by 2020.** Potash plays a central role in feeding the world's growing population. It is mostly used as fertilizer, combined with nitrogen and phosphorous, to increase yields from crops such as corn, rice, coffee and soybeans. Saskatchewan is the leading exporter of potash in the world and, with growing demand from countries such as India and China, new mining projects in Athabasca and Milestone are drawing interest from global investors. The volume of potash moving through the Pacific Gateway is expected to more than triple by 2020.

► **Develop port terminal capacity for forest products in the North.** Forest product exports are expected to grow by 100 per cent by 2020. B.C. has sufficient port capacity to accommodate pulp, lumber and logs. However, producers in the North face high costs to ship products such as wood pellets and chips to southern ports, and this has the potential to undermine their ability to stay competitive. New options will be developed to allow for overseas exports from the North.



1.4 Increase container terminal capacity at B.C. ports

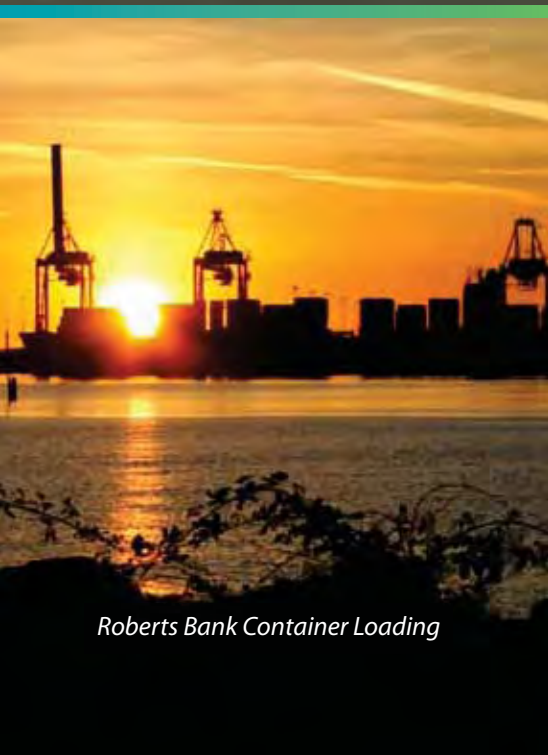
Container traffic through our ports is expected to double in the next eight years. Twenty per cent of the goods handled at the Ports of Vancouver and Prince Rupert move in containers, and their volume is rising.

More goods such as lumber and specialty foods are being exported in containers to Asian markets – and consumer goods such as electronics are imported, also in containers. To ensure we have the capacity to meet projected growth, the Province will work with its partners in the Pacific Gateway Alliance to:

- ▶ **Carry out the \$280-million Deltaport Terminal, Road and Rail Improvement Project.** Deltaport, at Roberts Bank, is the largest container terminal in Canada, with a current capacity of 1.8 million TEUs (twenty-foot equivalent units). This project will increase capacity by 33 per cent, for a total of 2.4 million TEUs by 2015 when additional capacity is expected to be needed. These improvements will be achieved within the existing infrastructure footprint. This investment builds on \$775 million in container capacity expansion at four terminals in Vancouver since 2005.
- ▶ **Carry out more than \$2 billion worth of improvements to the proposed Roberts Bank Terminal 2,** adding more than two million TEUs of container capacity to meet forecast demand until 2030. The project could be designed and constructed in phases, depending on market conditions. This is the second phase (following the Deltaport Terminal, Road and Rail Improvement Project) of Port Metro Vancouver's Container Capacity Improvement Program – a long-term strategy to support growing international trade in an efficient and sustainable manner.
- ▶ **Carry out the \$800-million Prince Rupert Fairview Phase 2 container improvement project,** providing 1.5 million TEUs of additional container capacity to the Port of Prince Rupert. This builds on earlier investments by the Province, Canada, CN and the Port of Prince Rupert during Phase 1, which began in 2007. By 2011, container volumes handled at the port had increased to over 400,000 TEUs – more than 80 per cent of Phase 1 capacity.
- ▶ **Carry out over \$250 million worth of private sector railway investments in transload facilities and explore the feasibility of developing new integrated logistics facilities** to make the movement of containers to and from our ports more efficient. Currently, containers may be emptied, filled and stored at dozens of small, unconnected off-dock sites spread across large areas – with trucks moving to and from these sites with limited coordination. Integrated logistics facilities in Vancouver and Prince Rupert will minimize truck movements, reduce environmental impacts and ensure the safe movement of goods. Industry will explore the feasibility of creating centralized, integrated facilities for each port.



Fairview Container Terminal
Prince Rupert



Roberts Bank Container Loading

1.5 Increase air passenger and cargo capacity

Investors and decision makers from all sectors in the *BC Jobs Plan* travel by air between Asia and British Columbia. In addition, air passenger and cargo services directly support agri-foods, tourism and international education. The latter depend on reliable, efficient air passenger services while agri-food exports are increasingly enabled by air cargo improvements that take fresh seafood and other high-value products to Asia.

With rapid growth expected in all areas, Vancouver International Airport – the second-busiest in Canada – will:

- **Complete terminal, baggage and runway improvements to accommodate 23.2 million passengers and 392,000 tonnes of cargo by 2020.** YVR has invested over \$1.4 billion in improvements since 2005. Combined with the projects planned through 2020, the total investment will rise to more than \$3 billion.

In addition to supporting *BC Jobs Plan* targets for generating jobs and growth, improvements to terminal, baggage and runway facilities are instrumental in attracting new air carriers to YVR. They include improvements such as high-speed baggage systems and more moving walkways to help passengers changing planes make faster connections. YVR will continue to connect B.C. communities to major centres in Asia.

Regional airports play important roles in our economy, linking smaller communities to people and markets around the world:

- **Regional airports continue to develop specialized services to support international travel.** For example, Prince George, with the third-longest runway in Canada, has been identified as an alternative of choice for Air China, in the event it cannot access YVR. Abbotsford airport recently completed a \$30-million upgrade, allowing it to start attracting major aerospace companies. Regional airports will also be included in the new B.C. Aviation Strategy.



*Geoduck Harvester
Courtesy Underwater
Harvesters Association
Photo courtesy of Kevin White*



*Loading cargo at
Vancouver International Airport*

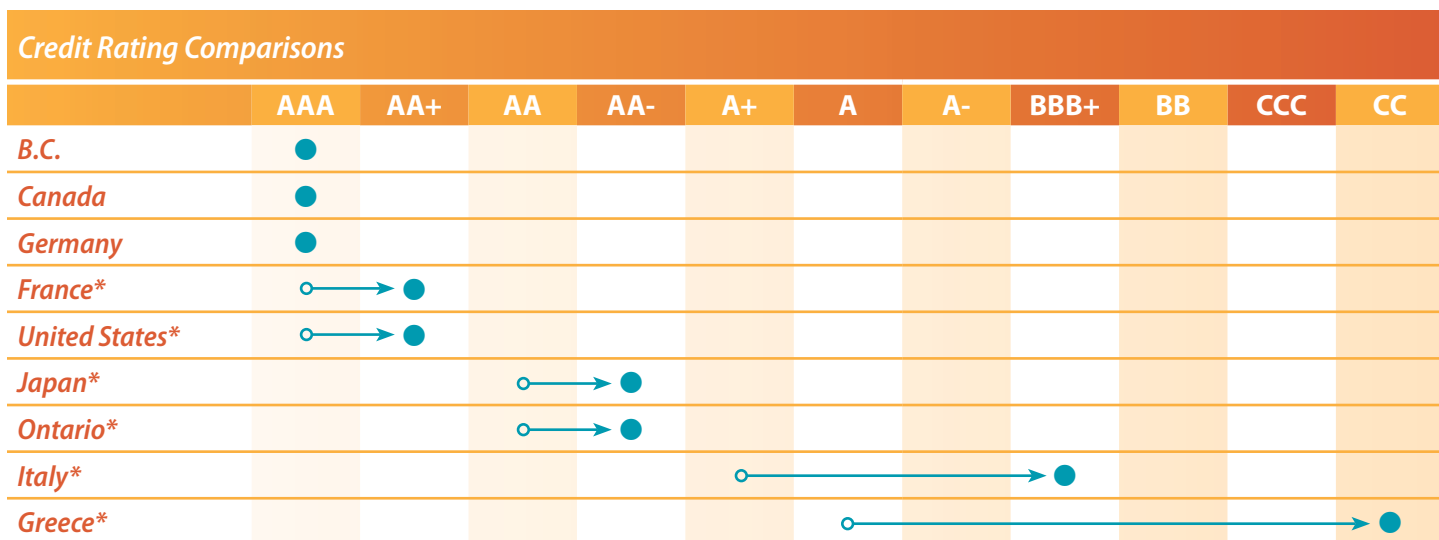


2 Ensure an attractive investment climate

B.C.'s record of sound fiscal management gives us an edge in today's economy. With low debt, low taxes and the highest possible credit rating, we have earned a reputation as a safe haven for investment in an uncertain world.

