

<u>Legislative Committee Bulletin</u>

Regulations concerning compulsory insurance for ships carrying passengers to be in force effective January 11th, 2019.

Transport Canada has advised that the regulations concerning compulsory insurance for ships carrying passengers will come into force effective January 11th, 2019. Vessel operators will have 60 days to comply with the insurance requirements and they will be required to carry a Certificate of Insurance on board the vessel or provide a copy within 24 hours after a designated officer boards the vessel.

These newly published Regulations require all commercial and public purpose ships engaged in the domestic carriage of passengers to maintain liability insurance for death or personal injury in a minimum amount of \$250,000 multiplied by the passenger capacity of the ship. As a result, the Regulations:

- Ensure that all passengers and/or their families receive financial compensation in the event of an incident, while protecting vessel operators against catastrophic losses and possible civil actions from passengers.
- Provide consistency with other modes of transportation that currently require liability insurance cover for personal injuries or death.

These regulations do not override the Part 4 of the Marine Liability Act, the vessel owner can still limit their liability per passenger to 175,000 Special Drawing Rights.

Note these Regulations do not apply to:

- adventure tourism, as defined in subsection 37.1(1) of the Marine Liability Act
- the carriage of a sail trainee
- an international carriage
- a carriage by pleasure craft, as defined in section 2 of the Canada Shipping Act, 2001
- search and rescue operations carried out by the Canadian Coast Guard Auxiliary
- the Government of Canada or the government of a province (because they are self-insured), or an entity entitled to indemnification by that government

A Ship Safety Bulletin has been issued on the Regulations: https://www.tc.gc.ca/eng/marinesafety/bulletins-2018-13-eng.html

Transport Canada's news release can be found at https://www.canada.ca/en/transport-canada/news/2018/12/minister-garneau-announces-new-regulations-to-better-financially-protect-marine-passengers-in-the-event-of-marine-accidents.html

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