



Third Session – Forty-Third Legislature
of the
Legislative Assembly of Manitoba
Standing Committee
on
Crown Corporations

*Chairperson
Mr. Tyler Blashko
Constituency of Lagimodière*



MANITOBA LEGISLATIVE ASSEMBLY
Forty-Third Legislature

Member	Constituency	Political Affiliation
ASAGWARA, Uzoma, Hon.	Union Station	NDP
BALCAEN, Wayne	Brandon West	PC
BEREZA, Jeff	Portage la Prairie	PC
BLASHKO, Tyler	Lagimodière	NDP
BRAR, Diljeet	Burrows	NDP
BUSHIE, Ian, Hon.	Keewatinook	NDP
BYRAM, Jodie	Agassiz	PC
CABLE, Renée, Hon.	Southdale	NDP
CHEN, Jennifer	Fort Richmond	NDP
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DELA CRUZ, Jelynn	Radisson	NDP
DEVGAN, JD	McPhillips	NDP
EWASKO, Wayne	Lac du Bonnet	PC
FONTAINE, Nahanni, Hon.	St. Johns	NDP
GOERTZEN, Kelvin	Steinbach	PC
GUENTER, Josh	Borderland	PC
HIEBERT, Carrie	Morden-Winkler	PC
JOHNSON, Derek	Interlake-Gimli	PC
KENNEDY, Nellie, Hon.	Assiniboia	NDP
KHAN, Obby	Fort Whyte	PC
KINEW, Wab, Hon.	Fort Rouge	NDP
KING, Trevor	Lakeside	PC
KOSTYSHYN, Ron, Hon.	Dauphin	NDP
LAGASSÉ, Bob	Dawson Trail	PC
LAMOUREUX, Cindy	Tyndall Park	Lib.
LATHLIN, Amanda	The Pas-Kameesak	NDP
LINDSEY, Tom, Hon.	Flin Flon	NDP
LOISELLE, Robert	St. Boniface	NDP
MALOWAY, Jim	Elmwood	NDP
MARCELINO, Malaya, Hon.	Notre Dame	NDP
MOROZ, Mike, Hon.	River Heights	NDP
MOSES, Jamie, Hon.	St. Vital	NDP
MOYES, Mike, Hon.	Riel	NDP
NARTH, Konrad	La Vérendrye	PC
NAYLOR, Lisa, Hon.	Wolseley	NDP
NESBITT, Greg	Riding Mountain	PC
OXENHAM, Logan	Kirkfield Park	NDP
PANKRATZ, David	Waverley	NDP
PERCHOTTE, Richard	Selkirk	PC
PIWNIUK, Doyle	Turtle Mountain	PC
REDEAD, Eric	Thompson	NDP
ROBBINS, Colleen	Spruce Woods	PC
SALA, Adrien, Hon.	St. James	NDP
SANDHU, Mintu, Hon.	The Maples	NDP
SCHMIDT, Tracy, Hon.	Rossmere	NDP
SCHOTT, Rachelle	Kildonan-River East	NDP
SCHULER, Ron	Springfield-Ritchot	PC
SIMARD, Glen, Hon.	Brandon East	NDP
SMITH, Bernadette, Hon.	Point Douglas	NDP
STONE, Lauren	Midland	PC
WASYLIW, Mark	Fort Garry	Ind.
WHARTON, Jeff	Red River North	PC
WIEBE, Matt, Hon.	Concordia	NDP
WOWCHUK, Rick	Swan River	PC

LEGISLATIVE ASSEMBLY OF MANITOBA
THE STANDING COMMITTEE ON CROWN CORPORATIONS

Thursday, January 22, 2026

TIME – 1 p.m.

LOCATION – Winnipeg, Manitoba

CHAIRPERSON – Mr. Tyler Blashko (Lagimodière)

VICE-CHAIRPERSON – MLA David Pankratz (Waverley)

ATTENDANCE – 6 QUORUM – 4

Members of the committee present:

Hon. Min. Wiebe

MLA Bereza, Messrs. Blashko, King, MLAs Loiselle, Pankratz

APPEARING:

Carmen Nedohin, Chair of the Board, Manitoba Public Insurance Corporation

Satvir Jatana, President and Chief Executive Officer, Manitoba Public Insurance Corporation

MATTERS UNDER CONSIDERATION:

Annual Report of the Manitoba Public Insurance Corporation for the fiscal year ending March 31, 2025

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Clerk Assistant (Ms. Katerina Tefft): Good afternoon. Will the Standing Committee on Crown Corporations please come to order.

Before the committee can proceed with the business before it, it must elect a Chairperson.

Are there any nominations?

MLA Robert Loiselle (St. Boniface): I'd like to nominate MLA Blashko.

Clerk Assistant: Mr. Blashko has been nominated.

Are there any other nominations?

Hearing no other nominations, Mr. Blashko, will you please take the Chair.

The Chairperson: Our next item of business is the election of a vice-president.

Are there any nominations?

MLA Loiselle: Like to nominate MLA Pankratz.

The Chairperson: MLA Pankratz has been nominated.

Are there any other nominations?

Hearing no other nominations, congratulations, MLA Pankratz. You are elected Vice-Chairperson.

This meeting has been called to consider the Annual Report of the Manitoba Public Insurance Corporation for the fiscal year ending March 31, 2025.

Before we begin, I would like to remind everyone that questions and comments must be put through the Chair using third person as opposed to directly to members and representatives.

Are there any suggestions from the committee as to how long we should sit this afternoon?

Mr. Trevor King (Lakeside): I think we had an agreement for three and a half hours.

The Chairperson: Three and a half hours?

It has been suggested that we sit for three and a half hours. Agreed? *[Agreed]*

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

Hon. Matt Wiebe (Minister responsible for the Manitoba Public Insurance Corporation): Very pleased to be here as minister responsible for Manitoba Public Insurance. Very pleased to be joined by our incredible board chair, Carmen Nedohin, and the CEO of Manitoba Public Insurance, Satvir Jatana. I'll allow them to introduce the rest of their staff who are in attendance during their opening statement.

As folks know, for decades now, MPI has provided safe, reliable and affordable auto insurance to Manitobans, and has also provided essential vehicle registration and driver licensing services. These services are fundamental to the people of Manitoba.

When MPI appeared before this committee a year ago, the organization was entering a period of significant transition. There was new leadership in place. There were significant challenges that we were facing, but that the corporation was addressing collectively.

Again, today we have some of that leadership with us, and I look forward to hearing from them

about some of the incredible work they've undertaken over the past year.

But this steady leadership has—as it's taken hold over at MPI, has offered a clear focus on making responsible long-term decisions in the best interests of all Manitobans. We know that in—under the previous government, in past years, there was a lack of foresight; there was a lack of thinking forward and they were not preparing us for the future like the team at MPI is doing today. We don't have to look any further than the missteps—the boondoggle, I've heard it called—of Project Nova, which cost ratepayers millions of dollars and provided next to no new value to the corporation and, in fact, has now set us behind.

We're proud of the team at MPI that—the recurring lineups that we've seen in various places in Manitoba around driver training, specifically Driver Z, has been resolved, and there is incredible work that I'm sure the team would be happy to go through further. And it's just another example of how we are cleaning up the mess of the previous government.

Our improved MPI is preparing us for the future. It's preparing Manitobans for a new age in technology, which includes, of course, self-driving vehicles, autonomous vehicles, AI and various other technologies, which we'll see more and more in—impact on our roads.

So there are important conversations that we can have as a committee and as MPI to ensure that these vehicles that are coming to Manitoba are safe and serving the people of Manitoba first and foremost.

As outlined in MPI's '24-25 annual report that we'll be considering today, the corporation continued to face economic pressures, including rising claim costs, impact of inflation and the carryover of claims from the impact of the first-ever strike at MPI and, as I mentioned earlier, Project Nova.

So despite all of these challenges, MPI has made meaningful progress in stabilizing its financial position and represents—the work that they've done represents a substantial improvement over the previous year, and I'm sure they'll be more than happy to talk about some of those—some of that—those improvements.

The annual report also highlights improved performance across key lines of business, including reduced net losses in the basic insurance portfolio, stronger results in the optional lines and demonstrating progress towards financial stability. Together with thoughtful rate planning and prudent capital management, these improvements reflect responsible decision making and a continued focus on the long-term

stability of MPI and positioning the organization for the future.

I'm confident in the direction the board is taking, and the leadership, and just want to thank them for their incredible work, for representing Manitobans well and focusing primarily on rates—affordable rates, good customer service and showing Manitobans the true value of a public insurance model here in Manitoba and across the country.

Thank you, honourable Chair.

The Chairperson: We thank the honourable minister.

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

Mr. King: Yes, I do. Thank you.

The Chairperson: Mr. King.

Mr. King: I want to begin by thanking, of course, the CEO and officials from Manitoba Public Insurance for appearing before the committee here today, and I also want to thank the minister for being here as well.

MPI provides an essential public service to Manitobans. Public automobile insurance is something nearly every Manitoban relies on. It affects families getting to work, at school, seniors accessing medical care and businesses that depend on vehicles to operate. Universal public system can be a real strength when it is run transparently, fairly and with strong independent oversight.

Also want to acknowledge the employees of MPI who deliver that service every day. Manitobans often deal with MPI at difficult moments, and the professionalism and front-line staff most definitely matters. It's because MPI is a public monopoly, governance matters even more. Unlike private insurers, MPI does not face competitive pressure; Manitobans cannot shop around. That is why independent regulation is foundational. The Public Utilities Board acts as a surrogate for competition for MPI, just as it does for Manitoba Hydro.

Where markets would normally discipline prices and behaviour, the PUB provides that discipline through evidence, transparency and independent review. That role is clearly articulated by the PUB itself in its regulatory principles, which state: But while state-owned monopolies do not seek to generate a profit, they may charge unfair or unjust rates in the absence of oversight. Regulation and rate setting is intended to ensure that rates are prudent, just and reasonable; that utility service is reliable and safe; and that a balance

is achieved between customer needs and the revenue requirements of the utility and its creditors.

* (13:10)

That statement captures exactly what the—why the PUB exists and why its authority must be respected. Let me be clear at the outset: I support measures that improve affordability for Manitobans and I support public insurance. At a time when families are facing inflation, higher interest rates and costs—rising costs across the board, affordability matters. If there were clear, defensible evidence that one insurance model delivered lower costs and fairer outcomes, the evidence should guide policy. But that's not what we have.

There's no publicly available, independently tested evidence demonstrating that the registered owner model is a more affordable than primary driver risk model. There's also no publicly available evidence proving the opposite. In other words, there is no hard data establishing that either model clearly delivers better affordability.

In the absence of that evidence, decisions should not be made behind closed doors, certainly not at the Cabinet table. And yet, increasingly, it appears that MPI's direction on rates and risk assessment is being set at the Cabinet table, not by an independent regulator acting as a stand-in for competition, not through transparent evidentiary process, but at the Cabinet table.

Just days ago, the Minister of Finance (MLA Sala) stated, and I quote: We support an independent Public Utilities Board. That is a clear statement. The question is whether that regulator is allowed to do its job when its conclusions are inconvenient. The PUB directed MPI to plan for and explore a primary-driver-based risk model and to conduct the necessary research to assess its costs, implications and fairness. The regulator was doing exactly what it is meant to do: testing whether the existing model remains appropriate in light of available evidence. MPI appealed that directive, and MPI lost.

The Manitoba Court of Appeal confirmed that the PUB has jurisdiction over MPI's risk assessment 'methodo'—methodology—oops.

In a rules-based system, that should have resolved the matter. Instead, Manitobans saw legislative changes that attempt to entrench the registered owner model in statute.

While it is framed as providing certainty, its practical effect is to remove MPI from the full reach of the PUB oversight on risk methodology. In doing so, it shifts decision making away from the regulator that acts as a surrogate for competition and back to the Cabinet table. That creates a fundamental contradiction.

On the one hand, the government says it supports an independent PUB. On the other hand, when the PUB issues a directive, when the courts confirm that directive, the government legislates around it and continues setting MPI's direction at the Cabinet table. Those two positions cannot co-exist. Government truly supports an independent Public Utilities Board, then it must allow the PUB to gather the data, test the models and determine based on evidence what is prudent, just and reasonable.

That is how affordability claims are validated, that is how public confidence is maintained and that is how a public monopoly is kept accountable in the absence of competition. We are not here today to tell MPI how to run its business. We are arguing something more fundamental, that in the absence of hard data, the independent regulator that stands in for competition must be allowed to do its work. That responsibility does not belong at the Cabinet table.

Today, we will be asking whether MPI has complied with PUB's directive—complied, sorry—with the PUB's directive, what research has been completed, what data has been gathered and what has been made public. And we will be asking who ultimately decides MPI's rates: actuaries and regulators or Cabinet.

Public automobile insurance only works if Manitobans trust the system. That trust depends on evidence, independence and respect for the rule of law, not on rates and policies being set at the Cabinet table.

Thank you, honourable Chair.

The Chairperson: We thank the member.

Does the representative for the Manitoba Public Insurance Corporation wish to make an opening statement?

Ms. Carmen Nedohin (Chair of the Board, Manitoba Public Insurance Corporation): Good afternoon, everyone. My name is Carmen Nedohin, and I'm very pleased to be here today as chair of the board of directors for Manitoba Public Insurance.

I'd like to start by acknowledging that MPI operates throughout Manitoba on the treaty territories and ancestral lands of the Anishinaabeg, Ininiwak,

Anishinew, Dakota and Dene. We acknowledge that we work in Winnipeg and elsewhere in southern Manitoba on Indigenous ancestral lands and Treaty 1 territory, and that our work extends to other treaty territories in Manitoba, precisely territories to which Treaties 2, 3, 4 and 5 apply.

