Follow-Up on the 2023 Performance Audit:

Ministry of Public and Business Service Delivery and Procurement

Travel Industry Council of Ontario

// Overall Conclusion

32 Recommended Actions

56% (18)
Fully Implemented

3% (1)
In the Process of Being Implemented

41% (13)
Little or No Progress

As of September 2025, the Travel Industry Council of Ontario (TICO) and the Ministry of Public and Business Service Delivery and Procurement (Ministry), formerly the Ministry of Public and Business Service Delivery, have collectively fully implemented 56% of actions we recommended in our 2023 audit, **Travel Industry Council of Ontario**. They have also made progress toward implementing one (3%) additional recommended action. TICO, as of September 2025, has fully implemented 74% of the recommended actions that were specifically directed toward it alone.

TICO has fully implemented recommendations such as assessing the security deposits of registrants (travel agents and travel wholesalers registered with TICO) held for more than two years and returning deposits where its Registrar had no concerns about the registrant's compliance with the *Travel Industry Act, 2002* (Act). TICO has also updated its application form to clarify the specific information and supporting documents that applicants must provide with their application. In addition, TICO updated its risk-rating system for registrants to include an assessment of non-financial factors, including past registrant violations of legislative requirements and enforcement action taken against the registrant by TICO. As well, TICO established a policy for how frequently registrant risk ratings should be updated and how frequently it should conduct inspections based on each risk rating assigned to registrants. TICO also used its board-competency matrix and assessments to inform nominations to TICO's Board. The Ministry has fully implemented the recommendation to use advice from the Chair of TICO's Board regarding the suggested skills required by the Board to inform the Board appointment process concerning Board members that are appointed at the discretion of the Minister.

However, little progress has been made on 41% of the recommended actions. For TICO, this includes assigning every registrant a risk rating, creating guidelines for using registrant risk ratings to inform oversight activities, and inspecting each registrant in accordance with the registrant's risk rating. In addition, the Ministry had not made progress in conducting a comprehensive review that includes a detailed comparison of the Act and its regulation to similar laws in other jurisdictions, as well as a review of TICO's existing mandate, structure and responsibilities. Further, the Ministry indicated that its actions toward several other recommendations were contingent on the outcome of that review and had thus not made progress toward their implementation. These include recommendations on creating a mandatory code of ethics for registrants; establishing a discipline committee to determine when registrants have violated the code of ethics; and studying and determining whether significant risk to consumers still exists to justify the cost of maintaining and administering the Travel Industry Compensation Fund.

The status of actions taken on each of our recommendations is found in the **Appendix**.

// Status of Actions Taken on Recommendations

We conducted assurance work between April 2025 and September 2025. We obtained written representation from TICO and the Ministry that, effective November 5, 2025, they have provided us with a complete update of the status of the recommendations we made in the original audit two years ago.

1. Registration of Travel Agents and Wholesalers

In our original audit, we found that TICO could not demonstrate its justification for holding as much as $2 million in security deposits from registrants. Once a registrant has filed two consecutive financial statements with TICO, TICO is obligated to repay the security deposit to the registrant within a reasonable amount of time if the Registrar has no concerns regarding the registrant's compliance with the Act or its regulation. We found that, as of March 31, 2023, $2 million in registrant deposits were being held by TICO from 184 registrants who had filed at least two consecutive financial statements and therefore could potentially have their deposits returned. Our analysis found that on average, the $2 million in security deposits had been held for approximately seven years. In 13 of 20 (65%) of deposits from active registrants we reviewed, no concerns were documented that justified continuing to hold the deposits.

In addition, we found that TICO had only recently started tracking how long it takes to process applications for registration, and that its measurement of processing time ignored several factors under its control that could have impacted how quickly an application was processed. Applications were often delayed because they were submitted without all the required information, and TICO had limited controls in place to prevent the submission of incomplete applications, which were paper-based and could not be submitted electronically.

We also found that TICO did not verify the financial information submitted by applicants that it used to make registration decisions. Although TICO is required to assess whether applicants for registration can meet their financial responsibilities under the Act, TICO did not require applicants to provide supporting documentation or third-party verification for key financial information they submitted with their application.

