



Professional Engineers  
Ontario

# ROADMAP to TRANSFORMATION

Annual Review 2021

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Professional Engineers

## OUR MANDATE

PEO regulates the practice of professional engineering and governs those individuals and organizations that it licenses under the authority of the *Professional Engineers Act*, to serve and protect the public interest.

## OUR VISION

The trusted leader in professional self-regulation

## OUR MISSION

Regulate and advance the practice of engineering to protect the public interest

## PEO CORE VALUES

Accountability  
Integrity  
Professionalism  
Respect  
Teamwork

PEO's core values are intended to inform the behaviour of its licence holders, staff and volunteer leaders in their everyday activities and interactions.

# About PEO & Governance

## REGULATING THE ENGINEERING PROFESSION TO SERVE AND PROTECT THE PUBLIC

Established on June 14, 1922, PEO is the licensing and regulating body for professional engineering in the province. PEO operates under the authority of the *Professional Engineers Act* to serve and protect the public interest by setting and upholding high academic, experience and professional practice standards for the engineering profession. Only those licensed by PEO are permitted by law to undertake and assume responsibility for engineering work in Ontario.

PEO protects and serves the public by:



Ensuring all licensed professional engineers are qualified—and by licensing all who qualify;



Disciplining professional engineers found guilty of professional misconduct or incompetence;



Taking action against unlicensed individuals who illegally describe themselves as engineers. Similarly, PEO can prosecute companies or entities who illegally provide engineering services to the public;



Investigating all complaints brought to it about unlicensed, unprofessional, inadequate or incompetent engineering services;



Preparing practice guidelines as benchmarks for quality of service in the engineering profession; and

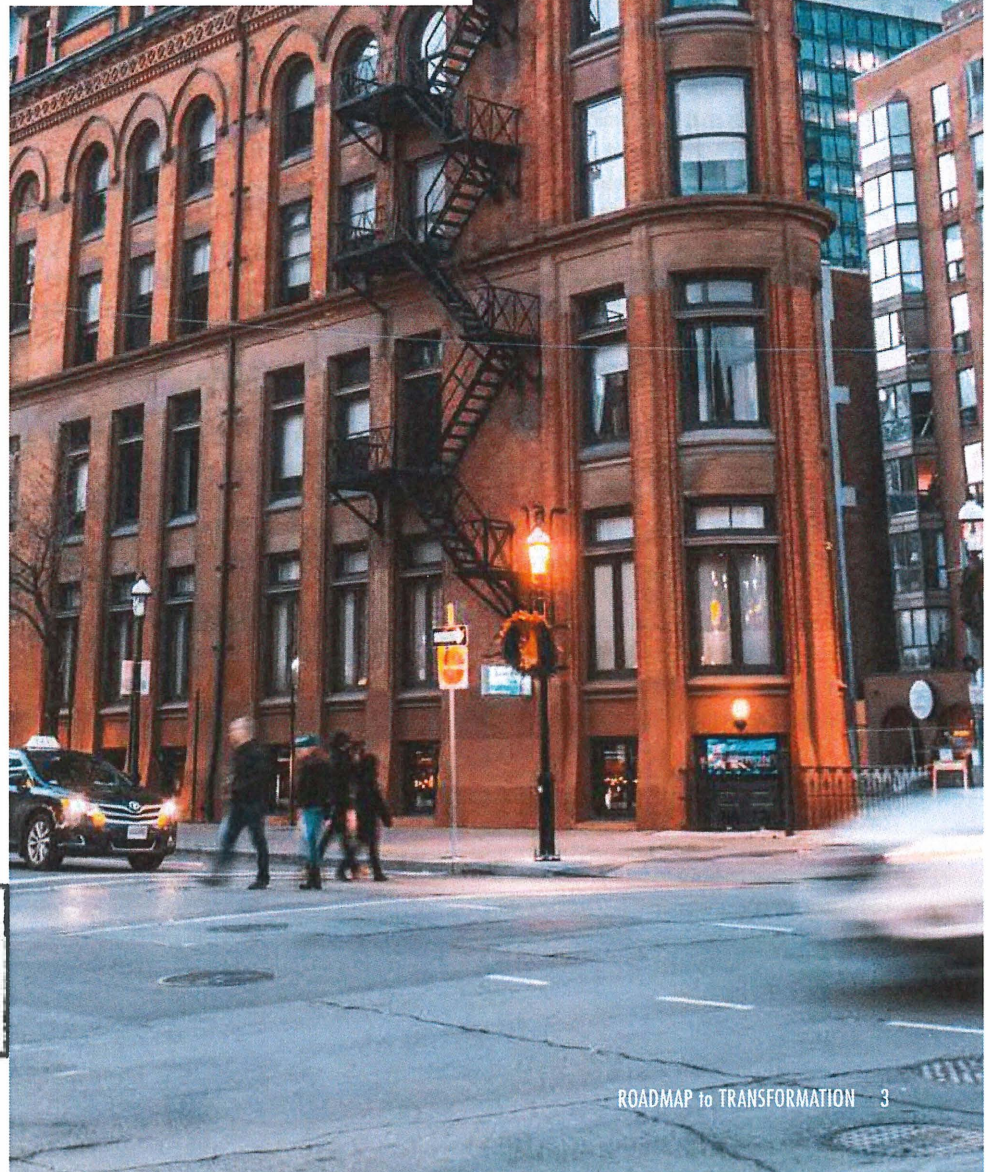


Preparing performance standards in regulation.

## GOVERNANCE

PEO Council provides overall direction for the regulator and profession. It is accountable to the public through the Ministry of the Attorney General to uphold PEO's duty to protect the public interest. Council is comprised of elected professional engineers and members appointed by the office of the Attorney General of Ontario. Not all appointed members are professional engineers. Together with Council, PEO operates with an appointed CEO/registrar and approximately 110 employees.

CLICK HERE TO MEET THE  
2021-2022 PEO COUNCIL.



Submitted to the  
**LIEUTENANT GOVERNOR IN COUNCIL**

Date: **NOVEMBER 17, 2022**

# President's Message



Christian Bellini, P.Eng., FEC  
President 2021-2022

For the past four years, PEO has been working steadily towards its goal of becoming a professional, modern regulator. It's work prompted by the 2019 external regulatory performance review and guided by modernization efforts along three parallel transformation paths: operations, organization and governance. This roadmap was affirmed this year by Council with its acceptance of PEO's 2020-2022 Strategic Plan, which summarizes our ongoing transformation project.

And over the past year, efforts by both PEO Council and staff have brought us ever closer to our end goal.

Accomplishments for 2021 include operationalizing our 30 by 30 work, including moving ahead with a gender audit study led by the University of Toronto's Rotman School of Management. The study will examine PEO's current licensure process for potential gender biases and any barriers that may impede women from getting licensed.

