



Intergovernmental Affairs
The Public Utilities Board
400 - 330 Portage

"APPENDIX I"

PAGE 1 OF 2

INTERVENOR REQUEST FORM

1. Application Re Hearing:		
Payday Lending Review 2016		
2. Name of Requesting Party:		
CAC (MB)/Winnipeg Harvest/Community Financial Counseling Services		
3. Address of Requesting Party:		
c/o Public Interest Law Centre		
4. Phone Number:	Business:	Residence
	204.985.8540	
	Fax Number:	E-mail:
204.985.8544		bywil@pilc.mb.ca , kadil@legalaid.mb.ca , ambea@legalaid.mb.ca
5. Contact Person(s):		
Byron Williams		
6. Address:		
Same		
7. Phone Number:	Business:	Residence:
	204.985.8533	
	Fax Number:	E-mail:
8. State reasons for the proposed intervention (please be specific).		

CAC Manitoba, Winnipeg Harvest, and CFCS (together the Consumer Coalition) wish to participate as an intervener to the Payday Lending Review taking place in April 2016. The Consumer Coalition seek to represent the interests of payday loan consumers through evidence-based advocacy.

Community Financial Counseling Service (CFCS) is a non-profit agency that provides free of charge credit counseling to individuals. CFCS also provides education and financial literacy programs, seminars and workshops to community groups, other organizations and the general public and advocate on behalf of Manitobans for fair practices in lending, debt repayment and financial services. Additionally, CFCS partners with Canada Revenue Agency to provide free income tax preparation services to 30,000 low income Manitobans annually.

Winnipeg Harvest is a non-profit, community-based organization committed to providing food to people who struggle to feed themselves and their families. More than 63,000 Manitobans receive food from food banks each month. Winnipeg Harvest shares food through the Manitoba Association of Food Banks and partners with more than 340 agencies to distribute surplus food to hungry families all over Manitoba

The Consumers' Association of Canada, Manitoba Branch (CAC Manitoba), has over 400 members and donors. Through its consumer education and information centre as well as its research, CAC Manitoba interacts with roughly 14,000 consumers annually. Approximately 6,000 Manitoba consumers annually attend CAC Manitoba information sessions and workshops.

In 2006, in introducing Manitoba's legislation on payday loans, the Honourable Greg Selinger stated that the government's purpose for licensing and regulating payday lenders was to ensure that payday lenders were not driven out of business, but that they provided a service in a way that is "just and reasonable". This concept of "just and reasonable" service has been followed in the PUB orders on payday lending in 2008 and in 2013 through the setting of maximum cost of credit for reasonably efficient lenders.

In this hearing, the Consumer Coalition intends to provide input on whether the fees charged by payday lenders in Manitoba are "just and reasonable". Attached as Appendix A to this application is the budget proposed by the Consumer Coalition, at the end of which is located a list of issues to be explored by the Consumer Coalition.

Specifically, the evidence to be presented by the Consumer Coalition will focus on the following core issues:

- The impacts of possibly reducing the maximum allowable rate from \$17 per \$100 borrowed to \$15 per \$100 borrowed;
- The impacts of reducing the proportion of a borrower's net pay, which is used to determine the maximum loan amount, from 30 percent to 25 percent;

To provide context on the two core issues, the Consumer Coalition will provide important background information relating to:

- The prevalence of repeat borrowing and its effects on consumers and the industry;
- The prevalence of Internet loans and its effects on consumers and the industry;
- Payday lending on other types of income (ie. income assistance, child tax benefit); and
- Whether there exist mainstream alternatives to payday loans.

In addition to reviewing literature and data on these issues, the Consumers Coalition intends to provide perspectives from Manitoba consumers on payday loans as obtained through qualitative research, such as focus groups, interviews and surveys.

