



CAMVAP
PAVAC

2014 Annual Report

Canadian Motor Vehicle Arbitration Plan

www.camvap.ca



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2014 Annual Report

Member Organizations

Canadian Automobile Dealers Association (CADA)

Canadian Vehicle Manufacturers' Association (CVMA)

Consumers' Association of Canada (CAC)

Global Automakers of Canada (GAC)

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

2014 Board of Directors

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

Staff

Stephen Moody (General Manager)

Arlene Weijers (Program Coordinator)

Lillian Lian (Bookkeeper/Administrative Assistant)

Participating Manufacturers

FCA Canada Inc. (formerly 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 Arbitration Plan publishes annual reports so that the public and participants in the CAMVAP process are made aware of the results achieved by the parties to CAMVAP arbitrations.

Read the results carefully as they clearly show that the program works. CAMVAP is supported and funded by the automobile manufacturers. The 13 Provincial and Territorial Government representatives participate in the program's governance along with the Consumers'

Association of Canada that represents consumer interests at the Board of Directors level. Canada's authorized new vehicle dealers are also represented on the program's Board of Directors.

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 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 twenty years. The fact that the program is a voluntary initiative means that it continually evolves 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 set 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.



2014 Cases Handled

The number of arbitrated cases handled year over year was down by 3 cases or 1.3% over 2014. There was a number of increases in the conciliated cases which were up by 4 cases or 30% and consent awards that were up 11 cases or 65%. When the arbitrated, conciliated and consent cases are combined the 2014 total when compared to the 2013 results is up by 4.7%.

Province/Territory	Number of Arbitrated Cases	Number of Conciliated Cases	Number of Consent Awards	Total
British Columbia	16	4	1	21
Alberta	37	1	3	41
Saskatchewan	4	0	0	4
Manitoba	3	0	0	3
Ontario	102	1	13	116
Québec	31	9	8	48
New Brunswick	4	1	0	5
Nova Scotia	17	0	1	18
Prince Edward Island	1	1	0	2
Newfoundland & Labrador	7	0	2	9
Northwest Territories	0	0	0	0
Nunavut	0	0	0	0
Yukon	0	0	0	0
Totals	222	17	28	267

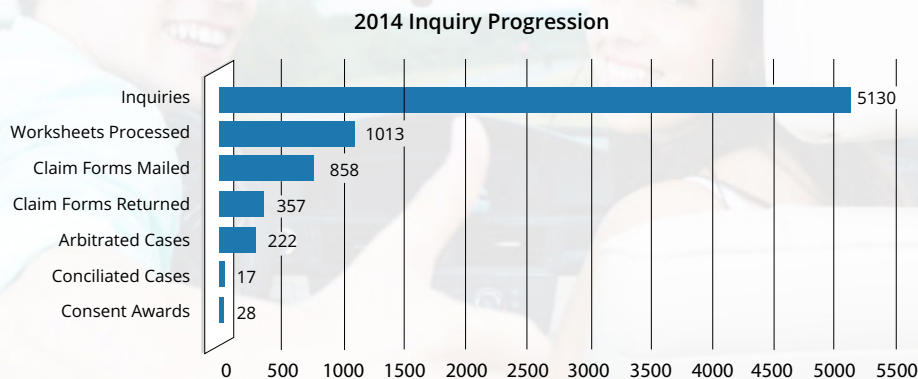
Arbitrated cases are those that proceed to a hearing at which the arbitrator makes an award based on the evidence presented by the parties.

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'.

2014 Inquiry Progression

The CAMVAP Provincial Administrators handled 5130 new enquiries in 2014 which is up 9.3% over the 2013 result of 4,692. Worksheets, which are an internal form that is used to start a CAMVAP case, were up at 1013 surpassing the 2013 result by 85 or 9.1%. Of the 858 claim forms sent to program eligible consumers 357 or 41.6% were returned to CAMVAP by the consumer. This is down slightly from 2013.



