



CAMVAP
PAVAC

2012 and 2013 Annual Reports

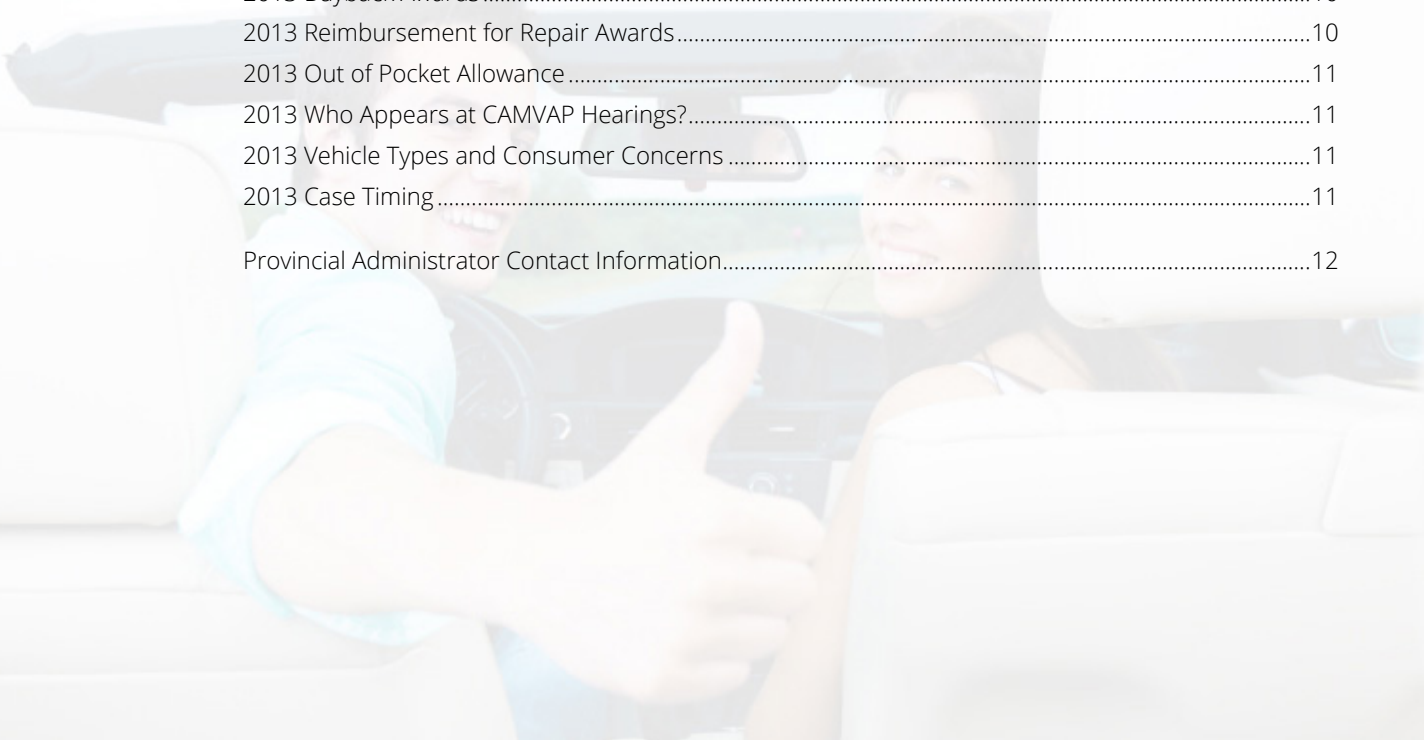
Canadian Motor Vehicle Arbitration Plan

www.camvap.ca



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2012 and 2013 Annual Reports

Member Organizations

Canadian Automobile Dealers Association (CADA)

Canadian Vehicle Manufacturers' Association (CVMA)

Consumers' Association of Canada (CAC)

Global Automakers of Canada (GAC) (rebranded from the Association of International Manufacturers of Canada (AIAMC) in 2013)

The Governments of: British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland and Labrador, Yukon, Northwest Territories, Nunavut

