
Third Session, Forty-second Parliament
71 Elizabeth II, 2022
Legislative Assembly of British Columbia

BILL 7

COASTAL FERRY AMENDMENT ACT, 2022

Honourable Rob Fleming
Minister of Transportation and Infrastructure

Explanatory Notes

CLAUSE 1: *[Coastal Ferry Act, section 1]* adds a definition of “Public Sector Employers’ Council”.

CLAUSE 2: *[Coastal Ferry Act, section 7]* makes a housekeeping amendment.

CLAUSE 3: *[Coastal Ferry Act, section 18]* requires the directors of the Authority to include in an annual report any resolutions they have passed in the most recently completed fiscal year of the Authority.

CLAUSE 4: *[Coastal Ferry Act, section 21.01]* clarifies the duty of BCFS to provide information to the Authority.

CLAUSE 5: *[Coastal Ferry Act, section 21.02]*

- enables the Authority to, by resolution and in support of the public interest, establish matters it considers important and issue binding directions to BCFS;
- requires the Authority to notify BCFS and the commissioner of a resolution and to publish it;
- requires BCFS to comply with a direction of the Authority and sets out steps BCFS must take in response to a direction.

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COASTAL FERRY AMENDMENT ACT, 2022

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of British Columbia, enacts as follows:

1 *Section 1 of the Coastal Ferry Act, S.B.C. 2003, c. 14, is amended by adding the following definition:*

“**Public Sector Employers’ Council**” means the Public Sector Employers’ Council continued under section 3 of the *Public Sector Employers Act*; .

2 *Section 7 (4) is repealed.*

3 *Section 18 (5) is amended by striking out “and” at the end of paragraph (d), by adding “, and” at the end of paragraph (e) and by adding the following paragraph:*

(f) any resolutions passed by the directors of the Authority in that fiscal year.

4 *Section 21.01 (2) is repealed and the following substituted:*

(2) BCFS must provide to the Authority, within the time period specified by the Authority, any information the Authority considers necessary to support the Authority in carrying out its purposes under this Act.

5 *The following section is added:*

Resolutions in relation to public interest

21.02 (1) The Authority may, by resolution of its directors, and in support of the public interest, including the public's interest in safe, reliable and affordable coastal ferry services in British Columbia,

- (a) establish matters the Authority considers important, and
- (b) issue binding directions to BCFS.

(2) Promptly after the passing of a resolution under subsection (1), the Authority must

- (a) notify BCFS and the commissioner of the resolution, and
- (b) post the resolution on the Authority’s publicly accessible website.

CLAUSE 5: *[Costal Ferry Act, section 21.02 – continued]*

CLAUSE 6: *[Coastal Ferry Act, section 21.1]* enables the Authority to remove a director of the board of BCFS by resolution.

CLAUSE 7: *[Coastal Ferry Act, section 21.2]* requires the Authority to consult with the Public Sector Employers' Council before establishing or amending a BCFS directors' compensation plan.

CLAUSE 8: *[Coastal Ferry Act, section 21.4]*

- enables the Authority to establish or amend a BCFS executive compensation plan;
- requires the Authority to consult with the Public Sector Employers' Council before establishing or amending a BCFS executive compensation plan.

- (3) After receiving notification under subsection (2), BCFS must
 - (a) comply with any direction issued under subsection (1) (b),
 - (b) if applicable, ensure its strategic and business plans take the resolution into account, and
 - (c) ensure its annual report for the year in which the resolution is passed describes the actions BCFS took in response to the resolution.

6 *Section 21.1 is amended by adding the following subsection:*

- (4) A director of the board of BCFS is removed as, and ceases to be, a director of the board of BCFS on the passing of a resolution to that effect by the directors of the Authority.

7 *Section 21.2 is amended by adding the following subsection:*

- (2.1) Prior to establishing or amending a BCFS directors' compensation plan under subsection (1), the Authority must consult with the Public Sector Employers' Council.

8 *Section 21.4 is repealed and the following substituted:*

Remuneration of executives

- 21.4** (1) Subject to subsection (2), the Authority may establish or amend a BCFS executive compensation plan.
- (2) A BCFS executive compensation plan must
 - (a) establish the methodology by which remuneration for the executives of BCFS is to be determined, which methodology must result in remuneration for each executive of BCFS that
 - (i) is, subject to subparagraph (ii), consistent with the remuneration that organizations in Canada that are of a similar size and scope to BCFS provide to persons who perform services or hold positions that are similar to those performed or held by that executive, and
 - (ii) is not greater than the remuneration that provincial public sector organizations in British Columbia provide to persons who perform services or hold positions that are similar to those performed or held by that executive, and
 - (b) identify the organizations that are being used as the comparisons for the purposes of paragraph (a).
 - (3) Prior to establishing or amending a BCFS executive compensation plan under subsection (1), the Authority must consult with the Public Sector Employers' Council.

CLAUSE 8: *[Coastal Ferry Act, section 21.4 – continued]*

CLAUSE 9: *[Coastal Ferry Act, section 25]* repeals subsection (1), the content of which has been moved to section 71.

CLAUSE 10: *[Coastal Ferry Act, section 38]* requires the commissioner to take into account the resolutions of the Authority in regulating each ferry operator.

CLAUSE 11: *[Coastal Ferry Act, section 71]*

- relocates content previously contained in section 25;
- clarifies that in the event of a conflict between the Act and the *Business Corporations Act*, the Act prevails.

- (4) Promptly after the Authority has established or amended a BCFS executive compensation plan, the Authority must take all necessary actions to amend the articles of BCFS to
 - (a) adopt the BCFS executive compensation plan as established or amended,
 - (b) ensure that the articles require that the remuneration of all executives of BCFS be set and provided in accordance with the BCFS executive compensation plan,
 - (c) set out the remuneration that may be paid under that plan or amended plan, and
 - (d) ensure that the articles require BCFS to publish, in each fiscal year, details of the remuneration provided to its executives in the previous fiscal year.
- (5) The Authority must not amend a provision in the articles of BCFS that relates to remuneration of the executives of BCFS or the terms on which it is to be paid unless that amendment is made in accordance with subsection (4).
- (6) Promptly after the Authority has established or amended a BCFS executive compensation plan, the Authority must publish the plan or amended plan on its publicly accessible website.

9 *Section 25 (1) is repealed.*

10 *Section 38 is amended by adding the following subsection:*

- (2.1) For the purposes of subsection (1), the commissioner must take into account any resolution passed by the directors of the Authority.

11 *Section 71 is repealed and the following substituted:*

This Act prevails

- 71** (1) In the event of a conflict between this Act and any other enactment, this Act prevails.
- (2) For certainty, subsection (1) applies to the *Business Corporations Act* and the *Labour Relations Code*.

Commencement

- 12** This Act comes into force on the date of Royal Assent.