



College of Massage Therapists of Ontario
Meeting of the Council

Agenda

Date/Time: August 23, 2022, 5:30 PM – 7:00 PM

Location: Videoconference – MS Teams

Item No.	Item	Item Lead	Approx Time
1.	Call to Order	Westfall-Connor	5
2.	Declaration of Conflicts of Interest		
3.	Approval of the Agenda of August 23, 2022		
4.	Quarterly Reporting 2022 – Q2 Financial Report	Ralph-Edwards	10
5.	Items for Decision Fees By-law Consultation Feedback and Recommendation	Boon	75
6.	New Business	All	
7.	Adjournment	Westfall-Connor	



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BRIEFING NOTE TO COUNCIL

Date: August 23, 2022

From: Colin Ralph-Edwards, Controller

Re: 2022-Q2 Year-to-Date Financial Report

Background:

Each Quarter, Executive Committee and Council are provided with updates, noting trends, financial activity and challenges. The unaudited 2022-Q2 Year to Date (YTD) financial statements presented include:

Appendix A: Statement of Operations

A summary of revenues and expenses for Q2 YTD actuals vs. budget. Overall, the College is forecasting a deficit of \$791K for 2022. Year-to-date variances greater than \$50,000 and 10% are explained in the attached.

Appendix B: Statement of Financial Position

The financial position as at 2022-Q2 (Unaudited) compared to 2021-Q2 (Unaudited) Statement of Financial Position. Variances greater than \$50,000 and 10% are explained in the attached.

Recommendation:

The Executive Committee has reviewed and assessed the unaudited 2022-Q2 Statement of Operations and Statement of Financial Position. The Executive Committee recommends that Council approve these statements.

Draft Motion:

THAT Council approve the unaudited 2022-Q2 YTD Statement of Operations and Statement of Financial Position.

**Appendix A: Statement of Operations (Unaudited)
2022 - Q2 Year to Date (YTD) Actuals and Full Year (FY) Forecast**

	A		B		C	D=B-C	E=D/B	
	2022 FY Budget	2022 YTD Forecast	2022 YTD Budget	2022 YTD Actual	Variance (\$) Increase/ (Decrease)	Variance % + Fav, - Unfav*	Notes**	
Revenues								
Registration fees	\$ 11,960,900	\$ 11,911,743	\$ 5,958,780	\$ 5,932,193	\$ (26,587)	0%		NM
Examination fees	\$ -	\$ -	\$ -	\$ -	\$ -			NM
Investment income	\$ 153,986	\$ 187,522	\$ 76,993	\$ 97,592	\$ 20,600	27%		NM
	\$ 12,114,886	\$ 12,099,265	\$ 6,035,773	\$ 6,029,786	\$ (5,987)	0%		
Expenses								
Council and committees	\$ 335,000	\$ 286,311	\$ 167,500	\$ 112,651	\$ 54,849	33%	▼	(1)
Complaints and discipline	\$ 2,603,000	\$ 3,346,180	\$ 1,301,500	\$ 1,829,796	\$ (528,296)	-41%	▼	(2)
Examinations	\$ -	\$ -	\$ -	\$ -	\$ -			NM
Quality assurance	\$ 638,701	\$ 531,636	\$ 319,350	\$ 186,527	\$ 132,824	42%	▼	(3)
Communications	\$ 143,500	\$ 143,500	\$ 71,750	\$ 35,989	\$ 35,761	50%		NM
Salaries and benefits	\$ 5,940,302	\$ 5,537,176	\$ 2,961,879	\$ 2,763,825	\$ 198,054	7%	▼	(4)
Consulting fees	\$ 288,140	\$ 195,212	\$ 144,070	\$ 41,445	\$ 102,625	71%	▼	(5)
Professional fees	\$ 165,000	\$ 169,918	\$ 105,000	\$ 79,148	\$ 25,852	25%		NM
Rent and operating costs	\$ 618,431	\$ 611,128	\$ 309,215	\$ 305,564	\$ 3,651	1%		NM
Office and general	\$ 1,536,414	\$ 1,534,686	\$ 625,362	\$ 404,885	\$ 220,478	35%	▼	(6)
Contributions to national initiatives	\$ 350,000	\$ 346,480	\$ 175,000	\$ 200,274	\$ (25,274)	-14%		NM
Contribution to massage therapy research	\$ -	\$ -	\$ -	\$ -	\$ -			NM
Amortization - capital assets	\$ 230,000	\$ 188,246	\$ 115,000	\$ 73,246	\$ 41,754	36%		NM
Amortization - intangible assets		\$ -	\$ -	\$ -	\$ -			NM
	\$ 12,848,488	\$ 12,890,473	\$ 6,295,627	\$ 6,033,350	\$ 262,277	4%		
Surplus/(Deficit)	\$ (733,602)	\$ (791,208)	\$ (259,854)	\$ (3,564)	\$ 256,290	-99%		

*A variance should be indicated appropriately as "favorable" or "unfavorable." A favorable variance is one where revenue comes in higher than budgeted, or when expenses are lower than predicted. The result could be greater income than originally forecast. Conversely, an unfavorable variance occurs when revenue falls short of the budgeted amount or expenses are higher than predicted.

