

**NAVIGATING THE EDDIES IN THE MARITIME LEISURE
TRANSPORT SECTOR IN BRITISH COLUMBIA**

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1. Introduction

Horna (1994) defines leisure as “an enjoyable experience in which people choose to participate with relative freedom in terms of discretionary time and particular activities, within the context and limitations of culture, and socio-economic factors.” Smith (1994) identified five components that must be present in every leisure experience: (a) a physical element (such as port infrastructure); (b) services; (c) hospitality; (d) individuals having some selection or options; and (e) a sense of involvement or engagement in the act of travel. Based on these criteria, cruise ships, passenger ferries and large yacht destination travel are the main methods of satisfying consumer demand. Since service providers are also a critical element in leisure experiences, this paper will use elements from Miller and Kim’s (2004) work to shed light on the behaviour of port and government tourism officials in the supply-side discussion. The elements requiring consideration include connectivity, hospitality, marketing, infrastructure and environmental sustainability issues.

There are no figures that permit a full comparison of the economic impact of each part of the maritime leisure transport sector on the BC economy. A full comparison would include direct impacts arising from vessel, crew and passenger spending. A partial comparison is the average daily consumer and/or trip expenditure (as shown in Table A). These figures provide some insight into one important aspect of the local tourism benefits.

| Table A: Average Daily Trip Expenditure Estimates | | | | | |
|---|---|--|--|--|---|
| BC Cruise Home Portⁱ | BC Cruise Port-of-Callⁱ | BC Ferry Rubber Tireⁱⁱ | Fast Ferry Passengerⁱⁱ | Power Yacht 40 ftⁱⁱⁱ | Power Yacht 100 ftⁱⁱⁱ |
| \$246 | \$57 | \$59 | \$77 | \$269 | \$741 |
| Per passenger | | Per visitor (without transport) | | Per boat day | |
| <small>i) Cruise British Columbia Association (2010); ii) Smith B. (2009); iii) Wave Point Consulting estimates based on the <i>Florida Boasting Access Facilities Inventory & Economic Impact Study (2009)</i> & The <i>Great Lakes Recreational Boating Main Report – Final (2008)</i>.</small> | | | | | |

2. Maritime Leisure Transport Sectors

2.1 Cruise Shipping Sector

A Modern Cruise Sector Emerges ~ The presence of passenger vessels in BC can be traced back 100 years. In 1909, the *Rupert City* became the first passenger vessel to serve Prince Rupert. From 1910 to 1975, several of the finest coastal passenger liners to sail in North American waters operated on the BC coast, sailing from Vancouver to the ports of Prince Rupert and southeastern Alaska.

Three characteristics defined the early period of BC's cruise development. First, the cruise industry was largely based on North American passenger sourcing. Second, growth was in large part attributable to the 1886 *US Passenger Services Act* that required a foreign stop on an American itinerary, rather than any marketing efforts on the part of the industry. Third, the early years marked the beginning of a century-long branding campaign to market Canada's 'Inside Passage' as an essential element of an Alaska cruise.

Modern cruising became popular during the 1980s and 1990s. North West Cruise Ship Association data indicate that from 1992 to 2007, Alaska cruise visitors increased from about 200,000 to over one million. In 2000, the Alaskan market was the third most important cruise destination worldwide, trailing only the Caribbean and the Mediterranean regions in popularity. Due to Alaska's popularity, BC's cruise visitors increased from 988,954 passengers in 1999, to 1.4 million in 2007, an average annual growth rate of 4.8%. The 2008 recession led to a 9% contraction in the number of cruise visitors to BC since the 2007 peak. Despite this, the cruise industry had a \$1.2 billion impact on the provincial economy in 2010 (Cruise BC Association, 2010).

Cruise Lines International Association (CLIA) (2010) reported that worldwide, 13.4 million passengers cruised in 2009. Of these, 76% originated in North America, down from 93% in 1990. During the last 19 years, the industry's annual average growth rate has been 7.2%. Foreign passenger growth was 14.6% per year during this period, while North American annual passenger growth averaged 6.1%. Only in the last decade have the Mediterranean and the Asia/South Pacific/Australia cruise ship industries surpassed the

Alaskan/Canadian industry in percentage of world market (Dobson et al., 2002). The top 10 world markets represent 89% of the cruise industry's capacity, as shown in Table B. The Alaskan market represented 7.8% of the cruise industry's total capacity in the year 2000, but dropped to 5.7% in 2010.

