



National Motor Vehicle
Theft Reduction Council
driving down vehicle theft

NATIONAL FORUM ON THE MANAGEMENT OF END OF LIFE VEHICLES SUMMARY NOTES

INTRODUCTION

The following notes summarise the program content and outcomes of a national forum on the management of End-of-Life Vehicles (ELVs) hosted by the National Motor Vehicle Theft Reduction Council in Melbourne on 7 June 2012.

The forum brought together more than 50 representatives of the insurance and automotive industries/trades, environmental agencies, scrap processors, police and registration authorities to define the common issues of concern and explore options for achieving improved ELV outcomes.

The forum program was divided into two distinct sessions—the first dealing with optimising the existing settings and arrangements and the second with what role product stewardship could play.

Expert presentations on the key themes and issues were followed by detailed syndicate group discussions in which participants considered challenges and benefits of pursuing a range of short-term and longer term reforms.

Syndicate views are summarised below at the end of each topic together with a brief assessment from the NMVTRC about what it sees as the implications for its forward work program.

Overall, the NMVTRC's assessment is that participants overwhelmingly validated the NMVTRC's 'twin stream' approach to pursuing improvements, endorsing all four key elements, ie—

- pursuing the reform of second-hand dealing and recycler business licensing laws to address the deficiencies identified by the NSW Inter-agency Task Force and the DLA Piper review of the modernity of current legislative settings;
- the trial of a 'e-data consolidator' service to improve the efficiency of the reporting of written-off vehicles by parts recyclers; and
- looking to the commercial relationships between insurers, repairers and recyclers to assure the provenance of parts used in the legitimate supply chain; and
- development of an appropriately designed voluntary product stewardship scheme.

BACKGROUND

The dramatic increase in scrap metal prices in the lead up to the Global Financial Crisis greatly increased the number of older cars being stolen off the street for their scrap value and highlighted the vulnerability of the prevailing End of Life Vehicle (ELV) practices to manipulation by profit-motivated thieves.

In June 2009, at the NMVTRC's National Workshop on the Management of Written-off Vehicles, many stakeholders called for an extension of the mandatory written-off vehicle reporting obligations to metal recyclers as a means of reducing profit-motivated theft involving older vehicles and more recent model wrecked vehicles.

However, a 2010 review of possible interventions conducted for the NMVTRC by SJ Wright and Associates (SJWA) concluded that simply extending the existing written-off vehicle (WOV) regime would not be viable and recommended that a broader suite of complementary measures be pursued. The SJWA report concluded that—

- while a scheme which only extended the current statutory write-off (SWO) notification requirements to metal recyclers may inhibit some theft for scrap metal activity, it would not be viable, as costs would probably exceed benefits and it would be easy for criminals to bypass;
- in combination—an extended SWO notification scheme coupled with amended fair trading laws that subject metal recyclers to the buyer/seller record keeping requirements that currently apply to parts dismantlers could be feasible but with a likely benefit/cost ratio of less than 1.5 governments are unlikely to be swayed to change their current enforcement priorities;

- without a credible threat of audit activity (which is severely lacking in existing regulatory environments) there would be little compliance with any new laws;
- the metal recycling industry could reasonably contest the extended laws on the grounds that their high compliance costs and administrative burdens could not be justified; and
- a future switch to some form of continuous registration (where the last recorded registered operator is responsible for the vehicle and any taxes or charges until issued with a certificate of destruction by an authorised treatment facility) may offer the most cost-efficient means of controlling ELVs from a theft perspective.

Further support for a comprehensive re-think emerged from the NMVTRC-sponsored Inter-agency Task Force (ITF) into the Separated Parts Market in New South Wales in 2010-11, which found that poor compliance with WOV reporting requirements by auto recyclers was potentially a major facilitator of the vehicle rebirthing and illicit parts markets.

The NMVTRC's view is that there are no quick fixes to the vulnerability of the system's existing deficiencies and that the most utility will be derived from a combination of—

- medium term improvements aimed at optimising the efficiency of existing arrangements and relationships; and
- in the longer term—the alignment of theft reduction objectives with reducing the environmental impacts of ELVs.

