Ferry ridership drops; staff reduced

BC Ferries CEO David Hahn announced January 20 that in the face of a ‘significant drop in ferry ridership’ and resulting reduced revenues, the company has ‘transitioned’ 35 management and administrative positions. The announced reductions ‘primarily’ affect management, although Hahn left the possibility open that ‘while no front-line or ship-based employees are directly impacted at this time … further changes and possible lay-offs are anticipated in shore-based positions including unionized staff.’

No details have been released on what positions have been affected, although Hahn said that the transitioning included ‘several senior management and director level positions.’

Ferries’ fuel rebates replace surcharges

BC Ferries has announced that, instead of fuel surcharges, they will offer fuel rebates on minor routes and the Horseshoe Bay-Langdale route, starting February 12, 2009.

This is a result of reductions in the price of fuel over the past few months, to where it is costing less than the price allowed for in the company’s budgeting.

For much of last year and previously, fuel prices had exceeded the budgeted price. The difference in cost was accumulated in separate ‘fuel cost deferral’ accounts for each route, and ferry customers paid a fuel surcharge to cover the deferred costs.

Fuel prices dropped markedly throughout the fall of 2008, while customers continued to pay the surcharge, and the surcharge was reduced, then discontinued as the deferral accounts were paid off.

Since that time, fuel prices have continued to drop, and so now the deferral system will go into reverse, paying customers instead of charging.

David Hahn, BC Ferries’ CEO, says, ‘With our comprehensive fuel hedging strategy in place, we don’t expect any fuel surcharges during this calendar year. In fact, we will revisit our costs again in late June and will hopefully announce an increase in the rebates.’

Typical fare reductions are: for passengers between the Gulf Islands and Tsawwassen (either direction) 45¢ and for vehicles, $1.75; for passengers between Swartz Bay and the Gulf Islands (return) 35¢ and vehicles $1.10; for passengers between Horseshoe Bay and Langdale (return) 20¢ and vehicles 85¢; for passengers between Campbell River and Quadra Island (return), 25¢ and vehicles 85¢.

There is no fuel rebate on major routes at present; apparently their deferral accounts are not yet paid off.