**NM= not material

Appendix A: Statement of Operations
Notes: Variances to Budget

Note	Financial Statement Line Item	Variance \$ Increase/ (Decrease)	Variance % + Fav, - Unfav	Explanation
(1)	Council and committees	\$54,849	33%	Favourable variance due to savings on council and committee expense reimbursements as a result of virtual meetings in the first half of 2022. Budget assumed the majority of 2022 meetings would be virtual, an in person meeting is scheduled in second half of the 2022.
(2)	Complaints and Discipline (C&D)	(\$528,296)	-41%	Unfavorable variance due to increased external investigations and increased investigation fees. External investigations are anticipated to decrease in Q3 and Q4. However, forecasted year end costs are significantly higher than budgeted. Work is underway to mitigate costs.
(3)	Quality assurance	\$132,824	42%	Favourable variance primarily due to timing differences in peer assessor fees and training. Forecast marginal cost saving over the initial budget.
(4)	Salaries and Benefits	\$198,054	7%	Net savings due to hiring delays and staff departures.
(5)	Consulting Fees	\$102,625	71%	Net savings attributed to impact of revised Workplan timelines, projects are expected to complete by year end.
(6)	Office and General	\$220,478	35%	Favourable variance primarily due (\$177k) to timing of project invoicing to be realized during the remaining quarters.

Note (2) Unfavorable variance: While total new matters and investigations have remained relatively steady, costs have increased for the following reasons:

- the number of matters being investigated externally has increased, due to staffing interruptions in 2021 and work related to the historical case file review.
- investigation costs have increased due to inflation
- increased forensic investigations.

External investigations are anticipated to stabilize in Q3 and Q4. However, forecasted year end costs are currently significantly higher than budgeted. Work is underway to mitigate costs by reducing the use of external investigators, conducting in-depth external investigations only on high-risk matters that are likely to proceed to discipline, and reducing the use of forensic analysis and site visits.

Statement of Financial Position
As at June 30, 2022 (with June 30, 2021 comparative)

	Jun 30, 2022	Jun 30, 2021	Variance \$	Variance %	Notes**
ASSETS					
Current assets					
Cash	\$ 5,908,809	\$ 6,043,903	\$ (135,094)	-2%	NM
Investments***	\$ 8,174,577	\$ 7,935,427	\$ 239,150	3%	NM
Prepaid expense	\$ 435,952	\$ 279,107	\$ 156,846	56%	[1]
Total current assets	\$ 14,519,338	\$ 14,258,436	\$ 260,902	2%	
Non current assets					
Capital assets	\$ 542,083	\$ 605,307	\$ (63,224)	-10%	NM
Intangible assets	\$ 3,790	\$ 19,260	\$ (15,470)	-80%	NM
Total non current assets	\$ 545,873	\$ 624,567	\$ (78,694)	-13%	
TOTAL ASSETS	\$ 15,065,211	\$ 14,883,003	\$ 182,208	1%	
LIABILITIES					
Current liabilities					
Accounts payable and accrued liabilities	\$ 3,331,576	\$ 2,786,094	\$ (545,482)	-20%	[2]
Deferred registration and exam fees	\$ 5,704,870	\$ 5,783,458	\$ 78,588	1%	[3]
Total current liabilities	\$ 9,036,446	\$ 8,569,552	\$ 466,894	5%	
Deferred lease inducements	\$ 63,627	\$ 80,371	\$ 16,744	21%	NM
TOTAL LIABILITIES	\$ 9,100,073	\$ 8,649,923	\$ 450,150	5%	
NET ASSETS					
Invested in capital and intangible assets	\$ 872,501	\$ 687,998	\$ 184,503	27%	(4)
Internally restricted for complaints and discipline	\$ 1,500,000	\$ 1,500,000	\$ -	0%	NM
Internally restricted for national initiatives	\$ 336,480	\$ 330,000	\$ 6,479	2%	NM
Internally restricted for massage therapy research	\$ -	\$ 250,000	\$ (250,000)	-100%	NM
Unrestricted	\$ 3,256,158	\$ 3,465,082	\$ (208,924)	-6%	[5]
	\$ 5,965,138	\$ 6,233,081	\$ (267,942)	-4%	
TOTAL LIABILITIES AND NET ASSETS	\$ 15,065,211	\$ 14,883,003	\$ 182,208	1%	

**NM = not material

***Includes long-term investments with maturities > Jun 30, 2021. All investments are liquid and can be sold at any time.

Appendix B: Statement of Financial Position
Notes: Variances vs. Prior Year

Note	Financial Statement Line Item	Variance \$	Variance %	Explanation
[1]	Prepaid expense	\$156,846	56%	Increase in Prepaid due to the timing of software license and second CMTCA dues added in Q2, the majority of large prepaids are calendar year based and will be expensed.
[2]	Accounts payable and accrued liabilities	(\$545,482)	-20%	Increase due to timing of invoices received versus work completed as of June 30, 2022. C&D expenses higher in at Q2 2022.
(3)	Invested in capital and intangible assets	\$184,503	27%	Increase equivalent to YTD change in capital and intangible assets. Technology refresh completed
[4]	Unrestricted	(\$208,924)	-6%	Deficit reflects increased C&D, project invoicing, lower than expected salary costs and department costs. All positive variances are expected to reverse as 2022 operations continue.