Building on that reputation is a critical part of the *BC Jobs Plan* and private-sector investment will be a key driver of many of the projects in this transportation strategy. To keep new investment flowing into the province, we are moving forward to:

- ▶ ensure an attractive tax and regulatory environment to help make B.C. more competitive;
- ▶ support workforce development; and
- ▶ work with partners in the Pacific Gateway Alliance to market B.C.'s transportation advantages to the world.



* Credit rating downgrades between 2009 and early 2012

Source: Standard & Poor's

2.1 Make B.C. more competitive

Around the world, investors make decisions every day about where to put their dollars to get the best return. B.C.'s strategic advantages – such as our location and our natural resources – set us apart from many competitors, and we will continue to build on those advantages by ensuring an attractive tax and regulatory environment.

Specifically, as part of this transportation strategy, the Province is committed to:

- **Permanently capping the property tax on designated ports.** First introduced in 2004, the tax cap has helped attract more than \$1 billion in new investment in terminal expansions, generating hundreds of additional jobs. Rather than allowing the cap to expire, as it had been scheduled to, the Province announced in Budget 2012 that the rate cap will be permanent. The B.C. Wharf Operators Association has stated that at least \$2 billion in new investment will be generated in Prince Rupert and Vancouver – along with as many as 1,000 additional jobs.
- **Eliminating the provincial jet-fuel tax for international flights effective April 1, 2012.** This move will save airlines thousands of dollars a day on long-haul Asia flights, supporting the *BC Jobs Plan* target of at least one new international carrier per year at YVR for the next two years. Since the Province announced plans to eliminate the jet fuel tax in September 2010, YVR has secured commitments from 22 airlines to expand their service to Vancouver.
- **Implementing the B.C. Aviation Strategy.** B.C. faces strong competition from other jurisdictions seeking to attract a growing share of Asia Pacific passenger and cargo business. China in particular presents dramatic opportunities for future growth with 60 new airports under construction and a rising middle class that can afford to travel – and to buy products such as fresh B.C. seafoods and berries.

Japan, Korea and other Asian markets are also important to B.C.'s success. And recent events have set the stage for significantly increased trade with China, thanks to advances such as:

- Canada receiving Approved Destination Status for Chinese nationals
- Recent upgrades to the Canada-China bilateral Air Services Agreement to provide passengers with greater connectivity with other airlines and to allow North American cargo to be carried between the U.S. and Canada on international flights
- Testing of a Transit Without Visa approach at YVR for Chinese nationals; this allows travelers to land in Vancouver and carry on to U.S. destinations without a separate visa
- YVR incentives for air carriers, complementing the Province's elimination of the jet-fuel tax on international flights, and
- The advent, in 2011, of multi-entry visas for Chinese citizens; these allow, for example, investors from China negotiating business deals to make repeated trips to and from Canada on a single visa for up to 10 years.

The B.C. Aviation Strategy is designed to make B.C. more competitive in the global aviation market. Eliminating the jet-fuel tax was an important step, showing the sector that the Province is aware of its cost pressures and is willing to work with airports to improve

Each daily international flight service creates 150 to 200 jobs at the airport, plus another 400 jobs in the community. With the BC Jobs Plan, the Province has a target of attracting at least one new international carrier per year at YVR, for the next two years.

international access. Going forward, the Province will work with the sector and the federal government to improve access to visas, increase the emphasis on bilateral air agreements where needed and eliminate barriers that currently restrict service between B.C. and key international centres.

- **Implementing consistent regulations and policies on transport trucks** across Western Canada, under the New West Partnership. B.C., Alberta and Saskatchewan are working together to harmonize regulations that pose potential barriers to inter-provincial trade, investment and labour mobility. The first round of improvements was implemented in July 2011. Further changes have been identified for implementation in 2012 – making the movement of goods faster, cheaper and more efficient.

- **Supporting Canada/US Beyond the Border initiatives**, developed jointly by the two countries in 2011 to increase efficiency in cross-border trade and travel. These initiatives include a rail-cargo screening pilot program in Prince Rupert, designed to eliminate duplicate customs checks, joint planning for border infrastructure investment, joint police assessment for security threats, and expedited movement of emergency resources.

- **Ensuring transportation infrastructure projects are included in timely, coordinated federal/provincial environmental assessment processes.** The

governments of British Columbia and Canada have rigorous, well-established processes for permitting and assessing the environmental impacts of major new developments.

To expedite decisions and minimize the costs and delays that can result from overlap and duplication, B.C. and Ottawa have been working since 2010 to develop a “one project, one process” approach. This unified process creates a single framework that is timely, diligent and science-based – effectively balancing the need for new development with government’s commitments to environmental protection.

- **Continuing to implement supply chain performance standards, measurement and improvement.**

This is an important part of B.C.’s competitive advantage. It allows us to continually identify and remedy areas of inefficiency in our transportation network.

No other jurisdiction tracks how quickly and reliably containers travel from Asia to Eastern Canada, and Canada is the only North American jurisdiction with standards for how long containers sit in port before they leave for their destinations. Through our commitment to continuous improvement, B.C. and its partners in the Pacific Gateway Alliance can demonstrate key aspects of the Gateway’s competitive advantages, relative to global standards.



Plane landing at
Abbotsford International Airport

2.2 Promote a reliable labour supply

With billions of dollars worth of new development taking place across B.C., skilled workers in various fields are already in high demand. That demand will increase further as dozens of projects now on the drawing board get under way.

The Province will work with industry, First Nations and its partners in the Pacific Gateway Alliance to ensure a sufficient labour supply for building and operating transportation infrastructure. Actions will include:

- ▶ **Making sure local communities benefit from infrastructure investments in their areas.** With the *BC Jobs Plan*, the Province is creating Regional Workforce Tables to bring together key leaders from industry, labour, First Nations, training service providers, economic development organizations and others. The tables will apply local knowledge and expertise to identify economic development opportunities and help ensure training programs are aligned with employers' needs.
With the infrastructure investments in this transportation strategy expected to generate over 17,000 new jobs by 2020, Pacific Gateway partners will have important roles at the Workforce Tables, which will serve the dual purpose of supporting a reliable source of skilled labour for industry – and supporting the development of jobs and opportunities for local regions and communities. For more on the Regional Workforce Tables, go to www.bcjobsplan.ca/progress/regional-workforce-tables/
- ▶ **Undertaking labour market analysis to identify gaps.** Complementing the high-level efforts of the Regional Workforce Tables, this more detailed work will help ensure the right people, with the right skills and training are available in the right geographic areas to support ongoing infrastructure development. Through the *BC Jobs Plan*, the Province is providing up to \$6 million a year to industry/sector partnerships to help them identify their skill and workforce needs, with additional funding for upgrading skills so workers can benefit from these opportunities.
- ▶ **Implementing best-practice models for recruitment and training.** Private-sector partners will work with the Province and other governments to identify best practices so they can be applied across sectors and regions.
- ▶ **Developing incentives to encourage more skilled workers to come to British Columbia.** For example, through the *BC Jobs Plan*, the Province will continue working in partnership with the federal government through the Skilled Worker Program and the Provincial Nominee Program, which help to expedite the immigration process for highly-skilled workers from other countries.
B.C. is also extending the Training Tax Credit program, which encourages employers and workers to get involved in apprenticeship programs. New training tax credits will be introduced for shipbuilding and ship repair industry employers – supporting jobs in this revitalized sector.

- ▶ **Promoting labour reliability by building on the eight-year ILWU agreements and expanding model to other sectors.** To increase certainty for customers and investors, the Province will work with its partners and encourage other transportation sectors to seek long-term contracts, such as the B.C. Maritime Employers' Association landmark eight-year agreement with the International Longshore and Warehouse Union. Ratified in 2011, the contract provides unprecedented stability and certainty for B.C. ports – the longest of its kind in North America. Similar long-term agreements would provide another competitive advantage for B.C. ports.



What about the environment?