We made progress on our anti-racism and anti-discrimination initiatives with work towards a new anti-racism and equity code that will address systemic racism and equity issues and is consistent with Ontario's public policy direction and human rights laws.

We continued work on the action plan approved by Council to address the recommendations from the external regulatory review.

We made progress towards the launch of a mandatory continuing professional development program, based on PEO's existing voluntary program, to bring us in line with engineering regulators across the country. PEO's mandatory CPD program will come into effect in January 2023.

And on the staff side, an organizational restructuring led by CEO/Registrar Johnny Zuccon, P.Eng., FEC, has transformed our operations.

However, from a Council perspective, I think our most significant achievement was wrapping up Council's two-year Governance Roadmap to review all aspects of PEO governance and incorporating the necessary changes to ensure Council serves as a governance board, providing strategic direction and high-level control to the regulator.

This governance overhaul was more than two years in the making, with important work completed over the Council terms of both past presidents Nancy Hill, P.Eng., FEC, and Marisa Sterling, P.Eng., FEC. Governance experts were engaged to facilitate this work, but ultimately decisions to make changes were the sole responsibility of Council. The end result is a renewed and modernized governance structure that's fully consistent with that of an enlightened and responsive self-regulator.

At our Council term kickoff meeting, we appointed councillors to our four new governance committees, which were formalized in the previous term to support our direction and control functions. These new committees include:

- Governance and Nominating Committee, which oversees effectiveness of corporate governance, Council, committees and Council members;
- Regulatory Policy and Legislation Committee, which focuses on developing and reviewing legislation, standards, guidelines and policies related to PEO's regulatory mandate;
- Human Resources and Compensation Committee, which oversees PEO's relationship with the CEO/registrar and on HR policies and plans; and
- Audit and Finance Committee, which focuses on PEO's financial reporting and management, reviewing financial information and overseeing financial matters related to PEO's activities.

All councillors were appointed to serve on at least one governance committee; and establishing the new committees was part of the Governance Roadmap and based on the governance directives related to committees approved by the previous Council. These new directives clarify how PEO will use committees in its new governance system, including transitioning to a new model that focuses on regulatory and governance committees and a new method of appointing members. As decided in the approval of new governance tenets, as of the 2022 AGM, Council members will only serve on governance committees.

As I have said before, it has been my strong belief that our outdated governance structure has been an impediment to enhancing and modernizing our regulatory work. Successes from this project include a renewed Council focus on high-level strategy and defined boundaries between Council's role providing strategic direction and the operational work of PEO staff. Armed with this new structure, the 2022-23 Council will be well positioned to tackle the regulatory challenges ahead.

I would like to thank you all for the trust you placed in me to lead our Council this year. As we wrap up PEO's first 100 years, we have made significant progress toward modernizing as a regulator and increasing our relevance. I wish incoming president Nick Colucci, P.Eng., FEC, much success during his term as he leads Council to finish up the remaining stages of our transformation and ushers in a new strategic plan focused on licensure.

PEO has a strong tradition of Councils committed to serving Ontarians by governing the profession in the public interest. It is that aspect of self-regulation that provided 100 years of regulatory excellence and will lead to our continued success.

Happy 100th anniversary, PEO.

# CEO/Registrar's Message



Johnny Zuccon, P.Eng., FEC  
CEO/Registrar

On the eve of my retirement from PEO as its CEO/registrar, we are now well into a multi-year, enterprise-wide modernization process to address the recommendations from our 2019 external regulatory performance review and to achieving our change vision of becoming “a professional, modern regulator that delivers on its statutory mandate and is supported by a governance culture that consistently makes decisions that serve and protect the public interest.”

As we strive to achieve this vision, we are improving our ability to regulate, using principles of “right touch” regulation, and adopting an outward-looking approach to guide our decisions that impact our public interest mandate. Our centennial on June 14, 2022, serves as a point of recommitment to this critical obligation.

The strategy for our work rests on three pillars: operational effectiveness, organizational alignment and governance renewal. The 2020–2022 Strategic Plan summarizes the foundational elements of our evolution to a more modern, more effective regulator. These elements are rooted in the Council-approved Action Plan and Council's two-year Governance Roadmap, work that began in 2020 and is helping to inform the next strategic plan.

Key to any self-regulating profession is an unwavering level of public trust. This includes a commitment to continuing professional development (CPD), and PEO has taken a big step forward in this regard. Beginning in January 2023, all PEO licence holders will be required to participate in a mandatory CPD program to annually maintain their licence. The new mandatory program will be based on the Practice Evaluation and Knowledge program that has been piloted on a voluntary basis for the past five years. Once implemented, the program will provide further assurance to the public that Ontario engineers are committed to continuing education to enhance their practice.

Our modernization efforts also include a commitment to reviewing, simplifying and modernizing the P.Eng. licensing process. This has been accelerated with the proclamation in December 2021 of the *Working for Workers Act*, which includes significant amendments to the *Fair Access to Regulated Professions and Compulsory Trades Act* and the filing of O. Reg. 261/22. The government has set the bar for regulators on several licensing-related fronts, and PEO is now obligated to meet these requirements as well as the government-imposed timelines related to Canadian work experience, licensing decision-making timeframes, language proficiency tests and emergency registration planning. To support this work, we have committed to a digitalization course to enable greater automated processing, deeper business intelligence and overall greater efficiencies.

We are also committed to incorporating equity, diversity and inclusion best practices into all PEO systems and operations. PEO's Anti-Racism and Anti-Discrimination Exploratory Working Group, for example, was formed to develop recommendations on how best to prevent issues of racism and discrimination, including systemic discrimination, in all aspects of PEO's work as a regulator, an organization and an employer.

And we continue to support the 30 by 30 initiative of Engineers Canada. We are currently participating with the Rotman School of Management in their independent gender audit of PEO's existing licensing process. The audit will investigate potential gender biases and any unintentional barriers that may be impeding women from getting licensed.

We have also addressed our staff organizational structure to provide the appropriate capacity and agility required to achieve our regulatory and governance objectives. A new executive leadership team was established that will enable the next CEO/registrar to deliver more effectively on the various tasks assigned to them under the *Professional Engineers Act* and by Council.

The last year was an ambitious and productive one for PEO. We made great progress in creating a new foundation that is fully consistent with that of a modern, enlightened and responsive self-regulator.

Implementing an outward-looking perspective is at the heart of our modernization effort. Thank you to the PEO staff, volunteers and Councils that have supported this essential journey—one that will not be defined by reaching a particular destination but rather one that will be continually judged by our ability to meet and, ideally, exceed the expectations of the public. Our ongoing relevance as a regulator requires us to constantly reflect on our role, measure our effectiveness and make course corrections where necessary.

The public expects and deserves no less.

