



Professional Engineers
Ontario

A CENTURY OF REGULATION

ANNUAL REVIEW 2022

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Submitted to the
LIEUTENANT GOVERNOR IN COUNCIL

Date: JANUARY 18, 2024

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

To be the trusted leader in professional self-regulation

OUR MISSION

Regulate the practice of professional engineering in Ontario to safeguard life, health, property, economic interests, the public welfare and the environment

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. Individuals licensed by PEO are the only people permitted by law to undertake and assume responsibility for engineering work in Ontario.

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 statutory duty to regulate the

practice of engineering and govern the engineering profession in the public interest. Council is comprised of elected professional engineers and members appointed by the Lieutenant Governor in Council (Ontario Cabinet). Not all appointed members are professional engineers. Council provides high-level strategic direction and control (oversight) to ensure PEO is fulfilling its mandate. Under the Act, Council appoints a CEO/registrar who in turn is responsible for approximately 110 employees who administer the organization and carry out its functions at an operational level.

[Click here to meet the 2022-2023 Council.](#)

PRESIDENT'S MESSAGE



NICK COLUCCI, MBA, P.ENG., FEC
PEO PRESIDENT 2022 2023

As PEO's 103rd president, it was my great honour to hold this office over our centennial—100 years of regulating the engineering profession in Ontario.

We celebrated this milestone on June 22, a century after our founding with the passage of the first *Professional Engineers Act* in 1922. We enjoyed a look back at our history, a check-in on our current status as we near completion of our modernization project and a view to the future, with a recommitment to our public protection mandate as a modern, responsive and transparent regulator.

Over 2022, Council made key decisions supporting our continuing evolution as a regulator to ensure we effectively fulfil our mandate for the next century.

In February, we approved regulation changes so PEO has the legal framework to enforce compliance with mandatory continuing professional development requirements for licence holders starting in January 2023. The changes, which were approved by government as Regulation 353/22, allow PEO to impose consequences on licence holders for non-compliance, including reversible administrative suspensions.

In April, we passed our Anti-Racism and Equity Code—a policy code to help prevent systemic racism and discrimination in all aspects of PEO's work. The Code is consistent with PEO's ongoing enterprise-wide transformation, including a commitment to incorporating diversity, equity and inclusion best practices into all PEO systems and operations.

We set PEO's future direction in June by accepting our 2023-2025 Strategic Plan. The plan will see PEO focusing on improving our licensing processes; optimizing organizational performance; implementing a continuous governance improvement program; and facilitating meaningful dialogue with stakeholders. The plan was created over a two-day workshop, where Council developed and voted on the plan's goals. Our work was informed by feedback gathered through stakeholder consultations, a licence holder survey, a public focus group, an internal PEO capacity analysis and regulatory environmental scan.

In November we made important decisions supporting the new plan's licensing goals by recognizing that a bachelor's degree in an engineering program included in Engineers Canada's International Institutions and Degrees Database (IIDD), subject to successful completion of a confirmatory examination program, is equivalent to a bachelor's degree in a Canadian engineering program that is accredited to Council's satisfaction. We also decided to support the use of a competency-based assessment model to confirm that a licence applicant has sufficient experience to practise engineering. These changes, combined with a planned shift to "front-end" academic and experience requirements for licensure, will also help us comply with recent amendments to the *Fair Access to Regulated Professions and Compulsory Trades Act*.

To provide the staff leadership to make these changes happen, we appointed a new CEO/registrar, Jennifer Quaglietta, P.Eng., MBA, ICD.D, who assumed leadership in January 2023. She takes over from Johnny Zuccon, P.Eng., FEC, who announced his intention to retire last March.

I wish Jennifer much success as she takes the helm at PEO; and my great thanks to Johnny, who, following 27 years at PEO, including the past five as CEO/registrar, led PEO during its most ambitious change project in our history.

I would also like to thank all of you for the trust you placed in me to lead our Council this year. As we turn the page on PEO's first 100 years, we have made significant gains in our recommitments to our mandate and our modernization efforts as a regulator. I wish incoming president Roydon Fraser, PhD, P.Eng., FEC, all the best during his term as he leads Council into our second century.

Thank you for the opportunity.

CEO/REGISTRAR'S MESSAGE



JENNIFER QUAGLIETTA, P.ENG., MBA, ICD.D
CEO/REGISTRAR

Last year was a notable one for PEO because it celebrated its 100th anniversary of regulating professional engineering in Ontario. It was on June 14, 1922, when the provincial government enacted Ontario's original *Professional Engineers Act* (PEA), which created PEO. It was with great interest that I read *Engineering Dimensions'* 16-page spread in its May/June 2022 issue, which had spectacular archival photographs and informational tidbits that highlighted PEO's origins as a joint regulatory/advocacy body.

