



Board Resourcing
and Development

Notice of Position
BC FERRY COMMISSION
November 2007

Business and Structure of the BC Ferry Commission

Under British Columbia's Coastal Ferry Act, the BC Ferry Commission is the economic regulator of coastal ferry operators. The Commission is a quasi-judicial regulatory agency. It is not a complaints bureau and the Commissioners do not serve as ombudsmen. It is not responsible for regulating safety or environmental aspects of ferry operations.

The "core" ferry services to be regulated by the Commission carry people and vehicles over a designated set of 25 saltwater routes. All are currently served by BC Ferry Services Inc ("BC Ferries") as the ferry operator.

Under a long-term contract with the Province, BC Ferries must operate its system to comply with defined minimum core service levels on each of the 25 routes. On the three major routes and regarded as financially self-sufficient, it receives no subsidy. On the other 22, the government pays BC Ferries a ferry transportation fee per-round trip sailing for a total maximum fee of \$91.9 million per year.

The routes are divided into geographic groups. Each group has its own price cap, which is a weighted average of the individual fares within the group. The level is re-set after every fourth year. Each four year period is termed a "performance period".

The Commission (www.bcferrycommission.com) comprises the Commissioner and up to two Deputy Commissioners. Their independence is protected by law: once appointed, they can be terminated only for mental infirmity, criminal conviction, conflict of interest or material breach of duties. Their decisions are not subject to appeal, except on a question of law.

Full details of the powers, roles and responsibilities of the Commission are found in part 4 of the Coastal Ferry Act.

The Commissioners, whose positions are part-time, currently operate a "virtual" office. They engage technical consultants in transportation, finance and related areas as required on a project basis. They are supported by a part-time contractor who manages their public correspondence and outreach programme. There are no full time Commission employees.

The Commission's expenditure budget for 2008/9 is \$275,000, within a maximum set by law as a percentage of ferry operators' toll revenue. The Ministry of the Attorney General maintains the accounts of the Commission, audits and authorizes the Commissioners' receipted expenses and fee invoices, pays supplier invoices on Commissioners' authorization and recovers revenue from ferry operators.

Policy Direction

The Act obliges the Commission to observe six policy principles.

- priority is to be placed on the financial sustainability of the ferry operators;
- ferry operators are to be encouraged to adopt a commercial approach to ferry service delivery;
- ferry operators are to be encouraged to seek additional or alternative service providers on designated ferry routes through fair and open competitive processes;
- ferry operators are to be encouraged to minimize expenses without adversely affecting their safe compliance with core ferry services;
- cross subsidization from major routes to other designated ferry routes is (i) to be eliminated within the first performance term of the first Coastal Ferry Services Contract to be entered into under this Act, and (ii) before its elimination, to be minimized;
- the designated ferry routes are to move towards a greater reliance on a user pay system so as to reduce, over time, the service fee contributions by the government.

Regulatory Activities

Activities of the Commission can be grouped as follows

- **Regulation of Ferry Fares**
A major role of the Commission is to set a ceiling or “price cap” on the average level of fares which BC Ferries can charge, to balance consumer protection with financial sustainability of the ferry operator, while encouraging efficiency. It must determine in detail how to calculate weighted average fares and price caps, making adjustments, and determining whether actual fares are below the caps.
- **Regulation of Service Levels**
Checking BC Ferries delivers its contracted round-trips; handling any applications for service cuts or abandonment of routes.
- **Special Decisions**
Determining if certain capital spending is reasonable; deregulating routes where competition is sufficient; reviewing plans to seek alternative service providers for BC Ferries routes.
- **Enforcement**
Monitoring BC Ferries’ public reporting, conducting inspections and making corrective orders.
- **Publication and Outreach**
Maintaining records, publishing decisions, and communicating with the public.
- **Administration and Reporting**
Running an office, obtaining support services, research, budgeting and reporting to the Lieutenant Governor in Council.

Reporting Requirement

The Act requires the Commission to report annually to the Lieutenant-Governor-in-Council, setting out briefly:

- all applications and requests for decisions;
- all orders issued;
- the Commission's annual financial statements with full disclosure of the expenses of, and associated with, the office of the Commissioner, and
- other information the Lieutenant Governor in Council directs.