Recommendation 1: Action Items 1, 2 and 3

So that the Travel Industry Council of Ontario (TICO) complies with the *Travel Industry Act, 2002* (Act) and its regulation, and handles registrant security deposits fairly, we recommend that TICO:

- immediately assess all registrant security deposits held for more than two years, and return all deposits where the Registrar has no concerns over the registrant's compliance with the Act and its regulation;
- establish a reasonable target time frame to review and return registrant security deposits where TICO does not have any concerns about a registrant's compliance with the Act and its regulation;
- develop and implement a process for reviewing and returning registrant security deposits within the established target time frame.

Status: Fully implemented.

Details

We found that in 2024, TICO had undertaken an analysis to review all deposits held for more than two years and identified that it had returned approximately $1.7 million in security deposits to registrants where the Registrar did not have concerns over their compliance with the Act and its regulation. TICO implemented a communication plan to seek out former registrants that TICO had not been able to locate to return to them approximately $150,000 in deposits. In June 2024, TICO published a list of former registrants on its website to inform them of their unclaimed security deposits. TICO also attempted to reach impacted former registrants through such means as social media posts and newsletters.

TICO established a target time frame in 2024 to review and return registrant security deposits. According to its new time frame, TICO is to return active registrants' security deposits within 30 days after two consecutive annual financial filings if TICO's Registrar has no concerns over the registrant's compliance with the Act. To ensure there are no claims received against the Travel Industry Compensation Fund, security deposits of terminated registrants are to be returned within 30 days, once six months from the effective date of termination have passed.

In addition, TICO updated its policies and procedures on security deposits to facilitate their evaluation and return within its established time frame. TICO has made changes to its information system to set automatic reminders to review the security deposit of a registrant after the filing due date two years from the date of initial registration. TICO also generates monthly reports for management to monitor security deposits, and to identify and attempt to return those that are overdue.

Recommendation 2: Action Item 1

So that the Travel Industry Council of Ontario (TICO) can process applications for new travel agent and travel wholesaler registration in a timely manner, we recommend that TICO:

- set targets and measure all components of application-processing times, from when the application is received to when it is closed;

Status: In the process of being implemented by December 2025.

Details

We found that in September 2025, TICO set targets to measure the components of its application-processing times. These include assigning applications for review within two business days of receipt, and completing a final review within five business days of receiving all documentation. TICO indicated that it intends to start measuring whether these targets are being met by the end of December 2025.

Recommendation 2: Action Items 2 and 3

- review and revise its application form so that it is clear to applicants what specific information and supporting documents they are required to provide with their application;
- perform a cost-benefit analysis of implementing an electronic version of the application process with built-in controls to prevent incomplete applications from being submitted.

Status Fully implemented.

Details

We found that in 2024, TICO completed a review of its registration application form and accompanying checklist. This review was intended to identify opportunities to streamline and clarify requirements. TICO also held a meeting with another delegated authority, the Ontario Motor Vehicle Industry Council (OMVIC), to compare the organizations' respective registration application forms. Thereafter, TICO updated its application form and redesigned its accompanying checklist to add additional details and links to clarify the specific information and supporting documents that applicants must provide with their application. TICO published its new application form and accompanying checklist on its website, indicating that they took effect on April 30, 2024.

We also found that in December 2024, TICO completed a cost-benefit analysis of automating its registration application process to prevent incomplete applications from being submitted. This analysis determined that automation would provide substantial financial and operational benefits for TICO. TICO's analysis estimated that an automated registration system would cost $30,000 to implement and generate annual resource savings of $27,294. TICO concluded that implementing an automated registration application process would be highly cost-effective, with a payback period of approximately 13 months. TICO expects to implement the automated registration application during the 2026/27 fiscal year.

Recommendation 3: Action Item 1

To confirm that applicants seeking to register as travel agents or travel wholesalers can reasonably be expected to be financially responsible in the conduct of their business, as required by the *Travel Industry Act, 2002*, we recommend that the Travel Industry Council of Ontario (TICO) require supporting documentation or third-party verification of key financial information submitted by applicants.

Status: Fully implemented.

Details

We found that in April 2024, TICO added a financial information section to its registration checklist that accompanies its application, detailing the financial requirements and documentation that applicants must provide. This includes a requirement to provide bank statements dated within 30 days of the application submission to substantiate bank account balances.