BRIEFING NOTE TO COUNCIL

Date: August 23, 2022

From: K Westfall-Connor, Chair, Executive Committee

Re: Fees By-Law Consultation Feedback and Recommendation

Issue:

Council is asked to consider Executive Committee's recommendation, and feedback from the consultation on By-law No. 7: *Fees for Registration, Examinations and Other Activities of the College*. In developing its recommendation, Executive considered the following options:

1. Do not proceed with the proposed by-law;
2. Revise the proposed by-law; or
3. Approve the proposed by-law.

Executive Committee recommends option 3, approving the proposed By-Law as circulated.

Background:

Financial oversight is a key fiduciary duty¹ of Council. This duty is set out in CMTO's by-law, governance manual, and finance policies and reinforced by reporting obligations in the College Performance Measurement Framework (CPMF).

At its May meeting, Council approved revisions to [By-law No. 7](#). This by-law sets fees for registration, examination and other activities of the College and requires Council to annually review the fees. The rationale for revisions to the fees was provided in the [Council briefing note](#).

The [proposed by-law](#) included the following:

- Increasing the General Certificate fee by \$100 in 2023 (from \$797 to \$897).
- Increasing the Inactive Certificate fee to 50% of the General Certificate fee (from \$200 to \$448.50 in 2023).

¹ Undivided loyalty to and diligence re CMTO's public protection mandate.

- Increasing the application fee from \$100 to \$225. In addition to raising this fee in 2023, the proposed change will allow Council to raise the application fee equal to the annual rate of inflation, rounded to the nearest dollar, moving forward.
- Increasing the General Certificate fee by **no more than** \$75 in subsequent years.

For the 2022 registration year, the annual fees for registration were:

- General Certificate: \$797
- Inactive Certificate: \$200

As of December 31, 2021, there were 14,069 registrants with a General Certificate and 1,254 with an Inactive Certificate for a total of 15,323 registrants.

There has not been a significant fee increase since 2019.

Year	Fee Increase	% Change	General Fee
2016	\$1.00	0.2%	\$579.00
2017	10.00	1.7%	589.00
2018	9.00	1.5%	598.00
2019	187.00	31.0%	785.00
2020	0.00	0.0%	785.00
2021	0.00	0.0%	785.00
2022	12.00	1.5%	797.00

Consultation Feedback:

Registrants and stakeholders were notified of the proposed fee increase on May 19, 2022 via a [dedicated consultation webpage](#), which included a feedback survey, FAQs and documents to support the rationale for the increase. The consultation ran for 60 days and closed on July 19.

CMTO received 2,374 responses to the feedback survey. Of the 2,374 respondents, 2,179 respondents identified as RMTs (14.2% of all registrants in Ontario). The vast majority of respondents did not support the increases primarily because they felt they were unaffordable. The full consultation report is included as Appendix A.

In addition to the survey feedback, the Registered Massage Therapists' Association of Ontario [submitted a letter](#) to CMTO detailing its position on the proposed fee increase. CMTO [provided a response](#) on June 10, 2022.

Feedback Themes:

1. Staffing: The CMTO has too many staff and they are overpaid.

Response:

- The legislated requirements of regulating the profession require resourcing: staff, council members, assessors, external investigators and legal expertise.
- CMTO staffing levels are comparable to, or lower than other regulators, particularly in light of our high volumes of sexual abuse investigations and hearings. CMTO has a 1:309 staff to registrant ratio. The average is 1:273 (a higher number can be interpreted as more efficient).
<https://www.oct.ca/members/college-fees/ontario-regulatory-body-fees>
- Staff salaries are reviewed externally on a regular basis to ensure they are aligned with market rates.

2. Office Space: CMTO should move or get rid of the office to save money.

Response:

- While rent is not a key driver of costs, CMTO is working to reduce office space. Given the transition to remote first operations that has already occurred, significantly less space is and will be required.
- However, CMTO's current lease does not end until 2026. Efforts are underway to sublease portions of the space, but it is not anticipated that this will happen in the near future.

3. Burden on RMTs: The proposed fee increases are too high, and unaffordable for registrants already impacted by COVID practice interruptions.

Response:

- The financial burden on RMTs is an important consideration given it is clear that some members of the profession have not recovered from the practice disruptions of COVID.
- However, the costs of regulating the profession, which remain high, are independent of the individual circumstances of RMTs.

4. Value of Regulation: CMTO does not provide value to the profession; the whole profession should not have to pay for those who commit sexual abuse.

Response:

- CMTO regulates the profession in the public interest. Its mandate does not include providing benefits to registrants. The value of regulation is in being a regulated health provider.
- Professional regulation is a collective commitment to ethical behaviour and clinical competence. Processes ensure that everyone accused of professional misconduct or sexual abuse has an opportunity to defend themselves.

- Significant efforts are made to recoup costs from those registrants who are found guilty at discipline.

Financial Considerations:

In May, Council was advised of 3 significant pressures on CMTO finances. These pressures remain. The status of each pressure is set out below.

1. **Deficit:** Originally projected at \$730,000 for 2022. Based on Q2 financial results², currently projected at **\$791,000** as a result of investigation costs.
2. **Inflation:** 5% estimate used for planning. The June 30, 2022 consumer inflation rate is estimated at 8.1%. Vendors, including our external investigations provider, have already added inflation to their fees.
3. **Growth:** The Multi-Year Plan assumed the addition of 3 positions per year @ \$100,000 each for each of 2023, 2024, 2025. This is likely an underestimation of the number of positions required, particularly given the objective of reducing external investigations costs over the next 3 years. Staff increases will be required in order to meet regulatory requirements.

