

**Second Session - Thirty-Ninth Legislature**  
**of the**  
**Legislative Assembly of Manitoba**  
**Standing Committee**  
**on**  
**Crown Corporations**

*Chairperson*  
*Ms. Marilyn Brick*  
*Constituency of St. Norbert*

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**MANITOBA LEGISLATIVE ASSEMBLY**  
**Thirty-Ninth Legislature**

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**LEGISLATIVE ASSEMBLY OF MANITOBA  
THE STANDING COMMITTEE ON CROWN CORPORATIONS**

**Thursday, August 28, 2008**

**TIME – 6 p.m.**

**LOCATION – Winnipeg, Manitoba**

**CHAIRPERSON – Ms. Marilyn Brick (St. Norbert)**

**VICE-CHAIRPERSON – Ms. Jennifer Howard (Fort Rouge)**

**ATTENDANCE – 11 QUORUM – 6**

*Members of the Committee present:*

Hon. Messrs. Chomiak, Swan

Ms. Brick, Messrs. Cullen, Dewar, Faurchou, Graydon, Meses. Howard, Korzeniowski, Mr. Reid, Mrs. Taillieu

**APPEARING:**

Mr. Kevin Lamoureux, MLA for Inkster

Ms. Marilyn McLaren, President and Chief Executive Officer, Manitoba Public Insurance

**MATTERS UNDER CONSIDERATION:**

Annual Report of the Manitoba Public Insurance Corporation for the year ended February 28, 2005

Annual Report of the Manitoba Public Insurance Corporation for the year ended February 28, 2006

Annual Report of the Manitoba Public Insurance Corporation for the year ended February 28, 2007

\* \* \*

**Clerk Assistant (Mr. Rick Yarish):** Good evening. Will the Standing Committee on Crown Corporations please come to order.

I have received a letter from Mr. Daryl Reid, MLA for Transcona, submitting his resignation as Chairperson of this committee, effective immediately.

Accordingly, your first item of business is the election of a Chairperson. Are there any nominations?

**Mr. Gregory Dewar (Selkirk):** I nominate Ms. Brick.

**Clerk Assistant:** Ms. Brick has been nominated. Are there further nominations? Hearing none, Ms. Brick, will you please take the Chair.

**Madam Chairperson:** Good evening. The next item of business is the election of a Vice-Chairperson. Are there any nominations?

**Mr. Dewar:** I nominate Ms. Howard.

**Madam Chairperson:** Ms. Howard has been nominated. Are there any other nominations? Seeing no other nominations, Ms. Howard is elected as Vice-Chairperson.

This meeting has been called to consider annual reports of the Manitoba Public Insurance Corporation for the years ended February 28, 2005, 2006, and 2007.

Before we get started, are there any suggestions from the committee regarding how long we should sit this evening?

**Hon. Andrew Swan (Minister of Competitiveness, Training and Trade):** I'd suggest we sit until 8 o'clock this evening and then we'll review where we're at at that time.

**Madam Chairperson:** Mr. Graydon, agreed? *[Agreed]*

Also does the honourable minister wish to make an opening statement, and are there any suggestions as to the order in which we should consider the reports?

**Mr. Cliff Graydon (Emerson):** I would suggest that we consider the reports globally.

**Madam Chairperson:** Is it agreed that we will consider the reports globally? *[Agreed]*

Does the honourable minister wish to make an opening statement, and would he please introduce the officials in attendance?

**Hon. Dave Chomiak (Minister charged with the administration of The Manitoba Public Insurance Corporation Act):** Yes, Madam Chairperson, and, yes, I will introduce them.

At the onset I want to thank the committee and all of the officials for attending today. I also want to thank the official critic, Mr. Graydon, for the co-operation and diligence he's shown in working in this committee. My experience in this committee has been one of an effective committee, and I thank him for his co-operation and consideration in the committee that has previously met. We've had discussions and I anticipate that all of us will continue to work in that same fashion. I just want to say that at the onset to indicate that when we're able to function as effectively, I think it's of benefit to all of us.

I'm joined today by Chairperson of the Board of Directors Shari Decter Hirst; President and Chief Executive Officer Marilyn McLaren; vice-president, finance, and chief financial officer, Don Palmer, who never played for the Bombers, but there was a Palmer that played quarterback for the Bombers; vice-president corporate legal, general counsel, and corporate secretary, Kevin McCulloch, who's back in the stands; vice-president, human resources and public affairs, MaryAnn Kempe; vice-president, claims and operations and service delivery, Wilf Bedard; vice-president, business innovation and insurance operations, Dan Guimond; and vice-president of information technology, and chief information officer, Wayne Wedge. I want to thank everyone for attending and for doing the excellent work that you continue to do on behalf of the public of Manitoba.

I'll just provide some general comments in terms of specific details and results with respect to the annual report. The president, Marilyn McLaren, I know, will offer more precise and accurate and specific information. My comments today will deal with the 2007-2008 fiscal year. The corporation has, as has always been the case, done more, as much as possible, to derive more value from their public insurance system. The company is making improvements in service, access and convenience while maintaining the stable, affordable insurance rates Manitobans have long enjoyed, and the company's preserving these important assets for the future.

One of the best measures of success this year is the progress that's been made by the corporation in conjunction with hardworking officials from the Winnipeg police and the Department of Justice in reducing auto theft. It was a team effort involving many partners. In the first seven months of 2008, Winnipeg has seen a 41 percent reduction in auto

theft compared to the same period a year ago. That translates into 1,400 fewer vehicles stolen in Winnipeg alone and a significant reduction in a community safety risk.

Also encouraging is the province-wide drop in attempted theft. In the first seven months of 2008, the number of attempts to steal cars in Winnipeg has dropped by 42 percent. There is clear indication that the corner has been turned in terms of auto theft, Madam Chairperson, and the numbers have been reduced significantly back to the levels when the problem first became a serious public safety issue in the 1990s.

Much of this progress is due to the new mandatory immobilizer law that took effect September 1, 2007. On that date, we made approved immobilizers a requirement for high-risk vehicles in Winnipeg. Coterminous with that at the same time, the federal government introduced mandatory immobilizer laws. So the effective impact of both a suppression strategy and the immobilizer and all levels of government coming onside has had a significant effect on public safety and has gone a significant way towards reducing risk in the province of Manitoba, both financially and, more significantly, in terms of lives.

\*(18:10)

Effective October 1, the program of immobilizers in Manitoba is expanding the most-at-risk list, adding more vehicles in response to shifting theft patterns as the—we'll probably end up discussing this during the course of the discussion.

I'm pleased to report that Manitobans have been very accepting of the new law. Most owners of these vehicles have been taking quick action to comply, a sign that they understand the need for a strong, proactive response to reckless auto thieves. These Manitobans can now be assured that their vehicles will not be used for senseless crimes that put the safety of others at risk. Their co-operation is leading to safer streets, reduced crime and the continued stability of the public auto insurance system. It almost is a recognition of the nature of the people of this province and their co-operative way of dealing with any problems or difficulties and co-operating to overcome them.

On the heels of this success, the corporation's turning its attention to new opportunities. For example, the corporation's moving forward with its plan to convert its claim centres into full-service

facilities that will also provide driver testing, commercial vehicle registration and more. The benefits of this change will be felt most strongly in rural Manitoba where customers can look forward to more full-time services in more communities. For example, instead of waiting for mobile testing services, which may only visit an area a few days a month, more Manitobans will have access to testing services five days a week at a location in their region. The corporation has been piloting this service model in Winkler and the customers have been giving it high marks. This fall the concept will be expanded to claim centres in Brandon, Thompson and Steinbach.

Another initiative: the corporation will ensure that Manitobans can be among the first to obtain the enhanced identity card, a new type of passport alternative for entering the U.S. by land or water. When new U.S. border crossing rules come into effect in June 2009 Manitobans will need a passport or an acceptable alternative if they wish to drive to the United States. Enhanced identity cards will be the affordable answer for Manitobans who find the cost of a passport prohibitive or who simply want the convenience of a card that they can carry in their wallets. This new type of ID will offer other benefits such as advanced security features that help speed up the flow of traffic at the border.

The company plans to begin accepting applications early this winter, thereby ensuring that Manitobans will have plenty of time to obtain the cards before the new border crossing rules come into effect. Important partners in this and other initiatives will be the hundreds of independent insurance brokers who deliver the company's products to customers across the province. The company works closely with the Insurance Brokers Association of Manitoba to ensure that all these changes benefit customers, brokers and the company.

When public auto insurance was first introduced in our province in 1971, it was designed to provide Manitoba motorists with the most comprehensive coverage at the most affordable rates. This proud tradition continues today. The annual reports before you reflect the ongoing financial stability of Manitoba Public Insurance in the face of challenges that affect the whole industry. Since 2001 Manitoba Public Insurance has returned \$260 million in rebates to its policy holders. No other insurance company in Canada or North America can make that claim. The company has held the line or reduced Autopac rates for nine years out of the past 10 without lowering

customer service or reducing coverage. This fall, the Public Utilities Board will review the most recent rate application which proposes a 1 percent decrease in overall Autopac rates for 2009-2010, some of which can be attributed to declining auto theft numbers.

Let me now briefly touch upon a few of the highlights from the most recent annual report that may be of interest to committee members. The fiscal 2007, the corporation's 22 claim centres handled more than 1,100 claims every working day. The company paid \$2.3 million in claims and benefits to Manitobans every working day.

Total earned revenue in '07-08 at \$870 million was \$32 million higher than the previous year. Manitoba Public Insurance maintains this fiscal stability by managing carefully and keeping costs lower; it controls its operating costs, keeping them at about half the industry wage while always working to reduce the number of claims. On behalf of its ratepayers Manitoba Public Insurance saved \$13.7 million through its anti-fraud, anti-crime and subrogation activities. Further, the corporation invested \$25.8 million in a broad program of road safety aimed at reducing vehicle collisions and, in turn, the number of Manitoba's injured and killed.

In fiscal 2007, the corporation saved policy holders an estimated \$3.8 million through the use of recycled certified vehicle parts. All these developments planned, including new buildings and new construction set, will meet green standards and the company will operate in the new green-friendly environment that is being developed in Manitoba.

Thank you very much.

**Madam Chairperson:** We thank the honourable minister.

Does the critic for the official opposition have an opening statement?

**Mr. Graydon:** Thank you very much. It will be a very short opening statement, and I won't have to speak nearly as fast at the end as what I heard the minister speak.

I'd like to thank the minister for the opportunity today that we can come and question in committee. He's been very co-operative in the past, and I'm sure that we can continue in that vein today and on into the future. I'd like to thank, also, the staff from MPI for taking their time to come in. I'm sure that there'll be no overtime payments for any of this. So, just on

those few words, I'd like to thank you all for being here for tonight and we'll be able to carry on.

**Madam Chairperson:** We thank the critic for the official opposition for his comments.

Do the representatives from MPI wish to make an opening statement?

**Ms. Marilyn McLaren (President and Chief Executive Officer, Manitoba Public Insurance):** No.

**Madam Chairperson:** Thank you. The floor is now open for questions.

**Mr. Graydon:** Thank you very much, Madam Chairperson.

**Madam Chairperson:** Mr. Graydon, if you bring your mike just a little closer, I think it's also the outside and we don't want to close the windows because it's such a beautiful night. So we're sort of hearing some of the background noise from the airplanes, so it makes a little harder to catch your voice. If you bring it a little closer, speak into it a little more. Thank you.

**Mr. Graydon:** How does that work now, Madam Chair?

**Madam Chairperson:** Much better.

**Mr. Graydon:** I think I'd like to start off this evening with the enhanced drivers' licences. As it's been pointed out, it's in the new Bill 40 that was passed in the spring session, and it's going to be mandated by MPI to develop and begin issuing the enhanced driver's licences. There were a number of questions during the session as well on this and it's raised some other questions. So I think I'd like to address some of those first.

So in a bill briefing, Ms. McLaren confirmed that the cost of the initiative to MPI would be about \$13 million, and the cards, themselves, would cost drivers about an extra \$30 per card. It's unclear for me, at least, how and when the government plans to reimburse MPI for its upfront costs. Since MPI transfers its driver's licence revenue back to the government, it is also not immediately clear whether the extra \$30 for the EDL cards will go back to the government, as well, or whether MPI will retain the money.

So I ask the minister if he could clarify some of these concerns that I have.

**Ms. McLaren:** I'll respond to Mr. Graydon. The cost of the project, all the money that MPI is spending now, actually, to get the systems ready and to get everything in place, to start accepting applications from Manitobans and producing these enhanced cards to get across the border, we expect, as best we can estimate right now, it'll be about \$13 million. We're paying the money up front. But once the project is done and implemented, we will have those costs audited and, at that point, we will then negotiate with the Minister of Infrastructure and Transportation (Mr. Lemieux) a repayment schedule whereby the government will repay MPI for those start-up costs.

