



Professional Engineers
Ontario

CEO/ REGISTRAR UPDATE

JUNE 23, 2023

CEO/REGISTRAR UPDATE



I would like to welcome everybody to the second meeting of the 2023–2024 Council term. Building on the momentum generated at May’s orientation session, this meeting represents your first opportunity as the new Council to review the organization’s agenda and make meaningful decisions that will impact how professional engineering is regulated in Ontario. To all returning councillors, I welcome you back and look forward to continuing our strong working relationship. To our new councillors, I hope your onboarding process was a smooth one. You are joining Council at a very exciting time: PEO has been going through some of the most unprecedented changes in its 101-year history, and the decisions that you make over the coming year will support PEO’s continued evolution to be an effective regulator. As the decision-making body for PEO, Council is responsible for making governance decisions. As CEO/registrar, I am ultimately accountable to Council to ensure PEO’s operational duties are successfully and effectively carried out. I know the remainder of the Council term will be rewarding, and I look forward to collaborating on the journey ahead with each of you.



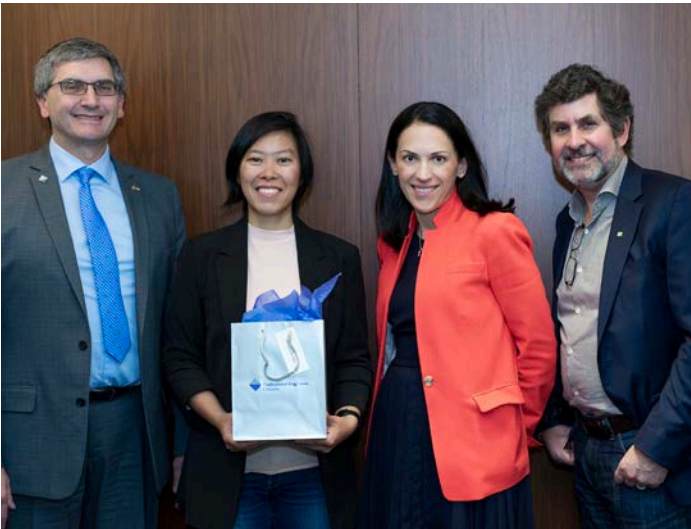
Since my last CEO/registrar’s report to Council in March, I have had the pleasure of representing PEO at many events. On April 13 and 14, I was invited to attend the North Bay Chapter’s Annual General Meeting (AGM) and Engineering Day Symposium, along with Christian Bellini, P.Eng., FEC, in his then-capacity as past president of PEO. We were extended an invitation to attend both events by the North Bay executive team and Northern Region Councillor Luc Roberge, P.Eng., FEC, who also attended the event. We were able to meet many engineers



and dignitaries, including Nipissing MPP Vic Fedeli. The North Bay Chapter’s 52nd annual symposium addressed pertinent and important topics, including climate change and health in northern Ontario, and it was a privilege to participate in these conversations. The event covered a wide range of topics, and I, along with all attendees, gained a deeper understanding of the role engineers have in protecting the environment and health of our communities.

101st Annual General Meeting of Professional Engineers Ontario April 29, 2023

On April 29, I attended my first PEO AGM as CEO/registrar. Past President Nick Colucci, MBA, P.Eng., FEC, and I updated attendees on key PEO events during the previous year, while President Roydon Fraser, PhD, P.Eng., FEC, took the PEO presidential oath of office and introduced the visioning project that forms part of PEO's 2022–2023 Strategic Plan. The event was held virtually for the fourth year in a row, following our shift to an online format in 2020 at the onset of the COVID-19 pandemic. The AGM is an opportunity for all licence holders to learn more about PEO and the changes and improvements that have been introduced over the previous year. Additionally, representatives from other provincial and territorial engineering regulators, other related and allied Ontario regulators and engineering advocacy organizations were in attendance. Ontario Attorney General Doug Downey, LLB, LL.M., shared opening remarks, commending PEO for implementing its mandatory continuing professional development program, PEAK, earlier this year; and for the development of PEO's Anti-Racism and Equity Code. I would like to extend my sincere thanks to the entire PEO team for hosting another engaging AGM that was delivered smoothly and professionally.



