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Mr. Gord Brown MP

Dear Sir

The last edition of the EMC included an article “ MP seeks input on proposed scheduling changes for canal”. In the article you ask for ideas on reducing expenditures and increasing revenues for the Rideau Canal . I have put together some ideas for your consideration.

The development of a vision of the canal as a better ‘economic generator’ I believe, goes well beyond tinkering with expenditures and scheduling. It must start with all parties exploring potential linkages and opportunities and how cooperative ventures and mutual investments in products, services, marketing and promotion can lead to sustaining the economic and social values realized through the operation of the Rideau Canal. Many of the suggestions that I am offering are premised on a number of business partners bringing their interests and capacities together . I am providing the following for your information and use.

I firmly believe that Parks Canada and the Rideau Canal can improve. Despite the fact that Parks Canada tends to be a “ control and direct from the Center” type of organization, some efforts and creative initiatives have survived, at least temporarily. The Rideau Canal Corridor Strategy under the direction of a Steering Committee comprised of representatives of 13 communities, several First Nations, the NCC, Parks Canada and 6 provincial ministries was established to break down the jurisdictional barriers to envision a strategy to sustain the Rideau Canal, increase cooperation and coordination on economic initiatives and to provide a forum to reach beyond the problems of fragmented jurisdictions and self-interest. Although this sort of activity was not considered as a core function when it was set up, I suggest that this body might have insight in how to overcome the barriers to moving ahead cooperatively on a better vision for the Rideau Canal its communities and the economy of the Region.

I hope you find the following to be of some use.

**1) Diversification of products/services-** The traditional and narrow outlook that the canal exists primarily to provide navigation services for an elite group of users has always been an impediment in broadening services and products and the economic contribution of the canal to the region. Navigation statistics and revenue are the antiquated performance measures that have been repeatedly used to rationalize reductions. You might also consider the cost that would be incurred by a flood? The water management of the watershed has made such a thing seen only on the news from Winnipeg but not here. Why are shoreline properties on the Rideau among the most expensive in the country and how much do the municipalities and province benefit from the value added by the Rideau Canal? These are the results of effective management of the Rideau Canal. I suggest the Rideau Canal is an outstanding success as a Federal Program but it appears that the current issue is only about costs and not value and most importantly it is not about potential for the future.

The following are a series of suggestions on what could happen on the Rideau and Region with more cooperation and coordination.

- **Bike Touring Packages**- camping, rest stops, etc- Parks Canada could work in conjunction with clubs, provincial parks, communities, hotels boat tour operators and resorts in defining package offerings  
- kayaking and canoeing - provide and promote tripping on the canal with outfitters, clubs and associations. Packages could be developed linking a number of service providers in a mutually beneficial arrangement that require the cooperative marketing and promotion efforts of businesses.

- **Hiking Packages**- There are sections of the Rideau Trail that can provide enjoyable hiking experiences for many different users. Coordination, transportation and services tend to be detriments to realizing the potential. Lock stations can serve as terminus points, rest stops and camping sites for hiking groups. Transportation could be organized at trailheads/ terminus points and pick-up at destination points at pre-determined times. This has long been a service available in the UK , where a hiking culture is very strong. If organized this could provide a new small business opportunity.

- **Canoe and Kayak Packages**- The chain of Lock Stations, municipal and provincial parks, St. Lawrence Islands National Park and connecting waterways ( Gananoque River, Tay River, St. Lawrence River) provide an opportunity to develop packages that can incorporate the capacities of many business interests ( accommodation, food service, fishing guide services, outdoor supply stores, campgrounds) and make use of the capacity of the Rideau and other water recreation points to attract a variety of groups and individuals interested in a range of different types and levels of outdoor experience in tour packages that could also be organized and conducted by professional outfitters.

