



## Agreement with MPI/ATA/MMDA

We are pleased to announce that a new Labour Rate Agreement has been reached between Manitoba Public Insurance, The Automotive Trades Association, and the Manitoba Motor Dealers Association.

The Agreement is based on and addresses many of the issues identified in the recently-completed Manitoba Collision Repair Industry Study (MCRIS), also known as the Health of the Industry Study.

Some of the highlights of the Agreement are as follows:

### Term:

The term of the Agreement is four years, commencing January 1, 2010.

### Rates:

The rates for each of the four years are as follows:

Year	Increase %	Rate (c.)	Notes
Year 1 - 2010	6.25	\$62.29	a.
Year 2 - 2011	2.30	\$63.72	b.
Year 3 - 2012	2.30	\$65.19	b.
Year 4 - 2013	2.30	\$66.69	b.

- a. The 2010 labour rate is based on the rate recommended in the Study as that required for a healthy repair industry in Manitoba. Rates will be paid retroactive to January 1, 2010.
- b. The rates in years 2011-2013 are based on the projected inflation rate of 2.0%. The rates will be inflation-protected. That is, the rate increase will be the greater of 2.3% or a combination of Consumer Price Index (60%) and Industrial Average Wage (40%).
- c. Rates above are for Southern Manitoba accredited shops for illustrative purposes. Rates for other services (Frame, Mechanical, Glass) and northern areas will be based on the same percentage increase.

The new rates will be in place by July 21, 2010, with the target date for issuance of retroactive payments being August 15, 2010.

It is expected that the above rate increases would flow through to the trade.



### **Recruitment and Retention of Autobody Technicians**

One of the key issues identified in the Study was recruitment and retention of qualified tradespeople. The Agreement includes a \$5,000 tool allowance available to Registered Apprentices and a \$2,000 grant to Registered Apprentices who successfully complete each level of the four level program (4x\$2,000=\$8,000 total).

### **Process Improvements**

The Study identified the need to improve business processes between MPI and the industry, which provides the opportunity to reduce costs for both MPI and the trade. Initiatives will be undertaken in the near future to address the supplement/payment process, recycled & aftermarket parts procurement, as well as benchmarking and best practices improvements.

### **Joint Initiatives**

Also identified was the need to conduct further studies, to be performed jointly by MPI and the ATA/MMDA, in the following areas:

- Shop Materials
- Paint Materials
- Accreditation Agreement
- Update to the Manitoba Collision Repair Industry Study
- Industry promotion campaigns
- Recruitment
- Training
- Liaison Structure and purpose

These initiatives will require all parties to work together to develop processes and methodologies for the benefit of the industry as a whole.

### **Other Information**

Included on the Partners web site ( [www.mpipartners.ca](http://www.mpipartners.ca) ) will be the following:

- a. a copy of the key contract terms and conditions between MPI and the trade;
- b. a copy of the Manitoba Collision Repair Industry Study – Final Report.

### **Conclusion**

The primary aim of the MCRIS was to determine what would be required to ensure a healthy, profitable collision repair industry in Manitoba over the long term. It is also an important step in developing a stronger working relationship between the trade and MPI. A long-term Agreement, along with a cooperative, collaborative approach to develop solutions to common issues, will also provide the framework for a healthy industry on an ongoing basis.



Although a number of recommendations pertain to items that are imminent, such as a fair labor rate, others will require a longer-term approach to develop solutions beneficial to all concerned, and measure outcomes as a prerequisite for future agreements.

We look forward to an era of cooperation and partnership that will herald a strong and vibrant collision repair industry in Manitoba now, and into the future.

If you have any questions, you can call the following representatives;

ATA – Michael Blackey (339-2013)  
Eric Danberg (488-4215)

MMDA – Steve Chipman (831-4201)

MPI – Ray Kroll (985-7730)

Yours truly,

Michael Blackey  
ATA

John Carey  
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