

Coalition presses Ottawa for security funding

By Alex Binkley

New federal security rules will cost ports, terminal operators and shipowners at least \$100 million in start-up costs, and these groups want the Canadian government to help pay the bills.

To make their case to the Martin government, they have formed the Canadian Coalition for Maritime Security. It plans to meet Cabinet ministers and MPs to explain the industry's concerns with the proposed regulations to implement the International Ship and Port Facility Security Code.

So far Ottawa hasn't said if it is willing to contribute to the cost of the new security measures. The companies argue that there is little direct benefit to them from the extra security, and that because it is designed to protect the public, the government should contribute.

Onkar Athwal, vice president of operations for the British Columbia Maritime Employers Association, said the cost of

meeting the security requirements would be a direct hit on the bottom line of the companies. They will also have to pay the cost of maintaining the security measures over the coming years. The ports and terminal operators will have to acquire a lot of new surveillance equipment and increase land and water patrols around their facilities. This would be on top of security measures already implemented.

The Canadian companies are concerned that the extra costs will make them uncompetitive with their American rivals, which have received grants from Washington, Athwal said.

Without government assistance, Canadian ports and terminal operators would have to pass on their extra costs to shippers and importers, and that could lead some customers to move their business to U.S. ports, Athwal said. "We have the potential to lose a lot of business," he said.

Athwal was in Ottawa for Transport Canada's final round of consultations with

the marine industry on the new security measures. The industry has a number of concerns with the proposed regulations, "but we are supportive of the overall requirements," Athwal said. "We will work with Transport Canada to make sure the regulations are workable."

The government and industry are working to a July 1 deadline for having a marine security regime in place.

The terminal operators and Canadian port authorities have had to prepare security plans for Transport Canada and are waiting for them to be approved before they finalize their security actions. "A lot of work remains to be done," Athwal said.

Legislation that would have allowed Ottawa to provide security funding to port authorities died in December. An industry spokesman said government officials hope to get that bill restored when Parliament meets this month, which means it would be awaiting committee study in the Senate. ⚓