



Office of the Auditor General of Ontario

Value-for-Money Audit: Driver Training and Examination



December 2023

Driver Training and Examination

Summary

Ensuring that novice drivers receive appropriate and effective training and testing before they get a driver's licence is a crucial step in keeping Ontario's roads safe. Under the *Highway Traffic Act*, the Ministry of Transportation (Ministry) is responsible for protecting the public by restricting the privilege of driving to those who demonstrate that they have the necessary knowledge, skills and experience to drive safely.

There were over 11.1 million licensed drivers in Ontario as of December 2022, with 95% of them holding a G-class passenger vehicle licence to drive a car, van or a small truck. To obtain a G-class licence, the Ministry's Graduated Licensing System requires novice drivers to pass a vision test, a written test, a city road test and a highway road test. There also are two one-year wait periods built into the system: one between the written and city road test and the other between the city and highway road tests.

The Ministry oversees the network of licensed Beginner Driver Education training schools and testing facilities in the province. As of September 2023, there were 844 Ministry-licensed driving schools offering Beginner Driver Education training programs and more than 6,700 licensed driving instructors. Under an agreement with the Ministry, a contractor (Plenary) provides driver examination services through a subcontractor (Serco) at 56 DriveTest Centres and 36 satellite locations across the province.

Our audit found that practices in the provincial driver examination program were limiting the Ministry's ability to assess novice drivers prior to granting them driving privileges. Certain groups of novice drivers, such as those from urban areas who chose to take their road exams in rural or suburban test centres, or less-experienced drivers from other countries, had higher collision rates after licensing than their peers—indicating that the driver examination program may not be effectively testing their ability to drive safely on Ontario's roads.

In addition, we found that the Ministry provided limited oversight of driving schools and instructors, which meant it may not have been aware of some questionable training or business practices at the schools that could have undermined the integrity of driver examinations. These practices included training students on the specific routes used in road tests, and non-compliance with standards in the delivery of the Ministry's Beginner Driver Education training program, such as shortening in-car training hours.

We also found that the Ministry's oversight of the driver examination service provider was ineffective and inefficient in improving the quality of service it provided. Even though certain costs, such as extending operation hours, were the responsibility of the service provider, the Ministry paid for these costs to attempt to improve the services. Nonetheless, in 2023 the Ministry awarded a new contract to the same service provider, through a non-competitive process, to continue providing service for two more years with an optional extension for an additional year.

Our significant observations include:

Driver Examinations

- **Novice drivers from urban areas who took road tests at rural or suburban test centres had collision rates 16% to 27% higher than other novice drivers.** For example, between January 2022 and March 2023, novice drivers from Brampton who took their road tests at a DriveTest Centre outside Brampton had a collision rate that was 22% higher than their peers who took their tests in Brampton (3.8% versus 3.1%). Because rural and suburban testing centres often used less challenging road test routes, many novice urban drivers may not have been adequately tested in conditions that mirror their typical daily driving conditions. Although a significant number of urban drivers took their road tests at rural or suburban DriveTest Centres, the Ministry did not monitor this or related data, such as road test pass rates, to determine the root causes of the disparate collision rates and their potential impact on road safety.
- **The Ministry reduced the number of requirements needed to pass the highway road test without a full review and formal evaluation of road safety impacts.** Responding to a request from the Minister of Transportation to deal with the backlog of road tests that had accumulated as a result of the COVID-19 pandemic, in January 2022 the Ministry eliminated testing of certain manoeuvres required for the G (highway) road test without seeking formal approval from the Cabinet Office. Even though the backlog was cleared in fall 2022, the Ministry kept the reduced G (highway) road test for almost two years longer than originally planned without conducting proper policy analysis and evaluation of the road safety implications.

- **Less-experienced drivers from countries without driver's licence exchange agreements with Ontario had a significantly higher collision rate (6.31%) compared to the average rate of newly licensed G-class drivers (3.60%).** Drivers who hold a licence from a country without a licence exchange agreement with Ontario and have less than two years of driving experience are considered novice drivers. However, unlike other novice drivers in Ontario, these drivers are not required to wait for a 12-month period before taking their G2 (city) road test, meaning that they had less time to practice their driving skills in Ontario prior to taking the road test.

Driver Training

- **Drivers who shortened their G1 supervised driving period were involved in more collisions.** The Ministry allows novice drivers who complete the optional Beginner Driver Education program to choose to shorten the 12-month wait period to take the G2 (city) road test by as many as four months. However, we found that between 2013 and 2022 these drivers had collision rates that were on average 30% higher than drivers who completed the Beginner Driver Education program but did not shorten their wait period (4.8% compared with 3.7%). This indicates that allowing drivers to shorten their supervised driving period may be counter to the program's objective of putting safer drivers on the road.
- **The Ministry provided limited guidance on, and oversight of, novice driver training.** The only guidance the Ministry has provided for novice drivers is through the requirements of the Beginner Driver Education course, which is not mandatory. That lack of guidance has provided opportunities for unregulated driving services to proliferate. During our audit, we identified

questionable driver-training practices, such as driving instructors “route training” their students on the specific streets and manoeuvres tested during driver exams. Focusing primarily on route training rather than teaching comprehensive driving skills may undermine the integrity of the driving examination process.

- **The Ministry did not effectively oversee the schools that provide Beginner Driver Education training programs and their instructors.** The Ministry’s oversight program focused primarily on documentation reviews during compliance audits, making it difficult for Ministry staff to gain insights into the schools’ day-to-day operations. In addition, the Ministry did not consistently follow up with driving schools to confirm they had addressed violations that had been noted during the compliance audits. During our audit, we engaged a firm to make so-called mystery shopping visits to 14 driving schools and found that 11 of the schools allowed the mystery shoppers to shorten, or even abandon, their in-car training and still issued them a Beginner Driver Education certificate.

Driver Examination Contract Management and Oversight

- **The Ministry’s contract management and oversight functions were ineffective in improving service quality.** Data showed that the driver examination services offered by Plenary/Serco experienced numerous performance failures over the 10-year contract period that began in 2013. Many of these persistent issues were not addressed even after the Ministry attempted to hold the service provider accountable. We also noted that performance measures used to oversee the service provider were relaxed.
- **The Ministry paid additional funds to maintain service levels that were the responsibility**

of Plenary/Serco. We found a pattern of Plenary/Serco not meeting customer wait time targets prior to the COVID-19 pandemic and the Ministry paying for changes to improve service even though, under its contract with the Ministry, costs and risks related to providing driver examination services were Plenary’s responsibility. The Ministry estimated that between November 2017 and September 2023 it paid Plenary/Serco about \$19.2 million to extend operating hours to respond to growing customer demands. Also, the Ministry paid \$1.2 million (in 2018) for the establishment of a DriveTest Centre, as well as ongoing operational costs totalling \$15 million as of September 2023.

- **The Ministry awarded a new contract to Plenary without competition.** Despite issues of poor performance and disputes over penalties, the Ministry awarded a new contract to Plenary without competition. The Ministry did not start the work on procuring this contract until 2021, and subsequently determined that it did not have enough time for an open competition.

Monitoring High-Risk Licensed Drivers

- **The Ministry rarely requires drivers with repeat driving suspensions to take retraining courses.** Our analysis found that the fatal collision rate in 2022 for drivers who received two or more suspensions in the previous year was six times higher than the general driver population. However, other than drivers who are suspended for impaired driving (alcohol- or drug-related), the Ministry may only require drivers to complete retraining courses after they are convicted in court of dangerous driving behaviours, such as stunt racing or careless driving causing bodily harm. This limited requirement resulted in only about 120 drivers completing the Ministry’s retraining courses in 2022, which represents only about 5% of the

over 2,500 drivers who received two or more suspensions in the same year.

- **Elderly drivers' ability to drive safely has not been effectively assessed.** The Ministry assesses the driving skills of drivers aged 80 and older primarily through a cognitive test that requires them to draw the face of a clock for a specific time of the day. This test does not specifically examine a person's motor functions and co-ordination, concentration, spatial perception or reaction time. Our analysis of Ministry data indicated that elderly drivers who passed this test were more likely than the general driving population to have caused the collisions they were involved in, and the average rate of fatal collisions in this group was nearly double that of the general driver population.
- **The Ministry could do more to assess whether drivers were physically or mentally fit to drive.** The *Highway Traffic Act* requires health-care providers to report to the Ministry patients with specified medical conditions that may make it dangerous for them to drive. Despite the importance of this program, we found the Ministry did not systematically reach out to medical practitioners to increase awareness of the need to report these medical conditions. We also found that the Ministry did not always document its decision to reverse suspensions of drivers who had been found to be medically unfit to drive.

Driver Licensing Identification Requirements

- **The Ministry overrode its own proof of identification requirements without providing a rationale.** To prevent fraud and identity theft, the Ministry's policy requires Ontario driver's licence applicants to show valid government identification documents. However, our review found that since 2019, the Ministry made over 1,000 exceptions, authorizing the use of expired or substandard IDs during the driver's licence application process, and it did so without using consistent standards or documenting the rationale.

Measuring Program Effectiveness

- **The Ministry did not incorporate key data in determining the effectiveness of its road safety programs.** The 2020 Ontario road safety annual report indicated that for more than two decades the Ministry has measured road safety by calculating the number of collision-related fatalities for every 10,000 licensed drivers. Because the province has the lowest fatality rate in North America, the Ministry concluded that Ontario ranked first in road safety. However, the Ministry did not include other key indicators, such as total collision rates, when it assessed, measured and reported key road safety trends in the province, or compared Ontario to other jurisdictions. Although extensive data is available from various Ministry and Serco IT systems, the Ministry did not effectively utilize the data to provide insights into the performance of its driver training and examination programs.

Overall Conclusion

Our audit concluded that the Ministry of Transportation did not have effective evidence-based driver examination programs to evaluate and test novice drivers thoroughly and consistently.

The Ministry did not provide effective oversight of novice driver training and driver examination service providers to ensure desired service outcomes with due regard to economy. Ministry oversight of driving schools and instructors was limited. It does not regulate driver training services outside of the optional Beginner Driver Education program, curbing its ability to identify and/or deter substandard training practices within the industry. In addition, the Ministry's monitoring programs were not designed to proactively identify drivers with repeat suspensions or high-risk medical conditions, impeding the effectiveness of these programs to maximize road safety in Ontario.

Moreover, the Ministry's contract oversight of the driver examination service provider has not been effective in improving driver examination service levels.

In addition, the Ministry paid additional funds to the service provider despite persistent performance issues.

We also found that the performance measures that the Ministry used to evaluate road safety programs, including driver training and examination programs, were incomplete. As such, they did not provide the Ministry and the public with the most relevant and accurate evaluations of Ministry programs.

This report contains 18 recommendations, with 44 action items, to address our audit findings.

MINISTRY OVERALL RESPONSE

The Ministry of Transportation appreciates the work of the Auditor General and welcomes recommendations that help improve driver training and examination programs.

Ontario has the safest roads in North America. We look forward to sharing our continued progress to ensure our roads remain this way.

The recommendations build upon the Ministry's ongoing work to continuously improve transportation safety for all users through policy enhancements, more program oversight, third-party contract management, and the use of business intelligence tools.

The Ministry has started an evaluation of its Graduated Licensing System. In addition to the initiatives already under way as part of this evaluation, we will include the recommendations that were put forward. The evaluation will include the review of the pass rate variance between DriveTest Centres, road safety impacts of the modified G test, effectiveness of the Beginner Driver Education program, and impacts of drivers from both reciprocal and non-reciprocal jurisdictions. We will continue to review best practices of other jurisdictions and the scientific literature, and seek input from stakeholder and service delivery partners.

To enhance program oversight of driving schools and driver examination, the Ministry will undertake initiatives that will ensure the continued

safety of road users. We will continue to pursue more oversight of licensed driving schools through an escalating sanctions model. The Ministry recognizes the importance of compliance oversight and will take further steps to implement risk-based audits of operational processes and will look at best practices across jurisdictions to continue to improve delivery of driver examination services.

The Ministry looks forward to working with our partners to review its policies and procedures to introduce countermeasures against high-risk driving, explore enhanced medical reporting requirements, enhance road safety for senior drivers, improve ID escalation processes to prevent fraud, and continue the expansion of our digital transformation.

2.0 Background

2.1 Overview

Pursuant to the *Highway Traffic Act*, the Ministry of Transportation (Ministry) is responsible for protecting the public by ensuring that the privilege of driving is only granted to, and retained by, drivers who understand the rules of the road and can demonstrate they can drive safely. Full driving privileges are granted to novice drivers only after they acquire experience and develop or improve safe driving skills under controlled conditions.

The Ministry's Transportation Safety Division (see **Appendix 1**) is mandated to develop and manage all transportation safety programs, compliance and operational policies, legislation, and regulations under provincial jurisdiction. The Division is responsible for researching, evaluating and developing driver and road safety programs, as well as post-licensing activities such as applying demerit points and suspending licences because of driving penalties or for medical reasons.

Since 2003, the Ministry has been using a service delivery system that largely relies on third-party

contractors (see **Figure 1**) to carry out driver training, examination and licensing services. The Ministry's Oversight and Agency Governance Division (see **Appendix 1**) oversees third-party service providers, develops relationships with contractors and manages contracts.

2.2 Driver Training, Examination and Post-Licensing Programs

2.2.1 Beginner Driver Education Program

As of December 2022, there were over 11.1 million licensed drivers in Ontario; over 95% of those drivers held a G-class passenger vehicle licence. To obtain a G-class licence, the Ministry does not require mandatory training for novice drivers prior to driver examination. Instead, the Ministry encourages students to complete a Beginner Driver Education training program to help them become safe and responsible drivers. Historically, about 40% of novice

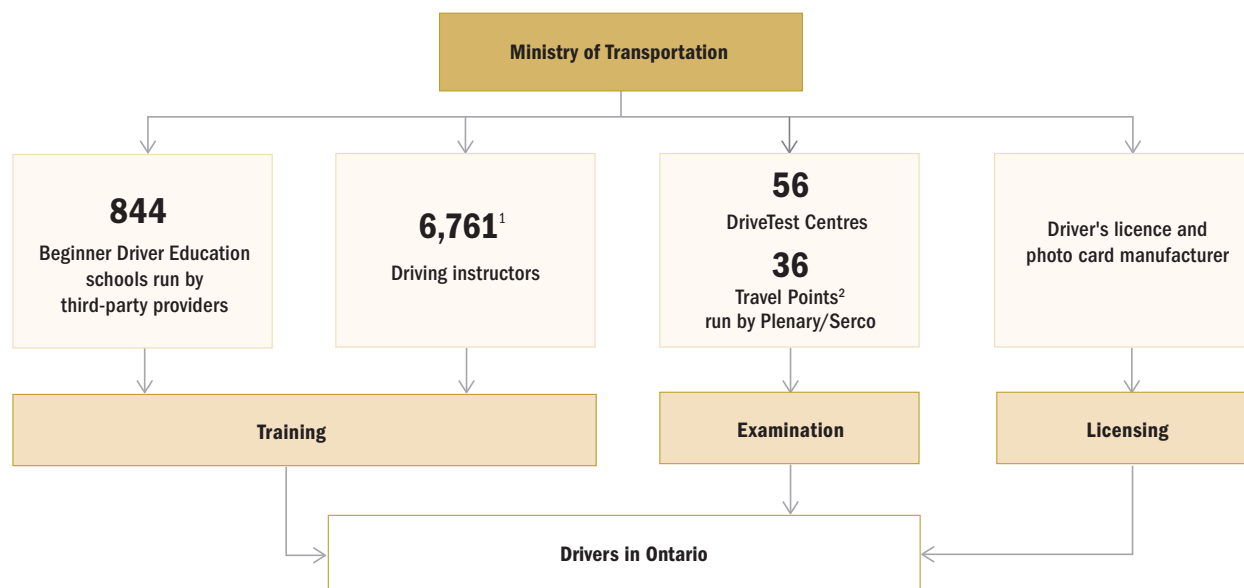
drivers have completed the Beginner Driver Education training. In 2022, for example, about 160,000 (out of about 400,000) newly licensed drivers completed the training.

Beginner Driver Education is offered through Ministry-licensed driving schools. These licensed schools must meet the Ministry's standards by providing 40 hours of driving instruction that covers:

- a minimum of 10 hours of in-vehicle training delivered by a licensed instructor, with no more than two students per instructor;
- at least 20 hours of instruction, either in person or online, with a maximum of 40 students for in-person classes or 15 students for virtual classes; and
- 10 hours of flexible instruction time that can be used for additional vehicle and/or classroom/online instruction or driving simulation instruction.

Figure 1: Driver Training, Examination and Licensing Service Delivery Structure

Prepared by the Office of the Auditor General of Ontario



1. Of the 6,761 licensed driving instructors, 1,234 are not affiliated with a Beginner Driver Education school.

2. Travel Points are pop-up DriveTest Centres designed to offer service periodically to a smaller community from a shared, locally well-known facility, such as a community centre or town hall.

Licensed driving schools can use a selection of Ministry-approved, third-party-developed curricula. The completion of the Beginner Driver Education course is recorded in the Ministry's driver's licence database, and graduates can choose to shorten the 12-month wait period—during which G1 drivers must be supervised by a fully licensed driver—by as many as four months. Novice drivers who complete the training course may also be eligible for potential insurance premium discounts.

Driving School and Instructor Oversight

The Ministry has contracted third-party auditing firms to conduct compliance audits of licensed driving schools. Between January 2017 and March 2023, the Ministry and the contracted third-party auditors completed over 1,300 compliance audits of licensed driving schools. The Ministry typically scheduled compliance audits every three to five years for each driving school, depending on the number of non-compliance items noted in previous audits. The Ministry paused these audits during the COVID-19 pandemic period, but they resumed in summer 2022.

These compliance audits typically noted administrative issues such as incomplete student attendance logs or missing insurance documents. In addition, from 2018 to 2020, the Ministry hired investigators to conduct 33 unannounced mystery shops of licensed driving schools to further investigate previously identified instances of non-compliance.

Regulation 473/07 under the *Highway Traffic Act* sets requirements for licensed instructors. The requirements include the completion of a basic driving instructor course, possession of a valid Ontario driver's licence (full G-class) with over four years of driving experience in Ontario or other jurisdictions, no demerit points, and

a satisfactory criminal record check. Ontario's more than 6,700 licensed driving instructors can teach both the in-car and in-class/online components of the Ministry's Beginner Driver Education course after completing the Ministry-approved in-class driving instructor's course. About 80% of licensed driving instructors are affiliated with a driving school. The Ministry can revoke a driving instructor's licence when, for example, the instructor accumulates more than three demerit points or is charged with a criminal offence. These violations are automatically flagged by the Ministry's information system.

