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# 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 Territory
Northwest Territories
Nunavut

# **BOARD OF DIRECTORS**

## 2019

David Adams (GAC)
Greg Basham (CAC)
Gary Frost (G)
Kelly Houston-Routley (G)
Denny Huyghebaert (G)
Mark Nantais (Chair) (CVMA)
Adam Peters (G)
Tim Ryan (CADA)
Laura Stante (GAC)
Peggy Stokes (CVMA)
Trevor Todd (CAC)

# STAFF

Stephen Moody (General Manager) Silva Chan (Program Coordinator) Lillian Lian (Bookkeeper/Administrative Assistant)

# PARTICIPATING MANUFACTURERS

CAMVAP PAVAC

The following vehicle manufacturers representing more than 94% of annual vehicle sales endorse the Canadian Motor Vehicle Arbitration Program (CAMVAP). For 25 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





For 25 years, CAMVAP has been providing a successful alternative dispute resolution (ADR) mechanism for consumers and manufacturers to resolve disputes respecting vehicle assembly, material defects, and how a new vehicle warranty is applied.

The CAMVAP Board of Directors provides overall policy direction for the program. The program has six provincial administrators across the country that handle the cases in all ten provinces and three territories and it is underpinned by a roster of independent and neutral arbitrators who hear the cases across Canada. Importantly, CAMVAP is a free service to consumers.

While fully funded by vehicle manufacturers, the CAMVAP program is delivered by a dedicated staff and it works effectively because of the commitment and collaboration of the organizations that are party to the program. Those organizations involved are represented by provincial and territorial governments, the Consumers' Association of Canada, the Canadian Automobile Dealers Association, the Canadian Vehicle Manufacturers' Association and the Global Automakers of Canada.

The CAMVAP Board of Directors spent much of 2019 working on changes to improve the program and address issues presented by the changing landscape in vehicle sophistication and evolving vehicle technology. These include amendments to the Agreement for Arbitration involving aftermarket parts on vehicles, connectivity with third-party devices such as cell phones, replacement parts on vehicles and software issues. Implementation of these changes are scheduled for the June 2020 time frame. These changes will clarify eligibility for the program and make it easier for both consumers and manufacturers to understand.

CAMVAP arbitrators are fundamental to the program, particularly since they are frequently the only person the consumer will meet in-person from CAMVAP. Their professionalism and neutrality is frequently the measurement on how consumers and manufacturers rate the program. While CAMVAP continues to add new arbitrators to its roster, several of the arbitrators have been providing service to the program since its inception.

We need to express our thanks and appreciation to our staff, the provincial administrators who make the program work, and the ongoing commitment of all participating vehicle manufacturers for enabling CAMVAP to continue to thrive and grow as a premier dispute resolution program.

Mark Nantais

The House.





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.

# CANADIAN MOTOR VEHICLE ARBITRATION PLAN



#### CONSUMER ACCESS TO THE 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.



Consumers can view CAMVAP's award statistics on the CAMVAP website. These statistics are compiled on an annual basis and show the cases handled through CAMVAP by make, model year, vehicle model along with the type of complaint and the remedy ordered by the arbitrator.

## 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.





# CANADIAN MOTOR VEHICLE ARBITRATION PLAN



#### 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 six 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.





# CANADIAN MOTOR VEHICLE ARBITRATION PLAN



## **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 resume for the arbitrator is sent to the consumer and the manufacturer.

## 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.







## 2019 CASES HANDLED

The number of arbitrated cases handled in 2019 were up by 12 cases or 7.06% above 2018 results. Conciliated cases were down by 3 cases or 8.33% below 2018 results. Consent awards were the same as 2018 results. When the arbitrated, conciliated and consent cases are combined the 2019 total of 214, when compared to the 205 cases handled in 2018 is up 4.39%.

In addition to these cases, 297 consumers initially contacted CAMVAP and started the process and then withdrew from the process before the arbitration was set up. 9 cases were found by the arbitrator to be ineligible.

