



POLICY UPDATE

News and views from the Metropolitan Halifax Chamber of Commerce November 21, 1997

Chamber Continues Lobbying for Improvements to Canada Marine Act

The Canada Marine Act, Bill C-9, continues to be an area of focus for the Chamber. This legislation will lay the foundation for the future leadership, management and control of the Port of Halifax, and others throughout Canada.

Future growth and development of our number one natural resource is critical. With over 7000 people directly or indirectly employed through the Port of Halifax and total direct expenditures reaching \$300 million a year, the Port is a key economic engine for our economy.

The Port is not only important to exporters and importers, but a strong vibrant Port will have direct economic benefits to the local business community. While Bill C-9 is only one of the many important initiatives needed to secure the Port's future opportunities, we see this Bill as a key cornerstone.

The Chamber generally supports the direction of Bill C-9, specifically the creation of Canadian Port Authorities which would allow greater autonomy and flexibility for Canada's major ports.

Two areas of concern regarding Bill C-9 remain: governance and the ability for new Port Authorities to attract private sector funding.

Governance

The Bill as proposed allows the Federal Minister of Transport, David Collenette, to select members of the Board of Directors of Port Authorities from a pool of nominees. The Chamber does not disagree with giving the Minister this power of appointment.

We would, however, like to see a more direct nomination process where a single individual is put forward to each Board seat by a specified user or group of users.

The Chamber has recommended this approach to Minister Collenette. This is a process similar to that of the Airport Authority model which has worked very well for the federal government.

This model ensures community support while allowing the Minister to select the best qualified individuals — those who have both a vision for the future and an understanding of the industry.

Funding:

For the Port to continue on as a strong economic engine into the future, it will require substantial capital investment. For example, investment is needed for necessary expansion projects to allow the Port of Halifax to handle larger ships.

As the proposed Bill removes federal funding involvement in our Port, it is essential that Bill C-9 enable Port Authorities to secure adequate financing from private sector lenders. The Chamber is very concerned that the current Bill will limit the Port Authorities' ability to finance its future growth by restricting the types of assets that can be pledged as security.

The Chamber believes that the federal government will derive its greatest benefit from a viable system of major ports that support economic development and global access for shippers.

The Chamber is committed to lobbying for these changes to Bill C-9 that will enhance and sustain the economic prosperity for our Port, and the overall business climate of the region.

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