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## Metro Vancouver rings in New Year with diesel emissions tax

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editor

Some construction industry leaders in the Lower Mainland are concerned about the impact of the new Non-Road Diesel Engine Emission Regulation Bylaw.

The bylaw, which took effect on Jan. 1, states that non-road diesel machines with Tier 0 engines, which are 25 horsepower or larger must be registered and labelled to operate in Metro Vancouver.

Owners or operators must pay a fee for the registration period with the initial fee being \$4 per horsepower in 2012.

"It's a hit against jobs and a hit against affordable housing," said Jack Davidson, president of the B.C. Road Builders and Heavy Construction Association.

He said that the bylaw will have a trickle down effect that will drive up the price of construction across the Lower Mainland.

The fee is intended to give owners or operators of diesel equipment a financial incentive to reduce pollution. It rewards those who buy newer, cleaner non-road machines.

However, Davidson feels that the construction industry is being unfairly targeted, as the bylaw doesn't address pollution from other sources such as trains and ships.

"It's like going into Kyoto without China and the United States," he said.

With the initial fee structure, a 750 horsepower engine on a Tier 0 machine could cost a contractor an extra \$3,000 for the first year plus a \$15 registration administration fee.

The fees will rise each year and more tiers will be added to the fee structure.

Failure to comply with the regulation may result in a maximum \$1,000 ticket or a \$200,000 maximum fine.

Rob Ray is the manager of enforcement at Metro Vancouver.

He said that there is no official phase in or grace period, but the newness of the bylaw will be taken into account.

"We recognize that this is new," he said. "Our intention isn't to go out heavy handed."

He said that field officers will focus on education at first, but will reserve the right to issue citations.

Ray said that the construction industry and other stakeholders were extensively consulted before this bylaw was passed.

However, Philip Hochstein president of the Independent Businesses and Contractors Association (ICBA), said that his organization wasn't consulted.

The association represents open shop contractors in B.C.

Hochstein said the move will have far reaching consequences and agreed that it raises the cost of construction.

"The municipal politicians and bureaucrats just don't understand. They complain about affordable housing, but raise costs," he said. "It's clearly a group that can't connect the dots."

Tier 0 engines are older engines without emission controls. Tier 1 engines have slightly lower emissions through improved air and fuel delivery systems, but don't have the emission control systems found on newer Tier 2, Tier 3 and Tier 4 engines.

Hochstein said that it's the end user of construction services that is ultimately going to pay.

"At the end of the day, all taxes are paid by the end user," he said. "They (contractors) will build the cost of licensing into their services."

Davidson said that the bylaw will have the biggest impact on smaller businesses.

"This will hit the smaller contractor, who does basements and such," he said.

"He can't afford to replace equipment and will end up paying fines."

He said that bigger companies with lots of work are generally the ones with the newer machines.

Davidson is also concerned about a lack of awareness by his members.

"They haven't done a very good job of putting out the word," he said.

"Our members aren't aware of the process yet. They need to put off enforcement."

Currently the regional authority has two field officers and a supervisor, but Ray said they will soon be adding more personnel.

He said inspectors will conduct both unexpected and scheduled visits.

Owner and operators can use a link on the Metro Vancouver's website to determine the tier of their engine.

Fees can be reduced or eliminated by reducing diesel soot emissions.

Eighty per cent of fees paid over the previous three years may be refunded if an engine is retired from use in Metro Vancouver or upgraded to Tier 2 or better.

Hochstein said that his members are so busy that many are likely unaware of the new bylaw.

He also questioned Metro Vancouver's motives.

"It's not about green. It's about cash for the city," he said.

He added that all trades will be affected in some way.

The bylaw doesn't apply to engines with less than 25 horsepower, machines used in agricultural operations, emergency generators and personal recreational machines such as all-terrain vehicles and snowmobiles.

As of Jan. 1, 2015, Tier 0 engines that have not been registered or not had a valid paid operating period for at least 90 days will no longer be eligible to operate in Metro Vancouver.

The same applies for Tier 1 engines after January 1, 2020.

The online registry and payment system for non-road diesel engines is available at [www.metrovancouver.org](http://www.metrovancouver.org).

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