You may find it fascinating, as I did, to learn about PEO events in decades past—dances, art shows, big band jazz concerts and even an engineers' wives' club. PEO's evolution towards becoming a more modern regulator that is focused on public protection is truly a reflection of how much Canadian society has changed in the past 100 years.

As PEO's new CEO/registrar, I would like to thank my predecessor, Johnny Zuccon, P.Eng., FEC, for the legacy he has handed me. During his five years as CEO/registrar, Johnny initiated PEO's response to a 2019 external regulatory review that identified gaps in its performance as Ontario's engineering regulator. Notably, Johnny, along with staff, initiated a high-level action plan, an activity filter that assessed over 90 PEO activities and a Governance Roadmap to better define the role of Council and staff. Johnny also oversaw PEO's response to the pandemic, even as numerous organizational and operational changes were also being implemented.

A key achievement in 2022 was the introduction of PEO's 2023–2025 Strategic Plan. It refines PEO's new mission statement, which is to "regulate the practice of professional engineering in Ontario to

safeguard life, health, property, economic interests, the public welfare and the environment." The plan builds upon the 2020–2022 Strategic Plan, which had PEO follow through on the 2019 action plan, activity filter and Governance Roadmap. It specifically had PEO focus on priorities in three key areas: enhancing PEO's governance, implementing key operational projects and strengthening PEO's organizational structure.

Many PEO achievements in 2022 stem from the 2020–2022 Strategic Plan. Notably, PEO:

- Worked with the provincial government to introduce regulatory changes to the PEA that allow PEO to transition its continuing professional development program, PEAK, to a mandatory annual requirement for licence holders;
- Introduced its Anti-Racism and Equity Code, which spells out PEO's obligations under the law to advance fairness, human rights and the public interest;
- Continued the process of simplifying its licensing processes to ensure fairness while complying with amendments to the *Fair Access to Regulated Professions and Compulsory Trades Act*; and
- Implemented IT initiatives that supported these goals, such as a new online application process for licensure.

PEO met some truly exceptional milestones during its centennial year. Let's celebrate them as PEO enters its second century of regulating the engineering profession in Ontario.

REGISTER & PROTECTING THE PUBLIC

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

As of December 31, 2022, PEO's register included:



Total P.Eng. licences: 86,109
male 74,844/female 11,261/
other 4



Consulting engineer
designations: 878
male 836/female 42



Limited licences: 341
male 289/female 52



Certificates of authorization:
6,003. Temporary certificates
of authorization: 18



Provisional licences: 15
male 14/female 1



Engineering interns: 14,731
male 11,574/female 3,151/
other 6



Temporary licences: 66
male 61/female 5

PEO is committed to equitable practices and processes. In accordance with section 14 of the Ontario Human Rights Code, in 2022 we began 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.

2022 ENFORCEMENT FILES

435

Files carried over from
previous year

326

Files opened

322

Files closed

439

Files to carry over at Dec. 31

OVER 2022, PEO PROTECTED AND SERVED THE PUBLIC BY:

LICENSING

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

PROTECTING THE PUBLIC IN 2022

PEO's mandate, as described in the *Professional Engineers Act*, is to ensure the public is protected and individuals and companies providing engineering services uphold a strict code of professional ethics and conduct.