In addition to that, the \$30 fee that will be charged to Manitobans applying for the enhanced cards will be revenue retained by Manitoba Public Insurance to offset the ongoing costs of running that system.

**Mr. Graydon:** I just need to better understand the \$30 extra per card, then, will not be a partial payment on the initial \$13 million start-up.

**Ms. McLaren:** That's correct.

**Mr. Graydon:** Where in MPI's financial statement will we find the funding allocation for the enhanced driver's licence initiative?

\* (18:20)

**Ms. McLaren:** The costs would be part of our costs for what we're calling the DVL line of business. Within the financial statements, there—I'll find the specific reference, but there is a place in the financial statements of the annual reports that talks about the \$21 million that Manitoba Public Insurance receives from the government each year to administer the driver vehicle licensing functions, and it also records our costs of providing those services. So the costs of the enhanced driver's licence program, the enhanced identity card program that we're working on right now, would be part of the costs of that driver licensing line of business so to speak.

If you look on page 49—is this the most recent one?

**Madam Chairperson:** Which year?

**Ms. McLaren:** Of the most recent, it says on it: the annual report '07.

**Madam Chairperson:** Just one moment, please.

**Ms. McLaren:** We're not doing that one yet.

**Madam Chairperson:** Just one moment. Just for everyone's information, we are dealing with—I'm just going to clarify this for everyone because even the Clerk and myself are saying it's a little bit different the way it's written. The matters under consideration are the Annual Report of the Manitoba Public Insurance Corporation for the year ended February 28, 2005, which on the front cover is yellow—for everyone—and it says 2004 Annual Report.

The next one is the Annual Report of the Manitoba Public Insurance Corporation for the year ended February 28, 2006, which on the front cover is brown and you have two great looking little kids on it, girls, and it's the Annual Report for 2005. Then we have on our matters under consideration, the Annual Report of the Manitoba Public Insurance Corporation for the year ended February 28, 2007, which has the green growing flower on it saying, Growing Potential, and it's the Annual Report for 2006. So that's just to clarify for everyone.

**Ms. McLaren:** So those are the only three years that are—

**Madam Chairperson:** Those are the only three years that we have here for consideration for tonight's meeting.

**Ms. McLaren:** Okay. So then if we look to the most recent year, the one with the green leaf on it that says, Annual Report 2006, if you look at page 51, and in the top category, the revenue category, third line down under Premiums written, it says Driver licensing operations recovery, and that's the \$20.475 million and \$21 million for the two years in question. It also says note 17, and if you flip back into the notes and find note 17 it will show you the cost of the DVL operation to Manitoba Public Insurance in relation to the revenue. But actually, since we are only dealing with this particular year that ended a year ago this past February, there would be no costs of the enhanced identity card or driver's licence projects in this annual report because we hadn't started to work on it at that point.

**Mr. Graydon:** So then the next report would then indicate that instead of 21,000, no, \$20 million, right—that's in million, right? Twenty million would indicate \$33.5 million. Is that what you're saying?

**Ms. McLaren:** No. The financial statements would show \$33 million if we assumed that the—or approximately that much of the \$21 million and the regular \$21 million, and the \$13-million start-up costs were all to be paid back in one year. I suspect

the start-up costs will not be paid back in a one-year period, but it would be \$21 million plus whatever that annual repayment amount would be. It may be one million, it may be two million, but I mean the benefits to the Province will stretch out over a very long period of time. So part of the thing that would have to be decided is over what period of time would the repayment take place.

In addition to that line of revenue, you would also likely see an increase. So it'll again have to be explained in the notes of \$30 times however many times we issued an enhanced identity card because that revenue will be immediately into the corporation's bank account and stay there to offset the cost, the ongoing cost. There's a difference between the start-up costs of a project like this and the ongoing costs of administering it. Their \$30 is intended to cover the ongoing costs of issuing enhanced ID cards to people, whereas the \$13 million is all the start-up costs of having special facilities, special computer programs written and all those sorts of things to get it up and running.

**Mr. David Fauschou (Portage la Prairie):** Not to pre-empt my colleague, just to ask a point of clarification on the reports that are currently under review, might I ask the question: Of the report you started initially to quote from, that is, this year's report, might I ask the minister, when will we have the opportunity to have that before committee?

**Mr. Chomiak:** It was tabled in June, so it can be brought to the committee at any time. I suspect we'll deal with it next time when the committee meets. If members wish, I suppose we could distribute it. Although, I don't know if physically we have the copies available this evening. I don't see a problem with that.

**Madam Chairperson:** With leave of the committee and provided we have the resources to do that, that could be done this evening. Although, that may change the dynamics of how long we meet and that kind of thing. I guess that's really up to the committee as to what is the will of the committee.

**Mr. Graydon:** Just to maybe set this issue to rest, it's perhaps unfortunate that they weren't here tonight. If they were available they should have been probably here tonight at committee. However, they're not here. We will ask questions according to the information that we do have, and if that information is available—and I doubt that some of this repayment schedule will be available at this point. It will not be in that committee report. However, as long as we

know where we can find the information, or, when that information becomes available, that it's forwarded to us, I think we would be satisfied with that. But, again, I'll have to reiterate, if it was available it should have been made available to us for this evening, and we would have really appreciated that.

**Madam Chairperson:** I'm really not getting a clear answer as to whether or not, first of all, the reports are here tonight. I think probably I'm going to suppose that in most cases we just follow the schedule of what was previously not dealt with at the last meeting. I think there was no intention to not put it on here. I think we can look and see—maybe, Ms. McLaren, you could answer whether or not it's available for us this evening. Can you answer that?

**Ms. McLaren:** Yes. We may not have sufficient copies, but we do have a number of copies here with us.

**Madam Chairperson:** Okay, so, first, I have clarified that there are copies here. What is the will of the committee?

**Mr. Graydon:** If the copies are here, certainly, we would accept the copies tonight, but on such short notice you don't have the opportunity to peruse them. I would suggest that the minister would agree to an early committee meeting again, perhaps November or the 1st of January. I think we'll all be satisfied with that. I think that the discussion we had previously—I don't see that there would be an issue, but that would be up to the minister at this point.

**Mr. Chomiak:** Yes, I don't have any problem with preplanning or scheduling a meeting for late this year or early next year, whatever's convenient. We talked about that anyway.

The report itself was tabled and distributed. I appreciate the member's acknowledgement that we'll have a chance to delve into it in detail at another meeting, but we'll accept it and look at it today and have it available today. I think that's an adequate solution.

**Madam Chairperson:** Okay, I'm just going to reiterate this for everyone. It is agreed that we're going to distribute the report this evening, although there may not be adequate copies for everyone, but we will distribute the reports we have. But, given that there has not been an opportunity to peruse the information in the report, we are not going to be referring to that report this evening for questions. Is

that adequately reflecting what you just mentioned, Mr. Graydon and Minister Chomiak?

\* (18:30)

**Mr. Graydon:** If there is a question that ends up being in that report and Ms. McLaren has the opportunity to answer the question, we will certainly take that answer. We won't be going through the report line by line and questioning on it. That's certain, and I appreciate the minister's response that there would be an early committee meeting called either late this year or early in the beginning of 2009. So that would be satisfactory to us.

**Mr. Cliff Cullen (Turtle Mountain):** I just wanted to clarify Mr. Graydon's point. I would certainly appreciate having the newest report available to us tonight. I would hope that would not preclude us from asking questions about that particular report because there have been certainly significant policy changes over the last year or two, and I think that's kind of the basis of where we want to be, is somewhere current in terms of our questioning.

So I'm hoping that Ms. McLaren and the minister will be open to responding to—I'll call them pertinent and relevant questions in terms of where we're at with MPI in today's time.

**Mr. Chomiak:** I fully agree with the member, and there's never been any doubt that we'd give as timely information as possible and we'd be prepared to answer—in fact, in my comments I referenced most recent information. So that's not a problem.

**Madam Chairperson:** Okay, we are distributing copies of the most recent report, which would have ended on—it would be the Annual Report of the Manitoba Public Insurance Corporation for the year ended February 29, 2008, which, on the cover, has a car and a young lady with a key, and it says *Reaching Out, Reaching Higher*. That is the Manitoba Public Insurance Corporation report for 2007.

We are agreed that we can reference this report this evening and, if the answers are available, those will also be made available, but another committee meeting will be held late this year or early at the beginning of next year.

Mr. Graydon, do you have a question?

**Mr. Graydon:** Thank you, Madam Chairperson. I appreciate you straightening that out for us.

**Madam Chairperson:** I'm trying.



**Mr. Graydon:** I need to follow up on the question that I had previous, the funding allocation for the enhanced driver's licence initiative. I want to be able to follow that through. So there will be notes, if I understood Ms. McLaren properly, that there would be notes that would be referenced, such as note 17, that would reference the payback for the approximate \$13 million. There would also be a note that would indicate how much money was generated, because that would be the driver's licence operation recovery money of \$30 for the enhanced drivers' licences.

There will be separate notes issued that would indicate the difference or is that going to be one lump sum?

**Ms. McLaren:** I believe we would need to separate them because they're from such completely different sources. It would be materially different, where the money's coming from, so we would have to separate it.

I'm just trying to calculate this in my head. There would be a marginal amount of revenue in the annual report for the year ending February 28, 2009, so the next annual report that would be tabled in June sometime of '09 would be the first time you would see the \$30 revenue.

I expect it would be a year later that we would be finished the reconciliation and have established a repayment schedule. So it would be in the 2010 annual report that you would see the comment about the repayment from the Province.

**Mr. Graydon:** The total cost to MPI of this initiative has been estimated at \$13 million. From what pot of money would this initiative come from?

**Ms. McLaren:** The funding pot, the funding envelope at this point is the retained earnings from the competitive lines of business, retained earnings that we do not need. They are over and above the amount that we need to keep those competitive lines of insurance healthy and strong.

**Mr. Graydon:** So, in essence, we are financing this. Those financing costs will all be passed on to the government as well. We're financing this initiative of approximately \$13 million. If I understood your reply properly, it would be up to two years before a repayment schedule could be negotiated. For that two-year period, we're financing this \$13-million initiative.

**Ms. McLaren:** It will be quite some period of time before it will all be spent but, yes, we started

spending it earlier this year and would likely begin to see repayment some time in late '09, I would suspect. We are not having to borrow this money within MPI, so any financing cost would potentially, worst case, be a lost opportunity for investment. We would not be paying financing ourselves.

**Mr. Graydon:** Just to add to that, any loss in investment is still a loss to the people in the corporation. I have to put that on record.

Perhaps, while we're still on the enhanced drivers' licences, I'd like to turn this over to my colleague, Mrs. Taillieu.

**Mr. Chomiak:** Just for clarification, when the government by agreement transferred the function of the driver vehicle licensing over to MPI, those administrative activities, the associated cost and agreement was negotiated and similarly what amounts to, not in accounting terms but in my terms, capitalized matter of the enhanced drivers' licensing also being undertaken by the corporation, which would be undertaken by the government.

A refinancing scheme, I believe I indicated in the House, would be financed yearly by the government. In effect, the administrative details and functions that are operated by MPI as a driver vehicle and licensing agency, formerly a portion of government, is assuming those costs and responsibilities; the money flows back to government.

**Mrs. Mavis Taillieu (Morris):** Madam Chair, I also want to thank the people from MPI who have all come out tonight and really appreciate that, so we can just have a discussion on some of the things that we'd like clarification on.

As most of you know, I'm quite interested in things pertaining to privacy and protection of personal information in any initiatives that governments and Crown corporations do. I think it's one of those things that it's very important to address and I don't think anybody would disagree with that.

Privacy is an issue, I think, most people believe to be their right but, unfortunately, a lot of people perhaps take it for granted and only realize its loss when it's gone; then it's quite too late to recover it. I think in light of advancing technologies and some of the technologies that are used in the enhanced driver's licence, it's prudent to be proactive in this area of privacy protection and protection of personal information.

Just to that, I know earlier in a briefing this spring we talked about privacy assessments. You said at that time, Ms. McLaren, you were moving along with that. I'm wondering if you can indicate if the privacy assessment is complete.

**Ms. McLaren:** There are more than one privacy-impact assessments that have been undertaken for not only the enhanced card programs but also for the basic identity that's being offered through Manitoba Public Insurance as well.

We expect actually to receive some feedback from the Ombudsman probably within the month on one of them; there are another two that have yet to be submitted to her. So they are well underway. One is complete and has been in her hands for quite some time, and two will be in her hands, I expect, probably not by the end of August but certainly by the end of September.

**Mrs. Taillieu:** Am I to understand then that she's just getting a report that was initiated by MPI, or was she invited to be involved before the privacy impact assessment was done?