# Register & By the numbers

## MEET PEO'S LICENCE HOLDERS, ENGINEERING INTERNS (EITs) AND CERTIFICATE OF AUTHORIZATION HOLDERS

As of December 31, 2021, PEO's register included:



Total P.Eng. licences: 86,366  
male 75,511/female 10,854/unknown 1



Provisional licences: 16  
male 13/female 3



Consulting engineer designations: 910  
male 869/female 41



Engineering interns: 12,776  
male 9,949/female 2,825/unknown 2



Limited licences: 347  
male 295/female 52



Temporary licences: 82  
male 76/female 6



Building design specialist: 184  
male 168/female 16



Certificates of authorization:  
5942

PEO is committed to equitable practices and processes. In accordance with section 14 of the Ontario Human Rights Code, in 2022, we will begin collecting and reporting gender information, including non-binary identities, to understand the gender representation in our licensing processes and to identify potential barriers or opportunities for improvement.

### New licence and certificate of authorization holders in 2021:

|                                               |      |
|-----------------------------------------------|------|
| New P.Eng. licence holders.....               | 3496 |
| New P.Eng. licence transfers.....             | 798  |
| New certificate of authorization holders..... | 484  |

## BY THE NUMBERS

### Complaints

To protect the public, PEO investigates complaints against licence and certificate of authorization holders for failure to meet their professional and ethical obligations as set out in *Professional Engineers Act*.

## 2021/2020

|                                                                     |       |
|---------------------------------------------------------------------|-------|
| Complaints filed.....                                               | 72/60 |
| Complaints disposed of by the committee.....                        | 70/58 |
| Referred to Discipline Committee.....                               | 4/7   |
| Not referred to Discipline Committee and no other action taken..... | 38/36 |
| Not referred to Discipline Committee and other action taken .....   | 28/15 |

## Discipline

The Discipline Committee hears and determines allegations of professional misconduct or incompetence against licence and certificate of authorization holders.

## 2021/2020

|                                     |      |
|-------------------------------------|------|
| Matters referred to discipline..... | 5*/7 |
| Pre-hearing conferences held.....   | 8/10 |
| Matters pending (caseload).....     | 5/9  |
| Written final decisions issued..... | 11/8 |

\* One (1) reinstatement application (s.37 of the act) was received in late 2021

## Enforcement

Enforcement is legal action PEO takes against individuals or entities who practise engineering without a licence or offer engineering services without holding a certificate of authorization.

## 2021/2020

|                                         |         |
|-----------------------------------------|---------|
| File carry-over from previous year..... | 426/324 |
| Files opened.....                       | 320/485 |
| Files closed.....                       | 311/383 |
| Files to carry over at December 31..... | 435/426 |

### Enforcement Prosecutions\*

|                                          |     |
|------------------------------------------|-----|
| Matters from previous year.....          | 0/0 |
| Charges or applications filed.....       | 2/0 |
| Matters withdrawn.....                   | 0/0 |
| Court prosecution.....                   | 1/0 |
| Matters resolved by undertaking.....     | 0/0 |
| Matters carried over at December 31..... | 1/0 |

### Violation Type %

|                            |         |
|----------------------------|---------|
| Practice.....              | 7%/4%   |
| Title.....                 | 89%/88% |
| Both title & practice..... | 4%/7%   |

### Source of Inquiry %

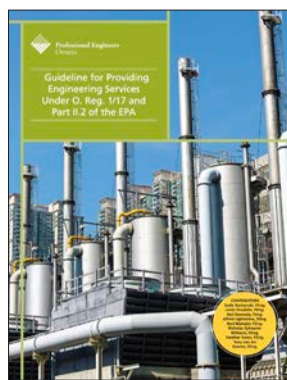
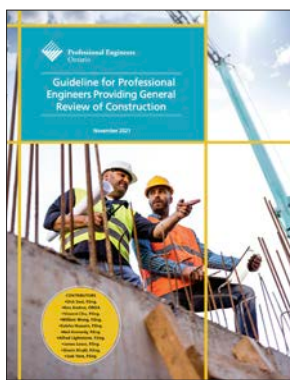
|             |         |
|-------------|---------|
| Public..... | 62%/61% |
|-------------|---------|

\* In 2020, as a result of the COVID-19 pandemic, a significant number of Ontario court services were suspended or deferred, thus affecting PEO's ability to file charges or conduct prosecutions of provincial offences. There were no active matters scheduled for prosecution prior to the pandemic, and no new charges were filed.

### ENFORCEMENT PROSECUTIONS: 1

In December 2021, the Ontario Court of Justice in Kitchener fined Robert Sajkunovic \$20,000 for attempting to pass off his own work as the work of a professional engineer by applying a facsimile of the engineer's seal to design drawings filed with the cities of Kitchener and Waterloo and fabricating a letter from the engineer that also bore the seal.

## NEW/UPDATED PRACTICE GUIDELINES: 3



## NEW PRACTICE BULLETIN: 1



[CLICK HERE FOR COMPLETE 2021 REGULATORY STATISTICS.](#)

# News

## PEO AND THE COVID-19 PANDEMIC

Over 2021, the global COVID-19 pandemic continued for a second year, impacting citizens and organizations with ongoing lockdowns and closures. The PEO office remained largely closed to the public, our volunteers and most of our staff, in compliance with provincial lockdown measures. Although most staff continued to work remotely, select staff were granted access, as necessary, to complete essential regulatory work, such as our Information Discovery and Digitization Capability project.

By fall 2021, the province—as the result of high vaccination rates and other public health measures—had moved to a point where PEO could plan for a staged return to the office.

## ROADMAP TO TRANSFORMATION

Over 2021, work continued on PEO's multi-year, enterprise-wide transformation to address the recommendations from the 2019 external regulatory performance review that identified areas where PEO could be more efficient, transparent and objective in its regulatory work. The ongoing transformation work furthers PEO's efforts to achieve its change vision: *to become a professional, modern regulator that delivers on its statutory mandate and is supported by a governance culture that consistently makes decisions to serve and protect the public interest.*

The strategy for this work is built on three critical pillars: operational execution, organizational alignment and governance enhancement.

## OPERATIONAL

PEO is committed to becoming a more effective regulator. This work stems from the operational changes outlined in the action plan approved by Council in September 2019.

## LICENSING

The action plan saw PEO prioritizing the stabilization of its licensing function within the context of the current legislative scheme.

In 2021, the operational focus was on delivering a fully electronic licensing process after being forced to adapt as a result of the COVID-19 pandemic. In 2021, all steps of the multi-stage licensing process were converted to fully electronic, including licens-

ing steps involving PEO's Academic Requirements Committee and Experience Requirements Committee. In addition, a plan to address the accumulation of licence application files as a result of the COVID-related process downtime was developed in 2021 and well underway by the end of the year.

Last year also saw the successful launch of fully remote, online proctored PEO technical exams, required for many licence applicants, after cancelling in-person technical exam sessions in 2020 due to the COVID-19 pandemic. This represents a significant modernization effort, consistent with PEO's now fully electronic licensing process.

