



# Becoming a Modern Safety Regulator

Business Plan FY2021

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## Purpose, Vision and Values

**TSSA's Purpose:** to enhance safety where  
Ontarians live, work and play.

**TSSA's Vision:** a valued authority for a safer Ontario.

### **TSSA's Corporate Values:**

#### **Safety**

Be safety conscious at all times.

#### **Leadership**

Be the best in actions and words.

#### **Integrity**

Be honest and ethical.

#### **Respect**

Build trust and earn respect.

#### **Accountability**

Be responsible for all actions and deliver  
on commitments.

#### **Communication**

Share information responsibly and effectively.

#### **Collaboration**

Work together across the whole organization and  
with our external partners.





## Message from the CEO

We are on an important journey at TSSA as we forge ahead on our five-year strategy to transform into a modern regulator. This year's Business Plan for Fiscal Year 2021 outlines the steps we are taking to build on the progress we have made over the past three years.

We are moving to become an outcome-based regulator where all our decisions and actions will be

data-informed and enabled by systems that ensure we can have a greater impact on improving safety by reducing risks and harm while lessening unnecessary burden on the organizations and professionals we regulate. Our people will remain the driving force of our transformation as they develop better data processes and IT tools to support their work.

This fiscal year will be unlike any that we'd ever imagined. As we plan out the rest of our journey, the path we choose will be influenced by the impacts the COVID-19 outbreak is having on TSSA and those around us.

As we adjust our work practices to help manage the spread - we and many of our customers will be challenged in numerous ways. The business closures and financial impacts of COVID-19 that affect our customers will also impact TSSA's revenue, much of which comes from demand driven inspections, engineering reviews and examinations. TSSA has planned substantial cost reduction measures to offset our declining revenues this year. These decisions, which include a temporary reduction in staffing levels, have been difficult to make; however, they allow TSSA to continue to deliver on our high safety standards; remain financially sound; and make progress on the key strategic initiatives required for us to become an outcome-based regulator.

Employees at TSSA are working closely with our clients to manage our customary safety responsibilities alongside COVID-19 health and safety protocols. We are all learning through this extraordinary time and, while challenging, we are also discovering some new and better ways of operating. We will continue to foster a culture of learning, leadership and collaboration as it's a key ingredient to delivering safety outcomes for Ontarians.

With the help of key partners, stakeholders and advisory councils and the dedicated efforts of TSSA employees, we are ready to move to the delivery phase of our major foundational projects. We will also continue to address the recommendations of Auditor General of Ontario that have helped guide our safety programs.

Stakeholder input has helped shape our revised business model that we will move to implement this year in order to allow TSSA to focus our resources on the most effective opportunities for improved safety outcomes.

Essential to TSSA's modernization is the capacity to advance our processes and technologies through better access to timely, reliable data. Improvements to our risk model and the launch of the first release of our new data and IT infrastructure system for Boilers and Pressure Vessels will be major achievements and will underpin our effort to reduce the number of high risk devices in Ontario.

As an outcome-based regulator, we will continue to work with regulated customers, and build on our shared successes in 2019 and 2020 to enable compliance, support safe behaviour and reduce overall risk.

To learn more about this year's safety priorities, I invite you to read this plan and stay connected with TSSA throughout the year by viewing and signing up for the latest news on our website. In this unprecedented year of COVID-19, we look forward to finding new ways to collaborate and work together in a world where safety seems even more paramount than ever.

Sincerely,

A handwritten signature in dark ink that reads "B. Rose". The signature is fluid and cursive.

Bonnie Rose  
President and CEO

# Executive Summary

The 2018-2022 Strategic Plan sets out a high-level framework for TSSA to become a modern regulator by identifying new approaches to address safety risks and acknowledging the evolution required to move from traditional tools to using broader means to achieve compliance in order to increase the safety of Ontarians.

The need for greater collaboration with partners and regulated customers remains a cornerstone of this Business Plan as does the need to make decisions and evaluate our impact with better access to more reliable data.

This Fiscal Year 2021 (FY2021), represents the fourth year of implementation of the Strategic Plan and this Business Plan describes the initiatives, resources and principles that will be used to deliver on the five-year strategy. Multi-year initiatives that started as high level concepts at the outset of the new strategy have turned into defined projects that have been informed by stakeholder feedback and are moving from the design stage to implementation.