We acknowledge that Manitoba is located on the homeland of the Red River Métis and further acknowledge that northern Manitoba includes what were and are the ancestral lands of the Inuit. We honour the spirit and intent of the treaties, recognize the ongoing impacts of colonization and remain committed to working in partnership with First Nations, Inuit and Métis peoples in the spirit of truth, reconciliation and collaboration. We're dedicated to ensuring that the services we provide are accessible, respectful and responsive to the needs of Indigenous communities.

MPI plays a vital role in the daily lives of Manitobans as a trusted public auto insurer, a provider of essential driver services and a steward of road safety. In my time as chair, I have seen this organization undergo significant change and growth, and over the past year this has led to an important turning point focused on stabilizing the corporation and setting a clear path forward. That stability has created the opportunity to think more strategically. The board was proud to work closely with MPI's leadership to develop a new multi-year corporate strategic plan, which is a thoughtful road map designed to strengthen relationships, modernize operations and improve the customer experience.

One area of critical importance is technology. As a public organization, we're entrusted with ensuring that every investment delivers long-term value and reflects the needs of Manitobans. With technology playing an increasingly central role in delivering service, we're making deliberate, thoughtful decisions about where and how we invest. At the same time, MPI has continued to respond to a complex external environment, including global economic uncertainties, tariffs and potential impacts on the auto industry, inflationary pressures and shifting political dynamics.

Through careful financial stewardship and proactive risk management, meaningful steps have been taken to protect the corporation and the interests of Manitobans. I am confident that a strong foundation of stability is now in place and that the corporation is moving forward with a clear sense of direction. Over the past year, the executive team has demonstrated strong leadership, including proactive strategies to address rising claim costs, manage economic pressures

and make prudent financial decisions that benefit ratepayers. These efforts contribute to a significant improvement in MPI's 2024-25 financial results, with a net loss substantially lower than the previous year, reflecting responsible management in a challenging environment.

Beyond the financial results, there remains a clear focus on delivering comprehensive, affordable insurance services while strengthening organizational performance and resilience. The board has full confidence in the executive team and their commitment to balancing service excellence, financial responsibility and long-term sustainability, guided by a shared purpose of serving Manitobans.

We have also placed 'emphasins'-emphasis on strengthening corporate culture and rebuilding constructive relationships with employees, stakeholders and customers, recognizing that trust is essential to improving the overall customer experience.

On behalf of the board, I want to express how honoured I am to serve in this role and to support the important work of MPI for the benefit of all Manitobans. Thank you again for the opportunity to be here today, and I will now turn the floor over to Ms. Jatana. *[interjection]*

The Chairperson: Sorry, I just have to recognize you.

Ms. Satvir Jatana (President and Chief Executive Officer, Manitoba Public Insurance Corporation): Thank you, Ms. Nedohin, for the land acknowledgement, and hello, everyone. It's a pleasure to be here, and it's absolutely-honoured to be here on behalf of nearly 2,000 of my team members that take great pride in serving their community. I'm incredibly proud of our team, what we've accomplished together and how we have navigated challenges and the progress we've made in delivering value to Manitobans.

Manitoba Public Insurance has long been a reliable part of this province, supporting the province with driver licence-driver's licences, vehicle registration, collision recovery and trusted, affordable insurance. By embracing innovation and adapting to shifting expectations, MPI ensures that we remain responsive and relevant in the-meeting the needs of Manitobans today and into the future.

* (13:20)

Vehicles, like EV vehicles, AI and autonomous vehicles are converging to redefine the future of mobility. EVs offer a cleaner alternative to traditional vehicles, reducing emissions and supporting environmental sustainability.

Meanwhile, advances in AI are empowering smarter vehicle systems, enabling autonomous vehicles to navigate complex road conditions, make a real-time decision and enhance safety. This intersection of cutting-edge technologies not only promises greater efficiencies and convenience, but also aligns with Manitoba's vision for a safer, more sustainable transportation network.

MPI is also embracing exciting advancement in the future of mobility, recognizing its tremendous potential to transform transportation and enhance road safety across the province. We will work with government to launch pilot projects and establish rigorous permitting conditions, fostering a safe and orderly introduction of innovative vehicle types.

Through proactive collaboration with Manitoba Transportation and Infrastructure, the federal government and regulatory partners nationwide, MPI will help shape a regulatory framework that will allow autonomous vehicles, autonomous technology to be deployed on Manitoba's roads safely. In doing so, MPI remains unwavering in its mission to protect public well-being while supporting technological progress that promises a safer and more efficient future for all Manitobans.

We were created to serve the people of this province and are grounded in the transparency and accountability. With employees working in communities across the province, MPI is woven into Manitoba's social and economic fabric, helping to keep roads safe while supporting families, businesses and local economy.

In the reported year, MPI contributed more than \$1.6 billion to Manitoba's economy through injury and property damage claims, operational and operational expenditure and collaboration with nearly 3,000 Autopac brokers. Over 600 were repair facilities, as well as numerous medical professionals and service providers throughout the province.

MPI employs thousands of Manitobans directly and bolsters local economies in urban, rural and northern communities. And our impact, of course, goes beyond economics. Our team members also give back in powerful ways. As a long-standing United Way partner, we celebrated the success of our employee-led campaign, which raised more than \$350,000 in the reporting year to support a vital network of programs and services across Manitoba. These efforts truly reflect the strength, compassion and the pride of our MPI team.

Over the past year, MPI has made meaningful progress, from stabilization to execution while remaining true to our role as a Manitoba's public auto insurer. Employee engagement is up, customer satisfaction has increased and wait times are shorter. In some areas, there are no wait times anymore.

Our partnerships are strong and we are rebuilding trust with our regulator. These challenges—these changes directly enhance the customer experience at MPI. We guide both our daily operations and our long-term strategic plans through five main focuses at MPI: affordability, financial stability, organizational effectiveness, customer value and corporate responsibility. I'm going to talk briefly about these.

Affordability remains core to MPI's public value. We've introduced zero-based budget to strengthen the cost control and ensure—

The Chairperson: Sorry, Ms. Jatana. Your time has expired.

Is there leave for Ms. Jatana to finish her statement? *[Agreed]*

Ms. Jatana: I'm only second page in, so I will apologize that I have about nine, but I do want to take the time to tell our story. Thank you.

Affordability remains core to MPI's public value. We introduced zero-based budget to strengthen cost control and ensure efficiency support rate stability. After significant cost reduction post EV review, we have been holding flat operating expenses related to people resources and our controllable expenses for the last two fiscal years.

Financial stability remains our priority. We are strengthening each of our four lines of businesses with notable improvement in commercial insurance through better risk model, stronger underwriting and tailored products. These efforts are reducing volatility and improving capital ratios, helping MPI support the trucking industry.

Organizational effectiveness has been another key focus of MPI. We've strengthened our governance, decision making focus and execution. There has never been a more aligned, focused and engaged team at MPI.

Customer value is central to everything we do. By embedding customer feedback into decision making, expanding digital services and increasing transparency, we're making it easier for Manitobans to access services quickly and reliably, whether it's online or in person.

Ultimately, corporate responsibility shapes our actions, both as a major employer and a business within M-P-within Manitoba. This involves promoting road safety, forming partnerships with the communities, supporting the truth and reconciliation and ensuring inclusion, diversity, equity and accessibility.

MPI was formed to serve all people of this province, and I am pleased to share that we have made progress towards advancing truth and reconciliation. MPI is committed to continue building and strengthening partnership with Indigenous people in Manitoba; fostering an inclusive organization that promotes economic reconciliation; raising awareness; and increasing representation among employees while ensuring that we provide culturally safe and barrier-free access to the product and services offered.

Together these efforts demonstrate real progress and strong foundation for delivering lasting value to our fellow Manitobans. There are so many high points to speak about but for sake of the time today, I would like to just touch on the following significant items today.

Our strength is our people, and I would like to provide an update on the progress we are making on our talent and employee engagement: the launch of our multi-year strategy that has been provided—that has provided clarity, direction, and focus for the organization; value we deliver through road safety and driver education; our decision to close Nova and plan for replacing outdated technology; and few highlights from the financial results of the reporting year.

In our organization, value is truly driven by the dedication of our team. An engaged and committed team consistently delivers strong results, which is why we have prioritizing—we have prioritized connecting, engaging and aligning our team with our purpose. We focused on creating an environment where individuals are recognized, supported and empowered to perform their best.

I am pleased to share that our engagement is the highest recorded outside of pandemic years, and I wouldn't be—I couldn't be more proud of my team for that. The leadership team remains committed, dedicated to transparent communication and fostering an environment that encourages both empowerment and engagement.

Our multi-year strategy, which was launched last year, is one of the most significant milestones under this board and leadership. This plan reflects a shared

vision, shaped by the voices of our team members, customers and stakeholders, and aligns our goals with operational capacity and fiscal responsibility.

The Chairperson: Sorry, Ms. Jatana.

Mr. King: Honourable Chair, we really appreciate the CEO's comments and we're more than willing to let her put them in her statements on the record, but we have a number of questions here today that we wanted to get through. We would have maybe asked for four hours if we thought the opening statement would be this lengthy.

* (13:30)

The Chairperson: So leave was granted for Ms. Jatana to finish her opening statement, but I would entertain maybe a time limit for the extension.

Would there be leave for another extension of five minutes? *[interjection]*

Sorry, Mr. Loiselle.

MLA Loiselle: Honourable Chair, I think it's important that Manitobans hear what the CEO and president has to say. We gave the CEO and president leave. I believe we give them the time to finish what they have to say.

MLA Jeff Bereza (Portage la Prairie): We give leave without knowing that there was another nine pages to be read at that time. You know, if we'd have known that beforehand—there's a lot of questions here that we have to ask, so I would—you know, if we'd have known that there was nine pages, then we would have asked for a time limit.

MLA Loiselle: Honourable Chair, the CEO did say they had nine pages to read at the beginning of leave.

The Chairperson: So my proposal was denied, so the initial leave still stands. So I'll let Ms. Jatana finish.

Ms. Jatana: Speaking about our strategic plan, I was sharing that this plan truly reflects the voice of our team members, customers and stakeholders and aligns our goals with operational capacity and fiscal responsibility. Of course, this plan is not about a change for sake of a change, but more moving forward responsibly at a pace that supports our team and meets the needs of Manitobans.

I'm incredibly proud of this strategy as it marks the first time we've had a plan that truly offers clarity and direction to our team. By removing noise and distraction, it helps us strengthen the public insurance model that benefits all Manitobans. We launched this plan in early 2025 and we've shared this with

our partners, stakeholders and broader community Manitobans, and the response has been overwhelmingly positive.

Touch on road safety as we—it's near and dear to all of our hearts here and it is the heart of our mission. Everything we do at MPI is guided by simple but important goal: creating safer roads for Manitobans. We know that preventing collisions and saving lives starts with awareness, education and shared responsibility, and that's why we have focused more on increasing public awareness of risky driving behaviour, and expanding opportunities for Manitobans to build the skills they need to drive safely, no matter where they live or what stage of driving they may be at.

We do this in several ways: by supporting community-based programs with our partners, by leading targeted education and awareness initiatives and by using research data to do better—to better understand where the greatest risk exists on the road. And at MPI, we also recognize that safety can't be achieved through a single program; it requires a comprehensive approach built on four pillars: driving education, community involvement, outreach and programming and strong partnership.

Finally, partnership allows us to reach more Manitobans. We partner with police on drug-impaired driving enforcement. We work with organizations like Operation Red Nose, MADD Canada, Bike Winnipeg and Safety Services Manitoba to deliver education, prevent impaired driving and promote safer behaviour on the road—on and off the road.

I will touch on Driver Z as this has been a topic. The impact of driver education is real and measurable. In 2024-25, we focused on expanding access to driving education and increasing reach for youth, adults, newcomers and people in rural and northern communities. After the success of increasing seats in the program, we quickly recognized that we needed a better registration option to eliminate lineups at the broker and our locations.

My team worked diligently on a solution, and I'm pleased to share that we have implemented a new registration process and just in the last month, and as a result, we've totally eliminated the need for anyone to line up at 3 a.m. at any brokers or MPI location. There was zero lineups in the last week.

Furthermore, direct customer feedback from the recent experience has confirmed that our changes and communication has been well received by the customers.

MPI also invested in driver training through key partnerships. At University College of the North, more than 400 learners have received training; Citizen's Bridge supported over 200 participants; and a new partnership with Assiniboine College is helping expand access in rural and First Nation communities.

Touching on Nova: Nova—stability has truly allowed us the opportunity to think more strategically, especially when it comes to technology. As a public organization, we have a responsibility to ensure that every investment reflects the needs of Manitobans and delivers long-term value. After careful consideration, we made the responsible decision to formally close Project Nova in 2025. This decision was not made lightly, but after thorough due diligence.

Closing Nova does not mean stepping back from modernization either; in fact, it allowed us to move forward with a discipline that is aligned with industry best practice to replace aging technology. We have a far better understanding of our needs and a great deal of learning have come from our past mistakes.

Our IT road map is designed to address existing technology debt while strategically adopting new solutions that enhance customer experience and drives efficiency.

In the last two years, we have completed a number of upgrades to ensure system stability, ensuring that a stronger foundation has been established for our systems. We've expanded online offerings with solutions like online claim submission: Customers can now submit photos and documents digitally, reducing the need for in-person visits for straightforward claims.

We introduced self-serve kiosks in all service centres, expanding online appointment booking province-wide and enhanced digital claims follow-up instead of waiting on hold or driving to one of our locations. Many services can now be completed online in minutes.

MPI also introduced online licence lookup. Many businesses and organizations require employees, volunteers and others to have a valid driver's licence. Licence lookups allow employees to check the status of a driver's licence and understand any restrictions a driver may be required to follow. This tool gives business organizations and Manitobans a new online option to access MPI's service that previously required an in-person visit to a service centre—now can be done online in just a click of a button.

Finally—and the last few comments is on financial results. While much of our focus over the past year

was on stabilization, we also had to respond to a rapidly changing external environment. Like many organizations, MPI faced global economic uncertainty, inflationary pressures and tariffs affecting the auto industry. Through careful financial stewardship and proactive risk management, we stayed true and focused, adjusting investment strategies, strengthening cost controls and re-evaluating timelines where necessary.

