

Legislative
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of Ontario



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STANDING COMMITTEE ON PUBLIC ACCOUNTS

VALUE-FOR-MONEY AUDIT: ONTARIO MOTOR VEHICLE INDUSTRY COUNCIL

(2021 ANNUAL REPORT OF THE OFFICE OF THE AUDITOR GENERAL OF
ONTARIO)

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The Honourable Ted Arnott, MPP
Speaker of the Legislative Assembly

Sir,

Your Standing Committee on Public Accounts has the honour to present its Report and commends it to the House.

A handwritten signature in black ink that reads "Tom Rakocevic".

Tom Rakocevic, MPP
Chair of the Committee

Queen's Park
February 2023

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1st Session, 43rd Parliament

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INTRODUCTION

On April 6, 2022, the Standing Committee on Public Accounts held public hearings on the value-for-money audit of the Ontario Motor Vehicle Industry Council (*2021 Annual Report* of the Auditor General of Ontario), overseen by the Ministry of Government and Consumer Services (now the Ministry of Public and Business Service Delivery).

The Committee endorses the Auditor's findings and recommendations, and presents its own findings, views, and recommendations in this report. The Committee requests that the Ministry provide the Clerk of the Committee with written responses to the recommendations within 120 calendar days of the tabling of this report with the Speaker of the Legislative Assembly, unless otherwise specified.

ACKNOWLEDGEMENTS

The Committee extends its appreciation to officials from the Ministry of Public and Business Service Delivery, and to representatives of the Ontario Motor Vehicle Industry Council. The Committee also acknowledges the assistance provided during the hearings and report-writing deliberations by the Office of the Auditor General, the Clerk of the Committee, and Legislative Research.

BACKGROUND

The Ontario Motor Vehicle Industry Council (OMVIC) is a not-for-profit administrative authority which administers and enforces the *Motor Vehicle Dealers Act, 2002* (Act), and also upholds relevant sections of the *Consumer Protection Act, 2002*.

OMVIC's mandate is to maintain a fair and informed marketplace by protecting the rights of consumers, enhancing industry professionalism, and ensuring fair, honest and open competition for registered motor vehicle dealers. The Ministry of Public and Business Service Delivery (Ministry) is responsible for overseeing OMVIC and monitoring its performance to ensure OMVIC is meeting its mandate.

Under the *Motor Vehicle Dealers Act, 2002*, every Ontario motor vehicle dealer of new and used vehicles as well as every salesperson they employ must be registered by OMVIC.

OMVIC is responsible for

- registering motor vehicle dealers and salespersons;
- inspecting motor vehicle dealers, investigating motor vehicle dealers and salespersons, and taking enforcement action against those that have breached legislative requirements;
- improving awareness of consumer rights and available protections when purchasing a vehicle in Ontario;

- acting as a mediator to resolve disputes between a registered motor vehicle dealer and a consumer; and
- supporting the administration of the Compensation Fund to which consumers can make claims when they have suffered financial losses related to a motor vehicle transaction with a registered motor vehicle dealer.

In 2020, there were 8,195 motor vehicle dealers and 29,537 salespersons registered with OMVIC. Motor vehicle dealers reported approximately 1.3 million vehicle transactions to OMVIC, and OMVIC collected a total of \$21.3 million in revenue.

2021 AUDIT OBJECTIVE AND SCOPE

The objective of the audit was to assess whether OMVIC has effective and efficient processes in place to

- administer the *Motor Vehicle Dealers Act, 2002* to serve and protect the public when engaging with a motor vehicle dealer in the vehicle trade, including with respect to the purchase, sale, lease or exchange of a motor vehicle; and
- register and regulate motor vehicle dealers and salespersons to ensure that they conduct business with honesty and integrity, in a financially responsible manner, and in accordance with the requirements of the *Motor Vehicle Dealers Act, 2002*.

The audit also assessed whether the Ministry has oversight processes in place to ensure that OMVIC effectively administers the Act and registers and regulates motor vehicle dealers and salespersons. The audit was conducted between December 2020 and September 2021.