On May 9, Past President Nick Colucci, previous PEO president Christian Bellini and I attended a volunteer appreciation luncheon held for PEO volunteers who had served on eight PEO committees that were stood down by Council in February 2023. The decision to stand down these committees was based on a recommendation by the Governance and Nominating Committee, tasked with reviewing the 2019 Activity Filter. This work involved the assessment of over 90 PEO committees, subcommittees, chapters and working groups. Letters of appreciation were distributed to the 35 committee mem-



bers on behalf of Nick Colucci, in his then-role as PEO president, and an appreciation luncheon was held at PEO's office to recognize their contributions. In a speech to the committee, Past President Colucci graciously thanked the former committee members for their volunteer service at PEO. PEO recognizes the hard work of all its volunteers—from committee members to PEO Council—and encourages licence holders and other members of the public to consider volunteering at PEO.

From May 23 to May 27, several PEO staff, councillors and I attended Engineers Canada's 2023 Spring Meeting and Annual Meeting of Members in Halifax, NS. Engineers Canada's annual event is a forum for the CEO/registrar of all provincial and territorial engineering regulators to meet and discuss the future of regulation in Canada, and a key focus is continued collaboration and co-operation. This year's event also included an update on Engineers Canada's 30 by 30 initiative. This is an important initiative with the goal of increasing the proportion of newly licensed female-identifying engineers to 30 per

cent by the year 2030, and on May 24, PEO's Tracey Caruana, P.Eng., manager, engineering intern programs, and 30 by 30 representative addressed attendees about PEO's ongoing efforts to support achieving the initiative's goal. Attendees also had the opportunity to listen and learn from speakers on diversity, equity, inclusion, belonging and accessibility (DEIBA), and participants were challenged with important takeaways to measure and define where we are in the DEIBA process and be intentional and bold on continuing to create space for others.



On the evening of May 25, I was invited to attend the Engineers Canada Award Gala, where I was joined with other representatives from PEO and OSPE, along with representatives of Canada's other engineering regulators.

Sandro Perruzza, CEO, OSPE; Stephanie Holko, P.Eng., president and chair, OSPE; Arjan Arenja, MBA, P.Eng., lieutenant governor-appointed councillor; Jennifer; former PEO president Christian Bellini, P.Eng., FEC; Tim Kirkby, P.Eng., FEC, Eastern Region councillor; and Dan Abrahams, LLB, vice president, policy and governance and chief legal officer.



Dan Abrahams; Arjan Arenja; Jennifer; and Angela McOrmond, Arjan's wife



Jennifer; Engineers Canada CEO Gerard McDonald, MBA, P.Eng., ICD.D



Eastern Region Councillor Tim Kirkby, P.Eng., FEC, delivers key remarks at the President's Meeting on behalf of President Roydon Fraser on May 23.



PEO representatives and I gather for a social gathering after a long day of meetings on May 23.

RECORDING OF COUNCIL MEETINGS

PEO’s communications department, together with Secretariat, have been working to upload all audio recordings of PEO Council meetings to the PEO website. A recording of the 557th meeting of Council, which took place on May 5th, 2023, is now available at [Agenda, minutes and audio | Professional Engineers Ontario \(peo.on.ca\)](#).

Efforts to upload all audio files since the 536th meeting of Council are being made, with a goal to have all files uploaded by the end of Q3. Further efforts are being made to determine the feasibility of inserting captions and translating to French for future recordings.

