

MANITOBA PUBLIC UTILITIES BOARD

Re: MANITOBA PUBLIC INSURANCE CORPORATION (MPI)
GENERAL RATE APPLICATION FOR
2017-2018 INSURANCE YEAR
HEARING

Before Board Panel:

Robert Gabor, Q.C. - Board Chairperson

Karen Botting - Board Member

Anita Neville - Board Member

Alan Morin - Board Member

HELD AT:

Public Utilities Board
400, 330 Portage Avenue
Winnipeg, Manitoba
October 24, 2016
Pages 919 to 1183



“When You Talk - We Listen!”



APPEARANCES

- 1
- 2 Kathleen McCandless) Board Counsel
- 3
- 4 Matt Ghikas) Manitoba Public
- 5 Michael Triggs) Insurance
- 6
- 7 Byron Williams) CAC (Manitoba)
- 8 Jared Wheeler (student-at-law))
- 9
- 10 Raymond Oakes) CMMG
- 11
- 12 Erika Miller) CAA
- 13
- 14 Christian Monnin) Bike Winnipeg
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25

TABLE OF CONTENTS

	Page No.
1	
2	
3 List of Exhibits	922
4 List of Undertakings	925
5	
6 MPI PANEL 2:	
7 WARD KEITH, Sworn	
8 JENNIFER KROEKER-HALL, Sworn	
9	
10 Examination-in-Chief by Mr. Matt Ghikas	932
11	
12 Examination-in-Chief by Mr. Matt Ghikas (Qual)	965
13 Cross-Examination by Mr. Byron Williams (Qual)	976
14 Cross-Examination by Mr. Christian Monnin (Qual)	983
15 Cross-Examination by Mr. Raymond Oakes (Qual)	988
16 Submissions by Mr. Byron Williams (Qual)	990
17 Submissions by Mr. Christian Monnin (Qual)	991
18 Submissions by Mr. Raymond Oakes (Qual)	991
19 Ruling (Qual)	992
20	
21 Continued Examination-in-Chief by Mr. Matt Ghikas	994
22 Cross-Examination by Ms. Kathleen McCandless	1024
23 Cross-Examination by Mr. Byron Williams	1082
24 Cross-Examination by Mr. Christian Monnin	1141
25 Certificate of Transcript	1183

LIST OF EXHIBITS		
EXHIBIT NO.	DESCRIPTION	PAGE NO.
1		
2		
3	MPI-34	Response to Undertaking Number 5
4	MPI-35	Response to Undertaking Number 6
5	MPI-36	Response to Undertaking Number 7
6	MPI-37	Response to Undertaking Number 12
7	MPI-38	Response to Undertaking Number 13
8	MPI-39	PUB(MPI) PreAsk Number 2
9	MPI-40	Presentation of Jennifer Kroeker-Hall,
10		presenting Monday, October 24, 2016
11	MPI-41	Jennifer Kroeker-Hall's CV
12	MPI-42	Presentation of Ward Keith, presenting
13		Monday, October 24, 2016
14	MPI-43	Presentation of Julianna Spiropoulos,
15		presenting Tuesday, October 25, 2016
16	MPI-44	Julianna Spiropoulos' CV
17	MPI-45	Presentation of Martin Geffen,
18		presenting Wednesday, October 26,
19		2016
20	MPI-46	Martin Geffen's CV
21	MPI-47	Presentation of Dr. Sean Cleary,
22		presenting Thursday, October 27,
23		2016
24	MPI-48	Dr. Sean's Cleary's CV
25	MPI-49	Response to Undertaking Number 23

LIST OF EXHIBITS (cont'd)		
EXHIBIT NO.	DESCRIPTION	PAGE NO.
1		
2		
3	MPI-50	Response to Undertaking Number 20
4	MPI-51	Response to Undertaking Number 17
5	MPI-52	2015 GRA, Loss Prevention and Road
6		Safety AI.13, Appendix 10,
7		Volume III
		994
8	CAC-19	Excerpt from the Corporation's response
9		to 1st round Information Request from
10		CAC-109.
		1082
11	MPI-53	Response to Undertaking 8 with
12		respect to number of IT staff that
13		have been brought in to replace
14		consultants to date
		1108
15	MPI-54	Response to Undertaking 15 with
16		respect to average turnaround under
17		the old system of claims review
18		and now with respect to PDR
		1108
19	MPI-57	Response to Undertaking 16 related
20		to technology modernization
		1108
21	MPI-55	Response to Undertaking 18 re
22		accounting matters
		1109
23		
24		
25		

1	LIST OF EXHIBITS (cont'd)	
2	EXHIBIT NO.	PAGE NO.
3	MPI-58	Response to Undertaking 19 relating
4		to whether it's practical or possible
5		for MPI to undertake an updated
6		response to MPI-1-25 to be consistent
7		with the DCAT 1109
8	MPI-56	Response to Undertaking 22 relating
9		to breakdown of repair shops
10		participating in PDR 1110
11	BIKE-7	Press release from the Canadian
12		Association of Road Safety
13		Professionals quoting the Vice-
14		president at the time, which was Mr.
15		Kroeker-Hall. 1152
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		

LIST OF UNDERTAKINGS		
NO.	DESCRIPTION	PAGE NO.
22	To provide the number of drivers at each DSR level and the corresponding revenue	1045
23	MPI to explain the variance in the projected amount of two hundred and ninety-five thousand dollars (\$295,000) for surveys and program evaluations in 2017/'18 as compared to the 2018/'19 projected amount of \$1.119 million.	1066
24	MPI to put together an examination of the eighty-five (85) fatalities to date in the 2016 year in terms of the 1) Rural/urban split. In terms of 2) A breakdown by appropriate age categories. And 3) In terms of potential contributing factors including seatbelts, impaired driving, unsafe speed, and distracted driving	1085
25	MPI to provide scenarios on the cost of various fatalities	1136

1 --- Upon commencing at 9:02 a.m.

2

3 THE CHAIRPERSON: Good morning,
4 everyone. Before we start, there are two (2) matters
5 I want to -- to raise. The first one is, as most of
6 you know, Candace Grammond was appointed a judge of
7 the Court of Queen's Bench last week. And I just
8 wanted to put it on the record that it was a -- it was
9 a great appointment.

10 She'll do very well. She's a very fine
11 lawyer, she'll be an excellent judge, but I -- I
12 thought it -- the way it was structured, I was
13 salivating that I would be able to tell you because I
14 -- as the presiding officer, I -- I was advised by --
15 by her, but of course you have to keep it secret.

16 And I thought, Well, it's great, you
17 know. We'll advise the next day. And then we
18 adjourned, so it wasn't as much fun. But I just
19 wanted to put it on the record.

20 The second thing is I'd like to ask Ms.
21 McCandless if you could just go through what this week
22 looks like so maybe we could frame it.

23 MS. KATHLEEN MCCANDLESS: Thank you,
24 Mr. Chair. Good morning. So today we'll be hearing
25 from different witnesses on every day. Today is the

1 road safety panel, which is Jennifer Kroeker-Hall and
2 Ward Keith. And so that's what we have on for today.

3 Tomorrow will be the testimony of
4 Julianna Spiropoulos from Aon. On Wednesday, we'll be
5 hearing from Martin Geffen of Gartner. On Thursday,
6 we'll have Dr. Sean Cleary, and then on Friday we have
7 Valter Viola.

8 And we do not expect that each of these
9 witnesses will take the entire day, and so likely
10 towards the latter half of the week we will have the
11 panel of Mr. Johnston and Ms. Reichert back for some
12 questions arising from answers to undertakings. Thank
13 you.

14 THE CHAIRPERSON: Great. Mr.
15 Ghikas...?

16 MR. MATT GHIKAS: Thank you, Mr.
17 Chairman. What we have this morning is Panel 2
18 witnesses. To my immediate right is Ward Keith from
19 MPI, and to his right is -- is Ms. Jennifer Kroeker-
20 Hall.

21 We're just distributing now
22 presentation materials that were circulated by email
23 on Friday, and those include a PowerPoint presentation
24 from each of these witnesses among a number of other
25 materials.

1 And so what I was going to do is run
2 each of these witnesses through a few questions just
3 to introduce themselves, and then turn it over to Mr.
4 Keith to do his presentation, and then Ms. Kroeker-
5 Hall to do hers.

6 So if we could have the -- the
7 witnesses sworn or affirmed, please, Mr. Christle.

8

9 MPI PANEL 2:

10

11 WARD KEITH, Sworn

12 JENNIFER KROEKER-HALL, Sworn

13

14 (BRIEF PAUSE)

15

16 MR. BYRON WILLIAMS: Mr. Chair, if --
17 if I might, just in terms of Mr. Ghikas's proposed
18 order, and we thank him for that, I'm assuming that
19 MPI will articulate for Ms. Kroeker-Hall her

20 qualifications that they wish her to be qualified as?

21 I think certainly we -- from our
22 client's perspective, we do anticipate accepting
23 expertise for the purpose of her evidence but we -- we
24 do -- I think we have a few questions in terms of her
25 qualifications, and I -- I believe My Friend, Mr.

1 Monnin, may have some questions as -- as well.

2 THE CHAIRPERSON: I -- I see Mr.

3 Monnin shaking his head in agreement.

4 MR. CHRISTIAN MONNIN: Let the record
5 show that that is the case.

6 MR. MATT GHIKAS: And -- and, Mr.
7 Chairman, I'm -- I'm happy to do that, to submit for
8 qualification my -- and this may just give away my
9 inexperience in this jurisdiction but typically in
10 these administer proceedings where you're not
11 following rules of evidence you -- you don't submit
12 them for any particular qualification, and they're
13 simply -- evidence is given the weight that the
14 tribunal seems due.

15 I am quite happy to -- I am prepared to
16 do that. I just wanted a direction from you as to
17 whether -- whether that is, in fact, something that
18 you wish to do or just to give the weight to it?

19 THE CHAIRPERSON: Well, your
20 inexperience is matched with my inexperience as well,
21 so maybe I'll talk to counsel for just a second
22 because I know -- yeah.

23 MR. BYRON WILLIAMS: And Mr. -- Mr.
24 Chair, if I may --

25 THE CHAIRPERSON: Yeah.

1 MR. BYRON WILLIAMS: -- may make some
2 comment --

3 THE CHAIRPERSON: Sure.

4 MR. BYRON WILLIAMS: -- if I -- if I
5 would. My experience does not match that of My
6 Friend, Mr. Oakes, but I've been around for -- for a
7 while, and -- and I can indicate that the general
8 practice, at least to my understanding, in Hydro,
9 Payday Lending, and MPI proceedings is that the -- the
10 general -- some information is led in terms of the --
11 the experience of a witness, their proposed expertise
12 is identified, they're open to questions, and I don't
13 remember us ever bouncing any witnesses. There may
14 have been a couple who have been -- their expertise
15 has been somewhat restricted but that's my experience.
16 I -- I leave it to legal counsel.

17 MR. MATT GHIKAS: And -- and I should
18 say I do understand that that was the practice last
19 year that you -- that you did that. I just -- my --
20 my question to you, sir, was more on the lines of
21 whether -- whether you considered that to be necessary
22 this year.

23 THE CHAIRPERSON: Well, I'll -- I'll
24 talk to counsel because my problem is I wasn't here
25 last year, so I -- I'm going to talk to the panel and

1 to counsel for a moment.

2

3

(BRIEF PAUSE)

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

THE CHAIRPERSON: You know what, we'll
be back in five (5) minutes.

--- Upon recessing at 9:09 a.m.

--- Upon resuming at 9:11 a.m.

THE CHAIRPERSON: So, Mr. Ghikas,
we're going to have you qualify her, okay, if you
could do so. I -- I don't know if you're proceeding
with Mr. Keith first, or if you're going to run them
as a panel but before she's asked any questions she
should be qualified as a witness in -- in the -- and
counsel may have an opportunity to cross-examine her.

MR. MATT GHIKAS: That's fine. Then
what -- what I'll do then, Mr. Chairman, is I'll just
adjust things. I'll deal with Mr. Keith, have him
give his presentation, and then take Ms. Kroeker-Hall
through her qualifications and then have -- and then
submit her for qualification in -- in that order
rather than bounce them back and forth.

THE CHAIRPERSON: Sure. That's fine.

1 EXAMINATION-IN-CHIEF BY MR. MATT GHIKAS:

2 MR. MATT GHIKAS: Okay. Mr. Keith,
3 you are the vice-president of business development and
4 communications, and chief product officer of MPI,
5 correct?

6 MR. WARD KEITH: That's correct.

7 MR. MATT GHIKAS: And I understand
8 you've been in that position for eighteen (18) months?

9 MR. WARD KEITH: Yes.

10 MR. MATT GHIKAS: You've been at MPI
11 longer than that, I gather?

12 MR. WARD KEITH: Yes. I've been at
13 MPI for the last thirty-two (32) years.

14 MR. MATT GHIKAS: Thank you. Can you
15 describe what your -- your role and responsibilities
16 are in your current position?

17 MR. WARD KEITH: Certainly. My
18 current role, as was indicated, is vice-president of
19 business development and communications and chief
20 product officer for the Corporation.

21 So in this role I'm responsible for
22 product development related to all four (4) of our
23 lines of business, those being the Basic compulsory
24 line, the Extension insurance line, the special risk
25 Extension line, as well as the Drivers and Vehicle Act

1 administration.

2 I also oversee loss prevention, road
3 safety, and driver education programming at MPI,
4 communications, advertising functions, media
5 relations, and most of the government relations.

6 MR. MATT GHIKAS: And in your
7 positions prior to that I understand you were
8 executive director of driver safety, right?

9 MR. WARD KEITH: That's right.

10 MR. MATT GHIKAS: And registrar of
11 motor vehicles?

12 MR. WARD KEITH: That's right.

13 MR. MATT GHIKAS: Director, driver,
14 and vehicle licensing?

15 MR. WARD KEITH: Yes.

16 MR. MATT GHIKAS: And director of
17 customer service?

18 MR. WARD KEITH: Yes.

19 MR. MATT GHIKAS: And manager of
20 broker services and broker services coordinator, sen -
21 - a senior bodily indur -- injury adjuster and a
22 physical damage claims adjuster trainee at the outset?

23 MR. WARD KEITH: That's right, yes.

24 MR. MATT GHIKAS: So you've worked
25 your way up, sir?

1 MR. WARD KEITH: I have actually. I
2 started with the Corporation as a entry level mail
3 clerk and worked my way up.

4 MR. MATT GHIKAS: And -- and, Mr.
5 Keith, you hold a number of memberships and have held
6 positions on various boards and the like.

7 And can you just explain what your --
8 your -- I understand you were the President and Chair
9 of the Board of Directors for some time for the
10 Canadian Council of Motor Transport Administrators.

11 Is that correct?

12 MR. WARD KEITH: Yes, that's right,
13 the Canadian Council of Motor Transport
14 Administrators. I was for many years Manitoba and
15 MPI's representative on the Board of Directors of that
16 organization in my role as registrar of motor
17 vehicles.

18 MR. MATT GHIKAS: And can you just
19 explain what that -- what the Coun -- Canadian Council
20 of Motor Transport Administrators does?

21 MR. WARD KEITH: This is an
22 organization that is intended to bring driver
23 licensing, road safety, and vehicle administration
24 administrators together from across all the Canadian
25 jurisdictions and, as well, to work with associate

1 members of the association, those who have an interest
2 in road safety, those who have an interest in driver
3 licensing and vehicle manufacturing and vehicle
4 safety.

5 And so my role on behalf of Manitoba
6 was to provide input on behalf of Manitoba and
7 Manitoba Public Insurance and, as well, to receive
8 feedback and hear the perspectives of other
9 jurisdictional representatives.

10 MR. MATT GHIKAS: Thank you. And you
11 also sat on the International Board of Directors from
12 2007 to 2011 for the American Association of Motor
13 Vehicle Administrators.

14 Can you describe what that association
15 does?

16 MR. WARD KEITH: Yes. The American
17 Association of Motor Vehicle Administrators is very
18 similar in terms of organization and context to the
19 Canadian Council of Motor Transport Administrators,
20 but it is North America wide. So representatives of
21 the American Association include all states, as well
22 as all Canadian provinces and territories and, as
23 well, the country of Mexico.

24 MR. MATT GHIKAS: And another one of
25 your positions was the Insurance Institute of Canada,

1 sitting on the National Academic Council from 2006 to
2 2010. Can you explain that role, please?

3 MR. WARD KEITH: Certainly. I -- I am
4 a fellow of the Insurance Institute of Canada and
5 played a role on their national academic council. The
6 Insurance Institute is primarily responsible for
7 education and training within the insurance industry
8 overall, so not specific to public insurers, not
9 specific to automobile insurance but with the
10 insurance industry overall.

11 So I've played a role at the national
12 level as well as was President of the Manitoba chapter
13 of the Insurance Institute for -- for a couple of
14 years and, as well, have instructed in that program.

15 MR. MATT GHIKAS: Thank you, Mr.
16 Keith. And I understand you have a PowerPoint
17 presentation. And, Diana, that would MPI Exhibit 42,
18 I believe. If we could call that up, please.

19 And, Mr. Keith, would you mind walking
20 us through your presentation, please?

21 MR. WARD KEITH: Certainly. So I have
22 -- if you could just go to the next slide, please.
23 Thank you. I've already introduced myself. I do
24 have thirty (30) years -- thirty-two (32) years of
25 experience with MPI. I have extensive involvement

1 with loss prevention and road safety programming at
2 Manitoba Public Insurance.

3 I also might say that I have a personal
4 connection to road safety, as I'm sure that everyone
5 in this room does to some extent. I have a nephew,
6 who at the age of eighteen (18) was involved in a
7 single vehicle rollover, chose not to wear his
8 seatbelt at the time of his accident. And as a
9 result, at the age eighteen (18), was rendered a
10 paraplegic.

11 So that was twenty-one (21) years ago
12 and my nephew has lived in a wheelchair every since.
13 So when I speak about road safety, when I speak about
14 loss prevention programming at MPI, it really does
15 have a personal connection, and -- and as I say, I --
16 I would be surprised if there were not similar
17 personal connections with others in the room.

18 Today my intent is to provide an
19 overview of road safety and loss prevention
20 programming at Manitoba Public Insurance and to
21 respond to any questions related to the 2017 GRA on
22 this topic. In terms of an agenda, I -- I would like
23 to talk about the Corporation's role with respect to
24 loss prevention, the status of implementation of the
25 loss prevention strategy and framework, which was

1 first filed with this Board at last year's GRA.

2 We have made significant progress in
3 terms of building our stakeholder engagement strategy.
4 And so I'd like to talk briefly about that. As well,
5 provide an update on road safety priorities and some
6 of the new road safety programming initiatives that
7 flow from those priorities and the road safety
8 frameworks.

9 And finally, end with a very brief
10 comment on our responses to the specific PUB orders
11 from last year's ruling.

12 I do want to start by acknowledging and
13 restating the Corporation's commitment to pursuing
14 loss prevention and road safety strategies with the
15 support and in collaboration with our stakeholders to
16 enhance road safety, to reduce collisions and
17 resulting claims and claims costs.

18 Our efforts are grounded in
19 legislation, specifically Section 6.1 and 6.2 of the
20 Manitoba Public Insurance Corporation Act. And as
21 administrator of the Drivers and Vehicles Act in which
22 we administer regulatory programs related to the
23 enforcement of driver standards and vehicle safety
24 standards.

25 Our al -- our commitment is also

1 articulated in our corporate mission and our vision,
2 which is reflected on the next page. Our mission
3 being to work with Manitobans to reduce grist on the
4 road. Key elements out of the vision, our -- our
5 involvement in education road safety awareness and
6 enforcing standards for drivers and safe vehicles in
7 the province.

8 In terms of the loss prevention
9 strategy itself, this as was presented last year and
10 discussed last year is intended to bring all corporate
11 elements of loss prevention in a holistic and
12 coordinated manner.

13 There are many programs in operation at
14 MPI that have a loss prevention focus and we have not
15 before brought them together under one (1) umbrella so
16 that we could look at it as a portfolio of programs
17 and products.

18 The purpose is to collectively be able
19 to track and benchmark overall loss prevention
20 expenditures and produce, where possible, a loss
21 prevention scorecard that demonstrates positive return
22 on investment at the portfolio level.

23 I say at the portfolio level, because
24 as has been discussed in this hearing, and has been
25 validated, I think you'll see from Ms. Kroeker-Hall's

1 independent report, the nature of road safety
2 programming is such that it is not always possible, in
3 fact, it's sometimes impossible to draw a direct
4 correlation between expenditures and road safety and
5 resulting reductions in collisions, claims, and claims
6 costs, because of the -- the nature of road safety,
7 because of the many confounding variables that will be
8 at play in terms of keeping our road safe, and because
9 of the involvement and activities of other
10 stakeholders beyond the Corporation's mandate.

11 So the intent here, therefore, is to
12 look at collectively all of the loss prevention
13 programs that is -- are administered at MPI and do a
14 scorecard to create a return on investment calculation
15 that determines that on an over holistic basis the
16 funds that are invested in road safety programming are
17 having an overall positive return on investment.

18 I -- I would tell you that other prog -
19 - some programs beyond Road Safety are, quite frankly,
20 easier -- easier to quantify. If you look at -- in
21 section 4 of the Loss Prevention submission this year,
22 we talk about our fraud prevention programming.

23 This is an element of Loss Prevention,
24 or if not Loss Prevention, loss cost reduction
25 controlling claims costs. We know, based on our

1 analysis, that, you know, we save in the area of \$8
2 million a year in claims costs as a result of our
3 fraud prevention efforts.

4 We know our subrogation efforts bring
5 in \$9.2 million a year on average in terms of claims
6 recoveries. We know that our salvage operations,
7 where we dispose of totally -- total loss written-off
8 vehicles, we know that generates revenue of \$42
9 million which goes back to reducing claims costs and
10 therefore premiums to customers.

11 But -- but, quite frankly, when it
12 comes to road safety programming is not -- it is not
13 nearly as easy to draw such direct financial
14 correlations.

15 So again, the overall intent therefore
16 is to develop a method by which overall expenditures
17 and Loss Prevention at the portfolio level can be
18 measured against reductions in claims and claims costs
19 to determine satisfactory ROI.

20 This slide lays out very briefly the
21 types of programs that form part of the Loss
22 Prevention portfolio at MPI, programs which are
23 designed, as I indicated, to either help to prevent
24 losses or programs designed to minimize or reduce loss
25 costs. These are again further addressed in section 4

1 of the Loss Prevention submissions.

2 Within these two (2) categories, we've
3 identified programs that are non-discretionary,
4 meaning those that are dictated by legislation and
5 those that are -- are discretionary, which in our view
6 means that they're supported or enabled by legislation
7 and by our legislative mandate, but they're not
8 specifically or directly articulated. And again, a
9 complete listing is in section 4 of the Loss
10 Prevention program.

11 At the heart of all of our Loss
12 Prevention and Road Safety Programs is a formal
13 business case process which has now been implemented
14 whereby new Loss Prevention Programs and new
15 initiatives within existing programs are put through a
16 rigorous cost-benefit analysis, again to the extent
17 possible, when it relates to road safety initiatives
18 and road safety programming.

19 Business cases importantly involve
20 consultation and input by stakeholders. And examples
21 of the business cases that have been developed for
22 road safety programs were filed with MPI-CAC-1-1 --
23 sorry, 1-109 in the First Round of Information
24 Requests.

25 Efforts are now underway to implement

1 and extend the same rigorous and formalized business
2 case structure for other programs within the Loss
3 Prevention portfolio.

4 In addition to the business cases for
5 new Loss Prevention and Road Safety Programs, we have
6 recognized the need for a robust evaluation and
7 monitoring strategy as being required. And this slide
8 depicts the methodology that has been recommended by
9 IBM in the consultation report that was filed with
10 last year's GRA and that we are using in development
11 of the evaluation approach.

12 Again, a robust evaluation framework
13 for road safety programming has already been
14 implemented and has been filed with the Board. And we
15 are now building that out to apply to other programs
16 in the portfolio.

17 In terms of next steps for
18 implementation of the loss prevention framework and
19 strategy, I'm -- I'm very pleased to report that we've
20 made considerable progress in implementing this
21 strategy and framework. We have identified all Loss
22 Prevention Programs that form part of the Loss
23 Prevention portfolio at MPI, including our road safety
24 programming.

25 We have developed an internal

1 governance framework which is now in place to bring
2 together the various business units that are
3 responsible for Loss Prevention programming, not
4 necessarily from an organizational, structural
5 perspective, but certainly from an integrated
6 collaboration and consistency of application
7 perspective.

8 We are really pleased to have launched
9 our external stakeholder committee on Loss Prevention,
10 and I will speak about that in the next slide. And
11 again the use of business cases has now been
12 implemented for all of our Loss Safety programming and
13 is going -- is being extended to other programs in the
14 portfolio.

15 Work does continue on designing the
16 loss prevention scorecard that I referred to, and we
17 do expect to have that complete in 2017 and ready for
18 filing for consideration by this Board and the
19 Intervenors at the 2018 GRA hearings.

20 With respect to stakeholder engagement,
21 this is a very critical aspect to our work and an area
22 that we have made, quite frankly, tremendous progress
23 on over the last two (2) years.

24 And I would suggest that it really was
25 at the urging of the Public Utilities Board counsel,

1 and -- and the panel, that we -- we engage our
2 stakeholders more actively and more proactively in
3 terms of our road safety and loss prevention
4 programming so that where there are necessary
5 discussions that have to occur between stakeholders,
6 all of whom have an interest and care about road
7 safety in Manitoba, that we're able to have those
8 discussions in a collaborative and proactive way
9 beyond just outside of this particular regulatory
10 process. And so I'm very pleased that we've been able
11 to execute on that.

12 And this slide defines what engagement,
13 from our perspective, and as well gives some specific
14 examples of how we have leveraged the stakeholder
15 engagement to share information, to receive input, and
16 to actually make a difference in terms of our
17 programming efforts.

18 With respect to our principles, they
19 are very straightforward. And just a few words really
20 come to the top of -- to the top of my mind when we
21 talk about the purpose of our engagement strategy and
22 our efforts, and -- and not just our efforts but, of
23 course, the efforts of all the stakeholders as well
24 who are represented today by counsel for the
25 Intervenors.

1 Words like 'trust'. Words like
2 'collaboration'. We look to improve our own business
3 success. We recognize that stakeholders can and must
4 have a say in our road safety and loss prevention
5 efforts. Their contributions will be welcomed, and
6 they will influ -- influence our decisions.

7 Specifically there are three engagement
8 forums that we have addressed in our submission for
9 this year. The first is the external stakeholder
10 committee on loss prevention. The terms of reference
11 for that committee, as well as minutes to those --
12 those collaboration meetings, have been shared. And
13 those have been shared in PUB-1-52 and 1-53 in the
14 first round Information Requests.

15 We are also continuing to participate
16 on the Provincial road safety committee. Terms of
17 reference for that committee have now been finalized.
18 MPI is co-chairing that committee, along with Manitoba
19 Infrastructure. And the terms of reference and
20 committee outcomes to-date for that committee have
21 also been shared in PUB-1-54 and 1-55 of the first
22 round.

23 I'm also pleased that outside of these
24 formal stakeholder committee structures we have had a
25 number of other opportunities to work directly with

1 industry and stakeholders on specific issues of common
2 interest.

3 And just a brief listing, and not a
4 complete listing, of the stakeholders that we've
5 worked with over the last couple of years include the
6 Manitoba Association of Chiefs of Police, the Manitoba
7 Trucking Association, Bike Winnipeg, CAA (Manitoba),
8 the Coalition of Manitoba Motorcycle Groups, Safety
9 Services Manitoba, and IRCOM, which is the Immigrant
10 and Refugee Community Organization of Manitoba which
11 is the organization that we partnered with to deliver
12 and provide adult driver education programming
13 specifically to new immigrants and refugees to
14 Manitoba.

15 Our intent, as I said and as
16 recommended by this Board, is to move our stakeholder
17 collaborations outside of this regulatory process.
18 And know that when there are collaborations to be had
19 and input to be shared, perspectives to be provided,
20 that there are frameworks in place to allow that to
21 happen.

22 These efforts have resulted in what I
23 see as significant engagement outcomes, and those are
24 listed here. Key words for me here are sharing of
25 knowledge, understanding of priorities, validation of

1 priorities and programming, and the opportunity to
2 receive input from stakeholders, and hear differing
3 perspectives, all of which comes from the right place
4 given that all of the stakeholders who -- stakeholders
5 who are involved in this process care deeply about
6 road safety, about reducing collisions, fatalities,
7 and serious injuries on our roadways. And all of us
8 want to make a difference.

9 These are some examples of -- oh, maybe
10 we could just go to the next slide, actually, because
11 I will talk about some examples of new road safety
12 initiatives that are -- are being implemented this
13 year and will carry into next year.

14 In terms of updates on loss prevention,
15 these have been provided again in section 4 of the
16 submission in loss prevention this year.

17 With respect to updates on road safety
18 work, however, I do just want to highlight that this
19 slide summarizes the road safety priorities that have
20 been identified and have been validated with our
21 stakeholders. These are the subject of our road
22 safety operational plan.

23 And foundational to our work is indeed
24 that three year operational plan which now formalizes
25 frameworks for priority setting, research, program

1 development, and program monitoring and evaluation,
2 all of which were filed with the Public Utilities
3 Board with last year's GRA.

4 The priorities are identified using a
5 detailed priority setting framework that was also
6 filed last year, more specifically, Appendix 4 of AI13
7 in Volume III of last year's material.

8 At a high level, the priority setting
9 framework focusses on many different aspects to come
10 to the right decisions in terms of the key road safety
11 priorities that ought to be addressed. This includes
12 human toll, the extent to which road safety issues are
13 actually killing Manitobans and seriously injuring
14 them.

15 Claims costs is a factor, national
16 priority given our involvement with the Canadian
17 Council of Motor Transport Administrators, public
18 priority or public concern, and stakeholder priority,
19 as well.

20 Now I'd just like very briefly to speak
21 to some of the new road safety initiatives that we are
22 pursuing for 2016 and '17. I would be pleased also in
23 cross-examination to give information on new road
24 safety programming that we are considering and about
25 to bring to our external stakeholders for feedback in

1 2017/'18.

2 But at this point, we are pursuing for
3 2016 a new virtual reality experience. And this is --
4 we spoke in the past years about introduction of our
5 distracted driving simulator where we actually take it
6 to community events, take it into schools, give kids
7 the opportunity -- gives young drivers the opportunity
8 to experience the dangers of texting and driving and
9 how -- how tragic those consequences can be.

10 Virtual reality takes it to the next
11 level, quite frankly. And we are working to engage
12 youth drivers on the tragic consequences of a
13 distraction, impaired driving, and speed, which
14 continue to be the three primary contributing factors
15 that drive fatalities and serious injuries in this
16 province.

17 And we will be planning to tour
18 campuses once this virtual reality experience is up
19 and running by the end of this year and into next
20 year.

21 I had the opportunity to test out a
22 prototype of this virtual reality technology just this
23 past Friday, and it is -- it is truly amazing. And --
24 and part of our challenge when dealing with the youth
25 demographic is finding strategies that resonate and

1 finding strategies that actually influence youth
2 behaviour, and this is going to help us to do it.

3 This is the kind of technology that our
4 kids these days are -- are interested in. It is still
5 very much emerging technology, so it will be new. It
6 will be fresh. And at the end of the day, it will
7 help us drive home the messaging about the dangers of
8 impaired -- drug impaired, alcohol impaired,
9 distracted, and speed as contributing factors in
10 collisions.

11 We are expanding our support for
12 enhanced enforcement this year. Most specifically, we
13 have doubled our funding commitment for distracted
14 driving enforcement. All of our enforcement funding
15 is -- is enhanced enforcement that is supplementary
16 and in addition to the enforcement that is normally
17 done by Manitoba's police agencies. That funding is
18 very specifically targeted to when we do our education
19 and awareness campaigns. And that is all captured in
20 the joint awareness and enforcement road safety
21 calendar that was provided in this years GRA
22 submission.

23 That is all grounded in -- in, quite
24 frankly, very solid research that tells us out of the
25 OECD countries that for enforcement to be most

1 effective at deterring driver behaviour, it has to be
2 visible and it has to be well publicized, so we do
3 that. And -- and that for education and awareness to
4 be most effective, it has to be coupled with visible
5 police enforcement. And so this is the genesis --
6 sorry, the genesis of our enforce -- our enhanced
7 enforcement programming.

8 We launched earlier this year something
9 called the Bright Future campaign on alcohol impaired
10 driving. This is a public awareness campaign about
11 the dangers of drinking and driving, drugs and
12 driving. The difference here is that the work was
13 actually done by students at Red River College in the
14 creative communications faculty at Red River College.

15 So this was no longer MPI coming in as
16 a Crown articulating and creating messaging for youth.
17 This was about youth creating messaging for other
18 youth. And our intent really here was to assist Red
19 River College in facilitating what we see as what is
20 going to make a real difference in road safety
21 programming and future, which is peer to peer
22 discussion and peer to peer influencing of young
23 people to help them convince each other of the dangers
24 of these kinds of illegal and dangerous driving
25 behaviour. So this was a -- a very positive step in

1 that direction.

2 Lastly, we are doing a number of
3 research components this year. You may have heard in
4 the media, which was unfortunately not accurately
5 reported. Often media never lets the truth get in the
6 way of a good story. But we -- we did fund roadside
7 enforcement as it relates to alcohol and drug impaired
8 driving this past year.

