

News Release

January 11, 2023

NOTICE OF DECISION

- On July 12, 2022, MPI filed a general rate application (GRA) seeking an overall rate decrease of 0.9%. The application was updated on October 12, 2022 and the revised rate sought was 0.05%. In Order 4/23 dated January 11, 2023, the Public Utilities Board varied the application and ordered a rate decrease of 3.8%, effective April 1, 2023.
- The rate decrease is offset by the removal of a 5.0% capital release as applied for by MPI and approved by the Board. This results in an average increase in premiums paid by ratepayers of 1.54%.
- Rates paid by individual ratepayers will vary depending on: driving record of the registered owner; vehicle make, model and year; purpose for which the vehicle is driven; and the territory in which the registered owner resides.
- The Board noted significant increases in operating expenses, driven in large part by staff increases. On a corporate-wide basis, including all lines of MPI's business, the budgeted staff positions have increased from 1,939 in the pre-Covid budget year 2019/20 to 2348 in the 2023/24 budget. MPI indicated that 34 FTEs will be temporary staff. Salary and benefits costs are 55% of MPI's total operating costs.
- The Board also noted the increases in MPI's IT renewal project, titled Project Nova. Project Nova was included in the 2020 GRA with a budget of \$106.8 million (costs and contingency included). In 2021, the budget was increased to \$128.5 million. In this GRA, the completion timeline was extended from three years to five years and the budget was increased to a range of \$257 million to \$289.9 million.
- The Board has ordered MPI to provide several reports pertaining to Project Nova to allow it to monitor the project's expenses.

The PUB is an entity, at-arm's-length from Government, which is primarily responsible for serving the public by setting just and reasonable rates.

A copy of the Order, which contains additional information, may be reviewed on the Board's website [Province of Manitoba | v1 - Manitoba Public Insurance - 2023 Board Orders \(pubmanitoba.ca\)](#), or be obtained through the Board's Office.

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