\* (18:40)

**Ms. McLaren:** One of the first—MPI is the organization who will be administering this program, but it's been a fairly broad group from within government who has been really working on the implementation of it because it involves, you know, two federal governments and other departments within Manitoba as well. So, under the sort of co-leadership of myself and Deputy Minister Diane Gray, one of the first things we did was brief the Ombudsman on what the federal government's intentions were with respect to enhanced driver licences and enhanced identity cards. What we knew at that point about the federal privacy commissioner's views and perspectives on it, and everything that we could possibly share with respect to how we were intending to move forward, always keeping in mind that as much as we want to have programs that are within, you know, the purview and meet the needs of Manitobans, this is really a much different program because of the involvement and the need to meet the standards of the two federal governments.

So we did talk with her about that. We then had another briefing and talked more specifically with people from her office, as well as the Ombudsman herself, about the facial recognition software component of the—and really what that is more than anything else, is the one real piece of this program

that ensures that your identity cannot be stolen. You know, that's where so much of the privacy security protection of your own personal information will really be protected for you. So we spent a lot of time making sure that they understood that, and when it came time to actually put the privacy impact assessments together, it was within the context of having had two, at least two, very in-depth discussions with her.

**Mrs. Taillieu:** Thank you for that.

When the Ombudsman does receive this report, will there be a recommendation that this report be made public, or is it something that the public will have access to?

**Ms. McLaren:** In this particular case, I suspect the Ombudsman—and I imagine this would be the Ombudsman's decision. I'm speaking a little bit outside my solid knowledge here, but I expect this would be the Ombudsman's decision, and one of the very important considerations is that this really is about protecting identity and verifying identity, and the extent to which we completely, transparently show every single detail about how we're going to administer these programs and how we're going to protect identity makes them that much more vulnerable to someone using that for illegal purposes. So there's a very, very detailed information in some cases—not in all cases, but in many cases—shared with the Ombudsman so that she can do her work, she can do her due diligence, but cannot be publicly shared or it defeats the entire purpose of making sure we can protect people's private information.

**Mrs. Taillieu:** Well, thank you. I'm just curious, how many people in MPI would have access to that report?

**Ms. McLaren:** Fewer than 10, a very limited number of people.

**Mrs. Taillieu:** Does the government department, either the minister present or the Minister of Infrastructure and Transportation (Mr. Lemieux), have the report?

**Ms. McLaren:** Very senior officials of Infrastructure and Transportation were involved in preparing it as part of their responsibilities to the minister. I believe that the ministers do not have it.

**Mr. Chomiak:** I don't want to interrupt, but I wonder if the member could clarify for me the line of questioning she's going into, because we are getting

into some areas of policy that, while I appreciate the president is doing as good a job as she can, this is—there are some areas of policy there. So if I could try to clarify—if the member wants—to outline the point she is trying to make, to the extent that I can.

**Mrs. Taillieu:** I think I'm really interested in how the privacy impact assessment was done, when it was done, who was involved and what recommendations would be in that report. Because normally a privacy impact assessment would be done before things begin, not sort of halfway through the process or long into the process, and I'm not sure where in the process that would come. So I'm really just curious to know how this is progressing. So I'm not asking for policy. I'm simply asking, is the report complete, who has it, and when will we be able to see it?

**Mr. Chomiak:** One of the frustrations of this entire process is that it's been a work in progress quite literally, which involves, as the president indicated, two national governments and agencies of those governments that have negotiated and have changed, at times, the requirements and the methodology to be applied. So the process has been a work in progress from the onset where we have a pilot project on enhanced drivers' identification presently undertaken in British Columbia which, in effect, is a moving target, some provinces including Manitoba and Ontario going down a road in conjunction with two federal governments, homeland securities, various privacy commissioners and various privacy acts. So that it, in fact, by its definition, because it's groundbreaking, and the business model that's being utilized at this point, we think, is groundbreaking, is not the kind of process that lends itself to a cut-and-dried opinion or report.

In fact, both the law and the policy have evolved from my first engagement in the process till now. The goalposts have essentially changed, so to the extent that we can provide the member with information with respect to the information and the security measures, we would be prepared to provide that information to the critic and others on, obviously, a confidential basis. To the extent that we can, we would be prepared to do that.

**Mrs. Taillieu:** Well, thank you very much to the minister.

I know there's some controversy about where the information is going to be stored and who's going to be sharing the information, whether the federal government will share with the provinces and

whatnot. Right now, where is MPI's information available from and where will it be stored?

**Ms. McLaren:** All of Manitoba Public Insurance's computerized data is stored in our own facilities. We have a backup system in one location. We have our prime operating system in our head offices down the road at Cityplace. All of our data is held in MPI facilities.

**Mrs. Taillieu:** How are you going to verify the citizenship then if information from Ottawa is not shared? How will you verify the citizenship of Manitobans?

**Ms. McLaren:** Most of us were born here. That makes our job significantly easier for that percentage of the population. In every case, for people born in Manitoba, the proof of citizenship will be held at Manitoba Vital Statistics, which is about 75 percent of the population.

When it comes to citizens who were born in other provinces and who were born in other countries, we will have to go through a process where we verify the information that they provide to us. In the early stages, the best that may be acceptable to the federal government is highly trained staff who are able to ascertain the authenticity of the documents presented to them, but we believe what we will have at start up is an electronic verification of the Manitoba birth record system and we'll be able to add to that fairly quickly because there is a national routing system of all the Vital Stats agencies across the country rapidly coming on-line. So, while we may have to verify the physical birth certificate of someone born in Alberta for the first few months or a year, we will likely be able to validate that on-line shortly thereafter.

\*(18:50)

**Mrs. Taillieu:** Will the personal information of Manitobans be stored in the United States in any data bases there?

**Ms. McLaren:** As I understand it, the data used to issue the enhanced cards will be stored in Canada. However, just like with the passport today, once you use that document to enter the U.S., it may very well be stored as a record in their system at that point saying: Marilyn McLaren entered at Emerson on September 20, 2008. That probably will then be stored in their system.

But earlier in the development of the enhanced card programs, there was question about whether we

would be required to take all of the data, send it to the U.S. and have it sitting there in the U.S. waiting for people to choose to cross the border. That's not happening.

So it will be stored in Canada until such time as you present the card at the border, and then they will probably create a record at that point.

**Mrs. Taillieu:** Earlier in the spring you talked about a significant public education campaign in regard to the enhanced drivers' licences and the advanced technologies, the RFIDs that are in the driver's licence. Has that begun?

**Ms. McLaren:** No, the public information campaign has not yet begun. I expect that it will begin before the end of this year.

We need to be in a position where we can— you know, one of the things that we learned a long time ago at Manitoba Public Insurance, Manitobans are very pragmatic. They want specifics. They have a generally good understanding of the fact that there is something changing at the U.S. border and that Manitoba will be offering something that will help them with that, but until we can tell them exactly what they need to do, how do they make their appointment, what is the process that they'll have to go through, what will they have to bring with them, those are the components. And, as part of that, how do you book an appointment and how do you come in and get one of these cards, once we have all that together is when the campaign would start.

That's one of the things that the Ombudsman has already said that she would like to have a chance to comment on. We fully intend to do that.

There are a number of federal jurisdictions and some of the other provinces as well who are moving down this road. We expect to collaborate and work together as much as we possibly can to really hit the mark on this because there are so many pieces of it. The RFID is new for most people, sort of a card that is kind of like "passport lite" that will be new for people.

One of the things that will be the newest for people and that they will struggle with getting their head around I'm sure is: Manitoba Public Insurance, I've held a driver's licence for 40 years. I've got an Autopac policy for 35 years. You've known me. You know all about me. What do you mean I have to come and prove again sort of who I am and whether I'm a Manitoba or Canadian citizen? They need to understand why we've kind of ratcheted up the entire

identity and citizenship verification process for this national program.

**Mrs. Taillieu:** Thank you very much. I understand this is voluntary, so someone doesn't have to come and do this. It is voluntary at the moment, but are there plans to make it mandatory?

**Ms. McLaren:** Absolutely not. You don't need one if you have a passport. You don't need one if you plan to stay out of the U.S. So it's absolutely voluntary.

The basic identity card as well, that is just an option for people who need high-quality, government-issued photo ID. There's certainly no need or any intention to make any of them mandatory.

I think a lot of people will be very interested in having this passport option, but, clearly, if you have a passport and are prepared to carry that with you when you travel to the States, and if you don't plan to go to the States by land, you don't need one of our cards.

**Mr. Chomiak:** A couple of things I just want to add is that the legislation makes it very clear that it's voluntary. That was specifically put into the legislation so that it would be very clear, and it can only be changed by legislation. That's the first point.

The second point is, at present, the cross-border information that will be obtained and may be stored in the United States will only be specific information relating to that particular tidbit of information, as I understand it. It will be limited in terms of application.

The third point I should make is why is Manitoba doing this in the first place, and other jurisdictions, and it's essentially filling a gap that both provinces and states have realized is there and has been essentially imposed on Canada by virtue of decisions made by the United States and specifically Homeland Security. We would probably welcome a national program that would do this, but in absence of that, various provinces are taking this on on a voluntary basis as an aid to Canadians and Manitobans in particular to allow them to carry on their day-to-day activities, as they've been used to do for decades, which is both commerce and tourist purposes. Reciprocating jurisdictions in the United States are trying to do likewise.

It's a fairly bold initiative. I'm extremely impressed with the co-operation and the

professionalism of how it's been developed and how it progresses. It has ambitious targets, and those ambitious targets are designed to try to accommodate Manitobans' needs as much as possible and, if possible, to perhaps serve as a bit of a standard notwithstanding the pilot going on in B.C. that has been established, a bit of a pilot for other jurisdictions to participate in. So I just wanted to add those few points to the comments of the president.

**Mrs. Taillieu:** I understand completely the need for something like this, and I understand the need for trade and tourism to continue across our border and the easy movement of people. Certainly we're not advocating that that shouldn't happen. We, of course, understand that. I'm just coming from a specific angle, I think, when you're talking about people's personal privacy and their personal information.

I just would like to use the example of when the Internet first came about some 25, 30 years ago. I don't think any of us could have imagined at this point in time some of the things, some of the negative things that we've seen as the technology advances. So I think we have an opportunity when we're right in the formative stages to take a look at these things with a view of things that could happen so that we can be proactive in preventing them.

So these are the reasons why I keep coming back to this issue because I think it's an evolving concern with technologies and the way our world is today with the emerging identity fraud, identity theft and, of course, at the key to that is personal information. So that's where I'm coming from. I'm certainly not arguing against the enhanced driver's licence or against the multitude or magnitude of the work that's been put into it. So I just want to make that point, but I have a few more before I go on to something else if you can indulge me on that.

We talk about this protective sleeve that is to hold the card, and obviously that sleeve is there to prevent skimming of reading that card, otherwise you wouldn't need a protective sleeve, but I'm wondering with this sleeve I think people would have to know why that sleeve is there because otherwise—I mean, I don't know, is it part of the cost to the licence: to get this sleeve as an option, you buy it? Will people be told why the sleeve is necessary? You know, part of the reason, I guess, for advocating for the enhanced driver's licence versus the passport is because you can put it in your wallet. Can you put it in your wallet if it's in this sleeve?

So when therefore if you can't, and I don't know how big this thing is, but if you can't, is it vulnerable? These are questions I have.

\* (19:00)

**Ms. McLaren:** I may regret this, but I'm going to reference you to Manitoba's two-part driver licence that comes with a sleeve and fits in your wallet. My understanding is that it's something very similar to that. It is like a special-weight cardboard or plastic, something like that. So, clearly, the intention is to make it as functional as the original design would have allowed.

All it really does—I mean, first of all, maybe not everyone around the table may be aware, the only information on the chip itself is the chip serial number. If it was to be read, it would really be very virtually useless information to anyone anyway. It's more along the lines, as RFID technology becomes—and it's rapidly expanding usages everywhere. Already, organizations like Wal-Mart are checking new stock into their warehouse using this kind of technology, no human intervention whatsoever. There is some chance that the RFID chip could be triggered by another RFID system out there, and it may just be inconvenient. That's really the main purpose of the sleeve.

One of the big costs of administering this program over the long term is the application process. That means we have to sit down—we expect to spend a half an hour with every Manitoban asking for one of these enhanced cards. Part of that will be explaining the sleeve, explaining why they may want to consider using it. Not everyone necessarily will think it is worth it.

I expect at this point that it will be included with the card. I don't know that for sure. We're still in the early stages of specifying some of the things like that, but I expect it will be included with every card unless there's some compelling reason why we can't make that happen. Part of the half an hour will be spent talking about the card itself, the sleeve, the chip and helping people build their comfort with what is still pretty new technology.

