

Now really is time to buy new vehicle, industry rep says

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As the economy starts to emerge out of recession and move into recovery, B.C. New Car Dealers Association president Blair Qualey is seeing a resurgence of consumer interest in getting behind the wheel of a new vehicle. "I've been very encouraged in the last few weeks that I've been on the president's tour by the strong confidence that dealers are feeling around how consumers are feeling," he said Thursday while in Prince George.

The improved consumer confidence has been further buoyed by the many incentives now available to draw people onto the sales lot during the last several months. Most remain in place although one backed by the provincial government is close to coming to an end. Almost all the \$15 million the provincial government contributed to the B.C. Scrap-It program about a year-and-a-half ago has been spent according to Qualey and dealerships are lobbying for a renewal.

The program, where you can get up to \$1,250 for your old vehicle towards the purchase of a new one, will have taken as many as 12,000 clunkers off the road by the time the cash runs out. Moreover, sales of those new vehicles as a result has generated \$11 million in tax revenue for the government making the program almost self funding. "It's a win as an economic stimulus and as an environmental program and it's virtually self-funding so I can't imagine why they wouldn't want to continue it," Qualey said. "I understand that there are economic challenges out there for governments but my goodness it's a wash for you."

Combined with the incentives provided by dealers, zero-per-cent financing and the lowest prices in a generation, and Qualey asserts a "perfect storm" of opportunity has been created to buy a new vehicle.

Northern B.C. continues to prefer trucks and sport utility vehicles, he noted, although they've been hard to get in the last few months. "Many of the domestic manufacturers and some import manufacturers have slowed down production and shuttered plants due to some of the challenging times at the end of last year, earlier this year," he said. "It's starting to improve, inventories are going back up a little bit but I don't think we're going to see inventory levels carried the way they used to be, pre-September last year when the global economy had the big hiccup."