

# ONTARIO CREATES BUSINESS PLAN 2025-26



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**December 23, 2024  
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## LIST OF ACRONYMS USED

AAD: Agencies and Appointments Directive  
ACP: Association of Canadian Publishers  
ACTRA: Alliance of Canadian Cinema, Television and Radio Artists  
AI: Artificial Intelligence  
AODA: Accessibility for Ontarians with Disabilities Act  
APCM: Association des Professionnels de la Chanson et de la Musique  
AR: Augmented Reality  
BAFTA: British Academy of Film and Television Awards  
B2B: Business-to-Business  
B2C: Business-to-Consumer  
BIP: Business Intelligence Program  
CAGR: Compound Annual Growth Rate  
CARAS: Canadian Academy of Recording Arts and Sciences  
CASO: Computer Animation Studios of Ontario  
CAVCO: Canadian Audio-Visual Certification Office  
CEO: Chief Executive Officer  
CLMA: Canadian Live Music Association  
CMF: Canada Media Fund  
CMPA: Canadian Media Producers Association  
COP: Community of Practice  
CPI: Consumer Price Index  
CRA: Canada Revenue Agency  
CRTC: Canadian Radio-television and Telecommunications Commission  
CWW: Compressed Work Week  
DGC: Directors Guild of Canada  
DLL: Digital Locations Library  
ESAC: Entertainment Software Association of Canada  
FACTOR: Foundation to Assist Canadian Talent on Recordings  
FAM: Familiarization  
FTE: Full-Time Equivalent  
GDC: Game Developers Conference  
GDP: Gross Domestic Product  
GTA: Greater Toronto Area  
HOMAD: Heads of Media, Arts and Design  
HR: Human resources  
IDM: Interactive digital media  
IFF: International Financing Forum  
IIA: Industry Investment and Attraction  
IMF: International Monetary Fund  
ISO: Indigenous Screen Office  
KPI: Key performance indicator  
LOD: Letter of Direction  
LGIC: Lieutenant Governor-In-Council  
MEDJCT: Ministry of Economic Development, Job Creation and Trade  
MOF: Ministry of Finance  
MOI: Ministry of Infrastructure  
MOU: Memorandum of Understanding  
MPBSD: Ministry of Public and Business Service Delivery  
MTCG: Ministry of Tourism, Culture and Gaming  
NTCC: National Tax Credits Committee  
OAP: Online Application Portal

OBPTC: Ontario Book Publishing Tax Credit  
OCASE: Ontario Computer Animation and Special Effects Tax Credit  
OFFTC: Ontario Film and Television Tax Credit  
OGS: Ontario Green Screen  
OIDMTC: Ontario Interactive Digital Media Tax Credit  
OPSTC: Ontario Production Services Tax Credit  
OMIF: Ontario Music Investment Fund  
OMO: Ontario Music Office  
OOAF: Ontario Onwards Acceleration Fund  
OPS: Ontario Public Service  
ORL: Online Research Library  
OTT: Over-The-Top Television  
ROI: Return on Investment  
SODEC: Société de développement des entreprises culturelles  
TIFF: Toronto International Film Festival  
TPAD: Transfer Payment Accountability Directive  
UTSC: University of Toronto at Scarborough  
VFX: Visual effects  
VR: Virtual reality  
WCAG AA: Web Content Accessibility Guidelines  
XR: Extended Reality  
YOY: Year-Over-Year

# I. EXECUTIVE SUMMARY

With the launch of our 2023-2027 Strategic Plan, *Powering Ontario's Creative Economy*, Ontario Creates has identified a path forward to help drive new business growth, investment and global interest in Ontario's world-class screen, publishing and music industries.

While Ontario's creative industries have faced a number of challenges in recent years, it is clear that Ontario's screen, publishing and music sectors have also been resilient, and have continued to earn recognition for excellence in people, production and content. We are proud of the role that Ontario Creates' programs and services have played in their success.

Ontario's creative industries are economic success stories, and produce critically acclaimed content enjoyed at home in Canada and around the world:

- Despite the U.S. labour disruptions that impacted the film and television industry in 2023, Ontario's film and television industry contributed \$1.8 billion to Ontario's economy, creating 25,862 high-value full-time equivalent direct and spin-off jobs for Ontarians. Domestic film and television production drove 52% of total spending, representing \$947 million.
- Eight Ontario Creates-supported features screened at the 2024 edition of the Toronto International Film Festival (TIFF): *Seeds*, *The Shrouds*, *Paying for It*, *40 Acres*, *Young Werther*, *Sharp Corner*, *Measures for a Funeral* and *Shook*. *The Shrouds* was also in competition for the Palme D'Or at the 2024 Cannes Film Festival.
- Ontario Creates-supported video game VENBA received two nominations at the BAFTA Games Awards, won the Seumas McNally Grand Prize at the 2024 Independent Games Festival, and won the Best Debut and the Social Impact Award at the Game Developers Choice Awards.
- The winner of CBC's Canada Reads 2024 was *The Future* by Catherine Leroux, published by Ontario publisher Biblioasis.
- Ten Ontario Creates-supported publications were honoured at the 2024 National Magazine Awards, receiving a total of twenty-nine nominations, including *Brick*, *Broadview*, *C Mag*, *Cottage Life*, *Designlines*, *Literary Review of Canada*, *Paddling Magazine*, *Spacing*, *This Magazine*, and *The Walrus*. Ontario Creates-supported winners included *The Walrus*, *This Magazine*, *Broadview*, and *Paddling Magazine*.
- The 2024 JUNO Awards prominently featured Ontario-based artists, with 41% of winners from Ontario and 26% supported through the Ontario Music Investment Fund (OMIF). OMIF-supported winners included Aysanabee, The Beaches, Talk and more.

Ontario Creates is proud of our 2023-24 results, and of how these have contributed to supporting the creative industries when they needed it most:

- Leverage value for tax credits, Book Fund, Interactive Digital Media (IDM) Fund, Magazine Fund, and the Business Intelligence Program all exceeded 2023-24 targets.
- Media impressions totaled 872.3 million, significantly exceeding a target of 50 million. The agency generated favourable coverage of its activities in major publications like *The Hollywood Reporter*, *Variety*, *Playback*, and on *CTV News*.
- In 2023-24, IDM Fund and Film Fund projects created 29,508 weeks of work in the Province, exceeding the target of 25,000, and representing 27% growth from 2022-23.
- In 2023-24, the agency organized a strategic presence for Ontario and its creative companies at 19 international business markets, greatly exceeding an annual target of 10.

The 2025-26 Business Plan that follows describes how we will build on these successes and work to activate the vision, mission, values and goals outlined in the strategic plan:

***Our Vision:*** *Ontario's robust, sustainable, and inclusive creative industries deliver economic impact and globally successful content.*

***Our Mission:*** *To help creative businesses prosper by increasing the growth, resilience, competitiveness and global reach of Ontario's creative economy.*

**Our Values:** Accountable, Collaborative, Inclusive, Leading, Service-Focused

This Business Plan addresses how Ontario Creates will use its existing resources to support the expectations set out in the Minister of Tourism, Culture and Gaming (MTCG)'s 2025-26 Letter of Direction (LOD), and the commitments in our strategic plan. The Business Plan presents a status quo balanced budget with no request for increases to the agency's financial or human resources. 2025-26 expenditures are projected to be \$41.2 million before time-limited initiatives (which will be funded from cash reserves). Revenue for 2025-26 is expected to be \$42.7 million (\$35.8 million in MTCG operational funding and \$6.9 million in self-generated revenue, including tax credit administration fees, interest, and other income).

This Business Plan also reflects the impact of Public Sector Accounting Standard PS 3400, implemented in 2023-24, on the agency's financial statements. Specifically, this accounting standard means that tax credit revenues will be recognized when a certificate of eligibility is issued, a file is withdrawn from review, or when a letter of ineligibility is issued, rather than when the tax credit administration fee payment was received. This will have a direct impact on the value of tax credit administration fees that will be reflected in the agency's revenues in a given year. The change resulted in a \$3.0M reduction in the agency's cash reserves.

The most recent financial information is projecting uncommitted cash reserves of \$2.74M in 2024-25, providing the capacity to respond to emerging opportunities and industry development needs which cannot be addressed within the parameters of core funds. The agency has committed to a balanced budget each year, and has consistently performed better than planned, allowing an annual contribution to cash reserves.

In 2025-26, Ontario Creates will activate a series of time-limited initiatives totaling \$1.490 million that will leverage and extend existing programs, as well as support activation of our strategic plan commitments without creating unsustainable stakeholder expectations and with limited additional strain on human resources. Notional allocations of \$1.490 million toward time-limited initiatives have been made in the out years, to be funded from uncommitted cash reserves. These important initiatives will include extending the Diversity Enhancement in selected sector funds, renewing the AcceleratiON Black & Indigenous entrepreneurship program, and two new initiatives related to activating our workforce development strategy.

In 2025-26, Ontario Creates is committed to continuing to deliver on the government priorities identified in the LOD, as well as the initiatives from our 2023-2027 strategic plan. By committing to being Innovative, Accountable and Sustainable, Ontario Creates will continue to deliver on its mandate and deliver value to businesses and taxpayers.

In light of the current trade tensions with the United States, Ontario Creates will continue to monitor the impact of tariffs and other trade initiatives and will work with MTCG on strategies to mitigate the impact for Ontario's creative industries. In 2025-26, Ontario Creates will also focus on advancing the agency's international efforts and presence in other markets.

Ontario Creates' core programs and services continue to deliver strong results for the Province and for the creative industries in Ontario. As the Business Plan will demonstrate, the agency's programs and services have been focused on a series of priorities that are critical to ensuring a prosperous creative economy in Ontario. Specific agency priorities for the year ahead are aligned with our strategic plan:

- Building Capacity
- Fueling Growth

- Driving Investment
- Developing Global Markets
- Delivering Exceptional Customer Experiences
- Empowering High-Performing Teams

These themes are carried through both the core program and time-limited initiatives Ontario Creates proposes to undertake in 2025-26.

On an ongoing basis, Ontario Creates is committed to providing flexible, efficient, customer-focused support to the Province's creative industries. We are proud of the impact our programs and services have had on supporting the growth and development of strong, successful companies and industry sectors, and on making Ontario an attractive business jurisdiction for domestic and foreign investment.

Supported by the initiatives outlined in this Business Plan, and the roadmap provided by our 2023-2027 strategic plan, we are confident that Ontario's creative industries are poised to bring job opportunities and economic prosperity to the Province; building on the strong fundamentals of first-rate infrastructure, skilled workforce, a dynamic and competitive business environment, and supportive government policies.

## II. MANDATE

Ontario Creates is an operational service agency of the Ontario Government. Ontario Creates was originally established as the Ontario Media Development Corporation on December 19, 2000 by Regulation 672/00 under subsection 32(5) of the *Development Corporations Act*. (Regulation 672/00 amended and replaced Regulation 270 which established the Ontario Film Development Corporation in 1986). Ontario Creates operated under the legal name Ontario Media Development Corporation until June 6, 2024. With the passing of an amendment to Ontario Regulation 672/00 made under the *Development Corporations Act* (O. Reg. 232/24), effective June 7, 2024, the name has been legally changed to Ontario Creates.

### CORPORATE OBJECTS

As described in the Regulation, the objects of Ontario Creates are to stimulate employment and investment in Ontario:

- a) by contributing to the continued expansion of a business environment in Ontario that is advantageous to the growth of the cultural media industry and to the growth of new employment, investment and production opportunities in Ontario;
- b) by facilitating and supporting innovation, invention and excellence in Ontario's cultural media industry by stimulating creative production, format innovation and new models of collaboration among sectors of the cultural media industry;
- c) by fostering and facilitating co-operation among entities within the cultural media industry and between the public and private sectors to stimulate synergies in product development and the creation of products with original Canadian content;
- d) by assisting in the promotion and marketing of Ontario's cultural media industry as a world-class leader;
- e) by administering provincial tax credit programs and such other programs and initiatives as may be required by legislation or a Minister of the Government of Ontario; and
- f) by acting as a catalyst for information, research and technological development in the cultural media industry provincially, nationally and internationally.

### GOVERNANCE AND MINISTRY RELATIONSHIPS

Ontario Creates is accountable to MTCG for the fulfillment of its mandate. The agency's mandate directly aligns with MTCG's vision to create a strong and stable culture sector and prosperous creative economy by helping Ontario's content producers to develop globally competitive media content that creates jobs in Ontario's knowledge economy. As the key delivery mechanism for providing programs and activities to the province's creative media industries, Ontario Creates supports the expansion of Ontario's creative industries, stimulating job creation, economic growth, and innovation.

Initiatives in the Business Plan are outlined against our LOD. Details of how the agency's activities align with the mandate are provided in Section XV - Response to the Expectations Set Out in the Agency Letter of Direction.

Ontario Creates also maintains working relationships with the Ministry of Finance (MOF) and the Ministry of Economic Development, Job Creation and Trade (MEDJCT) in the delivery of programs and maintenance of stakeholder relationships. The agency is actively engaged in strengthening partnerships with other ministries as appropriate in order to best leverage opportunities for stakeholders and access resources that assist in fulfilling its mandate.



## BOARD OF DIRECTORS

Ontario Creates is governed by a Board of Directors, consisting of not more than 17 members appointed by the Lieutenant Governor-in-Council (LGIC). The Board Chair and Vice-Chair are designated by the LGIC from among the appointed members. The Board of Directors meets regularly, typically six times a year. The Board also has four Standing Committees (Governance, Audit, Strategic Planning, and Communications). Ontario Creates currently has 16 Board members:

Diana Arajs	David Lubotta
Aaron Campbell (Chair)	Fraser MacKenzie
Michael Ceci	Yura Monestime
Tina Cole	Edith Myers
David Diamond	Roger Nair (Vice-Chair)
Aldo Di Felice	Rekha Shah
Philip Forte	Holly Thompson
Vincent Georgie	
Peter-Julian (PJ) Lee	

## PRESIDENT AND CHIEF EXECUTIVE OFFICER AND STAFF

The President and Chief Executive Officer (CEO) reports jointly to the Board of Directors and the Deputy Minister of Tourism, Culture and Gaming. The CEO is responsible for the management of the agency's programs and staff. Staff are hired under Ontario's *Public Service of Ontario Act, 2006*. The current full-time staff complement is 81. This includes 10 temporary Ontario Public Service Employees Union (OPSEU) FTEs (full-time equivalents) allocated to the agency to assist with reducing the queue of tax credit applications.

## ANNUAL REPORT, AUDIT, AND INVESTMENTS

Ontario Creates is required to deliver to the Minister an annual report on its affairs, including audited financial statements, and such other materials as the Minister may request. The audit is conducted annually by the Office of the Auditor General of Ontario.

Paragraph 8(3)(e) of the agency's enacting regulation restricts the investments available to Ontario Creates. Within these parameters, the agency's investment strategy is developed in consultation with the Audit Committee of the Board and is approved by the Board of Directors. Ontario Creates currently invests its funds in bankers' acceptances and bearer deposit notes of Schedule I or II banks at prevailing rates for periods as determined under the general direction of the Audit Committee.

## ACCESSIBILITY AND DIVERSITY

Ontario Creates actively supports all Ontario accessibility legislation and directives, including Ontario Regulation 191/11 and Integrated Accessibility Standards under the *Accessibility for Ontarians with Disabilities Act* (AODA). The legislation and directives, administered by the Accessibility Directorate of Ontario, ensure agency-wide compliance and that all staff are trained and aware of the obligations under the AODA.

The agency's policies and multi-year accessibility plan are posted on the corporate website. In late 2022, the agency launched its 2023-2027 Multi-Year Accessibility Plan, which both highlights the achievements from the last plan (2018-2022) and provides information about strategies and actions for the coming years in the priority areas of equitable customer service, digitally-inclusive communications, inclusive employment, barrier-free facilities, accessible procurement and industry leadership. This plan was developed with input from a variety of sources, including from an accessibility advisory group.

For 2025-26, the plan includes:

- Engaging expertise to conduct an equity review of new or significantly revised program guidelines to improve access for groups that may experience barriers related to the application process.
- Continuing to maintain a WCAG 2.0 Level AA compliant corporate website, to apply the principles of accessibility to our virtual events, and to ensure that accessibility continues to be a lens in any planning

- and redevelopment of communications products and service delivery platforms (e.g., Online Application Portal [OAP], Digital Locations Library [DLL], Online Research Library [ORL]). and
- Continuing to provide an accessibility offer associated with events, which will continue to be held in venues that are accessible to people with disabilities.

The agency continues to progress and implement initiatives from the Multi-Year Accessibility Plan.

As part of its Employee Engagement Committee activities, and in line with strategic plan commitments, the agency has developed a Diversity action plan and has struck a Diversity & Inclusion Task Force. Ontario Creates is committed to integrating diversity into all programs, policies, and services and to continuing to extend its services and programs to underrepresented groups. Proactive outreach to ensure that the agency's services are communicated and accessible to individuals and companies across Ontario will continue.

## RESPECTFUL WORKPLACES

Ontario Creates is committed to fostering and sustaining a respectful workplace, described as follows:

- A respectful workplace is one that values diversity and inclusion, dignity, courteous conduct, fairness, positive communication and professional working relationships.
- A respectful workplace is inclusive, diverse, equitable, accessible and free from workplace harassment and discrimination including sexual harassment.

Since 2018, Ontario Creates has required that all program applicant organizations sign an affidavit to confirm that their organization has in place both guiding principles and a process for maintaining a respectful workplace. Ontario Creates expects that all funding recipients maintain the principles of a respectful workplace including taking every reasonable step to:

- Cultivate and sustain a respectful, positive, inclusive and supportive work culture;
- Provide a safe mechanism for staff to report incidents or allegations of inappropriate behaviour; and
- Take action to prevent, identify and eliminate workplace harassment and discrimination in a timely manner.

## ACCOUNTABILITY

Ontario Creates' relationship and obligations to MTCG are laid out in a Memorandum of Understanding (MOU). In accordance with the Agencies and Appointments Directive (AAD), the MOU, business plans and annual reports are posted on the corporate website, as are the travel, meal and hospitality expenses of its Board of Directors (appointees), President and CEO, and staff at the Executive Group Level 3 and above. Expenses are posted on the corporate website on a quarterly basis following appropriate approvals and reimbursement. In compliance with Ontario's Open Data Directive, an inventory of the agency's datasets has been posted on the website, and the agency continues to proactively release datasets in a machine-readable format. Ontario Creates complies with the *Occupational Health and Safety Act*, including maintaining a Joint Health & Safety Committee with members from both staff and management.

Treasury Board/Management Board of Cabinet (TB/MBC) approved Special Status for Ontario Creates under the Travel, Meal and Hospitality Expenses Directive for International Travel and the Service of Alcohol at Hospitality Events for a three-year term ending December 31, 2025. This status recognizes the critical importance of international travel and hospitality in Ontario Creates supporting the creative industries and achieving its objectives for inward investment, partnerships, and export. The agency is committed to using this privilege responsibly and reporting on the results achieved. Ontario Creates will work with MTCG to seek renewal of its special status.

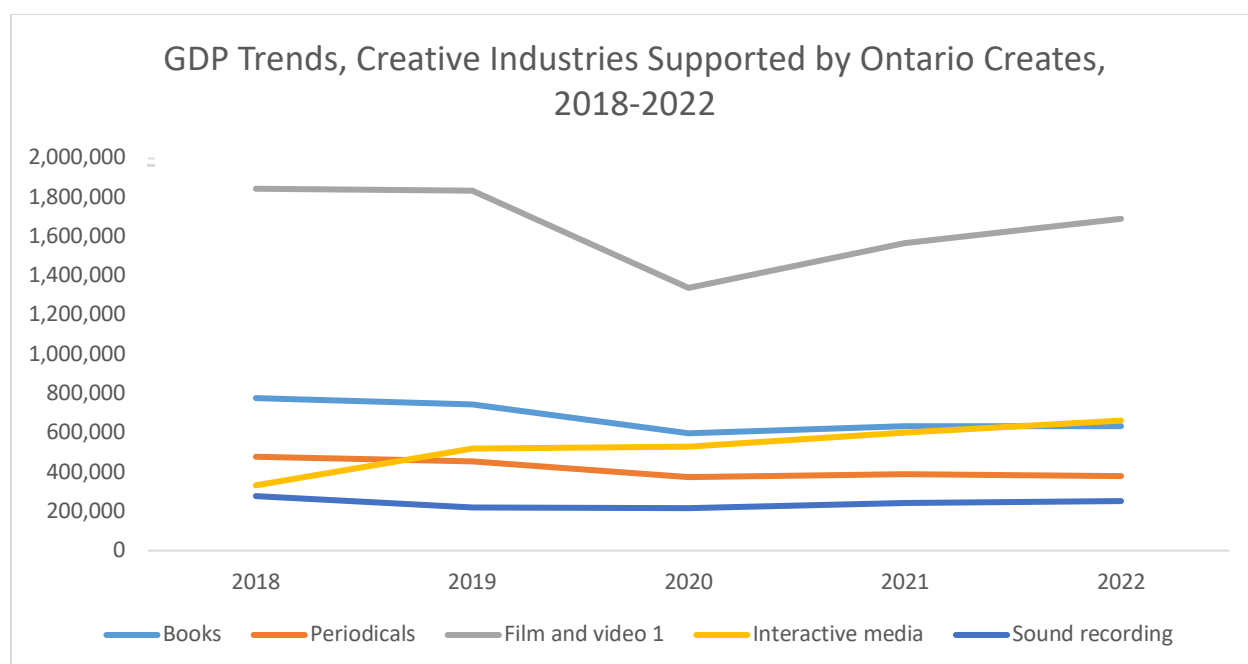
### III. ENVIRONMENTAL SCAN

Representing 2.7% of the provincial economy, Ontario's culture sector contributed \$26 billion in gross domestic product (GDP), and more than 270,000 jobs in 2022.<sup>1</sup> This marks the largest culture sector amongst all provinces and territories. In fact, in 2022, Ontario saw the largest growth (9.2%) in its cultural sector, compared to 8.3% in Quebec and 8.2% in British Columbia.<sup>2</sup>

Within this broader culture sector, Ontario is also home to vibrant creative industries whose work primarily involves the creation, production and monetization of intellectual property; which are the film and television, interactive digital media, music, book and magazine industries. Collectively, these economic engines contribute over \$3.6 billion to Ontario's GDP and account for over 44,000 jobs.<sup>3</sup> The impact of these industries are felt far beyond their borders, with Ontario's creative industries exporting more than \$3.8 billion in products and services internationally.<sup>4</sup>

As evidenced by Figures 1 and 2 below, most of Ontario's creative industries grew in 2022 – though GDP and job growth levels have yet to return to pre-pandemic (2019) levels. The lone creative industry sector to not experience any growth in either jobs or GDP in 2022 was the periodical publishing sector – which, as Statistics Canada points out, continues to experience a longer-term structural decline due to the pressures of adapting to a digital environment, strong competition for advertising dollars as well as more recent challenges with rising supply chain costs.<sup>5</sup>

Figure 1:



Source: Statistics Canada. Table 36-10-0452-01- Culture and sport indicators by domain and sub-domain, by province and territory, product perspective (x 1,000)

<sup>1</sup> Statistics Canada, Provincial and Territorial Culture Indicators, 2022, Statistics Canada, "Table 1: Culture and sport gross domestic product (GDP) as a share of the total economy, 2021," released June 3, 2024.

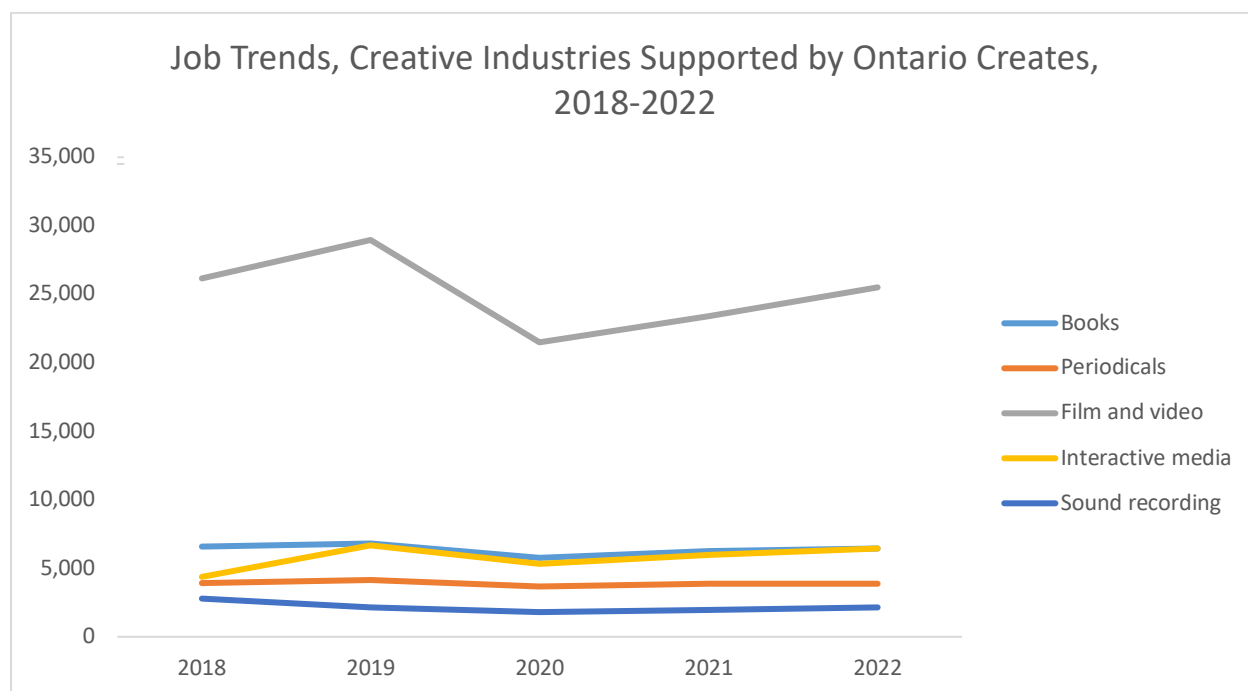
<sup>2</sup> *ibid*

<sup>3</sup> Ontario Creates Analysis from Statistics Canada, Provincial and Territorial Culture Indicators (PTCI), 2010 to 2022, released June 3, 2024

<sup>4</sup> Statistics Canada, Table 12-10-0116-01 International and inter-provincial trade of culture and sport products, by domain and sub-domain, provinces and territories (x 1,000,000), released October 9, 2024

<sup>5</sup> Statistics Canada, Periodical Publishing, 2021, Statistics Canada, released on January 24, 2023.

Figure 2:



Source: Statistics Canada. Table 36-10-0452-01- Culture and sport indicators by domain and sub-domain, by province and territory, product perspective (x 1,000)

PwC's *Media and Entertainment Outlook for 2024-2028* provides an overview of consumer and advertising spend data, which can be used to forecast future growth patterns and areas to monitor at the national and international level for each major segment of the creative industries. Generally, PwC provides compound annual growth rates (CAGR) over the forecast period for the Canadian market, as well as forecasted revenues per segment (in USD). Ontario Creates uses this data to take a longer-term view at the potential landscape facing the creative industries. The PwC data is also represented visually in Figure 3.

PwC's forecasts show positive CAGR trends for the majority of the sectors supported by Ontario Creates, with the exception of a forecasted decline in the Canadian consumer magazines segment.