Complaints, investigations and hearings volumes continue to be high. In addition, managing the recent issue of alleged cheating on the entry to practice exam has required a significant reprioritization of other projects, will have associated costs related to investigation, legal advice and exam revision and will have an impact on the timelines of other regulatory matters, particularly in conduct and registration.

In addition to the proposed fee increases, CMTO continues to implement 3 key cost reduction strategies. Those strategies and their current status are set out below.

1. Reduction in external investigation expenses
 - This proposal was to reduce the cost of external investigations by 40% (from \$1.2 million to \$718,000) by 2025 by conducting more investigations in-house.
 - Status: This reduction was not expected to be realized until 2023. Multiple strategies, as set out in the Q2 financial report, are being implemented now and will take some

² Projections based on two quarters are not as reliable or specific as those in Q3, due to the way that costs tend to distribute through the year.

time to show results. In addition, cost reductions are dependent on the ability to maintain and grow the existing pool of investigative specialists.

2. Reduction in IT development costs

- This proposal was to reduce IT development starting in 2023 by 50% (\$161,000).
- Status: Current IT projects are on track to be completed in 2022. Information about future development will be provided as part of the 2023 budget. Note that this cost saving is dependent on whether projects resulting from the strategic plan require IT support.

3. Reduction in space costs

- This proposal was to sublet the 9th floor, with a potential savings of \$100,000/year starting in 2024.
- Status: The space has been shown to other organizations, and CMTO is open to subletting both the 9th and part of the 8th floor. However, this proposal is contingent on our ability to sublet the space, which depends on the current market.

OPTIONS

1. Do not proceed with the proposed by-law
2. Revise the proposed by-law
3. Approve the proposed by-law

OPTION 1: DO NOT PROCEED WITH THE PROPOSED BY-LAW

- The existing by-law would remain in place.
- The general certificate fee of \$797 would remain tied to inflation, and there would be no increase to either the application fee or the inactive fee.
- This would result in an 8% (\$63.75) increase to the general certificate fee for 2023.

Pros

- Would be responsive to the feedback and demonstrate flexibility.

Cons

- This option is not supported by the financial analysis.
- \$63.75 is significantly less than the proposed \$100 fee increase in 2023.
- Increases to revenue related to the application fee and inactive fee will not be realized. (Estimated at \$103,875 and \$280,000 respectively, for a total of \$383,875 lost potential revenue.)
- CMTO will not be able to achieve the 3–6-month reserve requirement.
- This option is risky because it ties future financial planning to inflation, which has ranged from 2-8% over the past 2 years.
- If inflation returns to lower levels, operational costs will not be covered and significant fee increases will need to be considered every year.

Impact of Option 1: Do not proceed with the by-law

	2021	2022	2023	2024	2025
Estimated CMTCA fees	(22.00)	(22.00)	(22.44)	(22.89)	(23.35)
Restricted Nat. Initiatives	(336,480)	(343,047)	(356,906)	(371,143)	(385,834)
Restricted for MTRF	250,000				
Opening Unrestricted Income	3,365,668	3,589,241	2,512,594	2,235,688	2,538,345
	(164,965)	(733,601)	80,000	673,800	1,163,000
Closing Unrestricted	3,589,241	2,512,594	2,235,688	2,538,345	3,315,510
Operating Expenses	11,814,912	12,848,487	13,154,627	13,775,655	14,622,212
Monthly Average Expense	984,576	1,070,707	1,096,219	1,147,971	1,218,518
Number of Months Unrestricted Reserve	3.65	2.35	2.04	2.21	2.72

Option 1: Impact Summary

This option eliminates the deficit in 2023 by a very small margin, and it does not meet our requirement of 3-6 months of reserve by 2025.

	2022	2023	2024	2025
Net Income	(733,601)	80,000	673,800	1,163,000
#Months Unrestricted Reserve	2.35	2.04	2.21	2.72

OPTION 2: REVISE THE PROPOSED BY-LAW

- It is possible to revise the by-law to maintain the increases in fees for 2023, but change future increases from **'up to \$75'** to 'inflation'.

Pros

- Would be responsive to registrant feedback and demonstrate flexibility.
- Maintaining the 2023 fee increases still helps with deficit reduction.
- If inflation remains at 8%, increases would be almost the same as the proposed option of up to \$75.

Cons

- The financial situation has not improved, so revisions are not justified based on the current financial status. The existing pressures – deficit, inflation and growth – have become more compelling reasons for an increase.
- This option is risky, because it ties future increases to inflation, which has ranged from 2-8% in the past 2 years.

Impact of Option 2: Revise the by-law

	2021	2022	2023	2024	2025
Estimated CMTCA fees	(22.00)	(22.00)	(22.44)	(22.89)	(23.35)
Restricted Nat. Initiatives	(336,480)	(343,047)	(356,906)	(371,143)	(385,834)
Restricted for MTRF	250,000				
Opening Unrestricted Income	3,365,668	3,589,241	2,512,594	3,139,988	4,401,245
	(164,965)	(733,601)	984,300	1,632,400	2,172,900
Closing Unrestricted	3,589,241	2,512,594	3,139,988	4,401,245	6,188,310
Operating Expenses	11,814,912	12,848,487	13,182,596	13,805,302	14,653,447
Monthly Average Expense	984,576	1,070,707	1,098,550	1,150,442	1,221,121
Number of Months Unrestricted Reserve	3.65	2.35	2.86	3.83	5.07

Option 2: Impact Summary

This option eliminates the deficit in 2023, and, depending on inflation, may meet our requirement of 3-6 months of reserve by 2025.