## LICENSURE REQUIREMENTS

The action plan also called for a review of PEO's academic and admission processes and criteria, including the existing 12-month Canadian engineering experience requirement that forms part of a four-year overall work experience requirement outlined in Regulation 941. Last year, PEO staff began exploring the basis for experience requirements, how they serve to protect the public and how they might be modified to ensure there is a proper balance between the interests of licence applicants (including those who are internationally trained) and public safety.

The licence requirements review also considers changing employment patterns in the profession, including the experience gained and skills developed by many engineering graduates while working independently or otherwise not under traditional engineering supervision. The work is being undertaken using a lens that aligns with PEO's public protection mandate.

This work parallels new, government-imposed requirements that came about following passage of the *Working for Workers Act*, which included significant amendments to the *Fair Access to Regulated Professions and Compulsory Trades Act* (FARPACTA). New regulations under FARPACTA require removal of specific Canadian experience requirements to obtain a licence, providing alternatives that do not include a Canadian experience component or applying for an exemption to the prohibition. All regulators governed by FARPACTA, including PEO, will be required to fully comply by December 2, 2023.

## DIGITIZATION

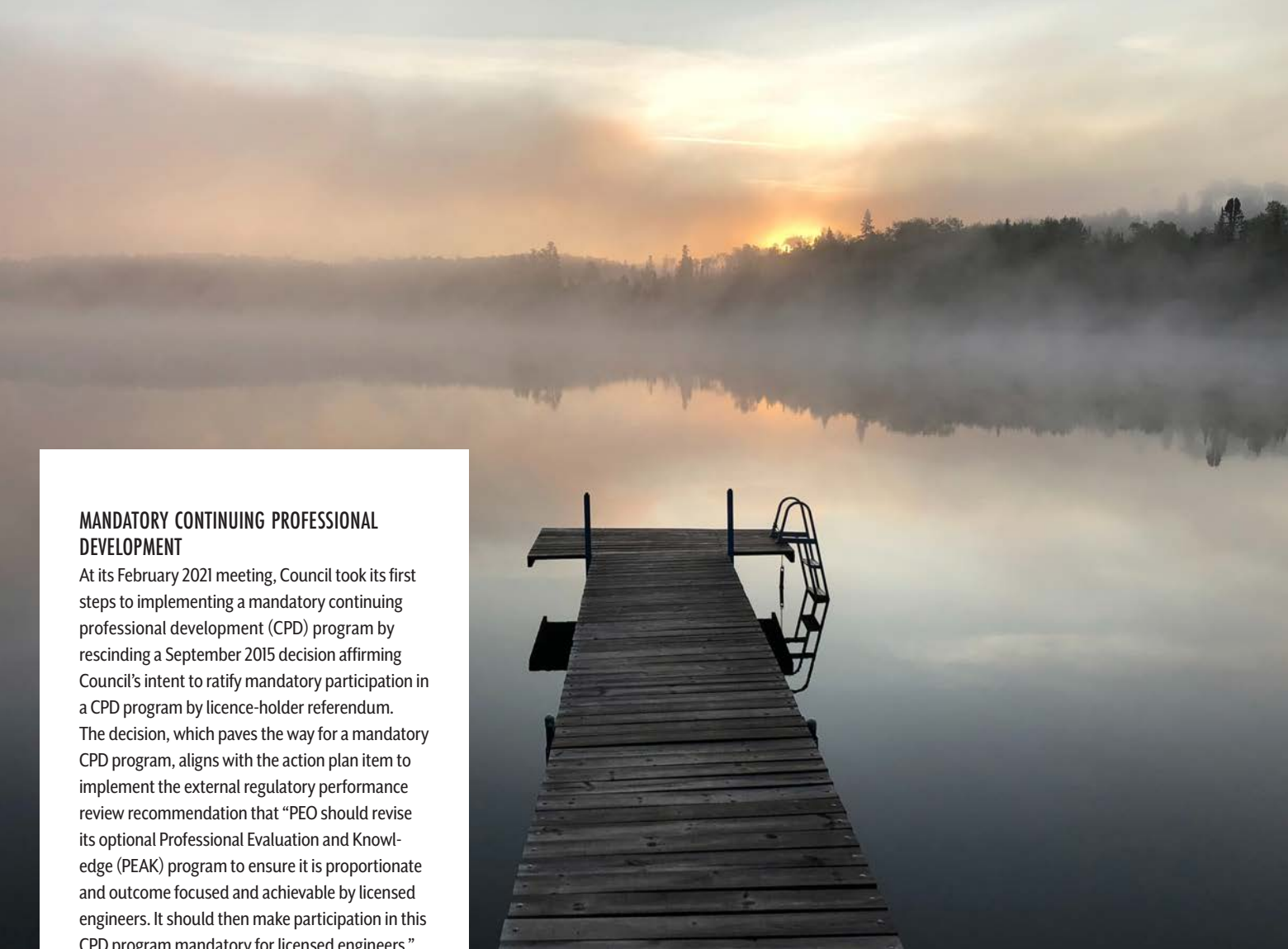
PEO has embarked on a digital transformation journey to enable greater automated processing of all workflows, deeper business intelligence and overall greater efficiencies.

Over 2021, the regulator continued receiving new licence applications via an email-based process that was introduced in 2020. The new, digital process allows applicants to download an electronically fillable PDF form, populate the field and email the form to PEO. No new paper-based applications are being added to existing active files.

And last year, PEO initiated its Information Discovery and Digitization Capability Project (IDDC) to fully convert its former paper-based licence application files to a modern, digital storage method. The IDDC team is tasked with digitizing 21,000 active licence application files as part of PEO's modernization efforts, and the project addresses an external regulatory performance review recommendation to implement an electronic case management system and a licence application database.

Digitizing the information shortens application processing times and allows multiple PEO staff to access documents simultaneously, allowing parallel evaluation of both academic and experience-related documents.

At the end of 2021, 6,091 of the 21,000 active paper-based files were digitized, and the team reduced its digitization speeds to under 10 minutes per application using robotic process automation.



## MANDATORY CONTINUING PROFESSIONAL DEVELOPMENT

At its February 2021 meeting, Council took its first steps to implementing a mandatory continuing professional development (CPD) program by rescinding a September 2015 decision affirming Council's intent to ratify mandatory participation in a CPD program by licence-holder referendum. The decision, which paves the way for a mandatory CPD program, aligns with the action plan item to implement the external regulatory performance review recommendation that "PEO should revise its optional Professional Evaluation and Knowledge (PEAK) program to ensure it is proportionate and outcome focused and achievable by licensed engineers. It should then make participation in this CPD program mandatory for licensed engineers." Over 2021, staff began work on a mandatory CPD program based on the current PEAK program, including the legislative framework necessary to enforce the program such as consequences for non-compliance like reversible administrative suspensions in certain circumstances.

