

December 11, 2020

Nicolas Jimenez  
President & CEO  
Insurance Corporation of BC  
Via email: [nicolas.jimenez@icbc.com](mailto:nicolas.jimenez@icbc.com)

**Re.: Re-instatement of flexible insurance for BC's Motor Coach Sector**

Dear Mr. Jimenez:

On behalf of the BC Trucking Association (BCTA), I am writing to request support for the BC charter motor coach industry, which has seen a dramatic revenue decline due to COVID-19, by reinstating the ability for motor coaches to move to/from a rate class 919 as was implemented by ICBC in response to COVID-19.

The impact of COVID-19 on BC's motor coach industry has been substantial, as it has virtually eliminated all sources of revenue. From April to October 2020, the average industry wide revenue loss was \$141.5 million dollars. Based on an average BC motor coach fleet size of 26, the average company revenue impact due to COVID-19 has been of \$2.5 million dollars, with an average loss per bus of \$98,863.

Since March 2020, BCTA has surveyed members to determine how they have been impacted by COVID-19. The 6<sup>th</sup> COVID-19 member survey (September and October 2020) indicated:

- Motor coach companies continue to be hardest hit by COVID-19 measures, with an average 90 percent drop in revenue in September and October, from a high of 97 percent drop in revenue from May.
- Economic recovery is expected to be slow – motor coach companies expect it will take over 18 months, due in large part the ban on international travel, the prohibition of cruise ship operations in Canadian waters, and dependency on the availability and mass distribution of a COVID-19 vaccine.

Put simply, 58 percent of BC motor coach companies are concerned about the survival of their business if current conditions continue for the next three months. Motor coaches will likely not survive COVID-19 without relief support from governments and government agencies; relief support such as ICBC providing flexible insurance options by reinstating the ability to move to/from rate class 919 as ICBC implemented in response to COVID in its April 16, 2020 letter ICBC sent to the BC Utilities Commission, which can be [found here](#).

Moving motor coach vehicles to/from rate class 919 allows BC's motor coach companies, as was allowed under ICBC's COVID-19 relief efforts which expired on August 20<sup>th</sup>, to insure a vehicle for one day at a time and/or on a pay-as-you-go basis. This is critical to the survivability of BC's motor coach companies as it minimizes overhead expenses in a manner that allows them to meet the sparse demand for motor coach operations during the pandemic and provide employment opportunities for motor coach staff where feasible.

The impact of reinstating the ability to move to/from rate class 919 for this sector is significant and can be attributed in large part to why BC's motor coach companies realized an average 18.8% increase in revenue in July/ August from that of May of this year.

Please see attached a summary that outlines both the impact COVID-19 has had on BC's motor coach industry and proposed relief measures government can implement to help this sector survive the pandemic.

If you require additional information, please do not hesitate to contact me at [DaveE@bctrucking.com](mailto:DaveE@bctrucking.com) or 604-888-5319, ext. 214.

Sincerely,

A handwritten signature in blue ink, appearing to read "Dave Earle", is positioned below the "Sincerely," text.

Dave Earle  
President and CEO

Encl.

cc. Bill Carpenter, Vice President, Insurance, ICBC  
Angela Wright, Manager, Corporate Regulator Affairs, ICBC  
Brandon Wong, Manager of Underwriting, ICBC