| Markets | Total 2000 Bed-Days | Total 2010 Bed-Days | Avg. Annual Growth Rate |
|----------------|--------------------------------|--------------------------------|------------------------------------|
| Caribbean | 21,510 | 36,272 | 5.4% |
| Mediterranean | 6,277 | 18,538 | 11.4% |
| Europe | 3,745 | 9,029 | 9.2% |
| Bahamas | 3,200 | 6,795 | 7.8% |
| Alaska | 4,197 | 5,959 | 3.6% |
| Mexico West | 2,681 | 5,529 | 6.3% |
| Trans Canal | 2,573 | 3,140 | 2.0% |
| Trans Atlantic | 1,016 | 2,691 | 10.2% |
| South America | 826 | 2,348 | 11.0% |
| South Pacific | 1,155 | 2,319 | 7.2% |
| Industry Total | 53,863 | 104,109 | 6.8% |

To keep capacity in line with growing demand, cruise ship owners expanded ship capacity by 7.7% annually from 1981 to 2009. To do so, they added vessels to their overall fleet numbers, and also substantially increased the size of individual ships (for example, the average ship docking in Victoria is now 100,000 gross registered tonnes and over 900 feet in length (Anderson, 2008)). However, the increase in cruise capacity may be slowing down globally. In 2010, CLIA reported that it expected passenger capacity from new ships to increase at a rate of 3.5% annually for the next five years, compared to previous annual growth of 6.8%. This decline is not surprising given continued weakness in the American economy, and the drop in prices by the cruise lines as a result of the 2008 global recession.

The BC Cruise Sector's Supply-Side Response ~ BC's supply-side response in the cruise sector is the most innovative when compared to the other two participants in the maritime leisure transport sector, as outlined in the discussion below.

Connectivity ~ Efficient linkages to airports and railways, and fast connectivity to popular tourism attractions, are critical to the success of cruise ship ports. Port Metro Vancouver's *US Direct* program

(providing expedited immigration and customs clearance from the airport to the terminal) and the Greater Victoria Harbour Authority's *Cruise Tourism Community Initiative* (to improve guest experiences) are excellent examples of innovation in ports' connectivity roles. However, smaller ports typically lack such services, and even the programs in the larger destinations may be insufficient to compete with the capacity and connectivity available in the adjacent Seattle port. Seattle has more airlift capacity, cheaper flights and as a US based homeport there are less security concerns for consumers.

Hospitality ~ Ports and local tourism stakeholders play an important hospitality role because they provide the first exposure of the tourist to the destination. How tourists are received, the quality of tourist amenities and customer satisfaction with shore excursions, determine the port's popularity. The VIC A.M. Greeters in Victoria and Prince Rupert's *Way Finding and Ambassador Program* (both designed to better greet and orient visitors) suggest there is a deep appreciation at the local level for the importance of the hospitality role. The variety and quality of guest experiences are also progressing at some of BC's newer cruise destinations, including Campbell River, Nanaimo and Port Alberni.

Marketing ~ Cruise marketing in BC during the last decade has been fragmented and ineffective in preserving market share in the face of global competition. The 2003 creation of the Cruise British Columbia Association marked an important first step in strengthening BC ports' marketing efforts directly to the cruise lines. As Princess Cruise Lines CEO Alan Bucklelew (2010) noted, "Ports need to work cooperatively to improve the quality of all ports in a region since cruising offers quality and variety, and itineraries with more ports generally sell better than those with fewer port calls." However, the marketing of BC's cruise industry to the travel trade and consumer markets has been almost non-existent, and the use of web-based marketing and social media tools has also been largely absent from the cruise marketing mix. The result is that local tourism destination marketing organizations are expected to support individual port marketing efforts. Gary Gale, Manager of Cruise Victoria Services, observed that BC has little public visibility outside of the Pacific Northwest and Northern California: "BC needs to be proactive or we

will remain at the whim of Alaska regulators. Cruising in BC has been and will continue to be an Alaskan itinerary without regard to BC ports until we engage in co-op marketing with the cruise lines” (personal communication, December 16, 2010). Provincial tourism officials provided limited financial support for co-op marketing with Celebrity Cruises for their three- and four-night BC cruise theatre experiment in 2006. Currently, provincial tourism only provides financial support for travel trade marketing for Vancouver through the Pacific Rim Cruise Association. It is unfortunate that the recent Cruise Industry Working Group report did not stress the importance of marketing in their recommendations (Ministry of Tourism Culture and the Arts, 2009).