2.2.2 Driver Examination for G-Class Licences

Under 2013 and 2023 agreements with the Ministry, a service provider (Plenary) provides driver examination services through a subcontractor (Serco). Throughout this report, the term Plenary (or service provider) refers to the legal entity that has the driver examination contract with the Ministry. The term Serco (or subcontractor) refers to the operator of the driver examination services. Plenary/Serco is used to represent the combined operations of the two.

There are 56 DriveTest Centres and 36 satellite locations (also called Travel Points) across the province. (See **Appendix 2** for a full list of DriveTest Centres and Travel Points, with service volume statistics and pass rates.) In 2022, Serco conducted 1.17 million knowledge tests and 1.34 million road tests in Ontario. On average, about 73% of drivers pass the G (highway) road test, a percentage that has been generally consistent over the past five years. The road test pass rates vary considerably across DriveTest Centres. For example, in 2022 the G (highway) road test pass rates ranged from 57% in Brampton to 89% in Owen Sound.

Graduated Licensing System

In 1994, Ontario introduced the Graduated Licensing System, which comprises two road tests. With this system, novice drivers have five years to gradually gain the driving knowledge and experience required for the full G-class (passenger vehicle) licence. For both Classes G1 and G2, regulations set the rules and restrictions that driver's licence holders must comply with to help reduce risk and accidents, as shown in **Figure 2**.

To obtain a G1 class licence, an individual must be at least 16 years old and pass a vision test and a knowledge test. To obtain a G2 class licence, an individual with a G1 class license must pass the G2 road test—also referred to as the city test—which focuses on basic driving skills. During the roughly 20-minute city test, driver examiners assess the novice driver's ability to navigate residential streets using basic skills including making turns, handling curves and making lane changes, navigating intersections, parallel parking, and making roadside stops and three-point turns. To obtain a G class licence, an individual with a G2 class licence must pass the G road test, which is also referred to as

the highway test. During the 30-minute G (highway) road test, examiners assess the driver's ability to drive on major roads and expressways, including merging on and off, maintaining appropriate speed and space, and signalling, in addition to the basic driving skills tested during the city test.

Reduced G (Highway) Road Test

During the COVID-19 pandemic, DriveTest Centres were closed and passenger road tests (city and highway) were cancelled. When DriveTest Centres reopened in July 2021, there was a backlog of more than 500,000 novice drivers waiting to take road tests. In January 2022, the Ministry reduced the length of the G (highway) road test by eliminating the testing of what it considered redundant and/or low-risk driving manoeuvres, which are outlined in **Figure 3**. In June 2022, the Ministry announced that it would extend the reduced G (highway) road test “until further notice.” While the backlog of road tests was cleared by October 2022, the full G (highway) road test had not been reinstated by the end of our audit.

Figure 2: Classes Within the Graduated Licensing System in Ontario

Prepared by the Office of the Auditor General of Ontario

Class	Requirements	Driving Restrictions	Wait Period	Fee (\$)
G1	Pass vision test and knowledge test	<ul style="list-style-type: none"> • Must drive supervised by a fully licensed driver who has at least four years of driving experience; • must maintain a zero-blood-alcohol level; • must not drive between midnight and 5 a.m.; and • must not drive on highways, unless accompanied by a licensed driving instructor. 	A Class G1 driver's licence holder can attempt the G2 road test after a wait time of 12 months. This wait time can be reduced to eight months if the novice driver completes a Ministry-approved Beginner Driver Education program.	16.00
G2	Pass G2 (city) road test	Must maintain a zero-blood-alcohol level and must not drive between midnight and 5 a.m.	A Class G2 driver's licence holder can attempt the G road test after a wait time of 12 months.	53.75
G	Pass G (highway) road test	Full driving privileges	n/a	91.25

Figure 3: G (Highway) Road Test Manoeuvres

Prepared by the Office of the Auditor General of Ontario

	Original Test (2017–2021)	Reduced Test (Since Jan. 2022)
Right turns	4	2
Left turns	4	2
Stop intersections	2	1
Through intersections	2	1
Curves	2	1
Roadside stop	1	0
Parallel park	1	0
Three-point turn	1	0
Business sections	2	1
Lane changes in each business section	2	2*
Residential sections	2	0
Expressway sections	2	2
Lane changes in each expressway section	2	2

* Two lane changes in the one business section.

Driver Examination Contracts Involving Plenary and Serco

In 2003, the Ministry reached a 10-year agreement with Serco to deliver driver examination services. Serco made a one-time payment of \$114 million to the Ministry for the contract. Serco also paid \$200,000 a month to fund audit and compliance activities to be carried out by the Ministry.

Following the completion of the 2003–2013 agreement, the Ministry carried out a competitive procurement and selected Plenary as the service provider. Plenary subcontracted Serco to continue to deliver driver examination services in Ontario for another 10 years (2013–2023). In return for exclusive rights to provide driver examination services, Plenary paid the government \$75 million upfront, along with concession

Figure 4: Distribution of Money Collected From the Issuance of Driver's Licences

Prepared by the Office of the Auditor General of Ontario

Breakdown of Money Collected (per transaction)	Amount (\$)	%
Plenary revenue	45	50
Ministry of Transportation revenue	30	33
Motor Vehicle Accident Claim Fund*	15	17
Total	90	100

* The Fund provides coverage in accidents where there is no insured automobile involved or determinable (e.g., an uninsured driver or a pedestrian involved in a hit and run).

payments of approximately \$1.2 million per month for the 10-year period, and made a final payment of \$10 million at the end of the contract period (September 2023). At the outset of the contract, the Province expected its total revenues from Plenary to be approximately \$207 million. Serco expected its total revenue to be approximately \$500 million. **Figure 4** illustrates the breakdown of the revenue distribution between the Ministry and Plenary based on the example of a five-year licensing transaction fee of \$90.

Before this contract ended on September 2, 2023, the Ministry reached a new agreement with Plenary for two years, with a possible extension of one additional year, as well as a transition period of up to another year. Plenary paid approximately \$7.67 million to the government as a concession payment.

The Ministry's ongoing costs to administer the driver training and examination program are about \$40 to \$45 million annually, about 90% of which, on average, is offset by revenues from the concession payments and licence transaction fees.

Driver Examination Contract Oversight

In the September 2013 contract with Plenary, the Ministry defined 14 key performance indicators to help monitor the service provider's performance. The September 2023 contract contained two additional indicators (see **Appendix 3**). Plenary is responsible for self-monitoring and self-reporting all performance failures against the key performance indicators. The

Ministry also conducts compliance reviews of the key performance indicators, including examinations based on the volume of transactions, previous error rates and types of information (for example, 100% review of medical and vision reports). During these transaction reviews, Ministry staff examine scanned copies of identification documents (IDs) and related documents used by Serco to ensure accuracy, such as the name and birth date of the licence applicant.

The contract also requires Plenary/Serco to rectify errors within 10 business days. In cases of more serious issues, for example an injury to the public or an employee, the Ministry can require Plenary/Serco to carry out a root cause analysis.

The contract imposes penalties for performance failures, with added remedies for repeat performance failures. Plenary/Serco and Ministry representatives carry out monthly reconciliations to determine the final penalty amounts (see **Appendix 4**).

2.2.3 Cross-Jurisdictional Information Sharing and Exchange

Ontario has reciprocal driver's licence exchange agreements with all Canadian provinces and territories, as well as with 15 other countries, including the United States, Australia, Germany, Japan, South Korea and Taiwan. Drivers with more than two years of driving experience from these jurisdictions can apply to exchange their licence for an Ontario licence. They are only required to undergo the vision test; they do not have to take either the knowledge or road tests.

Drivers from countries that do not have a reciprocal exchange agreement with Ontario, such as China or India, are designated as novice drivers and are required to go through Ontario's Graduated Licensing System. However, the first 12-month wait period (described in **Figure 2**) can be waived if drivers can show a valid driver licence from their home country with an accompanying translation. If a driver can show a driver's licence with at least two years of documented driving history, along with an original letter from the relevant country's embassy, consulate or high commissioner's

office, or from the jurisdiction that originally issued the licence validating the authenticity of the licence, they can bypass the G2 (city) road test, and take the G (highway) road test without completing the second 12-month wait period.

2.3 Proof of Identity Requirements to Obtain an Ontario Driver's Licence

To prevent fraud and identity theft, a driver's licence applicant is required to present originals of at least one government-issued ID showing proof of legal name and date of birth, prior to taking the knowledge test. Accepted identity documents include passports (Canadian or foreign), Permanent Resident Card, Record of Landing, Confirmation of Permanent Residence and temporary immigration documents (IMM 1442). Serco staff have been trained to detect fake and/or sub-standard documents, and are instructed not to accept documents that do not meet the Ministry's standards.

2.4 Post-Licensing Monitoring of High-Risk Drivers

Demerit Points and Penalties

The demerit point system is intended to hold drivers accountable for their actions and the quality of their driving. Demerit points are added to a driver's licence when a driver is convicted of violating traffic laws. The demerit points from a driving infraction or conviction stay on a driver's record for two years and might result in a suspension of driving privileges for 30 days if a driver accumulates 15 demerit points. The demerit point system does not capture all driving-related offences, as some severe offences are addressed through the *Criminal Code of Canada*.

The Ministry's Driver Improvement Office administers different remedial training and re-examination depending on the type of driving offence:

- Drivers with two suspensions related to impaired driving are required to complete a program delivered by the Centre for Addiction and Mental Health that educates participants on how to

separate alcohol/drugs and driving through lecture-style learning and skills development.

- Drivers convicted of careless driving, including causing bodily harm or death, or stunt racing, are required to take a Driver Improvement Course, offered at some driving schools, consisting of a one-hour in-vehicle driving component and six hours of in-class lessons. Failure to complete the course results in licence cancellation.

Under the *Highway Traffic Act*, drivers involved in a collision could be subject to re-examination, including vision screening and knowledge and road tests. The drivers might also be required to attend an interview with a Ministry's Driver Improvement Counsellor. Interview requirements vary according to the age and medical condition of the driver, as well as the number and types of collisions. The Ministry identifies drivers who have been involved in three or more collisions in a two-year period—with indications of improper driver actions in at least two collisions—as collision repeaters, and requires them to undertake a re-examination and an interview. Not completing the re-examination and/or attending the scheduled interview results in licence cancellation.

Elderly Drivers

Drivers aged 80 and over, representing about 3% of all drivers, are required to renew their G-class licence every two years. To be eligible for this renewal, drivers 80 and over are required to complete a vision test, watch a senior driver education video and attend a Senior Driver Group Education session. During these sessions, the Ministry tests seniors' cognitive abilities using a clock-drawing exercise. This test is intended to examine drivers for potential cognitive decline and whether their ability to drive safely may be impaired.

Medical Standards for Driver Licensing

A regulation under the *Highway Traffic Act* requires drivers to meet the medical standards for physical and mental conditions outlined in the Canadian Council

of Motor Transport Administrators' Medical Standards for Drivers. The regulation requires physicians, nurse practitioners and optometrists to report patients with specified medical conditions to the Ministry. These specified conditions include diabetes, seizures or other neurological conditions, visual impairment and other conditions that would significantly impair an individual's ability to drive safely. Police officers and a driver's relatives may also report a suspected medical condition to the Ministry.

The Ministry's Medical Review Office reviews over 280,000 cases annually to determine whether or not to suspend driver's licences. Some drivers are assessed multiple times. If the decision is to suspend a licence, the Medical Review Office notifies the driver about their suspension, as well as the conditions that the individual needs to meet to reinstate their licence. Annually, about 33,000 drivers are suspended from driving for medical reasons.

2.5 Information Systems

The Driver Licensing and Control System is the Ministry's primary database. It contains information on drivers in Ontario such as their driver's licence class, personal information and medical conditions, fees charged for services, and number of collisions.

As a mainframe system, the Driver Licensing and Control System centrally stores information that can be accessed through multiple user-facing applications such as the Ministry-built Beginner Driver Education application and the Serco-built Driver Examination application. ServiceOntario also accesses the Driver Licensing and Control System when renewing driver's licences.

2.6 Ontario Road Safety Annual Report

The Ministry prepares and publishes the Ontario Road Safety Annual Report (ORSAR) to provide insight about established and emerging trends in road safety

in Ontario. This report also supports the Ministry's own road safety research, program development and performance measurement. The Ministry draws information from various sources to produce this annual report, including collision information from police services and other organizations in the justice and health sectors.

Key highlights from the most recent ORSAR (2020) include:

- The fatality rate was 0.5 per 10,000 licensed drivers. This was ranked among the five lowest fatality rates in North America.
- There were 147,756 reportable collisions and 268,559 vehicles involved in collisions.
- 498 collisions were fatal (resulting in 530 fatalities), and 23,371 collisions resulted in personal injury.
- 4,184 collisions resulted in hospital admission, with a total of 43,053 days spent in hospital due to injuries.
- 123,887 collisions resulted in property damage.

The 2020 statistics showed a 9% lower fatality rate and a 30% reduction in the number of collisions resulting in injury when compared with the 2019 report. However, the declines might have been attributable to pandemic-related disruptions.

3.0 Audit Objective and Scope

The objective of our audit was to assess whether the Ministry of Transportation has effective systems and processes in place to:

- design and equitably deliver evidence-based driver training and examination programs so that driver's licences are only granted to, and retained by, those persons who have demonstrated that they drive safely;
- achieve desired service outcomes with due regard to efficiency and economy; and

- monitor and report publicly on the performance of driver training and examination programs.

Our Office conducted a Value-For-Money Audit on Commercial Vehicle Safety and Enforcement in 2019, which included an assessment of commercial vehicle drivers' training and examination programs. As such, our audit scope focused on G-class passenger vehicle drivers and excluded commercial vehicle classes. In planning for our work, we identified the audit criteria (**Appendix 5**) we would use to address our audit objective. These criteria were established based on a review of applicable legislation, policies and procedures, internal and external studies, and best practices in other jurisdictions. Senior management at the Ministry reviewed and agreed with the suitability of our objectives and associated criteria.

We conducted our audit between January 2023 and October 2023. We obtained written representation from the Ministry that, effective November 20, 2023, it had provided us with all the information it was aware of that could significantly affect the findings or the conclusion of this report.

In performing our audit work, we met with staff from various Ministry branches responsible for driver training and examination oversight, procurement, licensing, research and policy development. Our audit work was conducted primarily at the Ministry's office in Toronto. The majority of our document reviews covered the most recent five years. We reviewed relevant research and best practices from Ontario and other Canadian provinces, as well as foreign jurisdictions (such as Australia).

We conducted the following additional work at the Ministry:

- reviewed policies and legislation relevant to driver training, examination and licensing;
- examined data in the Driver Licensing and Control System and analyzed trends and correlations of driver training, examination, medical records, suspensions and collision records;

- reviewed the Ministry's contract arrangement and oversight activities of the service provider, including Plenary/Serco; and
- reviewed reports of compliance audits conducted on driving schools and Plenary/Serco.

We interviewed key stakeholders, such as the Ontario Provincial Police, Ontario Medical Association, Ontario Safety League and Insurance Bureau of Canada, for input on road safety trends.

We also conducted unannounced visits to 10 DriveTest Centres (Mississauga, Toronto Downsview, Brampton, Toronto Metro East, Oshawa, Thunder Bay, Ottawa Canotek, London, Lindsay and Guelph). During the visits, we observed the facilities, interviewed key staff, reviewed documents and shadowed a sample of road tests. We considered a variety of factors in selecting the sites to visit, including geographic location, size and transaction volume of the location, pass rate, and performance results.

In addition, we hired a professional firm to carry out mystery shopping at 14 licensed driving schools across the province.

Finally, we reviewed the relevant audit reports issued by the province's Internal Audit Division to inform our audit work.

We conducted our work and reported on the results of our examination in accordance with the applicable Canadian Standards on Assurance Engagements—Direct Engagements issued by the Auditing and Assurance Standards Board of the Chartered Professional Accountants of Canada. This included obtaining a reasonable level of assurance.

The Office of the Auditor General of Ontario applies Canadian Standards on Quality Management and, as a result, maintains a comprehensive system of quality management that includes documented policies and procedures with respect to compliance with rules of professional conduct, professional standards, and applicable legal and regulatory requirements.

We have complied with the independence and other ethical requirements of the Code of Professional

Conduct of the Chartered Professional Accountants of Ontario, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behaviour.

4.0 Detailed Audit Observations

4.1 Driver Examinations

4.1.1 Novice Drivers from Urban Areas Who Took Road Tests at Rural or Suburban DriveTest Centres Were Involved in More Collisions

Our audit found a pattern of novice drivers from urban areas choosing to take their G2 (city) and G (highway) road tests at rural or suburban DriveTest Centres that in many cases have less complex road test routes and higher pass rates. We also found that these novice drivers were involved in more collisions when compared to novice drivers who took their road tests at the DriveTest Centre closest to where they lived. Despite noting this trend, the Ministry has not analyzed why this is happening, its impact on road safety or whether controls should be put in place to encourage novice drivers to take road tests in the areas where they live, work or study, and will likely be doing most of their driving.

In 2022, the Guelph DriveTest Centre administered over 56,000 road tests (city and highway), while the Brampton DriveTest Centre administered about 49,000 road tests (see **Appendix 2**). However, as per the 2021 Census, Guelph has approximately one-fifth of the population of Brampton, meaning that there was a disproportionately high number of people taking road tests in Guelph compared to Brampton.

We identified six rural or suburban DriveTest Centres, including Guelph, that experienced high volumes of road tests and analyzed the registered home addresses of novice drivers who attempted G2 (city) and G (highway) road tests there. We found that for

Figure 5: Analysis of Select DriveTest Centres With High Volumes of Road Tests, January 2022–March 2023

Prepared by the Office of the Auditor General of Ontario

DriveTest Centre (Region)	Road Test Drivers' Home Addresses (Top Three Only) ¹	Distance (km) ²	% of Drivers Taking Road Test at this Centre
Clinton (North)	London	75	31
	Brampton	178	7
	Kitchener	110	3
Peterborough (North)	Scarborough	115	22
	Peterborough	0	14
	Toronto	140	9
Orangeville (East)	Brampton	38	42
	Mississauga	48	9
	Woodbridge (Vaughan)	52	4
Lindsay (East)	Scarborough	108	14
	North York	124	11
	Toronto	134	10
Guelph (West)	Brampton	71	34
	Guelph	0	14
	Mississauga	70	10
Simcoe (West)	Hamilton Areas (Hamilton, Ancaster and Stoney Creek)	64	14
	Brantford	42	12
	Brampton	135	9

1. See **Appendix 6** for detailed breakdown of drivers' home addresses for each of the six DriveTest Centres.

2. Distances between the rural DriveTest Centre location and the urban DriveTest Centre location nearest to the novice driver's home address.

road tests conducted between January 2022 and March 2023, all six DriveTest Centres had significantly higher volumes of novice drivers from urban areas compared to novice drivers who lived nearby or in rural areas. For example, **Figure 5** and **Appendix 6** (which includes a more detailed breakdown) show that 42% of drivers who took their road tests at the Orangeville DriveTest Centre were from Brampton (compared with only 2% who were from Orangeville).

