

Legislative Committee Bulletin 2-2017

New – Proposed regulations concerning compulsory insurance for ships carrying passengers

We have received notice from Transport Canada regarding proposed new regulations concerning compulsory insurance for ships carrying passengers.

The proposed regulations would require commercial and public purpose ships engaged in the domestic carriage of passengers to maintain liability insurance in an amount of \$250,000 multiplied by the passenger capacity of the ship. They would require that a Certificate of Insurance be kept on board the vessel where feasible or be produced within 24 hours after a designated officer boards the ship.

Notably, these regulations:

- Expressly exclude pleasure craft (unless such craft used for commercial purposes);
- Allow for the use of Commercial General Liability (CGL) and other policies (e.g., homeowners) provided the policy applies to liability arising from marine incidents;
- No longer require that a portion of the liability insurance be set aside expressly for passenger claims;
- Provide flexibility for small vessels that may be more open to the elements by allowing them the option of carrying the Certificate of Insurance onboard or to provide it to a designated officer within 24 hours after the officer boards the vessel;
- Allow for the substitution of a P&I Club Certificate of Entry in place of the Certificate of Insurance.

The Canadian Gazette entry can be found at: <http://www.gazette.gc.ca/rp-pr/p1/2016/2016-12-24/html/reg2-eng.php>

We have been invited to comment on the proposed regulations by the government's deadline of February 22nd, 2017. We would like to co-ordinate our response to Transport Canada and to this end we invite comments to be submitted to the below Legislative Committee members by **February 17th, 2017**.

Courtesy of your Legislative committee:

Matthew Lewis	matthew.lewis@cna.com	416-542-7341
Claudio Verconich	Claudio.verconich@LibertyIU.com	416-307-4659
Michelle Jones	michelle.jones3@cna.com	604-257-0406