9 And I said enforcement, but that's not
10 correct. Really what this is, surveys of drivers at
11 the roadside to measure the prevalence of alcohol and
12 drug use among drivers in Manitoba today. That is a
13 baseline measurement that is not well understood in
14 Manitoba. And -- and it's a baseline measurement that
15 is going to be very important as the Federal
16 Government continues to consider the legalization of
17 the recreational use of cannabis, which will have an
18 impact on impaired driving collisions and impaired
19 driving rates in Canada, based on what we've seen from
20 the results in the US states that have already
21 legalized the recreational use of marijuana.

22 And what this will do is give us a
23 baseline measure against we -- against which we can
24 assess not just the impact that the legalization of
25 marijuana has on impaired driving in the province, but

1 also be able to measure the effectiveness of the road
2 safety programming and the other legislative and other
3 countermeasures that are created to address this
4 growing concern over drug impaired driving,
5 particularly among -- among youth.

6 I did talk last year -- or we did put
7 on the record last year a project that we had been
8 targeting with respect to intersection safety signage.
9 And you may recall in this initiative we had
10 identified the five highest collision intersections in
11 the City of Winnipeg, worked with the Winnipeg police
12 service, as well as the City of Winnipeg itself to
13 test out and pilot the effectiveness of warning
14 signage at these intersections as well as warning
15 signage in addition to enhanced police enforcement.

16 That project was kicked off in January
17 of 2016 and continues -- it will continue for two
18 years. Results right now are very preliminary, but --
19 and I'm -- and so I'm hesitant to talk about the
20 results because they are so preliminary, but what we
21 are -- but I'll do it anyway.

22 And what we're seeing so far is that
23 the -- the signage, as well as particularly enhanced
24 enforcement at two of these intersections is making a
25 difference in terms of collisions at these targeted

1 intersections when compared to last year and when
2 compared to the average over the last five years.

3 At all but one intersection where
4 actually again the collisions for this year are higher
5 than in the previous year, which speaks to the need to
6 be very, very careful and cautious about drawing any
7 conclusions about this project until we have enough
8 data to do so.

9 We do know, though, that the police are
10 very active at the intersections where we are funding
11 enhanced enforcement. To date, they have done more
12 than eighteen hundred (1,800) enforcement hours at the
13 two (2) intersections that have been targeted and have
14 issued more than fourteen hundred (1,400) offence
15 notices for dangerous or illegal driving behaviours.

16 Now, please understand our measure of
17 success here is not the number of offence notices
18 issued. Our -- our measure of success is reductions
19 in collisions at these intersections which may result
20 from enhanced enforcement which creates the deterrent
21 effect.

22 If we had no offence notices issued at
23 these intersections, I would see that as a positive as
24 well because what that would tell us is that driving
25 behaviour is actually changing.

1 Finally, I would like to just to talk
2 about our work on cycling safety and the work that we
3 have done collaboratively with Bike Winnipeg and other
4 cycling stakeholders over the last year, the most
5 significant of which is introduction of a brand-new
6 cycling safety program which we introduced just a
7 couple of weeks ago.

8 And this is education -- cycling
9 education for students in grades 4 to 8. And the
10 intent here through a pilot program in the Seven Oaks
11 School Division is to actually build this directly
12 into the physical education curriculum within the
13 school system.

14 And this is a very important age
15 demographic because in grade 4 kids are just getting
16 into big enough bikes to start riding on the roadway
17 and in mixed traffic. As they get to grade 8, now
18 they are almost new drivers.

19 And the intent of this program, again
20 in conjunction with the Bike Winnipeg and Seven Oaks
21 School Division, is to be able to not just instill in
22 -- in these kids cycling skills and cycling safety as
23 cyclists on the road, but also to prepare them as
24 future drivers to have a better sense, a better
25 understanding, a better appreciation for the

1 requirement to give cyclists their -- the -- the space
2 and the respect they need on the roadway so that when
3 they themselves become drivers, they will -- they will
4 be more apt to provide that sort of -- that sort of
5 respect to cyclists and -- and do their part to -- to
6 avoid collisions with cyclists.

7 So that has just been launched, and --
8 and then there's other programs listed here that have
9 also been launched that are addressed in -- in section
10 4 of the Loss Prevention submission.

11 Another aspect of research is -- is
12 research into the effective use of bike helmets.
13 There is no question, based on the research that is
14 provided by many sources, that wearing of proper
15 safety helmets can reduce fatalities and serious
16 injuries, particularly head injuries, resulting from
17 cycling collisions.

18 And so we are working with the Winnipeg
19 Regional Health Authority on a new study into the
20 effectiveness of helmet legislation. There is
21 legislation, as you know, in Manitoba that requires
22 cyclists under the age of I believe it's sixteen (16)
23 or eighteen (18) to wear helmets. But there is no
24 such legislation for adult cyclists.

25 And there are many stakeholders who

1 have a keen interest in pursuing an expansion of the
2 legislation in that regard given the safety features
3 that helmets -- the safety that helmets provide.

4 We are also intending in the coming
5 year to test brand-new helmet technology. I had
6 planned to have one (1) of these helmets here today,
7 but unfortunately it is still in the prototype phase.
8 But really what this is -- is called is a smart or
9 intelligent bike helmet.

10 And really this is a helmet that uses
11 some of the automated technologies that are available
12 in more and more vehicles today to alert cyclists when
13 cars are in their blind spots, to activate turn
14 signals based on the movement of hands of the cyclist,
15 and including brake lights based on body movements to
16 keep the cyclist -- the cyclist visible to -- to
17 motorists.

18 And -- and what I would be happy to do
19 is circulate a bit of a write up of what this
20 intelligent safety helmet will look like because this
21 is the kind of research that we believe is important,
22 that falls squarely within our mandate, and that we
23 believe can actually make a difference in terms of
24 moving the needle when it comes to cycling safety.

25 This unfortunately is a research

1 project that we had approached Bike Winnipeg to -- to
2 do jointly with us. They did not express interest in
3 doing that but we believe it is the right thing to do,
4 so we're going to be pursuing it on our own, and with
5 our other stakeholders.

6 I -- lastly I -- I just want to
7 conclude my presentation by saying that, you know,
8 collectively with the -- with the programs that have
9 been implemented, with the frameworks that have been
10 established, more importantly with the stakeholder
11 engagement strategies that -- that have been
12 activated, we are collectively making a difference in
13 terms of downward trending of fatalities and serious
14 injuries in this Province over the last two (2)
15 decades.

16 Last year we were ranked forth among
17 Canadian jurisdictions in terms of fatalities, and
18 below the Canadian average. Mr. Williams will be
19 aware that in past years we have always discussed
20 Manitoba's ranking as it relates to other Provinces
21 and the Canada average, and -- and it was always
22 challenging to talk about why in Manitoba, despite our
23 efforts, we were always sixth, or seventh, or eighth
24 in terms of ranking. And so we are clearly moving in
25 the right direction.

1 Now, I present that information very
2 humbly, and very carefully, because we have seen this
3 year in 2016 a spike in fatalities in this Province
4 and you may have read some of the -- or heard some of
5 the media coverage on this last week. We are already
6 at eight-five (85) fatalities on public roadways in
7 this Province in 2016 compared to seventy-eight (78)
8 fatalities on public roadways in all of 2015.

9 And what's also concerning is the
10 extent to which impaired driving, speed, and non-use
11 of seatbelts continue to be major contributing factors
12 to these fatalities. And so clearly I -- I talk about
13 progress in terms of downward trending carefully. I
14 don't mean to dismiss the spikes that we've seen this
15 year, and the need for us never to take the eye off
16 the ball and -- and that's why you'll see that last
17 week we led a media event to quite frankly raise --
18 sound the alarm bell and raise awareness about the
19 number of people being killed on our roadways this
20 year, and the need for all drivers to take road safety
21 seriously and become part of the solution as -- as
22 opposed to part of the problem.

23 But it doesn't change the fact that on
24 a trending basis, we are moving in the right
25 direction. And -- and we think that -- we think that

1 our efforts and the collective efforts of our
2 stakeholders are -- are at least somewhat partially
3 responsible for that.

4 Finally, and I won't go into detail on
5 these, but I did want to for the record list our
6 responses to the various PUB Orders from last year.
7 These are again addressed in Section 4 of the loss
8 prevention submission. We were asked to provide an
9 update on implemation -- implementation of the
10 recommendations coming out of Ms. Jennifer Kroeker-
11 Hall's report.

12 I'm pleased to say that with respect to
13 the recommendations on clarifying the Corporation's
14 role within the broader road safety construct in
15 Manitoba that now that the terms of reference for the
16 Provincial road safety committee have been finalized,
17 now that the new government administration has
18 confirmed their support for the Provincial road safety
19 committee, I believe that those particular
20 recommendations have been addressed.

21 The recommendations related to internal
22 alignment of our loss prevention, our road safety
23 programs, I believe have been addressed through the
24 loss prevention strategy and framework that I just
25 spoke of. And the recommendations to enhance or

1 improve the road safety programming frameworks that --
2 that Ms. Jennifer -- Ms. Kroeker-Hall reviewed, those
3 recommendations have been implemented internally; and
4 where necessary, will be built into the frameworks
5 when those are revised as part of our next three (3)
6 year action plan for road safety.

7 We have spoken in our materials on the
8 question from the Board in terms of the appropriate
9 amount of funding, the percentage of revenue that
10 should be allocated to road safety and loss prevention
11 initiatives. And I -- I am anticipating further
12 questions about that in cross-examination. And I'd be
13 happy to try and answer those, as well.

14 We have provided the Board with an
15 update on the work of the External Stakeholder
16 Committee as well as the work of the Provincial Road
17 Safety Committee with the terms of reference now
18 finalized and the work of that committee to date
19 having been filed in -- in the First Round with the
20 Public Utilities Board.

21 I have provided an update on the
22 progress of our implementation of IBM recommendations
23 related to the loss prevention strategy. And in our
24 submission we do talk about development of the high
25 school driver education programming initiatives.

1 I would be happy in cross-examination
2 if there is an interest to provide an update on the
3 technology proof of concepts that are currently
4 underway within the program and, as well, our plans
5 for further redevelopment of the High School Driver
6 Education Program in 2017.

7 And, finally, I have provided, and is
8 in the material, an update on the progress of the high
9 collision intersection pilot and the adult driver
10 training pilot.

11 We have filed a report dealing with
12 wildlife collision measures. And I am aware that Mr.
13 Oakes will have some questions on that today, so I
14 assume we will talk about that in more detail. And we
15 have provided updated information on -- we call --
16 they are called hot spots, but they are the mapping of
17 -- of collisions, fatalities, and serious injuries as
18 it relates to vulnerable road users.

19 Finally, we have provided a report to
20 address the emerging issue of older drivers, mature
21 drivers. We have actually a number of programs in
22 place to address this emerging issue. It's emerging
23 only because what we're seeing from the demographics
24 is -- and from Stats Canada data is that, at the end
25 of the day, people are living longer. And, at the end

1 of the day, we will see more and more people who will
2 eventually outlive their driving ability.

3 And so there needs to be strategies in
4 place. There needs to be awareness programs in place
5 to help older drivers, to help families of older
6 drivers recognize when the natural aging process
7 starts to have an impact on driving ability and starts
8 to put that driver and other drivers at risk.

9 Finally, in -- in conclusion, I -- we
10 have in the past couple of years filed some very
11 comprehensive operational frameworks that guide our
12 road safety programming at Manitoba Public Insurance;
13 our priority setting; our research; our program
14 development; and our evaluation.

15 These prog -- these frameworks are
16 maturing as we work through them. We have implemented
17 governance and a business case model within MPI to
18 test out and validate the -- or -- or confirm the
19 validity, if you will, of new road safety and loss
20 prevention programs based on best practice and
21 operation in other jurisdictions.

22 We have im -- launched and are
23 implementing the loss prevention strategy and
24 framework, inclu -- including our participation on the
25 External Loss Prevention Committee and the Provincial

1 Road Safety Committee at the higher level.

2 We do continue to grapple with how we
3 know that we're focusing on the right things and
4 investing the right money. But in terms of our answer
5 to this, we feel very confident that we must trust the
6 frameworks, the -- start from the bottom up.

7 The frameworks tell us what the road
8 safety priorities are. The frameworks tell us what
9 sort of programming could be applicable and may be
10 useful in Manitoba to address those priorities and,
11 quite frankly, the funding will follow.

12 Thank you.

13 MR. MATT GHIKAS: Thank you.

14

15 EXAMINATION-IN-CHIEF BY MR. MATT GHIKAS (Qual):

16 MR. MATT GHIKAS: Thank you, Mr.
17 Keith. Perhaps we can turn now to Ms. Kroeker-Hall
18 and have -- was she affirmed (sic) as well? She was
19 affirmed (sic)? Okay. I understand Ms. Kroeker-Hall
20 has been affirmed (sic).

21 So what -- if we can pull up Ms.
22 Kroeker-Hall's CV which is MPI Exhibit 41, and also
23 have handy her presentation for afterwards, which is
24 Exhibit 42 -- sorry, 40.

25 Now, Ms. Kroeker-Hall, I'd like to

1 start just by asking you some -- some questions about
2 your experience in your CV, okay? First of all, does
3 your CV accurately summarize your qualifications,
4 expertise, and education?

5 MS. JENNIFER KROEKER-HALL: Yes, it
6 does.

7

8 (BRIEF PAUSE)

9

10 MS. JENNIFER KROEKER-HALL: Yes, it
11 does.

12 MR. MATT GHIKAS: And you have a
13 Masters of Public Administration, correct?

14 MS. JENNIFER KROEKER-HALL: Yes, I do,
15 along with a Masters of Arts and Criminology.

16 MR. MATT GHIKAS: And you're also
17 currently in the PhD program at the -- at UVic in
18 Public Administration?

19 MS. JENNIFER KROEKER-HALL: Yes, I am.

20 MR. MATT GHIKAS: You are the
21 president and CEO of Sirius Strategic Solutions Ltd.,
22 correct?

23 MS. JENNIFER KROEKER-HALL: Yes.

24 MR. MATT GHIKAS: And is Sirius your
25 consulting company?

1 MS. JENNIFER KROEKER-HALL: It is.

2 MR. MATT GHIKAS: Can you just provide
3 a brief explanation of what type of consulting work
4 you perform?

5 MS. JENNIFER KROEKER-HALL: I do road
6 safety and public safety planning and program
7 development, policy development, and research with --
8 with respect to those particular areas. I engage in
9 governance reviews and -- and organizational reviews
10 on a -- on a broader level, and, more specifically, I
11 provide general management consulting services related
12 to the -- the skills that you see on the -- on my CV.

13 MR. MATT GHIKAS: Okay. And
14 specifically with respect to -- to road safety, your -
15 - your CV obviously captures this, but can you just
16 articulate in a little bit more detail what type of
17 work when it comes to road safety that you have done
18 or do on an ongoing basis?

19 MS. JENNIFER KROEKER-HALL: I do road
20 safety work at all organizational levels, whether it's
21 development of standards at a national level or road
22 safety assessments as I'm currently doing for one (1)
23 local community organization in my province, or
24 strategic planning work as I've done with the Canadian
25 Association of Road Safety Professionals.

1 And I provide that -- that expertise in
2 terms of policy development, program development, and
3 strategic and organizational model reviews and
4 governance reviews.

5 MR. MATT GHIKAS: Okay. At page 2 of
6 your CV, you reference National Safety Code review
7 that is -- that is current. And there's reference
8 there to road safety strategies.

9 Can you just elaborate a little bit on
10 what -- on who has retained you and what you're doing?

11 MS. JENNIFER KROEKER-HALL: I am being
12 retained by the Canadian Council of Motor Transport
13 Administrators to provide project leadership and
14 support in the review and redevelopment of three (3)
15 National Safety Code standards related to drivers
16 licensing, driver training, and driver examination.
17 That's both road testing and knowledge testing.

18 And the intent of the review of these
19 strategies, the -- these standards, like most of the
20 CCMTA National Safety Code standards, is to more
21 clearly link them to the National Road Safety
22 Strategy.

23 MR. MATT GHIKAS: And can you
24 elaborate just briefly on what the Canadian Council of
25 Motor Transport Administrators is?

1 MS. JENNIFER KROEKER-HALL: It is an
2 administrative body that links national
3 representatives and provincial and jurisdictional
4 representatives with respect to drivers licensing,
5 vehicle licensing, and road safety, and oversees the
6 development of national standards that have an impact
7 on harmonization and movement of people and goods
8 across provincial borders, and, in addition, across
9 the north-south border.

10 So we have numerous issues that impact
11 movement of goods and services and people with -- with
12 respect to drivers' licences and commercial trucking,
13 for example. And that body has a relationship with
14 the United States and Mexico, for example, in the
15 development of standards at the international level.

16 MR. MATT GHIKAS: Your CV indicates in
17 the middle of page 2 that you've also done a
18 commercial driver licensing standards review for the
19 CCMT. Can you just elaborate a little bit on that?

20 MS. JENNIFER KROEKER-HALL: That is
21 the -- the precursor to the work that I'm currently
22 doing. That was to look at the overall model of
23 commercial drive licensing standards in relation to
24 what roles government should have versus what role the
25 private sector should have, and what should government

1 be responsible for.

2 So the -- this in essence was -- this
3 included more of a governance type of review looking
4 at the -- the standards and whether or not they were
5 current, whether or not they were addressing the needs
6 of the -- the private sector, and making
7 recommendations for changes to those standards.

8 MR. MATT GHIKAS: Okay. And there's a
9 -- there's a number of other projects listed there but
10 what -- perhaps if I can refer you to page 3 of the CV
11 towards the bottom of the page there's a reference to
12 what you were doing between 2007 and 2010.

13 So just to clarify, since 2010 you --
14 you have had your own consulting business?

15 MS. JENNIFER KROEKER-HALL: I have.

16 MR. MATT GHIKAS: Okay. And your CV
17 indicates that between 2007 and 2010 you were serving
18 as the senior manager driver's licensing policy,
19 driver training and testing, and fraud at Insurance
20 Corporation of British Columbia, correct?

21 MS. JENNIFER KROEKER-HALL: Yes.

22 MR. MATT GHIKAS: And in the second
23 bullet there it refers to representing the Province
24 nationally and internationally on road safety and
25 driving licence matters, and it carries on from there.

1 Can you, please, just elaborate on the
2 type of work you were doing in that capacity?

3 MS. JENNIFER KROEKER-HALL: A number
4 of projects that I was in -- involved in, I was
5 selected as the national representative to work on
6 American Association of Motor Transport (sic)
7 Administrators' board with respect to the setting of
8 medical standards for drivers across the -- the US.

9 And I worked with my Quebec colleague
10 as Canadian representatives on that committee with
11 experts from the academic sector, and different areas
12 that are required to have input into develop --
13 development of medical standards.

14 I was also involved in the development
15 of the Canadian driver's licensing agreement, which
16 has a significant impact on the relationship with US
17 jurisdictions, states in particulars as it relates to
18 the exta -- exchange of drivers' licences without
19 testing requirements. And I was also involved in the
20 development of foreign reciprocity standards.

21 Those are examples of the -- the types
22 of work that we engaged in at the CCMDA.

23 MR. MATT GHIKAS: And prior to that,
24 you -- you held a different position at ICBC manager
25 driver licensing policy, and again in the fourth and

1 fifth bullets of -- of that note there is a reference
2 to charing multi-party and jurisdictional committees
3 addressing road safety issues, and drivers -- driver
4 examiner training and oversight of driver training.

5 Can you elaborate a little bit on -- on
6 that?

7 MS. JENNIFER KROEKER-HALL: My
8 responsibilities at ICBC -- sorry, are you referring
9 to the 2004 to 2007 time frame?

10 MR. MATT GHIKAS: I am, yes.

11 MS. JENNIFER KROEKER-HALL: Okay. In
12 -- in my capacity as the manager of driver licensing
13 policy, I rep -- not only represented the Insurance
14 Corporation at the national level but was responsible
15 for a number of policy and program initiatives, and
16 was also involved in planning with respect to not over
17 -- only driver's licensing but its link to road safety
18 within the Corporation and with the Province.

19 Given that road safety is a split
20 jurisdiction in -- in British Columbia, it was
21 necessary to work very closely with then the Office of
22 the Superintendent of -- of Motor Vehicles on
23 strategic planning and road safety planning as well as
24 particular initiatives, so whether it was aging
25 drivers. And there's another example of a project I

1 led at the national level, and that was an aging
2 driver strategy, but also working closely with the
3 road safety representatives and driver's licensing
4 staff in the office of the Superintendent of Motor
5 Vehicles on aging driver issues.

6 It would be necessary for me to work
7 with those parties again on changes, for example, to
8 graduated driver's licensing. And I was responsible
9 for leading through the policy development and
10 legislative changes to two rounds of graduated
11 licensing in -- in BC.

12 And, again, I worked on foreign
13 driver's licing -- licensing reciprocity and led that
14 particular initiative. And I -- I also led
15 initiatives with respect to the broker community, so
16 somewhat outside driver's licensing but negotiated an
17 agreement with our broker community to provide
18 driver's licensing services.

19 So I had a very broad role, and that
20 led to the -- my development of taking on the other
21 roles you see from 2007 to 2010.

22 MR. MATT GHIKAS: Now, if I can refer
23 you to page 6 of your CV, Ms. Kroeker-Hall. Under the
24 heading "Related experience" there's a reference to
25 being -- that you're currently President of the

1 Canadian Association of Road Safety Professionals.

2 First of all, what is the Canadian
3 Association of Road Safety Professionals?

4 MR. JENNIFER KROEKER-HALL: It is a
5 volunteer national organization that brings together
6 different professionals to network and share
7 information and research and -- and best practices and
8 provide educational opportunities for the -- the
9 multi-disciplinary professionals that are interested
10 in furthering their knowledge and research on road
11 safety across Canada and globally.

12 MR. MATT GHIKAS: And how --
13 approximately how many members does the association
14 have?

15 MR. JENNIFER KROEKER-HALL: About
16 three hundred and fifty (350).

17 MR. MATT GHIKAS: And what is your
18 role as President? If you can provide a brief
19 synopsis, please.

20 MR. JENNIFER KROEKER-HALL: I lead a
21 number of committees and strategic planning for our
22 organization. And that involves determining how we
23 can contribute to road safety at the national level.
24 What is the role of our organization? In that we may
25 not be able to influence programs on the ground, but

1 we are able to facilitate the sharing of information
2 and knowledge and partner with other organizations in
3 conducting different educational programs.

4 Our annual conference is our -- is our
5 key mechanism for doing that. But we are in --
6 increasingly working with other partners to increase
7 the -- not just the awareness of cars but the need for
8 a multi-disciplinary approach to road safety.

9 To it's my responsibility to ensure
10 that we are focussed on our strategic plan. And --
11 and we're in fact in the process of reviewing it and
12 updating it. And so that's my responsibility, as
13 well, and liaising with other partners to develop and
14 -- and grow the organization and make sure that our --
15 what we're doing actually meets the needs of our
16 membership now and into the future.

17 MR. MATT GHIKAS: Thank you, Ms.
18 Kroeker-Hall.

19 Mr. Chairman, I would ask that Ms.
20 Kroeker-Hall be qualified as an expert in road safety
21 generally, including, a) the planning, design,
22 implementation, and assessment of road safety programs
23 and policies and, b) the development of planning,
24 funding, and governance frameworks for road safety.
25

1 (BRIEF PAUSE)

2

3 MR. MATT GHIKAS: Would anybody like
4 me to repeat that? Thank you.

5 THE CHAIRPERSON: If you -- if you
6 could, please.

7 MR. MATT GHIKAS: Thank you.
8 Qualified as an expert in road safety generally;
9 including, a) the planning, design, implementation,
10 and assessment of road safety programs and policies.
11 And b) The development of planning, funding, and
12 governance frameworks for road safety.

13 And once the issue of her
14 qualifications is addressed, I would have a few more
15 questions for her on her mandate doing a pend -- an
16 independent review and the like, and then she would
17 have her presentation.

18 THE CHAIRPERSON: Thank you. Mr.
19 Williams...?

20

21 CROSS-EXAMINATION BY MR. BYRON WILLIAMS (Qual)

22 MR. BYRON WILLIAMS: Yes, thank you.
23 And good morning, Ms. Kroeker-Hall.

24 Diana, I wonder if we can turn to page
25 6 of Ms. Kroeker-Hall's curriculum vitae towards the

1 top, please?

2 Ms. Kroeker-Hall, Mr. Ghikas was kind
3 enough to take us through part of your -- your work
4 experience. In terms of the curriculum vitae, what
5 this details is some work as a policy analyst between
6 '89 and '92 on justice policy issues involving courts,
7 corrections, and policings, generally.

8 Is that fair?

9 MS. JENNIFER KROEKER-HALL: Yes.

10 MR. BYRON WILLIAMS: If we can go to
11 page 5 for a second, please. And scroll -- yes, to
12 the -- right there, Diana.

13 And then roughly with -- for the next 7
14 years you again worked with justice in the development
15 and implementation of information programs relating to
16 information and privacy, generally.

17 Would that be fair?

18 MS. JENNIFER KROEKER-HALL: There were
19 a number of different opportunities that I was engaged
20 in over this time frame. As the Information of
21 Privacy Program would have -- would have been about 4
22 years of the -- the work that those years represent.

23 MR. BYRON WILLIAMS: Okay. Fair
24 enough. And just to -- to move towards the bottom of
25 -- of the page for a second, you did have, as well,

1 within that time period, some opportunities in the
2 multiculturalism and immigration area where you did do
3 some work in terms of reporting on performance
4 measures, standards, and outcomes.

5 Would that be fair?

6 MS. JENNIFER KROEKER-HALL: Yes, it
7 is.

8 MR. BYRON WILLIAMS: And in terms --
9 turning to the top of page 5, in terms of your first
10 experience in the insurance business, that would be in
11 terms of as manager of government relations and
12 corporate communications between 2000 and 2003,
13 agreed?

14 MS. JENNIFER KROEKER-HALL: Yes.

15 MR. BYRON WILLIAMS: And among the
16 areas that you would have worked on would have --
17 would have been regulatory reform as well as liaison
18 with the Minister's office, correct?

19 MS. JENNIFER KROEKER-HALL: Yes.

20 MR. BYRON WILLIAMS: Okay. Just make
21 -- I think -- I'm not sure your mic was on for that
22 "yes", but --

23 MS. JENNIFER KROEKER-HALL: Yes.

24 MR. BYRON WILLIAMS: -- the court
25 reporter is nodding his head. And turning to page 4,

1 you had a brief sojourn at the Premiere's office and
2 it looks like you've recovered from that, Ms. Kroeker-
3 Hall?

4 MS. JENNIFER KROEKER-HALL: Yes.

5 MR. BYRON WILLIAMS: Okay. And then
6 My Friend Mr. Ghikas also took us through your two
7 other insurance positions. And if we could go to the
8 -- yes, stay right there, Diana.

9 And one of them for 3 years was as the
10 manger of driver licence policy, agreed? Driver
11 licensing policy, excuse me.

12 MS. JENNIFER KROEKER-HALL: Yes.

13 MR. BYRON WILLIAMS: And then we don't
14 need to turn there, but Diana probably will, and then
15 it's as a senior manager in terms of driver licence
16 policy, driver training, and testing, and fraud;
17 agreed?

18 MS. JENNIFER KROEKER-HALL: Yes.

19 MR. BYRON WILLIAMS: Now, Ms. Kroeker-
20 Hall, what I'm focussed on is trying to understand in
21 terms of road safety and loss prevention programs such
22 as impaired driving, distracted driving, unsafe speed,
23 occupant restraint, the -- the experience you've had
24 in the delivery of those type of programs.

25 What, if any, experience have you had?

1 MS. JENNIFER KROEKER-HALL: None in
2 the delivery of those programs, only in the
3 development of those programs from a policy and
4 program development role.

5 MR. BYRON WILLIAMS: Okay. And in
6 terms of the development of those programs, just help
7 me along. Where would that occur on your curriculum
8 vitae?

9 MS. JENNIFER KROEKER-HALL: That would
10 have been starting with my manager or driver licensing
11 policy role.

12 MR. BYRON WILLIAMS: And --

13 MS. JENNIFER KROEKER-HALL: Sorry,
14 that -- there would have been some relationship to the
15 development of some of those policy areas in my
16 corporate role when I first joined the Corporation
17 because the title of the -- the job doesn't include
18 corporate policy. But that was one (1) of the areas
19 we were also responsible for --

20 MR. BYRON WILLIAMS: Okay.

21 MS. JENNIFER KROEKER-HALL: -- and one
22 (1) of my roles.

23 MR. BYRON WILLIAMS: And in terms of
24 programming such as impaired driving, distracted
25 driving, unsafe speed, and occupant restraint, what if

1 any experience did you have in managing the budgets
2 related to those programs and managing the portfolio
3 of those programs in terms of investment decisions?

4 MS. JENNIFER KROEKER-HALL: My role
5 around those program areas would be to review business
6 case development would have -- which would have
7 included full costing for any policy and program
8 models developed to inform the decision makers as to
9 priority. And -- and that would be including through
10 to ministers and the -- the executive at ICBC.

11 MR. BYRON WILLIAMS: And just so I
12 understand, when you say, "reviewing the business
13 cases," would you be making the recommendations in
14 terms of the business cases?

15 MS. JENNIFER KROEKER-HALL: I would
16 have input into developing the recommendations for
17 business cases as they were closely related to policy
18 development. So my policy shop, for example, would
19 work hand in hand with the business analysts who were
20 developing business cases. And that was the ICBC
21 model for program decision and development at that
22 time.

23 MR. BYRON WILLIAMS: And in terms of
24 those business cases, would they incorporate an
25 element of cost-benefit analysis or cost-benefit

1 effectiveness analysis, as you've articulated in your
2 evidence?

3 MS. JENNIFER KROEKER-HALL: To the
4 extent possible, yes.

5 MR. BYRON WILLIAMS: And indeed, ICBC
6 has a long -- long and well-earned reputation in terms
7 of the rigour that it -- that it brings forward in
8 terms of cost-benefit analysis and cost-benefit
9 effectiveness analysis, agreed?

10 MS. JENNIFER KROEKER-HALL: Yes, it
11 does, in terms of their policy on return on
12 investment.

13

14 (BRIEF PAUSE)

15

16 MR. BYRON WILLIAMS: In terms of your
17 work post-ICBC, so your Sirius work, and leaving aside
18 the work with Manitoba Public Insurance, can you
19 advise what if any experience you bring forward in
20 terms of the analysis and portfolio review of road
21 safety programs such as impaired driving, distracted
22 driving, unsafe speed, and occupant restraint?

23 MS. JENNIFER KROEKER-HALL: One (1) of
24 my particular pieces of work in looking at impaired
25 driving program models was for the Province of

1 Alberta.

2 And there, myself and a team of two (2)
3 researchers undertook an initial scan of literature
4 and research and consultation to develop policy and
5 program options for the introduction of alcohol
6 biomarkers into their impaired driving program. And
7 so that's the type of work that I'm also engaged in in
8 terms of policy and program development.

9 MR. BYRON WILLIAMS: Okay. Thank you.
10 I have no further questions. My Friend -- My Friends
11 may have a few questions.

12 THE CHAIRPERSON: Mr. Monnin...?

13 MR. CHRISTIAN MONNIN: Thank you, Mr.
14 Chair. I just have a few questions. Thankfully, Mr.
15 Williams's questions took -- took care of most of the
16 ones I had.

17

18 CROSS-EXAMINATION BY MR. CHRISTIAN MONNIN (Qual):

19 MR. CHRISTIAN MONNIN: On page 3 of
20 your CV, under the bullet October 2007 to January
21 2010, the second sub-bullet reads as follows:

22 "Represented the province nationally
23 and internationally on road safety
24 and driver licence -- licensing
25 matters, including chairing

1 committees of multi-jurisdictional
2 industry and other stakeholders, to
3 address issues with significant
4 economic, social, and business
5 impacts."

6 What do you mean there by 'social
7 impacts'?

8 MS. JENNIFER KROEKER-HALL: When we
9 look at issues like aging drivers or medical fitness,
10 the -- the decisions that different jurisdictions take
11 will have an impact socially on the outcomes of those
12 decisions, and let me use aging drivers as -- as a
13 specific example, and -- and the aging driver
14 framework that I was responsible for developing is
15 available publicly.

16 It's important to note that not all of
17 the -- the benefits are quantifiable in terms of
18 driving outcomes but we speak of issues of
19 independence and mental health in a -- in a holistic
20 context. Mobility and social relationships,
21 loneliness, those kinds of social issues were
22 something that we built into this holistic framework
23 the first time ever at a national level. And -- and,
24 indeed, we were able to move that agenda into the
25 international arena working with the -- again the

1 American Association of Motor Transport (sic)
2 Administrators.

3 So some areas are more amenable to the
4 -- the discussion and identification of social issues
5 versus economic issues which were more important, for
6 example, in the commercial trucking industry work that
7 -- that I have done in particular looking at, for
8 example, new -- new entrant motor carriers and new
9 entrant motor carrier program for Ontario where the
10 economic impacts and the business impacts would be far
11 more significant than the social impacts.

12 So it's important in different policy
13 context to be able to identify what those impacts
14 would be.

15 MR. CHRISTIAN MONNIN: Thank you. And
16 what about the -- the social impact, or the social
17 cost of fatalities or injuries? What experience do
18 you have with that?

19 MS. JENNIFER KROEKER-HALL: Well,
20 those would be integrated into different costing
21 models, and there are a number of different costing
22 models that are used to inform cost benefit analysis,
23 or cost -- cost effectiveness analysis.