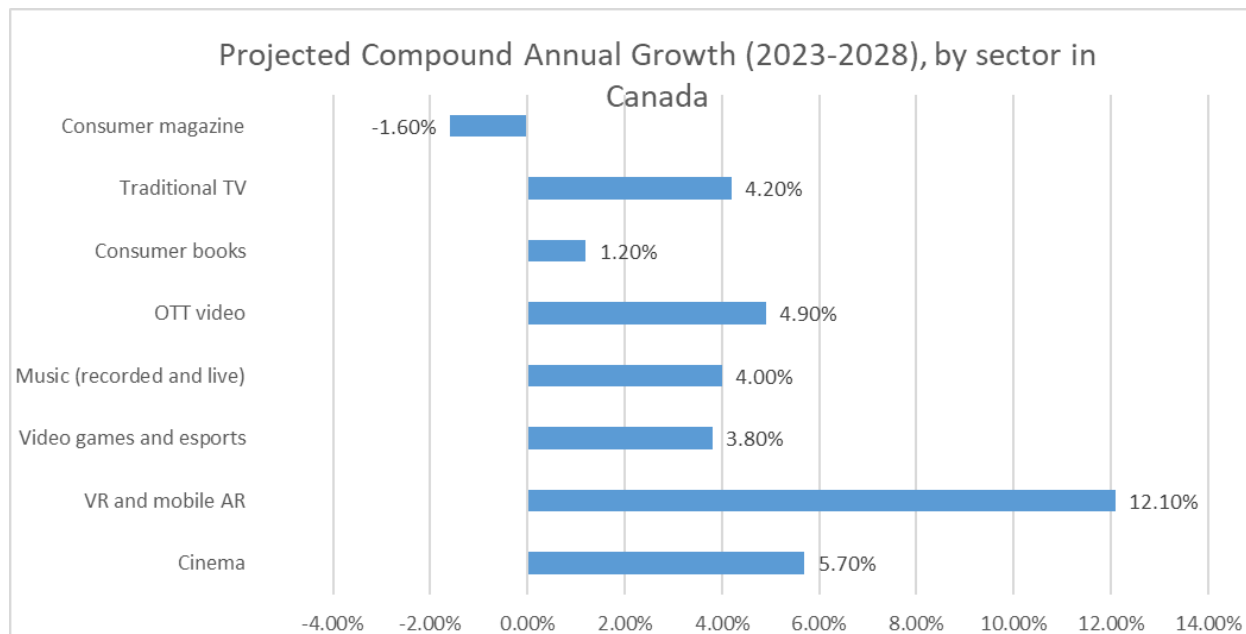
According to these forecasts<sup>6</sup>,

- Canada's music industry segment (which includes live and recorded music) is expected to grow at a 4.0% CAGR over the forecast period.
  - Overall, recorded music revenues are expected to grow at a 6.1% CAGR over the forecast period, with digital music streaming subscription revenues up 8.8% year-over-year. The only area of decline within recorded music revenues is in digital music downloading (-26%).
  - Canadians listened to 145 billion on-demand song streams in 2023, which represents an 18.3% increase from 2022.
  - Live music revenues are projected to rise at a 2.0% CAGR over the forecast period, reaching over \$1.2 billion by 2028.

<sup>6</sup> PwC, *Global Entertainment and Media Outlook: 2024-2028 Canada*, accessed on October 21, 2024

- In terms of television and video:
  - Total traditional TV revenues are anticipated to grow at a 4.2% CAGR over the forecast period, buoyed by a strong subscription TV industry (6.1% CAGR). PwC notes that growth in the subscription TV segment in Canada runs counter to a global trend of decline in this segment.
  - Canada's over-the-top marketplace (OTT) revenue growth pace is slowing - the market grew by 7.5% in 2023, which is considerably slower compared to 22-27% growth in the pandemic 2020 and 2021 period. PwC is optimistic that there is room to grow, however, and estimates that consumer revenues are anticipated to continue to grow at a 5.0% CAGR until 2028. Just under 65% of the segment's revenues can be attributed to subscription video on demand (SVOD) services, with stronger growth occurring in advertising-supported services. This also needs to be contextualized with the overall picture for OTT services – as PwC states in its Global OTT report, OTT services have largely entered into a phase of fiscal discipline when it comes to acquiring and commissioning new content. While PwC anticipates continued consumer-related revenue growth in the Canadian market, it remains to be seen how this global reduction in spending on new content impacts the OTT marketplace in Canada, and ultimately, how this new environment affects subscriber growth rates.
  - PwC notes that while Netflix remains the most popular streaming service for Canadian consumers, Crave grew 13% year-over-year (YOY) in 2023, and hit 3.1 million subscribers by the end of September 2023.
  - Canada's cinema box office and admissions revenues are expected to grow at a 5.7% CAGR over the forecast period. There is some cause for concern as Canadian films only account for 1.8% of overall box office revenues. PwC also notes that this national market share figure is also driven by the performance of French-language titles – which have a 12% market share in Canada's French-language market.
- In terms of the publishing sectors,
  - The consumer books market is set to increase at a 1.3% CAGR over the forecast period, with growth across both the print and digital segments. Though print books still account for 65.5% of revenues, electronic books are expected to grow at a 3.1% CAGR over the forecast period, compared to 0.2% for print books.
  - The consumer magazine market is expected to decline at a -1.7% CAGR over the forecast period, with total revenues dropping to USD \$612 million. There is a bright spot, however, with digital advertising revenues and digital circulation expected to grow 1.4% and 2.8% respectively.
- For the interactive sectors,
  - Canada's total video games market is expected to grow at a 3.7% CAGR over the forecast period, with social and casual gaming generating 62.5% of all revenues. PwC anticipates that by 2028, social and casual gaming will represent 66.5% of Canada's video games market.
  - Traditional video games revenues are projected to rise at a slower pace of 1.2% CAGR, mostly due to a decline in sales of physical console games (-11.2% CAGR).
  - The virtual reality (VR) market is set to grow at an 8.9% CAGR over the forecast period, with VR gaming (3.8% CAGR) and VR video revenues (33.7% CAGR) also set to increase. Standalone VR headsets are expected to grow their market share, accounting for an expected 84.3% of the market by 2028, compared to tethered headsets which are expected to decline at -8.9% CAGR.
  - For the first time since 2019, consumer augmented reality (AR) revenues declined. However, PwC expects healthy growth, with a 12.5% CAGR over the forecast period, mostly generated from non-gaming applications (social media platforms).
  - PwC also notes that investment interest has shifted away from the metaverse, and towards artificial intelligence (AI) and large language models in 2023.

Figure 3:



Source: PwC, *Global Entertainment and Media Outlook, 2024-2028: Canada*

## BOOKS

- Ontario's book publishing sector contributed \$635 million to Ontario's GDP and accounted for over 6,448 jobs in 2022.<sup>7</sup>
- In 2022, Ontario's book publishing sector accounted for \$1.043 billion in operating revenues, representing 63% of total national industry operating revenues.<sup>8</sup> The sector also accounted for 62% of national wages, salaries and benefits in 2022.<sup>9</sup>
- In 2022, Ontario exported over \$660 million worth of books internationally.<sup>10</sup>
- According to the latest data from Statistics Canada, total book sales in Ontario in 2022 represented \$663.8 million, a 4.8% increase from 2020. Ontario remains a print-dominant market, with the sales of print books (from wholesale, bookstores and general retailers) representing 66% of all sales, 19.9% from the sales of e-books, while online sales of print books accounted for 14.4%.<sup>11</sup> However, over the period of 2016-2022, there was a 192.7% increase in the sales of e-books in the market.
- According to PwC, Canada's audiobook market is expected to continue to grow, with 2023 seeing a new entrant into the marketplace with Spotify rolling out a pay-per-book model.<sup>12</sup>

<sup>7</sup> Statistics Canada. Table 36-10-0452-01 Culture and sport indicators by domain and sub-domain, by province and territory, product perspective (x 1,000), released June 3, 2024.

<sup>8</sup> Statistics Canada. Table 21-10-0200-01 Book publishers, summary statistics, every 2 years (dollars unless otherwise noted), CANSIM (database). (accessed: February 21, 2024)

<sup>9</sup> ibid

<sup>10</sup> Statistics Canada. Table 12-10-0116-01 International and inter-provincial trade of culture and sport products, by domain and sub-domain, provinces and territories (x 1,000,000), released October 9, 2024.

<sup>11</sup> Statistics Canada, Table 21-10-0042-01 – Book Publishers, net value of book sales by customer category (x 1,000,000), released February 2, 2022

<sup>12</sup> PwC, *Global Entertainment and Media Outlook: 2024-2028 Canada*, accessed on October 21, 2024

## FILM AND TELEVISION

- Ontario remains a major hub for film and television production, both within Canada and internationally. In 2023, Ontario's film and TV industry contributed \$1.8 billion to Ontario's economy, and created just over 25,862 high-value, full-time equivalent direct and spin-off jobs.<sup>13</sup> Representing a significant decline in GDP impact and employment from a record-high 2022, the 2023 figures reflect the major impact of strikes by writers and actors in the United States, which led to significant production delays and disruptions across the sector.
- Despite these challenges, Ontario's production data highlights that domestic film and television production drove 52% of total spending in Ontario in 2023 (\$947 million).
- Domestic television series production was particularly strong in 2023, contributing over \$639 million in expenditures.
- Live action production accounted for 92% of all projects in the province in 2023.
- According to data collected by the Canadian Media Producers Association (CMPA), Ontario ranks first in Canada in terms of total volume of production, accounting for 36% of all production spending, just ahead of British Columbia (31%). Ontario's share of the domestic film and television market is 41%.<sup>14</sup>

## INTERACTIVE DIGITAL MEDIA (IDM)

- In 2022, Ontario's interactive media industry generated \$663 million in GDP, and just over 6,450 jobs.<sup>15</sup>
- According to data collected by the Entertainment Software Association of Canada (ESAC), the largest number of Canada's video game companies are located in Ontario (32%), followed by Quebec (31%) and British Columbia (17%).<sup>16</sup>
- Total international exports of Ontario's interactive media exceeded \$331 million in 2022.<sup>17</sup>
- Notably, 37% of Ontario's IDM companies are primarily involved in game development or publishing, with the next most common line of business being virtual, augmented or mixed reality.<sup>18</sup>

## MAGAZINES

- Ontario's magazine publishing sector contributed \$380 million to Ontario's GDP, and accounted for over 3,800 jobs in 2022.<sup>19</sup> As noted earlier in this environmental scan, this represents a persistent long-term decline in this sector, with a 2.8% decline over the period of 2021-22, and a 20.6% decline from 2018-2022.

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<sup>13</sup> Ontario Creates, 2023 Production Statistics, Data represents expenditures of all productions using Ontario Creates-administered incentives and services. Data does not include television commercials, corporate videos, music videos, or broadcaster in-house production.

<sup>14</sup> Canadian Media Producers Association, *Profile 2023*, released on May 8, 2024

<sup>15</sup> Statistics Canada. Table 36-10-0452-01 Culture and sport indicators by domain and sub-domain, by province and territory, product perspective (x 1,000), released June 3, 2024

<sup>16</sup> Entertainment Software Association of Canada, *The Canadian Video Game Industry 2021*, p. 11

<sup>17</sup> Statistics Canada. Table 12-10-0116-01 International and inter-provincial trade of culture and sport products, by domain and sub-domain, provinces and territories (x 1,000,000), released October 9, 2024.

<sup>18</sup> Interactive Ontario, *Measuring Success: The Impact of the Interactive Digital Media Sector in Ontario*, released in May 2019

<sup>19</sup> Statistics Canada. Table 36-10-0452-01 Culture and sport indicators by domain and sub-domain, by province and territory, product perspective (x 1,000), released June 3, 2024

- In 2021, Ontario represented 58% of Canada's national periodical publishing industry revenues.<sup>20</sup>
- The majority of magazines published in Canada (71%) and Ontario (68%) are consumer magazines, with business-to-business (B2B), trade and professional magazines representing 30% of the titles published in Canada and 32% of the titles published in Ontario. However, in Ontario in particular, the share of B2B magazines has increased from 12.4% in 2017 to 32% in 2021.<sup>21</sup>
- Ontario magazines accounted for over \$79 million in exports in 2022.<sup>22</sup>

## MUSIC

- The Ontario sound recording and music publishing sector contributed \$254 million to Ontario's GDP, and accounted for more than 2,134 jobs in 2022.<sup>23</sup> Note: this data covers the sound recording and music publishing segments of the industry but does not include live music.
- Ontario's sound recording and music publishing sector exports totaled over \$564 million in 2022.<sup>24</sup>
- PwC forecasts that the Canadian live music industry revenues will grow by 2% over the period of 2023-2028, to reach a value of \$1.2 billion by 2028.<sup>25</sup>
- The Canadian Live Music Association (CLMA) recently undertook a major economic impact assessment of the sector's value in Canada, funded by Ontario Creates' Business Intelligence Program (BIP). In 2023, the economic impact of live music generated \$10.92 billion in GDP, and 101,640 FTEs.<sup>26</sup>

## CREATIVE INDUSTRIES: CHALLENGES AND OPPORTUNITIES

The creative industries are a dynamic, vibrant and constantly challenging environment. This is true both globally, as well as within Canada and Ontario. The companies who are part of these industries are facing several challenges and opportunities that could impact their future growth prospects.

- **Trade Relationship with the United States:** The uncertainty around the trade relationship between Canada and United States potentially poses a significant risk to the economy, as well as the creative industries in particular. The United States is Canada's largest trading partner when it comes to cultural goods, accounting for 68% of Canada's total culture exports.<sup>27</sup> All of Ontario's creative industries export products to the United States, either in the form of physical goods (printed book, magazines and vinyl records) or digital goods and services (film and television, video games, music). Moreover, cross-border labour mobility between the two countries is also critical when it comes to the film and television production, music, and interactive digital media sectors in particular. Given the fluidity of the situation, the potential economic impact of across-the-board tariffs could be greater than \$4 billion in revenues, impacting primarily film and television production, licensing of programming and content, artist touring, and book sales. A prolonged trade dispute could also

<sup>20</sup> Statistics Canada. *Table 21-10-0053-01- Periodical publishers, summary statistics, every 2 years (dollars unless otherwise noted)*, CANSIM (database), released January 24, 2023.

<sup>21</sup> Communications MDR, *An Environmental Scan of the Canadian Magazine Industry*, 2023

<sup>22</sup> Statistics Canada. *Table 12-10-0116-01 International and inter-provincial trade of culture and sport products, by domain and sub-domain, provinces and territories (x 1,000,000)*, released October 9, 2024.

<sup>23</sup> Statistics Canada. *Table 36-10-0452-01 Culture and sport indicators by domain and sub-domain, by province and territory, product perspective (x 1,000)*, released June 3, 2024

<sup>24</sup> Statistics Canada. *Table 12-10-0116-01 International and inter-provincial trade of culture and sport products, by domain and sub-domain, provinces and territories (x 1,000,000)*, released October 9, 2024.

<sup>25</sup> PwC, *Global Entertainment and Media Outlook: 2024-2028 Canada*, accessed on October 21, 2024

<sup>26</sup> Canadian Live Music Association, *Hear and Now: Understanding the economic power and potential of Canada's live music industry*, 2025, pp.1

<sup>27</sup> Statistics Canada, *Table 12-10-0017-01 – International trade of culture and sport products, by domain and sub-domain, and trading partner, annual*, CANSIM (database), released October 9, 2024



affect Ontario's attractiveness as a production jurisdiction and involve additional trade policy initiatives, including changes to immigration policy (a risk for ease of cross-border access for film and television labour, touring musicians, etc.) and the broader impact of currency fluctuations. The agency will continue to monitor this ongoing situation, as well as federal and provincial policy responses with impact on the creative industries.

- **Artificial intelligence:** The rise of AI and in particular, generative AI tools like ChatGPT, Sora, and DALL-E pose significant regulatory, legal and ethical challenges for the creative industries. There are major concerns around the ethical and legal implications of copyright-protected works being used in the training of large-scale AI applications, often without permission or compensation. Recent data, collected by Statistics Canada, suggests that 6.1% of all businesses in Canada have made use of AI when producing goods and delivering services over the last twelve months – with the businesses most likely to have done so being in the information and cultural industries domain (20.9%).<sup>28</sup> It is clear from reviewing stakeholder submissions to various federal AI consultations that broadly, Ontario Creates stakeholders recognize that AI has the potential to be enormously beneficial when used in a responsible manner that is complementary to human-led creation, and not in replacement of human involvement. Stakeholders – ranging from Music Publishers Canada to the Association of Canadian Publishers (ACP) – have put forward federal submissions outlining ways in which the federal government should avoid issuing a blanket exception for the suite of activities associated with AI development (including text and data mining, and training of large language models), and instead position licensing of creative content as the preferred solution.<sup>29</sup> As these consultations and various legal and regulatory processes continue, Ontario Creates will need to monitor any implications of AI policy or regulation that could have downstream effects on its suite of programs and the tax credits administered by the agency. Ontario Creates will also continue to monitor the progress of the Province's Artificial Intelligence Expert Working Group, and any subsequent legislative or policy directives with impact to the industry, including the *Enhancing Digital Security and Trust Act, 2024*.
- **Workforce Development:** Workforce development continues to be a critical focal point for the creative industries. As demonstrated earlier with the various economic growth measures cited in this scan, the majority of the creative industries in Ontario are projected to grow over the coming years, and as such, require an influx of skilled labour to be able to take advantage of increasingly complex and global opportunities. Ontario Creates held a Workforce Symposium in Q4 2023-24, which offered a cross-sectoral space for creative industry leaders to come together and envision how Ontario Creates could play a role in workforce development. As a result, Ontario Creates developed a workforce development strategy (more detail is included later in this Business Plan), that outlines a series of targeted tactics that the agency could deploy in 2025-26 to meet industry need and stimulate economic growth in Ontario. The agency also continues to see applications to BIP that prioritize workforce development-related research, including the recent *Northern Ontario Workforce Assessment and Studio Infrastructure Report* from Cultural Industries Ontario North, which estimates that approximately 350 film and TV crew workers need to be trained annually for the next four years to meet Northern Ontario's projected demand.<sup>30</sup> Meanwhile, across the agency, Ontario Creates continues to be a partner in supporting initiatives like the BLACK Academy's on-set mentorship program, Music Publishers Canada's Women in the Studio National Accelerator and Reel Canada's Reel Opportunities initiative. Moreover, the Province has regularly made significant investments into workforce development initiatives across various industries, indicating that it remains a key priority and element to Ontario's economic growth and positioning. Many of these initiatives are aligned with Ontario Creates' strategic priorities as well. For example, the Province recently invested an additional \$5 million in the Racialized and Indigenous Supports for Entrepreneurs program in 2024-25, which provides free access to business coaching, training and grants for Indigenous, Black and other racialized entrepreneurs. This program – and others like it, including Ontario Creates' AcceleratiON – are models for strategic, targeted, and successful workforce development supports. The agency will continue to monitor and track these initiatives to raise awareness amongst stakeholders about their existence, as well as identify areas for partnership and collaboration to ensure creative industry companies are eligible to participate.

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<sup>28</sup> Valerie Bryan, Shivani Sood, Chris Johnston, "Analysis on artificial intelligence use by businesses in Canada, second quarter of 2024", Statistics Canada, published on June 20, 2024

<sup>29</sup> Ontario Creates analysis of stakeholder submissions: *Consultation on a Modern Copyright Framework for Artificial Intelligence and the Internet of Things*, accessed on October 21, 2024

<sup>30</sup> Cultural Industries Ontario North, *Northern Ontario Workforce Assessment and Studio Infrastructure Report*, released on May 8, 2024

- **Copyright and Broadcasting Policy:** The passage of landmark federal cultural legislation, in the form of the *Online Streaming Act*, has meant a Canadian cultural sector in flux. In the case of the *Online Streaming Act*, Canadian Heritage estimates that the new contribution requirements for online streaming services will inject approximately \$200 million into the sector annually.<sup>31</sup> The Canadian Radio-television and Telecommunications Commission (CRTC) has also issued a number of regulatory decisions that enshrine financial contributions to several new players, including the Canadian Independent Screen Fund for BPOC Creators, the Black Screen Office and the Indigenous Music Office – all of which offer new opportunities to Ontario stakeholders who may have access to new funds through these bodies. It also remains to be seen what the possible discoverability requirements are for Canadian content, which is an issue that the CRTC plans to address through future consultations. However, the implementation process is likely to face several obstacles. Firstly, there are likely to be delays due to the myriad legal challenges launched by foreign streaming services as a result of these new commitments, and secondly, a potential new federal government could pose a threat to the continued implementation of the Act. Stakeholders, including the CMPA, have lauded the CRTC's decision to require streaming services to contribute to Canadian content, and in particular, the explicit support for Indigenous and equity-deserving groups in Canada's production ecosystem.<sup>32</sup> On the copyright front, the federal government had indicated previously that it intended to undertake a review of the *Copyright Act*, which would have significant implications for all creative industries, but there is no indication of when that wholesale review would happen. As AI and other new technologies emerge rapidly, ensuring that creators (and companies) who participate in the creation of intellectual property can effectively monetize their content globally and within Canada remains a key concern across all sectors. This is a particularly acute issue in the book publishing industry, where according to the ACP, changes to fair dealing legislation in 2012 resulted in significant financial losses to Canadian publishers as educational copying in the post-secondary and K12 sectors is effectively uncompensated.
- **Environmental sustainability:** The creative industries continue to grapple with issues around environmental sustainability. The Canadian film and television sector is undoubtedly leading this charge, with leading efforts from Ontario Creates' Ontario Green Screen (OGS) and Creative BC's Reel Green to share resources, tools and training programs. In the case of OGS, a selection of regionally specific Waste Sorting Kits were developed for seven jurisdictions in Ontario, over 900 film workers have now completed Ontario Green Screen Sustainability and Carbon Calculation training, and over 90 electrical tie-in points have been verified for its Electrical Grid Tie-In Map. For its part, Reel Green recently announced a partnership with the Indigenous Screen Office (ISO) that encourages ISO program applicants to adopt environmentally sustainable production practices. Recent research from the CMPA includes *Animation Production Sustainability: A Case Study*, among other reports. In May 2024, Telefilm released Phase II of its *Sustainability Action Plan*, which details a series of commitments relating to benchmarking, knowledge-sharing and collaboration. Data collection continues to be key, with a recent research report from the South Georgian Bay Media Association positioning sustainability initiatives, such as greenhouse gas emission reduction targets, as a potential long-term strategy to attract film and television productions to rural or remote areas.<sup>33</sup> Other sectors, while perhaps less active than their film and television industry counterparts, have launched their own sector-specific efforts, including the Green Book Alliance and Music Declares Emergency Canada. The CLMA recently launched an initiative called Sustainable Live, which is an online workshop series to learn about practical tools and actionable strategies for implementing environmentally sustainable practices in live music businesses.
- **Diversity, equity, inclusion and belonging:** Ensuring that the creative industries are representative of the full scale of Ontario's diversity remains a core priority for the sector. Broadly, at least in terms of research trends, industry organizations seem to have moved away from counting the presence of equity-seeking individuals within the creative industries, and more towards better data collection strategies as well as measurement systems focused around program effectiveness. In recent years, many funders and other large institutions have launched voluntary self-identification or demographic data systems, like Canada Media Fund (CMF)'s PERSONA-ID system. PERSONA-ID is a self-identification system that allows individuals to disclose their demographic information directly and securely to CMF. Other funders, including Telefilm and Ontario Creates, are currently developing similar systems to collect baseline diversity information about applicants and

<sup>31</sup> Canadian Radio-television and Telecommunications Commission, "CRTC requires online streaming services to contribute to Canada's broadcasting system", released on June 4, 2024

<sup>32</sup> Canadian Media Producers Association, "CMPA welcomes "watershed" CRTC decision", issued on June 4, 2024

<sup>33</sup> South Georgian Bay Media Association, *Attracting Film Production to Small Town Ontario*, released on February 29, 2024

recipients. Data-gathering processes in this area have been recognized as important mechanisms for meaningful change, as exemplified by the Racial Equity Media Collective's 2023 report calling for a national data system to help develop benchmarks and quotas. The implementation of the *Online Streaming Act* has heightened the need for data, and particularly, demographic data. Separately, there is also a trend towards measurement of the effectiveness of the various programs launched to address equity issues. For example, the Documentary Organization of Canada's DOC Institute reviewed its 20-year Breakthrough program to highlight outcomes associated with that program, while Reelworld Screen Institute is currently undertaking a similar review of its own equity initiatives. The Province also remains committed to its Anti-Racism Strategic Plan, which specifically includes a commitment to economic empowerment, including enhancements to various workforce development programs to focus on underrepresented groups. This aligns closely with our strategic plan commitment to Build Capacity by providing targeted support to diverse-led projects and businesses that demonstrate high-potential for economic growth.

- **High Borrowing Costs and Access to Financing:** The Bank of Canada cut interest rates in Fall 2024; however, high interest rates and increasing costs across the economy remain a key obstacle for creative industry companies trying to finance the creation and production of content. This is particularly acute for companies who are using financial services like interim financing while they wait for a tax credit, for example. Moreover, traditional financial services aren't necessarily easy to access for all kinds of creative content owners, and particularly so if the principals are from equity-seeking communities. This can also be variable from industry to industry, and within them as well. For example, the Documentary Organization of Canada's *Getting Real 7* report highlights that 74% of documentary creator respondents indicated that they experienced challenges accessing funding to make films, including the lack of available seed funding.<sup>34</sup> For its part, Interactive Ontario aimed to alleviate some of the financing challenges faced by its video game and interactive digital media studio members by partnering with Triple Dragon, a UK-based specialized finance company focusing primarily on the IDM sector, as a preferred partner for its members.<sup>35</sup> In 2024-25, Ontario Creates contracted with Nordicity to develop an economic model of a potential made-in-Ontario alternative financing tool for Ontario's creative industries. High interim financing cost issues are made more acute by longer tax credit processing times. As companies wait to receive their tax credit, they are incurring fees and interest, impacting cash flow. Reflecting Ontario Creates' commitment to ensure efficient administration of the film and television tax credits as included in the LOD, Ontario Creates has made significant technological, people, and process improvements to speed up tax credit processing times, including the temporary addition of FTEs to address the backlog. The agency will continue to prioritize these activities in 2025-26.
- **Contraction in Global Creative Industries:** Globally, the creative industries appear to be facing an era of turmoil and contraction. Major Hollywood players like Paramount (who eliminated 15% of jobs), Discovery (1,000 cuts) and Disney (140 in its latest round of layoffs) have undergone mass layoffs in efforts to reduce their spending.<sup>36</sup> Some observers and analysts have described this as the "end of peak TV", as industry data suggests that broadcasters and streamers alike have pulled back on commissioning scripted content.<sup>37</sup> While the PwC forecast referenced earlier forecasts moderate consumer revenue growth for OTT in Canada, PwC's global projection for the OTT segment notes that the pace of previously pandemic-driven revenue growth is slowing, and that broadly, most global streaming services have moved away from this "peak TV" era with a renewed focus on reducing spending.<sup>38 39 40</sup> In music, streaming service Spotify also recently underwent multiple rounds of layoffs.<sup>41 42</sup>

<sup>34</sup> Documentary Organization of Canada, *Getting Real 7*, published on September 14, 2023

<sup>35</sup> Interactive Ontario, *Interactive Ontario Announces Triple Dragon as a New Preferred Partner*, published on April 18, 2023

<sup>36</sup> Ryan Faughnder, "What's behind Hollywood's latest wave of layoffs? The business is in reset mode", *Los Angeles Times*, published on August 20, 2024

<sup>37</sup> Scott Roxborough, "Peak TV Is Over as 2023 Scripted Series Releases 'Crash'", *The Hollywood Reporter*, published on January 19, 2024

<sup>38</sup> PwC, *Global Entertainment and Medium Outlook 2024-28: OTT Video Segment*, accessed on November 4, 2024

<sup>39</sup> Nicole Carpenter, "2024 has already had more video game industry layoffs than all of 2023 — and it's only June", *Polygon*, published on June 13, 2024

<sup>40</sup> Stuart Dredge, "UMG reveals new label groups, Audience and Media division and layoffs in UK", *MusicAlly*, published on July 9, 2024

<sup>42</sup> Jack Kelly, "Spotify's Recent Layoffs Impacted The Company 'More Than Anticipated'", *Forbes*, published on April 26, 2024

## FUNDING AND COMPETITIVE ENVIRONMENT

Funding agencies across the country continue to roll out new initiatives, programs and changes that could impact the competitiveness of Ontario as a world-class destination for creative industry production.