2. Registrant Oversight and Enforcement

In our original audit, we found that TICO's risk-rating system was not used to effectively oversee registrants. TICO implemented a system in 2012 to assign a risk rating of low, medium or high to each registrant. We found that, as of March 2023, 622 (37%), of 1,684 registrants did not have an assigned risk rating. In addition, TICO's compliance policy had no established guidelines detailing how the risk rating should be used to drive compliance and enforcement activities. We found that 30% of registrants assessed as high risk as of March 2023 had not received a compliance inspection in the previous five years. TICO's risk-rating system was overwhelmingly based on financial factors affecting a registrant. It did not include several key non-financial factors, such as a registrant's violations of the Act and enforcement action taken against a registrant.

We also found that TICO had not conducted a full on-site compliance inspection for 30% of TICO registrants in the last 10 years, and that TICO did not have a policy for how frequently registrants should be inspected based on their assigned level of risk.

In addition, we found that TICO did not have the authority to take disciplinary action against a registrant when there is a clear case of ethical misconduct by a registrant, unless the registrant had violated the Act. We noted that there are tools available under the Act that, if implemented, would permit TICO to discipline registrants for ethical violations. However, TICO and the Ministry had not pursued the development of a mandatory code of ethics and a corresponding discipline committee.

We also found that TICO did not track the outcomes of the complaints it handles in its information system, including data about whether complaints were resolved, whether they potentially violated the Act and its regulation, and whether they were referred for further investigation or enforcement action. TICO, therefore, could not evaluate the effectiveness of its complaint-handling process. We also found that TICO kept poor records of the complaints it handled in its document-management system.

Individual salespeople employed by travel agents and wholesalers who violated the Act could continue to work in the industry because TICO did not have the authority under the Act to regulate these individuals. The *Strengthening Protection for Ontario Consumers Act, 2017* includes amendments to the *Travel Industry Act, 2002*, including giving TICO the authority to register and regulate individual travel salespersons. However, the amendments to the Act were not in force at the time of our audit, as required changes to the regulation had not yet been made.

Recommendation 4: Action Item 1

So that the Travel Industry Council of Ontario (TICO) effectively oversees the travel agents and travel wholesalers it registers (registrants), we recommend that TICO:

- review and update its risk rating system for registrants to include an assessment of additional non-financial factors, including the results of past registrant inspections and registrant violations of legislative requirements;

Status: Fully implemented.

Details

We found that TICO updated its risk-rating system in January 2025 to include non-financial risk factors that may impact a registrant's overall risk rating. These non-financial risk factors include previous registrant violations of the Act, enforcement action taken against the registrant by TICO, recent changes in registrant ownership, and registrant years in operation. In addition, TICO updated the risk assessment forms used by its inspectors to reflect the expectations relating to these non-financial risk factors. In January 2025, TICO trained staff responsible for inspecting registrants on its new risk-rating system.

Recommendation 4: Action Item 2

- assign every registrant a risk rating;

Status: Little or no progress.

Details

We found that TICO has not made progress toward implementing this recommendation but has identified the steps it will take by December 2025. TICO indicated that, based on its new risk-rating system (described in **Recommendation 4, Action Item 1**), it will establish a plan to assign risk ratings to all active registrants. TICO also indicated that it is planning to update its information system to enable it to track and report on the status of each registrant, their respective risk rating and their inspection status.

Recommendation 4: Action Item 3

- establish a policy for how frequently it should update registrant risk ratings;

Status: Fully implemented.

Details

We found that in January 2025, TICO updated its policy and set requirements for updating registrant risk ratings. TICO's updated policy states that an up-to-date risk assessment through a site inspection should be conducted at least every five years, with the frequency dependent on risk level. Site-based risk assessments are the most comprehensive assessments that TICO conducts. Registrants with a high-risk level are to be assessed at least annually; registrants with a medium risk level are to be assessed at least every three years; and registrants with a low risk level are to be assessed at least every five years.

TICO's policy requires all registrants to undergo a risk assessment when they submit their financial filings (at least on an annual basis) to TICO. This risk assessment is to primarily focus on ensuring that registrants comply with the financial aspects of the regulation, but registrants are also reviewed for their complaints and compliance history, operational management criteria and any significant changes to major risk factors at the time.

TICO's policy also requires that medium-risk registrants with a score greater than a prescribed threshold undergo an annual virtual risk assessment. Virtual risk assessments are less comprehensive than a site risk assessment, consisting of an interview with the registrant and the review and verification of documents requested by TICO's inspector.

