

A Maxima headache; Amherstview man purchases car in U.S. but can't drive it here

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A shiny new 2008 Nissan Maxima has been sitting motionless in front of Amarjit Sandhu's home in Amherstview for three weeks.

Sandhu is one of about 1,000 Canadians who have been told they can't drive their new vehicles due to a new federal regulation applied to his car without warning last month after he purchased it in Colorado.

Sandhu, who learned about the new regulation while driving the car back to Canada, said he did his homework before buying. Right up to the day he bought the vehicle, he checked with Transport Canada's Registrar of Imported Vehicles to ensure it was still on a list of U.S. cars that are allowed on Canadian roads.

"Sometime while I was driving through Iowa it became inadmissible," the Amherstview planning consultant said.

Transport Canada determined Nov. 9 that the U.S. 2008 Maxima's anti-theft system isn't up to Canadian standards and can't be adequately upgraded by an after-market installation, so the car can't be licensed here.

After playing by the rules, however, Sandhu is furious.

So are the approximately 1,000 members of Cars Without Borders, a national organization that represents car buyers who got caught in the same net after trying to take advantage of the high Canadian dollar and lower U.S. auto prices.

Cars Without Borders, which is online at carswithoutborders.com, has launched a national information campaign to fight the surprise bureaucratic manoeuvre, which saw the vehicles of many manufacturers taken off the admissible list.

Cars Without Borders was co-founded by Kingston native Robert Lamb, who now lives with his wife in Kirkland, Que.

The vehicle anti-theft standard came into effect Sept. 1 and ensures that 2008 vehicles sold in Canada, or imported into the country, must be equipped with a theft immobilizer that meets federal standards. U.S. cars don't require the systems.

Cars Without Borders has charged the federal government with creating a trade barrier to help automakers stop Canadian consumers from taking advantage of the strong loonie and low U.S. prices to buy inexpensive vehicles in the U.S.

Transport Canada spokesman Patrick Charette said that's not so.

Charette said the standard has been in the works for a long time and has only recently resulted in the removal of vehicles from the admissibility list. He said auto manufacturers only recently advised which vehicles could be adapted to meet Canadian federal standards. Charette said the government recognizes the predicament of car buyers and is reviewing the situation.

"Solutions are now being discussed with stakeholders and we hope to announce that shortly," he said.

Charette was unable to offer an approximate time frame.

The standard was introduced to make Canadian roads safer by reducing the number of stolen cars, he said. Last

year, more than 160,000 vehicles were stolen in Canada.

"A lot of them result in joy rides or car accidents," Charette said. He said auto manufacturers, not Transport Canada, dictate whether their vehicles meet Canadian standards.

"It's up to the car manufacturers to assess the systems and to provide us with the information that determines if the vehicle can be adapted to meet standards," Charette said.

Mark Nantais, president of the Canadian Vehicle Manufacturers' Association, which represents Chrysler, Ford and General Motors, said the manufacturers determine only if their vehicles meet Canadian standards and not if they can be retrofitted with after-market systems.

Transport Canada was responsible for that decision, Nantais said.

"Transport Canada asked all vehicle manufacturers to provide a list of vehicles that would meet their standards and would therefore be admissible or not admissible to Canada," Nantais said.

He pointed out that theft immobilization systems are fully integrated into vehicles nowadays and a poor installation can create problems with other critical systems, such as air bags.

He said his members would rather see a free flow of vehicles across the border and work with the federal government to make that happen. He also suggested that the sudden removal of cars from the admissibility list wasn't the result of a delay from manufacturers, but a decision by Transport Canada.

"It appears that Transport Canada was either late in processing the information or made some changes to the information that manufacturers provided to them unilaterally," he said.

Mike Laframboise, president of Kingston Dodge Chrysler, said the new standard can't possibly be a plot by automakers to discourage Canadians from taking advantage of the strong Canadian dollar to buy cars in the U.S.

That's because the federal government told manufacturers a few years ago that they would have to begin installing the immobilizers in any vehicles built in 2008, when it was Americans who were coming to Canada to buy cheap cars, he said.

"Five years ago, it was the other way around. Cars were going to the States from Canada," he said.

About 25,000 new cars were brought into Ontario from the U.S. in October, twice the number of all vehicles imported to Canada, according to figures provided by Transport Canada.

Meanwhile, the Canada Border Services Agency has been instructed to allow automobile buyers whose vehicles don't make the admissibility list due to the new standard to cross the border while a solution is pursued.

"There's no guarantee the vehicle will be a permanent importation into Canada," Charette said.

Rob Whitfield is the co-owner of Calgary, Alta.-based Motogard Enterprises, which has sold 90,000 after-market immobilizer systems in Canada and 500,000 worldwide.

Motogard's after-market systems have been approved by the Insurance Bureau of Canada and the Underwriter's Laboratories of Canada, which have developed the Canadian Standard for Automobile Theft Deterrent Equipment and Systems: Electronic Immobilization.

According to Whitfield, it's a Canadian standard that forms a key element of the Transport Canada standard that became law on Sept. 1. He noted that the after-market systems installed by Motogard pass muster in Manitoba. That province allows autos not on the admissibility list to be driven on its roads, as long as they get a certificate of inspection, which can still be obtained through an after-market installation.

Yet the after-market systems still are not good enough for Transport Canada.

Because Sandhu's car was manufactured in the U.S., he paid no duty on it and only has to pay GST and \$100 in excise taxes on the air-conditioning system. If he can eventually license the car in Ontario, he'll also pay some provincial sales tax.

Sandhu paid US\$28,500 for his new car, compared to the manufacturer's suggested retail price of \$43,500 for which it has been advertised in Canada.

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Deals on wheels?

To see if the vehicle you are considering buying is on Transport Canada's admissibility list, go to: <http://www.tc.gc.ca/roadsafety/importation/impusae.htm>.

To read more about the plight of others like Amarjit Sandhu, visit www.carswithoutborders.com.

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