- **Conference Programs**- Outside conference functions, spousal programs can easily be coordinated with conference planners. Hotels may see the benefit of including these service options as enticements to attracting conferences. Lock stations can be sites for educational programs, entertainment, picnics, outside dinners, boat tours associated with conference proceedings. Spousal programs may include excursions that combine boat tours, shopping, dining, heritage education, skills training ( kayaking, canoeing, crafts for example) This could be a unique enrichment to conferences. Both Kingston and Ottawa host numerous conferences and there is easy access to a number of lock stations. Hartwells, Merickville and Ottawa Locks for example would provide unique venues for dinners or entertainment events. Jones Falls, Kingston Mills are easily and quickly accessed from Kingston.

- **Elderhostel and Group Packages**- Packaging and cooperation are key. The region has excess capacity in accommodation at many locations. Given the assets of the region, world heritage status of the canal and numerous potential packaging options, the use of the canal as a foundation for the development of packages of programs is enormous. Packages could include: education, skill development, culinary experiences, boating, hiking, biking, boat tours, fishing excursions, arts and crafts instruction, cultural programs ( museums, first nation session on traditions, history and crafts, story telling, art instruction ) in any combination to create a unique product for the region the benefit of many. The canal can contribute exposure to canal history and operations, gate construction, boat tours and serve as a venue for many other related service opportunities. Offerings can be planned for non-peak season users as an additional expansion of economic opportunities.

- **The Boating Clientele** - Power boating patterns are changing. The costs of operating boats have had considerable impact on the use of the canals. Currently, the service offering at lock stations is based on meeting the needs of clients transiting the canal. Stays are limited by regulation to 48 hours although, from time to time lockmasters will apply some discretion in forcing compliance. It is suggested that a number of lock stations be selected and equipped for accommodating stays for one or two week periods. Lock stations can become destinations as opposed to transit points. This may require increased docking spaces, power hook-ups, showers and even laundry facilities. The needs will vary by location.

Much of the economic benefit flowing from navigation services has a direct co-relation to use. Increased boat traffic will increase the economic return to regional businesses such as marinas, restaurants, gas stations. One discouragement to local and regional users has been lockage fees. Although arguments can justifiably be made for higher fees based on cost, there is a negative impact on use with the ensuing lessening of benefits to local businesses that benefit from boat traffic ( marinas, gas stations restaurants

etc.). I suggest the daily lockage fees be significantly lowered to promote more day excursions on the canal.

**2) Canal Operating Schedules** - Alterations to the operating schedule, has the greatest potential in further limiting use and economic returns to the region than any other modification. The proposal to shorten the season by a month in the Spring and a month in the Fall would have dire consequences on revenues, client loyalty, economic return to area businesses and hamper any future investments in the region's tourism economy. This could, within a few years, lead to complete cessation of lock operations and closure of many area businesses.

Some changes are possible but this must include a long-term assurance that the schedule will remain constant over several seasons. I would suggest that the closure date of September 30 is a logical move. Another possible adjustment is to shorten the operating day to 10 hours in the peak season. In conjunction with this move, the weekly shift for lock operators in the peak season could be shortened to 50 hours a week which would incur some savings primarily in shift and weekend premiums and compensatory leave as stipulated in the Collective Bargaining Agreement.

It is suggested that the Canal identify a strong cadre of full person-year and .75 person-year positions to provide lock operations, conduct all-season water management and to undertake many of the maintenance tasks that have not been consistently addressed due to the drastic cuts to the maintenance capacity over the years. The capacity to provide a first class and safe operating service extends into the shoulder seasons where much work can be done to ensure a safe and efficient operating environment. By reducing the peak season weekly shifts and expanding the scope of work on maintenance into the shoulder season, there will be savings from lessened work injuries and sick time used. To be effective and efficient in the peak season, the canal, canal users and related businesses need a reliable, professional and committed workforce. To achieve this, the employer must commit to building and sustaining this capacity.

**3) Increasing Revenues** - In the previous sections a number of measures were proposed to diversifying products and service. Many of these will require new or adjustments to existing fees and other regulations such as the period of allowable tie-up at Lock Station docks. In generating new products and businesses, the Rideau Canal must have the capacity to adjust fees to accommodate packaging partnerships to encourage the sites as a special occasion venue and to encourage more use in non-core user periods. The Canal would also need the authority to provide camping services to non-boaters such as hikers and cyclists and be authorized to levy appropriate fees. It is suggested that the regulatory framework is a significant impediment to establishing or adjusting fees and establish or modifying services.