The NMVTRC's Strategic Plan for 2011-2014 therefore includes a suite of projects to explore better solutions, including options for—

- modernising regulatory frameworks to optimise compliance
- developing commercial incentives to improve vehicle management and parts provenance
- introducing a form of continuous registration in Australia; and
- improving recyclers reporting performance with existing WOV laws
- better product stewardship of vehicles throughout their life-cycle to reduce environmental impacts and combat theft for scrap rackets.

SESSION 1: OPTIMISING EXISTING ARRANGEMENTS AND RELATIONSHIPS

Building a Better Mouse Trap

One of the NMVTRC's key goals is to disrupt the trade in stolen vehicle parts by reducing the economic reward in related trade and increasing the risk of detection.

As the re-birthing of whole vehicles becomes increasingly more risky for profit-motivated criminals, the dismantling or stripping of stolen vehicles becomes increasingly more attractive. Of all Australian jurisdictions, New South Wales (NSW) has the most comprehensive regulatory regime in respect of related trades, and licences both smash repairers and parts recyclers.

In 2010, the NMVTRC with the support of the NSW Police Force, the Department of Commerce, and the Roads and Traffic Authority, facilitated the establishment of an Inter-Agency Task Force (ITF) into the Separated Parts Market in that State. Over a period of six months the ITF conducted a comprehensive program of targeted premises inspections of smash repairers and recyclers. The ITF found widespread non-compliance with most regulatory requirements highlighting the challenge of relying on a traditional administrative or business licensing approach to combat the inherent financial reward in related criminal activity.

The ITF observed that key deficiencies in the prevailing system include—

- inadequate enforcement powers when compared to other regulated activities such as OH&S and environmental laws. Particular areas in which powers are considered inadequate include inconsistencies in powers to enter, inspect and search; require information (including both basic name and address and the production of documents, records and devices); to stop, direct and move vehicles and require parties to provide reasonable assistance;
- an inadequate and narrow range of sanctions mean that instances of systemic and repeated non-compliance cannot be matched to an appropriate range of proportional or incremental infringements and sanctions;
- inadequate responsibility—with existing laws allowing the principal business operator to avoid significant responsibilities in relation to the commission of an offence or breach; and
- evidentiary and related problems—which present difficulties in establishing evidentiary requirements and impede the effective prosecution of offences in many cases.

As a result of the combination of the above problems, many offences are not successfully prosecuted. Amongst those that are, the penalties levied are often considered inadequate to provide appropriate punishment and sufficient disincentive to the behaviour in question. In essence, the system needs 'a better mouse trap'.

In the design of the most modern regulatory regimes, legislators have attempted to develop compliance systems that—

- hold all persons responsible for conduct amounting to a breach accountable;
- are capable of responding in an appropriate and flexible way to such conduct; and
- where the conduct requires a sanction, to ensure that the sanction promotes compliance on an enduring basis.

The areas of regulation that are generally perceived to have lead the way in the 'modernisation' process are those relating to OH&S and the environment. In both fields regulators have made extensive use of the chain-of-responsibility principle for allocating responsibility for abhorrent conduct and can apply a flexible range of administrative, civil and criminal sanctions or penalties.

The NMVTRC has engaged leading law firm DLA Piper to critically assesses the relevant regulatory regimes as to the extent to which they reflect best practice in regulatory design and what changes would be required to mirror a best practice scheme.

DLA Piper Partner, Simon Bailey, presented a summary of his findings and observations. He explained that the approach taken was driven by the—

- premise that as traditional avenues of vehicle re-birthing are closed off criminal activity is being driven to other areas including the trade in stolen parts;
- experience of the NSW ITF which showed that despite NSW having the most comprehensive legislation, non-compliance is widespread.

He indicated that he had sought to answer two central questions—

1. Are the regulatory arrangements under the current legislation adequate to meet the above challenge?; and
2. What might the optimal set of regulatory tools for combating criminal activity in the separated parts market look like?

Inconsistency in coverage of related activity

The DLA Piper review found that—

- inconsistencies in the way states and territories regulate related activity, particularly around whether complete vehicles are considered in or out of scope of the various motor dealer licensing or second-hand dealing laws, leaves potential for some activity to fall into a gap between the two;
- there may be a case for a more targeted regulatory focus on dismantlers, reconstructions and parts traders and rationalisation of whether vehicle specific laws or general second-hand chattels laws are the most appropriate mechanism; and
- the wide variation in penalty levels between jurisdictions is probably an indication that none are set at the 'right level'.