PEO will implement the CPD program in January 2023, with all PEO licence holders (both practising and non-practising) required to comply with the program. The existing PEAK program will be phased out as PEO prepares to transition to the mandatory program.

Mandatory CPD is a regulatory best practice for professional regulators, and all other provincial engineering regulators across Canada now have a mandatory CPD requirement. Implementing a mandatory CPD requirement will bring PEO in line with the best practices of other professional regulators; foster public confidence in the profession; and conform with recent recommendations from several key government-related stakeholders, including the 2014 report of the Elliot Lake Commission of Inquiry and the 2019 coroner's inquest into the fatal 2012 Radiohead concert stage collapse.

The mandatory CPD program will be introduced gradually under the following operational conditions:

- The program will adopt one annual cycle matching the calendar year for all licence holders, making it easier for licence holders to adhere to annual timelines for completing the program and facilitating leaner program operations;
- The first year of mandatory CPD will focus on education about the program and encouraging compliance. Audits and administrative licence suspensions will begin in 2024;
- Sanctions for non-compliance will be proportionate and, depending on the type of non-compliance, may include status posting on the register, administrative licence suspension and referral for investigation according to the complaints process. Sanctions will not include administrative fines, removal from the register or licence cancellation/revocation (unless imposed through formal discipline); and
- Licence holders will be allowed a grace period between the deadline for completing a program element and the date when tougher sanctions

are applied. Licence suspensions for persistent non-compliance will be applied starting in 2024, and these suspensions will end as soon as licence holders complete their overdue elements.

## ORGANIZATIONAL

A strong, effective regulator requires a strong, professional staff.

In 2021, PEO unveiled a new organizational design responding to recommendations made in its external regulatory performance review and further informed Design Thinking sessions held with key stakeholders. The purpose of creating a new structure was to improve PEO's efficacy, ensure it has the right competencies to achieve its regulatory and governance objectives and support ongoing change and renewal, and to create clarity from an outside-looking-in perspective.

# News

The new design was completed by LM2 Collective over 2021 in a two-phase approach. The first phase introduced a more streamlined executive leadership team comprised of three divisions, each led by a vice president, and each with a distinct mandate (but collective accountability) for developing and cascading operating plans aligned to PEO's strategic priorities. These division mandates are:

**Regulatory Operations**—To lead the multi-year transformation of our regulatory processes to ensure they are secure, defensible and coordinated.

**Policy and Governance**—To ensure PEO advances strategy and stays ahead of regulatory policy; and complement Council commitment to the multi-year Governance Roadmap and ensure effective governance protocols are adhered to.

**Organizational Effectiveness**—To ensure effective deployment of technology and PEO-enabling functions through a shared-services model; and to lead a strategic people advisory and practices culture of engagement in which wellness, diversity and inclusion lead to an elevated level of employee well-being, productivity and retention.

Phase 2 created refinements to the structures within departments by reviewing high-level process flows, defining requirements and accountabilities, establishing performance measures, designing roles and aligning structures.

Key enhancements to PEO capabilities were made through the creation of new roles:

**Director, Governance** – to build trust and sustain a strong collaborative relationship with Council and volunteer groups, helping these entities maintain focus on policy and strategic matters relating to PEO's regulatory mandate.

**Director, External Relations** – to develop a strategic approach to stakeholder relations where regular, coordinated and purposeful engagement is maintained with government, co-regulatory bodies and other stakeholders to inform policy, practices and strategic initiatives.

**Director, Program Management** – to develop, implement and continue to refine the process and methodology of project management ensuring

that operating groups' requirements are vetted, prioritized and ultimately acted on with a coherent, risk-mitigated and structured approach, ensuring that projects are effectively managed, on time, on budget and deliver desired goals.

With the new organizational structure in place PEO is well positioned to focus on improved delivery of regulatory services and meeting its regulatory requirements in the evolving environment.

## GOVERNANCE

At its June 2021 meeting, PEO Council began operating as a direction and control governance board. Council now functions through four governance committees charged with performing the due diligence aspects of Council's fiduciary role of control. They include:

- Governance and Nominating Committee
- Regulatory Policy and Legislation Committee
- Human Resources and Compensation Committee
- Audit and Finance Committee

All councillors were appointed to serve on at least one governance committee during their term on Council.

As of AGM 2022, according to the approval of new governance tenets, Council members will only serve on board (governance) committees going forward.

In relation to PEO's transformation, these decisions ensure Council maintains a high-level focus on governance and policy rather than operations and places greater authority and accountability for regulatory outputs on the CEO/registrar.

From a public-interest perspective, this provides assurance that committees with regulatory roles will perform those roles independently, pursuant to the legislative framework.

## REGULATION 941 AMENDMENTS

Last year, Council made two updates to Regulation 941: a February amendment to facilitate the anticipated proclamation of the *Ontario Not for Profit Corporations Act, 2010*; and a November amendment to clarify Use of Seal requirements. For the former, PEO had been subject to some, but not all, provisions of the *Corporations Act*, which were specified in the *Professional Engineers Act*.

With the proclamation of the *Ontario Not for Profit Corporations Act* (ONCA), PEO is now subject to comparable provisions in the ONCA. These provisions to which PEO is subject are no longer set out in the *Professional Engineers Act*, but instead are to be found in amendments to Regulation 941.

The latter amendments provide greater clarity for the Use of Seal requirements found in Regulation 941, including:

- 1) Requiring engineers to clearly indicate the purpose of a sealed document. And removing the word "final";
- 2) Making it professional misconduct to seal a draft or incomplete document;
- 3) Requiring engineers to take reasonable measures to prevent their seals from being used without their consent;
- 4) Clearly allowing for the use of sealed electronic documents;
- 5) Clearly indicating that internal engineering documents and exemptions can but do not have to be sealed;
- 6) Clearly indicating that sealing is akin to assuming responsibility; and
- 7) Clearly indicating more than one engineer can assume responsibility.

## 2020–2022 STRATEGIC PLAN

The high-level direction for PEO's transformation was reaffirmed by Council in November 2021 through the regulator's 2020–2022 Strategic Plan, *Roadmap to Transformation: Clarity of Purpose*. The plan's key elements are rooted in the Council-approved action plan, as well as Council's two-year Governance Roadmap, scheduled to be completed in mid-2022. The plan provides PEO with an official document to communicate the critical elements of its transformation.

The plan also outlines the foundational steps required to transition to the next-generation strategic plan for 2023–2025.

## EQUITY, DIVERSITY AND INCLUSION

### Anti-Racism and Anti-Discrimination Exploratory Working Group (AREWG)

Work by PEO's Anti-Racism and Anti-Discrimination Exploratory Working Group (AREWG) continued, including developing recommendations to address any issues of racism and discrimination in all aspects of PEO's work as a regulator, organization and employer.

The group commissioned an independent assessment of any vulnerabilities to systemic racism and discrimination at PEO. And last June a report, *Anti-Racism and Anti-Discrimination: A Bridge to PEO's More Successful Future*, was presented to Council.

