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ORIGINAL EQUIPMENT SUPPLIERS IN CANADA

**Canadian Automotive Parts Manufacturers' Association (APMA) comments
To the Standing Committee on General Government regarding the
Ontario Toxics Reduction Act
May 25, 2009**

*If you want to be incrementally better: be competitive.
If you want to be exponentially better: be cooperative.
...Unknown source*

Thank you for the opportunity to share our thoughts regarding the Toxic Reduction Act today.

APMA is Canada's national association representing original equipment automotive suppliers. APMA's members account for approximately 90% of Canada's \$24.3 Billion industry (2008) with 80,000 employees. APMA's fundamental objective is to promote and support the automotive original equipment supply industry both domestically and internationally. APMA members, such as Magna and Woodbridge Foam, represent a broad range of manufacturing processes, including plastics, metal stamping and finishing, and tool and die.

As you know, this industry is experiencing its most trying economic times in decades. Thousands of people have already lost their jobs, and the risk of more losses is high. That said, automotive sales will rebound in the next one to three years, and thanks to the recent changes announced by the Obama Administration, new vehicles will become increasingly more fuel efficient sooner than later.

Typically, over 2,000,000 vehicles a year are built in Ontario and thousands of well paying parts supplier's jobs are attached to those vehicles. Support for bringing back jobs to this industry while helping our members reduce the use and release of toxic substances is the responsible and appropriate action for the Province of Ontario to take at this time.

I would like to first share that we are supportive of an act that promotes the reduction of toxic substances. In fact, the APMA was one of the first industry associations to implement a Pollution Prevention strategy in partnership with the Ministry of Environment and Environment Canada almost 15 years ago. In 1998 alone, APMA members voluntarily and publicly reported an aggregate reduction of over 1,100 tonnes of toxic substances.

However, as written, adherence to the Act will be onerous for industry, not just from the perspective of what is required with respect to submitting a plan, but more importantly, execution of the plan. To jog our memory, let me read selected excerpts from Sections 4 to 7:

4. A description of each process at the facility that uses or creates the toxic substance, including,

i. a description of how, when, where and why the substance is used or created, and



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C. show, as of the time the quantifications were made, how the substance entered the process, whether it was created, destroyed or transformed during the process, how it left the process and what happened to it after it left the process.

5. A description and analysis of options that were considered for reducing the use and creation of the toxic substance at the facility, including an analysis of the feasibility of each option.

6. A statement identifying the options described in paragraph 5 that will be implemented, or a statement that none of the options will be implemented.

7. If an option described in paragraph 5 will be implemented,

i. a description of the steps that will be taken by the owner or operator of the facility to implement the option,

ii. a timetable for taking the steps described in subparagraph i,

iii. an estimate of the amount by which the use of the toxic substance at the facility will be reduced as a result of implementing the option, if the substance is used at the facility,

iv. an estimate of the amount by which the creation of the toxic substance at the facility will be reduced as a result of implementing the option, if the substance is created at the facility, and

v. an estimate of the amount by which discharges of the toxic substance to air, land or water will be reduced as a result of implementing the option, if the substance is discharged to air, land or water.

Completing this plan is onerous, but more importantly what value is it if a business' plan is to do nothing because it cannot afford to, per Section 6?

You will see in a minute why this Act needs to be harmonized with the Federal Chemicals Management Plan, and a third party institute that works with industry and government to research and develop toxic reduction strategies and outreach needs to be established.

Let's make an analogy to creating an energy efficiency plan before moving forward. As you know, addressing climate change is a top priority today - people, businesses and government all have a role to play. Businesses plans on how to address climate change consist essentially of three strategies:

- Implement low or no cost solutions, such as turning off motors and lights of when not in use (realistic)



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- Installing more efficient lighting, motors and controls at a cost (getting less realistic these days)
- Install renewable energy systems (not very realistic today)

Toxic reduction, or pollution prevention plans, are similar:

- Implement low or no cost solutions, such as proper equipment maintenance
- Installing relatively inexpensive equipment or chemical substitutes to achieve some incremental improvements
- Research and develop paradigm shifting technologies and/or substances, either in-house or in partnership with vendors of said technologies and/or substances

The reality is that the inexpensive options in both cases will result in relatively small, incremental improvements, but in both cases again, substantial financial and human resources are required to make a real difference.

