



NANAIMO PORT AUTHORITY PASSENGER FEE REVIEW

July 27, 2015

On October 1, 2015 the fee assessed to passenger service operators at the Nanaimo Port Authority (NPA) will increase from \$0.15 to \$0.25. As part of ongoing operations the NPA reviews tariffs in relation to current, planned, and regulated operational capabilities. This includes the provision of staffing, maintenance and upgrades to reflect roles and responsibilities in maintaining safe navigation, marine security, and environmental response capability.

When first implemented in 2005 the passenger fee was dedicated to providing on water, safety support to the various passenger operations, marine and aviation. Over the last ten years additional regulatory conditions have been added to the NPA's responsibilities including the provision of port wide marine security under the Transport Canada Marine Transportation Security Regulations as a Port Authority, and as a facility operator. Additionally, enhanced environmental responsibilities have been assigned to Canadian Port Authorities. These include monitoring and response capability.

To meet these challenges the NPA has undertaken the following response capability enhancements:

- Development of two new patrol vessels, staffing to allow 24/7/365 response capability
- Working with Nanaimo Fire Rescue to fit both vessels with firefighting capability allowing the response to marine/shore interphase fires where limited capability previously existed
- Development and installation of a Marine Domain Awareness System to provide real time monitoring capability for the waters of the federally designated port, providing additional safety, security, and environmental stewardship
- Supporting the marine trade of the Asia Pacific Gateway, and the national economy

These activities listed above have resulted in additional operational staff, and equipment being designed, constructed, maintained and ultimately renewed or replaced. These activities require dedicated financial support. The increase in the passenger fee (first in 10 years) will ensure these vital activities continue to be funded.

Safety, security and environmental response require ongoing investment and support. The commercial shipping sector provides its apportioned share through the "Harbour Dues" component of the NPA tariff program. Terminal operators support these activities through the lease program, and passenger service operators through the passenger fee. The goal is to provide a fair and transparent cost recovery for vital but non-economic expenses. Further information can be accessed through the NPA website at www.npa.ca or by contacting the NPA Administration Offices at (250) 753-4146.

NANAIMO PORT AUTHORITY
POLICIES AND PROCEDURES MANUAL

1. TOPIC Passenger Fees

2. POLICY

PROCEDURE

3. STATEMENT

Section 49 (1) (a) of the *Canada Marine Act* states: A port authority may fix fees to be paid in respect of ships, vehicles, aircraft and persons coming into or using the port.

Section 49 (3) of the *Canada Marine Act* states: The fees fixed by a port authority shall be at a level that permits it to operate on a self-sustaining financial basis and shall be fair and reasonable.

Section 50 (1) of the *Canada Marine Act* states: A port authority shall not unjustly discriminate among users or classes of users of the port, give an undue or unreasonable preference to any user or class of user or subject any user or class of user to an undue or unreasonable disadvantage.

Section 50 (2) of the *Canada Marine Act* states: It is not unjust discrimination and it is not an undue nor an unreasonable preference or disadvantage for a port authority to differentiate among users or classes of users on the basis of the volume or value of goods shipped or on any other basis that is generally commercially accepted.

Section 53 of the *Canada Marine Act* states: A port authority may agree, by a contract that the parties may agree to keep confidential, to accept fees in respect of the persons and things set out in paragraphs 49 (1)(a) to (c) that are different from the fees fixed under those paragraphs.

In accordance with Sections 49 and 50 of the *Canada Marine Act*, it is the Policy of the Nanaimo Port Authority to fix fees to be paid in respect of persons coming into or using the Port at a public or private facility.

4. POLICY

4.1 In this Policy:

- (a) “Passenger” means a fare-paying person who comes into or leaves the Port of Nanaimo (whether by a Passenger Service or otherwise).
- (b) “Passenger Fees” means the passenger fees set out in Schedule “A” to this Policy.
- (c) “Passenger Service” means a regularly scheduled passenger service transporting Passengers into or out of the Port of Nanaimo, but excludes recreational, sightseeing or cruise vessel services.
- (d) “Operator” means a person or entity operating a Passenger Service.

4.2 Passenger Fees are assessed on Operators based upon the transportation of Passengers into or out of the Port of Nanaimo by a Passenger Service.

4.3 Each Operator shall pay to the Nanaimo Port Authority either:

- (a) the Passenger Fees payable by it in accordance with the provisions of Schedule “A” attached hereto, and forming part of this Policy; or
- (b) where the Operator has entered into a written agreement with the Nanaimo Port Authority pursuant to s. 53 of the Canada Marine Act, such fees as are set out in that agreement as payable instead of Passenger Fees.

4.4 Each payment pursuant to section 4.3 shall be accompanied by a statement in respect of the applicable period setting forth

- (a) the number of Passengers who paid their fare on the day they used the Passenger Service to enter or leave the Port of Nanaimo;
- (b) the number of Passengers who utilized pre-purchased tickets on the day they used the Passenger Service to enter or leave the Port of Nanaimo; and
- (c) the number of pre-purchased tickets for the Passenger Service sold during that period.

4.5 Passenger Services listed in Schedule B to this policy are exempted from payment of all or part of Passenger Fees as stated.

4.6 The Nanaimo Port Authority may enter into an agreement with an Operator pursuant to s. 53 of the Canada Marine Act by which fees differ from the Passenger Fees payable under this Policy. Such an agreement may be kept confidential in whole or in part.

4.7 The Nanaimo Port Authority may, pursuant to an agreement with an Operator pursuant to s. 53 of the Canada Marine Act, permit the Operator to levy and collect a fee on Passengers on behalf of the Nanaimo Port Authority in lieu of the Passenger Fee and to show the amount charged under the agreement as an item or expense on an invoice, bill or receipt provided to a Passenger.

4.8 Except as may otherwise be agreed by contract with an Operator, the Passenger Fees payable by the Operator are payable within 15 days following the end of the calendar month in which the Passenger entered or left the Port of Nanaimo, or in the case of pre-purchased tickets, within 15 days following the end of the calendar month in which the tickets are purchased.

5. EFFECTIVE DATE: February 1, 2008

6. NEW AMENDMENT

7. DECISION MAKING RESPONSIBILITY Nanaimo Port Authority Board

8. REFERENCE Resolution 07-11-04 (Nov 28, 2007 Board Meeting)
February 21, 2005, Board Meeting (Passenger Fees)
Resolution 04-12-08
May 6-7, 2004, Board Retreat

SCHEDULE "A"

PASSENGER FEES

	Arriving By Sea/Air Into Nanaimo Harbour	Departing By Sea/Air From Nanaimo Harbour
Each fare-paying passenger	\$0.25	\$0.25
Passengers who pay no fare	Nil	Nil
Passengers who enjoy a percentage discount from regular fares based on disability, age or education status	\$0.15	\$0.15

SCHEDULE "B"

The Gabriola Island to Nanaimo route and return BC Ferries Passenger Service is exempt from payment of Passenger Fees.

The Protection Island and Newcastle Island routes to Nanaimo and return private ferry Passenger Services are exempt from payment of Passenger Fees.

The Horseshoe Bay to Departure Bay route and return and the Tsawwassen to Duke Point route and return BC Ferries Passenger Service pays fees according to an agreement with the Nanaimo Port Authority pursuant to s. 53 of the Canada Marine Act so long as that agreement remains in effect.