

Excerpt of email to Go Public from the Alberta Motor Vehicle Industry Council (AMVIC)

AMVIC expects all licensees to comply with Alberta's consumer protection laws. However, if a breach of the legislation occurs, AMVIC follows a progressive enforcement model which can include a findings letter, conditions added to a licence, violation tickets, charges and an administrative review. Administrative review outcomes can include licence conditions, an Administrative Penalty, a Director's Order or an Undertaking.

When determining an appropriate enforcement measure, AMVIC will consider several factors including:

- the goals of enforcement and the individual circumstances
- the seriousness of the contravention
- whether the contravention was repeated, systemic, or a one-time occurrence
- whether there have been any similar compliance issues in the past
- the willingness of the licensee to make changes to address the contravention and the steps the licensee has voluntarily taken
- whether there are any unresolved consumer complaints specific to the investigation
- what is in the public interest
- parameters set in Section 2 of the Administrative Penalties (Consumer Protection Act) Regulation

The overall goal of applying an enforcement measure is to:

- change the behaviour of the non-compliant person
- eliminate any financial gain or benefit due to the non-compliance
- be responsive to and appropriate for the particular facts of the non-compliance
- be proportionate to the nature of the non-compliance and any harm caused
- encourage future compliance by the person and within the industry as a whole
- reduce the risk of further harm

An **Undertaking** is a negotiated agreement. The Director of Fair Trading (as delegated) can offer an Undertaking to a business or individual that has breached Alberta's Consumer Protection Act or associated regulations.

An Undertaking may require the business or individual to:

- Stop or change a practice described in the Undertaking.
- Provide compensation to anyone who has suffered a loss.
- Pay the costs of investigating the activities.

Part of an Undertaking is that the automotive business **admits to failing to comply** with the applicable legislation and **commits to stopping the practice**. In the two Undertakings that directly mention all-in pricing from this fiscal year, the automotive businesses were required to

pay a combined \$3,976.44 back to the consumers and \$1,500 combined to AMVIC for a portion of the cost of investigations. Licence cancellations are not part of Undertakings. As this is progressive enforcement, if the Undertaking is breached, the Director of Fair Trading (as delegated) can take further enforcement action. With regards to the Consumer Protection Act, Section 157.1(1), we maintain a public record of various enforcement actions that consumers and industry members can review before making purchase decisions.

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