Province/Territory	Number of Arbitrated Cases	Number of Conciliated Cases	Number of Consent Cases	Total	
British Columbia	14	2	0	16	
Alberta	33	5	0	38	
Saskatchewan	2	0	0	2	
Manitoba	2	1	0	3	
Ontario	80	23	8	111	
Québec	28	0	3	31	
New Brunswick	5	1	0	6	
Nova Scotia	4	1	0	5	
Prince Edward Island	0	0	0	0	
Newfoundland & Labrador	2	0	0	2	
Northwest Territories	0	0	0	0	
Nunavut	0	0	0	0	
Yukon Territory	0	0	0	0	
2019 TOTALS	170	33	11	214	

**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".

## 2019 INQUIRY PROGRESSION

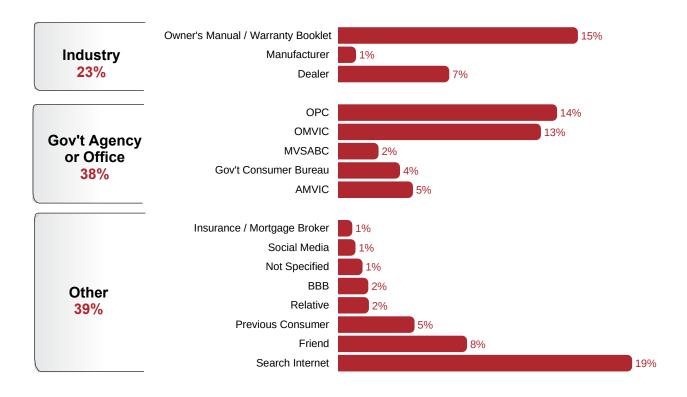
The CAMVAP Provincial Administrators handled 2,838 new phone inquiries in 2019 which is 6.43% below the 2018 result of 3,033. Qualification Worksheets, which are an internal form that is used to qualify for a CAMVAP case, were up at 927 which is an increase of 124 or 15.44% above the 2018 results. Of the 484 claim forms sent to program eligible consumers, 283 were returned to CAMVAP by the consumer. This is down 20.51% from 2018 and represents a return rate of 58% which is similar to that in 2018.





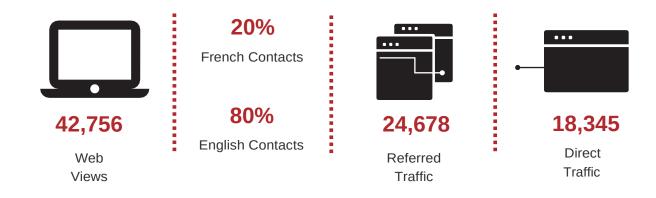
#### INITIAL CONTACT WITH THE CAMVAP PROVINCIAL ADMINISTRATOR

Consumers are asked how they found out about CAMVAP on their first telephone contact with the program's administrators. This information is manually collected by the provincial administrator and then collated by the head office.



# **CAMVAP WEBSITE STATISTICS**

The CAMVAP website is available in both English and French languages. The CAMVAP website is multipurpose and includes information about the program. From here, an access portal to the Claims Management System where CAMVAP cases are managed and a member's area for member and board of director's communications is available.





## **CLAIMS MANAGEMENT SYSTEM**

CAMVAP launched a custom developed Claims Management System on November 1, 2016. The CMS is available in English and French and gives the consumer and the manufacturer much better access to the program. The consumer can start their application directly from the 'Start the Process' button and can track their application throughout the process by clicking on the 'View My Claim' button on the website.

1,030

## **CMS Accounts Created**

#### 2019 CAMVAP AWARD RESULTS

The results are based on 170 Arbitrated cases, 5 Additional Award cases and 11 Consent Award cases. There are multiple awards in some cases. The 5 Additional Award cases refer to 2018 arbitrated cases that resulted in an additional award in 2019 (3 no liability and 2 buyback with reduction for use awards).