24 One of the projects that -- that Sirius
25 was selected to do was around automated licence plate

1 recognition where we had hoped to do a full cost
2 benefit analysis but unfortunately the -- the data
3 wasn't there to support us so we ended up doing a cost
4 effectiveness study where you might identify different
5 impacts on the -- on the social relationships of a
6 particular issue.

7 And again, depending on what the nature
8 of the road safety intervention is then one would be -
9 - and -- and I would be looking at different ways to
10 identify and measure social costs versus economic
11 costs versus other business or industry costs, or more
12 general costs to the -- to the public.

13 MR. CHRISTIAN MONNIN: And -- and are
14 you able to point to any -- any specific experience or
15 project that you had either with Sirius or in your
16 prior life dealing with road safety issues, in
17 particular regard to the social impact with respect to
18 fatalities or injuries of other vehicle occupants but
19 also what we refer to as vulnerable road users?

20

21 (BRIEF PAUSE)

22

23 MS. JENNIFER KROEKER-HALL: Nothing is
24 coming to mind at the moment with respect to
25 vulnerable road users but with respect to, I think,

1 more -- more rigorous cost benefit analysis and the
2 inclusion of social costs, or the identification of
3 social factors would we -- around graduated licensing
4 program development; perhaps because that was one of
5 the noted studies done by ICBC research folks and
6 informed the development of future policy and -- and
7 program -- excuse me -- and program changes that --
8 that I was involved in at the Corporation.

9 MR. CHRISTIAN MONNIN: And can you
10 point to -- to any -- any experience or anything in
11 your CV that deals with assessing the optimization of
12 road safety budgets with the view of minimizing
13 economic and social costs?

14 Can you point to anything of that
15 nature?

16 MS. JENNIFER KROEKER-HALL: I think my
17 general planning experience at the executive level for
18 driver's licensing would have had direct input into
19 those types of decisions that would go then to
20 executive committee for prioritization and -- and
21 ultimately funding decisions because I was part of the
22 team that made decisions on what initiatives were
23 approved in any given year in the driver's licensing
24 division for ICBC.

25 MR. CHRISTIAN MONNIN: And do you or

1 anyone in Sirius have experience with Econometrix and
2 -- and has that been used with regards to your report?

3 MR. JENNIFER KROEKER-HALL: I do not,
4 no.

5 MR. CHRISTIAN MONNIN: Thank you. No
6 further questions.

7 THE CHAIRPERSON: Sorry. Mr.
8 Oakes...?

9 MR. RAYMOND OAKES: Thank you, Mr.
10 Chairman.

11

12 CROSS-EXAMINATION BY MR. RAYMOND OAKES (Qual)

13 MR. RAYMOND OAKES: Ms. Kroeker-Hall,
14 you'll correct me if I'm wrong. And you'll appreciate
15 that as we get into our late 30s sometimes our memory
16 isn't as good. But I understand that in your previous
17 attendance in this forum you indicated that you
18 weren't an expert in wildlife collision mitigation
19 initiatives.

20 Is that correct?

21 MR. JENNIFER KROEKER-HALL: I'm sorry,
22 previous attendance at this forum?

23 MR. RAYMOND OAKES: I believe that
24 your evidence was presented previously in -- in these
25 hearings?

1 MR. MATT GHIKAS: Mr. Kroeker-Hall
2 hasn't previously testified before -- before this
3 panel. I believe -- I believe MPI filed last year --

4 MR. RAYMOND OAKES: A report.

5 MR. MATT GHIKAS: -- as -- her report
6 was filed as Volume -- in Volume III of the 2016 GRA
7 as a loss prevention and road safety AI13, Appendix
8 10.

9 MR. RAYMOND OAKES: Tha -- thank you
10 for that, Mr. Ghikas.

11

12 CONTINUED BY MR. RAYMOND OAKES:

13 MR. RAYMOND OAKES: Ms. Kroeker-Hall,
14 perhaps I'll just ask. Are you an expert in wildlife
15 collision mitigation initiatives?

16 MR. JENNIFER KROEKER-HALL: No, I am
17 not.

18 MR. RAYMOND OAKES: And BC, of course,
19 has the wonderful Coquihalla Highway which is fenced
20 with wildlife egress and underpasses and the like.
21 Have you had an occasion to view that?

22 MR. JENNIFER KROEKER-HALL: I am
23 familiar with it, yes.

24 MR. RAYMOND OAKES: Okay. And, as
25 well, Banff is in Alberta. But there's a number of

1 Parks Canada sites and installations that use very
2 extensive wildlife fencing.

3 Are you familiar with that?

4 MR. JENNIFER KROEKER-HALL: Not as
5 familiar with Banff as I am with the BC context.

6 MR. RAYMOND OAKES: Mr. Chairman, I
7 have no further questions.

8 THE CHAIRPERSON: Thank you. Mr.
9 Ghikas, I assume your position is she's qualified as a
10 witness. I'm just wondering if the Intervenors wish
11 to make any submission in terms of that point.

12

13 SUBMISSIONS BY MR. BYRON WILLIAMS (Qual):

14 MR. BYRON WILLIAMS: From the
15 perspective of CAC (Manitoba), in terms of the
16 qualifications presented by MPI, we are pre --
17 prepared to accept them. I would note under sub 'A'
18 only that in terms of road safety programs there may
19 be some limitations in terms of vulnerable road users
20 or wildlife.

21 But certainly from the ker --
22 perspective of CAC (Manitoba), we were interested in
23 especially the implementation of and assessment of
24 road safety programs. And based on our conversation,
25 we're satisfied that the witness is qualified.

1 THE CHAIRPERSON: Thank you. Mr.
2 Monnin...?

3

4 SUBMISSIONS BY MR. CHRISTIAN MONNIN (Qual):

5 MR. CHRISTIAN MONNIN: On behalf of
6 Bike Winnipeg, we adopt and rely on what Mr. Williams
7 said with regards to sub 'A', and sub 'B', the only
8 caveat we would have is -- is the limitations of not
9 having any background with Econometrix and the
10 experience with respect to optimization of -- of road
11 safety budgets.

12

13 (BRIEF PAUSE)

14

15 THE CHAIRPERSON: Sorry. Mr.
16 Oakes...?

17 MR. RAYMOND OAKES: Thank you, Mr.
18 Chairman.

19

20 SUBMISSIONS BY MR. RAYMOND OAKES (Qual):

21 MR. RAYMOND OAKES: I would echo Mr.
22 Williams' comments, as well. Thank you.

23 THE CHAIRPERSON: Thank you. We're
24 going to adjourn for our morning break for -- we'll
25 adjourn for 20 minutes and come back and render our

1 decision on this, and the resume the hearing. Thank
2 you.

3

4 --- Upon recessing at 10:32 a.m.

5 --- Upon resuming at 10:53 a.m.

6

7 RULING (Qual):

8 THE CHAIRPERSON: Okay, the panel's
9 considered the issue of Mr. Kroeker-Hall as an expert
10 witness. The panel is prepared to accept Ms. Kroeker-
11 Hall as an expert witness with the proviso the panel
12 reserves its right as to the weight it will place on
13 her evidence relating to the following: (1)
14 vulnerable road users, (2) wildlife collision
15 prevention strategies, and (3) Econometrix as they
16 relate to the optimization of a road safety budget.

17 Do you want me to read that again, Mr.
18 Ghikas?

19 MR. MATT GHIKAS: I -- I think I -- I
20 think I got that actually.

21 THE CHAIRPERSON: You got it? Sorry --

22 MR. MATT GHIKAS: Yes, thank you.

23 THE CHAIRPERSON: -- sorry for reading
24 it so quickly.

25 Anyways, with that ruling, would you

1 like to proceed?

2 MR. MATT GHIKAS: Thank you. I will,
3 Mr. Chairman. And I mentioned earlier, just before we
4 -- before I pick up with Ms. Kroeker-Hall again, that
5 the -- Ms. Kroeker-Hall's report was actually -- and
6 it -- I apologize because I -- I didn't actually
7 realize it wasn't on the record already in this
8 proceeding.

9 And -- and so the -- I -- I just talked
10 to My -- My Friends, and I think the -- the consensus
11 on -- on -- at least in speaking to Mr. Williams and -
12 - and Mr. Monnin, that we should probably put that on
13 -- on the record as an exhibit.

14 So the -- the document is found in the
15 -- in last year's GRA, Loss Prevention and Road Safety
16 AI.13, Appendix 10 in Volume III. Thank you.

17 We don't need to call that up at this
18 point, but I gather My Friends will probably be
19 referring to it. So perhaps, Diana, if you could just
20 be ready for it. Thank you. That number would be MPI
21 Exhibit 52.

22

23 --- EXHIBIT NO. MPI-52: 2015 GRA, Loss Prevention
24 and Road Safety AI.13,
25 Appendix 10, Volume III

1 (BRIEF PAUSE)

2

3 MR. MATT GHIKAS: Now, Mr. Chairman,
4 because that's not on the record yet, you probably
5 don't have hard copies of that handy necessarily. So
6 perhaps -- oh, you'd know of her presentation. I'm
7 talking about her actual report.

8 So if we --

9 THE CHAIRPERSON: I'm sorry. I don't
10 believe we do.

11 MR. MATT GHIKAS: Okay. We can
12 perhaps try to get a few copies of that printed --
13 printed now. And our apologies for that. And in the
14 event that we need to refer to that sooner, we can --
15 we can certainly call it up. But if you need a hard
16 copy, just -- perhaps you can just let us know and
17 we'll make sure we get that down here quick.

18 THE CHAIRPERSON: Sure. Thank you.

19 MR. MATT GHIKAS: Thank you.

20

21 CONTINUED EXAMINATION-IN-CHIEF BY MR. MATT GHIKAS:

22 MR. MATT GHIKAS: Okay. Ms. Kroeker-
23 Hall, just a few more questions for you, just about
24 your -- your mandate. Were you the sole author of the
25 report dated May 21st, 2015, entitled 'Review of MPI's

1 Road Safety Program Report'?

2 MS. JENNIFER KROEKER-HALL: Yes, I
3 was.

4 MR. MATT GHIKAS: And when you
5 prepared your report, were you familiar with the --
6 the Board's Order from December 5th, 2014, that
7 ordered MPI to:

8 "Provide an independent review of
9 the optimal size of a road safety
10 budget portfolio for the Corporation
11 with a view to minimizing the
12 economic and social costs of
13 collisions, provide an independent
14 review of the current road safety
15 portfolio with a view to optimizing
16 it (relative to cost effectiveness
17 and to setting goals for outcomes),
18 and minimizing the economic and
19 social costs of collisions."

20 MS. JENNIFER KROEKER-HALL: Yes, I
21 was.

22 MR. MATT GHIKAS: And did you
23 understand that you were preparing an independent
24 review?

25 MS. JENNIFER KROEKER-HALL: Yes, I

1 was.

2 MR. MATT GHIKAS: Prior to being
3 engaged to do that review, Ms. Kroeker-Hall, had you
4 ever previously done work for MPI?

5 MS. JENNIFER KROEKER-HALL: No.

6 MR. MATT GHIKAS: And apart from the
7 follow-up since preparing your report, in anticipating
8 of appearing at this proceeding, have you otherwise
9 performed any work for MPI since issuing the report?

10 MS. JENNIFER KROEKER-HALL: No.

11 MR. MATT GHIKAS: Now, would you
12 please deliver your presentation summarizing your
13 assessment and recommendations?

14 MS. JENNIFER KROEKER-HALL: Thank you.

15 If we can turn to slide 2. Thank you very much. As
16 Mr. Ghikas has said, I was asked to conduct an
17 independent assessment of MPI's road safety models,
18 and -- and primarily to look at its alignment with a -
19 - a number of elements and ensuring that it was
20 aligned with best practices, the Corporate strategic
21 plan, road safety, best practices and road safety
22 program models, along with evidence-based strategies
23 and any other elements which are relevant to assessing
24 road safety program models and a governance structure.

25 And as Mr. Ghikas also mentioned, the -

1 - the other part of my role and my work was to advise
2 on the appropriate size of a road safety budget and
3 whether or not the current budget is being optimally
4 used. So my report provides an overview of the
5 literature on the nature of road safety governance,
6 policy, and program planning, and how different
7 jurisdictions structure their road safety programs to
8 address issues and priorities within that context.

9 The literature review provided the
10 basis for selecting criteria against which to assess
11 MPI's road safety model. So for the purposes of the
12 rest of the presentation I will talk a little bit
13 about my analytical approach, provide an overview of
14 the assessment, and a summary of recommendations.

15 And prior to -- to going onto slide 3,
16 what I think is important to note is that there --
17 there is very little in the literature about assessing
18 overall road safety programs and -- and models. There
19 is a fair amount in the literature about specific road
20 safety initiatives and we've heard those today because
21 of the very complex nature of road safety itself.

22 So this is what unde -- underlay my
23 particular approach in assessing the -- is the model
24 in first having to develop -- develop that framework.

25 So slide number 3 talks about my -- my

1 particular approach. And the way I -- the way I
2 structured my research was to look at this as a -- as
3 a bit of a gap analysis in reviewing MPI's current
4 mandate and the elements of its road safety model.
5 And then reviewing the literature on the nature of
6 road safety governance, policy, and program -- program
7 planning, how different jurisdictions, in particular
8 Canadian jurisdictions, and more -- even more
9 specifically, what are other public insurers doing and
10 how they structure their -- their program elements.

11 I looked at processes, funding models,
12 and the -- the relationships of those particular
13 structural elements to address road safety issues and
14 -- and priorities. So in -- in looking at the
15 Canadian jurisdictions, I wanted to provide a more in-
16 depth description of how the governance of road safety
17 was carried out and structured and the
18 accountabilities developed through the existing
19 relationships.

20 So I developed a -- a jurisdictional
21 matrix as a means to kind of provide an assessment,
22 another method of assessment for comparison of the
23 Canadian provinces and territories against each of the
24 criteria that I developed for the overall framework.
25 And then I compared those to MPI's road safety model.

1 So this assessment is based on the
2 available information at the time, including
3 consultation with jurisdictional representatives to
4 address accuracy and completeness of information. And
5 in the time frame provided I am sure that there are
6 gaps. And since that time likely there have been
7 changes in jurisdictions as there have been in -- in
8 MPI and its approach to loss prevention and -- and
9 road safety.

10 And again, this is -- this is -- while
11 it's part of the challenge of this particular
12 business, having an assessment framework at least
13 provides us a starting point for determining what's
14 working and what may be improved.

15 So in looking at MPI's mandate, I
16 looked at -- I started from where I would normally
17 start in terms of authorities and that's with
18 legislation and its responsibilities under the
19 Manitoba Public Insurance Corporation Act. And its
20 responsibilities for drivers and -- and vehicles under
21 that -- that statute.

22 Working through its mission and vision,
23 and it's stated focus on road safety priorities in --
24 in relation to loss prevention and other corporate
25 initiatives. And in recognizing that it -- the -- the

1 primary purpose of MPI is to administer Basic
2 compulsory universal auto insurance, there are a
3 number of elements of loss prevention and road safety
4 that can -- contribute to efficiencies that come out
5 in the framework that -- that MPI has developed.

6 So MPI's road safety focus then is
7 reflected in its mission and vision, and more broadly
8 in -- in its Mission Statement, and as a key
9 initiative and specific goal in its corporate
10 strategic plan.

11 So for budget and planning purposes,
12 the Corporation has established a road safety
13 operational plan that -- that links with its corporate
14 strategic plan, and it's intended to support its goal
15 to make meaningful progress on road safety issues and
16 targets. Slide number 5.

17 In looking at the literature and
18 current road safety models, there -- there are a
19 number of approaches that have been identified in the
20 literature, and that are in current use and at -- at
21 varying stages and to -- to varying levels, and you'll
22 see them reflected in not -- not only differently
23 across Canadian jurisdictions but globally.

24 And the -- the three (3) key ones I
25 wanted to highlight are the three (3) 'E's approach

1 which focusses on engineering, enforcement, and
2 education, the safe systems approach to road safety,
3 and a public health approach. Currently, the safe
4 system approach appears to be the -- the model of
5 choice, and it identifies -- or it focusses on
6 identifying and addressing the major sources of error
7 or design weaknesses that contribute to crashes, and
8 mitigates the severity and consequences of injury.

9 Another factor that has been integrated
10 into the safe systems model is speed in setting road
11 travel speeds that suit the function and level of road
12 safety. The safe systems approach, including the safe
13 speed element, has been introduced in -- in Europe and
14 Scandinavian countries, Australia, New Zealand, and
15 Canada. It is also the framework that's supported by
16 the OECD in developing countries as a comprehensive
17 approach to traffic safety development.

18 However, the public health approach is
19 supported by the World Health Organization, and is
20 also a model that's imported a fair amount into
21 developing nations. It is traditionally applied to
22 the concepts of disease and injury control, and there
23 are a number of organizations even in Canada that
24 focus on injury prevention and road safety in relation
25 to injury prevention, and some of you may be familiar

1 with the -- the organization, Parachute.

2 The OECD though specifically speaks to
3 data collection and that governments needs to
4 encourage collaboration between the different sectors
5 involved in collecting and reporting on road safety
6 and traffic injuries. So again speaking to the
7 complexities and the holistic approach, and again for
8 me this reflected a safe systems approach to road
9 safety, there -- there are a number of different areas
10 that contribute to data generation and collation,
11 including police, transport authorities, and health
12 services.

13 Traffic -- road traffic injuries need
14 to be recognized by government and communities as an
15 important health problem, according to the public
16 health model, and enhanced support for prevention is a
17 focus of this particular perspective.

18 So slide 6 focusses on road safety
19 government and the results of my literature review.
20 And as I mentioned previously, it was very difficult
21 to find any material on the effectiveness of road
22 safety governance models. The -- the complexity of
23 road safety as -- as been spoken of already
24 contributes to significant difficulties that
25 governments have in grappling with the development and

1 implementation of -- of solutions, and they different
2 jurisdiction by jurisdiction.

3 And in -- including between my -- my
4 own Province, for example, and -- and Manitoba, we
5 often speak of weather differences so focus on
6 strategies to -- to deal with different climactic
7 conditions, different -- even different cultural
8 issues, are -- are very different across the globe.
9 And having spent time in Brazil at a road safety
10 conference and recently coming back from China, I can
11 attest to the very different approaches to road
12 traffic and -- and road safety across -- across the
13 globe.

14 And I won't speak to you about my -- my
15 Moroccan adventures. But -- so my personal experience
16 and the literature suggests that there -- there are --
17 the -- the differences in governant structure and --
18 and programming, commitment to road safety differs
19 tremendously.

20 And the choice of structure and the
21 choice of model determines to a great extent on local
22 conditions. And -- and one can also define 'local'
23 differently. And while that -- that difference is
24 key, there are still a number of elements that -- that
25 the literature was able to demonstrate that suggest

1 are key in implementing a successful governant
2 structure for road safety, including setting effective
3 priorities, objectives, having strategies based on
4 evidence, having a monitoring and evaluation
5 framework, and having stakeholder inclusion in the de
6 -- not just the -- the identification of priorities
7 and issue areas but in the development of solutions,
8 in particular, on the ground.

9 One (1) particular analytical framework
10 I found very useful. And that was developed by Lou et
11 al in 2005. And this framework was used for
12 developing, comparing, and evaluating road safety
13 strategies, but it could be applied at various
14 organizational levels with respect to road safety
15 governance.

16 And, again, there were a number of
17 consistent elements that -- that made this particular
18 framework I think stand out from the others, and they
19 included not just the concept of vision and objectives
20 and evaluation and monitoring. They talked about
21 having targets. They talked about research and
22 development, quantitative modelling, and an
23 institutional framework and funding.

24 And again, a number of those elements
25 are -- are reiterated throughout the literature with

1 respect to program initiatives. And while a number of
2 them are targeted towards formulation of a strategy,
3 others are targeted towards implementation.

4 So the proposed framework provides a
5 systematic approach to then assessing the road safety
6 strategies in -- in other administrations.

7 In addition, I looked at six (6) case
8 studies which formed a benchmark for planning and
9 formulation and implementation of -- of good practices
10 for road safety strategies. And -- and I should just
11 note you -- the -- the term 'strategies' again doesn't
12 necessarily get at the governance model. But my -- my
13 intent was to distill the -- the relevant factors that
14 could be used at a higher level and looking at the --
15 the program model and the -- the governance structure.

16 So slide 7 gets at this -- that -- this
17 distillation. And, as I mentioned, there were a
18 number of elements that consistently appeared in the
19 literature that provided a basis for my proposed
20 assessment framework. And these criteria, while based
21 on road safety jurisdictional models more generally,
22 have been selected given their relevance to MPI's
23 mandate and the role in provincial road safety
24 governance.

25 So the -- the extent to which MPI

1 efforts achieved these elements would be an -- an
2 indication of its soundness of program and structure
3 and overall governance.

4 So the first element is -- is road
5 safety leadership. And this reflects a need -- the
6 need for an organizational lead for road safety
7 planning and oversight and that it should be clearly
8 articulated. Alternately, those agencies or
9 organizations with a role in road safety programming
10 should have their role articulated. It should be
11 clear. It should be within their mandates. And the
12 relationships to other key road safety partners should
13 be articulated, as well.

14 The second element is around
15 appropriate organizational structure to support road
16 safety priorities. Structure and governance
17 relationships, roles, responsibilities, and financial
18 commitments among government partners with a role in
19 road safety should also be spelled out.

20 They should be clear and articulated in
21 a -- in a road safety model and a plan. This helps to
22 ensure sufficient use of funds and other resources,
23 including people, especially when you're looking at
24 different responsibilities in different parts of
25 organizations or different -- different organizations

1 in -- within jurisdictions responsible for road
2 safety.

3 And it helps to ensure commitment -- in
4 this case, a commitment to the road safety safe
5 systems approach which is necessary for prioritizing
6 and collaboration among key road safety partners.

7 The thir -- third element is road
8 safety planning. And in particular, I want to note
9 that plans are not static. It is important for plans
10 to be flexible and include targets where appropriate.

11 It was interesting. I was just reading
12 online this morning about changes to a key national US
13 organization, the National Highway Traffic and Safety
14 Administration, which is moving towards what is
15 referred to globally as the Vision Zero approach,
16 which suggest a similar approach to MPI and the -- the
17 Canadian Council of Motor Transport Administrators
18 whereby they're looking at monitoring a downward trend
19 as opposed to specific targets for -- for achievement
20 against particular initiatives.

21 So it -- it's -- there's an evolution
22 in road safety governance and approaches, with a view
23 to continuing the downward trend that appears to be
24 happening in -- in most western jurisdictions, and not
25 so much in developing countries.

1 So regardless, the -- the approach
2 needs to be holistic and reflect an overarching
3 commitment to road safety and road safety planning.
4 And that includes collaboration with -- with partners
5 and other -- and other government entities. And
6 relationships need to be clear and captured in
7 documentation or information that is shared,
8 accessible, and available.

9 Linked to the above element around
10 leadership, an identifiable lead should be clear for
11 planning. And the relationships to roles and
12 responsibilities of -- of other partners needs to be
13 articulated.

14 And this is generally seen as an
15 element of good governance for any organization. And
16 it's consistent with -- with the mandate of an
17 organization and helps keep those involved on track
18 and focussed.

19 And in terms of planning then, the --
20 the roles and responsibilities reflect the level of
21 commitment that an -- that an organization has, in
22 this case to road safety.

23 The fourth element is around the need
24 for sound data and research to support policy and
25 program development and interventions. So this is one

1 (1) of the key areas that reflects a need for an
2 evidence-based approach.

3 And this is fairly consistent in a
4 Canadian context and in a -- in a European context and
5 in Scan -- Scandinavia where they pioneered and have
6 been somewhat ahead of our -- ahead of us in Canada in
7 terms of an evidence-based approach.

8 And jurisdictions need to commit to
9 this particular approach and be demonstrating that
10 they are using the best available evidence for
11 programming and policy decision making and
12 prioritizing.

13 In addition, road safety data is not
14 perfect. In -- even in my early days of planning in
15 British Columbia where we were looking at policing
16 data, the -- the challenge is with ensuring the -- the
17 validity and integrity of -- of the data are
18 significant.

19 And when you have different
20 organizational structures in -- for example, in
21 British Columbia, the responsibility for road safety
22 is split between the Insurance Corporation of BC and
23 the -- the province itself -- the -- the need to
24 collaborate and share data is critically important,
25 and not only in terms of its validity, but in terms of

1 the timing of data -- data sharing and the ability to
2 use it for effective prioritizing and decision making.
3 So there needs to be a commitment to enhancing the
4 reliability and accessibility of data in -- in an
5 ongoing manner.

6 The fifth element speaks to the need
7 for ongoing environmental monitoring. Technology,
8 political environments, environmental changes, social
9 context, are constantly changing. And those
10 responsible for road safety planning need to have
11 mechanisms in place to pro-actively monitor that --
12 those changes, monitor their own progress, and the
13 impacts that their changes have especially in the
14 context of a safe systems approach where we're looking
15 at road users, we've spoken about vulnerable road
16 users today already, vehicles, speed, and road --
17 roadways, so in all of the elements that contribute to
18 a safe or an unsafe road environment.

19 The sixth element is around sound
20 decision making, and having criteria and, again,
21 evidence to support decision making and prioritizing.
22 I'm sure all of us around the room recognize that
23 there is not an un-ending pot of money, and within
24 program areas decisions need to be made about how best
25 to spend those funds.

1 Having criteria based on the evidence
2 supports transparent decision making, supports good
3 decision making, and helps with prioritizing. So
4 articulating that and sharing that is important in
5 particular to those who would share in the -- the
6 information that's needed to -- to develop priorities,
7 to understand what -- what they are, and ultimately
8 what the impacts will be and what the effects will be
9 at -- at the end of the day.

10 The seventh element is around
11 appropriate funding. And that is ensuring that there
12 is an available budget and expenditure information to
13 demonstrate this commitment. And it's -- it's not the
14 -- not necessarily the -- the approach in -- in
15 funding that I'm speaking to at this point in time
16 because there are a number of elements -- or a number
17 of different ways that funding of road safety
18 priorities and -- and budgets is -- is done.

19 And I'm -- I'm not going to speak to
20 those -- those details but rather to the overarching
21 commitment of budgeting and supporting fully the
22 priority initiatives to ensure that they are effective
23 at the end of the day. I -- I think what -- what is
24 important here is to recognize that funding needs to
25 be done to the -- to the full effectiveness of a

1 particular initiative. And then monitoring and
2 evaluation will -- will demonstrate whether or not
3 that's been successful.

4 Eight (8) is around collaboration and
5 coordination between and among road safety partners
6 and stakeholders. And increasingly governments are
7 not only re-shaping their partnerships but relying
8 more on partnerships to carry out different services
9 and help achieve their -- their goals.

10 Beyond goals and beyond government
11 roles and relationships of external partners and
12 stakeholders should be specified as part of a
13 collaborative arrangement, and a collaborative
14 approach to identifying and addressing road safety
15 priorities and solutions.

16 And finally then, ongoing monitoring
17 and evaluation of impacts and -- and outcomes is -- is
18 the last criteria that I want to speak to. Again,
19 jurisdictions not only need to articulate an approach
20 to ongoing data monitoring and analysis but carry that
21 out, and it -- it's often not as easy as it sounds for
22 all the reasons that I touched on with respect to data
23 challenges in the road safety environment.

24 Policy and program development and
25 implementation, and -- and outcomes are generally the

1 focus of evaluation. Monitoring is different than
2 evaluation. And we put in place, and other
3 jurisdictions put in place, indicators which give them
4 some idea about the nature of changes and where they
5 may want to follow up with more critical research and
6 evaluation. But to ensure the effectiveness and value
7 of measures that are put in place and that they
8 contribute to achieving road safety goals, monitoring
9 and evaluation is critical for cost effectiveness and
10 efficiency.

11 So it's the application of -- of these
12 criteria to MPI's road safety model that -- that I've
13 taken in -- in this qualitative review. And now let
14 me talk a little bit more about the -- the assessment
15 in the next slide.

16 So I looked at the extent then to which
17 MPI efforts achieved these elements as an indication
18 of its -- of its soundness and its logical approach to
19 its programming and its structures, recognizing that
20 there were many changes that were happening at that
21 point in time and there was implementation around the
22 program model that was still ongoing. And it -- it
23 was important to take that into consideration in -- in
24 developing the -- my recommendations at the end of the
25 day.

1 So MPI's framework reflects most of the
2 key elements in the assessment, according to the
3 assessment cri -- criteria. It's developed a
4 framework for prioritizing and -- and a detailed
5 methodology for prioritizing, including costing, and a
6 detailed model on decision making based on research
7 and data and evaluative evidence.

8 Their road safety framework also
9 recognizes that evidence changes, data changes, the
10 environment changes. And priorities will shift over
11 time, hopefully, as a result of -- of effective
12 interventions and policies and -- and program
13 developments.

14 But, again speaking from some of my own
15 experience, as the research changes, for example,
16 around graduated driver's licensing or aging drivers
17 there's a need to continually consider the -- the
18 research and the data which suggests that perhaps we
19 need to tweak our -- our programs.

20 And perhaps there is another issue
21 that's coming to the fore, like, drug impaired
22 driving, that needs to -- needs attention. And
23 juggling those priorities and those issues then
24 becomes critical in terms of your planning framework,
25 your prioritization, and your decision making.

1 So road safety planning needs to be
2 flexible and evidence-based, consultative, evaluative.
3 And -- and indeed the documentation reflects those
4 elements of a road safety program model.

5 MPI has developed a three (3) year
6 plan, the road safety operational plan. It has
7 committed to monitoring progress and measuring the
8 effectiveness of individual programs, portfolios, and
9 loss prevention expenditures. And it recognizes the
10 need for good data to support deci -- decision making
11 and -- and funding and -- and, in fact, demonstrated
12 that there's an ongoing commitment to evaluating data
13 and making changes where needed.

14 It has developed a framework for
15 priority validation and issue analysis in its priority
16 setting and program development framework and, more
17 specifically, its road safety priority validation
18 method which provides in detail the methodology that
19 it needs to ensure that its prioritization is
20 appropriate.

21 In its program and portfolio monitoring
22 and evaluation framework it has an overarching
23 approach to addressing the -- the needs for monitoring
24 and -- and evaluation that are then fed into the --
25 the revisiting of priorities and programs for the

1 future and updating its road safety operational plan.

2 And, finally, the funding link to MPI's
3 priorities reflects and communicates a commitment
4 about the importance of road safety to its partners,
5 stakeholders, and the public generally.

6 What I think will be valuable to assess
7 in -- in the years ahead is whether the -- the funding
8 and the approval of priorities matches and the -- the
9 resource allocations continue to support the
10 priorities that it has set for itself.

11 So overall, in looking at other
12 Canadian jurisdictions and the literature, MPI's road
13 safety model has evolved to a more sophisticated and
14 comprehensive level in terms of the key elements
15 required of a good road safety framework.

16 The documentation and continued
17 documentation and updating of the processes and
18 criteria for decision making, planning, research, and
19 monitoring are underpinned by a data driven and
20 evidence-based approach and appears to exceed most
21 Canadian jurisdictions.

22 The next slide speaks to funding of
23 road safety. There is generally a large body of
24 knowledge out there about the effective measures for
25 different road safety elements and which particular

1 initiatives can support funding. But generally
2 speaking, I could not find any evidence or very little
3 evidence that speaks to the appropriate size of a road
4 safety budget.

5 It's not subject to a simple formula.
6 Given the complexities of road safety, as we've
7 already identified and -- and talked about today, many
8 factors impact fund -- funding decisions, not just in
9 Manitoba, and not just in Canada, but this is
10 consistent across our global world.

11 And it's quite different. The expected
12 benefits of road safety measures are very different in
13 African countries compared to Canadian countries. How
14 society perceives the importance of road safety,
15 again, is very different in China versus in Canada.

16 The effectiveness of measures are also
17 part of what the literature identifies it as key
18 consideration. In fact, one (1) of -- one (1) of the
19 reasons we do costing -- cost benefit analysis, cost
20 effect analysis, and other ways of costing out road
21 safety benefits is -- is to determine the
22 effectiveness of different -- of different initiatives
23 or different strategies.

24 I've talked a little bit about two (2)
25 key assessment methods. I'm not going to spend time

1 there, because there are, indeed, many different
2 costing models, but cost benefit analysis and cost
3 effectiveness analysis, which happens more often,
4 because we -- we cannot necessarily quantify those
5 outcomes, and depending on how we define outcomes and
6 impacts are even less quantifiable, but they are two
7 (2) key assessment methods that -- that are used in
8 not only prioritizing, but in assessing solutions to
9 different issues.

10 Okay. Next slide. Okay. So again,
11 just to -- to highlight from my review of the
12 literature and Canadian jurisdictions, more
13 practically, I suppose, there appears to be little
14 consistency in her -- in terms of how dollars are
15 allocated to various program areas.

16 And even more challenging was the lack
17 of any guidelines about the maximum percentage of a
18 budget that would be spent on different studies,
19 whether it was evaluation, or effectiveness
20 assessment. And I would suggest that the dollars
21 allocated are almost in -- in a Canadian context very
22 difficult to come by. We don't see a lot of it in
23 Canadian jurisdictions.

24 But different -- different methods are
25 highlighted in -- in the literature. Here I've noted

1 percentage of a particular budget and you can define
2 budget in any different context. Road funds, where
3 there's -- a particular budget is set aside and
4 revenue is generated from all kinds of different
5 initiatives from a gas tax to part of a driver's
6 licensing fee.

7 It could be road improvement fees, et
8 cetera. And some jurisdictions will set aside those
9 funds for road safety purposes, or they have an
10 overall road fund and part of those road funds are
11 then allocated to road safety. And generally
12 speaking, it -- it wasn't a large percentage in a --
13 in a couple of articles that I was able to find.

