

Second Session - Fortieth Legislature
of the
Legislative Assembly of Manitoba
Standing Committee
on
Crown Corporations

Chairperson
Mr. Bidhu Jha
Constituency of Radisson

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Fortieth Legislature

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LEGISLATIVE ASSEMBLY OF MANITOBA
THE STANDING COMMITTEE ON CROWN CORPORATIONS

Thursday, April 4, 2013

TIME – 6 p.m.

LOCATION – Winnipeg, Manitoba

CHAIRPERSON – Mr. Bidhu Jha (Radisson)

VICE-CHAIRPERSON – Ms. Deanne Crothers (St. James)

ATTENDANCE – 11 QUORUM – 6

Members of the Committee present:

Hon. Messrs. Robinson, Swan

Mr. Briese, Ms. Crothers, Messrs. Dewar, Ewasko, Gaudreau, Helwer, Jha, Maloway, Mrs. Rowat

APPEARING:

Hon. Jon Gerrard, MLA for River Heights

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

Mr. Jake Janzen, Chairperson of the Board, Manitoba Public Insurance Corporation

MATTERS UNDER CONSIDERATION:

Annual Report of the Manitoba Public Insurance Corporation for the fiscal year ending February 28, 2009

Annual Report of the Manitoba Public Insurance Corporation for the fiscal year ending February 28, 2010

Annual Report of the Manitoba Public Insurance Corporation for the fiscal year ending February 28, 2011

Annual Report of the Manitoba Public Insurance Corporation for the fiscal year ending February 29, 2012 (by leave)

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Mr. Chairperson: Good evening. The Standing Committee on Crown Corporations, please come to order.

The first item of the business is the election of a Vice-Chairperson. Are there any nominations?

Mr. Gregory Dewar (Selkirk): I nominate Ms. Crothers.

Mr. Chairperson: Ms. Crothers has been nominated. Any other nominations?

Hearing no other nominations, Ms. Crothers has been elected as Vice-Chairperson.

The meeting has been called to consider the following reports: Annual Report of the Manitoba Public Insurance Corporation for the fiscal year ending February 28th, 2009; Annual Report of the Manitoba Public Insurance Corporation for the fiscal year ending February 28th, 2010; Annual Report of the Manitoba Public Insurance Corporation for the fiscal year ending February 28th, 2011.

Before we get started, I'd like to inform members that due to an oversight, the Annual Report of the Manitoba Public Insurance Corporation for the fiscal year ending February 29th, 2012, was indeed tabled on June 14th, 2012, and would have been included with the other reports up for consideration for tonight's meeting. However, if—there appears to be some agreement around the table today to consider the annual report as well. We will require an unanimous consent since considerations for reports not referred to the committee by the Government House Leader would be contrary to our usual practices. Is there an agreement? *[Agreed]*

Are there any suggestions from the committee as to how long we would sit this evening?

Mr. Reg Helwer (Brandon West): Mr. Chair, I suggest we sit until 8 o'clock and revisit it at that point and see how we're making out.

Mr. Chairperson: Eight o'clock is suggested. Agreement? *[Agreed]*

Any suggestions as to the order which we consider the reports?

Mr. Helwer: Mr. Chair, I suggest we address them in a global manner.

Mr. Chairperson: Global manner, agreed? *[Agreed]* Thank you.

Does the honourable minister wish to make an opening statement, and would you please introduce your officials, Mr. Minister?

Hon. Andrew Swan (Minister charged with the administration of The Manitoba Public Insurance Corporation Act): Thank you, Mr. Chairman, and members of the committee. I do thank you for the opportunity to make a brief statement.

As Minister responsible for MPI, I'm pleased to present for your approval today the reports of Manitoba Public Insurance, including the one that has been included by consent tonight.

Joining me tonight are several members of the corporation's board and executive, including the chairperson, Jake Janzen; president and chief executive officer, Marilyn McLaren; vice-president, finance and chief financial officer, Heather Reichert; general counsel and corporate secretary, Kathy Kalinowsky; vice-president, community and corporate relations, MaryAnn Kempe; and the vice-president of service operations, Christine Martin. The vice-president, strategy and innovation and chief information officer, Dan Guimond, is sick and can't be joining us tonight.

I'm proud to report that MPI as a Crown corporation continues to provide efficient customer service and affordable auto insurance for Manitobans. Last month, on March the 1st, the 2013-14 Autopac rates took effect and Manitoba Public Insurance once again held the line on insurance premiums, in fact, for the 14th time in 15 years. And this, once again, confirms that the public auto insurance model in Manitoba is highly efficient while providing high standard service to its customers. Our auto insurance rates are consistently among the lowest and most stable in all of Canada. For two decades now, the cost of auto insurance for Manitobans has grown at a consistently lower rate than the national average, ensuring premiums remain reliable and affordable for Manitobans.

MPI continues to be an involved corporate citizen in our province, and in my time, I'll just highlight one example. Recently I had the pleasure of attending an event for the Citizen's Bridge pilot project, which is an expansion of Building Urban Industries for Local Development, or BUILD. Citizen's Bridge is providing a successful driver's training program to over 20 referral partners and will provide support in obtaining proper identification and financial literacy training to help people who

have challenges connecting to employment. All told, more than 100 Manitobans will participate yearly, with the ultimate goal being their employment and it being contributing members of our society. I'm proud that MPI is a key partner in the success of Citizen's Bridge.

First, Manitoba Public Insurance designed a tailor-made driver education program for these low-income, and in some cases, new Manitobans. There's a fully certified driver education instructor donated by MPI to provide training. Many of these clients, because of their socio-economic status, don't have access to a vehicle, and to address this issue, MPI donated a fully refurbished vehicle from their salvage yard to be used in road training. To ensure that clients can access the Internet and develop their computer skills, MPI also donated nearly two dozen desktop monitors for clients to work on. It's a model we're very excited about and we'd like to look to expand elsewhere in the province.

As Manitoba's public auto insurer, the corporation has established itself as a road safety leader in our province, maintaining working partnerships with police agencies throughout our province. MPI works closely with the Manitoba Association of Chiefs of Police to co-ordinate awareness and enforcement efforts throughout the year, ensuring the most effective use of valuable resources.

Last year, MPI also partnered with MADD and the RCMP to expand the Report Impaired Drivers 911 program into the communities of Portage la Prairie and Thompson. The program began in 2010 as a pilot in Brandon and has proven effective in reducing the number of impaired drivers on streets in these communities.

Last year, MPI brought road safety partners from across North America to Winnipeg as it hosted the Canadian Council of Motor Transport Administrators national conference, Canada's largest annual meeting of road safety experts.

MPI has worked closely with several cycling groups in our province and, as the result of these meetings, there are new, informative cycling communication awareness materials developed for both young and adult riders, and the establishment of a new cycling champions program, essentially a train-the-trainer concept. Led by a CAN-BIKE instructor, participants will return to their communities or workplaces and pass on cycling safety information to their peers.

Very shortly the MPI-sponsored RoadWatch Program will launch a roadside enforcement campaign designed to get drunk drivers off our roadways.

* (18:10)

With road safety in mind, the corporation's Friends For Life speaker series, which touches on various subjects such as drinking and driving, speeding and texting and driving continues to grow. This coming year more than 50 schools and tens of thousands of students will be visited by special guest speakers arranged for by Manitoba Public Insurance.

I was honoured to attend a very moving event earlier this week at Sturgeon Creek–Sturgeon Heights high school, kind of my old high school since Silver Heights Collegiate is just an empty field right now. I was joined also by Ms. Crothers as we kicked off MPI's new campaign against distracted driving, especially texting and driving.

As you know, MPI's continuing to make a number of capital investments across the province and we're going to be very excited about an expanded service centre taking shape in Portage la Prairie, and I'll look forward to joining Mr. Wishart next spring when we open that expanded centre.

Manitobans believe in MPI. A recent survey indicates a strong majority of Manitobans support the corporation; eight in 10 Manitobans say they have good experiences dealing with MPI. Manitobans have a good impression of MPI's coverage for vehicle damage and a strong majority say that Autopac provides good coverage.

Manitobans tell us that if they could choose their coverage they would choose the most complete coverage over the lowest price and, in fact, they get the benefit of both here in Manitoba. Manitoba Public Insurance's rates continue to be at the lowest or among the lowest in Canada while still providing the most comprehensive coverage.

So, Marilyn McLaren, the president and CEO of MPI, and myself are now ready for the questions that you may have tonight.

Mr. Chairperson: Thank you very much, honourable minister.

Does the critic of official opposition have an opening statement?

Mr. Helwer: Welcome to the minister and, indeed, Ms. McLaren and Mr. Janzen and all the staff. We

appreciate you coming out to spend time with us on this not yet spring evening. So winter's out there and coming—more coming, I guess, so we'll spend some time in committee. We had a spirited discussion last year and I think we have some follow-ups from that as well. So thank you for your time that you'll spend with us here this evening.

Mr. Chairperson: Thank you. We thank the member.

Do the representatives from the Manitoba Public Insurance Corporation wish to make an opening statement?

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

Mr. Chairperson: Thank you, very much.

Now the floor is open to questions.

I may remind all of you, kindly ask questions and answers and listen to the Chair just by raising your hand and rather than just criss-cross. It's convenient for me to listen and wait to the end and then ask questions.

Mr. Helwer: I guess I'll start off on the service centres.

The minister spoke of one that may be opening in the near future, and I guess the question would be: How many of the service centres we currently have in operation and do you have a forecast for how many are going to open over the next few years?

Ms. McLaren: Yes, the easiest thing might be to refer you to the back of the annual reports that you have in front of you, particularly the 2011 annual report with the dial on the front. But pretty much all of them have a list of the service centres there at the back of the annual reports.

So—[interjection] With respect to—what we're looking at, though, when the minister mentioned in Portage, we're hoping to expand the claims centre that is on Saskatchewan Avenue in Portage la Prairie into a service centre. We have not yet been able to complete a final agreement with the City of Portage, but we're working to do that. Our hope is to expand that service centre and we have an expansion of the Steinbach service centre under way right now. We've recently expanded and opened an expanded building

in Dauphin and that pretty much completes the work that we have targeted at the present time.

Mr. Helwer: So my understanding is that some of these service centres are in competition with your existing brokerage organization and we have, you know, received some information from the brokers on how they feel about that; some of them happy, some of them not so happy.

What is your been experience—your experience been with comments from the brokers on you competing with them?

Ms. McLaren: We have not had a conversation with the brokers about concerns from them with respect to direct competition from the corporation for many years. We've worked very closely with them as we've expanded our service centre network. In no way are we attempting to take any business from them at all. We have always kept careful track of the percentage of insurance transactions that happen in brokers' office compared to in MPI direct offices.

The corporation and the Province with respect to driver licensing and registration and insurance have always, always maintained that it has an obligation to offer some direct service. But when we started the service centre—expanding claim centres into service centres many years ago, back in about 2006 now, and we ran a pilot in Winkler for a good two years before we opened any other service centres, and part of what we were doing is making sure and tracking that we were not taking any business away from brokers and the brokers there were very concerned about it.