NEW LICENCE AND CERTIFICATE OF AUTHORIZATION HOLDERS IN 2022

4758

New P.Eng. licence holders
Male: 82% Female: 18%

1131

New P.Eng. licence transfers

486

New certificate of authorization
holders

2022 ENFORCEMENT PROSECUTION

1

Matters from previous year

2

Charges or applications filed

0

Matters withdrawn

0

Matters resolved by undertaking

1

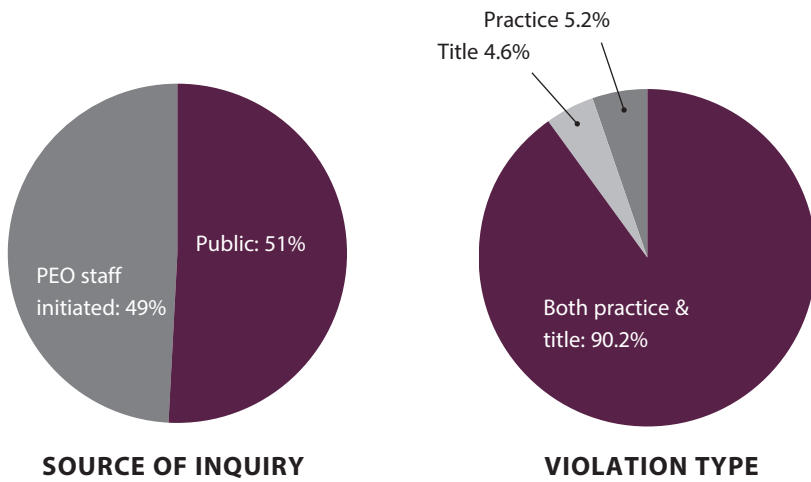
Court prosecution

2

Matters carried over at Dec. 31

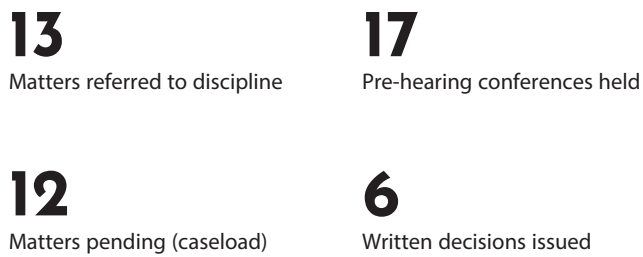


Cambridge man fined \$3,500 for altering
drawings bearing a professional engineer's seal.



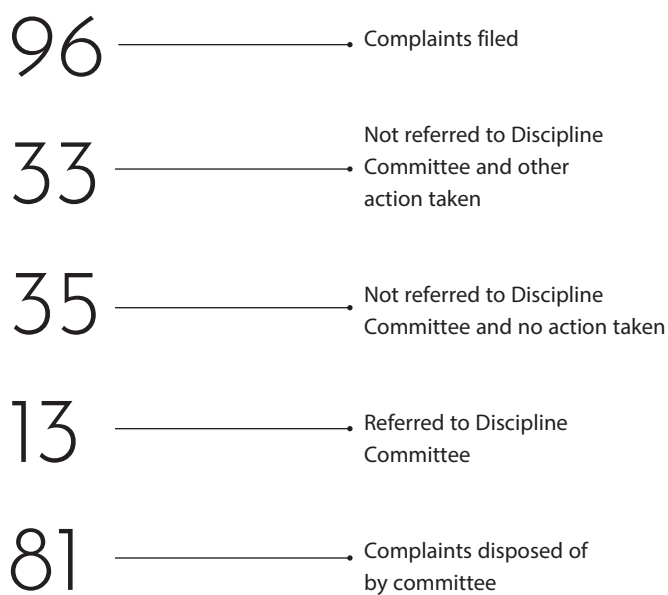
ENFORCEMENT (UNLICENSED PRACTICE)
 Taking action against unlicensed individuals who illegally describe themselves as engineers. Similarly, PEO can prosecute companies or entities who illegally provide engineering services to the public.

2022 DISCIPLINE COMMITTEE STATS



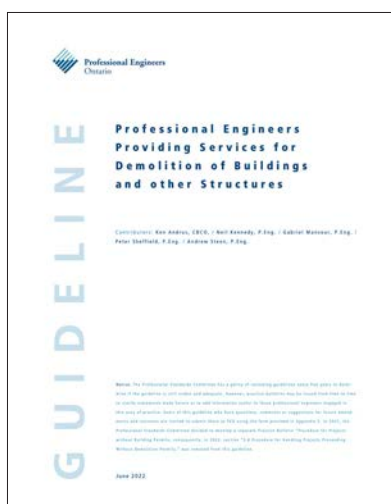
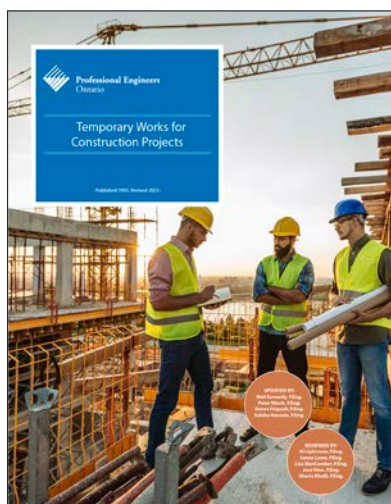
DISCIPLINE
 Disciplining professional engineers found guilty of professional misconduct or incompetence.

2022 COMPLAINTS STATS



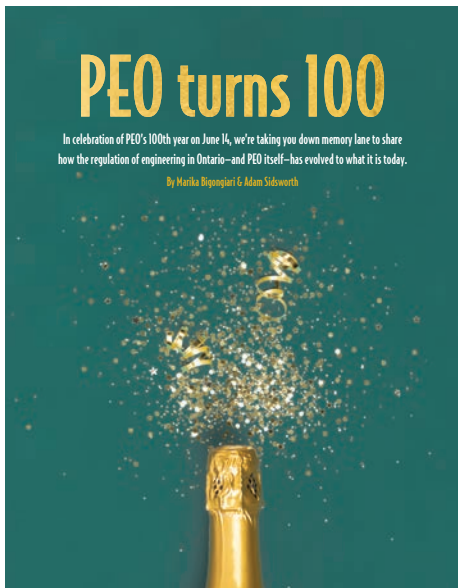
COMPLAINTS
 Investigating all complaints brought to it about unlicensed, unprofessional, inadequate or incompetent engineering services.