Commission Composition

Personal Attributes

Commissioners should possess the following personal attributes:

- high ethical standards and integrity in professional and personal dealings;
- appreciation of the responsibilities to the public;
- able and willing to raise potentially controversial issues in a manner that encourages dialogue;
- flexible, responsive and willing to consider others' opinions;
- appreciation of the principles of natural justice;
- capable of a wide perspective on issues;
- ability to listen and work as a team member;
- no direct or indirect conflict of interest with the Commissioner's responsibility to the organization; in particular the Commissioners must not have a beneficial interest in a financial security of a ferry operator, or in its construction contracts; they cannot have a significant beneficial interest in competitors to BC Ferries or in equipment or processes that ferry operators use.
- strong reasoning skills; and,
- able and willing to fulfill time commitment required to carry out responsibilities.

Competencies

Collectively, the Commissioners should comprise the following core competencies:

- knowledge of economic regulation of infrastructure services;
- an appreciation of the distinctions between regulatory, legislative and managerial roles;
- economic and financial qualifications;
- strong numerical skills;

- strong writing and communications skills;
- experience in engaging and directing professional consultants;
- legal expertise and ability to interpret legislation;
- knowledge of marine transport operations;
- knowledge of government and the public sector environment;
- knowledge of current and emerging issues affecting the coastal marine transport industry; and
- knowledge of the BC coastal communities served by ferries.

Adjudication Experience

While previous experience as an adjudicator is not required, it is important that candidates understand the roles and responsibilities of a quasi-judicial body and have the necessary experience and demonstrated skills to enable them to contribute to decision-making and oversight.

Part of the Commission's commitment to good governance includes a comprehensive orientation for Commissioners.

Other Considerations

Within the context of the required board skills requirements, consideration is given to diversity of gender, cultural heritage and knowledge of the coastal communities served by the ferry system.

Vacant Position

As the current Deputy Commissioner has chosen to step down effective March 31 2008, there will be one vacancy on the Commission.

The roles of Commissioner and Deputy Commissioner are similar and largely interchangeable. The Deputy Commissioner not only stands in for the Commissioner in his absence: typically the Deputy and the Commissioner reach a consensus on all significant decisions before acting. The following are the particular attributes sought for the position of Deputy Commissioner:

- significant experience in government or business
- good computer skills
- ability to operate from a home office;
- flexibility to attend to Commission matters on a timely basis;
- understanding of provincial government approaches and methods;
- accounting and/or economic knowledge.

Time Commitment

Normally, the Commissioners:

- meet in person six to ten times per year with BC Ferries' management team in Victoria,
- attend BC Ferries' Annual Public Meeting and meets BC Ferries Board in a different coastal location once per year;
- between these face-to-face meetings, much of the Commission's business is conducted by telephone conference call ;
- address in person representative groups of customers such as Ferry Advisory Committees and Chambers of Commerce four to six times per year in coastal communities;
- travel the ferry system of all 25 routes once per two or three years; and
- respond to media requests for interviews as required.

While daily availability is not essential, availability for telephone meetings on two-to-three day notice (except for holiday periods) and face to face meetings on one to two weeks notice, is needed.

The expected time normal commitment for the Deputy Commissioner is approximately a one-third full time equivalent. The time commitment peaks in the year of a price cap review and could rise to about half-time. The next price cap review will occur in FY 2011-2012.

Term

The Coastal Ferry Act requires the term of the appointment to be six to eight years and is renewable.

Compensation

As of November 2007 the remuneration of the Deputy Commissioner is \$425 per diem. A day comprises four or more hours; less than four but greater than two hours is chargeable at half the daily amount. Travel time is divided by two before applying these per diem rules.

At November 2007 the compensation level is under review by the Ministry of the Attorney General

Receipted expenses are reimbursed and meal allowances while travelling are paid under standard rules of the provincial government.

List of Current Commissioners

Name	First Appointed	Term Ends	Occupation
Martin Crilly	11 August 2003	30 June 2010	Transport industry specialist
Alan Eastwood	30 September 2004	30 September 2010 (announced intention to step down 31 March 2008)	Economist

Process for Submitting Expressions of Interest

You may submit an Expression of Interest in serving *the BC Ferry Commission* online by going to the Board Resourcing and Development Office website (www.gov.bc.ca/brdo) and linking to the page "How to Apply".

Expressions of Interest for vacant positions should be submitted by December 18, 2007.

If you have any questions about registering your Expression of Interest, please contact Lindsay Dwinnell, Office and Technology Administrator, at (604) 775 - 2084.

British Columbia Appointment Guidelines

Appointments to British Columbia's public sector organizations are governed by written appointment guidelines. For more information about the appointment process, and to view a copy of the guidelines, refer to the Board Resourcing and Development Office website (www.gov.bc.ca/brdo) and link to the page "The Appointment Process".