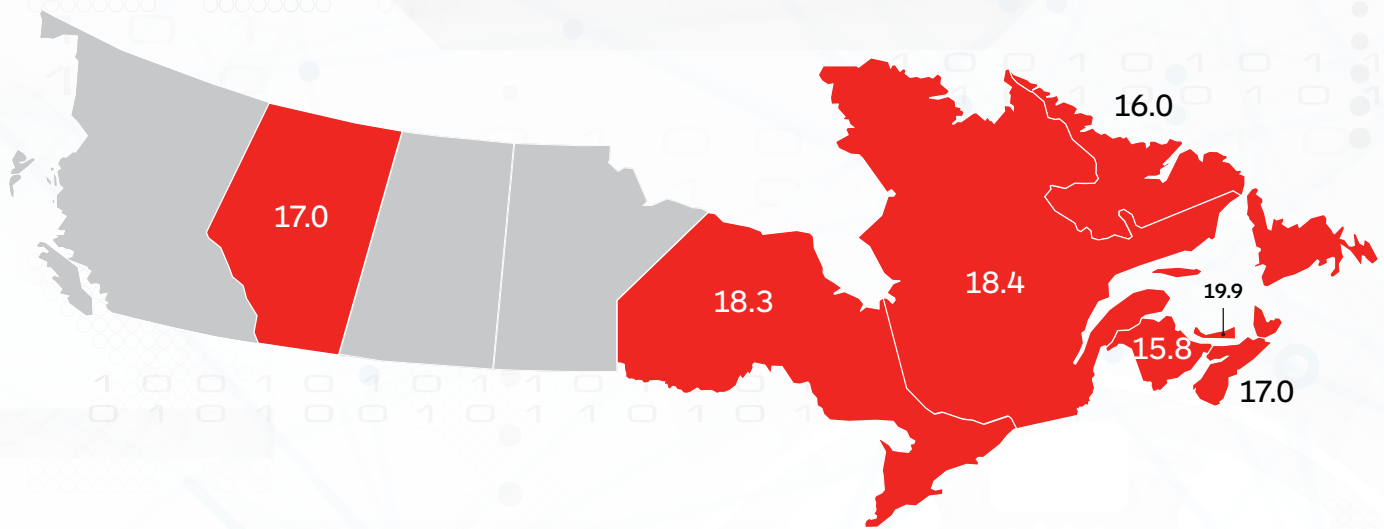


Canada Average Length of Rental by Province

Q2 2023



Average Billed Days for Canada		
Q2 2022	Q2 2023	Change
16.0	16.8	0.8



Average Billed Days for Canada by Province			
Province	Q2 2022	Q2 2023	Change
Alberta	15.2	17.0	1.8
New Brunswick	13.4	15.8	2.4
Newfoundland and Labrador	14.6	16.0	1.4
Nova Scotia	17.4	17.0	-0.4
Ontario	18.3	18.3	0
Prince Edward Island	15.1	19.9	4.8
Quebec	17.2	18.4	1.2

*Source: Enterprise Rent-A-Car. Includes ARMS® Insurance Company Direct Billed Rentals.
 *Data excludes the private carrier processes of British Columbia, Manitoba and Saskatchewan

Canada Overall

The overall LOR for Canada in Q2 2023 was 16.8 days, a 0.8-day increase from Q2 2022. This is down from 18.1 days in Q1 2023, which is traditional in that Q2 LOR typically decreases from Q1 to Q2 each year. This year-over-year increase is also significant in that it is much less than the 3.0-day increase in Q1 2023 over Q1 2022.

PEI had the highest LOR at 19.9 days, a 4.8-day increase from Q2 2022. Next-highest was Quebec at 18.4 days, followed by Ontario at 18.3 days. Quebec's results represented an increase of 1.2 days, while Ontario was flat.

New Brunswick had the lowest LOR at 15.8 days, which was still a 2.4-day increase from Q2 2022. Nova Scotia (17.0) had the only decrease, down 0.4 days. Alberta's LOR was also 17.0 days, but this still represented a 1.8-day increase for the province.

It's also important to consider the impact from the luxury segment, both ICE and EV. Ryan Mandell, Director of Claims Performance for Mitchell International, shared some insight: "Luxury make repair frequency increased nearly a full point to 15.8% of all repairable estimates in Q2 2023 compared to Q2 2022 (14.92%). On average, luxury vehicle estimates are written for nearly two additional labor hours (2.07) compared to common make vehicles, as well as nearly two additional replacement parts (1.94)." Mandell also shared an important consideration about calibrations, which impact overall repair time: "The frequency of ADAS calibrations increased from 7.1% in Q2 2022 to 9.35% in Q2 2023."

Drivable

Overall, LOR associated with drivable claims was 12.3 days, a 0.9-day increase from Q2 2022. Ontario was highest at 13.7, a half-day increase. PEI was next at 13.5 days, which was 3.8 days higher than Q2 2022. Alberta's results were 13.1 days, a 1.7-day increase.

New Brunswick came in lowest at 10.4 days (+1.7), while Quebec was 10.5 days, which was a slight 0.2-day decrease.

Non-Drivable

Much of Canada's overall LOR increase came from the non-drivable claims. Non-drivable LOR was 33.7 days, a 3.4-day increase over Q2 2022. PEI (44.0 days) was highest, representing an 8.6-day increase from Q2 2022. Newfoundland & Labrador wasn't far behind at 43.2 days, an 11.4-day increase.

All provinces, save Quebec, had non-drivable LOR greater than 30 days. Alberta (36.4), Nova Scotia (36.3), Ontario (35.2) and New Brunswick (32.0) were all increases from the second quarter of 2022. Quebec came in with 26.7 days, which was a modest 2.6-day increase.

Total Loss

Total Loss LOR also saw a 3.7-day increase in Q2 2023 at 24.3 days, up from 20.6 days in Q2 2022.

PEI was highest at 29.8 days, which was actually a half-day decrease from Q2 2022. Quebec (28.7), Nova Scotia (27.2) Ontario (24.6), New Brunswick (23.4) and Alberta (23.3) all saw increases.

Newfoundland and Labrador was much lower than other provinces at 14.8 days, a 1.1-day decrease.

Summary

The LOR results for the second quarter demonstrate impacts from supply chain disruptions, parts delays, collision repair backlogs and technician shortages. With the complexity of vehicle repairs only increasing, for both internal combustion engine (ICE) and battery electric vehicles (BEV) models, the entire industry must play a part in ensuring all collision-related businesses are aligned — not just for procedural solutions, but to ensure our mutual customers receive safe and proper repairs, an excellent experience and peace of mind.

Enterprise is committed to partnering with insurers, repairers, and suppliers on each one of these issues. Through foundational support provided by the Enterprise Holdings Foundation, Enterprise is spearheading the Collision Engineering Program, designed to attract and develop entry-level talent to fill essential roles within the collision repair industry. Enterprise is thrilled to expand its longtime partnership with Ford Motor Company, through its philanthropic arm, the Ford Fund, to expand the program and help address this ongoing industry challenge. For more information, visit www.beacollisionengineer.com.