



The Institute for Public Sector Accountability
'res ipsa loquitur'

Highway 63

July 01, 2012



Highway 63 was prepared by Marcel G. Latouche MBA, FCCA President & CEO of The Institute for Public Sector Accountability.

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Introduction

For years the citizens of Fort McMurray, Wood Buffalo, businesses and the government have been talking about the problems of Highway 63. Promises for the twinning of the highway have been made by the provincial governments, yet the problems still exist.

Several fatal accidents resulting in tragedies and the loss of life have now clearly put the focus on the newly elected government. Premier Redford has appointed Fort McMurray-Wood Buffalo MLA Mike Allen as an advisor to the new Transportation Minister Ric. McIver. As a result a telephone town hall meeting was held on Thursday 14th June 2012. The objective was to collect ideas about the twinning of Highway 63.

This teleconference was well attended by approximately 2,00 attendees who provided comments, ideas and asked questions, and also took part in a survey during the conference call.

While I personally attended the teleconference, I did not participate or made any comments at the meeting. I took part in the survey but did not make any presentation. To this effect I am producing this brief to express the opinions of the Institute. I also would like to make some observations and suggestions that may help the process.

What is the perceived problem?

During the course of the conference, participants had many ideas and comments which addressed the problems which have arisen on Highway 63 for years.

Many of the participants were concerned with the safety issue; including members of families who had lost loved ones in accidents. Among the factors which were discussed speed and signage on the highway seemed to be of very high importance.

Survey questions included the idea of fines for excessive speeding, more law enforcement officers and even the establishment of satellite police stations on the highway, and of course the increase use of photo radar as well as airplane patrols were suggested.

Many of the participants showed their frustration with politicians and successive governments for their promises to twin the highway and yet in their view very little improvement had been made.

With an increasing population and expansion of the Oil Sands exploration, it seems that the twinning of the highway demands that the government uses its resources to speed up the process; not only as a safety measure but also as a factor for economic growth.

Many of the participants were concerned with costs and were reluctant to have tolls implemented for the use of any new highway improvement. It was also suggested that perhaps resources from other projects could be diverted towards the improvement of Highway 63 to the detriment of already identified projects. Of course, should this approach be accepted it would have a negative effect on other Alberta communities.

Possible Solutions

It seems that the Transportation Minister should give high priority to the problems of Highway 63. However these problems cannot be resolved in one stroke of a pen. The best strategy must include short and long term solutions.

There are immediate solutions which can be implemented sooner. In our view signage, speed control and adequate fines could be put into place to alleviate the immediate problems

The long term solutions must include financing and planning of twinning of the highway.

In our view the following are some suggestions:

Short term solutions

Since speeding, apparently is caused when smaller vehicles try to overtake large commercial trucks. It would be a good idea to place signage at appropriate passing lanes to provide motorists with information on how many kilometers they have before the end of the passing lane. A signage providing a descending kilometer count would be ideal.

Speeders must be penalized according to the crime. In British Columbia penalties have included impounding the vehicles for 72 hours. This type of penalty has raised questions about property rights. In all fairness this may be true and difficult to enforce.

However to get around this legal problem the government could penalized heavy 'footed drivers' in another way. The Solicitor General should explore the possibility of fining drivers whose speed are 50 Kms. over the speed limit by fining them according to the value of the vehicle.

For example, should the speedster be driving a \$3,500 motorbike he should be fined a minimum of \$3,500. If the driver is in a \$55,000 sports car, he should be fined \$55,000. A fine instead of appropriation of the vehicle may get around the property right issue. Will this pass muster in the courts? Perhaps not,, but it is suggested that it be explored.

The idea of establishing satellite stations along the highway is another suggestion that may work. They do not have to be manned 24hours a day or year round but they could add to law enforcement.

Long term solutions

The twinning of the Highway must be given priority. Of course costs have been a major obstacle for years. This issue may be circumvented easily by approaching the problem as a public/private sector partnership. The oil industry which is the main user of the highway could be approached to partner the province in finding ways of financing the project.

The industry could share the costs of twinning the highway and thus also gain in a public relation issue by helping to solve a problem which is long overdue.

On the other hand the province could twin the highway and charge a toll based on weight.

Residents of Fort McMurray and Wood Buffalo have already said that they are against any toll fees. But we believe there may be a simple solution.

Since the residents are taxpayers and already pay a provincial motor vehicle registration they could be exempted from the toll. In this case at the time of registration any non-commercial vehicle registration by a resident of Wood Buffalo and Fort McMurray will be accompanied by a special pass which would give them access to the highway toll free.

All other users outside of the area and all commercial vehicles will have to pay the toll. In addition the government should make the commitment that as soon as the highway has been paid for, the toll for all vehicles will be removed.

Another financing alternative would be through the issue of a provincial Bond (preferably tax free). With a good rating the province could offer the bond to the public and institutional investors. Because the bond will be tax free the government can offer a lower rate of return, thus saving on the interest costs. This scenario also allows the public and institutions to participate in a worthwhile cause.

Should this funding method be used, there is no need to raise taxes, and commercial users, as explained above will pay a toll fee. This means that once the debt is paid off, there will be no tax burden and the toll fee used to repay the debt will again be immediately removed.

Conclusion

The problems of Highway 63 have existed for years and are being acerbated by the growth of the Oil industry as well as the population growth of Fort McMurray and Wood Buffalo. For years consecutive governments have placed this issue down the priority list. With so many fatal accidents it is time to consider solutions to this growing problem.

The Institute provides some ideas and is willing to further discuss this issue to search and provide solutions.

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President & CEO



Canada is one of the most democratic countries of the world. Its diversity and cultural richness are the basis for our prosperity. However in recent past there have been too many instances of government mismanagement, which if left unchallenged can and will endanger our democratic system.

In the 21st century we can no longer manage our public institutions with 20th century models. It is time to re-examine the role of government in our society and seek new ways for the delivery of public services. We need more transparency and accountability in the public sector. There is a need for a new vehicle to allow citizens to express their opinions and provide new ideas to maintain our prosperity.

The Institute for Public Sector Accountability (IPSA) is a non-profit organization founded to promote transparency and accountability in the public sector. **IPSA** is dedicated to the enhancement of democracy.

Vision:

Through research, analysis, evaluation and the publication of papers and articles, IPSA will inform and provide new ideas and add a new voice to the democratic process.

Mission:

- **To inform the public on issues related to the public sector**
- **To be a voice to make government more transparent and accountable**
- **To educate the public on matters concerning public policy**
- **To promote dialogue between the public, politicians, and public sector**

administrators

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The Institute for Public Sector Accountability is a not-for-profit organization, and we cannot enhance democracy and promote your ideas without your help. We invite you to support us and make a donation. Please contact our President and CEO at (403) 238-3865 for more information.

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