	2022	2023	2024	2025
Net Income	(733,601)	984,300	1,632,400	2,172,900
#Months Unrestricted Reserve	2.35	2.86	3.83	5.07

This option is very similar to the proposed by-law, but the estimates above are *considerably less predictable and more risky* because they are tied to inflation.

OPTION 3: APPROVE THE PROPOSED BY-LAW

Pros

- Consistent with the financial situation, and supported by the Multi-Year Plan projections previously provided
- Sets in place steady, modest fee increases over time
- Allows for the potential for lower than \$75 increase in subsequent years, depending on CMTO’s financial situation

Cons

- May not be sufficient to cover costs in a high inflation environment

Impact of Option 3: Approve the proposed by-law

	2021	2022	2023	2024	2025
Estimated CMTCA fees	(22.00)	(22.00)	(22.44)	(22.89)	(23.35)
Restricted Nat. Initiatives	(336,480)	(343,047)	(356,906)	(371,143)	(385,834)
Restricted for MTRF	250,000				
Opening Unrestricted Income	3,365,668	3,589,241	2,512,594	3,139,988	4,448,045
	(164,965)	(733,601)	984,300	1,679,200	2,183,700
Closing Unrestricted	3,589,241	2,512,594	3,139,988	4,448,045	6,245,910
Operating Expenses	11,814,912	12,848,487	13,182,596	13,806,750	14,653,781
Monthly Average Expense	984,576	1,070,707	1,098,550	1,150,563	1,221,148
Number of Months Unrestricted Reserve	3.65	2.35	2.86	3.87	5.11

Option 3: Impact Summary

This option eliminates the deficit in 2023 with a larger margin and meets our requirement of 3-6 months reserve by 2024.

	2022	2023	2024	2025
Net Income	(733,601)	984,300	1,679,200	2,183,700
#Months Unrestricted Reserve	2.35	2.86	3.87	5.11

CONSIDERATIONS

- CMTO’s expenses have exceeded revenue for several years, resulting in a deficit that was further exacerbated by several years without any fee increase.
- Council’s fiduciary duty is to the organization in furtherance of its legislative obligations to protect the public. The requirement to circulate (provide notice of) changes to fee by-laws is primarily intended to ensure the profession is aware of both the proposed increases and the rationale.
- Feedback from the profession is important to consider, but does not change the financial analysis, which the proposed fee by-law is based on.

EXECUTIVE COMMITTEE RECOMMENDATION

- After careful consideration of feedback from the profession, the current and projected financial analysis and the financial impact on income and number of months of unrestricted reserve, the Executive Committee is recommending that Council approve the proposed by-law.

MOTIONS:

1. THAT the following amendment to Section 7 of By-Law No. 7 “Fees” be approved:

The fee for an application for the issuance of a certificate of registration of any class is ~~\$100~~**\$225** in 2023 and in subsequent years, this amount will be subject to an increase of not more than the annual inflation rate rounded to the nearest dollar.

2. THAT the following proposed amendment to Section 8 (A) of By-Law No. 7 “Fees” be approved:

The initial fee to issue a general certificate of registration shall be:

(A) ~~\$785~~**\$897** for 2019~~23~~ and in subsequent years, Council shall annually review the fees and where Council deems it appropriate, in any one or more years, this amount may be subject to an increase of not more than ~~the annual inflation rate rounded to the nearest dollar~~ **\$75** each year; or

3. THAT the following proposed amendment to Section 9 of By-Law No. 7 “Fees” be approved:

The initial fee to issue an inactive certificate to a registrant and the annual fee for an inactive certificate of registration shall be 50% of the fee for a general certificate of registration. ~~\$200 for 2019 and in subsequent years, Council shall annually review the fees and where Council deems it appropriate, in any one or more years, this amount may be subject to an increase of not more than the annual inflation rate rounded to the nearest dollar.~~

Appendix 5.1: Consultation report

Appendix 5.2: Revised By-law No. 7

Consultation Report- Proposed Changes to By-Law No.7

From May 19 – July 19, 2022, CMTO circulated proposed changes to By-Law No.7, which sets CMTO fees. If approved, the following changes would be implemented:

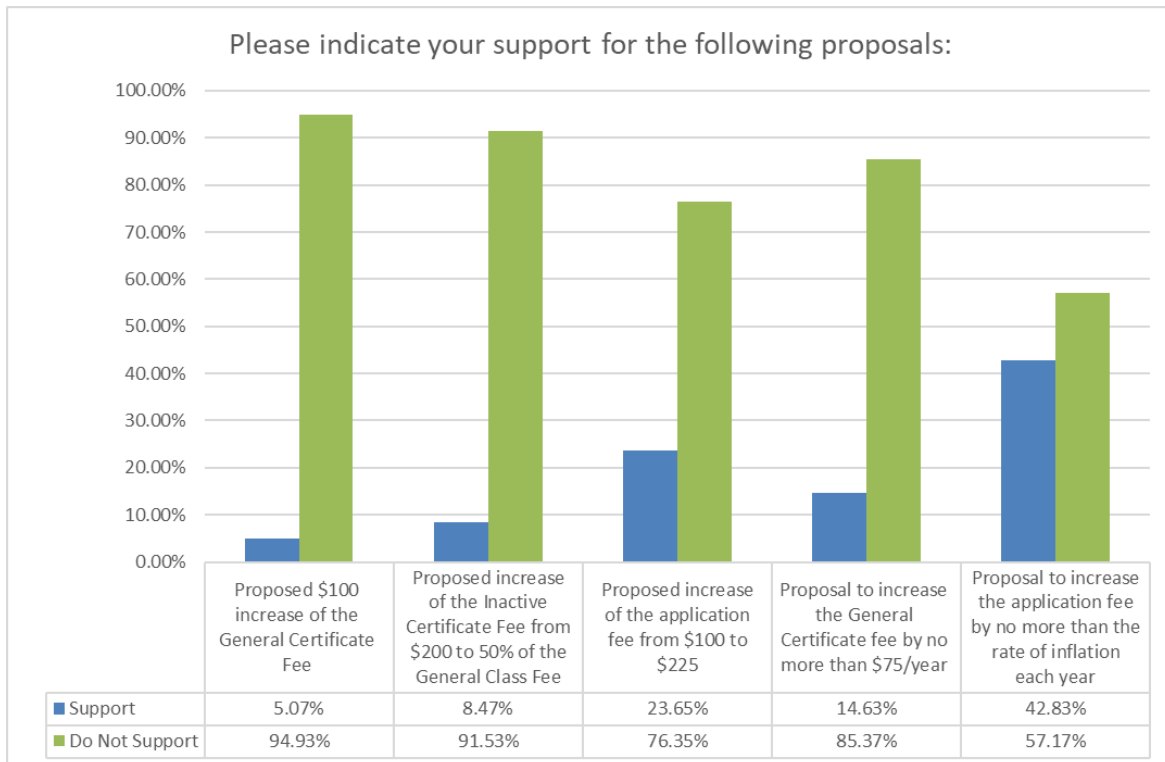
- General Certificate fee increase by \$100 (from \$797 to \$897 for 2023).
- Increases to the General Certificate fee of **no more than** \$75 in future years.
- Inactive Certificate fee increase to 50% of the General Certificate fee (from \$200 to \$448.50 for 2023).
- Application fee increase from \$100 to \$225 for 2023, plus an annual increase equal to the rate of inflation, rounded to the nearest dollar.

Consultation process

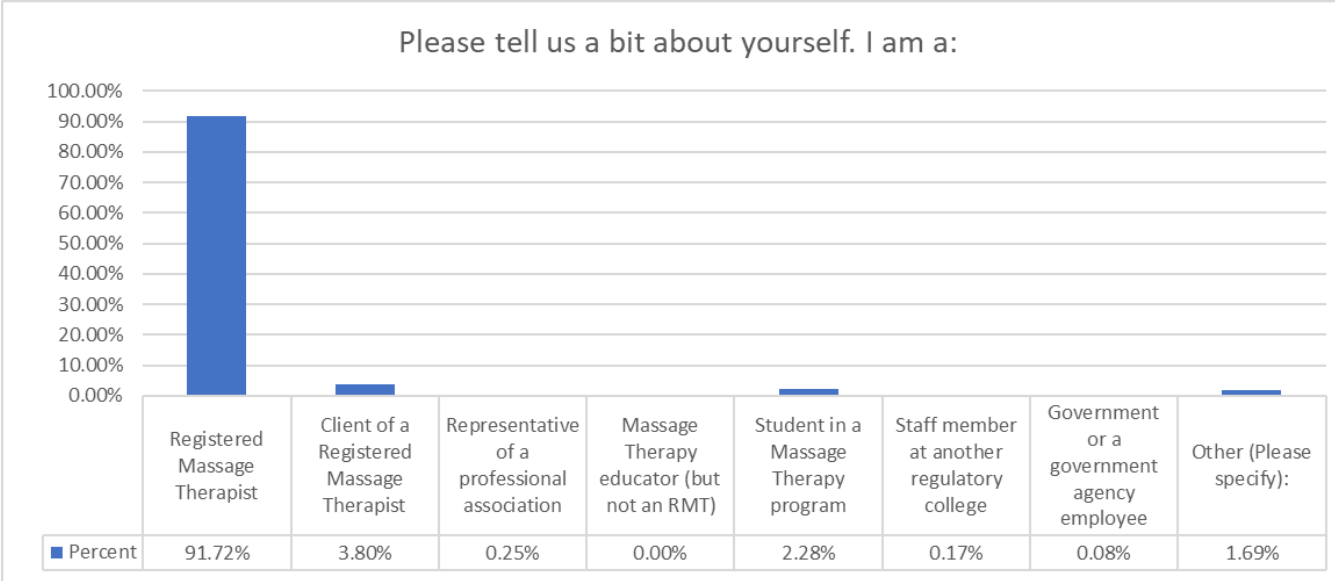
CMTO emailed all registrants and stakeholders a [notice of the consultation](#) on May 19 and created a survey to collect feedback. Forty-eight (48) emails were received (staff acknowledged these and directed individuals to the survey) and there were 2,374 responses to the survey.