The report revealed vulnerabilities, including, among other things:

- Inadequate engagement with stakeholders, especially outside PEO;
- PEO's current 12-month Canadian experience requirement; and
- Underrepresentation of Black and Indigenous Peoples on PEO's Council, staff and committees and the profession.

In November 2021, Council extended and expanded the group's mandate for further action, including developing a policy code to address systemic racism and related equity issues, further consultations with stakeholders and recommendations on how Council should develop, review and approve its strategic directions, viewed through the lens associated with the AREWG mandate.

### GENDER AUDIT OF PEO'S LICENSING PROCESS

In June, Council approved a gender audit of PEO's licensure process and internal operations. The audit is being conducted by Dr. Joyce He, an assistant professor of Management and Organizations at UCLA Anderson School of Management, and Dr. Sonia Kang, PhD, an associate professor of organizational behaviour at University of Toronto and Canada research chair in identity, diversity and inclusion.

The study was initiated by PEO's 30 by 30 Task Force. The main focus of the joint research project will be examining PEO's existing licensure process for potential gender biases and any unintentional barriers or disadvantages that may impede women from getting licensed.

This research will be directly in line with PEO's 30 by 30 initiative. The three goals for this project include:

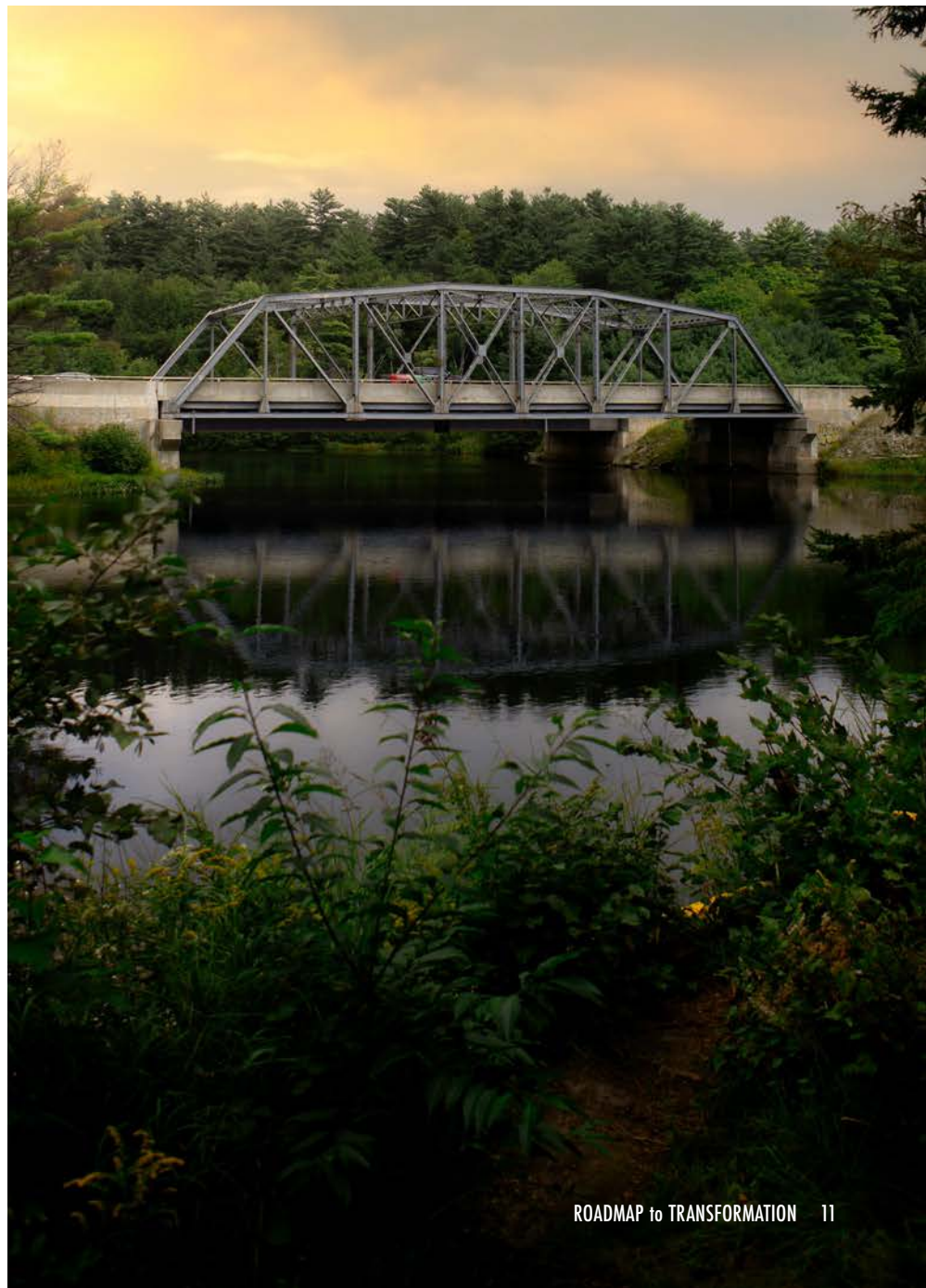
1. Examining PEO's licensing process to investigate whether systemic bias may exist in the current licensure process;
2. Building on these insights, offer actionable suggestions for changes to be incorporated into PEO's licensing process if bias or disparities are identified; and

### 3. Helping PEO test the effectiveness of suggested changes.

Researchers will engage PEO staff under the oversight of PEO's manager, engineering intern programs, to review licensing documents, assess pertinent data and interview applicants, staff and volunteers involved in the licensing process.

Upon completion of this research, the research team will present PEO with interim results from the data analysis and provide any recommendations

to help PEO understand if a gender gap exists in the licensing process; and if so, identify where the barriers are, why they exist and what may be done to address them. Depending on this outcome, the research team will work with the CEO/registrar and staff to conduct a pilot on suggested interventions and analyze the findings of the pilot to examine the effectiveness of the suggested interventions. Once all final results are presented, the next steps will be decided by the CEO/registrar. The project is expected to be completed in January 2023.



