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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
Nunayut

## **BOARD OF DIRECTORS**

#### 2022

David Adams (Chair) (GAC)
Rawad Al Rabbat (GAC)
Gary Frost (G)
Ed Hendricks (CAC)
Kelly Houston-Routley (G)
Brian Kingston (CVMA)
Tim Ryan (CADA)
Peggy Stokes (CVMA)
Darren Thomas (partial year) (G)
Trevor Todd (CAC)
Elaine Vale (partial year) (G)

## **STAFF**

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



## PARTICIPATING MANUFACTURERS

The following vehicle manufacturers representing approximately 85% of annual vehicle sales endorse the Canadian Motor Vehicle Arbitration Program (CAMVAP). For 28 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.

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. Lucid Motors Canada ULC 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



I am pleased to forward the 2022 Annual Report - CAMVAP's 28th year of operation. On a personal note, I find it gratifying to be one of the founders of this innovative, third-party dispute resolution programs that has been serving Canadians from coast-to-coast-to-coast for more than a quarter century.

CAMVAP continues to serve the residents of Canada in all the Provinces and Territories with access to arbitration services for vehicle owners and lessees and the participating manufacturers in the program. Our services continue to be available in the largest of our cities and the smallest of communities across the country. This bespoke access to the program is one of its hallmarks as the hearings and vehicle inspections are

conducted in or very near to the consumer's home community.

Responsiveness to change is one the key advantages of CAMVAP's alternative dispute resolution model as compared to a regulated regime. As such, the Board can and does make changes to the program as needs arise to reflect the current environment with respect to both customer service and automotive advancements.

Changes that the Board of Directors approved to the program late in the previous year to update the buyback calculations and fully authorize web hearings were fully implemented in April 2022. Governance issues including fully transitioning the head office from a brick-and-mortar operation to work from home along with all the operational systems changes that were made for the program's operations to continue seamlessly, efficiently and at a slightly lower cost to its funders.

While cases handled continued to trend downward in 2022 initial telephone contact with the program increased by 9.6% to 1,886 new telephone contacts. While more contacts were received cases were down with a total of 138 cases overall.

In the latter part of 2022, COVID restrictions on in-person hearings were effectively lifted allowing arbitrators and consumers to continue the test drive at the hearing process with all the participants in the vehicle.

(continued)



## LETTER FROM THE CHAIR

CAMVAP is voluntary for consumers. While there are other alternatives for consumers, including the courts, the Board strives to ensure that CAMVAP's motto of being a fast, free, friendly and final option encourages consumers to utilize its services.

I'd also like to acknowledge the work done by CAMVAP's Board of Directors – representing a unique blend of government, industry and consumer representatives. The work of the Board and its constituent committees continues to drive the innovation and responsiveness of the CAMVAP program, and I'd like to thank them for their commitment to the program.

It is important to also acknowledge the program's provincial administrators, arbitrators and technical inspectors, who provide their services to CAMVAP.

You are what makes CAMVAP work.

Finally, I would be remiss if I did not acknowledge the exceptional work undertaken by CAMVAP's head office staff. The three person head office staff have run this great program efficiently and effectively once again in 2022, and on behalf of the entire Board of Directors, I offer you our profound thanks.

**Dave Adams** 

Chair of the CAMVAP Board of Directors

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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 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.

#### **CAMVAP AWARD STATISTICS**

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.







#### 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 Dealers 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 virtual 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.







#### **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.







#### 2022 CASES HANDLED

The number of arbitrated cases handled in 2022 were down by 78 cases or 43.09% below 2021 results. Conciliated cases were the same as 2021 results. Consent awards were up by 4 cases or 44.44% above 2021 results. When the arbitrated, conciliated, and consent cases are combined, the 2022 total of 138 when compared to the 212 cases handled in 2021 is down 34.91%.

In addition to these cases, 279 consumers initially contacted CAMVAP and started the process and then withdrew from the process before the arbitration was set up. 8 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	9	3	0	12	
Alberta	12	0	3	15	
Saskatchewan	1	1	0	2	
Manitoba	0	1	0	1	
Ontario	61	11	9	81	
Québec	15	3	0	18	
New Brunswick	0	0	0	0	
Nova Scotia	4	2	0	6	
Prince Edward Island	0	1	0	1	
Newfoundland & Labrador	1	0	1	2	
Northwest Territories	0	0	0	0	
Nunavut	0	0	0	0	
Yukon Territory	0	0	0	0	
TOTALS	103	22	13	138	

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".

#### 2022 INQUIRY PROGRESSION - GETTING TO CAMVAP AND THROUGH THE PROCESS

The CAMVAP Provincial Administrators handled 1,672 new phone inquiries in 2022 which is 9.57% above the 2021 result of 1,526. In addition to phone inquiries, the CAMVAP Provincial Administrators handled 194 new inquiries submitted by consumers through the CAMVAP website. Qualification Worksheets, which are an internal form that is used to qualify for a CAMVAP case, were down at 607 which is a decrease of 208 or 25.52% below the 2021 results. Of the 326 claim forms sent to program eligible consumers, 188 were returned to CAMVAP by the consumer. This is down 6.43% from 2021 and represents a return rate of 57.36% which is slightly lower than in 2021.