We worked very closely with them, showed them the stats. They saw their own businesses suffering no ill effects. And, in fact, they were really pleased to have this extra service in town because there are a limited number of things that customers do need to deal directly with us, they can't do through a broker, and that way the broker was able to say, I'll do this much for you and now just go right over there down the road to the service centre and you'll have your needs completely met, which is something new that they were able to work with their customers. So this has not been an issue with the Insurance Brokers Association of Manitoba with respect to MPI for many years.

Mr. Helwer: Ms. McLaren mentioned tracking statistics for those service centres. Are those statistics available for us over a period of years?

Ms. McLaren: Yes, and I can tell you, while they bounce around a little bit the overall percentage of

those insurance-related transactions done by brokers is all far, far in excess of 90 percent every year since the beginning of time.

Mr. Helwer: I guess, to be a little more detailed, then, can you provide that type of statistical information to myself or caucus?

Ms. McLaren: Yes, we can do that.

Mr. Helwer: Well, I'll go back to some other statistics I asked for, then, and that was last year I did ask about information regarding sole-source contracts, and I did ask about a list of projects and contracts over the past five years that were sole sourced or tendered and if those tenders were cancelled. Someone took the time to open up a spreadsheet and delete several columns or the information that was in that column and provide me with one column that has a description of the contracts that were sole sourced and that's it.

So, Ms. McLaren, if you asked for your—from your staff for a list of sole-source contracts over the past five years, is this what you would expect to receive?

Ms. McLaren: I really can't see it too well from here, but I don't think it would be appropriate at all for me to expect to receive the same thing that we would be expected to release publicly. We have obligations to keep contract details confidential with business partners, with contractees. A lot of that is commercially confidential on their part and we would not be at liberty to disclose it.

Mr. Helwer: So I guess, then, in that regard I need to be a little more detailed in my request. When I asked over the five years I meant to have it detailed by year and date. I meant to have: the provider, if possible; the types of service—we have a description here, a little more description would be good; and the cost; what, in fact, the tender was for; and the tenders that were cancelled the same type of information.

Would that type of information and more be available or do I have to detail each particular column that I have to ask for?

Ms. McLaren: No. In part, I think breaking that down for you by year and providing more information as to the nature of the work we were undertaking, I can't make a commitment as to cost. I don't know that may be appropriate at all for us to disclose.

But, you know, we certainly disclose readily in any number of forms our expenditures. But we do

not always—cannot always tie a particular expenditure to a particular recipient. So we will work with you to see what we can do to expand on that, but I can't make a commitment right here as to exactly what we can provide that we didn't the first time.

* (18:20)

Mrs. Leanne Rowat (Riding Mountain): I have a few questions with regard to the attachment that was provided to our caucus with regard to proposals requests for tenders. One area that caught my attention was tenders waived. And I see a number of different items here: 40th anniversary communications consultant. Another one is a communications consultant. Another one is communication consultant extension and HR professional recruitment.

Could I get some information on exactly why these positions' tenders were waived?

Ms. McLaren: We can certainly—after tonight we can certainly take the list that you just put into the record and do our best to provide more information on those. There's nothing I can really tell you in any great detail tonight.

Mrs. Rowat: There are a number of other ones listed here as well that I would appreciate knowing why the tenders were waived, and I'd also like to know who got the contracts on those. If tenders have been waived, you know, obviously, there's reasons for that, and I think, you know, the general population should be aware of the reasons why and who got those contracts. Also it'd be of interest to know what type of contract these individuals received and what their expectation was with MPI.

And, actually, I will provide the list of the tenders waived, and so that way I can give it to you directly and I don't have to put in the record. But there are a number of them that I'm just curious about.

Ms. McLaren: Sure, thank you.

Mrs. Rowat: Is it common for communication consultants to be hired without being tendered into the process?

Ms. McLaren: No. It would only be when we had a pressing—in terms of time frames, a pressing need, if an employee had unexpectedly gone off sick, we had important work under way, someone in the immediate—on staff already was not able to step up and do that work. So, no, it would not be common.

Mrs. Rowat: And so I guess, based on that, I'd also like to know what type of initiatives they would've been working on that would've, you know, required an extension—because there is one tender waived here on an extension—what type of initiative they would've been working on. So I'd appreciate that.

With regard to the human resource professional recruitment, what exactly would that entail? Can you explain what that process would be?

Ms. McLaren: Yes. That would be having to recruit for senior human resource management, in all likelihood, but trying to hire staff in the human resources department. And if they are important staff and unexpectedly—unexpectedly we need to fill the position, we would believe it would be not in our best interests to take the extra time to put something like that out for tender. It's a very limited assignment, very limited amount of money that we would spend on something like that, and time is of the essence in some cases, and that would be why we wouldn't issue a tender to a number of human resource consulting companies to see which one might help us recruit one position.

Mrs. Rowat: One further question with regard to this attachment: Under one area there was an indication for daycare, and that would have been a proposal request for tender, a request for standing offer or a request for—I can't read this. Can you read this? [*interjection*] Yes, it's so small.

Anyways, can you explain to me what exactly—I'm interested in knowing what this daycare proposal would have been for and what initiative that would have been.

Ms. McLaren: Well, we only have one daycare on MPI premises and that is at cityplace, so that would be related to the daycare there.

Mr. Helwer: I've had—been having some communication with constituents of mine and of others, that have been frustrated by commercial plates, acquiring them for new vehicles, transferring them between existing vehicles, and the timelines that they speak of are quite prohibitive, in terms of the time it takes to do those types of things. They have staff that are waiting for their trucks to be on the road, and this was perhaps most critical just prior to Christmas when a lot of freight is moving in Manitoba. The truckers are told, we've got no work for you today, go home, because we don't have the

commercial plates transferred yet, so we won't be able to pay you before Christmas either.

It was a very trying time with—for a lot of trucking companies and emotions were running high, but their experiences that those delays were a problem that started when licensing rolled into MPI, and has gotten worse to this point. So would you care to comment on?

Ms. McLaren: Yes, a few things about that. MPI took over primary responsibility for that work in 2004, so it's been quite some time. We do consult regularly and work with Manitoba Trucking Association. We do understand their business needs; we don't always meet them a hundred per cent. And we have very open conversations with them that work both ways, and they've acknowledged more than once that they don't always plan ahead, that they and every Manitoban would probably be quite outraged if they came to an MPI office and staff were just sitting there, not doing anything, waiting for someone to come in and be served. So it's a balance, and we work very hard to strike the appropriate balance.

As much as the world, North America has been facing some economic difficulties. Trucking in Manitoba is doing pretty well, and it's very strong, has been recovering rapidly. And they had a spike in need that was really not anticipate—if it was anticipated by them, they didn't communicate it to us. It was not anticipated by us and we certainly did get a little bit behind. But since that December time frame that you're talking about, one of our—our service operations vice-president and her key director have met directly with the Trucking Association. They've worked out some different processes, some shared expectations and that relationship is in good shape right now.

Mr. Helwer: Can you tell me where in particular in Manitoba locations are available for plates to be transferred? Do they have to bring everything in with them to Winnipeg? Is there only one site? Can it be done elsewhere in Manitoba?

Ms. McLaren: We will get that information very soon, but I don't have it right now. It's certainly not just within Winnipeg, no. That was one of the things that we've expanded since we took over responsibility from Infrastructure and Transportation; it used to be a Winnipeg-only operation. It's—there's a number of offices, I believe: Steinbach, Winkler, Brandon, more than one location in Winnipeg. But I

will wait to have that either confirmed or corrected while we're here this evening.

Mr. Helwer: I understand that this transaction can only take place either in person or by fax, and is there any anticipation that you may approach access by computer like the rest of the world, online, at some time?

Ms. McLaren: Well, I suspect what you're talking about is the international reciprocity program, which is not completely within MPI's control. It is part of an international, Canada-wide, US-wide system. I would like nothing better to never see another fax on anything; they are certainly regressive. But we do have some limitations as to what we can put priority on, and we certainly have more access to service than we used to, so that's something that we're certainly thinking about.

Mr. Helwer: So in your discussions with the Trucking Association, who I understand, my constituents and others are members of, which—have you set any guidelines or targets or hoped-for targets in the near future that you hope to meet by this month, next month or are there any numbers that you can share with us?

* (18:30)

Ms. McLaren: That's something that we would have to take off-line and provide to you later. In terms of the actual detailed service commitments, really, is what you're asking about, that's not something that I'd be able to tell you right now, but it is exactly the nature of the conversations that we have been having with the Trucking Association and trying to work things out.

I can confirm, in terms of those commercial transactions that you were asking about, in Winnipeg, those services are readily available: King Edward, Gateway, cityplace and Bison Drive. They're also available directly in Brandon and everywhere else. People can go to one of our service centres and, as you said, fax the documents in and they'll be dealt with there, so nobody has to come to Winnipeg.

Mr. Helwer: Well, I'll move on to a slightly different area then: motorcycle permits. Licences are always an issue and I'm sure you hear a great deal about them from a fairly vocal group. They are unique and my understanding from them is instead of what the minister said about being a low-cost insurance, we are indeed the most expensive

insurance in North America for motorcycles. Their concern is—one of them I've heard about is that they can get a one-time-only, 15-day permit as opposed to a motor vehicle can get a 30-day permit that can be renewed.

And is there any thought to changing that or are you looking to do the motor vehicle permit back to the 15 day?

Ms. McLaren: No, I—and, again, we would have to give you some more specific rationale off-line, but we don't plan to make that change for motorcycles. I believe it's somewhat related to the much shorter riding season, and I can also tell you—and we will provide it when it is available—we are just now in the process of doing another rate survey—a rate comparison analysis across the country.

You can absolutely find a way to get a motorcycle legally on the road for less than it costs in Manitoba, but it's because you don't have any—virtually any coverage. So when you have an apples-to-apples comparison of the actual coverage, of the value of the bikes that people choose to insure here in Manitoba, our rates are not onerous and they do not compare badly. So that's another thing we'll put on our list to provide to you. When it's ready—it will probably be ready—it may be a couple of months, but certainly no longer than that.

Mr. Helwer: You've recently released some information about road deaths in the province due to distracted driving, and we have legislation in place regarding cellphone usage. Texting and other issues are not part of that legislation is my understanding.

Is there—perhaps this is for the minister—an intent to include distracted driving in that legislation as an amendment, or is that new legislation?

Mr. Swan: Yes. You know, we take very seriously the problem of distracted driving, and cellphones and texting while driving are a big part of that, especially with young people but not exclusively with young people, as I'm sure driving on Manitoba highways you'd agree with me. We are always looking to find other ways to convince Manitobans to hold off taking that call, to hold off making that text while they're driving, so we're always looking at what our experience has been, and it is frustrating that we lose about 25 people on our roads every year because of distracted driving. We are looking at what other jurisdictions are doing, and we may well move ahead with some other initiatives to try to get Manitobans to make sure they're giving full attention to the road.

Mr. Helwer: Not really much of a question, but I spend a good deal of my time on the road between Brandon and Winnipeg and back, as the Chair does as well, I'm sure. It always astounds me at the people that I see reading books, reading newspapers. That's to me the most shocking one. I know there's other things, but those, I take it, are things that will be covered in some type of legislation.