2012 Board of Directors

David Adams – Chair (AIAMC), Suzanne Bonnell-Burley (G), Anthony Cornacchia (AIAMC), Michael Gagnon (G) (Partial Year), Cheryle Gallant (G), Gary Frost (G), Mark Nantais (CVMA), Susan Walker (CVMA) (Partial Year), Peggy Stokes (CVMA) (Partial Year) James Savary (CAC), Tim Ryan (CADA), Trevor Todd (CAC)

2013 Board of Directors

David Adams – Chair (GAC), Suzanne Bonnell-Burley (G), Anthony Cornacchia (GAC), Sandra Hayduk (G), Gary Frost (G) (Partial Year), Claude Pinault (G) (Partial Year), Mark Nantais (CVMA), Peggy Stokes (CVMA), James Savary (CAC) (Partial Year), James Stauch (CAC) (Partial Year), Darren Thomas (G) (Partial Year), Tim Ryan (CADA), Trevor Todd (CAC)

Staff

Stephen Moody (General Manager)

Arlene Weijers (Program Coordinator)

Nancy Malcolm /Lillian Lian (Bookkeeper/Administrative Assistant)

Participating Manufacturers

Chrysler Canada Inc.

Ford Motor Company of Canada, Limited

General Motors of Canada Limited

Honda Canada Inc.

Hyundai Auto Canada Corp.

Jaguar Land Rover Canada ULC

KIA Canada Inc.

Mazda Canada Inc.

Mercedes-Benz Canada Inc.

Nissan Canada Inc.

Porsche Cars Canada, Ltd.

Subaru Canada Inc.

Toyota Canada Inc.

Volkswagen Group Canada Inc.

Volvo Cars of Canada Corp.



Canadian Motor Vehicle Arbitration Plan

The Canadian Motor Vehicle Plan publishes these annual reports so that the readers of this report are aware of the results achieved by the parties to CAMVAP arbitrations.

Read the results carefully. The program works. It is supported and funded by the automobile manufacturers with the 13 Provincial and Territorial Government members who participate in its governance. The Consumers' Association of Canada represents consumer interests at the Board of Directors level. Canada's authorized new vehicle dealers are also represented at the board level.



CAMVAP is a neutral dispute resolution program. The program's job is to put consumers and manufacturers together with an arbitrator who will hear the case and will consider both the consumer and the manufacturer's arguments in order to make a final decision.

The program operations are the same in every province and territory. No matter where the consumer lives in Canada they will receive the same high quality level of service provided by our Provincial Administrators with the Agreement for Arbitration being consistently applied across the country.

CAMVAP considers both the consumer and the manufacturer to be its clients with our job being to provide the best service we can. Throughout this report you will see that the program achieves that objective.

Consumer Access to the CAMVAP Program

The Canadian Motor Vehicle Arbitration Plan (CAMVAP) is a national dispute resolution program through which disputes between consumers and vehicle manufacturers - related to allegations of manufacturing defects or how the manufacturer is implementing the new vehicle warranty - can be resolved through binding arbitration.

Consumers can access CAMVAP through the program's website at www.camvap.ca or by contacting the Provincial Administrator for their province or territory using the program's toll-free number 1-800-207-0685.

Consumers are encouraged to work with the dealers and the manufacturers of their vehicles. Doing so is, in fact, a requirement of the program. The CAMVAP website provides information for consumers about how the program works and how to access the program when issues cannot be resolved.



Program Governance

CAMVAP is a federally incorporated not-for-profit corporation. Its operations are the product of long-term contractual agreements between the associations representing the vehicle manufacturers, the Consumers' Association of Canada, the new vehicle dealers and the thirteen provincial and territorial governments. The program is fully paid for by the manufacturer members of the Canadian Vehicle Manufacturers' Association and the Global Automakers of Canada. Consumers are represented by the Consumers' Association of Canada and the dealers are represented through the Canadian Automobile Dealer Association.



CAMVAP's success results from the program addressing the needs of both consumers and vehicle manufacturers when all other means of dispute resolution fail. The program has retained the commitment of its stakeholders for more than nineteen years. The fact that the program is a voluntary initiative means that it can and has evolved over time to more effectively address the needs of its collective stakeholders.

