

## **Stakeholder message – material damage suppliers**

### **Subject: Completion of PwC Canada’s operational review**

David Eby, Attorney General and Minister responsible for ICBC, announced today the completion of the operational review of ICBC and released PwC Canada’s findings and recommendations.

PwC Canada determined that, overall, ICBC’s operations are cost effective and well run; ICBC’s ability to detect and combat fraud is considered above the industry average; and that reports of rampant overbilling by collision repair shops appear to be unfounded.

However, we know that we need to do more to address our financial challenges and we are committed to closely looking at the recommendations which have the potential to reduce our costs and operating expenses.

Government and ICBC are already taking action on two of the key recommendations – an increase in accident benefits and a shift to a proactive injury care recovery model – which were both part of the major changes announced earlier this week.

In the coming weeks, we will be moving forward with PwC Canada’s recommendation to begin discussing with industry a redesign of our current material damage supplier programs to establish a more appropriate tiering of our suppliers. We will first work with collision repair shops and industry associations to modernize our tiering to help improve efficiencies and program governance and to ensure customers continue to receive the highest standards of vehicle repairs at the best market value.

The review was requested by Minister Eby last September to help identify internal solutions to address the rising number and cost of claims. You can read the full announcement [here](#).

We recognize there is a lot of work ahead of us and we’re committed to sharing information and involving collision repair shops, and the industry associations, throughout the process.

We sincerely appreciate your ongoing commitment to providing great service to our mutual customers.

Sincerely,

John Wood  
Senior Director, Strategic & Central Support Services