2014 CAMVAP Award Results

(Based on 222 Arbitrated cases and 28 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	Arbitrator has No Jurisdiction	Manufacturer has No Liability in all Matters Brought Forward	Number of Awards Issued
British Columbia	3	1	0	4	1	1	0	10	20
Alberta	10	3	4	12	1	0	0	11	41
Saskatchewan	1	0	0	2	1	0	0	0	4
Manitoba	0	1	0	1	0	0	0	1	3
Ontario	34	4	4	33	5	6	1	41	128
Québec	4	1	1	10	1	6	0	22	45
New Brunswick	2	0	0	0	1	0	0	2	5
Nova Scotia	5	2	1	3	0	0	1	7	19
Prince Edward Island	0	0	0	1	0	0	0	1	2
Newfoundland & Labrador	1	0	0	5	0	0	0	3	9
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	60	12	10	71	10	13	2	98	276

There were 81 full no liability awards issued in 2014. Overall, this means that consumers were successful with all or part of their claim 67.6% of the time. This is down 4.3% from 2013.

2014 Buyback Awards

Number of Buybacks	72
Total Value of Buybacks Paid to Consumers	\$2,153,387.56
Average Value of Buybacks (Leased and Owned)	\$29,908.16

There were 12 fewer buybacks in 2014 when compared to the 84 buybacks ordered in 2013. The value of the buybacks decreased significantly by \$428,904 in total and the average per vehicle award dropped \$1,168. These results are inconsistent with the programs past experience and will require monitoring.

2014 Reimbursement for Repair Awards

Number of Reimbursements to Consumers	10
Total Value of Reimbursements	\$12,675.62
Average Reimbursement Per Claim	\$1,267.56

CAMVAP handled 4 fewer of these cases year over year from 2013. The value of the reimbursements and the average reimbursement per claim will vary significantly upon the overall expense of the repair claims.



2014 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. Under 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.

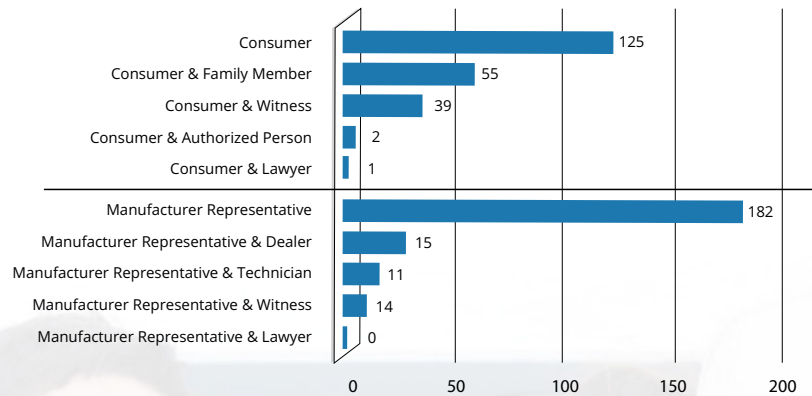
Payment for diagnostic testing was \$1,987.29 over 7 of the 11 out of pocket awards made. The average for diagnostic testing was \$283.90 per case. One case was \$500 for accommodation and 2 cases included vehicle rentals.

Number of Out of Pocket Allowance Awards Paid	11
Total Value of Out of Pocket Allowance Paid	\$3,999.29
Average Value of Out of Pocket Allowance Paid	\$363.58

2014 Who Appears at CAMVAP Hearings?

The 2014 results are very similar to those noted in 2013, 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.

2014 Representation at Hearings



2014 Vehicle Types and Consumer Concerns

Distribution of vehicle issues was once again relatively consistent with previous years.

	Total Cases	Accessories	Air/Heat/Cool	Brakes	Computer/Electrical	Engine	Exterior	Interior	Steering/Suspension	Transmission	Total Complaints
Cars	103	4	4	4	23	25	21	8	19	26	134
Light Trucks	52	5	2	1	15	14	15	2	8	9	71
Mini Vans	20	0	11	3	5	4	0	1	3	6	33
Sport Utility	75	2	6	6	9	27	27	0	6	14	97
Totals	250	11	23	14	52	70	63	11	36	55	335

2014 Case Timing

Overall case timing increased in 2014 to 103.09 days. This is a significant increase over the 96.3 days in 2013 and the 79.8 days in 2012. 41% of the cases were handled in 63.5 days. Attention is being paid to the case timing and steps that can be taken to decrease case timing overall.



Provincial Administrator & National Head Office Contact Information

The CAMVAP toll-free service at 1-800-207-0685 will connect consumers with the proper Provincial Administrator based on the area code from which the consumer is calling. It is the number that should be used by consumers to contact the program. The local numbers below are shown for reference and local calls only.

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

21 St. Clair Avenue West, Ste 255, Toronto, ON M4T 1L9
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 204-452-2576 • 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.