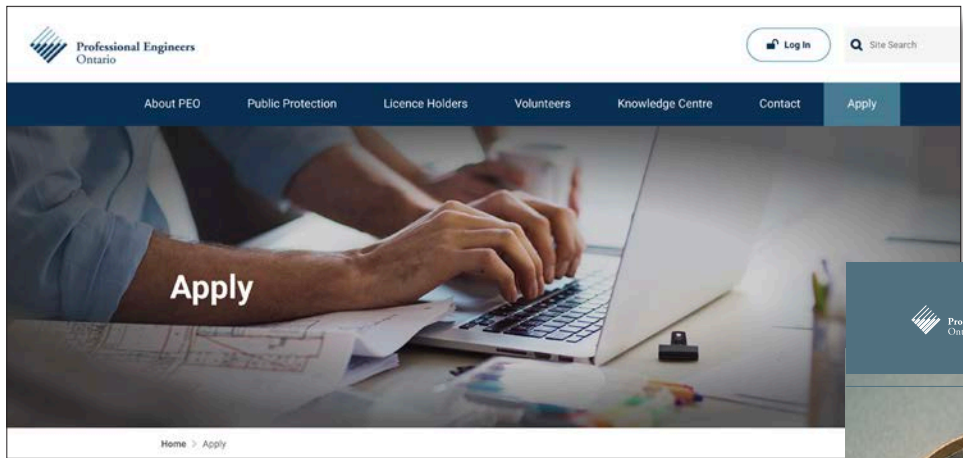
FARPACTA UPDATE

In support of new FARPACTA-compliant processes, PEO’s Licensing unit established two new roles: applicant support representatives and application review representatives. These roles were introduced on May 8, with support and training provided by management in the HR and the Licensing teams. To date, feedback has been positive, and I am delighted that these roles were filled with internal applicants.

additional information on the competency-based assessment process. On May 18, the new process had its first paid applicant. To support process oversight and management, staff are developing a dashboard of key performance indicators to manage the application inventory and ensure alignment and compliance with all FARPACTA requirements.

On May 15, the new online forms-based application process launched successfully. This project entailed a significant revamp of PEO’s website to accommodate the two new licensing streams: pre-May 15 applicants and prospective applicants. Furthermore, forms and guides were published on PEO’s website providing

As we look ahead, PEO’s Information Technology (IT) team has been working diligently to support the launch of the revised online portal in advance of July 1. This work is progressing on schedule, with the teams conducting the final stages of user acceptance testing prior to go-live.



MANDATORY CONTINUING PROFESSIONAL DEVELOPMENT (PEAK PROGRAM) UPDATE

As Council is aware, PEO introduced phase one of the mandatory Practice Evaluation and Knowledge (PEAK) program on January 1, 2023, with over 86,000 licence holders required to complete the PEAK program this year. As of May 17, 2023, the rate of compliance for the first two PEAK elements is 70 per cent, and an additional

7 per cent continue to work towards completion, representing an uptake of 77 per cent. Engagement activities are planned throughout the rest of the year to support the 23 per cent of applicants who have not yet begun the PEAK program.

INDIVIDUALS WHO	AT THE END OF JANUARY 31, 2023	AT THE END OF MAY 17, 2023
Complied so far by completing their first two PEAK elements	59% 67%	70% 77%
Are working towards compliance (started PEAK but not yet completed their first two elements)	8%	7%
Have not yet started PEAK this year	33%	23%
Declared as "practising"	77%	76%
Declared as "not practising"	23%	24%
Already completed their CPD Report (if this element applies)	not available	8%

Figure 1: 2023 PEAK completions up to May 17

GEOGRAPHICAL DISTRIBUTION OF INDIVIDUALS	PERCENTAGE OF INDIVIDUALS REQUIRED TO COMPLETE PEAK IN 2023
Ontario residents	86%
Other Canadian residents	10%
International residents	4%

Figure 2: Geographical distribution of individuals required to complete PEAK in 2023

The cohort of the 23 per cent of license holders who have not started the PEAK program can be further classified as follows:

- 8 per cent are fee remission registrants, who pay a reduced licence fee, accompanied by a practice restriction. Of this group, 90 per cent are enrolled under the “retired” category.

- 15 per cent pay the full licence fee and have the status of either practising or not practising.