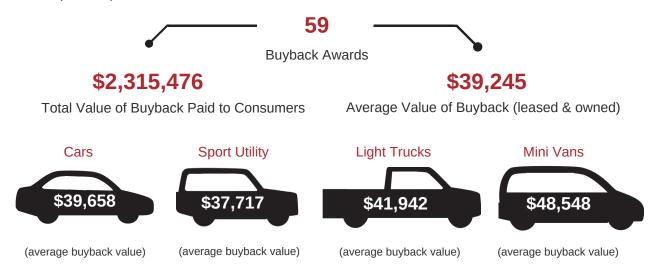
Province/Territory	Buyback With Reductior for Use	Buyback With No Reductior for Use	Reimburse- ment for Repairs	Make Repairs	Out-of- Pocket	Other	Arbitrator has No Jurisdiction	Manufacturer has No Liability in all Matters Brought Forward	Number of Awards Issued
British Columbia	5	2	0	2	1	0	1	4	15
Alberta	8	4	1	6	1	0	2	17	39
Saskatchewan	0	0	1	2	0	1	0	0	4
Manitoba	0	0	0	0	0	0	0	2	2
Ontario	23	7	2	20	2	8	1	42	105
Québec	5	1	1	10	1	8	1	13	40
New Brunswick	2	0	0	1	0	0	0	3	6
Nova Scotia	1	0	0	0	0	0	0	3	4
Prince Edward Island	0	0	0	0	0	0	0	0	0
Newfoundland & Labrador	0	0	1	0	1	0	0	2	4
Northwest Territories	1	0	0	0	0	0	0	0	1
Nunavut	0	0	0	0	0	0	0	0	0
Yukon Territory	0	0	0	0	0	0	0	0	0
TOTALS	45	14	6	41	6	17	5	86	220

There were 86 no liability awards issued in 2019. Overall, this means that consumers were successful with all or part of their claim 60.91% of the time when the case fully goes to arbitration. When the 33 Conciliated case awards are added to the total number of Arbitrated, Additional Award and Consent Award cases (220), consumers were successful 66.01% of the time.



#### 2019 BUYBACK AWARDS

As a result of changes to CAMVAP's reduction for use formula in September 2018, consumers may see an increase in the buyback amount awarded. There were 17 more buybacks in 2019 when compared to the 42 buybacks ordered in 2018. The total value of buybacks increased by \$929,812. The average, per vehicle award, had increased by \$6,253. Buybacks were awarded in 31.72% of the Arbitrated, Additional Award and Consent cases (186 cases). Of the 59 buybacks awarded in 2019, 2 were the result of Additional Award cases (5 cases) and valued at a total of \$55,650.



## 2019 REIMBURSEMENT FOR REPAIR AWARDS

CAMVAP handled 2 more Reimbursement for Repair cases then was handled in 2018. The value of the reimbursements and the average reimbursement per claim varies significantly upon the overall expense of the repair claims.

Reimbursement for Repair Awarded: 6

Average Reimbursement: \$4,270

**Total Value: \$25,618** 

## 2019 OUT OF POCKET ALLOWANCE

This category of awards covers reasonable and documented expenses that occur prior to the hearing including vehicle rentals, accommodation, towing, taxis and weigh scale fees up to \$1,000. In 2019, payment for out of pocket expenses was awarded in 6 cases at a total of \$1,064 or an average of \$177 per case awarded. A separate award for diagnostic testing was established with consumers being eligible to claim up to \$500 for diagnostic expenses completed prior to the hearing. In 2019, payment for diagnostic testing was awarded in 2 cases at a total of \$224 or an average of \$112 per case awarded.