The CAMVAP Board of Directors provides overall governance and direction for the program and monitors its ongoing effectiveness. Program operations are managed through the General Manager and with two staff from a Toronto head office.

The CAMVAP team includes Provincial Administrators in seven locations across the country. These administrators, who, while part of the CAMVAP team, are independent organizations that provide contract services to CAMVAP. They work to ensure that the consumer and the manufacturer are treated fairly and equitably throughout the arbitration of each and every case. The arbitrators used by CAMVAP are also independent from the program and provide their services on an as needed basis. CAMVAP roster arbitrators are located in all regions of Canada and are assigned cases within their region and occasionally outside their region as program needs require.

CAMVAP Arbitrators

The arbitrators who provide services to CAMVAP come from many backgrounds and professions and are completely independent from the program. The manufacturers are not involved in their appointment to the CAMVAP roster, their training, or their selection to hear cases. The arbitrators are paid a flat fee plus expenses for each case that they conduct.

When a case is to go to arbitration, the Provincial Administrator selects the next arbitrator on the roster who is available to hold a hearing in the consumer's community.

A brief résumé for the arbitrator is sent to the consumer and the manufacturer.

Relevant Provincial and Territorial Legislation

The CAMVAP Agreement for Arbitration, together with the Arbitration Act and the applicable consumer protection legislation in the Province or Territory where the Arbitration is held, governs CAMVAP cases. In Québec, the Agreement for Arbitration along with the Civil Code governs arbitrations.

Provincial Administrators

The public face of CAMVAP is the Provincial Administrators who deliver the program across Canada. The Provincial Administrators are responsible for receiving and responding to inquiries, processing claim forms and applications for arbitration, scheduling hearings and technical inspections and communicating the results of hearings to the parties. All consumer inquiries to CAMVAP are handled by the Provincial Administrators. The Provincial Administrators are paid a fee to provide service to CAMVAP and an additional fee for each case handled.

CAMVAP Annual Reports

Previous annual reports can be found, in both official languages, on the CAMVAP website at www.camvap.ca or www.pavac.ca.





2012 Program Results

2012 Cases Handled

At 203 arbitrated cases, 16 conciliated cases and 20 consent awards being issued, the overall number of cases handled in 2012 is down 44 cases from 2011. The biggest shift is in fully arbitrated cases. An additional 36 cases were withdrawn by the consumer and 5 cases were found to be ineligible for the program during the processing stages before arbitration.

Province/Territory	Number of Arbitrated Cases	Number of Conciliated Cases	Number of Consent Awards	Total
British Columbia	18	1	0	19
Alberta	31	0	1	32
Saskatchewan	3	0	0	3
Manitoba	5	0	0	5
Ontario	92	1	10	103
Québec	36	10	8	54
New Brunswick	2	0	1	3
Nova Scotia	10	3	0	13
Prince Edward Island	0	0	0	0
Newfoundland & Labrador	6	1	0	7
Northwest Territories	0	0	0	0
Nunavut	0	0	0	0
Yukon	0	0	0	0
Totals	203	16	20	239

Arbitrated cases are those that proceed to a hearing at which the arbitrator makes an award based on the evidence presented by the parties.

Conciliated cases are those when the consumer and the manufacturer agree to resolve the issues without the need for a hearing.

Consent cases are those in which the consumer and manufacturer agree on a settlement at the arbitration hearing and the arbitrator records the agreement in the 'award'.

2012 Inquiry Progression – Getting to CAMVAP and Through the Process

The Provincial Administrators handled 4,323 new initial contact calls from consumers in 2012. This number of initial contacts with the program is down by 369 from the previous year.

In 2012 CAMVAP received 4,323 initial contacts which resulted in 673 applications being sent to eligible consumers of which 323 or 47.8% were returned to CAMVAP by the consumer.

