



CAMVAP
PAVAC

2015 Annual Report

Canadian Motor Vehicle Arbitration Plan

www.camvap.ca



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2015 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	Nova Scotia
Alberta	Prince Edward Island
Saskatchewan	Newfoundland and Labrador
Manitoba	Yukon
Ontario	Northwest Territories
Quebec	Nunavut
New Brunswick	

2015 Board of Directors

David Adams – Chair (partial year as Chair) (GAC), Greg Basham (partial year) (CAC), Suzanne Bonnell-Burley (G), Gary Frost (G), Mark Nantais (CVMA), Craig Stewart (G), Tim Ryan (CADA), Laura Stante (GAC), Peggy Stokes (CVMA), James Stauch (CAC) (partial year), Darren Thomas (G), Trevor Todd (partial year as Chair) (CAC)

Staff

Stephen Moody (General Manager) • Arlene Weijers (Program Coordinator)
Lillian Lian (Bookkeeper/Administrative Assistant)



Participating Manufacturers

The following vehicle manufacturers representing more than 94% of annual vehicle sales endorse the Canadian Motor Vehicle Arbitration Program (CAMVAP). For more than 20 years, CAMVAP has been an effective forum for manufacturers and consumers to resolve disputes related to consumer allegations of manufacturer defects or the implementation of the manufacturer's new vehicle warranty.

FCA Canada Inc.
Ford Motor Company of Canada, Limited
General Motors of Canada Company
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 Car Canada Limited

Letter from the Chair



As the Canadian Motor Vehicle Arbitration Plan (CAMVAP) enters its 22nd year of providing alternative dispute resolution services it is my pleasure to report to its stakeholders as the Chair of one of Canada's remarkable partnerships – a program that covers over 94% of the eligible vehicles on Canada's roads and highways. I thought it important to take a look back to CAMVAP's origins as well as share our goals for the future.

In the early 1990s consumers, manufacturers, and governments were faced with a choice between very different directions when it came to consumer protection for vehicle owners. One path was for each of Canada's provinces and territories to chart their own course. The other path was to engage the associations representing consumers, vehicle manufacturers, new vehicle dealers and the provincial and territorial governments in framing a dispute resolution program that was fair, fast, free, friendly, and final. This goal was achieved in 1994 with almost all provinces and territories joining the program. With Quebec joining in 2000, it meant an impartial dispute resolution program to address vehicle defects and warranty disputes existed to serve Canadian consumers and vehicle manufacturers from coast to coast.

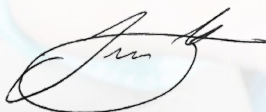
The founding stakeholders included the Consumers' Association of Canada, the Canadian Vehicle Manufacturers' Association and the Global Automakers of Canada as well as the Canadian Automobile Dealer Association – all parties that continue to be represented on the Board of Directors and the various committees that ensure CAMVAP continues to meet the current and emerging needs of all.

CAMVAP is unique in numerous ways. One, it is a voluntary industry-funded program with a governing Agreement for Arbitration that puts consumers on an equal footing with manufacturers as, almost always, neither are represented by legal counsel. Second, it is a national program that is delivered consistently across the country through our seven contract administrators. Third, there is no charge to consumers whether their claim is successful or not. Fourth, the existence of CAMVAP in the market place encourages positive action from manufacturers, and in fact, they will often resolve a potential claim before it even reaches CAMVAP to ensure those consumers continue to value their product when making a future purchase decision. This latter fact, when coupled with the initial build quality of new vehicles, has resulted in lower CAMVAP case numbers over the past few years.

CAMVAP continues to improve service delivery and quality through developing online training and updating its systems. Seven new arbitrators were trained in 2015 as a follow up to updated training for all arbitrators the prior year. In 2015, the Board of Directors approved a significant investment for a complete upgrade to CAMVAP's Claims Management System for implementation in 2016.

The year ahead includes the biannual renegotiation of contracts with several of the program's key suppliers, a resumption of a customer satisfaction survey, and ensuring that those consumers that need CAMVAP are aware of its existence.

In closing, I would like to thank all the stakeholders who have made CAMVAP the success that it is today, and whose contributions are vital to the continued success and sustainability of this truly unique national partnership.