**Out of Pocket Allowance Awarded: 6** 

**Average Allowance: \$177** 

Total Value: \$1,064



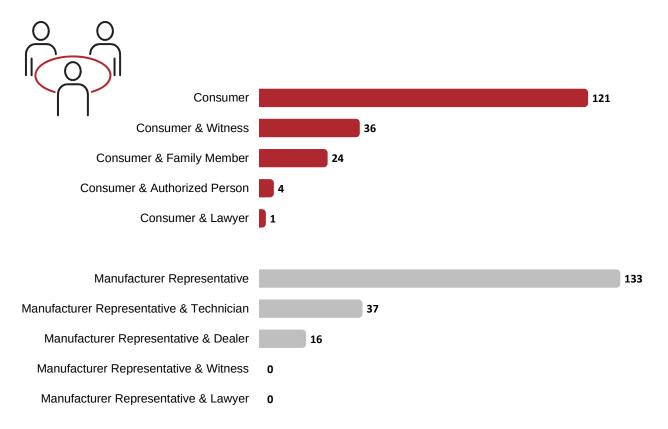
## 2019 VEHICLE TYPES AND CONSUMER CONCERNS

Distribution of vehicle issues was once again relatively consistent with previous years. This chart is based on 170 Arbitrated and 11 Consent awards.

	Total Cases	Access- ories	Air/ Heat/ Cool	Brakes	Computer/ Electrical	Engine	Exterior	Interior	Steering/ Suspension	Trans- mission	Total Complaints
Cars	65	12	10	9	21	25	17	4	3	16	117
Light Trucks	38	4	5	0	11	16	6	1	6	12	61
Mini Vans	4	0	0	5	0	0	0	0	0	0	5
Sport Utility	74	8	12	5	29	20	14	3	9	6	106
TOTALS	181	24	27	19	61	61	37	8	18	34	289

## 2019 WHO APPEARS AT CAMVAP HEARINGS?

The 2019 results show an increase of consumer and witness representation at hearings as well as an increase of manufacturer representative and technician representation.





#### 2019 CASE TIMING

Overall case timing in 2019 increased to 95.48 days. With one case that was over 250 days excluded, the average case handling time is 93.39 days. 55 cases or 30% of the arbitrated and consent cases were completed within 70 days. Cases have become complex with more cases that include eligibility hearings and technical inspections - 66 cases included one or more technical inspections. These changes have a direct effect on case timing. The impact of eligibility hearings on case timing can now be accurately calculated. It is discussed below.

#### 2019 ELIGIBILITY HEARINGS

With more detailed statistical information now available through the Claims Management System, the impact of Eligibility Hearings can be determined and reported upon. These hearings are normally conducted by teleconference to determine if a vehicle is eligible for CAMVAP. If the vehicle is eligible for CAMVAP then a hearing on the merits of the case will follow at a later date. If the vehicle is determined to be ineligible the case is closed.

There were 70 cases or 39% of the 170 Arbitrated and 11 Consent cases (181 cases in total) completed in 2019 where an eligibility hearing was held.

Of the cases with eligibility hearings conducted as part of the process, 56% were found to be eligible to proceed to a hearing on the merits and 44% were found not eligible for CAMVAP (96 eligibility hearings, 54 claim approved, 42 ineligible)

The eligibility hearing process took 21 days on average to complete. The growth of eligibility hearings as part of the CAMVAP process has a significant impact on CAMVAP's overall timing.

## 2019 TECHNICAL INSPECTIONS

An arbitrator may independently decide to order a technical inspection or consider requests for a technical inspection made by the parties. Technical inspections are examinations of the vehicle by a qualified, independent expert that prepares a written report with expert observations and opinions to help the arbitrator understand the vehicle issues in the case. The parties have 7 days to provide a written response to the technical inspection report prior to the release of the award.

There were 66 cases or 36% of the 170 Arbitrated and 11 Consent cases (181 cases in total) completed in 2019 where 1 or more technical inspections were completed.

The technical inspection process took 41 days on average to complete when considering scheduling, completing the inspection and report and the 7 day period for the parties to respond to the technical inspection report. The growth of technical inspections as part of the CAMVAP process also has a significant impact on CAMVAP's overall timing.

# 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. 7071 Bayers Road, Suite 279, Halifax, NS B3L 2C2 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
Tel: 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

#### Saskatchewan and Manitoba

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 #225, Tower 1, 3697 Mill Woods Road NW Millbourne Market Mall, Edmonton, AB T6K 3L6 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.



# **CONTACT INFORMATION**

# **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 Media or Program Administration information call (416) 490-0615 or facsimile (416) 490-1680.