MAIN POINTS OF 2021 AUDIT

The audit reached the following conclusions:

- OMVIC did not have processes to consistently administer the *Motor Vehicle Dealers Act, 2002* effectively in order to protect the public in their transactions with motor vehicle dealers and salespersons.
- OMVIC did not always effectively regulate motor vehicle dealers and salespersons to ensure that they conduct business in a financially responsible manner.
- The Ministry has not sufficiently overseen OMVIC to confirm that OMVIC fulfils its mandate effectively.
- The Ministry did not collect sufficient information to monitor and assess OMVIC's performance, and measurable targets had not been established for many of the indicators used to monitor its performance until 2020.

- The performance indicators and targets established in 2020 do not monitor performance in several key areas where the audit identified operational issues, including inspection, registration, consumer complaint handling, the Compensation Fund, and educating and informing consumers about their rights and protections.

ISSUES RAISED IN THE AUDIT AND BEFORE THE COMMITTEE

The Committee heard that the Ministry recognizes the need to strengthen its oversight of OMVIC, particularly as it relates to governance, the efficiency of OMVIC's operations, and the efficacy of its consumer awareness campaigns. Ministry representatives described their collaboration with OMVIC to carefully review all the Auditor's recommendations and develop action plans for implementation.

The Ministry's steps toward governance changes in the administrative authority sector include the *Rebuilding Consumer Confidence Act, 2020* which amended several statutes governing administrative authorities to strengthen oversight, governance, and transparency requirements. The Ministry said it is committed to updating the administrative agreement between the Minister and OMVIC with the goal of enhancing performance measures and strengthening accountability and transparency requirements.

Representatives of OMVIC explained that it is in the midst of an organizational transformation and has submitted an internal action plan to the Minister. The plan has also been posted on the organization's public website, where it will be updated quarterly. OMVIC representatives explained that the organization's strategic plan has four pillars: consumer protection, registrant professionalism, stakeholder engagement, and organizational efficiency.

The Ministry has developed an implementation plan for the Auditor's recommendations directed at the Ministry, and is developing proposals for the government's consideration in 2023, including legislative and regulatory proposals where needed. This will require conducting research and consultation with OMVIC, the sector, and the public.

Registration of Motor Vehicle Dealers

The Auditor reported that in 85% of the applications reviewed for the audit, OMVIC did not fully assess whether applicants for motor vehicle dealer registration had sufficient funding to open and operate their dealership. The Committee heard that in response to the Auditor's recommendations, OMVIC will review the application process and develop guidelines to determine whether new dealers have sufficient funds to operate their business. New dealers will also be required to provide a business plan.

The Auditor also reported that from 2016 to 2020, OMVIC paid out approximately \$2.4 million in claims from its Compensation Fund as a result of 60 motor vehicle dealers breaching their obligations under legislation and causing financial losses for consumers. OMVIC recovered only about \$520,000 from some of those dealers.

The Committee asked what re-certifications and ongoing education are provided to motor vehicle dealers. OMVIC representatives explained that there are two types of education programs. One program, running since September 2021, is to bring motor vehicle dealers (who were registered before there was a requirement for the level of certification used currently) up to date. The other type of program is continuous professional development. The Ministry said it will conduct research, and engage in consultation with OMVIC, the sector and the public; and develop a proposal for the government's consideration related to mandatory continuing education requirements for motor vehicle dealers and salespersons.

Committee Recommendations

The Standing Committee on Public Accounts recommends that:

- 1. The Ontario Motor Vehicle Industry Council should**
 - (a) require a letter of credit from each motor vehicle dealer at the time of registration; upon the request of the Council a dealer must provide an updated letter of credit; these letters of credit must be held by the Council past the closure of the dealerships; and**
 - (b) ensure staffing levels are sufficient to manage an increased workload.**
- 2. The Ministry of Public and Business Service Delivery should work with the Ontario Motor Vehicle Industry Council to implement mandatory continuing education requirements for motor vehicle dealers and salespersons to ensure that they are up to date on relevant legislative and regulatory changes.**

Inspections of Motor Vehicle Dealers

The Committee asked OMVIC about its response to the Auditor's finding that OMVIC was not meeting its inspection targets. Specifically, OMVIC had not inspected 40% of motor vehicle dealers within its own target of three years, and follow-up inspections are performed infrequently. The Committee heard that OMVIC embarked on a refresh of its risk-based inspection process in 2021 with the aim of focusing on the highest risk to consumers and ensuring an appropriate allocation of resources.