Mr. Swan: Well, yes. On my drives out to Brandon, I'm equally frustrated by people not keeping their eyes on the road, not keeping their head in the game, if you will, of driving, and we're going to keep looking for ways that we can deal with that.

As with many of the things we do, there's always an education piece that goes along with it. There's always a law enforcement piece that goes along with it, and MPI has been quite prepared to partner with law enforcement across the province to try to convince people in that way, that being smart is a lot better than getting a ticket.

And we'll also take a look at whether our laws need to be moved again to just make people appreciate how serious a risk this is on our highways.

Mrs. Rowat: Yes, I have two children and I've bought them little things that hang on the dash or something that encourage them not to text, and actually they're pretty good at encouraging their friends not to as well. So I think we—you know, education is important. And they have lost friends from texting and driving, and so I think it is a very serious thing that we need to address not only in Manitoba, but I was recently in Texas visiting my sister who was texting while she was driving down a, you know, a freeway, and I sent her one of those little things as well. So people just don't realize how quickly something can happen, and I appreciate the initiative that's going to be taking—or moving forward.

With regard to—it just made me aware of the communication aspect of—that I was asking earlier. When you have these initiatives, do you hire communication staff to develop these initiatives or is that done internally?

Ms. McLaren: For the most part it's done internally. We do get external assistance for the graphics, you know, for the visuals; that's not something that makes sense to us to have on the payroll constantly. But in terms of doing the research to understand what kind of communication's most likely to work,

how to build an overall comprehensive communication plan, how to work with the police and tie-in a balance of enforcement along with the education and the promotional things that we do—we do that in-house. The vast majority is in-house.

Mrs. Rowat: Can you indicate to me how many people you have on staff that work on communications within the department of MPI?

Ms. McLaren: I can have this confirmed, but it's between 20 and 25. That number really hasn't changed for close to 20 years now. But there's about—and there's—some of them are clerical positions, some of them are, you know, supervisors, managers, but we have some internal communication staff, we have the external staff that develop programs like we just announced a couple of days ago—lots of work on road safety. But we also have a responsibility to make sure people understand Autopac rate changes and when we introduce things like the driver safety rating. So it's really a variety of things related to Manitoba Public Insurance that are done from our communications staff; the numbers have not changed much in many years.

Mrs. Rowat: And there's a number of initiatives and it's an ongoing process to, you know, educate and ensure people are paying attention to what's in front of them when they're behind the wheel.

Can you tell me what your current staff levels are at MPI?

Ms. McLaren: Approximately 2,000.

Mrs. Rowat: Can you tell me if you hire any consultants that have been retired staff within your corporation?

Ms. McLaren: Extremely rarely, almost never, perhaps once or twice for a very, very short period of time for a specific purpose, but it's not something we do much of at all. I can think of a finance manager that came back, I think, two, maybe four years after he retired for about a four- or five-week period. That's one that comes to mind.

Mrs. Rowat: Sorry. I know that my colleague has some questions with regard to road safety.

I just have one further question with regard to staffing. Could you indicate to me what your vacancy rate is right now?

Ms. McLaren: No. I may be able to get that for you tonight yet, but off the top of my head I don't know, but it tends to be fairly low. We tend to reasonably

quickly fill vacancies. We do an awful lot of promoting and developing people from within, so, you know, there's a lot of dominoes, right? If someone receives a promotion at a supervisory level it dominoes all the way to an entry clerical level. So—but it—for the most part, positions tend to be filled pretty quickly and we don't have in our—we don't have much of a vacancy provision that we really work with.

* (18:40)

Mrs. Rowat: Mr. Chair, I'm just wondering with, you know, the need to look at the bottom line, have you been asked to remove any of the vacancy positions to attrition, like to eliminate them through attrition?

Ms. McLaren: No, nobody has asked us to do that. It's always important to Manitoba Public Insurance to focus on service levels, service quality. As you might expect, we've had a busier than normal winter, from a claims perspective. So we're certainly not looking—no one has asked us to reduce positions.

Mr. Wayne Ewasko (Lac du Bonnet): Mr. Chair, just going back to a statement that the minister had made, in regards to the amount of road deaths due to distracted driving, approximately 160 or more road deaths due to distracted driving since 2005. I'm just looking at the numbers of fatalities and adding it up. I mean, we're looking at over—since 2005 and because in the 2011 report it only goes down to 2008, so then I'm using a number, a low number of 130 fatalities per year for '07, '6 and '5, so we're looking at roughly over a thousand deaths.

So you're saying that there's an approximate—just over 10 per cent that are—that—of fatalities that are—*[interjection]* Pardon me?

An Honourable Member: Distracted.

Mr. Ewasko: —are due to distracted driving? Yes, speaking of distracted.

Mr. Swan: You know, the number that was presented to me was about 25 deaths on our highways every year due to distracted driving. My understanding is that—many years that is about 25 per cent. But that may be different from year to year. But about 25 deaths on our highways, which I think, we all agree, is too many.

Mr. Ewasko: So then when we get to the brain injury, I know that in the note, in the 2011—on page 35, it does say that brain injury includes concussions and loss of consciousness, which were not included

in this category prior to 2011, that number jumps significantly from 2008 to 2011.

And then, once loss of consciousness and concussions are included, how many of those brain injury accidents are due to the distracted driving as well?

Ms. McLaren: I think it would be fair to assume the ratio probably stays about the same. I think there are probably a number of, you know, a high number of collision claims without injury, due to distracted driving where luckily no one gets hurt. But I don't think there's anything special about the fatalities that you would be more likely. So I think you can expect, like—the kind of statistics we were really trying to emphasize, because of the nature of the campaign, the risk of death. But I think you can—it's fair to assume that the same kinds of ratios would be pervasive through every category on this list.

Mr. Ewasko: So, just a quick question, because I'm not sure where to find that in this report, but how many licensed drivers do we have in Manitoba for, say, just for the year of 2011?

Ms. McLaren: It's between eight and nine hundred thousand.

Mr. Helwer: Mr. Chair, last year we talked quite a bit about IBM and a contract that you were looking at signing with them. So has that contract been signed to provide data centres to MPI?

Ms. McLaren: Yes, it has. The work is under way. It is an incredibly huge undertaking. But we actually have some servers, now resident in Ontario, that our staff here in Winnipeg are using to do their work. And there are many more to follow. This project, we expect, will not be completed until late this year. But it's unfolding as planned and we continue to believe that it is absolutely the best approach we could have taken to improving the redundancy and quality of our information systems, at the best technological standard and the best cost for Manitobans.

Mr. Helwer: Can you tell me how long that contract is for, and is there a renewal clause and for how long?

Ms. McLaren: I believe it is a five-year contract with an option to renew for a further five years. But again, I will correct that if my memory is incorrect.

Mr. Helwer: And that, Mr. Chair, through you—is that renewal, are there economic bonuses or penalties that are entailed in that should they meet certain

targets or fail to meet certain targets, or is it an automatic renewal by MPI?

Ms. McLaren: Oh, the renewal at five years is not automatic at all. We have full discretion to make that decision.

Generally, with these—the kinds of contracts with technology companies like this, there are—the contracts that we negotiate tend to be weighted towards penalties as opposed to incentives. I can't speak to this one directly, but there's certainly nothing like bonuses or penalties in place that would instantly trigger the renewal. Nothing like that at all.

Mr. Helwer: I note that there was a news item this past year, that Hitachi was looking at setting up a data centre in Saskatchewan because they thought it would be easier to cool. I anticipate Ontario might be similar, maybe in the winter, but not always. And, again, disappointed that we didn't manage to create this data centre in Manitoba.

Is there any component of it though that is resident in Manitoba, or staffing?

Ms. McLaren: No, given the nature of our requirements and given—primarily because of the fact that we wanted two data centres working in concert with each other constantly so that they were both always, at all times, mirror images of each other, they need to be less than 100 kilometres—less than 80 kilometres apart from each other. So that really restricted, having—less than 80 kilometres.

Now having said that, that means they're fairly close together but they're on different power grids and have different, other features that make them separate enough and secure enough to make this work for us. But because they—the data goes back and forth so fast between the two, they do need to be close to each other.

It is possible though that in the future there may be more demand for services like this from Manitobans to a company like IBM. I—it would be if, you know, in some future scenario there became an opportunity to have IBM create two centers like this in Manitoba to meet the needs of others beyond MPI, we would certainly welcome that. But at this point, we were the one company that needed this kind of service and it was available in these two facilities in Ontario.

Mr. Helwer: There were MPI staff that had taken training to run data centres internally, and at one time you did talk about reallocating there those types

of assets throughout the company to do other types of things, which I thought might be a disappointment, that someone had trained to run a data centre.

Can you tell me what has been the outcome of that? Have people stayed with MPI and been reallocated, or what has happened to those types of individuals?

Ms. McLaren: Well, at this point, most of them are still doing the same jobs that they've done. I believe we've had a really small—like one or two people may have resigned to work elsewhere, but the work that they are doing is still necessary. It will be much later this year before we're in a position to reassign them to other duties.

But I—you know, I need to—maybe it's my misunderstanding, but we're really not looking to retrain them and send them elsewhere in the corporation. They're not going to be expected to work in the call centre; we're not going to train them to estimate vehicles. We expect that they will stay as highly trained information technology professionals doing other work in the IT area, and remembering as well that there's a very small number of people affected because it—our staff still are operating these servers and doing the work using this data. Just as if it was in another room, it is in another province.

* (18:50)

Mr. Helwer: As part of that discussion, there was some discussion about cloud computing, and is that an environment that you're looking at down the road or as part of this contract?

Ms. McLaren: Certainly not as part of this contract. We really do understand the possibilities and the value of new approaches like cloud computing. We also understand the huge responsibility that we have to protect the data of Manitobans, so how exactly MPI might someday use cloud computing is uncertain at this point. It certainly creates opportunities for cost savings and efficiencies, but we really do need to understand exactly how we are able to keep our data secure and isolated from anything else. So that's not something we have clear answers on or any plans to move towards at this point.

Mr. Helwer: With any new system, there's obviously usually hiccups and that type of thing. Is it—has all of the data that you thought was going to be moved to these servers, has that been done, or are you doing it slowly over time as you make sure that

the redundancies are available and that it is working in the manner in which you anticipate?

Ms. McLaren: It's happening very slowly. We are—the initial plan was to move all of the data to IBM in about 16 waves, 16 steps. Many of those 16 have substeps. We even had a wave zero, and—did not work perfectly the first time, so then we found ourselves with a wave zero point two and zero point five and zero point six. So we're being very careful, very cautious, but as I said, some of our work is now being done there. It's a very small—and what it is, what we moved first, were the servers that we use for testing changes to applications, so that is what's down there now and working. But all of the data we use and all the servers we still use to serve Manitobans is still sitting here in our MPI offices, and it is going to be a very slow and cautious process that will take 'til, if we're lucky, October or December.

Mr. Helwer: So do you feel confident that we have the infrastructure in place in Manitoba to maintain that data and its integrity until you move it to the IBM servers, or are there additional investments you'll have to make to keep it up to date?