In 2023, there were several major funding announcements with implications for Ontario's creative industries. The 2024 federal budget included a number of key commitments, including:

- \$100 million over two years to Telefilm to elevate a diverse range of content creators and producers.
- \$65 million over five years, plus \$13 million on an ongoing annual basis, to the ISO.
- \$32 million over two years into the Canada Music Fund.
- \$10 million over three years to the Canada Book Fund.
- \$31 million over two years to the Canada Arts Presentation Fund.
- \$23 million over three years to support the Toronto International Film Festival (TIFF).

In some cases, the funding allocations above are also a response to industry concerns about the sustainability of existing federal funding programs, particularly if they are maintained at their current level of funding. For example, music industry stakeholders have advocated for the federal government to make permanent increases to the Canada Music Fund, in light of rapidly diminishing broadcaster contributions to that fund. The Canadian Independent Music Association noted in their response to the Canada Music Fund investment that though this commitment fell short of the initial promise to increase the fund to \$50 million annually, this investment was a significant step forward by marking the first increase to the Fund since 2019.<sup>43</sup> In many cases, Ontario Creates' stakeholders rely on funding provided by these federal programs – so a failure to keep pace on programs like the Canada Music Fund often has a spillover impact on Ontario Creates' programs.

A similar long-term sustainability question also exists for the funding available to book publishers via the Canada Book Fund. While the federal government announced a \$10 million investment into the Canada Book Fund over three years in Budget 2024, this marked the first increase in over twenty years. While this increase was welcomed by the industry, the ACP noted that this increase represented only a fraction of what was originally promised via the 2021 Liberal platform and does not meaningfully address the chronic underfunding of the program which has resulted in the Fund's effective value being decreased by 55%.<sup>44</sup> In practice, this failure of the funding program to grow over the past twenty years makes it challenging for publishers to keep pace with rising costs, inflation, the current market context, and take advantage of new business opportunities.

In October 2024, the Foundation Assisting Canadian Talent on Recordings (FACTOR) and Musicaction launched the Promoter Program, a pilot program to further invest in the Canadian live sector. Specifically, the program will support concert promotion activities that bring audiences to Canadian artists' shows, and recognize the role of concert promoters in developing artist careers. Further to that, FACTOR notes in its program announcement that the program was developed to help shoulder the risk "during a time of inflationary pressures and heightened competition".<sup>45</sup>

The 2024 Quebec budget also included a significant investment into Quebec's creative industries. A new investment of \$92.2 million over five years was announced to assist with supporting and guiding cultural businesses, supporting cultural organizations, as well as other, broader cultural initiatives. The initiatives most directly relevant to Ontario Creates are:

- \$21 million of this funding will be allocated to the Société de développement des entreprises culturelles (SODEC) over the period of 2025-26 to 2028-29 to enable it to play its full role as the "gateway for all financial needs of businesses in the cultural sector" through new financial instruments (including private equity) as well renewed support for its cultural entrepreneurship programs.
- An increase in the limit of eligible production costs (from 50% to 65%) for the Quebec Film or Television Tax Credit.

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<sup>43</sup> Canadian Independent Music Association, "Government Increases Canada Music Fund by \$32 Million: A Significant Step Forward for Canada's Music Sector", published on March 24, 2024

<sup>44</sup> Association of Canadian Publishers, "Canadian publishers welcome modest increase to Canada Book Fund in Budget 2024, urge government to fulfill commitments on funding and copyright reform", published on April 17, 2024

<sup>45</sup> FACTOR, "FACTOR Launches Promoter Program", published on October 10, 2024

- An increase in the base rate of the Film Production Services Tax Credit to 25% (from 20%) as well as a limit on the eligible cost of a contract with a service producer for special effects and animation (65%).
- A change to the Multimedia Tax Credit that would eliminate the salary cap per employee.

These tax credit changes went into effect on May 31, 2024. Notably, the Quebec Film and Television Council has indicated that more than 4,000 people have lost their jobs in the 20 months following the change to the Film Production Services Tax Credit, mainly in the animation and visual effects (VFX) sector.<sup>46</sup> Some of that is attributable to the U.S. strike action, but the sector has indicated that the limit on eligible costs with a VFX or animation service provider has had a significant negative impact.

In British Columbia, the 2024 Budget proposed a change to the Regional and Distant Locations tax credits to exclude animated productions from eligibility. This change received royal assent on April 25, 2024.<sup>47</sup> For its forthcoming 2025 Budget, the B.C. government has announced increases to the Film Incentives BC tax credit (which supports Canadian content productions) as well as the Production Services Tax Credits (which is an incentive to attract foreign production). The FIBC is slated to increase to 36% from 35%, and the PSTC will increase from 28% to 36% for productions with principal photography starting on January 1, 2025.<sup>48</sup> Moreover, productions with B.C. production costs of over \$200 million will receive an additional 2% bonus. Finally, the proposed Budget 2025 measures will restore the regional and distant location tax credits for animation companies with physical offices outside of Metro Vancouver, Fraser Valley, and Whistler/Squamish.<sup>49</sup>

Nova Scotia launched a new rural filming bonus in July 2024. Producers electing to shoot eligible productions can benefit from an incentive of up to 7% of eligible costs if they film more than 100km from Halifax City Hall, with an additional 10% available if they are more than 150km away.<sup>50</sup>

Alberta also modified its film and television incentives, expanding the eligible genres to now include game shows and reality series eligible, and rolling out a new rural incentive reserved for foreign-owned productions that allows them to unlock a 30% credit if their eligible project is at least 75% shot in a rural or remote location in the province.<sup>51</sup>

Internationally, new data collected by Film LA highlighted that over the period of July to September 2023, shooting days slipped 5% to roughly 5,000, which is a historically low level for the region.<sup>52</sup> The Film LA report points to industry calls for increasing and expanding available tax incentives. In response, California Governor Gavin Newsom introduced a budget proposal that would significantly increase California's cap on tax relief to film and television producers, from \$330 million to \$750 million per year – which could result in as much as \$3.75 billion in tax credits to the industry over five years starting in 2025.<sup>53</sup> It remains to be seen whether the budget proposal will succeed (or be amended in some way).

## GENERAL ECONOMIC ENVIRONMENT

- As per the 2024 Fall Economic Statement, *Building a Strong Ontario for You*, the economic outlook expected for the Province has improved since the publication of the 2024 Budget.
- In particular, real GDP is now projected to rise 0.9% in 2024, 1.7% in 2025, and 2.3% in both 2026 and 2027. The 2024 Budget anticipated growth of 0.3% for 2024, for comparison. Weaker growth is anticipated in

<sup>46</sup> Ryan Tuchow, "Animators in both Quebec and France feel the economic squeeze", *Kidscreen*, published on September 4, 2024

<sup>47</sup> Government of British Columbia, "B.C. Provincial budget tax changes", last updated on February 23, 2024.

<sup>48</sup> Government of British Columbia, "Action! B.C. sets the scene to attract more film, TV productions", published on December 12, 2024

<sup>49</sup> *ibid*

<sup>50</sup> Kelly Townsend, "Nova Scotia expands film, TV incentive with rural filming bonus", *Playback*, published on July 4, 2024

<sup>51</sup> Kelly Townsend, "Alberta expands film, TV tax credit program genre eligibility", *Playback*, published on June 12, 2024

<sup>52</sup> Winston Cho, "Los Angeles Film and TV Production Approaches Historically Low Levels", *The Hollywood Reporter*, published on October 16, 2024

<sup>53</sup> Winston Cho, Katie Kilkenny, "Alarming Production Drop Spurs Gavin Newsom to Propose Doubling Tax Credits to Hollywood", *The Hollywood Reporter*, published on October 27, 2024

2025, and a return to strong real GDP growth is expected for both 2026 and 2027.

- Employment rate projections have also been updated since Budget 2024, with the 2024 Fall Economic Statement predicting slower employment growth in 2024 (1.4% compared to 1.7% from the Budget) and in 2025 (1.5% compared to 1.7%).
- Global economic growth has also continued, despite high interest rates across many jurisdictions. The International Monetary Fund (IMF) has projected global real GDP to rise by 3.2% in 2024, and 3.3% in 2025, compared to the projections of 3.1% and 3.2% respectively in Ontario Budget 2024.
- Ontario's consumer price index (CPI) increased 2.9% year-over-year (YOY) in Q2 2024, following a 2.6% increase in Q1 2024.
- While inflation has continued to ease (and is now approaching the Bank of Canada's 2% target), interest rates have remained at a high level and are expected to continue to impact economic growth over the remainder of 2024 and into 2025. Moreover, geopolitical conflicts that could impact the global supply chain also remain a persistent risk to economic growth. Ontario's 2024 Fall Economic Statement indicates that these factors, as well as the risk of trade tensions, are critical factors that could impact the Province's economic outlook.
- Over the past three months, the Canadian dollar has been trading at \$0.74 on average. It remains to be seen what impact a new U.S. administration may ultimately have on currency fluctuations. There have been indications that the new U.S. administration may be interested in currency devaluation as a strategy to boost exports, which would certainly have downstream negative impacts on Ontario's competitiveness as a jurisdiction and its ability to attract foreign production.<sup>54</sup> This, as well as other proposed policies from the incoming U.S. administration, including tariffs on the import of Canadian goods, has the potential to introduce a significant level of economic uncertainty for the Province.
- Due to stronger-than-anticipated revenue projections, as well as economic factors, the 2024 Fall Economic Statement has updated Ontario's 2024-25 deficit forecast. The projected deficit was reduced from \$9.8 billion to \$6.6 billion in 2024-25. The Province anticipates returning to a surplus by 2026-27.

## ONTARIO DEMOGRAPHICS<sup>55</sup>

- Ontario is home to over 14.2 million individuals, accounting for 38.5% of Canada's population. Ontario's population has grown 5.8% since the last census (2016).
- The majority of Ontarians (93.5%) report English as their first official language spoken.
- Ontario's English-French bilingualism rate is 10.8%, with 3.4% of the population listing French as their first official language spoken. Furthermore, over 3.1 million Ontarians report more than one language spoken at home. In total, over 3.7 million Ontarians reported a non-official language as their mother tongue.
- Ontario's Indigenous population has grown by 10% since 2016, now totaling over 406,000 individuals. Over 14,000 Ontarians reported an Indigenous language being their mother tongue.
- While the majority of Ontarians (86.7%) live in population centres, 13.3% of Ontarians live in rural areas.
- Immigrants constitute 30% of Ontario's population, with recent immigrants (those that immigrated to Ontario between 2016 and 2021) representing over 4.2% of the immigrant population in Ontario.

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<sup>54</sup> Gavin Bade, "Trump trade advisers plot dollar devaluation", *Politico*, published on April 15, 2024

<sup>55</sup> [Statistics Canada](#), 2021 Census of Population key indicators by geography: Ontario, accessed on December 15, 2023.

## ONTARIO CREATES – INTERNAL

- There is some longer-term uncertainty with regard to the agency's premises lease, which is held by Ministry of Infrastructure (MOI) on behalf of the Crown. At this time MOI is seeking a three-year extension to the current lease, to April 30, 2028 and exploring longer-term options.
- In Q3 2024-25, Ontario Creates was allocated an additional 10 FTEs on a temporary basis for the Tax Credits and Financing Programs department. These additional FTEs are a measure to address the current backlog. The competitions associated with these FTEs have been completed, with the successful candidates starting in Q4 2024-25. Additionally, two new managers were hired into the department in 2024-25.
- In non-staffing measures, the agency continues to work on various business process and technological enhancements to address the tax credit queue. In 2023-24, the agency exceeded its target of 5.0 weeks for the average time a tax credit file has spent in analysis, with 4.7 weeks being the average number for 2023-24. This represents a 35% increase in the speed of analysis time compared to the prior year.
- Ontario Creates is committed to reviewing its programs and services on an ongoing basis to ensure that they continue to meet their stated objectives and are keeping pace with new business opportunities in the sectors we support.
  - In 2023-24, the agency completed a review of programs investing in screen content creation, the Film Fund and the IDM Fund, and as a result will be transitioning to an innovative new IP Fund in 2025-26.
  - In 2024-25, the agency concluded a review of AcceleratiON, and a review of the OMIF is currently in progress.
  - A review of business and marketing development programs including the Book Fund, Magazine Fund, Film Fund Marketing and Distribution Initiative and IDM Fund Discoverability and Commercialization program was also finalized in 2024-25, and program redesign work will follow in 2025-26.
- The agency continues to work on modernizing its performance measurement framework. In 2024-25, Ontario Creates contracted with Deetken Insight to proceed with developing a custom macroeconomic dataset to more frequently measure the economic growth of Ontario's creative industries and proceed with the development and technical implementation of the new key performance measures first identified in 2023-24.
- Demand on the agency continues to be high and oversubscription to investment programs led to an average success rate of 55% of applications. In 2023-24, 1,149 companies received a grant and/or a tax credit. 41 companies received both. In total, the agency provided \$740 million in support through grants and tax credits in 2023-24.
- This Business Plan also reflects the impact of new Public Sector Accounting Standard PS 3400, implemented in 2023-24, on the agency's financial statements. Specifically, this accounting standard means that tax credit revenues will be recognized when a certificate of eligibility is issued, a file is withdrawn from review, or when a letter of ineligibility is issued, rather than the year when the tax credit administration fee payment was received. This will have a direct impact on the value of tax credit administration fees that will be reflected in the agency's revenues in a given year. The change resulted in a \$3.0M reduction in the agency's cash reserves in 2023-24.



## IV. STRATEGIC DIRECTIONS

### INTRODUCTION AND APPROACH

On April 28, 2023, Ontario Creates launched its strategic plan for 2023-27: *Powering Ontario's Creative Economy*. The Plan is available on the Ontario Creates corporate website, in both official languages, in a fully accessible PDF format.

The strategic plan was developed by the agency's Board of Directors and Senior Management Team, with input from staff, industry and government stakeholders.

More than 700 individuals shared their perspectives on Ontario Creates' reputation and impact, its recent successes, challenges, risks, and opportunities, noteworthy industry trends, and the current state of equity, diversity, and inclusion, both within the agency and across the creative industries. This input represented a broad array of perspectives, including stakeholders and industry experts from both urban and rural areas, Anglophones and Francophones, successful and unsuccessful program and tax credit applicants, as well as experts at the intersection of creative industries and equity-deserving communities. This process also involved consultation and engagement with MTCG.

Alongside this robust consultation framework, the plan was developed by considering the agency's internal strengths and opportunities for improvement, as well as external factors such as the broader business environment, technological changes in the creative industries and best practices from other jurisdictions.

Ontario Creates believes that this renewed strategy will deliver more job opportunities and a skilled workforce that reflects the diversity of Ontario in all respects. The provincial tax credit programs administered by the agency and the program investments made as a result of this plan will stimulate growth in infrastructure and capacity for all sectors. And most importantly, the agency is confident it will ignite increased collaboration within and across creative sectors, increase company investment, and boost international sales, revenues, and capitalization.

The following graphic illustrates the key elements of the strategic plan. The various components of the plan are presented in more detail following the graphic.





## MISSION AND VISION

The plan offers a vision statement for the agency that is firmly grounded in the needs of the agency's core stakeholders. The vision statement is aspirational, describing the future state the plan will help build.

### VISION

*Ontario's robust, sustainable, and inclusive creative industries deliver economic impact and globally successful content.*

The mission statement speaks to how the agency will contribute to this future state. The mission statement also forms the basis for designing programs and processes (including decision-making criteria) that contribute to the growth, resilience and sustainability of creative companies.

### MISSION

*To help creative businesses prosper by increasing the growth, resilience, competitiveness, and global reach of Ontario's creative economy.*

## VALUES

The plan outlines the five core values underpinning all aspects of Ontario Creates' operations, programming and decision-making. These attitudes and behaviours are encouraged across the organization and are fundamental to relationships with stakeholders and the agency's internal culture. The Ontario Creates' team demonstrates its commitment to these core values through its decisions, daily activities and interactions with partners, stakeholders, and each other.

- **Accountable:** Deliver on our commitments with integrity, be open and transparent about our progress and hold ourselves responsible for our actions.
- **Collaborative:** Work with each other and our partners to achieve the best possible outcomes.
- **Inclusive:** Ensure diversity, equity and accessibility in our programs and our workplace.
- **Leading:** Be a best-in-class agency; advancing new ideas, innovation and change.
- **Service-Focused:** Responsive to our stakeholders and sector, delivering an excellent experience in all interactions.

## STRATEGIC GOALS AND ENABLERS

As an agency, Ontario Creates delivers a suite of programs and services including investment programs, tax credits and supporting industry development. These activities remain vital to the growth and sustainability of the creative industries in Ontario. The agency has identified four key strategic goals, and the two operational enablers required to pursue these strategic goals successfully.

### Strategic Goal #1: Build Capacity

In order to build capacity, Ontario Creates will work collaboratively to ensure Ontario's creative industries are diverse, sustainable and positioned for growth, with a strong, skilled workforce and supporting infrastructure. This will require working with partners to ensure that Ontario's creative industries have access to a highly-skilled and comprehensive skilled talent base that reflects the diversity of Ontario's population. It will also involve working collectively to build the infrastructure base as demand grows, facilitating sustainability initiatives across the creative sectors, and enabling diverse companies and individuals across the Province to access services and programs to help strengthen the entire ecosystem.

With this strategic goal, Ontario Creates is anticipating delivering the following outcomes:

- More job opportunities.
- A skilled workforce that reflects the diversity of Ontario.
- Growth in infrastructure and capacity for all sectors.
- Sustainable business models to support future growth.

To meet this strategic goal, the agency will undertake a number of ongoing and new initiatives, including:

1. Establishing and implementing a workforce development strategy.
2. Continuing to provide targeted support for diverse-led projects and companies that demonstrate high-potential for economic and cultural growth.
3. Building on Ontario Green Screen leadership and expanding a sustainability strategy across the creative industries.

### **Strategic Goal #2: Fuel Growth**

In order to fuel growth, Ontario Creates will support the growth of Ontario's creative industry companies by investing in the creation and distribution of intellectual property, enabling business development, and facilitating collaboration within and across sectors, through modern, responsive and informed programs. This will involve supporting the growth and acceleration of both emerging and established companies and their innovative content across the province, providing critical business intelligence and information to assist with evidence-based decision-making, partnering with government on its commitment to modernizing tax credit eligibility requirements and ensuring our programs and services are responsive to continually evolving market conditions.

With this strategic goal, Ontario Creates is anticipating delivering the following outcomes:

- Increased company capitalization and revenue growth.
- Improved competitive advantage for Ontario companies.
- Increased engagement with early-stage companies.
- New partnership opportunities, within and across sectors, facilitated by the agency.

To meet this strategic goal, the agency will undertake a suite of ongoing and new initiatives, including:

1. Revise core investment programs to keep pace with evolving business opportunities and focus investment on high-impact support.
2. Enhance communication and outreach to emerging companies and new entrants to the creative industries.
3. Partner with government to simplify tax credit eligibility requirements.
4. Explore strategies to support regional development priorities.

### **Strategic Goal #3: Drive Investment**

In order to drive investment, Ontario Creates will generate investment in Ontario's creative economy by ensuring a diverse, sustainable, innovative, competitive, and world-class business landscape. This means continuing to provide compelling reasons for investment in Ontario, and in its creative industries, as a first-class business jurisdiction, working with private and public sector partners to find new and innovative ways for companies to access capital, and ultimately, helping to create a business landscape that supports the growth of the creative economy.

With this strategic goal, Ontario Creates is anticipating delivering the following outcomes:

- Increased investment in Ontario's creative sector, both in terms of content and generally within sectors.
- Increased international investments, including sales and co-productions.
- Increased production volumes from both domestic and foreign creators.
- Increased number of deals facilitated by Ontario Creates.

To meet this strategic goal, the agency will undertake a suite of ongoing and new initiatives, including:

1. Seek out whether the agency has the authority to create new private sector partnership/sponsorship opportunities to increase capacity in Ontario Creates' priority program areas.
2. Explore innovative financing models to enhance investment in Ontario's creative industries.
3. Grow the domestic and service screen production industry across all regions of Ontario.
4. Partner with government to support the continued modernization of tax credits.

### **Strategic Goal #4: Develop Global Markets**

To develop global markets, Ontario Creates will strategically promote Ontario's content, companies and services to the world to open new markets, reach new audiences and generate export opportunities, business partnerships, and inward investment. To do so, Ontario Creates will support Ontario's companies in key strategic markets, help

Ontario companies develop and execute successful export marketing strategies and expand their global reach, and focus on attracting new production business to Ontario.

With this strategic goal, Ontario Creates is anticipating delivering the following outcomes:

- Increased international sales and co-productions.
- An enhanced impact from our export development funds.
- Increased recognition of Ontario Creates as an expert partner/collaborator.
- Increased number of export-ready creators.

To meet this strategic goal, the agency will undertake a suite of ongoing and new initiatives, including:

1. Ongoing review of programming and strategic initiatives in international markets.
2. Simplify access to funds that support international development and growth of Ontario companies.
3. Continue to build the value proposition of the Ontario brand.
4. Optimize our approach to brand partnerships.

In order to successfully deliver on the promise of the four strategic goals, the agency has identified two operationally-oriented enablers.

#### **Enabler #1: Deliver Exceptional Customer Experiences**

To deliver exceptional customer experiences, Ontario Creates must ensure that its programs and services are modern, accessible, inclusive, responsive, transparent and timely and are well aligned with evolving industry needs. Ontario Creates will regularly engage with stakeholders with the goal of ensuring that our actions respect and acknowledge their diverse perspectives, drive service excellence internally by enhancing our use of technology, and continually evaluate, measure and communicate the value of our programs and services.

With this strategic enabler, Ontario Creates is anticipating delivering the following outcomes:

- Trusted, sustainable relationships with stakeholders.
- Increased stakeholder satisfaction.
- Stakeholders who continue to grow with us.
- Enhanced digital program delivery.
- Enhanced internal processes and practices.

To meet this strategic goal, the agency will undertake a suite of ongoing and new initiatives, including:

1. Review and improvements of application processes for both investment programs and tax credits.
2. Implementation of a technology roadmap to improve efficiency and stakeholder experience.
3. Enhance performance measurement capacity and tools.

#### **Enabler #2: Empower High Performing Teams**

In order to empower high-performing teams, Ontario Creates will foster a work environment and corporate culture that prioritizes the development and well-being staff and a sense of belonging. The agency will also leverage technology, policies and shared values to promote collaboration and optimize productivity and effectiveness. This will involve developing a hybrid work model that supports the agency's culture and leverages technology effectively, and ensure the agency's internal practices and policies reflect an equitable, inclusive, accessible, anti-racist and diverse workplace.

With this strategic enabler, Ontario Creates is anticipating delivering the following outcomes:

- Increased ability to attract and retain skilled talent in an inclusive manner.
- A staff and culture that is more representative of Ontario's diverse culture, including diversity at all levels of the agency.
- Increased numbers of staff who feel a sense of purpose and belonging at work.

To meet this strategic goal, the agency will undertake a suite of ongoing and new initiatives, including:

1. Promote an equitable inclusive, accessible, anti-racist and diverse workplace.
2. Build a flexible, inclusive and effective hybrid work model

## V. OVERVIEW OF THE AGENCY'S CURRENT AND FUTURE PROGRAMS

### INTRODUCTION

Ontario Creates operates in a complex and dynamic environment impacted by a recent global pandemic, ongoing digital and technological transformation, and other socio-political factors. Within this context, Ontario Creates is committed to delivering its programs, services and initiatives as effectively and efficiently as possible, and in a way that is in the best interests of the people of Ontario, as well as the stakeholders we serve. As part of this ongoing search for efficiencies, the agency engages in partnerships with the public and private sectors to leverage resources and services for the benefit of the sectors served by the agency.

To ensure that we are operating in the most efficient way possible, Ontario Creates regularly conducts ongoing analysis and continuous improvement to inform all of the agency's undertakings. The agency's track record clearly demonstrates the capacity to deliver meaningful, results-based initiatives to clients in all of the sectors it serves.

Broadly, current Ontario Creates programs and services support a range of different objectives that can be categorized as: content creation, business development, international market development, broad industry development, and marketing/promotion.

Ontario Creates offers its programs, services and activities through four departments:

In 2023-24, 428 export focused trips were made by Ontario companies supported through Ontario Creates' Global Market Development program.

1. **Industry Investment and Attraction (IIA):** Under this category of activities, the agency provides support for creative industry companies to create and market content, undertake strategic business development activities, and access new markets and grow their businesses. The three units of the Industry Investment and Attraction Group are Industry Development (investment funding, international support and strategic initiatives), the Ontario Music Office [OMO] (investment funding, international support and strategic initiatives), and the Film Commission (marketing, promotion, capacity-building and inward investment services).

Collectively they encourage and support collaboration across and within sectors contributing to the economic growth of Ontario's creative industry businesses.

2. **Tax Credits and Financing Programs:** Co-administers five refundable tax credits<sup>56</sup> with the Canada Revenue Agency (CRA). The Group provides input to MTCG and collects and monitors statistics related to tax credit activity that inform policy advice to government on the status of creative media industries and the effectiveness of the tax credits.
3. **Business Affairs and Research:** Provides the corporate planning and operating support to enable Ontario Creates to achieve its objectives, including strategic and business planning, business intelligence and statistics, financial services, information technology, performance results reporting, risk analysis and corporate operations, as well as administering the Business Intelligence investment program, curating the Online Research Library, leading corporate research projects and leading delivery of research events. The group supports MTCG and the industry through the collection and dissemination of industry statistics and follows federal policy developments (e.g., CRTC, CMF). Human resources (HR) support to the agency is provided by the Ministry of Public and Business Service Delivery (MPBSD) through its centralized HR Ontario service.
4. **CEO and Communications:** Encompasses the office of the President and CEO, Ontario Creates Board of Directors, and the Communications team, who are responsible for supporting the agency in all its communications activities as outlined in the Communications Plan in Section XIV.

In 2023-24, the agency gained over 6,200 new social media subscribers across its Facebook, Instagram, LinkedIn, YouTube and X channels.

<sup>56</sup> The 2015 Ontario Budget announced that the Ontario Sound Recording Tax Credit would be phased out. A qualifying corporation may claim an OSRTC for eligible sound recordings that commenced before April 23, 2015. However, a tax credit can only be claimed on eligible expenditures incurred before May 1, 2016.

## KEY AGENCY PRIORITIES

In 2023-24, Ontario Creates' suite of tax credits generated \$17.27 in additional spending for every dollar invested.

Ontario Creates' Business Plan is aligned with government and ministry priorities of being innovative, sustainable, and accountable.

The Plan also responds to the priorities outlined in the agency's LOD, including the Ontario Creates-specific priorities around increasing the productivity and global competitiveness of Ontario's

creative industries, continuing to implement our strategic plan with a focus on performance measurement and demonstrating the returns on government investment, ensuring efficient administration of film and television tax credits, growing the film and television industry, and working with the Ministry on public communications opportunities.

Programs and services have been designed in alignment with these themes and the agency ensures that it is operating in an accountable and transparent manner, in compliance with all relevant Directives, as part of its responsibility as a board-governed provincial agency.

In the third year of our strategic plan, Ontario Creates' activities in 2025-26 will focus on the development and implementation of tactics, activities and programs that support our core strategic plan pillars:

- Building Capacity
- Fueling Growth
- Driving Investment
- Developing Global Markets

The agency will also focus on developing and implementing tactics and initiatives to support our two internal enablers:

- Deliver Exceptional Customer Experiences
- Empower High-Performing Teams

The agency continues to work to implement its commitments as determined by its 2023-27 strategic plan, while also being responsive to an ever-changing environment. The work to be undertaken in 2025-26 includes the following, organized by strategic goal:

### *Building Capacity:*

- The continuation of both AcceleratiON and the Diversity Enhancement (for Book Fund, Magazine Fund, and the Industry Development Fund) as time-limited initiatives for 2025-26.
- The launch of the new IP Fund – which will drive economic growth in Ontario's screen sectors by investing in activities that support the production and exploitation of innovative, high-quality, consumer-focused content. This program will replace the Film Fund and the IDM Fund, beginning in 2025-26.
- The launch of an Indigenous and Third-Language content market study, modeled on the successful Franco-Ontarian content market study undertaken in 2024-25.
- Ongoing implementation of the workforce development strategy, including additional support for projects that include a significant training or mentorship opportunity for emerging professionals.