Preparing performance guidelines as benchmarks for quality of service in the engineering profession; and preparing performance standards in regulation.



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2022 HIGHLIGHTS



PEO CENTENNIAL

On June 14, 2022, PEO celebrated its centennial—100 years of regulating the practice of engineering in Ontario. To mark its 100th year, Ontario's engineering regulator hosted an in-person dinner on May 13, when 130 guests attended, including past and current Council members, chapter chairs and representatives of other regulatory bodies. Attendees gathered for a networking reception and dinner and to hear speakers, including PEO President Nick Colucci, MBA, P.Eng., FEC, then-CEO/Registrar Johnny Zuccon, P.Eng., FEC, and award-winning journalist Peter Mansbridge.

Guests also enjoyed a preview of PEO's milestone publicity material in advance of the official celebration on June 14, including a special "PEO turns 100" feature in *Engineering Dimensions* and a centennial video, which helped to communicate PEO's direction and vision as it steps into its next century. Centennial celebrations continued throughout 2022 with an Ontario-wide social media campaign, targeting nearly five million people, highlighting PEO's role as a modern, effective regulator; and a media kit for chapters to host their own centennial events, including organizer toolkits, swag, photos, videos and presentations.

GOVERNANCE/COUNCIL UPDATES

Governance Roadmap

At its February meeting, Council approved a motion related to Phase 4 of the Governance Roadmap that saw the continuation of PEO chapters as currently referenced in PEO's regulations and bylaws, but with a view that chapter activities that are not related to governance or regulatory be reviewed.

PEO previously created and applied an activity filter to a wide range of activities and outputs as part of a high-level action plan and following recommendations from its external regulatory review in 2019. The activity filter has been deployed as a governance and management tool to help determine which of PEO's activities and outputs fit under its regulatory or governance responsibilities and which have neither a regulatory nor governance purpose. The application of the activity filter suggested that PEO chapters and their related activities were considered neither regulatory nor governance. That does not, however, mean that these activities cannot continue.

As part of the motion, Council directed the Governance and Nominating Committee to oversee a risk assessment of chapter activities based on their legal, financial or reputational risk, in consultation with chapters, so that volunteer engagement is maintained and more effective organizational control is ensured.

KEY GOVERNANCE MILESTONES

JANUARY/
FEBRUARY

- Council proceeds with act and regulation changes to implement mandatory CPD



- Council approves a motion related to Phase 4 of the Governance Roadmap that will see the continuation of PEO chapters as currently referenced in the regulations and bylaws of the association

APRIL

- Council approves Anti-Racism and Equity Code

- PEO hosts its virtual AGM
- 2022–2023 Council term begins

JUNE

- PEO celebrates 100 years



- Council approves key elements of 2023–2025 Strategic Plan

SEPTEMBER

- Council adopts the data protection policy to reduce risks and ensure PEO conforms with all applicable privacy obligations
- Council approves a bylaw amendment to add a new section to 30.1 to incorporate the governance committees established in 2021
- Council approves a *Guideline on Attendance at Council and Governance Committee Meetings*, created to outline

- the processes and rules for observers of Council and committee meetings
- Council approves a bylaw amendment to section 15 related to meeting transparency and incorporating the existing Council-approved approach to agendas and minutes to apply to all Council and committee meetings

NOVEMBER

- Council approves new academic and competency-based assessments to comply with FARPACTA

- PEO announces appointment of new CEO/registrar

OUR STRATEGIC GOALS

Our goals and accompanying strategic priorities define what success looks like and describe the specific work we will undertake to drive our mandate and mission. Specific strategies and action plans, with targeted completion dates, will flow from these goals and priorities.

Improve PEO's licensing processes without compromising public safety

We will do this by:

- Enhancing the application process so that it is fair, transparent, accessible and efficient and maintains competency and complies with FARPACTA by July 1, 2023;
- Reviewing licensing business processes and incorporating changes to improve efficiency without sacrificing public safety or information security by January 1, 2025; and
- Ensuring all licensing activities reflect the values of equity, diversity and inclusion.

Optimize organizational performance

We will do this by:

- Updating and developing standards and practice guidelines;
- Ensuring adequate IT infrastructure, improving our capacity to collect and manage data; and
- Reviewing and improving communication and business processes, including ensuring they reflect the values of equity, diversity and inclusion.

Implement a continuous governance improvement program

We will do this by:

- Improving orientation for councillors and PEO's executive leadership team;
- Ensuring committees and Council have the necessary evidence to support quality decision-making; and
- Establishing metrics for governance performance, which includes principles of equity, diversity and inclusion by spring 2023 and implementing an annual review.

