

Manitoba Crown Services  
Services de la Couronne Manitoba

**Annual Report  
2019-2020**

**Rapport annuel  
2019-2020**



Manitoba Crown Services

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**MINISTER  
OF CROWN SERVICES**

Room 314  
Legislative Building  
Winnipeg, Manitoba CANADA  
R3C 0V8

Her Honour the Honourable Janice Filmon, C.M., O.M.  
Lieutenant Governor of Manitoba  
Room 235 Legislative Building  
Winnipeg, MB R3C 0V8

May It Please Your Honour:

I have the privilege of presenting for the information of Your Honour, the Annual Report of Manitoba Crown Services for the year ending March 31, 2020.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Jeff Wharton", with a large, stylized flourish at the end.

Honourable Jeff Wharton  
Minister of Crown Services





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## MINISTRE DES SERVICES DE LA COURONNE

Palais législatif  
Winnipeg (Manitoba) CANADA  
R3C 0V8

Son Honneur l'honorable Janice Filmon, C.M., O.M.  
Lieutenante-gouverneure du Manitoba  
Palais législatif, bureau 235  
Winnipeg (Manitoba) R3C 0V8

Madame la Lieutenante-Gouverneure,

J'ai l'honneur de vous présenter, à titre d'information, le rapport annuel de Services de la Couronne pour l'exercice qui s'est terminé le 31 mars 2020.

Le tout respectueusement soumis.

Le Ministre des Services de la Couronne,

A handwritten signature in blue ink, consisting of a large, stylized 'J' followed by a horizontal line that ends in a small loop.

L'honorable Jeff Wharton





Deputy Secretary to Cabinet  
Deputy Minister of Intergovernmental Affairs  
Deputy Minister of Crown Services  
Room 330, Legislative Building, Manitoba, Canada R3C 0V8  
[www.manitoba.ca](http://www.manitoba.ca)

Honourable Jeff Wharton  
Minister of Crown Services  
Room 314 Legislative Building  
Winnipeg, MB R3C 0V8

Dear Minister Wharton:

I am pleased to present the 2019/2020 Annual Report for the department of Crown Services.

On May 2, 2016, responsibility for Manitoba Hydro, Manitoba Public Insurance Corporation, Manitoba Liquor and Lotteries Corporation, and the Manitoba Centennial Centre Corporation was placed under the newly formed ministry of Crown Services. From that day, staff members of the Crown Services Secretariat have continued to work to ensure transparency and public accountability and to align the activities of Crown corporations with the broader policy direction of government.

The report provides a summary of the key results for the Crown Services Secretariat, including administering and enforcing The Crown Corporations Governance and Accountability Act, coordinating and supporting the development of annual reporting documents for Crown corporations, coordinating responses for ministerial correspondence, and overseeing government policy direction with Crown corporations in accordance with established timetables and government needs.

It is an honour and a privilege to submit this report, which provides a summary of the valuable work accomplished by staff in the Crown Services Secretariat.

Respectfully submitted,

Michael Richards  
Deputy Minister of Crown Services





Le sous-ministre des Services de la Couronne  
Palais législatif, bureau 314, Winnipeg (Manitoba) R3C 0V8, Canada  
[www.manitoba.ca](http://www.manitoba.ca)

Monsieur Jeff Wharton  
Ministre des Services de la Couronne  
Palais législatif, bureau 314  
Winnipeg (Manitoba) R3C 0V8

Monsieur le Ministre,

J'ai le plaisir de vous présenter le rapport annuel 2019-2020 du ministère des Services de la Couronne.

Le 2 mai 2016, la responsabilité de Manitoba Hydro, de la Société d'assurance publique du Manitoba, de la Société manitobaine des alcools et des loteries et de la Société du Centre du centenaire du Manitoba a été confiée au nouveau département ministériel des Services de la Couronne. Dès ce jour, le personnel du nouveau Secrétariat des services de la Couronne a travaillé en vue de veiller à la transparence et à l'obligation redditionnelle envers le public, ainsi qu'à l'alignement des activités des corporations de la Couronne avec la direction générale des politiques gouvernementales.