### *Fueling Growth:*

- A redesign of Industry Development's marketing support and business development programs for the book, magazine and screen sectors, as a result of the program review completed in 2024-25.
- Careful analysis of the findings of the review of the OMIF, conducted in 2024-25.
- Continued work in partnership with the Province to simplify and drive efficiencies to ensure stable and effective tax credits.

#### *Driving Investment:*

- The agency will explore the possibility and viability of securing private sponsorship funds to augment the capacity of investment programs.
- The agency will explore new partnerships to promote Ontario's creative and technical talent.
- Explore the feasibility of implementing a potential alternative financing tool for Ontario's creative industries with government partners.

#### *Developing Global Markets:*

- Complete an internal review of the impact of Ontario Creates programming and strategic initiatives in international markets and expand new international business opportunities for the screen and publishing sectors with focused strategic activities in Europe, Australia, and East Asia.
- The OMO will launch exciting a new partnership with CMW Reimagined: Departure Festival and Conference on a *Business is Better with Music* event.
- The agency will collaborate with the Canadian Academy of Recording Arts and Sciences (CARAS) on amplifying Ontario's presence at the 2026 JUNO Awards Opening Night, if held in Ontario.

In terms of internal enablers:

#### *Delivering Exceptional Customer Experiences:*

- The agency will conduct a Customer Satisfaction Survey to understand stakeholder experience with our services and implement efficiencies.
- The agency will conduct an equity and accessibility review of all program guidelines.

#### *Empowering High-Performing Teams:*

- Implement recommendations from the employee value proposition analysis conducted in 2024-25.
- Continue to review and adapt internal policies with respect to hybrid and remote work in accordance with OPS direction.

These major goals and enablers are supported through both core program and time-limited initiatives Ontario Creates proposes to undertake in 2025-26.

## **PROGRAMS, SERVICES AND ACTIVITIES**

Ontario Creates offers programs, services and activities in support of its mandate, outlined in the previous section. The agency's programs and services provide Ontario companies with the tools and support to remain competitive nationally and internationally, and to attract and retain both business and talent across the province. Ontario Creates programs and services are enabling Ontario's creative industries to make important contributions to Ontario's economy and its cultural vitality.

### **WHAT WE FUND: KEY PRINCIPLES**

Ontario Creates' programs include two main categories of funding: selective investment programs and tax credits. Most investment programs are juried by a panel of external jurors with senior industry knowledge, experience and expertise. Ontario Creates ensures that program juries are diverse, free from conflict of interest, and are regularly refreshed.

Ontario Creates investments supported more than 1,149 companies in 2023-24, inclusive of both grants and tax credits.

Ontario Creates invests in new projects and activities, not ongoing business operations. The agency shares the risk with successful applicants; funding is limited to a percentage of the total project budget, with the company leveraging other public and private financing, and contributing its own resources in order to undertake the activity.

Over 29,000 weeks of work were created or retained through the Film Fund and IDM Fund in 2023-24.

The decision criteria and weighting used to determine which applications receive support are reflected in each program's guidelines, but generally include:

- Financial stability of company and its track record;
- Contribution the project will make to company growth and stability;
- Potential for revenue generation and success;
- Benefit to Ontario economy (based on labour spend; employment; leverage value);
- Innovation, quality and creativity of proposal; and
- Diversity of project and creative team.

Ontario Creates organized a strategic presence at 19 key international markets in 2023-24, including Cannes, Gamescom, Content London, and Canada's largest ever trade delegation to New Zealand.

The tables below list core programs as well as planned time-limited initiatives.

**TABLE 1: SUMMARY OF CORE INVESTMENT PROGRAMS**

<b>Fund</b>	<b>Purpose</b>	<b>2025-26 Program Changes Details</b>
<b>IP Fund</b>	Drive economic growth in Ontario's screen sectors by investing in activities that support the production and exploitation of innovative, high-quality, consumer-focused content. Includes Production, Development and Emerging/Equity investments, as well as limited support for marketing and sales activities.	New program launching in 2025-26.
<b>Book Fund</b>	Funding to Ontario-based, Canadian-owned publishers to increase financial viability and overall business growth through marketing activities or activities that create or improve companies' digital capacity.	No substantial changes in 2025-26.
<b>Magazine Fund</b>	Funding to support new business development projects of Ontario-based, Canadian-owned magazine publishers, including projects that assist publishers in adapting and preparing to meet digital challenges in a fast-changing marketplace.	No substantial changes in 2025-26; will update eligible activities to include digital content creation.



<b>International Business Development</b>	Strategic and financial support to create new international business opportunities provided through: Ontario Creates' Global Market Development Fund to offset costs of market attendance; collective market stand operations; and enhanced marketing and strategic presence to provide greater market access and visibility.	No substantial changes in 2025-26.
<b>Industry Development Program</b>	Targeted financial and strategic support to established trade and event organizations in the publishing and screen sectors for activities that provide new business growth and capacity building opportunities for Ontario's creative industry professionals.	No substantial changes in 2025-26; will prioritize applications related to workforce development and accessibility initiatives.
<b>Ontario Music Investment Fund</b>	The Ontario Music Investment Fund (OMIF) is aimed at strengthening and stimulating growth in Ontario's music companies and supporting this growing sector. Ontario Creates offers financial support to drive activity and investment and to support Ontario's music companies and organizations in expanding their economic and cultural footprints within Canada and around the world.	No substantial changes in 2025-26.
<b>Business Intelligence Program</b>	Funding support to incorporated not-for-profit industry organizations undertaking business intelligence initiatives aimed at gathering, formulating and disseminating business intelligence relevant to the growth of one or more content creating sectors in Ontario.	No substantial changes in 2025-26.

**TABLE 2: TAX CREDITS**

<b>Tax Credit</b>	<b>Purpose</b>
Ontario Film and Television Tax Credit (OFTTC)	A refundable tax credit to eligible Ontario-based Canadian corporations of 35% of qualified Ontario labour expenditures for eligible film and television productions. An enhanced rate of 45% is available for productions that are eligible for the regional bonus, while a rate of 40% on the first \$240,000 of qualifying labour expenditure is available for eligible first-time producers.
Ontario Production Services Tax Credit (OPSTC)	A refundable tax credit to eligible Ontario-based Canadian and foreign-controlled corporations of 21.5% of qualified labour and non-labour Ontario expenditures for eligible film and television productions.
Ontario Computer Animation and Special Effects Tax Credit (OCASE)	A refundable tax credit to Ontario-based Canadian and foreign-controlled corporations of 18% of qualified Ontario labour expenditures for digital animation and digital visual effects created in Ontario for film and television productions.
Ontario Interactive Digital Media Tax Credit (OIDMTC)	A refundable tax credit to eligible Ontario-based Canadian and foreign-controlled corporations of 40% of eligible Ontario expenditures for interactive digital media products created in Ontario (35% for fee-for-service).
Ontario Book Publishing Tax Credit (OBPTC)	A refundable tax credit to eligible Ontario-based Canadian corporations of 30% of eligible expenditures for eligible literary works by Canadian authors.



**TABLE 3: FILM COMMISSION SERVICES**

Location Library	An online listing service that provides industry professionals with access to 9,000 film-friendly location portfolios from across the province, points of interest for productions (e.g., Electrical Grid Tie-In Points, etc.)
Production Consulting Service	The Film Commission provides consultation advice to producers considering Ontario as a destination for production investment, and on-the-ground trouble shooting support for productions filming across Ontario. Consultation includes locations advice, location site tours, and building connections between producers and local vendors, suppliers and labour.
Ontario Production Guide	A free online listing of 1600 production service providers, used by productions to seeking local services across Ontario.

**TABLE 4: TIME-LIMITED INITIATIVES**

Program Area	Initiative	Notes
Music Office	AcceleratiON Black and Indigenous Entrepreneurship Fund (Music)	Continuation of this initiative for a fifth year.
Industry Development	Diversity Enhancement	Continuation of this initiative in the Book Fund, Magazine Fund, and Industry Development Program.

\*See XIII 2025-26 Implementation Plan section for further detail on initiatives.

## AGENCY OPERATIONS

The agency's office premises lease at 175 Bloor St. East expires on April 30, 2025. The lease is held by Ministry of Infrastructure (MOI) on behalf of the Crown. The province's Centralized Real Estate Authority Directive took effect April 1, 2024. Under the Directive the control of real estate was transferred from the agency to MOI. Infrastructure Ontario is currently developing an analysis of options regarding Ontario Creates' lease for MOI. As of the time of writing (November 2024) Infrastructure Ontario is seeking a three-year extension to the current lease, to April 30, 2028.

Ontario Creates regularly pursues a number of operational activities to oversee the strategic direction of the agency and make business process improvements aimed at increasing efficiency, effectiveness and providing better client services.

### 2023-24 Accomplishments:

- Launched agency 2023-2027 strategic plan, *Powering Ontario's Creative Economy*.
- Eliminated corporate receptionist FTE and adapted office processes.
- Reviewed agency key performance indicators.
- Updated Employee Orientation Manual for improved onboarding of new staff.
- Created a designated room for staff video calls to reduce ambient noise and improve productivity.
- Created a designated "quiet workroom" for use by staff as needed to improve productivity.
- Implemented upgraded phone system better suited to remote work.
- Implemented Cloud data storage to replace physical off-site servers, reducing costs.
- Implemented more efficient corporate Uber account to replace paper taxi chit system.

Operational activities in 2025-26 will include the following:

- **Transfer Payment Modernization:** As part of Ontario Creates' plan to modernize the transfer payments process, the agency will continue to implement improvements including transitioning to fully electronic business processes.
- **Annual data extraction:** In compliance with the Transfer Payment Consolidation Operational Directive, Ontario Creates annually provides the MPBSD with detailed information extracted from its internal database related to grants awarded.
- **Open Data:** Continue to identify, prepare, and maintain datasets in compliance with Ontario's Open Data Directive.
- **Demographic data collection:** Ontario Creates will continue its roll out of individual level demographic data collection on key business and creative roles; and begin analysis of the initial datasets while refining data collection processes based on what is learned through the initial analysis.
- **Customer Service Feedback Survey:** Ontario Creates will deploy a Customer Service Feedback Survey to stakeholders.
- **Space planning and lease renewal:** The agency's office premises lease at 175 Bloor St. East expires on April 30, 2025. The lease is held by MOI on behalf of the Crown. The province's Centralized Real Estate Authority Directive took effect April 1, 2024. Under the Directive the control of real estate was transferred from the agency to MOI. Infrastructure Ontario is currently developing an analysis of options regarding Ontario Creates' lease for MOI. As of the time of writing (November 2024) Infrastructure Ontario is seeking a three-year extension to the current lease, to April 30, 2028.
- **Multi-Year Accessibility Plan:** In 2025-26, the agency will continue the implementation of its multi-year accessibility plan. Tasks will include including accessibility considerations in the client satisfaction survey and developing an action plan for improving customer service, which will incorporate questions around assessing the success of accessibility initiatives and the quality and accessibility of service more broadly.
- **Ontario Creates' culture and employee value proposition:** Ontario Creates will continue to support staff learning and development goals, including by expanding the employee mentorship program to include industry opportunities, and through a focus on team building and effectiveness in a hybrid environment. In 2025-26, the agency will implement recommendations emanating from the employee value proposition analysis.
- **Promote an equitable, inclusive, accessible, anti-racist and diverse workplace:** Ontario Creates will create and/or review policies, practices and processes against best practices in equity, diversity, inclusion, belonging and accessibility (as it relates to procurement practices, event planning, hiring and recruitment) on an ongoing basis. In 2025-26, the agency will conduct an equity and accessibility review of program guidelines.

## INDUSTRY ENGAGEMENT ACTIVITIES

Ontario Creates programs and activities are informed and enriched by regular stakeholder engagement that enhances the agency's ability to successfully fulfill its mandate. Formal stakeholder engagement takes place through Ontario Creates' five Industry Advisory Committees: Book, IDM, Magazine, Music, and Screen-based. Beginning in 2017-18, and at the request of industry representatives on these committees, Ontario Creates established and formalized cross-sector meetings of Industry Advisory Committee members.

The Advisory Committees are made up of stakeholders from creative industry companies and trade organizations who serve a term of up to three years. Each Committee nominates an Industry Co-Chair and the Ontario Creates CEO serves as the agency's Co-Chair. The Co-Chairs alternate the responsibility for chairing meetings.

The role of the Advisory Committees is threefold:

1. To provide high-level stakeholder input into Ontario Creates planning and program development and design;
2. To support two-way communication between the agency and its stakeholders, including the opportunity to make presentations to the Ontario Creates Board of Directors where appropriate. Committee members are expected to represent the views of their sectors and to consult with their sector colleagues in advance of meetings; and
3. To inform Ontario Creates of emerging stakeholder issues and priorities.

On occasion, subcommittees of the larger Advisory Committees are struck to provide input on specific Ontario Creates programs, documents, or objectives such as increasing diversity and inclusion. Ontario Creates recently ensured that organizations representing equity-seeking groups in the creative industries have representation on the Advisory Committees.

Staff members from all departments are active participants in Ontario Creates' Industry Advisory Committees and staff conduct ongoing consultation with industry and stakeholders on issues, services and program offerings. Staff also engage in outreach activities to improve understanding of the requirements and application processes for all Ontario Creates programs and tax credits. These include information sessions and participation in industry panels.

In 2023-24, the agency convened a cross-sectoral event dedicated to AI. This allowed stakeholders from across the sectors we support an opportunity to learn from, and discuss issues with their counterparts working in different industries on common challenges.

## ACT AS A CHAMPION FOR THE CREATIVE INDUSTRIES

Ontario Creates continues to work with industry stakeholders to identify relevant issues and assist them in communicating those issues to the appropriate levels of government.

- Ontario Creates is committed to ongoing monitoring and communications around issues of importance to the creative industries, including the implementation of *Online Streaming Act* as well as issues around the copyright implications of artificial intelligence.
- Through the Business Intelligence Bulletin, Ontario Creates is able to communicate with stakeholders about opportunities to contribute to policy consultations taking place at all levels of government.
- As highlighted elsewhere in this document, Ontario Creates is also proactively seeking opportunities to champion the creative industries with regard to their access to other general workforce development supports made available by the Province.

## INDUSTRY INVESTMENT AND ATTRACTION (IIA)

In 2025-26, the following three initiatives will be undertaken across all Industry Investment and Attraction investment programs:

### DIVERSITY ENHANCEMENT

- As part of the review of our core investment programs, Ontario Creates is modifying its delivery of the Diversity Enhancement for 2025-26. In 2025-26, the Diversity Enhancement will continue to be available for the Book Fund, Magazine Fund, and Industry Development Program in order to provide targeted support to diverse-led projects and businesses that demonstrate high potential for economic and cultural. Initially launched in 2017-18 as a time-limited add-on to the Film Fund, Ontario Creates has continued to support the program at reduced funding levels using uncommitted cash reserves since 2020-21. As the IIA teams complete a suite of program evaluations of marketing and business development programs in 2024-25 with an eye to rolling out redesigned programs in 2026-27, the agency will move forward with delivering on the goal of offering targeted support to diverse-led projects as part of its regular application

adjudication processes, as opposed to a top-up.

## **ACCESSIBILITY**

- To assist companies and organizations in executing projects that are accessible and inclusive for people with disabilities, guidelines will continue to explicitly allow for incorporation of costs related to accessibility through a top-up or budget line item.
- Investment program guidelines will be updated with a view to ensuring funded activities, particularly events, are accessible to all attendees/users. These guidelines will be reviewed on an ongoing basis, incorporating new and emerging best practices as applicable.
- On an ongoing basis, consideration will also be given to ways to support greater accessibility in the application process, such as reviewing guidelines to ensure they are written in plain language and covering certain costs relating to service providers required to assist with completion of applications.

## **APPLICATION PROCESS IMPROVEMENTS**

- On an ongoing basis, Ontario Creates will continue to assess opportunities to standardize and streamline application requirements where possible, in order to improve client service, transparency and increase efficiencies.
- The agency will assess communications and outreach efforts to ensure we reach all stakeholders across the province; continue to offer information sessions virtually, and seek opportunities to connect with stakeholders outside of the GTA to provide more equitable access to Ontario Creates staff and expertise.
- We will ensure that outreach and communications related to Ontario Creates' programs and services extends to emerging companies and new entrants (who may not yet be incorporated); partner with industry orgs to enhance outreach efforts.

## **IP FUND**

In 2025-26, Ontario Creates will be transitioning the IDM Fund and Film Fund into an innovative new IP Fund. The IP Fund will drive economic growth in Ontario's screen sectors by investing in activities that support the production and exploitation of innovative, high-quality, consumer-focused content.

The development of this new program is part of the agency's ongoing commitment to ensuring that its core investment programs keep pace with evolving business models and focus investment on high-impact support. This commitment is drawn from the agency's strategic plan, with the Fuel Growth priority highlighting the need to support Ontario's creative industry companies by investing in the creation and distribution of intellectual property, enabling business development, and facilitating support within and across sectors, through modern, responsive and informed programs. Part of this vision is that Ontario Creates aims to deliver programs that increase capitalization, revenue growth, and competitive advantages for Ontario-owned companies, in addition to expanding engagement with early-stage companies.

This is also consistent with the agency's 2025-26 LOD, which emphasizes the need to work to increase the productivity and competitiveness of Ontario's creative industries.

Previously, the Film Fund provided support to Ontario feature film projects that are ready for production, in development, or being released to a public audience. The Interactive Digital Media Fund (IDM Fund) was designed to provide a range of programs and resources to provide financial, strategic, and research support to Ontario's cultural entrepreneurs and established trade and event organizations from the interactive industry.

## **PROGRAM OBJECTIVES:**

- Drive economic growth in Ontario's screen sectors by investing in activities that support the production and exploitation of innovative, high-quality, consumer-focused content.

**GOALS:**

- Leverage Ontario Creates' investments
- Create jobs
- Grow companies (revenues, size, global impact)
- Expand diversity of content and companies

As the agency progresses along its KPI modernization work, we anticipate developing outcome-based measures that directly align with measuring the impact of the program effectiveness.

Eligible content will include:

- Feature Film (drama and documentary) for theatrical, digital, or extended reality (XR) release
- Digital series content
- Video Games
- Interactive XR content

**2025-26 PRIORITIES:**

- Ontario Creates will deliver the new IP Fund, which will replace the IDM Fund and Film Fund.
- Ontario Creates will explore opportunities to augment the capacity to support diverse projects through innovative partnership opportunities.

**BOOK FUND**

The Book Fund provides funding for Ontario-based, Canadian-owned publishers to increase their financial viability and overall business growth by supporting marketing initiatives that profile the works of Canadian authors to both foreign and domestic markets. Applicants can also apply for activities that build on or leverage existing digital capacity that best suit their individual corporate goals.

**PROGRAM OBJECTIVES:**

To provide opportunities for book publishers to build capacity, increase sales revenue, and grow their companies.

**BOOK FUND DIVERSITY ENHANCEMENT:**

The agency will continue the Diversity Enhancement for the Book Fund through the allocation of uncommitted reserves to the extent possible in 2025-26.

**PROGRAM RESULTS:**

Support provided through the Book Fund is anticipated to assist publishing companies to expand their market share through new digital marketing initiatives, by creating online stores to reach global markets, and by forging relationships with booksellers through key incentives and promotions. These projects help Ontario publishers compete with large, multinational firms and help audiences discover Ontario books and authors. In 2022-23, the most recent year sales results are available, Book Fund recipients reported earning an average of \$5.32 for every dollar invested by Ontario Creates.

Results for this program are measured by the:

- Leverage value of Ontario Creates' contribution to each project.
- The employment created by Ontario Creates' contribution to each project.
- Return on investment (ROI) which represents the value of sales generated by a project for every dollar invested by Ontario Creates.
- Company revenue growth of successful recipients on a year-over-year basis.

**2025-26 PRIORITIES:**

- Ontario Creates will continue to deliver the Book Fund.
- Ontario Creates will continue to offer a Diversity Enhancement program stream and top-up to the core program with funds dedicated to diverse projects by accessing the agency's cash reserves. The Diversity Enhancement will support emerging companies as well as providing incentives for established companies

to increase publishing activities featuring diverse content and to expand partnerships with diverse creators.

- Ontario Creates will redesign the Book Fund, following the conclusion of the review of business and marketing programs conducted in 2024-25.

## **MAGAZINE FUND**

The Magazine Fund provides support to Ontario magazine publishers proposing business development projects with clear objectives and measurable results, including circulation, newsstand and ad sales projects, magazine makeovers, the exploration and implementation of new content strategies, new magazine start-ups and digital enhancement activities for their businesses.

### **PROGRAM OBJECTIVES:**

To provide opportunities for magazine publishers to build capacity and grow their companies through increased competitiveness and sales.

To support the creation of content by Ontario companies.

### **MAGAZINE FUND DIVERSITY ENHANCEMENT:**

The agency will continue the Diversity Enhancement for the Magazine Fund through the allocation of uncommitted reserves to the extent possible in 2025-26.

### **PROGRAM RESULTS:**

Support provided through the Magazine Fund will continue to help Ontario magazine media companies expand business opportunities and mitigate the risks of exploring new content strategies and revenue diversification while maintaining traditional lines of business. It is anticipated that sales reported by fund recipients will continue to provide a return on the Ontario Creates investment. In 2022-23, each dollar invested in the Magazine Fund leveraged \$0.81 in additional spending in the economy.

Results for this program are measured by the:

- Leverage value of Ontario Creates' contribution to each project.
- The employment created by Ontario Creates' contribution to each project.
- ROI which represents the value of sales generated by a project for every dollar invested by Ontario Creates.
- Company revenue growth of successful recipients on a year-over-year basis.

### **2025-26 PRIORITIES:**

- Ontario Creates will continue to deliver the Magazine Fund.
- Ontario Creates will continue to offer a Diversity Enhancement program stream and top-up to the core program with funds dedicated to diverse projects by accessing the agency's cash reserves. The Diversity Enhancement will support emerging companies as well as providing incentives for established companies to increase publishing activities featuring diverse content and to expand partnerships with diverse creators.
- Ontario Creates will redesign the Magazine Fund, following the conclusion of the review of business and marketing programs conducted in 2024-25.

## **INTERNATIONAL BUSINESS DEVELOPMENT**

Ontario Creates provides support for Ontario book publishers, film and television content producers, and interactive digital media companies to sustain a slate of export and international business development activities over the course of a year, including market event attendance and targeted sales trips, through Global Market Development funding. Note: export activities for music continue to be supported through the OMIF.

Ontario Creates also undertakes strategic international business development activities in the form of industry missions, support for pavilions/stands at international markets, and targeted business-to-business networking opportunities.

#### **PROGRAM OBJECTIVES:**

To support Ontario companies to access the global marketplace, increase international sales levels, and attract investment in new projects.

To provide Ontario companies with support for the commercial exploitation of cultural products.

#### **PROGRAM RESULTS:**

Support provided through the Global Market Development program will assist Ontario cultural industry entrepreneurs with forging critical relationships to help grow their revenues through international sales. In 2021-22, Global Market Development Fund recipients in the Book, Film/TV and IDM sectors reported earning international sales of over \$287.6 million.

Results for this program are measured by the:

- ROI which represents the value of sales generated by a project for every dollar invested by Ontario Creates.

#### **2025-26 PRIORITIES:**

- Ontario Creates will continue to deliver Global Market Development funding and international business development activities.
- The agency will continue to implement the findings of its internal review of Global Market Development programs to streamline and standardize services and offerings across sectors.
- Staff will continue to work with the federal trade commissioner services and staff, as well as other partners, to augment and amplify export opportunities for Ontario creative businesses.

#### **INDUSTRY DEVELOPMENT PROGRAM**

Ontario Creates provides targeted financial and strategic support to Ontario's established trade and event organizations to offer initiatives, events and activities with long-term impacts on growth and sustainability in the book, magazine, film, television, and interactive digital media sectors. Industry Development activities for the IDM and music sectors are provided through the IDM Fund and the OMIF Music Industry Initiatives stream, respectively.

#### **PROGRAM OBJECTIVES:**

To provide opportunities for business development that expands skills, business capacity, market share, sales, and innovation for Ontario entrepreneurs in the creative industries.

#### **THE PROGRAM HAS TWO STREAMS:**

- **Business Development:** Support to organizations for B2B industry activities and business to consumer (B2C) audience development activities that offer opportunities for new business leads, sales and relationships.
- **Capacity Building:** Support for strategic activities that address challenges and opportunities or environmental changes that contribute to either the capacity of the applicant organization or its stakeholder group.

#### **INDUSTRY DEVELOPMENT PROGRAM DIVERSITY ENHANCEMENT:**

- The agency will continue to prioritize this activity through the allocation of uncommitted reserves to the extent possible in 2025-26.

#### **PROGRAM RESULTS:**

In 2023-24, Ontario Creates supported 64 initiatives with an investment of \$1.7M. These investments help create new partnerships that generate new projects and revenue growth opportunities for companies, and provide participants with opportunities for skills development, knowledge transfer and other guidance that will be valuable for growing competitive businesses.

Results for this program are measured by the:

- Number of initiatives supported.



- Number of contacts/business leads made by participants.

## 2025-26 PRIORITIES:

- Ontario Creates will continue to deliver the Industry Development Program, and will top-up the core program with funds dedicated to diverse projects for another year by accessing the agency's cash reserves.
- In line with government priorities and identified corporate objectives, in 2025-26, the Industry Development Program will target priority areas including:
  - Mid-career mentorship and increased workforce capacity
  - Accessibility initiatives
  - In 2025-26, as part of the agency's workforce development strategy, the Industry Development program will have an additional \$200,000 to direct towards eligible training initiatives.

## ONTARIO MUSIC INVESTMENT FUND

The OMIF is designed to provide targeted economic development investment to Ontario's vibrant and diverse music industry. OMIF supports Ontario music companies with strong growth potential to maximize ROI and create more opportunities for emerging artists to record and perform in Ontario.

## PROGRAM OBJECTIVES:

Focused targeting of funding to optimize revenue, profits, job creation, private investment and tax revenue. Production of intellectual property (content) which may be owned and consumed domestically and exported, leading to sustained revenues and jobs in the province.

Increasing the profile and prestige of Ontario on the world stage as the next generation of breakthrough artists are discovered and developed to their full potential.

## KEY PROGRAM GOALS:

Focus resources on music companies with strong growth potential by:

- Providing investment to high-potential companies to drive long-term growth;
- Maximizing ROI and enhancing opportunities for emerging talent; and,
- Strengthening support at critical stages in the careers of artists.

## THE PROGRAM HAS FOUR STREAMS:

- **Music Creation:** supports domestic and multinational record labels, as well as domestic music publishers, to help them take risks discovering and developing talent and bringing it to market via recording and production, marketing and promotion, touring and showcasing, and publishing.
- **Music Industry Initiatives:** supports music industry trade and music service organizations that undertake professional development, training and export activities and build regional capacity.
- **Global Market Development for Music Managers:** supports music management companies that undertake market event attendance and targeted activities that support a market development strategy.
- **Live Music:** supports live music promoters and presenters that produce or promote live music events, including music festivals and concert series, featuring Canadian artists.

## PROGRAM RESULTS:

Results for this program include:

- Number of jobs created and/or retained.
- Company revenue growth of successful recipients on a year-over-year basis.
- Number of Canadian artists supported by Ontario Creates.
- Number of live music events held outside of the GTA.

## Key 2023-24 OMIF Results:

Every dollar invested by Ontario Creates generated \$4.97 in additional spending in the economy.