Refresh PEO's vision to ensure all stakeholders see relevance and value in PEO

We will do this by:

- Facilitating meaningful dialogue with members and other stakeholders;
- Undertaking required research; and
- Developing a proposed vision for consultation.



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2023-2025 Strategic Plan

In June 2022, PEO Council set its future direction by approving a 2023-2025 Strategic Plan.

PEO's new strategic plan goals include:

• Improving PEO's licensing processes without compromising public safety

PEO will enhance the licence application process to ensure it is fair, transparent and efficient; maintains competency; and complies with recent amendments to the *Fair Access to Regulated Professions and Compulsory Trades Act* (FARPACTA) by July 1, 2023.

• Optimizing organizational performance

PEO will update/develop new standards and practice guidelines; ensure it has adequate IT infrastructure and improve data collection and management; and improve communication and business processes.

• Implementing a continuous governance improvement program

PEO will build a continuous governance improvement program by improving councillor orientation; ensuring Council and committees have adequate information to support decision making; and creating governance performance metrics.

• Refreshing PEO's vision to ensure all stakeholders see relevance and value in PEO

PEO will facilitate meaningful dialogue with stakeholders; undertake research; and develop a vision for consultation.

PEO will also ensure all work towards these goals reflect values of equity, diversity and inclusion, in line with the regulator's Anti-Racism and Equity Code.

The new plan builds on PEO's 2020-2022 Strategic Plan that summarized PEO's enterprise-wide transformation project following

recommendations from our external regulatory performance review in 2019 as well as Council's two-year Governance Roadmap.

Johnny Zuccon announces intention to retire

In the spring of 2022, CEO/Registrar Johnny Zuccon, P.Eng., FEC, announced his intention to retire. Zuccon, who spent 27 years at PEO, was named interim registrar in January 2018 and was appointed permanent CEO/registrar a year later.

Zuccon led PEO during its most ambitious change project in its 100-year history. Beginning with a 2019 external regulatory performance review that identified areas where it could be more efficient, transparent and objective, PEO has since embarked on a multi-year, enterprise-wide transformation to achieve its change vision of becoming a modern regulator that delivers on its statutory mandate. When Zuccon announced his retirement, Christian Bellini, P.Eng., FEC, then PEO president, noted, "Johnny leaves PEO in excellent shape to continue these important changes to our regulatory work, including committing to a governance model that provides strategic direction and high-level control...He will be greatly missed, and we wish him well in his retirement."

New CEO/registrar appointed

Following an extensive search for a new CEO/registrar to succeed Zuccon, in November 2022, Council named Jennifer Quaglietta, P.Eng., MBA, ICD.D, as PEO's new CEO/registrar. Quaglietta began her new role in January 2023.

Prior to joining PEO, Quaglietta worked in leadership positions in the public and private sectors, including at the Healthcare Insurance Reciprocal of Canada, North York General Hospital, Ministry of Health and Long-Term Care, among others.

FARPACTA AND IMPROVING LICENSING PROCESSES

Over 2022, PEO continued work to simplify and streamline its licensing system to attain an engineering licence. The pace of change in this area has been accelerated in order to satisfy recent legislative amendments.

This work to improve licensure began in 2019, following recommendations from both the Ontario Fairness Commissioner (OFC) and an external regulatory performance review that identified areas where PEO could be more efficient, transparent and objective in its licensing processes and decisions.

Since this review, and as part of our ongoing transformation journey, PEO has committed to fulfilling the OFC and performance review recommendations through a Council-approved Action Plan, including building a licensing system that is straightforward, timely, objective and meets requirements under the *Professional Engineers Act* and its regulations.

To date, PEO has worked to improve licensing processes by:

- Introducing a fully online P.Eng. application system (in 2022);
- Converting former paper-based licence application files to digital files to enable streamlining and automation of processes and allow multiple PEO staff to access documents simultaneously; and
- Adopting the online multiple-choice National Professional Practice Examination (NPPE).

FARPACTA amendments

The need for PEO to streamline licensing became even more acute following the December 2021 proclamation of the *Working for Workers Act, 2021* which included significant amendments to the *Fair Access to Regulated Professions and Compulsory Trades Act* (FARPACTA). PEO is one of several regulators in Ontario subject to FARPACTA, which is aimed at promoting fairness and transparency in the licensing process particularly, but not exclusively, for those who are internationally educated and/or trained. The FARPACTA amendments compel affected regulators to make the necessary operational and policy changes in 2023. Specifically, these amendments require that PEO:

- Provides clarity on what constitutes a completed application, so that it can be confirmed as complete within 10 days of receipt;
- Meets an overall six-month target for reaching registration decisions for 90 per cent of all completed applications received from internationally trained applicants;
- Meets 30-day targets for processing transfer applications from other Canadian jurisdictions; and
- Eliminates the Canadian experience requirement to ensure appropriate public protection without requiring a portion of the relevant experience to be obtained exclusively in Canada unless it can be demonstrated that an exemption is necessary for the purposes of public health and safety.

