



AMVIC Strategic Plan 2025 – 2026

Nov. 26, 2024

Message from the Board Chair

On behalf of the Board of Directors and the management and staff of the Alberta Motor Vehicle Industry Council (AMVIC) I am proud to present the 2025-2026 AMVIC Strategic Plan. This strategic plan outlines AMVIC's continued commitment to consumer protection and to foster trust and confidence in the automotive industry in Alberta.

As a public agency, AMVIC is committed to consistent implementation of its delegated responsibilities. Paying close attention to compliance, education and communication remains critical in our efforts to create well-informed consumers and a level playing field for automotive businesses.

We envision an organization defined by the following:

- A strong focus on consumer and industry education as a major driver of consumer protection.
- Continuous improvement in processes, training and regulatory practices.
- Improving levels of compliance in the industry we regulate.
- Strong government and industry relationships that contribute to better consumer protection outcomes, working proactively with all stakeholders.
- Attracting, retaining and inspiring a high performing workforce team.
- A strong customer service mindset, approach and culture that positions AMVIC as a helpful organization for consumers, industry and government alike.

We are committed to building an AMVIC that operates with fairness and transparency, earning the trust and confidence of government, consumers and industry alike. We do this by operating with a steadfast focus on our mission and mandate.

Our mission and mandate

AMVIC is a delegated regulatory board created by the Automotive Business Regulation in accordance with Section 136(5) of the *Consumer Protection Act*. The council regulates the automotive business industry in Alberta through the powers delegated to it under the *Consumer Protection Act*.

Mission

We promote consumer protection and a fair and trusted automotive marketplace for consumers and industry in Alberta.

Mandate

To protect consumers and industry from unfair practices in the automotive business industry.

AMVIC is responsible for maintaining a mandatory licensing program for automotive businesses and a registration program for automotive business salespeople, educating industry on regulatory compliance, informing consumers of their rights and enforcing consumer protection laws. In addition to protecting

Alberta consumers from unfair business practices and working towards building trust and confidence in the automotive business industry, AMVIC is also responsible for:

- Fostering open and clear communication in the automotive business industry and supporting an honest exchange of information among industry, government and consumers.
- Assisting the automotive business industry to build best business practices upon the framework of the *Consumer Protection Act* through education, compliance and enforcement of legislation.
- Providing alternatives for resolution of consumer complaints.

With respect to the automotive business industry in Alberta, AMVIC has been delegated the following powers, duties and functions of the Director of Fair Trading under Section 136(5) of the *Consumer Protection Act*:

- Licensing and registration administration under the *Consumer Protection Act* and the Automotive Business Regulation.
- Investigations, inspections and enforcement under the *Consumer Protection Act*, the Automotive Business Regulation, the Cost of Credit Disclosure Regulation and the Internet Sales Contract Regulation.
- Administration of the Compensation Fund.
- Establishment of formal and informal educational programs for industry and consumers in relation to the automotive business industry.

What our environment is signalling to us

We believe there are many emerging factors that impact AMVIC's ability to achieve its consumer protection mission.

Changing industry dynamics:

- Macroeconomic shifts and evolving business models are reshaping the automotive industry, including dealers, and service and repair businesses. Some automotive businesses, facing reduced profitability, may turn to non-compliant practices, while others may see penalties as just another cost of doing business. As penalties issued by AMVIC have become more significant, the frequency of appeals has increased.
- Federal government mandated zero-emission-vehicle sales targets are forcing an expensive transition to EV vehicles on the automotive industry, which is leading to disruption in the marketplace and possible financial hardship due to low consumer demand for EV vehicles.
- The issue of unlicensed sales and repair shops persists and raises important questions if/how to augment existing efforts to address consumer protection issues that emerge from unlicensed operations.

Consumer behaviour shifts:

- High interest rates, inflation, and rising unemployment have led to an affordability crisis. Vulnerable consumers may turn to lower-cost unlicensed or unethical sellers and repair shops in an effort to save money. Additionally, as consumers keep their vehicles longer, the increasing cost of repairs may drive them toward cheaper, unlicensed repair options.
- Alberta is seeing a significant increase in newcomers. This introduces new challenges to consumer protection, such as language barriers and different cultural approaches to business transactions which may make some vulnerable to unfair business practices. These individuals will become consumers, licensees, and business owners, so it's crucial for AMVIC to understand how these factors affect its business model and ability to uphold consumer protection outcomes.
- Consumers are generally unaware of their rights therefore, promoting consumer awareness of laws and regulations that are in place to protect them remains important.

Emerging technologies:

- The role of AI and technological innovation in AMVIC's consumer protection efforts may present both opportunities—like improving compliance monitoring and streamlining operations—and risk. At the same time, AI is being utilized by both consumers and businesses to advance their own interests.

