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Private member's bill proposes to open auto-service sector

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A battle is brewing in the automotive sector over a private member's bill designed to protect hundreds of thousands of jobs in the automotive aftermarket and guarantee consumers the right to choose where to have their vehicles serviced.

Supported by the Automotive Industries Association of Canada -- and opposed by automakers and their dealers -- the bill sponsored by Brian Masse, a New Democratic MP from Windsor, is in its second reading and is expected to be debated in the House of Commons on May 11.

With today's vehicles becoming more and more sophisticated and automakers and dealers becoming more protective of their diagnostic tools, repair manuals and software, consumers are often left with no choice but to return to their originating dealer for service.

Masse's bill seeks to amend the Canadian Environmental Protection Act and the Competition Act to guarantee independent automotive service shops have access to vehicle service information, tools and training.

"If this information is not made available, the negative impact on the aftermarket segment of the automotive industry in terms of the economy and jobs will be significant," said Masse. "Given the current climate, collaboration from all parties on this bill is simply responsible governance."

Masse said a similar system is in place in the U.S., which gives consumers a choice and "you shouldn't have one system in place in the U.S. and another in Canada. It can't be justified."

Compounding the problem for consumers is that a declaration of bankruptcy from either General Motors Corp. or Chrysler LLC could have a massive effect on their respective dealer networks throughout Canada and the U.S.

Those who oppose the bill say that a lack of training, technology, experience and infrastructure in the aftermarket sector, and the possibility of stolen technology, make the bill impractical. Automakers also say they should be able to determine how and to whom they distribute their parts, and that consumers have a closer relationship to their dealers than to other auto-service providers.

Michael Hatch, a senior economist for the Canadian Automobile Dealers Association, said his group is actively lobbying against the bill.

"We believe automakers and dealers should be able to decide voluntarily what information to make available," said Hatch. "Much of it is already available on websites and through subscriptions. In fact, about 90 per cent is available already to the aftermarket sector.

"We don't think it's fair or practical to force automakers to divulge intellectual property that cost them billions of dollars to develop," said Hatch. "In addition, we've had no complaints from consumers about dealership repairs."

Masse said that he'd heard from opposition groups and added there will be time to work out any problems before the bill becomes law.

Masse said the bill has received considerable support from consumer groups and also from across party lines.

Supporters of the bill point out it would have no impact on warranty work, which would still be carried out in dealer service shops.

But other service work would be completed at a service shop of the consumer's choice, providing the diagnostic tools and information necessary to carry out the repairs are made available.

According to a survey conducted by the Automotive Aftermarket Industry Association, "vehicle repairs cost an average of 34 per cent more at new car dealerships than at independent repair shops."

"The automotive aftermarket employs 45 per cent of the entire automotive industry," said Marc Brazeau, president of Automotive Industries Association of Canada. "Over the next few weeks, Canadian workers and business owners will be looking to Parliament to see if their segment of the industry has a future."