Capital Assets/Infrastructure ~ The nature, extent and sufficiency of port infrastructure determine the size, frequency and type of vessels that can visit a community. Seattle’s construction of a new cruise terminal in 2001 and the subsequent meteoric rise in cruise traffic volume (to overtake Vancouver as the top spot for the Alaska home port in 2010), demonstrate the importance and timing of the right port infrastructure. During the past two decades, the primary focus of BC’s ports and government policy has been on new construction or the revitalization of existing wharves to create modern cruise terminals. Vancouver, Victoria, Prince Rupert, Campbell River and more recently Nanaimo have all followed this route. However, much of this work may have been done without a comprehensive view of the elements required to attract tourists. Maritime leisure transport planning needs are often absent from Official Community Plans and other community planning instruments and tourism strategy documents, with the result that many of these small coastal communities initially focused solely on ship-related infrastructure, not fully appreciating the scale of civic amenities and shore tours needed to attract cruise lines and serve the volume of passengers and crew that are onboard the largest size ships that now frequent BC waters.

Environmental Sustainability ~ BC’s cruise ports have introduced environmental best management practices for cruise tourism participants, participated in creating a clean-air alliance, and the Port of Metro Vancouver introduced cold ironing in 2010. However, there

remains considerable public scepticism about whether the cruise industry is indeed a sustainability leader. The growth in cruise tourism has created local concerns and pressures about vehicle traffic and ship emissions impacting air quality (among other issues), most notably in the neighbourhood where Victoria's main cruise terminal is located, and other environmental issues remain a public concern. Ship black and grey water discharges are also concerns.

Cruise Sector Discussion ~ Four elements are presently shaping BC's cruise segment. First, a global cruise industry has emerged from what were formerly regional industries. Destinations in faster growing cruise markets now exert a much stronger influence on other markets. The redeployment of a single large vessel to a faster growing market will lead to increased volatility in passenger demand at BC's ports. Second, BC's cruise industry is being buffeted by market conditions and economic trends that are placing significant downward price pressure on industry participants, while at the same time social expectations for environmental stewardship are increasing costs. Third, BC ports and cruise industry connectivity efforts have not been sufficient to maintain BC's market share. Finally, fragmented marketing and inconsistent branding messages have also contributed to loss of market share, and been ineffective in establishing BC's cruise theatre as a compelling destination. BC's coastal waters and communities lack a distinctive brand image in the mind of international cruise consumers.

2.2 Passenger Ferry Sector

A Modern Ferry Sector Emerges ~ Passenger ferry travel on BC's coast has been available for over 60 years. Originally offered by the private sector, the BC government created the ferry system to resolve a disruption of service resulting from a series of strikes at private-sector service providers. The government purchased the Black Ball Line and the CPR's BC Coastal Steamship Service in 1960. Today, British Columbia Ferry Services Inc. (a private company created in 2003) generates \$573.9 million in direct route revenue, and transports approximately 21 million passengers and 8.3 million vehicles annually on 25 routes.

BC Ferries reports traffic figures based on the number of passengers and vehicles rather than the reason for travel, making it difficult to make system-wide observations about customers who travel for leisure purposes; however, some information can assist this discussion. According to BC Ferries, the majority of tourists on BC Ferries routes use the major and northern routes (BC Ferries, 2004). These routes accounted for 68% of ferry revenue in 2009/10, and represent the Port Hardy to Prince Rupert route (northern Inside Passage), and the lower mainland to Vancouver Island routes (major).

The importance of the northern Inside Passage ferry service to leisure travellers is significant (Province of British Columbia, 2003). In 2002, 93% of summer trips and 68% of winter trips were for leisure (i.e., for vacation, shopping or visiting purposes). From 1991 to 2001, the average annual growth rate for the Inside Passage route was 1.1% for passengers and 1.3% for vehicles, but in 2003-2010, this declined to a negative -6% annual growth, also suggesting reductions in leisure travel on this northern route (Tourism British Columbia, 2010). Fifty-eight percent of BC Ferries revenue comes from the three major routes—i.e., routes providing service from the lower mainland to Vancouver Island. The major routes saw annual growth rates of 4.5% for passengers and -1.5% for vehicles from 1991 to 2001. (In comparison, BC's population growth rate was 2%.) On the Tsawwassen-Swartz Bay route in 2002, 86% of summer trips and 73% of winter trips were for vacation, shopping or visiting purposes. On the Horseshoe Bay to Nanaimo route, 88% of summer trips and 72% of winter trips were for these purposes (Province of British Columbia, 2003). Clearly, these routes are important for leisure travellers. More recent data show annual average growth rates of -2.4% on the major routes (compared to BC's annual population growth rate of 1.4%), suggesting there may be reductions in leisure travel on these routes (Tourism British Columbia, 2010).