The Committee also asked about how OMVIC responds when an investigator reveals that there are infractions regarding the condition of motor vehicles that could pose a significant safety concern. OMVIC agreed that these disclosures on the part of motor vehicle dealers are critical for consumer confidence and must be declared.

OMVIC representatives told the Committee that in 2020 and 2021, OMVIC began testing an in-house “mystery shopping” program (the program monitors compliance with all-in-price advertising and disclosure requirements set out in legislation) and found that it was more effective than using third-party consumer groups.

Committee Recommendations

The Standing Committee on Public Accounts recommends that:

3. The Ontario Motor Vehicle Industry Council should

- (a) develop a risk framework and assign an inspection frequency to each level of risk;**
- (b) determine and assign a risk level and inspection frequency to each motor vehicle dealer;**
- (c) put in place systems to ensure that each dealer is scheduled for and receives an inspection based on its assigned risk level;**
- (d) assess the workload of inspectors and ensure that it has sufficient staff to carry out and complete annually assigned inspections on a timely basis;**
- (e) implement a process to regularly review inspections completed by its inspectors to ensure they are performed consistently;**
- (f) ensure that motor vehicle dealers disclose infractions regarding the condition of motor vehicles that could pose a significant safety concern; and**
- (g) use an in-house “mystery shopping” program to monitor compliance with all-in-price advertising and disclosure requirements set out in legislation; and ensure consistent responses to compliance issue discoveries.**

Lengthy Investigations and Little Enforcement

The Auditor reported that there is no process to monitor whether investigators complete investigations on a timely basis or take appropriate action based on the results of their investigations. In addition, there are no established benchmarks or guidelines for the timelines of different types of investigations or for the proportion of investigations that may require enforcement.

The audit found that OMVIC did not take any enforcement action against dealers in 67% of investigations completed between 2016 and 2020. As well, OMVIC investigators are not provided with guidance on when they should refer cases to OMVIC’s Discipline Committee. Cases are rarely referred, even though such enforcement action would be much quicker and less costly than laying charges and pursuing the case in the provincial court system.

The Committee asked what steps OMVIC is taking in response to the Auditor's finding that OMVIC's investigations are overly lengthy and infrequently result in resolution where the consumer is receiving the compensation that they should receive. Representatives of OMVIC explained that steps underway include taking a fulsome look at their processes; hiring more inspectors and investigators; and reconstructing their entire enforcement division, including inspections, investigations, and dealer support.

Committee Recommendations

The Standing Committee on Public Accounts recommends that:

- 4. The Ontario Motor Vehicle Industry Council (OMVIC) should**
 - (a) establish benchmarks or guidelines for enforcement action and the timely completion of investigations;**
 - (b) implement a process for monitoring whether investigators complete investigations on a timely basis and take appropriate action based on the results of their investigations; and**
 - (c) develop guidelines for when OMVIC investigators should refer cases to the OMVIC Discipline Committee.**

Dispute Resolution Process and Compensation Fund

OMVIC's regulatory responsibility includes investigating and laying charges against unregistered motor vehicle dealers that are operating illegally. However, consumers who purchase a vehicle from such an illegal dealer and suffer a financial loss are not eligible under the *Motor Vehicle Dealers Act, 2002* and its regulations to make a claim to the Compensation Fund. The Auditor notes that under the Act, OMVIC cannot legally compel a motor vehicle dealer to compensate a consumer, even in cases where OMVIC determines that the dealer has breached the law.