Over 2022, PEO staff, with oversight from Council's Regulatory Policy and Legislation Committee (RPLC), developed a FARPACTA-compliant

licensing process to meet these requirements while emulating, as closely as possible, the standards applied in the past. In November, Council made licensure decisions around academic equivalent qualifications and the experience assessment method in support of PEO's compliance with FARPACTA amendments. Specifically, Council decided to recognize that a bachelor's degree in an engineering program that is included in the International Institutions and Degrees Database (IIDD) administered by Engineers Canada, subject to successful completion of a confirmatory examination program, is equivalent to a bachelor's degree in a Canadian engineering program that is accredited to Council's satisfaction.

Council also decided to support the use of a competency-based assessment model, including ethics indicators, to confirm that a licence applicant has sufficient experience to meet the generally accepted standards of practical skill required to engage in the practice of professional engineering.

These Council decisions specifically support a planned shift to "front-end" academic and experience requirements for licensure (meaning prospective applicants must demonstrate the required academic and experience qualifications before applying). The substantive changes approved in November will be applied in the spring of 2023, before July 1, which is when the FARPACTA requirement for six-month processing of most new licence applications will come into effect.

These changes not only allow PEO to comply with FARPACTA amendments, but they also help us meet a key pillar in PEO's 2023–2025 Strategic Plan: improving PEO's licensing processes without compromising public safety.

The screenshot displays the PEO online application portal. At the top, the PEO logo and navigation tabs (Home, Profile, Applications) are visible. A banner indicates a 47-day deadline for application submission. The main content area is titled 'P.Eng. Application Progress' and 'Academic Background'. On the left, a vertical menu lists the application steps. The 'Academic Background' section contains a form with dropdown menus for Country, Institute, Discipline, and Degree Name, as well as text input fields for Level of Education and Graduation Date. A 'Submit Application' button is at the bottom right.

Online P.Eng. application system

On July 11, PEO introduced a new online P.Eng. application system to allow licence applicants to complete and submit their applications through PEO's portal. The online system helps PEO meet one of the recommendations of the 2019 external review that PEO implement a full digital strategy, including for its licensing processes.

Under the online system, applicants create a new account in PEO's portal and have 60 days to fill out and submit their application. Applicants are then required to submit their required documentation—such as government-issued ID and undergraduate degree transcripts—by email. The applicant then receives an automated email prompting them to pay their application fee.

By spring 2023, the online P.Eng. application system is expected to be fully automated, allowing applicants to upload all supporting documentation online prior to submitting their application.

Information Discovery and Digitization Capability Project

The new online P.Eng. application system flows from the earlier Information Discovery and Digitization Capability Project (IDDC), introduced in 2021 to digitize 24,000 active paper-based P.Eng. licence files. The IDDC, which followed best practices of the Canadian General Standards Board, commenced in 2021, and the process of converting files to digital continued throughout 2022. Digitizing the files allows PEO staff to simultaneously access application documents, allowing for parallel evaluations of applicants' academic and experience backgrounds. Digitization of the 24,000 paper-based P.Eng. application files is now substantially complete.

PEAK MANDATORY CPD PROGRAM

Last year, PEO began transitioning its voluntary Practice Evaluation and Knowledge (PEAK) continuing professional development (CPD) program to a mandatory program which all licence holders must comply with starting January 2023. The mandatory program will remain known as PEAK.

Over 2022, PEO began rolling out the transition plan for the mandatory CPD program, including working with an external vendor to create an online program hosted on the PEO portal, where licence holders can access and complete the program.

To ensure PEO has the legal framework to enforce compliance, in April, Council approved Ontario Regulation 353/22 (now section 51.2 of Regulation 941 under the *Professional Engineers Act*), which allows PEO to impose consequences on licence holders for non-compliance with the program, including reversible administrative suspensions in certain circumstances. The regulation passed by Council was formally approved by the Ontario Cabinet on April 19. Under the new regulation, PEO may begin enforcing compliance with CPD commencing in 2024, even though the program is already mandatory in 2023.

Also in April, PEO conducted a licence holder survey on mandatory CPD to promote awareness of the program and create a benchmark on how the program is perceived. Seventy-six per cent of the almost 8800 respondents agreed that a customized approach to assigning CPD hours based on practice risk was more practical than a "one-size-fits-all" program.



For full details on the PEAK mandatory CPD program, please visit peoplepeak.ca

Over 2022, PEO implemented a comprehensive communications campaign to inform licence holders about the coming CPD requirements, including the peoplepeak.ca web page, several *Engineering Dimensions* articles, eblasts, social media posts, an explainer video, a webinar (attended by over 15,000 people) and culminating in a letter mailed to all licence holders in December.