9. State nature of proposed intervention.		
a) Do you intend	Yes	No
(i) to appear throughout the hearing:	X	
(ii) to participate in the production of evidence:	X	
(iii) to participate in the testing of evidence:	X	
(iv) to present final argument:	X	
b) Do you intend to call witnesses:	Yes	No
	X	
c) If yes to No. 9b), please provide witness':		
(i) Name:	Dr. Jerry Buckland (see attached CV & statement of qualifications)	
Name:	Dr. Wayne Simpson (see attached CV & statement of qualifications)	
Name:	Dr. Chris Robinson (see attached CV & statement of qualifications)	
Name:	Zoe St. Aubin (see attached CV & statement of qualifications)	
(iv) Subject of submission (please note date for filing submission):		
<p>Dr. Jerry Buckland will conduct a review of Canadian and international literature on payday lending, focusing on trends in the industry and identifying issues canvassed in the literature. Dr. Buckland will also oversee qualitative research into the payday lending marketplace in Manitoba. In addition, Dr. Buckland will assist with the coordination of a workshop on mainstream alternatives to payday lending as well as the preparation of a report flowing from that workshop.</p> <p>Dr. Wayne Simpson will review recent Canadian survey data relating to payday lending. These data sets will be compared to results obtained from previous years to identify trends and changes in payday loan consumers.</p> <p>Dr. Chris Robinson will consider a just and reasonable rate for payday lenders using available data both from Manitoba and from other relevant jurisdictions.</p> <p>Zoe St Aubin will provide evidence from qualitative research conducted with payday loan users, including surveys, interviews and a focus group.</p>		
10. Will you be applying for costs under Board Order No. 163/87:	Yes	No
	X	
If yes: Refer to Section 41 of Rules of Practice and Procedure. Provide detailed budget as per the attached Appendix II.		
11. Comments and other information:		

The maximum cost of credit is important in the regulation of payday loans, but in addressing core issues, it is important to provide context by addressing broader issues that have an effect on the payday loan industry and its consumers.

Many of the issues canvassed by the Consumer Coalition in preparation for this hearing have been discussed by the PUB in its previous Orders of 2008 and 2013 and are linked to the important concept of payday lenders providing “just and reasonable” service. The Consumer Coalition’s position is that it is necessary to canvass a wide range of issues related to payday loans in order to fulfil this responsibility. In both its previous Orders on payday lending, the PUB has indeed touched upon a wide range of important issues in setting the maximum rates and in making further recommendations. In its Orders, the PUB has considered the profile of the average payday lender consumers, who are often considered vulnerable, the prevalence of repeat borrowing, the lack of alternatives to payday loans and the role of banks and credit unions with regard to this issue.



Intergovernmental Affairs
The Public Utilities Board
400 - 330 Portage

"APPENDIX II"

INTERVENER BUDGET AND COST SUMMARY SHEET

To be used to prepare a budget for the Intervener Request
Form, Item 10, and to make a claim for an Award of Costs.

PAGE 1 OF 2

Prepared by:		Date:
Byron Williams		February 19, 2016
Hearing:		
Payday Lending Review 2016		
Period Covered:		
Intervener's Name:		
CAC (MB)/Winnipeg Harvest/Community Financial Counseling Services		
Contact Person or Persons:		
Byron Williams, Public Interest Law Centre of Legal Aid Manitoba		
Address:		
200 – 393 Portage Avenue, Winnipeg R3B 3H6		
Phone Number:	Business:	Residence:
	204.985.8540	
	Fax Number:	E-mail:
	204.985.8544	bywil@pilc.mb.ca , kadil@legalaid.mb.ca , ambea@legalaid.mb.ca

See Costs on Page 2.

FEES – to be completed for legal counsel or experts

				COSTS
PREPARATION:	Hours	Days	Rate \$	\$
APPEARANCE:	Hours	Days	Rate \$	\$
ARGUMENT & REPLY	Hours	Days	Rate	
FEES TOTAL	Hours	Days	\$	\$

DISBURSEMENTS

				COSTS
TRAVEL (AUTO)	Miles	Rates		
TRAVEL (OTHER)				
ACCOMMODATION	Nights	Rates		
MEALS	Number			
MISCELLANEOUS	Taxis	Telephone	Supplies	\$
DISBURSEMENTS TOTAL				

TOTAL FEES AND DISBURSEMENTS	\$
-------------------------------------	----

NOTE: Receipts must be attached for all disbursements.

See summary attached.