Further, we analyzed collision rates among newly licensed G and G2 drivers from four urban areas (Scarborough, Brampton, Windsor and Ottawa) covering various geographic regions where a high proportion of drivers completed their road tests at a rural or suburban DriveTest Centre. We found that the collision rates within 15 months after receiving a driver's

licence were between 16% and 27% higher among novice drivers from urban areas who chose to travel for their road tests to areas that were more rural or suburban (see **Figure 6**). The analysis shows that, for example, novice drivers from Brampton who took their road tests at a DriveTest Centre outside Brampton had a collision rate that was 22% higher than their peers who took their tests in Brampton (3.8% compared with 3.1%). Similarly, the collision rate was 27% higher for novice drivers from Scarborough who took their road tests at a DriveTest Centre outside Scarborough (3.8% compared with 2.9%).

See **Appendix 7** for further detailed collision rates based on road test locations for novice drivers living in Scarborough, Brampton, Windsor and Ottawa.

Figure 6: Collision Rates for Novice Drivers from Select Cities, January 2022–March 2023

Prepared by the Office of the Auditor General of Ontario

Drivers' Home Location	Where Road Test Completed ¹	# of Drivers Who Passed Road Test	# of Drivers Involved in a Collision	Collision Rate (%)	Difference of Collision Rates (%)
Scarborough²	Scarborough	16,873	496	2.9	27
	Outside Scarborough	32,881	1,237	3.8	
Brampton	Brampton	23,337	721	3.1	22
	Outside Brampton	72,320	2,727	3.8	
Windsor	Windsor	11,546	330	2.9	20
	Outside Windsor	7,657	263	3.4	
Ottawa	Ottawa	21,941	543	2.5	16
	Outside Ottawa	3,888	113	2.9	

1. See **Appendix 7** for further details on collision rates by road test location.

2. Toronto Port Union DriveTest Centre is considered the home location for Scarborough.

Some Rural and Suburban DriveTest Centres Have Less Complex Road Test Routes

We selected a sample of 10 DriveTest Centres for review and compared road manoeuvres tested at each site and the average length of the road tests. We found that, for example, due to the absence of 400-series highways at some rural and suburban areas, the Ministry had to use city road manoeuvres to replace highway manoeuvres as testing requirements at these DriveTest Centres.

That may limit the Ministry's ability to fully assess the knowledge and skills of novice drivers from urban areas at these sites since they were not tested on road conditions similar to those they would have been more likely to encounter near their homes.

Specifically, for the Lindsay, Peterborough, Simcoe and Guelph DriveTest Centres, the Ministry approved highway testing on provincial routes with an average speed limit of 70 kilometres per hour, which is 30 kilometres per hour slower than the speed limit on 400-series highways. In addition, certain highway-related manoeuvres were modified based on local highway conditions. For example, both the Guelph and Lindsay

DriveTest Centres tested drivers' ability to merge onto highways using right turns at traffic lights and tested highway lane changes on city roads. Both modifications lowered the complexity of the manoeuvres.

We also observed less traffic on test routes at rural and suburban DriveTest Centres, which means the novice drivers would have had less traffic to navigate around those sites and fewer opportunities to make mistakes.

Finally, the average length of the reduced G (highway) routes was seven kilometres at the Guelph and Lindsay DriveTest Centres (rural), and 14 kilometres at the Toronto Downsview and Brampton DriveTest Centres (urban).

Slower traffic conditions combined with simpler road tests may not provide sufficient testing for novice drivers from urban areas who, once licensed, are more likely to use 400-series highways and face more complex traffic conditions. The Ministry does not proactively review DriveTest Centres' road test routes to identify inconsistencies between the tests, or assess their adequacy, unless requested by Serco.

Some Rural and Suburban DriveTest Centres Had Higher Pass Rates

We found that road test pass rates varied among DriveTest Centres, as shown in **Appendix 2**. In 2022, DriveTest Centres in urban areas, such as Toronto Downsview, Toronto Etobicoke, Brampton and Mississauga, had pass rates that were lower than DriveTest Centres in rural or suburban areas, such as Peterborough, Lindsay and Simcoe. We noticed that this information was available on non-government Internet sites and may, therefore, have influenced novice drivers when they chose the DriveTest Centre for their road test.

In addition, we found that factors other than pass rates—such as lighter traffic conditions—might have influenced novice drivers' choice of DriveTest Centres. For example, between January 2022 and March 2023, over 1,000 novice drivers from the Greater Toronto Area travelled over 500 kilometres to the Hawksbury DriveTest Centre for their road tests, bypassing the Belleville DriveTest Centre, which had a higher pass rate. Similarly, despite the high pass rate at the London DriveTest Centre, we found that 31%, or over 4,000, of the novice drivers who attempted their road tests at the Clinton DriveTest Centre were from London (see **Appendix 6**).

Although Serco's leadership could not definitively explain why these novice drivers chose alternate DriveTest Centres, they noted that both the Belleville and London DriveTest Centres were surrounded by major highways with busier traffic conditions, while Hawksbury and Clinton were in less-populated regions.

Serco has repeatedly received complaints from local communities, such as Guelph, regarding heavier traffic volume created by novice drivers taking road tests around the DriveTest Centre. When Serco brought these concerns to the Ministry's attention, the Ministry did not act. The Ministry speculated that the higher traffic volumes at certain sites may be the result of novice drivers living away from their registered home addresses for work or school, but the Ministry had not collected data to support this assertion.

RECOMMENDATION 1

So that driver examinations effectively assess whether novice drivers are sufficiently prepared to drive safely on Ontario's roads, we recommend that the Ministry of Transportation:

- assess the impact on road safety of novice drivers from urban areas taking their road tests at rural and suburban DriveTest Centres; and
- based on that assessment, identify and put in place reasonable restrictions that prohibit urban novice drivers from taking their road test at a DriveTest Centre outside of where they live, work or study.

MINISTRY RESPONSE

The Ministry of Transportation appreciates the work of the Auditor General. In response to the Auditor General's recommendation, and as part of its ongoing program evaluation of its Graduated Licensing System, the Ministry will conduct an updated assessment of the road safety impact of variances in post-licensing collision rates and pass rates between DriveTest Centres.

Based on the findings, the Ministry will take appropriate action to ensure an effective and efficient examination program that promotes safe driving behaviours.

4.1.2 Ministry Reduced the Requirements for the G (Highway) Road Test Without a Full Review and Formal Evaluation of Road Safety Impacts

As described in **Section 2.2.2**, the Ministry reduced the requirements for the G (highway) road test in 2022 to help manage the road test backlog created by COVID-19 pandemic-related closures and restrictions. We learned that the Ministry kept the reduced G (highway) road test in place for almost eight times longer (or two years as of September 2023) than originally planned, even though the backlog was cleared in fall 2022.

The decisions to reduce the requirements for the G (highway) road test, and to retain those reductions after the backlog was cleared, were made without the support of proper policy analysis and evaluation of road safety implications.

In September 2020, the Ministry made a Treasury Board submission for funding of 84 additional driver examiner positions to help reduce the backlog of 500,000 passenger road tests. At the time, the Ministry did not consider reducing the requirements for the G (highway) road test to be a viable solution as it noted that “policy changes would require extensive policy analysis, including determining whether these policy changes would have impacts on road safety.” Despite its assessment, the Ministry later reduced the requirements of the G (highway) road test in response to the Minister’s request to reduce the road test backlog, but without conducting extensive policy analysis or seeking formal approval from the Cabinet Office. Initially, the reduced G (highway) road test was put in place as a temporary measure from January 2022 to March 2022. However, in June 2022, the Ministry announced that the reduced G (highway) road test would be extended until further notice. As of September 2023, the Ministry had no plan to resume the full G (highway) road test, even though it had successfully cleared the backlog in 2022.

To justify extending the reduced G (highway) road test in June 2022, the Ministry evaluated the road safety impact of the modification by analyzing changes in the pass/fail rates of the reduced G (highway) road test and the at-fault collision rate of newly licensed G-class drivers. The Ministry reported that “the evaluation did not conclude that the modified road test produced higher risk to road safety.” However, we found the following issues with the Ministry’s evaluation.

Approximately 54,000 Drivers from Other Countries Were Not Tested for Important Driving Manoeuvres

Drivers from countries that do not have a reciprocal driver’s licence exchange agreement with Ontario have to go through the Graduated Licensing System. These drivers can bypass the G2 (city) road test if they can

show an authenticated driver’s licence from their home country and evidence that they have over two years of driving experience. However, even though the driver may have driving experience gained in the previous country where they lived, these countries may have different traffic laws and driving practices than Ontario.

Through the full G (highway) road test, drivers from other countries would have been tested on all city and highway manoeuvres. With the reduced G (highway) road test in place from January 2022 to March 2023, 54,000 drivers from other countries were only tested on their ability to navigate highways (see **Figure 3**), not residential streets. Important skills, such as parallel parking, three-point turns, and driving in proximity to pedestrians, were not consistently assessed. Since there was no systematic policy analysis prior to reducing the requirements for the G (highway) road test, the Ministry did not have the opportunity to consider the impacts on drivers from other countries who do not have a reciprocal driver’s licence exchange agreement with Ontario.

Ministry Assessed the Reduced Highway Road Test Using an Ineffective Measure

The Ministry’s evaluation noted a generally consistent pass rate of approximately 71% under both the full and reduced G (highway) road tests, which supported its conclusion that the “reduced G (highway) road test performs as well as the full G (highway) road test.” However, we found that there may have been other reasons why the pass rates did not change after the introduction of the reduced road tests.

Serco, which closely monitors road test pass rates, had a 65% to 75% pass rate target for all driver examiners. Supervisors told us that driver examiners with an average weekly pass rate that deviated noticeably from the average (typically 15% higher or lower) would be subject to a performance review. As such, there was an incentive for examiners to achieve consistent pass rates. For instance, based on Serco’s policy, a driver examiner with an average pass rate of 90% in one month would be subject to a review and a one-on-one conversation with their supervisor in the following

month. If a driver examiner continued to get these results, they could be subjected to further performance management and coaching actions, such as retraining and shadowing.

There Was Limited Data Available to Assess Impact on Road Safety

The Ministry performed its evaluation of the reduced G (highway) road test in June 2022, which was only six months after it was implemented. Although the evaluation noted a 30% increase in the at-fault collision rate among novice drivers who passed the reduced G (highway) road test (2.4%) compared to novice drivers who passed the full G (highway) road test (1.8%), the Ministry concluded that “the differences are not statistically significant and the number of collisions were too few to draw meaningful conclusions.” This difference in at-fault collision rates could have been an important indicator in evaluating impacts on road safety, yet not enough time had passed to support any conclusions.

At the time of our audit in 2023, there was still only limited data on collision rates for novice drivers who passed the reduced G (highway) road test in 2022.

RECOMMENDATION 2

To understand the full impact of the reduced G (highway) road test and make evidence-based decisions about the reduced test, we recommend that the Ministry of Transportation:

- conduct a thorough policy analysis of the impact of the reduced G (highway) road test, including the impact related to drivers from countries with no reciprocal driver’s licence exchange agreement with Ontario;
- track and compare the collision rates of drivers who pass the reduced G (highway) road test to those who passed the full G (highway) road test over a sufficient period of time to determine if it increases road safety risk; and

- based on these analyses, determine whether it is appropriate to continue to use the reduced G (highway) road test.

MINISTRY RESPONSE

The Ministry of Transportation agrees with this recommendation. Once sufficient road test and collision data is available, the Ministry will evaluate road safety impacts of the modified G test, as part of the broader evaluation of Ontario’s Graduated Licensing System. The review will assess the most effective methods of examining driver competencies and identify potential improvements to Ontario’s road-testing programs.

As per the recommendation, the evaluation of the modified G test will analyze the impacts on different sub-groups in the driver population, such as drivers from jurisdictions without a reciprocal licence agreement with Ontario. Based on the outcome of the comprehensive driver examination review, the Ministry will determine whether the modified road test should continue to test all drivers for full licensure or if there is an alternative option that is more appropriate. The Ministry will further review its current policies and procedures regarding foreign driver licence exchanges to ensure proper procedures are being documented and adopted while also ensuring continued alignment with the Canadian Council of Motor Transport Administrators’ guidelines where applicable.

4.1.3 Novice Drivers Can Repeat the Knowledge Test as Many Times as Necessary in One Sitting to Pass

The Ministry does not require a wait period after applicants fail their knowledge test. An opportunity to retake the test can be arranged immediately after the applicant pays an additional \$16 exam fee. As the Ministry’s multiple-choice exam question bank only

has a limited number of questions (approximately 250 questions), many novice drivers choose to repeat the test as many times as needed during one visit to a DriveTest Centre, limiting their opportunity to take the time necessary to learn the rules of the road. Ontario is the only province in Canada that does not have a rule in place regarding a wait period (see **Appendix 8**). For instance, British Columbia requires a seven-day wait period to retake the knowledge test, Quebec requires a 28-day wait period, and Saskatchewan and Alberta limit individuals to one knowledge test a day.

Our data analytics showed that between January 1, 2018 and March 31, 2023, over 1.9 million novice drivers passed the Ministry's knowledge test. We found almost 10% (190,000) of them passed the test with more than three failed attempts within one visit, while 1% (19,000) took the test more than five times. Allowing unlimited and immediate chances to rewrite the knowledge test defeats the purpose of the test as novice drivers can use the exam to "study" the answers to the multiple-choice questions while (re)taking the test, rather than learning the rules of the road in Ontario.

RECOMMENDATION 3

To encourage novice drivers to study the rules of the road more effectively prior to attempting the G1 knowledge test, we recommend that the Ministry of Transportation review best practices in other jurisdictions, such as Quebec and British Columbia, and determine whether it should introduce a wait period before an individual can retake the test or limit the number of tests that can be taken in a single day.

MINISTRY RESPONSE

The Ministry of Transportation will review practices of other leading road safety jurisdictions to determine whether implementing further policies regarding a wait period between knowledge test attempts or a maximum number of daily attempts would produce a road safety benefit.

The Ministry will seek input from stakeholder and service delivery partners, and will consider policy enhancements that balance road safety, customer experience, and operational feasibility.

4.2 Driver Training

4.2.1 Drivers Allowed to Shorten Their G1 Supervised Driving Period Were Involved in More Collisions

The Ministry allows novice drivers who successfully complete the optional Beginner Driver Education program to choose to shorten their G1 supervised driving period and take the G2 (city) road test up to four months earlier, giving them "a time discount" (see **Section 2.2.1**). However, our audit found that the collision rates of novice drivers who completed the Beginner Driver Education program and opted to take the time discount were higher than those who did not take the time discount.

As shown in **Figure 7**, in each of the 10 years from 2013 to 2022 (where data was available), drivers who took the time discount were involved in more collisions. On average, 4.8% of the G2 drivers who completed the Beginner Driver Education and took the time discount were involved in collisions. This rate is 30% higher than the collision rate (3.7%) of G2 drivers who completed the Beginner Driver Education but waited the full 12 months before taking the G2 (city) road test. In addition, the 4.8% collision rate of drivers who took the time discount was nearly 78% higher than the 2.7% collision rate of drivers who did not take the Beginner Driver Education training and therefore were not eligible for the time discount. The differences in these collision rates indicate that allowing drivers to shorten their supervised driving period may be counter to the objective of the Beginner Driver Education program, which is to put safer drivers on the road.

Figure 7: Collision Rates (%) for G2 Drivers, by Beginner Driver Education Completion Status, 2013–2022¹

Source of data: Ministry of Transportation

	No Beginner Driver Education	Beginner Driver Education	
		Under 12-Month Wait Period	12-Month Wait Period
2013	2.5	4.7	3.5
2014	2.8	5.1	3.9
2015	2.9	5.2	4.0
2016	2.8	5.0	4.0
2017	2.8	5.1	4.0
2018	2.8	5.1	3.8
2019	2.8	5.0	3.6
2020	n/a ²	n/a ²	n/a ²
2021	n/a ²	n/a ²	n/a ²
2022³	2.4	3.2	2.9
Average	2.7	4.8	3.7

1. Includes collisions for drivers who obtained their G2 licence through Ontario's Graduated Licensing System. The collisions were caused by the driver or others.
2. During parts of 2020 and 2021, road test examinations were paused due to lockdowns related to the COVID-19 pandemic, disrupting the ability of novice drivers who completed the Beginner Driver Education training to take the G2 road test.
3. More drivers than usual received a G2 licence in 2022 when road tests resumed.

Ministry's Assessment of Beginner Driver Education Program Inconclusive

In an analysis completed in 2016, the Ministry identified that novice drivers who took the Beginner Driver Education program and the time discount tended to drive longer distances on a monthly basis than drivers who did not take the time discount and, as a result, would have had a greater chance of being involved in a collision. After adjusting for this exposure rate, fatal and serious injury collision rates were similar for all three novice driver groups during the second year of driving. However, the Ministry's study did not explain why the fatal and serious injury collision rates were higher for novice drivers who took the Beginner Driver Education program and the time discount in the first year after they obtained their G2 licence.

In 2014, the Ministry provided funding to the Traffic Injury Research Foundation—a Canadian independent,

not-for-profit road safety institute—to conduct a survey of about 1,000 young drivers in Ontario. The Foundation's report showed that drivers who took the Beginner Driver Education training and shortened the supervised driving period showed a 35% to 65% higher likelihood of risk-taking behaviour than drivers who did not shorten the supervised driving period. These behaviours include speeding, texting while driving and following another car too closely.

While the two studies provided key insights that explained the trend of higher collision rates in novice drivers who took the Beginner Driver Education time discount, the Ministry did not identify the root causes of such higher collision rates and did not continue to monitor and analyze this trend after 2016. The Ministry told us that it planned to complete a review of Ontario's driver licensing process in the summer of 2024 to assess the impact of these research findings and introduce potential enhancements to the Beginner Driver Education program.

Incentives given to Beginner Driver Education graduates vary across other Canadian provinces (see **Appendix 8**). For example, in Quebec, a driver with a learner's permit, which is equivalent to Ontario's G1 licence, cannot shorten the 12-month supervised driving period. Saskatchewan also does not allow the supervised driving period to be shortened.

4.2.2 Ministry Provided Limited Guidance Regarding Necessary Driving Practices for New Drivers Compared to Other Jurisdictions

The Ministry has not determined a recommended number of hours that a novice driver should practise driving in order to acquire the necessary driving knowledge and skills to become a safe driver in Ontario, nor has it provided such guidance to novice drivers who choose not to complete the optional Beginner Driver Education program. Furthermore, the Ministry has not assessed whether the 10 hours of driving practice included in the curriculum of the optional Beginner Driver Education training is sufficient.

