

NEWS RELEASE

B.C.'s Chambers call for rejection of Bylaw 280

FOR IMMEDIATE RELEASE

Vancouver, May 27, 2014 – Chambers from around B.C. have voted for the rejection of Metro Vancouver's Bylaw 280, which deals with solid waste flow control.

B.C.'s Chambers passed a policy calling on the B.C. government to reject Bylaw 280 at the BC Chamber of Commerce Annual General Meeting & Conference on May 24.

"By passing this policy, B.C.'s Chambers have stated categorically that Bylaw 280 is bad for businesses and bad for B.C.," said John Winter, president and CEO of the BC Chamber of Commerce.

The bylaw sets the stage for tipping fee hikes on businesses that could amount to up to 100% or more within a few years in order to fund waste management operating and capital costs including a new waste-to-energy incinerator.

"Bylaw 280 would result in a continuously increasing tax grab and responsibility creep into private sector as well as fund in part the proposed [Metro Vancouver] incinerator," the policy states.

"This bylaw effectively dismantles a market-driven waste management system and installs a monopoly – and the fees that go with that," Winter said. "If this bylaw goes forward, Metro Vancouver would have the unilateral power to hike tipping fees at whim, and with zero accountability."

Winter added that Bylaw 280 would effectively bar private industry from providing greener, more cost-effective waste solutions than the proposed \$500 million incinerator for the Metro Vancouver region, such as mixed-waste Materials Recovery Facilities (MRFs).

"Private industry is ready and willing to put its money on the table, and take on all the financial risk, to help Metro exceed its waste reduction target before more tax dollars are invested in disposal options," he said. "And yet this bylaw effectively shuts out those private-sector solutions."



Winter noted that, while Bylaw 280 deals with the Metro Vancouver region, the bylaw has triggered concern from Chambers around the province.

"Metro Vancouver may be leading the way in this kind of overreach and monopoly building, but it has attracted interest and support from other B.C. regional districts," Winter said. "Our Chambers have taken a firm stance: This kind of anti-business behaviour from a regional government is neither acceptable in Metro Vancouver nor anywhere else in B.C."

The policy passed by B.C.'s Chambers asks the provincial government to:

- through the Minister of Environment reject Metro Vancouver's Bylaw 280.
- keep the authority focus of regional districts to the management of waste disposal to allow the private sector to optimize the upstream activities (reuse, material recovery and recycling) with the goals of 1) keeping waste reduction options economically viable through private sector competition and innovation, and 2) stimulating a growing BC green sector and new jobs independent of tax subsidies.
- work with all regional districts to develop policy environments that stimulate the engagement of the private sector and its solutions to address waste reduction strategies.

MORE ABOUT THE POLICY DEALING WITH BYLAW 280:

The policy takes aim at three key issues:

Unnecessary Regulatory Burden

Excerpt from policy: "The Chamber feels this proposed bylaw would create a dysfunctional system where unavoidable inefficiencies and cost over-runs will be met with more regulation—an unpredictable spiral that creates more uncertainty for business. For example, on the issue of "flow control", we firmly believe no amount of regulation can replace the positive influence of economic instruments, such as cost effectiveness and fair competition, to keep material flows in-region. An unnecessary regulatory increase in tipping fees, projected to rise to \$157 per tonne by 2017 from the current \$108 per tonne based on Metro Vancouver's 2013 financial projections in order to finance upfront costs for an expensive incinerator, will only exacerbate waste being transferred out of the region."

Unnecessary Intrusion by Metro Vancouver in the Free Market (Responsibility Creep)

Excerpt from policy: "Metro Vancouver appears to ignore that fact that continued innovation and progress toward waste reduction targets will create open market opportunities and consumer choices that are environmentally-sound, good for communities and financially sustainable. Proposed Bylaw 280 would thwart free-enterprise, private sector involvement, and impose an



unnecessary increase in system costs to fund a Metro Vancouver incineration project. This project does not have a strong business case and will impose significant costs on the region when other options are available."

<u>Unnecessary prioritization of incineration ahead of other waste diversion and infrastructure</u> needs

Excerpt from policy: "The private waste and recycling sector has publicly stated their intention to build diversion facilities such as mixed waste recovery facilities to process the residual waste at no cost to taxpayers. But Bylaw 280 is designed to prevent the development of mixed waste recovery facilities, despite the fact that mixed waste is one of the fastest growing segments of Metro Vancouver's waste stream.

This desire to build a costly incinerator is particularly concerning as we look to a range of other regional infrastructure costs facing the region in the coming years. Whether it is transportation or wastewater treatment systems, Metro Vancouver faces a range of infrastructure needs that will be borne by the taxpayer. From a business perspective, the financial implications of a second waste incinerator, which is neither mandated nor necessary, are difficult to justify and will only put additional burdens on business, in particular small business."

View the full policy <u>here</u>.

The BC Chamber is the largest and most broadly-based business organization in the province. Representing more than 125 Chambers of Commerce and 36,000 businesses of every size, sector and region of the province, the BC Chamber of Commerce is "The Voice of Business in BC."

- 30 -

For further details, please contact:

John Winter
President & CEO
BC Chamber of Commerce
T 604.638.8110
C 604.376.3577
E jwinter@bcchamber.org

Jenny MacPhee Communications Officer BC Chamber of Commerce T 604.638.8114



C 604.366.4990

E jmacphee@bcchamber.org