Subject: September 2013 traffic

Hi all

Traffic was less than stellar in September. A lot less. Have a look at graphs 1 and 2. Usually the Minors are a mix of increases and decreases. This month they were almost all 'losers'. Traffic losers. A few notable exceptions. The Minors had been pretty close to breaking even up to now. No longer. The Northern routes, graph 6, regularly an anomaly, are showing the only good news, with their vehicle traffic up 1.03%. Even there, they have a Yin and Yang thing going. Rte 10, Port Hardy to Prince Rupert, vehicle traffic is down 2.62% for year to date loss of 4.37%. Meanwhile, rte 11, Haida Gwaii to Prince Rupert is up 7.04%, with year to date gain of 5.09%. The numbers are seldom as simple as they first appear.

The crappy results are not altogether surprising. Weather last Sep was flawless. It was good this year but not exceptional. As suggested last month, weather is likely to be a determining factor for the rest of this fiscal year. Along with fares.

Graph 3 is turning out to be more useful than some of the others. It isn't dependent on what the traffic was in just the one month in the previous year. It's what *all* the Septembers since 2009 look like, the trend. Together with similar graphs for the other months, it depicts an unhappy history while suggesting an unhappy future.

Graph 4 tells us our amazing summer, with its resulting traffic bump, is now behind us. Back to west coast reality.

A full year picture is reasonably predictable once Aug data is in. After that, the 'year to date' may go up a bit or down a bit, but won't change much. Graph 5. As well as fares, the determining factors will be the weather, March traffic with the Easter helper missing this year and likely the extended challenges for the Powell River routes, this winter a mish-mash of connections including Saltery Bay to Departure Bay. Can see traffic to and from Powell River taking a serious hit this winter. A miracle if it didn't.

Last month, we looked at 'what if we compared current traffic to what it would have been had it experienced just a 1% growth since 2003?'. Graph 7. Certainly the decade started out that way. Sort of. 'Sort' of because the Majors, with just a 2.8% fare increase cap were slightly above 1% growth for vehicles and just about spot on for passengers, for the first four years. Graphs 8 and 9. The 'other' routes, with a 4.4% fare increase, saw traffic start to collapse in second and third years, with no indication of recovery. So while the Majors experienced the 1% traffic increase through PT1, the non-Majors have never been close to it. Same weather, same global economy and same gas prices at the pump, for all the routes. The only difference? The rate of fare increases.

Prediction? As previously, final traffic losses between 1% and 2%. Worst vehicle traffic in 15 years; worst passenger traffic in 23 years. Continuing on same trajectory next year in the event fare increases remain as they are presently. Not exactly rocket science.

Graphs and base data included. Have a look at your own routes.

Questions, comments, differing opinions, give me a holler.

Brian