As cases frequently cross over the calendar year reporting time frame, the number of cases handled does not equal the input in any one year. In addition to the 239 cases reported above, 36 cases were withdrawn by the consumer after the process had started and 5 cases were found by the arbitrator to be ineligible for arbitration.



When considered against the approximately 1.52 million new vehicles eligible for CAMVAP sold in the Canadian market place for 2011 and the additional 6 million eligible vehicles that were sold in the previous four years, it is certainly a very low percentage of vehicles where the consumer and the manufacturer require the services of CAMVAP to resolve disputes.

2012 CAMVAP Award Results

(Based on 203 Arbitrated cases and 20 Consent Awards)

Province or Territory	Buyback with Reduction for Use	Buyback with No Reduction for Use	Reimbursement for Repairs	Make Repairs	Out-of-Pocket	Other Consent Award	Manufacturer has No Liability in all Matters Brought Forward	Arbitrator has No Jurisdiction	Number of Awards Issued
British Columbia	4	1	0	6	1	0	3	8	23
Alberta	7	1	3	7	2	1	1	13	35
Saskatchewan	0	0	0	1	0	0	1	1	3
Manitoba	1	0	0	3	0	0	0	1	5
Ontario	25	3	2	18	3	10	4	44	109
Québec	7	2	1	2	0	9	1	23	45
New Brunswick	0	1	0	1	0	1	0	0	3
Nova Scotia	7	0	1	1	0	0	1	1	11
Prince Edward Island	0	0	0	0	0	0	0	0	0
Newfoundland & Labrador	1	1	0	2	0	0	0	3	7
Northwest Territories	0	0	0	0	0	0	0	0	0
Nunavut	0	0	0	0	0	0	0	0	0
Yukon	0	0	0	0	0	0	0	0	0
Totals	52	9	7	41	6	21	11	94	241

Overall the consumer success rate is 62% when the arbitrated (203) and consent (20) awards are contrasted against the 85 cases where the manufacturer was successful in all of the issues brought forward at arbitration. When the 16 conciliated awards are included, the consumer success rate is 64%.

2012 Buyback Awards

Number of Buybacks	61
Total Value of Buybacks Paid to Consumers	\$1,794,094.00
Average Value of Buybacks (Leased and Owned)	\$29,411.00

There were 9 fewer vehicle buybacks in 2012. This number appears to be proportionate to the overall number of cases handled during the year.

2012 Reimbursement for Repair Awards

Number of Reimbursements to Consumers	8
Total Value of Reimbursements	\$26,492.00
Average Reimbursement Per Claim	\$3,312.00

Reimbursement for repair awards was down 11 claims in 2011. However, the overall amount per claim doubled in 2012 from \$1,556.



2012 Out of Pocket Allowance

Number of Out of Pocket Allowance Awards Paid	6
Total Value of Out of Pocket Allowance Paid	\$936.71
Average Value of Out of Pocket Allowance Paid	\$156.12

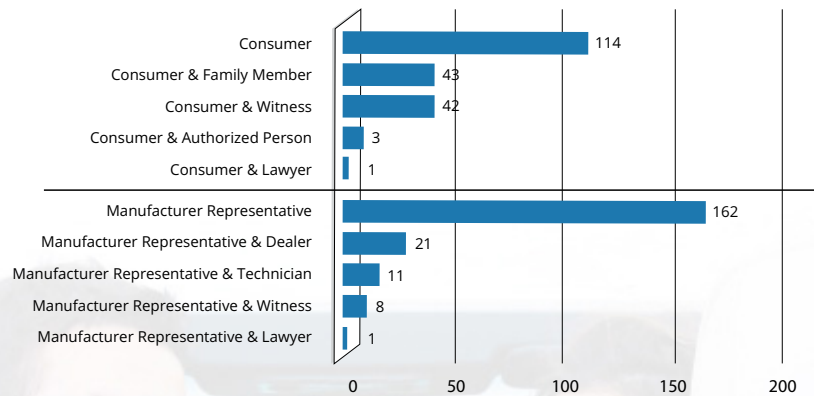
There was one fewer out of pocket allowance claim than was awarded in 2011 with the overall amount down significantly from the \$1,787 paid out in the previous year. This is a seldom claimed award as many of the vehicles that come through CAMVAP are in the first to third year of operation and consumers very seldom incur the type of expenses covered under this allowance.