- Port improvements since 2005 have included investments in electrification – allowing massive vessels to plug in to clean Hydro power at the dock, instead of idling their engines for days to keep their on-board systems running.
- CN and Canadian Pacific – both partners in the Pacific Gateway Alliance – have significantly increased the volume of goods that move through British Columbia by rail, without similar increases in their emissions. They have offset increased activity with more efficient engines, cleaner-burning fuels and other measures that respect the environment. CN is currently pilot testing natural gas powered locomotives in Northern Alberta, a move that could lead to significant environmental benefits.
- Cars and trucks are the biggest source of green house gas emissions in the transportation sector. Their impacts are being offset by investments in transit projects which reduce congestion and free up capacity on our highway systems such as the \$1.9-billion Canada Line, the \$1.4-billion Evergreen Line and re-establishing transit service across the Port Mann Bridge. Other road improvement projects help reduce congestion, minimize idling and keep traffic flowing freely in urban areas.

B.C. remains committed to its role as a leader in the fight against climate change, supporting the growth of the province's leading-edge clean technology sector.



2.3 Market B.C.'s advantages around the world

Marketing is a time-honoured way to generate business and, with the *BC Jobs Plan*, the Province is aggressively courting new investment and new markets. In the transportation sector, marketing activities will include:

- ▶ **Collaborating with the private sector, federal government, other provinces, labour organizations and First Nations on joint marketing publications, trade missions, trade shows and reverse missions.** Collaboration helps to take these efforts to the next level. For example, when provincial officials meet with potential investors in Asia, their chances of success are dramatically enhanced when the meetings include everyone involved in the supply chain – from the governments setting policies to the companies producing commodities, all the way through to senior port, rail and airport officials. This one-stop-shop approach makes it easy for investors to do business with us.
 - ▶ **Attracting more international transportation and resource-related conferences to British Columbia.** These events, which bring together leaders and decision-makers from around the world, provide cost-effective ways to tell our story and build connections with international business and investors. They also attract attention from – and give us access to – global media, helping to extend our messages to audiences worldwide.
 - ▶ **Working with the federal government and other Pacific Gateway Alliance partners to realize Vancouver's potential as a Maritime Centre of Excellence.** Centres of excellence bring together a critical mass of expertise, focused on a particular industry or issue. For example, B.C.'s Centre of Excellence in HIV/AIDS is recognized as a world leader in HIV/AIDS research and policy, and that success attracts both highly-skilled people and new investments in research.
- A Maritime Centre of Excellence would leverage the historic \$8-billion shipbuilding contract awarded to Seaspan in 2011. The work is expected to generate as many as 4,000 jobs and, along with growth at Port Metro Vancouver, can serve as a magnet to attract more value-added transportation businesses. These span a wide range from ship brokering, maritime financing, insurance and law to integrated logistics and warehousing. Building a Maritime Centre of Excellence will also ensure that B.C. and Canada are globally competitive in key areas such as immigration, skills training and tax policy.
- ▶ **Working with partners to realize Vancouver's potential as North America's aviation hub to Asia.** With YVR investing \$1.8 billion in the future to attract new customers, routes and carriers, Vancouver has never had a better opportunity to build its potential as a global aviation hub. Sixty-two airlines serve YVR, connecting people and businesses to 99 destinations around the world.

As the airport expands its capacity, we will leverage the city's location, our diverse population and our well-established ties to Asia to promote Vancouver as a hub for travelers moving between North America and Asia. YVR has already been voted Best Airport in North America, in 2010 and 2011.



3 Enhance collaboration with partners and stakeholders

Everyone in British Columbia has a stake in the Pacific Gateway's success. Businesses, industries, families, communities, First Nations, municipal governments – we all stand to benefit from a world-class transportation network that supports economic growth and job creation in every region.

As we move forward with the major new investments and initiatives in this transportation strategy, the Province and its partners in the Pacific Gateway Alliance will engage with the public and strategic partners to ensure collaboration, provide opportunities for public input, and ensure that up-to-date information is available on an ongoing basis.

3.1 Engage with communities

The Province has always worked closely with municipal and regional governments to plan and develop local transportation infrastructure. This collaboration will become even more important in the years ahead as demand for industrial land increases and citizens become engaged in shaping the changes taking place in their communities. To support effective planning and open engagement, and build on the work we have done to date, the Province and its Pacific Gateway Alliance Partners will:

- ▶ **Integrate industrial land-use planning** by working with local governments and First Nations to manage transportation impacts and create a more efficient long-term planning process. This will involve looking broadly at the scope of needs emerging across economic sectors– helping to ensure an adequate supply of industrial land for future infrastructure investments.
- ▶ **Engage with municipal officials to advance specific projects as they are planned and developed.** This will be done through a variety of means, including regular engagement with municipal staff on program and project development, and open dialogue with officials on transportation investment. Direct engagement with provincial and municipal officials will build relationships supporting joint planning and decision-making.
- ▶ **Consult with communities,** including First Nations communities, regarding the details of individual projects as they develop. This will help ensure that community needs and priorities are taken into account.

3.2 Partner with First Nations

Partnerships with First Nations are a vital part of the *BC Jobs Plan*, and have the potential to create major economic benefits, including new opportunities in Aboriginal communities. For example, an Aboriginal Skills and Employment Partnership program has been in place for several years to ensure First Nations can participate in, and benefit from, the Port of Prince Rupert's ongoing expansion. The program provides skills development, on-the-job work experience and long-term employment opportunities at port-related companies.

Partners in this initiative include the Prince Rupert Port Authority, Maher Terminals, BC Ferry Services, Prince Rupert Grain, Ridley Terminals Inc., the Government of Canada Human Resources and Skills Development, CN, SMIT Marine, Naikun Wind Development, and the International Longshore and Warehouse Union.

Since 2009, the program has provided training to over 200 people and resulted in more than 50 First Nations members finding employment.

With this transportation strategy, the Province and its partners in the Pacific Gateway Alliance will continue working closely with First Nations people through the following actions:

- ▶ **Engage early and often.** The Province builds relationships with Aboriginal peoples based on respect and recognition of their rights. That includes communicating openly about the opportunities and challenges presented by large-scale economic development. With much of the growth in natural resource sectors taking place in B.C.'s North, engaging with First Nations early and often is key to developing meaningful partnerships, supporting the growth of healthy, prosperous, sustainable Aboriginal communities.
- ▶ **Ensure First Nations benefit from projects in their traditional territories** through business-to-business partnerships and other agreements that provide jobs and new economic opportunities. For example, the Haisla Nation received a payment for the sale of its equity in Kitimat LNG, and will receive long term benefits in the form of lease, tax, employment and business opportunities. The Tsawwassen First Nation, through the TFN Economic Development Corporation, is working on projects within its industrial lands which take advantage of its proximity to Deltaport such as a container examination facility and container storage and repair facility.

Agreements signed between the Government of Canada, the Port of Prince Rupert, and First Nations in Prince Rupert and Terrace, provide individual First Nations with benefits such as economic development, and in some cases employment opportunities during both the construction and operations phases of the port's expansion.

Also during 2011, the Province signed a Land and Resource Management and Shared Decision-Making Agreement with the Taku River Tlingit First Nation,



Accompanying Chief Baird are (from left to right) Lois Jackson, mayor of Delta, Kerry-Lynne Findlay, MP for Delta-Richmond East, Ed Fast, Canadian Minister of International Trade and the Asia Pacific Gateway, Don McRae, BC Minister of Agriculture, John Savage, Delta Farmers' Institute and Robin Silvester, president and CEO of Port Metro Vancouver.

Chief Kim Baird of the Tsawwassen First Nation (centre) at the celebration of the opening of the Deltaport Way at 14B Street overpass.

The gap between Aboriginal and non-aboriginal British Columbia remains too wide and too deep. New economic partnerships will contribute to our shared goals of family and community stability, bringing new opportunities and hope for young people.

*B.C. Speech from the Throne
September 2011*

creating 13 new protected areas, providing resource development opportunities and investment certainty for more than three million hectares in the Northwest. The Taku River Tlingit have already begun to work co-operatively with mining developers in the area. Future resource extraction projects are expected to support around 350 jobs during construction and 280 in the operating phases.

With the *BC Jobs Plan*, the Province has committed to 10 new non-treaty agreements with B.C. First Nations by 2015 to improve economic certainty for communities and investors alike.

► **Work with the Aboriginal Business and Investment Council**, created as part of the *BC Jobs Plan*. The council has a mandate to work with Aboriginal communities and the private sector to recommend ways to improve Aboriginal peoples' participation in the economy, identify successful investment models between Aboriginal peoples and the private sector, foster economic development in Aboriginal communities and increase overall investment in the province.

