

Alan Latourelle
CEO Parks Canada Agency
Ottawa
Ontario

January 23, 2013

Dear Alan,

We are writing to express our continuing concern over the magnitude of proposed increases to canal lockage and mooring fees and the process whereby the Agency's decisions were reached.

We recognize that your revision to the initial proposal which was, to say the least, ludicrous is a move in the right direction, nevertheless, we remain concerned that your proposals are coming forward in the absence of a rational Business Case.

During our combined years of service, Parks Canada's rule of thumb was an expectation of revenue returns of 20% of the costs of service provision, however figures now being quoted by your staff are using a 30% return as an expectation.

You are aware that as canal managers with many years of experience we found it difficult to accept the figure of 18.5 million dollars as the cost of provision of lockage and mooring service, however we thought that you would be prepared to provide an analysis of costs for us to undertake a comparative analysis. Despite our requests for this information, it has not been forthcoming and you still continue to quote the 18.5 million dollar figure, as noted on the Parks Canada webpage which states that "Parks Canada costs for operating the canal lockage services are \$18.5 million annually. Currently, revenues from canal lockage services users are equal to 9.6% of those costs". The use of these figures certainly raises doubts about the credibility of financial information being provided to justify the level of the lockage and mooring fee increase.

Even if that figure should be justifiable, which you should easily be able to demonstrate if, in fact, a Business Case was prepared, we cannot understand how you can continue to stand by it given the recent significant reductions including those to lock operating staff on the canals. Surely your assessment of the costs of service should now be based on the cost after reductions have been taken into account. Our suspicion of the absence of Business Planning is further heightened by the quote attributed by the Ottawa Citizen to Andrew Campbell, a senior member of your staff, who, when questioned on the proposed astronomical increase to the lockage fees for the Kawartha Voyageur, stated that "When doing the analysis you don't always think about the Kawartha Voyageur". If that quote is indeed substantially correct it is a sad reflection on the Agency's attitude to analysis.

We would remind you that, as noted on your website, you have certain obligations under the "User Fee Act" and under TB Policies and we question whether those obligations have received the consideration they deserve. Also the Agency has a legal obligation to provide for through navigation on the Rideau Canal and Trent Severn Waterway

Over the last few months the Agency has harmed the Parks Canada image considerably, possibly beyond repair in some cases, but certainly to a degree which will take many years to recover in all canal communities.

We therefore feel that it is past time for Parks Canada to shed this recently acquired image of secrecy and launch a program of meaningful consultation on the issue of canal fees.

Yours sincerely

Fred Alyea
Dave Ballinger
John Bonser
Gord Giffin
John Lewis
Dave Mcdougall

CC Hon Peter Kent MP Minister of the Environment
Gord Brown MP
Pierre Poilievre MP
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