Trevor Todd



Canadian Motor Vehicle Arbitration Plan

The Canadian Motor Vehicle Arbitration Plan (CAMVAP) 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's 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 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 13 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.



The Canadian Motor Vehicle Arbitration Plan

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 20 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 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 Provincial Administrators are the public face of CAMVAP 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.



2015 Cases Handled

The number of arbitrated cases handled in 2015 was down by 18 cases or 8.11% over 2014 results. Conciliated cases were down by 1 or 5.88% and consent awards were up by 6 cases or 21.4% over 2014. When the arbitrated, conciliated and consent cases are combined the 2015 total of 254, when compared to the 267 cases handled in 2014 is down 4.89%. In addition to these cases, 42 consumers withdrew from the process before the arbitration and 19 cases were found by the arbitrator to be ineligible.

Province/Territory	Number of Arbitrated Cases	Number of Conciliated Cases	Number of Consent Awards	Total
British Columbia	18	3	1	22
Alberta	43	0	3	46
Saskatchewan	5	0	0	5
Manitoba	2	0	2	4
Ontario	101	3	14	118
Québec	20	6	11	37
New Brunswick	4	0	1	5
Nova Scotia	6	3	1	10
Prince Edward Island	1	1	0	2
Newfoundland & Labrador	4	0	1	5
Northwest Territories	0	0	0	0
Nunavut	0	0	0	0
Yukon	0	0	0	0
Totals	204	16	34	254

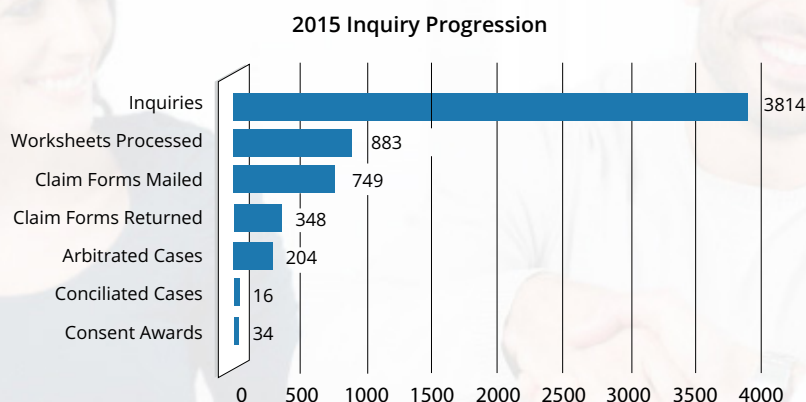
Arbitrated cases are those that proceed to a hearing at which the arbitrator makes an award based on the evidence presented by the parties.

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 when the consumer and manufacturer agree on a settlement at the arbitration hearing and the arbitrator records the agreement in the 'award'.

2015 Inquiry Progression

The CAMVAP Provincial Administrators handled 3814 new enquiries in 2015 which is down 25.7% over the 2014 result of 5,130 and the lowest in 17 years. Qualification Worksheets, which are an internal form that is used to start a CAMVAP case, were also down at 883 which is a decrease of 130 or 12.8%. Of the 749 claim forms sent to eligible consumers, 348 were returned to CAMVAP by the consumer. This is down 2.52% from 2014 but it does surpass the three previous years from 2011 onwards.



2015 CAMVAP Award Results

(Based on 204 Arbitrated cases and 34 Consent Award Cases. There are multiple awards in some cases)

Province or Territory	Buyback with Reduction for Use	Buyback with No Reduction for Use	Reimbursement for Repairs	Make Repairs	Out-of-Pocket	Arbitrator has No Jurisdiction	Manufacturer has No Liability in all Matters Brought Forward	Number of Awards Issued
British Columbia	7	5	1	2	1	1	3	20
Alberta	11	4	4	12	5	0	17	53
Saskatchewan	1	0	1	0	1	0	3	6
Manitoba	1	1	0	0	0	0	0	2
Ontario	19	3	3	21	3	1	58	108
Québec	2	1	0	5	0	0	12	20
New Brunswick	1	0	0	1	0	0	2	4
Nova Scotia	0	1	0	3	0	0	3	7
Prince Edward Island	0	0	0	1	0	0	0	1
Newfoundland & Labrador	2	1	0	1	0	0	0	4
Northwest Territories	0	0	0	0	0	0	0	0
Nunavut	0	0	0	0	0	0	0	0
Yukon	0	0	0	0	0	0	0	0
Totals	44	16	9	46	10	2	98	225

There were 83 full no liability awards issued in 2015. Overall, this means that consumers were successful with all or part of their claim 59.3% of the time. This is down 4.2% from 2014.