The impacts of COVID-19 on TSSA and the rest of the province have forced us to adjust our business such that the initiatives planned for the coming year are concentrated on moving the strategic objectives forward at a measured pace. This focus will support the long-term success of Ontario's safety culture and continue to move TSSA to become an outcome-based regulator.

The recommendations from the Auditor General of Ontario in her 2018 value-for-money audit have steered TSSA's actions over the last year and provide clear and effective guidance for our strategy and the improvements and programs we are putting forward for this fiscal year.

Concurrent with this, TSSA will continue its investment in transforming its organizational culture and strengthening leadership across the organization in order to achieve its strategic vision.

To be successful, particularly while facing COVID-19 challenges, TSSA is focused on meeting objectives that will have the largest impact in advancing our vision to be a valued authority for a safer Ontario. Meeting our objectives will see TSSA implement a new business model; launch the first release of a new IT system; improve its risk models; and develop compliance standards in some programs.

**This Business Plan remains anchored by TSSA's five strategic themes:**

**Modern  
Regulatory  
Framework**

**Service  
Excellence**

**Safety  
Awareness  
& Active  
Compliance**

**Engaged  
People &  
Effective  
Teams**

**Solid  
Operational  
Foundation**

# Corporate Overview

As Ontario's technical safety regulator, every day the Technical Standards and Safety Authority (TSSA) enhances public safety where people live, work and play.

Established as a not-for-profit, self-funded organization in 1997, TSSA is delegated by the Government of Ontario to promote and enforce safety in the following sectors:

- amusement devices, elevating devices, and ski lifts;
- boilers, pressure vessels, and the operating engineers who manage them;
- and fuels such as propane, natural gas and fuel oil.

*Headquartered in Toronto, TSSA employs more than 400 employees who work across the province to provide a range of safety services including: public education, examination, certification, licensing, engineering design review, data analytics, risk evaluation, standards development, inspections, investigations, safety management consultation, compliance support and enforcement and prosecution activities.*

*TSSA also provides limited non-regulatory services through contracts to organizations in Ontario, predominantly in the nuclear sector.*

TSSA oversees the workers, sites and devices regulated under the *Technical Standards and Safety Act, 2000* (the Act) and is accountable for administering its public safety mandate to the Ontario government, the residents of Ontario, and the industries it regulates. By monitoring incidents and harm to identify areas of risk and leveraging the expertise of its employees, experts and stakeholders, TSSA designs and delivers its safety programs and services to reduce the likelihood of injury to Ontarians.



## Governance

TSSA is governed by a 13-member Board of Directors that is responsible for stewardship, including oversight of the organization, and taking a leadership role in the development of the organization's strategic direction. The Board is composed of seven elected and six members appointed by the Minister of Government and Consumer Services who are recruited with the use of a skills matrix to ensure the Board possesses the required diversity of experience and expertise.

The Board and management monitor emerging best practices and act to adopt those that best serve to advance the organization's vision through strong governance and oversight.

Through the Annual Report, TSSA is committed to transparency and accountability by reporting on progress and results achieved through initiatives undertaken by the organization.

## Commitment to Stakeholders

TSSA's responsibility to our stakeholders is characterized by a high degree of accountability and transparency, which is expressed through the following statements:

**To all stakeholders:** The conduct of TSSA and our employees will always be honest, professional, and ethical.

**To businesses (and others in the regulated community):** TSSA will work to ensure our mandate is delivered while at the same time endeavouring to reduce the regulatory burden on businesses where possible.

**To the public:** TSSA will proactively work with diligence and competence to protect the public interest by maintaining and enhancing safety. TSSA will lead the way in working to prevent avoidable incidents. TSSA will educate members of the public so they are able to take personal responsibility for their safety.

**To the government:** TSSA will perform our delegated responsibilities for public safety with diligence, observing the principle of ensuring a fair, safe and informed marketplace that supports a competitive economy. TSSA will recommend amendments to delegated legislation and regulations that will enhance public safety, and advise the Ministry of Government and Consumer Services (MGCS) promptly of any matters that may require action or attention. In addition to regular and frequent discussions with government, TSSA will review our performance with MGCS on a quarterly basis with complete and quality data and information to ensure that the Ministry's needs are fully met or exceeded.

**To our customers:** TSSA will provide timely and value-added safety services at a fair price. TSSA will provide an objective and expert application of our delegated authority that promotes continuous improvement. TSSA will consult with our stakeholders and work in partnership to improve safety. Feedback on how TSSA is meeting our commitments and responsibilities is actively solicited and helps us to determine priorities.