The BC Passenger Ferry Sector's Supply-Side Response ~ Given the recent history of BC Ferries as a government-regulated monopoly, it is not surprising that this sector has trailed the other two in terms of supply-side innovation. Connectivity in regards to route selection and capital assets/ infrastructure in terms of new vessel types are the two

most dominant factors that have shaped leisure travel opportunities by ferry in BC.

Connectivity ~ On the northern Inside Passage, BC Ferries experimented with new routes and a new vessel. In 1966, the *Queen of Prince Rupert* was launched, establishing a new service from the lower mainland. Originally, the service began from the Tsawwassen marine terminal, but as road infrastructure improved on the east coast of Vancouver Island, the route's southern terminal was moved to Kelsey Bay and later to Port Hardy at the north of the island.

On the major routes, a mid-island express service was introduced in 1990, connecting Tsawwassen and Duke Point (south of Nanaimo). In 1995, BC Ferries announced that a new marine terminal would be built at Duke Point. After examining numerous options to address traffic growth, including a new terminal location and fixed link, Duke Point was selected as it was seen to alleviate congestion, particularly on Vancouver's North Shore (Harvey, 2004). The primary purpose of the new route was to serve commercial truck and cargo traffic rather than leisure travellers. Despite this, data show that 87% of summer and 74% of winter trips on this route were for leisure purposes (Province of British Columbia, 2003). This is not to discount the fact that by 2002, this route carried 25% of BC's Ferries' total commercial volume, compared to 8% of total traffic (BC Ferries, 2004).

Capital Assets/Infrastructure ~ To serve the north coast on the Inside Passage route, the Ferry Authority renamed one of their ships the *Queen of the North* after an extensive \$10 million refit in 1980. The ship, designed to handle 157 cars and 750 passengers, was assigned to the route between Port Hardy and Prince Rupert, and was designated the flagship of the BC Ferries fleet (Hacking, 1995). By 1987, this cruise ferry was carrying 70,000 passengers and 20,000 vehicles annually. Tragically, in 2006, the *Queen of the North* sailed off course, ran aground and sank (with the loss of two lives from the 101 passengers onboard). In 2009, BC Ferries' new vessel—the *Northern Expedition*—made its inaugural voyage through the Inside Passage. The new vessel offered a hybrid cruise-ferry type of experience for passengers. In 2009, BC Ferries, in an attempt to leverage the use of

their new asset, developed a proposal to extend the south-end of the service to Tsawwassen during the summer period (BC Ferries, 2010a). However, community consultation failed to generate unanimous support. Members of local advisory committees indicated that the analysis in support of the new route was not convincing or sufficient. The BC government did not approve the service change (BC Ferries, 2010b).

In the mid-1990s, BC Ferries explored a fast-ferry option for one of the major routes. The project was undertaken with the aim of reducing the crossing time on the Departure Bay-Horseshoe Bay route, but had failed by 1999 and regular ferries replaced the vessels. The project's failure was due to two crucial and expensive errors: route selection and the incompatibility of existing terminals with the new vessel design (Auditor General of British Columbia, 2000). The proposed route was known to be very short for a fast ferry (a distance five times *shorter* than the longest fast ferry route at the time), thereby negating any speed advantage because the route was not long enough to translate into significant time savings for customers. The second decision—to modify the ferry design to fit existing berths, rather than modify the berths to fit the ferries—resulted in major weaknesses in vessel operations. Increased capital costs, increased vessel weight and lower speed meant the fast ferries never performed as anticipated.

Passenger Ferry Sector Discussion ~ Five characteristics define the current state of BC's leisure passenger ferry travel. First, traffic volume initially grew as the result of the improved connectivity through the introduction of new routes, vessels and service improvements, but most recently has declined. Second, errors in supply-side priorities resulted in a mismatch between vessels/routes and leisure travellers' needs. For example, on the Tsawwassen to Duke Point route, the percentage of trips for leisure purposes is not fundamentally different from the two other major routes, suggesting that government transportation planners and BC Ferries officials did not fully consider the implications of leisure trip travel when developing this new route (and that leisure travellers are clearly willing to tolerate different level of services on this route). More importantly, the expensive and time-consuming failure of the fast

