

# DEALERSHIP STAFF MUST BE PRIORITIZED FOR VACCINATIONS

With COVID numbers reaching new heights and ICUs in danger of exceeding capacity, now is the time for as many people as possible to get jabbed with a vaccine ... any vaccine that is available. Problem is, there isn't yet enough to go around.

Dealer staff, whether salespeople, managers or repair technicians and advisors, who regularly come into close contact with each other and the general public, are as deserving, and as much in need of vaccine prioritization, as anyone else working in the retail sector.

With that in mind, the UCDA wrote the Minister of Health, the Premier and other ministers and senior staff in April, imploring the government to extend the essential employee list to include dealer staff in the list of workers prioritized to receive the vaccine.

The government has quite rightly given priority to essential workers who cannot work from home, such as people working in grocery stores, pharmacies, Service Ontario and government offices open to the public, restaurants and the LCBO. All are at higher risk because of their contact with the public. However, dealer employees are noticeably absent from this list.

Dealer staff are at risk at least as much as those listed above. Salespeople are in direct contact with the public every day they are working. Even with restrictions on test drives, there is still close contact within vehicles.

Service advisors too, deal face to face with the public. Technicians don't so much, but they are in contact with vehicles brought in by customers and which must be

sanitized before being worked on. The very sanitization process puts those doing the sanitizing at risk of being contaminated. Drivers transporting vehicles between dealers, repair shops and auctions are also at risk and deserve the same consideration for vaccination priority.

As essential workplaces, dealers have been permitted to stay open, with varying levels of restrictions throughout most of the pandemic. And for the most part, dealers have performed admirably throughout the crisis in protecting both staff and customers.

The government has recognized the necessity of the automotive sales and repair industry to the Ontario economy. The individuals working at dealerships have helped keep the industry afloat for the past year.

Further, they've enabled individuals and other companies to continue to have access to vehicles, both new and used, that are needed to safely and reliably transport people and goods during this pandemic. It's time that they be recognized for that and provided with the protection they need and deserve to protect themselves, their families, consumers and co-workers.

To read the UCDA's letter, click here <https://tinyurl.com/22kyzn4s>.

On April 13th, the provincial government announced that qualifying employers will soon be allowed to host on-site vaccination clinics under Phase Two of the province's vaccination plan. The UCDA will provide more details to Members as they become available.

## Covid-19 Measures

As COVID-19 marches on, with the light at the end of the tunnel still frustratingly distant, Members continue to ask about various measures put in place to ease the current difficult circumstances.

### Service Ontario

Members call to ask if the moratorium on requiring renewal of dealer plate stickers and the like is still in effect.

The answer is "Yes". Service Ontario wants to reduce in-person traffic at licence offices.

The Ontario government has extended expiry dates if you need to renew your licence plate sticker, driver's licence, health card, Ontario photo card or accessible parking permit.

The government is also waiving the requirement to update your driver's licence photo. Government identification and plate stickers will remain valid even with an expired date until further notice.

Police departments are not supposed to ticket anyone for having an expired sticker.

When you do get a new licence plate sticker for 2021, you will be required to pay for your 2020 sticker. Given this, many may choose to renew online to avoid a bigger financial hit later.

There are many government products and services that have expiry dates, so if there is something you're not sure about you can phone Service Ontario at 416-326-1234 or toll free at 1-800-267-8097. Be prepared, however for long wait times.

### Status Indians

As our members know the crucial piece of ID here is the "Certificate of Indian Status" card for Status Indians seeking tax exemptions on the purchase of a motor vehicle. In normal times, dealers would have to check to ensure the card was not expired. Obviously, these are not normal times. Indigenous Services Canada (ISC) has extended the validity date of status cards until further notice.

Dealers may accept status cards or Temporary Confirmation of Registration Documents (TCRDs), with identification, even if the renewal or expiry date has passed.

For all the rules surrounding such sales please visit:

<https://tinyurl.com/bj2twmu4>

<https://www.ucda.org/dealer-faqs/hst/>

and to see what the various cards look like:

<https://tinyurl.com/xa7tfypx>

## Consumer Protection Act, 2002

### Repairs

"In the real world!"

