



**For Immediate Release
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New Port Security Regulations to Cost Canadian Maritime Operators Upwards of \$100 million

Maritime industry calls on Ottawa for funding commitment

Vancouver, BC – Maritime operators are deeply concerned about the cost and impact of new port security regulations on the competitiveness of Canada's maritime industry. Transport Canada released a draft of the new Marine Transportation Security Regulations late last week.

Tim Chapman, Chair of the BC Maritime Employers Association (BCMEA) says that the new International Ship and Security Code (ISPS Code) has the BCMEA members' full support, but the implementation costs are prohibitive and weaken the industry's international competitiveness.

"Canadian maritime operators are fully supportive and committed to the federal government's international leadership to develop new regulations aimed at increasing port security," said Chapman. "But we are calling on Paul Martin and the federal government to help our industry maintain international competitiveness by providing financial support in the upcoming federal budget."

"Canada's maritime operators are ready and willing to protect our borders with new port security regulations, but we cannot be expected to foot the entire bill," added Chapman. "Implementation costs are estimated to reach \$50 million for BC maritime operators alone and upwards of \$100 million if you add in the other Canadian ports and terminals. On-going security compliance costs will run the bill even higher."

Without financial support, compliance with the security code will severely impact the bottom line of Canada's maritime operators and jeopardize their competitiveness to a heavily subsidized US industry. The US federal government has already committed nine billion dollars for border protection, including US ports.

"The operations of some maritime businesses and jobs will be at risk if steps are not taken to compete with the US on an even keel," said Chapman. "That requires a financial commitment from Ottawa to share the burden of security costs."

A funding commitment needs to be addressed in the upcoming federal budget, as the ISPS Code comes into effect on July 1, 2004.

The BCMEA is the waterfront employers association representing companies with operations located throughout British Columbia. BCMEA membership includes ship owners & agents, stevedores, general wharf operators and bulk terminal operators.

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