		BREAKDOWN BY FEE REMISSION CATEGORY				
Fee remission registrants who	Percentage out of 20,538 fee remission registrants	Retired	Parental leave	Medical leave	Medical leave Study leave	Study leave Unemployed
Complied so far by completing their first two PEAK elements	45%	32.4%	1.2%	1.3%	0.5%	9.7%
Are working towards compliance (started PEAK but not yet completed their first two elements)	8%	5.18%	0.2%	0.3%	0.1%	1.8%
Have not yet started PEAK this year	47%	40.1%	0.7%	1.6%	0.2%	4.9%

Figure 3: 2023 PEAK completions by fee remission registrants up to May 17

PEAK CUSTOMER SUPPORT

Since December 2022, PEO received over 9500 requests about the PEAK program via phone and email. Presently, all PEAK requests have been addressed or are being addressed, indicating that the backlog of inquiries has been cleared. PEO is committed to delivering customer support at a high service standard across the organization and is exploring a range of options to further improve. PEO also maintains an up-to-date PEAK web page at peopeak.ca, which is available 24/7 to both licence holders and the public, with extensive details about the program.



PHASE TWO

PEO has begun work on phase two of the mandatory PEAK program, which is planned for release in 2024. In this phase, PEO will introduce the two enforcement measures that are stipulated in section 51.2 of Regulation 941 under the *Professional Engineers Act*—namely the application of administrative licence suspensions to compel compliance with the program and auditing PEAK declarations made by licence holders to ensure the program is being completed correctly. The intent is to introduce these measures in a methodical and incremental manner to encourage licence holders to comply with

the program while allowing PEO to carefully evaluate administration of the program before the introduction of administrative suspensions, which should be considered a last resort. Phase two will also include refinements to the program rules, requirements, user experience and communications, as PEO maintains a commitment to ensuring the PEAK program continues to prioritize the public interest while embracing modern strategies and considering stakeholder feedback.

PEO STATUS OPTIONS							LICENCE ALLOWANCES & RESTRICTIONS		PEAK PROGRAM REQUIREMENTS		
SITUATIONS	PRACTICE STATUS	LICENCE STATUS	CAN I PRACTISE, INCLUDING USE THE SEAL?	CAN I USE THE P.Eng. TITLE?	ELEMENT 1 – Practice Evaluation due every January 31	ELEMENT 2 – Professional Practice Module due every January 31	ELEMENT 3 – CPD Report due every December 31				
I am practising or intend to practise.	Practising	Permitted to practise	✓	✓	Declaration & Questionnaire	✓	✓				
I am not practising and agree to CPD hours for a Licence Status of "Permitted to practise."	Not practising	Permitted to practise	✓	✓	Declaration & Questionnaire	✓	✓				
I am not practising and prefer no CPD hours for a Licence Status of "Not permitted to practise."	Not practising	Not permitted to practise	✗	✓	Declaration & Survey	✓	✓				
I am on fee remission	Not practising	Not permitted to practise	✗	✓	Declaration & Survey	✓	✓				
My licence is suspended.	Not practising	Not permitted to practise	✗	✗	Declaration & Survey	✓	✓				

Licence holders can change their statuses anytime through the PEAK program. Fee remission enrollees cannot change their statuses until they exit fee remission. Holders of a suspended licence cannot change their statuses until the suspension is lifted.

All the latest details about the PEAK program are available on the PEAK web page at peopeak.ca.

STRATEGIC PLAN

PEO's 2023–2025 Strategic Plan includes the four goals of modernizing processes, improving governance, optimizing organizational performance and collaborating with stakeholders. In support of this strategic plan, 23 initiatives were planned and are underway for 2023. An operational plan has been developed and is reviewed regularly to

monitor progress and deliverables against the strategic plan to help ensure we reach our goals and objectives. As of May 2023, four initiatives in the 2023 plan have been completed, and an additional four are more than half completed against the planned deliverables for this year.