The regulatory tool kit

Simon described the optimal regulatory tool kit as one which combined—

- clearly articulated standards, offences and duties via rules and regulations;
- a right to operate via a form of licensing, registration or notification—that can withdrawn if warranted;
- effective compliance monitoring via inspection and overseeing arrangements; and
- flexible interventions in the form of sanctions, penalties and remedies.

He indicated that the DLA Piper review found that—

- while there is a range of useful regulatory tools already in existence no jurisdiction or regulator seems to have a complete set;
- clarity in specifying the regulatory objectives is vital, ie is the primary focus consumer protection or crime prevention; and
- best practice systems ensured that there were sufficient people with the appropriate training and skills to utilise the mix of tools effectively.

In terms of enhancing the current mix of tools, Simon indicated that there may be scope to apply, or make better use of—

- the chain of responsibility principle that is used extensively in OH&S, heavy vehicle and marine safety laws to allocate personal responsibility for abhorrent conduct;
- specifying the high level duties of industry participants in respect to observing standards of conduct, diligence and actively mitigating or managing risks that their services may inadvertently or otherwise facilitate criminal activity;
- the imposition of civil penalties;
- court based supervisory interventions or prohibition orders which may require persistent offenders to do specific things to ensure compliance or exclude them from performing specified roles or exercising specified responsibilities; and

- financial sanctions that more directly neutralise the profit motivation of the related activity, including the forfeiture of assets or confiscation of profits.

To download Simon Bailey's full presentation from the NMVTRC web site click [here](#).

The NMVTRC expects to receive the final DLA Piper by the end of July 2012 and will advise participants when it is available for download.

What Did the Syndicate Groups Say?

- Participants expressed general support for pursuing harmonisation of industry coverage issues, ie to more consistently deal with how whole vehicles, shells and parts are managed and consistency of powers to enter premises, penalties etc
- Reform proposal should draw on the best elements of the environmental, taxation, OH&S and consumer protection laws
- Could be expected to take up to 5 years to implement once policy is settled
- Any reform proposal must be able to demonstrate that benefits exceed costs
- Aim should be to encourage best practice via a combination of both 'carrot' and 'stick'
- Focus should be on a smaller number of critical tweaks
- Will not address human resourcing issues that contribute to failure of current arrangements
- Local Government may have a role

What Does it Mean for the NMVTRC's Forward Program?

Once the final DLA Piper report is received, the NMVTRC will release a statement on the recommendations it proposes to pursue. But it is likely to focus on a small number of critical tweaks that could be expected to be delivered in 2-3 years.

Improving Written-off Vehicle Reporting by Auto Recyclers

The current reporting arrangements for WOVs throughout Australia adopt a 'chain of responsibility' model. Therefore auto recyclers must report all WOVs acquired from a source other than an insurer or auction house, and update the status of any RWO it subsequently dismantles to that of a SWO.

Most transport agencies either do not monitor, or are unable to monitor, notifications made by recyclers and are therefore unsure as to compliance levels. Major parts dismantlers in Victoria and NSW openly admit their non-compliance with reporting requirements, citing the administrative difficulty of submitting paper-based reports as the major reason.

As noted earlier, both the study by SJWA and the investigations of the NSW ITF identified widespread non-compliance as a facilitator of vehicle rebirthing and illicit parts markets.

The critical path to improving reporting levels would seem to be to automate key processes making it easier for recyclers to collect vehicle information. However, it would not be feasible to have some 1,300 small businesses each interfacing with up to eight transport agency systems. Similar issues in the United States (US), lead to justice and transport agencies authorising a range of third party data consolidators who act as an intermediary between individual businesses and the agencies.

In November 2011, the NMVTRC engaged Fivenines Consulting (Fivenines) to assess the US model for its suitability for replication in Australia. With the NMVTRC's consent, Fivenines' investigations extended to examining a software package developed in Canada that offers similar data collection and exchange capabilities.

