

Jeter jilted

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Junos' choice

'Least I can do' Morissette says of host job. Page B3

FP6

PORT USERS SEEK \$100M FOR SECURITY

DEMAND FEDERAL FUNDS

Shippers will bypass country if Ottawa doesn't act, they say

BY IAN JACK

OTTAWA • Canada's marine industry says international shippers will start bypassing the country's ports and heading straight to the United States without an injection of federal cash to help pay for new security costs.

A coalition of port users wants \$100-million in funding to make the playing field equal with the U.S. industry, which it says received US\$679-million from Washington last year to pay for post-Sept. 11 security upgrades.

Congressional initiatives could add billions more to that total, the group warned yesterday at a news conference called to put pressure on the federal government.

Canadian ports and users have been ordered to be in compliance with new regulations by July 1, and told they are responsible for the cost, said Onkar Athwal, a spokesman for the coalition.

"There has been no thought given to the cost implications for the private sector," Mr. Athwal said.

The group wants the money in this year's budget, which will be delivered on March 23, but they are unlikely to get it.

Tony Valeri, the Transport Minister, said two days ago he is willing to make a case for some funding but not until after port security plans have been approved. That is not expected to happen until May.

"Once all the port facility plans are approved, we will be in a position to make a realistic estimate of the costs involved in delivering



Port users say they need \$100-million in federal funding to pay for security upgrades to level the playing field with the U.S. industry.

the new security requirements. This in turn will be used in building a case for future government decisions," Mr. Valeri said in a speech.

As well, the government put in place a five-year, \$172.5-million infrastructure spending program last year to help ports.

The added security costs will cover measures such as upgraded security fences, scanning devices and even detection equipment deployed in the water, and the coalition said securing ports from terrorists should be funded by the federal government.

"These new security costs will put our industry and Canada at a serious competitive disadvan-

tage," said Tim Chapman, another coalition spokesman. "Port security is a federal responsibility and Ottawa should play its part. The federal government should not download that responsibility to our industry."

The government has not been receptive to arguments it should cover the cost of transportation security. It imposed an air security tax on passengers in 2002 to pay for ramped-up security at airports, arguing users should pay the cost.

The air industry fought the charge using the same argument the marine companies made yesterday — that national security costs should not be

borne solely by users since an attack using a plane or ship is unlikely to hurt just those on it.

Mr. Chapman rejected a suggestion the industry should pay for the improvements itself since any increase in security at ports would also cut down on theft, benefiting the companies who use the ports. There would be no increase in profit as a result of the new measures, said Mr. Chapman, also chief executive of Western Stevedoring in Vancouver.

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