



Advertising, *Total Price*, and Dealer Fees: Avoiding Misrepresentation about Price

All-in pricing is now a requirement in most Canadian provinces. In British Columbia, the concept of *all-in pricing* translates to *total price*.

The definition of *total price*

Total price is the full amount that a consumer has to pay to purchase a vehicle. This includes all documentation, inspection, and other dealer fees, including transportation charges. PST, GST and other consumer taxes, such as the tire levy, do not need to be included in the total price.

Accurate representation of added fees

Administration and documentation fees must be represented as dealer 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. A buyer should not be surprised by mandatory fees at the last moment. If the consumer is led to believe that these fees are required by law or added without disclosure, it would be considered a deceptive act under the *Business Practices and Consumer Protection Act (BPCPA)*.

Examples of misrepresentation regarding price

- Advertising a reduced price but maintaining a higher price on the lot. For [one dealer](#) this resulted in consumer restitution and \$12,000 in administrative penalties.
- Advertising that a price includes all fees, but adding dealer fees. For [one dealer](#) this resulted in consumer restitution and a \$6,000 administrative penalty.
- Not including an air conditioning recovery fee in *Total Price*. The [air conditioning \(AC\) tax](#) is not a consumer tax. If charged, it must be explained and documented as a recovery fee, not a tax.

Advertising best practices

- All advertising must be accurate and consistent, whether on Craigslist, AutoTrader.ca, a dealer website, in a classified ad, or on the vehicle. For [one dealer](#), errors in model type and model year resulted in consumer restitution and \$3,500 in administrative penalties.
- A dealer selling at a price higher than the dealer's lowest currently advertised price is a violation of the federal *Competition Act*. It may also be an unconscionable transaction for a dealer to take advantage of a consumer's ignorance of the lower advertised price. The lowest advertised price must be honoured.
- Documentation and other dealer fees need to be disclosed correctly in ads. Generic disclaimers such as "plus fees" do not meet this requirement. If a dealer is running an ad with other dealers, then the advertisement must disclose the highest documentation fee with a statement such as "plus up to \$\$\$ documentation fee."
- Pricing in salesperson ads should match dealer pricing, as the dealership will be held to the lowest advertised price.
- Salesperson ads must correctly describe the vehicle and include the dealer name and number.
- Only vehicles that are available for sale must be shown. If the vehicle has been sold, the advertisement needs to be removed. Simply stating "Sold" on the ad is not sufficient. Failing to remove vehicles from ads that were no longer available for sale, along with other routine improper advertising practices, resulted in a \$20,000 administrative penalty for [one dealer](#).