Fivenines' Robert Eames and John McNally outlined their conclusions about the merits of a data consolidator model for Australia as a means of improving reporting levels and the overall efficacy of the nation's written-off vehicle regime. In summary, they concluded that—

- the software developed by Canada's Parachute Software could be readily adapted to meet Australian requirements;
- the service could viably be hosted by a peak industry association or a commercial hosting service—with the hosting service becoming the repository of data from individual recyclers akin to the US data consolidator model;
- based on the modification and adoption of the Canadian application, set up costs would be in the order of \$40,000, with recurrent costs of around \$10,000; and
- for the purposes of a trial it would be more appropriate to provide for the reports generated by the *consolidator* to be lodged with a jurisdiction's data processing bureau for manual input, avoiding system integration costs.

Fivenines also observed that there are other opportunities which would assist with the overall concept of data consolidation and reporting, including the introduction of a form of continuous registration. To download Fivenines' full presentation click [here](#).

What Did the Syndicate Groups Say?

- Participants agreed that the current levels of reporting need to be improved so that all key stakeholders are included in the reporting chain
- System needs to ensure that information collected is consistent with current minimum requirements of paper based reporting systems to ensure compatibility
- Should include vehicles beyond current 15 year age limit
- Current inventory control system, such as Pinnacle mentioned as a possible alternative solution that already has substantial user base
- Timeliness of reporting is the critical issue—must be equivalent to other reporting channels
- Seen as a useful tool, but not solution to bad practices, criminal activity
- Consider using local government contract incentives for abandoned vehicles to encourage reporting
- Some vehicles will be hard to identify due to poor general condition or extreme damage

What Does it Mean for the NMVTRC's Forward Program?

The NMVTRC will engage further with transport agencies and parts recyclers on the design, location, timing and other logistical considerations to enable a trial of the model recommended by Fivenines in 2012/13.

The Insurer, the Repairer and the Recycler

The NMVTRC's previous attempt to encourage parts recyclers to adopt a national code of practice to limit the likelihood of stolen vehicle parts unwittingly entering the legitimate supply chain failed after the NMVTRC was unable to 'lock in' the commercial benefits it had anticipated would flow through to participating business able to demonstrate compliance with 'gold standard' parts provenance and verification practices.

Ray Carroll outlined the NMVTRC's vision for how commercial relationships between insurers, repairers and recyclers could assist in assuring the provenance of parts used in the legitimate supply chain.

The insurer-repairer-recycler relationship is complex. All are inter-dependent on the others but relations have sometimes been strained over how much respective influence each should have over their 'common' customer—the vehicle owner—and how to calculate the fair cost of repairs and replacement parts.

Despite the airplay and attention that these issues sometimes attract, hundreds of thousands of undisputed transactions take place each year to the commercial benefit of all involved. In fact, there are many instances where these commercial relationships are facilitated by formalised agreements.

The NMVTRC's concern is that surrounding this complex legitimate trade is a largely unknown level of illegal activity that can quite easily infiltrate the legitimate supply chain. While we concede that it is impossible to know the extent of this illegal trade, we do know that in almost every major police investigation into organised car crime, there have been criminals who have been operating as "repair and/or recycling businesses" who invariably have a mixture of legitimate and illegitimate stock and who are participating at some level in the legitimate supply chain.

It is a source of constant frustration to legitimate operators that what compliance enforcement does occur, it seems to be focused on them while the criminal operators seem to carry on unchecked,

In the recycling industry, the challenge of publicly setting apart the legitimate and responsible business operators from the undesirable elements in the industry has in large part focused on establishing and promoting self-regulated industry standards – which in its most current iteration is known as the APRAA Green Stamp Plus Accreditation Program.

As alluded to above the NMVTRC has in the past also attempted to introduce an identifiable industry standard (albeit with a more direct focus on an audit trail for acquired stock) in the form of the failed National Parts Code.

The challenge as we see it for any of these worthy attempts to create visible differentiation in the industry is that there has to be a tangible benefit for a business that has invested in systems and equipment to comply with these standards. In the cold light of day that benefit has to be commercial as just relying on the satisfaction of doing the right thing while carrying significantly higher overheads compared to the guy down the road is difficult to sustain.

Is it possible to find a way through the complex and sometimes competing commercial goals of the three primary industry groups that must ultimately work together to underpin the sustainability of their own businesses to shut the unethical and illegal operators out of the legitimate supply chain? If it is, what might those agreements look like?

What Did the Syndicate Groups Say?

- Any new approach must also provide commercial benefits to all participants in order to be sustainable
- Leverage off compliance with regulated schemes where they exist
- Accredited the entire supply chain
- Focus should be on best practice and reducing complexity

What Does it Mean for the NMVTRC's Forward Program?