## 2025-26 PRIORITIES:

- Ontario Creates will deliver the OMIF; and in recognizing the continuing challenges music companies (particularly in the live music sector) continue to face, will continue to offer limited flexibility for activities that are in line with overall program objectives.
- The agency will continue AcceleratiON in 2025-26, the Black & Indigenous music entrepreneurship initiative originally introduced as a time-limited activity in 2021-22. As an additional mentorship activity, and linked to the agency's workforce development priority, the "Access" series of events, including various networking and capacity-building initiatives will continue to be available for a wide range of conferences and professional development opportunities.
- In 2025-26, the OMO will continue its focus on building Franco-Ontarian music stakeholder capacity and export growth by activating a series of initiatives to support the development of Franco-Ontarian music companies, including B2B events, and supporting missions to export markets.
- Ontario Creates will work with CARAS to explore opportunities to amplify the Ontario music industry presence at the 2026 JUNO Awards through the Opening Night Awards (if held in Ontario).
- Ontario Creates will partner with CMW Reimagined: Departure Festival and Conference to deliver a Business is Better with Music event in 2025-26. Past Business is Better with Music events have welcomed hundreds of music and corporate leaders to explore the role that music can play towards economic recovery, business innovation, social change, and a more prosperous Canada.
- In 2025-26, the agency will begin the analysis of findings from the review of OMIF and AcceleratiON that was conducted in 2024-25, with the goal of developing new program offerings in 2026-27.

## FILM COMMISSION

The Film Commission serves as the primary promotional body selling Ontario's advantages to the global film industry, through strategic B2B initiatives and international advertising campaigns. The Commission also collects statistics on this production activity.

The Film Commission also actively develops and facilitates capacity building initiatives to ensure the sector is prepared for future industry growth, specifically with regards to environmental sustainability, regional equity and studio space expansion.

In addition:

- Ontario Creates, in partnership with the City of Toronto, maintains a full-time marketing presence in Los Angeles (LA), providing on-the-ground marketing to attract production to Ontario and support to Ontario's screen-based content creators. Ontario Creates is the managing partner of the Office. The L.A. Office continues to make a significant contribution to Ontario's foreign production activity. The L.A. Office also collects client experience intelligence from foreign service productions, which is used to improve the province's offering. In 2023-24, despite the ongoing difficulties associated with the U.S. labour action in the film and television industry, 195 leads were supported through the L.A. Office, of which 36 ended up shooting in Ontario, with total budgets valued at \$535 million.

In 2024-25, the Film Commission updated its Digital Locations Library (DLL). This update enabled a new range of service capabilities for the Locations team, as well as the opportunity to develop an updated Film Commission website, which was redeveloped in tandem with the Location Library migration. Both the updated DLL and website were launched in Fall 2024.

The Film Commission regularly organizes specialized marketing familiarization (FAM) tours that target international feature film and television production executives, with the goal of promoting Ontario's production and post-production assets for the eventual investment in the province. The Film Commission hosted a group of seven production executives from leading production houses based in the UK, NY and LA. Visiting executives had the opportunity to meet over 140 Ontario stakeholders, see locations from around the Golden Horseshoe, and experience Ontario's vast production infrastructure. Positive outcomes from the tour have been immediate, with five projects currently being scouted for SeeSaw Films, Picture Start, The Duplass Brothers, Killer Films and MRC.

In May 2024, the Film Commission launched a new Production Registration Form to promote the wide range of services available to producers, as well track client needs and metrics more effectively.

The Film Commission works closely with municipal, provincial and federal partners to create a fluid production experience across regional lines within Ontario. To support these efforts, the Film Commission hosts a bi-weekly town hall call with over 40 regions and municipalities, the Directors Guild of Canada (DGC), Ontario's Location Caucus Representative and the L.A. Office Business Officer, to discuss filming guideline best practices, investment leads business trends and policy updates.

In 2023, Ontario contributed \$1.8 billion in film and TV in production activity, with 404 domestic and foreign projects shot in the province. This production activity created 25,862 high-value, full-time equivalent direct and spin-off jobs for Ontarians across the province. Despite the U.S. labour disruptions that impacted the industry in 2023, domestic film and television production drove 52% of total spending in Ontario, accounting for \$947 million. Domestic television services production was also strong in 2023, with 138 productions contributing over \$639 million in expenditures.

With the help of Film Commission Services, and thanks to growing availability of studio space, Ontario is well-positioned for continued growth. As demand grows, ensuring the Province's labour force can keep up with demand will continue to be strategically important. As a proactive measure, in 2019-20, Ontario Creates formed a Workforce Development Committee, alongside regional and municipal representatives, unions and guilds. The representatives of this committee will continue to pursue activities to raise the profile of the vast range of desirable careers in film and television to ensure Ontario has trained crews to meet production demand across the province.

The Film Commission undertook several workforce development initiatives in 2024-25, including:

- A partnership with the Computer Animations Studios of Ontario (CASO) on an online job board to help connect VFX and animation studios with creative talent across the Province.
- A partnership with Reel Canada on their Reel Opportunities Career Zone. This is an online Film and Television Career Guide targeting a youth labour pool (18-30). The Guide will appear on the Reel Opportunities website, hosting interviews with film workers, union representatives, and other key industry leaders who will present the wide variety of pathways to employment within the industry.

The Film Commission convenes 27 industry and government organizations that constitute the OGS which was launched in 2020 to develop strategies for sustainable production that will save both environmental and monetary costs for productions and provide a value add to choosing the Ontario as a filming jurisdiction. In the short time since OGS was established, sustainability has become a key competitive factor driving where productions will land worldwide.

Training Ontario's film workers for a more sustainable future continues to be a priority of OGS. In 2024-25, OGS held Ontario's first Electrical Generator Workshop, in partnership with IATSE, NABET, Sunbelt Film and Television Rentals, MBSE, Pinewood and Amazon Studios. The event provided classroom and hands-on training to 51 technicians responsible for on-set power. OGS continues to offer two facilitated training courses focused on Carbon Calculation Fundamentals and Climate and Sustainable Production. These free courses are offered to film workers across the province. To date, OGS has tracked 900 course completions across the two courses.

OGS hosted its inaugural Green Table Meeting with a group of influential line producers to promote OGS resources, tools and educational opportunities, and to discuss the implementation of sustainable best practices on-set. Additional Green Table meetings will be scheduled with producers and heads of other departments who can influence sustainable change for the sector.

OGS continues to develop sustainability resources to reduce carbon emissions and reduce landfill deposits. The OGS Grid Tie-In map, a tool that provides verified locations for production to tie-in to the electrical grid, was expanded to 96 verified locations. Further, a set of regionally specific waste sorting signage was produced for seven communities across Ontario, representing the province's major production hubs, to increase the use of local organic and recycling programs.

In 2025-26, Ontario Creates plans to continue its leadership role by facilitating meetings with industry partners around opportunities such as workforce development, studio development and sustainable production. The agency will also explore ways to expand our role as a centralized provider of production resources by offering enhanced listings and services. Taking a leadership role on both the workforce development and sustainable production fronts will further enhance Ontario's value proposition as a jurisdiction for filming.

## PROGRAM RESULTS:

Results for the Film Commission are measured by the:

- Number and value of domestic and foreign film and television productions that shoot in Ontario.
- Number of actively scouting domestic and service productions accessing Ontario Creates location services.
- Number of leads developed by the L.A. Office.
- Proportion and value of L.A Office-assisted projects that shoot in Ontario

## 2025-26 PRIORITIES:

- The Film Commission will continue to deliver high value service to stakeholders and to reinforce relationships with both new and existing international clients to maximize inward investment opportunities, using client experience intelligence to support continuous improvement.
- As part of its strategic goal of Driving Investment in Ontario, the agency will grow the domestic and service screen production industry across all regions of Ontario by leading and participating in domestic and foreign direct investment pitches to expand infrastructure for the film industry (e.g., long-term studio leases, VFX houses, studio space, green tech, equipment supply, etc.)
- The Film Commission will implement and augment a digital exit survey of foreign and domestic producers to better understand their experiences in Ontario.
- **Ontario as an Industry Leader:** The Film Commission will continue to lead industry committees and partnerships that contribute to capacity building for the sector:
  - **Ontario Green Screen Initiatives:** The Film Commission will continue to facilitate OGS, working with 27 industry and regional partners. The initiative launched on September 10, 2020, along with its inaugural Carbon and Sustainable Production and Carbon Calculation training program which has now trained over 400 professionals.
    - The OGS Committee released its four-year Strategic Plan in July 2023. The Film Commission will activate the second year of the OGS' new four-year strategic plan and will continue to work with the Circular Innovation Council and other partners to deliver on plan tactics. The plan provides a roadmap for delivering the tools and resources to productions operating in Ontario that will enable sustainable action.
    - In 2025-26, the Film Commission will fulfill the following commitments from the OGS Strategic Plan:
      - A re-design of OGS communications and marketing material.
      - The launch of self-directed training modules integrated into productions and post-secondary training. This will make Ontario the first jurisdiction in Canada to have a self-directed course on the fundamentals of on-set sustainability.
      - Continuing to host Green Table meetings.
      - Hosting in-person carbon calculator workshops.
  - **Workforce Development:** In partnership with film and television industry members, regional and municipal representatives, unions and guilds, Ontario Creates will address labour force challenges through the development of a multi-faceted strategy that includes documenting the categories of work that exist and the particular career pathways for each type of film and television occupation; layered onto this mapping is information on regional job fairs, academic institutions that provide training, and second career opportunities available. Efforts will also include enhancing opportunities for, and awareness of, talent behind the screen and on-screen talent in partnership with the Alliance of Canadian Cinema, Television and Radio Artists (ACTRA), and Ontario's creative and technical unions and guilds. Work will be done in cooperation with external parties, the support of the Business Affairs and Research unit of Ontario Creates, and will include outreach to

potential government partners including the Ministries of Labour, Training and Skills Development, Education, and Colleges and Universities.

- In 2025-26, the Film Commission will seek partnerships with local job fair providers to promote pathways to industry employment.
- In 2025-26, the Film Commission will also launch a new partnership with Cinespace Studios on their CineCares mentorship program, which is aimed at connecting underrepresented youth with on-set opportunities.
- In 2025-26, the Film Commission will be launching a new page on their website to act as a hub for information about working in Ontario's film and television industry.
- **Regional development:** The Film Commission will explore opportunities for the marketing and promotion of regional readiness activations. The Film Commission will seek out partnerships to promote Ontario's creative and technical talent.
- **Digital Locations Library:** Ontario Creates will focus on promoting its new DLL, consultation services and website in 2025-26.

## COLLABORATIVE INITIATIVES

Ontario Creates works with industry stakeholders to deliver a variety of targeted cross-sector collaborative activities. These events encourage partnerships within and across the creative media industries that will lead to innovation, productivity, and growth in the sectors. They also help to break down the barriers between sectors and allow them to focus on common business opportunities. Examples of these initiatives include:

- Ontario Creates originally launched an IP Market Day as part of the suite of activities delivered at TIFF. By being held during TIFF, the event was able to convene international and domestic producers to hear pitches on compelling Ontario books and games available to be adapted for the screen, as well as participate in B2B meetings. The 2024-25 edition of the IP Market Day brought together 23 Ontario book publishers and game developers for B2B meetings, including two pitch sessions and curated 1:1 business meetings, with over 50 screen producers looking to acquire original IP to adapt to screen. Ontario Creates plans to hold another IP Market Day in 2025-26 in collaboration with TIFF.
- To date, close to 150 films have been successfully financed through Ontario Creates' International Financing Forum (iff) including: *Sharp Corner*, *Alice*, *Darling*, *Night Raiders*, *Castle in the Ground*, *Maudie*, *Tokyo Story*, *Book of Negroes*, *Citizen Gangster*, *Midnight's Children*, *The Husband*, *The Whistleblower*, *Coriolanus*, *Born to Be Blue*, *Wadjda* and the Oscar-nominated *Incendies*. In 2024, IFF gathered 40 international producer teams alongside a range of high-profile execs including Amazon, NEON, Echo Lake, AML International, and close to 40 other A-list distributors and financiers. For the second year, IFF will continue throughout September with curated virtual meetings for executives who were unable to attend TIFF in person this year. Ontario Creates plans to hold another iff in 2025-26 in collaboration with TIFF.
- Ontario Creates will once again host an in-person Celebrate Ontario reception during TIFF 2025. More than 900 Ontario and international guests from across the creative industries attended the 2024 edition.
- Business is Better with Music, an exclusive event co-presented by Ontario Creates and Conscious Economics, gathered 250 music and corporate leaders to explore the role that music can play towards economic recovery, business innovation, social change, and a more prosperous Canada. Past performers were Haviah Mighty, The Reklaws and Jhyve along with a panel discussion around successful corporate/music collaborations including reps from Loblaw's and RBCX, plus artist entrepreneurs Haviah Mighty and Choclaire. The OMO intends to continue this initiative in 2025-25, in partnership with CMW Reimagined: Departure Festival and Conference.
- Ontario Creates hosted a B2B event in partnership with European Film Promotion during Hot Docs in April 2024, bringing together Ontario and European producers with films in the festivals for a conversation about co-production and meetings.

- In 2024-25, Ontario Creates has partnered with the Ontario Chamber of Commerce (as well as other industry stakeholders) to develop a written brief spotlighting some of the main challenges and opportunities surrounding Ontario's creative industry, providing key insights on the economic impacts to Ontario's business community and its workforce.
- On an ongoing basis, Ontario Creates will continue to work with other MTCG agencies to identify ways to leverage one another's programs and communication strategies to strengthen the overall positioning of the province's cultural assets and impact on the quality of life and economic well-being of Ontarians. In 2024-25, this included joining the advisory committee for the *Arts Across Ontario* study with the Ontario Arts Council. *Arts Across Ontario* is the first-ever economic assessment of the arts in Ontario.

### TRILLIUM BOOK AWARD

Industry Development delivers the Trillium Book Award/Prix Trillium to recognize Ontario's literary excellence and foster the promotion of Ontario-authored books. A jury of peers is coordinated and managed by Ontario Creates to select the short-listed titles and winners of four separate prizes.

Trillium Book Award winners in English-language and French-language receive \$20,000 each. Publishers of the winning books each receive \$2,500 towards book promotions. The winners of the Trillium Book Award for Poetry (English-language) and the Trillium Book Award for Poetry (French-language) receive \$10,000 each; their publishers receive \$2,000 each. The awards for Children's Literature (French-language) and Poetry (French-language) are awarded in alternate years.

As a result of an ongoing focus on marketing and promotion activities, the 2024 awards resulted in media reach of 44M+, including stories in publications including *CBC Books*, *TFO/ONFR+*, *Quill & Quire*, *Le Droit*, *Radio-Canada* and *The Canadian Press* (syndicated on outlets like *Toronto Star*), *CP24*, *Canadian Press (Print Edition)*, *La Presse*, and *L'Express*.

### FUNDING TO THE TORONTO INTERNATIONAL FILM FESTIVAL

In 2024-25, Ontario Creates provided \$300,000 in operating support to TIFF. In addition to these operational funds, Ontario Creates provided \$815,000 in support for the care and maintenance of the Province's film collection at the Film Reference Library. In 2024-25, the agency also provided \$120,000 to the TIFF Industry Office, which supports international sales opportunities for producers during the Festival and where Ontario Creates has a shared marketing stand with Telefilm Canada. The stand is used to promote Ontario as a leading production jurisdiction to international decision-makers and to provide a hub where Ontario stakeholders can schedule meetings with international delegates. The agency provided \$30,000 via the Industry Development Program to TIFF's Film Circuit.

Ontario Creates also delivers various industry development initiatives during TIFF in order to leverage the presence of industry executives and producers from around the world converging in Ontario. These include:

- Celebrate Ontario, the signature Ontario Creates international industry networking event and celebration of Ontario films and filmmakers.
- Ontario Creates iff in 2024, Ontario Creates' key business-to-business event during TIFF that gives film producers from Ontario and around the world the opportunity to meet with executives in distribution, finance, studios and more towards securing financing for upcoming projects.
- Ontario Creates, in partnership with Screen Australia, hosted a day-long B2B event for Australia and Ontario producers called Ontario x Australia Day, Screen Australia supported 15 producers to attend this day-long event featuring a spotlight on Australia and Ontario coproduction incentives, a case study presentation on an Australia / Ontario coproduction, and B2B meetings. Over 90 producers, executives and government representatives attended in total.

## TAX CREDITS AND FINANCING PROGRAMS

Ontario's creative media tax credits are a major incentive for doing business in Ontario. Tax credits provide Ontario's content creators with predictable and stable support which helps companies finance innovative new products, explore new business models, develop new revenue streams, and expand sales and distribution in the international marketplace.

Creative media tax credits are used in many jurisdictions worldwide as a tool to incentivize production and deliver a range of economic benefits. A 2023 report from Film Ontario estimates that 86.5% of the production activity that occurs in Ontario is directly attributable to the presence of Ontario's creative media tax credits.<sup>57</sup> This report also highlights that with every 1\$ paid out by the government in tax credits, the Province's GDP increases by \$3.40 and labour income by \$2.50.<sup>58</sup>

Global competition for production dollars remains strong and jurisdictions around the world are implementing new and innovative tax incentives in order to grow these industries at home. Ontario must maintain its competitive advantage in order to take advantage of the opportunity that this brings. For example, in response to a production drop highlighted in a recent Film LA report that identifies Ontario and British Columbia as key competitors for production business, California is now considering a significant increase to their film and television tax credits in response.<sup>59</sup>

Ontario Creates currently co-administers five refundable tax credits with the CRA based on eligible expenditures for the film, television, interactive digital media, and book publishing industries. Tax credit legislation falls under the responsibility of the MOF. Ontario Creates works collaboratively with MOF and MTCG on issues related to tax credits.

**Ontario Film and Television Tax Credit (OFTTC):** a refundable tax credit to eligible Ontario-based Canadian corporations of 35% of qualified Ontario labour expenditures for eligible film and television productions. An enhanced rate of 45% is available for productions that are eligible for the regional bonus, while a rate of 40% on the first \$240,000 of qualifying labour expenditure is available for eligible first-time producers.

**Ontario Production Services Tax Credit (OPSTC):** a refundable tax credit to eligible Ontario-based Canadian and foreign-controlled corporations of 21.5% of qualified labour and non-labour Ontario expenditures for eligible film and television productions.

**Ontario Computer Animation and Special Effects Tax Credit (OCASE):** a refundable tax credit to Ontario-based Canadian and foreign-controlled corporations of 18% of qualified Ontario labour expenditures for digital animation and digital visual effects created in Ontario for film and television productions. In 2024-25, the Province made legislative changes to OCASE that untethered the credit from the other film and television tax credits.

**Ontario Interactive Digital Media Tax Credit (OIDMTC):** a refundable tax credit to eligible Ontario-based Canadian and foreign-controlled corporations of 40% of eligible Ontario expenditures for interactive digital media products created in Ontario (35% for fee-for-service).

**Ontario Book Publishing Tax Credit (OBPTC):** a refundable tax credit to eligible Ontario-based Canadian corporations of 30% of eligible expenditures for eligible literary works by Canadian authors.

### PROGRAM OBJECTIVES:

- To increase investment and jobs in Ontario and to incent content creation by Ontario-based film, television, interactive digital media, and book publishing companies.
- To assist in the capitalization of companies in order to help companies in Ontario grow their businesses, invest in the creation of new content, and to maintain and exploit their intellectual property assets.

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<sup>57</sup> Film Ontario, *Benefit Assessment of Ontario's Film and Television Tax Credits*, report prepared by PwC, released in December 2022

<sup>58</sup> *ibid*

<sup>59</sup> Christi Carras, Samathan Masunaga, Stacy Perman, "Will Newsom's expanded tax credit program save California's film industry", *Los Angeles Times*, published on October 28, 2024

## **PROGRAM RESULTS:**

In 2023-24, support provided through tax credits leveraged product and production spending of \$17.27 for every dollar invested by Ontario Creates, while encouraging the creation of domestic content and attracting significant international investment through foreign service production.

Results for this program are measured by the:

- Leverage value of Ontario Creates' contribution to each project (the additional amount in financing generated for each dollar invested by Ontario Creates).
- Estimated value of tax credits.
- Number of products reviewed/certified.
- Average turnaround time (from receipt of application to issuing of certificate) across all tax credits.
- Average time tax credit files spend in analysis.

As part of the agency's ongoing modernization of its performance measures, the agency will be moving towards implementing a service standard to better track its efficacy at processing tax credits. This service standard will determine the percentage of processed applications that successfully met this stated service standard. In the interim while the standard is developed, the agency will continue to use its current average turnaround time and average tax credit measures for consistency.

## **PRODUCTIVITY AND CUSTOMER SERVICE IMPROVEMENTS:**

Focusing on productivity and processing time improvements has been of paramount importance in recent years, as Ontario Creates recognizes that high turnaround times for tax credit processing increases financing costs for producers, delays access to capital that would otherwise be reinvested in the creation of new intellectual property, threatens company sustainability, and erodes the value of the Province's investment to cover interim financing costs. This is further impacted by increases to interest rates, which increases the cost of borrowing for companies.

Shorter processing times better leverage Ontario Creates' investment and significantly improve access to capital for Ontario content companies.

In Q3 2024-25, Ontario Creates was allocated an additional 10 FTEs on a temporary basis for the Tax Credits and Financing Programs department, specifically as a measure to address the current backlog. Competitions for these roles are now complete, with business officers brought onboard towards the end of fiscal year 2024-25.

In 2023-24, there were several notable achievements which highlights the agency's ongoing commitment to service excellence, and ultimately, improving tax credit processing times. Although application product intake increased by 22% in 2023-24, business process improvements did help mitigate this impact by achieving productivity improvements. Average analysis time of tax credit files received in 2023-24 was 4.7 weeks, which was 35% faster than analysis times in 2022-23.

The Tax Credits and Financing team, in partnership with the agency's Information Technology department, will continue with finalizing and deploying technological solutions to improve efficiency, supported by the Ontario Onwards Acceleration Fund (OOAF). This involves implementing technology recommendations from the MNP report on Tax Credit Certification, specifically aimed at reducing processing times.

In 2024-25, this included launching:

- The risk algorithm: an in-house algorithm which develops a risk score based on a per application basis, rather than relative to others in a batch. Criteria can be weighted. This algorithm was first launched as a pilot with OBPTC in 2023 but rolled out to other tax credits in January 2024.
- Error detection & flagging: mechanism added to the Online Application Portal to detect attempts by applicants to upload empty, placeholder documents with the end goal of preventing submission of incomplete applications. This was completed and launched in March 2024.
- The agency is currently exploring the feasibility of using a Chatbot feature on the corporate website to answer common tax credit questions.



In 2024-25 and beyond, Ontario Creates intends to complete and launch the following OOAF initiatives:

- Service standard dashboard: This is a two-phased project, where the internal dashboard will provide coordinated data with the time-tracking tool to enhance processing time reporting as part of KPI modernization, while the second phase will include an external-facing dashboard so applicants can track the progress of their file more effectively.
- Digital Review package: this will digitize a Business Officer's review package with certification recommendations so that it resides within the corporate database and reduces duplication. This is expected to be implemented by March 2025.
- AI Enhancements to the risk algorithm: This includes the investigation of potential or possible AI enhancements to the risk algorithm implemented in January 2024, and depending on feasibility, implementing those enhancements by March 2025.

## **2025-26 PRIORITIES:**

- Ontario Creates will continue to prioritize addressing tax credit processing times through a three-pronged approach focused on people, technology, and processes.
- In addition to the 10 new FTEs and the technological changes described elsewhere, the two new Managers appointed to Tax Credits in 2024-25 will seek to reduce operational bottlenecks, provide closer monitoring of resources, processes and performance in real time.
- With support from OOAF funds received, develop and implement suite of technological changes to tax credits to reduce processing times, refine time tracking and improve the experience for clients (electronic review package, service standard dashboard (feature allowing for improved visibility into process performance), and updates/enhancements to risk scoring technology.
- Continue to offer virtual tax credit information sessions.
- Continue to implement any potential changes to tax credits put forward by government.
- Continue to work with government to identify additional changes to tax credit legislation and regulations to ensure efficiency, value and impact on achieving government priorities.
- Participate, as appropriate, in the government's review of the OFTTC regional bonus to ensure it is providing effective and appropriate incentives and support for film and television productions in all regions of Ontario.
- Ontario Creates continues to represent and advance Ontario's interests as an active member of the National Tax Credits Committee (NTCC) in partnership with the Canadian Audio-Visual Certification Office (CAVCO) and other provinces. Ontario Creates hosted the National Tax Credits Committee in September 2024.

## **BUSINESS AFFAIRS AND RESEARCH (BAR)**

### **BUSINESS INTELLIGENCE PROGRAM**

Ontario Creates offers financial support to incorporated not-for-profit industry organizations undertaking business intelligence initiatives relevant to the growth of one or more content-creating sectors in Ontario. Completed business intelligence projects are made publicly available on the agency's corporate website as well as on the Online Research Library.

### **PROGRAM OBJECTIVES:**

- To support projects that provide information, data, and/or insights that Ontario's creative companies need to increase their capacity and effectiveness.
- To provide Ontario companies with competitive market advantages.
- To level the playing field between Ontario's creative companies and global multinationals that have the capacity to conduct their own market research and business intelligence.
- To provide Ontario Creates with valuable information about the industry to inform and improve programs and services offered by the agency.

### **PROGRAM RESULTS:**

In 2025-26, BIP will support five to ten new studies that will provide information and data to help Ontario creative industry companies remain competitive with larger scale multinational companies operating around the world.



Business Intelligence studies are also anticipated to raise the profile of Ontario Creates and the Province as a trusted partner and a catalyst for information and research in the creative media industries. As part of the agency's commitments in the workforce development strategy, the agency will identify workforce development as one of the priority areas for BIP in 2025-26.

In 2023-24, nine BIP-funded projects were released, and eight new projects were approved, the latter of which leveraged \$4.70 in spending for every dollar invested by Ontario Creates. Results for this program are measured by the:

- Number of projects released.
- Leverage value of Ontario Creates' contribution to each project.
- Page views of reports published.

#### **2025-26 PRIORITIES:**

- Ontario Creates will continue to deliver BIP, and agency will prioritize applications that focus on workforce development in 2025-26.
- The Business Affairs and Research team will seek out opportunities to partner and liaise with academic institutions as they conduct research deemed relevant to the sector. In 2024-25 and into 2025-26, this includes joining the advisory committee for a University of Toronto Scarborough (UTSC) academic-led research project examining the impacts of AI on the creative sector workforce. This partnership was cultivated through UTSC's attendance at the agency's Workforce Symposium.
- In 2025-26, Ontario Creates will implement any relevant recommendations from its internal review of BIP and research products conducted in 2024-25.

#### **INTERNAL AND COMMISSIONED RESEARCH**

Where the agency identifies a particular knowledge gap or strategic growth opportunity which is not being addressed through the BIP, the agency will directly commission studies or conduct research internally. These Ontario Creates-led projects allow for forward-thinking, 'big picture' intelligence on emerging issues facing the sectors, and support the agency's programming, strategic planning and business planning activities. Current and upcoming projects include:

- Ontario Creates completed a Franco-Ontarian content market study in 2024-25, and will seek to conduct a similar study for Indigenous and Third-Language content in 2025-26.

On an ongoing basis, Ontario Creates publishes Industry Profiles to provide information on the size and economic impact of each of the cultural media industries. The profiles also provide information on trends and issues facing the sectors. Ontario Creates uses publicly available research and statistical reports to compile the profiles, which are fully updated once per year and receive an interim update approximately six months later. For 2025-26, the agency will continue to publish Industry Profiles, as well as implement any relevant findings from its internal research and data gathering exercise.

#### **PARTNERSHIPS**

Ontario Creates undertakes targeted research initiatives with third parties, allowing the agency to extend its in-house research capacity to generate high value business intelligence for stakeholders.

- In 2024-25, Ontario Creates entered into a partnership with the Ontario Chamber of Commerce on a collaborative brief designed to educate Ontario's business community about the economic potential, as well as challenges and opportunities for Ontario's creative industries.
- Also in 2024-25 and into 2025-26, this includes joining the advisory committee for a UTSC academic-led research project examining the impacts of AI on the creative sector workforce. This partnership was cultivated through UTSC's attendance at the agency's Workforce Symposium.

#### **ONLINE RESEARCH LIBRARY**

The ORL is a resource created and maintained by Ontario Creates which contains domestic and international studies specific to the creative industries and serves as a valuable repository of research for industry stakeholders, academics and the agency's own planning needs. The ORL is used by researchers, research institutions, and

industry stakeholders who have indicated that this “one-stop shop” information source is an exceptionally valuable resource. In 2019-20, the ORL was overhauled to improve user experience and functionality.