**Mrs. Taillieu:** Madam Chair, I recognize that there isn't specific personal information on the driver's licence, but the serial number of the RFID is very specific. It's not particularly the technology that is invasive; it's how it's used and how it's linked up with other information. You referenced yourself that this technology is used in a lot of places and it does a

lot of good in many places but, primarily, it's a tracking device. It's used to track in warehousing, in merchandising, even in luggage through airports, in books. I picked up a book from a bookstore here the other day and I opened it and one fell out. I bought a pair of shoes; one was pasted on the bottom of the shoe.

So they want to know where their products are going and how—lost tracking, that kind of thing. It is used for that purpose quite broadly and it has that potential to be—it's used in, say, trucks to monitor where trucks go, so it has potential as well then to monitor where the driver goes, that kind of thing.

Those kinds of issues can be problematic to some people. Not everybody would care about that but, certainly, some people would; so they would have to be advised of that, would be my thought. So you are saying that that would be part of the—

Okay, I'm going to move along from that. I've got another question I want to ask. Have there been any incidents in which people working at MPI were involved in assisting or forging drivers' licences?

**Mr. Chomiak:** You know, I have to put my Justice Minister hat on here. There have been some recent arrests by the City of Winnipeg with respect to driver's licence forgery. I'm not sure if we can go down this line of questioning in terms of cases before the courts that haven't been proven. I look to my colleague for—my sense, as Justice Minister, is we actually should not touch this issue.

**Mrs. Taillieu:** How did MPI deal with the fact that there were some forgeries in drivers' licences?

**Ms. McLaren:** We learned as much as we could and shared the information that we were able to learn with the City of Winnipeg police. They took it from there.

**Mrs. Taillieu:** Has there been a revision in terms of protocol within MPI then as to how drivers' licences are monitored?

**Mr. Chomiak:** I'm not trying to be difficult. I know the member's trying to ask—I don't want to impugn or not impugn anything at MPI. The fact that some individuals have been charged and are under charge and are before the courts, and matters haven't been proven, evidence hasn't been presented, I think we're precluded, as a committee, from even probing aspects of this issue. This is not out of any need to protect or not protect the corporation, et cetera, but it's just the crossing over of the elected side of

government into the judicial side of government is one that always has to be borne in mind with respect to matters before the courts. I'm prepared, after matters have been settled, to have any information provided to the member. But I really think we should stay away from the issue by virtue of the fact that it's before the courts.

**Mrs. Taillieu:** I feel that Manitobans have a right to know what MPI is doing to protect the identity of Manitobans, and if there have been breaches within the organization, then I think Manitobans have a right to know what steps have been taken to address this.

**Mr. Chomiak:** Under the criminal law system that we have had in place for seven or eight centuries, the public is entitled to all information with respect to any offences and circumstances surrounding those offences to be provided in open and in public, subject to the individuals being charged, evidence presented, the ability of the accused to offer a defence to those charges and then for a decision to be made by the judiciary.

Any matter, of any allegation, of any criminal activity, affects every Manitoban in an indirect fashion, whether it's a Crown corporation, whether it's government, et cetera. There is a long-standing rule of law and tradition that matters that are before the criminal courts ought not to be discussed in the Legislature for good reason. We are provided with prerogative rights in the Legislature. We are privileged in the Legislature from litigation with respect to matters that are discussed.

\* (19:10)

Manitobans have a right. Every Manitoban has the same rights to access to information and any legislator has the same rights to access to information, but there is a prohibition for anyone to provide information or to take that information out of context until the matter's been disposed of at the appropriate judicial venue. The right to information is not limitless.

**Madam Chairperson:** At this point I'm going to call order. I'm just going to refer to some information I have here. I'm going to just give this information to the committee.

The matter under discussion is currently before the Courts or sub judice and, by convention, restrictions have developed regarding members referring to matters awaiting judicial decision during debate. As *Marleau and Montpetit* note on page 534,

the sub judice convention is, first and foremost, a voluntary restraint on the part of the House to protect an accused person or other party to a Court action or judicial inquiry from suffering any prejudicial effect from public discussion of the issue. Secondly, the convention also exists, as Speaker Fraser noted, to maintain a separation and mutual respect between legislative and judicial branches of government.

*Marleau and Montpetit* also note on page 536 that since sub judice convention is not codified and is voluntary, the jurisdiction of the Speaker in such matters is somewhat difficult to outline. The Chair has the duty to balance the rights of the House with the rights and interests of the ordinary citizens undergoing trial.

With all this in mind, you can ask the questions and I will allow the questions, but I would remind the committee that ministers' witnesses are not obliged to answer the questions.

**Mrs. Taillieu:** I just would like to clarify both for the Chair of the Committee and the minister that I am not asking about a specific case. I'm simply asking if it happened. I think we have clarification now and confirmation that something did happen. I'm not asking about the case. I understand that if that's before the Courts that we're not allowed to discuss that and I'm not asking specific questions. But I think what I would like to know is if MPI has undertaken an internal review.

**Mr. Chomiak:** Can the member clarify what she means by an internal review? The corporation undertakes constant reviews of its activities on a regular basis. There's all kinds of reviews that go on that could be termed internal.

**Mrs. Taillieu:** I'll try and clarify that. Has MPI undertaken an internal review around how drivers' licences are issued and prepared?

**Ms. McLaren:** The driver licence system is fairly new. It was introduced just about two years ago in the fall of 2006. During the development, that was the time when we integrated driver licence issuing with the Autopac renewal system and integrated the renewal dates and everything. One stop for people; they could do both at the same time. By bringing that driver licensing system out of the old, antiquated, largely paper-driven, mainframe computer system into the more modern, digitized, Autopac, on-line vehicle registration and insurance system, we were able to really increase the extent to which we had

rigour, control, accountability and audit-ability of our processes.

During the development of that system we had our internal audit department involved in reviewing all the protocols in terms of how do we go through the application process, how do we deal with customers' proof of identity at that time, how do we return those documents to them, how do we produce the cards and how do we actually issue the cards. Since we had internal audit involved in assessing our intentions with respect to this new system, they have periodically come back and audited to make sure that the system is operating as intended. In the two years they've identified no concerns.

**Mrs. Taillieu:** Can you just give me a time frame of when this audit or internal audit was done?

**Ms. McLaren:** As I said, they were involved when the system was first being developed, which would have been throughout the latter half of '05 and throughout all of 2006. When the system went live in late 2006, about every quarter, actually, they come back and review. So it has probably happened close to somewhere between six and 10 times since we introduced the system in the fall of '06. They've come back and reviewed, are we administering the program as we said we were going to? Are the processes solid? Is the accountability in place that they expected to be in place when they were involved, not that they were involved in the design, but that they reviewed when the program systems were being designed? So the reviews have taken place pretty much quarterly since the fall of '06.

**Mrs. Taillieu:** Thank you very much. Are those reviews available to us?

**Mr. Chomiak:** Madam Chairperson, I am not certain if that type of specific information is generally provided to committee: internal reviews of security, internal reviews of processes. I think you've got a pretty fulsome answer from a broad policy sense on both the process, the number and the continuing aspect of reviews. This specific information is the kind of information that has broad implications, both for security purposes and implications for third-party individuals. I don't think that kind of working information has been or was ever envisioned to be provided to a public committee.

**Mr. Cullen:** I have some questions regarding the financial statements. I'm actually looking at the latest financial statement of the 2007 report to the end of February, bearing in mind that they're all similar

layouts in terms of financial reporting. So it's not specifics. It's more in context of the understanding of the statements for my own mind as well.

**Madam Chairperson:** Mr. Cullen, could you just tell us what page you're on? That would probably help.

**Mr. Cullen:** I'm on page 49 of the 2007 report.

**Madam Chairperson:** Okay.

**Mr. Cullen:** Just a couple of quick issues for clarification, points for clarification. We talk about service fees, and this is on the income line. I'm assuming, those interest payments from Manitobans paying their premiums, is that where you generate service fees?

**Ms. McLaren:** That would be the majority of the revenue on that line, yes.

**Mr. Cullen:** Now the Driver licensing operations recovery, that's the payment we talked about earlier from the Province for MPI to basically look after what used to be the Province's role in this. There's a reference to item 17. That's on page 71 of this report. We look at that particular line, item 17, the vehicle registration fees. MPI will collect over \$100 million on vehicle registration fees; driver licensing fees, close to \$22 million: for a total of almost \$125 million.

Now, my assumption would be, and please correct me if I'm wrong here, that MPI does collect that money, the \$125 million. Now, if MPI collects that revenue, where does it show up on your revenue statement on page 49?

**Ms. McLaren:** It's here as a note in the financial statements because it never really becomes Manitoba Public Insurance revenue. It's a straight flow-through. If you look just above there, it says: "Fees collected on behalf of and transferred to the Province of Manitoba . . ."

So, over the course of a year, a total of \$124,582,000 was collected in registration fees and licensing fees for the Province, but they stayed in our bank account for moments and were completely passed right across to the Department of Finance and accounted for in that way.

\* (19:20)

**Mr. Cullen:** Well, I don't pretend to be an accountant, with all due respect, but when I pay my vehicle registration fees—

**Madam Chairperson:** Mr. Cullen, I'm sorry to interrupt you. Maybe you could move your mike just a little bit more—ah, that would be great. Thank you. I think that will help.

**Mr. Cullen:** Thank you, Madam Chair. When I pay my vehicle registration fees, I pay my driver licence fees, I pay my insurance fees, I issue one cheque or one credit card. Manitoba Public Insurance receives that money. It seems strange to me that that revenue—and it's very substantial, \$125 million—would not show up as revenue for Manitoba Public Insurance.

**Ms. McLaren:** One thing I've learned about financial statements is there is often more than one allowable way to do things for presentation purposes.

These are audited financial statements. They are audited by the external auditor, the Auditor General of Manitoba, and this is credible and allowable within generally accepted accounting principles in Canada for the presentation of this kind of a situation.

If it showed up in the actual financial statements on page 49 that you were looking at earlier, it would show exactly that amount of money coming in and exactly that amount of money going out, and the net effect would be zero. So, for that reason, it's allowable to show it in a note. It's transparent. It's clear that for most situations, private passenger vehicles, you pay \$119 or \$99 as a registration fee. The rest of it is MPI revenue.

When it comes to your driver licence, I think it is—\$15 is the licensing fee. The rest of it is insurance money to Manitoba Public Insurance.

But because of the integrated system that we have here, it truly takes a stop in most cases for less than a day and then is immediately transferred to the government's bank accounts. In that situation, because it's a direct in and out, every single penny that comes in goes right back out. This is an acceptable Auditor-approved display in the financial statements.

**Mr. Cullen:** I appreciate that response. I think the bottom line of the day, we're, as Manitobans, paying a hundred million dollars in taxes to the government in terms of registration fees.

The vehicle registration fees were just increased, and you may have to correct me here. Was that effective March of this year? Is that when the vehicle registration fees increased or was that a year ago? That was the \$10 per vehicle. I'm not sure what



happened with the commercial vehicle registration fees but for the private, it was increased by \$10. I'm just wondering if that increase is reflected in this annual report.

**Mr. Chomiak:** Just a couple of clarifications. Am I not correct to say that your cheque is usually made out to the Minister of Finance (Mr. Selinger) with respect to your fees? Secondly, to characterize registration as taxes I think is not appropriate. Even in accounting terms or any principles, that would not be considered a tax.

A portion of that is to provide for interprovincial unity and insurance with respect to ensuring that all parties are covered with third-party coverage. That was a problem that occurred a long time ago, that many individuals did not have third-party coverage with respect to insurance, and there were interprovincial agreements with respect to mandating that drivers would have third-party liability coverage to ensure that accidents could be paid for appropriately. That's been a long-standing Canadian tradition.

I think I'm wrong about paying it to the Minister of Finance now. We don't do that any more, eh?

**Ms. McLaren:** No, I believe it was somewhere between five and 10 years ago that that practice stopped largely in an effort to continue to sort of help the insurance brokers of Manitoba work in an effective way. By long-standing practices, brokers were obligated to keep their MPI, whether it was registration money or insurance money, separate in a Minister of Finance account that for many, many years banks allowed brokers to have at no cost, and that ended. They started charging them in some cases a significant amount of money to keep those Minister of Finance accounts operating.

The Insurance Brokers Association of Manitoba came to us and asked us if we could work with the Department of Finance and them to create a situation where they would only have to have one bank account, transfer the funds to us and, at that point, cheques payable to Manitoba Public Insurance, I think in some cases even to the broker. It all works out, and we have such rigorous and auditable systems in place to track every transaction on every bit of revenue that there's been absolutely no loss of control since we made that change.

**Mr. Cullen:** The other question I had then was the new \$10, the additional \$10 registration fee, is that reflected in this annual report?

**Ms. McLaren:** I believe that was in the '08 calendar year that that increase came through. So, no, it would not be reflected in this report.

**Madam Chairperson:** A few of us are staring at the wasps that we're allergic to.

**Mr. Cullen:** So what we're going to see then, next report, will be a substantially higher figure that's going to be collected by MPI on behalf of the Province of Manitoba.

