



FOR IMMEDIATE RELEASE**November 30, 2004**

Covering RAV budget overrun tragic and hypocritical

RAV scope changes transfer \$70 million to regional taxpayers and transit users

BURNABY – CUPE BC President Barry O'Neill is predicting Campbell's Liberals will pony up an additional \$65 million for the controversial Richmond-Airport-Vancouver (RAV) rapid transit line before the decisive December 1st TransLink board meeting vote. In addition, staff are proposing a \$70 million transfer of costs to regional taxpayers and transit users. CUPE BC has launched a public campaign urging taxpayers to tell TransLink directors to vote down the project over its exorbitant cost, intolerable secrecy and excessive public risk in covering cost overruns.

"All along TransLink directors have reported heavy political pressure from Campbell's Liberals to make the RAV P3 line a reality – regardless of its costs, merit or public support," says O'Neill. "Now the Liberals are only too happy to seal this rotten deal with the millions they ripped away from students, the sick, health care workers, the elderly and poor, among others, across the province."

"Continued Liberal support for the RAV line in light of its massive budget overrun, major scope changes, and cost overruns that will be borne by generations of taxpayers is both tragic and hypocritical," says O'Neill. "How can the same purse be endlessly deep for the RAV line, but empty for the education, health care and social support needs of British Columbians?"

The best and final offer bid was awarded to SNC-Lavalin/Serco, which came in 25 per cent, or \$343 million, over the expenditure limit set by the TransLink board. So-called "scope changes" and "financing initiatives" were made to absorb just over two thirds of the cost overruns leaving a \$106 million funding gap that TransLink staff have asked the province to help cover.

SNC-Lavalin/Serco announced today that they had shaved \$42 million from the costs of the project but said TransLink directors and the public would not know how they had "saved" the millions until the bid was officially accepted.

"Would you buy a car from a salesman that strips your car of unknown parts in order to reduce the price?" says O'Neill. "To sell such a deal is deceitful. To buy into it with billions of taxpayer dollars is worse than negligent."

Initial scope changes negotiated by RAVCO include the elimination of a station in Richmond, significant reduction in the length of the line, no direct connection between the Waterfront Station and cruiseship terminal – items that will reduce ridership in a deal that has taxpayers guaranteeing profits from set ridership levels.

Other scope changes are a transfer of costs from SNC-Lavalin/Serco to TransLink and include the building of bus loops, replacing trolley overheads disrupted by construction, supplying ticket machines and paying for insurance, and a police unit. The cost of these transfers to regional taxpayers and transit users will be \$70 million dollars, according to the November 26th TransLink Board report by CEO Pat Jacobsen and VP Sherri Plewes. The copy of this report can be found at http://www.translink.bc.ca/files/board_files/meet_agenda_min/2004/12_01_04/3.1ravreport.pdf [see page 21].

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CUPE BC has consistently opposed the project as part of the BC Liberals privatization agenda which includes selling off public assets and entering into P3s at any cost.

"It is unconscionable that the Liberals would throw more millions after this RAV fiasco. Just imagine what \$65 million in provincial funds could do for women who no longer have shelters to go to, seniors who are struggling with cuts to pharmacare, parents of special needs children, and students that are being pushed out of higher education due to spiraling post secondary costs," says O'Neill. The province has already committed \$300 million to the RAV line.



"TransLink directors have one last chance on Wednesday to right this wrong and vote no to the RAV P3," says O'Neill.

CUPE BC's campaign encouraging taxpayers to call TransLink directors to tell them to vote no to the RAV includes radio ads, which begin airing today on CKNW and NEWS 1130 and can also be heard at <http://www.cupe.bc.ca/2429>.

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