The new mandatory CPD requirements come into effect January 1, 2023, and are based on the voluntary PEAK program that PEO piloted since 2017. They include:

- A practice evaluation to evaluate a licence holder's practice and determine their target CPD hours;
- A professional practice module, to learn about professional practices and regulatory processes; and
- A CPD report to declare the professional development activities a licence holder has completed over the year.

A licence holder with a practice status of "practising" must complete all three PEAK elements: practice evaluation; professional practice module and CPD report.

A licence holder with a practice status of "not practising" and a licence status of "permitted to practice" must also complete all three PEAK elements.

A licence holder with a practice status of "not practising" and a licence status of "not permitted to practice," either by self-declaration or imposed by PEO (due to being placed on fee remission or licence suspension), must complete two PEAK elements: practice evaluation and professional practice module.

STRENGTHENING EQUITY, DIVERSITY AND INCLUSION



30 by 30

Engineers Canada's 30 by 30 initiative seeks to raise the percentage of newly licensed engineers in Canada who are women to 30 per cent by 2030. PEO's 30 by 30 Task Force was formed in 2018 and established metrics in several key areas before it was stood down effective December 31, 2021, as per its terms of reference. Its work was operationalized through a newly created external relations function. Data

gathered reveals the percentage of women applicants applying for PEO licensure decreased slightly from 19.4 in 2018 to 18.6 in 2021, while the percentage of applicants who are women and successfully obtained their PEO licence increased from 17.8 per cent to 20.7 per cent in the same period. Council made a 10-year commitment to track and measure progress toward the 30 by 30 goal.

Gender audit

An ongoing audit is being conducted by experts from the University of Toronto's Rotman School of Management to examine PEO's licensure process for potential gender bias and any barriers that may impede women from getting licensed. It involves reviewing licensing documents, assessing data and interviewing applicants, staff and volunteers involved in the licensing process. After examining more than 100,000 applications for PEO licensure, initial findings indicated that although women are as successful as men in the academic and National Professional Practice Exam components for licensure, women are less likely to complete the experience component portion of the licensure process. The auditors noted that additional interviews will need to be conducted to further understand the differences between genders.

Anti-Racism and Equity Code

On April 8, 2022, Council approved a policy code to help prevent issues of systemic racism and discrimination in all aspects of PEO's work. The new Anti-Racism and Equity (ARE) Code promotes policy development approaches that initially will prioritize the most marginalized communities, including Black, Indigenous and other racialized populations, and provide a high focus on developing strategies to counter any systemic discrimination impacting persons based on gender identity. The ARE Code stems from the work of PEO's Anti-Racism and Anti-Discrimination Exploratory Working Group, which PEO Council established in 2020.

STAKEHOLDER ENGAGEMENT

PEO has committed to enhancing its strategic capabilities through increased engagement to ensure it is doing the utmost to fulfil its regulatory mandate efficiently and effectively.

Through the establishment of an External Relations department within the Policy and Governance Division, a strategic approach to stakeholder relations is being developed where regular, coordinated and meaningful engagement is maintained with government, co-regulatory bodies, licence holders and others to inform PEO policies, practices and strategic initiatives. This engagement will help to ensure PEO delivers well considered and credible regulatory outcomes that align with its mandate to protect the public interest while also maintaining public confidence in its regulatory role. Our strategy is being shaped, in part, by feedback from our stakeholders, with an engagement plan under creation that aims to further our regulatory objectives, particularly those that stem from our 2023-2025 Strategic Plan.

Work thus far has focused on engaging stakeholders affected by our priority issues, specifically the implementation of a mandatory continuous professional development (CPD) requirement for licence holders, as well as our efforts to comply with amendments to the *Fair Access to Regulated Professions and Compulsory Trades Act* (FARPACTA).

Our engagement initiatives are ultimately about building ongoing, two-way communication with our key stakeholders. Our approach is based on a broad, inclusive and continuous process that supports and influences our regulatory policy and governance decision-making processes and ensuing communication to stakeholders. It will continue to evolve as we seek to improve the impact of our work on the regulation of the practice of engineering in Ontario.

ABBREVIATED FINANCIALS

STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS, YEAR ENDED DECEMBER 31, 2022