TSSA's Strategic Plan, Business Plan, Annual Report, and annual Public Safety Report can be accessed through TSSA's website and offer stakeholders clear and comprehensive reporting on the state of safety and TSSA's operations.

## Advisory Councils

TSSA has nine advisory councils with members who dedicate their time and expertise to improving safety in every corner of the province while providing input and insight on how to advance Ontario's economy and society, safely.

Eight industry advisory councils, established for each of TSSA's regulated sectors, work closely in the spirit of continuous improvement, primarily to identify and reduce risk, and to comment on emerging trends across North America as well as new policies and changes proposed by TSSA.

Industry advisory councils and TSSA are also supported by technical committees, called risk reduction groups, and field advisory committees, as well as ad hoc working groups which propose and review technical improvements for their sectors.

TSSA also benefits from a Consumers Advisory Council that provides independent, consumer-focused advice and guidance related to the impact of our activities on the public and consumers who are purchasers or users of products and/or devices regulated by TSSA. More information regarding the advisory councils, including terms of reference, composition, and minutes of meetings, can be accessed through TSSA's website at [www.tssa.org](http://www.tssa.org).

## French Language Services

Consistent with our French Language Services Policy, TSSA responds to all requests for French services as they arise during the year. TSSA monitors requests for services in French to determine the appropriate level of service to meet public safety and customer service needs.

## Complaint Handling

The provision of service excellence is one of TSSA's strategic goals -- the organization strives to achieve fairness and satisfaction as a valued regulator. A complaint may be an expression of dissatisfaction with respect to services it provides, actions of our staff, or the complaint process itself. Although TSSA seeks to address complaints at the level they are raised, should the matter require further attention, the complaint is escalated to more senior personnel, up to and including statutory directors appointed under the delegated safety legislation or the President and Chief Executive Officer.

TSSA also has a third-party Whistle Blower Service where potential TSSA wrong doings can be reported by anyone, investigated and tracked. The Whistle Blower Service also accepts reports and complaints about TSSA's regulated parties.

TSSA's Ombudsman is an independent and confidential resource employed by TSSA who supplements TSSA's other formal communications channels. Concerns are raised and discussed, and suggestions for improvements are brought forward to the Ombudsman. More information can be accessed through TSSA's Ombudsman website at [ombudsman.tssa.org](http://ombudsman.tssa.org).

The Ombudsman's Annual Report documents both the Ombudsman's and Whistle Blower activities.

## TSSA's Role in Safety and Areas of Responsibility

TSSA recognizes that there are many safety risk factors, such as user behaviour (including instances in which people unintentionally and often unknowingly put themselves at risk) which can be influenced but not always fully controlled, making traditional enforcement activities unlikely to be effective on their own.

TSSA will help regulated customers, safety partners, and the public to identify and manage risks through increased awareness and understanding. This includes acting as a catalyst for action on issues through a variety of safety-related services that form TSSA's safety value chain. In identifying our activities, TSSA has included those that enable both elements of our purpose -- safety awareness and active compliance. In addition, certain activities within the safety value chain are more preventative in nature, and TSSA is committed to increasing these efforts.

TSSA's safety value chain activities, includes TSSA's ability to:

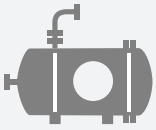
- **Influence codes and regulations:** leverage TSSA staff expertise to support government in developing regulations and participate in standards development and adoption of codes and issuance of Directors' Orders.



- **Inform, educate and modify behaviour:** inform and educate the public and industry participants regarding better safety practices and issues, new codes, regulations and requirements, and seek to influence safe behaviours.
- **License, register and certify:** partner with training institutions to properly train tradespeople, and effectively examine and certify tradespeople. Authorize plants and equipment, devices, sites, and contractors to ensure proper tracking and oversight can be maintained.
- **Review designs:** review the design of new technology, new installations, alterations and modifications to existing equipment and plants for compliance to codes and regulations.
- **Inspect and monitor:** inspect and audit tradespeople, contractors, plants, equipment and sites for compliance with set standards under the codes and regulations, and monitor developing safety-related trends or issues.
- **Enforce:** take appropriate actions to deter unsafe and non-compliant behaviour to lessen the potential for harm.
- **Investigate:** investigate safety incidents or near-misses to determine the root cause to inform corrective actions, for future learning and risk identification.