Ms. McLaren: Well, what we have here today at MPI is working. It is less than ideal—that's why we're making the change—but it does not need any more investments to carry us through the rest of the year. We believe we have enough risk mitigation in place to continue to do business the way we've done it for many years as we move the data and the processing to IBM.

Mr. Helwer: So I guess it's a little premature to say that you're pleased with the progress or you're still—since it's been slower than anticipated and you've run into some hiccups, you can't say that it's a great process just yet, but it looks like it's probably going to work over the next few months.

Ms. McLaren: Actually, you know, I'm prepared to say that I am pretty pleased. It—the hiccups and hurdles were easily identified. Plans were put in place to deal with them. We are maybe a couple of weeks behind where we thought we'd be at this point, but there are no real red flags in the process. It really just has taken long to—and it's, you know, it's one of these initiatives that we expect that the waves will go a bit quicker as we continue to do it because you're building your mechanisms. You're building your pathways. So the fact that we've been able to have anything up and running and actually being used at this point and have good solid plans and regular

positive reporting from the joint IBM-MPI team, I'm pretty pleased with it.

Mr. Helwer: Well, we go back to media reports over the past little while, because that seems to be how we get information out, I guess, and there was a discussion in the media about MPI funding road infrastructure and a survey that was done to see how that would fly with Manitobans. I was one of the Manitobans that did receive that survey on the telephone, and, as I mentioned to the minister in the House, you might want to make a note not to ask the MPI critic his opinion, but then it wouldn't be a random survey, would it? And it wouldn't be valid, so.

However, I guess what I would like to—I did receive the survey and—by telephone—and paid attention to it as well as I could while trying to answer the questions in detail. Is it possible that I could receive that survey in a document form with the results?

Ms. McLaren: I believe we've provided that kind of information in the past. I think we may even have a request for something similar to that in the works right now. But I don't see any reason at this point why we wouldn't be able to do that.

Mr. Helwer: I guess recent reports have pushed back this idea to an analysis that's happening over the summer and talking about it in September. Would you like to comment on MPI funding infrastructure in Manitoba?

Ms. McLaren: Sure. You know, I think when we got the results from our broad public consultations about road safety and MPI's role in road safety, we were a bit surprised by the positive support we received through that process for something like funding roadway improvements. Manitobans have a very well-developed sense of whose job is what, what—you know, who should do what, who should fund what. But when you—when we asked them these questions and they really thought that there were potentially opportunities to reduce injuries, save lives, they were not prepared to preclude MPI for looking into this.

The Consumers' Association of Manitoba has asked us for many years through the Public Utilities Board process about what we knew about the roadway funding program in British Columbia, that Insurance Corporation of British Columbia has done for over 20 years. Others have really focused on BC and asked us if we'd ever consider it. We said no for

a very long time, because we really believed that Manitobans would have a narrower view of what they thought Manitoba Public Insurance should do. So we were a bit surprised when we got this feedback through our consultations, and we believe we have a responsibility to look into it further, and that's really what we're doing now.

If we were to adopt a program very similar to British Columbia's, a province the size of Manitoba compared to BC, if we fund it to the same level that ICBC does, we would be funding maybe \$2 million a year. They fund a variety of initiatives every year. It would, in—most of the time, they do not provide most of the funding; they provide a minority of the funding. They do things to provide safety, value-added features to an initiative that otherwise may not have those safety features.

So those are the kind of things that we could potentially look at, you know, but part of it is listening to consumers' associations and other stakeholders at the Public Utilities Board. Part of it is, you know, learning does the Public Utilities Board think that that potential \$2-million expenditure makes sense. I mean, if you look across the province, in any of our cities or any of our highways, sometimes there are some very noticeable safety features, you know, like on undivided highways where they have the rumble strips on the two shoulders and up the middle, but often they don't. And I'm—I don't understand—you know, maybe it's funding, maybe there's other reasons as to when they do and when they don't, but if something like that, if they were undertaking a development of a particular piece of highway and by MPI putting a little bit of money into that initiative, that would—that could provide those rumble strips that otherwise might not be there. And if it was in a, you know, highway where there were, you know, a handful of head-on crashes every year, that may prove to be very worthwhile.

* (19:00)

In British Columbia they—for every dollar ICBC spends, they get back between five and 12 dollars in reduced claims costs—that they measure that, that has been validated by external agencies, they have engineers involved in this, and I think it's that kind of information that's caused Manitobans to say, maybe you should look at it. There's certainly no outright demand that we stop even looking at it. There's no outright demand that we start spending the money right away. Everybody thinks we should do it, but it's

something that we should look into. We resisted looking at it for quite some time, as I said, but I think there are opportunities for us to put a little bit of money on the table, in certain circumstances, that can help save lives. We'll see where it goes. We haven't made a decision.

Mr. Helwer: I'm not sure if maybe the minister wants to approach this one, but we'll see if Ms. McLaren is the person to answer it.

Your mission statement is in front of me here, and I see no reference anywhere in it to paving roads. I see enforcing standards to make roadways safer for drivers and vehicle, raising awareness. Is this something that we would have to look at changing in order to roll into this area of extended safety?

Ms. McLaren: Well, there's no legislative barrier to doing so today.

The mission statement is, you know, the corporation's statement to the public about its role as it sees it, but, of course, all of its mission is grounded in the act and the regulations. There's nothing there that would prohibit us from doing something like that. There's nothing that directly speaks to us assisting the police with funding extra roadside checkstops. There's a number of things that we do that are not explicitly laid out in that regard, but it's not—there's nothing in our act that says we should fund immobilizers to be installed in all the high-risk vehicles so they can't be stolen anymore, right?

I mean—so there's a number of things an organization can determine is appropriate, and there's nothing that prohibits it in our legislation or in our mission statement, as well. Working with Manitobans to reduce risk on the road is a pretty broad mission statement that would certainly encompass something like this. It's not that different from things we've done but is different enough that it demands consultation, careful thought, discussions with the regulator in terms of its impact on rates, and that's what we're doing this year.

Mr. Helwer: Do you currently have engineers on staff that would be able to determine which issues are safe and which would improve road safety or is this something that you would additionally have to hire?

Ms. McLaren: I—at this point, I don't—I have no engineers on staff that would do this kind of work. I believe we have one engineer on the payroll who works in our vehicle standards, our repair standards area, in terms of working with body shops and, you

know, parts certification and things like that. And I'm not sure if we ever did have a program that was limited to something around no more than \$2 million a year. I don't know that we would ever have on-staff engineers.

What I would see doing and one of the things that we've talked last year with the Public Utilities Board about is, you know, if we can come up with a program that we believe would have enough support for Manitobans to try, we would run a couple of pilots. And we would be looking to the municipalities, who absolutely have engineers on staff, and work with them to help answer those questions. We have the data about where crashes occur but so also do they. And we would work with them, if they were interested in working with us, to see if we could put something together that made sense.

Mr. Helwer: So then you don't anticipate expanding the staff base at all in this regard? I mean, that's comforting because MIT certainly has engineers on staff that deal with this, and that—I would assume you would consult with them as well as, you said, the municipalities. And they would be the ones that would have to deal with whether a particular enhancement would, in fact, improve road safety in their eyes in—from an engineering standpoint.

Ms. McLaren: Absolutely. This can only be done in partnership with municipalities. And not to put too fine a point on it, but one of the things you said earlier when you were looking at our mission statement and our role and responsibilities, there's nothing there about paving roads. I mean, I don't—this is not about building highways and paving roads. This is about finding opportunities to potentially add safety features to road improvements.

Mrs. Rowat: Continuing on the theme of my colleague, can you indicate to me who did the survey? Who was—which contract—who received the contract to do that?

Ms. McLaren: The consultation that we did with the public with respect to our role in road safety—I guess it was—probably be three summers ago this summer coming up—was not a quantitative telephone survey of itself. It was consultations on our website and putting—we were out in every mall and shopping centre in the province almost, asking and discussing people who came by. So with respect to the specific telephone survey that touched on this, that Mr. Helwer was talking about, that would not have been directly related to the consultation. And when we get

the information about the survey, we'll also get who did it, because I don't have that off the top of my head.

Mrs. Rowat: Can you indicate to me if it was a consulting firm that was in charge of pulling together this data or was it staff within your department or were there—was there a contract awarded to somebody to initiate this?

Ms. McLaren: I believe it was a combination, and I can get confirmation of that tonight before we leave here as well. This was a big undertaking in a fairly contracted period of time, so I think we brought in some additional resources that worked with our staff. We did not sort of just get a consultant and hand off responsibility to do the public consultations, but we got extra resources on a short-term consulting basis to help and work with our staff.

Mrs. Rowat: You indicated also that there is another phase to that. You're into a consultation phase, you had indicated. Can you explain to me what exactly is happening with that? Who is leading that? Again, is there a, you know, a consultant that's been pulled in to help work with MPI on that, or is it internally?

Ms. McLaren: What we're doing right now is basically preparing a recommendation that, if we were to do something similar to what ICBC does in British Columbia, what would be the context and the framework for that here in Manitoba.

So you start with that, and then we would expect to have some pretty—probably fair to say in-depth discussions through the Public Utilities Board process because there's certainly a funding component to this. So that means, you know, through the summer leading towards the hearings in October, the interveners would get to ask questions about what we've done and what we've learned. One of the things the Public Utilities Board has already said to us is that they would very much like to have someone responsible for the program at ICBC to come and bring information to the Public Utilities Board this fall.

So when I say consultation, it's not—we're not surveying anybody anymore and doing that kinds of things with the public, but we're trying to put together sort of a straw man, for the lack of a better phrase, to say, if it was to be done this is what might make some sense, and then work through the Public Utilities Board process, probably later also have more specific conversations with the City, maybe MIT, maybe some of the other larger municipalities.

So we would really—we would not make any decisions about formally adopting a program like this until we are out the other side of the Public Utilities Board process. We may not make a decision like that even if we'd made a decision to try a couple of pilots. We would probably do that before we made a decision to formally adopt a program like that. So it's going to take some time.

Mrs. Rowat: So based on what you've said, you had indicated Winnipeg or province. Could you clarify, would a pilot be taking place—if that happened in the city or would it be a province-wide initiative, to look at it for pilots would be.

Madam Vice-Chairperson in the Chair

* (19:10)

Ms. McLaren: No, absolutely no province-wide initiative as a pilot. That—this is a big place. Winnipeg is such a big part of this province. I don't think it would make sense to run one pilot. I think you'd probably want to do something in Winnipeg, if Winnipeg's interested—you know, we don't even know that for sure at this point—and something somewhere else. The somewhere else, maybe it would be some piece of provincial road; probably it would be another municipality. And I'm really talking, to be as forthright as I can, the way we are thinking about this right now. But absolutely no decisions have been made about whether we will do any pilots, and certainly not about where they would be.

Madam Vice-Chairperson: Mrs. Rowat, sorry.

Mrs. Rowat: That's fine, thank you.

