

Summary of Coastal Ferries Engagement Summary Report – February 2014

From November 18 to December 20, 2013, the Ministry of Transportation and Infrastructure and BC Ferries held 16 public open houses, 6 small group meetings and one webinar to discuss measures to remedy the \$18.9 million shortfall to 2016, and reduce pressure on future fare increases.

- 3,707 people attended 23 consultation events
- 2,293 feedback forms were received
- 1,335 written submissions were received
- 529 people were randomly selected to participate in a public opinion poll

Service Reductions – key themes

- Opposition to service reductions – a key theme at 22 meetings
- BC Ferries should be an essential part of the provincial highway system and should be funded by the province and taxpayers – a key theme at 17 meetings
- Social-economic study- at 15 meetings a key theme was that a socio-economic impact study should be conducted before service reductions are considered
- Fares are not affordable – a key theme at 13 meetings
- Opposition to executive compensation/bonuses at BC Ferries – a key theme at 10 meetings

Written Submissions – Key Themes

- Opposed to service reductions on all routes
- Service reductions will have a negative impact on economy/businesses/tourism/access to employment
- Save costs by reducing administration/management salaries/pensions/compensation
- Service Reductions will affect social fabric / communities / result in depopulation
- Ferry service is an essential service / coastal communities are completely dependent upon ferry service / BC Ferries are part of the highway system / should be funded by the entire province

Seniors Discounts – reducing the seniors' passenger discounts from 100% to 50% Monday to Thursday commencing April 1, 2014. The Province would continue to provide the full subsidy to BC Ferries. Additional revenue estimated at \$6 million annually.

- Feedback forms: 27% agree; 64% disagree.
- Public opinion poll: 48% agree; 44% disagree.

Gaming Pilot Project – introducing a pilot project on the Tsawwassen – Swartz Bay route and, if successful, as a permanent revenue generating program on the major routes.

- Feedback forms: 20% agree; 63% disagree.
- Public opinion poll: 41% agree; 46% disagree.

Reservation and time of day pricing – potential features of BC Ferries new reservation and point of sale system such as discounts for frequent users and discounts for early bookings.

- The majority of respondents agreed with the proposed features.

Supplemental private passenger-only service.

- The majority of respondents agreed supplemental private passenger-only service would be useful at times of day when the ferry service is not running.

RESPONSE TO THE 2013 COASTAL FERRIES ENGAGEMENT

Estimates Note

Ministry of Transportation and Infrastructure

Date: February 7, 2014

ISSUE

- The Province's response to the 2013 coastal ferries public engagement.

ADVICE AND RECOMMENDED RESPONSE

- These were tough decisions to make.
- But we needed to address the significant financial pressures facing the coastal ferry system, all the while respecting the taxpayers of British Columbia.
- BC taxpayers have already stepped up to support the system with an additional \$86.6 million to 2016, bringing total taxpayer contributions to \$200 million this year, and to nearly \$1.7 billion over the last 10 years.
- BC Ferries is also on track to achieve \$54 million in efficiency improvements to 2016.
- Better aligning service levels with the demand is an important step.
- This will help us ensure a coastal ferry service that's affordable, efficient and sustainable for future generations, while protecting basic levels of service.

BACKGROUND

- On Feb. 5, 2013, government confirmed service reductions to net \$18.9 million in savings through 2016, with \$14 million in reductions on the northern and minor routes commencing April 28th, and \$4.9 million in reductions on the majors (specifics to be determined).
- With the \$4 million in service reductions already implemented on the major routes, and the additional \$18.9 million in net savings to be achieved by 2016, total service reduction savings will be \$22.9 to 2016.
- The BC Ferry Commissioner has set fare increases of 4 per cent and 3.9 per cent for the next two years based on these savings.
- BC Ferries will implement service changes by April 28, 2014. It has committed to soliciting public opinion regarding sailing schedule options through online and telephone surveys, and will meet with community leaders and Ferry Advisory Committees (FACs) to discuss schedules prior to implementation.
- In an effort to reduce future pressure on fares, government also announced a reduction to the seniors' passenger discounts on the minor and major routes from 100% to 50%. The Province's funding to BC Ferries will not be reduced as a result of this change and the additional revenue, estimated at \$6 million annually, from seniors paying 50% passenger fares will help reduce future fare pressure.

- The Province will also be pursuing the feasibility of a gaming pilot on BC Ferries' busiest route – Swartz Bay – Tsawwassen as a permanent revenue generator on the major routes.

PROGRAM CONTACT

Kirk Handrahan, Executive Director, Marine Branch, Infrastructure Department,
250 952 0678 – cell: s17

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SUMMARY OF THE COASTAL FERRIES ENGAGEMENT

Estimates Note

Ministry of Transportation and Infrastructure

Date: February 7, 2014

ISSUE

- Summary of the 2013 coastal ferries engagement.

ADVICE AND RECOMMENDED RESPONSE

- Ministry staff conducted an extensive engagement process in November and December 2013 where they hosted 16 public open houses, 6 small group meetings and a webinar.
- More than 3,700 people attended in person and more than 3,600 feedback forms and written submissions were received.
- I would like to take this opportunity to thank those who attended our community meetings or who took the time to provide a written submission or feedback form.
- The level of participation and feedback clearly reflects how much the people of British Columbia value the coastal ferry service.
- The decision to go ahead with service reductions was a tough one.
- But we needed to address the significant financial pressures facing the coastal ferry system, all the while respecting the taxpayers of British Columbia.
- BC taxpayers have already stepped up to support the system with an additional \$86.6 million to 2016, bringing total taxpayer contributions to \$200 million this year, and to nearly \$1.7 billion over the last 10 years.
- BC Ferries is also on track to achieve \$54 million in efficiency improvements to 2016.
- The next step in the strategy is to better align service levels to the demand.
- This will help us ensure a coastal ferry service that's affordable, efficient and sustainable for future generations, while protecting basic levels of service.

BACKGROUND

- The Ministry of Transportation and Infrastructure's public engagement process in November and December 2013 was undertaken to discuss service reductions to achieve \$18.9 million in savings to 2016, and other measures to reduce pressure on future fare increases.
 - 3,707 people attended 23 consultation events
 - 2,293 feedback forms were received
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 - 529 people were randomly selected to participate in a public opinion poll

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- BC Ferries should be an essential part of the provincial highway system and should be funded by the province and taxpayers – a key theme at 17 meetings
- Social economic study at 15 meetings a key theme was that a socio economic impact study should be conducted before service reductions are considered
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