TSSA is committed to our goal of becoming an outcome-based regulator. As such, TSSA is actively working to improve collaboration with partners and regulated customers, enhancing decision-making through the use of reliable and timely data, ensuring innovative practices and technologies are used throughout the organization, and improving transparency and information provided to all stakeholders.

## Boilers and Pressure Vessels and Operating Engineers Safety Program



### Boilers and Pressure Vessels

TSSA is responsible for regulating all pressure-retaining components manufactured or used in Ontario, in accordance with the Act and applicable regulation, with a commitment to ensuring the safety of boilers, pressure vessels, and piping systems. TSSA also provides our services in this area to support the safety of Ontario's nuclear power plants.



### Operating Engineers

Under the Act and applicable regulation, TSSA examines and certifies Operating Engineers and operators. TSSA also authorizes operating plants and, under the Alternate Rules for Operating Engineers, will be assessing customized safety plans for registered plants if approved by the Minister.

## Elevating, Ski and Amusement Devices Safety Program



TSSA is responsible for the oversight of elevating devices, ski lifts and amusement rides in Ontario under the Act and applicable regulation.



These devices include elevators, escalators, moving walks, lifts for persons with physical disabilities, construction hoists, and ski lifts (passenger ropeways), roller coasters,

Ferris wheels, merry-go-rounds, inflatables, bungee-devices, zip lines, waterslides, go-karts, and other spinning or whirling rides.



Elevating device mechanics, including ski lift mechanics, must be certified to install and maintain elevating devices.

Ride mechanics must also be certified and are responsible for the safe

and proper set-up, maintenance, and operation of all rides.

## Fuels Safety Program



TSSA provides fuel-related safety services, in accordance with the Act and applicable regulations, associated with the safe transportation, storage, handling, and use of fuels, such as gasoline, diesel, propane, natural gas, digester and

landfill gas, and hydrogen. TSSA delivers programs and services that regulate the safe use of fuels for private, industrial, and commercial uses in Ontario.

TSSA also regulates fuel suppliers, storage facilities, transport trucks, pipelines, contractors and their certified employees, and equipment or appliances that use fuels.

Additionally, TSSA works to protect the public, the environment, and property from fuel-related hazards such as spills, fires, explosions and the release of carbon monoxide.



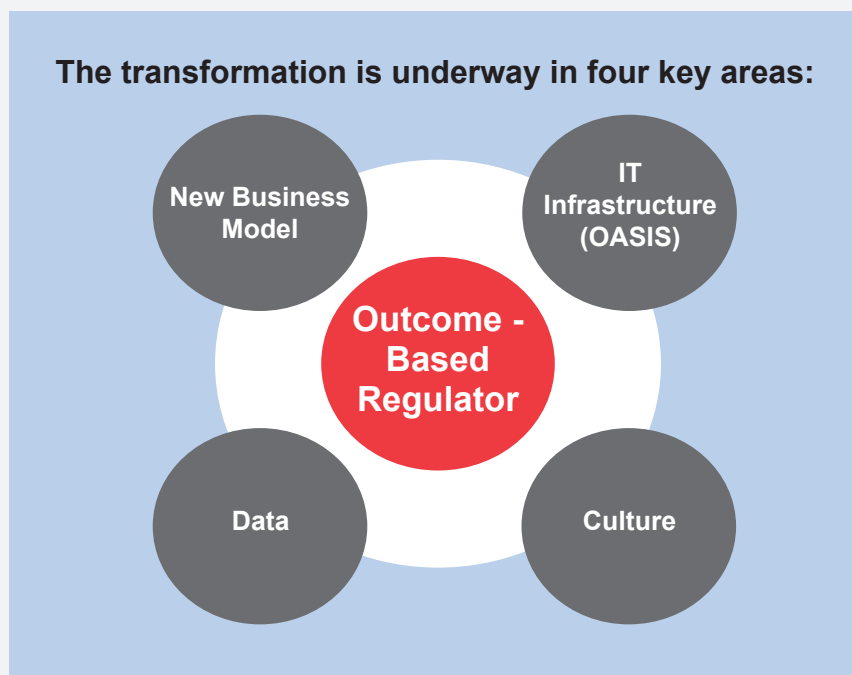
# Modernized Regulatory Framework as an Outcome-Based Regulator

TSSA's Board of Directors, management and employees are committed to becoming an Outcome-Based Regulator, where we will base our decisions and actions on risk and evidence, to advance safety and reduce harm in Ontario.

