

# REVIEW OF COASTAL FERRY ACT

## ***COMMISSIONER'S DISCUSSION PAPER #1***

The BC Ferry Commission (“the commissioner”) has been mandated under Bill 14 to conduct a review of the Coastal Ferry Act and to make recommendations to the Minister of Transportation and Infrastructure on potential changes which would better enable the commissioner to balance the financial sustainability of the ferry operator and the interests ferry users. The commissioner is conducting public consultation meetings in coastal communities served by BC Ferries and is inviting additional public input via written submissions or comments on a number of key issues.

This is the first of several discussion papers to be published on key issues to be considered by the commissioner during his review. The first key issue relates to the existing principles contained in section 38 of the Act as follows:

- 38 (1)** The commissioner must regulate each ferry operator in relation to the core ferry services that are to be provided by that ferry operator and the tariffs that may be charged for those core ferry services, and must undertake that regulation in accordance with the following principles:
- (a) priority is to be placed on the financial sustainability of the ferry operators;
  - (b) ferry operators are to be encouraged to adopt a commercial approach to ferry service delivery;
  - (c) ferry operators are to be encouraged to seek additional or alternative service providers on designated ferry routes through fair and open competitive processes;
  - (d) ferry operators are to be encouraged to minimize expenses without adversely affecting their safe compliance with core ferry services;
  - (e) cross subsidization from major routes to other designated ferry routes is
    - (i) to be eliminated within the first performance term of the first Coastal Ferry Services Contract to be entered into under this Act, and
    - (ii) before its elimination, to be minimized;
  - (f) the designated ferry routes are to move towards a greater reliance on a user pay system so as to reduce, over time, the service fee contributions by the government.

The commissioner invites comments on these principles. Specifically what changes could be made to the principles that would better enable the commissioner to balance the financial sustainability of ferry operators with the interests of ferry users? Are there any other principles that should be considered that would not impair the commissioner’s ability to balance the financial sustainability of the ferry operator with the interests of ferry users?

Comments can be submitted by email to [info@bcferrycommission.com](mailto:info@bcferrycommission.com) or by mail to BC Ferry Commission, RPO Box Hillside, Box 35119, Victoria BC, V8T 5G2.