We reported a net loss of \$19.7 million in this reporting year, and the biggest cause of that was loss in the \$62-million writeoff in assets related to Project Nova.

And our capital position also strengthened in this year for each line of business: basic Autopac rose 207 per cent; extension remained strong at two per-200 per cent of the capital required; and special risk extension at 226 per cent. The financial resiliency helps protect Manitobans from sudden rate shocks and supports long-term affordability.

* (13:40)

In addition to the above results, we held a flat budget for staffing and flat operating expenses, including one-time—excluding one-time Nova writeoff.

On the claim management side, we focus on strategic cost management by improving repair standards, fighting fraud and strengthening recovery program, and improved our overall claims cost by \$185 million. As a public insurer, every dollar we save directly benefits Manitobans through lower rates or better service.

We've taken a disciplined approach to cost control and management. We've strengthened budgeting across the organization and have applied strict cost controls. What this ultimately means: more value for Manitobans and rate affordability.

In closing, this year behind us was one of rebuilding and renewal. This year ahead of us is about momentum and turning progress into lasting change. As president and CEO, I am honoured to lead MPI team along with a committed board, strong leadership team and dedicated team members who truly care about serving Manitobans. Together we are building a stronger, more accountable and more resilient MPI, one that protects affordability, improves services and keeps Manitobans' roads safer today and for generations to come.

Thank you for the opportunity.

The Chairperson: Thank you, Ms. Jatana.

The floor is now open for questions.

Mr. King: Just a comment with no disrespect to CEO's comments because I know they're important to her and the corporation and important to all Manitobans. But—and I apologize to her for the government not giving her the heads-up that you're only allowed 10 minutes for opening statement, because we all know that in these committees that's what we're allowed.

So I just want to make a point of that so going forward, if you expect to agree for leave from the opposition, that maybe there should be a heads-up on how long that that statement is going to be. Just want to make that point to start with.

Mr. Wiebe: Okay, yes, thanks for that opening comment. And I think it's important for all of us to remain as focused as possible on the issues at hand. And as the members opposite know, that's what our government has presented in terms of our priorities when it comes to Manitoba Public Insurance, in fact, all of our Crown corporations. Again, that is a focus on affordability, on customer service, on providing the best possible service across all Crown corporations.

I want to thank the CEO for her robust opening statement and take the critic's point around our clock, which maybe wasn't aware to all members who maybe don't spend as much time in this place as the member opposite does. But, you know, the process can be a bit different than any other format that maybe the CEO or others participate in on a regular basis.

So I think it's a good note to ensure that we're watching that clock, that we're, again, trying to answer the question as quickly as—and to the point as possible—the questions that are coming forward and—you know, and to—as far as our opening statements, to adhere to that clock as closely as possible.

As I said, just wanted to put on the record that I think it's important, all of the content that the CEO gave us. I think it does give us a very clear context for the questions that we're going to be presented with here this afternoon, and I thought it was very enlightening and very informative, even as someone who spends a lot of time with the document and with the leadership at MPI. It was a really well-framed opening statement that helps set that context.

So I just wanted to thank her and thank all the members of the committee for their indulgence in ensuring that she got all of that content here before the committee.

So thank you.

MLA Bereza: In light of this, we were asked to go for three and a half hours. I'd like to ask for leave to extend this to four hours so that we can ask all the questions that Manitobans have been asking us and that we have enough time to get through that.

The Chairperson: Is there leave to sit for an additional half hour, 30 minutes, for a total of four hours?

An Honourable Member: Can I comment on the leave request—speak to the leave request?

The Chairperson: Honourable Mr. Wiebe.

Mr. Wiebe: I'm sorry to interrupt the process there, Chair. I just thought I'd just put a few words on the record with regards to the request that's before us.

Yes, this is, as I said earlier, an amazing process; not one that, you know, most Manitobans have any interaction with, but this process of having our Crown corporations come before a committee is an important part of the process.

And, you know, I've been here for a few years now, and in the years that I've been here, we've certainly seen some pretty lengthy committees, but I would argue that butting up against three, three and a half hours is probably beyond—well, it's certainly beyond the norm, that's for sure, if not among some of the longest committees that we've seen here. So I would suggest that three and a half hours is a very ample amount of time to ask questions.

You know, if we get to the point where we're butting up against that three and a half hours and there's some really pressing questions that for whatever reason we haven't gotten to, I'm sure we could ask for leave then, but it would be my inclination that we probably can get all the work of—the business of the committee done within the allotted time.

The Chairperson: So I'll put the question again.

Is there leave to extend our sitting by 30 minutes, for a total of four hours?

Some Honourable Members: Agreed.

An Honourable Member: No.

The Chairperson: Leave has been denied.

Mr. King: We'll get on with the questions here. We won't debate this any longer. Just wasting more time of ours here for questions.

So just the Public Utilities Board ordered, honourable Chair, MPI in 2022 to plan for and adopt

a primary driver risk model. I just want MPI to confirm that that's accurate. And did the Court of Appeal rule that the PUB has jurisdiction over MPI's risk assessment methodology?

Ms. Jatana: Mr. Chair, this is a legal question, and I'm not a lawyer. So I don't think it would be appropriate for me to respond to a question that's a matter of legal without my head of legal present.

Mr. King: So the first part of that question I don't think has too much legality to it, if the CEO could answer that one—confirm that that's accurate, that the Public Utilities Board ordered MPI to plan for and adopt a primary driver risk model. Is that accurate?

Ms. Jatana: Mr. Chair, I'm going to pull the order out, and I'm happy to read on the record exactly what the order is, if that would be the wishes.

* (13:50)

In this year's order, order No. 36, the government of Manitoba makes legislative changes to permit MPI to collect the data it states it requires to proceed with the changes to basic insurance model. That was the order.

MLA Bereza: Question through the Chair: Did the Public Utilities Board direct MPI to gather data on the cost and prevalence of the owners-versus-risk model?

Ms. Jatana: Mr. Chair, can you please ask the—can we ask that the question be repeated? I quite didn't get the first part of it.

MLA Bereza: My apologies for that. Did the Public Utilities Board direct MPI to gather data on the cost and the prevalence of the owner-versus-risk model?

Ms. Jatana: This—I don't believe it was exactly that, and I'm going—I'm paraphrasing some of this, but MPI was directed through the order to first implement a primary driver model. What that would mean, that today in Manitoba, we insure vehicles based on the registered owner and changing to—and the change would be, if we were to adopt a primary driver, would be—the insurance would be based on the primary driver. That's basically the difference. It was MPI's position that such a large change without a significant due diligence being done would not be right for Manitobans without fully understanding.

We also know that our peers, SGI, uses very—a similar model as MPI has had since its inception, and it has worked well for us. MPI does not have a position which model should be. We—insurance company administers models that are the needs of, of course, its

customers. And today, in the legislation, it's a basic insurance model. It is a registered owner model.

Having said that, as management, as an insurance company, we do believe that if there was a direction to change, it should be done with a full analysis.

Now, I want to walk you through what that would mean. Changing to a new model would require that (1) we collect data at least for one year from every Manitoban as to who is driving that vehicle. So example of that could be, today, in a household, two parents and two young adults that are also driving a vehicle. The vehicle may be today insured under one of the parents and all family members are making use of that vehicle.

In that model, we would require that you, for a year, give us ongoing history of who is the primary driver. So if this month the father is the primary driver, we would need that data; if next month somebody else is driving—the primary driver—we would need that data. We would need to collect that data to fully understand, conduct that analysis. Then we also had costed this as well, to collect this data, to make system changes, communicate to customers, ask our brokers to—that's where mainly the transaction happens when it comes to insurance, over 90 per cent of them.

Brokers would be collecting that data. We would be—of course, that would be with a fee, and there was a high-level cost that we had put to that. That cost, at that time, it was in excess of \$10 million to conduct that analysis.

We also—during this time, we also have done to—customer research to truly understand what was the wishes of Manitobans. All of that information was shared and that's basically—so although it was not the PUB that told us to collect that data, we do believe to change any model, you need to do a proper analysis, truly understand the impact.

We also know one of our, you know, national insurance providers did that without doing that analysis, and there was a lot of surprises for them, a lot of struggles and concerns. So we did not want to go down that path without doing the analysis.

MLA Bereza: The PUB ordered MPI to develop a five-year plan for transition from registered—from the current registered owner to primary. It was PUB order 134-21 and one—and 20-22.

So if I'm correct, that is a \$10-million cost that we're looking at, is that correct?

Ms. Jatana: The \$10 million—over \$10-million cost was just to collect the data. That did not include any of the implementation cost that was not even at that point considered. Now, I don't want to venture that guess, but it would be far more than a \$10-million—if we were to make that—those system changes.

This project was also—although this conversation started back in, I believe 2018, 2019—the project was also on hold because of Project Nova. We were—MPI's position was that we would not be able to make such a significant change while Project Nova was under way.

So for—and so we did present a five-year plan, but it was in consideration of that Project Nova would take precedent and we would be doing this after.

Mr. King: So will MPI now comply with the PUB order? Does MPI respect the authority of the PUB to comply with that order?

Mr. Wiebe: I'm happy to jump in at this point to just give some further clarification to the committee about the process and about the direction that's been given through the legislative proposal that's before the House and the clear intent of this government to remain focused, as I said earlier, on affordability; affordability for the broad majority of Manitobans that the registered owner model allows.

Folks know that, as I said, the affordability advantage that MPI offers is recognized or is seen through in part by the registered owner 'monor'-model. Members opposite know I've talked a lot about sharing the risk, but also sharing the reward through—that's offered through a public insurance model. And MPI has offered that model since its inception, so now for decades here in this province.

Manitobans understand that, they appreciate that and that's why they support this move. And that was borne out, as the CEO mentioned, in some of the data that was collected by them but, I would suggest, was heard on the doorsteps by every single member of the government who knocked on doors and talked to Manitobans about the failing affordability challenges under the previous government, and told us that they wanted to see the advantage continued here in the province of Manitoba through MPI and other publicly owned Crown corporations.

* (14:00)

By sharing the risk and sharing the reward, we see how we can smooth out some of the liabilities that insurance inherently has and then also disseminate that affordability broadly. We talked about new drivers.

We've talked about supporting those who in other places are seen as higher risk but are able to now get affordable insurance here in the province. It's an important advantage, and it's something that I would encourage members opposite to step outside and talk to Manitobans about.

Because I would suggest that there's only a very small group of Manitobans that actually want to see a change to the affordability that MPI offers, and it's the members that are sitting on the opposite side of the House. I'm surprised that they don't want to see affordability more broadly, and I'm also surprised that they don't see the advantages in the less bureaucracy and the less red tape that the registered owner model represents.

There's a ton of advantages. I think the CEO is certainly capable of speaking to some of those.

But to get back to the point and the question that was posed most recently, I want to be very clear: our government has said that affordability is a priority, and that's why we wanted to give that clarity to MPI and to Manitobans in a very specific way. By bringing this legislation forward, it allows MPI to spend less time and potentially less money, as the member opposite just identified: \$10 million just to collect the data to even see if this is something that the corporation could undertake.

Let's let them focus on what's important, and that's affordability and customer service that Manitobans are counting on.

Mr. King: MPI's own actuarial data shows that drivers with driver savoury—safety ratings between nine and 18 are not receiving appropriate discounts. Can we confirm that? Is that correct?

Ms. Jatana: What I can share with you—that we have expanded and we have updated our driver safety rating, which is based on your driver record. It puts you on a certain level of scale, which translates to an insurance discount.

So there was some work that needed to be done and we have been working on that over the last, I believe, three, four years. And we're pleased to say that this year we've increased that scale up to 20. And now, I believe, you know, if you're at the top, you're receiving close to, if not a little over, 50 per cent. So discounts are quite large.

So we have—absolutely have updated to consider that feedback and to reflect what it should be for the safest drivers in Manitoba.

Mr. King: Honourable Chair, I just want to ask here, is it accurate to say that over one third of all collisions involve someone other than the registered owner?

Ms. Jatana: Those numbers would be right.

However, I just want to also put on the record, that does not—that issue does not get eliminated by changing a model. If I'm in Ontario today, which has a primary driver, I could borrow somebody's vehicle and could get into an accident. So claims data is one data—is not a true indicator of whether that is the data that we would rely on simply to change a model.

The Chairperson: Before I go to the next question, I'll just do a general reminder that questions should be coming through the Chair, and also responses. But also questions should be related to the annual report. So if questions could be phrased in a way that tie it back through the annual report, that would benefit the committee.

MLA Bereza: For vehicles registered to driver-safety-rating-18 owners, approximately 43 per cent of collisions occur when the owner was not driving. Honourable Chair, is that an accurate statement?

Ms. Jatana: I don't have those stats with me, but that's a very high number. My understanding—it was a lot lower than that. But I don't have that exact number.

Mr. King: Honourable Chair, has MPI produced actuarial evidence proving that the registered owner model is cheaper than the driver-based model?

Ms. Jatana: It is not that one model is cheaper than the other from an MPI perspective. We would collect the same amount of revenue. If we're collecting a dollar today, we would be collecting a dollar tomorrow. It is how the pie is divided; that's the question. It is how much does one customer pay over another customer. It does not change overall revenue for MPI. It just changes the dislocation at the individual customer level, whether you insure it with a primary driver model or—there's various of different models.

Saskatchewan and us, we have a registered owner model. Over in BC, they have something called—that is a mix of both; 75 per cent of their insurance is based on the primary, the 25 per cent is on all others that are driving. In Ontario, they have a primary driver. So there's all sorts of models.

It's how do you price individual insurance, is the question. It does not change the revenue.

Mr. King: So we're lacking data here, and that was one of the real—the rulings that the PUB had made.

So I guess, if you can't present any of that data that we're asking for today, we could table it and ask it to be presented at some other time.