2015 Buyback Awards

Number of Buybacks	65
Total Value of Buybacks Paid to Consumers	\$1,782,783
Average Value of Buybacks (Leased and Owned)	\$27,427

There were 7 fewer buybacks in 2015 when compared to the 72 buybacks ordered in 2014. The value of the buybacks decreased significantly by \$370,605 in total and the average per vehicle award dropped \$2,481. These results are now more indicative of the reduced number of cases being handled by CAMVAP but this change requires ongoing monitoring.

2015 Reimbursement for Repair Awards

Number of Reimbursements to Consumers	10
Total Value of Reimbursements	\$27,229
Average Reimbursement Per Claim	\$2,723

CAMVAP handled the same number as was handled in 2014. The value of the reimbursements and the average reimbursement per claim varies significantly upon the overall expense of the repair claims.



2015 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.

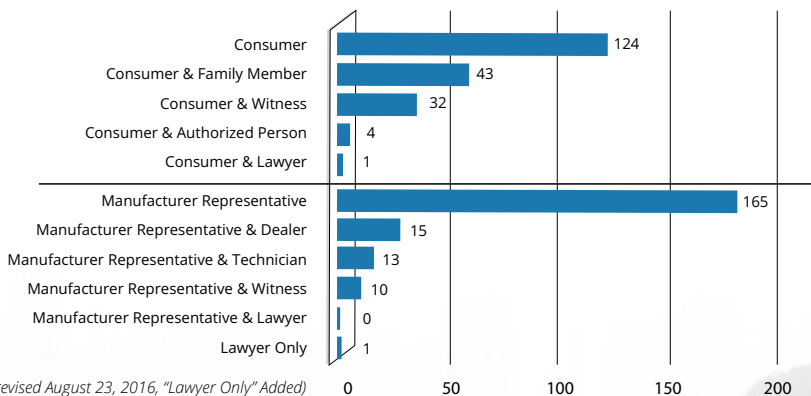
Payment for diagnostic testing was awarded in 5 cases. A total of \$1,151 or an average of \$230 per case was awarded. At \$3,692, vehicle rentals or expenses related to unavailability of the consumers' vehicles was the key driver for this expense.

Number of Out of Pocket Allowance Awards Paid	10
Total Value of Out of Pocket Allowance Paid	\$5,036
Average Value of Out of Pocket Allowance Paid	\$504

2015 Who Appears at CAMVAP Hearings?

The 2015 results are very similar to those noted in 2014. Except for one case, manufacturers did not use any lawyers for hearings as in the previous year. These results are consistent with previous years' experience.

2015 Representation at Hearings



(Chart revised August 23, 2016, "Lawyer Only" Added)

2015 Vehicle Types and Consumer Concerns

Distribution of vehicle issues was once again relatively consistent with previous years. This chart is based on 204 arbitrated and 34 consent awards.

	Total Cases	Accessories	Air/Heat/Cool	Brakes	Computer/Electrical	Engine	Exterior	Interior	Steering/Suspension	Transmission	Total Complaints
Cars	114	7	6	7	28	32	15	6	18	30	149
Light Trucks	33	0	1	2	12	11	10	0	7	5	48
Mini Vans	7	0	1	0	1	0	0	0	3	2	7
Sport Utility	84	7	3	4	21	20	23	4	17	20	119
Totals	238	14	11	13	62	63	48	10	45	57	323



2015 Case Timing

Overall case timing in 2015 increased to 103.66 days. This is .06 days more than days in 2014. 50% of the cases were handled in less than 65 days. Continued 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 3J8
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 East, Ste 802, 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

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.

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