The council is chaired by Ellis Ross, chief councillor of the Haisla Nation, who also serves on the B.C. Jobs and Investment Board, providing a direct link between the two bodies. The Jobs and Investment Board was established under the *BC Jobs Plan* to advise government on policies and programs to help attract sustainable investment, foster economic development and support job creation.



3.3 Continue collaboration with Pacific Gateway Alliance partners

Since its inception in 2005, the Pacific Gateway Alliance has proven to be a highly successful partnership. Governments often talk about working hand-in-hand with partners in the public and private sectors, but rarely does it happen on this scale and with such significant results.

To maintain their strong and highly-effective working relationship, the Province will work with its Pacific Gateway Alliance partners to:

- **Hold an annual B.C. Transportation Summit.** This event will bring together stakeholders from across B.C. to share knowledge, address common challenges and agree on transportation priorities. Participants will have an opportunity to review the Pacific Gateway Alliance's progress to date
- in specific areas, and to help identify needed refinements in the planning and projects going forward. The B.C. Chamber of Commerce, working with the Province, will host a Transportation Summit entitled 'Corridors to BC's Economic Future' in June 2012.
- **Hold regular federal/provincial/industry roundtable sessions.** These forums will bring together key industry stakeholders and give them opportunities to speak directly with the federal and provincial ministers of transportation. Together, they will examine opportunities, challenges and solutions, including areas where economic benefits could be increased through federal-provincial integration.
- **Develop new commodity-specific collaboration.** Each of our economic sectors comprises a diverse array of individual commodities. For example, forest sector products range from lumber and pulp to specialty products such as interior millwork and mouldings. Commodity-specific collaboration will bring together suppliers, transportation service providers and government agencies in joint business development, marketing, infrastructure development and performance management. This new approach provides unique opportunities for everyone involved in a commodity's success to share information and develop holistic approaches to advancing its development and performance.



Conclusion

The dream of a booming Pacific trade is almost as old as Canada. It started with construction of a railway from coast to coast and now – more than a century later – the dream is coming true.

While some jurisdictions are struggling to find their way in our changing global economy, B.C. and its partners in the Pacific Gateway Alliance – an unprecedented partnership of governments and transportation industries – are clearly focused on seizing what may well be a once-in-a-lifetime opportunity.

The booming economies of Asia, which did not exist 100 years ago, need our resources to fuel their development. But we are not their only source. That's why we are moving so decisively to make the transportation investments B.C. and Canada need to get our highly-valued products to market.

With this strategy, we are:

- ▶ building on our world-class transportation infrastructure,
- ▶ ensuring an attractive climate for investment, and
- ▶ enhancing collaboration with partners and stakeholders.

Together, our actions in these areas will help to attract over \$25 billion in new investment by 2020 – beyond the \$22 billion already committed. Pacific Gateway investments will drive the creation of approximately 17,000 new jobs – not to mention new economic activity in a range of sectors including mining, forestry, agri-food, energy, tourism and international education.

Like the BC Jobs Plan, this document is not the final word on building our transportation infrastructure. We want to hear from British Columbians about the actions outlined here, and about specific needs and issues in our communities. Join the conversation online at www.bcjobsplan.ca.

Learn More:

www.th.gov.bc.ca/PacificGateway

www.pacificgateway.gc.ca

www.cpr.ca

www.cn.ca

www.portmetrovanancouver.com

www.rupertport.com

www.yvr.ca

www.gatewayprogram.bc.ca



Pacific Gateway Transportation Strategy: Summary of Key Actions

Action	Responsibility	Timing	Investment
Build On Our World-Class Transportation Network			
Increasing major road and rail capacity:			
→ Upgrade transportation trade corridors in British Columbia.	Public Sector	2012 to 2017	\$700 million
→ Invest in capacity improvements to meet future rail mainline growth.	Private Sector	2012 to 2015	\$2.8 billion
→ Construct the Prince Rupert Road Rail Utility Corridor, including a new commitment to a second phase of investment (\$210 million).	Phase 1 – Private and public sector	Phase 1 – 2012 to 2014	\$90 million
	Phase 2 – Private Sector	Phase 2 – by 2020	\$210 million
→ Complete the \$1.3 billion South Fraser Perimeter Road.	Public Sector	2013	\$1.3 billion
→ Complete the \$3.3 billion project now underway to improve the Port Mann Bridge / Trans Canada Highway 1.	Public Sector	2013	\$3.3 billion
→ Complete Highway 1 road infrastructure investments to support safe, reliable and efficient movement of goods and people. This includes ongoing upgrades to Highway 1 from Kamloops to Golden (\$224 million) and the Province's partnership with the federal government for the third phase of the Kicking Horse Canyon project (\$121 million).	Public Sector	2012 to 2017	Over \$345 million
→ Complete \$307 million Roberts Bank Rail Corridor, \$283 million North Shore Trade Area and \$127 million South Shore Trade Area improvements.	Public and Private Sector	2014	\$717 million
→ Complete the new Regional Traffic Management Centre to consolidate transportation oversight operations.	Public Sector	2014	\$11.6 million
→ Continue working with Washington State to develop joint initiatives that keep goods and people moving smoothly and safely across the border. This includes investing in border infrastructure and information systems to improve border crossing efficiency.	Public Sector	2012 to 2020	\$5.6 million
Increase rural resource transportation capacity:			
→ Build on existing rural and resource roads to increase access to gas reserves. This includes advancing the Oil and Gas Rural Road Improvement Project, and upgrading the Sierra Yoyo Desan Road.	Public and Private Sector	2012 to 2015	\$222 million
→ Build new transportation networks to increase access to natural resources such as road connections from mines in the North with Highway 37.	Private Sector	2012 to 2020	TBD
→ Develop transportation capacity supporting the BC Jobs Plan target of three LNG plants by 2020.	Private Sector	2012 to 2020	\$18 billion

<i>Action</i>	<i>Responsibility</i>	<i>Timing</i>	<i>Investment</i>
<i>Increase bulk terminal capacity at BC ports:</i>			
→ Expand coal terminal capacity in Vancouver and Prince Rupert to accommodate up to 93 million tonnes a year by 2020.	Private Sector	2012 to 2020	\$300 million to \$1.1 billion
→ Expand metal and mineral terminal capacity in Northwest B.C. and Vancouver to accommodate up to seven million tonnes a year by 2020.	Private Sector	2012 to 2020	Up to \$60 million
→ Develop additional potash terminal capacity to accommodate 24 million tonnes a year by 2020.	Private Sector	2012 to 2020	Up to \$700 million
→ Develop port terminal capacity for forest products in the North.	Private Sector	2012 to 2020	Over \$30 million
<i>Increase container terminal capacity at BC ports:</i>			
→ Carry out the \$280 million Deltaport Terminal, Road and Rail Improvement Project.	Private and public sector	2012 to 2014	\$280 million
→ Carry out \$2 billion worth of improvements to Roberts Bank Terminal 2.	Private sector	2020	Over \$2 billion
→ Carry out the \$800 million Prince Rupert Fairview Phase 2 container improvement project.	Private sector	Phase 2a: 2012-2014	Phase 2a: \$200 million
		Phase 2b: 2014-2020	Phase 2b: \$600 million
→ Carry out over \$250 million worth of investments in transload facilities and explore the feasibility of developing new integrated logistics facilities across the Pacific Gateway supply chain.	Private Sector	2012 to 2020	Over \$250 million
<i>Increase air passenger and cargo capacity:</i>			
→ Complete Vancouver International Airport terminal, baggage and runway improvements to accommodate 23.2 million passengers and 392,000 tonnes of cargo by 2020.	Private Sector	2012 to 2022	\$1.8 billion
→ Regional airports continue to develop specialized services to support international travel.	Private Sector	2012 to 2022	TBD

