

### **Media Fact Sheet**

# The impacts of a decision on future ferry system reliability

BC Ferries believes that five New Major Vessels (NMVs) are essential now for the long-term reliability and affordability of the ferry system, to meet customers' expectations and to support and protect the province's economic growth, tourism industry, and supply chain.

BC's marine highway is critical to the future economic growth of our province. The decision to procure four versus five NMVs now will have impacts on growth, affordability, and reliability for decades to come.

#### **Public interest:**

- During its review process, the Commission gathered feedback from BC residents and only 6% didn't support BC Ferries' proposal to build five vessels now.
- In a December 2024 survey of 2,000 customers conducted by BC Ferries, 95% of respondents agreed with the plan to add an additional vessel to the fleet. Customers made it clear that moving forward with these investments is critical to improving their travel experience.
- Through engagement on the Charting the Course initiative, BC Ferries heard from over 10,000 BC residents who overwhelmingly indicated reliability as their number one priority for ferry service.
- In two months alone last summer, almost a quarter of a million customers were impacted by waits, many related to mechanical breakdowns of aging vessels.

#### **Demand pressures:**

- Sailings on the major routes—which on average generate over 83% of all customer fare revenues—ran
  at an average 92% capacity during the peak season in 2024, with many sailings fully booked days in
  advance.
- BC Ferries forecasts that traffic is projected to grow by 15% in 10 years, based on BC Stats—the same forecasting source used by government agencies, planners, and industry. Four NMVs will add 12% in additional capacity on BC Ferries' busiest route over that same period, while a fifth vessel would've increased capacity by up to 40%.
- BC Ferries has been implementing demand management strategies since 2021 via Saver fares, adjusted schedules, and increased reservations. This has already enabled a 7% increase in vehicle traffic on Routes 1, 2, and 30, while 29% fewer drive-up customers experienced sailing waits. Over that same time, period, 17% of demand on Route 1 was shifted to off-peak sailings.
- 70% of BC Ferries customers surveyed indicate they are travelling for essential reasons, and that they can't adjust the timing of their trip to less busy times.
- When ships are running at higher capacity, the potential for delays increases significantly. On-time performance during the 2024 peak season dropped to almost its lowest level in years because crews are taking additional time to squeeze extra vehicles on.
- The NMVs will have 52% more passenger capacity per vessel and 24% more vehicle capacity than the average capacity of the retiring vessels.

#### **Economic and system impacts:**

 An <u>independent economic analysis</u> set out that adding five NMVs would have supported 785 new ferry operations jobs, \$100M in GDP contributions, \$45M in tourism spending & 560 tourism-related jobs, and \$240M in extra commercial cargo capacity.



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- Businesses, communities, and the public are already facing the burden of delays. The BC Trucking
   Association recently estimated that a single sailing cancellation can cost the sector well over \$100,000—
   costs that are ultimately passed on to consumers.
- The 60-year-old Queen of New Westminster was recently out of service for almost 200 days, evidence of the costs to customers and the system of aging vessels and not having any resiliency in the fleet. These unplanned repairs totalled \$5.5 million, on top of scheduled refit costs, and resulted in an estimated \$8.5 million in lost revenue while the vessel was out of service. Equally challenging, its extended absence required fleet-wide adjustments to keep service running smoothly, adding pressure to other vessels in the system.

Learn more at https://www.bcferries.com/in-the-community/projects/new-major-vessels