But does the MPI have any data that shows whether the primary driver—towards the owner-registered model is—one is better than the other? That's what I'm asking for, is data. And that's what the PUB was asking for. So just—has any of that data been collected?

Mr. Wiebe: I hear the committee sort of veering off of the 2024 report pretty significantly here.

And while I think it's important to ensure that we get—you know, hear the voice of MPI, and we've certainly heard their perspective in their interactions in the past with the PUB around this issue, the work that they've already done to collect some of the information that members opposite are talking about, the clear sort of direction that what we're not—we're talking about insurance and the actuarial basis for that insurance being sound, and being sound under either model. There are no changes whatsoever into how that impacts Manitobans.

I think it's important for us to just really take a step back to recognize that there is—there was a decision and direction given by this government through the introduction of legislation that sets a pretty clear agenda going forward around affordability.

Now if members opposite really are against the affordability advantage of MPI for all Manitobans, I think they should be very clear about that; shout it from the rooftops. I hope to run the next election on whether Manitobans want more affordability or less affordability and have the members opposite stand as they are right now on the side of less affordability. That's a great conversation and argument to have, and I look forward to that on a political level.

And I would just say the extension of that or the way that we can have that play out in the interim before the next election, is that members opposite have a chance in just a little while that they get to bring myself and all of my colleagues into the Legislature and have question period every single day. I'm looking forward to it. I can't wait.

That is definitely an important part of our process. But what I'm worried that we're getting off track on is that we have the CEO, we have the board chair. We have very, very smart people here in this room who put a lot of work and effort into supporting Manitoba Public Insurance and would love to talk about the 2024 annual report. And, you know, there was nine pages in that introduction. If the members opposite

want to pick any one of those pages as the focal point, I think that'd be helpful.

* (14:10)

What's not helpful is, you know, to have this political discussion that, again, the members opposite can continue to stand on that side of making less—making auto insurance less affordable in our province, and I welcome them to do that, and I hope they do that at every opportunity, because Manitobans have spoken. They've spoken in the election, told us affordability is important; and their party missed the mark on affordability. They've spoken clearly in the work that MPI has done to reach out to Manitobans to say, do you want more bureaucracy, more red tape and higher rates? And Manitobans have said no.

So, as far as I'm concerned, the public opinion has been settled, but members opposite can continue to bang that drum all day long and we can have that conversation. I'll just suggest this isn't the venue.

MLA Bereza: Know the minister wants to politicize this, but I want to go back to my question that was there before.

For vehicles registered to driver-safety-rating-18 owners, approximately 43 per cent of the collisions occur when the owner was not driving, and I asked if that was an accurate statement.

And, honourable Speaker, the CEO of MPI said that sounds high. Could we ask for the data that might be there, if it's either high or low?

Mr. Wiebe: I'd just like to ask the member if he could point to the page in the 2024 annual report that he's referring to.

MLA Bereza: We are carrying on the question, and the question was for the CEO.

The Chairperson: So I also can't see how this question is connected to the annual report, so if the member could share how it is connected to the report and also, if possible, speak to which section of the report it's speaking to, that would be helpful to make sure this committee's using our time well. Yes.

MLA Bereza: Honourable Speaker, the minister just went on a five-minute rant about the 2023 election. I thought that it was relevant that I asked—regarding the question, regarding the 43 per cent—where it was from because I think Manitobans deserve to know of where this information or data is coming from.

The Chairperson: I'd ask the member, again, to explain how this relates to the annual report.

MLA Bereza: Honourable Speaker, page 17, regulatory environment and rate setting: the PUB has sole authority over reviewing and approving premiums and service fee charges for the basic lines of business.

Mr. Wiebe: I'm poring over page 17 as we speak. Of course, I'm very well acquainted with page 17; I spend lots of time reading this one.

I guess what I'm wondering is, the member opposite is picking numbers out of the air: 43 per cent; I heard 33 per cent earlier. I don't see any of those numbers on this page. And I guess I'm just trying to understand where the member opposite getting his information and why he doesn't want to actually talk about the true intent and, you know, discussion that's happening on page 17 about the importance of the PUB.

Of course, our ongoing respect and working relationship with the PUB, it's an important part of our government's priorities, but certainly MPI's.

So I just—I don't see the connection. I think most Manitobans would wonder where the connection is. And I certainly would suggest that the members that are in this committee—very, very smart people from MPI—can definitely not see where the member opposite is getting his numbers.

MLA Bereza: The number we come up with was 43 per cent. Honourable Speaker, the CEO said that that sounds high. Manitobans deserve to know what the actual number is, then.

Thank you.

Mr. Wiebe: Again, it seems that the member opposite is confused about the intent of the committee here today.

You know, the CEO has said that she thinks the number is high; I think the number is made up, but I'm allowed to say that. She wouldn't say that, but she would say maybe that the member opposite is just misinformed.

And, again, I don't think that the member opposite is understanding what this particular format is designed to do. You know, again, we're considering the issues contained within the report, and he has his 43 per cent number somewhere printed in the book, so I'll turn it back—it looks like it does—he does, anyway.

I'll turn it back over to him to maybe just help the committee understand where the heck he's coming from, and maybe, most importantly, where the heck he's going with this line of questioning if it's not somewhere productive.

Mr. King: Honourable Speaker, we'll turn the tables here a little bit into the finances of the report.

Now, MPI remains in a loss position. What structural issues still prevent MPI from returning to sustained profitability?

Ms. Jatana: I can elaborate on the financial results of the year in question.

So in that year, we did post it. Mr. Chair, we did post a loss of \$19.7 million, and \$62 million of that loss comes out of closing Nova and writing off such impairments. So if we factor that out, we would have reported a net income that year.

If we look at the—our individual lines of business, our basic line of business did report a loss: 39.6, of course. That is—that does have the Nota [phonetic]—Nova impact, but that was against the net loss of \$80 million the prior year, '23-24.

Our extension line of business actually reported \$53.7 million in net income compared to 18.1, so that actually increased the profit. And our SRE line of business posted a net loss of \$4.1 million compared to \$55 million the five year.

And I'm particularly pleased with that line of business, as we have put so much focus on ensuring we rebuild that line of business for our trucking industry. We have taken major actions in that line of business, one by ensuring that we insure Manitoba-based business. We're not here to insure out-of-province businesses; we're here for Manitoba economy.

We worked very closely with Manitoba Trucking Association and the end customers to ensure that the products met their needs while minimizing the exposures on MPI and that—you know, that was a turnaround of \$50 million in one year. And I do believe that we will continue to rebuild that business back into black.

Our—when we say our financial stability, this organization is healthy in financial. We reported capital of 107 per cent against the target of a hundred in that year. For extension, target is two; we are at two—200, and for special risk, we—our target is 300, and we posted at 226.

But, as I said, we're bringing this line of business from deficit year-over-year exposure. This line of business was struggling and in the last two years, we have rebuilt this line of business.

* (14:20)

So when you say infrastructure, we have a very dedicated team. Our team are building what public insurance should be. We are responsible for every investment we make, every dollar we spend. Our multi-year strategy has provided a lot of clarity, a lot of focus.

When this leadership stepped into the role, first thing we did, we stopped—there was about over—close to 200 initiatives. We stopped those initiatives and we focused on what was important and core to the business. And just in comparison, you know, today we would have upward of 20 initiatives on the go; MPI was trying to do 200 initiatives.

And what I mean by that: that creates chaos, confusion, frustration. Teams are spinning their wheels without getting any results. So from infrastructure, I feel very proud and confident in saying we've addressed a lot of those gaps and we are rebuilding and we are in a far better position to execute.

If we look at our customer experience side, you know, two years ago, you would have had eight weeks of wait in driver testing. Today there is no wait. Matter of fact, there is 600 appointments across the province available for customers to take. You can walk in, same day, and get a driver testing.

We were—we had in excess of, just two years ago, we had in excess of eight weeks of wait for estimating, adjusting was—and today our teams are within our target. You know, I have last year—just last week's data, and I look at this on a weekly basis with my entire team. Knowledge test, no wait; class 5 test, no wait. Driver—driveable estimate, our target is to get to you within 10 days; we're less than four days today.

So I can go on and on about the improvement, the strength and the—my team's dedication; and it's not me, it's not, you know, this—there's 2,000 people behind us that truly care about doing a darn good job for Manitobans, and I'm glad to see. So all of that is actually building both the financial strength and customer experience. First ever, we—our customer experience is sitting at 73 per cent. Those numbers were not in our history, so we have made a great deal of progress.

That is not to say our work is done; there's still lots to accomplish, but I just want to highlight the things we have achieved.

Mr. King: Thank the CEO for that answer.

Now, the total expense ratio we see rose to 28.4 per cent, exceed—and you talked about targets

there in your last answer. So exceeding the annual target, so what corrective actions do you see are going to be taken to reverse that trend of a rise in expense ratio?

Ms. Jatana: Expense ratio, which is on page 13: so our target was 20 point—25.5, and our actual is 28. And actually, if you take our Nova impairment out, 62, we were right on target. And we are in line—our resources, we reduced our FTE and we've held to those counts for the last two years. Our operating expenses within our control are running flat.

We introduced a zero-based budget, which is, I'll say—I won't say it's new, because I've been with MPI for 11 years and there was a time that that was the process, then it unfortunately faded away. We reintroduced that two years ago, where each and every manager and director builds the budget from ground up. That budget is then reviewed by each of the VPs—actually, before they even start the budget, we set the direction as to what is that we're shooting for to ensure that we can deliver on the affordability.

I also want to remind us that, when it comes to premium, you know, 85 cents to every dollar we collect goes directly to claims. So we don't have big operating expenses, but we manage that with due diligence.

Going back to we manage that through zero-based budgeting. Each manager, each director, each individual is responsible for building and justifying every dollar in the budget. That is then reviewed by individual executive members before it comes to myself and the CFO.

I sit down with every senior leader in the organization over two weeks reviewing every line budget before it is approved. Then, of course, we put that in front of our audit-and-risk committee, audit-finance-and-risk committee for their approval prior to going to the board.

So there is a lot of rigours in place to ensure that MPI has good practices in place. It is responsible for its fiscal responsibilities, and that is something I take it to heart. I'm Manitoban. I'm a customer of MPI, too, so I know that affordability is something that we are all proud of as Manitobans.

MLA Bereza: In my past—or in one of my past questions, the CEO mentioned about no waits for driver's tests. Me being from rural Manitoba, and I hear this from my constituents all the time, can we—can there be a comment regarding what is going on with Driver Z in rural Manitoba?

Ms. Jatana: Thank you very much for that question, Mr. Chair.

I'm—this is one of the high points that I'm glad I have an opportunity to speak to. So, coming out of COVID, first of all, prior to COVID, we used to have close to about 10,000 seats that we offered in Manitoba. Coming out of COVID, that number went down to 6,500 and even less than 6,500. And what happened, a lot of the instructors left this industry to be employed somewhere else. Of course, there was not a lot of testing happening.

So we—you know, we continue to build that capacity. I will say today, this year, we will probably exceed that capacity. We'll be slightly close to 10,000, if not a little over 10,000 seats in—across the province.

More importantly, we heard the remote and northern community. And one of our biggest issues was that MPI, first of all, invests well over \$3 million, I believe it's close to almost \$4 million, in Driver Z. (1) This program is very much in high demand. My kids went through that program as well. You know, we as parents can pay \$50 into a Driver Z. And MPI—it's a heavily subsidized program; MPI picks up the rest of the cost of around \$800.

So it's a great program. It's a structured training. We have a high pass rate. And we also know that kids that go through that education are generally safer drivers.

Having said that, the demand is very high because of the effectiveness of this program and the cost of this program. We have increased our spending over the last two years. And we increased our spending because we do understand that we need to increase the capacity. We got that capacity close to 10,000. But I'll be very honest that it's still not enough. We could have far more. But it is dependent on a few things.

We need more driver instructors. Now, just two years ago, there was close to 30 communities that did not have this training. We have addressed most of that. But we still have about 10 communities that we still need to address. We've hired additional instructors. Today, we have 97 instructors in Winnipeg and we have 80 in rural Manitoba. And we're going to continue to grow that.

We have increased the hourly rate of instructors by 25 to 35 per cent. We have provided them with training. So we pay for their training. We also provided vehicles in the rural and northern communities to enable new instructors to come on board. All that to say that is our board's mandate and direction, and

leadership team is doing everything to ensure that we continue to increase the capacity.

* (14:30)

In saying that, capacity is one thing, as I touched on in my remarks. The registration was also a bigger frustration for rural communities. I had heard last year here that, in Brandon, customers were lining up 3 a.m., and we have fixed that registration process; now nobody's lining up. We're inviting you to come in, we're giving you a few days so you're not having to come in and get in the line. So that has eliminated the lines.

All that to say, there's still lots we can do. Reality is, there's probably close to 15,000 students that are eligible for that annually, and we want to continue to work. But we are also exploring other options, too, beyond what MPI can do; how we can look at increasing capacity, that my hope would be someday that every student can find a seat.

Having said that, all the actions that we have taken in the—this course that we just opened up for March, April and May, we still have 700 seats available in Winnipeg for students to get into, and there's another 700 in rural Manitoba.

So we hear our customers, we hear Manitobans, and we will continue to ensure that we—what—do what we can to increase the capacity.

MLA Bereza: Just so I'm hearing correctly, so there's—and correct me if I'm wrong on this—there's 97 registered trainers in Winnipeg and 80 in rural Manitoba. Is it a priority of MPI to be looking for more trainers in rural Manitoba, as there's more options for people to get transportation in Winnipeg? In rural Manitoba, a vehicle is typically the only way that we have for transportation.

Thank you, honourable Speaker.

Ms. Jatana: I absolutely agree: rural needs are unique and different and, absolutely, maybe even a more need for a vehicle, and we are working on increasing rural.

