

The Public Utilities Board

To determine maximum allowable charges and fees for payday loans

PURSUANT to *The Consumer Protection Act (C.C.S.M. c.200)* the Manitoba Public Utilities Board (Board) will conduct public hearings to determine the maximum allowable charges and fees for payday loans.

The Consumer Protection Act was amended by *The Consumer Protection Amendment Act (Payday Loans) [Act]*, S.M. 2006 c.31 and received royal assent in December 2006. The amendment provides for the establishment of maximum allowable charges and fees for loans defined in this Act as follows:

- "payday loan" means, subject to the regulations, a loan of money with
- an initial advance of no more than \$1,500; and
 - an initial term, ignoring any extension or renewal, that is no longer than 62 days.

Public hearings will be held in three Manitoba locations to hear submissions from any and all interested parties. Following the hearings, the Board will set the maximum amount which any organization or person may charge for payday loans. The regulation, expected to be available this summer, will address a number of requirements such as licencing, licence fees, bonding, information that must be provided to borrowers, record keeping, and administrative penalties.

The Consumer Protection Act (C.C.S.M. c.200) provides as follows:

The Board's mandate as defined by the Act is to:

- fix the maximum cost of credit, or establish a rate, formula, or tariff for determining the maximum cost of credit, that may be charged, required or accepted in respect of a payday loan;
- fix the maximum amount, or establish a rate, formula, or tariff for determining the maximum amount, that may be charged, required or accepted in respect of the extension or renewal of a payday loan or in respect of a replacement loan; and
- fix the maximum amount, or establish a rate, formula, or tariff for determining the maximum amount, that may be charged, required or accepted in respect of a default by a borrower under a payday loan.

In making an Order, the Board may consider:

- the operating expenses and revenue requirements of payday lenders in relation to their payday lending business;
- the terms and conditions of payday loans;
- the circumstances of, and credit options available to, payday loan borrowers generally, and the financial risks taken by payday lenders;
- the regulation of payday lenders and payday loans in other jurisdictions;
- any other factors that the board considers relevant and in the public interest; and
- any data that the board considers relevant.

HEARING DATES AND LOCATIONS:

**Pre hearing Conference: Winnipeg, July 6, 2007 at 9 a.m. Hearing Room- 4th Floor 330 Portage Ave.
Thompson, Nov. 5 at 1:00 p.m. Council Chambers, 226 Mystery Lake Road
Brandon, Nov. 7 at 1:00 p.m. Council Chambers, 2nd Floor, 410 – 9th Street
Winnipeg, Nov. 13 to 28, 2007 at 9:00 a.m. Hearing Room- 4th Floor 330 Portage Ave.
Closing Arguments: Winnipeg, Dec. 3, 2007 at 9:00 a.m. Hearing Room – 4th Floor 330 Portage Ave.**

PARTICIPATION

Intervener Status

All persons, firms or corporations wishing to intervene in respect of this matter, and to participate in the examination of witnesses, provide evidence, or make submissions and final arguments, are required to send an application for intervener status to the Board at The Public Utilities Board, 4th Floor, 330 Portage Avenue, Winnipeg, Manitoba, R3C 0C4 by June 29, 2007. The forms are available on the Board's website www.pub.gov.mb.ca and may be submitted by email. Interveners must identify their reasons for intervention and be prepared to cooperate with other interveners to avoid duplication of interventions.

The Board may determine whether an intervener is entitled to costs for participating in the hearing and may fix the amount of those costs. Criteria defining the award of costs are described in the Board's Rules of Practice and Procedures which are also available on the website.

Presenter Status

Those parties wishing to submit a written brief or to express oral comments to the Board, but who do not wish to participate in the entire proceeding, are known as presenters. They should submit their written briefs or advise the Secretary of the Board of their intention to appear at the public hearing by no later than October 31, 2007.

Persons wishing to address the Hearing in French are required to notify the Board's Secretary prior to October 20, 2007.

Filing of Information

The Board will circulate all material filed in this matter by interveners and presenters to all participants on the Board's mailing list. Interested parties can examine these filings at the Board's office. Anyone desiring copies of the material filed should contact the Board.

Pre-hearing Conference

The Board will hold a Pre-Hearing Conference in the Board's Hearing Room, 4th Floor, 330 Portage Avenue, Winnipeg, MB, commencing at 9:00 a.m., July 6, 2007 at which hearing, parties to the proceeding will be identified and a timetable prepared for the orderly exchange of information leading to the public hearing.

An Order flowing from the Pre-hearing Conference will be issued and this Order will set out a timetable for the orderly filing of information and confirm the hearing dates.

Procedure

The Board's Rules of Practice and Procedure will apply to the conduct of these hearings. All Interveners must familiarize themselves with the Board's requirements. This document is viewable on the Board's website or is available upon request to the Secretary of the Board at 400-330 Portage Avenue, Winnipeg, Manitoba, R3C 0C4 or by calling (204) 945-2638 or 1-866-854-3698 (toll free).

Our email address is: publicutilities@gov.mb.ca

Gerry Gaudreau, CMA
Secretary, Public Utilities Board



Wheelchair access available



Five days notice required



Manitoba