



October 28, 2016

Via email: FamiliesCommunities.Committee@assembly.ab.ca.

Standing Committee on Families and Communities
c/o Committee Clerk
3rd Floor, 9820 - 107 Street
Edmonton Alberta T5K 1E7

Attn: Committee Clerk

Re: Bill 203, Motor Vehicle Repair Pricing Protection for Consumers

These comments are provided as part of a request for industry feedback on proposed Bill 203, and Amendment to the *Fair Trading Act*.

In preparing these comments, we solicited feedback from more than 60 Jiffy Lube stores in Alberta. These stores are locally owned and operated, and provide oil changes and other routine and required preventative maintenance services.

The following comments are also provided in the context of, and with regard to, the nature of the fast lube business:

Jiffy Lubes are drive through fast oil and lubrication businesses, located primarily in retail shopping centres. Customers come to Jiffy Lube and other fast lube stores specifically for quick oil change services, as well as other maintenance checks and services. There is no need to make an appointment, no need to drop off your car, and in fact, customers stay in their vehicle during the service.

As a result, the technician is in constant contact with the customer during the service. When a customer arrives at, and drives into a Jiffy Lube bay, they are coming for an oil change, just as a person driving up to a gas pump tends to want to fuel their vehicle. The customer is advised of the price of the oil change almost immediately, and before the work is started. When the oil change is started, the technician then proceeds to do a series of checks (tire pressure, air filter, other fluids, etc).

If any additional items or services are recommended we the customer is advised of the prices of them. The additional service is then either done or a note is made on the invoice that the service was recommended and declined.

Having regard to the nature of the fast lube business and the expectation of our customers for timely and thorough service, we make the following comments about Bill 203.

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Sections 57.2, 57.6 and 57.7 require an estimate to be provided and the authorization for the work to be in writing for the initial oil change and all additional work. The process of obtaining written authorizations before and then during the service is impractical, but more importantly, compromises the ease and speed that our customers expect.

The bill appears to require a fast lube technician to either continually revise an estimate throughout the process or provide separate estimates for each service and obtain signatures. This would significantly compromise speed and service level for the customer.

Section 57.9 requires the technician to offer to return the used oil filter removed during an oil change. Most technicians currently show the used filter to the customer. Used oil and used oil filters are currently managed having regard to requirements for the handling of waste oil and waste oil materials. Section 57.9 appears to conflict with those requirements.

Section 57.11(8) appears unenforceable. Manufacturers of filters and parts as well as the oil provide a warranty on their products, but the requirements for the warranty are set by the manufacturer. For example, although Bill 203 requires a Jiffy Lube owner/operator to warrant a filter even where the filter is not returned to the Jiffy Lube owner/operator (section 57.11(7)), the manufacturer of the filter does require a return of the filter in order to make a payment under their warranty. Provincial legislation will not change the requirements of a manufacturer located outside of Alberta or Canada.

Section 57.12 requires maintaining written authorizations of all customers. In the absence of a regulation, the concern is that the requirement is unnecessarily burdensome.

Finally, Section 57.13 (f) allowed for exemptions, and we submit that there be exemptions for routine maintenance services where the customer is present during the service, as opposed to actual repair services where a customer is required to leave the vehicle and a lien arises in favour of the garage. In the latter case there may be a need for additional consumer protection as proposed, however those same concerns do not arise in a fast lube store.

The fast lube service industry is price competitive, and our Jiffy Lube owners build their businesses on service. The speed of service and customer experience should not be compromised where the service is routine maintenance initiated by the customer's visiting a fast lube location.

If you require additional information or feedback, or if there is additional information and material on this Bill going forward, please contact me.

Yours truly,



Debbie Dresen

DLD/ap

cc: Alberta Jiffy Lube Owner/Operators