Here are some of the efforts that my team is undertaking: we're working with the local brokers to expand our reach in smaller communities who may be looking for a job or this type of—we're putting them through schooling ourselves; we're, you know, posting in job banks, websites; we're—Facebook community group pages. So we're exploring all options to increase.

Now, I will say the 80 number in rural was a lot less; that's the work of the team in the last year or so,

and that number will continue to increase. Absolutely, we will continue to focus on rural communities.

Mr. King: Now, MPI introduced a \$10-a-year increase to driver's licence fees. So what specific cost pressures may have justified this increase, and is the \$10 annual increase intended to be temporary or permanent?

Ms. Jatana: The \$10 increase is a permanent, and, Mr. Chair, that fee is linked to your driver's licence. So prior to that one is—was a \$25; I believe now it's \$35, going by memory. That fee had not been changed over two decades.

Now, where that fee goes is directly into the insurance premiums, so there are—that portion of our driver's licence that goes towards insurance. And that allows us programs like the PIPP we have in Manitoba. So it goes directly into the cost of that.

So keep in mind, you know, I have a driver's licence; I also have a vehicle that is insured. But, however, not everyone that has a driver's licence necessarily has a vehicle that is insured. But we are all entitled to PIPP. I may not even have a vehicle; if I'm injured in a vehicle accident as a pedestrian or as a passenger, I'm also covered in—under PIPP. So where are those funds going? Those funds are going directly into our insurance cost.

Why \$10? One could say that, you know, we could've perhaps had a small increase throughout the years. But it was not something that was changed over two decades, I believe. And we did ask for that, and the PUB did approve that in the last order.

Mr. King: So taking insurance portion out of the driver's licensing fees, what's the administrative costs of running the driver's licensing program, and what is the total additional revenue generated annually from the licence fee increase?

Ms. Jatana: First of all, that \$10 that we collect—so total premium of that would be \$1 million, roughly, because there's about a million customers in—that would be providing that \$10.

Terms of the DVA cost, I was just trying to—so last year, it's on page 76 of the report. So operating expenses for DVA is 92; however, there is a amount in there for the D-V—pardon me—for the Nova impairment. On a normal year, the cost would be more aligned with the previous year, which might be between 55 and 60 million dollars annually.

MLA Bereza: In January 2025, MPI's actuary recommended a higher rate increase than what MPI ultimately submitted. Is this correct?

Ms. Jatana: I think we're referencing GRA, previous year's GRA? Our AAP was higher than what ultimately MPI requested and what the board approved.

MLA Bereza: Honourable Chair, does the final authority over MPI's rate submissions rest with the actuaries?

Ms. Jatana: My chief actuary's responsibility is to put forward an AAP, which is actuarial accepted practice, the methodology that they use. Then that rate is taken to the board for their approval.

And that year, we did make a decision to ask for less than what our AAP was.

* (14:40)

Mr. King: Driver education program expenses increased year over year, and we've seen over the last couple of years—and you talked about the improvements and the outcomes that have improved until most recently.

Can you tell us what the—again, I'm not sure that you told us there earlier in your last answer from the CEO—what the average wait times for road tests were in '24-25, and what we're going to expect going forward into '26 for wait times?

The Chairperson: I'll just remind folks the questions should come through the Chair.

Ms. Jatana: In terms of the Driver Z, our spend for the last few years: in '23-24, we spent \$2.9 million just in Driver Z. That does not include our partnership with college of the North, Assiniboine College in Brandon or the citizen bridge, but this is just the Driver Z education part. In '24-25, we increased that funding to 3.4. And then in '25-26, so far, we have spent \$3.5 million on that.

I may have missed, Mr. Chair, the second part of that question—I believe, but I don't know if I totally got the full question.

Mr. King: So I guess the second part of that would be with the—will we expect less and less wait times in rural Manitoba going forward for road tests?

Ms. Jatana: I think we need to separate, kind of, two—and I want to make sure I'm talking about the right thing. Driver Z and driver testing is separate and apart. Driver testing is conducted by our team members across the province.

And as I stated, there are no waits. There is actually hundreds of appointments that are available, and you can probably go the same day and get an appointment today. That wait used to be eight weeks, just about two years ago.

Driver Z is what we talked about—a great deal about, that we have increased the capacity. We're close to 10,000 seats, but we believe that that is still not enough. And we continue to increase the capacity. The main issue is basically in rural communities; Winnipeg is not a concern.

Having said that, we have significantly increased our capacity in rural communities and northern communities by, again, delivering more; by partnering with the college of the North in Thompson and their outreach. They have—it's over 400 that they have trained.

Assiniboine College also has produced over 200 participants. And here, the—I don't have the numbers from citizen bridge, but, you know, they are also helping improve that as well. So we're—you know, we're putting a lot of focus in rural and northern communities.

I want to recognize the team's work, the improvement and the increase that they have been able to make in that area in the last two years, and I'm going to continue to inspire them to create more capacity, as I absolutely agree with you that rural needs are greater and we need to continue to work in offering them more availability, and that will continue to be our priority.

MLA Bereza: Just to go back, in January 2025, MPI's actuary recommended a higher rate increase than what MPI ultimately submitted, and the CEO stated, that asked for less.

Were any—so my question, through you, Chair, is: Were any individuals not employed directly by MPI involved in shaping the final rate request?

Ms. Jatana: I am required to take the rates to my board, and board approves. The board is the one that directs me.

Mr. King: Yes, just back to the—honourable Chair, just back to the driver training again.

I'm just wondering, with the delayed licensing for all our rural Manitoba youth, just wondering if MPI has quantified the economic or the safety impact of all that delayed licensing, all the youth that had maybe even—maybe didn't get the training or because they waited until they could just challenge it. But just wondering if there was any data or anything collected to quantify that impact of the delay of our youth in rural Manitoba not being able to get their licence as soon as—or get tested as soon as they were of age, through the Chair.

Ms. Jatana: You know, one of the reasons—one of the other reasons why Driver Z is a program that's very appealing to young adults is it allows them to enter into training about six months before. So at 15 and a half, they can, you know, start the training of driving. Whereas, if you're not able to get into Driver Z, they would have to wait until 16 for them to continue that on their own.

While we have no impact—I mean, it's difficult for, you know, MPI to assess the impact of individuals being delayed by six months, our focus is on increasing capacity. And I believe that management has been working diligently. We've increased capacity by 35 to 40 per cent. Our role is to ensure that we hear customers' concerns in the process and we address those gaps within our means and with what's possible, and all the tactics and all the actions that we have taken, I hope, demonstrates to Manitobans that management is committed to addressing these gaps.

These gaps were created over a number of years and it's something that it might take us a number of years to get to the level that meets Manitoba. Now, we're exceeding our numbers, what we used to offer, but I recognize, as the province continues to grow, as the need continues to grow, we need to do more to offer more and we will continue with that priority.

Mr. King: So I can appreciate that things are improving in our Driver Z program and that you've hired more driver instructors. I'm just wondering what plan exists—so when we have instructors that are retiring or sick or unable to work due to illness—to keep that gap closed so our youth get the training that they need.

So, just curious to know what the plan is to address that, to keep us from the waits that we've experienced over the last few years.

Ms. Jatana: You know, I'm—I have a very capable and creative team that is always looking for new ways to improve service and improve delivery. These are the ideas that, you know, they came up with and they implemented, like increasing pay and offering company-paid training to new instructors, offering even vehicles in rural and remote locations so, you know, somebody that is starting this as a business does not have a lot of upfront infrastructure cost.

And I'm confident my team will, you know, in addition to working with the local communities, the brokers across the province, using all channels to get the word out, we will continue to do that.

* (14:50)

But I know, you know—and they're probably working on other solutions as well. I'm happy to take any best ideas that might be there on something that we're not tapping, something we could be doing more to get to those individuals that would want to use this as a means of profession and a career and a business.

Look, we're open to great ideas, but I trust and have a lot of confidence in my team that they continue to explore new avenues and new ways of increasing capacity.

MLA Bereza: Honourable Speaker—or sorry, honourable Chair, has MPI quantified the economic or safety impact of delayed licensing for rural youth?

Ms. Jatana: Mr. Chair, I think that question was just asked. And like I said, we have not done that analysis as our focus is on increasing capacity. And if I have resources, I'd rather have them focus on increasing capacity because I think that's where the greatest benefit would be for Manitobans. Put all of your best resources to the right cause.

Mr. King: I just want to ask—stay on this driver education part for a bit here.

So are there communities that have lost driver education access over the past couple of years? Or is it being mail-made available to every rural community?

Some of them may have to drive farther and farther to get these tests. We see them going from communities all over that are nowhere near their home community to get testing.

So do we know that each community that provided that service out there before is going to be able to make that available—that service available of driver education and driver testing going forward, or are we still going to continue to see these—some of these communities without that service?

Ms. Jatana: I can give you a little bit more detail, Mr. Chair.

In 2025 we added instructors in these nine rural communities that had no local coverage before: Erickson, Glenboro, Grandview, Grand Rapids, Minnedosa, St. Laurent, Roblin, Manitou and Teulon. These communities had no Driver Z availability, so I'm happy to say my team worked hard in creating capacity in these communities.

But we did place and we did lose four instructors in the rural communities in what resulted as sometime temporary closing program, or we were even going as far as asking other instructors from Winnipeg and

other areas to go into these communities and provide that training and we pick up the cost of travel and room and boarding.

However, we do have—we have 10 communities that—sorry, I'm just looking at my notes. We have eight communities that we are lacking instructors and we're working actively on: Cranberry Portage, Gladstone, Lac du Bonnet, Lundar, Pilot Mound, Wabowden, Warren, Vita and Vita/Dominion City were—these are the eight communities that we do not have a solution.

And then there are other communities that we are—we're hosting courses and we're sending instructors into these communities, like Altona, Birtle, Deloraine, Grandview, Morris, Neepawa, Portage la Prairie.

So all that to say the need is in eight communities and we will continue to work on those communities. But I'm happy to see that out of the 30, my team has found solutions for 20.

So I would say that's a pretty good progress in one year from where we were sitting, and I hope that—I'm sitting in front of you next year, that we found a solution in the remaining communities.

Mr. King: Thank you for that answer, to the CEO.

I hope you can tell me sooner that you got Warren covered because that's my community, so—but no, I think we definitely can start to see some improvements out there, but we need to definitely see that these rural communities are looked after because there's just too many families driving miles and miles to get their kids trained and tested.

Why has MPI not implemented mobile or regional surge testing teams to address the rural backlog? Is that something that they thought of or isn't necessary?

Ms. Jatana: Actually, we do that today. There's a lot of communities that our teams travel once or twice a week to offer that training. Of course, it does not make MPI to have infrastructure in every community; that wouldn't be a responsible public insurer.

So in communities that don't have a local service and local MPI location, and one is out of reach, we go into those communities and we provide estimating services, we provide adjusting services and we provide driver testing services.

Mr. King: Thanks for that answer, to the CEO that has brought to light something.

MPI requires annual commercial vehicle safety inspections for insurability and legal operation, yet many remote northern communities lack year-round

road access, have no licensed inspection facilities. So what steps, if any, is MPI taking to address this gap for vehicles and equipment temporarily deployed to remote locations for construction and infrastructure work?

So these are getting sent north by rail or ice roads to do infrastructure projects, whether it be a construction company or whatnot, to get the work done, but they could be up there for years and then their inspections run out and there's no one in these remote communities to do the safety inspections on them.

So is MPI taking any steps to address this? Maybe—I think there's exceptions for maybe the residents in the remote communities, but is there some way of having that exemption for a construction company as well in these communities to make sure that this certification is taking place?

Ms. Jatana: Thank you for a few minutes. I just wanted to confirm that I was not out of the loop.

One: we do have a safety inspection team throughout Manitoba in our location. So—but I recognize there might be some remote and rural communities that sometimes, you know, when communities reach out to us, we work with them to find a solution, whether we're finding a way to go there or we're going to look at other solutions.

But we're always willing to work with the communities that are in need. At the end of the day, we're here to provide those services.

* (15:00)

Mr. King: Just on the same note: like, MPI currently provides inspection and insurance exemptions for vehicles in the remote northern communities.

Has MPI considered extending similar temporary or conditional exemptions to southern-based operators working in the rural, remote North where compliance is physically impractical? If not, why not?

And it's just so costly if they have to send their equipment back on the rail or across the ice road. So there is certain exemptions there now that MPI offers, we just—for the residents that live there, but those who go up there to do a construction job, or whatever the contracted work may be, can that exemption be extended to those contractors as well, through the Chair?

Ms. Jatana: I don't think that would be the decision I would make at this point without truly understanding the situation, where and what, right? At the end of the

day, we're here to work with our stakeholders and our partners and customers. Every situation can be unique and may require more creative solutions.

All that to say, you know, we have a senior leader that is responsible for this area, and with a dedicated team. I would encourage if it's a customer that—let's, you know, go through the proper channels and let's work on solutions.

I don't believe that, you know, those kind of things can be solved here with my blanket statement, that we would make exceptions. A lot of these things are legislated; we need to work within the legislation and regulatory environment that we operate.

But nevertheless, we are here to serve Manitobans. We're not here to create barriers but to remove barriers where possible.

Mr. King: Thank you for that answer, but I just want to clarify that MPI does recognize that requiring equipment—and I don't want to get too far away from the report here, but—that requiring equipment to be shipped south solely for an annual safety inspection, often by winter road or the rail, it's a significant cost and delay and can render projects uninsurable for one non-compliant or economically unviable.

So, again, how—I just want to know how it's reflected in the policy framework of MPI.

Ms. Jatana: Thank you for the time, Mr. Chair.

Yes, as I stated earlier, you know, we work—there is an application, there is a process, there is a process which someone can engage in this conversation and we'd look at the situation. But these are legislative and regulatory requirements that we have to operate under.

So if a customer has questions and, you know, we have not received such type of request thus far; I was just confirming with my team. So perhaps if it's a customer, if you want to pass a name or a number, we're happy to follow up and determine what's the best way to find a solution in this case.

