

BUSINESS

Autopac pact drives away annual insurance visits

Vehicle stickers get five-year lifespans

By Larry Kusch

MANITOBA Public Insurance has reached a new compensation deal with insurance brokers as it streamlines its driver's licence and auto insurance services — including the elimination of required annual visits to brokers by Autopac customers.

Beginning next fall, customers will only be required to visit a broker once every five years, as long as they require only basic mandatory coverage

or are not making any changes to their coverage.

Vehicle owners will be issued licence plate stickers that will be good for five years.

As well, driver's licence photos will only be required every five years.

The compensation package, announced Wednesday, includes a gradual decrease to brokers' commissions for basic Autopac sales. That will be offset by an increase, retroactive to June, in commissions for sales of optional coverage.

Brokers will also see an increase in flat fees for other types of transactions, and all flat fees will be indexed to the consumer price index.

The new compensation model was

negotiated by MPI and the Insurance Brokers of Manitoba over five months and "overwhelmingly" endorsed by brokers in a ratification vote, said Dave Schioler, CEO of IBAM.

"We're happy with it," Schioler said Wednesday, adding that both sides were pleased with the spirit of co-operation that infused the talks.

"We're going to find new products that will be suitable for customers," Schioler said of the brokers. "We're going to find new ways to make the streamlined renewal process and other processes even better for Manitobans. But we'll do it together (with MPI)."

Wade Garriock, IBAM's president, said, "Never before have we as independent brokers had such direct in-

volvement in shaping the way we work with Manitoba Public Insurance. As a result, we've arrived at a system that works better for everyone, including our customers."

While customers no longer have to visit their Autopac representative every year, the new rule changes won't prevent them from doing their business in person. MPI will continue to send annual insurance invoices to customers.

"They can choose to see their broker as many times as they want to get clarification on things, do changes of address, etc., or purchase optional coverage that's available to them," Schioler said.

"There will be some things that you will need to go to the broker for.

There'll be other things that you may be able to do electronically by phone, fax or e-mail. But we're working out those details."

Brian Smiley, an MPI spokesman, said it was important that a deal be reached that brokers were comfortable with.

"From our perspective, it's very difficult for us to do business without the assistance and the co-operation of the brokers," he said.

In a joint press release Wednesday, MPI said it planned to pass on any savings from the new agreement directly to motorists, pending approval of plans that will be proposed to the Public Utilities Board.

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