

PUB (MPI) 2-51

Part and Chapter:	PUB (MPI) 1-75(a)(b) Part IV Benchmarking BMK Appendix 3 Fig. BMK APP 3-1, Fig. BMK APP 3-2, Fig. BMK APP 3-3	Page No.:	
PUB Approved Issue No:	14. Operational Benchmarking		
Topic:	Crown Benchmarking		
Sub Topic:			

Preamble to IR:**Question:**

- a) Please reconcile the assumed SGI staff level in (a) with that used in the determination of the span of control in (b).
- b) Please provide the same information in (b) for ICBC.
- c) Please explain the increase in management for 2020/21.
- d) Please update the answer in (b) to include 2021/22.

Rationale for Question:

To understand benchmarking results.

RESPONSE:

- a) SGI allocates FTEs between SGI CANADA competitive operations and the Auto Fund. As some employees (primarily support areas) work for both SGI CANADA and the Auto Fund, they use a general allocation formula to allocate FTEs to both companies. FTE's in a) represent all FTE's, b) represents Auto Fund employees.

b) Please refer to d) below

c) There is an error in the calculation of staffing in 2020/21. Please see MPI exhibit #32. The Figure 1 below is also updated, for quick reference.

Figure 1 MPI Span of control

	2021/2022	2020/2021	2019/2020
Management as of end of year	97.7	95.9	87.7
Staff as of end of year	<u>1,280.6</u>	<u>1,191.4</u>	<u>1,252.2</u>
MPI	13.1	12.4	14.3

d) Please see Figure 2 below:

Figure 2 Span of control comparison with SGI and ICBC

	2021/2022	2020/2021	2019/2020
Management as of end of year	98	103.0	87.7
Staff as of end of year	<u>1,281</u>	<u>1,279.1</u>	<u>1,252.2</u>
MPI	13.1	12.4	14.3
Management as of end of year	18.4	14.8	10.5
Staff as of end of year	<u>91.6</u>	<u>82.4</u>	<u>84.2</u>
SGI	5.0	5.6	8.0
Management as of end of year	346.5	339.8	336.0
Staff as of end of year	<u>2,645.4</u>	<u>2,639.8</u>	<u>2,684.5</u>
ICBC	7.6	7.8	8.0

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PUB Approved Issue No:	10. Cost of operations		
Topic:	Salary changes		
Sub Topic:			

Preamble to IR:

Question:

Please provide an update to the table in Figure 2 including five years historical and the forecast through the 2026/27.

Rationale for Question:

To understand changes in compensation expense.

RESPONSE:

Please see PUB (MPI)1-50 Figure 2 and Figure 3. Also, please refer to figure 1, below:

Figure 1 Change in salary due to FTE and other changes

Line No.	Fiscal Year	per EXP-13 Corporate Annual Salary (a)	Change in Corporate Annual Salary from prior year (b)	per EXP-14 Change due to Economic Increase (c)	per EXP -14 Change due Step in Scale (d)	Change due to FTE & Other Changes (e) = (b) - (C) - (d)
1	<i>(C\$ 000s, except where noted)</i>					
2	2018/19	125,184	(1,320)			
3	2019/20	130,033	4,850	2,191	2,191	468
4	2020/21	127,598	(2,435)	1,300	2,276	(6,011)
5	2021/22	133,515	5,917	-	2,233	3,684
6	2022/23	143,004	9,489	2,337	2,337	4,816
7	2023/24FB	159,785	16,781	2,860	2,503	11,418
8	2024/25F	162,535	2,750	3,196	2,796	(3,242)
9	2025/26F	169,536	7,001	3,251	2,844	906
10	2026/27F	176,403	6,867	3,391	2,967	510

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PUB Approved Issue No:	10. Cost of operations		
Topic:	Special Services		
Sub Topic:			

Preamble to IR:

Question:

Please update Figure 1 to include any other consulting fees paid to the respective external auditor or external actuary firm and describe the nature of the services provided.

Rationale for Question:

To review changes/increases in audit and actuary fees.

RESPONSE:

Please refer to figure 1 below:

Figure 1 Audit & Actuary Fees

Line No.	Audit & Actuary Fees	2021/22A	2022/23A	2023/24FB
1	<i>(\$C 000s, except where noted)</i>			
2	Auditor Fees	274	465	235
3	Internal Audit Fees	279	119	500
4	Audit Fees	553	584	735
5				
6	Pricing-External Actuarial Fees	24	154	75
7	Valuation-External Actuarial Fees	-	-	108
8	BIA-External Actuarial Fees	-	-	75
9	Actuary Fees	24	154	258