

Preamble:

Ontario's police services, private industry, and government agencies engage daily in the battle against motor vehicle theft and organized crime. The Auto Theft Summit, held on February 8, 2024, shed light on the necessity for a unified approach to combat vehicle theft in Canada effectively. This includes allocating additional funding to border security and law enforcement, restricting certain theft-related gadgets, and advocating for legislative change.

Police services have been proactive in raising public awareness about vehicle theft prevention. Measures such as parking vehicles in locked garages, storing keys in Faraday bags to block signal-duplicating devices and other crime prevention techniques have been emphasized. However, despite these efforts, vehicle theft and associated violence continue to rise across Ontario.

The Criminal Intelligence Service Ontario (CISO) has identified 75 organized crime groups known or suspected of participating in motor vehicle theft (MVT). Additionally, the Criminal Intelligence Service Canada (CISC) has reported a staggering 62% increase in organized crime groups' involvement in the stolen vehicle market between 2022 and 2023, underscoring how deeply entrenched these groups are in this criminal space. These sophisticated crime groups employ various tactics, including altering Vehicle Identification Numbers (VINs), taking advantage of vulnerabilities within government agencies such as the Ministry of Transportation (MTO), and leveraging technical weaknesses in vehicle manufacturing. Organized crime groups and motor vehicle theft continue to cause havoc and disrupt the lives of countless individuals, financial institutions, and insurance companies.

As organized crime remains motivated by financial profit, vehicle theft provides a low-risk, high-reward criminal activity¹. Intelligence suggests street-level offenders can profit up to \$20,000 per vehicle, making it incredibly profitable. As organized crime groups have had to adapt to the enhanced anti-theft measures, street gangs have capitalized on this lucrative opportunity. This shift has led to an uptick in violent offences, including home invasions and carjackings.

- Between 2021-2022, in the Greater Toronto Area (GTA) has seen a 104% increase in carjackings (Toronto Police, Peel Regional Police, York Regional Police).²
- Between 2021-2023, York Regional Police (YRP) has seen a 145% increase in home invasions.³

The CISC has reported that the port of Montreal remains the prominent departure point for stolen vehicles leaving Canada. In 2022, vehicle theft rates increased by 50% in Quebec, 48.3% in Ontario, 34.5% in Atlantic Canada, and 18.35% in Alberta compared to the previous year. Most of the stolen vehicles exported from Canada are destined for

¹ Criminal Intelligence Service of Canada – Organized Crime Involvement in Vehicle Theft in Canada

² Criminal Intelligence Service Canada – Organized Crime Involvement in Vehicle Theft in Canada

³ This statistic does not distinguish between home invasions specifically aimed at motor vehicle theft. However, York Regional Police can state with a high degree of certainty that the increase is directly related to vehicle thefts.

Africa and the Middle East. Those that remain in Canada are often re-VINned and sold to unsuspecting buyers or used to commit other crimes.

It is believed that only 1% of shipping containers are inspected at the ports before export. This inadequate system necessitates a re-evaluation of procedures and resource allocation to ensure thorough inspections that meet international standards. In 2023, approximately 1.7 million containers moved through the Port of Montreal, including 70% of Canada's legal vehicle exports, according to port authorities.⁴

Organized crime is exploiting loopholes and inefficiencies in our port operations. A major issue is the lack of information sharing among key stakeholders. For instance, the Canada Border Services Agency (CBSA) currently lacks an effective communication channel with the Ministry of Transportation (MTO) and other critical stakeholders. Notably, the CBSA is not required to share information about vehicles departing Canada, including legitimate exports. This communication gap severely impedes the MTO's ability to record or track vehicles being shipped out of the country, creating opportunities for organized crime. For instance, VINs of legitimate vehicles leaving Canada can be illicitly shared with criminals, who then clone them to facilitate motor vehicle theft domestically. Additionally, the inability to share information limits the ability to identify, seize, and prevent stolen vehicles from leaving Canada.

The inability to share information across multiple sectors includes partners such as CARFAX Canada, who maintain the only database on record that compiles and identifies duplication of records, which includes VIN cloning, in the US and Canada. CARFAX Canada has reviewed this issue in great detail and have proven they can detect fraudulent VINs with confidence. By leveraging its extensive database and advanced data analytics technologies, CARFAX Canada can identify discrepancies and irregularities in VINs, helping provincial and territorial vehicle registrars, law enforcement agencies and consumers recognize potentially cloned vehicles before they are sold or registered.

Ontario's vehicle registration system housed within the MTO, presents a number of vulnerabilities for organized crime to exploit, particularly as it relates to the domestic market for MVT and the subsequent resale. Loopholes exploited by organized crime groups in vehicle registration include:

- Third-Party Registrations (TPR)
- New Vehicle Information Statement (NVIS) forms
- Registrant Identification Number (RIN)

Historically speaking, enhanced anti-theft measures have already proven to be highly effective. The MVT market has shifted from brute or mechanical tactics used up until the early-mid 2000s, to sophisticated methods exploiting vehicle technology and compromising current anti-theft measures. The same technologies which contributed to annual declines in MVTs from the mid-1990s to 2015 are now being compromised on a much wider scale.⁵ There is effective anti-theft technology that can be made available and installed into brand new vehicles at the point of sale.