Ce rapport résume les principaux résultats du Secrétariat des services de la Couronne, y compris l'administration et l'exécution de la Loi sur la gouvernance et l'obligation redditionnelle des corporations de la Couronne, la coordination et le soutien de l'élaboration de rapports annuels pour les corporations de la Couronne, la coordination de réponses à la correspondance ministérielle et la supervision de la direction des politiques gouvernementales, avec les corporations de la Couronne, en fonction des échéanciers établis et des besoins du gouvernement.

C'est un honneur et un privilège pour moi de déposer à votre attention ce rapport qui offre un résumé du précieux travail accompli par le personnel au sein du Secrétariat des services de la Couronne avec le soutien d'autres ministères.

Je vous prie d'agréer, Madame la Ministre, l'expression de mon profond respect.

Le sous-ministre des Services de la Couronne,



Michael Richards



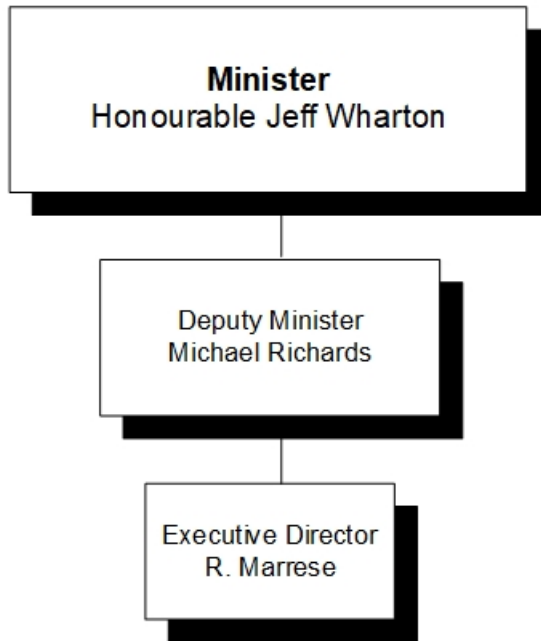
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**Crown Services**  
**March 31, 2020**





## **PREFACE**

### **Vision**

To ensure alignment between government and Manitoba's Crown corporation priorities.

### **Mission**

Work collaboratively with Crown corporations, departments, the private sector and non-government organizations to deliver effective and consistent policy analysis, planning, and reporting requirements under the act.

### **Highlights**

In 2019/20, Manitoba Crown Services Secretariat activities and achievements included:

- Continuing the Manitoba Gaming Review to provide recommendations on an overarching provincial gaming policy that clearly identifies oversight, accountabilities, and goals for the gaming industry in Manitoba.
- Reviewing Manitoba Liquor and Lotteries Mark-up structures for liquor producers to ensure that the mark-up structure supports economic growth of craft producers.
- Ensuring that the legalization of non-medical cannabis continues to rollout meeting the goals of providing 90% of Manitobans with access to cannabis retail within a 30-minute drive.
- Continuing the Manitoba Hydro Review to examine the planning, decision-making, procurement and project management processes that led to the development of the two major Manitoba Hydro projects and recommendations on how to strengthen these processes.
- Liaising with and advising Crown corporations in the development of the various public records, plans and reports required through The Crown Corporations Governance and Accountability Act
- Preparing documents, managing legislative and regulatory needs, providing analysis of major capital proposals and liaising with Crown corporations to address Manitobans' concerns
- Ensuring compliance with reporting requirements of the Act, as well as providing analysis and advice with respect to business plans, capital plans and other major decisions that Crown corporations made

- Supporting corporate projects relating to red tape reduction, open government, policy and program proposals and inter-jurisdictional trade agreements and initiatives
- Developing and maintaining robust board governance training program for all Manitoba Agency, Boards and Commission appointees
- Facilitating and collaborating with other departments on projects involving Manitoba's Crown corporations
- Providing advice and recommendations to the Minister of Crown Services, Treasury Board and Cabinet with respect to policy and financial issues through analysis and recommendations on submissions to Treasury Board and Cabinet

## **PRÉFACE**

### **Vision et mission – Secrétariat des services de la Couronne**

#### **Vision**

Assurer l'harmonisation des priorités du gouvernement et de la société d'État du Manitoba.