One further question with regard to that: you know, this—you know, obviously is a very detailed and complex process. Can you indicate to me how much—how—what budgetary allocations have been spent to this point on this initiative, and what you are budgeting in the foreseeable future? Obviously, if the PUB is involved, they're obviously involved for the dollar reasons as well, so if you can indicate to me how much has been spent, based on the initiative to this point and, then, going forward?

Madam Vice-Chairperson: Ms. McLaren. Sorry, this meeting is currently in the hands of a novice. Please.

Ms. McLaren: Maximum, I expect we would spend potentially \$200,000 of out-of-house project expertise and research expertise on something like

this, to get us to the point where it would be a go/no-go decision. Some of that has been spent already, some of it hasn't. But in no case would it be any more than that. And we haven't spent much at all, except internal resources, until the last six months or so, when we made a decision to really, truly create a straw man to say if we decide to do it, here is what probably makes some sense.

Mrs. Rowat: So, Madam Chair, can you indicate to me what you've budgeted for this initiative—that, you know, there would be a budget that you would identify to move this initiative forward?

Ms. McLaren: That would be—it was either 200 or 225,000; \$250,000; \$200,000; no more than that. And that's why I was saying we would not be spending any more than that because that was the budget, and I'm sorry I didn't clarify that in the first answer.

Mrs. Rowat: Okay, just one more. You had indicated that it would be out—\$200,000 in outside sources. So what would you allocate for resources and finances internally on this initiative?

Ms. McLaren: I don't know. I mean, these would be people who are business analysts or road safety experts who are on the payroll, doing a variety of work on those kinds of areas. We don't specifically track those kinds of staff as to exactly what they're working on and be able to report on exactly how much we spent on any particular initiative. We had—for example, we had road safety staff who worked about a year and a half ago on a pilot to see if there was a way that we could reduce wildlife claims. We're not doing that right now, and that person may very well have been working on this road safety infrastructure initiative. So we don't track staff on that kind of a basis.

Mr. Helwer: Madam Chair, further on this question, I guess, that is one of the criticisms that I have been told of the ICBC program, is that the internal staff time and cost is not taken into the total cost of running a program of this nature, and when you talk about using staff at the municipal level, or in—from MIT indeed, those type of costs may not be included in whether this is a cost effective program. So, I'm a little concerned about basing this on ICBC's experiences when, indeed, not all their costs are taken into account. And, there's rather scathing reports out there in—from the public—from the Auditor General in IC—in BC, about ICBC. So it's perhaps not the role model that we should be following for MPI.

Ms. McLaren: Well, I mean, in my experience, auditors general are always pretty helpful at suggesting better ways to do things. But I—you know, I've been following this for a long time, and I certainly know that there certainly have been suggestions of things that could be done better, but I really—the information that I have is the vast majority of feedback that ICBC gets on this program is positive. So please feel free to share with me anything you have that is counter to that. You know, nothing is ever a hundred per cent positive or a hundred per cent negative. But we're always trying to find the appropriate balance. But I'm certainly interested in what you've got.

Mr. Chairperson in the Chair

Mr. Helwer: I guess further to that, a little more detail: originally this program or plan started out as saying that there was going to be a cost-benefit analysis done. Now it kind of seems to be: well, if public opinion says we should do it, then that's the direction we're going to go, and it does concern me when I hear you say that we're not sure how much it will take for internal staff time, and that may not be accommodated in a cost-benefit analysis. So, are you going to do a true cost-benefit analysis on this with internal staff, as well, being allocated for their time and efforts, or is it something that's a little bit more fuzzy?

Ms. McLaren: I've seen some really solid [*inaudible*] from British Columbia that talk about saving five—between \$5 and \$12 in claims costs for every dollar they spend on the road. If that calculation is a pure calculation of claims costs that were avoided in those locations, compared to the money they spent on the roadways, I would agree with you that doesn't include the staff to administer the program. And I guess then the question would need to be asked is, you know, what was the scale and scope of the staff that they required to run the program. I don't have that answer. But at this point, I don't plan to add staff to run a program like this.

If we find that we need to do that in the future, it would be a tiny, tiny percentage of the \$2 million that you think you might spend to save 10 to 20 million dollars in claims costs. So I mean it's—internal expense as an insurance company is—always a fraction of the money that goes out the door in claims costs.

So while I certainly am not disagreeing with what it sounds like ICBC has not included in their calculation, I'm not sure that it would really

fundamentally change the value equation because of what I know about how the claims costs themselves are always far in excess of internal costs. But if we ever have to add staff—if we ever find ourselves running a program like this, if we ever have to add staff, we will be very transparent about that.

Mr. Helwer: Mr. Chair, well, through you to the board chair, I want to include him in these discussions here. He made the trip to Winnipeg and I know he does that often. Is this something that would have made it to the board level, or was it not discussed at that level?

Mr. Jake Janzen (Chairperson of the Board, Manitoba Public Insurance Corporation): I'm sorry. This has been discussed at the board level, yes.

Mr. Helwer: Can you give me an idea of some of those discussions, or was it in closed session?

Mr. Janzen: I think I can confirm, Mr. Helwer, that the nature of the discussions was not unlike the kind of discussion that you and Ms. McLaren have been having here this evening. The kinds of issues that you have raised are the kinds of issues that the board would be concerned about. Fundamentally, it's a matter of whether or not a business case can be made for this type of a project.

Mr. Helwer: Is this ultimate decision going to be a decision of the board, or have you given guidance to Ms. McLaren that she can go ahead with the project at this point?

Mr. Janzen: I would be shocked, Mr. Helwer, if this project were to proceed without the board's decision-taking powers being involved.

Mr. Helwer: Okay. Thank you for that.

While I'm on the board, through you, Mr. Chair, I guess I'm not sure who wants to answer this one. I have a list in front of me of contributions—political contributions from various board members and some nice contributions all to the NDP—apparently none to the PC Party or the Liberals or the Green Party, so—and not all board members, but a substantial amount from board members.

* (19:20)

Is this a requirement to be on the board, or is it strongly recommended that you donate to the NDP?

Mr. Swan: No.

Mr. Helwer: No, what?

Mr. Swan: It's not required.

Mr. Helwer: Well, if—I also find it interesting that we have an MLA on the board that hasn't donated anything. And that's—I would be concerned if I were the NDP, but nonetheless, perhaps that's not a discussion for here. So it doesn't cost anything, is what you're saying, to be on the board of MPI; these are just purely voluntarily donations?

Mr. Swan: That's correct.

Mr. Ewasko: Just going back, Ms. McLaren, you mentioned the rumble strips. And I can't quite recall, but did you say that there was a significant cost or do you know the cost for those rumble strips on the sides of the lanes and also the median, or the middle?

Ms. McLaren: No, I didn't mention the cost; I have no idea what they cost. The point I was making, that sometimes on divided highways have them and sometimes they don't, and I'm not sure as to why that is either.

Mr. Ewasko: I'm just interested in that—did you just come up with this idea tonight as far as the rumble strips? And I don't mean to be condescending; I don't mean that in any way.

But I'm just asking in regards to mentioning these rumble strips and not quite knowing the costs. And you being in the position that you are, and we're talking about safety measures to possibly cut down on claims, why this would not have been maybe asked of the minister to take it to MIT or somewhere so that we would possibly get these costs, considering it could very well save a ton of lives?

Ms. McLaren: There are a few things I could reference here tonight as potential candidates if MPI was ever to formally adopt a roadway infrastructure funding program. That one I selected just because it is readily understandable, everyone knew exactly what I was talking about. We first have to decide if this is an appropriate role for Manitoba Public Insurance. If that bar is reached, then it is how should we test this out? And at some point, before ever thinking about putting MPI money towards rumble strips, we would certainly understand what they would cost. But we're far, far down the road in both time and precursors to ever be in that position. So it's not something that I was thinking about at all in terms of funding.

Mr. Ewasko: And Ms. McLaren, I wasn't necessarily asking for MPI to donate the money toward these rumble strips, I was just interested in that this is—sounds like a very good idea and I wish I

would have come up with it originally and asked MIT for these particular costs, and why they—you know, whether it is a substantial cost to putting these rumble strips into the new highways.

I know we have a nice little strip of new highway on No. 11 out in my constituency and I don't believe the rumble strips are on there, so that's food for thought and I appreciate you bringing that up and I was just wanting to know—want to know if you knew of the costs.

Mrs. Rowat: And the rumble strips are very prevalent in North Dakota, my son lives in Minot and they are pretty much on most of their roads, and I believe that there is value to them. But again, MPI—or MIT might be a better place for that.

Just wanting to go back to another initiative that was brought in a few years back, the enhanced drivers' licence initiative. Now there is that—I believe that one has gone a little bit sideways in some cases, in some situations, especially with brokers—the extra costs associated with having to do the administrative piece of that.

Could you indicate to me what the cost of running that initiative was last fiscal year?

* (19:25)

Ms. McLaren: When we developed the enhanced identity card and enhanced driver licence processes, we made sure that our cost to run the program would be covered by the \$25 fee that people pay for this special enhanced card. And we've periodically done some checking to make sure that there's nothing changed in that regard. So it's really tied to volume, and we do not have any additional systems costs, card production costs, anything like that that would incrementally increase our cost of operations. The people who want those cards pay an extra \$25 and that fully covers our cost of providing it.

Mrs. Rowat: Could you indicate to me what, you know, what was put into the budget for that initiative last year? Or was it just offset by the fees?

Ms. McLaren: We would not have—we would've—we wouldn't have added anything to the budget in terms of expenses because whatever we sold in terms of cards, the costs would've been covered that way.

Mrs. Rowat: Could you indicate to me if the renewals have gone—or how the renewals have been progressing? Has there been a decrease in renewals

from individuals who've had them in the past, or have renewals gone up?

Ms. McLaren: My understanding is that no one would've had to pay for a renewal yet because the way the program was rolled out is that, because we were in—also in the middle of rolling out our—the new driver licences and moving to a five-year renewal cycle versus the four-year cycle we had in the past, everyone who, in the early days, everyone who purchased an enhanced card would've had—we were in the process of transitioning to the five years. So some people had a one-year card and then they went to five. Some would've had four and then they went to five. So everybody was really guaranteed on that first purchase of not having to pay the renewal for at least five years.

Mrs. Rowat: Actually, I had to pay, so I don't—there was a fee charged. So I think that information is inaccurate because I do know that I received a card. I bought one first when it came out because I wanted to go through the process to actually experience. My broker had encouraged me to do that, and it wasn't, you know, wasn't the greatest experience, the confidentiality, et cetera. There was some very serious concerns when I was going through the process of going to Brandon, sitting down in a booth and having people beside me sharing their personal information. It was very awkward and concerning, but, you know, I believe that's probably been corrected; I hope it has.

But I do know that when I renewed my licence a year later, I had to pay—I think it was the—I think \$30 or \$40 to renew.

Ms. McLaren: Well, then I stand corrected. It was—would've been \$25. I can tell you the federal government was pretty prescriptive about how we had to do that initial application process. I mean, it had to really meet the needs of Citizenship and Immigration—were really the drivers of that in the provinces who chose the enhanced cards.