The transformation to a modern regulatory framework that emphasizes results and risk-based decision-making will improve safety outcomes and reduce burden in the sector. New approaches will see TSSA deliver enhanced value for money programs and a significant reduction in the number of high and medium risk devices. In the past year TSSA has demonstrated its commitment to becoming a modern regulator through numerous changes including its new Compliance Support Program and Heating

Contractor Audit Program as well as by developing Alternate Rules for Operating Engineers. TSSA's primary focus will always be public safety. Although we have the authority to order changes to, and shut down, unsafe operations when necessary, we will strive to work cooperatively with industry partners and other stakeholders, including the general public, to proactively promote and improve safety in the sectors we regulate.

**The transformation is underway in four key areas:**



# The Strategic Plan

To be successful, TSSA's strategy focuses on priorities that will have the largest impact in becoming a valued regulator for a safer Ontario. To this end, the Strategic Plan encompasses five themes:

## Strategic Goals:

<b>Modern Regulatory Framework</b>	TSSA will continue to work collaboratively with the Government of Ontario and regulated customers to ensure a modern regulatory environment by becoming an outcome-based regulator that benefits all stakeholders.
<b>Service Excellence</b>	Working with staff and key stakeholders, TSSA will focus on ensuring customer interactions are consistently effective, efficient, and supportive.
<b>Safety Awareness &amp; Active Compliance</b>	TSSA will continue to promote actions that improve both the public and regulated customers' awareness of risks and empower them to adopt safe behaviours.

## Foundational Enablers:

<b>Engaged People &amp; Effective Teams</b>	TSSA will empower teams and promote an open and trusting environment for staff to adopt best practices and drive meaningful change at all levels of the organization.
<b>Solid Operational Foundation</b>	TSSA will continue to improve our operating efficiency and transparency to achieve our goals and to benefit our employees, customers and other stakeholders.



# Fiscal Year 2021

## Business Plan Objectives

### Modernized Regulatory Framework

We finalized our plans during FY20 that move us forward on our transformation to become an outcome-based regulator. Reliance on our current fee-for-service revenue stream based on inspections is limiting our ability to deploy our efforts to other safety services that will have a better impact. The current fees are also unpredictable, and invoices can be confusing and burdensome. Last year we sought stakeholder feedback on three options for a new business model and chose a hybrid approach that scales fees appropriately, incorporates the advice we received and simplifies the billing and payment process for customers. Fees under the new model have been shared with stakeholders in all program areas for feedback.

Our priorities for the coming fiscal year :

- Implementation of a new revenue-neutral business model for TSSA that will:
  - Be standard and predictable
  - Be reasonable and fair
  - Encourage compliance
  - Efficient due to fewer invoices and, therefore, lower administrative costs and industry burden
  - Reduce disputes
  - Achieve cost recovery by program
- Implement a pipeline safety audit program which was a specific recommendation made by the Auditor General of Ontario.

### Service Excellence

When it comes to improving service for our customers, the implementation of all our strategic initiatives outlined in this plan will have the greatest benefit for our regulated customers. The benefits began to reach regulated customers directly in

certain programs last year with the rollout of the Compliance Support Program and the new Fuels Heating Contractor Audit program. In addition to the anticipated customer-facing outcomes in our other objectives, TSSA will take action to ensure our IT systems are safe and reliable and won't pose a business disruption risk to us or those we serve.

Our priorities for the coming fiscal year :

- Complete phase two of the revised cybersecurity plan which includes initiatives such as incident detection and response and automated user registration and deregistration.

### Safety Awareness, Active Compliance

This year we will continue reviewing how we oversee programs to build a stronger connection between risk levels and our own activities as well as setting clearer guidance and expectations with regulated customers about where and how they should focus their safety efforts.

Our priorities for the coming fiscal year :

- Develop compliance standards in two or three regulated sectors that will identify high risk issues and direct regulated parties to the areas of greatest risk and aid inspector consistency
  - Compliance standards include risk-assessed deadlines.
  - Inspector checklists will be created as a companion to compliance standards.

## Engaged People & Effective Teams

Our people are our most valuable resource, and they are essential in our pursuit to become an outcome-based regulator delivering safety for all Ontarians. The health and safety of each employee is of paramount importance in creating a safer Ontario for all. To this end, TSSA has robust procedures and programs to promote and report safety measures for our employees.