The NMVTRC will engage further with insurers, repairers and parts recyclers on the development of effective incentives and mechanisms to assure the provenance of parts used in the legitimate supply chain.

SESSION 2: WHAT ROLE FOR PRODUCT STEWARDSHIP?

Australia's Product Stewardship Framework

Product stewardship (PS) is an approach to managing the environmental impacts of products based on the principle that all the parties in the product chain—from manufacturers to end consumers—share responsibility for the products they produce, handle, purchase, use and discard.

In August 2011, the federal Product Stewardship Act established a 'framework' for mandatory, co-regulatory and voluntary PS schemes. The objectives of the Act are drawn from the National Waste Policy and seek to address the environmental, health and safety impacts of a product or material across its full lifecycle.

A voluntary PS scheme is one in which companies or organisations adopt stewardship activities aimed at reducing the impacts of a product. This could be as part of an environmental strategy, or desire to deliver a broader community benefit. There are a range of voluntary product stewardship activities already being undertaken in Australia by different types of organisations and for different products (eg agricultural and veterinary chemicals and containers, mobile phones, and printer cartridges). Voluntary product stewardship can take many forms and may have a lifecycle focus or simply aim to fix a specific problem in part of the product chain.

A voluntary PS scheme requires the formation of an industry based association to design and administer a scheme which complies with the principles set out in the federal legislation. The NMVTRC believes that an appropriately designed voluntary PS scheme for ELVs in Australia could ensure that a greater proportion are properly de-polluted prior to final destruction and play a vital role in countering theft for scrap rackets.

Most Australian vehicle manufacturer's and importer's parent companies already participate in, and in some cases lead, a range of similar schemes in overseas markets. The NMVTRC is looking to find ways to secure the participation of vehicle manufacturers in the design and operation of a local scheme.

More information on the national waste policy and product stewardship is available from the Department of Sustainability, Environment, Water, Population and Communities via this link <http://www.environment.gov.au/wastepolicy/index.html>.

Product Stewardship in Action

New Zealand's (NZ) 3R Group designs, implements and manages a range of PS schemes in NZ. The PaintWise, Agrecovery and Gardenwise programs are successfully addressing some of that nation's most persistent waste issues via the application of innovative, practical and commercially viable solutions.

3R also initiated the development of NZ's Product Stewardship Foundation to act an incubator for stewardship programs and promote stewardship at all levels.

3R's Executive Director, Graeme Norton, used a series of NZ case studies to demonstrate the typical PS development cycle including—

- how to identify and define the need to steward products;
- generating stakeholder commitment;
- securing funding and capital investment;
- program governance;
- trial collection and other processes;
- implementation and management challenges; and
- developing markets for end materials.

He also outlined—

- how product stewardship as a discipline had progressed from the initial notion of extended producer responsibility schemes—predominantly involving brand owners only—to schemes that embraced broader stakeholder collaboration and in the future would lead to establishing sustainable consumption and supply chains; and
- the key differences between the ‘take back’ and ‘wise’ models—the former focused on managing waste by a combination of recycling and re-use typified by curbside collection programs. The latter focusing on reducing waste by good design and downstream collection, re-use and recycling practices.

Graeme closed by posing some key questions to the forum, including—

- Who should be in the core working group to determine the feasibility and design of a PS scheme for ELVs and who else needs to be consulted on the way through?
- How will standards be enforced in a voluntary scheme?
- At a strategic level, where is the common ground between affected parties that can be leveraged to assist development of a PSS for ELVs in Australia?
- What do we want the ELV landscape to be like in 2015 compared to the current picture and how do we bridge the gap.

To download Graeme Norton’s full presentation click [here](#).

[What Did the Syndicate Groups Say?](#)

[Core Working Group](#)

The groups most commonly identified by syndicates as core to the development of a PPS were vehicle manufacturers, local government, insurers, environmental agencies, motoring clubs, parts recyclers, scrap metal processors. It was also recognised that a broader range of stakeholders could become involved at key stages such as academics and landfill operators.

A key action identified was for the NMVTRC to take a lead facilitation role at least in the early stages.