14 And then benefit ratios was another
15 method of identifying budgets for road safety
16 purposes. So I think that the challenge is, and what
17 I looked for in the literature is whether or not
18 budgets were related to the effectiveness of proven
19 initiatives and -- and program models in particular.
20 And this was even more difficult to assess.

21 Next slide. So in looking at MPI's
22 framework for -- for funding, they are very clear in
23 how they are -- they are approaching their -- their
24 funding of road safety initiatives. In particular, I
25 think the -- the key elements for me were that they

1 were research based, data driven, and they use the
2 available evaluative and research evidence.

3 In addition, this -- this evidence is
4 used again not just in -- in prioritizing at the end
5 of the day, but in determining appropriate solutions.
6 Where -- where is the best benefit in terms of
7 choosing the -- the solutions that we're going to put
8 in place?

9 From a funding perspective, the
10 framework recognizes that priorities will shift as the
11 evidence changes, as other environmental factors
12 influence the decisions on priorities. And the
13 documentation recognizes a commitment which suggest a
14 flexibility to funding to the full effectiveness of
15 road safety initiatives.

16 And so their commitment demonstrates
17 then an ongoing consideration of not only priorities,
18 but meeting the funding needs.

19 So this is just a summary of the key --
20 a couple of key recommendations for you. I provided
21 recommendations on the road safety model itself, so
22 the over-arching governance structure. I tried to
23 separate them out into the two particular areas, and
24 one was the overall program model, and the other were
25 the program elements.

1 So whether it was the priority
2 validation or methodology documentation or the
3 operational plan, I looked at each one of those
4 elements to see if there were some suggestions that I
5 could provide to -- to enhance the -- the outcome and
6 the use of those documents in relation to the over-
7 arching road safety governance model.

8 So I think that Mr. Keith has spoken to
9 a number of these recommendations already, in
10 particular looking at the departmental roles in
11 relation to the Loss Prevention Strategy and Framework
12 and the new Provincial Road Safety Committee.

13 This was key in terms of clarifying
14 roles and responsibilities and leadership. And in
15 terms of the assessment, I think that's -- that's an
16 enhancement over its previous state where MPI was
17 perhaps seen as taking on a leadership role, and
18 public perception was that it should take on a
19 leadership role.

20 But it shares those responsibilities
21 with the Ministry of Infrastructure, I believe. And
22 that is now articulated in the new Road Safety
23 Committee Terms of Reference and in the Loss
24 Prevention Strategy and Framework, given the
25 relationship that road safety has under that

1 particular umbrella.

2 So with that particular change then,
3 the -- the second bullet was my -- my recommendation
4 for incorporating the Loss Prevention Strategy and
5 Framework criteria and process in the priority-setting
6 methodology. And that would be a natural progression
7 for any program integration or the evolution of those
8 relationships.

9 One would need to make sure that the
10 criteria for decision making aligned, and that the --
11 the Road Safety Framework and the priority-setting
12 methodology was consistent with that proposed in the
13 over-arching Loss Prevention Strategy and -- and
14 Framework.

15 I think I've talked about identifying
16 priority and -- and funding shifts as a potential
17 challenge. And referencing the focussing of resources
18 to convey priority setting as a tool for funding
19 decisions, I think I've talked about that a fair bit
20 and -- and where that lives in terms of the program
21 model and -- and governance regime.

22 And perhaps one of the outcomes which
23 is less recognized, although touched on I think
24 briefly today and in -- and in some of the framework
25 elements, is the focus on behavioural change as an

1 intended outcome for road safety.

2 This is very challenging, changing
3 behaviours. If we think about seat belt use, if we
4 think about smoking, we can think about it in all
5 kinds of context, it's not in a three-year operational
6 plan. It requires strategic vision, and commitment if
7 an organization is taking on behavioural change.

8 So one of my recommendations was to
9 give that some more attention and -- and priority, and
10 -- and recognition despite the challenges but
11 educational programs in -- in particular as a key
12 mandate of road safety within MPI needs to have a
13 clearer focus on behavioural change as -- as its
14 intent.

15 I think that's it.

16 MR. MATT GHIKAS: Thank you, Ms.
17 Kroeker-Hall. The panel is available for cross-
18 examination, Mr. Chairman.

19 THE CHAIRPERSON: Thank you. Ms.
20 McCandless, do you want to start? Or -- or --

21 MS. KATHLEEN MCCANDLESS: I'm happy to
22 start now, and then take the lunch break but I'm at
23 the disposal of the panel. We could break early, and
24 then come back for the rest of the afternoon.

25 THE CHAIRPERSON: You know what, I

1 think we're going to break now and we'll -- we'll come
2 back in an hour. Okay. We'll come back at quarter to
3 1:00. Thank you.

4 MS. KATHLEEN MCCANDLESS: Thank you.

5

6 --- Upon recessing at 11:40 a.m.

7 --- Upon resuming at 12:49 p.m.

8

9 THE CHAIRPERSON: Okay. You know
10 what, I think we'll -- we'll start.

11 Ms. McCandless...?

12 MS. KATHLEEN MCCANDLESS: Thank you.

13

14 CROSS-EXAMINATION BY MS. KATHLEEN MCCANDLESS:

15 MS. KATHLEEN MCCANDLESS: Mr. Keith,
16 I'm going to start with some questions for you.

17 Diana, could you please pull up MPI
18 number 42 -- that's the PowerPoint from this morning -
19 - slide 11.

20 I just have some questions about the
21 Loss prevention Strategy that you discussed this
22 morning and which was filed with the Board in last
23 year's GRA. I understand that the governance
24 structure is now in place?

25 MR. WARD KEITH: Yes, that's right.

1 MS. KATHLEEN MCCANDLESS: And I note
2 at the first bullet on this slide that there's a
3 mention of metho -- methodological and data
4 availability challenges that have been identified.

5 Could you perhaps just explain and
6 elaborate what the implication of that is?

7 MR. WARD KEITH: Sure. These were
8 addressed in the IBM consultation report that was
9 filed last year as well. Primarily what it does is it
10 relates to the establishment of key performance
11 measures and the data sources necessary to drive those
12 key performance measures.

13 So we know, for example, what programs
14 form part of the loss prevention portfolio. Some of
15 those programs we currently have key performance
16 measures in place. Others we do not. Sometimes the
17 key performance measures are not such that they can be
18 leveraged to create the score card, the overall return
19 on investment score card.

20 And so part of the work has been
21 working with these various business units and the
22 programs to make sure that, number 1, there are key
23 performance measures in place, and number 2, they can
24 indeed be used. There's consistency so that they can
25 be rolled up to create the score card.

1 So that also relates to why it's taking
2 us some time to get the score card finalized and why
3 we need until next year to do so.

4 MS. KATHLEEN MCCANDLESS: Thank you.
5 And so that flows into my next question which -- which
6 was about the score card. So the data challenges tie
7 into the score card. Once those data challenges have
8 been resolved and the score card is complete, then
9 that will determine how MPI sets its priorities for
10 loss prevention and road safety going forward?

11 MR. WARD KEITH: Not quite. The --
12 the way that we will set our priorities for loss
13 prevention generally and continue with road safety
14 more specifically is by following the frameworks that
15 we put in place. And so we'll leverage the frameworks
16 and the data that's available, the data sources that's
17 available that I talked about this morning, to
18 identify what the priorities should be.

19 Those will be then validated with our
20 external stakeholder committee on loss prevention, and
21 those priorities will then drive any new programs or
22 any changes to existing loss prevention programs.

23 The purpose of the score card really is
24 to be able to demonstrate that at -- at a -- at -- at
25 the highest level, the -- the funds that are invested

1 in our loss prevention strategies do have a positive
2 return on investment opposite reductions in
3 collisions, claims, and claims costs.

4 And we can do that at the -- at the
5 portfolio level for loss prevention, we believe,
6 because there are enough tangible initiatives in there
7 where we can do a legitimate and reasonable cost
8 benefit analysis, unlike when we focus just on road
9 safety program where, based on the nature of road
10 safety, it's sometimes very difficult to draw that
11 direct correlation.

12 MS. KATHLEEN MCCANDLESS: Thank you.
13 And could you advise as to how often or the frequency
14 with which the Corporation expects to recalibrate its
15 priorities?

16 MR. WARD KEITH: I should just leave
17 that on. We're going to follow the same model as we
18 do with the road safety frameworks which are already
19 in place. So what that requires us to do is, on an
20 annual basis we leverage new data in order to make
21 sure that our cal -- our priorities are correct and
22 that we're tackling the right road safety issues. And
23 we would envision doing the same with the broader loss
24 prevention portfolio, as well.

25 That would be tied into our corporate

1 planning process, our budgeting process, and then our
2 execution process for the following year.

3 MS. KATHLEEN MCCANDLESS: Thank you.

4 Now, with respect to the External Stakeholder
5 Committee, we heard about that this morning and at
6 last year's GRA, and I understand, Mr. Keith, you
7 personally have a seat on the committee.

8 Is that right?

9 MR. WARD KEITH: I do. I chair that
10 committee.

11 MS. KATHLEEN MCCANDLESS: And
12 according to its terms of reference, it meets at least
13 quarterly?

14 MR. WARD KEITH: That's right.

15 MS. KATHLEEN MCCANDLESS: And, Diana,
16 could you please pull up PUB MPI-1-52? And this was a
17 response provided by the Corporation with respect to
18 the progress and the intended purpose, goals, and
19 objectives of that External Stakeholder Committee
20 since last year's GRA.

21 If we turn to the response. And at
22 page 2 there are specific initiatives that are
23 currently under development, review, or implemented as
24 a direct result of the committee.

25 Do you see those initiatives before

1 you?

2 MR. WARD KEITH: Yes.

3 MS. KATHLEEN MCCANDLESS: Now, with
4 respect to the first initiative, the development of
5 our new cycling safety campaign, can you advise or
6 provide an update as to where that initiative is at?

7 MR. WARD KEITH: Certainly. So this
8 speaks to our general public awareness campaign around
9 cycling safety. And this is more specifically
10 directed towards motorists. We have a number of
11 initiatives that we work collaboratively with Bike
12 Winnipeg on to deliver safe cycling, safe cycling
13 training to cyclists.

14 But this really is a public awareness
15 campaign intended to get at drivers and the need for
16 drivers to share the road safety with cyclists, as
17 well, given they have a legitimate right to be on the
18 road as long as they're following the same rules of
19 the road as motorists.

20 So in working with Bike Winnipeg we
21 created a public awareness campaign, I believe it was
22 two (2) years ago, where the tag line was, Sharing the
23 road is a two (2) way street. This was meant to
24 demonstrate the shared obligation of both motorists
25 and cyclists to share the road safely with each other.

1 In feedback from Bike Winnipeg they
2 asked to revisit that particular campaign, and so we
3 have met with them. We have developed a new campaign
4 strategy and we're in the process of -- of moving that
5 to production so it would be ready for the spring 2017
6 season.

7 So that new campaign, you know, I wish
8 I could remember the tag line, but it -- it was
9 intended to more specifically address motorists as
10 opposed to motorist and cyclists. And the focus
11 really is on making sure that motorists give cyclists
12 sufficient space to ride safely, including reference
13 to the 1-metre rule that -- that Bike Winnipeg has
14 been -- has been very -- very passionate about.

15 MS. KATHLEEN MCCANDLESS: Thank you.
16 Diana, if we could just scroll down to the third
17 bullet there, which is the planned development of a
18 new line of sa -- safety initiatives for the trucking
19 industry. And the reference there is that the
20 strategic approach will be developed in the fall of
21 2016 in collaboration with the Manitoba Trucking
22 Association.

23 Can you provide any update as to the
24 status of that initiative?

25 MR. WARD KEITH: That work is still

1 ongoing at the present time. We are expecting to have
2 a draft of that initiative before the end of the fall.
3 Our next stakeholder committee meeting is, I believe,
4 on November 4th. I don't know that it will be ready
5 for that meeting, but it would be ready for discussion
6 with the Trucking Association before the end of
7 November.

8 This is an example where this
9 particular suggestion was raised by the executive
10 director of the Trucking Association in our meetings.
11 And so it's a -- it's a good example of how not only
12 are we working with the trucking industry on this
13 initiative but we're also corralling a number of
14 business units and departments within MPI to work on
15 this initiative, as well.

16 So, for example, one of our lines of
17 business is the special risk extension line of
18 business. This is the insuring of mostly commercial
19 trucks and -- and support for the tru --
20 transportation trucking industry in this Province.
21 Under that initiative, under that line of business
22 which I'm also responsible for, we already offer fleet
23 safety services to the largest commercial carrier.

24 So advice, guidance, support, for their
25 efforts to create fleece -- fleet safety initiatives

1 within their own organizations, so there's a lot of
2 crossover when it comes time -- when it comes to road
3 safety, so we will be leveraging both of those areas
4 into a single broader strategy for the trucking
5 industry.

6 MS. KATHLEEN MCCANDLESS: Thank you.
7 Now, I'd like to ask you some questions about the
8 Provincial road safety committee, of which MPI is a
9 co-chair along with Manitoba Infrastructure and
10 Transportation. Is that right?

11 MR. WARD KEITH: That's right, now
12 Manitoba Infrastructure.

13 MS. KATHLEEN MCCANDLESS: And perhaps
14 you could just at a high level explain the difference
15 in the mandate or activities as between the Provincial
16 road safety committee and the external stakeholder
17 committee?

18 MR. WARD KEITH: Okay. There is a lot
19 of crossover, so I'll start with -- with putting that
20 on the record. The Provincial road safety committee
21 is really a committee that was established and
22 mandated at the request of government, and so we have
23 in past hearings been talking about the issue of road
24 safety leadership.

25 Is MPI the lead agency when it comes to

1 road safety in the Province, or is our mandate smaller
2 than that and more specific to our legislated mandate?
3 The creation of this Provincial road safety committee,
4 I think, addresses that issue because what it now
5 formally does is establish MPI and Manitoba
6 Infrastructure as the two lead agencies responsible
7 for road safety in the Province, but our work is
8 complimentary. It's not exclusive to one another.

9 And so really it's at this committee
10 that, based on the terms of reference, we will be
11 looking at sort of the broader road safety context
12 well beyond the mandate of -- of the current mandate
13 of the Corporation. So things like what is the
14 strategy for policing and enforcement in the Province
15 as it pertains to traffic safety.

16 Not -- not the funding that MPI
17 provides for enhanced enforcement initiatives but
18 overall what is the strategy around police enforcement
19 of traffic laws? What is the legislative construct?
20 What is the role of Infrastructure when it comes to
21 roadway design, roadway construction, roadway safety?
22 What role does the medical community have to play in
23 terms of response times, and how that may make a
24 difference in terms of the difference between a
25 fatality and a serious injury, or a serious injury and

1 a minor injury, et cetera.

2 This is what was referred to this
3 morning as the safe systems approach, the holistic
4 approach to road safety. And when you have a
5 Provincial road safety committee with all of the
6 players who have a stake in those components at the
7 table, that's where there is -- it's a better
8 opportunity for discussion around the holistic
9 approach.

10 So that's the primary focus of that
11 committee. Our stakeholder committee, as I mentioned,
12 involves many of the same stakeholders but our intent
13 is to keep it more specifically focussed to the work
14 we do today, that we're accountable to today, with
15 respect to loss prevention and road safety based on
16 our legislated mandate.

17 It doesn't -- it doesn't change the
18 fact that we will be actively involved in the
19 Provincial road safety work, but our -- our -- the
20 focus of our discussion at these internal stakeholder
21 committees on loss prevention is more focussed on MPI
22 programming.

23 MS. KATHLEEN MCCANDLESS: Thank you.
24 Diana, could you, please, pull up MPI number 42, slide
25 30?

1 (BRIEF PAUSE)

2

3 MS. KATHLEEN MCCANDLESS: And this is
4 the update on the progress of the work of the
5 Provincial road safety committee. I understand that
6 the road safety plan is in progress, and it was --
7 there was a goal of having it ready for Fall of 2016.
8 Can you provide an update on that?

9 MR. WARD KEITH: Yes. We're still
10 hoping to -- to meet that target. Although, we did
11 have a -- with the change in the Provincial Government
12 and the Provincial Administration, we did take a bit
13 of a pause to make sure that the new government was
14 still supportive of the Provincial Road Safety
15 Committee, of the mandate, of the terms of reference.

16 We had an opportunity to meet with the
17 Ministers responsible for Crown services and Manitoba
18 infrastructure several weeks ago and received
19 commitment that there was still support for the
20 actions of the committee. And so now we've moved
21 right into the next -- the next phase, which is really
22 twofold.

23 One is to establish what we're calling
24 a Technical Oversight Committee, which is a committee
25 that stands below the leadership committee. And these

1 are the folks who will be most involved in examining
2 the issues, examining the best practices, and coming
3 up with a three-year action plan, but at a provincial
4 level when it comes to road safety.

5 MS. KATHLEEN MCCANDLESS: Thank you.
6 And we have information from the Corporation in this
7 year's filing that the Road Safety Committee held an -
8 - a summit on impaired and distracted driving in
9 December of 2015?

10 MR. WARD KEITH: Yes.

11 MS. KATHLEEN MCCANDLESS: And out of
12 that summit there were -- there was consensus on some
13 key issues, yes?

14 MR. WARD KEITH: There were consensus
15 on key issues driving road safety, yes.

16 MS. KATHLEEN MCCANDLESS: And that was
17 -- that included distracted driving and drug impaired
18 driving, yes?

19 MR. WARD KEITH: Yes.

20 MS. KATHLEEN MCCANDLESS: Diana, could
21 you please pull up PUB-MPI 1-56.

22 This was a response to an Information
23 Request for the -- one of the initiatives that came
24 out of the summit, which was the -- the target for
25 some data gathering, with respect to impaired driving.

1 And you did speak about it a little bit
2 this morning, and I believe prefaced it with the fact
3 there's been some media coverage around this survey
4 that took place at the roadside, yes?

5 MR. WARD KEITH: M-hm.

6 MS. KATHLEEN MCCANDLESS: And if you
7 could just turn to the responses here. So as at the
8 time of -- of this, the survey and questionnaire was
9 under development.

10 And, Diana, could you please scroll to
11 the second page. The survey was planned for September
12 of 2016, yes.

13 And so is it complete now? Is the --
14 the work of the survey -- has all the data gathering
15 occurred at this point?

16 MR. WARD KEITH: Exactly, the data
17 gathering is complete, yeah.

18 MS. KATHLEEN MCCANDLESS: And just
19 going back to your comment this morning about what
20 actually occurred not being accurately reported,
21 perhaps you could explain what the issue was in the
22 reporting versus what occurred at the survey level?

23 MR. WARD KEITH: Certainly. And my
24 comments this morning were a little bit tongue and
25 cheek, so I do apologize for that. But really the

1 survey pro -- the survey that was administered was the
2 subject of a pretty intense scrutiny in terms of an
3 RFP process, a vendor selection process, and followed
4 protocols that had been established by Transport
5 Canada and through the Canadian Council of Motor
6 Transport Administrators.

7 And at the -- at the heart of the
8 survey design is that it is both random and voluntary
9 and that participation in the survey would not result
10 in consequences to the survey participant, because the
11 intent is to measure -- the intent was to measure the
12 prevalence of drug and alcohol use amongst drivers.

13 And so if -- if there is a survey in
14 which if they agree to participate there will be
15 consequences, then they will choose not to
16 participate. And so the intent was to make it
17 completely voluntary, completely anonymous, and law
18 enforcement was used in this initiative, but their
19 service was primarily to direct traffic off of the
20 roadway, because the best practice protocol for the
21 survey was that it be done out of traffic.

22 And so there were some concerns raised.
23 Certainly valid in -- in some folks minds in terms of
24 how independent the survey was, how voluntary it was
25 when they are initially directed into the survey site

1 by the police, and whether or not there was any
2 concern with respect to use of the salvia samples that
3 were collected for drug testing for DNA tracing
4 purposes.

5 And so what was missed in the
6 reporting, which was provided to the media, was that
7 it is not -- it was not actually the police that were
8 asking people to participate in the survey. The
9 survey was downstream of the police interaction with
10 the driver.

11 They were explained that it was
12 completely voluntary and completely anonymous, that
13 the results would not be tied back to them personally,
14 and in the event that there was an issue with alcohol
15 impairment, that arrangements would be made to ensure
16 that the person had a -- had an alternate ride home
17 from the survey site, but that they would not be
18 returned back to the police who directed them into the
19 survey site in the first place.

20 And finally, there were some very
21 specific protocols for the vendor in terms of how
22 these saliva survey samples were to be handled. And
23 it was to test only for the presence of drugs, not to
24 do DNA analysis. And the survey results -- I'm sorry,
25 the sample results would be discarded once the

1 information had been obtained for the purpose of
2 reporting on the survey.

3 MS. KATHLEEN MCCANDLESS: Thank you.

4 At 'D' on the screen, the target number of survey
5 completes was twelve hundred (1,200).

6 Was the Corporation able to gather that
7 number?

8 MR. WARD KEITH: Yes. And, you know,
9 I saw those numbers just this morning, and -- and I
10 didn't bring them with me. In total, I believe it was
11 sixteen hundred (1,600) drivers were approached. The
12 surveys were done in several locations: Winnipeg,
13 Brandon, Portage La Prairie, Steinbach, and Thompson,
14 I believe.

15 A total of sixteen hundred (1,600)
16 drivers were approached, and approximately four
17 hundred (400) chose not to participate in the survey,
18 so we did get just over the twelve hundred (1,200).

19 And I should say that, for most of our
20 public polling and our public research that we do, we
21 use twelve hundred (1,200) survey respondents, which
22 is considered statistically representative for the
23 province.

24 But we -- we increased that by 50
25 percent to twelve hundred (1,200) (sic) because we

1 wanted to make absolutely sure that the results would
2 be representative given that we want to use the data
3 as a baseline to measure future progress against.

4 MS. KATHLEEN MCCANDLESS: So data
5 gathering is complete. So what are the next steps
6 from the Corporation's perspective?

7 MR. WARD KEITH: So next steps involve
8 the data analysis and then the reporting. And that is
9 currently actively underway by the research vendor,
10 and so we would expect to have those -- I don't have a
11 -- a specific time for the results -- those results to
12 be received. But -- but that -- the next step is to
13 do the analysis and then to report in terms of the
14 prevalence of both alcohol and drug use amongst these
15 volunteer drivers.

16 MS. KATHLEEN MCCANDLESS: Thank you.
17 I'd like to ask you some questions about the driver
18 safety rating --

19 MR. WARD KEITH: Okay.

20 MS. KATHLEEN MCCANDLESS: -- which was
21 introduced in 2010.

22 MR. WARD KEITH: Yes.

23 MS. KATHLEEN MCCANDLESS: And in this
24 year's filing, the Corporation has filed its analysis
25 of the DSR system, yes?

1 MR. WARD KEITH: Yes.

2 MS. KATHLEEN MCCANDLESS: And just for
3 your reference, Diana, could you please turn to page
4 34 of the loss prevention section of the filing.

5 And this is a graph showing the
6 estimate in the reduction and collision claims counts
7 pre- and post-DSR, and then the assumed reduction in
8 collision -- collision-incurred losses post-DSR.

9 You see that in front of you?

10 MR. WARD KEITH: Yes.

11 MS. KATHLEEN MCCANDLESS: And if we
12 scroll over to I believe it's page 39, just for your
13 reference, but jumping ahead, my understanding is that
14 the graph here shows that the most significant
15 improvements with DSR is at the plus 5 or lower level?

16 MR. WARD KEITH: That's right.

17 MS. KATHLEEN MCCANDLESS: And is the
18 Corporation able to offer any insight into why that is
19 the case?

20

21 (BRIEF PAUSE)

22

23 MR. WARD KEITH: I just sought some
24 information from our actuary. I guess the first and
25 most obvious impact is that the lower -- the -- the

1 lower the DSR rating, the greater the -- the
2 surcharge, the greater the insurance premium that gets
3 associated to that. So that clearly does have an
4 impact.

5 We also wouldn't want, though, to rule
6 out the communication tools that we use for this
7 program. And what I mean by that is, when we send the
8 reassessment notice or the renewal notice, which is
9 the notice once a year, we do go to quite a lot of
10 efforts to make it clear to drivers what their current
11 rating is under the DSR program, if it's moved from
12 the last year, why its moved, and that if they stay
13 accident and conviction-free for a year, where they
14 will go in terms of a step up in the -- in the driver
15 safety rating and what that will mean in terms of the
16 dollar value.

17 So we -- we do believe that -- that
18 that sort of communication and awareness material does
19 help in terms of -- in terms of influencing the driver
20 behaviour between renewal and reassessment periods.

21 MS. KATHLEEN MCCANDLESS: Thank you.
22 So now that the Corporation has the analysis of the
23 DSR experience, will it test the driver premiums and
24 vehicle premium discounts by comparing those with
25 experience-driven indicated values?

1

2

(BRIEF PAUSE)

3

4

MR. WARD KEITH: My understanding is
5 Mr. Johnston did address this previously with the
6 Board. We do normally look in situations like this to
7 get ten (10) years of experience before we start
8 making adjustments.

9

And, as you can see, based on -- based
10 on these numbers in this section, experience under the
11 DSR program is continuing to evolve. So my
12 understanding in speaking to Mr. Johnston is that we -
13 - we would be prepared to look at that, but we would
14 like to have ten (10) years of experience before we do
15 so.

16

MS. KATHLEEN MCCANDLESS: Thank you.
17 Is the Corporation able to provide the number of
18 drivers at each DSR level and the corresponding
19 revenue?

20

21

(BRIEF PAUSE)

22

23

MR. WARD KEITH: We can certainly do
24 that. I was just checking if it was already in the
25 material. But rather than hold up the panel, we will

1 take that as an undertaking.

2 MS. KATHLEEN MCCANDLESS: Thank you.
3 That would be an undertaking to provide the number of
4 drivers at each DSR level and the corresponding
5 revenue?

6 MR. WARD KEITH: Yes.

7 MS. KATHLEEN MCCANDLESS: Thank you.

8

9 --- UNDERTAKING NO. 22: To provide the number of
10 drivers at each DSR level
11 and the corresponding
12 revenue

13

14 MS. KATHLEEN MCCANDLESS: Now, with
15 respect to the issue of mature and older drivers, Mr.
16 Keith, we heard from you this morning a bit about how
17 the Corporation considers this an emerging issue, in
18 particular, with respect to medical conditions that
19 affect driver fitness.

20 And the Corporation has filed some
21 information onto the -- with respect to the programs
22 that it has in place to address this issue. So I just
23 have some questions about some of those. Diana, could
24 you please pull up AI13-3?

25 This was a document in the filing

1 regarding medical con -- conditions that affect safe
2 driving ability. And if we turn to page 2 of this
3 document. Scroll down somewhat. There. Under,
4 "Mature drivers," we see that -- that MPI, in the
5 second paragraph there, has identified and implemented
6 several general amateur driver specific strategies to
7 addre - address road safety issues associated with
8 medical conditions.

9 And I understand at page 3 one (1) of
10 these programs is -- is it driveABLE? Is that how we
11 would -- or driveABLE?

12 MR. WARD KEITH: DriveABLE, yeah.

13 MS. KATHLEEN MCCANDLESS: And so this
14 is a two (2) level of assessment program, an in office
15 assessment and an on road evaluation?

16 MR. WARD KEITH: That's right.

17 MS. KATHLEEN MCCANDLESS: How is a
18 person identified for -- for screening for placement
19 in this type of a program?

20 MR. WARD KEITH: So this is -- this is
21 one (1) of the regulatory programs that we're
22 responsible for administrating as administrator of the
23 Driver and Vehicle Act. So it is outside of the basic
24 purview, but it does relate to the management of -- of
25 all medically at-risk drivers as well as mature

1 drivers.

2 So, basically, under legislation today
3 doctors and optometrists, physicians in Manitoba, have
4 an obligation to report patients that they believe
5 have medical conditions that may affect their driving
6 ability. And so we get several thousand of those
7 notices each year from physicians.

8 And -- and then the process once we get
9 that notice is to follow up with the driver and to
10 request a detailed medical report. And once we have
11 that medical report, then if it is apparent based on
12 the medical condition that there may be a risk to
13 their driving ability, they're pre -- presenting a
14 risk to themselves or others, then they may be
15 identified for this type of an evaluation.

16 MS. KATHLEEN MCCANDLESS: Thank you.
17 I -- I think you answered my next question. I -- I
18 heard you say that you get thousands of -- of reports
19 of this nature in the given year?

20 MR. WARD KEITH: Yes. Yes. I would
21 have to get an undertaking for the exact number but it
22 is several thousand notifications a year.

23 MS. KATHLEEN MCCANDLESS: And is that
24 with respect to DriveABLE and the driver assessment
25 management program --

1 MR. WARD KEITH: No --

2 MS. KATHLEEN MCCANDLESS: -- together?

3 MR. WARD KEITH: -- no, that is --

4 that is all notifications that we receive. We call
5 them unsolicited medical notifications because we
6 haven't gone to physicians and asked for them. These
7 are notifications that we receive from physicians
8 based on their legislated obligation to report.

9 So it may involve drivers with
10 dementia, or other types of aging-related conditions.
11 It may involve people with diabetic conditions. It
12 may involve people that have had an issue with stroke
13 or heart attack, or some other kind of a medical
14 condition that either temporarily or in a long term
15 basis may affect their ability to drive safely.

16 So it is all of those things combined.
17 When a physician believes based on the medical
18 standards for driving that they have a patient who is
19 at risk to not being able to drive safely, then that's
20 -- that's when we would get such a notification.

21 Now, once we get the notification if it
22 does involve cognitive issues, if it does involve
23 things like early onset of dementia or Alzheimers,
24 then that specifically is when we would rely on the
25 DriveABLE assessment process. DriveABLE does not

1 apply to other drivers with non-cognitive issues, or
2 even cognitive and physical issues. Those types of
3 drivers are typically referred to the driver
4 assessment management program.

5 MS. KATHLEEN MCCANDLESS: Okay. And
6 so that program, I believe the description of the
7 program -- if we scroll down to the bottom of the
8 page, that's what you were referring to there, the
9 driver assessment management program, and that's
10 another two (2) part functional driving assessment.
11 Yes?

12 MR. WARD KEITH: Yes, exactly. But it
13 also includes an assessment of physical capabilities,
14 as well. So a good example of that would be if
15 someone has had a serious stroke, for example, they
16 may have both cognitive and physical deficits
17 following that stroke.

18 And so in that case they would be
19 referred to the driver assessment management program
20 who do an in-office and in-vehicle assessment not just
21 on their ability from a cognitive perspective to
22 operate the vehicle safely but also strictly from a
23 physical perspective, as well. And then they make
24 recommendations if modifications are required to
25 assist in operating and maintaining control of that

1 vehicle, notwithstanding the physical deficits that
2 may be -- may be in play.

3 MS. KATHLEEN MCCANDLESS: Is that
4 person identified for this program in a similar manner
5 as you described with DriveABLE?

6 MR. WARD KEITH: Yes, exactly.

7 MS. KATHLEEN MCCANDLESS: How long
8 have both o those programs been in place?

9 MR. WARD KEITH: So the driver
10 assessment management program has been in place for
11 the longest and for as long as I can remember
12 actually, certainly since the Corporation assumed
13 responsibility for driver and vehicle licensing under
14 the Driver and Vehicle Act in 2004 -- 2004.

15 The Driver -- the DriveABLE program is
16 a more recent program, and I believe that was
17 implemented in 2010 or 2011. And the reason for that
18 is because the -- the wait time to get an assessment
19 through the driver assessment management program,
20 being the only program in the Province, was getting
21 unreasonable.

22 And so there was an effort made to look
23 for other ways to accurately assess cognitively
24 impaired drivers that would not have to have them go
25 through the driver assessment management program. So

1 we looked at programs in place in other jurisdictions.
2 The DriveABLE program came forward as being already
3 used in a number of Canadian and US and international
4 jurisdictions, and so government made regulation
5 changes to introduce that program and adapt it as part
6 of the -- as part of the -- the driver fitness
7 program.

8 MS. KATHLEEN MCCANDLESS: Thank you.
9 If we scroll down to page 4 of this document, there's
10 reference -- I believe it's towards the bottom of the
11 page -- to the mature driver training program.

12 That's there in front of you?

13 MR. WARD KEITH: Yes.

14 MS. KATHLEEN MCCANDLESS: And could
15 you just let me know how a person is identified for
16 participation in that program?

17 MR. WARD KEITH: So this is a
18 completely voluntary program actually. This is a
19 program that is administered through Safety Services
20 Manitoba. And what we do is we provide grant funding
21 to Safety Services to deliver that program.

22 They will typically do outreach to
23 community seniors organizations, to personal care
24 homes perhaps, to assisted living centres, to identify
25 if there's an opportunity for them to come in and do a

1 presentation on the mature driver training. The
2 intent of this program is really to help people to
3 understand the -- the point at which the natural aging
4 process may start to impact their ability to drive
5 safely and the types of symptoms, the types of
6 situations that drivers may want to keep their eye
7 open for as an indication that their ability to
8 maintain full control of the vehicle is starting to
9 slip.

10 MS. KATHLEEN MCCANDLESS: Thank you.
11 We heard from you this morning with respect to the
12 high school driver education plan. And if we could
13 turn to page 49 of the filing please, at loss
14 prevention section.

15 And we heard that the -- obviously
16 we've heard before the Corporation is pursuing a multi-
17 year initiative to redevelop the high school driver
18 education program. And if we could scroll up to page
19 48. That's great. We can scroll down somewhat,
20 Diana.