- As of October 2025 the ORL contains more than 950 research studies.
- In 2023-24, the ORL was visited by over 6,050 unique users.

The studies in the ORL are also used to inform the development of the agency’s semi-annual industry profiles which received over 4,700 unique views last year.

For 2025-26, Ontario Creates will be implementing any relevant recommendations for the ORL stemming from its internal research and data gathering exercise.

### **BUSINESS INTELLIGENCE BULLETIN**

Ontario Creates issues a quarterly business intelligence bulletin. The Bulletin offers a platform to inform interested industry stakeholders about Ontario Creates-funded research, industry profiles, events and third-party data releases and industry consultations.

For 2025-26, Ontario Creates will continue to deliver the Bulletin on a quarterly basis, as well as implement any relevant recommendations emanating from its internal research and data gathering exercise.

### **PERFORMANCE MEASUREMENT FRAMEWORK UPDATE**

As part of the new strategic plan, Ontario Creates is committed to overhauling its existing performance measurement framework. The goal is to develop a performance measurement framework that includes a broader range of output and outcome measures, and in a format that is more intuitive and visual.

In 2024-25, Ontario Creates procured the services of Deetken Insight to lead the development of a custom macroeconomic dataset to provide more accurate and timely data about the economic impact of Ontario’s creative industries, lead the technological implementation process to realize the agency’s new KPIs through a business analytics platform, and deliver a dashboard with the potential to create visualizations of the agency’s new KPIs. The project is currently on track to be completed by the end of June 2025.

In 2024-25, the agency also began rolling out its quarterly results with the new KPI framework measures included. We anticipate that not all data points will be available immediately, but will be integrated as the data becomes available and/or reliable.

In 2025-26, the project will focus on the final phase, implementation. This will involve developing mock ups of the KPI dashboard and scorecard, implement the final integration with the OC database(s), prepare and run workshops to help OC users navigate and maintain the tool, presentations to stakeholders to socialize the new tool(s), and provide recommendations on future improvements to be considered by the agency’s Senior Management Team and Board of Directors, and with collaboration from MTCG.

### **WORKFORCE DEVELOPMENT STRATEGY**

As part of its strategic plan commitments under the Build Capacity goal, the agency worked towards developing a workforce development strategy in 2024-25. The insights from this strategy emanated from the Workforce Development Symposium, held in February 2024. The day-long, cross-sectoral event convened stakeholders together for opportunities to learn (via panels of key and emerging topics) as well as facilitated roundtable discussions to explore industry needs as well as what Ontario Creates’ role could be in this space. Following the Symposium, the Business Affairs and Research team led the development of an internal whitepaper detailing what was heard from stakeholders, and identifying key themes. From this whitepaper, as well as discussions with the Senior Management Team and Board of Directors, the agency developed four key pillars for its workforce development strategy, and highlighted a number of actions it will undertake in Year 1 (2025-26). Moreover, the agency will continue to liaise with colleagues at MTCG to discuss the sector’s workforce development priorities and identify opportunities for collaboration across industry and government to meet these goals.

The core pillars of the workforce development strategy include:

- Supporting Training and Mentorship Programs.
- Championing the Creative Industries.
- Data Collection and Knowledge Sharing.
- Engagement with Academic Institutions.

#### Supporting Training and Mentorship Initiatives

This pillar reflects both the ongoing support for training and mentorship initiatives that are provided through existing programs like the Industry Development Program (IDP), and OMIF – Music Industry Initiatives, as well as partnerships undertaken through the Film Commission.

For 2025-26, the agency will undertake the following actions to support this pillar:

- Continue to support workforce development projects within IDP.
- The Film Commission will continue to explore innovative partnerships with film industry partners, including new and existing partnerships, including the CineCares mentorship initiatives (this initiative is detailed under this Film Commission section of the Overview of the Agency's Current and Future Programs).
- Launch a Training and Mentorship Activity Top-Up for eligible projects within Industry Development's programs.
- Top-up the IDP with additional dedicated funding for training initiatives undertaken by eligible industry organizations applying to that program.

#### Championing the Creative Industries:

This pillar reflects enhancing the agency's role in highlighting the workforce and economic strength of Ontario's creative industries, both within and outside of government. For 2025-26, the agency has identified an opportunity, supported by MTCG, to conduct outreach to the Ontario Skills Development Fund to understand why creative industry applicants have been largely unsuccessful to-date, and identify opportunities for engagement, collaboration and training about this initiative. This pillar could also include identifying and sharing information about other supports made available by the government through their commitment to growing Ontario's workforce as a whole that the creative industries may not be aware of, and championing for their inclusion where possible and feasible.

In 2025-26, the agency will undertake the following actions to support this pillar:

- Outreach to the Skills Development Fund to explore opportunities for information and perspective sharing.

#### Data Collection and Knowledge Sharing:

This pillar corresponds to meeting the industry demand for timely, responsive and accurate data about the creative industry workforce, as articulated during the Workforce Symposium. As part of this, in 2025-26, the agency will explore ways to make the new custom macroeconomic dataset available to creative industry stakeholders, and will ensure that stakeholder education is a core part of the socialization of our KPI tools. This could also include other cross-sectoral educational programming led by Ontario Creates, including workforce-development specific topics for the 2025-26 *Creative Industries in Conversation* panels.

In 2025-26, the agency will undertake the following actions to support this pillar:

- Explore workforce development topics for breakfast sessions.
- Identify workforce development as a priority area for BIP.
- Continue to produce a custom macroeconomic dataset and educate stakeholders about it.
- Develop a web page hub for information and resources about working in Ontario's film and television industry.

### Engagement with Academic Institutions:

This pillar reflects the need to build deeper connections between creative industry companies and post-secondary institutions engaging in training the creative industry workforce of tomorrow. In 2025-26, Ontario Creates will continue to build on its existing engagement with post-secondary institutions,

In 2025-26, the agency will undertake the following actions to support this pillar:

- Continue to seek out opportunities to be an advisor or partner on academic workforce development research projects.
- Conduct two-tiered outreach to post-secondary institutions:
  - One level of engagement aimed at the most senior levels, including Provosts of post-secondary institutions.
  - A secondary level of engagement that focuses specifically on the creative industry-specific programs themselves, via engagement with the HOMAD group (Heads of Media, Arts and Design). HOMAD is a committee of deans and program directors representing colleges from across the province. The Ontario Creates Film Commission is currently engaging with HOMAD, having provided an overview of our programs and services, as well as a variety of alignment opportunities regarding workforce development and sustainability training in March 2024. The agency will seek opportunities to continue this engagement in 2025-26.

### **TIME-LIMITED INITIATIVES**

As a result of careful fiscal management, Ontario Creates has accumulated a small amount of uncommitted cash reserves, providing the capacity to respond to emerging opportunities and industry development needs which cannot be addressed within the parameters of core funds. The agency has committed to a balanced budget (effective deficit of zero) each year, and has consistently performed better than planned, allowing a small annual contribution to cash reserves.

Time-limited initiatives leverage a portion of the agency's cash reserves to support timely opportunities that further enhance the impact of programs, to develop skills and partnerships, and to advance the strategic priorities of diversity, workforce development, partnership, discoverability, marketing and export, while ensuring a balanced budget for core program delivery.

In 2025-26, Ontario Creates will activate a series of time-limited initiatives totaling \$1.49 million that will leverage and extend existing programs, as well as support activation of our strategic plan commitments without creating unsustainable stakeholder expectations and with limited additional strain on human resources. Notional allocations of \$1.490 million toward time-limited initiatives have been made in the out years, to be funded from uncommitted cash reserves.

The initiatives that require reserve funds are as follows:

- **Diversity Enhancement (Industry Development):** In 2025-26, the Diversity Enhancement will be available to the Book Fund, Magazine Fund and Industry Development Program. In 2025-26, the agency will explore the viability of securing private sponsorship to augment this funding, where possible, and explore the future of this funding stream as part of the ongoing reviews of the business development and marketing programs.
- **AcceleratiON: Black and Indigenous Entrepreneurship Program (Music):** The agency will continue the new Black & Indigenous music entrepreneur initiative introduced as a time-limited activity in 2021-22. As an additional mentorship activity, and linked to the agency's workforce development priority, the Access CMW conference mentorship initiative will continue to be available for a wide range of conferences and professional development opportunities. The agency conducted an evaluation of AcceleratiON, and will look for opportunities to implement some of these recommendations in 2026-27 alongside other modifications to OMIF.

- **Indigenous and Third-Language Content Study:** In 2025-26, the agency will be undertaking a study of the Indigenous and Third-Language Content Market. This is a commitment that was included in the agency's strategic plan, and will be modeled after the Franco-Ontarian Content Market Study report completed in 2024-25.
- **Analysis of findings from the review of OMIF:** The OMO team will secure outside expertise to conduct an analysis of the findings from the OMIF review.
- **OMO Partnership with CMW Reimagined: Departure Festival and Conference:** The OMO team will partner with CMW Reimagined: Departure Festival and Conference to deliver a Business is Better with Music event in 2025-26.
- **JUNOs Opening Night Awards 2026:** If the JUNO Awards are held in Ontario in 2026, the OMO will partner with CARAS on a sponsorship of the Opening Night Awards to profile Ontario nominees.
- **Equity and Accessibility Review:** Also as part of our strategic plan commitments, the agency will secure external expertise to conduct an equity and accessibility review of program guidelines to better understand barriers to the application process.
- **Client Satisfaction Survey:** The agency will launch a Client Satisfaction Survey in 2025-26.
- **Workforce Development Strategy activations:** This includes investment related to introducing a top up to eligible projects that include a mentorship and/or training activity, as well as additional funding to the Industry Development Program for workforce development-related projects.

## VI. RESOURCES NEEDED TO MEET GOALS AND OBJECTIVES

- The programs and activities identified in this plan are based on status quo financial and human resources.
- Key financial resources include operating funds from MTCG of \$35.8 million per year in 2025-26 and 2026-27 and \$35.5 in 2027-28. The Plan also requires estimated self-generated revenues of \$6.9 million in 2025-26, \$6.6 million in 2026-27 and \$5.6 million in 2027-28. Total operating costs before time-limited strategic initiatives are estimated to be \$41.2 million in 2025-26, \$41.1 million in 2026-27, and \$40.5 million in 2027-28.
- The agency's budget strategy has always been to mitigate the direct industry impact of reductions through timing adjustments, cost containment, program modifications, revenue increases, and program reductions while ensuring the long-term financial and strategic sustainability of the agency's strategic and business planning. The budget for core programs and services is balanced and cash reserves are used to support time-limited initiatives which do not create long-term stakeholder expectations. As previously noted, the agency's cash reserves are reduced as a result of PS3400, and corresponding program reductions have been implemented. As such, the agency has contained costs and operations are lean and efficient.
- This approach is consistent with the priority of Sustainability identified in the 2025-26 LOD. By taking this approach, Ontario Creates is optimizing our organizational capacity and ensuring that resources are directed to priority areas.

## VII. MITIGATING RISK: RISK IDENTIFICATION, ASSESSMENT AND MITIGATION STRATEGIES

Ontario Creates updates and submits a risk matrix and risk register to MTCG on a quarterly basis. The risk register evaluates current and future activities of the agency and environment with respect to related risk factors and their impacts. The risk matrix provides a visualization of risks, colour coded by risk level.

As part of its quarterly risk register review process, Ontario Creates has established comprehensive mitigation strategies for all risks identified and as risks evolve or new risks emerge, Ontario Creates will endeavor to inform MTCG and act judiciously to minimize any negative consequences. Moreover, the agency's success with regard to mitigating risk downwards is included as a corporate performance measure within its results framework. These efforts are consistent and in-line with government priorities as outlined in the 2025-26 LOD, and in particular, the commitments around Accountability.

The full risk register as of Q2 2024-25 is shown in Appendix A.

# VIII. HUMAN RESOURCES AND STAFFING

Staff at Ontario Creates are highly skilled in their respective service areas and have the highest levels of commitment both to public service and to the stakeholders they serve. Ontario Creates meets or exceeds all required controls and accountabilities as a public service agency and administrator of public funds. Ontario Creates places a great deal of emphasis on ensuring that all obligations under the Agency and Appointments Directive, Transfer Payment Accountability Directive (TPAD) and operating MOUs with MTCG are met.

All Ontario Creates employees are members of the OPS and are classified and compensated under the OPS structure, including applicable collective agreements.

In the 2024 OPS Employee Experience Survey, Ontario Creates staff had a strong participation rate of 91% (as compared to 65% across the OPS) and a strong engagement index of 74.9% (as compared to 68.4% across the OPS). Ontario Creates' Employee Engagement Index, Inclusion Index and Leadership Index all showed improvement from 2022. However, only 49% of Ontario Creates staff believe that action will be taken following the survey - which was 6% lower than in 2022. The scores associated with mental health insights have seen improvement in 2022 for Ontario Creates, with improvement made around the question of stress levels. Moreover, Ontario Creates experienced a 0.6% increase in responses around Discrimination and Harassment. The agency-specific results highlight that areas for future improvement include communications, making space for diverse perspectives, and providing meaningful recognition for staff.

An Employee Engagement Committee was established in 2018 which has developed a detailed action plan for engaging staff. The Committee's recent accomplishments include organizing two team-building sessions facilitated by The Making Box. The first session focused on the benefits of humour at work, and the second focused on adaptability. Employees were able to self-select which session to attend. This Committee will work closely with Management to address priorities stemming from the most recent Employee Engagement Survey as well as in support of strategic plan directions and actions.

Ontario Creates is continuously working to be a better organization and workplace. The new strategic plan includes two internal enabling commitments: to deliver exceptional customer experiences, and to empower high-performing teams. This means that the agency will continue to ensure programs are responsive to stakeholder needs, will enhance use of technology, and will prioritize the growth, development and well-being of staff.

Ontario Creates is committed to working with staff in the year ahead to improve the workplace, including several initiatives outlined in new strategic plan commitments. In 2025-26, the agency intends to implement the recommendations from the employee value proposition undertaken in 2024-25, continue to evaluate and build on its Multi-Year Accessibility Plan and continue to make refinements to its flexible, inclusive and effective hybrid work model.

Below is the staff complement broken down by bargaining unit classification, and an FTE forecast. Beginning in 2024-25, Ontario Creates was given permission to temporarily add 10 additional FTEs (OPSEU) as tax credit business officers for a two-year period to address the tax credits backlog.

## FTE CAP

As of October 31, 2024

SMG/ITX	MCP	Excluded	OPSEU	AMAPCEO	TOTAL
3	8	0	65	5	81

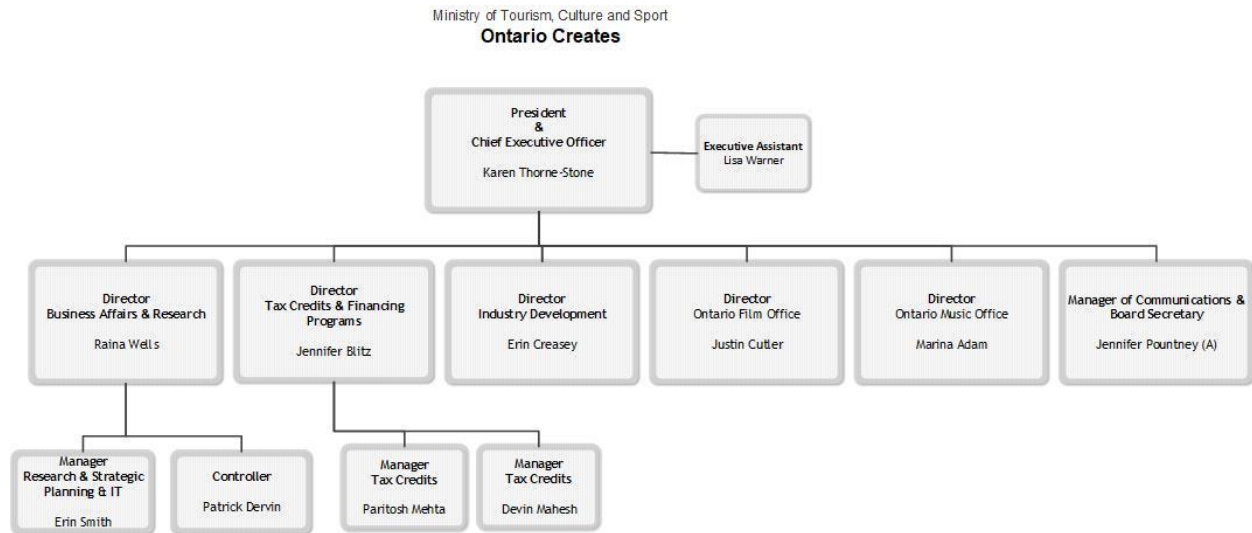
## FTE FORECAST

2025-26	2026-27
81	79



# ORGANIZATIONAL CHART

As of October 22, 2024



# IX. PERFORMANCE MEASURES

Performance measures for Ontario Creates provide regular feedback on whether agency programs and activities are meeting their objectives and provide some insight into the overall health of Ontario’s creative industries. The agency’s outcome and output-based performance measures are designed to align with MTCG’s strategic objectives as well as the Ontario Creates’ strategic plan.

In 2023-24, the Business Affairs and Research Team committed to reviewing and modernizing the agency’s KPI framework with the goal of moving towards a more outcome-based performance measurement framework in alignment with our 2023-2027 strategic plan. In 2024-25, the agency procured Deetken Insight to lead the implementation phase of the key performance indicator framework, which includes the creation of a custom macroeconomic dataset that better reflects the economic contributions of Ontario’s creative industries, the procurement of business analytics software to improve data management and reporting, and ultimately create more compelling visualizations to better describe the impact and outcomes of Ontario Creates programs and services. This work is in progress and is expected to be completed in late 2024-25.

This modernized framework will help the agency meet its goals around both sustainability and accountability. The modernized framework will make use of best-in-class technological solutions to improve the agency’s ability to efficiently collect data about its performance in a more automated way and minimize the amount of staff time and resources required to manually collect this data now. The agency plans to assess and report working hours saved through the new KPI framework and tools as a workload reduction/efficiency indicator.

This commitment to ensuring that the agency’s performance measures are outcome-focused and effectively monitor and measure our performance, is directly in line with the LOD commitment to Accountability, and we are pleased to report that the depth and breadth of our modernized KPI framework exceeds the requirements proposed within the LOD and listing of government priorities.

The following table provides interim results as of September 30, 2024 (Q2) for key performance indicators in this new KPI framework, as well as KPI targets for 2025-26.

**Ontario Creates 2024-25 Q2  
Performance Measures (and  
2025-26 Targets)**

as September 30, 2024

Key Performance Indicator	2024-25 Quarterly Results								Notes
	Q1	Q2	2024-25	2024-25	2025-26	2023-24	2022-23	2021-22	
			Target	Actual	Targets	Actual	Actual	Actual	
Strategic Goal #1: BUILD CAPACITY									
1. Ontario Creative Industry GDP Impact (reference year 2022)	Annual result		\$4.18	\$3.62	\$3.66	\$3.43 (2021)	\$3.06 (2020)	\$3.77 (2019)	Note 1
2. Ontario Creative Industry Job Impact (reference year 2022)	Annual result		58,222	44,403	44.936	41.503 (2021)	38,030 (2020)	48,719 (2019)	Note 1
3. Leverage Value (additional amount of financing generated for each dollar invested by Ontario Creates)									
a) Investment through all Tax Credits	\$30.13	\$25.21	\$15.00		\$15.45-\$20.00	\$17.27	\$15.29	\$16.30	
b) Investment through All investment programs	\$32.45	\$39.08	TBD		\$15.27-\$15.57	New measure as of 2024-25			Note 2
4. Ontario’s Market Share (of National, all industries)	Annual result		37-42%		38.5-40%	TBD	37.40%	37.80%	Note 3
5. Ontario’s Market Share (of National, Film and Television Only)	Annual result		32-37%		35-40%	TBD	36%	33%	Note 3
6. Ontario’s Share of total Canadian content film production (F&TV)	Annual result		45-50%		48-53%	TBD	41%	42%	Note 3
7. Ontario’s Share of total Canadian service production (F&TV)	Annual result		24-29%		27-32%	TBD	29%	25%	Note 3
8. Application Success Rates for Equity-Deserving Groups			TBD		TBD	New measure as of 2024-25			Note 4
9. Application Success Rates for Equity-Deserving Groups (compared to Ontario demographics)			TBD		TBD	New measure as of 2024-25			Note 4
10. Greenhouse Gas Emissions Generated by the Creative Industries in Ontario			TBD		TBD	New measure as of 2024-25			Note 4

Key Performance Indicator	2024-25 Quarterly Results								Notes
	Q1	Q2	2024-25	2024-25	2025-26	2023-24	2022-23	2021-22	
			Target	Actual	Target	Actual	Actual	Actual	
Strategic Goal #2: FUEL GROWTH									
11. Growth in Company Revenues			TBD		TBD	New measure as of 2024-25			Note 4
12. Percentage of First-Time Applicant Companies			TBD		TBD	New measure as of 2024-25			Note 4
13. Percentage of First-Time Applicant Companies that are Majority-Led or Owned by individuals from Equity-Deserving Groups			TBD		TBD	New measure as of 2024-25			Note 4
14. Percentage of Successful Applicants from Outside of the GTA			TBD		TBD	New measure as of 2024-25			Note 4

Key Performance Indicator	2024-25 Quarterly Results								Notes
	Q1	Q2	2024-25	2024-25	2025-26	2023-24	2022-23	2021-22	
			Target	Actual	Target	Actual	Actual	Actual	
<b>Strategic Goal #3: DRIVE INVESTMENT</b>									
<b>15. Number of domestic and service film and television productions that shoot in Ontario:</b>	40	43	228		175	207	151	104	
a) Domestic	20	24	188		130	83	108	83	
b) Service	20	19	40		45	46	99	68	
<b>16. Value of domestic and service film and television productions that shoot in Ontario</b>	\$543	\$427	\$1,125 - \$1,225		\$1,500-\$1,900	\$1,356	\$1,979	\$1,793	
a) Domestic	\$104	\$118	\$675-\$725		\$750 - \$950	\$489	\$554	\$520	
b) Service	\$439	\$309	\$450 - \$500		\$750-\$950	\$867	\$1,425	\$1,273	
17. Growth in Ontario's film and television foreign location services sector (%)	Annual result		TBD		10-20%	New measure as of 2024-25			
18. Growth in Ontario's film and television domestic sector (%)	Annual result		TBD		5-10%	New measure as of 2024-25			
19. Return on Investment for the Global Market Development Program (per dollar invested by OC)	-	-	\$406 - \$414		\$418-\$426	New measure as of 2024-25			Note 5
20. Number of Business Leads Generated at OC events	650	110	35,673		36,743	35,170	23,225	25,300	
21. Year-Over-Year Growth in Business Leads (%)	Annual result		3%		3%	New measure as of 2024-25			

Key Performance Indicator	2024-25 Quarterly Results								Notes
	Q1	Q2	2024-25	2024-25	2025-26	2023-24	2022-23	2021-22	
			Target	Actual	Target	Actual	Actual	Actual	
<b>Strategic Goal #4: DEVELOP GLOBAL MARKETS</b>									
22. Value of Ontario Cultural Product Exports from Creative Industries (billions, reference year 2021)	Annual result		TBD	\$2.86	\$2.94	\$2.74 (2020)	\$2.70 (2019)	\$2.04 (2017)	Note 6
23. International Sales for Ontario Creates-supported Companies	-	-	\$554 - \$556		\$570-\$572	New measure as of 2024-25			Note 5
24. Year-Over-Year Growth in International Sales for OC-supported Companies	Annual result		3-5%		3-5%	New measure as of 2024-25			Note 5

25. Percentage of First-Time Recipients to Global Market Development Programs	-	-	TBD		3%	New measure as of 2024-25	Note 4
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Key Performance Indicator	2024-25 Quarterly Results								Notes
	Q1	Q2	2024-25	2024-25	2025-26	2023-24	2022-23	2021-22	
			Target	Actual	Target	Actual	Actual	Actual	
Strategic Enabler #1: DELIVER EXCEPTIONAL CUSTOMER SERVICE EXPERIENCES									
26. Program Delivery									
a) Average turnaround time across all tax credits (weeks)	31.5	32.6	14.7		26.8	26.8	22	16.5	
b) Average time tax credit files spend in analysis (weeks)	4	4	6.6 - 6.9		4.7	7.6	7.3	5.7	
c) Tax Credit Queue (products added)	88	231	0-200		0-200	New measure as of 2024-25			
d) Application Review Time (% of investment programs for which decisions are made within an established timeline)	-	-	80%		80%	New measure as of 2024-25			
e) Customer Experience Index Score	-	-	TBD		TBD	New measure as of 2024-25			
27. Service									
a) Number of service calls and emails	1,148	946	4,000		4,000	4,237	4,524	4,290	
b) Number of Ministry inquiries	30	24	100		100	126	146	109	
28. Risk-Related Performance Measures									
a) % of risks managed down since last quarter	19%	19%	10%		10%	-10%	8%	New for 21-22	
b) % of risks with Medium or Low Risk Rating (10 or below)	60%	60%	80%		80%	67%	89%	New for 21-22	

Key Performance Indicator	2024-25 Quarterly Results								Notes
	Q1	Q2	2024-25	2024-25	2025-26	2023-24	2022-23	2021-22	
			Target	Actual	Target	Actual	Actual	Actual	
OPS Employee Survey (Raw score and positive/negative variance between OC and OPS results on survey, when issued)									
a) Engagement Index	Annual measure		76.1-77.6%	74.9%	77.1-78.6%	N/A			
b) Engagement Index (compared to OPS)	Annual measure		8	+6.9	7.1	N/A	4.7	N/A	
c) Inclusion Index	Annual measure		76.2-77.7%	77.1%	79.4-80.9%	N/A			
d) Inclusion Index (compared to OPS)	Annual measure		5	4.1	4.2	N/A	0.8	N/A	
e) Learning and Development	Annual measure		60.7-62.0%	N/A	N/A	N/A			Note 7
f) Learning and Development (compared to OPS)	Annual measure		10	N/A	N/A	N/A	n/a	N/A	Note 7
g) Leadership Practices	Annual measure		63.0-66.8%	64.90%	66.8-68.1%	N/A			
h) Leadership Practices (compared to OPS)	Annual measure		5	4.2	4.3	N/A	2.9	N/A	
i) Survey Response Rate	Annual measure		92%	91%	91%	N/A			
J) Survey Response Rate (compared to OPS)	Annual measure		30	24	24		32	N/A	

#### NOTES:

Return on Investment (ROI) represents the amount generated in sales for every dollar invested by Ontario Creates.

Leverage value indicates the additional amount in financing generated for each dollar invested by Ontario Creates.

(1) This data is based on Statistics Canada data, which lags by two years. The GDP target reflects Statistics Canada data for 2021 (\$4.0 billion) plus Ontario's real GDP growth rate for 2022 (3.7%). The jobs target reflects Statistics Canada data for 2021 (56,145 jobs) plus Ontario's real GDP growth rate for 2022 (3.7%). The actual 2024-25 number reflects the creative industries' actual economic performance for 2022, as per Statistics Canada.

(2) Leverage value for Investment Programs includes Film Fund (Production), IDM Fund (Production), Magazine Fund, Book Fund, Ontario Music Investment Fund and Business Intelligence Program.

(3) These data points are sourced from either CMPA's annual Profile, or Statistics Canada.

(4) Results not yet available because data is not yet being collected - these new metrics are part of our in-progress modernization project.

(5) Results will be available at a later date due to data coming from applicant final reports. These can lag for up to 18-24 months.

(6) This data is from Statistics Canada, available on a two-year lag. Reference year 2021 was used.

(7) This data is dependent on the OPS Employee Engagement Survey. The survey questions are regularly revised and/or discontinued, and as a result, measures are generally not directly comparable to previous years. Entries marked N/A for 2023-24 reflect questions that have been discontinued.