Unlike Ontario, British Columbia recommends 60 hours of supervised driving practice before scheduling

a road test (see **Appendix 8**). Quebec requires novice drivers of any age to complete a standardized road safety education program, which consists of 24 hours of theoretical learning and 15 hours of in-car training. The course covers topics such as sharing the road, risky behaviour, fatigue and distractions.

When we asked why the Ministry did not make the Beginner Driver Education training mandatory so that there would be more consistency related to driving practice requirements, the Ministry told us that, in its view, making the training mandatory might undermine the role and responsibility of parents in teaching safe driving skills to their children.

While social support systems, such as parents, can help novice drivers gain driving experience with their local traffic conditions, this training may not be as comprehensive as the Ministry-approved Beginner Driving Education curricula. Moreover, novice drivers who do not have a social support system in Canada, such as less experienced drivers from other countries (approximately 25% of novice drivers in 2022) as described in **Section 4.3**, would benefit from clear guidance from the Ministry.

RECOMMENDATION 4

So that novice drivers are better prepared to drive safely on Ontario's roads, we recommend that the Ministry of Transportation:

- review and identify opportunities to enhance the effectiveness of the Beginner Driver Education program (program) for novice drivers, including the sufficiency of the existing minimum number of driving practice hours;
- based on leading practices in other jurisdictions, reassess the time discount provision that allows novice drivers to shorten the supervised driving period after the completion of the program;
- based on its review of these areas, implement necessary changes to improve the program; and
- subsequent to making changes to the program, determine whether all novice drivers should be required to complete the program.

MINISTRY RESPONSE

The Ministry of Transportation will review the effectiveness of Beginner Driver Education (BDE) to improve road safety.

In addition to road safety considerations, the Ministry will also review other factors such as financial, personal, equity impacts as well as best practices from other jurisdictions in determining the appropriateness of a mandatory BDE program for novice drivers.

Following the review, opportunities for improvement will be assessed and implemented.

4.2.3 Unregulated Driver Training Services May Undermine the Integrity of Driver Examinations

Other than overseeing the Beginner Driver Education program, the Ministry does not regulate any other fee-based services offered by driving schools and instructors (licensed or unlicensed). These services include in-car driving practice charged by the hour, and road test route training and appointment booking. Such unregulated training services do not teach the full Beginner Driver Education program curriculum. Instead, such services may primarily focus on preparing driving students to pass the road tests, and thus may not effectively train a novice driver. In general, these kinds of driving training services may be more economical and offer more flexibility when compared to the Beginner Driver Education program, which may make them more appealing to some novice drivers. In addition, the Ministry does not regulate or monitor the business practices of unlicensed driving instructors, so it may not be aware of the full extent of the unregulated training services in the province.

Through Internet and classified ad searches, we identified driving lessons advertised for as low as \$20 for the first lesson, as well as a wide range of training packages ranging from less than \$400 to nearly \$2,500 for a premium course. We also found that some of the advertised training services offered the Beginner Driver Education and “guaranteed” that the student would pass their road test. The Ministry does not assess

the reasonableness of the large disparity in prices among training packages, or the appropriateness of these advertisements.

During our visits to DriveTest Centres, we learned of some questionable practices concerning driver training that may undermine the integrity of the driving examination process:

- Some driving instructors follow driver examiners on road tests to learn the specific exam routes and manoeuvres tested so they can “route train” their students instead of concentrating primarily on having them practise driving in realistic traffic conditions. By focusing on teaching students to pass the road tests rather than teaching the comprehensive skill set required for safe driving, these instructors are able to reduce the cost of and time needed for driver training.
- On a social media service, we found over 15 video recordings of actual road tests at some Ontario DriveTest Centres, including Mississauga, Oakville, Oshawa and Newmarket. These videos were posted by individuals who marketed themselves as driving instructors and were made available to the public.

Although it has no enforcement power, Serco has issued warning letters to driving instructors it identified as engaging in route training near DriveTest Centres. In some municipalities, such as Brampton, municipal bylaw officers patrolled test routes and issued fines to driving instructors who lingered around exam routes. However, the Ministry does not govern or oversee which routes driving instructors use to train their students, something it views as a consumer-protection matter.

Regarding monitoring the safety of licensed driving instructors, the Ministry uses its licensing system to automatically revoke an instructor’s licence if, for example, an instructor accumulates more than three demerit points on their driver’s licence or is convicted

of a criminal offence. Between 2018 and 2022, the Ministry’s system revoked, on average, about 40 driving instructors’ licences annually. In contrast, the Ministry uses a manual process to monitor licensed instructors’ delivery of the Beginner Driver Education program. In addition, complaints against instructors are followed up only as part of Ministry compliance audits and mystery shops of driving schools (see **Section 4.2.4**). While the Ministry can revoke a driving instructor’s licence for not meeting the Beginner Driver Education requirements (such as the minimum 10 hours of in-car training), the Ministry has only revoked one instructor’s licence, on average, for this reason annually.

RECOMMENDATION 5

So that novice drivers are well prepared to drive safely on Ontario roads, and to protect the integrity of the Ministry’s driver examination process, we recommend that the Ministry of Transportation:

- review the types of driver training services available in the marketplace (including the practice of route training) and assess their impact on novice drivers and on the integrity of the driver examination process;
- based on that assessment, propose regulatory changes to prohibit driver training services that compromise the Ministry’s ability to assess the driving skills of novice drivers through the Ministry examination process; and
- implement monitoring and enforcement tools to deter prohibited driver training services.

MINISTRY RESPONSE

The Ministry of Transportation will assess the types and extent of driver training services in the marketplace as part of its ongoing evaluation of Beginner Driver Education and Graduated Licensing System programs, and propose changes when necessary.

4.2.4 Weak Oversight of Beginner Driver Education Driving Schools

Ministry Did Not Follow Up on Findings from Audits of Driving Schools to Ensure Violations Were Rectified

The Ministry's compliance audits assess Beginner Driver Education schools' compliance with Ministry policies. The audits are administrative in nature, focusing on reviewing a driving school's records, such as logs of in-class and in-car lessons, employment contracts with driving instructors, and insurance documents.

Between January 2017 and March 2023, the Ministry and its contractors performed 1,379 compliance audits at 1,045 driving schools. Of these audit reports, 134 noted over 10 violations of Ministry policies, and 11 audits noted over 25 violations, such as employing unlicensed driving instructors.

We reviewed a sample of 30 audit reports of driving schools completed between November 2016 and March 2023 that had over 10 violations, as well as the Ministry's follow-up actions on the audits' findings. We found that the Ministry suspended enrolment of students at just two of the schools with a high number of violations. The Ministry assessed the remaining 28 driving schools as having passed their audits after the driving schools described in an email how they had addressed each violation. Within a year of the compliance audits, the Ministry conducted mystery shopping visits at only three of the 28 driving schools as an additional measure to examine potentially questionable practices. For the remaining 25 driving schools, the Ministry did not conduct any follow-up audits to assess whether the remediation actions described by the schools had rectified the issues identified in the audit reports.

At the time of our audit, the Ministry did not have a policy to determine what kind of follow-up actions were necessary to address violations reported through compliance audits. The Ministry was developing a form that staff could use to document the results of compliance audits and track driving schools' remediation actions for issues identified. The Ministry told us that it was testing out a standardized approach that escalates

enforcement sanctions against driving schools with serious instances of non-compliance, but a formal plan and project timeline had yet to be established.

Driving Schools Issued Beginner Driver Education Certificates without Students Completing the Training

Although the mystery shopping visits conducted by the Ministry (described in **Section 2.2.1**) found multiple violations, the Ministry conducted just 33 mystery shopping visits from 2018 to 2020 at the over 1,000 licensed driving school locations. These 33 mystery shops noted that over half of the driving schools allowed the mystery shoppers to shorten or even fully abandon their training, but the schools still issued Beginner Driver Education certificates. Acting on the findings of these mystery shops, the Ministry revoked licences for five of the 33 driving schools.

As the Ministry has not performed mystery shops since the beginning of 2020, we engaged a firm to conduct mystery shops at 14 high-risk driving schools across the province. We found that 11 of the 14 mystery shop investigators received Beginner Driver Education certificates from the driving schools with less than the required 10 hours of in-car training. Of the 11 cases:

- four of the investigators were able to abandon in-car training after less than one hour of in-car training; and
- five of the investigators completed between one and 3.5 hours of in-car training.

The results of the mystery shops also noted that of the 14 cases:

- three of the investigators indicated that their instructors trained them, or offered to train them, on exam routes; and
- eight of the investigators were offered additional services by the driving instructors, such as transportation to a suburban DriveTest Centre, use of the instructor's vehicle for the exam, and road test bookings for additional fees.

We asked the Ministry why it conducted so few mystery shops and why it had not conducted any mystery shops since the restrictions of the COVID-19

pandemic were lifted. The Ministry noted that from its perspective, even though mystery shops delivered insights into the day-to-day operations and practices of the driving schools, mystery shops were expensive to carry out (around \$5,000 per engagement). The Ministry used mystery shops when it noted a high number of violations in compliance audits, recurring complaints or an indication of potential fraud. However, we found that by directly engaging a mystery shopping firm, we were able to reduce the price per mystery shop significantly.

RECOMMENDATION 6

To strengthen the oversight of driving schools, we recommend that the Ministry of Transportation:

- develop and implement a formal policy to require timely on-site follow-ups at driving schools where audits identified either serious or a high number of compliance violations to assess if the violations have been resolved;
- develop and implement a strategy for routinely conducting cost-effective mystery shops on driving schools that it identifies as high-risk; and
- regularly document and assess progress reported through follow-ups with driving schools to direct the Ministry's future oversight and enforcement actions.

MINISTRY RESPONSE

The Ministry of Transportation agrees with the Auditor General's recommendations and commits to strengthening the oversight of licenced driving schools. The Ministry has initiated the development of an escalating sanctions model, which will include a policy for timely on-site follow-ups at driving schools with either serious or a high number of compliance violations.

The Ministry will explore strategies to conduct cost-effective quality assessment of driving schools identified as high-risk. The Ministry will document and assess its progress and analyze these findings for inclusion into future oversight processes.

4.3 Graduated Licensing System May Not Adequately Prepare Less-Experienced Drivers from Other Countries to Drive in Ontario

Between January 2022 and March 2023, about 133,000 drivers who received an Ontario G-class licence had a driver's licence from a country with which Ontario did not have a driver's licence exchange agreement. These drivers represented about one-quarter of newly licensed drivers in Ontario. Depending on their previous driving experience, the Ministry allows different exceptions to the Graduated Licensing System exam requirements.

For drivers who had at least two years of driving experience from other countries (about 54,000 or roughly 40% of the total), the Ministry allowed them to waive both wait periods (described in **Figure 2**) and take only the reduced G (highway) road test. Our analysis found that this group had a lower collision rate (2.89%) compared to the average collision rate of newly licensed G-class drivers in Ontario (3.60%).

However, for those drivers who had less than two years of driving experience from other countries (about 78,000 or roughly 60%), the Ministry required them to pass both the G2 (city) and G (highway) road tests. Unlike other novice drivers in Ontario, less-experienced drivers from other countries were not required to wait for a 12-month period before taking their G2 road tests. We found that after passing both the G2 (city) and G (highway) road tests, these less-experienced drivers from other countries had a significantly higher collision rate (6.31%) when compared to the average collision rate of newly licensed G-class drivers in Ontario (3.60%).

The higher collision rate among less-experienced drivers from other countries indicated that the Ministry's driver training and examination programs could be strengthened to better prepare these drivers for Ontario's traffic rules and driving conditions. Waiving the first 12-month wait period between the G1 (knowledge) test and the G2 (city) road test (see **Section 2.2.3**) meant that those drivers had less time to practice their driving skills on Ontario roads,

potentially limiting the effectiveness of the Graduated Licensing System. Even though the driver may have driving experience from their own country, these countries may have different traffic laws and driving practices than Ontario.

Ontario was consistent with other Canadian provinces we benchmarked in allowing drivers from other countries to waive the required wait periods in their novice driver examination systems (see **Appendix 8**).

RECOMMENDATION 7

To better prepare novice drivers from other countries for driving in Ontario, we recommend that the Ministry of Transportation:

- research whether drivers from other countries have unique challenges that may contribute to their involvement in a higher proportion of collisions;
- reassess the impact of waiving the 12-month wait period between the G1 (knowledge) and G2 (city) road test; and
- based on the results of Ministry research and reassessment, make necessary changes to the training and examination programs.

MINISTRY RESPONSE

The Ministry of Transportation will examine the road safety outcomes of drivers from other reciprocal and non-reciprocal jurisdictions as part of the broader review of Ontario's Graduated Licensing System. The analysis will determine the difference in road safety risk between new drivers with driving experience from other jurisdictions and drivers originally licensed in Ontario and identify opportunities for improvements accordingly.

Drawing from the findings of this review, the Ministry will determine any appropriate actions to the driver training curriculum and the licensing process for individuals with prior driving experience from other jurisdictions. The Ministry will create, and put into effect any training programs,

policies, and documentation to address these identified needs in alignment with requirements defined by the Canadian Council of Motor Transport Administrators.

4.4 Monitoring High-Risk Licensed Drivers

4.4.1 Ministry Rarely Requires Drivers with Repeat Driving Suspensions to Take Retraining Courses

The Ministry's approach to deterring dangerous driving is to penalize drivers for various offences by suspending licences and issuing fines and demerit points (see **Appendix 9**). Penalties increase in severity for repeat offences. However, the Ministry does not identify drivers who may be of higher risk to cause collisions based on a history of repeat driving offences and suspensions and require them to take retraining courses.

Our analysis of Ministry's collision data showed that drivers were significantly and consistently more likely to be involved in fatal collisions if they had received two or more suspensions in the previous year (see **Figure 8**). For example, in 2022 drivers who received two or more suspensions in the previous year had a fatal collision rate six times higher (3.4 per 10,000 drivers) than the general driver population (0.53 per 10,000 drivers).

Figure 8: Fatal Collision Rate of Drivers With Multiple Suspensions

Prepared by the Office of the Auditor General of Ontario

Year	Fatality Rate per 10,000 Drivers	
	All Drivers	Drivers with Two or More Suspensions in the Previous Year
2019	0.55	5.0
2020	0.50	4.0
2021*	0.52	10.4
2022*	0.53	3.4

* Fatality rate is based on preliminary data.

The Ministry may require retraining courses for drivers only after they are convicted in court of serious offences, such as stunt racing, failure to stop for police, or careless driving causing bodily harm. The Ministry's policy—which is that only drivers with a conviction are required to attend retraining courses—may be limiting the number of high-risk drivers with multiple driving suspensions from attending these courses. For example, in 2022, over 2,500 drivers received two or more suspensions for offences not related to alcohol or drug use, such as dangerous driving or racing. However, the Ministry ultimately required only about 5%, or 120, of such drivers to complete courses on driver improvement or defensive driving.

In contrast, the Ministry requires drivers with two suspensions related to alcohol or drug use in the past 10 years to complete a remedial program on how to separate alcohol/drugs and driving, regardless of whether the drivers were convicted by the courts. This broader requirement likely contributes to the comparatively high number of drivers who complete the remedial program: 8,500 drivers in 2022.

While the Ministry's existing penalty-oriented regime of suspensions can deter dangerous driving behaviours, the likelihood of drivers with a history of dangerous driving causing a fatal collision may be reduced by proactively providing remedial measures for these drivers or retraining them. Our research into the practices of other jurisdictions found that retraining programs were commonly required and/or ordered after recurring suspensions in provinces including British Columbia, Saskatchewan, Quebec, Newfoundland and Labrador, New Brunswick and Prince Edward Island. In Alberta, retraining programs may be taken to reduce demerit points; this serves as an incentive for drivers to voluntarily participate in early intervention of high-risk driving behaviours (see **Appendix 8**).

RECOMMENDATION 8

To encourage road safety and provide early remedial measures for drivers with a history of repeat driving offences and suspensions, we recommend that the Ministry of Transportation:

- routinely identify drivers with a record of repeat driving offences and suspensions who Ministry data indicates are at increased likelihood to cause a collision; and
- expand the criteria for requiring drivers to complete remediation and retraining to include these drivers.

MINISTRY RESPONSE

As part of an ongoing driver record comparison study, the Ministry is conducting jurisdictional research and a review of the scientific literature around effective countermeasures against high-risk driving, including driver retraining. Results of this work will be used to determine whether driver retraining should play a greater role in Ontario's demerit point system, and if so, what this training should include.

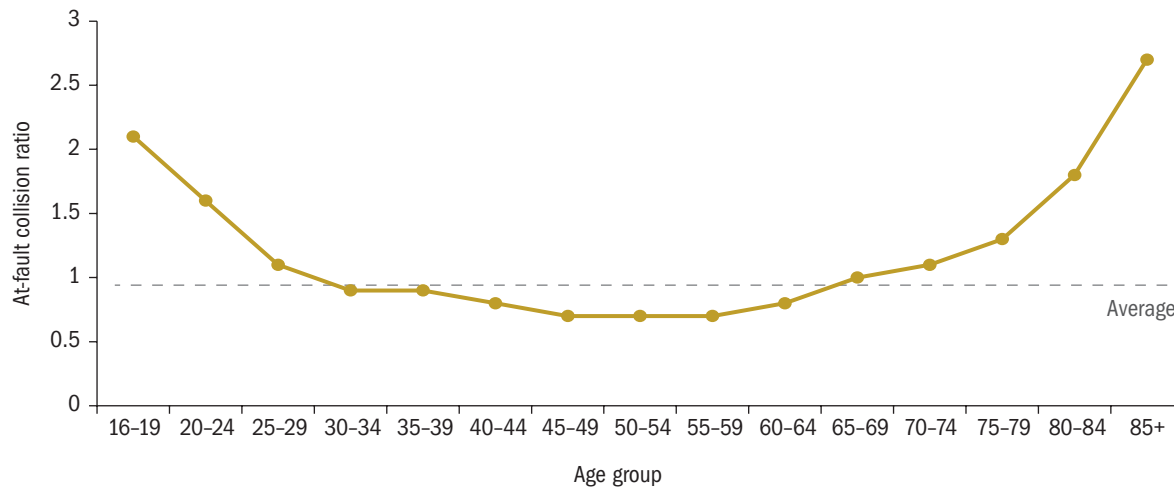
4.4.2 Elderly Drivers' Ability to Drive Safely Not Effectively Assessed

Analysis performed by the Ministry indicated that elderly people have a higher likelihood of causing a collision (see the at-fault collision risk ratio in **Figure 9**). Despite this analysis, the Ministry did not specifically test the driving skills of drivers 80 and older, but instead centred its assessment on a cognitive test that required the drivers to draw a clock (see **Section 2.4**).