21 So the -- the tactical and strategic
22 deve -- redevelopment initiatives that the Corporation
23 is employing are -- are those that follow at page 49,
24 yes?

25 MR. WARD KEITH: Yes.

1 MS. KATHLEEN MCCANDLESS: Yes. Okay.
2 And this is a gradual transition that's to take place
3 between 2016 and 2020 to move into all of these
4 initiatives?

5 MR. WARD KEITH: Yes, although we are
6 currently looking at if there are ways to escalate
7 that -- that initiative.

8 MS. KATHLEEN MCCANDLESS: So if we
9 scroll down then through these initiatives, which are
10 the tactical and strategic, into page 50, these are
11 the opportunities that are being pursued by the
12 Corporation in 2016/'17 fiscal. With respect to the -
13 - to number 1, telematics, collision avoidance and
14 dashcams proof of concept. There's a status update
15 there.

16 Can you provide or expand as to where
17 matters are at with respect to this initiative right
18 now?

19 MR. WARD KEITH: Certainly. There's
20 really two elements to this. One is in the high
21 school driver education program itself. So we are
22 currently in the midst of a proof of concept, a pilot,
23 if you will, to test simulators and simulations being
24 built into the high school driver education program
25 curriculum.

1 And the intent here is really to give
2 the students access to particularly challenging or
3 complex driving situations in the safety of a
4 simulated environment versus out on the roadway. So
5 things like managing a vehicle in snow or ice
6 conditions, or on gravel roads, for example.

7 These are the types of things that we
8 are testing through simulation and building into the
9 actual driver ed curriculum so that the students can
10 get access to those types of driving conditions,
11 because the nature of the high school program today is
12 that depending on when a -- a student takes that
13 program, it may be in the fall, it may be in the
14 spring, for example. So they would have no training,
15 no in-vehicle training in adverse weather conditions.

16 So -- so that is being piloted at the
17 moment. And as well, we are piloting telematics in
18 both the instructors and the parent's vehicles for
19 participating parents on a voluntary basis. And the
20 intent here, really, is to recognize that in the high
21 school program we deliver eight hours of in-car
22 instruction, eight hours of in-car observation.

23 That's not enough time for -- for
24 students to get comfortable -- fully comfortable with
25 driving. And so we do rely on the partnership with

1 parents and guardians to do practice driving with
2 their kids outside of the formal high school program.

3 Now, what the telematics allow us to do
4 is to track -- I'm sorry, is allow the instructor to
5 track how is that student doing when they're practice
6 driving in their parent's vehicle. So is there a
7 history of sharp turning, of hard braking, of fast
8 acceleration?

9 Those are the types of things that can
10 be measured through telematics, and -- and that's why
11 also it's being done on a voluntary proof-of-concept
12 basis. But at the end of the day, if there's relevant
13 data that the instructors can then use to better
14 customize their in-vehicle training for these kids
15 when they come for their -- their courses, their
16 lessons, then that's the information that we're hoping
17 to get out of the telematics.

18 MS. KATHLEEN MCCANDLESS: Thank you.

19 Diana, could we please move to page 69
20 of the filing.

21 And we heard from you this morning, Mr.
22 Keith, about this initiative, which is the
23 intersection safety signage pilot. And if we scroll
24 to the bottom of the page, it's a two-year pilot.

25 MR. WARD KEITH: Yes.

1 MS. KATHLEEN MCCANDLESS: So it's to
2 be complete in -- is it January of 2018?

3 MR. WARD KEITH: That's right.

4 MS. KATHLEEN MCCANDLESS: And if we
5 scroll to the next page, these are the -- the five
6 intersections that are being served by the pilot, yes?

7 MR. WARD KEITH: That's right.

8 MS. KATHLEEN MCCANDLESS: And I
9 understand from the Corporation that, following the
10 completion of the pilot, there will be a detailed
11 evaluation as to the effectiveness of these signage
12 enforcement measures.

13 MR. WARD KEITH: Yes.

14 MS. KATHLEEN MCCANDLESS: And I heard
15 you mention this morning that, according to what
16 you've seen so far, it -- it is making a difference so
17 far?

18 MR. WARD KEITH: Well, I said that
19 very cautiously because -- because we do have to be
20 careful in terms of the seasonality of the data and
21 the difference that a single year may make. But with
22 the exception of the intersection of Leila and
23 McPhillips, we are seeing fewer collisions compared to
24 the same period over last year and over the five-year
25 average before that.

1 I'm very cautious in terms of making
2 statements around whether we can -- we can rely on
3 that at this point. But we are optimistic that,
4 between the signage and the enforcement, we are making
5 -- it is making a difference.

6 MS. KATHLEEN MCCANDLESS: Thank you.
7 With respect to --

8 MR. WARD KEITH: Sorry. If I may, I -
9 - I intended, when -- when we were talking about
10 simulators, that there are actually two aspects of
11 that. The first was in the high school program that I
12 explained.

13 Just for the record, the second
14 involves the potential use of simulators in our
15 service centres. And we are looking at implementing
16 that again on a proof-of-concept basis to try and
17 demonstrate Is there a correlation between how
18 somebody does in a -- a driving test simulation and
19 how they do on the actual road test?

20 And -- and our -- our interest is in
21 determining Would it be reasonable to have a simulated
22 road test as a precursor to being able to take the on-
23 road test? And what we're seeing is that that would
24 have two potential benefits.

25 One obviously is to protect the safety

1 of our driver examiners and the drivers involved. But
2 the second is to increase the first-time pass rate on
3 the provincial road test, which would help to reduce
4 our operating costs in that line of business.

5 MS. KATHLEEN MCCANDLESS: Thank you.
6 Just going back to the high-collision intersection
7 signage and enforcement, the Kenaston and McGillivray
8 and Kenaston and Grant, they -- pardon me, Bishop
9 Grandin and St. Mary's involve enforcement.

10 Has the Corporation had any -- does it
11 have any view with respect to the long-term viability
12 of such a measure? Obviously it involves the
13 cooperation of law enforcement to maintain it.

14 MR. WARD KEITH: Well, from our
15 perspective, quite frankly, there would be no long-
16 term viability to the Corporation funding enhancement
17 of -- of this sort. It was leveraged as a way of
18 fully testing the concepts in the pilot and whether or
19 not, quite frankly, signage alone would make a
20 difference in terms of influencing driver behaviour,
21 or if signage combined with enforcement was required.

22 And so to make that -- to make that
23 assessment, then we needed to have an intersection
24 where just enforcement was the -- was the factor.

25 On a long-term basis, we would -- our

1 hypothesis is that purely raising awareness that
2 drivers are entering a high-collision intersection by
3 way of signage would be sufficient to influence driver
4 behaviour, but, again, that has yet to be vetted.

5 MS. KATHLEEN MCCANDLESS: Thank you.
6 Diana, could you please jump to MPI number 42, slide
7 33?

8

9 (BRIEF PAUSE)

10

11 MS. KATHLEEN MCCANDLESS: Just briefly
12 with respect to the issue of wildlife collision
13 measures. And the Corporation filed a report
14 regarding its potential -- their potential benefit in
15 this year's GRA.

16 The recommendations were as set out
17 here in the first four (4) bullets that fencing and
18 large animal warning systems are not recommended
19 following completion of the cost benefit analysis,
20 but, lastly, recommended increased public awareness
21 and identified hot spots and additional hot spot
22 research.

23 So my question is simply whether the
24 Corporation intends to move forward with respect to
25 the recommendations in that report?

1 MR. WARD KEITH: Yes. And we have
2 moved forward already on the recommendations for
3 increased public awareness and additional hot spot
4 research.

5 MS. KATHLEEN MCCANDLESS: Thank you.
6 Diana, could you please move to page 58 of the filing
7 in the loss prevention section?

8 This is with respect to the fatality
9 statistics. And we heard from you this morning. The
10 bottom paragraph in the screen here speaks of 2014
11 being a record -- a year of record lows for fatal
12 collisions and fatalities.

13 If we go to the previous page, there's
14 a table there that shows the statistics, the five (5)
15 year averages beginning in 19 -- the period from 1994
16 to 1998. And as at the time of the filing, the
17 indication was that 2015 would be an increase.

18 And then we heard from you this morning
19 that there's been a spike in fatalities for 2016, as
20 well; yes?

21 MR. WARD KEITH: Yes.

22 MS. KATHLEEN MCCANDLESS: And in 2015
23 it was seventy-eight (78) fatalities?

24 MR. WARD KEITH: Yes, there were
25 seventy-eight (78) fatalities in two thou -- in the

1 calendar year 2015 on public roadways. So there was
2 an increase from 2014, although 2015 was still the
3 second lowest year in terms of actual fatalities and
4 rate-based fatalities in the last twenty (20) years,
5 but -- but it was above 2014.

6 MS. KATHLEEN MCCANDLESS: And the
7 reason for the -- the difference in 2014 versus 2015
8 was I believe the Corporation has advised that in 2014
9 there were -- there was a low number of multiple
10 fatality crashes as compared to 2015?

11 MR. WARD KEITH: Yes.

12 MS. KATHLEEN MCCANDLESS: Now, with
13 respect to the spike in fatalities for 2016, eighty-
14 five (85) for this year to date, does the Corporation
15 have any insight into the cause for this spike?

16 MR. WARD KEITH: Well, we have the
17 data that drove us to hold the event last week. So we
18 know, for example, that 70 percent of the fatalities
19 so far in 2016 are on rural roads. So this is
20 primarily a rural problem where highway speeds are
21 higher.

22 We know that 25 percent of the
23 fatalities involved victims under the age of 25, which
24 speaks to the continued sort of over representing --
25 over representation of young people in collisions,

1 fatalities, and serious injuries.

2 And we know that -- I had mentioned
3 this morning that impaired as a contributing factor,
4 speed as a contributing factor. In particular, there
5 ha -- so far in 2016 there has been an increase to the
6 -- to the extent that at least 50 percent of those
7 fatality numbers involve either impaired or speed as a
8 contributing factor.

9 Now, when I talk about those numbers
10 it's important to remember that contributing factors
11 don't stand on their own, so there is some overlap
12 there. So, for example, the police may tell us
13 through a fatality investigation that there was
14 alcohol involved by the driver of the vehicle and the
15 driver was also speeding.

16 It may very well be that they weren't
17 wearing a seatbelt either, or perhaps their passengers
18 weren't. So those three (3) contributing factors
19 would be identified as contributing to that single
20 fatality, so -- so you can't quite just add up the
21 numbers. But from a road safety perspective, that is
22 how we track the prevalence of these factors.

23 MS. KATHLEEN MCCANDLESS: Thank you.
24 Now, with respect to the budget for road safety, loss
25 prevention and road safety, the Corporation can

1 confirm that successful road safety programs and loss
2 prevention initiatives can reduce claims costs?

3 MR. WARD KEITH: Yes.

4 MS. KATHLEEN MCCANDLESS: And this
5 morning, and perhaps just for your reference, Diana,
6 could we pull up slide 28 from MPI number 42?

7

8 (BRIEF PAUSE)

9

10 MS. KATHLEEN MCCANDLESS: The Basic
11 road safety program budget for 2017/'18 and 2018/'19
12 is referenced there. And then under those numbers
13 there's a mention that there's no funding cap, so
14 decisions are based on the strength of the business
15 case.

16 MR. WARD KEITH: Yes.

17 MS. KATHLEEN MCCANDLESS: So
18 theoretically then funding with respect to road safety
19 and loss prevention could significantly increase over
20 a period of time?

21 MR. WARD KEITH: Conceivably it could,
22 yes.

23 MS. KATHLEEN MCCANDLESS: And, Diana,
24 could you, please, go to Attachment D in the loss
25 prevention section of the filing?

1 (BRIEF PAUSE)

2

3 MS. KATHLEEN MCCANDLESS: And this is
4 the road safety financial breakdown by program area,
5 and that's Basic's share.

6 And if we scroll on to the second page,
7 this is broken down into six (6) program categories,
8 the amount allocated for a program category shifts
9 from year to year, and that depends on what the
10 Corporation would set as a priority for a given year?

11 MR. WARD KEITH: Well, we just have to
12 be careful in how we use the term 'priority' because
13 this morning we've been talking about priorities in
14 terms of the road safety priorities as it relates to
15 issues. So this would be more how the funding is
16 allocated within the various buckets of road safety
17 activities.

18 MS. KATHLEEN MCCANDLESS: Okay. Thank
19 you. And if we could scroll to the first page, these
20 four (4) -- for 2016/'17 budgeted the most significant
21 percentage of the breakdown goes to driver education
22 initiatives. Yes?

23 MR. WARD KEITH: Yes.

24 MS. KATHLEEN MCCANDLESS: Followed
25 then by auto crime, and then road safety advertising

1 and community promotion?

2 MR. WARD KEITH: Yes.

3

4 (BRIEF PAUSE)

5

6 MS. KATHLEEN MCCANDLESS: If we scroll
7 to the second page of this schedule, there's a
8 significant increase in 2017/'18 through to 2018/'19
9 for the projected budget for surveys and program
10 evaluations. It's two hundred and ninety-five
11 thousand (295,000) for 2017/'18, and then in 2018/'19
12 it moves to 1.1 million.

13 Do you see that in front of you?

14 MR. WARD KEITH: Yes.

15 MS. KATHLEEN MCCANDLESS: Could you
16 explain the reason for that increase?

17

18 (BRIEF PAUSE)

19

20 MR. WARD KEITH: Here we go. If I
21 could, we'll need to take that under advisement and
22 provide that back this afternoon.

23 MS. KATHLEEN MCCANDLESS: Thank you.
24 So that would be an undertaking to explain the
25 variance in the projected amount of two hundred and

1 ninety-five thousand dollars (\$295,000) for surveys
2 and program evaluations in 2017/'18 as compared to the
3 2018/'19 projected amount of \$1.119 million.

4 MR. WARD KEITH: Yes.

5 MS. KATHLEEN MCCANDLESS: Thank you.

6

7 --- UNDERTAKING NO. 23: MPI to explain the
8 variance in the projected
9 amount of two hundred and
10 ninety-five thousand
11 dollars (\$295,000) for
12 surveys and program
13 evaluations in 2017/'18 as
14 compared to the 2018/'19
15 projected amount of \$1.119
16 million.

17

18 CONTINUED BY MS. KATHLEEN MCCANDLESS:

19 MS. KATHLEEN MCCANDLESS: Diana, could
20 you, please, pull up expenses, Appendix 6, page 17?

21

22 (BRIEF PAUSE)

23

24 MS. KATHLEEN MCCANDLESS: I just have
25 one (1) question with respect to this schedule, Mr.

1 Keith, and that's with respect to the row here for
2 road safety and loss prevention programs. This is a
3 comparison of the 2016/'17 expenses in last year's GRA
4 to this year's GRA.

5 And under the column entitled
6 'Initiatives Implementation' there is an amount of
7 \$900,000 referenced in last year's GRA, which is
8 removed in this year's GRA for a variance of 900,000.

9 Are you able to advise us to the
10 explanation for that variance?

11 MR. WARD KEITH: Yes, this speaks to
12 our annual funding for the Winnipeg auto theft
13 suppression strategy. So it ties directly to our auto
14 theft prevention work. We have since 2005 funded the
15 -- the auto theft suppression strategy which is
16 through the correctional services probations.

17 And this has been budgeted up until the
18 end of our current agreement, which expires at the end
19 of March of 2017.

20 MS. KATHLEEN MCCANDLESS: Thank you.
21 Now, I'm just going to ask you some questions with
22 respect to the recommendations from Ms. Kroeker-Hall's
23 report. Diana, could we please pull up pages -- or
24 pardon me, page 85 of the loss prevention section of
25 the filing.

1 (BRIEF PAUSE)

2

3 MS. KATHLEEN MCCANDLESS: That would
4 be 85. Thank you. And actually, if we scroll back to
5 -- to 82, here the Corporation has listed the
6 recommendations made in Ms. Kroeker's -- Kroeker-
7 Hall's report and the -- the status of the
8 implementation of some of those recommendations.

9 If we -- we've got -- from pages 82 to
10 84, we can just scroll through quick -- quickly.
11 There's a response to those recommendations. Then
12 jumping to page 85, there's a comment with respect to
13 other recommendations.

14 See that in front of you, towards the
15 middle of the screen?

16 MR. WARD KEITH: Yes.

17 MS. KATHLEEN MCCANDLESS: Which says:
18 "Other recommendations to clarify
19 language in the road safety
20 operational plan and related
21 frameworks have been considered and
22 incorporated where deemed
23 appropriate."

24 I'd just like to take you to some of
25 what I understand to be those recommendations. So,

1 Diana, could you please jump to MPI Exhibit Number 52.
2 That's Ms. Kroeker-Hall's report, and page 44 of that
3 document. Okay. Scroll . . .

4 The recommendation at the bottom of the
5 page there with respect to the decision making
6 process:

7 "Following the prior --
8 prioritization process including
9 funding and resourcing decisions."

10 You see that in front of you?

11 MR. WARD KEITH: Yes.

12 MS. KATHLEEN MCCANDLESS: Can you just
13 advise us to the status of that recommendation?

14 MR. WARD KEITH: So that has been
15 clarified in the priority setting framework and in the
16 program development frameworks for MPI. There was
17 never -- there was never an issue in our view with
18 respect to the intent and how it was being
19 administered internally, but it was clear based on Ms.
20 Kroeker-Hall's report that that wasn't clear enough in
21 the actual framework itself and so that has been
22 better articulated.

23 MS. KATHLEEN MCCANDLESS: Thank you.
24 And then if we jump to page 46 of Ms. Kroeker-Hall's
25 report, towards the bottom of the screen here, there

1 are two bullets here with respect to -- the second
2 one, it's:

3 "Articulate MPI's ongoing commitment
4 to funding, monitoring, and
5 evaluation."

6 Can you advise us to the status of that
7 recommendation?

8 MR. WARD KEITH: Well, you know, that
9 -- that is an example of -- of a recommendation that
10 for us resulted from lack of clarity, perhaps, in the
11 framework itself.

12 And so we have better articulated -- we
13 have better articulated what I spoke about this
14 morning in terms of funding naturally flowing from the
15 program development work best on -- based on best
16 practices and the program development work flowing
17 from the establishment of priorities using the
18 framework that we have.

19 MS. KATHLEEN MCCANDLESS: Thank you.
20 I -- those are my questions for you, Mr. Keith. I'm
21 going to move to some questions for Ms. Kroeker-Hall.

22 MR. WARD KEITH: Thank you.

23 MS. KATHLEEN MCCANDLESS: And so for
24 that I'll be pointing you to some parts in your
25 report. If we could just go to page 3 of the report.

1 Right at the -- at the introduction
2 here you write that the review -- pardon me, that MPI
3 undertook the independent assessment of its road
4 safety model and part of the review was intended to
5 advise on the appropriate size of a road safety budget
6 for MPI and if the current budget was being optimally
7 used.

8 If we scroll to page 5 of the report
9 and down to the bottom of that page. You comment
10 here, Ms. Kroeker-Hall, that -- that Without secure
11 and stable funding, significant action to improve road
12 safety is unlikely. And then, at the bottom of that
13 paragraph, that Identifying and securing sustainable
14 funding is, thus, a key element underlying successful
15 road safety programs and strategies.

16 I understand your conclusion in this
17 report was that -- or one of your conclusions was that
18 the appropriate size of a road safety budget is not
19 subject to a simple formula?

20 MR. JENNIFER KROEKER-HALL: Yes, it
21 is.

22 MS. KATHLEEN MCCANDLESS: And in the
23 course of your review you looked at the loss
24 prevention strategy and framework and its elements.
25 And am I correct in my understanding that your

1 conclusion is that, within the elements of that
2 program, that the model is set up for adequate road
3 safety funding?

4 MR. JENNIFER KROEKER-HALL: I believe
5 the commitment to fund the priorities based on the --
6 the framework is what is highlighted in -- in my
7 recommendations. So I'm -- I'm not sure I can
8 adequately address the question the way you framed it.

9 MS. KATHLEEN MCCANDLESS: Perhaps we
10 could just jump to page 45 of your report. And scroll
11 to the bottom of that.

12

13 (BRIEF PAUSE)

14

15 MS. KATHLEEN MCCANDLESS: Pardon me,
16 page 47.

17 (BRIEF PAUSE)

18

19 MS. KATHLEEN MCCANDLESS: And again to
20 the bottom of the page.

21 So if I'm to understand,
22 essentially, your conclusion here then is that the use
23 of performant measurement efforts that will help drive
24 future decision making and investment in loss
25 prevention, basically, that's a support of the road

1 safety portfolio and that -- that serves to optimize
2 its budget?

3 MR. JENNIFER KROEKER-HALL: Yes.

4 MS. KATHLEEN MCCANDLESS: Thank you.

5 If we could jump to page 39 of your report. And
6 under, 'Appropriate funding and resourcing to support
7 priorities,' your information was that in 2013/'14 MPI
8 had invested \$15.6 million in road safety programs and
9 16 million in 2012/2013.

10 You see that before you?

11 MR. JENNIFER KROEKER-HALL: Yes.

12 MS. KATHLEEN MCCANDLESS: Thank you.

13 If we jump over to page 25 of your report. In the
14 course of your review you looked at road safety models
15 from other jurisdictions, including British Columbia.
16 And at page 25 you specifically referred to the
17 funding through ICBC's strategic plan?

18 MR. JENNIFER KROEKER-HALL: Yes.

19 MS. KATHLEEN MCCANDLESS: And in the
20 second -- pardon me, third paragraph on the screen
21 here you note that:

22 "While no specific goals or
23 strategies are articulated in ICBC's
24 strategic plan, its 2013 annual
25 report stated that \$43 million was

1 invested in road safety programs."

2 So just bearing in mind the amount that
3 was referenced with respect to Manitoba and MPI's
4 investment as contrasted with the -- the \$43 million
5 through ICBC, that appears to be a significant
6 difference in funding level.

7 Are you able to provide some insight
8 into the reasons for that significant difference?

9 MR. JENNIFER KROEKER-HALL: I can't
10 speak specifically. I can speak conceptually to how
11 the -- the budgets are developed. And,
12 organizationally, the -- the structure is somewhat
13 similar in terms of the partnership between government
14 and ICBC and the mandates which have -- have shifted
15 over time.

16 One of the more significant
17 contributions of the Corporation to road safety is
18 around enhanced policing enforcement. In my days in
19 the Corporation, that represented about 18 million,
20 and likely it's gone up since then.

21 So it really depends on what the -- the
22 commitment is around the joint table to road safety
23 priorities and -- and how they will be funded.
24 Without doing detailed comparisons, I -- I couldn't
25 speak specifically to a numerical gap, although you'd

1 want to look beyond just a numerical gap to compare.

2 MS. KATHLEEN MCCANDLESS: Thank you.

3 If we move to page 28, one of the other jurisdictions
4 that you looked to was Saskatchewan. And if we scroll
5 down to the bottom paragraph on the screen here, SGI,
6 that's -- the budget for 2013 for road safety was
7 28.72 million.

8 And again, as contrasted with the \$15
9 and \$16 million for the Corporation referenced in your
10 report, this would be a significant difference.

11 Did you do any analysis and comparison
12 of the reasons for the seemingly increase in funding
13 in Saskatchewan as compared to Manitoba?

14 MS. JENNIFER KROEKER-HALL: In looking
15 at the -- the mandates of organizations, it -- it's
16 important to see what the responsibilities are and
17 what is described as a road safety function within a
18 particular organization.

19 So you'll see, for example, beyond
20 education and awareness initiatives -- initiatives, I've
21 identified many other areas that SGI provides support
22 to. So the mandate of the Organization is incredibly
23 important when you're looking at the dollars that they
24 contribute.

25 MS. KATHLEEN MCCANDLESS: Okay. So

1 just to follow up on that, did -- is that something
2 that you looked at in the course of this, a difference
3 between the -- the mandate in -- for MPI versus SGI?

4 MS. JENNIFER KROEKER-HALL: At a high
5 level, based on what I've -- I've done in terms of
6 describing what those organizations are responsible
7 for and how those responsibilities are split, I think
8 further analysis would delve into a much more detailed
9 nature of the relationship between the different
10 levels of organization and responsibility for road
11 safety in each jurisdiction.

12 MS. KATHLEEN MCCANDLESS: Thank you.

13

14 (BRIEF PAUSE)

15

16 MS. KATHLEEN MCCANDLESS: I'd just
17 like to ask you now some questions with respect to
18 some of your recommendations. So if we could move to
19 page 36 of your report and scroll down to the bottom
20 of that page, your recommendation here was that:

21 "MPI should review departmental
22 roles in relation to the loss
23 prevention strategy and framework
24 and how -- and the new Provincial
25 Road Safety Committee, including

1 identifying additional opportunities
2 to collaborate with internal
3 partners on new and ongoing
4 initiatives."

5 I'd just like to perhaps have some
6 insight into your view on how that recommendation
7 would tie in with optimizing MPI's road safety budget.

8 MS. JENNIFER KROEKER-HALL: What I was
9 thinking of there is the -- the relationship between
10 other regulated program areas and their link to not
11 only loss prevention, but road safety.

12 So, for example, if we look at driver's
13 licensing initiatives, one of the areas that has been
14 subject to considerable cost-benefit analysis is
15 around graduated driver's licensing.

16 So in -- in undertaking sort of a more
17 holistic approach to other areas that could benefit
18 the -- the Corporation, whether it's claims costs or -
19 - or social costs, then it -- it is these types of
20 initiatives that needed to be more holistically
21 considered.

22 And that would also have an impact on
23 funding decisions given the Corporation's commitment
24 to fund initiatives which were subject to return on
25 investment.

1 MS. KATHLEEN MCCANDLESS: Thank you.
2 If we scroll to page 38, there's a recommendation at
3 the top of the page ...

4

5 (BRIEF PAUSE)

6

7 MS. KATHLEEN MCCANDLESS: ...here that
8 states:

9 "Consider incorporation of
10 additional loss prevention strategy
11 and framework criteria and process
12 in the priority setting
13 methodology."

14 If we could then jump to page 84 of the
15 loss prevent section of the filing, please?

16

17 (BRIEF PAUSE)

18

19 MS. KATHLEEN MCCANDLESS: At the -- at
20 the top of that page the Corporation's response to
21 that recommendation in part states that:

22 "The Corporation requires that all
23 new road safety programming concepts
24 under consideration must be
25 developed into complete business

1 cases, which includes a requirement
2 to explore potential return on
3 investment, economic, or social."

4 So does that response get at what you
5 were targeting in your recommendation?

6 MS. JENNIFER KROEKER-HALL: Yes, it
7 does.

8 MS. KATHLEEN MCCANDLESS: Thank you.
9 If we could go back to your report at page 39, again
10 there's the reference to appropriate funding and
11 resourcing to support priorities, and we've discussed
12 the 15.6 and \$16 million referenced there.

13 And just so I understand your view on -
14 - on this question, are you able to provide a
15 conclusion as to whether the amount allocated is
16 adequate or optimal for MPI's road safety priorities?

17 MS. JENNIFER KROEKER-HALL: It is with
18 respect to the priorities and the -- the costing that
19 -- the costing information that's available given the
20 Corporation's commitment to fully fund the priority
21 initiatives through the framework that it's developed.

22 MS. KATHLEEN MCCANDLESS: And then
23 scrolling to page 40, in the second paragraph of this
24 page about half way through the paragraph you write:

25 "Thus a more explicit reference to

1 support for funding decisions in the
2 above framework would help clarify
3 the relationship between
4 prioritizing and budgeting."

5 Et cetera. And then you make some
6 recommendations below. We have heard now that MPI has
7 stated that its funding for road safety will not be
8 capped. In your view, does that address what you were
9 getting at here in the second paragraph of -- of the
10 screen?

11 MS. JENNIFER KROEKER-HALL: Yes, it
12 does but I think the important point to come out of
13 the -- the first recommendation about identifying
14 priority and -- and funding shifts is to recognize
15 that funding will continue. The -- it -- it's not
16 subject to the same risk assessment in terms of
17 budgeting processes, and so I think that's an
18 important consideration.

19 Even though there -- there isn't a
20 budget -- budget envelope per se, the commitment is to
21 funding an initiative. And if the -- the articulation
22 of those costs and the benefits and the impacts are
23 spelled out in the road safety operational plan, for
24 example, then one could expect that the Corporation
25 could be -- could be monitored in terms of ensuring

1 that the dollars continue to be allocated so long as
2 the program is in effect, and it's -- it is effective.

3 MS. KATHLEEN MCCANDLESS: Thank you.
4 So with respect to the -- the funding not being
5 capped, is that something that you came across readily
6 in your review of road -- road safety funding models?

7 MS. JENNIFER KROEKER-HALL: It is
8 somewhat unique but not necessarily detrimental. In
9 fact, the -- the opposite may be said when budgets are
10 capped, is that there is no room to consider changes
11 in priorities or new initiative. It demonstrates a
12 somewhat unique commitment to road safety compared to
13 the other jurisdictions that I've reviewed.

14

15 (BRIEF PAUSE)

16

17 MS. KATHLEEN MCCANDLESS: Thank you.
18 Those are my questions.

19

20 (BRIEF PAUSE)

21

22 MR. BYRON WILLIAMS: Yes, thank you,
23 members of the panel, and good afternoon. There's one
24 exhibit that I'd like to introduce. CAC Exhibit 19.
25 It is actually an excerpt from an Information Response

1 and normally we wouldn't want to kill a tree to -- to
2 introduce that, but if you ever go to CAC 109, you're
3 going to see a -- a very thick document.

4 So we've taken the liberty of -- of
5 introducing it, I -- I believe with My Learned
6 Friend's consent, so. He's nodding his head.

7

8 --- EXHIBIT NO. CAC-19: Excerpt from the
9 Corporation's response to
10 1st round Information
11 Request from CAC-109.

12

13 CROSS-EXAMINATION BY MR. BYRON WILLIAMS:

14 MR. BYRON WILLIAMS: Mr. Keith, just a
15 -- a few questions for you and then some for Ms.
16 Kroeker-Hall, and then we'll get back to you in a
17 moment.

18 In terms of road safety and -- and loss
19 prevention, Mr. Keith, you oversee all four (4) lines
20 of business, being Basic, Extension, SRE, and driver
21 and vehicle licensing.

22 Is that correct, sir?

23 MR. WARD KEITH: That's right.

24 MR. BYRON WILLIAMS: And you mentioned
25 in your evidence this morning that -- that in terms of

1 your ambitions to present a -- a dashboard and a
2 scorecard, this will be the first time to -- to bring
3 together the road safety and loss prevention programs
4 as a portfolio.

5 Would that be fair?

6 MR. WARD KEITH: Yes, that's fair.

7 MR. BYRON WILLIAMS: And just for the
8 benefit of -- of my clients, sir, recognizing that you
9 wear eight (8) hats in terms of four (4) lines of
10 business, when you're making decisions in terms of
11 budget allocations and prioritizing expenditures under
12 the portfolio, sir, are you making that for a
13 portfolio as a whole, or by individual lines of
14 business?

15 MR. WARD KEITH: The intent would be
16 to make it for the portfolio as a whole and then there
17 are allocation formulas that are used to which would
18 be to the lines of business.

19 MR. BYRON WILLIAMS: So that's -- sir,
20 when you use the intent that is something that you're
21 looking forward to once the portfolio as a whole is
22 assembled. You're nodding your head?

23 MR. WARD KEITH: Yes, exactly.

24 MR. BYRON WILLIAMS: And the head nod
25 means a 'yes'?

1 MR. WARD KEITH: It does.

2 MR. BYRON WILLIAMS: Okay. Now, the -
3 - your evidence this morning was that the Phase I
4 development of the lost prevention dashboard and
5 scorecard is expected to be completed in 2017, in time
6 for the 2018/'19 GRA filing.

7 Did I have that right, sir?

8 MR. WARD KEITH: You do.

9 MR. BYRON WILLIAMS: And my clients
10 heard with interest, obviously, your commentary about
11 engagement both in your written evidence and -- and
12 this morning, is there any intent to -- prior to
13 filing this document in the general rate application,
14 share the scorecard and dashboard with stakeholders in
15 the regulatory process?

16 MR. WARD KEITH: Our intent would
17 absolutely be to share the information and to solicit
18 input and feedback. We would intend to do that
19 through the external stakeholder committee on loss
20 prevention of which CAC (Manitoba) is a member.

21 MR. BYRON WILLIAMS: Okay. Now, my
22 cli -- we're certainly grateful for the information
23 you shared this morning in terms of -- the sad news in
24 terms of fatalities in -- related to collision. And
25 we listened as well with interest to your elaboration

1 on that discussion with PUB counsel this afternoon.

2 Sir, I wonder if by way of undertaking
3 you could put together an examination of the eighty-
4 five (85) fatalities to date in the 2016 year in terms
5 of the 1) Rural/urban split. In terms of 2) A
6 breakdown by appropriate age categories. And 3) In
7 terms of con -- potential contributing factors
8 including seatbelts, impaired driving, unsafe speed,
9 and distracted driving?

10 MR. WARD KEITH: Yes, we can take that
11 undertaking.

12 MR. BYRON WILLIAMS: And for the
13 reporter, was that undertaking -- okay. Thank you for
14 that.

15

16 --- UNDERTAKING NO. 24: MPI to put together an
17 examination of the eighty-
18 five (85) fatalities to
19 date in the 2016 year in
20 terms of the 1)
21 Rural/urban split. In
22 terms of 2) A breakdown by
23 appropriate age
24 categories. And 3) In
25 terms of potential

1 contributing factors
2 including seatbelts,
3 impaired driving, unsafe
4 speed, and distracted
5 driving

6

7 CONTINUED BY MR. BYRON WILLIAMS:

8 MR. BYRON WILLIAMS: Ms. Kroeker-Hall,
9 I -- I believe I heard in your discussion with My
10 Learned Friend for legal counsel for MPI this morning
11 that since you finished your report for Manitoba
12 Public Insurance in May of 2015, that you've done no
13 further work for the Corporation.

