Auto Physical Damage

Mitchell Canadian Collision Summary: Q2 2017

October 7, 2017
4 MIN READ

Canadian Appraisal Severity

Editor's Note

At the request of our customers and friends in Canada, we are pleased to provide the following Canada-specific statistics, observations, and trends. **All dollar-figures appearing in this section are in CDN$.**This data is the product of upload activity from body shops, independent appraisers, and insurance personnel, more accurately depicting insurance-paid loss activity, rather than consumer direct or retail market pricing.

Average Appraisal Values Severity Overall

The average gross initial appraisal value, calculated by combining data from all first and third party repairable vehicle appraisals uploaded through Mitchell Canadian systems in Q2 2017, was $3,790 - a $190 increase from Q2 2016. Factoring for development yields an anticipated increase to $3,915.

Average Appraisal Values Severity Overall

Collision Losses

The average initial gross collision appraisal value uploaded through Mitchell Canadian systems in Q2 2017 was $3,776, a $56 increase from the same period last year. Factoring for development yields an anticipated increase to $3,909, which represents a $189 increase from Q2 2016.

Collision Losses

Canadian Average Appraisal Make-Up

This chart compares the average appraisal make up as a percentage of dollars. These data points reflect an increase in parts, with slight decreases in labour and paint when comparing Q2 2017 to the same period last year.

Canadian Average Appraisal Make-Up

About Mitchell in Canada…

For more than 20 years, Mitchell's dedicated Canadian operations have focused specifically and entirely on the unique needs of collision repairers and insurers operating in the Canadian marketplace. Our Canadian team is known for making itself readily available, for being flexible in its approach to improving claims and repair processes, and for its 'second to none' commitment to customer support. Headquartered in Toronto, with offices across Canada, Mitchell Canada delivers state- of-the-art, multi-lingual collision estimating and claims workflow solutions (including hardware, networks, training, and more), world-class service, and localized support.

Comprehensive Losses

In Q2 2017, the average initial gross Canadian appraisal value for comprehensive coverage estimates processed through our servers was $4,087, which represents an increase of $630 compared to Q2 2016. Factoring for development, the anticipated final average appraisal value will be $4,168.

Comprehensive Losses

Third-Party Property Damage

In Q2 2017, our Canadian industry initial average gross third-party property damage appraisal was $3,620, which represents an increase of $299 from Q2 2016. Factoring for development, we anticipate a final value of $3,791.

Third-Party Property Damage

Canadian Supplements

In Q2 2017, 47.66% of all original estimates prepared by Mitchell-equipped Canadian estimators were supplemented one or more times. In this same period, the pure supplement frequency (supplements to estimates) was 74.04%, which represents a 5% drop compared to the same period last year. The average combined supplement variance for this quarter was $851.08, $24.84 higher than in Q2 2016.

Canadian Supplements

Canadian Adjustments

In Q2 2017, the average frequency of betterment taken on estimates decreased, while the dollar amount of that betterment increased to $449.07, the highest of all charted values. Appearance allowances were also down, and

the dollar amount of those allowances decreased by 17% when compared to Q2 2016.

Canadian Adjustments

Canadian Labor Analysis

This data reflects the percentage of labor dollars utilized in the creation of Mitchell appraisals by Canadian estimators. With the exception of Alberta, labor rates increased across the other provinces and territories.

Average Body Labor Rates by Province

Canadian Paint and Materials

For Q2 2017, Paint and Materials made up 8.46% of our average appraisal value. Represented differently, the average paint and materials hourly rate rose to $36.31 per hour compared to Q2 2016.

Canadian Paint and Materials

Canadian Number of Parts by Part Type

Canadian Number of Parts by Part Type

Canadian Parts Utilization

All data reflects the percentage of part-type dollars utilized in the construction of Mitchell appraisals by Canadian estimators.

Original Equipment Manufacturer (OEM) Parts Use in Dollars

In Q2 2017, OEM parts use increased slightly compared to Q2 2016.

OEM Parts Use in Dollars

Aftermarket Parts Use in Dollars

Aftermarket parts use in Q2 2017 decreased slightly compared to the same period last year, coming in at 14.55%.

Aftermarket Parts Use in Dollars

Remanufactured Parts Use in Dollars

Remanufactured parts use in Canada dropped to 1.11% for Q2 2017, which represents the lowest percentage of part dollars in the charted quarters.

Remanufactured Pars Use in Dollars

Recycled Parts Use in Dollars

In Q2 2017, recycled parts use in Canada decreased as a percentage of part dollars when compared to Q2 2016.

Recycled Parts Use in Dollars

©2022 Mitchell International, Inc. and Genex Services, LLC. All rights reserved.

mitchell | genex | coventry