1,866
Phone & Web Inquiries



**607** Worksheets Processed



326 Claim Forms Requested

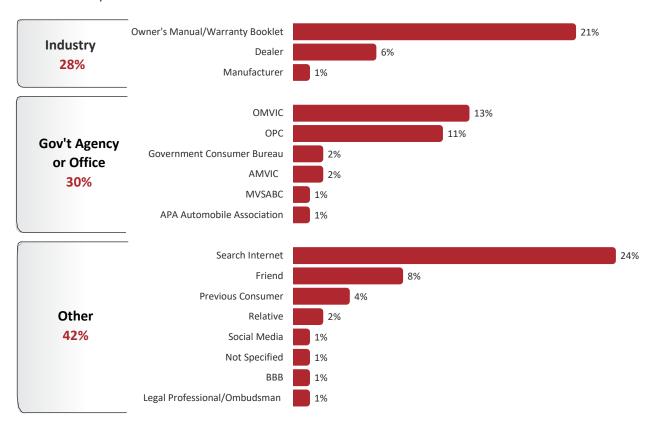


188
Claim Forms
Returned



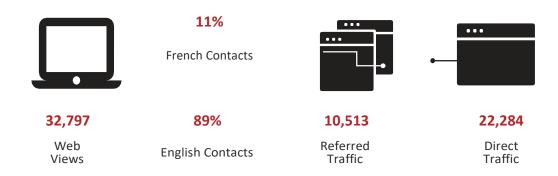
#### 2022 INITIAL CONTACT WITH THE CAMVAP PROVINCIAL ADMINISTRATOR

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.



#### 2022 CAMVAP WEBSITE STATISTICS

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





#### 2022 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.

#### 593

#### **CMS Accounts Created**

#### 2022 CAMVAP AWARD RESULTS

The results are based on 103 Arbitrated cases, 5 Additional Award cases and 13 Consent Award cases. The 5 Additional Award cases refer to 2021 arbitrated cases that resulted in an additional award in 2022 (2 buybacks with reduction for use, 2 buybacks with no reduction for use and 1 repair). There are multiple awards in some cases.

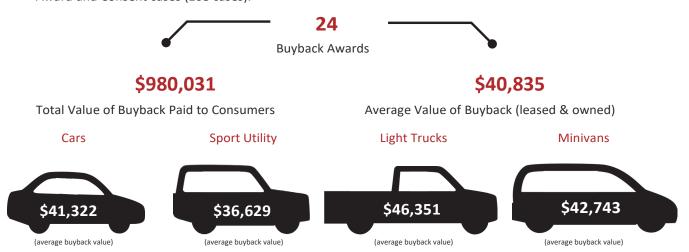
Province/Territory	Buyback With Reduction For Use	Buyback With No Reduction For Use	Reimburse- ment for Repairs	Make Repairs	Out-of- Pocket	Other	Arbitrator has No Jurisdiction	Manufacturer Has No Liability in All Matters Brought Forward	Number of Awards Issued
British Columbia	4	1	0	1	0	0	0	5	11
Alberta	2	4	0	2	0	4	1	4	17
Saskatchewan	0	0	0	0	1	0	0	0	1
Manitoba	0	0	0	0	0	0	0	0	0
Ontario	9	1	5	31	2	7	1	26	82
Québec	1	0	1	7	0	4	0	8	21
New Brunswick	0	0	0	0	0	0	0	0	0
Nova Scotia	1	0	2	1	0	0	0	1	5
Prince Edward Island	0	0	0	0	0	0	0	0	0
Newfoundland & Labrador	0	1	0	2	0	1	0	0	4
Northwest Territories	0	0	0	0	0	0	0	0	0
Nunavut	0	0	0	0	0	0	0	0	0
Yukon Territory	0	0	0	0	0	0	0	0	0
TOTALS	17	7	8	44	3	16	2	44	141

There were 44 no liability awards issued in 2022. Overall, this means that consumers were successful with all or part of their claim 57.28% of the time when the case fully goes to arbitration. When the 23 Conciliated case awards are added to the total number of Arbitrated, Additional Award and Consent Award cases (144), consumers were successful 69.45% of the time.



#### **2022 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 was 19 less buybacks in 2022 when compared to the 43 buybacks ordered in 2021. The total value of buybacks decreased by \$823,909. The average, per vehicle award, decreased by \$1,117. Buybacks were awarded in 22.22% of the Arbitrated, Additional Award and Consent cases (108 cases).