Action	Responsibility	Timing
Ensure An Attractive Investment Climate		
Make B.C. more competitive:		
→ Cap the property tax on designated ports.	Province	2012
→ Eliminate the provincial jet-fuel tax for international flights effective April 1, 2012.	Province	2012
→ Implement a detailed aviation strategy.	Public Sector	2012 to 2020
→ Implement consistent regulations and policies on transport trucks.	Public Sector	2012 to 2014
→ Support Canada/US Beyond the Border initiatives.	Public Sector	2012 to 2020
→ Ensure transportation infrastructure projects are included in timely, coordinated federal/provincial environmental assessment processes.	Public Sector	ongoing
→ Continue to implement supply chain performance standards, measurement and improvement.	Private and public sector	ongoing
Promote a reliable labour supply:		
→ Making sure local communities benefit from infrastructure investments in their areas.	Private and public sector	2012 to 2020
→ Undertake labour market analysis to identify gaps.	Private and public sector	2012 to 2020
→ Implement best-practice models for recruitment and training.	Private and public sector	2012 to 2020
→ Develop incentives to encourage more skilled workers to come to British Columbia.	Private and public sector	2012 to 2020
→ Promote reliable labour by building on the 8-year ILWU agreements and expanding model to other sectors.	Private	2012 to 2020
Market B.C.'s advantages around the world:		
→ Collaborate with the private sector, federal government, other provinces, labour organizations and First Nations on joint marketing publications, trade missions, trade shows and reverse missions.	Public and Private Sector	2012 to 2020
→ Attract more international transportation- and resource-related conferences to British Columbia.	Public and Private Sector	2012 to 2020
→ Work with the federal government and other Pacific Gateway Alliance partners to realize Vancouver's potential as a Maritime Centre of Excellence.	Public and Private Sector	2012 to 2020
→ Work with partners to realize Vancouver's potential as a North American aviation hub to Asia.	Public and Private Sector	2012 to 2020

Action	Responsibility	Timing
Enhance Collaboration With Partners And Stakeholders		
Engaging with communities:		
→ Integrate industrial land-use planning with local governments and First Nations.	Public Sector	2012 to 2020
→ Engage with municipal officials to advance specific projects as they are planned and developed.	Public Sector	2012 to 2020
→ Consult with communities.	Private Sector	2012 to 2020
Partnering with First Nations:		
→ Engage early and often.	Public and Private Sector	2012 to 2020
→ Ensure First Nations benefit from projects on their lands.	Public and Private Sector	2012 to 2020
→ Work with the Aboriginal Business and Investment Council.	Public and Private Sector	2012 to 2020
Continuing collaboration with Pacific Gateway Alliance partners:		
→ Hold an annual B.C. Transportation Summit.	Public and Private Sector	2012 to 2020
→ Hold regular federal/provincial/ industry roundtable sessions.	Province/Canada	2012 to 2020
→ Develop new commodity-specific collaboration.	Public and Private Sector	2012 to 2020

Partners in the Pacific Gateway Alliance

Canada 



Alberta 



CANADIAN
PACIFIC





**THE BC
JOBS PLAN**



**BRITISH
COLUMBIA**

TRA-2012-00331
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The Best Place on Earth

S12

AGENDA

MINISTER BRIEFING

Location: PVO

September 12, 2012

Attendees: Minister Mary Polak
Assistant Deputy Minister Kevin Richter

S12

Privileged and Confidential

Pages 118 through 148 redacted for the following reasons:

S12

S13

DISCUSSION

DRAFT



Ministry of
Transportation
and Infrastructure

**MINISTRY OF TRANSPORTATION AND INFRASTRUCTURE
DECISION NOTE**

Cliff #: 205312
September 7, 2012

REGION: Provincial
MoT DISTRICT: n/a
ELECTORAL DISTRICT: n/a
MUNICIPALITY / n/a
REGIONAL DISTRICT:

I. PREPARED FOR: Decision

II. ISSUE: Routine

Appoint Wendy Holtom as a Provincial Approving Officer. Rescind the appointments of Shanna Mason, Dave Turner, Kurt Edmonds, and Peter Muirhead.

III. BACKGROUND:

Approving Officers are quasi-judicial officials who act independently to ensure that the subdivision of land in British Columbia complies with provincial acts and regulations as well as local government bylaws, and to protect the interests of the public. Every subdivision of land in British Columbia must be approved by an Approving Officer.

Jurisdiction of Approving Officers

Approving Officers are appointed under the *Land Title Act*. There are five separate jurisdictions:

- Municipal Approving Officers, whom municipal councils appoint to rule on subdivision proposals within municipal boundaries.
- Regional District and Islands Trust Approving Officers, who are appointed by the Regional District Board or the Islands Trust council to rule on subdivision proposals within the boundaries of those local governments that have assumed the rural subdivision approving authority. Currently none of these has approving authority.
- Ministry of Transportation and Infrastructure (TRAN) Provincial Approving Officers, whom Cabinet appoints to rule on subdivision proposals outside municipal boundaries and within those regional districts and the Islands Trust boundaries that have not assumed the rural subdivision approving authority.
- Nisga'a Approving Officers, who are appointed by the Nisga'a Lisims Government to rule on subdivision proposals within Nisga'a Lands, including Nisga'a Village Lands.
- Treaty First Nation Approving Officers, who are appointed by Treaty First Nation Governments to rule on subdivision proposals within a specified Treaty First Nation.

Generally, these Approving Officers have separate jurisdictions of authority for approving subdivision plans. Municipal Approving Officers cannot approve subdivisions in rural areas, and TRAN Provincial Approving Officers do not have the subdivision

approval authority within municipalities or in rural areas where a regional district has assumed subdivision authority. Neither the Provincial nor the Regional District Approving Officers have authority within Nisga'a Lands and Treaty First Nations Lands.

Provincial Approving Officers

Provincial Approving Officers generally exercise their authority within a given geographic area, usually defined by TRAN district boundaries, but their authority is valid throughout rural British Columbia.

IV. DISCUSSION:

Wendy Holtom recently won a competition for the position of Provincial Approving Officer, TRAN Cariboo District. A biography is provided in the Appendix.

The appointments of Shanna Mason (moved to MJTI), Dave Turner (retired), Kurt Edmonds (retired), and Peter Muirhead (retired) as Provincial Approving Officers will be rescinded.

This is a Routine Order that does not require Cabinet discussion.

V. CONSULTATIONS:

David Fisher, Manager, Development Approvals, Engineering Branch

VI. OPTIONS:

Option 1:

Appoint Wendy Holtom as a Provincial Approving Officer.

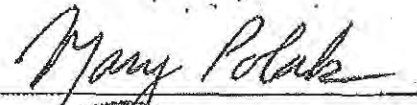
Option 2:

Do not appoint Wendy Holtom as a Provincial Approving Officer

VII. RECOMMENDATIONS/SUMMARY:

Option 1 is recommended.

Providing the Minister concurs, the attached Order should be signed and returned to Transportation Policy Branch.



APPROVED / NOT APPROVED
Minister of Transportation and Infrastructure

09.10.12

DATE

Program Area Contact: Annemarie Crawford
Director Approval: Greg Gliko
ADM Approval: Jacqui Dawes

Phone: 250-358-1734
Date: September 7, 2012

TRIM Record Number: D37107312A
WATran Policy NOTES 2012 Briefing Notes OIC - 085 - 2012 - Briefing Note - 205312 - Appoint Wendy Holtom as PAO.DOCX

Appendix

S22

**MINISTRY OF TRANSPORTATION AND INFRASTRUCTURE
DECISION NOTE**

**Cliff #: 205249
September 6, 2012**

REGION:	South Coast
MoT DISTRICT:	Lower Mainland
ELECTORAL DISTRICT:	Numerous
MUNICIPALITY /	Metro Vancouver
REGIONAL DISTRICT:	

S12

S12

S13, S15

S13, S15

S12

APPROVED / NOT APPROVED
Honourable Mary Polak
Minister of Transportation and Infrastructure

DATE

Program Area Contact: Kevin Volk
Director Approval: Jim Hester
ADM Approval: Doug Caul

Phone: 250 387 4851
Date: September 6, 2012

TRIM Record Number: D37220012A

S12

**MINISTRY OF TRANSPORTATION AND INFRASTRUCTURE
BRIEFING NOTE**

**Cliff #: 203101
September 6, 2012**

REGION: Southern Interior
MOT DISTRICT: Cariboo District
ELECTORAL DISTRICT: Cariboo North
MUNICIPALITY / Cariboo Regional District
REGIONAL DISTRICT:

S13, S16

S13, S16


APPROVED / NOT APPROVED
Minister of Transportation and Infrastructure

09.10.12
DATE

Program Area Contact: Garth Stewart
Director Approval: Greg Gills
ADM Approval: Jacqui Daves

Phone: 356-8308
Date: September 8, 2012

TRIM Record Number: D17832212A

S13, S16

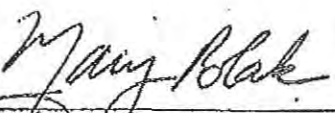
**MINISTRY OF TRANSPORTATION AND INFRASTRUCTURE
BRIEFING NOTE**

**Cliff #: 203100
September 6, 2012**

REGION: Southern Interior
MOT DISTRICT: Thompson Nicola District
ELECTORAL DISTRICT: Fraser-Nicola Electoral District
MUNICIPALITY / Thompson-Nicola Regional District
REGIONAL DISTRICT:

S13, S16

S16, S13


APPROVED / NOT APPROVED
Minister of Transportation and Infrastructure

09.10.12
DATE

Program Area Contact: Garth Stewart
Director Approval: Greg Glika
ADM Approval: Jacqui Dawes

Phone: 356-8308
Date: September 6, 2012

TRIM Record Number: D17829412A

S13, S16

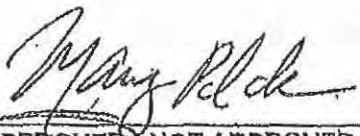
**MINISTRY OF TRANSPORTATION AND INFRASTRUCTURE
BRIEFING NOTE**

**Cliff #: 203099
September 6, 2012**

REGION: South Coast Region
MOT DISTRICT: Lower Mainland
ELECTORAL DISTRICT: Powell River Sunshine Coast
MUNICIPALITY / District of Sechelt/
REGIONAL DISTRICT: Sunshine Coast Regional District

S13, S16

S13, S16


APPROVED / NOT APPROVED
Minister of Transportation and Infrastructure

09.10.12
DATE

Program Area Contact: Garth Stewart

Phone: 356-6309

Director Approval: Greg Gilks

Date: September 8, 2012

ADM Approval: Jacqui Dawes

TRIM Record Number: D17806412A

S13, S16

**MINISTRY OF TRANSPORTATION AND INFRASTRUCTURE
DECISION NOTE**

**Cliff #: 205652
Date: September 6, 2012**

I. PREPARED FOR: Decision

II. ISSUE:

Order in Council – PMH1 Toll Exemption Regulation

III. BACKGROUND:

The new PMH1 Bridge ("Bridge") is scheduled to open in December 2012. The Bridge will be equipped with an electronic system to identify vehicles crossing the bridge and collect vehicle related data for toll assessment. Special vehicles such as taxis, vehicles operated by persons with disabilities, passenger transportation pool vehicles, emergency vehicles (fire, police, ambulance) and public transit vehicles (including HandyDart vehicles) will be exempt from tolls.

IV. DISCUSSION:

The exemptions from tolls that are to be prescribed by regulation are set out in the PMH1 Concession Agreement. To receive an exemption, the owner, operator or licensee, as the case may be, of a qualifying vehicle must apply to the Transportation Investment Corporation. The requirements to obtain an exemption from tolls are provided in Table 1.

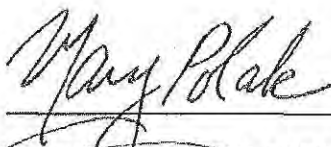
Table 1

Class of Vehicle	Requirements for Exemption
Public transit buses, HandyDart vehicles	<ol style="list-style-type: none">1. Registration of vehicles with Transportation Investment Corporation.2. Obtain an exempt toll device3. Install and maintain exempt toll device in vehicle
Ambulances (BC Ambulance Service)	<ol style="list-style-type: none">1. Registration of vehicles with Transportation Investment Corporation
Persons with disabilities (vehicles driven by), passenger transportation pool vehicles	<ol style="list-style-type: none">1. Registration of vehicles with Transportation Investment Corporation.2. Obtain an exempt toll device3. Install and maintain exempt toll device in vehicle4. Must consent to disclosure of personal information by Transportation Investment Corporation
Taxis	<ol style="list-style-type: none">1. Registration of vehicles with Transportation Investment Corporation.2. Obtain an exempt toll device3. Install and maintain exempt toll device in vehicle4. Must consent to disclosure of personal information by Transportation Investment Corporation5. At the request of Transportation Investment Corporation, provide information in connection with the licensing and operation of the taxi in which the exemption is claimed

An Order In Council has been prepared which enacts the toll exemptions in a regulation.

V. CONSULTATIONS:

S13, S16



APPROVED / NOT APPROVED
Minister of Transportation and Infrastructure

09.10.12

DATE

Program Area Contact: Kirk Rockerble
Director Approval: Greg Glik
ADM Approval: Jacque Dawes

Phone: 250-953-3068
Date: September 6, 2012

**MINISTRY OF TRANSPORTATION AND INFRASTRUCTURE
DECISION NOTE**

Cliff #: 204508
Date: September 6, 2012

REGION:	South Coast
MoT DISTRICT:	Lower Mainland
ELECTORAL DISTRICT:	Coquitlam-Maillardville
MUNICIPALITY /	Coquitlam/Metro Vancouver
REGIONAL DISTRICT:	

I. PREPARED FOR: Decision

II. ISSUE:

Port Mann/Highway 1 Improvement Project (PMH1 Project) – City of Coquitlam - resume municipal highway and designate as provincial arterial highway.

III. BACKGROUND:

The Transportation Investment Corporation (TI Corp) is delivering the PMH1 Project. TI Corp entered into a design/build agreement with Kiewit/Flatiron General Partnership (KF) in March 2009, pursuant to which TI Corp accepted KF's proposal to relocate part of Highway 1 onto land owned by CP Rail and relocate CP Rail's railway line onto land owned by the BCTFA. In order to complete this relocation of a portion of Highway 1 and the railway line, the three parties (TI Corp, KF and CP Rail) entered into an agreement in February 2012 which, among other things, sets out the mechanism by which the relocation of the railway line was completed earlier this year (operation of the relocated railway line commenced on land owned by the BCTFA on March 15, 2012).

CP Rail and the BCTFA entered into an agreement in February 2012 that provides for a land exchange. The completion of this land exchange relies, in part, on the Province resuming three portions of municipal road in Coquitlam so those portions can be closed by the BCTFA and ownership transferred to CP Rail. See separate attachment for locations of municipal road.

IV. DISCUSSION:

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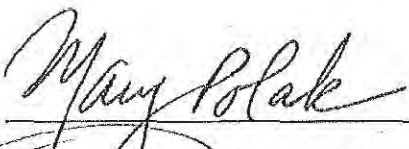
V. CONSULTATIONS:

S13, S16

S13, S16

VI. OPTIONS:

S13



APPROVED / NOT APPROVED
Minister of Transportation and Infrastructure

09.10.12

DATE

Program Area Contact: Kirk Rockerbie
Director Approval: Greg Gilks
ADM Approval: Jacula Dawes