Our own analysis indicated that although drivers 80 and older who passed the clock-drawing test generally had a lower collision rate than the general driving population, they were significantly more likely to have

Figure 9: At-Fault Collision Risk Ratio, by Driver Age, 2018

Source of data: Ministry of Transportation



caused the collisions they were involved in (54% at-fault collisions) than the general driver population (42% at-fault collisions). Moreover, about 0.4% of collisions involving drivers who passed the clock-drawing test were fatal, which was nearly double the average rate among the general driver population (about 0.2%). This analysis was based on data from 2018 and 2019, as the Ministry paused the clock-drawing test between March 2020 and May 2022.

The clock-drawing test primarily assesses cognitive decline—which is associated with an increased risk of collision—and accounts for about 40% of medical suspensions for drivers 80 and older. However, the test does not examine motor function and co-ordination, concentration, hearing ability, and spatial perception and reaction time. The Ministry's own 2020 research indicated that over a third of elderly drivers who passed the clock-drawing test could not pass the Ministry's road tests. The research also recommended the introduction of an enhanced road test for elderly drivers, which could combine the driving manoeuvres of a standard highway test with additional scoring to test cognitive abilities related to safe driving. At the time of our audit, the Ministry was considering introducing this enhanced road test in 2026.

We noted that the Australian state of New South Wales requires a medical assessment by a doctor every

year for drivers 75 and older. This state also requires drivers 85 and older to take a road test every two years or to downgrade to a modified licence, which only allows driving within a local area to access services such as community activities, medical appointments and shopping. British Columbia, Alberta, Quebec and Newfoundland and Labrador also require medical assessments for elderly drivers.

RECOMMENDATION 9

To enhance road safety for the growing number of elderly drivers, we recommend the Ministry of Transportation review and adopt best practices from other jurisdictions, such as:

- re-examining elderly drivers' driving skills; and
- requiring regular medical assessments for all drivers 80 and older.

MINISTRY RESPONSE

The Ministry of Transportation agrees road safety for senior drivers is important. The Ministry is dedicated to effectively assessing elderly drivers' fitness to drive and ensuring that senior driver's licence renewal procedures are based on up-to-date research evidence and jurisdictional best practices.

4.4.3 Reporting of Drivers Who May Be Medically Unfit to Drive Could Be Improved

Medical conditions that impair a driver's ability to co-ordinate sight, attention and agility increase collision risk, while a driver's sudden incapacitation due to an acute condition such as seizure or heart attack can lead to fatal crashes.

The Ministry's Medical Review Office reviews over 280,000 cases annually and suspends about 33,000 driver's licenses due to a medical condition, as noted in **Section 2.4**. The Ministry's September 2020 study estimated that over a 10-year period (2005–2014), 1,200 collisions were prevented as a result of the Ministry's reviews and medical suspensions.

However, the Ministry's Medical Review Office told us that under-reporting of medical conditions may occur, as health-care providers may be hesitant to report their clients as unfit to drive. The Ministry's study noted common causes of collisions include seizures, dementia, loss of consciousness, sleep apnea and visual impairment.

The Ministry was unable to quantify the number of unreported cases. We attempted to compare the number of diagnoses recorded in the Ministry of Health's databases to the number of cases received by the Ministry of Transportation, but found that neither the Ministry of Health nor the Canadian Institute for Health Information could provide reliable statistics regarding the number of reportable diagnoses.

Nevertheless, the Ministry does not have a program to routinely reach out to medical practitioners to increase awareness of the need to report medical conditions that make it dangerous for a person to drive. The Ministry told us that it had previously presented such information to various medical community groups. The Ministry also distributed an informational brochure on the topic but the brochure was no longer being circulated, and it has not been updated since 2018.

RECOMMENDATION 10

For more complete and timely identification, assessment and suspension of drivers with high medical risks, we recommend that the Ministry of Transportation periodically conduct educational and outreach initiatives to increase awareness among doctors, nurses and optometrists to report patients for medical assessment.

MINISTRY RESPONSE

The Ministry of Transportation appreciates the work of the Auditor General and welcomes the recommendations to improve the Driver Medical Program.

The Ministry will continually review its relationship with the medical community to collaborate on opportunities for educational and outreach initiatives to increase awareness and achieve better outcomes.

4.4.4 Supporting Evidence for Ministry's Medical Suspension Decisions Not Always Complete

Decisions about whether an individual is fit to drive can have life-altering consequences. While drivers with dangerous medical conditions may be at an increased road safety risk, unnecessary suspensions may unduly limit their personal mobility and livelihood. The Ministry's Medical Review Office is responsible for accurately assessing the information provided and suspending drivers who they determine are unsafe to drive. We found that while the assessments generally complied with the Ministry's medical review policy, the Ministry could improve the quality of information it asked health-care professionals to provide, as well as its own documentation of its rationale to suspend or not suspend a driver's licence.

We reviewed a sample of initial assessments and subsequent reassessments of suspended drivers (some of whom were reinstated). We found that in eight of the 30 assessments we reviewed, although the doctors submitted the required form to the Ministry, the doctors did not provide details to support their claims that the drivers' endangering medical conditions had become stable and the drivers' suspensions should be lifted. These supporting details could include medical history and prognosis, test results, proof of completion of a treatment program or other evidence showing that the cause of the medical condition had been effectively addressed. Such information could be useful in informing the Ministry's assessment of the likelihood that the driver will cause a collision due to their medical condition.

In addition, in about 13% of the assessments we reviewed, we could not determine if the Ministry's decisions were reasonable and in accordance with the Ministry's policy, as staff were not required to document their decision-making process and the assessments' rationale was not evident from the content of the forms submitted by doctors. For example, in one instance, in order to reverse an earlier suspension, the Ministry requested lab results to support the opinion that the medical issue had been resolved. However, after eight days and without receiving the lab results, the Ministry reversed the suspension without a documented rationale for doing so.

Moreover, the Ministry also did not have a quality-assurance program to routinely review assessments completed by staff, to check that assessments were complete and appropriately supported, and to identify potential improvements in the efficiency of the process.

RECOMMENDATION 11

To help ensure that decisions to suspend driver's licences are based on all medically relevant information, and that the suspension decisions are consistent and adequately supported, we recommend that the Ministry of Transportation:

- redesign the forms doctors use to provide condition-specific medical information to the Ministry

to include all necessary information, such as test or treatment results;

- require medical assessors to consistently document their rationale for decisions related to complex driving suspensions and reinstatements; and
- implement a quality-assurance process to routinely review the completeness and appropriateness of medical assessments.

MINISTRY RESPONSE

The Ministry of Transportation is exploring further requirements to its medical reporting to include supporting assessment methods/tests.

Quality assurance is an important component of ensuring that the Ministry is delivering on the intended goals of its program. We are continuously improving training, audit and quality metrics and will continue to focus on those areas, including ensuring the completeness and appropriateness of medical assessments, and that medical assessors document their rationale for their decisions.

4.5 Driver Examination Services Contract Management and Oversight

4.5.1 Ministry's Contract Administration Was Ineffective, and Failed to Improve Driver Examination Services for Ontarians

We found that the Ministry's processes and contractual tools to improve performance were not effective in facilitating changes from Plenary/Serco to improve customer service over the 10-year contract with Plenary.

Ministry records, from 2013 to March 2023, showed a consistent failure to improve service levels over time, which was reflected in the amount of Plenary/Serco's self-reported performance penalties over this period (see **Figure 10**). The Ministry preliminarily assessed additional performance penalties of \$35.5 million between 2013 and 2018. Prior to 2020, the Ministry had challenges collecting Ministry-assessed performance

penalties (see discussion below). Between 2020 and 2022, the Ministry waived the assessed penalties during the COVID-19 pandemic. Moreover, the Ministry's records show that Plenary/Serco did not monitor Drive-Test Centre wait times for inside/counter services as required by the contract. This meant that neither the

Ministry nor Plenary/Serco had accurate information on inside/counter wait times until the Ministry pressed for proper monitoring.

As of September 2023, when the 10-year contract term ended, the Ministry's assessment was that Plenary had not fully fulfilled 15 deliverables in the 2013 contract. These deliverables represented services that the Ministry paid for and was of the view that it had not received. Some of these deliverables were to have been implemented between 2013 and 2015 (see **Figure 11**).

Figure 10: Performance Penalties Self-Reported and Paid by Plenary, 2013/14–2022/23 (\$ 000)

Source of Data: Ministry of Transportation

Fiscal Year	Performance Penalty Self-Reported	Performance Penalty Paid
2013/14*	165.1	165.1
2014/15	763.6	763.6
2015/16	989.3	989.3
2016/17	683.3	683.3
2017/18	977.4	977.4
2018/19	835.9	835.9
2019/20	1,148.1	1,148.1
2020/21	2,169.0	-
2021/22	21,203.0	24.0
2022/23	7,466.3	663.8
Total	36,401.1	6,250.5

Note: This figure does not include the Ministry's additional penalty assessments or the mediated settlement paid by Plenary in 2019.

* Because the contract with Plenary started in September 2013, fiscal year 2013/14 covers only the six-month period from September 2013 to March 2014.

Ministry Faced Significant Challenges in Holding Service Provider Accountable

The 10-year contract included various mechanisms, or levers, designed to ensure the effective delivery of services. These included penalties payable by Plenary/Serco for not meeting key performance indicators. However, Plenary/Serco and the Ministry were consistently in disagreement over the amount of performance penalties owing. Due to persistent service issues and disagreements over interpretation of the contract, the Ministry initiated a formal dispute in 2014, only one year into the contract. After lengthy negotiations, and amid other contractual issues, the Ministry and Plenary/Serco reached a mediated settlement in the dispute in 2019.

Figure 11: 2013–2023 Contracted Items Not Delivered by Plenary/Serco Based on the Ministry's Assessment, as of August 2023

Source of data: Ministry of Transportation

Immediate Service Delivery Improvements	Customer Experience/ Customer Care Improvements	Operational Efficiency Opportunities
<ol style="list-style-type: none"> 1. Customer queue notifications 2. Appointment scheduling for inside services 3. Online customer service functions 4. Mobile Travel Point 5. Online block booking function 	<ol style="list-style-type: none"> 1. Plain language test feedback 2. Enhanced fraud detection 3. System will allow scalability and flexibility required to add new products and services 	<ol style="list-style-type: none"> 1. Knowledge test system administration 2. KPI 9 tracking mechanism 3. Command centre 4. Performance monitoring 5. Road test GPS tracking 6. Road test route programming 7. Escrow agreement in form acceptable to Ministry

Figure 12: Documentation Errors No Longer Resulting in Performance Penalties, Revised Contract

Source of data: Ministry of Transportation

Errors	
<ul style="list-style-type: none"> • Signature on application does not match identification • Failed test results not recorded on application • Ontario Photo Card number not recorded • Height transcribed incorrectly on scoresheet • Office use sections of forms incomplete or incorrect • Vision results recorded on application under wrong panel 	<ul style="list-style-type: none"> • Auto transmission incorrectly recorded • Date on scoresheet • Highway declaration errors • Previous number of tests not recorded on scoresheet • Type of vehicle or plate number not recorded

Although the Ministry was able to recoup a portion of the performance penalties owing, the settlement also resulted in a reduction in the self-auditing and verification required to be carried out by Plenary/Serco. For example, with the settlement, the number of transactions that required Serco's secondary check went from 100% to 5% of all routine transactions. This reduction in verification lowered costs for Serco. Further, the settlement agreement also reduced the type of performance failures for which the Ministry could charge penalties. This included documentation errors (under key performance indicator 4 in **Figure 12**). **Appendix 3** shows how performance indicators were relaxed over time.

Service Provider Bypassed Appropriate Contract Channels to Influence Ministry Decision-Making

Although the Ministry had contracted with Plenary to deliver driver examination services, and Serco was a subcontractor to Plenary, Serco was successful in reaching outside its subcontract with Plenary to communicate directly with the Ministry. For example, Serco submitted numerous requests and proposals directly to the Ministry, such as requests for additional funds or reductions to services offered. Allowing Serco to work outside the terms of the contract and official project agreement channels weakened the Ministry's ability to rely on and effectively enforce the terms of the contract.

RECOMMENDATION 12

To better motivate the service provider to improve service rather than incur penalties, and to hold the service provider accountable for contract deliverables, we recommend that the Ministry of Transportation:

- design and implement performance measures that incorporate effective penalties for performance failures, including delays in contract deliverables;
- collect an upfront contingency deposit for performance penalties based on historical records; and
- design and implement incentives (in addition to penalties) to promote compliance and appropriate responses from the service provider.

MINISTRY RESPONSE

The Ministry of Transportation recognizes the importance of effective key performance indicators and contract provisions to ensure improved delivery of driver examination services contracted to third parties.

The Ministry is undertaking an analysis to determine the future contracting model for the delivery of driver examination services. The use of modern contract management practices and effective key performance indicators, as well as meaningful

penalties and incentives, will be key considerations for the accountability structures for service delivery and in meeting customer expectations.

RECOMMENDATION 13

To promote effective contract management and relations between the Ministry of Transportation and its service provider, and to avoid undermining the contractual position of the Ministry, we recommend that the Ministry ensure that communications with contractors use appropriate contract channels.

MINISTRY RESPONSE

Recognizing the complexity of the service delivery agreement for driver examination services, the Ministry of Transportation agrees to take steps to ensure an understanding of the contract channels that should be leveraged by Ministry stakeholders when communicating with the service provider.

4.5.2 Ministry's Compliance Audits of Driver Examination Services Were Inconsistent and Incomplete

We found that the Ministry did not consistently evaluate the driver examination services provided by Plenary/Serco. We also found that the evaluations did not include the actual road tests—a crucial element. As described in **Section 2.2.2**, Plenary/Serco was responsible for quality assurance, self-monitoring and reporting all performance failures for 14 performance indicators (see **Appendix 3**). The contract specified that Plenary/Serco was to provide monthly compliance reports to the Ministry, reporting performance failures identified by its own quality-assurance processes.

To ensure that Plenary/Serco's self-auditing, quality-control and continuous-improvement processes were effective, the Ministry carried out its own compliance examinations and site audits. Ministry staff informed us that, historically, the site audits involved

auditing road test score sheets; however, this stopped due to Plenary/Serco's transition to digital score sheets and the use of automated validation tools. The Ministry's site visits also did not include direct observation of road tests ("check-rides") to confirm these were delivered according to Ministry standards. This meant that this centrally important facet of licensing was not reviewed by the Ministry.

Our audit examined a sample of the Ministry's reviews of Plenary/Serco's documents and found that the Ministry shifted its audit focus. For example, the Ministry had seen an increased error rate in medical reports for commercial drivers since the beginning of 2023. Therefore, the Ministry decided to pause the examination of novice driver applications and focus its resources on verifying 100% of the medical reports for commercial drivers submitted by Plenary/Serco. We did not see evidence of formal audit planning and risk assessment that provided a clear rationale for this degree of concentration. While risk-based prioritization can increase efficiency, it needs to result from careful risk analysis and ensure adequate coverage.

RECOMMENDATION 14

To better monitor and report on the driver examination service provider's compliance and performance, we recommend that the Ministry of Transportation strengthen its audit function by implementing a program of risk-based audits to examine all key operational processes of driver examination services, including road tests.

MINISTRY RESPONSE

The Ministry of Transportation agrees with this recommendation and has started a review of its practices to strengthen compliance oversight. The Ministry will also examine cost-effective methods to implement risk-based audits of key operational processes of driver examination services.

4.5.3 Ministry Paid Additional Funds to Maintain Service Levels That Were the Responsibility of the Service Provider

Overall, based on the Ministry's records, we found a pattern of Plenary/Serco not providing adequate service and the Ministry paying for changes to improve service even though under its contract with the Ministry, costs and risks related to providing driver examination services were Plenary's responsibility.

Plenary/Serco was unable to meet customer wait time targets prior to the COVID-19 pandemic. According to Ministry documentation, Plenary/Serco "refused to open a new location despite their demand analysis indicating it was needed." As a result, in 2018 the Ministry paid \$1.2 million for the construction of the Mississauga DriveTest Centre, and \$4 million per year in operational costs, to reduce customer wait times (see **Appendix 10** for timeline). The total operating cost as of September 2023 was about \$15 million. Moreover, between November 2017 and September 2023, the Ministry subsidized Plenary/Serco to increase operating hours at various DriveTest Centres to meet growing needs. The Ministry estimated that it paid about \$19.2 million in total subsidies during this period.

In addition, the Ministry estimated that COVID-19 pandemic relief provided to Plenary totalled about \$35 million. This included paying for:

- recruiting and training additional driver examiners;
- extending service hours at DriveTest Centres and for passenger road testing;
- opening nine temporary road test centres; and
- personal protective equipment and labour costs.

RECOMMENDATION 15

To provide for better accountability of funds provided to third parties for driver examination services to Ontarians, we recommend that the Ministry of Transportation:

- administer contracts such that risks and costs are allocated between the parties in accordance with contractual terms; and
- conduct thorough reviews on all relief, subsidization or reimbursement requests from service providers and render decisions that are consistent with the Ministry's contractual obligations.

MINISTRY RESPONSE

The Ministry of Transportation agrees with the recommended actions and has taken steps to make sure that vendor requests or other changes to the driver examination services contract are evaluated in terms of risk and cost allocation.

Moving forward, the Ministry will implement an assessment process to inform decision-making on relief, subsidization, or reimbursement requests.

4.5.4 Ministry Awarded New Contract to the Service Provider Despite Poor Performance and Issues of Concern

Despite issues of poor performance and disputes over penalties, the Ministry signed a new contract with Plenary in September 2023. The contract was for two years, with a possible one-year extension and up to a possible further year for a transition period. The Ministry was evaluating how it will deliver driver examination services once the term of this contract ends.

Non-Competitive Procurement for New Contract

We found that the Ministry failed to carry out a competitive procurement for post-2023 driver examination services. Similar to the negotiation of the 2013–2023 contract, the Ministry worked with Infrastructure Ontario to evaluate options past the contract end date of September 2, 2023. In May 2021, the Ministry met with stakeholders from across the province and related sectors. This process was led by the Parliamentary

Assistant to the Minister of Transportation with assistance from political staff from the Minister's Office and Ministry staff.

In August 2021, the Ministry considered it had a two-year transition window beginning in September 2021. The Ministry recommended proceeding with the assistance of Infrastructure Ontario and a consulting firm. Seeking to determine the extent of interest from potential service delivery partners, the Ministry contracted the consulting firm to carry out a market sounding in October 2021. Despite the stated intention of gauging the interest of potential future service delivery providers, we found that very few potential service delivery partners expressed interest (this was attributed by the participants to the small number of service providers active in the industry). However, the consultations did include incumbents Plenary and Serco. As this firm was also Plenary's auditor, we inquired if the Ministry had asked how the firm managed potential conflicts of interest. However, the Ministry had no record of doing so.