ferry project diverted attention away from the best way to meet consumer needs at a critical time when significant innovations in alternative transport services to Vancouver Island were being introduced (e.g., Westjet service to Comox, float plane service). Third, safety problems strained the already declining demand on the Inside Passage route during a period when similar cruise industry growth over the same waters was decidedly robust. Fourth, community resistance to innovation in passenger ferry service has hampered the evolution of the cruise ferry business model. This should be a very real concern since BC Ferries currently maintains that the changes observed over the last seven years represent a ‘structural shift’ in the demand for ferry travel (BC Ferries, 2010c). Finally, terminal improvements attractive to leisure travellers, and the importance of marketing to leisure travellers, have only recently become priorities for BC Ferries.

2.3 Large Yacht Sector

A Modern Large Yacht Sector Emerges ~ The presence of large yachts in British Columbia can be traced back well over 100 years. BC Archives records show the *SY Leviathan*, Governor Seymour’s yacht, arrived in Victoria in 1858, and the Dunsmuir yacht, the *Dolaura*, in 1908. However, the widespread ownership of large pleasure vessels in excess of 15 meters is a much more recent phenomenon. While the largest yachts are not plentiful, the sector is growing rapidly. In many markets these vessels represent a greater opportunity for local economic benefit because they are more plentiful than pocket cruise ships and the vessels spend a greater length of time cruising in BC waters. About 20 years ago, there were only 300 or so super yachts (those greater than 30 metres) worldwide (Curtis Davis Garrard, 2007). The current international super yacht fleet (meaning vessels over 24 meters) is approximately 5,390 (Camper and Nicholson International, 2010), with an annual growth rate of about 13%. These figures are supported by the data on the age of the fleet. Only 21% of the current super yachts were built before 1990, and 54% of the fleet was built in the last 10 years. As indicated in Table C, 80% of the super yacht fleet is less than 40 meters in length. The Caribbean and Mediterranean regions are the dominant super yacht cruising grounds.

| Table C: International Super Yacht Distribution By Size (2009) | |
|---|------------------------|
| Length | Number of Units |
| 50 + meters | 446 |
| 44 to 5 meters | 632 |
| 30 to 40 meters | 1,945 |
| 24 to 40 meters | 2,367 |
| Total | 5,390 |

BST Associates (personal communications, November 26, 2008) assembled data on the growth of vessels 20 meters or longer in the United States. Between 1998 and 2007, the annual growth rate was 8.3%, while the US west coast market experienced a 7.9% annual growth rate. While BST estimated an annual growth rate of 5.1% for the BC market place for the period 2007 to 2017, it may be lower as a result of the recession. While the 2.3% annual growth rate of BC's pleasure craft registrations is less than the global rate of super yacht growth, the size of yachts is nonetheless increasing. Table D shows the size of the BC registered large yacht fleet from the Transport Canada (2010) database.

| Table D: BC Registered Pleasure Craft Distribution By Size Over 15 meters (2010) | |
|---|------------------------|
| Length | Number of Units |
| 25 + meters | 38 |
| 20 to 25 meters | 107 |
| 15 to 19 meters | 765 |
| Total | 910 |

Larger yachts now have operational characteristics such as crewing, port infrastructure, and need for support services akin to small cruise ships. The gradual increase in size of pleasure vessels means that yachts in excess of 15 meters now travel to destinations far beyond traditional local markets or cruising grounds. The internationalization of large yacht ownership has transformed a certain portion of what would have previously been considered a local recreational pastime into an essential segment of the global maritime leisure transport sector.

The BC Large Yacht Sector's Supply-Side Response ~ Given that the large yacht segment is in a period of significant growth, it is not surprising that there have been significant supply-side innovations. Connectivity in regards to the emergence of service providers,

hospitality in relation to welcoming yachting guests, and berthage infrastructure, are the dominant factors that have shaped leisure travel opportunities by large yacht travel in BC.

Connectivity ~ Vancouver Island has become the centre for the yacht trans-shipment business in the Pacific Northwest. Dockwise Yacht Transport, offering a float-on, float-off service, has been active since 1996. However, the arrival in 2004 of lift-on, lift-off service provider Yacht Path International (YPI) resulted in a significant increase in large yacht traffic in the Pacific Northwest. YPI staff reported that from 2004 to 2007, YPI transported over 800 yachts to and from Victoria and Seattle (Rick Gladych, personal communication, July 6, 2007). In 2008 alone, 440 yachts were trans-shipped from Vancouver Island and Vancouver. These vessels usually spend their time cruising within the Salish Sea or travelling the length of the BC coast to Alaska. New and enhanced services are not the only factors affecting the growth of the BC market. Important secondary factors include a decision by the Port of San Diego to launch a mega-yacht mooring facility in 2008, and the yacht loading activities at the Mexican port of Ensenada. In 2007, industry expert Todd Roberts stressed that a critical mass on each side of the Canada/US and Mexican border was needed to meet traffic demand (Roberts, 2007).