[How will standards be enforced in a voluntary scheme?](#)

There was considerable discussion on how standards may be enforced in a voluntary scheme including through accreditation, auditing and reporting but it was agreed the process needs to be transparent and objective. A self-regulated /MOU model was suggested as an option. Such a model needs to include cost savings, a clear code of conduct/practice positively publicised with a penalty regime for non-compliance.

Accreditation standards should be made public.

[At a strategic level, where is the common ground between affected parties to assist development of a PSS in Australia?](#)

The participants agreed that common ground with key stakeholders will be largely as a consequence of a shared belief and development of a market driven solution as opposed to one driven by Government.

Standards for accreditation must deliver—

- tangible financial benefits/incentives or sufficient value in the vehicle for participants;
- nil costs for vehicle manufacturers and motorists;
- improved environmental outcomes;
- lower regulatory burdens; and
- a demonstrable net community benefit to community via less waste and less theft.

[What do we want the ELV landscape to be like in 2015 and how do we want to bridge the gap?](#)

In terms of the future landscape, participants described the following characteristics as desirable—

- significant progress in developing pathway for transitioning from ‘vehicle registration by invitation’ model to a form of continuous registration;
- identification of an efficient national network of parts recyclers (including regional and rural coverage) with the skills and equipment to become accredited treatment facilities;
- improved recycling levels, with less residue transferred to landfill;
- marginalisation/ prompt removal of back yard operators; and
- reduced vehicle theft for scrap.

[What Does it Mean for the NMVTRC’s Forward Program?](#)

The NMVTRC will engage key stakeholders in detailed discussions on the potential design, management and operation of a voluntary vehicle PSS over coming months.

PARTICIPANTS

Gerry Arthur	Department of Transport WA
Peter Austin	Department of Transport and Main Road (Qld)
Simon Bailey	DLA Piper Lawyers (Vic)
Graham Bath	Comprehensive Auto-theft Research System (SA)
Col Blaydon	QBE insurance
Mark Borlace	Royal Automobile Association (SA)
Ray Carroll	National Motor Vehicle Theft Reduction Council
Chris Cooper	All GM Spares (NSW)
Michael Cox	Victorian Automobile Chamber of Commerce
Richard Dudley	Australian Motor Industry Federation
Robert Eames	Fivenines Consulting (Vic)
Amber Fitzpatrick	Insurance Council of Australia
Adam Hargreaves	Suncorp Insurance
Terry Hickey	Transport for New South Wales
John Hitchcock	Wrecking Plus More (SA)
Geoff Hughes	National Motor Vehicle Theft Reduction Council
Dale Imlach	Imlach's Recyclers (Vic)
Barry Isenberg	The Melbourne Hotline
Mark Kraulis	U-Pull-It Automotive Recyclers (SA)
Gary Lawson	Roads and Maritime Service (NSW)
James McCrory	Car Take Back (NZ)
Robert McDonald	Insurance Australia Group
Peter McMahon	Motor Trades Association of South Australia
Chris McNally	VicRoads
John McNally	Fivenines Consulting (Vic)
Daniel Muller	RAA Insurance
Michael Nelson	Insurance Australia Group
Craig Newland	Australian Automobile Association
David Nolan	Auto Recyclers Association of Australia
Graeme Norton	3R (NZ)
George Papillo	Just Commodore Spares (SA)
Brian Parsons	Allianz Insurance
Matthew Perfrement	JJ Auto Parts (NSW)
Christine Pejic	National Motor Vehicle Theft Reduction Council
Paul Pernechele	Motor Trades Association of Western Australia
Tony Phillips	RAA Insurance (SA)
Tracee Piper	VicRoads
Greg Preston	Motor Trades Association of New South Wales
Harry Rakintzis	CGU Insurance
David Russell	Victorian Automobile Chamber of Commerce
Ashley Sanders	Mitsubishi Motors
Mark Sellers	The Melbourne Hotline
Paul Skuratowski	New South Wales Police
Wayne Stapylton	Allianz Insurance
Michael Steendam	Allianz Insurance
Phoebe Swing	Environmental Protection Agency (Vic)
Mike Third	Total Auto Recyclers
Nadia Verga	Environmental Protection Agency (Vic)
Sarah Walton	Motor Trades Association of New South Wales
Cecilia Warren	Insurance Australia Group
Andrew Waterman	New South Wales Police
John Williams	City of Hume (Vic)
Mark Wyncoll	Motor Trades Association of Western Australia

SPEAKERS PROFILES

Ray Carroll

NMVTRC Executive Director

Prior to establishing the organisation Ray served for more twenty years in the Victoria Police where he worked in various areas of criminal investigation and concluded with running Force's Crime Prevention Bureau.

