

## **Most Common Issues Raised in Consultations for Canal Fees**

### **Changes to Proposed Fees**

Parks Canada received many comments from boaters and other Canadians expressing the reservations they had with the proposed pay per use system, as well as with the overall increases in cost of use. In response, the per use system has been removed and the short-term and seasonal passes reinstated. The accompanying fee structure was also amended. Users will still see fees for lockage increase in the range of 33% for single locks to 70% for a season's pass, with these fee increases taking effect in the 2014 season. Mooring fees are proposed to be increased by 25% for day time fees to 105% for a season's pass. This is in order to have the personal benefit derived from using the services cover a greater percentage of the cost of providing them (currently less than 10%, versus 35% cost recovery in National Parks and National Historic Sites).

### **Comparison of User Fees**

The proposed fees for lockage and moorage have been derived from market comparison of fees charged to use other international heritage canals, and with those charged by municipal and provincial governments. The proposed fees for daily, overnight and seasonal moorage passes are priced lower than comparable fees charged by municipal and provincial governments, and are also lower than fees charged by private marinas, where the level of services offered are generally higher. Seasonal fee rates charged to use heritage canals in Europe range from 50% to 300% higher than the revised proposed fees in Canada. The New York State Canals are often cited as being significantly cheaper for boaters. However, those operations are subsidized by tolls paid on state highways and so the funding structure is not comparable.

### **Rideau Canal World Heritage Site Status**

The continuing operation of the Rideau Canal since its construction is one of the justifications for the Canal's World Heritage status. Parks Canada remains committed to the continuing operation of the Canal and the management of its globally significant cultural resources. As such, proposed changes to user fees and operating hours will not threaten the Rideau Canal's status as a World Heritage Site.

### **Reduced Operating Hours in Shoulder Season**

It is a common business practice to reduce operating hours and staffing levels when customer traffic drops. The number of boaters along the canals in the shoulder seasons of May/June and September/October is 82% less than the peak season of July/August. In 2012, Parks Canada proposed shortening the operating season, but after discussions with businesses and other interest groups, amended its proposal with a full length season and reduced operating hours and services for all locks. The level of service offered at individual locks was determined by the historic use of the lock during the shoulder season.

### **Economic Impact**

Parks Canada takes its role as a contributor to the economic well-being of the communities along the canals it operates seriously. It provides direct economic benefit through the salaries paid to employees and the goods and services purchased from local businesses. Municipalities also get a direct benefit from the \$1.3 million in payments in lieu of taxes paid annually. The proposed user fees have been developed in consideration of the rates charged by the public and private sector for similar services, to ensure that they are competitive.

There were many comments about the economic impact on businesses and communities if boaters decide to reduce or stop their use of the waterways. The number of land-based visitors is much greater than those visitors travelling by boat, a fact that will mitigate against any reduction in boat traffic.

### Consultations

With many Canadians having access to electronic communications, Parks Canada has based consultations on fees at a national level on its website. It is still possible for people wanting to submit their comments in writing, but only four letters have been received versus over 800 e-mails (680 relating to canal fees and 120 relating to other national fees). This is a cost-effective way to involve Canadians in consultations, versus the traditional town hall approach, with the attendant costs for renting facilities and travel.

### Final Proposed Fees for Canals

#### Lockage

| Pass/Permit   | Current |                      | Proposed |                      | Variance |
|---------------|---------|----------------------|----------|----------------------|----------|
|               | Fee     | Cost for a 25ft boat | Fee      | Cost for a 25ft boat |          |
| Season        | \$8.80  | \$220.00             | \$15.00  | \$375.00             | 70%      |
| Transit       | \$4.65  | \$116.25             | n/a      |                      | n/a      |
| 6days         | \$5.05  | \$126.25             | \$7.20   | \$180.00             | 43%      |
| 1 day         | \$1.60  | \$40.00              | \$2.40   | \$60.00              | 50%      |
| 1 passage     | \$0.90  | \$22.50              | \$0.60   | \$15.00              | -33%     |
| 1 passage     | \$1.40  | \$35.00              | \$0.90   | \$ 22.50             | -36%     |
| Lock & return | \$0.90  | \$22.50              | n/a      |                      | n/a      |

#### Moorage

| Pass/Permit | Current |                      | Proposed |                      | Variance |
|-------------|---------|----------------------|----------|----------------------|----------|
|             | Fee     | Cost for a 25ft boat | Fee      | Cost for a 25ft boat |          |
| Season      | \$9.80  | \$245.00             | \$20.00  | \$500.00             | 104%     |
| Overnight   | \$0.90  | \$22.50              | \$1.25   | \$31.25              | 39%      |
| Day         | \$0.40  | \$10.00              | \$0.50   | \$12.50              | 25%      |