What we heard

The majority of respondents did not support the various proposals:



The majority of survey respondents were also Registered Massage Therapists. Of the 2,374 responses, 2,179 respondents identified as RMTs (this includes a few who identified as RMTs in the “Other” category). This represents 14.2% of all General Certificate and Inactive Certificate registrants in Ontario.



The Registered Massage Therapists’ Association of Ontario [submitted a letter](#) to CMTO detailing its position on CMTO’s proposed fee increase. CMTO [provided a response](#) on June 10, 2022.

Through an analysis of key words, it was determined the main reasons why respondents did not support these increases is because they felt the increases are **too high** and **many RMTs felt they could not afford this**. There was also confusion with the proposal to increase the General Certificate fee by **no more than \$75** in future years, as respondents seemed to interpret this as an automatic \$75 per year increase going forward. In addition, here’s what we heard:

- **9.7%** of respondents indicated in their responses that they think the increases are too high for varying reasons:
 - Some think the increases are unfair considering the rising cost of living and the increases are disproportionate to their salaries.
 - Respondents also think that the General Certificate fee increase is too high considering the 31% increase in 2019.
 - The proposed increase will lead to a rise in prices for clients, making massage therapy inaccessible and hurting the profession.
- **8.8%** of RMTs indicated they were financially impacted by the COVID-19 pandemic due to a smaller client base and months of restricted practice. Many have pointed out that increasing their treatment fees to afford the fee increases will only further erode their client base. COVID-19 has also resulted in increased costs for things such as personal protective equipment and cleaning.
- **3.5%** of respondents indicated in their responses that they would have difficulty affording the increase. There were comments about how the increased fees will leave RMTs paying more than other professions, despite having lower salaries. It was also noted that RMTs regulated in other provinces pay

lower registration fees. **3.3%** of respondents indicated in their responses that given the proposed increase, it may not be worth it to continue working as an RMT and they would consider leaving the profession. **2.8%** indicated that they may retire as result of the increases. **1.8%** of respondents indicated that they work part-time and that the increase is a deterrent for continuing to practise given the proportion of fees they will have to pay relative to their salary. Some respondents believe the resulting number of RMTs who will decide not to renew will impact public access to massage therapy.

- A small number of respondents (**0.7%**) noted these increases are punishing them for the actions of “abusive” RMTs.
- Some respondents expressed the view that the increases will be a barrier to prospective students seeking to work in massage therapy.

There were several comments that raised questions around CMTO operations, such as:

- **7.8%** of respondents mentioned the cost of CMTO’s office in their responses and **5.3%** mentioned CMTO’s rent. They believe CMTO should not have an office in Toronto because people can work remotely.
- **6.5%** of respondents believe that the proposed spending on hiring new staff is too high.
- **6.5%** of respondents believe that, rather than increasing fees, CMTO should reduce expenses.
- Respondents believe that there isn’t sufficient justification for the fee increases and noted the same justification was given for the 2019 increase. Respondents also commented that they would like to know what the extra revenue will be used for and whether the increased spending for these things is necessary.

Other Comments

In addition to the comments highlighted above, respondents commented on matters unrelated to the fee increases. These comments include the following:

- Progress on making Massage Therapy exempt from HST.
- CMTO’s customer service: sometimes calls and emails go unanswered or are not replied to in a timely manner.
- The usability and efficacy of STRiVE.
- RMTs found guilty of sexual abuse should be required to cover costs and pay increased fees rather than penalizing all RMTs. There were some comments that to reduce costs related to sexual abuse cases and prevent filing false claims against RMTs, those filing the complaint should be held responsible if a case is dismissed.

Next Steps

CMTO’s Council will consider all feedback received before passing any by-law changes and staff will update RMTs and stakeholders throughout the process.



**College of Massage Therapists of Ontario
By-Law No. 7**

Fees for Registration, Examinations and Other Activities of the College

Interpretation

1. Singular and Plural / Gender

In these and all by-laws of the College, the singular shall include the plural, the plural shall include the singular, and any pronouns shall include all genders.

2. Consistency with the *Regulated Health Professions Act, 1991 (RHPA, 1991)* and the *Massage Therapy Act, 1991*

All provisions of these and all by-laws of the College shall be interpreted in a manner consistent with the *RHPA, 1991 and the Massage Therapy Act, 1991* and where any inconsistency is found to exist, the inconsistent provision shall, where practical, be severed from the by-law.

3. Calculating Time

A reference to the number of days between two events means calendar days and excludes the day on which the first event happens and includes the day on which the second event happens.

4. Statutory Holidays

A time limit that would otherwise expire on a statutory holiday or a weekend is extended to include the next day that is not a statutory holiday or a weekend.

Definitions

5. In this by-law, unless otherwise defined or required by the context,

- (A) "**Act**" means the *Massage Therapy Act, 1991*, and includes the regulations made under it;
- (B) "**By-laws**" means all by-laws of the College;
- (C) "**Code**" means the *Health Professions Procedural Code*, which is Schedule 2 of the *RHPA*;
- (D) "**College**" means the College of Massage Therapists of Ontario (CMTO);
- (E) "**Council**" means the governing body of the College that shall manage and administer its affairs, the members of which are either elected or appointed in accordance with the *Massage Therapy Act, 1991* and the by-laws;
- (F) "**General**" certificate means a certificate of registration of the general class issued by the Registrar;
- (G) "**Inactive**" certificate means a certificate of registration of the inactive class issued by the Registrar;
- (H) "**Registrant**" means a person or health profession corporation registered with the College;
- (I) "**Registrar**" means the Registrar and Chief Executive Officer of the College, or in the case of the absence or inability of the Registrar, the Deputy Registrar of the College and/or includes a person appointed as Interim Registrar by the Council;
- (J) "**RHPA**" means the *Regulated Health Professions Act, 1991*, including its associated regulations and the *Code*.