## HIGHLIGHTS OF 2023-24 RESULTS

In 2023-24, Ontario Creates achieved the following results:

- Leverage value targets for tax credits, Book Fund, Film Fund, IDM Fund, Magazine Fund, and the Business Intelligence Program were all exceeded in 2023-24. Leverage value refers to the additional amount of spending generated for each dollar invested by Ontario Creates. For the OMIF, while the 2023-24 leverage value exceeded the final figure from 2022-23, it fell slightly short of the target for 2023-24. This lag represents a series of issues impacting the live music sector, including travel difficulties and delays, labour shortages, and rising costs.
- In 2023-24, IDM Fund and Film Fund projects created 29,508 weeks of work in the Province, which not only exceeded a target of 25,000, but also represented 27% growth from 2022-23.
- The Ontario film and television industry was significantly impacted by unionized labour action in the United States in 2023, which had direct impact on metrics related to production activity in the Province. At the end of 2023-24, Ontario's production levels reached 75% of their target, with a total of 129 productions. While there was a slight decline in domestic productions from 2022-23 (108 to 83), much of the impact was felt by the decline in service productions (from 99 in 2022-23 to 46 in 2023-24). Similarly, the value of film and television projects shot in the Province was \$1.356 billion, which was a 31% decrease from 2022-23, and only 68% of the targeted amount for 2023-24. However, scouting levels remained relatively high which is a promising indicator moving forward, with 111 productions actively scouting in the Province in 2023-24.
- In terms of media engagement and social media metrics, the agency's total media impressions (other than Trillium Book Award) for 2023-2024 were 872.3 million impressions, significantly exceeding the target of 50 million. The agency generated coverage of its activities in major publications like *The Hollywood Reporter*, *Variety*, *Playback*, and *CTV News*. The agency also continues to see growth on social media platforms with content focused on calls for applications, industry news spotlights and promotions for major industry events like the JUNO Awards. Subscriber growth is particularly strong on LinkedIn and Instagram, which contributed to overall growth of 6,392 new subscribers in 2023-24, exceeding the target of 5,000.
- In 2023-24, the agency organized a strategic presence at 19 markets, greatly exceeding its annual target of 10. The agency's export activity support helped Ontario participants conduct business development activities in 126 markets in 2023-24, coming in very slightly under the target of 130. However, the agency exceeded its targets relating to industry development initiatives led or supported by the agency, with 85 total in 2023-24, compared to the target of 80.
- Ontario Creates continues to support business intelligence projects relevant to the creative industries in Ontario. In 2023-24, a total of 11 projects were released, greater than the expected 8 projects. Several targets were not achieved related to the number of profiles updated, unique views of the profiles, new documents added to the ORL, and views of the Business Intelligence Bulletin. A lower staff complement in the Research unit over much of the fiscal year continues to affect the unit's output.
- Average turn-around time across all tax credits was slower than expected at an average of 26.8 weeks against a target of 20 weeks. However, at 4.7 weeks, the time a file spent actively in analysis fell below its target of 5 weeks in 2023-24, as well as improved on the analysis time for 2022-23 (7.3 weeks). This represents a 35% faster analysis time than 2022-23. In this context, analysis time is part of total processing time – it refers to the time a file spends with Business Officers to assess eligibility and does not include the amount of time a file waits in queue before it is picked up for review. As the agency continues to implement technological and business process efficiencies, these indicators will continue to improve.

## X. FINANCIAL BUDGET

This Business Plan represents a status quo budget with no increases for additional financial or human resources. Specifically:

- Ontario Creates' 2025-26 core expenditures for accounting purposes are projected to be \$41.2 million before time-limited strategic initiatives. If sufficient capacity is not available in the base budget, these initiatives will be funded from cash reserves.
- Ontario Creates' revenue for 2025-26 is expected to be \$42.7 million which includes operating funding from MTCG of \$35.8 million and \$6.9 million in self-generated revenue (tax credit administration fees, interest, and other income). Amortization of deferred capital contribution of \$0.1 million is included in the MTCG funding line of the budget.
- Notably, this forecast reflects the implications of new accounting policy PS 3400 on the agency's revenues. The implementation of PS 3400 in 2023-24 resulted in \$3.0 million being transferred from revenue to deferred revenue, with cash reserves being reduced accordingly. Tax credit revenues are now recognized when the certificate is issued, not when the payment is received.
- Uncommitted cash reserves at the end of 2025-26 are projected to be \$2.7 million. Ontario Creates' fiduciary practice is to ensure that the reserve fund is sufficient to cover lease, legislated and severance obligations before considering allocations for strategic initiatives.



ONTARIO CREATES	2024-25		2025-26	2026-27	2027-28
(\$ Thousands)	<i>OC Budget</i>	<i>OC Q2 Reforecast</i>	<i>FORECAST</i>		
<b>REVENUE</b>					
MTCG Funding (Note 1)	35,583.6	35,664.6	35,839.6	35,778.0	35,506.3
Self-generated (Note 2)	5,369.0	5,126.5	6,858.5	6,576.5	5,576.5
<b>TOTAL REVENUE</b>	<b>40,952.6</b>	<b>40,791.1</b>	<b>42,698.1</b>	<b>42,354.5</b>	<b>41,082.8</b>
<b>EXPENDITURES</b>					
Salaries & Benefits	8,858.2	8,823.2	9,891.3	9,801.4	9,101.7
Operations (Notes 3, 4)	2,470.2	2,420.5	2,565.6	2,537.1	2,592.6
Grants	26,930.0	27,049.6	26,930.0	26,930.0	26,930.0
Program Delivery (Note 5)	1,604.4	1,470.4	1,404.8	1,409.1	1,413.6
TIFF	1,115.0	1,115.0	1,115.0	1,115.0	1,115.0
Provision for Rescinded Grants	-700.0	-700.0	-700.0	-700.0	-700.0
<b>TOTAL EXPENDITURES</b>	<b>40,277.8</b>	<b>40,178.6</b>	<b>41,206.7</b>	<b>41,092.5</b>	<b>40,452.9</b>
<b>Net Surplus before Other Items</b>	<b>674.9</b>	<b>612.5</b>	<b>1,491.4</b>	<b>1,261.9</b>	<b>629.9</b>
<b>Other Items:</b>					
- Time-limited Initiatives (Note 6)	2,205.0	2,150.0	1,490.0	1,490.0	1,490.0
<b>Net Surplus/(Deficit)</b>	<b>-1,530.1</b>	<b>-1,537.5</b>	<b>1.4</b>	<b>-228.1</b>	<b>-860.1</b>
<b>Cash Reserves - beginning of year</b>	<b>4,275.4</b>	<b>4,275.4</b>	<b>2,737.8</b>	<b>2,739.2</b>	<b>2,511.2</b>
<b>Cash Reserves - end of year (Note 6)</b>	<b>2,745.2</b>	<b>2,737.8</b>	<b>2,739.2</b>	<b>2,511.2</b>	<b>1,651.0</b>

**Notes:**

(1) MTCG revenue includes \$7.0 million notionally allocated to OMIF.

(2) Includes tax credit administration fees, interest, and other income. Tax credit fee revenue is recognized when either a certificate of eligibility is issued, a letter of ineligibility is issued, or a file is withdrawn by the applicant.

(3) Includes occupancy, administration, marketing and communications costs, and annual 3% inflation on operations and information services.

(4) Current premises lease expires on April 30, 2028 and is pending renewal. FY26 premises lease cost is \$924k per IO forecast.

(5) Program delivery includes costs to deliver OC Funds, Trillium Awards, and Ontario Film Office.

(6) Time-limited initiatives will be funded from cash reserves as required.

## **XI. IT AND ELECTRONIC SERVICE DELIVERY PLAN**

Ontario Creates provides and supports its own information technology services, including maintenance of its internal network and servers, email service, an internal database for operational purposes and three outward-facing databases that provide access to industry research, filming locations, and the agency's funding programs and tax credit applications. The agency is responsible for all procurement and security related to this infrastructure.

Staff are responsible for infrastructure maintenance and operations as well as internal and external customer service support. They are also responsible for system monitoring and enhancements as well as answering all support inquiries from agency staff and external users of Ontario Creates' Online Application Portal (OAP). The in-house model offers the agency much-needed flexibility to provide a high level of customization and responsiveness to client needs in a timely fashion.

### **CLIENT SERVICES**

Ontario Creates is proud to be advanced in its efforts to provide electronic service delivery to clients, which supports the broader government's digital service plans. The agency's corporate website is its primary client interface. Ontario Creates clients access the OAP, the DLL, and the ORL through the corporate website. It is also the agency's communications portal to provide information about its programs and services and to share news for and about stakeholders.

### **CYBER SECURITY AND SYSTEM MONITORING**

The agency has robust security protocols in place. To ensure the ongoing operation of the agency IT infrastructure and the personal and confidential information it contains, agency staff conduct 24-hour system monitoring. This is carried out on a rotational basis by members of the IT team, who have undertaken security training and participate in the OPS-wide cybersecurity community of practice (COP). Ontario Creates engages in an annual security audit carried out by the Ministry of Public and Business Service Delivery and Procurement (MPBSDP) to ensure that there are no major flaws in the system and that personal and confidential data is secure and all cybersecurity best practices are followed. The agency has a strong track record of promptly addressing any security vulnerabilities identified in annual audits, and there have been no major security breaches to date. Spam and phishing attempts are identified and shared broadly with staff to ensure there is awareness at all levels of the organization around cybersecurity risks and how to mitigate them.

### **ELECTRONIC SERVICE DELIVERY**

Ontario Creates provides Electronic Service Delivery to clients through the OAP. It is mandatory for all applicants to submit their applications through the portal. All written communication regarding applications is done through the OAP. The OAP sends reminders regarding milestones and deliverables and allows clients to track the status of their applications. Maintenance and technical support of the system are carried out by IT staff. Enhancements are approved by management according to the business needs of the agency and funds available.

The agency's internal corporate database allows staff to interact with the OAP for the administration of programs and also to manage the agency's contacts and mailings. An event module allows invitations to be sent to OAP contacts and registrations to easily be processed at events using QR codes. Demographic data is also collected on a voluntary basis through the OAP. As with the other systems, maintenance and technical support of the system are carried out by internal staff and enhancements implemented through the process described above.

The ORL and DLL provide services to the agency's clients. The content of both libraries is kept up to date by staff. There is a maintenance agreement in place for these databases that provides technical support for fixing issues and also provides a guaranteed rate for enhancements to the systems. Enhancement requests are developed by staff who work with the external vendor to implement them. Enhancements are implemented through the process described above.

## RECENT ACCOMPLISHMENTS

There are a number of projects currently underway that will improve customer experience as well as create better and more efficient internal business processes. Most significantly:

- With funding from the OOAF, Ontario Creates continues to work on a series of technological enhancements to support the efficient administration of tax credits. Work began in 2022-23 and is on track to be completed in 2024-25. Projects included the creation of a tax credits service dashboard and time tracking feature to provide an enhanced experience and additional data to staff and stakeholders using the OAP. Analysis will be undertaken around automation for streamlining processing of tax credits, including opportunities to incorporate AI. IT will continue to support scoping and implementation of a suite of technological changes to tax credits to reduce processing times for clients (electronic review package, service standard dashboard, AI chatbot, error detection mechanism and use of AI to continuously improve risk scoring module).
- The agency completed a refresh and site migration of the Film Commission website and DLL in 2024-25.
- The IT team completed Office 365 administrative training in 2024-25.
- In 2024-25, and into 2025-26, the IT team has and will continue to support the KPI modernization project, including working with Deetken Insight to implement technological changes to the database(s), and source the data analytics software needed for the project.
- In 2024-25, the IT team led and completed a cyber security tabletop exercise and red-teaming.
- In 2024-25, the IT team led the procurement of the OAP support and maintenance project.
- In 2024-25, the IT team also implemented an accessibility upgrade for the corporate website, as part of the agency's Multi-Year Accessibility Plan. The upgrade puts a small accessibility widget on the bottom corner of the website that allows website viewers to implement a number of different accessibility options to improve their individual experiences navigating the site, including contrast, size of text, screen reader improvements, etc.

## 2025-26 INFORMATION TECHNOLOGY PLAN

As noted above, in 2025-26 the IT team will:

- Continue to assist with the implementation of the modernized KPI framework.
- Lead a device refresh for agency staff, including disposal of old hardware.
- Lead deployment of a Client Satisfaction Survey
- Lead a hardware firewall renewal.
- Lead a migration from Hybrid Azure AD to Azure.
- Lead a migration of the NAS to SharePoint.

## **XII. LEVERAGING PARTNERSHIPS: INITIATIVES INVOLVING THIRD PARTIES**

On an ongoing basis, Ontario Creates works closely with a range of partners on targeted initiatives. Extending existing partnerships and developing new ones is a key strategic priority for the agency, as collaboration with both internal and external entities allows the agency to greatly extend its impact, often without the need to tap into additional resources. In line with expectations identified in the 2025-26 LOD to optimize organizational capacity and use public resources efficiently, Ontario Creates continually seeks out appropriate partnerships with local, regional, federal and international private, non-profit and public entities that assist in furthering the agency's mandate and strategic goals.

The following initiatives demonstrate ways Ontario Creates maximizes the impact of Ontario's investments through collaboration with third parties:

### **TORONTO/ONTARIO FILM OFFICE IN L.A.**

- The Toronto/Ontario Film Office in L.A. is a partnership between Ontario Creates and the City of Toronto Film, Television and Digital Media Office that maintains a full-time marketing presence in Los Angeles, providing on-the-ground marketing to attract production to Ontario and support to Ontario's screen-based content creators.
- The partnership, established in June 2003, has enabled the partners to pool their resources and provide a much more effective platform from which to promote the many benefits of filming in Toronto and Ontario.
- Ontario Creates is the managing partner of the Office.

### **ONTARIO GREEN SCREEN PROGRAM**

- Ontario Creates is a partner with 27 stakeholder groups, including unions, industry trade organizations, associations, production service companies, producers, studios and municipal government partners, to fund and deliver the Ontario Green Screen program.
- Partners offer financial, strategic and tactical support to deliver program initiatives.
- Over 900 film workers have taken part in the Climate and Sustainable Film Production, and Carbon Calculating courses delivered by the initiative.
- In 2025-26, OGS will be continuing to implement the strategic initiatives laid out in its strategic plan, with the key priorities being to strengthen partnerships, inform & educate, support best practice implementation and measure impact. Some specific activities include continuing to host Green Table meetings, and hosting in-person carbon calculator workshops.

### **TORONTO INTERNATIONAL FILM FESTIVAL, INC (TIFF)**

- Ontario Creates is the mechanism by which MTCG provides annual funds for the care and maintenance of the Province's film collection at the Film Reference Library (formerly Cin  matheque Ontario) and TIFF Cin  matheque screening programs. In 2024-25, \$815,000 funding was provided for this purpose. In 2024-25, the agency also provided \$300,000 in operating support to TIFF for the annual film festival, \$120,000 to the TIFF Industry Conference, and \$30,000 to the 2024 TIFF Film Circuit.

### **INTERNATIONAL PARTNERSHIPS**

- Ontario Creates partners with Telefilm Canada and other provinces on branded Canada "stands" in key international markets for the film and television sectors providing Ontario producers with access to business support, meeting space, presence on panels, and invitations to networking events.
- Ontario Creates is a major contributing partner to the Canadian presence at the following markets: Cannes International Film Festival, MIP-TV, MIPCOM, Sunnyside of the Doc, TIFF, and the Berlin Film Festival. Ontario Creates also maintains a partner presence at international markets such as South by South West (SXSW), Series Mania, Reeperbahn Festival and Conference, The Great Escape, and Kidscreen.
- Ontario Creates also partners with Telefilm and other provinces on international activities that do not involve a stand presence but that provide a coordinated Canadian presence and opportunity for producers to do business.
- In 2023-24, Ontario Creates attended Content London, November 28-30, 2023 to support a delegation of more than 65 Ontario producers. Content London has become the go-to event for Ontario television and

digital series producers. Ontario Creates supported the CMPA's Canada-UK Coproduction Forum, and Ontario Creates moderated a panel on coproduction. In partnership with CMPA and Creative BC, Ontario Creates also hosted a well-attended networking reception. An Ontario Creates representative took planning meetings with Screen Ireland, Film London, and NZ ON Air and attended a number of thought-provoking sessions, particularly around the topic of AI.

- Also in 2023-24, the Ontario Music Office led a small delegation of Franco and Anglo-Ontarian artists and music reps to the MaMA Festival and Convention in Paris, France from October 11-13, 2023. An Ontario showcase and reception took place on October 11 featuring Anglo and Franco-Ontarian artists, Witch Prophet, Mimi O'Bonsawin, and McLean. Ontario Creates partnered with Musicaction, Music Ontario, and Franco-Canadian music organization Association des Professionnels de la Chanson et de la Musique (APCM) to promote business opportunities for Canadian artists and music professionals in the French and European markets, and in particular to advance opportunities for Ontario Creates' Franco-Ontarian music stakeholders. Building on these activities, a subsequent, larger delegation was led by the Ontario Music Office in 2024-25, including three Ontario showcasing artists and their representatives, B2B events at the Canadian Embassy in Paris, and a new partnership with the French Embassy in Canada to bring a delegation of three Ontario hip hop companies to the MaMA conference as part of a Canada/France hip-hop exchange.
- Ontario Creates led a Canadian delegation of productions on a New Zealand Trade Mission in March 2024. The activities included a three-day coproduction Summit in partnership with Women in Film and Television (WIFT)-New Zealand, with a focus on seminars, roundtables and one-on-one meetings between the 23 Canadian producer participants and over 60 producers from New Zealand. Producers then attended the Maoriland Film Festival, with industry sessions and one-on-one meetings between Indigenous Producers. The activities rounded out with a familiarization tour around the Auckland area. Partners included the Indigenous Screen Office, Telefilm Canada, CMPA, Canadian Heritage, and Creative BC.
- Ontario Creates partners with Screen Australia, New Zealand Film Commission, British Film Institute, Irish Film Board, and Creative Scotland to deliver CoCreate, a co-production business development initiative in the feature film industry. Ontario Creates initiated and led this initiative to raise the profile and create opportunities for Ontario producers, and to raise the international profile of the agency, the industry, and the Province. The program commenced at Cannes 2017, with over 30 feature film producers conducting over 200 business meetings across English-language territories. An Ontario and Ireland coproduction partnership facilitated by CoCreate 2023 resulted in the premiere of the film *The Apprentice* at Cannes 2024.
- Ontario Creates participated in the Game Developers Conference (GDC) in San Francisco, from March 18-22, 2024. Ontario Creates hosted a booth in the GDC Play section, creating a drop-in demo station for Ontario companies, and it also hosted a series of strategic activities including a meet-up with German game developers and a mentorship program for first-time attendees. A highlight was seeing Ontario Creates-supported game *VENBA* winning the Grand Prize at the 2024 Independent Game Awards.

## **IDM FUND PARTNERSHIPS**

- IDM Fund Futures Forward is a program designed to teach business, marketing, and pitching skills to up-and-coming digital-media creators and those transitioning to digital from traditional screen content. This program is delivered by leveraging the expertise and reach of partner organizations Women in Film and Television-Toronto, Hand Eye Society, Interactive Ontario, WebSeries Canada, and Afrotropolis Arts Collective, reducing the administrative burden on Ontario Creates of running the program, while increasing partner capacity.
- In 2022-23, the IDM Fund Futures program launched a grant program in partnership with the Canada Media Fund (CMF). Eligible Futures Forward training program graduates and companies owned by individuals from equity-deserving communities are eligible to apply for early-stage development awards of up to \$20,000, with Ontario Creates and CMF funding half of each award. This relationship was renewed for 2023-24 and 2024-25. Within the agency's new IP Fund, this program will be expanded, and the agency will explore and revisit partnerships to deliver this funding for 2025-26.
- A representative from Ontario Creates attended Series Mania in Lille, France, from March 18-22, 2024. Key activities included partnering on the Canadian "producers to watch" session, participation in the Canada Pavilion, and the Canada-France Coproduction Series Lab. This was Ontario Creates' second year attending this event, and the company supported over 50 producers from Ontario. Ontario Creates partnered with the Independent Production Fund on a business networking reception, with a focus on

digital content creators. The reception was well received with attendees from across European broadcasters and a broad spectrum of producers.

#### **ACCELERATION PROGRAM PARTNERSHIPS**

- The AcceleratiON program has been developed to support, enhance capacity and enable the next generation of Black and Indigenous music industry professionals to create high quality content and retain IP ownership and control over their own narratives. Mentorship and capacity-building elements of the program are delivered in partnership with organizations such as Advance, the International Indigenous Music Summit, Indie Week and Music Publishers Canada. This helps broaden the reach and impact of this initiative while reducing the administrative burden on Ontario Creates.

#### **DEPARTMENT OF CANADIAN HERITAGE/STATISTICS CANADA**

- Since 2013-14, Ontario Creates has participated in the Culture Statistics Strategy, an initiative led by the federal Department of Canadian Heritage and a range of provincial, territorial, municipal and other partners. This partnership supports the release of key Statistics Canada culture data such as culture jobs, contribution to GDP, and trade of cultural products and services.

#### **CANADA REVENUE AGENCY (CRA)**

- Ontario Creates currently co-administers five refundable tax credits with the CRA based on eligible expenditures for the film, television, interactive digital media, and book publishing industries.

#### **RESEARCH PARTNERSHIPS**

- In 2024-25, Ontario Creates partnered with the Ontario Chamber of Commerce to co-produce a primer spotlighting the main challenges and opportunities surrounding Ontario's creative industries, providing key insights on the economic impacts to the Ontario business community and its workforce. This project is undertaken in collaboration with key partners like the Ontario Arts Council, Ontario College of Art and Design and the City of Toronto.
- Ontario Creates regularly acts as a partner for external research reports of relevance to Ontario's creative industries. In 2024-25, Ontario Creates joined the advisory committee for a UTSC-led Creative Labour and Critical Futures research project. The project will examine how creative workers in the era of artificial intelligence can drive transformation. This research work is also likely to align with our workforce development strategy.

## XIII. 2025-26 IMPLEMENTATION PLAN

The financial forecast summary and program and service descriptions included in this Business Plan are based on status quo financial and human resources.

Ontario Creates launched a new strategic plan in 2023 for the period of 2023-2027; the tactics outlined in the chart below are consistent with the goals and enablers included in that plan, as well as the agency's LOD.

### 2025-26 IMPLEMENTATION PLAN

The chart below maps out the specific activities that will be carried out in 2025-26 against the four strategic goals and two strategic enablers.

#	OBJECTIVE	2025-26 TACTICS
<b>STRATEGIC GOAL #1: BUILDING CAPACITY</b>		
1	Establish and implement a workforce development strategy	<ul style="list-style-type: none"> <li>a. Continue to implement and monitor the workforce development strategy.</li> <li>b. A new Training and Mentorship activity top-up available through Industry Development's funding programs.</li> <li>c. Continue to prioritize training initiatives through the Industry Development program.</li> <li>d. Continue to prioritize workforce development within the Business Intelligence Program.</li> <li>e. The Film Commission will launch several film and television-specific workforce development initiatives, including: <ul style="list-style-type: none"> <li>o Partnerships, including with Cinespace on their CineCares mentorship program, which is aimed at getting underrepresented youth opportunities on set.</li> <li>o A new page on the Film Commission website that will act as a hub for information about working in Ontario's film and TV industry.</li> </ul> </li> </ul>
2	Provide targeted support to diverse-led projects and businesses that demonstrate high potential for economic and cultural growth	<ul style="list-style-type: none"> <li>a. Continue the Diversity Enhancement strategic initiative for the Book Fund, Magazine Fund, and Industry Development Program for another year.</li> <li>b. Continue AcceleratiON as a strategic initiative for another year.</li> <li>c. Launch an Indigenous and Third-language content market study, modelled on the successful approach used for the Franco-Ontarian content market study.</li> <li>d. Explore partnership opportunities to expand support for diverse projects within the IP Fund.</li> </ul>
3	Build on Ontario Green Screen leadership and expand sustainability strategy across the creative industries	<ul style="list-style-type: none"> <li>a. Continue to implement the OGS strategic plan commitments, including: <ul style="list-style-type: none"> <li>o Re-design of communications and marketing material.</li> <li>o The launch of self-directed training modules integrated into production and post-secondary training.</li> <li>o Continuing to host Green Table meetings.</li> </ul> </li> </ul>

#	OBJECTIVE	2025-26 TACTICS
		<ul style="list-style-type: none"> <li>o Hosting in-person carbon calculator workshops.</li> <li>b. Explore ways to expand Green Screen to other creative industry sectors.</li> </ul>
<b>STRATEGIC GOAL #2: FUELING GROWTH</b>		
1	Revise core investment programs to keep pace with evolving business opportunities and focus investment on high-impact support	<ul style="list-style-type: none"> <li>a. Redesign Industry Development's business and marketing programs for the screen and publishing sectors.</li> <li>b. Analyze the findings of the review of the OMIF.</li> <li>c. Continue, discontinue and/or launch new research activities based on findings of internal research product review.</li> </ul>
2	Enhance communication and outreach to emerging companies and new entrants to the creative industries	<ul style="list-style-type: none"> <li>a. Work with a wide range of industry organizations to conduct more outreach to emerging companies and new entrants.</li> </ul>
3	Partner with government to simplify tax credit eligibility requirements	<ul style="list-style-type: none"> <li>a. Continue to work with government and industry partners to identify additional changes to tax credit legislation and regulations to ensure efficiency, value and impact on achieving government priorities.</li> <li>b. Participate in the review of the OFTTC regional bonus to ensure it is providing effective and appropriate incentives and support for film and television productions in all regions of Ontario.</li> <li>c. Implement any new or refined tax credit modernization initiatives.</li> </ul>
4	Establish a regional development plan	<ul style="list-style-type: none"> <li>a. Continue to work with MTCG (and other partners) to refine regional development objectives.</li> <li>b. Implement, measure and enhance plan, as needed.</li> </ul>
<b>STRATEGIC GOAL #3: DRIVING INVESTMENT</b>		
1	Seek out new private sector partnership/sponsorship opportunities to increase capacity in Ontario Creates' priority program areas	<ul style="list-style-type: none"> <li>a. Determine feasibility of securing private sponsorship to supplement capacity of OC programs.</li> </ul>
2	Explore innovative financing models that reinvest in Ontario's creative industries	<ul style="list-style-type: none"> <li>b. Collaborate with government partners to determine potential feasibility of implementing new alternative financing tool.</li> </ul>
3	Grow the domestic and service screen production industry across all regions of Ontario	<ul style="list-style-type: none"> <li>a. Promote new DLL and website.</li> <li>b. The Film Commission will support the marketing and promotion of regional readiness activations.</li> <li>c. Explore partnerships to promote Ontario's creative and technical talent.</li> </ul>
4	Partner with government to support the continued modernization of tax credits.	<ul style="list-style-type: none"> <li>c. Continue to work with government to support the modernization of tax credits.</li> </ul>



<b>STRATEGIC GOAL #4: DEVELOPING GLOBAL MARKETS</b>		
1	Review and enhance programming and strategic initiatives in international markets	a. Assess and adjust multi-year international business development plan as needed.
2	Simplify access to funds that support international development and growth of companies	b. Continued implementation and monitoring of Global Market Development programs. c. As part of OMIF redesign work, develop a new music export program.
3	Build the value proposition of the Ontario brand	a. Measure the impact of the value proposition regularly.
4	Optimize brand partnerships	a. Continue to evaluate sponsorship opportunities on an ongoing basis. b. Collaborate with CARAS to amplify Ontario music industry presence at 2026 JUNO Awards (if in Ontario) through the Opening Night Awards. c. Collaborate with CMW Reimagined: Departure Festival and Conference on a Business Is Better With Music partnership/event.
<b>STRATEGIC ENABLER #1: DELIVERING EXCEPTIONAL CUSTOMER EXPERIENCES</b>		
1	Review and improve accessibility of investment and tax credit programs	a. Continue to seek new opportunities to connect with stakeholders outside of the GTA. b. Continue to monitor and assess communications and outreach efforts on an ongoing basis. c. Conduct an equity and accessibility review of program guidelines.
2	Implement an information technology roadmap to improve efficiency and stakeholder experience	a. Conduct a Customer Satisfaction Survey.
3	Enhance performance measurement capacity and tools	a. Implement new reporting framework. b. Measure effectiveness of new framework.
<b>STRATEGIC ENABLER #2: EMPOWERING HIGH PERFORMING TEAMS</b>		
1	Define Ontario Creates' culture and employee value proposition	a. Implement recommendations from employee value proposition analysis. b. Continuously measure and monitor effectiveness.
2	Promote an equitable, inclusive, accessible, anti-racist and diverse workplace	a. Continue to evaluate and build on Multi-Year Accessibility Plan.
3	Build a flexible, inclusive, and effective hybrid work model that aligns with OPS requirements	a. Continue to review and adapt internal policies with respect to hybrid and remote work in accordance with government direction.

