



MANITOBA  
PUBLIC INSURANCE

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## Manitoba Public Insurance releases second quarter financial results

While the COVID-19 pandemic posed significant challenges for our business, Manitoba Public Insurance remains resilient and on sound financial footing, focused on our strategic mandate and serving our customers.

Financial results were strong as Manitoba Public Insurance reported a net income of \$195.5 million for the first six months of its fiscal year, ending September 30, 2021, compared to \$78.6 million for the same period last year. In the prior year, there was a surplus distribution of capital of \$110.1 million which was intended as financial relief to policy holders during COVID-19.

Total earned revenues for the first six months rose by \$4.3 million from the same period last year. This increase was driven mainly by an increase in Special Risk Extension policies, which increased \$15.7 million; offset by a decrease in motor vehicle and drivers premiums.

Claims costs were lower than the same period last year by \$136.9 million, representing a 22.8 per cent betterment from the same period last year, primarily as a result of the impact of interest rates on unpaid claims and lower claims due to the impact COVID-19 has had on vehicle volumes on the road.

“The second quarter results are favourable, however, net income remains subject to change throughout the year based on weather-related factors that drive claims costs, and variations in investment results affected by the financial markets,” said Mark Giesbrecht, Vice President and Chief Financial Officer, Manitoba Public Insurance.

Manitoba Public Insurance, continues to operate with a strong equity position. Recently, MPI applied to the Public Utilities Board for an updated 1.2 per cent overall decrease in Basic insurance premiums for the 2022/23 insurance year. Approximately 68.6 per cent of vehicles will experience either no change or a reduction in rates from the previous year.

Also in this application, MPI requested the removal of the 5.0 per cent Capital Release provision which is replaced by an overall rebate in the amount of \$335 million that would be provided to ratepayers in early 2022.

“Historically, the first two quarters of the Corporation’s fiscal year generate a profit, which is then offset by an increase in claims during the winter months,” said Giesbrecht. “MPI remains committed to delivering on its mandate to provide exceptional coverage and service at rates that are affordable, predictable and stable over the long-term.”