

# Big Changes Are on the Way

On March 31<sup>st</sup>, 2016, Ontario announced new legislation that will have a profound impact on the Canadian auto recycling industry for years to come. — *Steve Fletcher*



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is the Managing Director of the Automotive Recyclers of Canada (ARC), and Executive Director of the Ontario Automotive Recyclers Association (OARA). He can be reached at: [steve@oara.com](mailto:steve@oara.com).

The End of Life Vehicle regulation under the Ontario Environmental Protection Act is the culmination of over 10 years' effort by auto recyclers to bring an end-of-life vehicle processing standard to the industry. This legislation creates a level playing field for businesses buying and processing end-of-life vehicles and is expected to set a precedent for similar laws across Canada.

Previously, only 1970s-era Highway Traffic Act laws regulated the industry. The requirements to be considered an auto wrecker were limited to having a class C garage licence and a letter from the municipality, with no reference to how or where auto recyclers operated, nor a definition of what they did.

## Streamlining Requirements

Our challenge was to streamline industry requirements so that everyone understood the environmental and financial impact of these operators. The first step was developing CAREC (the Canadian Auto Recyclers Environmental Code) and adopting it as a standard for Automotive Recyclers of Canada members.

Our members were audited to CAREC standards every few years and we used that as a tool to differentiate ourselves from the rest of the industry, resulting in a more universal understanding that not everyone in the industry was following these important practices. These inconsistencies created inefficiency and problems with regards to pollution, safety and tax collection, with consumers having no way of discerning legitimate auto recyclers from those who weren't.

Auto-manufacturing associations helped us get the attention of the government. They supported our efforts because they wanted the public's confidence regarding the vehicles that OEMs both manufacture make and import were handled properly.

## Achievable Standards

The Government married CAREC with other regula-

tions to create legislation that would allow businesses to remain profitable while achieving certain environmental objectives.

We ended up with regulations that make it illegal to crush or shred a vehicle without first depolluting it and identifying the pollutants that need to be removed. Additionally, these regulations resulted in a framework for storage and reporting through a complete supply chain instead of just focusing on vehicle dismantlers. This standard is reasonable enough to keep business in Ontario, but it is also firm so that not just anyone can do it and harm the environment.

There is a six-month phase-in for businesses acquiring more than two end-of-life vehicles per year or ten end-of-life vehicles on site at any time, as well as another 12-month phase-in for compliance with all other aspects of the regulations. Within 18 months, the real strength of the legislation will come into place, providing businesses with ample time to make needed changes. Now that there are rules, it's easier for businesses to invest in the industry by purchasing equipment or hiring and training people, creating jobs.

We have also created a new national End of Life Vehicle Sector Council to help implement these types of regulations across Canada, acting as a repository for best practices and education, because all provincial governments are in varying stages of looking at adopting similar laws.

We are hopeful that by taking this progressive approach in Ontario (our biggest market), it will set the stage for modernizing the process and making it work across the country. ♻️



The End of Life Vehicle Sector Council is designed to encourage best business and environmental practices in Canada's auto recycling industry.

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