# Abbreviated Financials

## STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS, YEAR ENDED DECEMBER 31, 2021

|                                                                     | 2021<br>\$        | 2020<br>\$        |
|---------------------------------------------------------------------|-------------------|-------------------|
| <b>Revenue</b>                                                      |                   |                   |
| P.Eng. revenue                                                      | 19,825,037        | 19,192,091        |
| Application, registration, examination<br>and other fees            | 9,161,653         | 8,069,121         |
| Building operations (Note 4)                                        | 2,477,426         | 2,433,586         |
| Investment income                                                   | 891,416           | 839,194           |
| Advertising income                                                  | 101,060           | 105,359           |
| Chapter revenues                                                    | 16,747            | 33,358            |
|                                                                     | <u>32,473,339</u> | <u>30,672,709</u> |
| <b>Expenses</b>                                                     |                   |                   |
| Staff salaries and benefits/retiree<br>and future benefits (Note 9) | 12,924,820        | 11,541,133        |
| Building operations (Note 4)                                        | 2,285,937         | 2,196,630         |
| Purchased services                                                  | 1,455,090         | 958,697           |
| Computers and telephone                                             | 1,118,498         | 1,137,393         |
| Engineers Canada                                                    | 1,005,563         | 1,024,502         |
| Legal (corporate, prosecution and tribunal)                         | 951,635           | 765,986           |
| Amortization                                                        | 779,837           | 1,152,613         |
| Occupancy costs (Note 4)                                            | 773,577           | 846,019           |
| Contract staff                                                      | 773,533           | 502,825           |
| Transaction fees                                                    | 728,732           | 700,010           |
| Consultants                                                         | 489,435           | 454,680           |
| Chapters (Note 13)                                                  | 343,301           | 327,940           |
| Postage and courier                                                 | 214,354           | 210,455           |
| Insurance                                                           | 148,165           | 143,100           |
| Professional development                                            | 131,785           | 109,858           |
| Recognition, grants and awards                                      | 78,566            | 31,772            |
| Office supplies                                                     | 72,508            | 57,673            |
| Printing                                                            | 48,721            | 64,677            |
| Volunteer expenses                                                  | 31,786            | 109,056           |
| Advertising                                                         | 27,550            | 45,243            |
| Staff expenses                                                      | 7,470             | 18,857            |
|                                                                     | <u>24,390,863</u> | <u>22,399,119</u> |
| Excess of revenue over expenses<br>before the undernoted            | 8,082,476         | 8,273,590         |
| Council discretionary reserve expenses (Note 8)                     | 1,623,341         | 388,086           |
| Excess of revenue over expenses                                     | 6,459,135         | 7,885,504         |
| Remeasurement and other items (Note 6)                              | 2,447,724         | (7,032,341)       |
| Net assets, beginning of year                                       | 25,580,860        | 24,727,697        |
| <b>Net assets, end of year</b>                                      | <u>34,487,719</u> | <u>25,580,860</u> |

The accompanying notes are an integral part of the financial statements.

Approved by the Council.

# STATEMENT OF FINANCIAL POSITION, AS AT DECEMBER 31, 2021

|                                                    | 2021              | 2020              |
|----------------------------------------------------|-------------------|-------------------|
|                                                    | \$                | \$                |
| <b>Assets</b>                                      |                   |                   |
| Current assets                                     |                   |                   |
| Cash                                               | 11,319,333        | 8,219,649         |
| Accounts receivable                                | 700,544           | 1,382,842         |
| Prepaid expenses and deposits                      | 464,030           | 475,843           |
| Other assets                                       | 171,319           | 251,044           |
|                                                    | <u>12,655,226</u> | <u>10,329,378</u> |
| Marketable securities                              | 19,885,232        | 15,069,278        |
| Capital assets (Note 3)                            | 29,689,774        | 31,340,072        |
|                                                    | <u>62,230,232</u> | <u>56,738,728</u> |
| <b>Liabilities</b>                                 |                   |                   |
| Current liabilities                                |                   |                   |
| Accounts payable and accrued liabilities (Note 15) | 2,511,125         | 2,513,546         |
| Fees in advance and deposits                       | 11,730,592        | 11,573,230        |
| Current portion of long-term debt (Note 5)         | 1,088,796         | 1,088,796         |
|                                                    | <u>15,330,513</u> | <u>15,175,572</u> |
| Long-term                                          |                   |                   |
| Long-term debt (Note 5)                            | 1,451,700         | 2,540,496         |
| Employee future benefits (Note 6)                  | 10,960,300        | 13,441,800        |
|                                                    | <u>27,742,513</u> | <u>31,157,868</u> |
| Commitments and contingencies (Notes 12 and 16)    |                   |                   |
| Net assets (Note 7)                                | 34,487,719        | 25,580,860        |
| <b>Total liabilities and net assets</b>            | <u>62,230,232</u> | <u>56,738,728</u> |

# STATEMENT OF CASH FLOWS, YEAR ENDED DECEMBER 31, 2021

|                                                              | 2021               | 2020               |
|--------------------------------------------------------------|--------------------|--------------------|
|                                                              | \$                 | \$                 |
| <b>Operating activities</b>                                  |                    |                    |
| Excess of revenue over expenses                              | 6,459,135          | 7,885,504          |
| Add (deduct) items not affecting cash                        |                    |                    |
| Amortization                                                 | 1,810,440          | 2,269,255          |
| Amortization—other assets                                    | 79,725             | 77,033             |
| Employee future benefits expensed                            | 1,218,100          | 713,400            |
| Change in unrealized (gains) losses on marketable securities | 499,992            | 507,308            |
| Losses (gains) on disposal of marketable securities          | 36,281             | 46,294             |
|                                                              | <u>10,103,673</u>  | <u>11,498,794</u>  |
| Change in non-cash working capital items (Note 10)           | 849,052            | 285,003            |
|                                                              | <u>10,952,725</u>  | <u>11,783,797</u>  |
| <b>Financing activities</b>                                  |                    |                    |
| Repayment of mortgage (Note 5)                               | (1,088,796)        | (1,088,796)        |
| Contributions to employee future benefit plans               | (1,251,876)        | (1,181,800)        |
|                                                              | <u>(2,340,672)</u> | <u>(2,270,596)</u> |
| <b>Investing activities</b>                                  |                    |                    |
| Net change in marketable securities                          | (5,352,227)        | (4,319,777)        |
| Additions to capital assets                                  | (160,142)          | (308,144)          |
|                                                              | <u>(5,512,369)</u> | <u>(4,627,921)</u> |
| Increase in cash                                             | 3,099,684          | 4,885,280          |
| Cash, beginning of year                                      | 8,219,649          | 3,334,369          |
| <b>Cash, end of year</b>                                     | <u>11,319,333</u>  | <u>8,219,649</u>   |

The accompanying notes are an integral part of the financial statements.  
Approved by the Council.

# Volunteers

In 2021, more than 1000 professional engineers, engineering interns and others volunteered their time to work on behalf of PEO. This includes those who served on Council, committees and their subcommittees, task forces, the Government Liaison Program and PEO chapter leaders and volunteers, as well as those who represented PEO on external boards and advisory groups and volunteered for chapter-sponsored programs.

PEO recognizes and thanks all those who have served the profession in a wide variety of activities and events throughout the year.

## CHAPTERS

PEO's 36 chapters connect members-at-large with PEO Council and provide a local presence for engineering. With the COVID-19 pandemic continuing over 2021, chapter volunteers organized virtual licence presentation ceremonies, hosted technical seminars and social events, provided virtual forums for members to exchange knowledge and ideas and offered professional networking activities.