Mr. King: Just on a—not—get away from this, but one more point. Like, given the Province's stated priority in northern economic development and Indigenous community infrastructure, of course, major civil construction projects; has the MPI explored these alternatives such as mobile inspection units, extended inspection validity, third party or remote inspection protocols or time-limited compliance waivers for remote operations? Just wanted to see if there has been any thought from MPI to commit to reviewing those options.

Ms. Jatana: The need has not arose, but, like I stated, you know, we have our team throughout the province. They travel, you know, miles and miles every day, every week, performing this function that is, by legislation, provided—authority has been provided to MPI. If there is a change in legislation or change in needs, of course we would review and—that but, to the best of my knowledge, we are not aware that that need has been identified to MPI.

Mr. King: Thank you for that, to the CEO.

I'd just, honourable Chair, I'd like to request leave for a seven-and-a-half-minute break just to stretch our legs and—

The Chairperson: Is there leave for a seven-and-a-half-minute break?

An Honourable Member: I was hoping for eight.

The Chairperson: So I'm going to put the question for the first suggestion before I move on to the second suggestion.

Is there leave for a seven-and-a-half-minute break?
[Agreed]

The committee recessed at 3:06 p.m.

The committee resumed at 3:14 p.m.

The Chairperson: Will the committee please come back to order.

MLA Bereza, with a question.

MLA Bereza: Sure. On page 74, since last year's data processing costs listed have almost doubled, is that related to the abandonment of Project Nova or an expected annual cost now? So it went from 78 to 139, honourable Chair.

Ms. Jatana: So that is exactly where the impairment of \$62 million Nova hit that line.

In addition to that, of course, we have seen that line increase year over year. Part of that is the licensing cost associated with the Project Nova also hit that line. So you have seen an increase in that line over a number of years.

MLA Bereza: MPI remains in a loss position. What structural issues still prevent MPI from returning to sustained profitability?

Ms. Jatana: I believe that question was asked. I'm happy to repeat it again, but—I am to repeat it? That's fine.

So as I stated earlier, MPI did report a loss of \$20 million in the last fiscal year. Of that, \$62 million comes from the Nova impairment. If we moved that out, we would have actually posted a net income in that year. And corporately, we would have been able to celebrate positive results if it wasn't for the Nova closeout.

MLA Bereza: Corporate—honourable Chair, corporate operating expenses increased 20.4 per cent year over year, rising by \$105.6 million.

Which specific cost—honourable Chair, what specific cost categories drove this increase most significantly and will they return?

Ms. Jatana: You're seeing year-over-year results increase. There's two things, of course: one, the Nova impairment, and the other thing is it's not really apples-to-apples comparison, because the year before, we were in a 10-week strike situation, so our compensation number was down by \$24 million.

So when you factor that in and we would have—like I said, our actual expenses would be flat if you normalize that.

MLA Bereza: Data processing expense has increased by over \$60 million in a single year. How much of this increase would have been avoidable?

Ms. Jatana: I guess if anything was avoidable, then we wouldn't have been posting that. The only way it would have been avoided if we had not started Nova project and that cost and we would not had to cancel that. It was a very difficult decision to make, but I believe it was the right decision to make to take our losses, close that project, take the impairment and move on.

So it's—yes, it's—from a Manitoba perspective, I would—yes, it's a—it's loss revenues, loss rates, unfortunately. So is it—I have a difficulty saying it's unavoidable. We could have kept going, unfortunately, and we would have incurred lot more cost without showing value to Manitobans.

So while it could have been unavoidable by not making the decision to close Nova, I don't think it would have been the right decision.

MLA Bereza: Compensation expenses increased sharply after the labour disruption ended. Honourable Chair, how much of the year-over-year expenses increase is attributed solely to the wage settlements?

* (15:20)

Ms. Jatana: So the previous year's compensation was \$195 million. And, like it said, because there was a 10-week strike, those numbers, if we were to normalize, it would be much in line with the 2025 numbers.

However, we did have a new agreement, new CBA in place, so that also factors the increases that was given to our team members.

MLA Bereza: Total full-time equivalents increased year over year. Honourable Chair, how does this staffing increase align with MPI's stated goal of cost containment?

Ms. Jatana: Can I be referred to where is this saying that our labour increased? Because our numbers actually—we've decreased our management count from 180 to 140 post EY. We've also eliminated I believe it was about 50 FTEs overall. So can I—if we're referencing the annual report on page 13, what that shows is our actual versus our budget.

But please keep in mind that this is a normalized number for a 10-week strike, but our resources have actually gone down and we're holding—we've reduced our number and we've held flat to those numbers for the last two years.

Mr. King: In The Drivers and Vehicles Act operations, the DVA line of business reported a larger net loss than the prior year. What explains this deterioration?

Ms. Jatana: Yes, so as I stated, in a normal year that administrative cost could be varying, could be about 50 to 60. We are showing a large administrative cost for 2025, and that's, again—Nova impairment hit all lines of business, including DVA as well, so you are seeing impact of that hit that line of business as well.

Mr. King: Honourable Chair, why are DVA losses increasing despite higher licence and service fees?

Ms. Jatana: So, as I stated earlier, the increase in driver licensing of \$10 goes towards our insurance revenue, does not go into our DVA line. But I'm just going to confirm that with my CFO.

I just wanted to confirm—

The Chairperson: Ms. Jatana.

Ms. Jatana: Thank you. I wanted to just confirm that is the case, that \$10 goes into our insurance line, not into our DVA.

Mr. King: So, honourable Chair, what proportion of DVA losses are attributable to staffing versus technology failures?

Ms. Jatana: In our DVA administrative cost, you're going to have everything. Of course, there's resources. There is a technology, that impairment of Nova, is also hitting this line of business.

In addition to that, as DVA is under the umbrella of MPI, it also pays for the share cost of areas like finance, HR, IT. So it also pays for shares of that, as well, for being part of that infrastructure. So the cost of \$60 million, generally it covers all of that.

Mr. King: Honourable Chair, how does MPI plan to reduce DVA losses without further fee increases?

Ms. Jatana: DVA has, unfortunately, been in a deficit situation probably close to its inception of when MPI took this over as an administrator of the DVA, and it is something that management has been working with government in finding solutions. I'm optimistic that we've gotten some positive response, and we're currently working with government on finding those solutions, and I'm hopeful that we land a solution, that this line of business is self-sustainable, as it provides a valuable service to Manitobans.

MLA Bereza: MPI requested an overall rate increase to basic insurance premiums of 3 per cent, even though the corporation's calculations of the overall basic rate increase pursuant to accepted actuarial practice was 6.15 per cent.

Honourable Chair, can we be walked through how this process came about, and what was the plan to protect Manitobans' investment in MPI if the Public Utilities Board hadn't determined the higher rate?

Ms. Jatana: When management made that decision to take forward that request to its board, we had looked at a number of things: what are AAP? That is always the starting point, looking at what is the overall financial strength of the organization.

As you know that we have three lines of business, two lines that are very interconnected, so we also looked at the overall financial health, including its capital position. And we made the best decision to balance the affordability for Manitobans coming out of a COVID year, along with what we require to ensure that we are financially healthy and able to pay the claim costs of Manitobans.

We made that decision, and I still believe that was the right decision to make at that time and—however, I'm—I respect the role of the PUB and that—their decision to give us more than we asked for. Having said that, we were in a position to ask for less than the AAP at that time.

MLA Bereza: How was the decision reached? Was the lower rate from MPI management, the board or the government, and is this standard practice at MPI to overrule the accepted actuarial practices?

Thank you.

Ms. Jatana: I can't speak to the history; I've only been in this role for two years. But as management and as in charge of MPI, I make financial decisions every day, and I make those decisions with the best data that is available and my team's advice, understanding our business, understanding our financial position, and I put the best plan forward to the board.

We have a very competent board as well. We have an actuary at the board level; we have an accountant; we have an investment expert along with the business leaders that make up the board. And they also have a responsibility and knowledge and wherewithal to make those determinations. And our request of management was approved by the board.

* (15:30)

And I do believe it was the right decision, given Manitobans coming out of COVID, everybody was feeling the pinch of high inflation. Let's keep in mind that inflation was almost 8 per cent the year before. Coming out of those situations, we felt affordability is in our mission. It is our mandate. It is required for us to deliver an affordable rate. And we did not feel that it was responsible for us to be asking close to a 6 per cent rate increase any single year, especially when the year before we had delivered a 5 per cent decrease.

So it is—these decisions aren't made lightly, nor they are black and white, but you do the best thing you can for Manitobans to ensuring that you're operating within your authority and within the mandate that we're provided.

Mr. King: So in that final decision to submit a lower rate application and—than was indicated by actuarial analysis by the PUB, was that decision influenced by political considerations rather than the actuarial risk of what the PUB was recommending?

Ms. Jatana: I take my direction and my orders from my board. I—management, my executive team and I agreed that we were going to take something forward that was less than AAP, including the chief actuary, who is responsible for coming up with the AAP. We still felt it was the right decision, and, ultimately, our board approves that decision.

Mr. King: What risks does MPI assume by consistently requesting rates below actuarially indicated levels? What 'isks'—risks do they see could be assumed by that?

The Chairperson: Before I recognize Ms. Jatana, I'll just ask folks who are using paper to just be aware of the mics. It's hard on the Hansard folks.

Ms. Jatana: One of the risks in that year could be that if you ask for less than the AAP, that you will be short in revenues at the end of the year. That risk is compared against the financial health in terms of what our capital position is; also, with the best foresight to what our investments will do. MPI has close to \$4 billion in assets that are invested. Those are some of the factors that help us and gave us the confidence to ask for less than the AAP.

Mr. King: So does MPI—does—I know would sure acknowledge that underrequesting rates increase resilience on the rate stabilization reserve. And just to add to that, if I may, honourable Chair, is how long can the rate stabilization reserve sustain this approach without affecting a future rate shock with—so, I mean, I think the PUB has already stated in their decision that approving a lower rate would now lead to much higher rates in the future. So—and, of course, the minister said that his government did not give them a mandate to make a Crown corporation—just to make it as low as possible.

So if you could just comment on that as how you feel it'll affect future rate shock.

Ms. Jatana: One, I want to highlight again that our MCT for basic line of business, the reserve that is in question, is at the year-end. It is at 107; it's over its target. It is definitely one of the factors we look at.

Now, the reserve does fluctuate. It, you know, we've been—the last number of—last couple of years we've seen reach 107. We've also seen go down to 93. Our target is 100, and we do keep a close eye on that.

How long? It's difficult to predict the future, but what I would say, if MPI is getting fair and reasonable rate in its annual process, in addition to that our claims are—our severity is, I'll say, manageable and our investments do well, those are all the things that could impact your reserve.

Mr. King: Has MPI conducted scenario analysis showing the long-term cost of deferred rate recovery?

Ms. Jatana: Again, our actuarial team does the conducted number of scenarios as part of the PUB process to look at adverse scenarios, best-case/worst-case

scenarios, to ensure, and there is nothing that is indicating that all of those—we were satisfied with the latest, I'll say, analysis that was conducted.

Mr. King: So I'll ask again: Does MPI believe the PUB should have final authority over both rates and risk assessment methodology?

Ms. Jatana: Is that question for MPI whether PUB should have authority? I believe that would be more a government question.

The Chairperson: Anyone is welcome to answer the question. *[interjection]*

Sorry. Ms. Jatana.

Ms. Jatana: I'm so sorry.

What I will state, today PUB has the authority to ultimately set the rate for MPI and we follow that. We operate under those rules, under that environment, and it is important process for us and it is a process that my team and I take it very seriously.

I can tell you, with the exception of February, rest of my year and probably 50 of other team members, it's a priority for us. We start the process of PUB in March, and we end that in January with rate implementation. So my team has one month off in the entire year that we're not working on getting our application ready, preparing for the hearings, preparing for responding to their information request which comes in two rounds, having three weeks of hearings annually every October and then we get the rate in December. We have 30 days to respond if we're going to review and—or vary any, and then we implement that. This is a—internally, with internal resources with our team, it's a nearly \$7-million cost—investment that we put into this process.

So I don't know if that gives an indication how important this process is and how seriously MPI takes this PUB process. I believe it has served well; their responsibility is to set the rate and we respect the authority of the PUB.

Mr. King: Thank you for your answer, CEO, but—and I will; I'll pose the question through the Chair: Does the minister believe the PUB should have final authority over both rates and risk assessment methodology?

Mr. Wiebe: Yes.

MLA Bereza: The PUB set a higher rate than MPI asked for, and everyone recognizes the PUB's authority on this. So to circle back to the previous discussion, the PUB made a decision calling for a review of the changes. So can the CEO—so, honourable Chair, so can

the CEO provide us with results of that review at this time?

* (15:40)

Ms. Jatana: Mr. Chair, I missed which review. Can the question be put to me again?

MLA Bereza: The PUB's order 134-21.

The Chairperson: And is there a reference in the annual report that would help the Chair—or sorry—help the CEO?

MLA Bereza: There's multiple references in the report.

Ms. Jatana: Mr. Chair, this sounds like a reference to a PUB order, but if we can just please provide reference as to which year, then we can just go back and look at the order itself.

MLA Bereza: Honourable Chair, the order is 134-21.

Ms. Jatana: Mr. Chair, it'll just take us a few minutes to track down the order and read what it speaks to.

The Chairperson: Ms. Jatana.

Ms. Jatana: Mr. Chair, I'm just trying to understand what year PUB order is the reference being made. Is it 2019 or 2020 so I can just draw my attention? And if you want to just read me the order, that would be very, very helpful.

MLA Bereza: Order 21-22, and I quote: This directive, in summary, requires MPI to bring forward a five-year plan for the implementation of the primary driver rating model.

Ms. Jatana: Yes, so that is one of the orders related to the basic insurance model. That order has, you know, evolved. I believe at one point, PUB had asked us to implement primary driver model. We had put a case in front of them to say we should not make such a large change without doing a thorough analysis.