14 Is my understanding correct?

15 MS. JENNIFER KROEKER-HALL: Yes. Yes.

16 MR. BYRON WILLIAMS: Okay. Now, in
17 terms of the Corporation's expenditure on road safety
18 or any other aspect of their business, you'll agree
19 with me that there is not an unlimited pot of money?

20 MR. JENNIFER KROEKER-HALL: Yes.

21 MR. BYRON WILLIAMS: And you've been
22 around government, and ICBC, as well. And that would
23 be a general observation when you're dealing with
24 public programs, agreed?

25 MR. JENNIFER KROEKER-HALL: Yes.

1 MR. BYRON WILLIAMS: And certainly it
2 would be your view that criteria are needed to
3 establish clear guidelines for funding decisions given
4 these limited resources as well as the reality of
5 competing priorities, agreed?

6 MR. JENNIFER KROEKER-HALL: Yes.

7 MR. BYRON WILLIAMS: And certainly
8 from your professional opinion, effective planning
9 requires clear criteria for, 1) justifying resource
10 use, 2) appraisal of alternative measures, and 3)
11 prioritizing (sic) selected activities?

12 MR. JENNIFER KROEKER-HALL: Yes.

13 MR. BYRON WILLIAMS: And we have to
14 prioritize (sic) in the road safety environment because
15 we want to be cost effective, I'll suggest to you.
16 And we also want to ensure that we're having a
17 significant impact in reducing the number and severity
18 of collisions and fatalities, agreed?

19 MR. JENNIFER KROEKER-HALL: If that is
20 the organization's goal, yes.

21 MR. BYRON WILLIAMS: Have you run
22 across a public insurer who doesn't have that as a
23 goal, Ms. Kroeker-Hall?

24 MR. JENNIFER KROEKER-HALL: Not in my
25 experience, no.

1 MR. BYRON WILLIAMS: And that
2 certainly wasn't an objective that was expressed to
3 you by Manitoba Public Insurance?

4 MR. JENNIFER KROEKER-HALL: No, it was
5 not.

6 MR. BYRON WILLIAMS: Pardon me?

7 MR. JENNIFER KROEKER-HALL: I'm sorry,
8 what was --

9 MR. BYRON WILLIAMS: Was that
10 objective expressed to you by Manitoba Public
11 Insurance?

12 MR. JENNIFER KROEKER-HALL: Yes, it
13 was.

14

15 (BRIEF PAUSE)

16

17 MR. BYRON WILLIAMS: Now, in terms of
18 assessing the utility and efficiency of expenditures
19 in the automobile insurance business, you'll agree
20 that two (2) key assessment method -- methods are cost
21 benefit analysis and cost effectiveness analysis?

22 MR. JENNIFER KROEKER-HALL: I'm sorry,
23 in the insurance business or road safety?

24 MR. BYRON WILLIAMS: Excuse me. Let's
25 rephrase the question to road safety. And I thank you

1 for that.

2 MR. JENNIFER KROEKER-HALL: Yes.

3 Okay, yes.

4 MR. BYRON WILLIAMS: We could probably
5 make it for both, but I would probably be asking you
6 to sneak outside your expertise. Thank you for that
7 correction.

8 And by cost benefit analysis, do you
9 understand that be -- to be the presentation of
10 benefits and costs in monetary terms adjusting for the
11 time value of money?

12 MR. JENNIFER KROEKER-HALL: Yes,
13 that's my understanding.

14 MR. BYRON WILLIAMS: And, in essence,
15 all flows of benefits and costs are then expressed in
16 -- perhaps in net present value, or NPV, agreed?

17 MR. JENNIFER KROEKER-HALL: Yes.

18 MR. BYRON WILLIAMS: And as I under --
19 it doesn't matter what I understand. But you under --
20 would it be fair to say that you understand that cost
21 effectiveness analysis is a bit of a higher level
22 analysis comparing relative costs and outcomes of two
23 (2) or more courses of actions?

24 Would that be fair?

25 MR. JENNIFER KROEKER-HALL: It is.

1 And it's generally done where there is not an ability
2 to monetize the impacts and -- and effects.

3 MR. BYRON WILLIAMS: And agree --
4 again you'll agree that both cost benefit analysis and
5 cost effectiveness analysis are key tools in the
6 decision making process for road safety?

7 MR. JENNIFER KROEKER-HALL: Yes, they
8 are.

9 MR. BYRON WILLIAMS: And if I could
10 ask Diana, if she would, to turn to Mr. Kroeker-Hall's
11 evidence of last year, and specifically page 28. And
12 up to the first paragraph on that page, please, Diana.
13 Thank you. Oh, sorry, we -- our pagination may be
14 different. I want to be looking at -- oh, that's
15 right. You're fine there. And could you go a bit
16 higher on the page? Thank you.

17 Now, Ms. Kroeker-Hall, you under --
18 this here is a -- before you on the screen is a
19 discussion of the SGI approach to its traffic safety
20 strategy, agreed?

21 MR. JENNIFER KROEKER-HALL: Yes.

22 MR. BYRON WILLIAMS: And Saskatchewan
23 -- SGI, excuse me, you'll agree, uses cost benefit
24 analysis to estimate both the impact of indu --
25 individual safety programs and to assist in guiding

1 program selection, agreed?

2 MS. JENNIFER KROEKER-HALL: Yes, it
3 does.

4 MR. BYRON WILLIAMS: And to My Friend
5 Mr. Monnin's point, it examines programs from both the
6 overall societal costs as well as claims costs paid by
7 SGI, correct?

8 MS. JENNIFER KROEKER-HALL: Yes, it
9 does.

10 MR. BYRON WILLIAMS: And, Diana, if
11 you can just scroll a bit farther down the page, just
12 so we have paragraph 25 there -- or page -- line 25.

13 And, Ms. Kroeker-Hall, you've already
14 canvassed with My Friend, learned counsel for the
15 Public Utilities Board, that the overall budget for
16 SGI in 2013 was \$28.7 million?

17 MS. JENNIFER KROEKER-HALL: Yes, it
18 was.

19 MR. BYRON WILLIAMS: And as we look at
20 the type of expenditures that -- that might be
21 addressed in that portfolio, you'll see, beginning on
22 about line 27, reference to such activities as traffic
23 safety initiatives, traffic safety advertising,
24 engineering, education and awareness, and enforcement-
25 based initiatives?

1 MS. JENNIFER KROEKER-HALL: Yes.

2 MR. BYRON WILLIAMS: And SGI has
3 estimated a -- over the five years of its strategy a
4 five-year benefit cost ratio of 3 to 1 -- 3.1, excuse
5 me -- agreed?

6 MS. JENNIFER KROEKER-HALL: Yes.

7 MR. BYRON WILLIAMS: Now just in terms
8 of the investment of SGI in engineering, did you dig
9 down into any details into -- into what types of
10 expenditures that might be?

11 MS. JENNIFER KROEKER-HALL: No, I did
12 not.

13 MR. BYRON WILLIAMS: And would you
14 have examined, in terms of this portfolio, the
15 relative contribution that went to activities,
16 enforcement versus advertising versus engineering?

17 Would you have dug that deep?

18 MS. JENNIFER KROEKER-HALL: No. That
19 would require additional research and consultation
20 with the jurisdictions.

21 MR. BYRON WILLIAMS: Now, in terms of
22 your review of the portfolio of Manitoba Public
23 Insurance, would it be accurate to say that, in terms
24 of the priority-setting methodology, little
25 information was included about the use of cost-benefit

1 or cost-effectiveness analysis?

2 MS. JENNIFER KROEKER-HALL: There were
3 some high-level references to it and some references
4 to future in -- inclusion, and that was under
5 development at the time is my understanding.

6 MR. BYRON WILLIAMS: So in terms of
7 the very key methodologies for assessment that you've
8 identified, at the time of review, there wasn't enough
9 information to form a considered opinion about how
10 those specific tools were being used within the
11 Corporation?

12 MS. JENNIFER KROEKER-HALL: Not as to
13 how they were being used, but a reference to their use
14 in terms of decision making and prioritizing.

15 MR. BYRON WILLIAMS: And you wouldn't
16 be in a position to offer a com -- a conclusion as to
17 the relative optimization of the MPI portfolio versus
18 its sister Crown in Saskatchewan.

19 Would that be fair?

20 MS. JENNIFER KROEKER-HALL: That would
21 be fair. That requires another level of detailed
22 analysis.

23 MR. BYRON WILLIAMS: And in terms of
24 the level of detail that that would require, it would
25 require you to dig deeper into both the specifics of

1 the two portfolios, being MPI and Saskatchewan,
2 agreed?

3 MS. JENNIFER KROEKER-HALL: Yes, it
4 would.

5 MR. BYRON WILLIAMS: And that would
6 enable you to normalize for potential differences
7 between the portfolios in terms of mandate?

8 MS. JENNIFER KROEKER-HALL: It would,
9 and that would be consistent with any of the
10 jurisdictions across Canada.

11 MR. BYRON WILLIAMS: And it would also
12 require you to have greater insight than was -- what
13 was provided to you at the time in terms of the cost-
14 benefit analysis and cost-effectiveness analysis
15 employed by Manitoba Public Insurance?

16 MS. JENNIFER KROEKER-HALL: Not
17 necessarily. At this level of -- of organizational
18 detail and for -- for my comparative analysis,
19 recognizing whether a jurisdiction used a certain tool
20 or not was -- was able to give me some level of -- of
21 comparison in terms of appropriate methodology.

22 MR. BYRON WILLIAMS: Even though they
23 told you that some of these uses were for future
24 events?

25 MS. JENNIFER KROEKER-HALL: They were

1 being developed. There was some reference to them in
2 the documentation I had, but I didn't have access to
3 the actual cost benefit analyses themselves, or the --
4 the issues papers as -- that I understand have
5 currently been developed.

6 MR. BYRON WILLIAMS: So in -- in
7 effect you were analyzing what was perspective in --
8 in the case of Manitoba Public Insurance?

9 MS. JENNIFER KROEKER-HALL: No, not at
10 all. What I compared was what information I had
11 access to on what jurisdictions were currently doing
12 in terms of their approach to priority setting, and
13 decision making, and evaluation. So those were the
14 elements I -- I tried to compare with the -- the
15 information available from -- from jurisdictions, as
16 well from the literature and global jurisdictions.

17 MR. BYRON WILLIAMS: Thank you. Just
18 one second, please.

19

20 (BRIEF PAUSE)

21

22 MR. BYRON WILLIAMS: Mr. Keith, to
23 you, and if from time to time I slip up and call you
24 Mr. Ward, I invite you to correct me. I -- I have
25 this temptation.

1 When Manitoba -- when IBM undertook to
2 -- to do some recommendations for you in terms of your
3 investments in -- in loss prevention and road safety,
4 they recommended using a return on investment criteria
5 as a common indicator, at least for all loss
6 prevention programs. Is that correct, sir?

7 MR. WARD KEITH: That's correct.

8 MR. BYRON WILLIAMS: And as you
9 canvassed at least to a degree with My Friend, counsel
10 for the Public Utilities Board, it was the opinion of
11 Manitoba Public Insurance that that measure shows
12 promise as a future planning tool, but there were
13 certain methodological issues which were -- were
14 delaying its implementation. Is that fair, sir?

15 MR. WARD KEITH: Yes.

16 MR. BYRON WILLIAMS: And you spoke
17 with her about quantification of the benefit streams.
18 So I -- I won't go into that, but I -- my
19 understanding as well is that to be used as an
20 optimization tool a dynamic model must be developed to
21 reflect the scale effects inherent in shifting
22 expenditures.

23 Is that your understanding as well,
24 sir?

25 MR. WARD KEITH: Yes, and that was in

1 the recommendations.

2 MR. BYRON WILLIAMS: And I wonder if
3 you can help me to understand what you mean by a
4 dynamic model, sir.

5 MR. WARD KEITH: What we take from
6 that, and what we are attempting to build is a fluid
7 model that takes into consideration changes in
8 priorities, and changes in programming that may
9 produce the -- the greatest benefit in terms of the
10 overall portfolio.

11 MR. BYRON WILLIAMS: And is this
12 something that MPI is building internally, or are you
13 out -- are you buying an off-the-shelf product for
14 that?

15 MR. WARD KEITH: We are building it
16 internally but we are leveraging work that is being
17 done internally with respect to work on predictive
18 analytics, as well as data reporting tools that we're
19 exploring.

20 MR. BYRON WILLIAMS: And are you in a
21 position to indicate what, if any, external firm is
22 assisting you in the development of that dynamic
23 model, or is it all in-house?

24 MR. WARD KEITH: It's all in-house
25 although IBM is engaged with us in terms of the

1 predictive analytics.

2 MR. BYRON WILLIAMS: Okay. And that
3 product is in development. Is that correct, sir?

4 MR. WARD KEITH: In development and
5 pilot execution, yes.

6 MR. BYRON WILLIAMS: And in terms of -
7 - presumably after pilot execution there's -- there's
8 actually employing that tool. Agreed?

9 MR. WARD KEITH: Agreed.

10 MR. BYRON WILLIAMS: And when do we
11 expect to be employing that tool?

12

13 (BRIEF PAUSE)

14

15 MR. WARD KEITH: We don't have a
16 specific timeline at this point.

17 MR. BYRON WILLIAMS: Do you expect it
18 for the next MPI budget, sir?

19 MR. WARD KEITH: I -- I wouldn't
20 imagine it for the next budget but perhaps within the
21 next fiscal year.

22 MR. BYRON WILLIAMS: Okay. Thank you.
23 And I reali -- I won't be quoting that back to you
24 next year.

25 MR. WARD KEITH: Thank you.

1 MR. BYRON WILLIAMS: I appreciate your
2 assistance. Diana, I just wonder if you can pull up
3 CAC-MPI-2-22 for a moment, and page 4 of that
4 Information Response.

5 And, Mr. Keith, while we're waiting for
6 that to come up, one (1) of the headlines in your
7 PowerPoint, you'll agree, refers to value management?

8 MR. WARD KEITH: Yes.

9 MR. BYRON WILLIAMS: And you -- are
10 you aware that in -- in the -- with regard to
11 information technology, there's reference as well to a
12 value management process? Are you aware of that, sir?

13 MR. WARD KEITH: I'm sorry, could you
14 repeat that?

15 MR. BYRON WILLIAMS: In the context of
16 information technology expenditures there also is a
17 value management process referenced by the
18 Corporation?

19 MR. WARD KEITH: Yes.

20 MR. BYRON WILLIAMS: Is that anything
21 you're familiar with, sir, at a high level?

22 MR. WARD KEITH: At a high level.

23 MR. BYRON WILLIAMS: And just so I
24 understand, from -- from the road safety loss
25 prevention side, is the value management process

1 operated within that element of the business or is it
2 being operated out of the finance division?

3 MR. WARD KEITH: It is being executed
4 within the loss prevention portfolio using the same
5 business case process that's used within the rest of
6 the organization, although the metrics that are used
7 and the method of measuring return on investment may
8 differ based on the nature of the road safety
9 initiatives we've been talking about.

10 MR. BYRON WILLIAMS: Okay. And -- and
11 you've anticipated my next question, sir, and I thank
12 you for that. If you'd just glance a little bit
13 farther down you'll see some of the quantitative
14 financial metrics going forward that we hope to be
15 used on the information technology side, such as
16 internal rate of return, payback period, return on
17 investment in discounted payback periods.

18 For the elements of the loss prevention
19 and road safety portfolio that invite return on
20 investment analysis, are these some of the metrics
21 that you would expect to employ as well?

22 MR. WARD KEITH: That would be fair,
23 Mr. Williams, in terms of the initiatives that would
24 invite the use of such metrics.

25

1 (BRIEF PAUSE)

2

3 MR. BYRON WILLIAMS: Ms. Kroeker-Hall,
4 in your report you do address the issue of the use of
5 targets in terms of an objective for the overall road
6 safety expenditures.

7 Do you recall doing that in your
8 evidence?

9 MR. JENNIFER KROEKER-HALL: Sorry,
10 yes, I do.

11 MR. BYRON WILLIAMS: And just to be
12 clear, I'm not referring to a budget target. What I'm
13 referring to is targets in terms of aimed reductions
14 in -- in certain road safety health indicators?

15 MR. JENNIFER KROEKER-HALL: Yes.

16 MR. BYRON WILLIAMS: And one (1) of
17 the authors who as very helpful to you in developing
18 your overall framework, as I understand it, was Loo,
19 L-O-O. Is that correct?

20 MR. JENNIFER KROEKER-HALL: Yes.

21 MR. BYRON WILLIAMS: You referenced
22 the work of Loo as being quite helpful this morning,
23 agreed?

24 MR. JENNIFER KROEKER-HALL: Yes.

25 MR. BYRON WILLIAMS: And certainly

1 from the perspective of Loo et al 205, there would be
2 the assertion that a crucial component of an effective
3 road safety strategy is to have a quantitative target,
4 agreed?

5 MR. JENNIFER KROEKER-HALL: Yes.

6 MR. BYRON WILLIAMS: And another
7 author who's written in the field in terms of
8 encouraging quantitative targets has been Elvik, E-L-
9 V-I-K, agreed?

10 MR. JENNIFER KROEKER-HALL: Yes.

11 MR. BYRON WILLIAMS: And certainly
12 Elvik's early work in terms of the Norwegian companies
13 suggested that those jurisdictions with quantified
14 safety targets perform better in reducing the casualty
15 rate per kilometres of travel than did countries with
16 qualitative targets only?

17 MS. JENNIFER KROEKER-HALL: Yes.

18 MR. BYRON WILLIAMS: And you're aware
19 as well that Elvik, E-L-V-I-K, did all subsequent work
20 in 2001. Would that -- agreed?

21 MS. JENNIFER KROEKER-HALL: Yes.

22 MR. BYRON WILLIAMS: And while those
23 results were less conclusive, would it be fair to say
24 that they did suggest a positive statistical
25 association between the setting of quantitative road

1 safety targets and the percentage reduction of road
2 accident fatalities in the countries concerned?

3 MS. JENNIFER KROEKER-HALL: Yes.

4 MR. BYRON WILLIAMS: Mr. Keith, we
5 don't need to turn there, but if you need comfort, let
6 -- let me know the references Bikes Winnipeg 2-4,
7 which My Friend Mr. Monnin, has graciously given me
8 permission to use.

9 You'll agree that when we look at the
10 international scheme in terms of road safety
11 expenditures, countries such as Spain and Ireland are
12 -- are jurisdictions that have had some success in
13 reducing fatality rates.

14 Would that be fair, sir?

15 MR. WARD KEITH: That's fair, yes.

16 MR. BYRON WILLIAMS: And not to
17 suggest that that's the only factor, but certainly
18 within those jurisdictions, you would agree that the
19 setting of aggressive goals in those countries
20 supported the public policy framework with -- within
21 which jurisdictions can drive the road safety agenda?

22 MR. WARD KEITH: Yes. But if I may, I
23 -- I would like to offer some context.

24 MR. BYRON WILLIAMS: I though you
25 might. Go ahead.

1 MR. WARD KEITH: When it comes to
2 setting of specific quantitative targets in terms of
3 reductions in collisions, reductions in
4 fatalities/serious injuries, reductions of certain
5 driving events as contributing factors, the challenge
6 for the Corporation has been, within its current
7 legislated mandate, and our current focus primarily on
8 education and awareness, that the -- the -- to -- to
9 estab -- to attempt to establish quantitative targets
10 for activities that we are responsible for, but which
11 are part of a much broader road safety context would
12 not be reasonable to do so.

13 So the examples that you've raised are
14 indeed examples where quantitative targets have been
15 set, but they have been set at the jurisdictional
16 level, whether it be a state or a province or a
17 country or a region of the world, or what have you.
18 And so for that I would point you to the terms of
19 reference that have been established for the
20 Provincial Road Safety Committee.

21 Because you will see that with the
22 terms of reference for the Provincial Road Safety
23 Committee, consideration will be given to establish in
24 quantitative targets where it makes sense to do so.
25 And the Corporation will be supportive of that because

1 it is at that table and in that environment that you
2 have all of the players at the table who are going to
3 be responsible for the achievement of those
4 quantitative targets.

5 MR. BYRON WILLIAMS: And -- and thank
6 you. And -- and certainly, sir, you've -- that's the
7 exact same point my client is trying to make. You're
8 in agreement that at the provincial table there could
9 be considerable utility in setting road safety
10 targets?

11 MR. WARD KEITH: I -- I wouldn't use
12 quite those words and I wouldn't be quite so forceful,
13 quite frankly. But I think there is certainly merit
14 to exploring the use of quantitative targets at a
15 jurisdictional level; again, if you've got all the
16 players at the table who can collectively agree that
17 those quantitative targets, even if they're stretch
18 targets, can be attained.

19 MR. BYRON WILLIAMS: And you're
20 certainly aware through Ms. Kroeker-Hall's literature
21 review, as well as your own experience, of where those
22 quantitative targets at a regional or jurisdictional
23 level have shown you value, agreed?

24 MR. WARD KEITH: Yes, based on the
25 research that was done, yes. That's fair.

1 MR. BYRON WILLIAMS: And you will have
2 a role as a member of that Road Safety Committee in
3 putting forward and advocating for those targets where
4 there is merit?

5 MR. WARD KEITH: Where there's merit
6 and where there's commitment to achieve them,
7 absolutely.

8 MR. BYRON WILLIAMS: Mr. Chair, I have
9 probably fifteen (15) to thirty (30) minutes, depends.
10 A couple of the questions are a bit open ended. We've
11 been going -- I'm happy to keep going, or --

12 THE CHAIRPERSON: Mr. Monnin, how long
13 will you be?

14 MR. CHRISTIAN MONNIN: With -- about
15 an hour for -- for both of the witnesses.

16 THE CHAIRPERSON: Mr. Oakes...?

17 MR. RAYMOND OAKES: I've invited Mr.
18 Monnin to go ahead because he has more questions for
19 Ms. Kroeker-Hall than I do. And --

20 THE CHAIRPERSON: Yeah.

21 MR. RAYMOND OAKES: -- the concern is
22 whether we'll finish and she's not available after
23 today.

24 THE CHAIRPERSON: Yeah, that's --

25 MR. RAYMOND OAKES: So I'm happy to

1 stand down and be the last man up. I'll likely be
2 somewhere around the half-hour mark or so.

3 THE CHAIRPERSON: Okay. Well, what
4 I'd suggest is let's take a break for ten (10) minutes
5 now. Quite frankly, if we have to go long today,
6 we'll go long today in order to -- to finish. Okay.
7 Ten (10) minutes.

8

9 --- Upon recessing at 2:33 p.m.

10 --- Upon resuming at 2:48 p.m.

11

12 MR. MATT GHIKAS: Mr. Chairman, before
13 we -- before we launch into it with Mr. Williams, I
14 have a few undertaking responses to file. And they've
15 been circulated, or are being circulated, in writing.
16 And they haven't been filed electronically yet, but
17 we're circulating them now, paper -- in paper format.

18 The first one is Under -- the response
19 to Undertaking Number 8, and it would be marked MPI
20 Exhibit 53, and that's indicated on the upper corner,
21 with respect to the number of IT staff that have been
22 brought in to replace consultants to date.

23

24 --- EXHIBIT NO. MPI-53: Response to Undertaking 8
25 with respect to number of

1 IT staff that have been
2 brought in to replace
3 consultants to date

4
5 MR. MATT GHIKAS: The next one is
6 Undertaking 15, which would be MPI Exhibit 54, as
7 indicated, with respect to the average turnaround
8 under the old system of PDR -- or, sorry, under the
9 old system of claims review, and now with respect
10 under -- with respect to PDR.

11
12 --- EXHIBIT NO. MPI-54: Response to Undertaking 15
13 with respect to average
14 turnaround under the old
15 system of claims review
16 and now with respect to
17 PDR

18
19 MR. MATT GHIKAS: And the next one is
20 Undertaking number 16, the response. It's MPI Exhibit
21 number 57, and it relates to technology modernization.

22
23 --- EXHIBIT NO. MPI-57: Response to Undertaking 16
24 related to technology
25 modernization

1 MR. MATT GHIKAS: The next one is
2 Under -- the response to Undertaking number 18, which
3 would be MPI Exhibit number 55, as indicated, and it
4 deals with accounting matters.

5

6 --- EXHIBIT NO. MPI-55: Response to Undertaking 18
7 re accounting matters

8

9 MR. MATT GHIKAS: The next one is
10 response to Undertaking number 19. It's MPI Exhibit
11 number 58, and it -- it relates to whether it's
12 practical or possible to MPI to undertake an updated
13 response to MPI-1-25 to be consistent with the DCAT.

14

15 --- EXHIBIT NO. MPI-58: Response to Undertaking 19
16 relating to whether it's
17 practical or possible for
18 MPI to undertake an
19 updated response to MPI-1-
20 25 to be consistent with
21 the DCAT

22

23 MR. MATT GHIKAS: And finally, the
24 response to Undertaking number 22, which is MPI
25 Exhibit number 56, relating to the breakdown of the

1 shops that will be involved in -- that are involved --
2 repair shops, pardon me, participating in PDR.

3

4 --- EXHIBIT NO. MPI-56: Response to Undertaking 22
5 relating to breakdown of
6 repair shops participating
7 in PDR

8

9 MR. MATT GHIKAS: And that's all from
10 me, Mr. Chairman.

11 THE CHAIRPERSON: Great. Thank you,
12 Mr. Ghikas.

13 Mr. Williams...?

14 MR. BYRON WILLIAMS: Yes. Thank you.

15

16 CONTINUED BY MR. BYRON WILLIAMS:

17 MR. BYRON WILLIAMS: Mr. Keith,
18 there's program areas where Manitoba Public Insurance
19 has a primary role.

20 And there are also areas where it has
21 more of a collaborative role in support of other
22 provincial players including MIT, agreed?

23 MR. WARD KEITH: Yes.

24 MR. BYRON WILLIAMS: And the
25 Corporation certainly would welcome new and innovative

1 provincial efforts related to broader solutions
2 involving infrastructure, agreed?

3 MR. WARD KEITH: Is that in my
4 testimony?

5 MR. BYRON WILLIAMS: I'm referring to
6 LL -- LP.63 (phonetic):

7 "New and in -- innovative Provincial
8 efforts relating to these issues
9 should include broader solutions,
10 including infrastructure."

11 MR. WARD KEITH: Okay. Yes. Thank
12 you.

13 MR. BYRON WILLIAMS: And if we perhaps
14 can turn there -- yeah, that first paragraph is great.
15 Thanks -- thank you, Diana, for your pace.

16 And, Mr. Keith, just directing your
17 attention to lines 4 to 9, the Corporation has
18 indicated it -- it can play a supporting role in these
19 areas through sharing knowledge, participating in
20 discussions, and providing support to partner
21 initiatives. Agreed?

22 MR. WARD KEITH: Yes.

23 MR. BYRON WILLIAMS: And you see at
24 the -- the bottom there, "And in some cases financial
25 support." Do you see that reference, sir?

1 MR. WARD KEITH: Yes.

2 MR. BYRON WILLIAMS: And in terms of
3 infrastructure, at -- at the current time is the cor -
4 - the Corporation contemplating any expenditures with
5 regard to engineering and/or infrastructure?

6 MR. WARD KEITH: No, not at the
7 current time.

8 MR. BYRON WILLIAMS: And are there any
9 new and innovative Provincial efforts involving
10 infrastructure that the Corporation is aware of and
11 able to share?

12 MR. WARD KEITH: Not that we're aware
13 of, and not necessarily that I would be able to share.
14 But if I may, Mr. Williams? You've -- you've raised
15 an interesting point in terms of sort of the previous
16 line of questioning with Ms. Kroeker-Hall when you
17 spoke about the differences in road safety mandate
18 between Manitoba Public Insurance and our sister
19 crowns, Saskatchewan Government Insurance and the
20 Insurance Corporation of British Columbia.

21 And I can tell you that based on our
22 knowledge of the programming in those jurisdictions,
23 that what is driving a major portion of -- of the
24 expenditures under loss prevention and road safety in
25 British Columbia is their support for infrastructure

1 in terms of their infrastructure -- road safety
2 infrastructure fund.

3 And they devote 10 or \$15 million per
4 year, I believe it is, to providing some level of
5 funding to support Provincial and Municipal
6 infrastructure improvement initiatives that they
7 believe will reduce collisions and loss costs.
8 Similarly in -- in British Columbia they provide
9 significant funding for law enforcement but it's not
10 tied specifically to their road safety education and
11 awareness programs. It is, in fact, an annual grant
12 which is provided to the Solicitor General's office in
13 BC. I believe that's to the tune of 20 or \$25
14 million.

15 So those are examples of things that
16 are addressed in this paragraph but based on the
17 mandate within British Columbia are actually funded by
18 British Columbia, and so the mandate that has been
19 established for that organization is different than in
20 Manitoba. And similar examples would exist for SGI in
21 Saskatchewan.

22 MR. BYRON WILLIAMS: Okay. And I
23 believe my questions were focussed on SGI, but PUB
24 counsel's questions were -- were relating to BC. And
25 -- and just so I understand your point, Ms. Kroeker-

1 Hall, in -- in terms of British Columbia, ICBC has --
2 from a cost benefit analysis has determined that there
3 is value in pursuing certain infrastructure
4 investments. Agreed?

5 MS. JENNIFER KROEKER-HALL: Yes. My
6 understanding is that it's based on a return on
7 investment factor.

8 MR. BYRON WILLIAMS: And that figure,
9 one would assume, goes into the road safety estimate
10 of 43 million, or -- or whatever figure you used.
11 Agreed?

12 MS. JENNIFER KROEKER-HALL: I would
13 have to clarify, but that's my understanding.

14 MR. BYRON WILLIAMS: In terms of the
15 other source of contribution to enforcement that Mr.
16 Keith referenced, which was kind of a general donation
17 to the Solicitor General, are you aware whether or not
18 that would come out of the road safety budget given
19 that it doesn't appear to be related to road safety
20 objectives?

21 MS. JENNIFER KROEKER-HALL: I believe
22 it is captured under --

23 MR. BYRON WILLIAMS: Okay.

24 MS. JENNIFER KROEKER-HALL: -- a
25 dollar amount.

1 MR. BYRON WILLIAMS: Thank you. In
2 term -- Mr. Keith, I wonder if you can turn your
3 attention to CAC Exhibit 19, which is an excerpt from
4 the Corporation's response to first round Information
5 Request from CAC-109.

6 Do you have that, sir?

7 MR. WARD KEITH: I do. Thank you for
8 providing it.

9 MR. BYRON WILLIAMS: You're welcome.
10 And, sir, certainly there's been some discussion of
11 business cases in the road safety dialogue. And --
12 and this would be an example of a business case that
13 was fairly recently developed by Manitoba Public
14 Insurance?

15 MR. WARD KEITH: That's right.

16 MR. BYRON WILLIAMS: And it's focussed
17 on, we'll come to it in a -- in a second, but the
18 merits of enhanced enforcement activities for dis --
19 distracted driving, agreed?

20 MR. WARD KEITH: Yes.

21 MR. BYRON WILLIAMS: And you've
22 indicated I think on a couple of occasions today, the
23 point that it is an internationally recognized best
24 practice to combine enforcement and education and
25 awareness activities if one is seeking to increase

1 compliance and improve road safety, agreed?

2 MR. WARD KEITH: Agreed.

3 MR. BYRON WILLIAMS: And it would be
4 fair to say that in the 2015 year, for the first time,
5 to your knowledge, discra -- distracted driving
6 eclipsed other contributing factors causing collisions
7 on Manitoba roadways?

8 MR. WARD KEITH: That's correct.

9 MR. BYRON WILLIAMS: Indeed, it was
10 the number 1 contributing factor in collisions,
11 includi -- including both fatalities and serious
12 injuries, agreed?

13 MR. WARD KEITH: Agreed.

14 MR. BYRON WILLIAMS: And for those of
15 us who have children who drive and have phones, that
16 would not come as a huge surprise, would it, Mr.
17 Keith?

18 MR. WARD KEITH: No, it wouldn't,
19 unfortunately.

20 MR. BYRON WILLIAMS: Now, the dilemma
21 -- or the -- not the dilemma, but the challenge that -
22 - that this report addresses is -- is the -- the
23 appropriate division of the en -- enhanced enforcement
24 budget.

25 Would that be fair, sir?

1 MR. WARD KEITH: Yes, as well as the
2 overall size of the enhanced enforcement budget.

3 MR. BYRON WILLIAMS: And we can turn
4 to page 4 and 5 if it will help you. But it would be
5 fair to say that in 2014/'15 roughly -- certainly over
6 70 percent of the corporate enhanced enforcement
7 dollars targeted impaired driving with somewhere
8 between 50 and 20 percent targeting distracted
9 driving.

10 Would that be fair, sir?

11 MR. WARD KEITH: Yes, although I do
12 think we need to provide some clarity to this because
13 when we refer to the top bar, which is impaired
14 driving -- could you just go down a little row at --
15 en -- entitled, 'Road watch.'

16 This is the primary funding that we
17 provide to enhanced law enforcement which gets
18 officers on the streets at roadside doing check stops
19 between May and November of each year, which is
20 typically a time when the police are not as active as,
21 for instance, they are over the Christmas season.

22 I reference it only because, while this
23 is primarily an impaired driving enforcement campaign,
24 because they are out there and because they are doing
25 check stops, there are many, many other offences that

1 are identified and offence notices that are issued.