#### **Mission**

Travailler en collaboration avec les sociétés d'État, les ministères, le secteur privé et les organismes non gouvernementaux afin de produire des analyses de politiques, d'effectuer la planification et de répondre aux exigences de production de rapports de manière efficace et cohérente conformément à la loi.

#### **Faits saillants**

En 2019-2020, les activités et réalisations du Secrétariat des services de la Couronne incluent :

- Poursuivre l'évaluation de la Régie du jeu du Manitoba dans le but de soumettre des recommandations sur une politique des jeux provinciale obligatoire qui identifie clairement la surveillance, les responsabilités et les objectifs de l'industrie du jeu du Manitoba.
- Évaluer les structures de majoration de la Société manitobaine des alcools et des loteries pour les producteurs de boissons alcoolisées afin de veiller à ce qu'elle appuie la croissance économique des producteurs artisanaux.
- Veiller à ce que le déploiement de la légalisation du cannabis à des fins non médicales se poursuive en ayant comme objectif de fournir l'accès à un magasin de vente au détail de cannabis à 90 % des Manitobains, à moins de 30 minutes en voiture.
- Poursuivre l'évaluation de Manitoba Hydro afin d'examiner les processus de planification, de prise de décisions, d'approvisionnement et de gestion de projet qui débouchent sur le développement de deux projets majeurs de Manitoba Hydro et formuler des recommandations pour consolider ces processus.
- Assurer la liaison avec les sociétés d'État et leur fournir des conseils pour l'élaboration de divers dossiers, plans et rapports publics exigés par la Loi sur la gouvernance et l'obligation redditionnelle des corporations de la Couronne.

- Préparer les documents, gérer les besoins législatifs et réglementaires, fournir une analyse des principales propositions d'investissement et assurer la liaison avec les sociétés d'État afin d'aborder les préoccupations des Manitobains.
- Assurer la conformité des exigences de production de rapports stipulées par la Loi et fournir une analyse et des conseils sur les plans d'affaires, les plans d'investissement et autres décisions majeures prises par les sociétés d'État.
- Appuyer les projets d'entreprises associés à la réduction des formalités administratives, à la transparence du gouvernement, aux propositions de politiques et de programmes ainsi qu'aux accords commerciaux et initiatives réciproques.
- Élaborer et maintenir un robuste programme de formation en gouvernance de conseils d'administration à l'intention de toutes les personnes nommées pour faire partie de ces conseils ou d'une commission des organismes manitobains.
- Avec d'autres ministères, collaborer à des projets impliquant les sociétés d'État du Manitoba et en faciliter l'exécution.
- Fournir des conseils et des recommandations au ministre des Services de la Couronne, au Conseil du trésor et au Cabinet concernant les questions politiques et financières par une analyse, des recommandations et des soumissions présentées au Conseil du Trésor et au Cabinet.

## **STATUTORY RESPONSIBILITIES OF THE MINISTER OF CROWN SERVICES**

The Crown Corporations Governance and Accountability Act	C336
The Manitoba Hydro Act	H190
The Manitoba Liquor and Lotteries Corporation Act	L155
The Manitoba Public Insurance Corporation Act [except for section 174.1 to 174.4 (claimant advisor office) and sections 175 to 185 (Automobile Injury Compensation Appeal Commission)]	P215





## **Crown Services**

The Crown Services Secretariat provides support and policy advice to the minister and deputy minister of Crown Services in overseeing the three Crown corporations of Manitoba Hydro, Manitoba Liquor and Lotteries Corporation, and Manitoba Public Insurance Corporation.

In addition, the secretariat also ensures effective communication and issues management for ministerial correspondence sent to the minister's office.

### **Key Results Achieved:**

- Continued the Manitoba Hydro Economic Review of Bipole III and Keeyask in accordance with government direction to review the budgets for both projects and make recommendations to improve the decision-making process.
- Provided mandate letters to the Manitoba Hydro, Manitoba Liquor and Lotteries, Manitoba Centennial Centre, Efficiency Manitoba and Manitoba Public Insurance Board of Directors.
- Issued an Order in Council regulating the Rate of Reserves that Manitoba Public Insurance must maintain for its insurance lines of business.
- Issued a directive to the Manitoba Public Insurance Board to engage in conciliation with the Insurance Broker's Association of Manitoba regarding the online provision of insurance products.
- Issued a directive to the Manitoba Liquor and Lotteries Board to increase VLT commissions to Veteran's associations.
- Continued supporting red tape reduction initiatives for Crown corporations including introducing legislation to create a Claim Dispute Tribunal for Manitoba Public Insurance and removing restrictions on the distribution of alcohol.