In order to maintain and elevate our leadership, accountability, collaboration and technical skills for the future, we will continue providing advanced training and education opportunities for employees. We are also actively working together on our corporate culture to put us on the path to become more progressive, responsive and prepared to facilitate TSSA's transformative agenda.

Our priorities for the coming fiscal year:

- A performance management system that aligns employees' annual goals to TSSA's strategic plan and initiatives

## Solid Operational Foundation

As part of our commitment to ongoing improvement through efficient and innovative operating models, we have continued to strengthen and rebuild operational and financial systems, and enhance data reliability

and accessibility. The capacity to advance our processes and technologies through better access to timely, reliable data and increased transparency to government, industry and the public are essential to TSSA's modernization. Last year, TSSA embarked on a re-plan of its IT and data infrastructure project, now called OASIS, which stands for Operations Analytics Safety Innovation System. Innovation. System. This multi-year project is a modernization of TSSA's IT and data management systems. The program will be rolled out in four releases, with the first release planned for this year. When live the system will include:

- A portal interface for Boilers and Pressure Vessel customers
- Intake, billing and customer service functions
- Procurement, invoicing and a new payment structure
- A new system for Boilers and Pressure Vessels operations and a new financial system
- A risk-based scheduling solution and workforce planning module to make it easier for clients to book inspections

Our priorities for the coming fiscal year:

- Data cleansing for Boilers and Pressure Vessels to support OASIS
- Launch OASIS Release One - Boilers and Pressure Vessels

## Auditor General of Ontario Recommendations

In December 2018, the Auditor General of Ontario issued its annual report, including 19 recommendations to strengthen TSSA, 17 of which fall to TSSA to implement. The recommendations aligned with the strategic plan and validated the direction the organization is headed. Since the release of the report, TSSA has completed many of the specific recommendations with new processes and programs such as an audit program of Boilers and Pressure Vessels insurers, a new Fuel Oil Distributor Program and improved reporting of safety program data. The remaining recommendations are well underway and will continue to progress through the initiatives outlined in this Business Plan. TSSA posts regular updates on its website that report on its progress in meeting the Auditor General of Ontario's recommendations.

# Assessment of Corporate Resources

To deliver broadly on our mandate and specifically on our business plan, it is essential that TSSA act to ensure long-term sustainability of the organization and maintain our capacity to administer our mandate.

TSSA will have sufficient and appropriate human, financial, and information technology resources to deliver on this Business Plan as outlined below. In developing the Business Plan and assessing the needs to successfully deliver on these fundamental initiatives, TSSA has considered our resource requirements, the results of which are summarized in the following subsections.

## Human Resources

TSSA's people are our most valuable resource to achieve our pursuit to be a valued outcome-based regulator delivering safety for Ontarians. Our people are professionals who are passionate about public safety; highly skilled problem-solvers; collaborators who are invested in their communities; and committed to life-long learning. TSSA employees take pride in knowing that their work makes a difference in the lives of people across the province and we link their dedication to our strategic priorities. We prioritize the safety of TSSA employees and support them with training programs and safe work procedures. We align employees' goals for the year to the strategic priorities and we hold ourselves accountable to these goals and TSSA's values of safety, leadership, integrity, respect, accountability, communication and collaboration.

At the beginning of FY21, we felt the initial impacts of COVID-19 restrictions with decreased business projections. We took the difficult decision to temporarily reduce our workforce. For impacted employees, we continued to provide benefits to supply some continued care for them and their family members. We value and need the experience and expertise of all our team members and will recall them during our second quarter.

TSSA leadership plays a key role in creating and maintaining an energized and positive work environment to engage employees in delivering on our commitments. TSSA has continued to make a number of leadership changes. These individuals bring experience that will help TSSA in fulfilling our strategic plan. In addition to the three new vice presidents hired in the last two years, this past year TSSA brought on a new: Vice President, Communications and Stakeholder Relations; Director of Policy; Director of Operations Projects; Director of Operations and Shared Services; and a Director of Strategic Analytics. In FY21, TSSA is focused on our people leaders practicing behaviours that will lead the entire organization through major transformational change over the coming years.

We are on the right path having listened to and engaged our team and stakeholders.

## Information Technology

TSSA has stabilized its current information systems with software upgrades, hosting improvements and support capacity increase. In FY20, TSSA IT also focused on data standardization and cleansing initiatives, such as the fuels standard orders mobile app, launched in October of 2019. In addition, TSSA launched electronic invoicing in FY20, and will be introducing electronic payments in FY21.