So, certainly, some of that has been addressed. I think we actually moved some of those—the interviews into our interview rooms rather than having them at the counter. So—and I don't know that we have tracked the people who initially got one and the extent to which they're renewing them. But, generally, in terms of both the ID cards and the driver licences, we're still doing about a hundred new ones each month, of each kind. So it's not been huge numbers but it's been steady in the last couple of years anyway.

Mrs. Rowat: So, indicating renewals, the numbers have—people have been renewing them that had initially purchased them, or do you—has there been a decline?

Ms. McLaren: I'm not sure about the renewals, but I know that we are doing about—together, the cards—the—and the ID cards and driver licences, together we're doing about a hundred, 200 new a month. I don't know if some of those are renewals and some are brand new; I have not tracked it at that level.

Mrs. Rowat: Could you indicate to me that—is there any tracking that is being done with that regard or you just don't have the facts with you tonight?

Ms. McLaren: I will have to get back to you. I don't have that information.

Mrs. Rowat: If you can just confirm, though, that you are tracking the number of renewals and new card requests.

* (19:30)

Ms. McLaren: We track the number of enhanced identity cards and enhanced driver licences. How many of those are brand new and how many are renewals, we do not track. When I use the word track, I mean reporting to management. Our systems absolutely keep that information but we don't have them bubbling up in reports to us. We can get it and we can share it.

Mrs. Rowat: In previous annual reports it indicated that you would be making adjustments going forward and this has been an initiative that's been in place for a number of years. Can you indicate to me any examples of adjustments that you've had to take with regard to this initiative?

Ms. McLaren: Sorry, maybe you can help me with the reference in the annual report because I don't—as I said, this program is a very specifically prescribed by the federal government. So I don't know that we would have offered up intending to make changes. Like, this is something that we really have to live with the agreements that the Province entered into when the programs were first established.

Mrs. Rowat: That's clear.

Can you indicate to me the number of identification cards that would be offered or been initiated to individuals who have asked for them? Like seniors who have asked for a card even though they don't have a licence but it's an identification card. That was something that I know that MPI

looked at in one point in time, and I'm not sure if that's—

Mr. Chairperson: Ms. McLaren.

Ms. McLaren: Yes, the identity cards, I believe, were introduced in 2008, and we can get those numbers for you. I don't have that here tonight.

Mr. Stuart Briese (Agassiz): Just in—I'd like to ask about the tracking of accidents and causes of accidents. I've noticed in the last few years that there's a lot more vehicles out there with very bright halogen lights on the highways. If you meet two of them on a curve in a row, you're blind. And—they're that bright. And, I just wonder if you're getting any feedback when you're looking at causes of accidents on that type of equipment, being partly to blame?

Ms. McLaren: That is not something that anyone has talked to me before yourself. That's not something that's been flagged to my attention. I know The Highway Traffic Act, the vehicle standards, has some very specific regulations regarding headlights and candle power and so on. I don't know if those were changed to allow brighter ones. I don't know if those really bright ones have always been okay. I don't know if there's a number of people out there using headlights that would fail to pass regulations if they were ever stopped. So that's not something that's ever been flagged to me but that's something we can look into a little bit and see what we can find.

Mr. Briese: I would appreciate that. I thought it was maybe because I was getting older and my eyesight wasn't as good but then I started hearing from a lot of younger people with the same concern. For instance, I live in Neepawa and the two curves right at Gladstone there, if you're meeting cars with halogen lights—and I think some of these are off the shelf. I think they probably are illegal. But, if you're meeting two cars with halogen lights, all you can watch is that white strip on the side of the road because you're blind, you can't look over that other way. So, I would appreciate it if, probably, if MPI would track that. See if it is a factor in some of the highway accidents that are going on out there right now, and maybe pay a little bit of attention to it. I know judicially it falls into Highways and into Justice, but I know we all have a wish to keep the—to reduce the number of accidents on the highways.

The other thing I would like to ask about is the—and once again, this falls into Highways' jurisdiction, but certainly, has some impact on accident counts, I

would think, in—on our highways, and that's on the line paintings that—I don't think we're getting near as good a job of line painting done in the last few years as we had previously. I don't know whether there's been reductions of budgets but it certainly has an impact out in the highways. Those lines are one of the most valuable things out there. So it also may have some impact on accident counts, especially in the rural areas. And that's more of a comment than a question. Thank you.

Ms. McLaren: Thank you for that.

For Mrs. Rowat, I can tell you that we have issued just over 21,000 identity cards for people who want ID—government-issued ID that isn't—that don't have a driver's licence.

Hon. Jon Gerrard (River Heights): I notice that in the latest annual report for the—that there's a significant increase in 2011-2012 versus 2010-2011 in the average cost per claim and, in fact, it's gone up by about 40 per cent from a little over 1,500 to a little over 2,500. This is on page 3, and I wonder, you know, whether you'd looked at this and what the explanation might be.

Ms. McLaren: Well, you can see that it was inordinately low the year before so really the 2,500 is reasonably in the ballpark with the 2,300 almost 2,400 and 2,200 that are in the other years. The average cost per claim in 2010-11 if you look in that same column on page 3 and look up to the claims incurred that year you'll see that it is much, much smaller than all the other years of claims incurred, and this is simply a mathematical calculation of the average cost per claim and it is as low as it was in '10-11 because we had a large release of our injury claims reserves that led to the very, very large rebate that we issued to Manitobans back in that year. So you take that money out of your claims reserves it reduces your claims reserves significantly and then your average cost of claim for that one year only is really low.

Mr. Gerrard: Yes, I'm not sure that I follow your rationale for saying that this was due that you gave a rebate and, therefore, that reduced the average cost of claims. That doesn't seem to make a lot of sense to me. If you've got a total cost of claims incurred that—I mean, that shouldn't be dependent on whether you gave people a rebate or not.

Ms. McLaren: If we hadn't issued the rebate but we still had the release of the claims reserves we would've had much, much higher retained earnings.

In a Public Utilities Board the corporation could have decided that it was appropriate not to give that money back to Manitobans and keep it in so—you know, so-called rainy-day fund for when the corporation will likely need it sometime in the future. So I'm not trying to associate the rebate with the average cost of claim, and I maybe went through that too quickly, but we had sound actuarial evidence that we needed to reduce our claims reserves.

The way that works in insurance company accounting is you take that money out of reserves it reduces your in-year claims incurred. So if you look at that claims incurred line here on page 3 we're always in the 600 and low 700 million dollars of claims incurred. That year we would've had about \$700 million of claims incurred, as well, but we took \$300 million—I'm talking in very round numbers here—out of our claims reserves and that is what caused our claims incurred that year to be only \$418 million. So your—the adjustments that you have to make from an accounting perspective in insurance companies are always reflected in the particular year. The claims adjustments that we made that led to that \$300-million release came from claims that had happened in 1994, 1995 and every year leading up to 2009 and 2010, but they all have to be settled up from an accounting perspective in the year you make that adjustment. And it all comes off of the normal, ordinary claims you had that year.

* (19:40)

So in reality, we had \$700 million of ordinary claims in '10-11, and then we reduced that by \$300 million from all of these adjustments to all those other years of injury claims. So we had an unusually artificially low claims incurred of \$418 million that year, which led to the calculation of your average claims cost.

Mr. Gerrard: I think I see what you've done. It's very misleading, to say the least, in terms of—to have a average cost per claim that's gone down that much.

Let me go to page 35, and on page 35 there were 172 fatalities in 2012. If you take the average of 20—2009, 2010, 2011, the average number of fatalities for those years was just about 130, so that the average number of fatalities in 2012 has gone up by about 32 per cent compared to the average of the three years before. Have you looked at why that's occurred?

Ms. McLaren: But, you know, by the same token, if you go back to 2008, we had significant decreases in

the three years following 2008. Manitoba, because of the relatively small population, has some very volatile numbers with respect to roadway fatalities.

To a certain extent, if you look at the serious injuries and the fatal in–fatal accidents in total, they give us a bit more stability through time. One hundred and seventy-two was a terrible year. I don't remember the last time we had a year that bad. I don't expect the year that just ended to be as bad as that, so it was a bit of an aberration.

Through time, in Manitoba and elsewhere, through longer periods of time, there are fewer people being killed on the roads than there used to be. So, you know, I can't look at three better years and try to explain why we had a bad year. You know, especially, you know, if you think about that year, it was the year we practically didn't have winter. You know, some of this is really unexplainable and unexpected and you really have to look at much longer trend lines.

Mr. Gerrard: I mean, it's disappointing when one is doing things to address distracted drivers and various other things, to have, you know, a significant increase in the fatalities in–last year, in 2012. And it seems to me that it would be useful at least to ask, you know, relatively speaking, were there more fatalities in Winnipeg or elsewhere. Relatively speaking, you know, where, you know—some sort of analysis of the 2012 year to have a look and see if there's anything which stands out as a particular increase in an area or a situation or locality or any other factor, in analyzing the deaths in 2012.

Ms. McLaren: I appreciate that, and to a certain extent I don't disagree. But it—we look at these numbers though over a very long period of time.

I mean, if you look at it from another perspective, look at the totals on that line, and last year was the best year. We had fewer injuries and deaths in total than we had any of the other years on that page.

So, clearly, you know, it's hard to argue that it doesn't get any more serious than fatalities, and I'm certainly not making light of that, but larger–jurisdictions with larger populations have more stability in these kinds of numbers. It is very, very—it's a hair's breadth sometimes in automobile crashes if you live or die, if you walk away uninjured or if you're catastrophically injured for the rest of your life. So to look at one type of injury in one year just doesn't give us the kind of insight that helps us really

understand how this business should be changing going forward.

That doesn't mean that we shouldn't spend some time on it and think about it and ask questions about it, talk to the police about it, which we do. But in terms of really trying to gain significant insight that helps us understand how to move things forward, one type of injury in one year doesn't do that much for us.

Mr. Gerrard: I think that the numbers, as you point out, that was a terrible year, and that it would seem to me that it would be worthwhile at least having a look in a little more detail rather than just dismissing it as a complete aberration. I mean, maybe it has something to do with halogen lights, for example. The MLA for Ste. Rose is talking—or for Agassiz now, yes—but I—it seems to me that when you've got a shift of that nature, that it's worth asking a question.

Let me move on and ask a question about the distracted driving. We now have legislation which is in force. Has there been any sign that there's been fewer injuries or deaths or accidents with people using cellphones?

Ms. McLaren: It's really, really difficult to say. When you don't have—when you still have a lot of anecdotal information from every aspect of society that people continue to do these things in the face of legislation, when the policing agencies welcome opportunities to work with us and really put a focus on this, we all believe it's still a really serious problem. And it's a little bit—I mean, it's challenging because at the same time as you have the legislation and you have some more aggressive enforcement to the legislation, you have more phones and more cellphones in people's hands, more smart phones, more cellphones in people's hands.

So even if some percentage of the population is using them more responsibly, the population itself is larger. So I think there's no ready answer to whether or not we are actually seeing decreases in that regard. I think, in—this is one area where we really need to look to the police. I think if they start to be unable to charge people with these infractions, that might be our best indicator. It is one of many, many factors that present risk on our roads. But to find real evidence that risk is decreasing, we certainly don't have that right now.