TICO can complete an ad hoc risk assessment at any time if significant or critical compliance issues are identified.

Recommendation 4: Action Item 4

- create guidelines for using registrant risk ratings to guide oversight activities.

Status: Little or no progress.

Details

We found that TICO has not made progress toward implementing this recommendation. TICO indicated that it plans to develop guidelines and update its policies and procedures to guide its oversight activities. TICO also noted that it plans to integrate criteria from these guidelines into its IT system to create an automated process to proactively prompt enforcement activities based on its assigned registrant risk ratings. TICO expects to fully implement the recommendation by June 2026.

Recommendation 5: Action Item 1

So that the Travel Industry Council of Ontario (TICO) inspects travel agents and travel wholesalers (registrants) based on their risk to consumers and non-compliance with legislative requirements, we recommend that TICO:

- establish a policy on how frequently it should conduct inspections based on each risk rating assigned to registrants (low, medium and high);

Status: Fully implemented.

Details

We found that in January 2025, TICO established a policy on how frequently it should conduct a comprehensive on-site inspection based on the risk rating assigned to registrants. According to this new policy, high-risk registrants are to be inspected annually, medium-risk registrants are to be inspected every three years, and low-risk registrants are to be inspected at least once every five years.

Recommendation 5: Action Item 2

- inspect each registrant in accordance with the registrant's risk rating.

Status: Little or no progress.

Details

We found that TICO has not made progress toward implementing this recommendation. TICO indicated that it plans to conduct inspections in accordance with its new policy (described in **Recommendation 5, Action Item 1**). TICO also indicated that it plans to develop a reporting mechanism in its information system to monitor inspections. TICO expects to fully implement this recommended action by June 2026.

Recommendation 6: Action Items 1 and 2

So that the Travel Industry Council of Ontario (TICO) can take disciplinary action against registrants for misconduct that falls outside of the current scope of the *Travel Industry Act, 2002*, we recommend TICO work with the Ministry of Public and Business Service Delivery to:

- create a mandatory code of ethics for registrants;
- establish a discipline committee and related processes for conducting hearings to determine when registrants have violated the code of ethics, and take disciplinary action when warranted.

Status: Little or no progress.

Details

The Ministry holds the primary responsibility for addressing this recommendation. We found that the Ministry has not made any progress toward implementing this recommendation. The Ministry indicated that it will prioritize addressing **Recommendation 16**, which calls for a comprehensive review of the Act and TICO, before addressing this recommendation. The Ministry noted that steps taken to address **Recommendation 16** may impact the approach the Ministry takes to address this and other recommendations that are closely related to TICO's mandate, structure and responsibilities.

Recommendation 7: Action Item 1

So that complaints against travel agents and travel wholesalers that warrant further investigation or enforcement action are consistently escalated for such action, we recommend that the Travel Industry Council of Ontario (TICO):

- record the outcome of each complaint in TICO's information system, including whether it was referred for investigation and enforcement action, and the results of the action;

Status: Fully implemented.

Details

We found that in 2024, TICO modified its information system to capture critical information pertaining to a complaint's outcome. TICO's information system now includes fields for TICO Complaints Officers to select, such as the name of the department that a complaint is being referred to and the reason for the referral. There is also a dedicated field to capture the final outcome of the complaint. Further, TICO reviewed and updated the complaint policy and procedures to reflect the new process and trained its Complaints Officers and all other applicable staff on the new procedures.

Recommendation 7: Action Item 2

- monitor complaint outcomes and referrals to assess whether they are handled appropriately and in accordance with TICO's complaint-handling policy;

Status: Little or no progress.

Details

We found that TICO has not made any progress toward implementing this recommendation. TICO indicated that it would establish a process for managers to monitor and review complaints, including referrals and outcomes, to ensure consistency and effectiveness. TICO expects to fully implement the recommendation by December 2025.

Recommendation 7: Action Item 3

- create a policy outlining the documentation TICO expects its complaint handlers to record in its document management system, and the time frame in which it expects all such information to be recorded.

Status: Fully implemented.