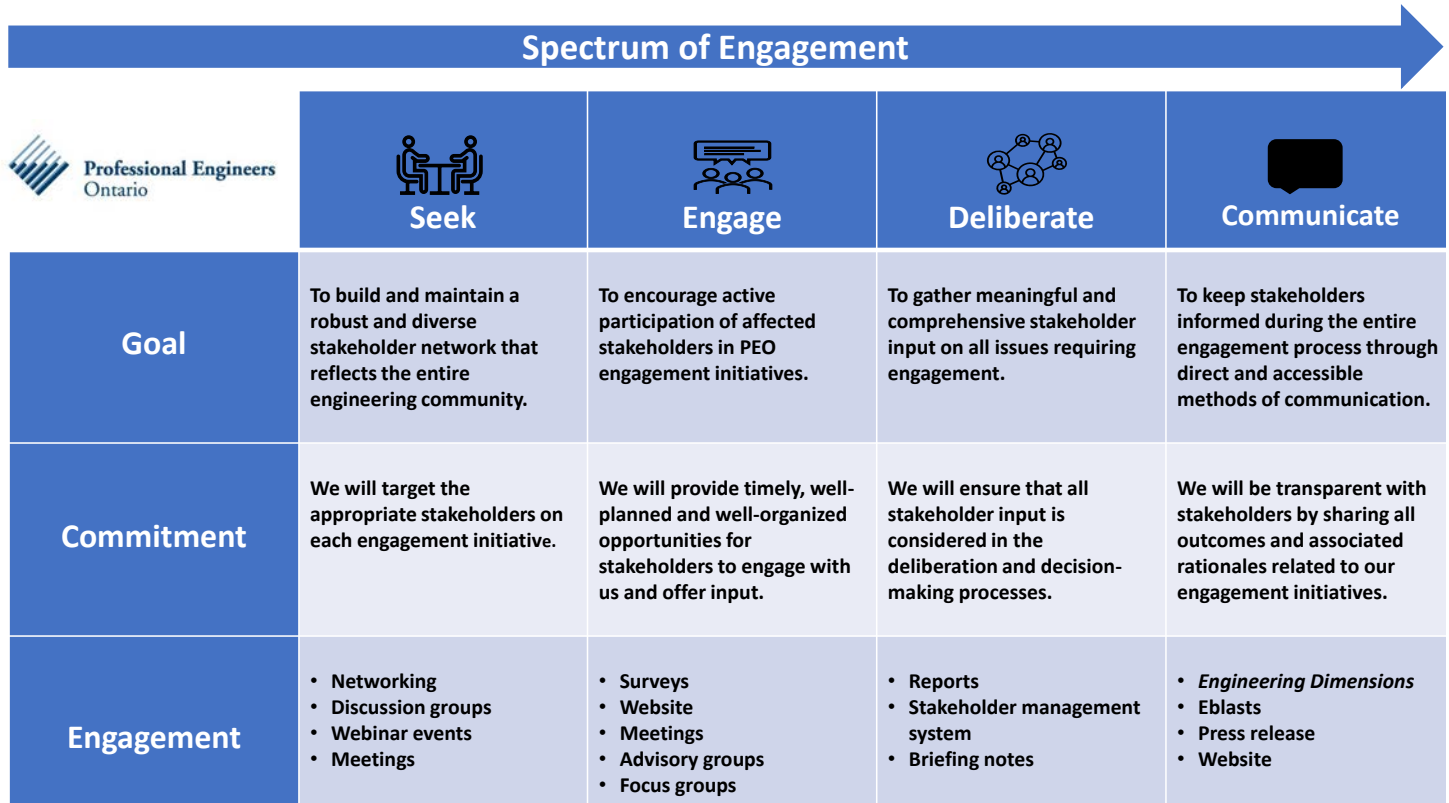
OPERATIONAL PLAN STATUS REPORT AS OF MAY 2023