2012 Who Appears at CAMVAP Hearings?

Consumers appeared alone at CAMVAP hearings 56% of the time. Only 1 consumer used the services of lawyers and 3 consumers asked or authorized another person to represent them. In 21% of cases, the consumer brought a witness to provide evidence for their case. CAMVAP materials encourage consumers to bring witnesses to assist them in making their case to the arbitrator.

Manufacturers appeared alone in 80% of the cases and with a dealer or a technician from the dealership in 15% of cases. A manufacturer used the services of a lawyer in 1 case. These numbers, with the exception of the case with the lawyer, are consistent with past year's results.

2012 Representation at Hearings



2012 Vehicle Types and Consumer Concerns

The distribution of vehicle issues remained relatively consistent over previous years. Transmission and engine complaints remained amongst the highest of the vehicle complaints brought to CAMVAP.

	Total Cases	Accessories	Air/Heat/Cool	Brakes	Computer/Electrical	Engine	Exterior	Interior	Steering/Suspension	Transmission	Total Complaints
Cars	77	5	3	4	15	22	22	6	18	24	119
Light Trucks	53	1	0	0	5	17	8	3	9	23	66
Mini Vans	17	0	2	1	6	3	7	0	2	2	23
Sport Utility	76	2	5	5	10	18	20	6	7	17	90
Totals	223	8	10	10	36	60	57	15	36	66	298



2012 Case Timing

CAMVAP case timing varies from year to year. The overall case timing for 2012 was 79.8 days. Forty-nine percent of the cases are those with one hearing and no technical inspection. These cases averaged 57 days from the time the consumer’s complaint was received through to the time the award is sent to the arbitrator. Some cases take longer, particularly when the matter is returned to the arbitrator for an additional hearing or requires a technical inspection.

2013 Program Results

2013 Cases Handled

There was an 11% increase in cases in 2013 over 2012 at 242 arbitrated and consent cases when compared to 219 in the previous year. The overall distribution of consent and conciliated cases remained the same over the two years.

Province/Territory	Number of Arbitrated Cases	Number of Conciliated Cases	Number of Consent Awards	Total
British Columbia	16	0	0	16
Alberta	40	0	1	41
Saskatchewan	3	0	2	5
Manitoba	2	0	0	2
Ontario	113	1	5	119
Québec	33	10	6	49
New Brunswick	3	1	1	5
Nova Scotia	1	1	1	8
Prince Edward Island	0	0	0	0
Newfoundland & Labrador	8	0	1	9
Northwest Territories	1	0	0	1
Nunavut	0	0	0	0
Yukon	0	0	0	0
Totals	225	13	17	255

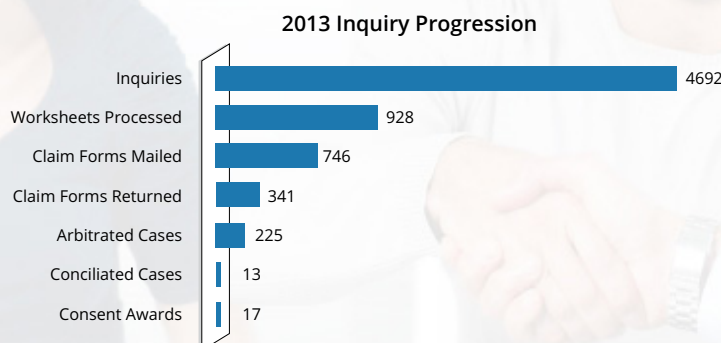
Arbitrated cases are those that proceed to a hearing at which the arbitrator makes an award based on the evidence presented by the parties.

Conciliated cases are those when the consumer and the manufacturer agree to resolve the issues without the need for a hearing.

Consent cases are those in which the consumer and manufacturer agree on a settlement at the arbitration hearing and the arbitrator records the agreement in the ‘award’.