In parallel, TSSA continues to move forward on developing its new IT system, called OASIS, throughout FY21. OASIS, which stands for Operations Analytics Safety Innovation System, is a multi-year project to modernize TSSA's IT systems, infrastructure and data management. It will improve most core functions at TSSA including: intake, billing, customer service support, procurement and invoicing and will provide a new system and a portal for customers.

Cybersecurity continues to be a priority for TSSA IT as well. Investments in cybersecurity and disaster recovery exercises will continue through FY21, protecting TSSA data about its customers and the public from breaches that could disrupt our safety activities.

TSSA's IT team is also supporting TSSA's move to a modern regulator by enhancing data analytics capabilities in order to improve predictive risk assessment of regulated devices. This will improve the effectiveness of TSSA's frequency and variety of compliance actions, such as inspections or compliance support.

## Financial Resources

The FY 2021 budget represents management's commitment to stakeholders to develop and implement a practical financial plan aligned with the vision and strategic priorities of TSSA. The emphasis is on delivering efficient, customer focused processes that support TSSA's regulated mandate while funding investment to ensure a solid business foundation and modernize for the future. In FY2020 the Board of Directors approved a three-year fee increase for fiscal years 2020 to 2022. The FY2020 increase took effect August 1, 2019 and the FY2021 increase was effective May 1, 2020. The fee changes will allow for a more equitable reflection of the true cost of public safety services, and are being used to implement the Auditor General of Ontario's recommendations and launch initiatives that will improve safety and lead to burden reduction. The FY2021 budget also reflects the anticipated impact of the COVID-19 outbreak, which is expected to depress revenue for several months. In response to this, management has taken several actions to manage expenses and cash, to mitigate risk.

Total budgeted revenue is \$66.4 million and is anticipated to decline by 9% over the prior year, largely due to an expected \$9.4 million revenue loss related to COVID-19, in addition to a \$1.0 million impact due to the wind-down of the Upholstered and Stuffed Articles program. Partial offsets are projected resulting from the fee increase across all three programs effective May 1, 2020, increases in boilers and pressure vessels Certificates of Inspection Licences and increases in piping inspections.

Total budgeted expenses of \$75.5 million are anticipated to grow by 3% over the prior year and includes internal resource costs to support the volume of planned activities to deliver TSSA's safety mandate and investments to achieve the strategic and business plan objectives. Core business expense growth, excluding the OASIS program, is expected to be 2%, consistent with supporting the core mandate and the business initiatives in the five-year strategic plan. Taking into account the Auditor General of Ontario's recommendations, TSSA strives to become an outcome-based regulator. Investment to support the implementation of a new, evidence-based regulatory model that more effectively regulates industry and reduces unnecessary regulatory burden is required. TSSA continues to focus on planned initiatives including the new Business Model, phase one of the transition to become an outcome-based regulator, implementation of the Pipeline Safety Audit Program, and phase two of the Cybersecurity Plan. Cost controls remain in place to ensure focused spend. Several temporary labour actions were taken at the end of FY2020 including temporary layoffs, temporary wage reductions for all supervisor and management roles, the release of term employees, rate reductions for contract employees, a delay in merit increases for all employees and a temporary hiring freeze on all vacancies. These temporary actions will be reviewed on a monthly basis and will be reversed when management has confidence in the volume of work available, in addition to stable cash flow at a level adequate to support the organization. Staffing changes continue to require stringent business case justification, inflationary increases are to be absorbed with cost saving initiatives and offsets identified for one-time or cyclical expenditures. TSSA will continue to invest in workforce training, development and safety, the stability and performance of core IT infrastructure, and new programs such as the proposed Operating Engineers Alternate Rules.



TSSA's capital budget for FY2021 is projected at \$2.4 million. Spend is driven by a combination of the OASIS program and other IT projects. While there will be continued capital spending to upgrade and maintain IT infrastructure to ensure effectiveness, security, performance and reliability, investment in existing systems is limited, with the focus on the OASIS program.

The balance sheet is expected to remain solid and liquidity will continue to be strong based on available working capital and ongoing cash management. TSSA's liquidity ratios are strong, with cash available to support operations and capital investments. TSSA's investment portfolio of high-grade, low-risk investments remains consistent with the corporation's policy and is also closely monitored by a third-party investment manager.