And as I indicated earlier, it is a process. It's a data that we would need to collect from Manitobans over a year, understanding who's driving vehicles to ensure that we capture it, we can do proper analysis, we can understand the rate changes or the impact on customers.

And in that, I also recognize we—MPI does not have, by the way, that authority to collect that data today the way the regulations are written. So the regulations has to be changed, we have to have system changes, we would have to have a communication to Manitobans and Manitobans would have to adhere.

In addition to that, we would also recommend if Manitobans are not providing us correct and accurate

information, we potentially would have to take actions in the claim or take actions in that case.

So it is a very cumbersome activity, but nonetheless, very important activity to be taken before we change the model. I say this with a lot of knowledge from the ICBC side where they implemented a new model without doing that analysis, and there was a lot of concerns, both from a customer and from an organization. They did not fully understand the impact of the change that they were making and I don't believe that Manitobans or MPI should be making that change without such analysis.

* (15:50)

I also want to remind us what could it mean if we were changing a different model, whether it's similar to BC or Ontario model. I'll just pick on Ontario model, because primary driver is what everyone seems to talk about. If that driver—if that model was implemented, what that would mean, again, in a family where, you know, three people are sharing or using the vehicle of one registered owner, the vehicle is registered and insured based on the record of the—I'll say the father in this case.

In that case, if the other three were driving and they were in a collision and they were not the primary driver—I mean, there are schemes out there that—then you would have to deny the claim, or you—similar to BC, you have to provide a surcharge up to \$2,500.

So there is a lot of things that we would need to work through before we just change a model, and Manitobans have to understand that, we have to understand. MPI would have to put that infrastructure and that process in place that—are we going to apply surcharge if the person in accident is not the owner or is not the primary driver.

So a lot of those things have to be worked through before we just implement another type of model. Like I said, insurance can use various models to price a product. We are required today to use the registered owner model.

MLA Bereza: Honourable Speaker, if this was appealed—was this appealed and was that ordered to the Court of Appeal?

Ms. Jatana: It's a legal matter. To the best of my knowledge, we did not appeal this. There may have been a review. And there's a process; we don't always go to appeal. Our first step is always review and vary, which means that we provide a business case or

argument to the PUB to reconsider. In some cases, we may go forward.

I—to best of my knowledge, that order may—I don't believe it was appealed.

Mr. King: So just going back to this—so I heard you say you agreed with the—or maybe I should ask you if you agree with the PUB order to collect the data, weighing the primary model against the registered owner models.

Do—does MPI agree with the PUB order to collect that data?

The Chairperson: And could the member point to the page in the annual report.

Mr. King: I cannot point to that document, no. I'm just asking the question.

The Chairperson: Okay. So questions have to be related to the annual report. So if there's a way to rephrase the question to make it relevant to the report, that would be wonderful.

Maybe Ms. Jatana wants to respond.

Ms. Jatana: I do want to correct something my team did confirm.

So in 2022, MPI filed a leave to appeal with Court of Appeal, challenging PUB authority to order a change in model. The court did side with PUB, confirming their authority to order the change. MPI presented a five-year plan for transition, including analysis or alternative to primary driver. The PUB ordered MPI to update the five-year plan to develop a recommendation.

So what—I do want to provide a bit of a context. It started with the order saying: implement a primary driver model. MPI took a strong position to say we should not arbitrarily change a model without doing an analysis, that we would need to collect data. This is going back to 2019, 2020, so this has been ongoing, I'll say, issue for now.

MPI remained steadfast in its position that the change should not happen without collecting data. Collection of data requires regulatory changes; that request has been put forward, but we also highlighted in—while we were doing this, we also have conducted two separate studies to understand what would Manitobans' preference be. The results indicate that Manitobans prefer a current model. It is easy to use, easy to understand and perhaps all of us are comfortable in using what we know today.

We have shared those results as well. All of that—like I said, that information has been discussed in various of—including our board is fully aware of that. So we did not appeal at that point, because in—I would say by them revising their order in the following year, stating go collect the data, they would understand MPI's position. And I could even maybe go as far as saying they agreed with doing this, with doing a thorough analysis.

Like I said, analysis is a—costly. It is definitely requiring regulatory changes, and it requires us to collect data, and something that would, of course, would have to be properly implemented if the desire was to change a model.

It is not, of course, way above, I'll say, my intellectual to determine what's the best model for Manitobans, or what should be the model for Manitobans. What I can speak as management, we believe that there is a process. Manitobans, however, have said that they prefer the current model as well. So, you know, that's the decision for the decision makers, which model should be the right model and why.

Mr. King: So, mentioned a survey to Manitobans, and would you prefer the survey or the data collection, the whole—the total analysis to find out what is actually cheaper for Manitobans?

I think the data rather than a survey that maybe wasn't that clear to Manitobans—but do you not think that the actual analysis, the data that was asked for by the PUB would be—paint a better picture of what would make it more affordable for Manitobans?

The Chairperson: Before I go to Ms. Jatana, I'll just remind folks to put comments through the Chair.

Ms. Jatana: It would not be responsible for MPI to promise customers that a change in model would be cheaper. We can't make that position until we have done analysis. That analysis cannot be conducted without a collection of data.

What we can say—over at ICBC, they necessarily did not see—not—I have results, and happy to share with—you know, can print that out for you in terms of how many customers saw more or less in their premiums. But it is not to say it is going to be more costly to the customers or less costly. We tried what we could given the data that we had, so one of the things we had done is we looked at the driver licensing data and tried to do this kind of a high level analysis.

But it was very rough and tough to do that when we do not require Manitobans, when you're insuring,

as to, you know, Mr. Chair, who does drive your vehicle? We don't collect that data today. You would have to give us that data; furthermore, you would have to keep up with the changes. If next month there's a change in your household, then we would require you to provide.

* (16:00)

So when I say cumbersome and burdensome, I could understand why is a—sometimes customers may prefer today's model. It's easy and very less, I'll say, administratively a bit more easy to understand and comprehend.

In saying that, no model is a perfect model, you know. If—and we've done some of this analysis; we've shared this within the PUB venue. You know, whether it's a primary driver or a listed driver or a combined driver or registered owner model, at the end of the day there is really no perfect model; every model will have its, I'll say, its uniqueness.

MLA Bereza: Can the—through the honourable Chair, can the CEO clarify her statement she made to quote in the media, and I quote: MPI took the PUB, which is tasked with setting rates that are just and reasonable, to court over the directive the utilities board gave to adopt the primary driver model instead of the current registered driver model. End of quotes—or end of quote. That appeared in order 134-21 on January 22, to the PUB, then to the Court of Appeal.

So does that mean that you don't have the data to support this position?

The Chairperson: I would ask that the question be brought back to the report, but I do believe perhaps the—*[interjection]* Okay. So if we can tie it back to the report, that would be wonderful.

MLA Bereza: Honourable Chair, it's all rated to board governance on page 17.

Mr. Wiebe: Well, I appreciate, honourable Chair, that you've given a lot of latitude to the committee. And I do think that's the right position, not that I should be reflecting on your work here today.

But I, you know, myself, tend to err on the side of ensuring that the communication between our Crown corporations and the transparency that's being provided by this committee is, you know, as fulsome as possible, that it really does reflect what Manitobans are asking about.

So in that vein, I want to just thank the CEO for her openness, her willingness to retrace this same

ground over and over again, ground that, unfortunately, is just not in the report that we're considering here today. And the fact that the member opposite isn't able to actually point to any page, you know, and page 17 seems to be a favourite of his, but, of course, doesn't reference anything about the PUB's decision or anything about the registered owner versus primary driver models.

Again, I just want to offer for the member, he is very excited about this topic, and as he should be, because, as I said earlier, I think this is the kind of debate that we should be having as legislators. Do we want to protect broad affordability for all drivers in Manitoba or do we want higher rates, as the members opposite seem to be arguing for?

That's a conversation I think Manitobans want us to have. They want to see which representatives are standing up for affordability. And so we're keen to have that conversation, and that's why we brought legislation that, in fact, will be debated for days on end, I'm sure, ad nauseum, I might even suggest, depending on how the session goes.

And there's, of course, the opportunity at, you know, at various stages of the bill, through question period every single day. We want members opposite to put on the record how they want MPI to be less affordable for most Manitobans, especially, and I'll just put a fine point on this—and, again, the member opposite's going to hear a lot more about this as we get into the spring session, but, you know, we are talking about some of the most vulnerable, some—we're talking about new drivers; we're talking about those who can least afford the kinds of rate increases that he's talking about.

Again, I'm happy to have that conversation. And I just maybe just add—again, we'll get into all of this—but I think there's even an opportunity to really dig down to what's behind the line of questioning that the member opposite is bringing forward, because, you know, the CEO has noted over and over again—*[interjection]*

Okay, the CEO is—has mentioned several times now today that the model that we have is the model that is preferred by public insurers in this country. The registered owner model is one that works for us, it has worked, Manitobans understand it; it's a good one. The primary driver model is that—in fact, a model that exists in places where they have private insurance.

And so I would just suggest—and, again, this is a political conversation, so I take the member's guidance around relevance to heart because I think we should

be relevant here today and we should park this conversation for later, so I'm happy to do that in all the venues that I just listed.

But I think—again, I'm just starting to see through what's really going on here, that the members opposite, first of all, don't seem to care one lick about affordability for the average Manitoban; but, second of all, seem to want to push MPI, the public corporation, into a model that is used by private insurance companies.

And I would just ask Manitobans: Why would you think that members opposite would be so keen on pushing forward a model that's used by private corporations? Well, I think we all know the answer to that, and—you know, members opposite had the opportunity. They were in government. They had reins of power.

And I think it's probably only through the good work of the—of MPI to show very clearly where Manitobans truly stand on this issue, that we avoided that potential disaster of a move towards privatization. But I would suggest that we need to continue to be vigilant, to fight against any kind of move towards privatization or a model that just downloads costs onto the average Manitoban.

MLA Bereza: This question will be about affordability.

Quoting media from the Court of Appeal that the change—and I quote: The change could bring significant savings to primary drivers who have a record of clean driving in the province and score high on the driver safety rating scale, while the opposite would be true for the drivers in the red. Drivers at the top of MPI's safety rating scale can save up to 37 per cent on their annual insurance, while those with past infractions or claims could see no savings at all. End of quote.

Is this assessment accurate, honourable Chair?

Ms. Jatana: Mr. Chair, that reference is actually made to our driver safety rating, and I'm happy to say, actually, we have improved that; that before the old DSR used to max set a 37, 38 per cent at the scale of 15. We've expanded that scale now to 20, so customers can actually go up to 20 and even get a greater discount upward of, I want to say, 50-some per cent discount.

So we actually have addressed and improved that, so Manitobans—good drivers are benefiting from having a greater discount and, of course, if somebody does not have a greatest record, then the penalties and the surcharge—zero and below—is obviously greater as well. So we absolutely believe in the road safety

mandate and the driver safety rating that we want to promote and celebrate and provide rewards to good drivers.

So that—a lot of that work has been done in the last number of years.

Mr. King: Thank you for the—from the CEO, and that's—I think that's what we want, is to reward the safe drivers, for sure. I think what we may be worried about here, too, with the driver safety rating, maybe not they're—maybe they're not reaping those rewards more to their full advantage with the model that we're using.

And then I'll go back to the minister's comments: we're not either for or against the primary model or the registered-owner model. We just want to see the data, and I think that's what Manitobans want, is just to see the evidence that the minister is saying: this is going to make more affordable for Manitobans. We're all for making things more affordable; just provide the evidence.

* (16:10)

And this is simply something that the PUB has ordered to do, in my eyes: collect that data, bring the evidence forward, see which model is more affordable. And maybe for Manitobans, maybe there is a chance that the risk levels could give those ones that are—have a good driver safety rating a—more of a benefit and maybe MPI has looked at that.

But I just want to put on record that that's what we're—our concerns are, is the fact that there could be an opportunity here to find out, bringing forward that evidence that—we were directive—the directive was to do, that there's a possibility that a different model could make it more affordable for Manitobans: the ones that are being penalized are the ones that should be penalized, and the ones that are being rewarded are the ones that should be rewarded.

Thank you.

Ms. Jatana: A couple of things to note here: one, we have the lowest insurance—we're amongst the lowest insurance across Canada. So we need to celebrate that in Manitoba. I do believe our public insurance model has worked well for MPI, for Manitobans over the 50-some years, and Manitobans have reaped the rewards.

All of us have relatives and family members that probably resides outside of Manitoba, and I can tell you that my siblings pay \$4,000 for their insurance where I'm paying eleven, twelve hundred dollars. So there is a significant difference in insurance. And I do believe the credibility is in the public insurance

model. In Manitoba, our data tells us that over 73 per cent of our customers believe that we do have an affordable product.

I'm not a decision maker when it comes to what is the right model. The question always is, what's broken that needs to be fixed? Again, MPI has no position on the model itself, but I do want to state that Manitobans say that we have a very affordable insurance.

We're collecting other data now. We're going as far as to say, how much of your pocket are we taking in insurance? And the data is around 2 per cent of average income. Now, that is something we should be proud of because there are other provinces that number would be a lot larger. When you're paying four or five thousand dollars for insurance, for newcomers without any record, new drivers, young adult drivers—you know, I have family in Alberta. You know, young driver, 18 years old, is paying six, seven thousand dollars for insurance.

So we do need to celebrate. I absolutely agree that we need to strengthen the affordability, the public insurance model that allows us to provide that product, that very comprehensive product, when it comes to vehicle coverage. In addition to that, we have a PIPP program, which all of us are insured regardless whether we have a vehicle or not. If we're ever involved in a collision, we, you know, we have coverage of all the medical care, income replacement. It's a very good and very comprehensive insurance we have.

And I couldn't agree with you more that we need to protect the affordability and continue to deliver the value that this organization has been delivering over the last 54 years.