By the fall of 2021, the Ministry determined that there was not sufficient time to conduct a competitive procurement that could deliver service improvements that would meet customer expectations before the end of the 2013–2023 contract. In response, the Ministry decided to pursue a two-stage approach. The first stage was negotiating a new contract (bridging contract) with Plenary for two years (to September 2025), with an optional extension for an additional year (into 2026). The second stage involved a more extensive evaluation of service delivery options.

After proceeding with its two-stage plan, the Ministry decided the bridging contract would not be reached through a competitive procurement and sought an exemption from government policies that require competitive procurement. When we asked the Ministry why the procurement had begun so late as to preclude a competitive process, Ministry staff said that the COVID-19 pandemic had disrupted early progress in 2020. However, they also noted that all senior

management from that period had retired so the Ministry did not have full information about reasons for the delay. We found documentation indicating the Ministry intended to begin work on a transition as early as 2018.

With the exception of Alberta, all other Canadian provinces deliver driver examination services through government divisions or Crown corporations (see **Appendix 8**), which provide governments greater control over quality of services. In Alberta, driver examination services for commercial licences are also delivered by a government division.

Agreement in Principle 2023–2025/2026 Does Not Include an Improved Performance Framework

The Ministry and Plenary reached an agreement in principle for the bridging contract in December 2022. They signed the agreement for the bridging contract on July 31, 2023, with the contract to take effect September 2, 2023. However, we found that the Ministry did not negotiate an improved performance framework for the bridging contract with Plenary.

The Ministry recognized that performance indicators in its 2013–2023 contract with Plenary were not effective in improving service. We compared the key performance indicators from the 2013–2023 contract with the agreement in principle and the bridging contract (see **Appendix 3**) and found that the indicators were largely unchanged and, in some cases, relaxed. Further, we found that penalty amounts for performance failures were, with a few exceptions, unchanged in the new contract (see **Appendix 4**). We also found that the agreement in principle and bridging contract continued to reflect the same issues that we identified in the previous contract, including penalties being waived for certain performance failures.

RECOMMENDATION 16

To provide for more effective oversight of driver examination service providers, and to provide Ontarians with better quality of service, we recommend that the Ministry of Transportation:

- ensure adequate lead time to comply with government policies on procurement when contracting with a service provider;
- consider past performance in negotiating future contracts;
- compare its experience relative to other Canadian provinces to identify best practices in structuring driver examination services; and
- use independent research to immediately evaluate the costs and benefits of various options for an examination service delivery partnership.

MINISTRY RESPONSE

The Ministry of Transportation agrees with the recommendation and is currently reviewing the driver examination services delivery model and will comply with procurement policy requirements.

4.6 Ministry Overrode Its Own Proof of Identification Requirements When Issuing Driver's Licences

Our review found that, since 2019, the Ministry authorized the use of expired or substandard IDs when issuing Ontario driver's licences in over 1,000 so-called special circumstances approvals. While some of these approvals were made for unique and extenuating circumstances, most were allowed to proceed without consistent standards or a documented rationale, compromising the fraud-prevention controls in place for the Province and potentially allowing individuals to fraudulently obtain an official government-issued ID in Ontario.

For applicants who were experiencing extenuating circumstances, Serco, ServiceOntario or the applicant could escalate the licensing requests to the Ministry for further review to determine if an exception could be made. (Case 1 in **Figure 13** illustrates one such case escalated to the Ministry under extenuating circumstances.) Some applicants also may choose to escalate through their local Member of Provincial Parliament

(MPP). The Ministry's Driver and Vehicle Services Branch receives these escalations regularly, and the Ministry's Policy Office reviews these escalations for approval. If approved, these cases are given to Serco DriveTest Centres for processing.

Due to inadequacies in its own tracking process, the Ministry did not know how many escalations were received in total, or the escalation channels used. After reviewing a sample of 30 exceptions that were made, we found the following issues:

- **There were no internal guidelines or documented rationale for approving or denying exception requests.** The Ministry has a policy on ID requirements for Ontario driver's licence applicants. The policy is publicly available on the Ministry's website and describes a list of primary and secondary proof of identification documents that can be used. However, the Ministry has no written standards for its staff when reviewing extenuating circumstances and making exceptions to ID requirements. For all samples we reviewed, the IDs provided varied from case to case, and the Ministry did not have criteria for type, number or quality of documents. The Ministry staff told us the approval depended on whether they could ascertain that the applicant had presented their true identity using the ID provided; however, they could not explain how this was done. In addition, the Ministry used emails to keep records of escalations received. For all samples we reviewed, there was no evidence of consistent review steps or clear reasons for allowing the exceptions. In 20 of the 30 cases we reviewed, there were no circumstances provided except for a simple "request for exceptions" (for example, see Case 2 in **Figure 13**). In another 23% (seven out of 30) cases, the circumstances provided were not "extenuating," such as Case 3 in **Figure 13**. Details of the extenuating circumstances were provided in only 10% (three out of 30) of the cases reviewed, as illustrated in Case 1 of **Figure 13**.

Figure 13: Examples of ID Exception Requests Made to the Ministry

Prepared by the Office of the Auditor General of Ontario

Extenuating Circumstances	No Extenuating Circumstances
<p>CASE 1:</p> <p>In October 2020, the applicant travelled to Ontario for a family emergency from a foreign country. The COVID-19 pandemic occurred and the applicant became the primary caregiver to three grandchildren. In May 2021, the applicant was told to obtain an Ontario driver's licence if they wanted to continue to drive; however, their foreign driver's licence had expired. The applicant renewed their foreign driver's licence remotely, but it took time for the documents to be mailed to Canada. The applicant indicated that they needed a means of transportation to take care of the grandchildren. The applicant had a photocopy of their new foreign driver's licence with driver abstract, a valid passport and a valid Ontario health card. The Ministry granted the applicant the ability to exchange their foreign licence for an Ontario driver's licence.</p>	<p>CASE 2:</p> <p>The applicant's Canadian passport expired over two years earlier, but they possessed a valid Ontario health card, a Canadian citizenship certificate (not accepted by policy) and a foreign birth certificate through email. The Ministry staff emailed: "This one is from the Minister's Office, so can we make an exception?" The applicant was approved for an Ontario driver's licence.</p> <p>CASE 3:</p> <p>The applicant stated that their passport expired over 10 years earlier and they needed a form of identification to work and support their family. The applicant escalated the request through their MPP's office and the Ministry staff approved the applicant for an Ontario Photo Card. However, the MPP's office later indicated that the individual would not accept an Ontario Photo Card and demanded a driver's licence. The Ministry approved this request.</p>

- **There was little or no verification of the validity of the presented documents.** Our sample review showed that all cases were reviewed electronically and there was no evidence that Ministry staff attempted to make a physical verification of the presented IDs or arrange an in-person interview with the applicants themselves. Ministry staff indicated that Serco staff should examine the documents and verify the person at the appointment to issue the driver's licence. However, we found that none of the sample exception approval emails stated the application was "approved pending further verification," but instead told Serco staff it was "approved and please make arrangements." We confirmed this with Serco, which told us that Serco staff most likely would not verify the documents again since the Ministry had already "approved" the person for a driver's licence.
- **Requests from MPPs were more likely to be approved.** We found that 40% (12 out of 30) of

the escalations we reviewed were received from MPPs' offices. We noticed that in the emails, Ministry staff consistently included the MPP's name and position to raise the urgency of the requests, as shown in Case 2 in **Figure 13**. Ministry staff told us that they generally approved these requests to avoid further escalations from the MPP's office. When we asked the Ministry for an example of an escalation from an MPP's office that was denied, it could not provide one.

Without consistent guidelines and a documented review process, these exceptions overrode the Ministry's own proof-of-identify controls and compromised the fraud-detection abilities of both the Ministry and Serco. Furthermore, they exposed the Province to further fraud risks as a driver's licence is considered a government-issued ID that can be used as a proof of identification for other applications, such as for a Canadian passport and/or to obtain Ontario Health Insurance Plan coverage.

RECOMMENDATION 17

To better prevent fraud and identify theft, we recommend that the Ministry of Transportation:

- develop internal guidelines and formal procedures to evaluate and document the extenuating circumstances for ID escalations;
- educate Serco and ServiceOntario staff on these guidelines and procedures; and
- put in place a process to monitor that these guidelines and procedures are followed.

MINISTRY RESPONSE

The Ministry accepts this recommendation and is currently in the process of developing internal guidelines and formal procedures to evaluate and document extenuating circumstances for ID escalations.

The Ministry will collaborate and communicate the guidelines and procedures with partners and stakeholders to ensure that the process for escalation is being implemented in a consistent manner.

The Ministry will develop a process to monitor requests for escalations, including a periodic review of the documents being accepted.

4.7 Ministry Did Not Incorporate Key Safety Data When Determining the Effectiveness of Its Road Safety Programs

The Ontario Road Safety Annual Report 2020 indicated that, for more than two decades, the Ministry has measured road safety in Ontario by calculating the number of collision-related fatalities for every 10,000 licensed drivers. Based on statistics that show Ontario has the lowest fatality rate in North America, and that rate has been falling, the Ministry reported that Ontario ranked first in road safety. However, the Ministry did not include other road safety data in assessing safety on Ontario's roads, such as total collision rates.

Ontario At-Fault Collision Insurance Claims Have Steadily Increased in the Past 10 Years

We analyzed data from the General Insurance Statistical Agency, a not-for-profit statistical agent for nine participating insurance regulatory authorities across Canada (Alberta, New Brunswick, Newfoundland and Labrador, the Northwest Territories, Nova Scotia, Nunavut, Ontario, Prince Edward Island, and the Yukon). Our analysis showed a steady increase in at-fault collision claims in Ontario from 2012 to 2019 (see **Figure 14**). The General Insurance Statistical Agency noted that the reduction in the reported claim counts in 2020 and 2021 could largely be attributed to a reduction in traffic levels as a result of the COVID-19 pandemic. In 2022, when all COVID-19 pandemic-related restrictions were removed, both the overall driving insurance claim counts and claim counts per 100 vehicles increased significantly (over 30%).

Figure 14 also compares Ontario drivers' insurance claims for at-fault collisions per 100 vehicles to the same data from Alberta and the Atlantic provinces from 2018 to 2022. Notably, Ontario's insurance claims for at-fault collision per 100 vehicles surpassed Alberta and the Atlantic provinces for the first time in 2022. By excluding at-fault collision rates, the Ministry's evaluation of the effectiveness of its road safety programs could be incomplete.

Ministry's Data Analytic Capability Could Be Improved to Measure Impact on Road Safety

During our audit, we learned that the Ministry does not routinely leverage data from sources outside its own information systems (see **Section 2.5**) to measure program outcomes, including the impact of policy changes. For example, the Ministry does not effectively utilize information from Serco's system to provide insights into the performance of its driver examination program. Many of our data requests, such as matching drivers' addresses with where road tests were taken, were not performed by the Ministry. Furthermore, the Ministry's various information systems were not interfaced to

Figure 14: Comparison of Annual Insurance Claims Made for At-Fault Collisions

Source of data: General Insurance Statistical Agency

Year	Ontario			Alberta Claims per 100 Vehicles	Atlantic Provinces Claims per 100 Vehicles
	Claim Count	Claims per 100 Vehicles	Year-over-Year Growth of Claims per 100 Vehicles (%)		
2012	116,289	2.55	-	-	-
2013	128,382	2.77	9	-	-
2014	137,531	2.90	5	-	-
2015	142,221	2.91	0	-	-
2016	150,511	2.99	3	-	-
2017	157,989	3.10	-	-	-
2018	168,399	3.26	5	4.32	3.17
2019	174,391	3.32	2	4.23	3.14
2020	109,568	2.08	(37)	2.77	2.32
2021	107,849	2.03	(2)	2.67	2.34
2022	145,262	2.70	33	2.45	2.54

make it easy to join data from different functions, including the driver examination service provider.

In April 2020, the Ministry established a Digital Information Management Analytics initiative to enable Ministry staff to access and use information from driver licensing, collisions, commercial carrier and driver training datasets. As of March 2023, the business intelligence tool contained data from the past eight years, but it did not contain any driver examination data because that data was stored by the service provider and had not been accessed by the Ministry. Similarly, the driver medical review database and part of the collision database were not connected to the main database.

The initiative had planned to centralize a substantial portion of the driver examination, medical and collisions databases, but details regarding the timing and scope of these updates had not been finalized at the completion of our audit.

RECOMMENDATION 18

To measure the effectiveness of its driver training and examination programs on a timely basis, we recommend that the Ministry of Transportation:

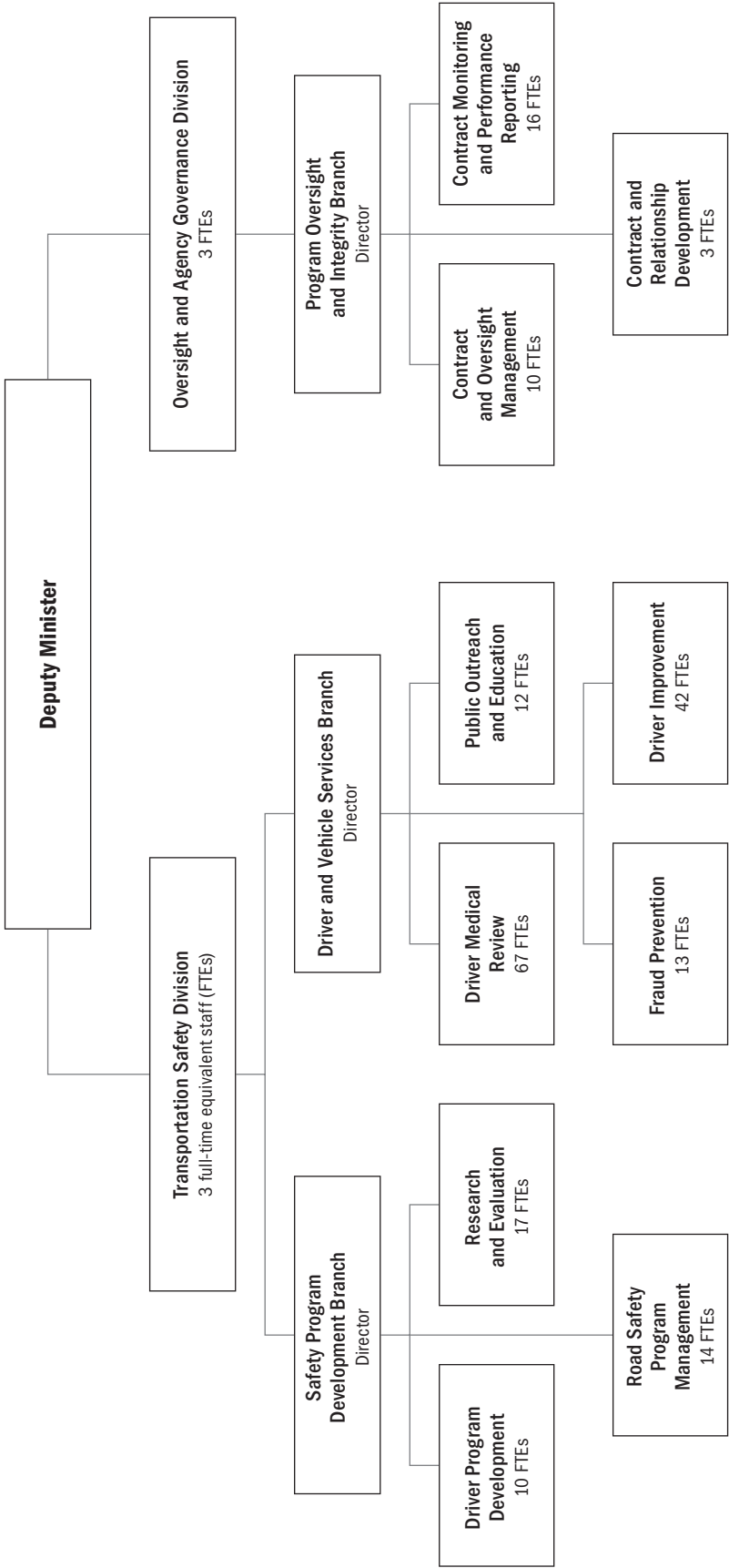
- expand the use of business intelligence tools to conduct additional analytics that leverage data from related information systems, linking driver information to the driver examination, collisions and driver medical databases;
- establish a comprehensive set of road safety indicators, including those related to collision rates, based on the objectives of its driver training and examination programs; and
- monitor its driver training and examination programs using these indicators, and report on the results annually.

MINISTRY RESPONSE

The Ministry of Transportation agrees with the principles of this recommendation. The Ministry has several ongoing multi-year digital transformation initiatives focused on expanding the use of business intelligence tools to support policy and program enhancements. Over the coming years, the Ministry also plans to enhance its capacity to monitor and measure the effectiveness of driver training and examination programs using appropriate road safety indicators, and report the results regularly.