The Committee asked the Ministry whether legislation is being considered to protect consumers making purchases from unlicensed motor vehicle dealers. The Ministry explained that it is committed to working with OMVIC to consult on potential regulatory and legislative changes and to bring recommendations to government in 2023.

Questions were raised about how OMVIC intends to change the Compensation Fund criteria so that more consumers have access to it. OMVIC representatives explained that although OMVIC has a surplus, there is no legislation or ability for the organization to transfer any of that surplus to the Compensation Fund. Representatives of OMVIC explained that they have begun the process of assessing what changes might be made to the criteria for accessing the Compensation Fund.

Committee Recommendations

The Standing Committee on Public Accounts recommends that:

5. **The Ministry of Public and Business Service Delivery should work with the Ontario Motor Vehicle Industry Council to**
 - (a) **reassess the current limitations of legislation that prevents OMVIC from compelling motor vehicle dealers to provide restitution to consumers when they have breached the law; and identify what regulatory and legislative changes are necessary to address these limitations; and**
 - (b) **allow consumers who make purchases from motor vehicle dealers acting illegally to be indemnified for a claim to the Compensation Fund where OMVIC's own investigation confirms that such consumers were intentionally misled by a motor vehicle dealer; and that the Council utilize its resources and authority to recover sums from such motor vehicle dealers paid out to consumers from the Compensation Fund.**

6. **The Ontario Motor Vehicle Industry Council should**
 - (a) **establish a clear framework with criteria to be used in determining when a complaint against a motor vehicle dealer should be referred for enforcement action;**
 - (b) **ensure that all complaint-handling staff apply the framework and criteria consistently to all complaints received and mediated by OMVIC and that staff are resourced to fulfil and execute all their responsibilities and effectively resolve complaints;**
 - (c) **review consumer complaints that were not eligible for a claim against the Compensation Fund in order to develop additional eligibility criteria for accessing the Compensation Fund and thereby increase consumer protection; and**
 - (d) **propose to the Ministry of Public and Business Service Delivery to include in legislation additional criteria for eligibility for compensation, and to also allow the Compensation Fund's Board of Trustees to use their discretion to compensate consumers for claims involving the violation of applicable legislation that do not fit into a specific eligibility criterion.**

Consumer Awareness and Protection

The Auditor found that the majority of Ontarians surveyed by OMVIC are unaware of OMVIC and its role. In addition, OMVIC "did not have processes to consistently administer the *Motor Vehicle Dealers Act, 2002* effectively, in order

to protect the public in their transactions with motor vehicle dealers and salespersons.”

The Committee asked what is being done to increase consumer awareness of the existence of OMVIC and the consumer protections and assistance it provides. They heard that OMVIC launched a consumer awareness campaign in September 2021 and followed up with a consumer awareness survey which found that awareness of OMVIC had risen considerably.

The audit reported that some motor vehicle dealers continue to charge consumers more than the price advertised for a vehicle, even though the Act was amended to prohibit this practice more than a decade ago. Consumer awareness of the all-in-price advertising requirement continues to be low, possibly contributing to non-compliance by motor vehicle dealers.

Further, the audit found that consumers may not always get the lowest interest rate available when financing is arranged by dealers, because the dealers are not required to show consumers all the financing offers they receive from lenders.

The Auditor reported that Ontarians do not have a cooling-off period when they purchase or lease a vehicle from a registered motor vehicle dealer (a cooling-off period is an amount of time following a purchase or lease when a purchaser is allowed to cancel the contract for any reason and receive a refund).

Committee Recommendations

The Standing Committee on Public Accounts recommends that:

7. The Ontario Motor Vehicle Industry Council should

- (a) takes steps to increase public awareness of its role as well as the rules regarding all-in-price advertising;**
- (b) take progressive enforcement action against motor vehicle dealers that charge consumers more than the price advertised; and**
- (c) propose regulatory changes to the Ministry of Public and Business Service Delivery that would require motor vehicle dealers to disclose to consumers all the financing options the dealer has received in response to a consumer’s credit application.**

OMVIC Operations

The Auditor reported that OMVIC has been accumulating large surpluses from its vehicle transaction fees rather than using increased vehicle transaction fees to enhance consumer protection. Motor vehicle dealers self-report the number of their vehicle transactions to OMVIC (which uses this number to determine the amount of transaction fees owed by each registered motor vehicle dealer to renew their registration), but OMVIC does not verify the accuracy of all reported vehicle transactions. As the number of vehicle transactions reported by motor

vehicle dealers each year is not always accurate, this results in motor vehicle dealers paying less and OMVIC collecting fewer fees than required.