Goals	Sub Goals	Activities	Status			
			NYS	< half	> half	Done
1. Improve licensing processes	1.1 Create fair, transparent, accessible, and efficient application process	1.1.0 Present FARPACTA policy/approach				
		1.1.1 FARPACTA tech solution - Phase 1 & 2				
		1.1.2 FARPACTA process				
		1.1.3 Change management and communications				
		1.1.4 Measure FARPACTA compliance				
	1.2 Review licensing processes; implement changes	1.2.1 Implement mandatory CPD - Phase 1 (roll out, reminders)				
2. Optimize organizational performance	1.3. Ensure licensing reflects EDI values	1.3.1 EDI - Phase 1 (audit, supports)				
	2.1 Update/develop standards, guidelines	2.1.1 Establish policy development framework/process				
		2.2.1 Digital transformation roadmap				
	2.2. Ensure adequate IT; data collection & management	2.2.2 Data governance model				
		2.3 Review/improve comms & business processes; ensure EDI values reflected	2.3.1 Organizational EDI strategy			
	2.3.2 HR high performance team roadmap					
	2.3.3 Modernize payroll processes					
	2.3.4 Communications strategy (value, EDI)					
	2.3.5 Modernize budget processes					
	3. Implement governance improvement program	3.1 Ensure councillor & ELT orientation	3.1.1 Review/revise board manual			
3.2.1 Strategic plan reporting						
3.2 Ensure committee/council evidence for decision-making		3.2.2 RM framework				
4. Refresh vision; ensure stakeholders see PEO value	4.1 Dialogue with members & stakeholders	4.1.1 Establish Visioning taskforce, workplan				
		4.1.2 Council engagement session				
		4.1.3 Stakeholder engagement session(s)				

EXTERNAL RELATIONS

The following visual illustrates the framework being implemented as we develop a more comprehensive and diverse engagement process to support discussions and deliberations on significant regulatory issues. It is inspired by the Spectrum of Public Participation

designed by the International Association of Public Participation, an international leader in public participation, to assist with the selection of the level of participation that defines the public’s role in any public participation process.



Achieving and maintaining a consistently high level of productive engagement with all our stakeholders will be accomplished through four key steps. These steps include building the appropriate relationships, involving the right stakeholders during each engagement initiative, ensuring stakeholder input is considered by those responsible for making decisions and providing a transparent process in which the results of engagement initiatives are communicated to

stakeholders. Each step of the engagement process is connected to a goal, a commitment and an engagement mechanism.

Ultimately, this process supports PEO’s commitment to delivering and communicating well considered and credible regulatory outcomes that align with our mandate of protecting the public interest while also maintaining public confidence in our regulatory role.

ARC REVIEWS

Staff continue to work with the volunteers on the Academic Requirements Committee (ARC) to manage the increase in new application files requiring assessment. As of mid-May, the inventory of applications requiring academic assessment is over 2400 files. In support of this, nine volunteers have been recruited to join the ARC as of May. Training is now underway to address the accumulation of applications requiring discipline-specific assessments. From January to April 2023, there have been 185 ARC referrals and 141 ARC decisions.

ERC REVIEWS

The Experience Requirements Committee (ERC) and PEO staff continue to collaborate to review and process the inventory of approximately 11 months of application files. To continue to support timely reviews, work is actively underway to identify opportunities for optimize the experience assessment process while maintaining alignment with requirements for licensure. From January to April 2023, there have been 59 ERC referrals and 240 ERC assessments.

FINANCE

For the four months ending April 30, 2023, revenues earned were \$12.1 million, and expenses incurred were \$9.4 million, resulting in an excess of revenue over expenses of approximately \$2.8 million, as shown in Figure 6. The increase in revenues by approximately \$2.5 million, in comparison to the prior year actuals for the same period, is largely attributable to a higher-than-expected investment income due to favourable market conditions, and an increase in P.Eng. application revenue, P.Eng. registration fees and other revenues.