Details

We found that in 2024, TICO enhanced its policy and procedures on the handling of complaints to clarify the procedures for Complaints Officers to follow relating to complaint file supporting documentation. According to the revised policy, the Complaints Officer is to identifiably save all complaint forms, correspondence (including emails, letters and faxes), information and supporting documentation that is obtained or produced during the processing of a complaints file, in chronological order within a designated complaint file folder, by complaint number and complaint name.

TICO's enhanced policy requires all complaint files and supporting documentation to be saved into its document management system within 30 days of receipt of all required information and supporting documentation needed to achieve either a resolution of the complaint or a determination that no further action can be pursued by TICO.

Recommendation 8: Action Item 1

So that Ontario consumers are protected from travel salespersons with a history of misconduct, we recommend the Travel Industry Council of Ontario (TICO) work with the Ministry of Public and Business Service Delivery to advance amendments to the *Travel Industry Act, 2002*—made under the *Strengthening Protection for Ontario Consumers Act, 2017*, but not yet in force—that would give TICO the authority to register and regulate individual travel salespersons.

Status: Little or no progress.

Details

The Ministry holds the primary responsibility for addressing this recommendation. We found that the Ministry has not made any progress toward implementing this recommendation. The Ministry indicated that it will prioritize addressing **Recommendation 16**, which calls for a comprehensive review of the Act and TICO, before addressing this recommendation. The Ministry noted that steps taken to address **Recommendation 16** may impact the approach the Ministry takes to address this and other recommendations that are closely related to TICO's mandate, structure and responsibilities.

3. Travel Industry Compensation Fund

In our original audit, we found that, since its inception in 1997, TICO had never generated sufficient revenue from registrants to cover its operating costs. Instead, TICO had relied on funds from the Travel Industry Compensation Fund (Compensation Fund), which registrants pay into, to make up the shortfall. The regulation under the Act permits payments from the Compensation Fund only for reasonable expenses related to its administration, maintenance and promotion of public awareness of the Compensation Fund. We found that TICO had used an estimated $31 million from the Compensation Fund since 1997 to cover its own operating costs. We noted that TICO's Administrative Agreement with the Minister allows TICO to adjust its fees so that it can operate on a cost-recovery basis. However, we found that, despite consistently failing to generate sufficient revenue from registrants, TICO had not adjusted its registration and registration renewal fees since 2011.

In addition, we found that the cost to administer the Compensation Fund may outweigh the benefits it provides consumers. Based on our review of the Compensation Fund, we found that, on average over the last 10 years, the Compensation Fund cost approximately three times more to administer than the total amount it had paid out to compensate consumers. We also found that few Ontarians have benefitted from the Compensation Fund. From 2013/14 to 2022/23, the Compensation Fund paid a total of about $3.5 million in compensation relating to 685 claims.

Recommendation 9: Action Items 1 and 2

So that fees paid by registrants to the Travel Industry Compensation Fund (Compensation Fund) are used to compensate consumers who have suffered a financial loss, we recommend that the Travel Industry Council of Ontario (TICO):

- pay from the Compensation Fund only expenses that can reasonably be attributed to the administration, management, maintenance, and protection of the Fund;
- revise its fee structure to ensure operating costs are sufficiently funded through registration and other fees charged to registrants.

Status: Fully implemented.

Details

We found that in 2024, TICO established a policy for allocating the proportion of TICO's operating costs incurred in support of administering the Compensation Fund. The policy includes a detailed description of the formula TICO will use to allocate operating costs that relate to the Compensation Fund. For each category of TICO's operating expenses, a predetermined percentage is now assigned to allocate the cost related to administering the Compensation Fund. For example, TICO's policy allocates 50% of TICO's Ministry Oversight fee and 15% of TICO's Information Technology costs to the Compensation Fund. The Audit, Technology and Risk Management Committee of TICO's Board has oversight responsibility for this policy. According to TICO's policy, the allocation percentages will be reassessed annually to ensure their reasonability, and any changes to the policy will be submitted to TICO's Board for approval.

We also found that in 2024, TICO revised its fee structure with the intent of addressing its operational funding gap so that TICO's operating costs are funded through registration and other fees charged to registrants. According to the new fee schedule, TICO charges registrants a minimum renewal fee of $750 (up from $300) for those that generate less than $10 million in sales in Ontario. For those that generate $10 million or more, TICO charges between $0.23 and $0.29 cents per $1,000 in Ontario sales, depending on their overall sales.

