

October 20, 2023

2024 GENERAL RATE APPLICATION  
Undertaking #015 Transcript Page 987**Undertaking #015**

For MPI to provide whether the overall level of spending on compensation in the last fiscal year, was that related to delays in Project NOVA and a pull back in hiring plans

**RESPONSE:**

Please see figure below which shows the corporate composition of the \$9.3 million lower than expected compensation spend from the 2022/23 actual vs the 2022/23 forecast provided in the 2023 GRA rate update.

**Figure 1**  
**2022/23 Actual Compensation vs 2023 GRA October Rate Update**

(C\$ 000s, rounding may affect totals)

	2023 GRA - 2022/23		
	2022/23 Actual	October Rate Update	Change
Salaries	149,281	157,904	(8,623)
Overtime	2,449	1,532	917
Benefits	36,127	37,682	(1,555)
H & E Tax	3,345	3,422	(77)
<b>Compensation</b>	<b>191,203</b>	<b>200,540</b>	<b>(9,337)</b>

The \$8.6 million lower than expected spend in salaries is primarily related to approximately to \$6.3 million lower than expected spend within normal operations departments. This \$6.3 million lower spend is mainly due to turnover/vacancy and a delay in establishing FTE compliment in new departments such as the Digital Transformation Department. The remaining \$2.3 million lower spend is related to \$1.1 million related to project NOVA and a further \$1.2 million lower from 'other' salary accounts (severance/retirement payouts and employee benefits etc).