	2022 \$	2021 \$
Revenue		
P.Eng. revenue	20,283,903	19,825,037
Application, registration, examination and other fees	10,348,205	9,161,653
Building operations (Note 4)	2,413,344	2,477,426
Chapter revenues	134,816	16,747
Advertising income	77,922	101,060
Investment (loss) income	(586,793)	891,416
	32,671,397	32,473,339
Expenses		
Staff salaries and benefits/retiree and future benefits (Note 9)	14,339,852	12,924,820
Building operations (Note 4)	2,088,204	2,285,937
Purchased services	1,620,689	1,455,090
Computers and telephone	1,515,379	1,118,498
Legal (corporate, prosecution and tribunal)	1,369,996	951,635
Engineers Canada	1,013,057	1,005,563
Chapters (Note 13)	817,516	343,301
Contract staff	795,590	773,533
Transaction fees	770,105	728,732
Occupancy costs (Note 4)	769,050	773,577
Amortization	575,519	779,837
Consultants	497,066	489,435
Postage and courier	272,015	214,354
Volunteer expenses	191,178	31,786
Insurance	166,296	148,165
Professional development	79,044	131,785
Staff expenses	63,275	7,470
Recognition, grants and awards	56,653	78,566
Printing	50,218	48,721
Office supplies	47,930	72,508
Advertising	38,390	27,550
	27,137,022	24,390,863
Excess of revenue over expenses before the undernoted	5,534,375	8,082,476
Council discretionary reserve expenses (Note 8)	3,463,329	1,623,341
Excess of revenue over expenses	2,071,046	6,459,135
Remeasurement and other items (Note 6)	(2,353,119)	2,447,724
Net assets, beginning of year	34,487,719	25,580,860
Net assets, end of year	34,205,646	34,487,719

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

ABBREVIATED FINANCIALS

STATEMENT OF FINANCIAL POSITION, AS AT DECEMBER 31, 2022

	2022	2021
	\$	\$
Assets		
Current assets		
Cash	7,585,346	11,319,333
Accounts receivable	1,012,188	700,544
Prepaid expenses and deposits	436,251	464,030
Other assets	101,167	171,319
	<u>9,134,952</u>	<u>12,655,226</u>
Marketable securities	27,117,590	19,885,232
Capital assets (Note 3)	<u>28,423,601</u>	<u>29,689,774</u>
	<u>64,676,143</u>	<u>62,230,232</u>
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities (Note 15)	3,589,143	2,511,125
Fees in advance and deposits	12,169,554	11,730,592
Current portion of long-term debt (Note 5)	1,088,796	1,088,796
	<u>16,847,493</u>	<u>15,330,513</u>
Long-term		
Long-term debt (Note 5)	362,904	1,451,700
Employee future benefits (Note 6)	13,260,100	10,960,300
	<u>30,470,497</u>	<u>27,742,513</u>
Commitments and contingencies (Notes 12 and 16)		
Net assets (Note 7)	<u>34,205,646</u>	<u>34,487,719</u>
	<u>64,676,143</u>	<u>62,230,232</u>

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

Approved by Council.

STATEMENT OF CASH FLOWS, YEAR ENDED DECEMBER 31, 2022

	2022	2021
	\$	\$
Operating activities		
Excess of revenue over expenses	2,071,046	6,459,135
Add (deduct) items not affecting cash		
Amortization	1,410,942	1,810,440
Amortization—other assets	70,152	79,725
Employee future benefits expensed	1,314,300	1,218,100
Change in unrealized (gains) losses on marketable securities	1,453,489	(499,992)
Gains on disposal of marketable securities	(115,400)	(36,281)
	<u>6,204,529</u>	<u>9,031,127</u>
Change in non-cash working capital items (Note 10)	<u>1,233,115</u>	<u>849,052</u>
	<u>7,437,644</u>	<u>9,880,179</u>
Financing activities		
Repayment of mortgage (Note 5)	(1,088,796)	(1,088,796)
Contributions to employee future benefit plans	(1,305,800)	(1,251,876)
	<u>(2,394,596)</u>	<u>(2,340,672)</u>
Investing activities		
Net change in marketable securities	(8,632,266)	(4,279,681)
Additions to capital assets	(144,769)	(160,142)
	<u>(8,777,035)</u>	<u>(4,439,823)</u>
(Decrease) increase in cash	(3,733,987)	3,099,684
Cash, beginning of year	11,319,333	8,219,649
Cash, end of year	<u>7,585,346</u>	<u>11,319,333</u>

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

VOLUNTEERS

In 2022, more than 600 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 sub-committees, 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 restrictions easing over 2022, chapter volunteers organized both in-person and 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 [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.

For a full review of 2022 GLP activities, please see the 2022 GLP Year in Review.



[Click here to meet PEO's 2022 volunteers.](#)

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 2022, six engineer volunteers were inducted into the Order in the Member and Officer categories during a virtual presentation on June 9, 2022.

G. GORDON M. STERLING ENGINEERING INTERN AWARD

The recipient of the 2022 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 2022 virtual ceremony. The recipient is: **Amanda Pinto, 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 2022, was awarded to **Camphi Xiang, P.Eng.** for his engineering report, *Practical Industrial Control Panel Designs and Wiring Techniques to Reduce Electrical Noise*. He received a mark of 97 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 **Jia Ning Zhou, P.Eng.** Jia Ning received the award for successfully completing nine technical exams, with an average mark of 93 per cent for his top three exams.



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