IDEAS IN MOTION

TRANSPORT ACTION ATLANTIC

Affordable Newfoundland ferry rates – a constitutional commitment

Three quarters of a century has passed since Newfoundland and Labrador became Canada's tenth province, completing Confederation from sea to sea. Transportation was a key concern for the people who designed the Terms of Union – and cost was an essential factor. Accordingly, Term 32 obligated Canada to provide a federally-supported ferry service between North Sydney and Port aux Basques, and provided protection against the higher cost of living resulting from geography. Specifically, framed in conformity with the dominant transportation mode of the day, the 100-nautical-mile crossing of the Cabot Strait was to be rated as an all-rail movement. The additional handling and operational costs of the ferry service were to be absorbed by the Government of Canada through Crown-owned Canadian National Railways.

Much has changed in the intervening years. The narrow-gauge Newfoundland rail line was abandoned in 1988; the railway passenger service on the island had been discontinued two decades previously. Traffic on the "constitutional" ferry route is now all highway-based. But the basic principle of Term 32 remains. While road has replaced rail, the ferry service operated by the federal Crown corporation Marine Atlantic Inc. (MAI) must be viewed in the contemporary sense as an extension of the Trans Canada Highway. If the spirit in which the Terms of Union were drafted is to be respected, vehicles crossing the Cabot Strait should be charged no more than the cost of driving them 180 kilometres by highway. Arguably, there should be no charges for commercial drivers or the occupants of passenger vehicles. It is significant that these additional costs do not apply to users of the Confederation Bridge to Prince Edward Island, which is also a constitutional obligation of the Government of Canada.

Over time, the best intentions of the latter-day Fathers of Confederation have been eroded. In the past two decades Marine Atlantic's rates have more than doubled – an increase greater than three times the national inflation rate. Security fees and fuel surcharges have also been added. Notably, there are no such additional costs to users of the Confederation Bridge, where tolls are tied to the cost of living index.

Under a previous Conservative government, Transport Canada imposed a cost recovery target of 65% on MAI. Despite a campaign commitment from their leader in 2015 to address this "unreasonable" requirement, it took the subsequent Liberal administration nearly nine years (and three transport ministers) to get round to removing it. Ferry rates actually continued to rise in excess of the inflation rate until 2020.

Transport Action Atlantic believes the spirit of the Terms of Union that made Newfoundland and Labrador a part of Canada should be respected, and that Term 32 must be viewed in a modernized context. The ferry crossing of the Cabot Strait is part of the Trans Canada Highway, and should cost users no more than driving the equivalent distance by road. This is an obligation assumed by the Government of Canada in 1949, and remains as valid today as it did then – notwithstanding the passage of time and changes in transportation technology.

The major parties are currently campaigning on promises to eliminate the tolls on the Confederation Bridge and to re-examine ferry rates on crossings to Prince Edward Island. In the same spirit, residents of Newfoundland and Labrador should be afforded the same consideration in making travel to and from their province more affordable.

Today's ferry rates are much higher than they should be – and in a time of economic uncertainty and increasing global costs, immediate action is required.

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