Phone: 953-3068
Date: September 6, 2012

S13

Finance

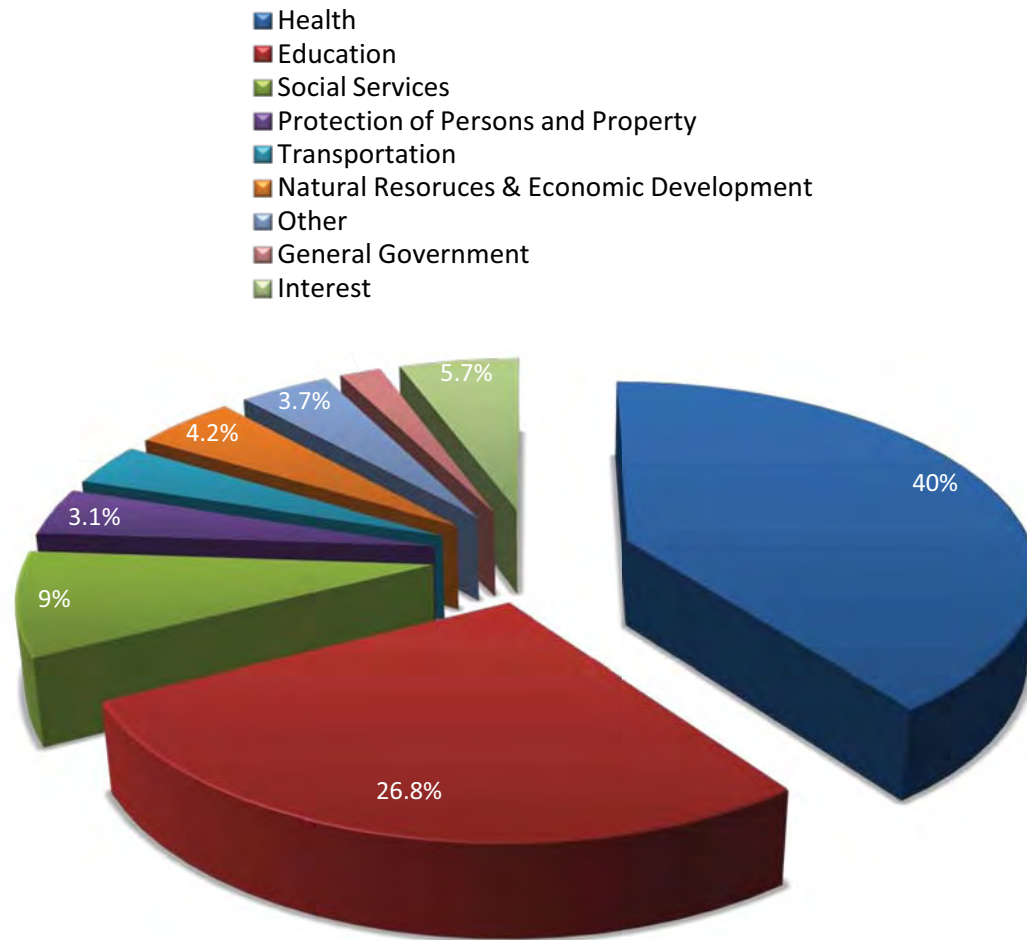


Overview

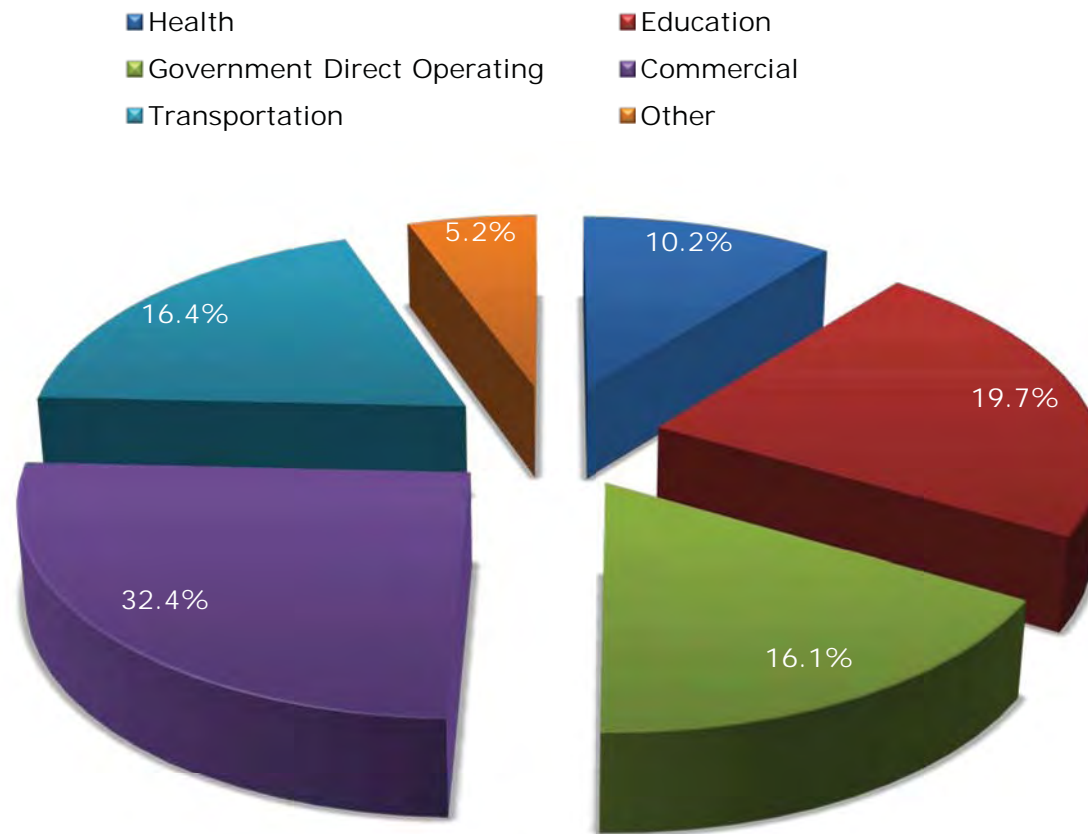
- TRAN as part of the provincial picture
- TRAN – voted appropriation
- BCTFA – BC Transportation Financing Authority
- TIP – Transportation Investment Plan
- PTP – Provincial Transit Plan
- 2012/13 Budget/Pressures



2012/13 PROVINCIAL EXPENSES

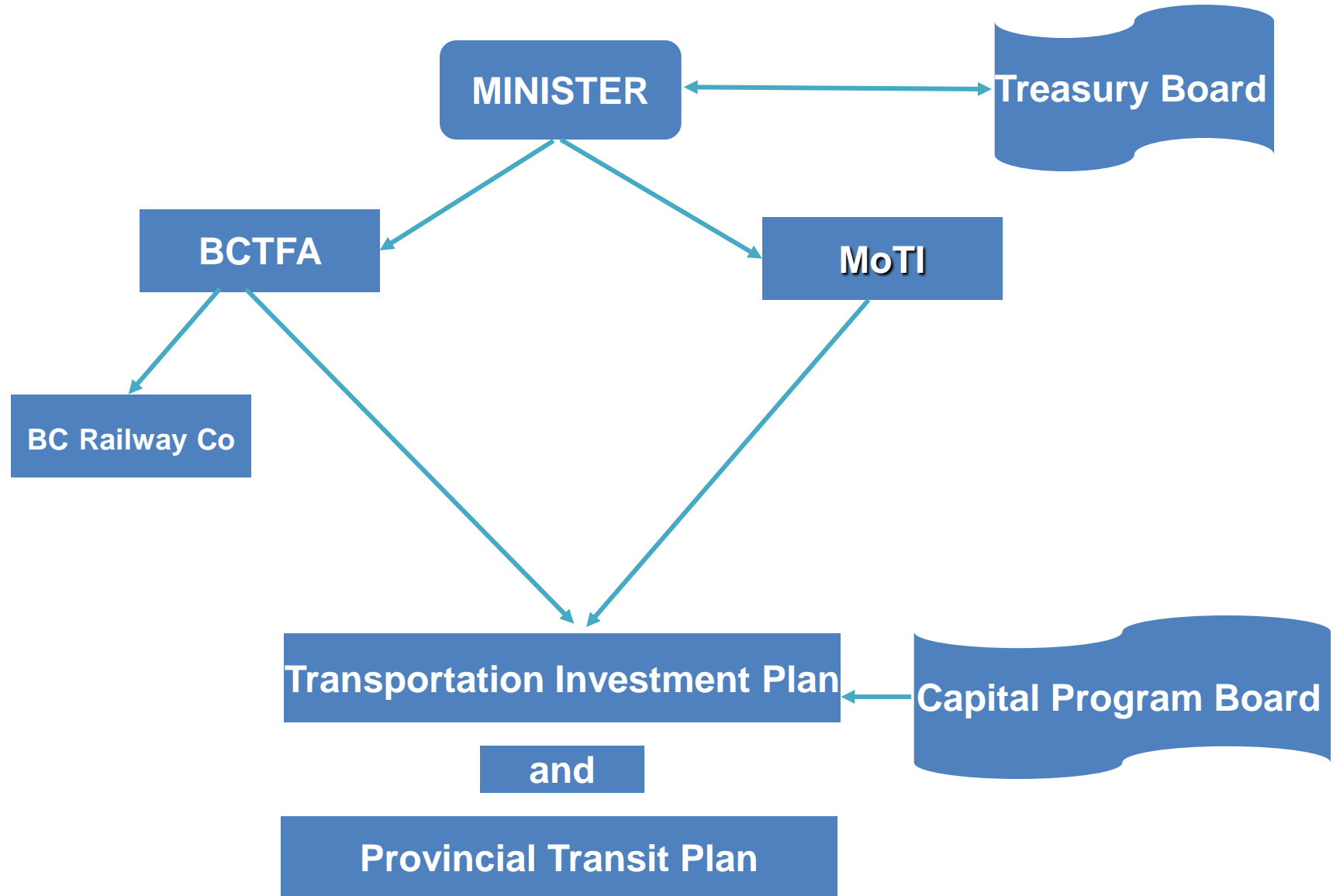


2012/13 PROVINCIAL DEBT



Budget and Fiscal Plan 2012/13 2014/15

BCTFA/MoTI ROLES



Transportation Budget Components

- Ministry of Transportation and Infrastructure (Voted Appropriation)
 - Transportation and Infrastructure Improvements
 - Public Transportation
 - Highways Operations
 - Commercial Passenger Transportation Regulation
 - Executive and Support Services
- BC Transportation Financing Authority (BCTFA)
 - Transportation Investment Plan
 - Provincial Transit Plan

Transportation Budget Components

Voted Appropriation

Transportation and Infrastructure Improvements

- Sub-vote provides for policy and legislation, planning, engineering and construction, partnerships, port and airport development, Pacific Gateway and infrastructure development initiatives