Regarding expenses, \$9.4 million in total costs were incurred for the four months ending April 30, 2023, versus a spend of \$8.5 million

during the same period in the prior year, resulting in an unfavourable variance of \$0.8 million. The increase in expenses is mainly due to an increase in spending on salaries and benefits, computers and telephone, contract staff, and chapters.

Figure 7 shows cash reserves of approximately \$8.9 million and an investment portfolio of \$28.0 million as of April 30, 2023, in comparison to cash reserves of \$5.8 million and an investment portfolio of \$26.8 million, respectively as of April 30, 2022.

	2023 Actual	2022 Actual	Variances
TOTAL REVENUES	\$12,145,322	\$9,602,280	\$2,543,042
Operations expenses	\$8,768,415	\$7,772,486	-\$995,929
Special project exp	\$584,513	\$760,343	\$175,830
TOTAL EXPENSES	\$9,352,928	\$8,532,829	-\$820,099
Excess of Rev over Exp	\$2,792,394	\$1,069,451	\$1,722,943

Figure 6: Revenues and Expenses as of April 30, 2022

	2023 Actual	2022 Actual	Variances
Cash	\$8,934,204	\$5,758,697	\$3,175,507
Other current assets	\$651,594	\$589,268	\$62,326
Marketable securities	\$28,009,637	\$26,821,592	\$1,188,045
Capital assets	\$27,986,364	\$29,261,807	-\$1,275,443
Total assets	\$65,581,799	\$62,431,364	\$3,150,435
Current liabilities	\$15,323,658	\$14,696,257	-\$627,401
Long term debt	\$0	\$1,088,768	\$1,088,768
Employee future benefits	\$13,260,100	\$11,089,167	-\$2,170,933
Net assets	\$36,998,041	\$35,557,172	-\$1,440,869
Total liabilities & net assets	\$65,581,799	\$62,431,364	\$3,150,435

Figure 7: Assets and liabilities as of April 30, 2023

REMISSIONS AND RESIGNATIONS

The data in Figures 8 and 9 show the monthly breakdown of the number of members seeking fee remission in 2023 and 2022, respectively. In 2023, the average monthly number of members seeking remissions as of April 30, 2023, is 251 in comparison to 229 for 2022.

As can be seen in Figures 8 and 9, there was an average 261 resignations in 2023, versus 113 resignations in 2022. Overall, the number of P.Eng.s as of April 30, 2023, increased by 1157 to 87,626 members in comparison to 86,469 members as of April 30, 2022.

Remission Type	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Total	Monthly Ave.
Parental leave	22	14	11	16									63	16
Postgraduate	4	4	9	9									26	7
Unemployment	134	78	121	126									459	115
Temporary health	4	1	3	4									12	3
Permanent health	9	7	4	6									26	7
Retired	133	118	99	68									418	105
Total	306	222	247	229									1004	251
Cumm. Total	306	528	775	1004										
Resignations	362	226	188	268									1044	261

Figure 8: Remissions and resignations stats for 2023

Remission Type	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Total	Monthly Ave.
Parental leave	14	10	20	13	21	13	8	17	15	10	18	12	171	14
Postgraduate	7	8	5	12	14	4	6	2	8	13	6	3	88	7
Unemployment	161	106	146	142	113	107	104	129	109	124	116	83	1440	120
Temporary health	7	4	3	5	5	7	4	0	2	1	2	5	45	4
Permanent health	2	1	9	4	3	1	2	9	3	3	5	3	45	4
Retired	84	99	88	51	80	76	47	93	90	56	93	101	958	80
Total	275	228	271	227	236	208	171	250	227	207	240	207	2747	229
Cumm. Total	275	503	774	1001	1237	1445	1616	1866	2093	2300	2540	2747		
Resignations	111	79	90	79	108	95	77	110	141	84	159	222	1355	113

