

M A N I T O B A) Order No. 160/06
)
THE PUBLIC UTILITIES BOARD ACT) November 27, 2006

BEFORE: Graham F. J. Lane, B.A., CA, Chairman
 Monica Girouard, CGA, Member
 Susan Proven, P.H.Ec., Member

GRANTING OF INTERVENER STATUS
AND
ESTABLISHING A SCHEDULE OF PROCEEDINGS
REGARDING THE REVIEW OF MAXIMUM CHARGES FOR
CASHING OF GOVERNMENT CHEQUES

EXECUTIVE SUMMARY

By this Order, the Public Utilities Board (Board) grants intervener status, with respect to an upcoming Board hearing to review maximum charges for cashing of Government cheques, to the North West Company LP (North West), the Consumers' Association of Canada (Manitoba) Inc./Manitoba Society of Seniors (CAC/MSOS); and National Money Mart Company (Money Mart).

This Order also establishes a timetable for the orderly exchange of information.

INTRODUCTION

Bill number 24, entitled *The Consumer Protection Amendment Act (Government Cheque Cashing Fees)* was passed into law in June of 2006.

This bill confers onto the Board the authority to set the maximum amounts that can be charged for cashing cheques issued by the Government of Canada, the Province of Manitoba and designated government agencies.

By regulation 191/ 2006, the following agencies were designated:

- (a) The Manitoba Housing Authority;
- (b) The Manitoba Housing and Renewal Corporation;
- (c) The Manitoba Public Insurance Corporation; and
- (d) The Workers Compensation Board.

Notice was published in all major Manitoba newspapers of Hearings to be held as follows:

Thompson Manitoba	December 14, 2006
Brandon Manitoba	December 18, 2006
Winnipeg Manitoba	December 19, 2006

Interested parties, including those seeking intervener status, have now filed their intentions to participate. This Order will set out the schedule and process for the exchange of information.

The Board received intervener applications from:

1. North West
2. CAC/MSOS; and
3. Money Mart

North West

The Board notes that North West, though primarily a provider of food and every day product and services including to remote communities, is the sole supplier of financial services in some of those communities due to remoteness. As such, it is the only institution able to cash cheques for residents of those communities.

North West noted an intention to appear throughout the hearing, participate in the production and testing of evidence, and would provide final argument. North West also intends to call witnesses.

North West filed a budget estimate of \$5,500.

CAC/MSOS

CAC/MSOS sought intervener status expressing an interest in cheque cashing fees that may be charged by government and designated agencies, wanting to ensure that the maximum fees to be set by the Board are just and reasonable.

CAC/MSOS advised its intention to appear throughout the Winnipeg hearing of December 19, 2006, to test evidence, and to make final argument. CAC/MSOS further noted that it had engaged and would call an expert witness with respect to institutions cashing cheques, those using the services, the conditions behind that use, disclosure practices and financial risks by service providers.

CAC/MSOS indicated it would be applying for costs and proposed a budget in the range of \$9,000 to \$13,250, including the witness costs.

Money Mart

The Board notes that Money Mart provides cheque cashing services for a fee and will therefore be impacted by the Board's decision.

Money Mart noted an intention to appear at the Winnipeg hearing only, to participate in the production and testing of evidence, and to provide final argument. Money Mart also intends to call witnesses.

Money Mart did not apply for costs.

BOARD FINDINGS

These proceedings are new and unusual for the Board. Traditional hearings before the Board have involved applicants seeking direction, rates or relief in some form. In this circumstance there is no applicant.

The Government has directed the Board to determine and establish maximum chargeable fees for cashing cheques issued by specified government bodies. In order to do this in an unbiased yet well-informed and thoughtful manner, the Board will seek to have before it, and to share with all interested parties, information helpful in making its determination. While the Board will follow its Rules of Practice and Procedures (available on line at http://www.pub.gov.mb.ca/pdf/pandp/rules_pandp_june06.pdf), there will be latitude exercised in their application to ensure that all relevant evidence is presented to the Board and shared with registered interested parties.

The Board notes that CAC/MSOS has participated responsibly in previous Board hearings related to a variety of issues affecting a broad spectrum of Manitobans.

The Board also recognizes that North West and Money Mart are mainly representing their own interests. Nonetheless, the Board will accept their status as interveners on the basis that they

may bring forward information which the Board may find helpful in making its determinations.

The Board will therefore grant intervener status to all three applicants.

With respect to the budget presented by North West, the Board advises the Company to carefully review sections 43 and 44 of the Board's Rules of Practice and Procedure.

The Board will establish a timetable for the hearing, as set out in Schedule A of this Order.

IT IS THEREFORE ORDERED THAT:

1. Intervener Status for the hearing in respect of Cashing of Government Cheques is granted to:
 - i) North West Company LP
 - ii) Consumers' Association of Canada (Manitoba) Inc./Manitoba Society of Seniors; and
 - iii) National Money Mart Company

2. The timetable for the hearing is as set out in Schedule "A".

THE PUBLIC UTILITIES BOARD

"GRAHAM F. J. LANE, CA"
Chairman

"G. GAUDREAU, CMA"
Secretary

Certified a true copy of
Order No. 160/06 issued by
The Public Utilities Board

Secretary

SCHEDULE "A"

**Public Utilities Board
Hearings
Maximum Fees for Cashing Government Cheques**

	EVENT	DATE
1	Public Notice of Hearing Manitoba newspapers	September 22 to October 12, 2006
2	Interveners applications filed with the Board	November 10, 2006, 2006
3	Presenter applications filed with the Board	November 20, 2006
4	Intervener evidence filed with the Board and registered Interveners	December 4, 2006
5	All Parties to File Information Requests of Intervener Evidence	December 7, 2006
6	Interveners to File Responses to Information Requests	December 11, 2006
7	Board package of material distributed to registered Interveners (Note 1)	December 11, 2006
8	Hearing- Thompson location Note 2	December 14, 2006
9	Hearing- Brandon location Note 2	December 18, 2006
10	Hearing- Winnipeg location Note 2	December 19, 2006

Note 1. The Board will be in receipt of material from various sources. This material will be distributed to registered interveners and will be available at each of the hearing locations.

Note 2 Interested parties should note that there will be no transcription of the proceedings.