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File No. 0420-30

By online submission to: <https://www.leg.bc.ca/cmt/finance/submission.asp>

Select Standing Committee on Finance and Government Services

Room 224, Parliament Buildings

Victoria BC V8V 1X4

Dear Committee Members:

Re: Priorities for Budget 2016 – BC Ferries

Thank you for consulting about the 2016 provincial budget and fiscal policy. I am writing on behalf of the Islands Trust Council to seek your support for additional funding for BC Ferries to enable ferry fare reductions.

Locally-elected officials with the Islands Trust and coastal regional districts continue to hear distressing stories from our constituents about how ferry fares are harming their households and businesses. We regularly hear that high ferry fares have hampered community and economic development initiatives led by other agencies. We applaud the work that has been done to achieve the 1.9% BC Ferries price cap for 2016 – 2020, but believe fare reductions are still needed on the minor routes to compensate for the past increases that have been driving down ridership.

On June 11, 2015 the Islands Trust Council asked the Ministry of Transportation and Infrastructure to invest \$11-\$14 million in BC Ferries each year over the next four years to reduce fares on the minor routes by 25%. In order to provide constructive information to support our request, the Islands Trust hired Perrin Thorau & Associates, a public policy consulting firm with expertise in BC Ferries' markets, to calculate the cost of lowering fares on all minor ferry routes to ferry-dependent communities. We shared this analysis with Minister Stone and the BC Ferry Commissioner.

In a recent meeting, Minister Stone advised us that the Province will not be providing the \$11-\$14 million we requested, but acknowledged that the high ferry fares and the planned annual 1.9% increases, continue to challenge communities. We hope that you will recommend that Budget 2016 include sufficient funding for significant BC Ferries ferry fare reductions on the minor routes. We are convinced that a well-advertised drop in fares would attract more customers to the ferry system, bolster B.C.'s economy and result in increased provincial tax revenues - a win-win for everyone.

Thank you for accepting the Islands Trust Council's submission. The Islands Trust is a federation of local government bodies representing 25,000 people living within the Islands Trust Area and another 10,000 non-resident property-owners. The Islands Trust is responsible for preserving and protecting the unique environment and amenities of the Islands Trust Area through planning and regulating land use, development management, education, cooperation with other agencies, and land conservation.

We hope you will show leadership on this matter, which is of crucial importance to coastal communities, businesses and families.

Sincerely,

Peter Luckham

Chair, Islands Trust Council

pluckham@islandstrust.bc.ca

cc: The Honourable Todd Stone, Minister of Transportation and Infrastructure
Islands Trust Area MLAs
Bowen Island Municipal Council
Coastal Regional District Chairs Group c/o Powell River Regional District Director Colin Palmer
UBCM Community Economic Development Committee
Islands Trust Council
Islands Trust website

Preserving *island* communities, culture and environment

Bowen Denman Hornby Gabriola Galiano Gambier Lasqueti Mayne North Pender Salt Spring Saturna South Pender Thetis