MLA Bereza: It's really unfortunate that the Minister responsible for MPI wants to spend his time today criticizing the PUB. We respect the PUB and the work they do to safeguard Manitobans and keep things affordable.

Honourable Chair, has MPI studied how—if good drivers may be subsidizing bad drivers who primarily drive a vehicle insured in the name of a parent or spouse?

Mr. Wiebe: Yes, this is a—I mean, this is a key to our system: that there is a mechanism to reward those good drivers and to penalize those who are not good drivers.

We have a driver rating system that, as the CEO has already reviewed now a couple of times, is good. And it's getting better because it really captures those good drivers who we want to reward. We want to

make sure that they get an even further discount, they get a further benefit from—and reward from having a good driving record.

So I'm just concerned here, honourable Chair, that we're retreading the same line of questioning. I know we had our—we had said four and a half hours; I would suggest it doesn't have to be four and a half hours. It looks like the members might be out of the list of questions that they had coming in here, so I don't think there's any harm in—if it's just going to be the same questions over and over again, might just make sense for us to move on. Unless there is something new because, again, I think the CEO has covered this ground now twice in pretty good detail.

MLA Bereza: The CEO today talked about—in just the last little while—about 2 per cent of the average income being on insurance costs. The minister has talked about information that's available. Can this committee have a copy of this data that is there?

Mr. Wiebe: Well, you know, as the member opposite has noted, we've been delving really deeply into page 17 of the annual report that's in front of us.

But I'd—I would hope that he might turn to some of the other exciting pages that are in here, because the amount of information that's laid out is pretty comprehensive and it's pretty good. I think it's worth the read and I think it's worth delving into as the committee. I really do think we could pivot off of page 17 and onto, maybe, a lot of the other information that's pertinent to Manitobans.

So, again, I just—you know, I'd hope that we would stay focused on this annual report. That's really what we're here to talk about, and there's lots of good information in there which I'm sure the CEO and others would be happy to dig into very, very in-depth to bring the member up to speed.

MLA Bereza: Honourable Chair, could someone point to me in this book of where this data is?

Ms. Jatana: Mr. Chair, if I can—which data is requested? If I can have an understanding, we can either provide or provide later.

MLA Bereza: One of the data is 2 per cent of the average income.

Ms. Jatana: So that's—that is one of the KPIs that's aligned with our multi-year strategic plan, that we want to measure our progress against seven KPIs. One of the KPIs is affordability and we're establishing that as to what's the best way for us to measure whether MPI is delivering on that affordability mandate, and

that is the KPI that's being contemplated. Happy to share that data.

And, actually, it will be in our annual report next year, because that would be our first year to showcase the new strategic plan under what we're accomplishing. So it will be visible in the annual report, but if there's a need for having it earlier, we're happy to share that.

MLA Bereza: I just wanted to check on that because the minister had said that the data was in here and I just wanted to check where that data was.

The Chairperson: I didn't hear a question, so I'm not sure if there's anyone who wants to respond, so I'll wait for another question.

MLA Bereza: Honourable Chair, I want to change to another topic here.

* (16:20)

Speaking of issues with regulating of bad drivers, last year we asked the CEO about a CBC Marketplace investigation into heavy trucking licensing—licence mills.

What has MPI done to ensure that Manitobans are safe and only sharing the road with qualified individuals? Far too often, we see the stories, as we did in Altona, of families being torn apart by lives lost in horrific and preventable accidents.

Is it possible to get that information?

Ms. Jatana: Yes, happy to share what we're doing in regards to—so there's number of areas. Like, when we talk about the trucking industry, of course, I'm going to keep this narrowed to the testing side. In Manitoba, there's two avenues that someone can go through training and become a class 1 driver. One is through the MELT school, and the other one is through the PVI.

MPI has the oversight on MELT, and up 'til a couple of years ago—in the last two years, we have doubled our resources to ensure that we are doing more compliance. I can share some data with you to show some of the focus and success in this side, as well. In the last—just give me one moment to gather my thoughts.

This is important, so I'm going to actually read some of my notes that my team had provided.

The Chairperson: Sorry, I'll just re-recognize you. Ms. Jatana.

Ms. Jatana: MPI oversees 28 class 1 driving schools. In 2025, we completed 24 school audits, issuing suspensions

to two schools, and identified, investigated 207 violations. We have issued, overall, 400 permits; of course, we permit both the PVI and the MELT schools as well. We have doubled our resources—actually, more than doubled our resources for the compliance, and that's why we're able to do more compliance.

We recognize the industry as important in our economy, but we also, more importantly, understand the importance of having safe drivers on the road, and MPI works very closely with the Manitoba Trucking Association, with the government, with MTI, with motor carrier. Furthermore, we are also now providing enhanced funding to Manitoba motor carriers to do more inspections. So we have, I'll say, doubled our efforts, and we're starting—hopefully, starting to see some of the good results from that soon.

Those probably would be some of the things I would highlight at this point.

Mr. King: So if I heard you right, you're saying you've doubled the Motor Carrier Enforcement? My question to the CEO, if that's what I heard her say, or—what are we doing to get more of those Motor Carrier Enforcements involved with keeping these trucks safe and the road safe and driving schools safe?

And also, along with that, the driving schools—are we—is that up to the Motor Carrier Enforcement to monitor those driving schools?

Just some questions, through the Chair.

Ms. Jatana: So I was referencing to our resources. We have oversight over the MELT schools, and that's what we're responsible for. Motor carrier falls under government of Manitoba.

However, we—through our enhanced enforcement funding, we provide funding to RCMP, to Winnipeg police, but also to motor carrier in addition to Indigenous policing. So we provide enhanced funding for them to do more inspections. That is part of our road safety mandate.

When it comes to our authority, our authority is oversight over the MELT schools, and those—the reference that I was making, suspension and investigation, that was our direct oversight over the MELT schools.

MLA Bereza: Honourable Chair, does MPI track what percentage of collisions with class 1 vehicles are occurring with vehicles registered outside of Manitoba or drivers that are licensed by other jurisdictions?

Anecdotally, far too many of these accidents are not caused by Manitobans who went through the proper training and took MELT, but by individuals who may have gotten a licence in another jurisdiction.

Honourable Chair, is MPI working with other jurisdictions to ensure the rampant behaviour that this investigation uncovered is stamped out, like what has happened in Altona?

Ms. Jatana: Was just confirming. So in the time—if there's a claim involves Manitoba driver with another, we don't necessarily get the history of the driver; we may not have that data. We would have—through claims, we would settle that, but I do not—to best of my knowledge, I do not believe that we would have that data.

But what we do have: when class 1 drivers from other jurisdictions are coming into Manitoba, and if there's concern that we have in regards to their knowledge, we have the authority to call them in and get them to go through the retesting process. So our responsibility lies that, in Manitoba, the drivers are ready for the road, but obviously our authority does not expand beyond the borders of province.

Mr. King: Just a question on the service hours and service throughout the province, actually, on the closing of the office, maybe in Swan River. There's been talk of that as well as removing the service hours on Saturdays here at Winnipeg.

So MPI's hours have changed all over Winnipeg and the rural locations: just 9 to 4:30, Monday to Friday, at the Bison and the Main, Gateway are open from 7:30 to 5:30 on Monday to Friday to accommodate for that, I think, but the Bison and Main no longer have Saturday services, and now Saturday services are certainly something that helps accommodate the people that are working throughout the week and whatnot.

So just comment on that if you may, from—through the Chair to the CEO.

Ms. Jatana: Yes, we—just last week, we announced that we will adjust the hours for the two remaining locations that were opened on Saturday; that was Bison and Main.

And we actually expanded—outside of all those locations, we expanded the hours by half an hour. So we're actually open 'til now 5 instead of 4:30 in those locations. Why we closed Saturday's service, I think it's important to note here, Saturday hours were introduced back in—[interjection]—sorry.

* (16:30)

Saturday hours were introduced back in 2010 with the introduction of three large centres in Winnipeg, and the intent there was to provide more options to customers on Saturday.

However, the business has evolved greatly since 2010. And if we look at our business before, you know, what has happened, one: it's important to note, the majority of our transactions actually occur at the broker level. Over 98 per cent of the transactions, when it comes to somebody purchasing insurance or driver licensing, it actually happens not at MPI. We're—we were—prior to 2010, we used to be called a claim centre; we handle claims. But today, we offer full service in most of our locations.

However, we are not—we've seen a reduction in the Saturday services greatly; estimating, for example. Prior to introducing direct repair in 2018 and then photo estimating in 2020, all of estimating was happening at MPI. Well, today, over 40 per cent of—probably—estimating happens directly at the repair shop. Plus, we have photo estimating that customers don't need to come in. We can do a lot of that over the phone. So we actually discontinued estimating in our service centres back in 2020.

Driver knowledge testing: we actually improved knowledge testing. Before, you had to book an appointment. Today, we have a dedicated centre that you can go in anytime and get a knowledge test, and that's our Gateway location. So that has brought the demand on knowledge testing—that we're keeping up with the demand, and we actually don't have a demand on Saturday.

Adjusting: only 2 per cent of adjusting calls actually occur on Saturday, and I—especially in the summer months. Customers want to be at the lake and want to be outside. They don't want to be sitting at an MPI location.

In addition to that, adjusting basically happens over the phone now. We are not calling you in physically into our centre for you to have an adjusting conversation. So, today, customers can just, you know, do that during the week and on their break, or on lunch, or after hours, that—we're open 'til still 5:30, 6 o'clock. So we're seeing the adjusting demand went down dramatically.

So we didn't just kind of quickly make—made this change. As you would know, two years ago, we had an incident in Gateway that caused—there was a fire incident that caused us to close Gateway almost for a

year and shift our resources in other locations to serve Manitobans. When we reopened that, we actually tested that to say, do we need Saturday service and does it make sense. We piloted that for a good six months and, actually, to our surprise in some ways, we saw customer satisfaction increase.

Customer satisfaction for Gateway went from 83 to 88 per cent. And customers would say effective—we measure four different measures: effective, ease, emotion, advocacy. Effective went from 88 to 96; ease went from 87 to 88; emotion, 78 to 85. I guess customers are liking that, you know, we're more available. Advocacy went from 79 to 88, just for Gateway location. That's the customer—how the—our business has changed for us to react. So I'm going to park that there for a second.

When it comes to employee side—and maybe even in scheduling. So when we introduced this in 2010, we took the team members and we put them into two teams. So one team would work from Monday to Thursday and the other team would work from Wednesday to Saturday. I'm going to confuse you for a second here. What that caused—that caused shortage of staffing Monday, Tuesday and Friday, which are our busiest days. And we were always short-staffed, so we'd been hearing concerns from customers.

So, you know, continue to do the same thing and expect different results is a sign of insanity. This management looked at the data, pilot that in Gateway, and upon successful good results, had the confidence to say it's time to make the change.

Having said that—and we remain committed—if customers feel the loss of two of—from two of our locations on Saturday—the loss of service is impacting customer experience, you have this management's commitment. We're happy to revise and revisit that decision.

But we have to do—the other thing I want to, from an employee perspective, as I was saying, there's a shortage of staffing, but we were also requiring staff to work close to 10-hour shifts because they were working shorter—they were working four days to divide the team. Well, that caused burnout, that caused other issues, of course. I mean, there's the employee perspective that we've also considered in this decision making.

In addition to that, MPI was incurring cost, unnecessary cost, when it comes to holidays and Saturday. In some cases, we were required to pay overtime to have the—enough people on a Saturday or the way the holiday—I don't want to bore you with the

accounting, how it works. But there was also that concern as well.

As a responsible management, we should always make the right decisions that are for our customers, financially and physically, that makes reasonable—that makes sense. And we did this with data. I'm not saying every decision that we're going to make is always going to be the right, but we remain committed that we're going to continue to monitor this. If this is not the right thing for our customers, we will be happy to revisit this, but I—everything is showing this is the right decision thus far.

The Chairperson: Before we go to the next question, I'll just remind folks we agreed to sit for three and a half hours, and in about three minutes, that will be the point at which we're at.

MLA Bereza: I want to switch a little bit here, and just because we've come through, you know, the holiday season and that.

So, honourable Chair, we just saw the conclusion of the annual Check Stop program. Has MPI noticed trends around intoxication, and are there specific programs that are quite effective regarding that?

Thank you, honourable Speaker.

Ms. Jatana: Thank you for allowing a couple of minutes. Yes, we do provide funding for enhancement enforcement, especially around the holidays. However, it would be too early for us to have that data. We do get that data in due time.

What I can tell you that impaired driving is one of the top four factors that causes fatalities and accidents and absolutely is a priority. Distracted driving remains in the top four, seat belt and, of course, speeding. Those factors are still the—you know, the top issues and that's

something that we continue to monitor and put a lot of our efforts into reducing and hopefully preventing.

Mr. King: Just want to go—I want to thank you for your last answer on the service centres, but part of that question was the Swan River location.

So I'm wondering what's happening for the people in Swan River and what's going to happen with more rural service centres such as that. Are we going to see closures there as well, lack of rural service for MPI customers?

Ms. Jatana: Mr. Chair, my apologies. I did skip over that. I'm happy to talk about that as well.

Swan River actually has—the doors have been closed since 2020. Those doors were never opened after COVID for a number of reasons, and we—however, our service has not been impacted in that community. We continue to—we talked about mobile services earlier. We continue to go into that community, continue to offer adjusting, estimating and driver testing on a regular basis to meet the needs of the customers.

It was maybe—you know, as a Manitoban and responsible for MPI, I'm always looking how do we reduce cost and how do we ensure affordability. I was in Swan River in my regular tours of the location late last fall. And when I physically went there to see a shutdown service centre, I took upon myself to reach out to the council and the mayor in—of Swan River to say—

The Chairperson: Order, please.

As previously agreed, the hour being 4:40, committee rise.

Please leave behind all copies of the annual report for future use.

COMMITTEE ROSE AT: 4:40 p.m.

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