



## **GLP ACTION**

### **GLP Notes 15.0– Update on the Repeal of the Industrial Exception Sect 12(3)(a) of the *Professional Engineers Act* Issued April 2016**

#### **Background**

In October 2010, the *Open for Business Act* included a provision to repeal subsection 12(3)(a) of the *Professional Engineers Act* (sometimes called the “industrial exception”), which allows non-engineers to carry out acts of professional engineering on equipment or machinery used to produce products for their employers in their employers’ facility.

On June 12, 2013, the Ontario Government abandoned a previously announced proclamation date of September 1, 2013 for the repeal of this “industrial exception” to take effect. Proclamation was postponed indefinitely.

Since then, PEO has been undertaking research to additionally support its case. PEO has also consulted extensively with industry and invested heavily in assisting manufacturers to achieve voluntary compliance.

#### **Cancellation of the Repeal**

On November 26, 2015, the Ontario Government released the Fall Economic Statement, which said the government intended to maintain permanently the industrial exception in the *Professional Engineers Act* (PEA), effectively cancelling the repeal.

In a PEO media release, PEO President Thomas Chong, P.Eng., said: “In coming to its decision, the government held consultations with others to which PEO was not a party. This is not in keeping with PEO’s position as a valued stakeholder that traditionally works in partnership with government to serve and protect the health, safety and economic interests of all Ontarians.”

#### **PEO reaction**

A media release expressing PEO’s disappointment in the decision was issued on November 26; an eblast sent to all members on November 27 advised them of the decision with a request to voice their concerns via a letter to their MPPs.

Engineers Canada issued a press release on November 30. A letter was sent to the Premier on December 1, 2015. Meetings were held with the PC and NDP parties.

A temporary suspension of PEO engagement with Ontario Liberal party activities was enacted while PEO determined its response. This suspension has been lifted. PEO Council approved its response strategy on Feb 5, 2016.

#### **Current situation**

PEO is not happy with the government’s decision and the way in which PEO was informed of it.

Ontario is the only province in Canada with such an exception to licensing requirements in its engineering legislation. PEO remains committed to raising Ontario’s standard to that of the other provinces to protect Ontario workers and enhance manufacturing capability.

There is a wide gap between the claim of manufacturing that the impact of the repeal could be as high as \$196M and PEO’s claim that only 7 per cent of manufacturing sites would be affected at a cost of \$1.7M, representing 0.0006 per cent of the GDP of this sector.

In addition to enhanced worker safety, if the exception was repealed, manufacturing would benefit by reduced operation downtime and rework costs, and productivity gains and innovation resulting from design by professional engineers.

PEO is committed to working with the government and industry to achieve a prosperous economic future for Ontario. PEO would welcome open discussion with the government to further clarify how repealing section 12(3)(a) of the *Professional Engineers Act* would better protect Ontario workers and enhance manufacturing productivity, with little cost to employers. PEO would like to work with the government and move forward to ensure we work collaboratively on other issues important to PEO (e.g. Elliot Lake, Continued Professional Development, etc).

#### **Key Points:** *(continued on next page)*

- The Ontario Government has taken steps to cancel the repeal of subsection 12(3)(a) of the *Professional Engineers Act*
- PEO is not happy with the decision or the way in

which PEO was informed of it. However, PEO would like to work with the government and move forward to ensure they work collaboratively together on other issues important to PEO (e.g. Elliot Lake, Professional Development, etc).

- The repeal would have enhanced worker safety in Ontario, and reduced business operation downtime and rework costs, increase productivity and innovation.
- For more information, contact Cliff Knox, P.Eng., at [cknox@peo.on.ca](mailto:cknox@peo.on.ca).

**GLP ACTION – When meeting with your MPP, convey PEO's disappointment in the cancellation and educate them on the benefit of the repeal.**