Its 7:30 a.m. and you arrive at the dealership to unlock the service bay doors and 3 vehicles are parked outside. Your regular customers know the routine ... leave your car on the lot, drop the keys through the slot, and we'll call you when we open.

Mr. Smith wants an oil change, Mrs. Baker is complaining of a "ping" sound in the rear of her vehicle and Mr. Johnson wants to price the installation of his new CD Player.

The *Consumer Protection Act, 2002*, whose Regulations came into effect on July 30, 2005, requires that consumers be given a written estimate for repairs, unless they decline that and authorize a specific amount that they will pay instead.

But how does this work in the real world, where vehicles are left for service overnight?

Even if your customer is not there at the counter, you can still communicate in writing using fax, e-mail or text, but even this is not always practical.

The answer is to keep excellent paperwork. Your intake form, whatever design it has, must include a portion for telephone authorization, which should include:

1. Whether the customer wants a written estimate and, if not, what price the customer will agree to pay for the repair.
2. When a diagnostic is required, the charge and how it is calculated;
3. The name of the person giving the authorization;
4. The date and time of the authorization;
5. The phone number of the person giving the authorization.

Clearly, in this example, Mr. Johnson wants a written estimate (and you can charge for that as long as you disclose the charge up front). If you go ahead with the install, any such fee would be waived.

Mr. Smith may very well opt not to have a written estimate for an oil change and could easily give authorization over the phone to proceed with that repair for a set price.

Finally, Mrs. Baker cannot have a written estimate (or opt to pay an agreed price) before you know what's wrong! Her "ping" complaint would need to first be diagnosed and again, you disclose the rate you charge for the time it takes to diagnose a problem. Once diagnosed, authorization could

be done over the phone, by fax, text, e-mail or in person, as with any other customer.

These rules are all set out on the sign you have posted (or should have posted) on your wall. For more about that, give us a call!

## Tied Selling Is Illegal ... And Unethical

We have received enough calls and complaints on the subject of tied selling lately to put out a reminder about marketing optional products with the sale of a vehicle and financing.

When we say optional products, we are referring to a grab bag of insurance-like products, such as life, disability, replacement value, GAP and other such things related to a consumer loan or lease financing of a motor vehicle, as well as extended warranty products and the like.

They are all, in one way or the other, types of 'insurance' against future risks. There is nothing wrong with these products in and of themselves. Indeed, they are often good and prudent choices for consumers buying used vehicles. Having said that, they are NOT mandatory and should not be presented as such.

There is no doubt these products are good profit leaders for dealers, and financial institutions also like them for the extra security they bring to the loan, especially in the case of near-prime or sub-prime consumers.

However, we are receiving many consumer complaints lately to the effect that dealer staff say if they do not agree to the product on offer they will lose the financing, lose the rate, lose the deal; or that the sale is not worth it for the dealer without the product. Remember, you have sold/leased the consumer a vehicle and the optional products you offer have no effect on that essential fact.

This practice, known as "tied-selling" is as illegal for the dealer to engage in as it is for the lender to do so. Avoid it at all costs.

It is not illegal to explain the very real benefits of these products to consumers, but there is a line between upselling and insisting (forcing, coercing, intimidating, bullying, choose your word) ... make sure you know where that line is and don't cross it.

If dealers are not careful and this continues to be a problem, some new regulation no one wants to see may be the end result.

## Dealer Quiz

1. What does CAMVAP stand for?
  - a) Central Automotive Manufacturer Vehicle Action Plan
  - b) Canadian Arbitration Measure for Vehicle Assessment Program
  - c) Canadian Motor Vehicle Arbitration Plan
  - d) Canadian Automobile Manufacturers Vehicle Arbitration Plan

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2. Why is CAMVAP mentioned on the front and back of every UCDA bill of sale?
  - a) It is free advertising
  - b) So dealers will be reminded to mention it to consumers
  - c) It fills space that would have been blank on the front and the back
  - d) It is required by Ontario law

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3. CAMVAP is the same as a Canadian Lemon Law True or False?
 