Criminal penalties for MVT in Canada are relatively low. From 2016-2021, 68% of those convicted for MVT in Canada received less than six months in custody. Fewer than 1% received a sentence of 24 months or more in this timespan. Meanwhile, MVT profits have soared due in large part to economic forces induced by the COVID-19 pandemic. MVT has been highly incentivized by this shift in the risk-reward ratio.⁶

⁴ [Federal budget 2024: New criminal offences for car theft | CTV News](#)

⁵ Criminal Intelligence Service Ontario – ONGuard – On Motor Vehicle Theft

⁶ Criminal Intelligence Service Ontario – ONGuard – On Motor Vehicle Theft

- Provisions for strict penalties already exist within the Criminal Code of Canada.
 - Section 333.1(1) C.C. Motor Vehicle Theft
- It is the application of these provisions that need to be applied by our Judiciary. Sentencing provisions for convictions include:
 - Indictable: Imprisonment up to 10 years, with a minimum of six months for a third or subsequent offense under the subsection; or
 - Summary: Imprisonment up to two years less a day

WHEREAS Ontario's police services, government agencies, insurance companies, and private industry, work every day to combat vehicle theft and organized crime, and

WHEREAS vehicle theft in 2023, reached 30,134 representing 194 vehicles stolen for every 100,000 vehicles driven, representing 82 vehicles stolen every day, with a recovery rate in Ontario of approximately 48 per cent, and

WHEREAS violence and trauma associated to some of these thefts continues to rise across Ontario, and

WHEREAS the prevailing leniency with the application of provisions within the Criminal Code of Canada for motor vehicle theft related offences, fails to adequately address the widespread impact on local communities, and

WHEREAS the Auto Theft Summit hosted on February 8, 2024, highlighted the need for a unified approach to effectively combat vehicle theft in Canada including allocating additional funding to border security and law enforcement, outlawing certain theft-related gadgets and advocating for legislative change, and

WHEREAS it is imperative for the Canada Border Services Agency (CBSA) to possess the requisite resources and authority to conduct thorough inspections, aligning with the stringent standards upheld by other G20 nations, and

WHEREAS the lack of information and intelligence sharing across various sectors, including law enforcement agencies, the insurance industry, and CBSA authorities, significantly impedes efforts to combat motor vehicle theft, and

WHEREAS criminals have targeted technical vulnerabilities in technology including key fobs and onboard diagnostics ports to conduct auto theft. The same technologies that once resulted in declines in auto thefts are now being compromised by organized crime on a much greater scale, and

WHEREAS current tradecraft tools to facilitate technological exploits are readily available for the public to purchase, making it easier for criminal elements to become involved in the motor vehicle theft market, and

WHEREAS organized criminal groups employ various tactics, such as tampering with the vehicle identification number to re-register the vehicle and re-sell it into the marketplace, that results in multiple individuals, financial and insurance institutions being defrauded, and

WHEREAS law enforcement have identified serious vulnerabilities in the current vehicle registration process, alleging that organized criminal groups have exploited loopholes in the Third-Party Registration process. The exploitation of the current system contributes to motor vehicle theft in national and international markets.

THEREFORE, BE IT RESOLVED that the OACP calls on the Government of Canada to engage in public awareness campaigns to educate vehicle owners about theft protection techniques, and

BE IT FURTHER RESOLVED that the OACP calls on the Government of Canada to collaborate with the Judiciary to ensure that serious penalties are applied to auto theft related offences, to prevent and deter auto theft, and

BE IT FURTHER RESOLVED that the OACP calls on the Government of Canada to strengthen and fund the CBSA to ensure shipping containers are screened for criminal activity at all major ports in Canada, and

BE IT FURTHER RESOLVED that the OACP calls on the Government of Canada and the Government of Ontario to amend legislation surrounding the sharing of information and intelligence, between police agencies, the MTO, Equite Association, CBSA, and CARFAX Canada, and

BE IT FURTHER RESOLVED that the OACP calls on the Government of Canada to collaborate with automotive manufacturers to require vehicles sold in Canada to include effective security devices, such as two-factor authentication, effective GPS or immobilizers, and

BE IT FURTHER RESOLVED that the OACP calls on the Government of Canada, to regulate and prohibit the sale of technological locksmith tools for those who are not licensed, and

BE IT FURTHER RESOLVED that the OACP calls on the Government of Canada to provide rebates for after-market tracking devices and/or anti-theft devices for 24-months, and

BE IT FURTHER RESOLVED that the OACP calls on the Government of Ontario to audit the process for the registration of vehicles and implement practices designed to eliminate the fraudulent registration of stolen vehicles, and

BE IT FURTHER RESOLVED that the OACP calls on the Government of Ontario to eliminate the ability for private citizens to complete a Third-Party Registration on another person's behalf without Power of Attorney, and

BE IT FURTHER RESOLVED that the OACP calls on the Government of Ontario to prohibit the public from relying on a New Vehicle Information Statement (NVIS) to register a vehicle, limiting this registration mechanism to licensed dealers, and

BE IT FURTHER RESOLVED that the OACP calls on the Government of Ontario to prevent the public from purchasing another person's Registrant Identification Number (RIN) history, limiting full access to law enforcement.