The Committee noted the Auditor's finding that OMVIC's surpluses and reserves increased by 275% between 2015 and 2020. However, OMVIC does not have the legal authority under the Act to use surplus funds as needed to fund the Compensation Fund.

The Committee asked what steps are being taken to respond to the Auditor's recommendation that motor vehicle dealers be required to report large cash transactions to the Financial Transactions and Reports Analysis Centre of Canada (FINTRAC, a federal agency that monitors money laundering).

A Ministry official explained that work is actively underway regarding options for including motor vehicle dealers as one of the sectors that would be required to report transactions over a certain threshold. The Ministry is also working with OMVIC and the Ministry of Transportation to facilitate potential information sharing to determine underreported revenue amounts.

Committee Recommendations

The Standing Committee on Public Accounts recommends that:

8. The Ontario Motor Vehicle Industry Council should

- (a) in coordination with the Compensation Fund's Board of Trustees, work with the Ministry of Public and Business Service Delivery to propose legislative changes to allow the Ontario Motor Vehicle Industry Council to transfer surplus funds to its Compensation Fund;**
- (b) collaborate with the Ministry of Transportation to ensure that the number of vehicle transactions reported by motor vehicle dealers is accurate; and**
- (c) together with the Ministry of Public and Business Service Delivery work with their counterparts in the federal government to introduce a requirement for motor vehicle dealers to report large cash transactions to the Financial Transactions and Reports Analysis Centre of Canada.**

Public Reporting

The Auditor found that the Ontario Motor Vehicle Industry Council incorrectly reported that 41% of consumers did not know what a 'curbsider' is (an illegal motor vehicle dealer posing as a private seller). The actual figure based on OMVIC's surveys was 65%. The audit also reported that OMVIC overstated the number of inspections completed between 2016 and 2020 by 25%. As well, the Auditor noted that the average time to process and approve all new motor vehicle dealer applications was 120 days in 2019, more than five times longer than OMVIC publicly reported.

The Committee asked what steps OMVIC is taking to improve the accuracy of public reporting. Representatives of OMVIC explained that they are following the Auditor's recommendations in this regard, including making the entire consumer awareness survey publicly available and highlighting areas for improvement.

Committee Recommendations

The Standing Committee on Public Accounts recommends that:

- 9. The Ontario Motor Vehicle Industry Council should annually report on**
 - (a) the full results of its consumer surveys (highlighting areas where the surveys indicate improvements are needed);**
 - (b) completed inspections and site visits (separately); and**
 - (c) time spent reviewing registration applications (including staff time to follow up on missing information).**

Governance

The Auditor reported that OMVIC's Board "is heavily represented by motor vehicle dealers even though OMVIC is a consumer protection agency." Also, OMVIC did not have term limits for its Board members: some Board members had served on the Board for 14 years or more. The audit noted that OMVIC's Board interfered with the independence of the Compensation Fund's Board by inserting three of its own members onto the Compensation Fund Board.

Ministry officials explained that the *Rebuilding Consumer Confidence Act, 2020* amended several statutes governing administrative authorities to strengthen oversight, governance, and transparency requirements. The Ministry is committed to working with OMVIC to update the administrative agreement between the Minister and OMVIC, with the goal of enhancing performance measures and strengthening accountability and transparency requirements.

