

# Economic Impact Analysis Of Investment In A Major Commercial Transportation System For The Greater Vancouver Region



Client

Facts

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Period2003

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Project Country

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**Vancouver, British Columbia serves as one of North America's major sea and air gateways for Asia trade, as well as for rail and highway freight shipments across the US/Canada border. As a result, the economy of Greater Vancouver and indeed all of Western Canada is highly dependent on the continued performance of the regional transportation system. Recognizing this relationship, the Greater Vancouver Gateway Council (GVGC) was established as a business organization working in cooperation with government agencies to help ensure the continued performance of Greater Vancouver's multi-modal gateway facilities and the Major Commercial Transportation System (MCTS) infrastructure that supports it.**

Western Economic Diversification Canada, a department of the federal government, joined with the Greater Vancouver Gateway Council in funding Delcan and Economic Development Research Group to conduct a study of two issues:

1. Measurement of the economic role of Vancouver International Airport, Vancouver's major marine ports, the railroad system and trucking industry that support the Gateway Transportation System for British Columbia and the rest of Western Canada, and
2. Analysis of the regional economic development consequences of investment (vs. failure to invest) in road and rail system improvements needed to address rising traffic congestion and the insufficiency of existing infrastructure to sustain future growth of gateway transportation systems.

The analysis process centered on four elements:

- a detailed EMME/2 traffic simulation model,
- railroad facility supply/demand forecasting,
- a four province set of input-output economic models, and
- analysis and forecasting of infrastructure scenarios on production, imports, exports, and their cost sensitivity.

These comprised the inputs and elements of EDR Group's transportation economic development impact system (now referred to as TREDIS).

The study found that the Greater Vancouver Gateway transportation system has an overall impact of directly or indirectly supporting 145,000 jobs in the four western provinces. In addition, another a major share of Western Canadian global exports are dependent on Greater Vancouver Gateway transportation facilities for their shipment to markets.

The analysis of future scenarios about infrastructure investment showed that 7,000 - 16,000 jobs and \$500 million - \$1 billion of annual Gross Domestic Product are at stake and would be lost if the adequate infrastructure investments are not made. This information is now being used by local, provincial and federal agencies to help inform future planning and decision-making.

**Contact Persons**