#### 2022 REIMBURSEMENT FOR REPAIR AWARDS

CAMVAP handled 3 more Reimbursement for Repair cases than was handled in 2021. 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: 8** 

**Average Reimbursement: \$925** 

**Total Value: \$7,397** 

#### 2022 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 2022, payment for out of pocket expenses was awarded in 3 cases at a total of \$901 or an average of \$300 per case awarded. Payment for diagnostic testing was awarded in 2 of the 3 cases at a total of \$632 or an average of \$300 per case awarded. Diagnostic testing is a separated award and was established with consumers being eligible to claim up to \$500 for diagnostic expenses completed prior to the hearing.

**Out of Pocket Allowance Awarded: 3** 

**Average Allowance: \$300** 

Total Value: \$901



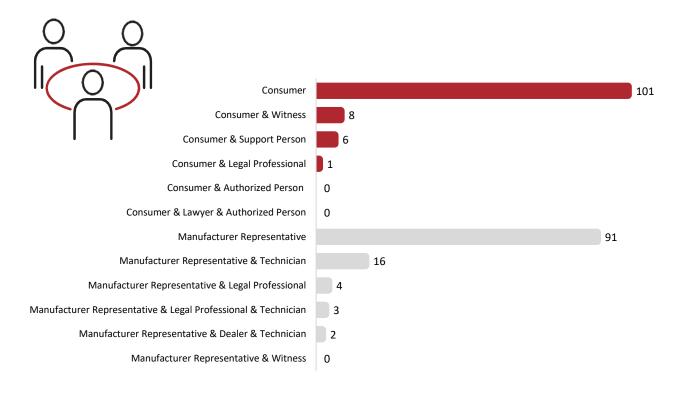
#### 2022 VEHICLE TYPES AND CONSUMER CONCERNS

Distribution of vehicle issues was once again relatively consistent with previous years with the exception of a slight increase in computer/electric concerns and decrease in engine concerns in 2022. This chart is based on 103 Arbitrated and 13 Consent cases.

	Total Cases	Access- ories	Air/ Heat/ Cool	Brakes	Computer/ Electric	Engine	Exterior	Interior	Steering/ Suspension	Trans- mission	Total Complaints
Cars	37	0	3	2	15	10	8	3	3	6	50
Light Trucks	14	0	0	1	2	1	6	0	6	2	18
Mini Vans	4	0	0	0	1	2	3	0	0	0	6
Sport Utility	61	0	3	4	23	15	14	2	7	8	76
TOTALS	116	0	6	7	41	28	31	5	16	16	150

#### 2022 WHO APPEARS AT CAMVAP HEARINGS?

The 2022 results reveal a decline in both consumer and witness representation, as well as manufacturer and witness representation. Moreover, the data depicts a rise in the number of individual consumers who attended the hearing unaccompanied





#### 2022 CASE TIMING

Overall case timing in 2021 decreased to 126.57 days. With 10 cases that were over 250 days excluded, the average case handling time is 100.65 days. 34 cases or 29.31% 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 - 48 cases included one or more technical inspections. These have a direct effect on case timing. The impact of eligibility hearings on case timing can now be accurately calculated. It is discussed below.

#### 2022 COVID-19

CAMVAP continued to adapt to government-imposed restrictions by implementing stringent safety measures during in-person hearings and technical inspections, which includes the wearing of masks or face coverings and maintaining physical distancing. Furthermore, CAMVAP recognizes the importance of offering alternative solutions to in-person hearings. As such, parties are provided with the option of using video conference as an alternative mode of hearing subject to mutual agreement. This approach underscores CAMVAP's commitment to providing flexible and accessible dispute resolution services to its valued stakeholders. Through effective communication and the utilization of technology, the Provincial Administrators were able to facilitate the resolution of claims remotely, reducing the backlog of cases and ensuring that claimants were able to receive timely and efficient service despite the challenging circumstances.

#### 2022 ELIGIBILITY HEARINGS

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 27 cases or 23.27% of the 103 Arbitrated and 13 Consent cases (116 cases in total) completed in 2022 where an eligibility hearing was held. Of the cases with eligibility hearings conducted as part of the process, 65.31% were found to be eligible to proceed to a hearing on the merits and 34.69% were found not eligible for CAMVAP (49 eligibility hearings, 32 claims approved, 17 ineligible). The eligibility hearing process took 26 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.

#### 2022 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 48 cases or 41.38% of the 103 Arbitrated and 13 Consent cases (116 cases in total) completed in 2022 where 1 or more technical inspections were completed. The technical inspection process took 65 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

2 St. Clair Avenue West, Ste 1800, Toronto, ON M4V 1L5

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

3438 78 Avenue NW, Edmonton, AB T6B 2X9

Tel: 1-800-207-0685 or Edmonton area: 780-439-9359 • Fax: 780-433-9024

#### **British Columbia & Yukon**

Better Business Bureau of Mainland BC

1190 Melville Street, Suite 500, Vancouver, BC V6E 3W1

Tel: 1-800-207-0685 or Vancouver area: 604-682-6280 ext.409 • 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**

330 Highway 7 East, Suite 305, Richmond Hill, ON L4B 3P8

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.