Ray also lead the NMVTRC's predecessor—the National Motor Vehicle Theft Task Force—and was the principle author of the task force's final report which recommended the NMVTRC's formation and outlined the nation's first comprehensive theft reduction plan.

Ray is also a member of the National Executive of the Australian Crime Prevention Council and the Insurance Fraud Bureau Australia.

Simon Bailey

Partner, DLA Piper Lawyers

Simon is a partner in leading global law firm DLA Piper and is an expert in the design of regulatory schemes.

Simon's wide-ranging practice focuses on the provision of commercial, regulatory and public law advice to a range of government agencies and large corporation, many operating within the transport sector.

Before joining (the then) DLA Phillips Fox in 1997, Simon held senior positions with the Victorian Department of Justice, the National Road Transport Commission and the Victorian Department of Premier and Cabinet. In these positions he advised governments on a wide range of general regulatory projects, and on compliance and enforcement aspects in the transport sector in particular.

Robert Eames and John McNally

Fivenines Consulting

Robert Eames is the Director and co-founder of Fivenines a boutique management consultancy specialising in applying creative thinking in a business context to help its clients implement key business decisions involving people, products, information technology and finance.

Robert has over thirty years experience in management and consulting at senior levels. He has worked in Australia and overseas in operational, financial and marketing management. Much of his work has involved service delivery to consumer or corporate customers.

Fivenines' IT expert, John McNally, is the former Chief Information Officer of Victoria's road management agency VicRoads' and a key member of that organisation's Corporate Management Group.

Graeme Norton

Executive Director, 3R Group

Graeme Norton founded 3R Group as a private company in 2004. 3R designs, implements and manages a range of PS schemes in NZ including the PaintWise, Agrecovery and Gardenwise programs that are successfully addressing some of that nation's most persistent waste issues via the application of innovative, practical and commercially viable solutions.

Graeme's prior business experience was in banking, business improvement, recycling and sustainability. He is currently Deputy Chair of New Zealand's Sustainable Business Council and NZ's delegate to the World Business Council on Sustainable Development.

KEY FACTS AND ELV METRICS

Over 600,000 vehicles enter the waste stream each year in Australia.

The volume of ELVs is likely to increase at an escalating rate as the result of the continuing upward trend in the rate of vehicle ownership, the decreasing average age of vehicles, and the declining cost effectiveness of owning older vehicles.

Current levels of ELV recycling are high relative to most other consumer products due to the demand for the metal content.

Care must be taken to ensure that any changes to policy or regulatory settings do not adversely impact on current levels of recycling.

No legislative or regulatory requirements in Australia require the last owner to ensure the end of life vehicle enters the existing recycling infrastructure.

It seems likely that the proportion of ELVs reaching recycling facilities is probably over 90 per cent.

While ELVs are frequently removed from even remote parts of the country, potentially greater outcomes and reduced costs to local councils could be achieved through facilitating formal ELV collection points.

The current lack of any formal ELV deregistration requirements is likely to be contributing to the costs and inefficiencies of collecting and treating ELVs.

There may be merit in considering measures to further increase the substitution of recycled components for new components in both new and existing vehicles.

Between 65 and 75 per cent of ELVs by weight are currently being recycled, which represents the metal fraction of an ELV.

It is likely that some 455,000 tonnes of metal is recycled annually from ELVs, producing substantial environmental benefits from reduced environmental releases and resource reuse.

ELVs are one of the most highly recycled consumer products, due to strong markets for recycled metals.

Plastics and foams may account for approximately 50 per cent of the waste from ELVs.

Estimations suggest that ELVs produce as much as 195,000 tonnes of waste per annum, constituting around 1 per cent of total annual waste.

With the increased use of plastics in new vehicles, the metal content will continue to decline leading to increased levels of shredder flock.

Significant energy and emission savings might be possible by increasing the level of recycling of plastics from ELVs, including for use in new vehicles.