Any term not defined in this by-law shall have the meaning provided to it in the *RHPA, 1991* or the *Massage Therapy Act, 1991*.

Council Prescribes Fees

6. Council may prescribe, waive or revoke any fee to be paid to the College by a registrant or any other person.

Registration Fees

7. The fee for an application for the issuance of a certificate of registration of any class is ~~\$100~~\$225 in 2023 and in subsequent years, this amount will be subject to an increase of not more than the annual inflation rate rounded to the nearest dollar.

8. The initial fee to issue a general certificate of registration and the annual fee for a general certificate of registration shall be:

- (A) ~~\$785~~\$897 for 2019~~23~~ and in subsequent years, Council shall annually review the fees and where Council deems it appropriate, in any one or more years, this amount may be subject to an increase of not more than ~~the annual inflation rate rounded to the nearest dollar~~\$75 each year; or

(B) For new registrants in their first year of eligibility for registration, a percentage of the fee payable for the class of certificate for which the applicant is applying that corresponds to the number of months remaining in the calendar year, calculated from the date the applicant submitted their completed application form; or

(C) When the applicant is moving from the inactive class to the general class, the fee shall be the difference between the two fees.

9. The initial fee to issue an inactive certificate to a registrant and the annual fee for an inactive certificate of registration shall be ~~50% of the fee for a general certificate of registration \$200 for 2019 and in subsequent years, Council shall annually review the fees and where Council deems it appropriate, in any one or more years, this amount may be subject to an increase of not more than the annual inflation rate rounded to the nearest dollar.~~

10. In addition to the amounts set out in section 8 and 9, any outstanding balance owing to the College in respect of any decision made by a committee and any fees payable under this by-law, will be added to and included in the annual fees.

11. Every registrant shall pay an annual fee to the College by December 31, 2018 for the fees owing for 2019, and by November 1 in each subsequent year for the fees owing for the following year.

Certificate of Authorization – Professional Corporations

12. (A) The initial fee to issue a Certificate of Authorization - Professional Corporations is \$200.

(B) The annual renewal fee for a Certificate of Authorization – Professional Corporations is \$200.

Late Fees

13. Every registrant who fails to pay the annual fee or submit a fully completed renewal form on or before November 1 shall pay a penalty of \$100 for late renewal of registration.

Reinstatement Fees

14. The fee for reinstatement of a certificate of any class that had been suspended for failure to pay a fee either prescribed by the Regulations or required by the by-laws is the amount of the fees and penalties outstanding plus the reinstatement fee of \$300.

15. An applicant requesting a hearing pursuant to the *Code of the RHPA, 1991*, to consider reinstatement of his or her certificate of registration shall pay a fee of \$600.

Elections

16. Where a candidate in an election to the Council wishes for a recount of the election ballots:

(A) The candidate shall pay a fee of \$100; and,

(B) The fee paid shall be refunded to the candidate if the outcome of the election is changed in his or her favour as a result of the recount.

Administrative Fees

17. After the first notice, a registrant shall pay an administrative fee, set out in the Miscellaneous Fee Schedule, for each subsequent notice sent by the Registrar to a registrant for failure of the registrant to provide information or a form to the College or a committee of the College within 30 days of being requested or required to do so. The fee is due within 30 days of the subsequent notice being sent.

Miscellaneous Fees

18. (A) The Registrar may set a fee, and require a person to pay the fee, for anything that the Registrar or a committee is required or authorized to do by law or the by-laws, for which no fee has been set by Council.

(B) The Registrar shall maintain a schedule of the fees charged for services provided by the Registrar and by committees, and shall advise Council of the fee schedule and of any changes made to it.

Power to Waive a Fee

19. The Registrar may waive all or a portion of any fee or penalty where they consider it appropriate to do so.

20. A registrant's obligation to pay a fee or penalty continues regardless of whether:

(A) The College fails to send a notice with respect to the fee or penalty; or

(B) The registrant fails to receive notice of a fee or penalty.

21. Any fee or penalty charged or imposed by the College not paid by a registrant shall be included as part of a registrant's next renewal fee. If a registrant fails to pay a penalty or a fee, or a part thereof, set out in the by-laws:

(A) The Registrar shall give the registrant notice if the College intends to suspend the registrant; and

(B) The Registrar may suspend the registrant's certificate of registration or certificate of authorization for failure to pay the fee or penalty within 30 days after notice is given.

22. The Miscellaneous Fee Schedule forms part of this by-law.

Administration

23. This by-law shall be administered by the Registrar.

Effective Date

24. This by-Law comes into force on the day enacted.

Enacted July 7, 2000

Amended September 2004, February 2005, September 2006, May 2007, November 2008,
May 2010, May 2015, May 2018, September 2018, May 2019, December 31, 2020,
September 2021, August 2022