The Government of Ontario recognizes that this is the case with respect to energy generation with its Green Energy Act, which addresses the high cost issue by ensuring the economics work for suppliers of green energy. This is an innovative approach for jurisdictions in North America. We ask that the government applies the same efficient and innovative approach towards reducing the use of toxic substances. The question is how?

First of all, not harmonizing with the Federal Chemical Management Plan will certainly add substantial cost to administering the Toxic Reduction Act. That has been well documented by other groups who have submitted input on this act.

In a time of substantial deficits and the opportunity to harmonize, doesn't it make sense for Ontario taxpayers' money to be more wisely spent on working with industry towards researching, developing and implementing toxic reduction strategies than policing the submission of plans? What good is a plan if it cannot be executed?

Organizations such as the APMA and OCETA have demonstrated for years that a cooperative approach towards Pollution Prevention gets results. As stated earlier, APMA members, in partnership with the MOE and Environment Canada successfully eliminated over 1,100 tonnes of toxic substances over ten years ago.

More recently, OCETA, through its Toronto Region Sustainability Program (which received funding from the MOE, amongst others) has helped manufacturer's eliminate over 1,700 tonnes of VOCs, particulate, metals, toxics and other wastes.

Imagine the positive impact on toxics reductions if programs like these were scaled to include all sectors and geography. Ontario could become an innovative world leader with tools such as:



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- The creation of an institute to quarterback information sharing and drive R&D in partnership with industry
- Sharing solutions and case studies in a Web 2.0 environment (accelerating the learning curve) via an efficient and logical data collection process, and
- Helping manufacturers go lean and green with Environmental Value Stream Mapping

Innovate, industry-friendly solutions like these will:

- Help position Ontario as 'open for business' when it comes to partnerships to address environmental issues
- Help create and build a thriving green technology sector
- Help Ontario industry become more competitive globally, especially when it comes to greener products

Manufacturing needs to be an integral part of Ontario's economy, it cannot be driven away. Anecdotally, one of our members said their toxic reduction plan may well include moving production to Michigan. Helping them achieve toxic reduction results would likely keep them in Ontario.

One hundred mile per gallon vehicles, the smart grid and zero environmental impact buildings of the future don't just happen, they have to be manufactured and maintained by skilled and creative people. If we don't manufacture those green technologies in Ontario for tomorrow's environment and economy, other jurisdictions will. The provincial government needs to work with industry to reduce toxic substances, with carrots and sticks. Not just sticks.

Innovation and public-private sector cooperation is the most important support and tool that will help Ontario become a cleaner and greener province in the coming decades. Please consider this as your further deliberate this Act.

Respectfully Submitted,

Peter Corbyn, P.Eng.

Automotive Parts Manufacturers' Association

May 25, 2009



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Peter Corbyn, P.Eng.

Peter launched the first Employee Energy Awareness Program in Ontario, Canada in 1992 for his employer at the time, Woodbridge Foam Corporation.

He was the Environment Director for the Canadian Automotive Parts Manufacturers' Association in Toronto from 1996 to 2000, and has recently returned to work with the APMA. Peter managed the Pollution Prevention Partnership between the APMA, Ministry of Environment and Environment Canada in the late 90's.

Peter was a founding board member of Al Gore's Climate Project Canada and is now Special Advisor for The Climate Project Canada. He is the Chief Architect of the calculator used in the Cisco and CBC campaign, www.onemillionactsofgreen.com.

He was awarded the Canadian National Clean Air Day Award in 2007 for Excellence in Efficiency Outreach. He is also the co-author of *Cool Comforts – Bargaining for Our Survival*, which has over 15,000 copies in circulation.