- **Land Rents and water lot leases**- At present the Canal collects significant revenues from leases and water lots. The land rent process gives definition to the pejorative use of the word "bureaucracy". The Rideau Canal should sell as many of its leased lands as possible and appropriate at fair market rates and put in place a means of adjusting land rents for the remainder that is straightforward and simple.

- **Dock Permits** - At present, the Rideau Canal applies fees for the review and approval of dock permits for cottagers and other land holders. Under the authority of the Transport Act, fees are set that do not cover the costs of administering the permitting process. It is suggested that another fee authorizing means be applied such as under the Financial Administration Act if possible. Permit applicant should pay the full cost of the permitting process and as well pay for the privilege of having a dock on a crown owned waterway.

- **Rental of Lock Residences** - Many lock stations include structures that were formerly the residences of the Lock Master. A number of these residences could be ideal holiday rentals if appropriate upgrades were done. Most of these structures are a part of the Heritage fabric of the canal and as such there are limitations on the modifications that could be applied. A simple frame cottage with rudimentary facilities on the Rideau System can rent in the range of \$ 700 to \$1000 a week. I believe there are 10 or more of these dwellings and a few may be occupied by staff. Since government regulations are a major problem in realizing this sort of venture, Parks Canada could lease all properties to a third party who then would be responsible for the coordination of rentals and upkeep. The Rideau could receive a return to Crown based on the Gross income derived from the rentals. Based on a 12 week season and a 50% return to the Crown,

Parks Canada could receive 42 to 60, 000 in income.

**Additional Notes-** Contrary to popular belief, the Rideau Canal, in fact all Parks Canada Field Operations have not grown over the past number of years ( in my opinion). The National Office and certain staff functions have grown but not the active service providing elements of the organization. A considerable investment has been made in marketing, communications, visitor experience and external relations functions over the past five years and to the best of my knowledge have not accomplished a great deal. These staff functions were financed partially from reallocation of funds and staff with additional financing from the National Office. From my perspective, we are now providing fewer services at less cost than ever before, however, the benefits from the new functional reorganization have yet to make any appreciable difference in reaching new markets and clients. It is suggested that a full review should be undertaken on the National office functions to determine if the new staff functions have delivered on expectations and if not, they should be targeted for reductions before tinkering with services to the people of Canada. At a minimum, these staff functions must be refreshed by a commitment to making field operations better. A good measure might be to assess whether a position or function has accomplished anything related to service provision or preservation of asset integrity. In essence, Parks Canada has made a considerable investment in doing business with itself and is falling short on mandate delivery. Stop investing in activities that do not make the Rideau and other Field operations better service providers, a source of innovation and creativity and a good partner with communities, businesses and other governments.

In the late 1970s and in 1980 and 82, I served in the Northern Area Rideau Canal maintenance crew and later as lock master at Ottawa Locks. The maintenance crew had 8 staff then while today there are three for the Northern Area of the canal, including one full-time, one term and one seasonal position. As Lockmaster of Ottawa Locks in 1980 and 1981, the crew consisted of three full- time staff, two seasonal staff, 5 students and three interpretation staff. Today there are 7 persons in total at that location. This is provided as an example of what has occurred on the Rideau Canal and many other Parks Canada locations. As far as reducing expenditures on operating staff, the canal has gone as far as can be reasonably expected.

Water based maintenance is probably the most expensive of all maintenance activities on basis of work performed per hour. The continued used of slow and old scows instead of the high speed scows used on the Trent Severn Canal adds enormous costs. It is suggested the Rideau acquire two high speed scows at an estimated capital cost of \$250,000 and retire one of the two slow speed scows in current operation. Crews working from high speed scows can accomplish 90% of water - based maintenance at half the cost. The maintenance of deep water channel markers is likely the only maintenance function beyond the capacity of the high speed scows.

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