TSSA continues to monitor its reserves and total reserves which were 36% at the end of FY2020. The unrestricted reserve balance at the end of FY2020 of 17% is adequate to support FY2021 planned

net deficit, investment in the OASIS program and all initiatives to deliver the strategic plan, including safety education initiatives. The total reserve level at the end of FY2021 is expected to be 22%, supported by a restricted reserve level of 18%. The reserve policy targets a restricted reserve level of 25% of budgeted operating expenses. It is expected that reserves will recover through the approved fee increase to support the business in achieving its long-term vision and goals and ensure adequate capital for unforeseen economic events.

TSSA is confident that the established operating and capital budgets will enable the successful execution of TSSA's regulatory mandate and overall business plan. In FY2021, TSSA will continue to focus on its transformation into an outcome-based regulator, with the ability to clearly demonstrate improved safety outcomes for Ontarians. TSSA is committed to be a trusted partner and educator, to assist the regulated community in achieving compliance and safety outcomes, while reducing unnecessary burden on the industry and fostering economic growth.

# Statement of Income and Expenses

Technical Standards and Safety Authority  
**STATEMENT OF INCOME AND EXPENSES**  
 Year ended April 30, 2020 with Fiscal 2021 Budget

	Fiscal 2020 Actual \$'000	Fiscal 2021 Budget \$'000	Changes	
			\$	%
<b>Regulatory Business:</b>				
Boilers and Pressure Vessels/Operating Engineers Revenue	17,503	15,665	(1,839)	(11%)
Elevating Devices and Amusement Devices Revenue	25,544	22,893	(2,652)	(10%)
Fuels Revenue	22,098	20,279	(1,820)	(8%)
Upholstered and Stuffed Article Revenue	1,020	0	(1,020)	(100%)
Total Revenue	66,166	58,836	(7,330)	(11%)
Expenses	68,503	70,555	2,053	3%
<b>Net Margin</b>	<b>(2,336)</b>	<b>(11,720)</b>	<b>(9,383)</b>	<b>402%</b>
	(3.5%)	(19.9%)		
<b>Non-Regulatory Business:</b>				
Revenue	7,038	7,591	553	8%
Expenses	5,011	4,933	(78)	(2%)
<b>Net Margin</b>	<b>2,027</b>	<b>2,658</b>	<b>631</b>	<b>31%</b>
	29%	35%		
<b>Total TSSA:</b>				
Revenue	73,204	66,426	(6,778)	(9%)
Expenses	73,513	75,488	1,975	3%
<b>Net Margin</b>	<b>(309)</b>	<b>(9,062)</b>	<b>(8,752)</b>	<b>2,829%</b>
	(0.4%)	(13.6%)		

Technical Standards and Safety Authority  
**CAPITAL EXPENDITURE**  
 Year ended April 30, 2020 with Fiscal 2021 Budget

	Fiscal 2020 Actual \$'000	Fiscal 2021 Budget \$'000	Changes	
			\$	%
Capital Expenditure	1,358	2,384	1,026	76%

# Fiscal Year 2021 Targets

TSSA sets annual goals and performance targets through an internal scorecard and now has new Key Performance Indicators approved by the Minister of Government and Consumer Services. Key goals for TSSA in the year ahead are listed below.

TSSA reports on the risk of injury or fatality and other safety data in its annual Public Safety Report, available on TSSA's website at [www.tssa.org](http://www.tssa.org).

Objective	Measure	Fiscal Year 2021 Target
Active Regulatory Compliance	% High Risk Inventory (based on a five-year rolling average)	0.5 percentage point decrease
Reduce Health Impacts	Number of Permanent Injuries and Fatalities / million people (based on a five-year rolling average)	5% decrease over 5 years
Efficiency of Safety Service Delivery	Cost / Regulated Entity*	% increase no more than rate of inflation
Customer Service	# of External Services Digitized	1 new service
	% Customer Service Standard Attainment	95%
Safety Services	Auditor General of Ontario recommendations implemented	67%
Employee Health and Safety	Lost time incident frequency rate	0.5**

\* total revenue / # of authorizations

\*\* number of incidents x 200,000 / total employee hours worked



**Technical Standards and Safety Authority**

345 Carlingview Drive  
Toronto, Ontario M9W 6N9  
Tel: 416-734-3300  
Fax: 416-231-1626  
Toll Free: 1-877-682-8772 (TSSA)  
Email: [customerservices@tssa.org](mailto:customerservices@tssa.org)

[www.tssa.org](http://www.tssa.org)