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Canada's ports urge Ottawa to deliver security subsidies

BY STEVEN CHASE, OTTAWA

Canada's ports warn they're at risk of losing big business to rivals in the United States if Ottawa doesn't give them more than \$100-million in subsidies to defray the cost of security measures it has ordered to fight terrorism at marine docks and terminals.

Washington has given U.S. ports at least \$680-million (U.S.) in cash grants to offset the costs of beefed-up security since the Sept. 11, 2001, terrorist attacks, but Canada has not extended similar assistance to its ports. Port operators fear they will have to charge customers more to pay for ramped-up security, driving business to U.S. terminals instead.

"We have our neighbours putting a considerable amount of money into those maritime facilities and we're being put at an unfair disadvantage," said Onkar Athwal, a spokesman for the Canadian Coalition for Maritime Security, which represents private maritime operators.

"Halifax, I understand ... is a port of convenience. That cargo can easily be diverted to U.S. ports," he said.

A Transport Canada official didn't rule out federal assistance, but said it's too soon to start talking about cash because the full price tag of the new security measures is not yet known.

"Once we have got a realistic estimate of the costs involved, this in turn could be used for building a case for possible future government decisions regarding the new marine security initiatives," spokesman Bernard Pilon said.

Ottawa has not looked kindly upon similar requests for security cash from other sectors. It refused a plea from the airline industry to defray the bill for anti-terrorist measures at airports and on airplanes, a cost that is largely being covered by a federally imposed passenger tax.

The Air Transport Association of Canada, which represents air carriers, said it would expect Ottawa to help all industries equally if it decides to assist the ports with their security bills.

"We're sympathetic to the ports' anxiety. These security costs are enormous and open-ended," said Air Transport spokesman Warren Everson. "But the government has to treat all kinds of transportation with some consistency."