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4. Which of the following manufacturers do NOT participate in CAMVAP? (*Choose as many as may apply*)
  - a) FCA (Fiat Chrysler)
  - b) Toyota
  - c) Ford
  - d) General Motors
  - e) BMW

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5. CAMVAP applies to any vehicle sold
  - a) True
  - b) False

## LIEN SEARCHES

### Volume Discounts

Auto Check ... \$8.00 or less

Carfax Canada ... \$37.00 • Owner History ... \$16.00

[www.ucdasearches.com](http://www.ucdasearches.com) • 1-800-668-8265

## Vehicle Recalls

Most dealers know how useful the internet can be.

It's very important to know the status of any recalls that may affect a used vehicle. If importing a vehicle, it's absolutely essential that you have confirmation that there are no outstanding recalls on it.

Vehicle recalls can run from the mundane (i.e. windshield wiper motors) to the more serious (i.e. air bags) and involve defects detected by manufacturers who offer free correction in certain cases.

Recall information, based on the make, model and year of a vehicle, is available for Canada and the U.S. at:

Canadian Vehicle Recalls: <https://tinyurl.com/7w3j6w8w>.

US Vehicle Recalls: <https://tinyurl.com/4y9fyp5d>.

This may not tell you if a specific vehicle is still subject to any outstanding recalls, but it will tell you if the vehicle has ever had any recalls issued. You can call the manufacturer to confirm whether any listed recall on the VIN has been addressed.

### OMVIC

Dealers (and private sellers) can legally sell vehicles with outstanding recalls. It is therefore vital that consumers take steps to educate and protect themselves by searching for recalls and by ensuring they are registered with the vehicle manufacturer for receipt of future recall notices.

### UCDA

We recommend, when selling a vehicle with an outstanding recall, that Members make best efforts to have the recall performed prior to sale, but where this is not practical, for example in cases where a repair is not yet available, declare in writing on the bill of sale that 1. there is a recall 2. what it is for and 3. that the purchaser should register their purchase with the manufacturer of their vehicle to ensure they get notice of this and any future recalls in a timely fashion.

## But They Are Old Enough To Drive!

Lots of 17 year olds have dreams of vehicle ownership that only you can fulfill ... and they often seem to have pockets full of money!

Of course, the teenager has no thoughts of gas prices, insurance and ... oh yeah ... their parents.

In Ontario, it is perfectly legal to sell a minor a vehicle. A

minor is defined in the *Age of Majority and Accountability Act* as a person not yet having reached the age of 18 years. However, as the name of the Act implies, because the minor cannot be held legally "accountable" for the contracts they sign, if they decide not to complete the purchase, or come back the next day for a refund, you can't hold them to the legal obligations they have entered into.

That can get complicated ... but wait, there's more!

Don't forget about mom and dad - don't assume they will be thrilled when their little boy or girl rolls up in the driveway in their new ride. Aside from the lack of legal protection you enjoy on such a sale, no dealer wants or needs the fallout that can result when the whole family - mom, dad and (now) chastened teenager are having a full-fledged domestic dispute in your usually calm and professional office.

Always ensure that an adult, such as a parent or guardian, co-signs the bill of sale on the purchase of a vehicle by a minor to avoid legal entanglements ... and drama.

## Answers

1. **The answer is (c).**
2. **The answer is d).** The wording, font and location of the CAMVAP notice on contracts is all set out in the Regulations under the *Motor Vehicle Dealers Act, 2002*.
3. **The answer is False.** Lemon laws, such as exist in the United States are not the same thing as CAMVAP. Canada has no "lemon law".

CAMVAP is a voluntary alternative dispute resolution program where eligible disputes between automobile manufacturers and their customers can be resolved through arbitration. CAMVAP can order manufacturer buy-backs or repairs.

In the U.S., each State has its own "lemon law" that may apply to new and used vehicles in different ways. Generally, it is not voluntary, is court-based and the result of litigation can be manufacturer buy-back, repairs and/or monetary damages.

4. **The answer is (a) & (e).**
5. **The answer is False.** In order to qualify, the vehicle must be a certain age and have been driven less than a certain number of kilometers. Presently, that is the current or 4 previous model years and under 160,000 kms.