

Honorable Minister, Committee Members, ladies and gentlemen, my name is Bruce Rogers, Executive Director – Eastern Recyclers Association (ERA).

The ERA is an industry group that represents the Enviro Depots operating in Nova Scotia and the similar centers operating in New Brunswick.

There are 80 depots in Nova Scotia and many of them take back metals. The depots are some of the smallest businesses operating in NS. They are mainly rural and are basically “Mom and Pop” operations. The main source of revenue for depots is through the handling fee they get through the RRFB for handling beverage containers.

Over the years we have encouraged depots to take on additional products to enhance their livelihood. This includes metals, batteries, etc.

We understand the metal theft issue and have been proactive in trying to address the problem.

I want to be very clear as an industry group; our membership does not condone theft of any description.

We met twice last May with the NS Power Security. We asked them to speak to our membership at our Annual General meeting and also had an RCMP Inspector speak on the metal theft issue. We thought that being proactive to address the concern would show our commitment and lead to dialogue and some actionable results.

I would also point out that many of our members have been victimized by metal theft as well. The metal theft issue is not unique to NS and is a worldwide problem that legislation has not curbed.

We had hoped to meet in a consultative environment with NS Power and other stakeholders to arrive at an acceptable solution however staff changes at NS Power and the proposed legislation now leaves us with little say, added cost and it is questionable whether the metal theft will stop.

I would like to comment on the consultative approach to the theft issue. We were advised by the press on Oct 5<sup>th</sup> that government was drafting an act to deal with scrap metal. We had 16 days to respond. We sent in a quick brief expecting some kind of dialogue. The emailed response back on Nov 4<sup>th</sup> thanked us for our comments and stated we would be consulted at the regulatory process.

This seems like a done deal with very limited industry involvement and questions the approach to a problem that does not consider the impact on small business.

Depot owners who have cooperated with police in the past, in some cases successfully to apprehend thieves, must now expend additional resources to detail, track and store a paper trail of

information. Many of our members currently get the license plate number of suspicious customers. Now the info will be more detailed and owners subject to a major fine.

The penalties proposed and excessive to a small business owner and could lead to business closure and financial ruin. A fine of \$ 5,000 to \$ 15,000 could close a business whose total revenue is say \$ 80,000. What is the penalty for the thief?

The solution to the theft issue should have been a legitimate consultative session of the stakeholders and subject to no resolution, then legislate. There are technologies available today that companies can take to better protect their property.


Regulations, this is a major issue of concern as depot owners will be encumbered with additional cost as the details become clearer at a later date. The regulatory avenue is not subject to a full scrutiny by all members. We do not know if we will be asked to participate and have a meaningful opportunity to be heard. The metal market is very price sensitive and the prices change hourly, any regulations that impact timing of sale on products purchased can be financially devastating.

Let there be no mistake, depots will bear additional cost with no chance to recoup the expense of this legislation

Our frustration as small business owners comes from government – the handling fee is set by a quasi - government board, RRFB; the minimum wage is set by government and deposit / refunds on beverage containers are legislated by government.

We operate in a regulated industry. The minimum wage increases out paces the handling fees received by 40 %. The deposit / refund rates have not changed in the past 16 years. Many depot owners are themselves working for less than minimum wage to provide a community service in most of NS.

In closing, I thank you for the opportunity to speak on behalf of our members. I hope you will consider our comments and amend the proposed legislation so that small business owners acting in good faith are not subject to financial ruin or a larger imposition than the criminals who cause havoc in our communities.

  
Bruce Rogers, MBA,

Executive Director,

Eastern Recyclers Association

Ph: (902) 456-5152

brucerogers@eastlink.ca