I guess the question would be for the minister—in this past year \$125 million, and next year it'll be substantially more, once that fund, whatever it is going to be, and it'll probably be \$135 million or \$140 million is turned over to the Province of Manitoba into general revenue—is there any legislation in place that prescribes where that \$125 million or \$140 million will be, how it will be used by the Province of Manitoba?

**Mr. Chomiak:** Generally, as a province, with respect to revenue we do not earmark. It's been Manitoba practice so long as I remember and long before I think I was involved, to earmark revenue into the general account. I think the really significant factor that most Manitobans take note of is that the insurance rates in Manitoba are significantly lower than anywhere else in Canada, indeed in North America, by virtue of having a public insurance corporation. The administrative costs are less than other jurisdictions, and part of the Manitoba advantage is the fact that we pay the lowest auto insurance premiums and have the fairest, arguably the fairest, system in Canada, possibly in North America, and that the benefit of the public insurance corporation has manifested itself year after year after year.

Indeed, my earlier comments, when I indicated that grade decreases had occurred in nine of the last 10 years, is indicative of the advantage of Manitoba Public Insurance Corporation. I think that most Manitobans are aware that our Crown corporation of public insurance and our Hydro corporation, both are North American leaders in maintaining lowest rates for Manitobans, and I think it's worth noting that the Manitoba advantage has been recognized and is recognized as a significant factor in our economy being as fiscally and as practically sound as it has been the past few years and continues to be.

**Mr. Cullen:** Well, Madam Chair, I certainly appreciate the minister's political speech tonight. I guess maybe what he should do is have a good, hard

look at his own report here on page 26 where MPI are admitting that we maybe aren't the lowest but maybe among the lowest. So there certainly has been a change here, and, again, we're talking about basic insurance.

Does the minister have comparison for vehicle registration fees that the province puts on vehicles? How do the vehicle registration fees in Manitoba compare with other jurisdictions? Would he be able to provide the committee with a detailed analysis on a province-by-province basis on exactly how we compare to other jurisdictions in terms of the actual vehicle registration fees?

\* (19:30)

**Mr. Chomiak:** As I recall—and I'm certain we can provide the member with this information—we're within the range of other provinces with respect to registration, but I want to point out that there is a Manitoba advantage in both having the lowest auto insurance rates overall, on almost all comparisons, and similarly in terms of hydro.

It's part of the—in fact, now that we've gone to GAAP accounting principles, I think it's even more manifest of the fiscal prudence and the significance of having Crown corporations in a position to re-invest and invest in Manitoba and Manitoba institutions. Keep the money in Manitoba rather than going to firms offshore to make dividends for individuals outside of Manitoba. In fact, stay here and keep the rates the lowest in the country.

With respect to registration fees, that information we can provide to the member.

**Mr. Cullen:** I would certainly appreciate that information. The Public Utilities Board does not review the vehicle registration and driver licensing fees. Is that correct?

**Ms. McLaren:** That's correct.

**Mr. Kevin Lamoureux (Inkster):** I have a couple of areas that I want to touch base on. First is my understanding of acquiring a driver's licence, if you live outside of Canada. At least I'm told there are two types of countries. There are those countries where you are allowed to, in essence, get a Manitoba driver's licence, no questions asked, and then other countries where you are required to write a test and have a driving exam. I wonder if the—get a comment on that.

**Ms. McLaren:** Yes, there are reciprocal jurisdictions and non-reciprocal jurisdictions is the way we talk

about them. It really is, with respect to authorization to drive, no matter where you're from. You could be from Kenora; you could be from Creighton, Saskatchewan. When you come to apply for your first Manitoba driver licence, you still need to go through a more rigorous process than it used to be to prove your identity. But then, if it's from a reciprocal jurisdiction, we don't test your ability to drive. We do test people from non-reciprocal.

**Mr. Lamoureux:** Do you have a list of the countries that would not have to do the test, or both the driving test plus the exam?

**Ms. McLaren:** It's unlikely we have that here this evening, but we can certainly provide that off-line. Fairly regularly, I think, in the last four years, since Manitoba Public Insurance has been responsible for the licensing function, we've probably added a small handful of countries. It's something that does continue to grow through time.

**Mr. Lamoureux:** Now I understand that England would be one of those countries and I'm told also South Korea with which there is a reciprocal agreement. Would the member be aware of that?

**Ms. McLaren:** I believe England is one. I don't know about South Korea.

**Mr. Lamoureux:** For the sake of having discussion here this evening, here's my understanding. If I drive a taxi, let's say, in London, England, and I immigrate to Manitoba and, on the other hand, someone drives a taxi, let's say in Manila, and immigrates to Manitoba and we arrive on the same day. What I'm told is that both of us can drive for 90 days, no questions asked.

After 90 days, I can go ahead because I'm from London, England, and get my Manitoba driver's licence issued. The individual that has been driving taxi in the Philippines would actually have to do a road test and write an exam.

**Ms. McLaren:** I believe that's true, yes. I believe so. I'm not a hundred percent sure, but I believe that the Philippines is a non-reciprocal jurisdiction.

**Mr. Lamoureux:** It is a non-reciprocal agreement.

Two things come out of that for me. Imagine someone that arrives in Manitoba and you're saying, you can drive for 90 days but, after that 90 days apparently, we now have to have some proof that you are able to drive. So kind of a question mark as to why this would be the case.

The second issue is that it seems to me, and I use London, because in London they drive on the other side of the road. I would have thought that it would have been more natural to have someone that drives in the Philippines to be able to feel more at ease in driving in Manitoba than someone that's been driving on the opposite side of the road.

So I would ask, to what degree does MPI take the initiative to go out and see where it is that they might be able to expand their policy? Ultimately, even if there is a need for a reciprocal agreement, I'm not convinced of that. I think MPI could do it on its own. It doesn't necessarily have to have a reciprocal agreement. But I would look for a comment on that.

**Mr. Chomiak:** The policy decisions with respect to reciprocal agreements are made by the department of highways and infrastructure. The content of reciprocal agreements fall under that minister's purview. They're based on standards being similar or relatively similar to those that are in place in Manitoba. Recently we've extended coverage on a reciprocal basis to France, for example.

I think what I will do is take the question as notice and ask the Minister of Infrastructure and Transportation (Mr. Lemieux) to reply to the member. I'm guessing that the member is suggesting, from his example of using London versus Manila, that the Province or the minister should consider arrangements in the Philippines, or Manila, specifically, dealing with standards of driving. I'll pass that on to the minister and ask him to reply to the member in that regard if that covers what the member is looking for.

**Mr. Lamoureux:** Yes, that would be very good, and that's the reason why I brought up at the very beginning the 90-day issue. A person shouldn't necessarily be penalized because they happen to be coming from one country even if the standards might be a little bit different. If you have 90-day probation period and, you know, I'm just suggesting that we should be looking at that.

The other issue, which is very short, is in regard to MPI. They get a set figure for every driver's licence that they renew. Is that not correct?

**Ms. McLaren:** That MPI receives a payment for? *[interjection]*

**Madam Chairperson:** Just a minute. Mr. Lamoureux, would you like to clarify that into the mike.

\* (19:40)

**Mr. Lamoureux:** The Autopac agent is now renewing drivers' licences, and my understanding is that they get a set fee for doing that.

**Madam Chairperson:** Just to clarify, you're saying they retain? Is that what you're saying? They retain some of the dues?

**Mr. Lamoureux:** I don't know if they retain, or Autopac. I'm not too sure exactly how it works. My understanding is—but for every driver's licence that they renew they get a fee.

**Ms. McLaren:** Yes, that's right. The change that took place two years ago with the new driver licence system is that all brokers in urban areas began to be able to renew driver licences for Manitobans as did brokers in small towns throughout Manitoba for a very, very long time. So it was kind of putting the urban brokers on par with the rural brokers in that regard. Autopac commissions are paid on a percent of the premium on the policy but the driver licence commission paid to the brokers is a fee. It's a flat fee, yes.

**Mr. Lamoureux:** And finally, and again I would just put this forward because the minister is here and the board of MPI. My understanding again is that it's a fairly nominal fee. I think it's a dollar, or something of this nature. It's not something which the Autopac agents are making money on. It's a service, from my discussion and I've had discussions with a number of Autopac agents, it's almost like a loss leader. If they don't provide that service, it's to the detriment of their other clientele. So they feel obligated that they have to provide that service.

I think the government or, in particular, MPI has to maybe re-evaluate the fee that they're paying. I, for one, have a difficult time justifying it. I think paying a fair return for the service that they're providing would be more appropriate. I appreciate the opportunity to be able to get my questions and statements across. Thank you.

**Madam Chairperson:** Ms. McLaren, did you want to respond?

**Ms. McLaren:** I think the important point here is that—I guess two important points—is that we do work closely with the Insurance Brokers Association of Manitoba. We need to make sure that the system works for everybody.

Since we have integrated the driver licence renewals with the vehicle registration insurance

renewals though, it's very rare, you know, it's like maybe one out of four people that come to renew a driver licence are not also renewing their Autopac. So if they get \$1 for renewing a driver licence, on average they get about \$61 for renewing an Autopac registration and insurance and a driver licence. So they get about \$121 when they do two cars and a driver licence.

So the system really needs to be looked at in its entirety. It is a system. It's very important to us that we continue to work effectively with brokers but there are very, very few people in Manitoba who hold a driver licence and never own a car. Kids getting their first licence. It's a fair bit of work to go through the identity verification process and get their first licence issued for them and they get \$1, you're right. But it won't be long before they're buying their first car, then their other car and then the van, and then the trailer and so on and so forth. So we really look at it as the entire system needs to make sense. It needs to work for brokers. It needs to work for Manitobans.

**Mr. Faurshou:** Looking at the statement, and I almost want to compliment the corporation. It is a very detailed statement and one that does give a good accounting of the year's activities, and so, compliments to those engaged in putting the reports that we see before us here.

In regard to just a couple quick snappers, retained earnings, are what percent—

**Madam Chairperson:** Mr. Faurshou, could you just reference which report you're referring to and which page, please?

**Mr. Faurshou:** Oh, okay. Madam Chairperson, it was a current situation and I wasn't going to refer to any pages because I can't find it on any pages. It's just the level of retained earnings that the corporation I know adheres to the minimum capital test that is put out by the Superintendent of Financial Institutions as the amount of risk exposure and how much you keep in reserve.

The rule of thumb is about 150 percent of exposure. Where are we sitting right now with the amount of investments and retained earnings to cover our exposure, currently?

**Ms. McLaren:** The actual statement of retained earnings is on page 51 in the report that you have there—

**Madam Chairperson:** Of the current—of the report for the—

**Ms. McLaren:** For the current one, yes.

**Madam Chairperson:** The 2007 annual report.

**Ms. McLaren:** That one, yes. I believe the Superintendent of Financial Institutions does talk about a minimum of 150 percent, and they are talking about companies that are competing in an open market. The average retained earnings by those companies is well over 200 percent, probably getting close now to about 250 percent in many, many cases.

The corporation established a goal of 100 percent, which is very similar to the goals established by Saskatchewan Government Insurance and also the Insurance Corporation of British Columbia in very, very similar business to ours. We have significantly less than that for the basic compulsory line of business because the Public Utilities Board has taken a different view and controls the amount of retained earnings before it would order a rebate. So they believe that, in general terms, 50 percent is what they have left us with in most situations.

We believe rate stability, annual ongoing predictable rates for Manitobans, is more important to Manitobans than even paying the lowest rates in the country. We like to make sure that we do our best job so that they have both, but stability is really important to Manitobans. When you have a lower level of RSR, the corporation believes that it compromises our ability to provide that stability more than it necessarily needs to.

An example is the hailstorm last year in Dauphin, \$50-million storm. If a similar storm, same intensity, same kinds of damage, hit a part of Winnipeg, we'd be looking at \$300 million just in one storm like that.

So we think we've pretty much, I guess, agreed to disagree with the Public Utilities Board. We work to their target. They have that authority. But we do continue to have a look at what would be required, according to the corporation's preferred goal of 100 percent of the MCT.

**Mr. Faurshou:** I do appreciate your position. Yes, it is up to the Public Utilities Board to agree or disagree. I hope that they will come around to agreeing with you, because peaks and valleys and stability, without question, is of foremost concern to Manitobans.

I happened to be listening fairly intently in regard to a question that was posed a little earlier by my colleague from Turtle Mountain regarding, perhaps, the registration being considered another tax by this government, but, maybe looking at it from that perspective, who determines what the registration fees are and what the drivers' licences fees are, seeing that it's a flow-through to government? Is it your board of directors, by consideration of facts, or is it left to a directive from government?

**Mr. Chomiak:** With respect to registration fees, that has always been a policy decision of the government of Manitoba.