Recommendation 10: Action Item 1

So that the Travel Industry Compensation Fund (Compensation Fund) is providing value-for-money for the travel industry and consumers, we recommend the Travel Industry Council of Ontario work with the Ministry of Public and Business Service Delivery (Ministry) to study and determine whether significant risk to consumers still exists to justify the cost of maintaining and administering the Compensation Fund, and whether the Fund can provide a positive net benefit.

Status: Little or no progress.

Details

We found that the Ministry, which holds the primary responsibility for addressing this recommendation, has not made any progress toward implementing it. The Ministry indicated that it will address this recommendation in conjunction with **Recommendation 16**, which calls for a comprehensive review of the Act and TICO. The Ministry indicated that it is in the process of determining a timeline to seek a government decision on proceeding with a review of the Act and TICO.

4. TICO's Operations

In our original audit, we found that TICO had been unable to address gaps in key competencies among Board members. Despite identifying gaps in competencies in the Board in 2018, and the fact that the vast majority of the Board was made up of individuals appointed or elected after the initial identification of these gaps, TICO had been unable to appoint directors with four of the missing competencies identified: legal, risk management, technology and human resources.

TICO's management, as well as the Board Chair, were active in sharing the results of board competency assessments, and informing both the Ministry and the three industry associations who appointed board members of the need to address long-standing gaps in competencies. However, we noted that Ministry briefing notes prepared for the Minister in February 2022 for two candidates who would go on to be appointed to TICO's Board by the Minister made no reference to board competency gaps identified by TICO, or whether the skills and experience of the proposed candidates might fill those gaps.

We also noted that half of Ontarians surveyed by TICO who were involved in travel planning for their household were unaware of TICO. TICO had developed a brochure for consumers with information regarding its regulatory role, registrant requirements, protections available under the Act, and Compensation Fund coverage. While TICO encouraged registrants to provide this information to customers, there was no requirement for them to do so. In a survey of registrants conducted by TICO in 2023, only 7% of registrants said they were providing the brochure to all their customers, and only 13% indicated they were providing the brochure to most customers.

We also found that TICO did not include detailed compliance and enforcement information relating to registrants, such as violations of the Act or details of enforcement action taken by TICO, on its public directory so that consumers could make more informed decisions.

As well, we found that TICO had not consistently collected, reviewed and analyzed available industry-wide travel data to identify trends and inform its regulatory work. TICO also did not collect some key data relating to several of its regulatory functions to enable it to better inform and evaluate the effectiveness of its regulatory functions. Prominent examples included data related to registrant security deposits, applications, complaints, travel counsellors and market statistics.

Recommendation 11: Action Item 1

So that the Board of Directors of the Travel Industry Council of Ontario (TICO) effectively executes its responsibilities to oversee the travel industry and protect consumers, we recommend that:

- TICO utilize its board competency matrix and assessments to inform nominations to TICO's Board;

Status: Fully implemented.

Details

We found that TICO conducted a board competency assessment in May 2024 whereby each of TICO's nine board members self-assessed their competency across each area of TICO's competency matrix. The results of this self-assessment indicated that the Board still had gaps in two of its 12 competency areas: legal experience and marketing/public relations experience.

TICO subsequently prepared a call for nominations to its Board to fill two positions that would be voted on by registrants in September 2024, emphasizing that TICO was looking for members who possessed skills in the two competency areas where it had identified gaps. To help identify individuals who meet the needs of the Board, prospective candidates were asked to complete a self-assessment across each competency area in TICO's board-competency matrix. TICO's Governance and Nominations Committee used these assessments to recommend candidates to the Board that registrants then voted on in September 2024. Following the election of two board members, TICO updated its board-competency matrix. As of September 2024, TICO identified that there were no remaining gaps in its competency matrix.

Recommendation 11: Action Item 2

- the Ministry of Public and Business Service Delivery use advice from the Chair of TICO's Board regarding the suggested skills required by the Board to inform the appointment process, which is done at the discretion and pleasure of the Minister.

Status: Fully implemented.

Details

We found that in October 2024, the Ministry shared with the Minister's Office that the gaps in TICO's board-competency matrix had been addressed. The Ministry also communicated advice from TICO's Board Chair and CEO to the Minister's Office during meetings, as well as in briefing notes prepared for the Minister, to inform the board-appointment process concerning Board members that are appointed at the discretion of the Minister.