2 And so it is not just impaired driving
3 that is deterred as a result of this activity, it's, I
4 would suggest, all dangerous or illegal driving
5 behaviour, which would include distracted.

6 MR. BYRON WILLIAMS: Thank you. And,
7 Diana, perhaps you can just scroll down to the bottom
8 of -- of this page. And, Mr. Keith, you'll see the
9 suggestion by the Corporation that about three
10 quarters of its enhanced enforcement dollars in --
11 were being assigned to target impaired driving and
12 about 16 percent to distracted driving?

13 MR. WARD KEITH: Yes. And I'm just
14 providing some clarity around context there. That
15 when we talk about impaired driving we talk about the
16 Road Watch Program. And while the initial fo -- while
17 the primary focus is indeed impaired driving, it does
18 serve a broader purpose.

19 MR. BYRON WILLIAMS: And if we could
20 turn to page 5 through -- well, to the middle of the
21 page. Mr. Keith, I'll suggest to you that what we see
22 through pages 5 through 7 if we were to flip through
23 is the Corporation being presented with three
24 different options in terms of its enhanced enforcement
25 budget, agreed?

1 MR. WARD KEITH: Yes, three (3)
2 different options, I would suggest, in terms of how to
3 accommodate funding for enhanced enforcement related
4 to distracted driving.

5 MR. BYRON WILLIAMS: And one (1)
6 example would be addressing the desire to increase the
7 budget for distracted driving enhanced enforcement by
8 increasing the overall budget by about 14 percent,
9 agreed?

10 MR. WARD KEITH: Yes, that's right.

11 MR. BYRON WILLIAMS: And with a very
12 modest 0.2 percent decrease in -- in road watch?

13 MR. WARD KEITH: Right. And the
14 intent there being no decrease in road watch.

15 MR. BYRON WILLIAMS: Fair enough. And
16 if we go to option -- alternative option 1, to -- to
17 the middle of page 6, if we could. And, sir, here's a
18 -- another opt -- option considered by the
19 Corporation, which would be an increase -- a 4 percent
20 increase in the overall enhanced enforcement budget to
21 be aimed towards -- to be aimed towards distracted
22 driving with a 14 percent decrease for road watch,
23 agreed?

24 MR. WARD KEITH: Right.

25 MR. BYRON WILLIAMS: And then the

1 third option is basically to base -- redistribute the
2 pot within the enhanced enforcement budget,
3 significantly more for distracted driving, with also a
4 significant decrease for road watch, agreed?

5 MR. WARD KEITH: Yes, that option
6 there is to double the enforcement for distracted
7 driving and achieve that by reducing the funding for
8 road watch so that the overall dollars for enhanced
9 enforcement stays the same.

10 MR. BYRON WILLIAMS: And, Mr. Keith,
11 the intent of this discussion paper is to provide
12 decision makers such as yourself with some options and
13 -- and some -- some sense of tradeoffs?

14 MR. WARD KEITH: Yes.

15 MR. BYRON WILLIAMS: And without
16 meaning to be too pejorative of -- of the business
17 cases that we might have had filed on the record three
18 (3) or four (4) years ago, you'd agree that -- that
19 this business case is a more robust product than the -
20 - the Public Utilities Board might have seen a few
21 years ago?

22 MR. WARD KEITH: I don't know that the
23 Public Utilities Board saw business cases a few years
24 ago, because I don't know that we developed them to
25 this extent. So to your point, yes, this would be a

1 more comprehensive approach.

2 MR. BYRON WILLIAMS: And -- and I
3 thank you for that -- that careful answer, because,
4 sir, you're suggesting that the development of a
5 business case to this degree is -- is a newer
6 development in terms of the Corporation?

7 MR. WARD KEITH: In this formalized
8 manner, yes, and it is tied, as I explained this
9 morning, to the operational plans and the operational
10 fame -- frameworks that have been implemented for the
11 road safety programming.

12 MR. BYRON WILLIAMS: And in making
13 these decisions about tradeoffs, sir, in terms of
14 investments, at this stage of the enhanced enforcement
15 budget you wouldn't be making that call in terms of
16 estimated return on investment of the -- the different
17 expenditures?

18 I won't see a ROI calculation in here,
19 sir?

20 MR. WARD KEITH: That's fair. That's
21 fair. We do speak in here in terms of the extent to
22 which we would measure success if we were to implement
23 this additional funding, but you're right, you won't
24 find a return on investment from a dollars
25 perspective.

1 MR. BYRON WILLIAMS: And thank you for
2 that. In terms of measurement of success, sir, and
3 you've also -- you mentioned earlier today, and
4 certainly the Corporation in its filing has, you've
5 made resh -- reference to key performance measures.

6 Does that ring a bell?

7 MR. WARD KEITH: Yes, that was in
8 relation to the broader road safety -- the broader
9 loss prevention portfolio, yes.

10 MR. BYRON WILLIAMS: At this stage of
11 the development of the Corporation's business case,
12 turning your attention to page 14, at the bottom, are
13 these the type of success measures that -- that the
14 Corporation is referring to, sir?

15 MR. WARD KEITH: I -- I wouldn't call
16 these success measures. I would just simply call
17 these indicators that give us assurance that when we
18 provide enhanced funding for police enforcement that
19 the dollars are in fact being used for the purposes
20 that they were intended and that we are getting return
21 from that perspective.

22 MR. BYRON WILLIAMS: Okay.

23 MR. WARD KEITH: I -- I see that as
24 quite different than being able to der -- derive a
25 return on investment as it relates to reduced

1 collision claims and claims costs.

2 MR. BYRON WILLIAMS: Okay. And -- and
3 turning your attention to page 18 -- the top is fine -
4 - would another measure be increased offence notices?

5 MR. WARD KEITH: That would be another
6 indicator, but as I explained this morning I do take
7 that with some caution because we do not go into these
8 types of funding arrangements with the objective of
9 police generating more offence notices.

10 And as I explained this morning, I
11 would love to be here at some future point where we
12 can invest these kind of dollars in enhanced
13 enforcement, and there is zero change in the number of
14 offence notices issued because what that would tell
15 us, quite frankly, presuming that we have evidence
16 that the police re out and doing the enforcement that
17 they're being paid for, that we are actually seeing a
18 change in driver behaviour.

19 MR. BYRON WILLIAMS: And is --

20 MR. WARD KEITH: But at this point it
21 -- it is, indeed, an indicator.

22 MR. BYRON WILLIAMS: Okay. And, Mr.
23 Keith, you were -- given that you've been with the
24 Corporation for thirty-two (32) years, you would have
25 had cause to pay attention to the evidence of Ms.

1 Mavis Johnson when she presented evidence on -- on
2 behalf of CAC (Manitoba) two (2) or three (3) General
3 Rate Applications before?

4 MR. WARD KEITH: Yes.

5 MR. BYRON WILLIAMS: And you recall
6 Ms. Johnson, in terms of road safety and loss
7 prevention investments, distinguished between outputs
8 and outcomes. Do you recall that, sir?

9 MR. WARD KEITH: Yes.

10 MR. BYRON WILLIAMS: And when you use
11 the word 'indicator' would that be a synonym for --
12 for output, sir?

13 MR. WARD KEITH: That would be fair,
14 yes.

15 MR. BYRON WILLIAMS: Okay. As we move
16 along in the development of the business cases for the
17 road safety budget, would -- would one expect to see
18 also evaluations of outcomes incorporated, sir?

19 MR. WARD KEITH: So I would -- I would
20 have to be very cautious in providing that answer, Mr.
21 Williams, because of what we've discussed this morning
22 in terms of the very nature of road safety and the
23 confounding variables that play a part in terms of
24 whether or not there -- we can move the needle on road
25 safety programming and make a difference, and be able

1 to demonstrate a direct correlation between road
2 safety initiatives funded by MPI and resulting
3 reductions in collisions, claims, and claims costs.

4 I'm not saying that the relationship
5 doesn't exist. The challenge is in being able to
6 articulate that and demonstrate that through a
7 traditional return on investment methodology.

8 MR. BYRON WILLIAMS: Okay.

9 MR. WARD KEITH: And I think what we
10 will find is that when it comes to road safety
11 initiatives of this nature, it -- it is very, very
12 difficult to be able to develop a return on investment
13 methodology that specifically correlates expenditures
14 of this nature with subsequent reductions in
15 collisions, claims, and claims costs where impaired
16 driving or distracted driving, or what have you, is
17 determined to be a contributing factor.

18 It's a piece of the puzzle but -- but
19 based on the -- the nature of road safety very
20 difficult to dissect that puzzle.

21 MR. BYRON WILLIAMS: And we won't know
22 the -- where this story will lead us, sir, I'll
23 suggest at least til we -- we get a chance to look at
24 your -- your dashboard and your scoreboard as they --
25 as they come out next year. Would that be fair?

1 MR. WARD KEITH: That -- that is fair.
2 That is fair. And we can have this further discussion
3 at that point.

4 MR. BYRON WILLIAMS: Mark that on your
5 calendar, sir.

6 MR. WARD KEITH: I -- I would just
7 say, Mr. Williams, though that, you know, this is the
8 sort of -- this is the sort of road safety investment
9 where if we were to attempt to correlate a specific
10 return on investment as it relates to collisions were
11 impaired is a contributing factor, we wouldn't be
12 doing much work in this sphere because there are just
13 too many variables that can in -- influence those
14 outcomes.

15 So with something like this, what we do
16 instead is we look to determine in speaking to our
17 customers -- in speaking to Manitobans how -- have you
18 seen or heard about enforcement at roadside as it
19 relates to distracted driving. Having seen and heard
20 about that, has it influenced your perception of being
21 apprehended if you chose to text while you were
22 driving? And -- and based on that, has it influenced
23 your -- has it influenced your behaviour, right?

24 But it is all -- it is all public
25 polling based. And so we can measure whether or not

1 the message has landed, whether it's landed with the
2 right audience, and whether, based on what we're
3 learning from Manitobans, is it making a difference in
4 influencing behaviour?

5 But to go the next step and actually
6 draw the correlation to collision reductions, that's
7 the challenging part. And it's not specific to MPI.
8 And I think Ms. Kroeker-Hall would agree this is the
9 nature of road safety programming and road safety
10 evaluation in general.

11 MR. BYRON WILLIAMS: Okay. Thank you.
12 Just a couple of clean-up areas.

13 The Corporation has for 2016/'17, I'll
14 suggest to you, increased the spending on impaired
15 driving and road safety messaging?

16 MR. WARD KEITH: Yes.

17 MR. BYRON WILLIAMS: Quite
18 substantially, sir?

19 MR. WARD KEITH: Yes.

20 MR. BYRON WILLIAMS: And am I correct
21 in suggesting to you that that was a transfer of
22 funding previously allocated to corporate
23 sponsorships?

24 MR. WARD KEITH: That is part of --
25 that -- that is a large reason for that increase, yes.

1 MR. BYRON WILLIAMS: Okay. Thank you.
2 If I use the -- the acronym IRCOM, sir, you'll
3 understand that to be the Immigrant and Refugee
4 Committee Organization of Manitoba?

5 MR. WARD KEITH: Community
6 Organization, yes.

7 MR. BYRON WILLIAMS: Yes. I apologize
8 for misspeaking. I'm correct that MPI -- sorry. It's
9 correct to suggest that MPI has delivered in -- ten
10 (10) -- ten (10) driver education courses focussed on
11 new immigrants and refugees, sir?

12 MR. WARD KEITH: MPI has not delivered
13 it directly, but MPI has supported the delivery of
14 these programs within the programming offered by
15 IRCOM.

16 MR. BYRON WILLIAMS: And my -- my
17 client's quite interested in this program, sir. And I
18 wonder if I could just get you to comment gener --
19 generally on the Corporation's expectations and
20 results with regard to that program.

21 MR. WARD KEITH: Certainly. So this
22 is a pilot program that takes us beyond the mandate of
23 the high school driver education program. So you will
24 be familiar that, for many years, we have funded the
25 high school driver education program.

1 About twelve thousand (12,000) new teen
2 drivers go through that program every single year. It
3 includes thirty-four (34) hours of in-class, eight (8)
4 hours of behind-the-wheel instruction, and eight (8)
5 hours of in-vehicle observation.

6 And I talked this morning briefly about
7 some of the work underway to redevelop and enhance
8 that program and keep it relevant to the students that
9 it's intended to target.

10 This really takes us beyond that
11 program into the sphere -- the sphere of adult driver
12 education, but in a limited manner. And what I mean
13 by that is that we have worked with the IRCOM, with
14 the Immigrant and Refugee Community Organization of
15 Manitoba, to actually build into their programming
16 that they offer to new immigrants and refugees a
17 driver education component.

18 And what it encompasses is sixteen (16)
19 hours, I believe, of in-class training -- so knowledge
20 of rules of the road, what it's like to drive in
21 Manitoba, information about impaired driving,
22 distracted driving, the importance of seatbelt use, et
23 cetera -- and then four (4) hours of in-car training,
24 again modelled after the high school driver education
25 program, but with the curriculum modified to be

1 focussed on the needs of adult learners.

2 And the purpose of that is really to
3 help new immigrants and refugees coming into Manitoba
4 to be able to understand the rules of the road and to
5 be able to drive safely.

6 Many of these people are coming from
7 jurisdictions where we do not have driver licence
8 reciprocity, where there are virtually no rules of the
9 road in place, and where getting a driver licence has
10 very little hurdles to do so.

11 And so our objective is to introduce a
12 training program where, as part of their immersion
13 into the Manitoba environment, as part of their
14 immersion into our culture, that they also learn the
15 important aspects of driving which, at the end of the
16 day, is a very important component to employability
17 and -- and creating a sustainable sort of long-term --
18 becoming a long-term part of the community.

19 So -- so that, in -- in a nutshell, is
20 that program. And what we have done is we have
21 provided funding to support a resource within that
22 organization that actually delivers the in-class and
23 the in-car training, again, as part of the
24 programming. That individual has been fully trained
25 and certified as a qualified driving instructor under

1 the Manitoba regulations and in accordance with our
2 own high school training programs.

3 And so that program is administered
4 within that -- within that construct.

5 MR. BYRON WILLIAMS: Two (2) last
6 questions to a related -- not a related but another
7 adult education program.

8 My understanding is that MPI has also
9 been involved in a program aimed at improving access
10 to adult driver -- drivers for those enrolled in job
11 placement or readiness training programs in the -- in
12 three (3) northern Manitoba communities, being, The
13 Pas, Thompson, and Flin Flon?

14 MR. WARD KEITH: Yes.

15 MR. BYRON WILLIAMS: And again -- and
16 recognizing that there's others behind me. But if you
17 could, for the benefit of my client, share a little
18 bit about this program and whether it's anticipated to
19 continue --

20 MR. WARD KEITH: Sure.

21 MR. BYRON WILLIAMS: -- or expand?

22 MR. WARD KEITH: Sure. This, too, is
23 a pilot program. And I'm less -- I'm less sure
24 whether this program will continue, quite frankly, but
25 -- but I don't want to rule out that it won't.

1 The program is similar to what I just
2 described with IRCOM, except that we have partnered
3 with job placement and job readiness agencies that are
4 funded through the government to deliver employability
5 skills training to residents in these northern
6 communities. They are in Flin Flon, Thompson, and The
7 Pas, but they primarily serve people from remote
8 northern communities who come to these community
9 organizations for job readiness and job placement
10 skills.

11 And so, again, as part of the same
12 thinking around the importance of having a driver
13 licence and being a good driver for employability
14 purposes, we've agreed on a pilot basis to introduce
15 our programming into those programs, as well.

16 It's a little different only because
17 there are not actually resources within these agencies
18 that deliver the training like IRCOM. Rather, what we
19 do is we contract with high school driver education
20 instructors to go in and deliver this training but,
21 again, using the modified curriculum so it better
22 aligns to the needs of the adult learners.

23 MR. BYRON WILLIAMS: And, sir, I thank
24 you for that. And you invited one (1) more question.
25 In -- in terms -- I believe you stated that you were

1 less confident that that pilot would continue.

2 Is it a case of inadequate demand or
3 are there other factors why this program might not
4 continue?

5 MR. WARD KEITH: No, that's a very
6 good question. And -- and I might have misspoke,
7 actually, in saying that but -- because our evaluation
8 is ongoing. But there is -- there appears to be a
9 lack of demand, but I don't -- I'm sorry, there is a
10 lack of participation.

11 And I don't know at this point whether
12 that's a lack of demand or whether that is the manner
13 in which the program is being administered by the
14 agencies. And so that's part of what we'll have to
15 look into to make a determination as to whether or not
16 there's -- there are grounds to continue this program.

17 MR. BYRON WILLIAMS: And would that
18 determination involve consultation whether with
19 regional tribal authorities or the northern chiefs or
20 the friendship centres?

21 MR. WARD KEITH: It would certainly
22 with the friendship centres and with the government
23 agency that supports these programs and funds these
24 programs from a job placement and job readiness
25 perspective.

1 I don't know that we would reach out
2 directly to the remote communities and the chiefs and
3 bands and councils for this particular program. But I
4 can tell you that, and this isn't in the materials,
5 but for 2017 we are actively engaged in working with
6 the MKO chief and council in order to look at what we
7 can do to bring high school driver education
8 programming into the MKO communities where it doesn't
9 exist today.

10 I -- I raise that. It's a little
11 different than this because, in my view, this is
12 merely delivering on our current high school driver
13 education mandate by getting into communities where we
14 haven't been able to get into before because we
15 haven't had the community support and we haven't been
16 able to retain instructors to deliver the training to
17 the high school students in these communities.

18 But we're hopeful that with the support
19 of the MKO Grand Chief and her Council and the
20 communities now that we will be able to -- to
21 establish that infrastructure, that foundation to
22 continue to deliver these programs, like we do in
23 other communities where we have high schools and where
24 we have sufficient demand.

25 MR. BYRON WILLIAMS: Mr. Chair and

1 MPI, I thank you for the time.

2 THE CHAIRPERSON: Thank you, Mr.
3 Williams. Mr. Monnin, before you start, Ms. Neville
4 had a few questions.

5

6 (BRIEF PAUSE)

7

8 BOARD MEMBER NEVILLE: Thank you. I
9 don't want to hold up the others, but I just want to
10 followup on some earlier questions that Mr. Williams
11 asked you, Mr. Keith.

12 He asked you in terms of the eighty-
13 five (85) fatalities that have been identified this
14 year to date, to provide information on -- well, I
15 don't have to go over the information, but you know
16 what they are.

17 MR. WARD KEITH: Yes.

18 BOARD MEMBER NEVILLE: What I'm
19 wondering is whether it is possible to give us some
20 indication of the costs of the fatalities, recognizing
21 that none are the same, or whether you can give us
22 some scenarios on the cost of the -- of the various
23 fatalities.

24 Is -- is that possible?

25 MR. WARD KEITH: I think it is

1 possible. It may be on a fairly generic basis in
2 terms of the cost of a typical fatality based on the
3 age of the victim at the time of the passing, but we
4 can certainly undertake to add that.

5 BOARD MEMBER NEVILLE: Okay. My --
6 thank you.

7
8 --- UNDERTAKING NO. 25: MPI to provide scenarios
9 on the cost of various
10 fatalities

11
12 BOARD MEMBER NEVILLE: My second
13 question is you spoke about these fatalities, 70
14 percent of them being in rural areas and you just
15 identified some programming that you are undertaking
16 now.

17 Can you tell us if there is anything
18 else that the Corporation is doing to -- I guess in --
19 in public education to reduce the number of rural
20 fatalities? Seventy (70) percent is pretty steep.

21 MR. WARD KEITH: Yeah. The -- the
22 challenge with the rural fatalities, and the reason
23 that there are more fatalities is, of course, because
24 we're talking about highway speeds. And so when there
25 are collisions, they are typically more severe than in

1 the urban centre.

2 So, you know, there -- there are
3 serious motor vehicle collisions that occur in the
4 City of Winnipeg, for example, and I -- I don't want
5 to generalize, but -- but very often they are just not
6 going fast enough to kill themselves or to be killed.

7 And in rural it's not so fortunate. So
8 it's less -- it's less that -- that rural is the
9 cause, right, than it is that when you're travelling
10 in rural you're going at faster speeds and, therefore,
11 your reaction time is -- is lower. And so you have
12 more likelihood of being involved in a collision.

13 And, of course, if you are involved in
14 a collision it will be more of a serious collision.
15 So we -- we do look at -- we have a number of
16 education and awareness initiatives that are focussed
17 specifically to rural Manitoba. We have a program
18 called the Manitoba driver, which we're actually
19 activating in response to the media event last week
20 where we actually produce print ready road safety news
21 articles and they can be sent to more than fifty (50)
22 rural community newspapers across the province.

23 And often these community newspapers,
24 because they're looking for content, they will print
25 these articles, that's why we call them print ready.

1 And so it helps us to get the message out,
2 particularly in the rural areas where things like
3 seatbelt use, things like speed, things like how to
4 drive to conditions whether on wet roads, or gravel
5 roads, or winter roads.

6 It's not like that is not important
7 everywhere, but it's particularly important in rural
8 Manitoba because of the highway speeds. We've also
9 been working directly with our citizens on patrol
10 groups in rural Manitoba and with the RCMP to address
11 a concern that -- I know I discussed with Mr. Williams
12 some time ago and, that is, the issue of seatbelt use.

13 We know, for example, a fatality that
14 occurred this -- last weekend, not this past weekend.
15 Tragic, tragic fatality, a seventeen (17) year old who
16 lost his life. He was not buckled at the time of the
17 accident and because of the rollover he was ejected
18 from the vehicle and -- and killed as a result.

19 I don't want to go back to my personal
20 story, but I told you this morning the exact same
21 thing happened to my nephew. We know that 95 percent
22 of Manitobans wear their seatbelts. We know that from
23 public polling. We know that from observational
24 surveys that are done, and extrapolated based on
25 statistical relevance.

1 But it doesn't change the fact that
2 nearly a third of fatalities involve un-belted
3 occupants. And so that becomes the challenge is: How
4 do you get at that 5 percent of people where non-use
5 of seatbelts is accounting for some 30 percent of
6 fatalities?

7 Based on our research, what we
8 identified is that the wearing rate in rural Manitoba
9 is lower than in urban Manitoba. We think that's a
10 product of enforcement, and lack of enforcement. And
11 that's not to criticize the rural police forces. It's
12 just that they have miles and miles and miles of
13 highway to control, and it's not nearly as -- as
14 concentrated as in Winnipeg and Brandon, and other --
15 and other major centres.

16 So what we have been doing is working
17 with the RCMP and the Citizens on Patrol groups in
18 these rural communities to -- they are doing
19 observational surveys of people wearing seatbelts in
20 these small communities. And just being out there
21 with the reader boards marking vehicles as they go by
22 is raising awareness about the need for seatbelt use
23 within these communities.

24 And we're finding that there is a real
25 difference. We are starting to see the seatbelt

1 wearing rate in Manitoba come up from where it used to
2 be 87, 88, 89 percent up to the 95 percent that we see
3 in urban centres because the Citizens on Patrol
4 groups, the community groups, are out there. They're
5 doing the observing. They're reporting through the
6 local community media. RCMP are using that data to
7 inform their enforcement efforts in those communities.
8 And it is making a difference. So these are just some
9 examples.

10 BOARD MEMBER NEVILLE: Thank you. I
11 have other questions but I will let my colleagues
12 proceed, and I'll come back to it. Thank you very
13 much.

14 MR. WARD KEITH: Thank you.

15 THE CHAIRPERSON: Mr. Monnin...?

16 MR. CHRISTIAN MONNIN: Merci, Mr.
17 President. Thank you, Mr. Chair. What I propose to
18 do is I'll bifurcate my -- my cross-examination. I'll
19 deal with Ms. Kroeker-Hall first to make sure that
20 I've compete -- completed her cross-examination and
21 then I'll dive into Mr. Keith's cross-examination.

22 THE CHAIRPERSON: Can I just ask, Mr.
23 Oakes, are -- do you -- are you going to have any
24 questions of Ms. Kroeker-Hall?

25 MR. RAYMOND OAKES: As much as I'd

1 like to hear about the Moroccan adventures of the
2 witness, I won't have any, no.

3 THE CHAIRPERSON: Okay. Thank you.

4

5 CROSS-EXAMINATION BY MR. CHRISTIAN MONNIN:

6 MR. CHRISTIAN MONNIN: I'd like to ask
7 you some questions with respect to some of the
8 terminology we've heard today in your evidence and
9 which I've read in your report, and which we see in
10 your presentation, and that deals with vision zero,
11 toward zero, and safe systems.

12 And if -- looking at page 3 of -- of
13 your report which was originally filed last year, at
14 the bottom of that page it addresses current road
15 safety models. And at line 35 of that paragraph:

16 "A number of approaches and models
17 have evolved internationally. Three
18 (3) 'E's, engineer, enforcement,
19 education, the systems approach to
20 road safety, and the public health
21 approach, and currently the safe
22 systems approach appears to be the
23 model of choice."

24 And if you could turn to page 7 of that
25 report, Diana, the top of that page, it's a summary of

1 MPI's road safety model assessment. And starting at
2 line number 3:

3 "From a holistic perspective,
4 documentation of process --
5 processes and criteria for decision
6 making, planning, research, and
7 monitoring are underpinned by data
8 driven evidence-based approach, and
9 appears to exceed most Canadian
10 jurisdictions."

11 And I believe I heard your evidence
12 today that you indicated that you believed MPI was
13 going to a vision zero, or -- or towards zero
14 approach. Is that correct?

15 MS. JENNIFER KROEKER-HALL: No, I
16 believe I was referring to a nude -- news article that
17 I saw this morning around the National Highway Traffic
18 Safety Administration who had just announced that they
19 would be moving towards that particular approach. So
20 it's a bit of a shift from a target based model to a
21 trending downward approach.

22 MR. CHRISTIAN MONNIN: Okay. And do I
23 understand your report that we looked at, page 3 and
24 now page 7, that MPI has not adopted a safe systems
25 approach?

1 MS. JENNIFER KROEKER-HALL: No, they
2 have adopted a safe systems approach.

3 MR. CHRISTIAN MONNIN: Okay. And,
4 Diana, if you can go to slide deck number 8 of Ms.
5 Kroeker-Hall's presentation.

6 We have a bullet under MPI's road
7 safety model. And between brackets it says, "systems
8 based." And that would be in line with what -- the
9 evidence you just provided to me that MPI has a Safe
10 systems approach?

11 MS. JENNIFER KROEKER-HALL: Yes.

12 MR. CHRISTIAN MONNIN: Can you explain
13 to me what Vision Zero is?

14 MS. JENNIFER KROEKER-HALL: Vision
15 Zero is a - is an approach that was started in
16 Scandinavian countries in -- in particular propounded
17 by an individual named Fred Wegman. And it purports
18 to -- to drive initiatives in the road safety
19 environment to a zero tolerance level for fatalities,
20 serious injuries, and injuries -- injuries generally.

21 MR. CHRISTIAN MONNIN: Okay. So a
22 zero tolerance, but it's not referring to the ultimate
23 goal of zero fatalities?

24 MS. JENNIFER KROEKER-HALL: My
25 understanding is -- is that it is. So it supports the

1 sort of downward trending approach that has been
2 adopted by Canada, for example, in its road safety
3 strategy 2015 and 2025.

4

5 (BRIEF PAUSE)

6

7 MR. CHRISTIAN MONNIN: And -- and what
8 would be the main distinctions, based on your
9 experience and expertise, between a Safe systems
10 approach and a Vision Zero or Towards Zero approach?

11 MS. JENNIFER KROEKER-HALL: Well, any
12 one (1) of the -- the three (3) models could be used
13 as the drivers for initiatives or certain approaches
14 that are -- are taken by jurisdictions to drive
15 towards zero deaths, zero serious injuries on the
16 road.

17 So Vision Zero is an outcome-based
18 concept, if you will, versus the actual models which
19 may be chosen by different jurisdictions in which to
20 focus their particular initiatives or strategies or
21 funding dollars.

22 MR. CHRISTIAN MONNIN: And are you
23 able to advise, in your opinion, which of these models
24 is the superior model to adopt?

25 MS. JENNIFER KROEKER-HALL: Superior

1 in terms of -- can you clarify for me, or...

2 MR. CHRISTIAN MONNIN: Certainly.
3 I'll attempt to get more granular and hopefully
4 clearer.

5 With regards to minimizing fatalities
6 and minimizing the economic and minimizing the social
7 impact of vehicle accidents and fatalities which, in
8 your opinion, is a superior model to adopt: Vision
9 Zero or Towards Zero or the Safe systems?

10 MS. JENNIFER KROEKER-HALL: Well, it's
11 not -- it's not one or the other. I think a safe
12 systems approach looks at different factors in
13 relation to road safety initiatives that would achieve
14 a Vision Zero outcome.

15 So instead of setting particular
16 targets, even at a national level or a jurisdictional
17 level, one may choose to set a downward trending
18 outcome towards having no face -- no fatalities, no
19 serious injuries, or no injuries generally or property
20 damage on the roads.

21 So one would engage in a particular
22 model in -- in order to achieve in the -- the
23 direction that's desired by the Vision Zero focus. I
24 hope that's a little clearer.

25 MR. CHRISTIAN MONNIN: It's helpful.

1 Thank you. Still at page 7 of your report at the top,
2 the same paragraph, but if I can complete that
3 paragraph:

4 "The current framework and its
5 continuing enhancement will serve
6 MPI well in reshaping governance and
7 program relationships including its
8 participation in the new provincial
9 Road Safety Committee."

10 Do I understand that to mean that
11 there's an inherent flexibility in the road safety
12 model that MPI has put forward?

13 MS. JENNIFER KROEKER-HALL:
14 Flexibility in terms of looking at issuati --
15 initiatives and strategies or allocating their funding
16 dollars to those particular strategies that can have
17 the biggest impact or biggest effect depending on how
18 you or an organization chooses to measure that.

19 MR. CHRISTIAN MONNIN: And would --
20 would the model that's being put forward by MPI, with
21 its inherent flexibility, would it allow for the
22 incorporation of certain aspects of Vision Zero or
23 Towards Zero?

24 MR. JENNIFER KROEKER-HALL: I think
25 that's an overarching goal for the -- the Corporation

1 to answer. It would -- it would be something that
2 would be in its stated vision in -- in -- or road
3 safety targets or road safety goals. I'm trying to
4 find the right -- right language for it here. But it
5 would -- it would be something that would -- would
6 have to be stated by the Corporation as its intended
7 outcome.

8

9

(BRIEF PAUSE)

10

11

MR. CHRISTIAN MONNIN: And, for
12 example, Diana, if you can go to loss prevention page
13 74.

14

15

(BRIEF PAUSE)

16

17

MR. CHRISTIAN MONNIN: And scrolling
18 down. Ms. Kroeker-Hall, have you had the opportunity
19 to read the loss prevention application, filing
20 application of MPI for this year?

21

MR. JENNIFER KROEKER-HALL: Sorry, can
22 you repeat the question?

23

MR. CHRISTIAN MONNIN: Have you had
24 the opportunity to read the loss prevention portion of
25 the application that was filed this year?

1 MR. JENNIFER KROEKER-HALL: Yes.

2 MR. CHRISTIAN MONNIN: And so what we
3 see here starting at line 3:

4 "The Corporation has conducted
5 analysis of proven promising road
6 safety strategies that, within its
7 legislative mandate, have potential
8 for use in Manitoba to address
9 current road safety priorities."

10 And it gives examples. And one (1) of
11 them is a specific and deliberate focus on changing
12 the road safety culture in Manitoba by introducing a
13 Vision Zero also known as Towards Zero approach?

14 MR. JENNIFER KROEKER-HALL: Yes.

15 MR. CHRISTIAN MONNIN: And do you
16 understand that -- and pos -- this is quite likely a
17 question that Mr. Keith should be answering, but I'll
18 put it to you, in any event.

19 Would that be your understanding of the
20 evolution of the -- of MPI's vision going -- from
21 going from a safe systems -- a safe systems program to
22 a Vision Zero?

23 MR. JENNIFER KROEKER-HALL: No, that
24 would not be my understanding.

25 MR. CHRISTIAN MONNIN: And why is

1 that?

2 MR. JENNIFER KROEKER-HALL: Because
3 the safer systems model would be used to identify
4 those particular areas that one would target in order
5 to achieve Vision Zero.

6 MR. CHRISTIAN MONNIN: And are there
7 any particular aspects of -- of a Vision Zero program
8 or Vision Zero system that, based on your experience
9 and your expertise, could be identified and
10 incorporated into the current safe systems program
11 that is being put forward by MPI?

12 MR. JENNIFER KROEKER-HALL: I don't
13 see the relationship between these two (2) concepts as
14 working in -- in that direction. I -- I understand
15 the Vision Zero as -- as an outcome, whereas the --
16 the safer systems model is in -- intended as a
17 structure to help achieve zero fatalities, zero
18 serious injuries, zero -- zero collisions on our roads.

19 MR. CHRISTIAN MONNIN: And is that
20 because a Vision Zero adopts the idea that almost all
21 of the deaths and injuries are preventable?

22 MR. JENNIFER KROEKER-HALL: To a
23 greater extent, yes.

24 MR. CHRISTIAN MONNIN: And in your CV
25 we've -- you indicated that you are now the President

1 of the Canadian Association of Road Safety
2 Professionals?

3 MR. JENNIFER KROEKER-HALL: Yes.

4 MR. CHRISTIAN MONNIN: And you used to
5 be the Vice-president of that same organization?

6 MR. JENNIFER KROEKER-HALL: Yes.

7 MR. CHRISTIAN MONNIN: Diana, if you
8 could put up the press release which I handed to you.

9 And, members of the Board, this is a
10 press release which I handed to counsel for MPI
11 earlier this afternoon because, in the vernacular,
12 it's not my style to sandbag counsel.