Mr. Gerrard: I think it's important where we're passing legislation which is supposed to have a safety effect and, as I recall, for instance, when

seatbelt legislation came in, that there was a significant change in terms of accidents and that the effectiveness of that legislation could be measured. When it comes to the legislation with cellphones, it seems to me it would be important to track this and to try and understand whether or not the legislation is working as intended and whether it not it's decreasing accidents.

Ms. McLaren: I don't disagree. And I certainly didn't say we have no intention to track it. I just said that at this point we have no evidence that there is a significant—there's any decrease related that we can tie directly back to that.

Mr. Gerrard: I think in the previous year I asked you about motorcycles, and one of the things that you had replied was that the, you know, the problem, you know, was clearly the motorcycle—motorcyclists—because there were a very high proportion of the accidents were single-vehicle accidents, in other words, the motorcycle alone.

*(19:50)

And when I've talked to motorcyclists about this, they tell me, well, the reason for this is that cars are behaving so that a motorcyclist has no choice but to drive off the road because of the way the other driver is driving, or that it may appear to be a single-vehicle accident, but it's been an accident which is caused significantly because of the activities of another vehicle on the road.

Now, I mean, I don't have, you know, personal knowledge or I haven't seen statistics about this, but I bring it forward because you had raised the fact that a very high proportion of the motorcycle accidents are single-vehicle accidents, but in fact it may not always be, in what appears or is labelled a single-vehicle accident, it may not always be necessarily that it's the motorcyclist's fault.

Ms. McLaren: That's certainly true. We have four-wheeled passenger vehicles where the driver reports that someone else cut them off and they ended up in the ditch. It's not something that's specific to motorcycles, but motorcycles by their design, the nature of the vehicles, tend to be a little bit more vulnerable to that kind of behaviour.

You know, it's really just a requirement. It's a definition in The Highway Traffic Act that's been there probably for a hundred years that, you know, if there's no other vehicle that you're able to identify as being involved in the incident that you had, then that is basically a single-vehicle accident.

So I think, you know, motorcycles are more prone to those kinds of accidents than cars are because of their design, and they're a little bit more vulnerable to it. But there's no real mechanism that any other insurer or any other jurisdiction's ever come up with to deal with something like that.

Mr. Gerrard: In the last little while there's been attention to the fact that the signage, traffic signage in Winnipeg, in comparison to some other cities is not as high a standard and that this may be a contributor to people driving too fast, to accidents and so on. I wonder if this is something that MPIC has looked at, in terms of signage and its contributing to accidents, in Winnipeg in comparison with other major cities in Canada, for example.

Ms. McLaren: No, that's not something that has surfaced in a cause. When Manitobans talk to us, we say, well, what, you know, what, in your view, what caused this accident? And that has not surfaced as something that we're hearing from people.

I—at risk of revisiting the roadway infrastructure conversation, I can tell you that, you know—cities have different ways of dealing with it, but I can tell you that that is how some of the ICBC dollars are spent, to improve signage in areas that have proven to be at high risk of crash. That's where some of their money goes, is to try to improve the signage.

Mrs. Rowat: Can I ask a few questions with regard to your High School Driver Education program? Have you done a review of your present program, and is there an interest in updating the booklets and the program itself?

Ms. McLaren: We do our best to update that program regularly. The handbook, I know, has been revised in the last few years; we have improved the curriculum; we have worked with two organizations who have some expertise in this area of training young new drivers; we've been part of a study that was funded in part by the Auto Club of Southern California, who has a real interest in this area. So we've done, in somewhat limited ways, we've done some things to make the program a little more relevant and more effective.

Having said that, one of the things that the board has authorized management to do is to also take a very comprehensive look at what really are the very, very best high school driver education, young driver education programs in the world, if we can find them, and see what may be possible for us to do. Because for the most part, as much as we've kind of

tinkered around the edges of our high school program, it still tends to be classroom taught. A teacher stands in front of a class and teaches a bunch of kids who really aren't used to learning that way anymore. And, then we put them all behind the wheel, I wonder if there isn't an opportunity to use simulators and things like that before we put them behind the wheel.

So I think there are some real opportunities here. I think for any number of good reasons since 1987, Manitoba Public Insurance has been the primary funder of high school driver ed. You know, today the kids pay \$50 and it costs us about, at least, about \$300 to run the program per student. So I think we have some opportunities to really make this a much more vibrant, much more relevant, much more effective program.

But in all honesty, I can also tell you that, you know, we've had some work done to go out there and try to find what are the best ones in the world, and they're not easily found. This is something that has not got a lot of attention in very many jurisdictions, so we're really interested in it, we're working at it, we may come up with something but nothing that I can tell you about right this minute.

Mrs. Rowat: Can you indicate to me, what your budget is for road safety and specifically the high school drivers' education program; what your budget is?

Ms. McLaren: I expect very soon, like minutes, I will be able to do that. The high school driver ed accounts for about half of our budget, out of our road safety. Yes, not our total corporate budget, yes. That would be bad. No, no. The road safety budget about a half of it goes to high school driver ed. But I will get the numbers for you very soon.

Mrs. Rowat: Having two children just complete the program within the last couple of years, one after another, one year after another; I was kind of disappointed in the book. There was a lot of reference to Ontario, so whoever had developed, or who had put your book together, actually referenced Ontario as the province that this was being administered in. And then actually the driver ed teacher who was administering it really used his own expertise.

So if you are looking at redoing this, you may want to look at the people who are actually administering the program, because the gentleman that does it in our area is fantastic and goes out of his

way to ensure the kids are getting their time and actually works around your book and is really sort of has indicated, he's disappointed in the quality of that book.

So, that's why I'm wondering what the budget is because I think, you know, you might want to look at making the program a little bit better. The kids love it, you know, they still enjoy the aspect of it, but there's things in it that sort of make you wonder who's developing it and who's proofing it.

Ms. McLaren: I can tell you in the annual report on page 45 the statement of operations, the year ended February 29, 2012, our road safety loss prevention budget was \$15.8 million, now some of that, it's a little bit higher than pure road safety because some of that would still be related to a dwindling funding of the immobilizer program, there are still some vehicles coming into Manitoba that need the immobilizers, but most of that would be pure what we think of as road safety and I'm thinking between 6 and 8 million dollars as high school driver ed.

Now, you know, we do pay the in-class and in-car instructors that you were talking about but we also have to acquire those vehicles for them to use, so that's where a big cost of this program is. If we somehow had the ability to run the program with just instructors and somehow use parents' cars or something, would be much, much more cost effective but we've never done that, and I don't think it's really practical to think about doing that.

Mrs. Rowat: And just one more comment as a parent as well as a representative in a riding, it really is disappointing when you have seen a reduction of communities that can offer the testing. That has put a huge inconvenience in cost to a lot of families who have to identify a community to take their child to do the testing in.

* (20:00)

I have had to take one child, one of my children, to Reston, which is a good hour from my community, to do testing because they're only allowed three in our community on the set day. So, you know, if you are looking at, you know, cost savings or ways to address community needs by reducing the number of testing locations, it hasn't actually been in the best interests of the people in the province.

Mr. Chairperson: As previously agreed, time being past 8 p.m., what's the will of the committee?

Mr. Helwer: Mr. Chair, I suggest we sit until 9 and re-evaluate at that time.

Mr. Chairperson: Is that agreed? *[Agreed]*

Ms. McLaren: The annual driver education budget is about \$6 million, so I went—I said between six and eight; it's closer to six. We have not eliminated any towns where we run basic class 5, which is the regular passenger vehicle road test. We've reduced the numbers of spots available based on the actual usage in the last previous years, so that's something that if we had—we had people going out and nobody was wanting to fill those spots. We tracked that a lot in terms of how many are we offered—how many do we offer, how many are used, when did we have—so if we have consistent—the spots are consistently filling up in your community, you can expect that that will be modified through time because it's based on demand, it's based on usage; we didn't used to do that. We just had staff that kind of just went places, and they would go places and not test anybody sometimes. So we've really tried to manage it based on demand. So if you have seen that it's filling up and you have to go other places within a reasonable time frame—I mean, you always have the chance to waive, but that's not what kids want to do, I know—I know, yes. But—no, but if—my expectation is that if we have communities where it's 'constitiently' filling, we're not meeting the need, that will change and we'll open up more spots.

Mrs. Rowat: I'm pleased to hear that, and actually as parents, the mothers are on the computer first thing trying to get the spots. So, like, it is an issue and I didn't—I wasn't the mom at home doing the dialing, so I was the one that had to drive an hour to take my kid and another kid to another community.

So I will be indicating that to the families and talking to the brokers in the area and getting back to you, Mr. Minister, on that. So, thank you.

Mr. Helwer: Well, just kind of on the other end of the spectrum on testing, I know that your evidence shows the youth are the primary challenge when it comes to accidents and infractions and distracted driving, obviously, but there has been a great deal of media attention in the last few years about older drivers.

Are there any plans to enact testing past a certain age or every five years? I mean, even myself, I do get distracted, as you mentioned, driving to Brandon and I'm probably not the best driver that I was at one time. Is that anything that is in the radar for MPI?

I imagine you've probably talked about it internally, but some type of analysis on where you might go with that.

Ms. McLaren: I will ask the minister to speak to that because all the rules with respect to who has to be tested and what the testing standards are, are all legislated.

Mr. Swan: No, there are no plans to change the way that it works right now. Of course, what can happen right now is a doctor can suggest that somebody likely doesn't have the capacity to drive anymore, sometimes it may be a family member who approaches the doctor. I know situations where families have had their own internal processes to suggest to an elder relative that maybe the time has come to stop driving. By and large, that system seems to be working in Manitoba so we don't have any plans at this time to change what we're doing.

Mr. Ewasko: Just a quick couple questions on advertising and sponsorship budgets. What is the total cost of MPI's advertising budget in the—or what was the total cost of MPI's advertising budget in the last fiscal year ending February 2012?

Ms. McLaren: If you give me a minute I can find that or we can carry on and someone will provide it for me.

Mr. Ewasko: I'll definitely give you a few seconds to get that but, at the same time, I'll just do a second part to that question then, so maybe you can look up that as well.

What were the advertising dollars spent on, and what was the cost breakdown, Ms. McLaren?

Ms. McLaren: I'm sorry, can you repeat that?

Mr. Ewasko: Maybe what I'll do is I'll just wait for the first answer, and then I'll repeat the second part in a few seconds.

Mr. Chairperson: Well, that would be fine.

Ms. McLaren: The year ending February, 2012, the advertising budget was \$3.3 million.

Mr. Ewasko: Thank you, Ms. McLaren, for that answer.

Second part to the question: What were the advertising dollars spent on, and what was the cost breakdown?

Ms. McLaren: That I can't give you that quickly. I would expect that that is something that we would

have to take off-line and provide after the evening—after tonight.

Mr. Ewasko: Thank you, yes. That'd be fine.

Just carrying on then. As far as an update on the amount that MPI currently pays for sponsorships of sports teams, arts groups, et cetera, do you have a little bit of a breakdown on that specifically?

