

# Money

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## Port wants help with security bill

### Ottawa contributes nothing to newly mandated costs

By Ashley Ford  
Staff Reporter

New international port-security regulations that must be in place by July 1 next year will cost Canadian maritime operators more than \$100 million and they are pleading for financial help from Ottawa.

The cost to B.C. ports alone is estimated to be \$50 million. At the moment, all of it is coming out of the industry's pockets, with Ottawa making zero contributions.

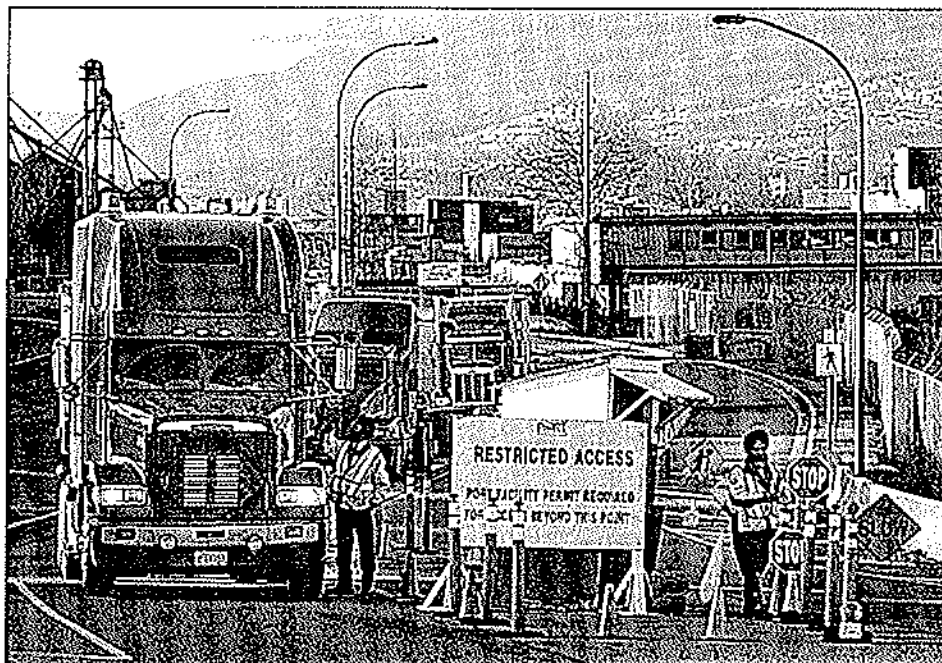
If Ottawa doesn't help, the stark reality is the industry will have to foot the complete bill, or lose business as non-compliance means ships will not be able to operate from here into the U.S. and other world ports.

The new regulations — a legacy of 9/11 — could also hit the competitiveness of ports. Already some operators have put security charges on each container handled to cover the additional security costs.

The B.C. Maritime Employers Association said yesterday that, while it agrees with the new security rules, Ottawa must jump in to help the industry financially. The issue must be addressed in the next budget, the association says.

A draft of the new Marine Transportation Security Regulations was released last week.

Tim Chapman, chairman of BCMEA, says



Ric Ernst — The Province

Vancouver port access now is restricted, with guards screening all visitors.

"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."

He points out the U.S. government has

pledged \$9 billion US for border protection, which includes its ports.

Without financial help Canada's competitive position with U.S. ports, which the BCMEA says are already "heavily subsidi-

dized," will suffer. Jobs will be at risk if steps are not taken to compete with the U.S. on an even keel, Chapman said.

Morley Strachan, director of marketing and strategic planning for TSI Terminal Systems Inc., which operates container facilities at Vanterm on the Inner Harbour and Deltaport, said his company is already spending \$2 million on new security which includes round-the-clock security patrols, higher fences, security lights and cameras, and new, manned gates.

TSI is the port's largest employer with an annual wage bill of \$100 million and about two million man-hours of work.

He said the company has also created a new security-officer management position and new identification cards. To help pay for all of this it has imposed a \$2 surcharge on every loaded container it handles.

"We support the increased security and TSI already had a lot of new security measures under way before all of this. The reality is we have no choice but to put them in," he said.

"A big question mark is how bigger might the costs become as security is an ongoing matter," he said.

The Port of Vancouver, the largest in the country, has \$29 billion-plus in goods pass through it annually. That translates into job generation of 62,000 and \$3.5 billion in economic activity.

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