Recommendation 12: Action Item 1

So that consumers purchasing travel services through registered travel agents are aware of the Travel Industry Council of Ontario's (TICO's) role, and the protections available under the *Travel Industry Act, 2002*, we recommend that TICO work with the Ministry of Public and Business Service Delivery (Ministry) to require that, at the time of purchase, registrants provide purchasers of travel services with information brochures that outline TICO's regulatory role and consumer protections available.

Status: Little or no progress.

Details

We found that the Ministry, which holds the primary responsibility for addressing this recommendation, has not made any progress toward implementing it. The Ministry indicated that it will prioritize addressing **Recommendation 16**, which calls for a comprehensive review of the Act and TICO, before addressing this recommendation. The Ministry noted that steps taken to address **Recommendation 16** may impact the approach the Ministry takes to address this and other recommendations that are closely related to TICO's mandate, structure and responsibilities.

In the meantime, TICO informed us that it will continue to encourage registrants to share its existing brochure, and other shareable materials found in its registrant toolkit, to inform their clients of the travel consumer protection available from TICO. TICO identified that, since the conclusion of our original audit, it has promoted these materials through several means, including its newsletter, an industry tradeshow and stakeholder conferences. TICO also noted that it has held focus groups to gain insights about how to encourage industry to share consumer protection information with clients. In addition, TICO noted that it will review its materials and consider implementing enhancements to improve consumer awareness.

Recommendation 13: Action Item 1

So that consumers can make more informed decisions about which travel agents they may choose to purchase travel services from, we recommend that the Travel Industry Council of Ontario (TICO) provide detailed compliance and enforcement information about all registrants on its public directory.

Status: Fully implemented.

Details

We found that TICO updated and relaunched its public directory search tool in February 2025 to provide more information to consumers. When a consumer searches for a travel agent on TICO's public directory, the results of the search include the travel agent's registration status as well as a tab on compliance, which includes key information such as charges and convictions relating to the travel agent.

Recommendation 14: Action Item 1

So that it can better inform its regulatory efforts to protect consumers, we recommend the Travel Industry Council of Ontario (TICO):

- conduct a review of data collection across all core regulatory functions to identify areas where additional data would help improve its regulatory efforts;

Status: Fully implemented.

Details

We found that in June 2025, TICO completed a review of the data it collects from registrants across its regulatory functions to determine whether new data is needed to improve its regulatory efforts. Based on this review, TICO identified additional data that should be collected. This includes collecting social media and website information during the registration and registration-renewal process to enable TICO to conduct proactive reviews of registrant advertisements. It also includes allowing consumers to attach supporting documents to complaint forms in order to help improve TICO's complaint-resolution process.

In addition to identifying areas where new data from or about registrants could help improve its regulatory functions, TICO enhanced its documentation and use of already-collected data in core regulatory functions, such as its handling of complaints and its review of security deposits. As described in **Recommendation 1**, TICO made changes to its information system to set automatic reminders to review security deposits, and it also generates monthly reports for TICO management to monitor security deposits, and to identify and attempt to return those that are overdue. Further, as described in **Recommendation 7**, TICO modified its information system to capture information on each complaint's outcome, and revised its complaint-handling policy and procedures, including on how supporting documents are to be organized and saved in TICO's document management system.

Recommendation 14: Action Item 2

- update its information systems to capture data identified by this review;

Status: Little or no progress.

Details

We found that TICO has not made progress toward implementing this recommended action. TICO indicated that its plans to implement this action include communicating with registrants in advance of any new data requirements, designing system changes for new data management, developing a detailed project plan for data migration, completing operating system enhancements, and conducting data migration. TICO expects to fully implement this recommendation by the end of 2025.

Recommendation 14: Action Item 3

- obtain and analyze relevant travel market statistics on a regular basis.

Status: Fully implemented.

Details

We found that in 2024, TICO put in place a process to obtain, analyze and report on travel market statistics on a regular basis to better inform its regulatory efforts to protect consumers. TICO noted that it conducted a review of various sources of available travel market data. Based on this review, TICO decided to use two external sources of data: Statistics Canada and the Government of Ontario. TICO also decided to focus on collecting data and trends in two broad areas: tourism and travel-related establishments, and trends related to travellers.