Public Transportation

- Sub-vote provides for annual contributions and payments towards public transit and coastal ferry services



Voted Appropriation



Highway Operations

- Sub-vote provides for maintenance, asset preservation and traffic operations, commercial vehicle safety and enforcement and inland ferries

Commercial Passenger Transportation Regulation

- Sub-vote provides for Passenger Transportation Board and Passenger Transportation Branch

Executive and Support Services

- Sub-vote provides for the Minister's office and corporate services

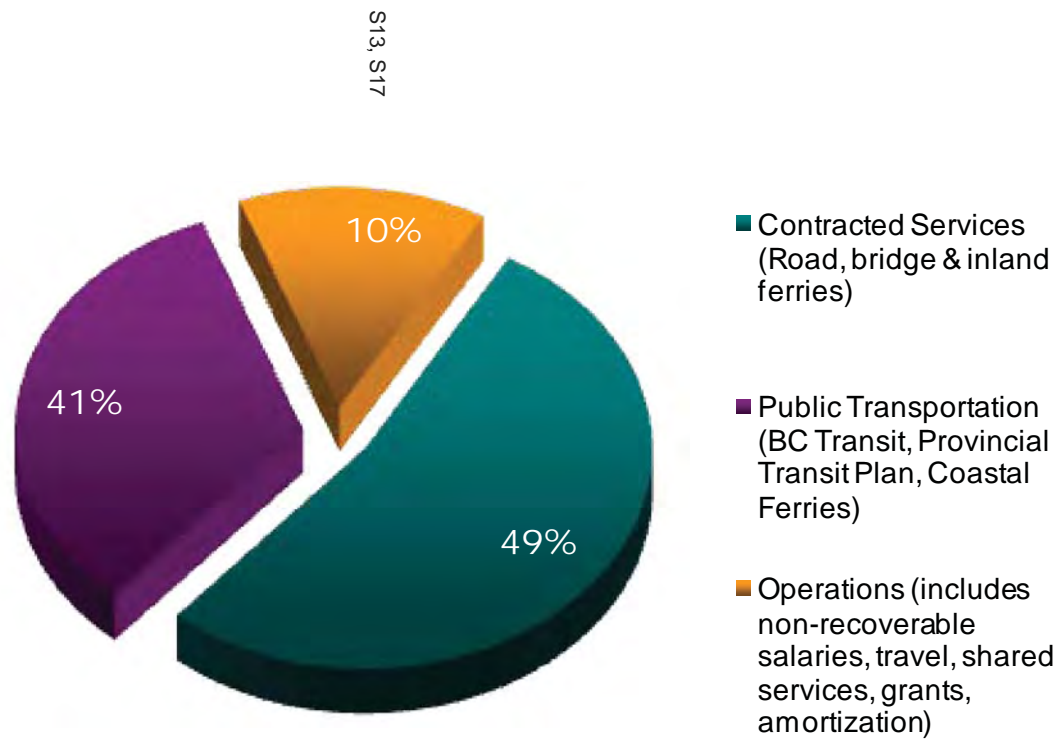
Core Business	Gross Expenditure	Recovery	Net Expenditure
Transportation and Infrastructure Improvements	584.8	(574.0)	10.8
Public Transportation	653.8	(322.0)	331.8
Highway Operations	820.5	(365.6)	454.9
Passenger Transportation Regulation	1.3	(0)	1.3
Executive & Support Services	9.0	(0.9)	8.1
Total Voted Appropriation	2,069.4	(1,262.5)	806.9

Voted Appropriation

(\$millions)

	2011/12	2012/13	2013/14	2014/15
Transportation and Infrastructure Improvements	10.8	10.8	10.8	10.8
Public Transportation	331.8	331.8	331.8	331.8
Highways Operations	454.9	454.9	454.9	454.9
Commercial Passenger Transportation Regulation	1.3	1.3	1.3	1.3
Executive and Support Services	8.1	8.1	8.1	8.1
Total	806.9	806.9	806.9	806.9

Source: 2012/13 – 2014/15 Service Plan



BC Transportation Financing Authority

- BCTFA is a Crown Agency established in 1993
 - Mandate to plan, acquire, construct, hold and improve transportation infrastructure throughout BC
- *Transportation Act* is legislative authority
- Chair of the Board of BCTFA is the Minister, the Deputy Minister is CEO
- No dedicated fulltime staff, management provided by TRAN staff

BC Transportation Financing Authority

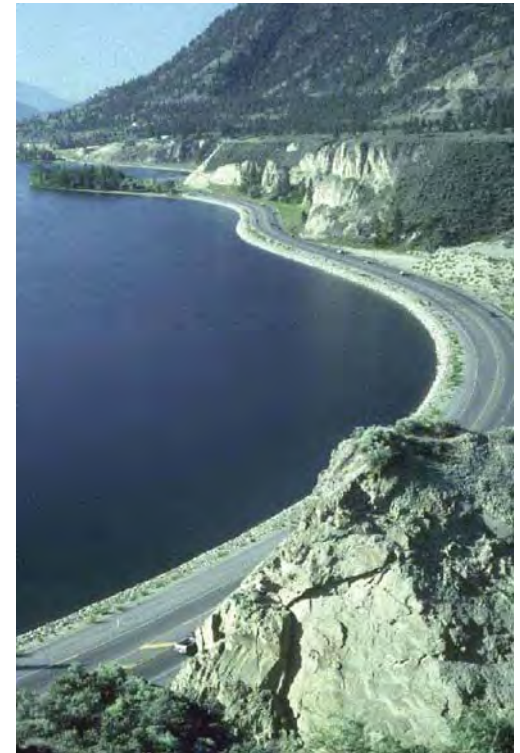
- BCTFA owns all provincial highways, and lands held for future highway development
- Administration, regulatory responsibility and operational authority for management of highways are responsibility of Minister and TRAN
- BCTFA's program activity are highly integrated with activity of TRAN



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BC Transportation Financing Authority

- Revenue
 - Dedicated fuel tax of 6.75 cents/litre
 - Amortization of deferred contributions
 - Interest on sinking funds
 - Investment income from BC Railway Co.
 - Sale or lease of properties
- Expenditures
 - Amortization
 - Interest
 - Grants
 - Interior roads programs
 - Operations and administration



BC Transportation Financing Authority

- Key financial information

(As at March 31, 2012)

- Fixed assets - \$10.1 B
- Debt Including P3 Obligations (net of sinking funds) - \$6.2 B



BC Transportation Financing Authority

- Transportation Investment Plan (TIP) financed through BCTFA
 - Examples: Gateway Program; Kicking Horse Canyon; Highway 1 Kamloops to Golden; Cariboo Connector; Okanagan Valley Corridor; Mountain Pine Beetle Strategy; Interior rural side roads; and road and bridge rehabilitation
- Provincial Transit Plan financed through BCTFA
 - Examples: Evergreen Line and other Transit projects



Capital Programs - BCTFA

- Highway infrastructure and associated investments funded under the Transportation Investment Plan (TIP)

Public Transit infrastructure funded under the Provincial Transit Plan (PTP)

Transportation Investments

\$ millions	2012/13	2013/14	2014/15	Total
Provincial Investments:				
<i>Transportation Investment Plan</i>				
Rehabilitation	146	179	190	515
Interior and Rural Side Roads	50	50	50	150
Oil and Gas Rural Road Improvement Program	45	20	20	85
Mountain Pine Beetle Strategy	30	30	30	90
Highway 1 – Kicking Horse Canyon, Kamloops to Golden	74	32	35	141
Gateway Program	128	56	2	186
Okanagan Valley Corridor	32	30	25	87
Cariboo Connector Program	48	22	38	108
Other Highway Corridors and Programs	156	148	135	439
Cycling Infrastructure	6	3	2	11
Total Transportation Investment Plan	715	570	527	1812

Transportation Investments

\$ millions	2012/13	2013/14	2014/15	Total
<i>Provincial Transit Plan</i>				
Canada Line Rapid Transit Project	20	20	20	60
Evergreen Line Rapid Transit Project	123	163	126	412
Rapid Transit, Buses and Other Transit Priorities	106	168	219	493
Total Provincial Transit Plan	249	351	365	965
Total Provincial Investments	964	921	892	2,777
Investments funded through contributions from other Partners:				
Evergreen Line (Federal Govt, TransLink)	101	261	240	602
Contributions to the Transportation Investment Plan	113	92	30	235
Contributions to the Provincial Transit Plan	1	10	37	48
Total Contribution from all Partners	215	363	307	885
Total Investments in Transportation Infrastructure	1,179	1,284	1,199	3,662