

418TH MEETING, SEPTEMBER 20, 2003

Council finalizes Governance Principles

by Connie Mucklestone

Regulation is necessary, but does not a profession make, governance expert Dr. Donald Thain, author of *Making Boards Work*, told PEO Council at a kick-off address to Council's Annual Workshop, September 18-19.

Taking this advice to heart, Council spent its September 19 workshop revisiting the Governance Principles it had approved in principle at its March meeting, and approved revised—and expanded—Principles at its meeting the next day, subject to a review and re-approval in not more than four months.

Council placed the qualification on approval as a result of the presentation of a Minority Report by GTF member Alberto De-Santis, P.Eng. The presentation emphasized the importance of clearly defining the roles of Council, committees, the President and the Chief Executive Officer/Registrar in the context of three elements: Governance Principles, a policy governance model, and strategic policies. Of particular concern to De-Santis and Minority Report co-author Max Perera, P.Eng., were revisions to the Principles since March that added an accountability of Council to the public (in addition to members) and stated that the Attorney General represents the public.

Discussing the presentation, President-elect George Comrie, P.Eng., said he was less concerned with the wording of the Principles than he was with defining "the role of the member in the governance and operation of PEO," which has a long tradition of member involvement in its work. "Members are concerned," he said, "that this role may be diminished. They want assurance that their views and efforts will not be discounted." Although other Councillors also noted the need for a statement of

the responsibilities of members in PEO's Governance, it was felt that the version of the Principles under discussion could be a "stake in the ground" to enable the governance work to proceed. In the end, the requirement for a review in four months was incorporated into the approval motion as a way to go forward while considering the points raised. Role statements for the President and for the CEO/Registrar were also approved subject to a review and re-approval in not more than four months.

The approved Governance Principles are:

1. The purpose of PEO is defined in the principal and additional objects under the *Professional Engineers Act*, R.S.O. 1990 (the Act).
2. Members have been granted the privi-

lege of self-regulation of the profession in the public interest.

3. The role of PEO is to provide the trusteeship and leadership of the engineering profession through licensing and development of competent and ethical professional engineers for today's and tomorrow's needs.
4. Council is accountable to the public and the members of PEO for both governance and the management of PEO as specified in the Act. The Attorney General represents the public.
5. The volunteer elected by the members as President of PEO is the chair of Council.
6. The Registrar is the chief executive officer of PEO, known as the CEO/Registrar, operating within a prescribed code of conduct, and

"To be? Or not to be?" That's the question for PEO.

Is PEO about the engineering profession? And, if not, where will it be in 10 years? These are among the questions governance expert Donald Thain, Ivey School of Business, University of Western Ontario, asked Council September 18 in a keynote address to set the stage for Council's workshop sessions, focused this year on PEO's ongoing governance review.

A profession provides a defined service vital to the public interest, using a required body of knowledge acquired and demonstrated through academics, practical experience, exams and an admission procedure, Thain said, and is recognized by the public as authorized and qualified to provide particular services and as having a code of ethics and standards of practice. He said a profession must also be policed and have discipline procedures and sanctions to maintain standards and behaviour and a professional organization to govern, organize, promote, regulate and finance its operation. Finally, he said, a profession contributes to the public interest through general leadership, pro bono work and special influence in public affairs, all based on its relevant professional expertise, and is concerned about the supply of and demand for its members.

If PEO is about a profession according to this definition, its regulatory role is important, but cannot be sufficient, Thain argued. "Isn't PEO's purpose really to be the trustee for the profession?" he asked. "Isn't its primary role to inspire qualified individuals to join the profession?"

Council's discussion following Thain's keynote focused on this question of PEO's purpose, goals and mission. "What are we really here to do?" asked President-elect George Comrie, P.Eng. "What constitutes success for us as an organization? How do we know when we get there?"

Noting that PEO isn't the only body speaking on behalf of engineers, Councillor David Sims, P.Eng., suggested that the core role of a self-governing profession is to "assure the public of the competence of its members" by defining competence and defining standards through consultation. "If that isn't the core business of PEO, or we don't acknowledge it, then we might as well fold our tents," he said. "Standards-setting is what we need to address. Competency is our core business." Citing his three P.Eng. children, Sims said he believes the reason they remain PEO members while not practising engineering is that "they see value in the P.Eng. because PEO has standards."