Members involved in chapter activities also continued a long-standing tradition of donating their time, energy and expertise to promoting awareness among grade school students about the engineering profession and the role of science, technology, engineering and math. For more information on chapter activities, please visit the individual chapter websites.

## GOVERNMENT LIAISON PROGRAM

The main objective of PEO's Government Liaison Program (GLP) is to ensure that government, PEO licence holders and the public continue to recognize its regulatory mandate, in particular its contributions to maintaining the highest level of professionalism among engineers working in the public interest. The goal is to have the government view PEO as a partner and understand and support PEO's policy direction.



[CLICK HERE TO MEET PEO'S VOLUNTEERS.](#)



[FOR A FULL REVIEW OF 2021 GLP ACTIVITIES, PLEASE SEE THE 2021 GLP YEAR IN REVIEW AND THE 2021 GLP ANNUAL REPORT.](#)

# Honours

## ORDER OF HONOUR

The Order of Honour recognizes those PEO volunteers, including both professional engineers and others, who have made valuable contributions to the engineering profession. In 2021, seven engineer volunteers were inducted into the Order in the Member, Officer and Companion categories during a virtual presentation in June 2021.

## G. GORDON M. STERLING ENGINEERING INTERN AWARD

The recipient of the 2021 G. Gordon M. Sterling Engineering Intern Award, which celebrates professional leadership achievements of engineering interns and funds leadership development training, was also recognized at the June 2021 virtual ceremony. The recipient is Shengdi (Sharon) Chen, EIT.

## S.E. WOLFE THESIS AND V.G. SMITH AWARDS

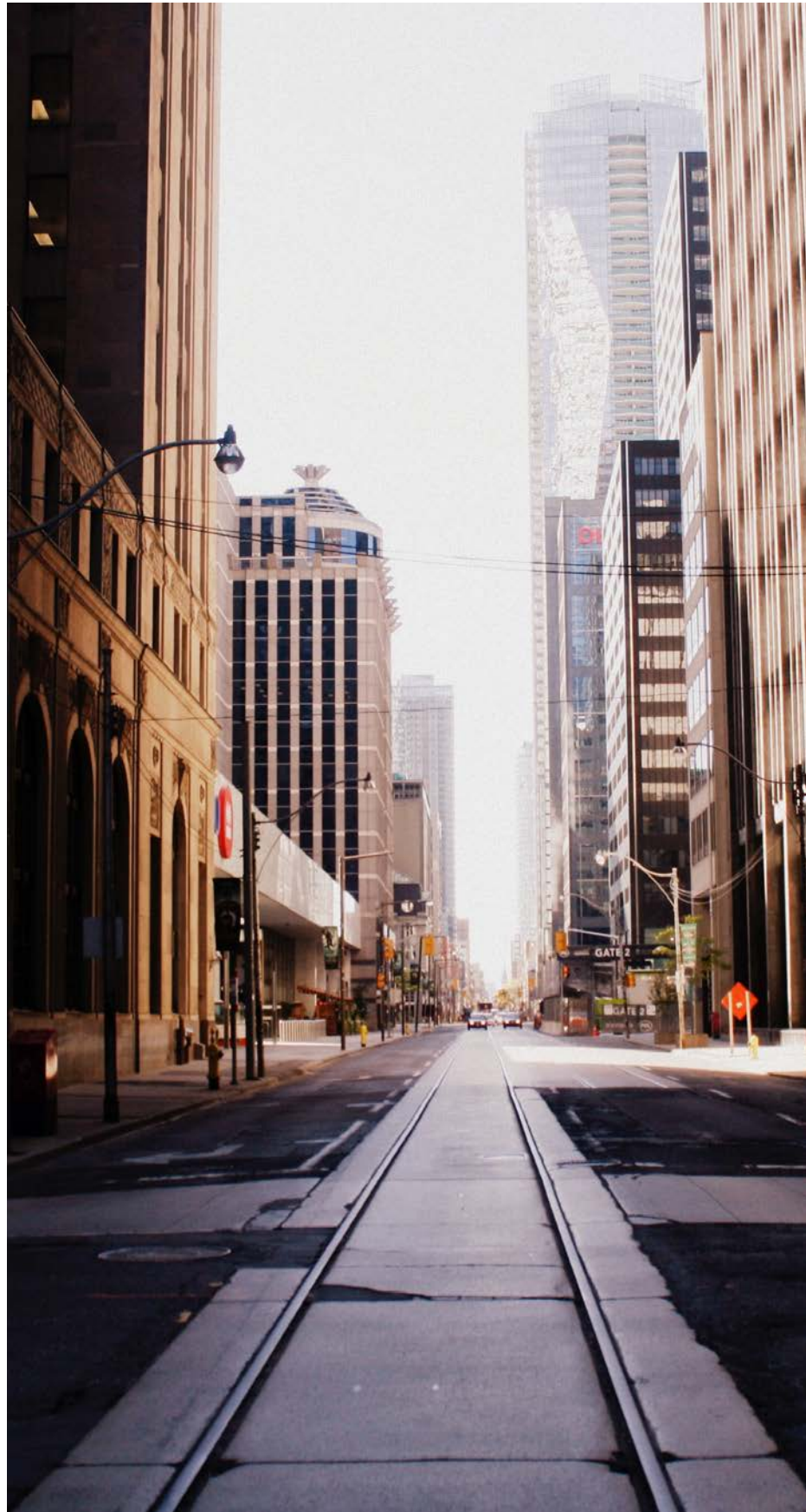
The S.E. Wolfe Thesis Award, presented to a licence holder whose thesis was awarded the highest mark of those presented in 2021, was awarded to Darryl Robinson, P. Eng., for his engineering report, *Elimination of Windshield Defrost Issue in an Automotive HVAC*. He received a mark of 90 per cent.

The V.G. Smith Award, which is presented to an engineer who achieved registration during the past year by examination and possessed the highest standing of those completing exams that year, was presented to Matthew McAinsh, P. Eng. McAinsh received the award for successfully completing 10 technical exams, with an average mark of 96 per cent for his top three exams.

## ONTARIO PROFESSIONAL ENGINEERS AWARDS

The presentation of the 2021 Ontario Professional Engineers Awards (OPEA) was broadcast virtually on November 26, 2021. Co-presented by PEO and the Ontario Society of Professional Engineers, the awards program salutes Ontario engineers who have made significant contributions to the profession and their community.

In line with the focus on PEO's regulatory mandate, the OPEA program has been fully transitioned to the Ontario Society of Professional Engineers, beginning with the 2022 event.





**Professional Engineers  
Ontario**

40 Sheppard Avenue West, Suite 101  
Toronto, ON M2N 6K9

Tel: 416-224-1100 or 800-339-3716

Enforcement Hotline: 416-224-1100 Ext. 1444  
or 800-339-3716 Ext. 1444

[www.peo.on.ca](http://www.peo.on.ca)