2013 Inquiry Progression

The CAMVAP Provincial Administrators handled 4,692 inquiries in 2013, which was up from 4,323 in the previous year. This resulted in 746 applications being sent to eligible consumers of which 341 or 46% were returned to CAMVAP by the consumer. From this initial contact, 928 worksheets were sent to the manufacturers. Of the 746 claim forms sent to consumers, 46 percent were returned to start the arbitration process. This is down 1 percent from the previous year and consistent with past year’s results.





2013 CAMVAP Award Results

(Based on 225 Arbitrated cases and 17 Consent Awards)

Province or Territory	Buyback with Reduction for Use	Buyback with No Reduction for Use	Reimbursement for Repairs	Make Repairs	Out-of-Pocket	Other Consent Award	Manufacturer has No Liability in all Matters Brought Forward	Arbitrator has No Jurisdiction	Number of Awards Issued
British Columbia	6	0	0	4	1	1	5	0	17
Alberta	14	3	2	15	2	0	9	1	46
Saskatchewan	0	0	0	2	1	0	2	3	8
Manitoba	1	0	0	1	0	0	0	0	2
Ontario	41	5	10	22	7	4	41	5	135
Québec	4	6	0	5	7	9	17	8	47
New Brunswick	1	0	0	0	0	0	2	1	4
Nova Scotia	1	0	0	0	0	0	5	1	7
Prince Edward Island	0	0	0	0	0	0	0	0	0
Newfoundland & Labrador	2	0	1	2	0	0	4	1	10
Northwest Territories	0	0	0	1	1	0	0	0	2
Nunavut	0	0	0	0	0	0	0	0	0
Yukon	0	0	0	0	0	0	0	0	0
Totals	70	14	13	52	19	5	85	20	278

The consumer success rate is 72% when the 242 arbitrated (225) and consent cases (17) are contrasted against the 68 cases where the manufacturer was successful in all of the issues brought forward at arbitration. When the conciliated awards (13) are included, the consumer success rate is 73%.

2013 Buyback Awards

Number of Buybacks	84
Total Value of Buybacks Paid to Consumers	\$2,582,291.00
Average Value of Buybacks (Leased and Owned)	\$31,076.00

Buybacks in 2013 increased by 23 over the 61 buybacks recorded in 2012. Similarly, the value of the buybacks increased by \$788,197. This increase is consistent with the overall increase in the number of cases arbitrated year over year.

2013 Reimbursement for Repair Awards

Number of Reimbursements to Consumers	14
Total Value of Reimbursements	\$27,315.00
Average Reimbursement Per Claim	\$1,951.00

The value for this monetary award remains very close to the 2012 results of \$26,492. The amount awarded for this category is directly related to the claims made by the consumers. One or two very expensive repairs, or alternatively, very inexpensive repairs that had to be completed by consumers can make a significant difference.



2013 Out of Pocket Allowance

This category of awards covers reasonable and documented expenses that occur prior to the hearing including vehicle rentals, diagnostic testing, accommodation, towing, taxis and weigh scale fees. As previously noted, under the changes to the Agreement for Arbitration implemented in December 2011, a separate award for diagnostic testing was established with consumers now being eligible to claim up to \$500 for diagnostic expenses completed prior to the hearing.

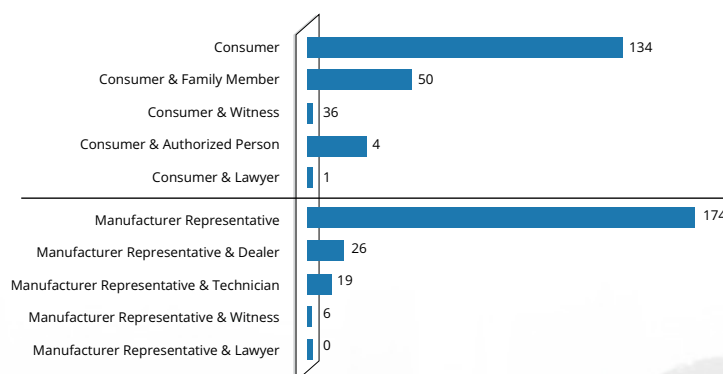
Number of Out of Pocket Allowance Awards Paid	19
Total Value of Out of Pocket Allowance Paid	\$4,017.00
Average Value of Out of Pocket Allowance Paid	\$211.00

As noted in the 2012 report, this is a seldom claimed award. Consumers only claimed pre-hearing diagnostic expenses in 2 cases. Of note, consumers can claim up to \$500 in pre-hearing diagnostic expenses.