Committee Recommendations

The Standing Committee on Public Accounts recommends that:

- 10. The Ontario Motor Vehicle Industry Council should work with the Ministry of Public and Business Service Delivery to**
 - (a) take steps to diversify the composition of its Board and/or increase representation for individuals with experience in consumer protection; and**
 - (b) implement fixed term limits for its Board members in keeping with best practices for similar organizations.**
- 11. The Ministry of Public and Business Service Delivery should strengthen the independence of the Compensation Fund Board by**

- (a) amending the regulation to disallow the Ontario Motor Vehicle Industry Board from appointing its own Board members to the Compensation Fund's Board of Trustees; and
- (b) clarifying the roles and responsibilities for the Compensation Fund's Board of Trustees in the administrative agreement with OMVIC to reflect the Compensation Fund's independent authority.

Ministry Oversight

The Auditor reported that despite receiving several significant complaints about Board governance at OMVIC, the Ministry has never initiated any reviews to address those concerns. The Auditor found that the Ministry did not collect sufficient performance information from OMVIC to be able to monitor whether OMVIC is effectively meeting its mandate to protect consumers and to regulate motor vehicle dealers and salespersons.

The Committee asked about the performance targets in place to assess OMVIC's performance as an administrative authority. Ministry officials explained that OMVIC tracks and posts four key performance measures on its website, and in 2020, the Ministry implemented an in-depth scorecard with about 30 additional performance measures that OMVIC reports to the Ministry on a quarterly basis.

The Committee asked for examples of legislative changes to strengthen the Ministry's oversight of OMVIC's work. Ministry officials explained that the *Rebuilding Consumer Confidence Act, 2020* was designed to enhance the Ministry's oversight role, including enabling the Ministry to appoint a chair to an administrative authority (a new chair was appointed to OMVIC last year). In addition, the Ministry has worked to strengthen the existing oversight model by ensuring that they have regular interaction at all levels of the organization.

Committee Recommendation

The Standing Committee on Public Accounts recommends that:

- 12. The Ministry of Public and Business Service Delivery should revise the performance indicators it uses to monitor the Ontario Motor Vehicle Industry Council's performance to include indicators that more closely monitor OMVIC's operations, including in the areas of inspection, registration, consumer complaint handling, the Compensation Fund, and educating and informing consumers about their rights and protections in purchasing a car.**

CONSOLIDATED LIST OF COMMITTEE RECOMMENDATIONS

The Standing Committee on Public Accounts recommends that:

- 1. The Ontario Motor Vehicle Industry Council should**
 - (a) require a letter of credit from each motor vehicle dealer at the time of registration; upon the request of the Council a dealer must provide an updated letter of credit; these letters of credit must be held by the Council past the closure of the dealerships; and**
 - (b) ensure staffing levels are sufficient to manage an increased workload.**

- 2. The Ministry of Public and Business Service Delivery should work with the Ontario Motor Vehicle Industry Council to implement mandatory continuing education requirements for motor vehicle dealers and salespersons to ensure that they are up to date on relevant legislative and regulatory changes.**

- 3. The Ontario Motor Vehicle Industry Council should**
 - (a) develop a risk framework and assign an inspection frequency to each level of risk;**
 - (b) determine and assign a risk level and inspection frequency to each motor vehicle dealer;**
 - (c) put in place systems to ensure that each dealer is scheduled for and receives an inspection based on its assigned risk level;**
 - (d) assess the workload of inspectors and ensure that it has sufficient staff to carry out and complete annually assigned inspections on a timely basis;**
 - (e) implement a process to regularly review inspections completed by its inspectors to ensure they are performed consistently;**
 - (f) ensure that motor vehicle dealers disclose infractions regarding the condition of motor vehicles that could pose a significant safety concern; and**
 - (g) use an in-house “mystery shopping” program to monitor compliance with all-in-price advertising and disclosure requirements set out in legislation; and ensure consistent responses to compliance issue discoveries.**

-
- 4. The Ontario Motor Vehicle Industry Council (OMVIC) should**
 - (a) establish benchmarks or guidelines for enforcement action and the timely completion of investigations;**
 - (b) implement a process for monitoring whether investigators complete investigations on a timely basis and take appropriate action based on the results of their investigations; and**
 - (c) develop guidelines for when OMVIC investigators should refer cases to the OMVIC Discipline Committee.**

