Lower fares, more traffic on summer ferries

BC Ferries, now with ample capacity between the Mainland and Vancouver Island on its new ferries, tried something different this year.

Traffic was down by 4–6% in the early part of the year. Then the corporation temporarily lowered fares for midweek drivers—to the $39 CoastSaver fare (a 33% discount, which ended two weeks ago)—and suddenly traffic was up by 4.2% over 2008 numbers. As the price of oil declined, fuel surcharges became fuel rebates on the minor routes, and traffic was up on those routes by 2.2%.

There has long been a maxim that there is a fare threshold above which ridership goes down, impacting revenues. The figures above confirm this. And, if a comparison was needed, northern routes, with no discount or fuel rebate, continued to show a 6% decrease.

However, BC Ferries president David Hahn was quick to credit the great summer weather for the increased traffic. But the Ferry Advisory Committee Chairs, who also enjoyed the weeks of sunshine, pointed out the clear relationship between fare levels and traffic volumes.

Over the past couple of years, undiscounted fares have risen steadily as operating costs rose and the provincial government failed to increase its contribution to match. As a result, the Ferry Commissioner, whose prime responsibility is the creditworthiness of the ‘privatized’ and now heavily indebted BC Ferries Services Inc, had little choice but to authorize the increases. Traffic has shown steady declines—until this year.

Brian Hollingshead, chair of the Southern Gulf Islands FAC, said, ‘It’s clear that non-discounted fares are just too high.’ But they are slated to continue rising for the next two years. The FACC has called on the government to reconsider its ‘user pay’ policies, in order to safeguard public access to the BC Coast and Islands (including Vancouver Island).