Hospitality ~ In 2008, the Greater Victoria Harbour Authority marinas played host to 135 yachts in excess of 21 meters, keeping their Ship Point facility busy with large vessels (Servos, 2008). However, the future growth of the BC industry cannot be taken for granted. There was a 25% decline in the global order book of new builds following the September 2008 economic crash. Since then, growth has resumed but at a slower pace. A more troubling development for the industry is the City of Victoria's September 2010 decision to rezone the property for the proposed Victoria International Marina, and cut the supply of moorage from less than 60 to under 30 large yacht moorage slips. What was missing from the public policy debate was any critical understanding of the importance of coastal tourism in local government planning, and the serious supply-side constraints faced by the sector. The City of Victoria's behaviour appears consistent with Fellenius's (2002) conclusion that official community plans within the Georgia Basin fail to acknowledge and

address the needs of the tourism industry. Given that recent reports indicate that boating overall has a \$3.2 billion annual economic impact in BC (Discover Boating 2007), such continued failures could have large consequences over time.

Capital Assets/Infrastructure ~ The federal government's Small Craft Harbour Branch has played a role providing funding for marina infrastructure that accommodates larger yachts at Sydney Marina (able to accommodate vessels up to 40 meters in length), Reed Point Marina, Snug Cove Marina and Discovery Harbour Marina, among others (Rowland, 1998). Private marina investments located within the Port of Metro Vancouver, including the Coal Harbour, Mosquito Creek and Quayside Marinas, have resulted in increased moorage. Despite these and other investments, the supply of large yacht moorage in BC still trails demand.

Large Yacht Sector Discussion ~ The recent growth in the BC large yacht market is attributable to a number of factors, including: the strength of the BC economy; improved air access (float planes, helijets, international airports); the presence of local shipyard and yacht service industries; the involvement of shipping agents with the major yacht transport firms; and the leadership of Vancouver Island port authorities such as Nanaimo and Victoria. However, land use decision-makers still fail to consider the strategic importance of the maritime leisure transport sector. Coastal property locations with the right market characteristics and logistics to support large yachts are limited in number. To this author's knowledge, the last BC marina supply study completed was twenty years ago (Ministry of Tourism, 1991). Since the large yacht industry has predominately emerged over the last decade, the land use assumptions used by professional planners, local government and provincial officials are out of date. Finally, there has been no cohesive marketing of coastal BC as a super-yacht destination, or recognition of the sector in any tourism planning.

3. Conclusions and Recommendations

Sletmo (1999) observed that ports display a discernible life cycle consisting of growth, development, and maturity. The maritime leisure transport sector in BC certainly demonstrates these cycles.

The cruise and large yacht segments both displayed more robust growth trends than passenger ferries. These segments have business models that are more attuned to emerging global leisure travel trends and witnessed a corresponding number of supply-side innovations that met consumer needs. In contrast, the ferry sector has not understood leisure demand as well as the other segments.

Despite past periods of strong growth, and efforts to respond to that growth, the maritime leisure transport sector within BC is not without challenges. According to Kotel et al. (1993), “marketplace shifts and changes occur far faster than a community’s capacity to react and respond.” This review of the present cruise, ferry and large-yacht sector traffic figures in BC supports this observation.

A paradigm shift (akin to Canada’s “Gateway Strategy” for cargo) is needed to recognize the unique needs of the maritime leisure transport sector in BC. This is a critically important issue for passenger ferry travel since many people still consider the BC Ferry system as being an essential service provider only with tourism and leisure travel at best a secondary afterthought. As an initial step, the industry needs to implement a holistic destination branding strategy for the sector, a recommendation consistent with that suggested by Dobson (2002) at a BC coastal tourism workshop. Ircha (2002) observed that local communities might not fully understand and appreciate a port’s function of serving regional and national needs. At the local level, land use planning that explicitly addresses tourism and the requirements of the maritime leisure transport sector would be a welcome improvement in BC. Both destination branding and land use planning should be included in the creation of a coastal tourism development strategy for the province.

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