Figure 9: Remission and resignation stats for 2022

OPERATIONALIZING OF THE ANTI-RACISM AND EQUITY CODE

Building on the report for anti-racism initiatives provided by past-president Bellini in February, staff are working with the members of the Anti-Racism and Anti-Discrimination Exploratory Working Group (AREWG) to operationalize outcomes from the AREWG project. A key deliverable is to ensure that PEO's policies and operations achieve the aims set out in the Anti-Racism and Equity Code, which Council

adopted in April 2022. PEO is in the process of hiring an equity policy advisor, and we will also be examining our DEIBA capacity with a focus on continued evolution and learning. Presently, the AREWG, with staff support, has contracted Indigenous consultation advisor Indigenous and Community Engagement, Inc., and we hope to finalize a contract for a consultation process to be initiated as soon as it is feasible.

CUSTOMER SERVICE

Two projects, PEAK and MFA (multi-factor authentication), generated large volumes of inquiries to PEO and have reinforced the need for continued and ongoing enhancements of PEO's customer service model and processes. While current incremental improvements are in progress, PEO is also preparing a roadmap for ensuring effective and timely customer service across the board. PEO staff are conducting an environmental scan of other regulators to see how they address stakeholder requests while maintaining a consistent multi-channel experience. Ultimately any solution put in place must address the needs of our stakeholders and members, with the elasticity and agility

to handle variable volumes of inquiries as they may spike over time. Staff will be exploring a range of options and technologies and will prioritize solutions that continue to improve response times and ensure we are meeting the needs of our licence holders and applicants.

The introduction of FARPACTA legislation on our licensing process will bring an increased number of new users to our portal, and PEO will be positioned to assist them with technical issues and to address their questions about improvements to the licensing process.

CHAPTER OFFICE

During the first five months of 2023, PEO chapters hosted 96 events, including 25 licence certificate ceremonies. Over 500 newly licensed engineers had their licences presented. Chapters will host at least 25 more events in June, including three certificate ceremonies, where approximately 100 more P.Engs will have their certificates presented.

Additional highlights include:

- A very successful workshop entitled *Project Management Essentials for Professional Engineers*, which has been offered four times;
- Five bridge-busting events, including an overwhelmingly successful competition hosted online by Algoma Chapter, with 580 tickets sold;
- York Chapter, which is consistently offering three to four events per month;
- Approximately 5600 tickets sold for all chapter events, with \$40,000 revenue, covering almost 25 per cent of PEO chapter operational expenses of \$170,000 (in line with business plans)

The Government Liaison Program (GLP) had 34 interactions with members of provincial parliament (MPPs), including six sit-down meetings between a GLP rep and their MPP. Highlights include:

- Laura Smith, MPP (Thornhill) met with the Willowdale-Thornhill Chapter chair and GLP chair, at Smith's constituency office on April 21
- Chris Glover, MPP (Spadina-Fort York) participated in a *Take Your MPP to Work* event by the East Toronto Chapter on April 28
- Dave Smith, MPP (Peterborough-Kawartha) met with Peterborough Chapter GLP Chair, at Smith's constituency office on May 5



INFORMATION TECHNOLOGY



Our continued commitment to delivering digital services to various stakeholders, including licence holders, remains firm. As such, IT continues to review and update technology related policies, as well as improving PEO's infrastructure systems, accessibility, software and cybersecurity posture.

In this regard, IT is on track to complete the following projects by end of the second quarter of 2023:

DIGITAL LICENCE CERTIFICATES PHASE 1, WHICH INCLUDES:

- Automated issue of digital certificates for newly approved individual applicants receiving the Professional Engineer (P.Eng.), temporary licence, limited engineering licensee, limited engineering technologist and consulting engineer designations;
- Automated renewal of already issued certificates for the above categories; and
- Automated deletion of already issued certificates when the engineering licence is revoked, cancelled and when the licence holder resigns or is deceased.

ONLINE NOMINATIONS PROJECT

Phase 2 of the Digital Licence Certificates project will commence in the third quarter of 2023, and the rollout date will be determined in due course.

In addition, IT continues to support the delivery of FARPACTA, PEAK phase 2 and operations technology projects.