**1 (a) Ministers' Salaries**

Expenditures by Sub-Appropriation	Actual 2019/2020	FTEs	Estimate 2019/2020	Variance Over/(Under)	Expl. No.
	\$(000s)		\$(000s)	\$(000s)	
Ministers' Salaries	42	1.00	42	-	
<b>Total Sub-Appropriation</b>	<b>42</b>	<b>1.00</b>	<b>42</b>	<b>-</b>	

**1 (b) Executive Support**

Expenditures by Sub-Appropriation	Actual 2019/2020	FTEs	Estimate 2019/2020	Variance Over/(Under)	Expl. No.
	\$(000s)		\$(000s)	\$(000s)	
Salaries and Employee Benefits	554	6.00	575	(21)	
Other Expenditures	38		54	(16)	
<b>Total Sub-Appropriation</b>	<b>592</b>	<b>6.00</b>	<b>629</b>	<b>(37)</b>	

**2 (a) Crown Services**

Expenditures by Sub-Appropriation	Actual 2019/2020	FTEs	Estimate 2019/2020	Variance Over/(Under)	Expl. No.
	\$(000s)		\$(000s)	\$(000s)	
Salaries and Employee Benefits	511	5.00	526	(15)	
Other Expenditures	715		769	(54)	
<b>Total Sub-Appropriation</b>	<b>1,226</b>	<b>5.00</b>	<b>1,295</b>	<b>(69)</b>	

# FINANCIAL INFORMATION SECTION

## Part A – Operating Expenditure

### Reconciliation Statement

Details	\$000s
2019/2020 Main Estimates	1,431
Allocation of Funds from: - Internal Service Adjustments	535
<b>2019/2020 Estimate</b>	<b>1,966</b>

Manitoba Crown Services

**Part A: Expenditure Summary by Appropriation**

for the fiscal year ended March 31, 2020 with comparative figures for the previous fiscal year (\$000s)

Estimate 2019/2020	Appropriation	Actual 2019/2020	Actual 2018/2019	Increase (Decrease)	Explanation Number
	05- 1 CORPORATE SERVICES				
42	(a) Ministers' Salaries	42	44	(2)	
	(b) Executive Support				
575	Salaries and Employee Benefits	554	491	63	
54	Other Expenditures	38	76	(38)	
671	Subtotal 05- 1	634	611	23	
	05- 2 CROWN SERVICES				
	(a) Crown Services				
526	Salaries and Employee Benefits	511	473	38	
769	Other Expenditures	715	894	(179)	
1,295	Subtotal 05- 2	1,226	1,367	(141)	
1,966	Total Expenditures	1,860	1,978	(118)	

Manitoba Crown Services

Revenue Summary by Source

for the fiscal year ended March 31, 2020 with comparative figures for the previous fiscal year (\$000s)

Actual 2018/2019	Actual 2019/2020	Increase (Decrease)	Source	Actual 2019/2020	Estimate 2019/2020	Variance	Expl. No.
			OTHER REVENUE				
745	668	(77)	Sundry	668	714	(46)	
745	668	(77)	Subtotal	668	714	(46)	

Manitoba Crown Services

**Five-Year Operating Expenditure and Staffing Summary by Main Appropriation**

for the fiscal years ended March 31, 2016 to March 31, 2020 \*

Main Appropriation	2015/2016		2016/2017		2017/2018		2018/2019		2019/2020	
	FTEs	\$000s	FTEs	\$000s	FTEs	\$000s	FTEs	\$000s	FTEs	\$000s
Finance:										
05- 1 Administration					7.00	3,893	7.00	611	7.00	634
05- 2 Crown Services	-	-	-	-	5.00	245	5.00	1,367	5.00	1,226
Total Appropriations					12.00	4,138	12.00	1,978	12.00	1,860

## Regulatory Accountability and Red Tape Reduction

Manitoba Crown Services is committed to implementing the principles of regulatory accountability as set out in [The Regulatory Accountability Act](#). The department works to achieve balance with regulatory requirements, identify the best options for them, assess their impact and incorporate them in department activities, programs and in the development of all regulatory instruments. The Crown Services Secretariat has three Crown corporations that report to the Minister of Crown Services. Their regulatory requirements and achievements are included below.