TICO has been regularly obtaining data, conducting analysis and reporting internally on five industry measures, including: the change in the number of active businesses within the travel industry in Ontario and Canada; the number of jobs in the travel industry in Canada; and non-resident visitors to both Ontario and Canada by country of residence. TICO collected data on these measures and first produced a data dashboard in September 2024, which can be viewed by all TICO staff. TICO advised that this dashboard is a live document that it will update quarterly as new data becomes available.

5. Ministry Oversight

In our original audit, we found that the Ministry did not collect sufficient performance information from TICO to effectively monitor whether TICO was meeting its mandate to protect consumers and regulate travel agents. We found that many key aspects of TICO's operations were not covered by performance indicators. For example, there were no performance indicators and targets in place to assess the degree to which TICO operates on a cost-recovery basis, a requirement under TICO's Administrative Agreement with the Minister. We also found that performance indicators had not been established, or were insufficient, to monitor TICO's operational performance in several other key areas where our audit identified operational issues.

We also found that the Ministry had not reviewed TICO's structure and assigned regulatory responsibilities. Although the Ministry conducted a review in 2017 of the *Travel Industry Act, 2002*, we found that the Ministry did not consider whether TICO's structure and assigned responsibilities as a regulator were set up in the most efficient way to administer and enforce the Act. We also found that the Ministry's review did not include a comparison of TICO's structure and assigned responsibilities to regulators in other jurisdictions. We performed a jurisdictional scan of other Canadian provinces, Australia, the United Kingdom and the United States. We found that among these jurisdictions, TICO was the only organization dedicated solely to the regulation of travel agents and wholesalers. Other jurisdictions used consumer protection organizations or broader government organizations whose mandates included significantly more than just regulating sellers of travel services. Many jurisdictions did not have specific travel regulations at all.

Recommendation 15: Action Item 1

So that the Ministry of Public and Business Service Delivery (Ministry) can effectively monitor and assess the Travel Industry Council of Ontario's (TICO's) performance in protecting consumers and regulating travel agents and wholesalers, we recommend that the Ministry work with TICO to revise the performance indicators the Ministry uses to include indicators that more closely monitor TICO's operations, including in the areas of inspections, security deposits, complaint-handling and the Travel Industry Compensation Fund.

Status: **Little or no progress.**

Details

We found that the Ministry has not made any progress toward implementing this recommendation. The Ministry indicated that it will prioritize addressing **Recommendation 16**, which calls for a comprehensive review of the Act and TICO, before addressing this recommendation. The Ministry noted that steps taken to address **Recommendation 16** may impact the approach the Ministry takes to address this and other recommendations that are closely related to TICO's mandate, structure and responsibilities.

Recommendation 16: Action Items 1 and 2

So that the regulatory framework of the travel industry in Ontario is better aligned with the changing industry landscape and associated industry risks to consumers, we recommend that the Ministry of Public and Business Service Delivery (Ministry):

- conduct a comprehensive review that includes a detailed comparison of the *Travel Industry Act, 2002* and its regulation to similar laws in other jurisdictions, as well as a review of the existing mandate, structure and responsibilities of the Travel Industry Council of Ontario (TICO);
- based on that review, propose regulatory updates to make Ontario's regulatory framework more efficient and effective.

Status: ◉ **Little or no progress.**

Details

We found that the Ministry has not made any progress toward implementing this recommendation. The Ministry indicated that it is in the process of determining a timeline to seek a government decision on proceeding with a review of the Act and TICO.

// Appendix

Recommendation Status Overview

	# of Action Items	Fully Implemented	In the Process of Being Implemented	Little or No Progress	Will Not Be Implemented	No Longer Applicable
Recommendation 1	3	3				
Recommendation 2	3	2	1			
Recommendation 3	1	1				
Recommendation 4	4	2		2		
Recommendation 5	2	1		1		
Recommendation 6	2			2		
Recommendation 7	3	2		1		
Recommendation 8	1			1		
Recommendation 9	2	2				
Recommendation 10	1			1		
Recommendation 11	2	2				
Recommendation 12	1			1		
Recommendation 13	1	1				
Recommendation 14	3	2		1		
Recommendation 15	1			1		
Recommendation 16	2			2		
Total	**32**	**18**	**1**	**13**	**0**	**0**
%	100	56	3	41	0	0