



Saturday » July
7 » 2007

Knox column: 'Privatized' B.C. Ferries still ruled by province

Jack Knox

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Gorgeous weather this week. Not a cloud in the sky, unless you count the black one hanging over the Gulf Islands.

Islanders are feeling glum today, having failed to persuade the provincial government to stop driving up fares on B.C. Ferries' 22 minor routes.

Instead, coastal communities face annual fare increases of more than six per cent for the next four years.

"It's extremely disappointing and a bit alarming," says Tony Law, chairman of Hornby Island's advisory committee. Already residents complain that high fares are killing the economy and making the islands unaffordable to all but the rich.

The government had until the end of June to change the terms of its next four-year service agreement -- that is, its subsidy -- with B.C. Ferries. It chose not to do so, other than adding money to the northern routes and allowing the corporation to tweak its schedule to meet demand.

That means we're unlikely to see much change to the numbers unveiled in March, when the B.C. Ferry Commission, the independent watchdog that determines what kind of increases are justified, made a preliminary ruling that minor-route fares could rise at a rate of 6.7 per cent annually through 2012.

The ceiling was projected to be 3.6 per cent on the major routes between Vancouver Island and the Lower Mainland. The commission's final ruling will be made in September.

Ferry commissioner Martin Crilly doesn't have much leeway when setting the fare caps. He compares B.C. Ferries' anticipated expenses with its expected revenues, including subsidies, and sets the fare caps accordingly, albeit with a bit of a "productivity challenge" to the corporation built in.

The provincial government does not allow Crilly to consider the economic impact on coastal communities when determining the fares. Nor may he allow cross-subsidization of routes. Indeed, the government's goal is to end its subsidy of smaller routes, where fares typically cover one-third to one-half of operating costs.

That means people in communities from Sointula to Saturna can expect year after

year after year of rising fares. By 2012, the cumulative increase since 2003, the year the Liberals sort-of-privatized B.C. Ferries, could average 85 per cent.

That has Gulf Islanders grumbling about betrayal and double standards. They don't get two-thirds of a billion-dollar sewage system paid for by government, as do Victoria residents.

They don't get a hugely subsidized public transit system like Vancouver. They don't get to ride for free like drivers in B.C.'s Interior, where inland ferries are treated as an extension of the highway system.

The new "independent" B.C. Ferries was supposed to be free of political interference, but the reality is that in wrapping Crilly in a regulatory straitjacket and walking away with wallet tightly closed, the government has made a political decision without having to defend its actions.

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A couple of Cops For Cancer plugs:

Tour de Rock rider Martin Pepper is offering three-hour sunset cruises from Sidney aboard SEA Programs' 14-passenger, 68-foot schooner Passing Cloud. Minimum donation of \$40 per person, with all proceeds to the Canadian Cancer Society. Call Martin at 896-3559.

As part of the Langford Summer Festival, West Shore RCMP auxiliaries will cook a pancake breakfast at Veterans Memorial Park this Sunday, July 8, from 8-10 a.m. Again, proceeds to the cancer society.

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