



NATA's Position on Private Member's Bill C-273 ("Right to Repair")

The "Right to Repair" campaign - the quest for a government-legislated solution to OEM technical information access problems – appears to have reached a watershed. A private member's bill, first introduced in 2007 by NDP MP for Windsor, Brian Masse was reintroduced as Bill C-273 in January of this year. It is scheduled for debate in the House of Commons on March 5th, 2009.

To the undiscerning eye, the bill itself, and the amendments to the Competition Act and the Canadian Environmental Protection Act it proposes would appear to achieve much of what we have all been attempting to accomplish. However, upon closer examination, its vagueness may have a far-reaching impact on not only the automotive industry but also many other industries.

The National Automotive Trades Association (NATA) is very concerned that if this bill moves forward it poses many dangers regardless of whether it is passed or defeated. For example, if passed, certain verbiage in the proposed amendments may contradict copyright laws and threaten not only the OEMs' ability to protect their proprietary engineering data but also the protection of intellectual property for industries like software, publishing and many others. The Competition Act applies to every industry, not just automotive.

If defeated, what are the chances of "Right to Repair" legislation being introduced again in the future? Without the threat of legislation, NATA's Vehicle Information and Service Tool Agreement (VISTA) initiative – the quest for a voluntary agreement with the OEMs - may be jeopardized.

The proposed amendments in Bill C-273 include provisions by which the government will make regulations with respect to the method of delivery and the fees that may be charged for information access. This is not what NATA had envisioned as part of a voluntary agreement. It is unreasonable, to say the least, to expect all auto manufacturers to adopt a single, universal format to deliver information. Nor will the costs of delivering information be the same from one manufacturer to the next; so applying a blanket price structure to information access is a non-starter. In our opinion, the government should not intervene in these areas.

Furthermore, Bill C-273 appears to only consider the needs of the mechanical repair segment of the aftermarket auto industry, with no regard for other segments such as



collision repair. Certain collision repairs, such as those involving high-strength steel and other exotic metals now used in structural components can only be performed by technicians who have been properly trained in those procedures, otherwise the integrity of the vehicle and ultimately the safety of the customer following repair may be compromised. This is why some auto manufacturers refuse to sell replacement parts to facilities that are not qualified to do the related repairs. This bill may force OEMs to release information related to these high-tech repairs to unqualified shops.

There are several other concerns we have about Bill C-273, and these are explained in another document titled “Bill C-273 Analyzed,” but NATA’s input was not invited. NATA has always said that if “Right to Repair” legislation was passed in Canada, it would not object. But that assumed that industry would be consulted before the legislation is drafted and that it would be written with sound and concise language that represents the interests of all stakeholders. In our opinion, Bill C-273 does not pass that scrutiny. However, with this bill before Parliament, the auto manufacturers may decide now is the time for a voluntary agreement.

On February 25th, NATA's Executive Vice President, Dale Finch met with AIA President Marc Brazeau. Both recognize that a resolution to the issue of access to information, tools and training is essential. Working together was identified as the most effective way for each organization to achieve a solution to the problems facing all automotive service providers in Canada.

NATA commends Mr. Brazeau and the AIA for all their hard work. They have done a great job of raising awareness of this issue. We encourage all stakeholders to closely examine Bill C-273 and then make up their own mind about whether or not to support it. Meanwhile, NATA will continue its pursuit of a voluntary agreement.