13 And it's a press release from the
14 Canadian Association of Road Safety Professionals
15 quoting the Vice-president at the time, which was Mr.
16 Kroeker-Hall. And if you can scroll down, please, a
17 little bit, Diana.

18 Starting at the second paragraph, these
19 words are attributed to you:

20 "Preventing serious injuries and
21 deaths on our streets, roads, and
22 highways is our collective
23 responsibility, says Jennifer
24 Kroeker-Hall.

25 We should all do what we can to

1 raise awareness and avoid these
2 action -- the actions behind the
3 wheel that puts us, or our
4 passengers, and pedestrians at risk.
5 On average, five (5) Canadians are
6 killed in road collisions every day.
7 Many more are seriously injured or
8 indirectly affected by the death or
9 maiming of loved ones. In the past
10 fifty (50) years more Canadians have
11 died on the roads than were killed
12 in both world wars.
13 If we put down our mobile devices
14 while driving, drive at a speed that
15 is within the speed limit and
16 appropriate for road conditions,
17 wear our seatbelts, place our
18 children in properly fitted child
19 restraints for vehicles, and avoid
20 driving when fatigued or impaired,
21 we could significantly reduce the
22 number of deaths and injuries from
23 traffic collisions.
24 The fact is that almost all of these
25 deaths and injuries are

1 preventable."

2 And those words are attri --
3 attributable to you as well. And would I understand
4 that that -- this is in line with the -- with the
5 Vision Zero philosophy?

6 MS. JENNIFER KROEKER-HALL: Yes.

7 MR. CHRISTIAN MONNIN: That'll be --
8 I'll mark that Exhibit Number 7 for Bike Winnipeg,
9 please.

10

11 --- EXHIBIT NO. BIKE-7: Press release from the
12 Canadian Association of
13 Road Safety Professionals
14 quoting the Vice-president
15 at the time, which was Mr.
16 Kroeker-Hall.

17

18 CONTINUED BY MR. CHRISTIAN MONNIN:

19 MR. CHRISTIAN MONNIN: And that was a
20 -- you were speaking as vice-president of CARSP at the
21 time. You're now president. Is that still the view
22 of this association?

23 MS. JENNIFER KROEKER-HALL: Yes, it
24 would be.

25

1 (BRIEF PAUSE)

2

3 MR. CHRISTIAN MONNIN: Back at page 7
4 of Ms. Kroeker-Hall's report again, please.

5

6 (BRIEF PAUSE)

7

8 MR. CHRISTIAN MONNIN: Again, with the
9 -- with the -- the first paragraph, at line 6, you
10 write that this approach -- that it appears to exceed
11 most Canadian jurisdictions. Now, you wrote that some
12 time ago.

13 Is that because what was being put
14 forward or proposed by MPI was -- was in the future,
15 it was prospective, so you couldn't speak in -- in a
16 then and there, in the now, but -- but it appeared to
17 be because you're looking prospectively.

18 Is that -- is that safe to stay?

19 MS. JENNIFER KROEKER-HALL: No, it's -
20 - it's based on my research at the time which, like
21 any research, would have its limitation. So on --
22 based on the information I was able to gather from
23 other jurisdictions and my assessment of that
24 information, that's what I would have used and -- and
25 concluded at the time.

1 MR. CHRISTIAN MONNIN: And -- and
2 would you agree with me that in addition to that
3 another one (1) of the limitations at the time was
4 that it was -- you were looking prospectively down the
5 -- down the line in the future on how this may be
6 applied or how it may take affect?

7 MS. JENNIFER KROEKER-HALL: No, I was
8 -- my assessment was based on the documents that were
9 provided to me, some of them even in draft form at the
10 time. And -- and everything that was in -- in the
11 works, even in draft form, was provided to me in terms
12 of the framework. So it was based on the
13 documentation developed even in draft form that was
14 used for the -- the road safety loss prevention
15 framework currently.

16 MR. CHRISTIAN MONNIN: And -- and not
17 to belabour the point, but the fact that this was
18 something that hadn't even been implemented yet, that
19 wasn't a limitation at all in -- in your -- your
20 review of the program?

21 MS. JENNIFER KROEKER-HALL: Well, one
22 could always look at implementation versus what is
23 stated in one's documentation. That -- that is
24 certainly something that could be done for the future.

25 But my task was to assess the model

1 based on the current framework or the framework at the
2 time and the documentation that substantiated how the
3 Corporation was setting up its road safety
4 programming.

5

6 (BRIEF PAUSE)

7

8 MR. CHRISTIAN MONNIN: Diana, if you
9 can go to page 37 of the report, please. And if you
10 scroll down to the last paragraph.

11 I -- I believe I heard your evidence
12 earlier today that you had no access to the cost
13 benefit analysis themselves when -- when you were
14 doing this report. Is that accurate?

15 MS. JENNIFER KROEKER-HALL: Yes, and
16 it wasn't part of the -- the assignment at that point
17 in time.

18 MR. CHRISTIAN MONNIN: And that would
19 reflect -- that statement would be reflected here in
20 the paragraph where it says:

21 "However, little information is
22 included about the use of cost
23 benefit or cost benefit
24 effectiveness analysis, key tools in
25 the decision making process for road

1 safety initiatives which drives
2 funding."

3 Was that right?

4 MS. JENNIFER KROEKER-HALL: Yes.

5 MR. CHRISTIAN MONNIN: And based on
6 your experience and your expertise, how -- how does
7 cost benefit analysis of programs and initiatives feed
8 into the budgeting process?

9 MS. JENNIFER KROEKER-HALL: Well, it
10 can be used in -- in two (2) ways. In -- at the
11 priority setting stage in order to make decisions
12 about the -- the nature and the scope of issues or
13 problems, and that could -- that includes costing
14 analysis, and -- and feeding into the decision making
15 process at the -- at the initiation stage, if you
16 will. And again, one can use that information for
17 decision making around solutions, and comparing
18 different solutions based on their costs and benefits.

19 MR. CHRISTIAN MONNIN: And I -- I
20 believe we touched upon British Columbia and -- and
21 Saskatchewan, but could you point out successful
22 examples of cost benefit analysis of road safety
23 programs, taking into account economic and social
24 impacts elsewhere that could be used as models for
25 MPI?

1 MS. JENNIFER KROEKER-HALL: One (1)
2 that comes to mind immediately is that used for
3 graduated licensing -- graduated licensing program
4 changes in British Columbia where there was a
5 commitment by the government of the day not only to
6 implement graduated licensing but to ensure that it
7 was appropriately evaluated. Otherwise, it's not a
8 very common tool that is -- that is used in -- in
9 jurisdictions to...

10 MR. CHRISTIAN MONNIN: And can you
11 point to any concrete examples that take into account
12 the social costs of injuries and fatalities, and also
13 with regards to vulnerable road users?

14 MS. JENNIFER KROEKER-HALL: Nothing
15 comes to mind at the moment.

16 MR. CHRISTIAN MONNIN: And with
17 regards to data, what kind of data or data sets is
18 needed to be generated should -- and should be shared
19 to allow for road safety collaboration among MPI and,
20 for example, the police force, the health system,
21 municipalities, and the province?

22 So just based on your expertise and
23 experience, what kind of data should be generated and
24 shared?

25 MS. JENNIFER KROEKER-HALL: In order

1 to understand what the effects of road safety
2 outcomes, or collision, or...?

3 MR. CHRISTIAN MONNIN: Yes. Let's --
4 let's narrow that down to the scope of economic social
5 impact. Let's start with social impact. Start with
6 that.

7 What kind of data should be shared?

8 MS. JENNIFER KROEKER-HALL: Well,
9 there are data available in health systems, in social
10 service systems, certainly that provincial
11 jurisdictions contain, or -- and there's a lot of data
12 in our public health system of -- about quali --
13 quality of life, and the costs of different initiative
14 -- initiatives, or the loss wages that are attached to
15 different outcomes that are -- that are also
16 integrated into cost benefit analyses.

17 MR. CHRISTIAN MONNIN: So --

18 MS. JENNIFER KROEKER-HALL: Employment
19 data.

20 MR. CHRISTIAN MONNIN: -- so if I
21 understood that answer, that was working from say the
22 -- the health entity back towards the insurer.

23 What kind of data should MPI be
24 generating to share with those entities with regards
25 to the social costs of injuries and fatalities?

1 MS. JENNIFER KROEKER-HALL: The -- the
2 data that they would have avail -- available may be
3 related to the costs of -- of crashes, and in
4 particular I'm thinking about the -- and I'm not sure
5 if this is going to answer your question or -- or not,
6 but the other related costs around crashes. And it --
7 it could be support services. It could be counselling
8 services. It could be other emergency services.

9 I'm not sure if that's getting at the
10 type of data that -- that you're looking for but that
11 would normally come from provincial agencies to feed
12 into other business case development, or cost benefit
13 analysis development.

14 MR. CHRISTIAN MONNIN: And are you
15 aware of any entities in -- or any jurisdictions that
16 -- that share that type of information, that data?

17 MS. JENNIFER KROEKER-HALL: I would
18 have to go back to the jurisdictions and -- and
19 confirm.

20 MR. CHRISTIAN MONNIN: Would you
21 undertake to do that?

22 MR. MATT GHIKAS: Mr. Chairman, that
23 sounds like a pretty significant scope increase on Ms.
24 Kroeker-Hall's retainer. I -- I'm --

25 MR. CHRISTIAN MONNIN: There's a --

1 THE CHAIRPERSON: Mr. Monnin, how much
2 effort are you expecting of her? Because I could see
3 this taking months.

4 MR. CHRISTIAN MONNIN: That's a fair
5 comment, and there's a reason why I looked Mr. Ghikas
6 square in the eye when I asked if this -- if -- if the
7 undertaking would be answered.

8 I'm not the expert here. I'm not --
9 I'm just trying to find the -- the information. And -
10 - and I'm not sure -- and maybe Ms. Kroeker-Hall can
11 enlighten us all on what you -- how you see the -- the
12 size of this particular undertaking or task.

13 Is it monumental or is it something
14 that can be done rather quickly?

15 MS. JENNIFER KROEKER-HALL: If -- if I
16 understand the task correctly, you're looking at
17 identifying the -- the sources of relevant data that
18 would feed into a cost-benefit analysis. Is -- am I
19 closer to understanding where...

20

21 CONTINUED BY MR. CHRISTIAN MONNIN:

22 MR. CHRISTIAN MONNIN: Closer to that.
23 But in particular regard to the social costs of
24 fatalities and injuries and -- and vulnerable road
25 users, obviously, what kind of data ought to be shared

1 by, say, MPI?

2 And if there are other jurisdictions
3 that share that data, which ones are they and what
4 does it look like?

5 MS. JENNIFER KROEKER-HALL: Well,
6 there are other studies that have identified more the
7 elements around social costs of collisions. So -- so
8 I've -- I've mentioned some of them already around the
9 health care, policing, and fire, other types of costs,
10 the social cost of time delays.

11 So -- so there are a number of studies
12 that have tackled the particular issue and
13 identification of -- of relevant factors. So whether
14 or not that would be helpful in our Canadian context,
15 it would certainly be a starting place.

16 But I would imagine that it would
17 probably take a couple of months' worth of going back
18 to jurisdictions and confirming what their
19 understanding are -- is of this particular approach,
20 whether they've done any social costing, per se. And
21 that may be the easiest part. The more difficult part
22 may be actually getting access to information and the
23 actual sources.

24 MR. CHRISTIAN MONNIN: So --

25 MS. JENNIFER KROEKER-HALL: But that

1 would be my best guess.

2 MR. CHRISTIAN MONNIN: -- if I may, it
3 sounds like what you're suggesting is a whole other
4 report.

5 And what I would suggest, Mr. Chair, is
6 that I'll stand down on this particular issue. I'll
7 go offline and I'll speak with my -- my colleagues at
8 MPI and we -- we can chat about it. But I'll -- I'll
9 withdraw that undertaking.

10 THE CHAIRPERSON: Thank you.

11

12 CONTINUED BY MR. CHRISTIAN MONNIN:

13 MR. CHRISTIAN MONNIN: But would you
14 agree with me on -- on the suggestion that what it
15 sounds like what you've just provided is -- is that
16 it's a whole other report.

17 Is that accurate?

18 MS. JENNIFER KROEKER-HALL: I would --
19 I would say so, yes.

20 MR. CHRISTIAN MONNIN: Thank you. Mr.
21 Keith, step right up. You're the next contestant.

22 Those are the rest of my questions --
23 those are my questions for Ms. Kroeker-Hall. Thank
24 you very much.

25

1 (BRIEF PAUSE)

2

3 MR. CHRISTIAN MONNIN: Mr. Keith, I'd -
4 - I'd like to ask you just a few questions at first
5 with regards to -- and I probably won't catch you --
6 catch you off guard or surprise you -- with respect to
7 social costs.

8 And just with regards to the language
9 that I've -- I've seen in -- in the filing, and I just
10 want to get some clarification on that. Diana, if you
11 can go to page 7 of the loss prevention document,
12 please.

13 This -- the first paragraph is also
14 found at page 37, the overview. I'm not going to ask
15 you to go there, but it -- it's almost identical, if
16 not identical. And it writes -- it's written:

17 "A successful loss prevention
18 strategy can also minimize the
19 economic and social costs to
20 ratepayers resulting from motor
21 vehicle collisions."

22 And if you could go to CMMG/MPI-1-5,
23 please.

24

25 (BRIEF PAUSE)

1 MR. CHRISTIAN MONNIN: And I won't
2 spend a tremendous amount of time on this because this
3 is My Friend, Mr. Oakes' bailiwick. But in the
4 response here it's written, and this has to do with
5 wildlife collision specifically, but it says:

6 "The Corporation has used only --
7 historically, the Corporation has
8 used only direct insurance cost
9 analysis of road safety programs
10 because of the variability of social
11 costs that exist outside the
12 Corporation's control."

13 And further in the response you address
14 that particular issue with regards to the wildlife
15 collisions' matter. And what I want to get a little
16 bit more clarity on here is -- so admittedly the
17 Corporation says that, historically, social costs are
18 not part of their analysis.

19 Is that correct?

20 MR. WARD KEITH: Historically, that's
21 been the case, yes.

22 MR. CHRISTIAN MONNIN: And what's the
23 difference between social costs and social costs to
24 ratepayers as we find in the language of the -- the
25 application?

1 MR. WARD KEITH: So thank you for
2 giving me the opportunity to try and clarify. And I
3 do believe I can clarify the references here.

4 If I may, when we talk about social
5 costs, so as was discussed this morning, there --
6 there are social costs that look at the broad cost to
7 society as a result of motor vehicle collisions.

8 So the example raised this morning was
9 in the event of a fatality. So there are direct costs
10 to the insurance policy as a result of the benefits or
11 payments that need to be paid out in the event of a
12 fatal collision. But there are broader social costs,
13 costs to the medical cost in terms of impacts on a
14 family, that family's ability to continue to thrive
15 within the environment, et cetera.

16 So the challenge with social costs is
17 that it is -- there are many factors that drive social
18 costs. So, from MPI's perspective historically, when
19 we look at the costs of fatalities and serious
20 injuries as it relates to claims costs and resulting
21 premiums that need to be charged to satisfy those
22 claims costs, historically, we focussed on direct
23 costs to the insurer only.

24 This morning we also talked about
25 social costs in terms of our discussion on mature

1 drivers. And Ms. Kroeker-Hall raised this example
2 where, you know, from a road safety perspective, we
3 may determine that an aging Manitoban is no longer
4 safe to drive and, from a road safety perspective, the
5 best thing to do is to remove that person's driver
6 licence so they can't be a risk to themselves or
7 others.

8 That does have ripple effects, though,
9 when it comes to the independence of that elderly
10 person; the ability to socialize; the ability to
11 access and move around, particularly in rural areas of
12 Manitoba where this is no public transportation, et
13 cetera.

14 And what the research shows is that
15 when you do something like that, you know, it -- it
16 can tend to accelerate the -- the aging process, if
17 you will, to the point where they no longer have the
18 same quality of life as they had before.

19 Now, that's not to say that the driver
20 licence shouldn't be taken away from a road safety
21 perspective. But when you look at the social costs in
22 their entirety, it may take you to a different
23 outcome.

24 So I guess, from our perspective, when
25 we talk about social cost, I go back to our frameworks

1 where we talk about -- as part of our priority setting
2 we do look at human toll. And when I say "human
3 toll," that is one (1) of the elements that we look at
4 that will drive up the pri -- the priority of road
5 safety issues.

6 And I would -- I would point out that,
7 you know, when we look strictly at claims and claims
8 costs, in past years, cycling collisions, cycling
9 fatalities, pedestrian fatalities and serious
10 injuries, they never made it up there in terms of the
11 priority setting process because there are so
12 relatively few of them compared to the number of motor
13 vehicle collisions and injuries and fatalities related
14 to motor vehicle collisions.

15 So when you look at it strictly from a
16 costing perspective, they didn't make -- they didn't
17 make the priority list. By leveraging human toll
18 however, that is what has risen, bicycling safety and
19 pedestrian safety in particular, indeed all vulnerable
20 use -- road users into a higher priority based on the
21 methodology that we've developed to prioritize road
22 safety issues.

23 Why? Because even though there are a
24 small number overall of cycling collisions, and
25 fatalities, and serious injuries, the nature of those

1 collisions is such that almost everyone involves some
2 sort of an injury and potentially a fatality. Why?
3 Because the people who are involved in those
4 collisions don't have 2,000 pounds of steel
5 surrounding them with the in-cab technologies today
6 that help to insulate a driver and a passenger from
7 being injured in a motor vehicle accident.

8 So I -- I give that explanation only
9 because, in our view using human toll as one (1) of
10 the criteria for assessing road safety priorities,
11 it's not the same as social costing, but it doesn't --
12 it -- it doesn't -- it doesn't affect the accuracy and
13 the integrity of our priority -- of our priority
14 setting process. That accuracy is not compound -- is
15 not compromised by the fact that we don't use social
16 costing, beca -- because of the fact that we use human
17 toll.

18 And when it comes to social costing,
19 you know, work has been done by Transport Canada, work
20 has been done in the Province of Ontario, that -- that
21 speaks to the social costs of a motor vehicle
22 fatality, the social costs of a serious injury.

23 And so that data is available. We
24 don't have to task Ms. Kroeker-Hall to invest in
25 another report to produce that data; that information

1 is publically available. But our -- our decision not
2 to use it, I don't believe compromises our priority
3 setting process because of what we've done in terms of
4 weighting against human toll.

5 Now, when it comes to social costing,
6 what I've said in the past, and as it relates to the
7 broader material in here, beyond just road safety
8 programming within our current mandate, is that social
9 costing is indeed relevant at a jurisdictional level.
10 And so the terms of reference that have been filed for
11 the Provincial Road Safety Committee, you will note
12 that those do indeed include reference to social
13 costing. And, in fact, they even use the information
14 from Transport Canada to get -- that gives the average
15 social cost of a fatality in a serious injury.

16 I would suggest that in -- in that sort
17 of a context when you're talking about a
18 jurisdictional plan, kind of like targets, that is a
19 more appropriate place to talk about social costing,
20 because you have all of the players at the table that
21 can influence social costing, whether it be the cost
22 of the medical system, the cost of the employment
23 system, the cost to family support systems, what have
24 you, well beyond the direct costs that are the
25 responsibility of an insurance policy under contract.

1 MR. CHRISTIAN MONNIN: I have a hunch
2 I'll be reading about five (5) pages of the transcript
3 on that answer a few times.

4 MR. WARD KEITH: It was an excellent
5 answer.

6 MR. CHRISTIAN MONNIN: Now, Diana, if
7 you could go to page 79 of the loss prevention
8 document, please.

9

10 (BRIEF PAUSE)

11

12 MR. CHRISTIAN MONNIN: Bear with me.
13 We're not singing from the same songbook right now.

14

15 (BRIEF PAUSE)

16

17 MR. CHRISTIAN MONNIN: Okay. Yes, the
18 second paragraph -- and I just want to make sure I
19 understand your answer. So we have social cost, which
20 may or may not include human toll. My -- does that --
21 is that accurate, or is human toll completely removed
22 from the notion of social cost based on the filing?

23 MR. WARD KEITH: So in my five (5)
24 pages of transcript, I -- I would suggest that human
25 toll is a proxy for social costs.

1 MR. CHRISTIAN MONNIN: And here we
2 have social value to Manitobans. We had -- we had
3 social costs to ratepayers, we have human toll which
4 is a proxy, and then we have social value to
5 Manitobans. And this -- if an intervention or
6 initiative is proven elsewhere to produce bodily
7 injury and death are claim's cost, you'll gauge it if
8 it provide social value to Manitobans.

9 As briefly as possible, and being
10 mindful of time, what's the distinction with social
11 value here as to social cost and human toll?

12 MR. WARD KEITH: I would suggest that
13 the -- the nuances with respect to the wording in each
14 of the things that you've just said was not
15 intentional.

16 MR. CHRISTIAN MONNIN: And with
17 regards to gauging whether an intervention provides
18 social value to Manitobans, in particular with regard
19 to reducing bodily injury and death, how does MPI
20 propose to go about that?

21 MR. WARD KEITH: We would plan to look
22 at whether or not it affects human toll.

23 MR. CHRISTIAN MONNIN: And how would
24 MPI go about to do that?

25 MR. WARD KEITH: Well, to the extent

1 possible, and again based on the limitations that I
2 spoke about in terms of developing return on
3 investment and direct correlations, we would look for
4 whether or not the interventions, either individually
5 or combined with others, are successful in reducing
6 collisions, fatalities, serious injuries, and claims
7 costs to the extent possible.

8 MR. CHRISTIAN MONNIN: And I would
9 take it then that -- that there really is a case by
10 case basis on -- on each init -- each initiative that
11 would come forward?

12 MR. WARD KEITH: Yes, that is the
13 challenge of road safety.

14 MR. CHRISTIAN MONNIN: And on the
15 return of investment, in -- in that consideration for
16 the Corporation, where does human toll fall in -- in
17 the -- the scale of -- of importancy or not in that
18 consideration?

19 MR. WARD KEITH: I'm having trouble
20 answering that only because we have yet to completely
21 flush out the extent to which return on investment
22 would even be utilized to assess some of these road
23 safety initiatives.

24 But -- but certainly where it's
25 feasible and where we can develop a reasonable return

1 on investment, then we would do so. But -- but I'm
2 having trouble in articulating exactly how that might
3 work at this point for some of these road safety
4 programs.

5 MR. CHRISTIAN MONNIN: Diana, if you
6 can go to page 6, please, of the -- the loss
7 prevention document.

8

9

(BRIEF PAUSE)

10

11

MR. CHRISTIAN MONNIN: And here my
12 understanding is -- is -- as I read this, the second
13 paragraph:

14

15

16

17

18

19

20

21

22

"The Corporation has had success to
date. It's continuing to develop
and execute loss prevention
programming in accordance with best
practice including the requirement
for a strong business case which
concludes there is potential return
on investment for the benefit of
customers."

23

24

25

It -- it seems to run a little contrary
to what we were discussing earlier about the
considerations of minimizing social value --

1 minimizing social cost.

2 MR. WARD KEITH: So the -- perhaps to
3 clarify. So this particular reference in -- is in
4 relation to the loss prevention strategy and
5 framework, which is the broader portfolio of products
6 that we talked about, some of which may very well lend
7 themselves to a proper return on investment analysis,
8 and at an overall portfolio level would do the same.

9 The previous reference was in relation
10 to road safety programming initiatives, and how we go
11 about identifying potential road safety initiatives
12 that could be leveraged based on best practice, and
13 whether or not would -- they would be applicable to
14 the Manitoba context.

15 It brings us back to the issue that I
16 started with this morning where at the end of the day
17 we are going to continue -- and we are not alone
18 within this sphere -- we are going to continue to be
19 challenged to draw direct correlations between our
20 investments in some road safety initiatives, and
21 ultimate reductions in claims and claims costs.

22 For some of our programs, such as the
23 ones I discussed this morning, it is easier to draw
24 such correlations.

25 MR. CHRISTIAN MONNIN: And I apologize

1 if -- if I'm leading you down the garden path here,
2 but I understood that the road safety programming was
3 part of the loss prevention portfolio.

4 Do I understand that correctly?

5 MR. WARD KEITH: You do.

6 MR. CHRISTIAN MONNIN: Okay. But it's
7 the Corporation's position that within that loss
8 prevention portfolio there's a different set of
9 consideration -- different suite of considerations
10 that apply to road safety than -- other than return on
11 investment for the benefit of customers?

12 MR. WARD KEITH: I believe what the
13 material says is that, where feasible and where it is
14 possible, that we will do return on investment related
15 to these initiatives.

16 What you will find, though, is that,
17 again within the loss prevention portfolio, there may
18 be aspects of road safety that lend themselves to a
19 proper -- 'traditional' maybe is a better word --
20 return on investment calculation; there are others
21 that don't.

22 And just very briefly, you know, when I
23 look back at our efforts to deal with auto theft in
24 the last decade, there was an example of a road safety
25 initiative, a loss prevention initiative that we were

1 clearly able to perform a traditional return on
2 investment by.

3 And what I mean by that is we knew, or
4 we -- we hypothesized that by devoting money and
5 taking it from the rate stabilization reserve and
6 using it to fund the installation of after-market
7 immobilizers in vehicles that were being stolen, that
8 we could address the auto-theft problem, because if
9 the vehicles were immobilized based on the nature of
10 the activity that was going on, mostly youth auto
11 theft, that we would eliminate that issue. So we were
12 able to anticipate that by spending 'X' dollars on
13 immobilizers, we would save 'Y' dollars to the tune of
14 about six (6) to one (1) in claims costs related to
15 auto theft.

16 So there was an example where we were
17 able, because of the nature of that initiative, to do
18 a traditional cost-benefit analysis, and deliver on
19 it.

20 As another example, though, Mr. Monnin,
21 when I spoke this morning about the road safety
22 initiative that we've just launched in partnership
23 with Bike Winnipeg where we have spent twenty-five
24 thousand dollars (\$25,000) to build cycling safety
25 education into the physical education program in

1 schools, piloting in the Seven Oaks School Division,
2 it will be, quite frankly, very difficult to be able
3 to demonstrate that spending of that twenty-five
4 thousand dollars (\$25,000) had a direct correlation on
5 future reductions in claims and claims costs,
6 fatalities, and serious injuries related to cyclists.

7 Do we still think it was the right
8 thing to do? Absolutely, because we're getting at
9 young kids who are first coming onto the road, and
10 we're getting at kids who will be our future drivers
11 and hopefully will be more respectful of cyclists on
12 the roadway once they get behind the wheel.

13 We think it's the right thing to do,
14 but if you were to ask me to do a cost-benefit
15 analysis to demonstrate to you the value of that
16 twenty-five thousand dollars (\$25,000) in a
17 traditional sense, that would be difficult.

18 MR. CHRISTIAN MONNIN: On that
19 particular issue of -- of cost-benefit analysis and --
20 and being able to make a direct correlation between an
21 investment and -- and its impact, I believe I
22 understood your evidence just now and earlier today,
23 that it's not always possible -- in fact, it's
24 impossible -- to make a direct correlation between
25 expenditures and their impact on road safety.

1 Is that -- is that right?

2 MR. WARD KEITH: Sometimes impossible,
3 yes.

4 MR. CHRISTIAN MONNIN: Diana, if you
5 can go to page 56 of the loss prevention, please.

6 And I think that's -- that that
7 particular statement that we just identified is
8 something that the Corporation has said a few times in
9 this GRA process, that it really is impossible to make
10 a direct correlation between these investments and --
11 and their impact on road safety.

12 But if you scroll down a bit more,
13 Diana. Here -- and -- and you -- you qualified this
14 statement earlier today, and I'll -- I'll give you
15 that, but at line 16, you write:

16 "The Corporation's efforts have, in
17 conjunction with the work of all
18 other relevant stakeholders in road
19 safety, contributed in an overall
20 downward trending in actual motor
21 vehicle fatalities and -- and fatal
22 collisions as well as declines in
23 rate base measures."

24 Now, that was qualified with the fact
25 that the fatalities have gone up. But here it's my --

1 my understanding of the statement is that it's -- it's
2 quite clear that it's been said the efforts have
3 contributed to -- to an overall down -- decline.

4 But it seems to be difficult to
5 reconcile with your earlier statement that it's
6 sometimes not possible, most of the times impossible?

7 MR. WARD KEITH: Well, I'd be pleased
8 to try and help with that. I -- I -- see -- because,
9 personally, I see no conflict in this wording. My
10 statement this morning was heavily, heavily qualified
11 because we do have to be careful in terms of taking
12 responsibility and taking -- taking credit, if you
13 will, for what our road safety pro -- how -- the
14 extent to which our road safety programming directly
15 contributes to this.

16 But the -- the statement here talks
17 about more the totality of a road safety effort. So
18 it is not specific MPI initiatives. It -- in fact, it
19 is -- it says in conjunction with the work of all
20 other stakeholders in road safety.

21 So what I -- what we meant here is
22 that, you know, it -- and -- and to tie -- to
23 reconcile with my previous statement, it will be dif -
24 - very difficult for me to ever be able to demonstrate
25 that the twenty-five thousand dollars (\$25,000) we

1 spent -- we have devoted to that previous road safety
2 initiative will -- will directly correlate to
3 reductions.

4 But when you take that initiative in
5 relation to all of the other initiatives that we
6 pursue from a road safety perspective, and that we
7 pursue in collaboration with other stakeholders, we do
8 see downward trending.

9 And so to the extent that which we're
10 able to take some sliver of credit for that, we do.
11 But we do so, again, very cautiously because, to your
12 point, when it -- when it comes to dissecting our road
13 safety strategies and each of our road safety programs
14 and where we invest our money, it is very difficult at
15 that level to correlate directly to reductions in
16 claims and claims costs.

17 At the overall aggregate level I think
18 we can. And at the even higher loss prevention level
19 I believe we can.

20 MR. CHRISTIAN MONNIN: Thank you. Mr.
21 Chair, it's -- it's 4:20 -- 4:19. Based on the
22 material I have, I won't be done by 5:00. But what --
23 if you can bear with me for a couple minutes, I'll --
24 I'll go through my doc -- my -- my pages and see if I
25 can jettison some ballasts and hopefully narrow down

1 my -- my cross to -- to get done by five o'clock.

2 THE CHAIRPERSON: I don't have a
3 problem with that. I'm just wondering if the panel's
4 going to have questions afterwards. I've got a few
5 questions. Why don't you let us know because I'm just
6 wondering if we -- Ms. Kroeker-Hall's done for the
7 day. Mr. Oakes hasn't asked any questions yet. I'm
8 not sure if he will or not.

9 But I'm just wondering if Mr. Keith
10 could return and maybe we could take the first half
11 hour of -- or the first hour of tomorrow morning to
12 complete rather than rush things right now. Because
13 if you're going to be -- not be done by 5:00, I think
14 we prob -- we may have another...

15

16 (BRIEF PAUSE)

17

18 THE CHAIRPERSON: Okay, she always has
19 questions, she said. You can take the person out of
20 politics, but you can't take the politics out of the
21 person, I guess.

22 So I'm just wondering if we can do
23 that. Mr. Keith, are you available tomorrow morning,
24 the first thing in the morning?

25 MR. WARD KEITH: Yes, I am.

1 THE CHAIRPERSON: Okay. How does that
2 -- how does that -- and we don't have to do it first
3 thing in the morning. I'm just wondering if we -- how
4 that affects our schedule. If our sched -- if we're
5 not going to go a full day tomorrow, we could probably
6 do it after the witness in the morning.

7 MS. KATHLEEN MCCANDLESS: Tomorrow we
8 have Julianna Spiropoulos from Aon, and that's our
9 only scheduled witness. So likely she would not take
10 the full day. It's difficult to say without Mr.
11 Williams here to weigh in.

12 THE CHAIRPERSON: Yes, it is.

13 MR. MATT GHIKAS: That would -- that
14 would be my only hesitation.

15 THE CHAIRPERSON: Now, why -- why
16 don't we do this? Why don't we start with Ms.
17 Spiropoulos, and we'll -- Mr. Keith if you can make
18 yourself available, we'll pull up another hour or so
19 sometime in the next few days.

20 MR. WARD KEITH: Okay.

21 MS. KATHLEEN MCCANDLESS: My only
22 other question would be for Mr. Ghikas, because Ms.
23 Kroeker-Hall is leaving today --

24 THE CHAIRPERSON: Yes.

25 MS. KATHLEEN MCCANDLESS: -- to the

1 extent you had any re-examination...

2 THE CHAIRPERSON: Sorry.

3 MR. MATT GHIKAS: I -- I have none for
4 Ms. Kroeker-Hall, no.

5 THE CHAIRPERSON: Yeah. Okay. Mr.
6 Monnin, are you okay with that?

7 MR. CHRISTIAN MONNIN: Yeah, I am.
8 Thank you, Mr. Chair.

9 THE CHAIRPERSON: Okay. So we'll
10 adjourn now. Ms. Kroeker-Hall, thank you for coming.
11 Have a good flight home. And we'll -- we'll start
12 tomorrow morning at 9:00 with Ms. Spiropoulos. Thank
13 you.

14 MS. KATHLEEN MCCANDLESS: Thank you.

15

16 (PANEL RETIRES)

17

18 --- Upon adjourning at 4:23 p.m.

19

20 Certified correct,

21

22

23 _____

24 Sean Coleman, Mr.

25