**Mr. Faurchou:** I just wanted to clarify as to where the funds were determined, or the level of registration is determined. Very keen, as I was a strong proponent of the Fair Practices Office—I'm starting to date myself as to the longevity of tenure here at the Legislature—I see with a little bit of concern the diminishing number of cases handled by that office. Could you, perhaps, give a little bit more explanation as to why you see, that is, the whole corporation functioning better than it ever has in the past? I see you're nodding your head. We all like to think that way. Or, perhaps, are we making the Fair Practices Office as available as we have in the past? Have we been making sure that the numbers are in the handbooks, the front-line personnel, if there is an argument, or a disagreement, or a discrepancy, that the Fair Practices Office number is made available to claimants?

\*(19:50)

**Ms. McLaren:** Yes, I believe it's every bit as accessible as it ever has been, perhaps even more so. We get people contacting us now by e-mail that we didn't used to. So I don't have any concerns that people are turning away frustrated, that they have not been heard. I think we have done some hard work in some key areas that used to drive some complaints and concerns, sometimes in conjunction and discussion with the Ombudsman's office but, no, I don't think there's any reason to believe that the numbers are down because people can't find them.

**Mr. Faurchou:** The other area of fairness and balance, I hope, to always be a proponent of within the system is of the Automobile Injury Compensation Appeal Commission. Although it is not directly part of MPI, MPI does provide funding

for that entity. Could I see where, perhaps in the report, that is recorded?

**Ms. McLaren:** On page 49 of the annual report '07, it would be in the Regulatory/Appeal line of Expenses. In that line as well are costs for other regulatory functions and appeal. Financial statement—probably getting close to two thirds down in Expenses is the Commissions, Operating, Premium taxes, Regulatory/Appeal.

So the total for the year ending February of '08 was \$2.738 million. That includes our costs for the Public Utilities Board, Crown Corporations Council and the costs to fund the Automobile Injury Compensation Appeal Commission. I could not break that out for you at this point, but that is the line where all of the regulatory and appeal costs are collected.

**Mr. Faurchou:** I'm very interested in seeing those figures for that office. Is it possible that I can see or obtain those figures in another report, or could they be provided?

**Mr. Chomiak:** I think I can undertake to provide the member with that specific information.

**Mrs. Taillieu:** I'm just wondering if MPI has a contract with a company called EDS. They may have changed that name now because I think they were taken over by HP. Do you have a contract with this company?

**Ms. McLaren:** Yes, for a number of years we've used the services of EDS Canada.

**Mrs. Taillieu:** Can you tell me what amounts are paid annually to this company?

**Mr. Chomiak:** I stand to be corrected but I think that would be contained in the Public Accounts, volume 3, if memory serves me correctly. That would be contained in the statement from the Department of Finance as to contracts paid out, but I'll undertake to see what information is available in regard to that particular contract.

**Mrs. Taillieu:** What is the nature of the contract?

**Ms. McLaren:** The majority of work that they do for us is provide expertise in computer systems design, computer systems programming, occasionally some work related to managing the change that a new system will bring. By using a combination of MPI staff on the MPI payroll and a consulting company with staff that can move in and out on a more

need-specific basis, it enables us to really have the best of both worlds.

We have a lot of our own employees working to build and maintain our own computer systems but, by having access to more specialized skills from an organization like EDS, you can get the special skills that are very, very hard to maintain in-house.

**Mrs. Taillieu:** Are people employed by EDS remunerated at all through MPI other than through the contractual arrangement? That's not exactly how I wanted to word it. When they provide the services, the people that come in from EDS, do they integrate their staff with your staff?

**Ms. McLaren:** They are always working on projects or on systems maintenance and development that would be—yes, for the most part, it would be alongside MPI staff. They are working on projects together with MPI staff. They bring different skill sets to the table. We need all the kinds of skill sets and they work together to produce a result.

**Mrs. Taillieu:** Do the people that are with EDS, has there been occasion or does it happen that they may actually replace people that were at MPI?

**Mr. Chomiak:** The member is getting to human resource matters. I don't know, the issue of replacement or assisting or training, I think it's difficult to give a specific response to a question like that.

There are contractual arrangements with EDS. I believe the member has asked for that information. We'll endeavour to find out that information and we can go from there. It's really a difficult issue to quantify with respect to when an outside consultant is brought in to deal with a project that could or could not be done internally for a variety of reasons or resource allocations, et cetera. So when we go down into the human resource issue and bodies replaced, I'm not sure that we can deal with that kind of a question.

**Madam Chairperson:** Prior to recognizing for the next question, I just wanted to say that the time is almost 8 o'clock, so what is the will of the committee, keeping in mind that I do have to put the questions about the reports. What is the will of the committee? We had agreed that we would revisit this at 8 o'clock and we are one minute now before 8 o'clock.

**Mr. Graydon:** Madam Chairperson, I would ask leave of the committee to extend it until

9 o'clock—[interjection] Or earlier if we run out of questions, but it seems that we do need an extension so I would suggest 9 o'clock or earlier.

**Madam Chairperson:** Is that agreed by committee members? [Agreed]

**Mrs. Taillieu:** Now I'm really just trying to find out the nature of the contract with EDS. If it's for computer services where you come in and you train people with a specific skill set, it's one thing, I think, but if you come in with a view to replace staff with other staff, I'm just wondering if that's kind of appropriate practice. I don't know, maybe it is, but what is the rate of turnover in MPI?

**Mr. Chomiak:** I was going to suggest that the member's line of—and then the member switched to a specific question I think is appropriate, so I'm not going to intervene.

\* (20:00)

**Ms. McLaren:** I can tell you that our turnover is very low, lower than sort of business averages tend to be, particularly, the last few years. The majority of people leaving MPI do so to retire.

We have, give or take, approximately 1,800 people working at Manitoba Public Insurance. We've never had that many before. We've got probably about 130 working in our IT department. We've never had more than that before. So we don't have any sort of policy of downsizing or reducing jobs and handing jobs outside of the company. That's not at all the approach that we take. As I said, we really need the balance of long-serving—always learning, but long-service MPI employees who have the history and the knowledge to support the systems that we need. But we also need the ability to bring in people who have new and different, and sometimes specialized skills that you don't need over the long term, and those are the skills that we look for on the consulting basis.

**Mrs. Taillieu:** Is it the nature of the contract then to not only provide computer services or IT services but human resource services?

**Mr. Chomiak:** We're into third-party information now, contractually. [interjection] Well, the member is asking, so I'm trying to provide the information and at the same time protect the integrity of the corporation to operate in an environment where the member has referenced earlier today, earlier in the meeting, you know, concerns about privacy and matters of that kind. Well, a Crown corporation has

some responsibility in that regard, too, with regard to third-party matters. So I will endeavour to get back to the member about the terms and conditions that amount to the contract to the extent that it's allowable under our privacy and our regulations, and the general natures of the contract I think we can provide. After that I think we're getting a bit into nuances of specific contracts with a third party, and I think we are precluded from providing specific information at committee in that regard.

In terms of matters we provide in general under our Freedom of Information act, we're fairly generous in that regard. So I will endeavour to provide the information that can be provided to the member in regard to the contract or contracts the member has referenced with a particular company and the amounts and general nature. But we do have to be cognizant of third-party business relationships that MPI is involved in, that we have to be cognizant of protecting that information.

**Mrs. Taillieu:** It's simply a matter of, what is the contract for? I'm not asking for any personal information, so I think that the minister has got it wrong there. I'll ask it in another way: Does MPI have a service purchase agreement with EDS?

**Ms. McLaren:** Yes.

**Mrs. Taillieu:** Could we have a copy of the service purchase agreement?

**Mr. Chomiak:** I do not think that MPI is in a position to provide specific contracts, third-party contracts, because of commercial impacts to this committee. I will endeavour to find out what I can under Freedom of Information, and the member has full access and rights under Freedom of Information to pursue that kind of information, but we are in committee. MPI has been totally forthright, but when you get into commercial contracts with third parties, you're crossing into an area that the competition, competitors and others, can get involved in. I don't think it's to the benefit of any of us to reveal specifics of that information. In fact, I think we're precluded from doing that.

**Mrs. Taillieu:** I think that when we look at the overall picture here of public dollars being spent in a public corporation that the public has a certain right to know what the contract is and what's being paid out. In other service purchase agreements, whether it be a housing corporation or whether it be a regional health authority or whatever, I think it's just simply this is the money that is paid to this organization and

these are the services it provides. I would think that if I was a business, I'd want my services to be known to other people. I wouldn't feel that it was a private thing, that I didn't want people to know what I did.

But I'm sensing a real reluctance here on the minister's part to answer these questions, and I really do not understand the reluctance about this. I'm simply asking some questions, and because I'm getting a huge push back on not wanting to answer the questions, it makes you start to feel like there's something to hide.

So I'm curious about this company and what they do here in Manitoba. I'll ask the minister: Has the government of Manitoba provided funds to this organization to come and set up business here?

**Mr. Chomiak:** Number one, I don't want to be argumentative, and I think we've been free-flowing. The member suggests a reluctance. I'm simply being prudent from a perspective of any process or any government. The member asked for a specific contract and specific information from a Crown corporation that's involved, in some cases, in some competitive lines of businesses and, in some cases, in offering services of a proprietary nature, perhaps in some cases.

The member has asked for us to table a particular contract and I said I will endeavour to find out, endeavour to provide the member with that information, having cautiously looked at FIPPA and privacy considerations, a consideration the member herself raised as a major issue during the course of this committee hearing, privacy information. The member asked and was very specific about personal information. That applies to third-party contracts and third-party individuals.

So I'm simply being cautious in asking the member to wait until receipt of this information when I have an opportunity to see if it has an impact with respect to FIPPA and other privacy matters, something that I think the member would actually applaud rather than feel defensive about and feel that somehow we're hiding. I would think the member would say that's prudent business practice. The member has experience in business; I've had experience in business. That's prudent business practice to not reveal a blanket all of your contracts to everybody and anything.

So the information is likely forthcoming, but I think pursuing this line of questioning at this point and suggesting that somehow information isn't being

provided is not actually a fair assessment by the member to make in this regard.

**Mrs. Taillieu:** I think that the minister's gone from reluctant to defensive to angry, and I really don't see any need for that. I'm simply asking some questions here and he seems to have really got his back up on this.

So I'll just ask some specific questions. Was the contract to EDS tendered?

**Mr. Chomiak:** The member is asking information about contracts and specific contracts. The president has indicated there is a contract with EDS, a service purchase agreement. I've indicated that I will endeavour to find out for the member the circumstances of the contract and the value, et cetera, subject to FIPPA information. I will undertake to do that.

\*(20:10)

**Mrs. Taillieu:** Is the minister, then, refusing to say whether the contract was tendered or not?

**Mr. Chomiak:** I've indicated that I'd provide the information about the contract to the member when I have an opportunity to review what FIPPA and other related business practices are in this regard.

**Mrs. Taillieu:** Whether a contract is tendered doesn't fall within The Freedom of Information and Protection of Privacy Act. If it's a public tender by a public body, it's simply—can you provide me with the tender and who else responded to the tender?

**Mr. Chomiak:** I think that is public information.

**Mrs. Taillieu:** The minister is quite concerned about this. I really, again, wonder what the problem is. It's simply, if there's a contract with an organization to do some work, I'm simply asking because I think it's prudent, if you are the custodian of the public purse, that you tender and make sure that you get the services that you're paying for and get it at the best value.

That likely would be the lowest price, although in some instances it might not be. I think it's prudent that, if you are providing a contract to an organization, you simply get a couple of proposals to know what you're dealing with. I think that's just good business practice. I don't think that anybody would argue with that—that most people would get tenders.

Yourself, if you were doing some home improvements, you wouldn't just go out and hire a

company unless you had a reason to hire a specific company, but you would likely get a couple of quotes. So all I'm asking is: Was it tendered? Who quoted on it? Who bid on it? And I'm not even asking for any more than that. It's just simply—if it's a public tender, I don't see the problem. I'm asking if it was tendered.

**Mr. Chomiak:** There are several things to deal with here. Firstly, I think, as the member indicates, it is standard practice to tender. That's a no-brainer with respect to any business enterprise, be it government, or be it Crown, or be it whatever.

Again, I return to—the member has asked some specific questions and I've indicated I'd get back the information. I will provide the information to the member. I think that information will not only answer—if it's permissible under FIPPA—the specific questions the member's asked but will deal with some of the details the member's pursuing at this point, because the information the member is asking for I will undertake to provide, so some of the member's questions are a little bit like shooting at a target.

I will provide a fulsome response to the member following. As long as it's applicable under FIPPA, et cetera, I will provide all that information to the member.

**Mrs. Taillieu:** I'm informed that MPI and Crown corporations don't report. Their contracts are not listed on Public Accounts, so the minister would agree to provide that information because it's not listed on Public Accounts.