### Manitoba Hydro

#### Regulatory Requirements

	<b>Baseline (April 1, 2016)</b>	<b>2016/17 (March 31, 2017)</b>	<b>2017/18 (March 31, 2018)</b>	<b>2018/19 (March 31, 2019)</b>	<b>2019/20 (March 31, 2020)</b>
Total number of regulatory requirements	33,966	33,346	32,472	29,104	27,539

	<b>2019/20 from 2018/19</b>	<b>2019/20 from baseline</b>
Net change in total number of regulatory requirements	-1,565	-4,875
% change	-5.3%	-18.9%

Additional information is provided in the 2019/2020 Manitoba Regulatory Accountability Report.

#### Key Results Achieved:

For 2019/2020, Manitoba Hydro's achievements in reducing regulatory requirements and eliminating red tape included:

- The Manitoba Hydro Act was recently amended to increase its short term borrowing authority from \$500 million to \$1.5 billion in CAD or US dollars. Increasing its ability to utilize short term debt allows Manitoba Hydro to reduce the level of pre-funding with long term debt, hence reducing costs to the Corporation, without increasing risk. The increased facility will also enhance the Corporation's risk mitigation capabilities in the event of unanticipated incidents.

- Manitoba Hydro's structure move process underwent a fundamental change commencing in May of 2019. Prior to the update, structure move requests were emailed to various Manitoba Hydro Customer Service Centres throughout the province resulting in large variances in customer response times. The structure move process was updated by creating a centralized point of contact for the approximately 900 structure move requests Manitoba Hydro receives annually, down from over 20 points of contact utilized under the previous system. Benefits linked to the centralized system include more consistent response times, a faster application process, the ability to coordinate long distance moves that involve multiple Manitoba Hydro Customer Service Centres, and more consistent and faster billing.
- The technical requirements linked to field testing of non-utility generation instruments were updated resulting in an estimated savings of \$2-4 thousand per impacted customer. Cost savings are linked to reduced travel, food, lodging, and labour expenses.



## Manitoba Liquor and Lotteries Corporation (MLLC)

### Regulatory Requirements

	<b>Baseline (April 1, 2016)</b>	<b>2016/17 (March 31, 2017)</b>	<b>2017/18 (March 31, 2018)</b>	<b>2018/19 (March 31, 2019)</b>	<b>2019/20 (March 31, 2020)</b>
Total number of regulatory requirements	10,440	10,447	10,060	7,712	7285

	<b>2019/20 from 2018/19</b>	<b>2019/20 from baseline</b>
Net change in total number of regulatory requirements	-427	-3,155
% change	-5.5%	-30.2%

Additional information is provided in the 2019/2020 Manitoba Regulatory Accountability Report.

### Key Results Achieved:

For 2019/2020, MLLCs' achievements in reducing regulatory requirements and eliminating red tape included:

- For the 2019/2020 fiscal year, Manitoba Liquor and Lotteries exceeded regulatory requirement reduction targets, while improving liquor operations regulatory business processes to better support business partners.

## Manitoba Public Insurance Corporation (MPIC)

### Regulatory Requirements

	<b>Baseline (April 1, 2016)</b>	<b>2016/17 (March 31, 2017)</b>	<b>2017/18 (March 31, 2018)</b>	<b>2018/19 (March 31, 2019)</b>	<b>2019/20 (March 31, 2020)</b>
Total number of regulatory requirements	38,038	38,273	36,316	36,556	33,615

	<b>2019/20 from 2018/19</b>	<b>2019/20 from baseline</b>
Net change in total number of regulatory requirements	-2,890	-4,423
% change	-8.0%	-11.6%

Additional information is provided in the 2019/2020 Manitoba Regulatory Accountability Report.

