

Bill would deny monopoly to auto dealers' repair shops

Marc Brazeau

Here's something being overlooked amid all the talk of a restructuring plan for the automotive industry -- and it's a massive looming economic and consumer issue. There is a piece of legislation making the rounds, Bill C-273, the Right to Repair Bill. It's in its second reading and will be voted on on May 13. It protects Canadians' right to choose where they repair their vehicles while also preserving thousands of jobs.

It is rare that a private members' bill is so strongly embraced, but this issue crosses party lines. The automotive aftermarket employs 45 per cent of the automotive industry, for a total of more than 410,000. These workers and business owners are looking to Parliament to see if their segment of the industry has a future.

The Right to Repair Bill will ensure that consumers can choose where they get their vehicles serviced. The legislation will be debated in Parliament on May 11. Canadians should contact their Members of Parliament to ensure they back this bill.

What is a consumer's right to repair?

Today's vehicles are highly sophisticated machines with virtually every system controlled by computers. Car companies can withhold information, diagnostic tools, and software from independent repair facilities and retail repair chains making it impossible in many circumstances for these shops to complete repairs without sending the vehicle back to the dealer. Should this trend continue, car owners will face limitations on access to service and may experience increases in repair costs.

Bill C-273 seeks to amend the Canadian Environmental Protection Act and the Competition Act in order to gain access to vehicle service information, tools and training.

Dealers argue that they make investments in training and equipment that should give them exclusive rights to information distribution.

The aftermarket rebuttal to that argument is that car companies produce this information to fix something on a vehicle that is not working, so it is not research and development or a new product, it's R&D to fix a product that the consumer already owns. Therefore, the consumer has the right to access what's necessary to support their investment when they seek out repairs, regardless of where they go for those repairs.

Moreover, the aftermarket industry invests in equipment and training as well. So the question is why should new car dealers have the exclusive right to fix something that the consumer has already paid for?

Next, the dealers argue that the aftermarket is just trying to grab additional market share.

The rebuttal is there is at least \$2 billion in underperformed maintenance in the Canadian marketplace and the new car dealer network cannot service the existing fleet as it is. Vehicle dealer networks lack the capacity to service the over 19 million vehicles on the road. If the right to repair is not preserved, consumers may face cost increases and longer wait times for service. There is more than enough business for both sides of this debate to flourish. The automotive aftermarket is merely seeking to ensure it is not at a competitive disadvantage.

Why is this a consumer issue?

Vehicle manufacturers restricting access to the tools, training and diagnostic and repair software to independent installers and retail chains. This prevents them from repairing late model vehicles, effectively eliminating consumer choice as the car owner has no choice but to go to a dealer to service the car.

This reduces competition for service. As new car dealerships in Canada decline in number, consumers may incur increased drive times and longer wait times for appointments at them. This is particularly true in smaller markets.

Effective access to technical information is a key measure for improving the competitiveness of the automotive aftermarket. A sound regulatory framework for the industry must also take into account companies marketing vehicle replacement parts, servicing and repair.

The aftermarket wants to keep running businesses across the country. Business should thrive or fail based on quality of service and consumer demand. Technicians in the aftermarket should be given access to the tools of their trade.

Canadians need to research the issue and make themselves heard in the debate for the right to repair.

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