I'm just curious. How many years has MPI had a contractual arrangement with EDS?

**Mr. Chomiak:** I will endeavour to try to provide that in my fulsome response to the member and her request.

**Mrs. Taillieu:** I'm not sure why the minister is cutting off Ms. McLaren here and not allowing her to answer because it's a simple question—the number of years this contract has been in place. I don't see a problem with that and I don't understand the reluctance to answer that question.

Is there something about this company that we should delve deeper into? I don't understand the reluctance here.

**Mr. Chomiak:** I have undertaken to provide the member information with regard to the questions she's asking. I have outlined to the member the



concerns that I have with respect to release of this information. If the member is concerned about that, we'll be sitting in session, the member can stand up and make all of the accusations she wants in the Legislature, and that'll be fine.

I'm simply telling the member that I'll provide the information, and poking around the edges of a vague question where I've already undertaken to provide specifics doesn't seem to me to be fruitful. I'm concerned about third-party information, competitive information, et cetera. That is the prudent way for me to function as the minister responsible.

In the same line of questioning where I ask the member to not pursue a matter because of judicial concerns, I'm just indicating to the member that this is a matter that I have to check to see whether there's FIPPA concerns and otherwise. If there's not, then I will provide a fulsome answer to the member with respect to the variety of questions she's asked in regard to contract with EDS and the various permutations around the question that the member's put forward.

I just suggest to the member that she not attribute motive or feeling into the response because it's a prudent response, and it'll be a fulsome response to the member's question.

**Mrs. Taillieu:** I think that if the minister will take the time post-committee to actually peruse the *Hansard* from tonight, he'll see that I think my questions have not been vague. They've been quite specific, and I'm simply asking for some answers to some questions which I believe are pertinent to Manitoba taxpayers, just to know the nature of contracts and if they're tendered or not and who they're awarded to and that kind of thing.

However, I can see that the minister will not answer any questions tonight so I will ask him to please provide to me answers to all of my questions in writing, and I probably will have a few more which I can send to him in writing because I'm quite sure that he won't answer them. I'm wondering if he will provide them to me in writing and when will he do that?

**Mr. Chomiak:** To use the words of Ronald Reagan, there you go again. You've already precluded my providing a response by saying, I'm sure the minister won't provide it. I've already undertaken at least seven or eight times to say I'll provide a fulsome response to the member with regard to this question,

subject to FIPPA requirements and other privacy concerns that may arise.

I'm only doing that on a cautionary basis, and I will undertake to provide that information to the member.

**Mr. Graydon:** I'd like to change pace here a little bit. I'd like to address—

**Madam Chairperson:** Don't move away from the mike, though. Come back to the mike, please. Thank you so much.

**Mr. Graydon:** Thanks you very much, Madam Chair. I'm so used to being told what to do, I feel like I'm at home.

**Madam Chairperson:** Gee, I wish my husband did that, but anyway, Mr. Graydon, you have the floor.

**Mr. Graydon:** I'd like to go to MPI's advertising promotions and sponsorships, more specifically, the donation to the Canadian human rights museum, Spirited Energy contributions and some of the advertising budget.

In April of 2008, MPI donated \$1 million to the Canadian Museum for Human Rights. Hydro, Lotteries and MLC, which I'm also the critic for, donated the same amount. Upon questioning, Premier Doer said that he had encouraged the Crowns to donate, make the donations, but denied ordering them to do so. The government also made a funding contribution to the museum through general revenues that did not include the \$4 million donated by Crown corporations.

\* (20:20)

We believe that this is somewhat reminiscent of MPI's attempt to donate \$20 million of ratepayers' funds to the universities in 2000. We believe that the NDP should have been up front with Manitobans and funded the full government donation to the museum through a general revenue. We felt that that would be the appropriate way of doing that.

*Madam Vice-Chairperson in the Chair*

Spirited Energy. According to the Freedom of Information requests, MPI donated over \$64,000 to the failed Spirited Energy campaign. MPI has also put out promotional flyers for its products, which seems odd, given that it has a monopoly on the insurance. MPI also runs a variety of contests and promotional programs. For example, last summer it ran an early renewal program with \$1,000 draws for drivers to renew their Autopac early in the month.

Because of the monopoly, I don't believe that these types of programs are appropriate or necessary.

With whom did the MPI executives meet before deciding to donate to the Canadian human rights museum and when? Did they meet with the Premier (Mr. Doer)? Did you meet with the heads of the Crowns of the other three corporations who announced their donations at the same time?

**Mr. Chomiak:** MPI is a very proud corporate citizen of the province of Manitoba. I remember how proudly MPI was when they were involved in the Pan Am Games in Manitoba, as was Manitoba Hydro and other Crown corporations. I can remember how proud then-Premier Filmon was of the participation of the Crown corporations in funding and promoting that event that brought Manitobans recognition to the province of Manitoba and acknowledgement of the many facets of life and activity that we have in this province.

I think that organizations like the volunteer society of Winnipeg, the United Way of Winnipeg, the Health Sciences Centre, Mount Carmel Foundation, the Canadian Cancer Society, YM-YWCA, the Alzheimer Society of Manitoba, and many other Manitobans are grateful for the participation of MPI in their efforts. It would be a sad day, indeed, when major participants in our economic life of this province stopped giving back and no longer contributed to the viability of the province and the many worthy causes that occur as a result of the philanthropy and the donations of our Crown corporations.

You know, the Member for Turtle Mountain (Mr. Cullen) earlier talked about money into the general revenue account. We have a multi-billion-dollar highway and bridge renewal projects for 10-year \$4 billion—the largest in Manitoba history coming out of general revenue that make the roads safer, make the highways safer, make our infrastructure safer, coming out of taxpayers' money for all Manitobans. Those roads are safer for the truckers. Those roads are safer for the drivers. Those roads are safer for the pedestrians. And it helps MPI because that results in fewer accidents, et cetera. MPI can keep the rates the lowest in the country and invests hundreds of millions of dollars in infrastructure within Manitoba from its earnings. It stays here in Manitoba and, at the same time, donates to organizations that are vital to the kind of province and the kind of way of life that we are able to enjoy in Manitoba.

So making a blanket prohibition on Crown corporations donating, I think, is not wise. I don't think it fits in with the Manitoba tradition and it would do serious harm to all. In fact, I think the public would be very disappointed that all of those organizations were no longer provided with some assistance from the men and women who live and work in Manitoba, with Manitobans working beside them, with them and donating back to them.

**Mr. Graydon:** Thank you, Mr. Minister, for your response. The question, of course, was fairly specific. I'm not disputing some of the things that you said; however, the question was specific. I'll repeat it again and I'd ask Ms. McLaren if she would be willing to answer the question as well.

With whom did MPI executives meet before deciding to make the donation to the Canadian human rights museum? Did they meet with the Premier, and did they meet with the three other Crown corporation heads before the donation? That was a simple question.

**Mr. Chomiak:** As the minister responsible for MPI, I accept responsibility for the governance and the management of that corporation. I think they've done an excellent job and they'll continue to do an excellent job.

With respect to directives and activities of the board of directors, they make their activities. They govern the corporation through the board of directors. The management makes the day-to-day management decisions and we, in government, reap the many benefits from their very wise and fair decisions.

When those decisions go awry, we in government sometimes have to accept the responsibility and the blame for those decisions. With respect to the specific questions that the member is asking, I think members of the board of directors and members of the management carry on their day-to-day duties according to the policies, guidelines and provisions in the MPI act and under the Crown corporations accountability act. They do so according to those provisions. I can't elaborate any further in terms of providing specifics, wherefores and wherebys with respect to specific meetings, specific times and specific places.

The donation that was provided, I think, has been accepted. I think the vast majority of Manitobans are very excited that we are going to be in partnership with the federal government,

the City of Winnipeg and the Province of Manitoba, many private interests and input from Crown corporations, of people that live, work in Manitoba.

We're going to see the construction of a world-class facility that will bring attention and notice and a positive reflection of what this province is made of.

**Mr. Graydon:** I certainly believe that the staff of MPI does an excellent job. I believe that they make the government of the day look fine, probably better than they could or should. I have no doubt that their ability is excellent. I have no doubt that their ability to answer those questions is quite well accepted.

However, because there are really no answers coming for that question, I would like to ask perhaps then if the minister could answer this question for me: How much does MPI spend annually on corporate sponsorships?

*Madam Chairperson in the Chair*

\* (20:30)

**Mr. Chomiak:** The majority of MPI sponsorships go to safety and safety advertising sponsorships.

Then there's corporate sponsorships, and I believe that the information of sponsorship events has been made public and I'll check on that. Again, I don't think it's appropriate to direct the corporation in terms of—you know, for a minister to go to a corporation, a Crown corporation—I think as has happened in the past perhaps—and ordered them to do something I don't think is appropriate. The Crown Corporations Committee and others have said that if there are directives, they should be put in writing.

We have confidence in the board of directors. We have confidence in the management, and we have confidence in their ability to provide appropriately for sponsorships, both of a corporate and an advertising and safety nature. I don't think if you listen to radio stations you'll hear safety tips sponsored by MPI, if you watch TV you'll see safety tips for drivers sponsored by MPI. You can't calculate the value.

The member suggested advertising for a monopoly is not appropriate. I disagree. I think that it's incumbent upon the Crown corporation to do what it can to improve road safety, improve habits, et cetera. If you save one life or 10 lives or improve the situation for one or 10 Manitobans, then it's well worth it. I think the idea of eliminating any kind of public participation by any segment of society I think is wrong because that's not the Manitoba way.

**Mr. Graydon:** For the record, Madam Chairperson—thank you, and I'm glad to see you back in the Chair. For the record, there was no time that I indicated that any participation of any sponsorships was wrong and that I had any disagreement with those. I just simply asked what they were.

However, what we can do farther then, I'll try and move on to the million-dollar donation and I'll direct this to Madam McLaren.

**An Honourable Member:** Through me.

**Mr. Graydon:** You don't give answers. I came here for answers. I need to talk to the lady that has the answers instead of the fellow that's going to talk to the lady to get me the answers.

So, Madam Chairperson, I would like to direct the question to Ms. McLaren. Of the million-dollar donation that was made, from where did that donation come? From what fund did that donation come? What part of MPI did it come from?

**Mr. Chomiak:** I just want to indicate to the member that I've tried very hard to provide all of the information, and where I thought it was inappropriate I've indicated I've undertaken to.

I'll just remind the member that, you know, when the Pan Am Games were funded by MPI, we all applauded that. When various sporting teams were funded by MPI, we applauded that. When Chambers of Commerce received funding from MPI, we applauded that. When the YMCAs received funding, the Alzheimer's, et cetera, we applauded that.

It's been a corporate policy of the corporation so, as the member suggested, I'm going to consult with the president and get back to the member momentarily.

**Mr. Graydon:** Madam Chairperson, could I save the minister the problem of consulting and I will tell him where the donation came from. It came from the Special Risk Extension line of business. How much money is in the Special Risk Extension fund and what other purposes is it used for?

**Mr. Chomiak:** Yes, Madam Chairperson, you know, I'm glad the member—he took one step forward and provided the—the million came from the competitive line of business. It doesn't impact on basic ratepayers because it's a competitive line of business that it comes from. I suspect, and I'll have to check the records, but I think that's the same probably area that the Pan Am Games were funded under and other

activities were funded under previously with respect to corporate and sponsorship donations.

So the competitive line of business is that and that's where the funding came from. I don't know why members opposite are so opposed to making Winnipeg a world-recognized site and Manitoba a world-recognized site for the memorial museum when the federal government, the City of Winnipeg and most corporate leadership in Manitoba have come on board, as have some of the Crown corporations. I don't understand the disconnect, particularly when the funding comes from the competitive line of business and doesn't affect the rates. But, I guess it's a policy decision that the member wants us to impose on the corporation; i.e., do not fund any charitable, sponsorship, corporate or advertising entities even when the funding comes from the competitive line of business. I don't think that was the policy in the past, and I don't think the member's necessarily suggesting that should be the policy into the future.

**Mr. Graydon:** For the record, I would like to just say to the minister that at no time did we suggest that there should be any policy change. We asked specific questions and if he peruses the *Hansard* he will find that the questions were specific. These were questions that I believe that the public would want the answers to, and I'm sure that he will provide those answers to us. I think we've had, up until this point, we've had some pretty open discussion. There's nothing that's being—no hidden agenda in this, and we all agree that the human rights museum is a destination point in Winnipeg. We'd just like to better understand how this money and where this money comes from and how much is in that fund.

The question is clear: How much money is in the SRE fund?

**Mr. Chomiak:** Yes, just for clarification, I'm glad the member is agreeing that it's good public policy for the corporation to invest in the Canadian Museum for Human Rights. I'm happy to hear that.

With respect to how much money is in the SRE fund, I think that's provided in the statements and I'll wait for the president to provide that information.

