



Bulletin

Motor Vehicle Sales Authority of British Columbia

ISSUE #3

March 6, 2013

All-in Pricing Expands Throughout Canada

Manitoba has recently required motor dealers to specifically advertise *all-in prices* on vehicles. Manitoba joins Alberta, Ontario and Quebec in clearly and specifically making this requirement. This follows a trend being pushed by the federal Competition Bureau that prices in ads have to reflect the total price a consumer must pay. They have been issuing large fines for hiding additional fees in the fine print.

While *all-in pricing* is not a phrase used in the motor vehicle industry in British Columbia, the concept is part of BC legislation, but is known as *total price*.

Total price is the full amount that the consumer has to pay to purchase the vehicle. *The Business Practices and Consumer Protection Act (BPCPA)* states that *total price* includes all documentation fees, inspection fees, or any other fees and transportation charges. PST, GST and other taxes are not included.

Consumers must not be surprised with any additional mandatory fees at the last moment. Additionally, consumers are not to be misled to believe that these fees are required by law. If they are, it would be considered a deceptive act under the *BPCPA*.

When a dealer chooses to add an administration or documentation fee, it needs to be clear that they are the dealers' fees. They must not be described as government or VSA fees and the consumer needs to be aware of them before negotiating the price for the vehicle.

Counterfeit Air Bags Imported to BC

The US Department of Transportation's National Highway Traffic Safety Administration (NHTSA) confirmed that counterfeit air bags sold for use as replacement parts have been shipped into British Columbia from overseas. Reports have now surfaced that these air bags are being sold to dealerships and repair shops in the lower mainland.

Although they look identical to the certified, original air bags, the counterfeit air bags pose numerous risks. Some of them can malfunction upon deployment, while others may contain metal shrapnel that will injure when deployed. Fortunately, the VSA and other agencies are getting reports of vehicles with suspect airbags and those reports will be investigated. The VSA welcomes these tips, even if they are anonymous.



PST Notices Available Online

With the return of the PST less than a month away, new rules and regulations have been set out regarding vehicle sales. The BC Ministry of Finance has issued several notices regarding the upcoming changes.

Information on how the PST applies to vehicles as of April 1, 2013 is outlined in the following notice:

http://www.sbr.gov.bc.ca/documents_library/notices/notice_2013-002.pdf

Information on exemptions and refunds from PST on vehicles acquired in BC, or vehicles that have been brought, sent, or delivered into BC are available in this notice: http://www.sbr.gov.bc.ca/documents_library/notices/notice_2013-004.pdf

Please note that some of the rules and requirements outlined in the above notices may be subject to change; check the above websites frequently.