

FERRY ADVISORY COMMITTEE CHAIRS (FACC)

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A GOOD START TO ADDRESSING FERRY FARES

The Ferry Advisory Committee Chairs (FACC) welcome the Premier's announcement of reductions in ferry fares during December and January as an indication that the Province recognizes the impact escalating fares are having on coastal communities. FACC representatives met with Transportation and Infrastructure Minister Kevin Falcon the day after Premier Gordon Campbell announced that the Province will fund a 33 per cent reduction of ferry fares on all ferry routes for December and January and the restoration of ferry service levels for all routes.

"We are grateful for the much-needed relief that this will bring to travelers," said Tony Law of Hornby Island who attended the meeting. "We encourage the government to follow-up with on-going measures to keep ferries affordable. This is essential to support economic activity and community well-being on the coast."

"Declining ridership and service cuts are concerns that Minister Falcon seems to share with us," said Brian Hollingshead of Saturna Island following the meeting. "We heard an acknowledgment that fares are a factor in ridership declines. The Minister told us the government hopes the lower fares in December and January would produce a spike in ridership as a bridge into the new year. He expressed a willingness to look at the results of these reductions in the light of economic conditions at that time," Hollingshead said. "Service cuts can have a severe impact. Any adjustments need to be considered in conjunction with communities, an approach that the Minister clearly supports."

"We told Minister Falcon that ferry travellers will greatly appreciate lower fares over the holiday period, thanks to the Premier's initiative," said John Sprungman of Cortes Island. "I believe he understands that when fares return to their present level in February, there will be a need to figure out a long-term solution."

"Although lower fuel prices have allowed BC Ferries to cut the August 1 fuel surcharge in half as of November 4," Sprungman said. "there are no guarantees that the price of oil will stay down. In addition, the Ferry Commissioner has already approved further increases in fares of about 4% on the major routes and 7% on the other routes each April 1 for the next three years."

The FACC presented Minister Falcon with a discussion paper (*Towards a Minor Routes Strategy for Coastal Ferry Service*). The paper notes that some fares have increased by as much as 120% since the *Coastal Ferry Act* was introduced in 2003. The Province pays a "transportation fee" to BC Ferries to support a contracted level of ferry service on the northern and minor routes. The portion of the fee applied to the minor routes is scheduled to remain at virtually the same level from 2003 until 2012.

The Ferry Advisory Committee Chairs would like to see the Premier's short-term initiative followed up by an on-going increase in the ferry transportation fee paid by the Province in order to restore community and business confidence in the coastal transportation system. "This would help achieve the government's intentions for the *Coastal Ferry Act* to promote economic development and support tourism through modest and predictable ferry fares," said Law.

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