NEW MVDA ANNIVERSARY BULLETIN

January 1st marks the first anniversary of the implementation of the new Motor Vehicle Dealers Act (MVDA), without a doubt the most comprehensive overhaul of legislation governing the automotive sector in decades.

The new MVDA was passed unanimously in the provincial legislature in December 2002 but the legislation simply sets out broad rules for regulating the sector. The regulations made under those broad rules are where you find the detailed requirements of the law.

Consumer Ministry staff spent the next seven years consulting with dealer trade associations, manufacturer associations, wholesale auctions, consumer groups and OMVIC about what those regulations should contain. All this effort culminated in the implementation of the new MVDA on January 1, 2010.

In the end, the most significant change to the way the motor vehicle sector – consumers, registrants, and OMVIC - does business can be summed up in a single word - disclosure: Disclosure in advertising with the requirement to include all additional fees in the advertised price, disclosure of more detailed information in applications for registration under the Act, and disclosure of detailed vehicle history information in the buying and selling of motor vehicles.

OMVIC staff, aided on many occasions by your trade associations, spent a significant amount of effort before and after implementation spreading the word about the requirements under the new Act: a new Certification Course was introduced in January 2009, 35 bulletins and eight Dealer Standards were dedicated to the new Act, 40 website pages were updated, 10 topic-specific videos were published on our website, and 56 presentations were delivered in 26 cities over a 15 month period.

OMVIC also invested heavily in consumer awareness campaigns so that consumers would learn of the benefits of dealing with registered dealers and the pitfalls of buying from a curbsider. OMVIC launched an aggressive “Buy with Confidence” campaign using billboards, bus shelters, radio spots, online advertising, newspapers, ethnic community seminars and creation of the Know Your Ride DVD targeting high school students.

In 2010, we expect our final tally of incoming phone inquiries from dealers, salespeople and consumers will top 200,000 which is about double previous years’ volumes – loud and clear evidence that the new Act is generating many inquiries from both industry insiders and their customers.

The new Act has undoubtedly changed the way we do business and has resulted in some growing pains for all of us as we get used to the new rules but more importantly,

the new Act is about building consumer confidence in an increasingly professional industry that stands behind the products it sells.

Many thanks to all stakeholder groups - industry and consumers – for their support and assistance in our first full year with the new rules, and many thanks to our registrants for their patience and cooperation.

Carl Compton
Executive Director and Registrar