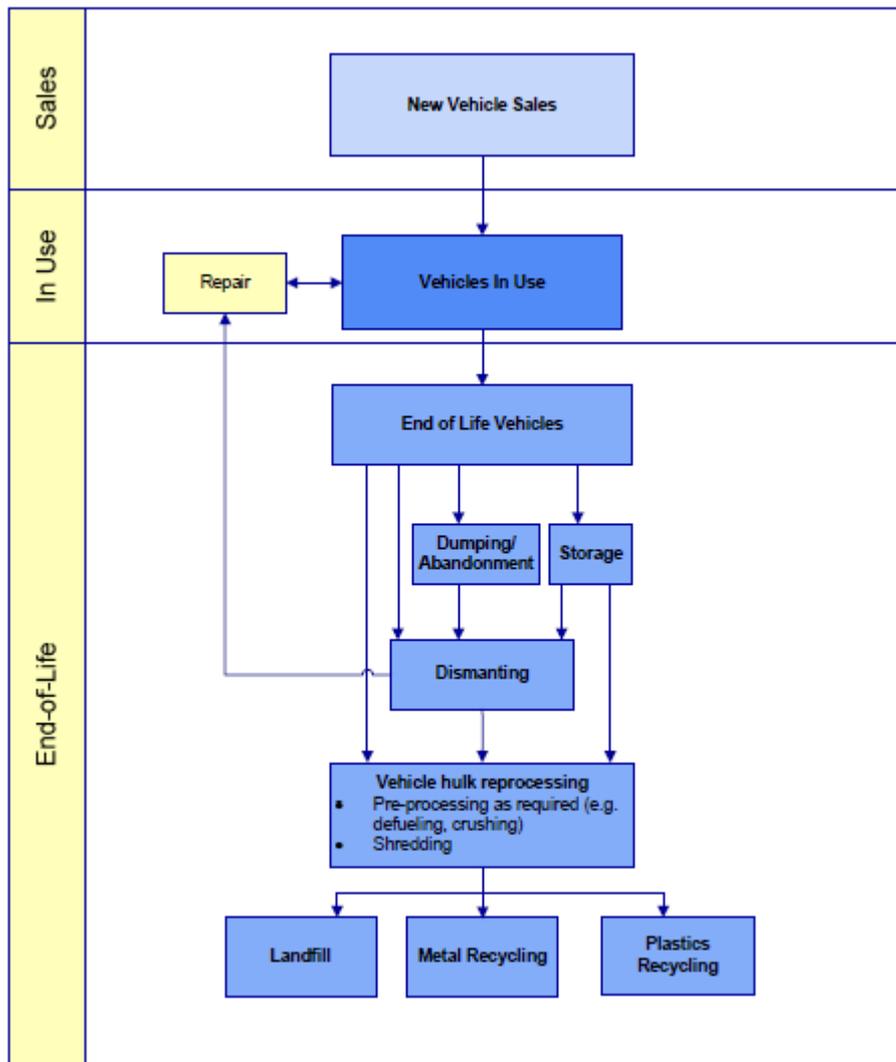
Simply increasing the costs of flock disposal may increase the financial burden on metal recyclers and decrease the extent of ELV collection and recycling.

Australian vehicle manufacturers are taking action to reduce or eliminate the use of heavy metals in the manufacture of vehicles.

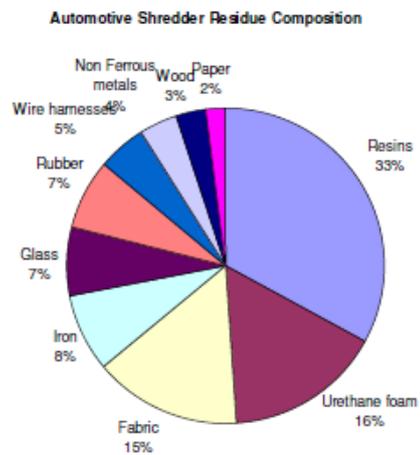
Pollution to air, land and water is likely to be occurring at many auto-recycling facilities due to inadequate premises and practices.

Source: Environmental Impacts of End of Life Vehicles: An Information Paper (Department of Environment and Heritage, Canberra 2002)

MOTOR VEHICLE LIFECYCLE



Source: End of Life Vehicle Motor Vehicles: Market Snapshot, Sustainability Victoria (2007)



Source: End of Life Vehicle Motor Vehicles: Market Snapshot, Sustainability Victoria (2007)