PEO needs to define what advocacy is (and I believe it's self interest) and remove this from its mandate, said Governance Task Force chair Councillor Dave Adams, P.Eng. "All the rest is the running of a great profession."

accountable to Council for:

- ◆ the administration of the Act;
 - ◆ management and operation of PEO;
 - ◆ keeping Council well informed; and
 - ◆ keeping Council informed of policy development.
7. Council is responsible for determining and approving all policies of PEO except subordinate (operational) policies, which are the responsibility of the CEO/Registrar.
 8. Executive Committee has the responsibility to recommend policy-development priorities to Council for approval.
 9. Council structures committees, task forces, chapters and reporting relationships in a way that will best serve PEO to carry out its mandate. Work is delegated to:
 - ◆ Council committees (e.g. Governance, Audit, Nominating, Regional Councillors);
 - ◆ the Executive Committee (e.g. strategic policy); and
 - ◆ the CEO/Registrar for operational committees (e.g. Academic Requirements, Experience Requirements, Discipline, Registration).
 10. Council is responsible to conduct annual performance reviews of itself, the CEO/Registrar, all committees, and task forces, and an annual review of their effectiveness.
 11. Council will provide:
 - ◆ training/education and feedback to volunteers and staff;
 - ◆ an effective orientation for all new members of Council; and
 - ◆ education for members and stakeholders.
 12. Council shall review the Governance Principles no less than every three years.

CCPE fee assessment

With the intention of bringing expressed concerns of PEO members to the attention of the board of the Canadian Council of Professional Engineers (CCPE), Council passed a motion to continue to remit CCPE's assessment fee at the 2003 level until CCPE establishes a system to assure PEO that the assessment is used exclusively for regulatory matters. Because CCPE is the federation of the

Canadian engineering regulators, not all of which have separated their advocacy/member service functions, CCPE assists some of its constituent members (CMs) in providing P.Eng.-focused advocacy/services at a national level.

PEO's motion also asked that CCPE consider setting the total CM assessment at a level that doesn't exceed the total funds spent by CCPE on regulatory activities, with PEO's proportion based on either population or Ontario P.Eng. licences; that CCPE use the CMs' assessment revenue to fund only the programs desired by them all; that CMs be able to remit fees to CCPE according to their billing cycles from funds received during the cycle; that the Ontario Society of Professional Engineers obtain one seat on the CCPE board to represent the non-regulatory interests of Ontario engineers; and that CCPE amend its letters patent and bylaw to accomplish the changes.

The PEO Council motion was consid-

ered by the CCPE board at its meeting on September 27-28. A meeting of the Executive committees of PEO and CCPE has been scheduled for late November.

Chapters to be debated

Council was presented a notice of motion by Councillor Allen Lucas, P.Eng., chair, Regional Councillors Committee (RCC), for debate at its next meeting. The motion proposes that PEO Council officially recognize the chapters as a vehicle to deliver on PEO's strategic objectives and to further PEO's additional objects under section 2(4) of the *Professional Engineers Act*. The motion further asks Council to task the RCC with clearly defining the roles and responsibilities of chapters based on the principles of the Chapter Structure and Revitalization Team (START) reports.

At present, the Act includes no reference to chapters, while Regulation 941 mentions them only in connection with the PEO election process.

PEO special needs fee policy revised

PEO members with special needs may be eligible to continue their membership at a reduced fee. A member who will not be practising engineering for more than three months due to retirement, maternity/parental leave, financial difficulty because of unemployment, or full-time postgraduate study may be eligible for a special needs annual fee of \$40, plus GST.

Members suffering conditions of health or long-term illness that prevent them from practising engineering will not be required to pay a fee during the period of disability. PEO waives the fees of its Past Presidents for life, beginning on the licence renewal date following completion of their term of office.

PEO Council approved the revised special needs fee policy at its September 20 meeting.

Special needs categories eligible for the annual fee of \$40 plus GST are:

- ◆ *Retired member.* PEO member whose age plus years of Canadian professional engineering licensure equals or is greater than 70, and who is retired from the practice of engineering;
- ◆ *Postgraduate student.* PEO member who is in full-time attendance in postgraduate studies at a recognized university, is not currently in full-time or part-time practice, has provided a statement from the university confirming enrolment (which must be received within three months of the date the member's renewal fee became due), and has also provided a personal letter confirming that the member will receive no income from the practice of professional engineering during the term for which fees are due. (The certificates and letters will cover a maximum of 12 months from the date the fees for the period covered were due. New certificates are required for each licence renewal period. Registration or application fees are not eligible for remission.);
- ◆ *Maternity/parental leave.* PEO member on maternity or parental leave from professional practice who provides a written declaration with the annual renewal invoice. (The fee reduction will be effective on the due date of the member's next annual renewal fee after beginning the leave.); and
- ◆ *Financial difficulty due to unemployment.* PEO member actively seeking employment who is experiencing financial hardship and submits payment of the special needs fee with his/her annual renewal with written reasons for the request.

Previously, PEO's special needs fees were inconsistent among the categories eligible for the reduced fees. Also, those requesting the retired and postgraduate reductions were required to have retired from all gainful employment and to be enrolled only in engineering postgraduate studies, respectively.

– Gayle Aitken