#### Point of Order

**Madam Chairperson:** Mrs. Taillieu, on a point of order.

**Mrs. Taillieu:** Madam Chair, I just have to raise a point of order here. The minister is putting words in

the critic's mouth and I don't think that's appropriate. I think that what we are here to do today is we've got the staff here from MPI that have come down here tonight very graciously and willing to answer questions and yet we have a minister who insists on taking all the questions and giving the political spin. That's not what we're looking for here tonight. If the minister wants to answer those kinds of questions in the House, we accept that. But we're at committee, we have all the people here from MPI and we've not been able to even get any questions answered by them. I think that it's disrespectful to think that these people here are not able to answer the questions that we put forward.

I also want to make a point that in the Workers Compensation Board committee, I asked specific questions about contracts. I was given specific answers about who the contracts were awarded to, how long they've been awarded, what the cost of the contracts were and even who the owners were of research outfits such as Viewpoints. They had no problem in telling me the names, telling me how much money they paid, whether it was tendered or not. It was all quite accessible information provided by the Workers Compensation Board.

\* (20:40)

So I really do not see why we can't get that information here tonight. I really don't see why the minister continues to muzzle Ms. McLaren from MPI.

**Mr. Swan:** The member doesn't have a point of order. The minister is certainly entitled to answer the questions that have been posed by Mr. Graydon.

I do take issue with the tone of Mrs. Taillieu. I mean, I think tonight we've had a very open and free discussion. Despite the fact that this meeting was set by agreement to consider the reports ending February 28, '05, '06 and '07, I haven't actually heard any questions on any of those three reports since about 7:15.

By the minister's agreement, we've effectively allowed the opposition members to ask wide-ranging questions on a report which wasn't even on the agenda when we got here tonight. I think that was an appropriate thing to do. We've got MPI here, and actually there has been a pretty good flow of information. We've seen some tremendous co-operation by the minister and by Ms. McLaren and by her staff.

So the member doesn't have a point of order. Beyond that, I think she's missing the forest for the trees. I think we've had a pretty good discussion here tonight. She doesn't have, frankly, any point of order to raise.

**Madam Chairperson:** Order, please. I thank the members for their advice on the point of order raised, but the honourable member does not have a point of order. This is a dispute over the facts.

I would like to remind the committee that a point of order should be used to draw the Chair's attention to any departure from the rules or practices of the House or to raise concerns about unparliamentary language.

\* \* \*

**Mr. Chomiak:** As I was saying, Madam Chairperson, I think the president can provide the information the member asked for.

**Ms. McLaren:** In the annual report '07, page 51, is the statement of retained earnings. The second-last line shows the retained earnings for the competitive lines of business. So that is really SRE and extension together. We don't separate them to that extent, but those are the competitive non-compulsory lines of business. You can see they have almost \$140 million of retained earnings.

**Mr. Graydon:** Thank you, Ms. McLaren. Is it possible to—it's not separated here, and I understand that you combine it here because that's an acceptable practice. I just wonder, is it possible to get that separately at a later date? I don't expect you to find that tonight.

The other thing is, is it the same in every report, because I don't know that for sure, but if you tell me that it is, then I will—

**Ms. McLaren:** Every annual report has a statement of retained earnings, and it would show the competitive lines.

**Mr. Graydon:** Right. I'm going to change topic. Madam McLaren, this arose just recently in my constituency. An individual was stopped with a car, a normal four-door sedan car, with six children in it and herself, obviously not enough seat belts to go around. Is that against the law?

**Mr. Chomiak:** I should know that.

**An Honourable Member:** I'm sorry, Ms. McLaren. I really am. I should have asked him.

You should know that.

**Madam Chairperson:** Mr. Graydon, did you want to—?

Minister Chomiak.

**Mr. Chomiak:** Yes, I will get back, the specifics on that, to the member as soon as possible.

**Mr. Graydon:** Ms. McLaren, recently we've read in the paper that there were overpaid premiums and initially MPI's refusal to refund the overpaid premiums, and then there was a change in direction. What made you reconsider your position?

**Ms. McLaren:** As we said at the time, I think it was really a fuller understanding of the Ombudsman's position. The discussion of the situation had gone back and forth between MPI and the Ombudsman's office for quite some period of time. Sometimes things just become clear when, rather than constraining oneself with careful language, we can really just get to the heart of it and understand exactly what is being recommended by the Ombudsman; it was, quite frankly, simpler and more straightforward than we had understood it to be.

**Mr. Graydon:** Thank you for that.

In accidents, there are many different injuries that take place, and I'm sure you've dealt with them all, of course, because you do have the monopoly and they don't escape you. You certainly don't look forward to these types of claims, but there are claims for various injuries.

How do you assess the needs of those who have been injured? How do you go about making that assessment of when this is enough?

**Ms. McLaren:** In all honesty, with a lot of help. We always start with the injured person's own chosen doctor, their family doctor. In the vast majority of cases, that's where things conclude.

When we encounter a situation where the person's recovery is really not following what we would normally expect, that's when we would often ask for more than one specialist's opinion. At the end of the day, we have to make decisions under the responsibilities given to us under the act. At some point, if the evidence is that the treatment is no longer producing a result, if the person has recovered, then we're obligated to end the payments for those treatments.

Because we're the monopoly, as you said, because people must deal through us, there's virtually

not a decision which we make that is not appealable to someone. So if the claimant disagrees with a particular decision on their file, they have an opportunity to have that decision reviewed, first outside of the claim's organization of Manitoba Public Insurance but, if that doesn't satisfy them, outside of MPI, entirely to the Automobile Injury Compensation Appeal Commission.

**Mr. Graydon:** For different injuries, is there a maximum? Let's suggest that I'm going to be bedridden for some time. Do we go through a process for—is there an opportunity through MPI for retraining?

Let's suggest that I don't have to be hospitalized; however, I will need constant care for an extended period. Is that fully covered, whatever that constant care is, and at professional-level constant care? I just need to better understand what coverage I have if I take the wrong step outside and Mr. Chomiak runs into me.

**Ms. McLaren:** Unlike almost any other injury compensation or automobile injury compensation system, there are very, very few limits to the coverage provided to people injured in automobiles in Manitoba. No, there really are no caps or barriers, except in a couple of very, very limited situations.

The income—if you have an annual income in excess of—I believe it is now close to what was \$70,000 a year—if you earn more than that, your income replacement would be limited to \$70,000. The Legislature, back in 1993, decided that that was an appropriate limit so that typical, average Manitoba ratepayers were not having to finance potential losses of very, very high-income earners. Those people have other ways to protect their income.

\* (20:50)

With respect to people who are not able to provide themselves with the necessities of life—they can't get themselves out of bed and dressed in the morning; they can't prepare their meals; they can't clean their house—that kind of care has a monthly limit of about, getting close to \$4,000 a month. But unlike many jurisdictions, there's only the monthly limit. What many other programs have is a dollar cap. For example, in Ontario, people who are injured very, very severely need that kind of care for the rest of their lives, injured at a very young age, when they hit a million dollars, they're done. They don't have any more coverage. There is no annual lifetime limit

to the coverages provided by Manitoba Public Insurance.

So if someone is badly injured and needs help to do those kinds of things around their home for themselves, there is approximately \$4,000 a month available to them as long as they need it. For some people, they'll need it for 60 years. Some people need it for three weeks or six months.

So we've talked about the income replacement. We've talked about the personal care assistance. We fund all kinds of rehabilitation for people who cannot return to the work they did before they were injured, and for people who are trained to do a different kind of work and end up successfully gaining that kind of employment and sustaining that kind of employment, but if the employment pays less than the job they used to have, we top them up, again for the rest of their working life. So, really, the concept is that to the extent possible within a program funded by average, regular Manitobans, there is no economic loss suffered by people who are injured in automobile accidents.

The only part of the program that has sort of a mathematical calculation for a fixed amount is what's called the permanent impairment payment. That is really above everything else we've talked about. We've taken care of the income replacement. We've taken care of personal care, rehabilitation as necessary, any other kind of medical expenses not covered by the universal health care system. All of those payments are made, but then if you have some permanent loss of function—perhaps you lose a finger; perhaps you lose your sight—there is a cash payment to you that is known as a permanent impairment payment.

That is not based on what kind of employment you had or could have in the future. It's simply a mathematical calculation based on the potential injuries that anyone could sustain in an automobile accident. It's done that way because it's really an extra payment. It's not intended to cover any sort of economic loss. Your economic losses have been dealt with according to your personal circumstances, exactly as you were for that very split second before someone hit you, so that really the program has limitless ability to treat people as individuals. It's not a cookie-cutter approach and there are not limits in terms of whether or not we can really find ways to deal with someone in very unusual circumstances. It deals with people very much as individuals.

**Mrs. Taillieu:** I just want to go back to what the Member for Emerson (Mr. Graydon) started to ask some questions about, and that is in regard to the refunds that MPI agreed to issue to people that perhaps had paid in excess of what they needed to pay. Have the refunds been issued?

**Ms. McLaren:** No, they haven't yet.

**Mrs. Taillieu:** What is the total dollar amount of the refund that will be issued?

**Ms. McLaren:** I'm sorry, I don't want to trust my memory on that. I did know. I think we talked about that. We can get that.

**Mrs. Taillieu:** When will the refunds be issued?

**Ms. McLaren:** I don't expect we'll be able to do that until after we have implemented the enhanced card program this fall. If we derail our focus from that, we will not have a program ready for when Manitobans need it, so it will probably be early next year.

**Mrs. Taillieu:** But just for clarification, this has nothing to do with the enhanced driver's licence program, though, correct?

**Ms. McLaren:** It's all part of the Autopac on-line system. It's all part of the same human resources that MPI focussed on making changes to Autopac on-line calculating these refunds would really take them away from all the preparations they personally are doing. So it would not be a different area that would be affected at all.

**Mrs. Taillieu:** Thank you. But MPI does know who is to get the refunds.

**Ms. McLaren:** Yes.

**Madam Chairperson:** Mrs. Taillieu, just keeping in mind that we're almost out of time.

**Mrs. Taillieu:** So there's a knowledge of who gets the refunds. I think it was stated that the refunds are fairly small, probably under \$50, was my understanding. So it's just a matter of basically writing the cheques?

**Ms. McLaren:** Not really, in a manner of speaking, no, because it's something we really do need to do it within the structured premium payment system. I mean we could put a couple of people in a room and ask them to cut cheques, but then it would not be part of our standard system. There will be some percentage of those people that phone and ask about the refund, and we need to be able to have that information available to our call takers when they

call. If they stop in at their broker and ask a question, it has to be there in that system. So it's not something that you can take offline and do effectively.

So what we are doing is putting a process together that we believe is a reasonable response to the Ombudsman's recommendation, and we will consult with her on that in terms of saying, this is how we intend to handle this, and basically really asking her feedback, does this meet your expectations? We'll be doing that.

**Mrs. Taillieu:** Thank you. Has there been any thought given to a credit on renewal of the insurance in the next year?

**Ms. McLaren:** Yes, absolutely. The first time we issued rebates to Manitobans across the board because of an excess retained earnings, we did it that way. It was a discount off the next year's Autopac.

Since that time, the Public Utilities Board has really ordered that cheques be created for those rebates and generally following on that approach, we've decided to do this as well. Because you've got people's renewals through the entire year, someone would get their refund next week, and someone else would be waiting 51 weeks for it. So because it's something there was an issue around and it was a group of people that we could identify from a period of time ago, it seemed better to deal with all of them at the same time and make sure that they all received the benefit of the Ombudsman's recommendation at the same time.

**Madam Chairperson:** Thank you. At this point, I'm going to put a couple of questions to the committee.

Annual Report of the Manitoba Public Insurance Corporation for the year ended February 28, 2005–pass.

Shall the Annual Report of the Manitoba Public Insurance Corporation for the year ended February 28, 2006 pass?

**Some Honourable Members:** Pass.

**Some Honourable Members:** No.

**Madam Chairperson:** I have heard some nos, so the report is not passed, and I won't ask the next question then.

Just before we rise, in the interests of saving paper, it would be appreciated if members could leave behind any unused copies of the reports so we may re-use them at our meeting.

At this point, I would like to thank all the people who attended this meeting, especially the staff people who may have come back from holidays on a Thursday before a long weekend. This committee really does appreciate your dedication to the Manitoba government and to the citizens of Manitoba.

I'd also like to say that this is the last day for our page, who has also come in during the summer, so if everybody could give our page a big hand.

**Mr. Faurshou:** In respect to accolades, I do want to note the note of the committee that this is Ms. McLaren's first report to be passed by this committee serving as president and chief executive officer, and perhaps maybe a round of applause for her as well.

**Madam Chairperson:** Thank you very much.

The hour being 9 o'clock, committee rise.

**COMMITTEE ROSE AT: 9 p.m.**



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