What does this mean for AMVIC?

AMVIC understands the importance of being agile, adaptable and forward looking to better understand emerging factors and trends in the industry. Meaningful, two-way engagement with consumers, industry and government is vital.

AMVIC recognizes we must foster trust, fairness and transparency as we strive to level the playing field for industry and advance educational opportunities for consumers. We will increase our efforts directed to new Canadians and new drivers, who are vulnerable consumers.

AMVIC will focus on the following:

- Improving regulatory compliance by increasing and expanding the scope of inspections to provide education to industry and consistently reaching more industry members.
- Continuing to modernize the communications and public education strategies of AMVIC. There is opportunity to expand existing education channels to reach a larger audience to increase awareness of consumer protection laws and regulations.
- Increasing our attention to technological improvements to ensure optimal experiences for AMVIC staff and external users, whether consumers or industry.
- Working with government to improve legislation and to ensure AMVIC's continued sustainability.

Strategic priorities

AMVIC is accountable to the Minister of Service Alberta and Red Tape Reduction and as a regulatory agency is assigned to protect consumers and the automotive business industry from unfair practices. We achieve this by meeting the requirements of the Mandate and Roles Document.

In addition to those responsibilities, this plan reflects our commitment to the long-term success of AMVIC and outlines our strategic priorities for the 2025 – 2026 fiscal year. These strategic priorities provide guidance to AMVIC to identify operational priorities for the coming year. We are committed to the following four strategic priorities:

Priority 1: Improving compliance outcomes to increase consumer protection and a fair marketplace

This priority is about increasing compliance through licensing, education, engagement, risk-based approaches to consumer protection, and enforcement of legislation. Our compliance and inspection efforts will focus on the areas that are most likely to drive consumer protection outcomes.

AMVIC has the authority to inspect all licensed automotive businesses in Alberta; an authority that directly serves to manage risks to consumers by reducing the impact of non-compliant businesses. AMVIC must ensure it operates with consistency, transparency and continuous improvement. Decisions will be made to direct our resources (education, communication, licensing, inspections, investigations and enforcement) to best impact protection outcomes.

Our efforts to achieve this priority will include:

- Engage with automotive businesses to educate and increase their understanding of legislative requirements, changes to legislation, and help them to be compliant with the *Consumer Protection Act* and other relevant legislation and regulations.
- Focus AMVIC's resources on highest risk businesses and most vulnerable consumers, identified through the use of data.
- Target consistently high areas of legislative non-compliance to improve compliance across the industry.
- Provide an effective and efficient licensing and registration system and identify and deal with unlicensed businesses.

Priority 2: Foster consumer, industry, and government relationships

This priority is about continuing our focus on developing strong and trusted relationships and developing our reputation as a trusted source of information for consumers, industry and government.

Our efforts to achieve this priority will include:

- Work with industry members and trade associations to collect and use input and feedback to implement targeted regulatory improvements
- Engage with educational institutions, regulators and enforcement organizations to strengthen partnerships to develop a high level of trust and cooperation.
- Continue to work collaboratively with Service Alberta and Red Tape Reduction and the Minister, primarily to implement policy initiatives and make recommendations to improve legislation and regulation.
- Enhance educational efforts to increase consumer awareness of AMVIC as the regulator and trusted authority on information and consumer protection for vehicle purchases and repairs.
- Expand the availability of educational information to better equip consumers in understanding their rights and protections.
- Target education efforts towards vulnerable consumers, including new Canadians and new drivers.

Priority 3: Financial stewardship and operational excellence

AMVIC is a high-performing public agency that is transparent, accountable and strives to operate with excellent governance and operational practices. Prudent resource allocation provides an ability to deliver on AMVIC's mandate to achieve optimal consumer and industry protection.

Our efforts to achieve this priority will include:

- In accordance with the Automotive Business Regulation, we will prepare a three-year business and financial plan for the Minister of Service Alberta and Red Tape Reduction.
- Maintain a sustainable economic model for AMVIC in order to have the capacity to adapt to an evolving industry business environment.
- Develop and maintain an effective AMVIC workforce through training, professional develop and succession planning.
- Operate with excellent governance and operational practices to set a strong foundation for a high-performing organization.
- Ensure financial resources are available to provide business continuity during possible unforeseen future societal events.

Priority 4: Innovate AMVIC's business model and approach

AMVIC will better leverage existing technologies, tools and systems as well as explore new technologies, with the goal to improve compliance across the industry and consumer protection outcomes.

This priority is about:

- Advancing the functionality of existing technologies and creating the conditions in which new technologies, including artificial intelligence (AI) and machine learning, can be explored. This includes exploring how new technologies may enhance compliance, enforcement and customer service as well as understanding the risks inherent in these kinds of technology.
- Exploring collaboration possibilities with other government agencies or departments.