



## Gwaii Haanas Tour Operators Association

Fostering Quality, Ethics and Communication  
www.gwaiihaanastours.bc.ca

#303 - 5855 Cowrie St.  
Sechelt, BC  
Canada V0N 3A3

Gord Pincock  
Phone 604 740-7018  
gord@gwaiihaanastours.bc.ca

January 31, 2005

Louanne Ralston  
Business/Client Services Manager  
Pacific Rim National Park Reserve  
Louanne.Ralston@pc.gc.ca

Re: Liability Insurance Requirements

Dear Louanne,

Your email indicated that you did not find reference to me in your files. It's possible that my guiding history pre-dates your records. I am a director and founding member of the Association of Canadian Sea Kayak Guides (ACSKG.com) and have been deeply involved with the creation and continuance of the highest set of standards for professional sea kayak guides in Canada. ACSKG founding members produced the first guide certifications and the only operating standards to be endorsed by Gwaii Haanas National Park Reserve.

The new minimum liability insurance requirement of \$2 million for licensed businesses and non-profit organizations operating in Pacific Rim National Park Reserve is an inappropriate and disproportionate requirement.

Parks Canada requires licensed tour operators in Gwaii Haanas to carry \$1 million of liability insurance. When compared to other licensing requirements in Canada, \$1 million is more than sufficient to cover the potential risks and liabilities associated with visiting a National Park.

The Insurance Corporation of British Columbia (ICBC) requires a minimum of \$200 thousand liability insurance in order to license a motor vehicle. The risks and liabilities involved with every-day driving vastly outweigh the risks assumed by typical National Park visitors, yet Pacific Rim National Park Reserve requires tour operators to carry **ten times** more liability coverage than that required by passenger vehicle operators on the nations' roadways!

During my quarter-century of kayaking and guiding in BC, I have not been made aware of **any** kayak tour company being sued in Canada. Through what twists of logic are licensed tour operators in Canada's parks subjected to such disproportionately high liability insurance requirements?

Adventure tourism operators across Canada have long since been immersed in a deepening crisis over the issue of obtaining affordable liability insurance policies. Since 9/11, insurance premiums have become ridiculously inflated, directly resulting in numerous failed adventure tourism businesses.

Insurance policies are meant to protect businesses from risk. Paradoxically, the opposite is also true: Insurance premiums must be paid in advance of each operating season; a time when tourism businesses are uncertain if they will even attract enough clients to cover their expenses. Insurance premiums are non-refundable, even if tour operators are regulated out of business before a single client joins a tour. Furthermore, insurance underwriters are primarily focussed on serving the needs of medium to large sized businesses. Insurance underwriters' minimum premiums are nearly beyond the financial reach of many small adventure tourism businesses. Each year, small licensed businesses are crippled by reaching beyond their means in order to pay the exorbitant premiums required for a \$1 million liability policy.

It's completely inappropriate for Parks Canada to now raise the premiums even further by doubling the liability requirement to \$2 million. Tour operators already accept enormous financial risks in order to meet Parks Canada licensing requirements. Is Parks Canada aware that such oppressive regulations significantly contribute to the ongoing extermination of small, licensed tour operators? Would Parks Canada prefer to provide licenses only to medium or large sized tourism businesses?

\$1 million is enough. It is absurd to now double the insurance requirement when the adventure tourism industry in Canada continues to suffer through a widespread and long-term insurance crisis.

Sincerely,

Gord Pincock  
GHTOA Co-President

cc: Ernie Gladstone, Superintendent; Gwaii Haanas National Park Reserve  
Nathan Cullen, MP; Skeena - Bulkley Valley  
James Lunney, MP; Nanaimo - Alberni