



ARC Policy Statement: EV Policy, Incentives, and the Full Vehicle Lifecycle

Canada's recent shift away from a rigid EV sales mandate toward **GHG-based emissions standards**, combined with the **return of EV purchase incentives**, marks a significant change in federal automotive policy.

While ARC supports policies that reduce emissions and encourage innovation, **how these measures are designed matters just as much as the intent behind them.**

Incentives must be sustainable — and not destabilizing

Over-incentivizing any vehicle segment risks **distorting the automotive ecosystem**, particularly the **auto repair and recycled parts markets** that keep vehicles affordable, repairable, and on the road longer.

EV rebates must be:

- **Sustainable for taxpayers,**
- Calibrated so they **do not unintentionally undermine the existing repair and recycled-parts marketplace,**
- Designed with an understanding that **repairability and parts availability** are central to affordability and emissions reduction.

A cleaner fleet is not achieved simply by accelerating new vehicle sales — it also depends on **keeping vehicles repairable and responsibly managed throughout their full lifecycle.**

Auto recyclers must be part of the policy dialogue

Canada's automotive recycling sector is routinely **left out of upstream policy discussions**, yet we are ultimately responsible for managing the outcome:

- vehicles written off due to collisions,
- vehicles deemed non-repairable, and
- **end-of-life vehicles**, whether ICE or EV.

When policy changes occur without recycler input, the burden shifts downstream — **without the tools, funding, or information required to manage the risk properly.**
EV transition requires training, data, and transparency

As EV volumes increase, auto recyclers need:

- **Formal EV training programs,**
- Clear **battery chemistry and safety information,**
- Standardized guidance on **dismantling, storage, transport, and emergency response,**
- Reliable **parts and fitment data** to support repair and reuse.

These are not optional — they are **public-safety and environmental necessities.**

Chinese EV imports raise immediate and unresolved concerns

The introduction of Chinese-manufactured EVs into the Canadian market presents a **new and urgent challenge.**

At present, recyclers have **little to no access** to:

- repair procedures,
- battery specifications,
- dismantling and handling protocols,
- part numbering or fitment information.

This lack of transparency creates **real safety, environmental, and operational risks** for repairers, recyclers, insurers, and emergency responders alike.

ARC's position

ARC supports a **competitive automotive marketplace** — but competition only works when **all participants are operating with the same information, standards, and expectations.**

Policy decisions around EV incentives, emissions standards, and trade **must account for the full vehicle lifecycle,** not just the point of sale.

Auto recyclers are not a downstream afterthought.

We are a critical part of Canada's automotive system — and we must be included early, consistently, and meaningfully in the conversation.

ARC is ready to engage — constructively and collaboratively — to ensure Canada's transition is **safe, affordable, and responsible from first registration to final recovery.**