Appendix 1: Excerpt of Organizational Chart, Ministry of Transportation, August 2023

Prepared by the Office of the Auditor General of Ontario



Appendix 2: List of DriveTest Centres and Travel Points with Road Tests Volume and Pass Rates, 2022

Source of data: Ministry of Transportation

Legend:

- High pass rate, > 75%
- 65% to 75%
- Low pass rate, < 65%

Location of Centre	G (Highway) Road Test		G2 (City) Road Test		G1 Knowledge Test
	Counts	Pass Rate (%)	Counts	Pass Rate (%)	Counts
East Region					
Bancroft	2,698	87	1,731	89	2,526
Belleville	7,801	80	6,336	78	22,858
Brockville	2,323	75	1,372	80	6,176
Cornwall	2,858	76	2,712	78	16,842
Toronto Downsview	32,167	63	22,456	62	131,720
Toronto Etobicoke	15,148	65	19,546	63	131,832
Gwillimbury Offsite*	6,043	56	8,886	69	-
Hawkesbury	2,753	79	2,842	73	10,156
Kingston	9,095	76	4,589	75	21,991
Lindsay	23,543	71	9,449	82	15,096
Toronto Metro East	20,224	64	17,316	63	133,276
Mt Joy Offsite*	13,083	65	8,883	70	-
Newmarket	34,194	61	16,342	64	88,313
Orangeville	36,583	60	11,252	63	52,975
Oshawa	37,837	70	33,810	67	50,755
Oshawa Offsite*	6,417	70	8,679	74	-
Ottawa Canotek	10,095	76	4,922	73	29,183
Ottawa Offsite*	3,047	77	9,345	77	-
Ottawa Walkley	26,546	75	11,937	71	76,817
Pembroke	2,718	68	1,277	65	6,243
Toronto Port Union	29,077	71	26,145	65	87,948
Renfrew	2,638	78	1,535	70	4,867
Smiths Falls	7,131	74	5,537	77	12,853
Winchester	-	-	1,935	81	9,660
North Region					
Barrie	18,372	68	15,481	74	43,016
Clinton	9,030	70	3,607	71	8,655
Dryden	862	70	527	74	3,463
Espanola	1,921	84	1,247	82	3,567
Fort Frances	602	79	569	75	2,911
Huntsville	2,704	83	1,776	78	9,420
Kapuskasing	531	88	323	86	2,980

Legend:

- High pass rate, > 75%
 65% to 75%
 Low pass rate, < 65%

Location of Centre	G (Highway) Road Test		G2 (City) Road Test		G1 Knowledge Test
	Counts	Pass Rate (%)	Counts	Pass Rate (%)	Counts
Kenora	678	87	580	77	3,276
Kirkland Lake	297	74	221	73	1,235
New Liskeard	632	76	474	69	3,166
North Bay	3,038	86	2,022	80	10,592
Orillia	7,259	80	5,188	73	16,132
Owen Sound	2,912	89	1,548	87	8,686
Peterborough	22,429	74	8,921	72	21,839
Sault Ste. Marie	2,832	68	2,370	78	11,950
Stratford	6,252	78	3,491	79	15,257
Sudbury	5,877	72	3,509	76	20,672
Thunder Bay	5,796	58	4,266	65	17,957
Timmins	1,707	84	1,210	81	8,528
West Region					
Brampton	27,199	57	21,608	63	135,359
Brantford	12,273	59	8,473	71	25,481
Burlington	17,376	69	14,354	74	27,566
Burlington Offsite*	4,531	77	8,856	75	-
Chatham	14,582	77	9,515	81	15,298
Guelph	40,515	69	16,151	62	36,707
Guelph Offsite*	10,795	65	9,453	71	-
Hamilton	20,396	68	10,986	66	65,075
Kitchener	27,473	62	20,913	67	84,620
London	23,157	81	15,039	76	79,724
Mississauga	20,684	63	20,785	65	173,833
Mississauga Offsite*	13,152	61	22,661	73	-
Niagara Offsite*	7,552	74	9,083	77	-
Oakville	30,541	76	13,746	72	78,436
Sarnia	4,700	77	2,810	78	16,466
Sarnia Offsite*	906	61	1,316	75	-
Simcoe	7,872	76	5,337	70	10,850
St. Catharines	18,091	66	11,409	70	50,950
Tillsonburg	6,470	64	4,137	64	9,338
Walkerton	4,626	82	3,287	84	12,599
Windsor	13,635	74	9,981	71	63,683
Woodstock	6,077	61	4,770	60	12,804

Note: ServiceOntario also delivers some driver examination services (knowledge tests only) at its College Park location.

* Offsite locations are temporary examination locations providing road tests as an initiative to address the driver examination backlog. These locations did not offer the G1 Knowledge Test.

Appendix 3: Key Performance Indicators and Changes, 2013–2023

Source of data: Ministry of Transportation

2013–23 Contract with Penary		Example of non-compliance	2013–23 Contract with Penary, after 2019 settlement	Agreement in Principle with Penary for 2023–25 (with option to 2026)	2023–25 (with option to 2026) Contract with Penary
1	Submit Monthly Compliance Reports to the Ministry	Compliance report incomplete or submitted more than five days after month-end	No change	No change	No change
2	Respond to additional information requests from the Ministry	Respond to the Ministry's formal information request in more than five business days	No change	No change	No change
3	Driver examiner and customer service agents comply with training requirements e.g., driver examiner every three years	Driver examiner not completing refresher training within required time	(e.g., driver examiner every four years)	No change	No change
4	Driver examinations are processed and recorded correctly, including verification step for all	Misspelled customer name	Secondary verification step required for 100% of certain higher-risk transactions and 5% of all other transactions	Secondary verification step required for 100% of certain higher-risk transactions Requirement for statistical sampling of accuracy for transactions that are not 100% verified	No change
5	Errors corrected within three business days	Misspelled customer name not corrected	Errors corrected within 10 business days	No change	No change
6	Report notifiable incidents, such as serious accidents, to the Ministry within two hours	An injury to a member of the public or an employee not reported within two hours	No change	Multiple notification time frames for different types of incidents. (e.g., on-site media within one hour, incidents resulting in injuries by end of day)	No change

2013-23 Contract with Plenary		Example of non-compliance	2013-23 Contract with Plenary, after 2019 settlement	Agreement in Principle with Plenary for 2023-25 (with option to 2026)	2023-25 (with option to 2026) Contract with Plenary
7	Enquiries and complaints are tracked and resolved within specified time frames	General enquiry (not requiring consultation with Ministry) not resolved within three business days	No change	Adjustments to time frame for response and resolution of enquiries. 100% of general enquiries will be responded to and resolved within two business days, compared to three previously. Complex enquiries and complaints will be resolved within five business days, compared to three previously	No change
8	Telephone calls are handled within specified service levels	80% of calls do not exceed 30 second wait time	No change	Reduction in the number of specific service requirements (from 12 to 4)	No change
9	Customers are offered road test appointments within 42 days	Customers offered appointments more than 42 days after requested	No change	No change	No change
10	Communications protocols for public disclosure and media releases are followed	Providing information to the media without prior consent	No change	No change	No change
11	Each month, the customer satisfaction rating exceeds 85%	Customer satisfaction rating less than 85%	No change	Measurement will be twice per year instead of monthly	For this KPI only, licence applicants who respond to a customer satisfaction survey immediately after a failed road test are excluded from the rating
12	80% of customers wait for less than 45 minutes in line	Fewer than 80% of customers served within the time frame	80% of customers wait for less than 45 minutes in line at large driving exam centres, and 30 minutes at small centres	No change	Excludes scheduled appointments for long transactions at specific sites
13	Plenary complies with all provisions of its contract with the Ministry	Road tests delayed or cancelled due to inadequate staffing	No change	No change	No change

2013-23 Contract with Plenary		Example of non-compliance	2013-23 Contract with Plenary, after 2019 settlement	Agreement in Principle with Plenary for 2023-25 (with option to 2026)	2023-25 (with option to 2026) Contract with Plenary
14	Driver examination centres comply with hours of operations requirements	Examination centre not open or open but not delivering services	No change	No general requirement. Adds specific element: Travel Point visits cancelled must be rescheduled within 30 days	No general requirement regarding compliance with hours of operations requirements (but note that these are set in a separate contract schedule to which KPI 13 applies)
15	Not in the 2013-23 contract*			Where Plenary cancels a road test, it will use “commercially reasonable efforts” to reschedule the test within one day The rescheduled test must be within 14 days following the date that Plenary successfully contacts the applicant	No change
16	Not in the 2013-23 contract				Specific centres implementing appointment scheduling for long transactions shall have availability within 21 days of request

 Gray shade represents changes to indicator.

* After the 2019 settlement, a temporary KPI 15 was added to require Plenary to implement a cumulative wait time solution by November 1, 2019. The KPI was removed in the Agreement in Principle with Plenary for 2023-25.

Appendix 4: Changes to KPI Performance Penalties

Prepared by the Office of the Auditor General of Ontario

Key Performance Indicator		KPI penalty in 2013–23 Contract ¹	KPI penalty in 2013–23 Contract after 2019 Settlement ¹	KPI penalty in Agreement in Principle ¹	KPI penalty in 2023–25 (with option to 2026) Contract with Plenary ¹
1	Submit Monthly Compliance Reports to the Ministry	\$5,000/month \$230/day	\$5,000/month \$230/day	\$5,000/month \$230/day	\$5,000/month \$230/day
2	Respond to additional information requests from the Ministry	\$2,650/month \$70/day	\$2,650/month \$70/day	\$2,650/month \$70/day	\$2,650/month \$70/day
3	Driver examiner and customer service agents comply with training requirements	\$2,545/month	\$2,545/month	\$2,545/month	\$2,545/month
4	Driver examinations are processed and recorded correctly ²	\$10/transaction	\$8/transaction (applied to fewer transactions)	\$8/transaction	\$8/transaction
5	Errors corrected	\$2,975/month (corrections within 3 days)	\$2,975/month (corrections within 10 days)	\$2,975/month	\$2,975/month
6	Report notifiable incidents, such as serious accidents, to the Ministry within two hours	\$7,030/month for failure to provide notification (within 2 hours) \$6,770/month for failure to provide root cause analysis to implement solution	\$7,030/month for failure to provide notification (by end of day) \$6,770/month for failure to provide root cause analysis to implement solution	\$7,030/month for failure to provide notification to provide root cause analysis to implement solution \$6,770/month for failure to provide root cause analysis to implement solution	\$7,030/month for failure to provide notification to provide root cause analysis to implement solution \$6,770/month for failure to provide root cause analysis to implement solution
7	Enquiries and complaints are tracked and resolved within specified time frames	\$1,500/month to \$2,975/month for specific failures per service points	\$1,500/month to \$2,975/month for specific failures per service points	\$1,500/month to \$2,975/month for specific failures per service points	\$1,500/month to \$2,975/month for specific failures per service points
8	Telephone calls are handled within specified service levels	\$1,500/month to \$2,975/month for each specific failure	\$2,975/month for each specific failure	\$2,975/month for each specific failure (fewer failure categories)	\$2,975/month for each specific failure

Key Performance Indicator	KPI penalty in 2013–23 Contract ¹	KPI penalty in 2013–23 Contract after 2019 Settlement ¹	KPI penalty in Agreement in Principle ¹	KPI penalty in 2023–25 (with option to 2026) Contract with Plenary ¹
9 Customers are offered road test appointments within 42 days	\$10,415/month, applied each month for each site	\$10,415/month, applied each month for each site	Applied each month for each site and each road test class <ul style="list-style-type: none"> • First instance: \$50 • Second instance: \$250 • Third instance: \$1,125 • Fourth instance: \$1,750 	Applied each month for each site and each road test class <ul style="list-style-type: none"> • First instance: \$50 • Second instance: \$250 • Third instance: \$1,125 • Fourth instance: \$1,750
10 Communications protocols for public disclosure and media releases are followed	\$45/month	\$45/month	\$45/month	\$45/month
11 Customer satisfaction rating exceeds 85%	\$2,010/month (measured monthly)	\$2,010/month (measured twice per year)	\$2,010/month	\$2,010/month
12 80% of customers wait for less than 45 minutes in line at large driving exam centres, and 30 minutes at small centres	\$325/month applied each month for each DTC for each day where wait exceeded	\$750/month for large DTC; \$400/month for small DTC	\$750/month for large DTC; \$400/month for small DTC	\$750/month for large DTC; \$400/month for small DTC
13 Plenary complies with all provisions of its contract with the Ministry	\$255/month applied each month for each performance failure	Per applicant penalties from \$1 to \$3.75 depending on length of wait	Per applicant penalties from \$1 to \$3.75 depending on length of wait	Per applicant penalties from \$1 to \$3.75 depending on length of wait
14 Driver examination centres comply with hours of operations requirements	\$3,500/day	\$3,500/day	\$3,500/day	\$3,500/day
15 Rescheduling of cancelled road tests ³	Not required	Not required	\$100–150/month for each performance failure	\$100–150/month for each performance failure
16 Specific centres implementing appointment scheduling for long transactions must have availability within 21 days of request	Not required	Not required	Not required	First instance: \$100 Second instance: \$150 Third instance: \$250 Fourth instance: \$500

Gray shade represents changes to indicator.

1. Performance penalty calculations are subject to contractual maximums, and penalty charges were waived during periods of the 2013-23 contract.

2. There are no performance penalties applicable to certain categories of transactions, including a signature on an application that does not match identification, failed test results not recorded, and Ontario Photo Card number not recorded.

3. After the 2019 settlement, a temporary KPI 15 was added to require Plenary to implement a cumulative wait time solution by November 1, 2019. The KPI was removed in the Agreement in Principle with Plenary for 2023-25.

Appendix 5: Audit Criteria

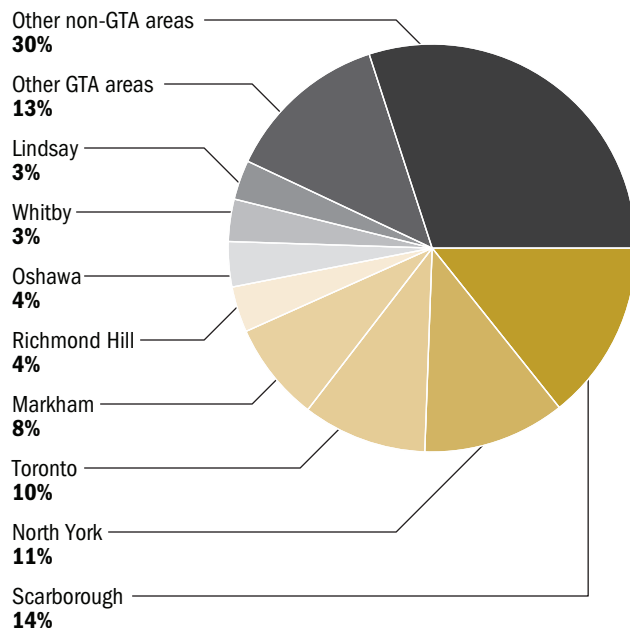
Prepared by the Office of the Auditor General of Ontario

-
1. Beginner driver training, examination and related program requirements are evaluated and updated by Ministry of Transportation based on evidence to support continuous improvement of road safety.
 2. The Ministry is effective in identifying high-risk drivers (e.g., with medical concerns or unsafe driving behaviours) so that only qualified individuals receive a valid licence and/or continue driving in Ontario.
 3. The Ministry is effective in overseeing service providers in providing driver examination in accordance with relevant legislations, regulations, policies, contract terms and best practices.
 4. The Ministry is effective in managing and exercising its contractual rights with due regard to efficiency and economy.
 5. The Ministry is effective in approving and overseeing licensed driving schools and instructors in accordance with relevant legislations, regulations, policies and best practices.
 6. Management information systems should provide timely, accurate and relevant information to enable the Ministry to effectively administer the driver training and examination functions, as well as support management decision-making.
 7. Appropriate and reasonable performance measures and targets are established and monitored, and compared against actual results to evaluate whether driver training and examination services were provided efficiently and effectively. Results are publicly reported and corrective actions are taken in a timely manner when issues are identified.
-

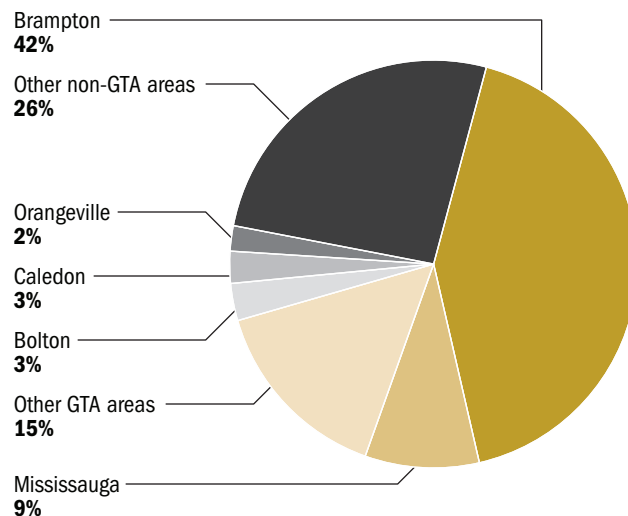
Appendix 6: Home Addresses of Drivers Who Took Road Test at Six Rural DriveTest Centres, January 2022–March 2023

Prepared by the Office of the Auditor General of Ontario

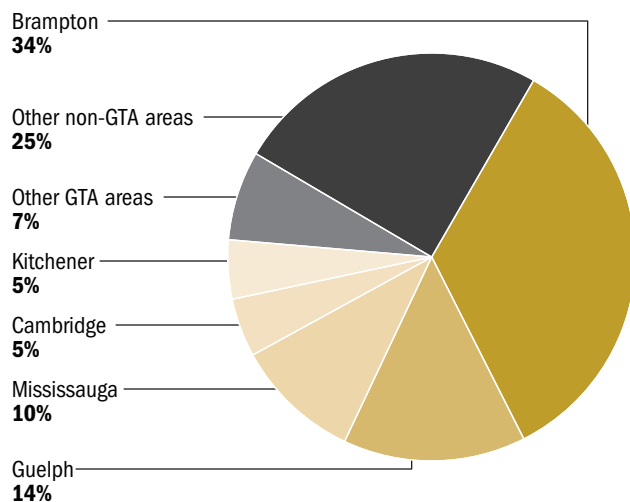
Lindsay DriveTest Centre



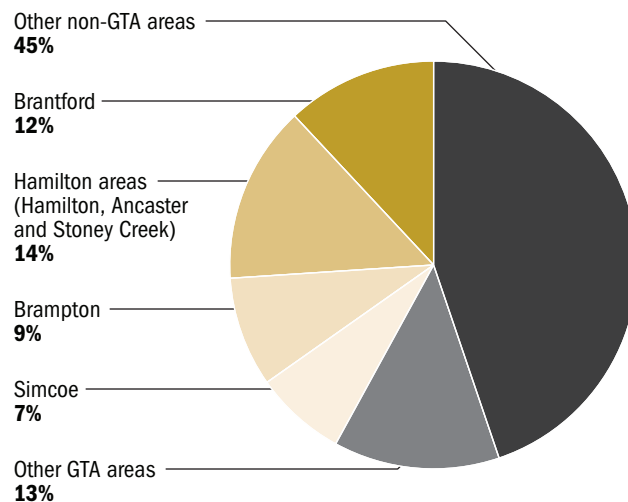
Orangeville DriveTest Centre



Guelph DriveTest Centre*

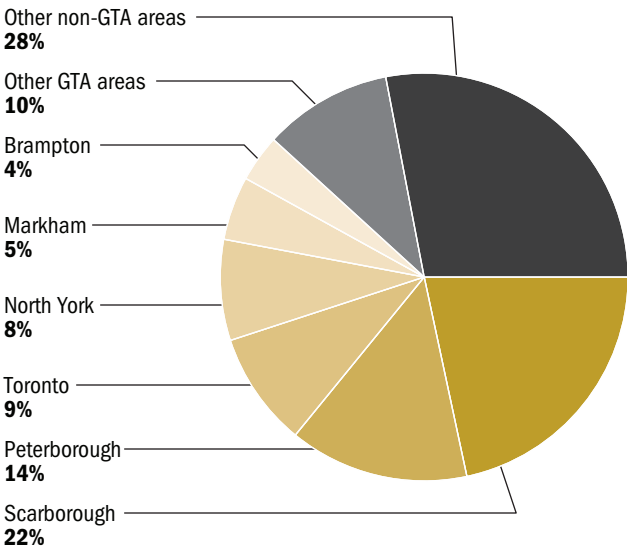


Simcoe DriveTest Centre

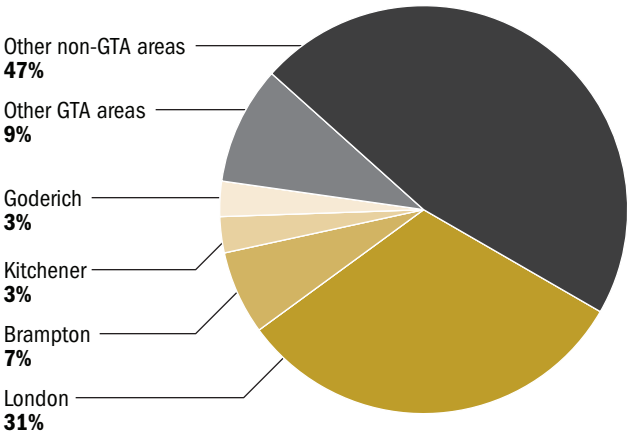


* Includes drivers who completed road test at a temporary location established to clear the COVID-19-related backlog.