Ms. McLaren: I can give you information, I think, back in the 2011 year, maybe the '10-11 year. I can give you some specific dollars for the Bombers and Jets and things like that, and I can tell you that it has not changed significantly. Or we can take it off-line and we can give you the specifics at a later date.

Mr. Ewasko: I—that'd be great if you could provide that as well. Do we have some sort of timeline for that, though?

Ms. McLaren: I—within a few weeks—within a month.

Mr. Ewasko: I think within a month that would be great.

Just—so then going on with that, I know that we had asked the question on the various tickets provided from the Jets; the Goldeyes; the Bombers; Wheat Kings; Winnipeg Symphony Orchestra; Royal Winnipeg Ballet, I know that we've received some information from last year, as well, and I know that during last year, some of the key issues were around who those tickets were going to—whether they were board members or members of the corporation or government officials and that type of thing.

I know last year we brought up the point on employee recognition—giving tickets for employees—and last year, it wasn't being tracked, and I'm just wondering if, since then, it has changed, considering the little bit of red flags that were sort of popping up last year.

Ms. McLaren: Oh, it was absolutely tracked last year at Manitoba Public Insurance. We had that information. I think the conversation we had here and I think the way we ended up reporting it to your caucus, I believe, is that there'd been a request of telling by name who had gone, and what we were more comfortable providing—which, I understand, was acceptable—is the person's position in the corporation. So if they were a secretary or a computer analyst, that would be more meaningful, I understand, for your purposes than the actual names, and we had that fully tracked last year, and we reported that information.

This year, I can tell you with the shorter season, we have effectively done the same thing. We ran a fundraising raffle for charity where staff were able to buy tickets with about half the tickets—maybe slightly less than half of the tickets that were available this year, and the rest went to staff recognition with some very prescribed guidelines for awarding those to staff. For the most part, they didn't even go to managers. They certainly didn't go to any executives. They didn't go to any board members or anybody outside the corporation.

* (20:10)

Mrs. Rowat: And I'm pleased to see that there is a stronger policy in place with regard to the distribution of tickets.

Do you get the tickets based on your advertising, within that organization, like the Winnipeg Jets? Do you get those tickets in—as part of an agreement that you advertise or is—are you paying for those tickets?

Ms. McLaren: No, it's absolutely part of the advertising contract agreement that we put in place with the different teams. We don't get tickets for all the teams but with the Jets, it's part of that program that we have with them and we have advertising at every home game. We're on the power ring—drinking and driving messages, things like that—so that it's part of that. And that's the way they structure it in terms of, you know, if we didn't get the tickets, we wouldn't get the advertising for just exactly the value of the tickets less—that's not how it works with them.

Mrs. Rowat: It's interesting because Member Allowances, through our advertising or within different events, like say the curling—so provincial curling, if I should buy an ad within their program, they give me two tickets for dinner. But I have to take—get—turn those tickets down, I'm not allowed to take them. Because in a sense I'm being given extra privilege. So it's interesting that that policy is in place for us, as MLAs, where we're not allowed—even when we advertise—we're not allowed to take the tickets but that a corporation is. And I think maybe that's something that we should be looking at because I think it—then it is very transparent.

I guess another question I have with regard to who's taking or who's being given these tickets. I have the list of the distribution. You know, with being the poverty capital of Canada and, you know, over 9,000 children in care, you know, I still believe that there's—could be even a better way of utilizing those tickets and would probably be a more

transparent way. If we as MLAs aren't allowed to take dinner tickets based on advertising, I think, maybe, you know, there's—have you thought about that, or have you given consideration of even moving that one step further and taking it right out of the corporation?

Ms. McLaren: No. I think we have a responsibility to be very careful and very transparent about what we do with them but I have not considered refusing to accept them. In addition to things like the staff recognition and raising money for charity, we have a game where we have an opportunity in the next week to take members of the Teens Against Drinking and Driving provincial campaign.

I think it's important for us to be able to do things like that in a very careful planned way. I think it's an important part of the work we do. I think it's important for us to find different ways to offer a little bit of recognition for staff who have really gone above and beyond their responsibilities, and I think it's just really essential that we be accountable, that we be transparent about it.

But, in terms of not taking them at all, that's not something that I've ever been given an argument to think that it would be a better use than what we've done at this point. Certainly open for further consideration, you know. We expect we'll be running road safety advertising in those Jets games for years to come and it's certainly not something that can't change through time.

Mrs. Rowat: And I'll continue to advertise in my local sports events as well but I will refuse the tickets for those dinners, you know.

And I guess I'm just looking at this and, you know, I don't disrespect, you know, employees doing their job, but they are doing their job and they are being paid to do that job. And I know there's a lot of small businesses in Manitoba that pay their share into different types of events and they don't expect, you know, that type of outcome. So, they're very lucky and very privileged and, you know, obviously, you know, the company is good at recognizing the work that they do and paying them for that. But, I, you know, am—just this is my personal opinion and I believe that, you know, I don't see a lot of advertising from MPI in my rural communities. I know that we've asked for, you know, MPI to consider it, and a lot of it doesn't come outside the Perimeter. So, there's, you know—I just don't feel there's enough fairness with regard to that. But, anyways, I'm going off topic.

But one further question with regard to the list that you distributed. There's six boxes that are blank, and I was just wondering if you would be able to provide me with information with regard to individuals' names or at least the staffing allocation of the three—or the three sets of tickets for September 20th, '11; September 28th, '11; and September 30th, 2011.

Ms. McLaren: We will double-check this after this evening, but I believe we just didn't get tickets for those games. I think those were preseason games that we didn't get.

Mrs. Rowat: I appreciate that and I thank you for that. And I'm sorry, you know, I—but I'm very, you know, very concerned that there's this happening, and I just believe there's better ways to do it. I do appreciate you—the—your statement that you are, you know, having a stronger system in place to deal with that, but I believe there are a lot of different ways that we could be supporting families. Thank you.

Mr. Ewasko: Well, to a certain degree, I'm sorry, but at the same time, I look at the different organizations that the tickets are coming from. So we have the Winnipeg Goldeyes, the Winnipeg Symphony Orchestra, the Royal Winnipeg Ballet, the Brandon Wheat Kings and the Winnipeg Blue Bombers. So I just want to make sure that we're not just targeting, you know, the Winnipeg Jets when we are talking about tickets and that.

But then when we—as you mentioned earlier, Ms. McLaren, when you don't want to necessarily put down particular employees' names, as far as employee recognition, you do have the titles down, that's great, but then in other areas, I mean, you have the board chair mentioned and some general counsel as well and their names are on the list, and we're looking at—where's my numbers? We're looking at roughly 320 tickets to Jets games and 508 tickets to the Bombers, and it goes on from there for these different events or organizations.

So part of that, when you mention taking members of the Teens Against Drinking and Driving—which I was a co-ordinator in my previous life in our area, fantastic organization, great initiative—but if you were doing more things like that, I think the general public wouldn't have a problem with it. I think, overall, as my colleague had mentioned, the fact is there's certain things that—you're the only game in town, Manitoba Public Insurance. So as far as advertising dollars being spent, whether it's on TV—and if it's educational

purposes, fantastic. As far as to spend out certain amount of dollars for advertising to get tickets back for the use of board members or that, I think that's where maybe the board itself or yourself or the minister, for that matter, can maybe help out with try to draft or take a look at that policy.

But again, when it comes to—you know, we just mentioned the number of fatalities and brain injury. I believe that was page 35: 276 claims for brain injury last year. I'm sure there's a great percentage—and not just to nail down the brain injury people, but I'm sure there'd be a great percentage of those people that would like to as well go to, whether it's Jets games, Bomber games, the symphony or any of the other arts.

So I would just like you to take a look at that and—but you're certain that as far as the recognition tickets for employees, that is being tracked, and just because it sort of—to me, it seemed like it wasn't being tracked earlier, so.

Ms. McLaren: No, those sheets that you have in front of you over there is the tracking, and that was last year, the first season the Jets were back in Winnipeg. It's tracked. We've never had any lack of tracking at MPI when it came to this.

* (20:20)

Since that first season was concluded, I believe that there's a broader government policy that I think, you know, with respect to Crowns, the Crown Corporations Council had a role to play in establishing a policy. That's why when you see the list this year, there won't be any board members on it; there won't be any executives on it. We've sold some tickets to staff as a fundraising raffle. That money went to the Riverview Health Centre, Acquired Brain Injury unit. And, you know, we have two sets of four tickets, and maybe there is a way through time that instead of having those kinds of tickets, you have an opportunity to have more, a few games where you have blocks of tickets so we can do more of what we do. But you know, it's a very effective, very broad-based organization. With four tickets at a time, you can't really do much for Teens Against Drinking and Driving. So there are always learning, always different ways to come at these things, but the Province has a different policy than it had a year ago, and we will continue to be transparent about how we use them.

Mr. Ewasko: I appreciate the answers, Ms. McLaren.

So, with that, again, the reason why I brought those other organizations and the arts groups up is just so that we didn't necessarily go on the negative on the Jets tickets. But I do realize you've—you only had the four pairs of tickets there. So, thank you, Mr. Chair.

Mr. Chairperson: Thank you.

Yes, Mr. Helwer.

Mr. Helwer: Well, I think we've come to the end of our line of questioning pretty much, and, you know, I have a new driver in our family as well. The last one at home, and he sees things differently. They all do, see things differently than I do. So, driving with him the other day, that was actually about two or three weeks ago, he made the comment, you know, it's at that awkward time of the year when you can't see the lines because the gravel's overtop of them and the ruts have disappeared, so I don't know where the lanes are. Anyway, different perspective on it, but we learn every day.

So thank you very much to the minister for spending time with us this evening, and Ms. McLaren and her staff did a very good job, and to the chair for coming in to Winnipeg again. I know you're here often, sir, but we appreciate your time at these meetings. And to the Chair, and especially to the Vice-Chair, well done today. So, thank you very much.

Mr. Chairperson: Thank you very much, Mr. Helwer.

Now, if there is no question from the floor, shall we come back to the report questions, here.

Annual Report of Manitoba Public Insurance Corporation for the fiscal year ending February 28, 2009—pass.

Shall the Annual Report of Manitoba Public Insurance Corporation for the fiscal year ending February 28th, 2010, pass?

Some Honourable Members: Pass.

An Honourable Member: No.

Mr. Chairperson: The report is not passed.

Shall the Annual Report for Manitoba Public Insurance Corporation for the fiscal year ending February 28, 2011, pass?

Some Honourable Members: Pass.

An Honourable Member: No.

Mr. Chairperson: The report is not passed.

Shall the Annual Report of the Public–Manitoba Public Insurance Corporation for the fiscal year ending February 29th, 2012, pass?

Some Honourable Members: Pass.

An Honourable Member: No.

Mr. Chairperson: The report is not passed.

The hour being 8:23, what is the will of the committee?

Some Honourable Members: Rise.

Mr. Chairperson: Rise. Committee rise.

Kindly leave the reports which are not passed on the table for future. Thank you very much.

COMMITTEE ROSE AT: 8:23 p.m.

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