 - 5. The Ministry of Public and Business Service Delivery should work with the Ontario Motor Vehicle Industry Council to**
 - (a) reassess the current limitations of legislation that prevents OMVIC from compelling motor vehicle dealers to provide restitution to consumers when they have breached the law; and identify what regulatory and legislative changes are necessary to address these limitations; and**
 - (b) allow consumers who make purchases from motor vehicle dealers acting illegally to be indemnified for a claim to the Compensation Fund where OMVIC's own investigation confirms that such consumers were intentionally misled by a motor vehicle dealer; and that the Council utilize its resources and authority to recover sums from such motor vehicle dealers paid out to consumers from the Compensation Fund.**

 - 6. The Ontario Motor Vehicle Industry Council should**
 - (a) establish a clear framework with criteria to be used in determining when a complaint against a motor vehicle dealer should be referred for enforcement action;**
 - (b) ensure that all complaint-handling staff apply the framework and criteria consistently to all complaints received and mediated by OMVIC and that staff are resourced to fulfil and execute all their responsibilities and effectively resolve complaints;**
 - (c) review consumer complaints that were not eligible for a claim against the Compensation Fund in order to develop additional eligibility criteria for accessing the Compensation Fund and thereby increase consumer protection; and**
 - (d) propose to the Ministry of Public and Business Service Delivery to include in legislation additional criteria for eligibility for compensation, and to also allow the Compensation Fund's Board of Trustees to use their**

discretion to compensate consumers for claims involving the violation of applicable legislation that do not fit into a specific eligibility criterion.

7. The Ontario Motor Vehicle Industry Council should

- (a) takes steps to increase public awareness of its role as well as the rules regarding all-in-price advertising;**
- (b) take progressive enforcement action against motor vehicle dealers that charge consumers more than the price advertised; and**
- (c) propose regulatory changes to the Ministry of Public and Business Service Delivery that would require motor vehicle dealers to disclose to consumers all the financing options the dealer has received in response to a consumer's credit application.**

8. The Ontario Motor Vehicle Industry Council should

- (a) in coordination with the Compensation Fund's Board of Trustees, work with the Ministry of Public and Business Service Delivery to propose legislative changes to allow the Ontario Motor Vehicle Industry Council to transfer surplus funds to its Compensation Fund;**
- (b) collaborate with the Ministry of Transportation to ensure that the number of vehicle transactions reported by motor vehicle dealers is accurate; and**
- (c) together with the Ministry of Public and Business Service Delivery work with their counterparts in the federal government to introduce a requirement for motor vehicle dealers to report large cash transactions to the Financial Transactions and Reports Analysis Centre of Canada.**

9. The Ontario Motor Vehicle Industry Council should annually report on

- (a) the full results of its consumer surveys (highlighting areas where the surveys indicate improvements are needed);**
- (b) completed inspections and site visits (separately); and**
- (c) time spent reviewing registration applications (including staff time to follow up on missing information).**

- 10. The Ontario Motor Vehicle Industry Council should work with the Ministry of Public and Business Service Delivery to**
- (a) take steps to diversify the composition of its Board and/or increase representation for individuals with experience in consumer protection; and**
 - (b) implement fixed term limits for its Board members in keeping with best practices for similar organizations.**
- 11. The Ministry of Public and Business Service Delivery should strengthen the independence of the Compensation Fund Board by**
- (a) amending the regulation to disallow the Ontario Motor Vehicle Industry Board from appointing its own Board members to the Compensation Fund's Board of Trustees; and**
 - (b) clarifying the roles and responsibilities for the Compensation Fund's Board of Trustees in the administrative agreement with OMVIC to reflect the Compensation Fund's independent authority.**
- 12. The Ministry of Public and Business Service Delivery should revise the performance indicators it uses to monitor the Ontario Motor Vehicle Industry Council's performance to include indicators that more closely monitor OMVIC's operations, including in the areas of inspection, registration, consumer complaint handling, the Compensation Fund, and educating and informing consumers about their rights and protections in purchasing a car.**