Peterborough DriveTest Centre



Clinton DriveTest Centre



Appendix 7: Collision Rates for Novice Drivers Living in Select Cities, by DriveTest Centre Location, January 2022–March 2023

Prepared by the Office of the Auditor General of Ontario

DriveTest Centre Where Road Test Completed	Number of Drivers Who Took Road Test ¹	%	Drivers Involved in a Collision After Road Test ⁵	
			#	%
Scarborough (Toronto Port Union)	16,873	34	496	2.9
Non-Scarborough Total	32,881	66	1,237	3.8
Oshawa ²	9,909	20	371	3.7
Peterborough	4,902	10	180	3.7
Toronto Metro East	4,716	9	164	3.5
Lindsay	3,416	7	107	3.1
Mount Joy temporary site ³	2,375	5	97	4.1
Toronto Downsview	1,095	2	52	4.7
Newmarket	981	2	33	3.4
Belleville	546	1	19	3.5
Other ⁴	4,941	10	214	4.3
Total	49,754	n/a	n/a	n/a

1. Road tests passed between January 1, 2022, and March 31, 2023.
2. Includes drivers who completed road test at temporary additional examination site during the reopening of road test examinations in 2022.
3. Drivers who completed road test at temporary location established to clear COVID-19-related backlog.
4. "Other" includes DriveTest Centres that had fewer than 200 novice drivers from Scarborough who conducted road tests at that location.
5. Includes collisions that involved drivers who obtained their G or G2 licence through Ontario's Graduated Licensing System.

DriveTest Centre Where Road Test Completed	Number of Drivers Who Took Road Test ¹	%	Drivers Involved in Collision After Road Test ⁴	
			#	%
Brampton (Home Location)	23,377	24	721	3.1
Non-Brampton Total	72,320	76	2,727	3.8
Guelph ²	17,535	18	684	3.9
Orangeville	12,721	13	399	3.1
Mississauga ²	14,100	15	544	3.9
Oakville	3,432	4	168	4.9
Toronto Etobicoke	2,459	3	71	2.9
Burlington ²	3,742	4	149	4.0
Hamilton	1,692	2	56	3.3
Niagara ²	1,359	1	71	5.2
Kitchener	1,108	1	48	4.3
Barrie	1,101	1	52	4.7
Other ³	13,071	14	455	3.8
Total	95,697	n/a	n/a	n/a

1. Drivers who passed road tests between January 1, 2022 and March 31, 2023.
2. Includes drivers who passed road tests at temporary offsite DriveTest locations providing road tests as an initiative to address the road test backlog in 2022.
3. "Other" includes DriveTest Centres that have less than 1,000 novice drivers from Brampton who conducted road tests there.
4. Includes collisions that involved drivers who obtained their G or G2 licence through Ontario's Graduated Licensing System.

DriveTest Centre Where Road Test Completed	Number of Drivers Who Took Road Test ¹	%	Drivers Involved in a Collision After Road Test ³	
			#	%
Windsor (Home location)	11,546	60	330	2.9
Non-Windsor Total	7,657	40	263	3.4
Chatham	6,280	33	201	3.3
Sarnia	121	1	6	5.0
London	106	1	5	4.7
Guelph	98	0	2	2.0
Other ²	1,052	4	49	4.7
Total	17,768	n/a	n/a	n/a

1. Road test passed between January 1, 2022, and March 31, 2023.

2. "Other" includes DriveTest Centres that had fewer than 100 novice drivers from Windsor who conducted road tests at that location.

3. Includes collisions that involved drivers who obtained their G or G2 licence through Ontario's Graduated Licensing System.

DriveTest Centre Where Road Test Completed	Number of Drivers Who Took Road Test ¹	%	Drivers Involved in a Collision After Road Test ⁴	
			#	%
Ottawa² (Home location)	21,941	85	543	2.5
Non-Ottawa Total	3,888	15	113	2.9
Smiths Falls	1,003	4	23	2.3
Renfrew	265	1	13	4.9
Hawkesbury	265	1	4	1.5
Winchester	241	1	2	0.8
Other ³	2,114	8	71	3.4
Total	25,829	n/a	n/a	n/a

1. Road test passed between January 1, 2022, and March 31, 2023.

2. Includes drivers who completed road test at both Ottawa Canotek and Ottawa Walkley DriveTest Centres, as well as drivers who completed road test at temporary location established to clear COVID-19 related backlog.

3. "Other" includes DriveTest Centres that had fewer than 200 novice drivers from Ottawa who conducted road tests at that location.

4. Includes collisions that involved drivers who obtained their G or G2 licence through Ontario's Graduated Licensing System.

Appendix 8: Cross-Jurisdictional Scan of Driver Training and Examination Programs in Canada

Prepared by the Office of the Auditor General of Ontario

Criteria	Ontario	British Columbia	Alberta	Saskatchewan	Manitoba *	Quebec	Newfoundland	New Brunswick	Nova Scotia *	Prince Edward Island
Fatalities per 100,000 licensed drivers (2021)	5.1	7.9	8.2	10.4	8.1	5.9	8.9	12.1	9.8	13.9
Graduated Licensing Process	Yes – 1 knowledge test and 2 road tests over min. 2 years	Yes – 1 knowledge test and 2 road tests over min. 3 years	Yes – 1 knowledge test and 1 road test over min. 3 years	Yes – 1 knowledge test and 1 road test over min. 2.25 years	Yes – 1 knowledge test and 1 road test over min. 2 years	Yes – 1 knowledge test and 1 road test over min. 3 years	Yes – 1 knowledge test and 1 road test over min. 2 years	Yes – 1 knowledge test and 1 road test over min. 2 years	Yes – 1 knowledge test and 1 road test over min. 3 years	Yes – 1 knowledge test and 1 road test over min. 3 years
Licensing process for drivers from countries with no license exchange	Knowledge test and highway road test with no wait period (with foreign driving history of 2+ years)	Knowledge test and highway road test with no wait period (with out-of-province driving history of 2+ years)	Knowledge test and road test with no wait period (with foreign driving history of 2+ years)	Knowledge test and road test with shortened wait period (with foreign driving history of 9+ months)	Knowledge test and road test with wait period potentially shortened	Knowledge test and road test with wait period shortened by the duration of foreign driving history (up to 2 years)	Knowledge test and road test with no wait period	Knowledge test and road test with no wait period (with foreign driving history of 2+ years)	Information not publicly available	Knowledge test and road test within 120 days
Novice drivers can shorten the supervised driving period by taking an approved training course	Yes – can shorten the 12-month G1 supervised driving period by up to 4 months	Yes – can shorten the 24-month novice stage by 6 months	Yes – can shorten the 24-month probationary period by up to 6 months	No – cannot shorten 9-month learner period or 6-month novice period	Information not publicly available	No – cannot shorten supervised 12-month novice driving period	Yes – can shorten the 12-month supervised driving period by 4 months	Yes – can shorten the 12-month supervised driving period by 4 months, but not the 2-year full licensing process	Yes – can shorten the 6-month supervised driving period by 3 months	Yes – can shorten the 12-month supervised period by 3 months
Mandatory driver training course	No – government-approved training course is optional	No – government-approved training course is optional	No – government-approved training course is optional	Yes – course is required	Information not publicly available	Yes – course is required	No – government-approved training course is optional	No – government-approved training course is optional	Information not publicly available	Yes – course is required
Instruction time requirements of government-approved driver training course	20 hrs in-class 10 hrs in-car 10 hrs flexible	16 hrs in-class 12 hrs in-car	15 hrs in-class 10 hrs in-car	30 hrs in-class 6 hrs in-car	Information not publicly available	24 hrs in-class 15 hrs in-car	25 hrs in-class 10 hrs in-car (or 12 hrs for manual transmission)	25 hrs in-class 10 hrs in-car	25 hrs in-class 10 hrs in-car	25 hrs in-class 10 hrs in-car 6 hrs observation
Driving practice guidelines (outside formal driver training course)	None	Min. 60 hrs driving practice recommended	None	Min. 72 hrs driving practice recommended	Information not publicly available	Min. 50 hrs driving practice with guide suggested	None	None	Information not publicly available	None

Criteria	Ontario	British Columbia	Alberta	Saskatchewan	Manitoba *	Quebec	Newfoundland	New Brunswick	Nova Scotia *	Prince Edward Island
Oversight of driver training providers	Compliance audits, mystery shops	Inspections and audits	Compliance audits	Inspections	Information not publicly available	Inspections	Audits (in-class and in-car)	Inspections, re-qualification every 3 years	Inspections and audits	Inspections
Knowledge test	Can fail and retake knowledge test multiple times in the same day	Can retake the test after 1 week	Can retake the test only once per day	Can retake the test only once per day	Novice drivers can retake the test after 1 week	Can retake the test only once per 28 days	Can retake the test once daily up to 5 days; then 7-day wait period applies	Can retake the test only twice per week	Can retake the test only once per day in person, or multiple times online	Can retake the test after 1 week
City drivers can take road tests in rural areas	Yes	Yes	Yes	Road tests in smaller centres are locals-only	Information not publicly available	Yes	Yes	No	Yes	No – road tests taken at nearest testing centre
Length of road test	City test 20 min., Highway test 30 min.	35 min. for each of two road tests	Single road test 45 min.	Single road test 20 min.	Information not publicly available	Single road test	Single road test 30 min.	Single road test 20 min.	Single road test 30 min.	Single road test 60 min.
Measurement of the quality of driver exams	Accuracy of the pass/fail scoring of road tests not measured	Pass/fail rate of road tests and knowledge tests monitored	Review of road test scoring compliance, and "check-rides" by registrar	Accuracy of the pass/fail scoring of road tests not measured	Information not publicly available	Assessments of compliance with driving school registration conditions	Accuracy of the pass/fail scoring of road tests not measured	Pass/fail rates, review of testing processes to ensure consistency by examiners	Information not publicly available	Sample of newly licensed drivers re-examined by Ministry to assess driving skill
Medical reports	Only commercial vehicle drivers proactively submit medical report every 3–5 years (annually if over 65)	Every driver required to submit medical report at age 80 and after	Every driver required to submit medical report at age 75 and after	Only commercial vehicle drivers proactively submit medical report every 3–5 years (annually if over 66)	Information not publicly available	Every driver required to submit medical report at age 80 and after	Every driver required to submit medical report at age 75 and after	Only commercial vehicle drivers required to submit medical report upon initial licensing and at each renewal	Only commercial vehicle drivers proactively submit medical report every 5 years (annually if 65 and over)	Only commercial vehicle drivers proactively submit medical report every 3–5 years (annually if over 65)
Age of elderly drivers	80	80	No specific age	No specific age	Information not publicly available	75	75	No specific age	65	No specific age
For elderly drivers, road test or functional assessment of driving ability?	If driver can draw a clock, no road test required	Medical assessment required	Medical assessment required	No required assessment	Information not publicly available	Medical assessment required	Medical assessment required	No required assessment	Information not publicly available	No required assessment, but a driver refresher course is offered

Criteria	Ontario	British Columbia	Alberta	Saskatchewan	Manitoba *	Quebec	Newfoundland	New Brunswick	Nova Scotia *	Prince Edward Island
Interventions for drivers with suspensions	Retraining programs not required for drivers suspended for driving offences	Superintendent can request drivers with poor driving record to complete retraining or retesting	Retraining not required, but may be taken to reduce demerit points	Retraining programs required after recurrent suspensions	Information not publicly available	Retraining programs required after recurrent suspensions	Retraining program required	Re-examination or retraining may be required after recurrent offences; appeal processes available	Information not publicly available	Retraining program required
Who delivers road test examinations	Private contractor	Crown corporation	Privately contracted driver examiners	Crown corporation	Crown corporation	Crown corporation	Government division	Government division	Government division	Government division
Oversight of driver examination providers	Contractor self-assessment, Ministry site visits	Regular assessments and required participation in quality assurance program	Direct monitoring, audits, record inspections	Annual evaluations with direct monitoring every 2 years	Information not publicly available	Direct monitoring and training of driver examiners	Direct monitoring and training of driver examiners	Direct monitoring of driver examiners and, if required, audits	Information not publicly available	Sample of newly licensed drivers re-examined by Ministry to assess driving skill

* Descriptions of practices in Manitoba and Nova Scotia are based on information readily available publicly.

Appendix 9: Suspensions and Other Penalties, Based on the *Highway Traffic Act*

Source of data: Ministry of Transportation

Offence	Mandatory vs Court-Ordered Suspension	Suspension Duration	Demerit Points ¹	Driver Improvement Course	Imprisonment	Fine ² (\$)
G1 novice driver offences³	Mandatory	30 days for first offence; 90 days for second; licence cancellation for third offence	n/a	No	No	Up to 500
Young driver – breach of licensing condition	Mandatory	30 days	n/a	No	No	Up to 500
Drive while under suspension	Mandatory	Six months	n/a	No	Up to six months	Up to 5,000
Distracted driving	Mandatory	Three days for first offence; seven days for second; 30 days for third and subsequent offences within five years ³	Three for first offence; six for second and subsequent offences	No	No	Up to 3,000
Exceeding speed limit 50 km/h or more	Court-ordered	Up to 30 days for first offence; 60 days for second; one year for third offence within five years	Six	No	n/a	9.75/km over the speed limit ⁴
Careless driving	Court-ordered	Up to two years	Six	No	Up to six months	Up to 2,000
Careless driving causing bodily harm or death⁵	Court-ordered	Up to five years	Six	Yes	Up to two years	Up to 50,000
Street racing/stunt driving	Court-ordered	One to three years for first offence; three to 10 years for second; up to life for third and subsequent offences within 10 years	Six	Yes	Up to six months	Up to 10,000

Offence	Mandatory vs Court-Ordered Suspension	Suspension Duration	Demerit Points ¹	Driver Improvement Course	Imprisonment	Fine ² (\$)
Failing to remain	Court-ordered	Up to two years	Seven	No	Up to six months	Up to 2,000
Escape by flight	Mandatory, with duration court-ordered	Five years	n/a	No	14 days to six months	Up to 20,000

1. Demerit points remain on a driver's record for two years. Once 15 points accumulate, a driver is suspended for 30 days.

2. Additional fees and penalties apply for most offences and administrative suspensions: a licence reinstatement fee of \$281 and administrative penalty of up to \$450 (\$550 for alcohol or drug impairment administrative suspensions).

3. Suspensions for G1 licence holders escalate for distracted driving, breach of novice licensing conditions (e.g., zero blood alcohol concentration/drugs, driving without accompanying driver or between midnight and 5 a.m., passenger restrictions) or for being convicted of any offence that would have resulted in four or more demerit points. Suspensions escalate to a 30-day suspension for the first offence, 90 days for the second offence, and the licence is cancelled for the third offence.

4. Speeding fine doubles if the offence occurred in a community safety zone or construction zone.

5. Careless driving causing bodily harm or death is subject to penalties, remedial courses and licence suspension under the *Highway Traffic Act*. Convictions for criminal offences, such as dangerous operation of a vehicle causing bodily harm, failure to stop for police, or impaired driving, can result in penalties under the *Criminal Code of Canada*, and driving suspensions under the *Highway Traffic Act* ranging from one year for a first offence to a lifetime suspension for multiple offences. Alcohol- and drug-related administrative suspensions imposed at the roadside will lead to monetary penalties and to a requirement to complete a remedial education/treatment program.

Appendix 10: Timeline of Serco and Plenary Contracts for Driver Examination Services in Ontario

Source of data: Ministry of Transportation

Date	Event
2003 to 2013	
	Ministry contracts with Serco for driver testing.
2013	
Sep 1	Ministry contracts with Plenary for driver testing. Plenary subcontracts Serco as the service provider.
2014	
Apr to Jul	Ministry issues formal notices of dispute to Plenary due to service shortcomings. Negotiations extend until adjudicator-facilitated mediation in 2019.
2018	
Sep 17	Opening of DriveTest Centre in Mississauga. The Ministry, not Plenary/Serco, is responsible for construction and ongoing operating expenses.
2019	
Aug 31	Settlement of contract dispute through adjudicator-led negotiated settlement with Plenary and Serco.
2020	
Mar 23	Closure of all DriveTest Centres and Travel Points due to COVID-19.
Jun 18	Resumption agreement. The Ministry agrees to set off approximately \$2.9 million in Plenary/Serco Covid-19 related costs against the equivalent amount of performance penalties due to the Ministry. Plenary/Serco agrees they will not seek costs beyond those agreed to in the resumption agreement. Performance penalty relief ends May 31, 2021.
Jun 22	Reopening of DriveTest Centres and Travel Points.
Aug	Serco seeks additional reduction of transaction verifications to offset further claimed losses.
2021	
Jan	Proposals from Plenary/Serco and response from Ministry regarding further performance penalty relief.
May	Consultations with sector led by Parliamentary Assistant to the Minister of Transportation.
Jun 14	Resumption of passenger vehicle road testing.
Jun	Performance penalty relief extended to March 31, 2022 for most key performance indicators.
Summer/fall	The Ministry subsidizes opening of additional temporary locations, increased weekend service and overtime.
Aug	Deployment of an additional 84 examiners; on-boarding costs (e.g., recruitment, hiring, training) paid by the Ministry
Nov	Market sounding report by consulting firm.
Dec	Deployment of an additional 167 examiners; on-boarding costs (e.g., recruitment, hiring, training) paid by the Ministry.
2022	
Apr 1	Treasury Board/Management Board of Cabinet approves negotiation mandate for the Ministry to contract with Plenary for a two-year contract with possible further extension of one year.
May 3	Ministry accepts dispute settlement proposal from Plenary. Agreement to extend penalty relief to December 2022 and cap maximum amounts for various penalties.
Dec 23	Agreement in Principle signed by Ministry with Plenary for bridging contract (two-year extension with possible one further year).
2023	
Jul 31	Ministry signs bridging contract with Plenary.
Sep 2	2013-2023 contract with Plenary ends.



Office of the Auditor General of Ontario

20 Dundas Street West, Suite 1530
Toronto, Ontario
M5G 2C2
www.auditor.on.ca