2013 Who Appears at CAMVAP Hearings?

The 2013 results are very similar to those noted earlier for 2012. Manufacturers did not use any lawyers for hearings and as in the previous year, only one consumer utilized the service of a lawyer. These results are consistent with previous years' experience.

2013 Representation at Hearings



2013 Vehicle Types and Consumer Concerns

Again, distribution of vehicle issues was relatively consistent with previous years.

	Total Cases	Accessories	Air/Heat/Cool	Brakes	Computer/Electrical	Engine	Exterior	Interior	Steering/Suspension	Transmission	Total Complaints
Cars	90	8	5	3	14	28	27	13	21	23	142
Light Trucks	44	5	0	1	12	15	10	2	8	14	67
Mini Vans	16	0	6	0	1	6	5	1	4	6	29
Sport Utility	92	12	6	9	15	28	26	9	16	15	136
Totals	242	25	17	13	42	77	68	25	49	58	374

2013 Case Timing

Case timing increased significantly in 2013 to 96.3 days with a jump of almost 16.5 days from the average of 79.8 days in 2012. Forty-five percent of the cases were handled within 61 days. Renewed attention is being placed on case timing. Much of the increase in time can be attributed to the 72 cases requiring technical inspections of the vehicle as part of the arbitration process, which is an increase of 24 cases over 2012.



Provincial Administrator & National Head Office Contact Information

Atlantic Canada

Better Business Bureau of the Atlantic Provinces Inc.

1888 Brunswick Street, Suite 303, Halifax NS B3J 3B7
Tel: 1-800-207-0685 or Halifax area 902-422-2230 • Fax: 902-429-6457

Québec

Soreconi Inc.

1800 avenue industrielle, bureau 102, Québec, (Québec) G3K 1L8
Toll-free: 1-800-207-0685 or Québec City area 418-915-9292 • Fax: 1-418-915-9449

Ontario

T.O. Corporate Services

55 St. Clair Avenue West, Ste 255, Toronto, ON M4V 2Y7
Tel: 1-800-207-0685 or Toronto area: 416-921-2686 • Fax 416-967-6320

Manitoba

Consumers' Association of Canada (Manitoba) Inc.

17-222 Osborne Street South, Winnipeg MB R3L 1Z3
Tel: 1-800-207-0685 or Winnipeg area 204-452-7602 • Fax: 204-284-1876

Saskatchewan

Better Business Bureau of Saskatchewan Inc.

980 Albert Street, Regina SK S4R 2P7
Tel: 1-800-207-0685 or Regina area 306-352-7602 • Fax: 306-565-6236

Alberta & Northwest Territories

ADR Institute of Alberta

7128 Ada Blvd.
Ralph King Athletic Centre, Room CE223A, Edmonton AB T5B 4E4
Tel: 1-800-207-0685 or Edmonton area 780-439-9359 • Fax: 780-433-9024

British Columbia & Yukon

Better Business Bureau of Mainland BC

788 Beatty Street, Suite 404, Vancouver, BC V6B 2M1
Tel: 1-800-207-0685 or Vancouver area 604-682-6280 • Fax: 604-681-1544

For Consumer Information call the CAMVAP Provincial Administrator at 1-800-207-0685.

National Head Office

Canadian Motor Vehicle Arbitration Plan

235 Yorkland Boulevard, Suite 109, Toronto, ON M2J 4Y8
Tel: 1-800-806-3285 or 416-490-0615 • Fax 416-490-1680

Website addresses: www.camvap.ca • www.pavac.ca

For Program Administration information call (416) 490-0615 or facsimile (416) 490-1680.