McKenna, Neil

From:

Kim, Sabrina

Sent:

Monday, April 13, 2020 2:36 PM

To:

PMO.F Senior Staff / personnel supérieur F.CPM

Cc:

Khalil, Samantha; Belliveau, Sébastien; Holland, Alyx; Cormier, Dominic; Lalli, Sangeeta

Subject:

TransLink anno't tomorrow on future capacity reductions & temporary layoffs

Hi,

Due to significant losses in revenue, TransLink will be initiating talks with unions tomorrow about the possibility for further service cuts & layoffs that could occur in the next 4-6 weeks. Caucus is aware this is coming.

TransLink reports that they're losing \$75M per month (due to drops in fares & fuel tax revenue), and that they have already reduced their transit capacity by 70-80%. The discussions that will be initiated with unions tmrw will be around the possibility of further service cuts and layoffs that would reduce their operating capacity by 90% to what it was pre-COVID. If this were to occur, Vancouver would be the first major city in Canada to almost entirely halt transit services due to COVID-related financial constraints (Windsor entirely suspended their services last week and temporarily laid off 130 workers).

To be clear – no one is being laid off yet. The cuts would take 4-6 weeks to institute fully and discussions are ongoing about potential supports.

TransLink, however, says that they have not seen any signals from BC or the fed government (INFC) about potential relief. While INFC is engaging with TransLink and other transit authorities in Canada, it is not the role of the feds to cover operational funding costs of transit authorities and there is no mechanism in place for us to do this right now. Any potential future assistance, if required, should be done in the context of municipal assistance.

As such, for the time being, INFC has encouraged TransLink to continue engaging with other levels of government. Concurrently, INFC & FIN are exploring potential federal options. One option could be a Gas Tax top-up (that would be frontloaded), accompanied by a change in Gas Tax conditions so the funds can be used to cover operational costs.

Thanks, Sabrina

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