### Key Results Achieved:

For 2019/2020, MPIC's achievements in reducing regulatory requirements and eliminating red tape included:

- In the past year, Manitoba Public Insurance processed the repeal of 45 policies and forms in the Regulatory Accountability Database which resulted in a reduction of 912 regulatory requirements. The repeals were identified through various business process reviews throughout the organization resulting in identifying some forms as redundant, consolidating various forms into one, and a general streamlining of information requests of stakeholders overall.
- In the past year, Manitoba Public Insurance has identified and implemented many process improvements as a result of an ongoing dedicated program of Value Stream Mapping, Process Flow Modelling, and LEAN initiatives.
- Much of this work is being completed as part of MPI's Project NOVA, however, using these tools and techniques, MPI teams have identified hundreds of "Quick Hits" and "Gems". These are process improvements and solutions that require little effort to implement, but have varying degrees of short and mid-term benefit. They are being implemented now, prior to the project.

- In the last six months:
  - Ten facilitators completed 200 Process Flow Model activities to identify steps for simpler or less frequent processes.
  - 500 customer facing processes were examined leading to 250 Quick Hits, 500 Gems, and over 600 Strategic Items for further review.
  - Specific wins include:
    - Personalized Collector Vehicle Plates issuance:
      - Reduction of 19 process steps.
      - Decreased the turn-around time by an average of 11 days.
    - Licensing Services:
      - Changing the “closeout process” for drivers who leave Manitoba and are no longer in the MPI system.
      - One of the final tasks in closing out an existing driver record consisted of printing a 2 page document, resulting in redundant effort for printing, scanning, filing, etc.
      - Identifying and eliminating this process step resulted in a reduction in printing requirements alone of about 30,000 pages annually, providing cost reductions and a positive net sustainability impact.
    - Vehicle Safety:
      - Manitoba Public Insurance’s Vehicle Safety department has completed a number of Value Stream Mappings and has implemented a number of process improvements and solutions. One of these was the launch of an online application process for a number of products and services which eliminated the need for stakeholders to attend MPI’s Physical Damage Centre or an MPI Service Center, or placing a phone call to us. It also effectively eliminated legibility issues associated with some handwritten application submissions resulting in reduced issue management and better overall service.
- DriverZ (driver education program) participants can now print their own DriverZ Completion Certificate online upon entering their total practice session hours. This eliminates the need to visit an MPI Service Centre or broker’s office.

## The Public Interest Disclosure (Whistleblower Protection) Act

The Public Interest Disclosure (Whistleblower Protection) Act came into effect April 2007. This law gives employees a clear process for disclosing concerns about significant and serious matters (wrongdoing) in the Manitoba public service, and strengthens protection from reprisal. The Act builds on protections already in place under other statutes, as well as collective bargaining rights, policies, practices and processes in the Manitoba public service.

Wrongdoing under The Act may be: contravention of federal or provincial legislation; an act or omission that endangers public safety, public health or the environment; gross mismanagement; or knowingly directing or counselling a person to commit a wrongdoing. The Act is not intended to deal with routine operational or administrative matters.

A disclosure made by an employee in good faith, in accordance with The Act, and with a reasonable belief that wrongdoing has been or is about to be committed is considered to be a disclosure under The Act, whether or not the subject matter constitutes wrongdoing. All disclosures receive careful and thorough review to determine if action is required under The Act, and must be reported in a department's Annual Report in accordance with section 18 of The Act.

The following is a summary of disclosures received by Manitoba Crown Services for fiscal year 2019/2020.

Information Required Annually (as per Section 18)	Fiscal Year 2019/2020
The number of disclosures received and the number acted on and not acted on. <i>Subsection 18(2)(a)</i>	NIL
The number of investigations commenced as a result of a disclosure. <i>Subsection 18(2)(b)</i>	NIL
In the case of an investigation that results in a finding of wrongdoing, a description of the wrongdoing and any recommendations or corrective actions taken in relation to the wrongdoing, or the reasons why no corrective action was taken. <i>Subsection 18(2)(c)</i>	NIL