



# MANITOBA ORDER IN COUNCIL

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DATE: **July 24, 2019**

ORDER IN COUNCIL NO.: **260/2019**

RECOMMENDED BY: **Minister of Crown Services**

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## ORDER

1. Approval is given to the minister responsible for *The Crown Corporations Governance and Accountability Act* (the “Minister”) to issue a directive to The Manitoba Public Insurance Corporation in the form attached at Schedule “A”.
2. This Order comes into effect on the day that it is made.

## AUTHORITY

*The Crown Corporations Governance and Accountability Act*, C.C.S.M. c. C336, states:

### Directives

13(1) The minister may — with the approval of the Lieutenant Governor in Council — issue a directive to a corporation

- (a) respecting
  - (i) matters of policy and the accounting policies and practices for the corporation,
  - (ii) standards to be complied with in respect of advertising done by the corporation, and
  - (iii) the conduct of special organizational reviews to be conducted by the corporation;
- (b) to ensure that practices of two or more corporations are consistent; and
- (c) to ensure that two or more corporations act in concert with each other or with government departments or agencies when doing so will further efficiency and effectiveness.

### Accounting standards apply

13(2) A directive in respect of accounting policies and practices must be consistent with generally accepted accounting principles that reflect the public interest.

### Compliance

13(3) A corporation must comply with a directive given under this section.

### Directives to be made public

13(4) The minister must make a directive public, in a manner he or she determines reasonable, within 30 days of the directive being given to the corporation.

## BACKGROUND

1. The Minister recommends that the attached directive be issued to The Manitoba Public Insurance Corporation.

**A Directive to  
The Manitoba Public Insurance Corporation  
Respecting Conciliation with the Insurance Brokers  
Association of Manitoba**

**Issued by: Honourable Minister Colleen Mayer**

**Effective: \_\_\_\_\_**

## BACKGROUND

*The Crown Corporations Governance and Accountability Act* provides for the issuing of directives to one or more Crown corporations as follows:

- 13(1) the minister may — with the approval of the Lieutenant Governor in Council — issue a directive to a corporation
- (a) respecting:
    - (i) matters of policy and the accounting policies and practices for the corporation,
    - (ii) standards to be complied with in respect of advertising done by the corporation, and
    - (iii) the conduct of special organizational reviews to be conducted by the corporation;
  - (b) to ensure that practices of two or more corporations are consistent; and
  - (c) to ensure that two or more corporations act in concert with each other or with government departments or agencies when doing so will further efficiency and effectiveness.

## PURPOSE

This directive provides instruction to The Manitoba Public Insurance Corporation (MPI) to engage in a process of conciliation with the Insurance Brokers Association of Manitoba (IBAM) to reach an agreement regarding the Future Service Delivery Strategy for customer transactions under both *The Manitoba Public Insurance Corporation Act* and *The Drivers and Vehicles Act*.

## APPLICATION AND SCOPE

This directive applies to the development and introduction of on-line services relating to motor vehicle licensing and insurance in Manitoba and the participation of insurance brokers in providing those services.

The Minister of Crown Services acknowledges IBAM is an independent organization not subject to this directive but strongly encourages it to participate in the conciliation process to achieve a resolution on the matters of contention.

## DIRECTIVE

MPI will engage in a conciliation process with IBAM to reach agreement regarding future service delivery strategies and the modernization of service delivery options.

MPI will work with IBAM to select a mutually acceptable individual to act as conciliator, and will identify that individual to Manitoba. If a mutually acceptable individual is not identified by August 2, 2019 then the Minister of Crown Services will identify a conciliator.

The conciliation process will be governed by the following Terms of Reference:

MPI and IBAM will negotiate with the objective of reaching one or more agreements or written letters of understanding (“agreements”) to address the development and introduction of on-line services relating to motor vehicle licensing and insurance in Manitoba and the participation of insurance brokers in providing those services.

The principles to be applied in the negotiations are as follows:

1. Manitobans expect and must be able to access an online distribution and payment channel for their automotive insurance needs.

2. Manitoba is committed to supporting the stability and health of small business in the province.
3. A conciliator will be retained by Manitoba to assist the parties to seek to reach these agreements. The conciliator will be an individual who is wholly independent of the parties, wholly impartial and free of any personal interest or other conflict of interest.
4. Each of the parties will be responsible for its own costs of participating in the conciliation process. MPI will pay the reasonable costs of the conciliator, in accordance with a budget agreed by the conciliator.
5. The conciliator will be responsible for the conduct of the conciliatory process in accordance with practices and procedures commonly used in commercial mediations. This may include the conciliator proposing to IBAM and MPI agreements to apply to the conduct of the conciliation process.
6. Each of the parties will identify up to three representatives as principal participants in the negotiations.
7. The time frame for the conciliation process will be established at the outset of the process. It is expected that some issues will need to be addressed on a priority basis so that actions to assist customers may be taken sooner.
8. The discussions in the conciliation process will be confidential unless the parties agree otherwise. The process will be without prejudice and any statements made by a party may not be used by the other party as evidence in any legal proceedings.
9. Conciliation process discussions shall be held in private.
10. IBAM and MPI will not make public statements about the subject matter of the negotiations during the continuation of the conciliation process.
11. MPI agrees not to institute any new on-line services during the continuation of the conciliation process except in accordance with any agreement made with IBAM.
12. At the end of the conciliation process, where requested to do so by the Minister of Crown Services, the conciliator will provide a written report to MPI, IBAM and the Minister of Crown Services setting out any non-binding recommendations on how the issues considered in the conciliation process may be addressed.