

Industry/Organization Stakeholder Consultation: Halifax

- I am interested as a starting point, why other options, other than tolling, were not considered? What about deficit financing or gas tax? Is it based on trying to get 25% from the federal government? What led to this being the options?
- What other means were considered? Why didn't the government also look at Jersey barriers or other things that would make roads safer?
- There is government research that is about 1/3 of your people's ability to pay – why do this again when government has been polling on this since 2014?
- The department did three studies asking that same question – each one of those was a substantially different and lower result – I think it was 2.3 cents on willingness to pay.
- NS Road Builders Association Presentation by Executive Director and President: **[Note: the NS Road Builders Association Presentation is included as a separate PDF file]**
- President & CEO of Atlantic Provinces Economic Council: The reason we would not encourage deficit financing or gas tax, is the costs are born by those who do not benefit. Tolling does this nicely as it taxes those who (use it). Those who see benefits pay for the benefits. That's my main point on tolling vs no tolling. Road safety is not my area, but having observed 2+1 construction, it does well in low volume areas. This may be good for the corridor 7, if that comes to it. But with the total number of collisions aside, it would be nice to see those presented on a per thousand KM bases. We have a large number of property damage and injury. It would be good to adjust by length of route and how many people are travelling on it (the corridor). This would give us a better perspective on how to prioritize. Base allocation on the amount of resources we have and necessity. As for the twinning analysis, and some that work and some that just plain don't (corridor feasibility) depending on how expensive would it be to have a tolling mechanism. Question of private financing or (other type of funding) as opposed to tolling. Private does not make sense. If you don't have tolling mechanism you might as well (not do it). A lot historically have gone wrong and P3s are frowned at. Most are completed on time or under budget. One has to be careful if you are trying to do something better, faster, cheaper. You have to choose two. If you want to talk about contract design – I'd be happy to do that. How do we procure what we want to procure from our friends at the highway? Contract design and risk allocation is important with how the financing goes. It's a good study and tells us where tolling makes a lot of sense. Tolling makes a lot of sense and tells us who benefits, who pays. I don't do the political messaging, if you are building a bridge, no one is upset if it's tolled. I've been accused of being an expert of survey design. Willingness to pay is usually nothing unless confronted with a congested option vs. non-congested option. Consumers will pay through the nose for a less congested option, but this is not a congested issue. There is lots to be said about tolling for fairness and getting it done in a fair amount of time.

- Representative of Trucking Association (President): This is a topic of great interest to us. Twinning is a great initiative for safety, but we do have some concerns regarding tolls. The main point we talk about is fairness. Our industry pays the bulk because we are charged per axel. If a car is charged \$2, we are charged \$20-25 dollars. I would be interested to see the breakdown on what are commercial vehicles and what are cars (how many in the study are commercial vs passenger). According to this we would pay a significant amount for building those roads. We are heavier and that impacts the road, but we deliver all the goods. Chances are, the price of goods are going to increase by default. This is just a tax mechanism for consumers – consumers should be aware of this. They are paying, but they are going to also pay more for bread. The ranges from the willingness to pay for Nova Scotians is good, and would be nice if we (trucking companies) were surveyed as well, as the bulk would be coming from our industry too. Would be nice to know more detail what the price per axel would be. Our industry, we pay more and would like to know more info on this.
- The Cobequid Pass has been in place for a number of years, and the tolls have not changed. Is that paid for is or is it the right price?
- It would be interesting to look at some options for the stretch of highway going to Sydney. Out of province carriers maybe could be charged a different rate because they are essentially just driving through. Just some thoughts that we have. That impact would be a huge difference? Or maybe it wouldn't?
- I work with the Canadian Tax Payers Organization, and our opposition to tolls is – I will talk about what I like first. What I like is the consultation and online survey and things that are easy. We polled our own members, and it's nice when they have a question or issue, it's nice to point them back and something to do with it. It's nice to be able to talk about it in a broader concept (like this consultation). Three things I want to mention. All taxes that are paid at the pump do not go to roads, and there are 4 so far and could be a 5th (taxes). You didn't mention the tax on tax on gasoline, which is a thorn in our side. It equals 40 cents a litre in tax, and we are already paying substantially at the pump. We mentioned fairness – per liter is a pay-per-use system. Second reason – Cobequid Pass is a significantly different road than these we are talking about. It's a transportation link that goes from mainland Nova Scotia to New Brunswick and the rest of the country. These are commuter highways – well used highways. These are substantially different, when you start to apply the model to Cobequid Pass its different. Price – people's ability to pay are sustainably different than on the Cobequid Pass. Third reason - cost of avoiding the tolls. Cobequid Pass is a different story than the south shore route. On the south shore route, it's easy to go along the old highway to get to Lunenburg. On Cobequid Pass its different, therefore Avoidance will be different, so there's safety concerns and (a difference in) how much you will make. These back roads do not have the same maintenance and security, and things like snow removal. These three things, although the report does point to Nova Scotians, who already pay enough. There should be other ways to look at providing these highways.

- Atlantic Provinces Economic Council: I'd like to respond to trucking company comments. First, it's true that in a competitive trucking market, the cost of tolls will flow through consumers inside and outside the province. And that is what is supposed to happen, and that's the cost of transporting. My other observation is, the first time I walked in room facing this study was 20 some years ago. I couldn't believe it (toll prices). The toll offered for truck access seemed totally (high). But it's a function of the axel weight of the truck, and there is a reason they tend to be accessed that way. We all pay for that and cost of transportation of goods and food and everything else that is delivered to us. As for tolling, when 407 was being considered, this was the first electronic tolling system. There were lots of notes about how well it would work. It was a very expensive test case. The good thing is we don't have to ask that question any more. Which means they are lower than any other possible mechanism. License plate plus transponder and preferential pricing. I could make a case for or against preferential pricing for trucking. If we do this, we could run into legal challenges and I not like to speculate on what that would be. There is a dispute going on right now between Austria and Germany for this type of thing. It's already happening, and I would not like to speculate on how it would turn out. As for off the shelf technology, we have a transponder system on harbor system and it will be overhauled in next few years, so there is opportunity to save costs and overhaul at the same time.
- Obviously we are opposed to tolls, but if you tell us you are going to freeze the price of gas over the next 15 years, we would be okay with that because that is what is supposed to be used to pay for highways today.

Final Question:

- When the report (What was said document) is done and the decision is made – is it possible to do another stakeholder meeting? It would be nice to hear why the decision is made.