## XIV. COMMUNICATIONS PLAN

Despite the economic and market challenges Ontario's creative industries have faced in recent years, the screen, publishing and music sectors continue to produce compelling, award winning content which is in demand worldwide; highlighting how robust and resilient Ontario's creative companies and workforce are. We are proud of the role that Ontario Creates' programs and services have played in their success.

Ontario Creates' 2025-26 communications plan will help advance our strategic objectives, support the goals articulated in this Business Plan, and align with the government's priority to increase productivity and global competitiveness. Strategies will include: building awareness of Ontario's creative industries among potential audiences and investors – both locally and internationally; outreach to underrepresented communities to expand the range of applicants who benefit from government investment and contribute to the province's creative ecosystem; enhancing understanding among existing stakeholders about Ontario Creates range of innovative programs, services and resources; and elevating the agency's workforce development efforts by targeting messaging to secondary and post-secondary educational institutions as well as new Canadians and second-career seekers. We will build on our strong brand and social media presence, leverage promotional opportunities in key international markets and amplify the marketing efforts of Ontario companies and content to promote Ontario's benefits as a leading business jurisdiction, innovation hub, and strong co-production partner.

### GOAL

To build awareness about Ontario's creative industries, talent and incentives and stimulate industry growth and employment by demonstrating that Ontario offers a competitive, business-friendly environment where companies can thrive, good jobs can grow, and great content is made.

### AUDIENCES

- **External:** Consumers, industry stakeholders, students and educators, influencers and decision-makers in Ontario, across Canada and around the globe.
- **Internal:** MTCG and other relevant ministries, Ontario Creates Board of Directors, Industry Advisory Committee members, and Ontario Creates staff.
- **Media:** Trade and consumer journalists and editors; social media influencers.

### TOOLS

- Social Media – Instagram, LinkedIn, X
- Targeted digital and print advertising in trade publications
- Earned media coverage – traditional and industry; radio, print and online; national and local
- Events to showcase Ontario content and talent
- Publications and reports to highlight results, impact, accomplishments and opportunities

### APPROACH

#### *Build Capacity*

- Target communication and outreach to underrepresented communities, businesses and emerging talent in the creative industries.
- Sponsor and build partnership relationships with key industry organizations to enhance outreach efforts.
- Celebrate the successes of Ontario's content creators with a particular emphasis on showcasing diverse voices and Ontario's wide range of talent and stories across sectors.
- Connect with students, educators and other potential workforce entrants to promote career pathways and opportunities in the creative industries.

#### *Fuel Growth*

- Promote investment funds and programs to strengthen production and help capitalize Ontario companies for long-term success.

- Seek partnership opportunities to enhance Ontario Creates' brand awareness and recognition of Ontario's creative industries, talent and content.
- Collaborate with industry partners such as CARAS to leverage exposure for Ontario nominees at the JUNOS to promote emerging first time nominees.
- Host events, awards and playlists to showcase Ontario-made content and talent.

#### ***Drive Investment***

- Highlight the agency's innovation and leadership initiatives such as sustainability (Ontario Green Screen), diversity programming, and streamlining of business services and supports.
- Work with local and regional partners and media outlets to promote high value production made across the province.
- Demonstrate Ontario's strong value proposition and competitive edge as a business jurisdiction and investment partner.

#### ***Develop Global Markets***

- Seek media opportunities whose wide global reach and established sector reputation will elevate Ontario's brand recognition with audiences and investors in international markets.
- Develop eye catching promotional products for global market conferences and events wherever Ontario Creates has a presence.
- Leverage awards and new content releases by amplifying the social media content of Ontario companies.

#### ***Deliver Exceptional Customer Experiences***

- Assess communications and outreach efforts to ensure we reach all potential stakeholders across the province; continue to offer virtual information sessions, enhance online resources, and seek opportunities to connect with stakeholders outside of the GTA to ensure equitable access to Ontario Creates' staff and expertise.
- Use demographic data to help inform outreach strategies to equity seeking groups in order to improve their success rates for Ontario Creates' investment programs.
- Refresh and enhance content of Ontario Creates' website including the 'Celebrating Ontario' marketing page to increase traffic and optimize the user experience.

## XV. RESPONSE TO THE EXPECTATIONS SET OUT IN THE AGENCY LETTER OF DIRECTION

This Business Plan details the goals, objectives, strategic direction, specific programs, activities, and initiatives that will enable Ontario Creates to achieve its mandate in the year ahead. The agency's new strategic plan focuses resources on building foundational industry capacity, empowering growth, driving investment in Ontario, and promoting Ontario content while striving to be responsive, collaborative, accountable, and showing leadership and excellence. This plan strongly aligns with, and supports, the government's priorities and the expectations set out in the agency's 2025-26 LOD from MTCG,

Ontario Creates will support government priorities to promote economic development, investment and jobs in Ontario's vibrant creative media industry, specifically by:

- Promoting, enhancing and leveraging investment, jobs and content creation in Ontario's book publishing, film and television, interactive digital media, magazine publishing and music industries;
- Working with industry partners to boost the economy, create jobs for Ontarians, and demonstrate that Ontario is a place where companies from around the world can grow; and
- Supporting companies in becoming more diverse, resilient and sustainable.

Below are key priorities referenced in Ontario Creates' mandate letter, and supporting information on how we are helping the government to achieve these goals.

Key government-wide priorities include:

1. Innovative
2. Sustainable
3. Accountable

Ontario Creates-specific priorities, as outlined in the letter of direction, include:

4. Work to increase productivity and global competitive of Ontario's creative industries.
5. Continuing with the implementation of the 2023-27 strategic plan, with an ongoing focus on performance measurement and demonstrating the ROI of government investment.
6. Ensuring efficient administration of film and television tax credits, and work with MTCG and government partners to continue to grow the film and television industry.
7. Work with the ministry on public communications opportunities including implementation of the Grants Communications Protocol.

Each priority, and the actions that Ontario Creates will take to address those priorities in 2025-26, is outlined below.

### 1. **Innovative:**

*Simplify client/customer interactions*

*Expand and optimize digital service offerings*

*Improve client/customer satisfaction*

*Share data with Supply Ontario regarding procurement*

- Ontario Creates is committed to demonstrating innovation in the delivery of its programs and services.
- In 2025-26, the agency will be promoting its most recent digital service offerings, including a revamped DLL and Film Commission website, and will be updating its ORL.
- The agency will also be launching the next version of its Customer Satisfaction Survey, which will collect stakeholder/client feedback, and from there, the agency will work to implement improvements.
- Ontario Creates will continue to share information about its procurement strategy with Supply Chain Ontario.

## **2. Sustainable**

*Strengthen public service delivery by optimizing organizational capacity and directing existing resources to priority areas*

*Use public resources efficiently*

- Ontario Creates will complete the implementation of its suite of technological and process changes intended to improve tax credit processing times in 2025-26. These investments, made possible through OAAF, represent a key example of how the agency has directed resources to address tax credit processing times.
- In 2024-25, Ontario Creates received approval for 10 FTEs to be added to the Tax Credits and Financing Team to also address the tax credit queue backlog. Hiring for those roles is currently underway.

## **3. Accountable**

*Develop and report on outcome-focused performance measures*

*Protect individual, business or organization data by actively managing data security and cybersecurity and reporting AI uses*

*Report all high-risks including effective mitigation plans*

*Align hybrid work policies with the OPS, and identify/assess office optimization opportunity to reduce office realty footprint*

*Develop and encourage diversity and inclusion initiatives by promoting an equitable, inclusive, accessible, anti-racist and diverse workplace*

- As part of its strategic plan, the agency has committed to conducting an overhaul of its performance management framework. In 2025-26, the agency will be focusing on implementation of the new system in full, with assistance from Deetken Insight.
- The agency will continue to meet (and exceed) its obligations under the AAD by submitting a quarterly risk register, as well as a risk matrix to help identify high risks. The risk register includes a detailed mitigation strategy for each risk.
- The agency will report all AI uses, as directed.
- The agency's IT team leads substantive in-house cybersecurity and data management efforts, and will conduct a hardware firewall renewal in 2025-26.
- The agency will continue to work with Infrastructure Ontario and the Ministry of Infrastructure to review options regarding the agency's lease.

## **4. Work to increase productivity and global competitiveness of Ontario's creative industries**

- In 2025-26, Ontario Creates will launch the IP Fund, a new program to drive economic growth in Ontario's screen sectors by investing in activities that support the production and exploitation of innovative, high-quality and consumer focused-content.
- In 2025-26, Ontario Creates will undertake a redesign of business development and marketing programs for the screen and publishing industries, and complete and analyze the findings from the OMIF review, to ensure that they are still keeping pace with evolving business models.
- In 2025-26, Ontario Creates is implementing the first year of activities associated with its workforce development strategy. These initiatives, including additional support for projects with mentorship and training activities and new industry partnerships, can help accelerate productivity and the global competitiveness of Ontario's creative industries.
- Ontario Creates will also work with government partners to determine the feasibility of implementing a new alternative financing tool for the creative industries.

## **5. Continue with the implementation of the 2023-27 strategic plan, with an ongoing focus on performance measurement and demonstrating the ROI of government investment**

- As the initiatives proposed for 2025-26 demonstrate, Ontario Creates is committed to implementing the direction and initiatives outlined in its strategic plan, including establishing and implementing a workforce

development strategy, providing support to diverse-led projects and businesses, building on OGS leadership, revising core investment programs, partnering with government to simplify tax credit eligibility requirements, growing the screen production industry, and more.

- As part of these efforts, Ontario Creates is committed to the ongoing implementation of its new, outcome-focused performance measurement framework, which will enable the agency to measure its performance more effectively and communicate the ROI of government investment.

**6. *Ensure efficient administration of film and television tax credits, and work with MTCG and government partners to grow the film and television industry***

- Ontario Creates will continue to work with government partners to implement any changes to tax credits, as well as support the modernization of tax credits as appropriate.
- The Film Commission will support the marketing and promotion of regional readiness activations.
- As part of the ongoing KPI modernization work, Ontario Creates will continue to move towards developing a service standard to better measure and communicate tax credit processing times.
- As described elsewhere in this document, Ontario Creates will continue and complete the implementation of the suite of technological and process improvements made as part of the OOAF suite of projects, as well as its tax credit productivity strategy.
- Also through the Film Commission, Ontario Creates will explore new and innovative partnerships to promote Ontario's creative and technical talent.

**7. Work with the ministry on public communications opportunities including implementation of the Grants Communications Protocol.**

- Ontario Creates will continue to work with MTCG on the implementation of the Grants Communications Protocol.

With regard to measuring the agency's progress in meeting the objectives above, as well as the Ontario Creates-specific measures detailed below, the agency is pleased to note that our modernized KPI framework includes a significant number of metrics that measure these priorities already. As detailed elsewhere in this Business Plan (IX Performances Measures), we are currently in the process of implementing an outcome-based measurement system that will effectively measure our progress against these priorities and those outlined in our strategic plan. As we progress through the implementation of this new framework, the agency will explore additional measures as needed to address each of the priorities identified above.

The plans and projects detailed in this Business Plan and in our strategic plan demonstrate our commitment to ensuring Ontario Creates' programs and activities are customer-focused and tailored to the needs of the sectors we support.

Ontario's screen, publishing, and music industries are a global success story. Collectively, these industries generate billions of dollars in economic activity and create tens of thousands of jobs, while supporting local economies. We are confident that with ongoing support from MTCG, Ontario Creates will be able to make strategic and timely investments that will position Ontario as a leader and an attractive jurisdiction for domestic and foreign creative industry business activity.

## XVI. ARTIFICIAL INTELLIGENCE USE CASE INVENTORY

Ontario Creates does not have any artificial intelligence (AI) use cases to report with regard to its internal activities and operations.

Considering internal and external applications of AI remains an active priority for the agency. Ontario Creates led a cross-sector AI Forum in April 2024. The keynote speaker examined the potential role of copyright law in addressing AI, and participants shared their perspectives in roundtable discussions on two topics: how they are currently using AI, and the role they see AI playing in the future of their businesses. Ontario Creates intends to keep engaging with stakeholders to better understanding current and futures uses of AI within the scope of their work.

Throughout 2024-25, the agency also collected data from program applicants' AI use via a disclosure indicating if AI was used in completing the application form, and if AI would be used in the proposed project. In 2025-26, Ontario Creates' Program Policies will reference the Ontario Government's Trustworthy AI Framework, and evaluate the feasibility of projects using AI with a view to transparency, ethics, and human-centric design, alongside continuing to collect the AI Disclosure, as a means to measure AI use and evaluate project budgets fairly for job creation and budget allocations for technical activities.

The agency is currently exploring whether the application of artificial intelligence could be used to improve tax credit processing times through the creation and use of new tools, including a chatbot and risk scoring algorithms. If AI could be used for these purposes, and any risks can be effectively managed, then the agency will work to develop and implement corresponding AI systems.

The agency is currently in the process of exploring whether these tools are appropriate. This exploratory work will include a detailed risk assessment in 2024-25, with development and implementation in 2025-26.

## APPENDIX A – RISK REGISTER

As of September 30, 2024

#	Objective	Risk Statement	Risk Category	Existing Controls	Risk Assessment (Residual)	Risk Rating	Mitigation / Action Plan
1	Supporting the growth of Ontario's creative industries.	Due to increased demand for Ontario Creates' programs and services, without corresponding additional resources, there are an increasing number of companies that are unable to be supported by Ontario Creates, or may be required to wait a long time for service (in the case of tax credit certification). This may lead to lost opportunities for economic growth; it may lead to these companies leaving Ontario for other jurisdictions and ultimately it may make Ontario less competitive relative to other jurisdictions that are increasing their support to these sectors (e.g., Quebec,	Delivery / Operational and Public Perception / Stakeholder	The agency engages in ongoing business process improvements in order to gain efficiencies.	<p><b>Risk Likelihood:</b> Almost Certain (5) – Demand for services increases every year.</p> <p><b>Risk Impact:</b> Moderate (3) – Dedicated staff continue to go above and beyond to meet service standards and implement business improvement processes.</p>	15	Ontario Creates will continue to consider and implement business process improvements (including many of those recommended in the review of tax credit business processes). A suite of technological changes to improve tax credit processing efficiency are underway and will roll out in 2024/25 and 2025/26. . Staff will continue to work hard to deliver a high standard of customer service. The agency also recently got approval to temporarily add 10 FTEs to address this



#	Objective	Risk Statement	Risk Category	Existing Controls	Risk Assessment (Residual)	Risk Rating	Mitigation / Action Plan
		BC, Nova Scotia) or proposing to make significant enhancements (California)					backlog. The agency also continues to explore innovative new tools to support the creative industries, including modeling of alternative financing structures.
2	Ensuring programs and services are effective and responsive to the current business environment for the creative industries.	The creative industries are rapidly evolving as a result of new technologies including AI, regulatory changes and inflationary pressures which have exacerbated some long-term trends and accelerated the pace of change. Exacerbated by a volatile economic environment,, industries are experiencing new and different risks than in the past, including labour force and infrastructure related challenges, supply chain disruptions and additional expenses associated with financing their work. To be most effective Ontario Creates' programs and services should align with	Delivery / Operational and Public Perception / Stakeholder	The agency supports business intelligence work and has regular dialogue with its Industry Advisory Committees to remain informed about the evolving industry. Program parameters are regularly reviewed and updated and the agency works with partners at MTCG and MoF to discuss changes that would modernize tax credit legislation and regulation. Regular surveys and feedback mechanisms are used to collect client input on programming. The agency regularly conducts	<p><b>Risk Likelihood:</b> Likely (4) – The creative industries are dynamic businesses that are continuously evolving.</p> <p><b>Risk Impact:</b> Moderate (3) – Ontario Creates' programs and services are designed to be flexible and responsive to a changing industry, however, modernizing tax credit legislation is not within the agency's control.</p>	12	Ontario Creates will continue to monitor and evolve programs as the environment changes and will continue to work with partners around implementing changes to the tax credits to better align them with the current technological and regulatory environment. The provincial government introduced several tax credit modernization mechanisms in the Spring 2022 budget and the Fall Economic Statement, and the agency continues to support the

#	Objective	Risk Statement	Risk Category	Existing Controls	Risk Assessment (Residual)	Risk Rating	Mitigation / Action Plan
		changes in the environment. If not, there is a risk that programs may not adequately support industry needs, supported activities may not produce the greatest economic impact for the Province's investment, and projects may move to other jurisdictions.		formal reviews of its investment programs and services to ensure alignment with industry needs and the environment.			government in the implementation of those changes as they become law The agency's new five-year Strategic Plan will also serve as an opportunity to reset and prioritize areas of support. Values in the new plan include being Service-Focused and Collaborative; and new strategic goals and initiatives have been designed to address stakeholder needs in the current business environment, as identified through the strategic plan development process. As the "Future of Screen" report and program review process has been completed, Ontario Creates will launch the IP Fund in the coming months as part of this commitment to ensuring programs remain responsive to the current

#	Objective	Risk Statement	Risk Category	Existing Controls	Risk Assessment (Residual)	Risk Rating	Mitigation / Action Plan
							<p>business environment. A review of the Ontario Music Investment Fund is also currently in process.</p> <p>The Ontario Film Commission is updating its website and locations library to align with industry standards, making our services – including environmental resources made available via the Ontario Green Screen Program – are more accessible and easier to use on the web and via mobile devices.</p>
3	Ontario Creates' new Strategic Plan identifies being Inclusive (ensuring diversity, equity and accessibility in our programs and our workplace) as a core value that embodies the	Current events demonstrating the systemic roots of oppression have created a call for greater equity across all parts of society, and especially within the creative industries. As current diversity funding initiatives are non-permanent, there is a risk that Ontario	Public Perception	Diversity of projects is embedded in program evaluation. Dedicated diversity programs, while temporary, have increased available funding in film, industry development and music more	<b>Risk Likelihood:</b> Possibly (2) – In 2023-24 unexpected revenue due to increased interest rates meant the agency could support the Diversity Enhancement and	4	Ontario Creates is working on data collection to better understand demographics of successful funding recipients. Aggregate information will be shared back with the creative community at large. The desire for

#	Objective	Risk Statement	Risk Category	Existing Controls	Risk Assessment (Residual)	Risk Rating	Mitigation / Action Plan
	attitudes and behaviours we promote and encourage across our organization and that are fundamental to our relationship with our stakeholders and our internal culture.	Creates may be perceived as not doing enough to address these issues and may be perceived as insufficiently equitable in its distribution of funding particularly if the agency is unable to continue these programs. In addition, with several other agencies, funding bodies and industry organizations launching dedicated programs and creating dedicated positions to address diversity and equity, there is a risk of the agency being perceived as insufficiently committed to diversity or insufficiently diverse in the composition of its workforce and decision-makers.		recently. In addition, a project to capture enhanced demographic data will provide additional information about the makeup of applicants and successful funding recipients. Ontario Creates has increased the diversity of its workforce in recent years. While Ontario Creates' workforce is diverse, its management and board are less so, which could make the agency vulnerable to the claim of being insufficiently diverse.	AcceleratiON programs without the use of cash reserves. We do not anticipate that this will be a source of support beyond this year.  <b>Risk Impact:</b> Minor (2) – Initiatives underway such as Demographic data collection, diversity enhancements and incorporation of diversity in evaluation criteria, should help to minimize impact of the risk.		increased diversity in board composition has been flagged to MTCG. The agency completed a review of the AcceleratiON program, in order to better understand the program's impacts, strengths and inform strategic decisions about the program moving forward. The agency will be continuing AcceleratiON for another year (2025-26) while the review of the Ontario Music Investment Fund is completed. The Diversity Enhancement will also be continued for the Magazine Fund, Book Fund, and Industry Development program in 2025-26. Ontario Creates' DEIB Task Force continues to meet regularly to discuss DEIB-related objectives and

#	Objective	Risk Statement	Risk Category	Existing Controls	Risk Assessment (Residual)	Risk Rating	Mitigation / Action Plan
							tactics, including the provision of resources relating to the use of land acknowledgements at the agency.
4	Ontario Creates strives to offer service and operational excellence to its stakeholders, which includes fair and transparent decision-making on distribution of limited grant funding. Strategic Plan values include being collaborative, accountable and inclusive.	As grant funding is limited and demand exceeds available funds, an evaluation process is required to distribute funding. There is a risk that unsuccessful applicants or other stakeholders may take issue with decision criteria, processes or perceive that favoritism or bias affects funding decisions, which could impact confidence in the agency's trustworthiness and impartiality as a funder, and overall reputation.	Public Perception	Industry juries are the primary mechanism for funding decision-making in the sector-specific investment programs. Calls for jurors are widely circulated and committees are regularly refreshed. In the programs that do not use external juries, evaluation criteria, scoring and weighting are clearly outlined in program guidelines (as they are in sector fund guidelines). Scoring for each project and decision rationale are documented internally and a list of all successful funding recipients is published on the Ontario Creates	<b>Risk Likelihood:</b> Unlikely (2) – Peer jury model used in sector investment funding decisions is in place for most programs, and is considered best practice in reducing chance of bias/favoritism influencing decisions.  <b>Risk Impact:</b> Moderate (3) – When similar agencies have contended with a charge of bias or favoritism, there have been moderate impacts to their reputation, and a requirement to have processes	6	Ontario Creates will continue to support staff anti-bias training, and continue to rely primarily on a peer jury model to support a fair and transparent decision-making system. In 2024-25, the Business Intelligence Program will be releasing a Research Standards Guide, which will provide applicants with more detailed information about the types of elements their project should include in order to be competitive within the program, which should improve the transparency of decision-making within this program.

#	Objective	Risk Statement	Risk Category	Existing Controls	Risk Assessment (Residual)	Risk Rating	Mitigation / Action Plan
				website in a timely fashion. Unsuccessful applicants are offered a meeting to review the results of their application's evaluation. Staff have had mandatory anti-bias training.	investigated by a third party.		
5	Good governance of the agency	The book, magazine and IDM (video games) industries are currently underrepresented in the primary areas of expertise among Board members. This presents a risk that the Board may not have some of the specific skillsets and knowledge needed to provide effective governance and strategic direction to the Agency.	Governance/Accountability	Ontario Creates has provided MTCG with a Board skills matrix identifying gaps and needs. New Board members receive an extensive briefing by senior staff.	<b>Risk Likelihood:</b> Possible (3) <b>Risk Impact:</b> Minor (2)	6	One Board position is now open. This represents an opportunity to close the knowledge gap.  The Board skills matrix is a tool to keep the government informed of gaps in Board areas of expertise.
6	Maintaining Ontario's competitiveness as a jurisdiction for the creative industries.	Changing federal telecommunications and culture policy, particularly stemming from the Broadcast and Telecommunication Legislative Review (BTLR) recommendations and	Policy	Ontario Creates regularly scans the environment and monitors policy discussions across Canada in order to assess any impacts that could reduce Ontario's competitiveness.	<b>Risk Likelihood:</b> Likely (4) <b>Risk Impact:</b> Moderate (3)	12	The agency will continue to monitor and will communicate any potential policy misalignments that could jeopardize Ontario's competitive position with MTCG. The

#	Objective	Risk Statement	Risk Category	Existing Controls	Risk Assessment (Residual)	Risk Rating	Mitigation / Action Plan
		Bill C-11, as well as Bill C-18, as well as any possible AI-related legislative updates, could create a disconnect between federal and provincial policies which may make Ontario a less desirable jurisdiction for content creating companies.					agency will also continue to participate in consultation processes at the CRTC and federal level, as deemed appropriate. The agency is also actively monitoring ongoing legal proceedings against the CRTC, and other political developments, that may potentially challenge the Bill C-11 implementation process. The agency also continues to monitor the creation of new or enhanced incentives that are present in other competitive jurisdictions that may impact Ontario's competitiveness.
7	Ensuring that Ontario Creates is a workplace free from workplace violence, discrimination and harassment.	There have been instances where unhappy stakeholders who have been turned down for funding have been abusive to Ontario Creates' staff. There is a risk that this	Delivery/Operational (Human Resources)	Ontario Creates' workplace and discrimination policy is reviewed at least annually, and updated when required. Staff are reminded that any	<b>Risk Likelihood:</b> Unlikely (2)  <b>Risk Impact:</b> Moderate (3)	6	Ontario Creates will continue to review and update policies and procedures around workplace discrimination and harassment regularly. A new

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		behaviour could escalate to discrimination or harassment, including physical threats. When processing times increase, or more client projects are turned down due to program oversubscription, there is a greater likelihood this could occur. Some of the agency's spaces, including washrooms, have been accessed by members of the public, and these encounters have caused staff to occasionally feel unsafe while at work.		form of harassment should be reported immediately to management who will handle such occurrences according to OPS policies and guidelines. All visitors to the office are required to sign in and an emergency button is located at reception in case of a threat. Staff are required to complete mandatory training about workplace discrimination and harassment, and anti-bias training has been provided. Staff have also been provided with instructions and guidance on what to do should they have unsafe encounters and wish to report them to the Operations team and/or building security.			toolkit of policy resources for staff is currently being finalized. Several staff members that deal regularly with clients have also received specialized customer de-escalation training via CAMH. Ontario Creates' Senior Management Team will continue to investigate options to maintain and improve the safety of office spaces, such as keypads on bathroom doors.
8	Ensuring Ontario Creates has measures in	Due to a high volume of job opportunities elsewhere in the OPS	Delivery/Operational (Human Resources)	Ontario Creates offers competitive salaries and a	<b>Risk Likelihood:</b> Possibly (3)	9	Ontario Creates and its Employee Engagement



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	place to support recruitment, retention and engagement of highly qualified staff members.	and industry, workforce demographics and other factors, Ontario Creates faces an HR risk related to recruitment and retention. Career development opportunities abound for staff, however retirements and departures of trained team members can present a challenge to Ontario Creates productivity and succession planning. Moreover, broader considerations about how existing vacancies are managed, staff reductions, and the return to work policies at the OPS level have an impact on Ontario Creates' ability to recruit, retain and ensure high morale.		positive work environment consistent with OPS policies and standards. Staff members have access to professional development opportunities and a hybrid environment allowing for work from home multiple days per week. An Employee Engagement Committee is working on an action plan to support continuous improvement in staff engagement, following the results from the most recent Employee Experience survey. Ontario Creates has also recently expanded and diversified its job posting strategy in order to help attract a wider pool of qualified candidates to open postings.	<b>Risk Impact:</b> Moderate (3)		Committee will continue work on the Action Plan for existing staff, and continue to employ diversified strategies for recruitment to build awareness of the agency and associated job opportunities. Ontario Creates will utilize FORTE to plan for learning and development opportunities as well as for succession planning.

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9	Maintaining the highest levels of information and network security.	Due to the significant amount of data and information held by Ontario Creates, incomplete, out-of-date, inaccurate or confidential information could be disclosed to the public including statistics or other personal or proprietary business information that could be harmful to individual companies, or the industries themselves and how they are perceived in the Province. Email scams and phishing attempts run the risk of causing financial harm to individual staff members and/or the organization if messages are not recognized as fraudulent. Due to the flexible work model in place, with staff working from home on a regular basis, there is potential for security issues (as employees will be connected through their own internet service providers; they	Delivery/Operational (Information / Privacy)	Ontario Creates IT policies ensure the highest levels of network security. This includes annual security audits and regular updates to security infrastructure. Ontario Creates' Online Application Portal (OAP) is a state-of-the-art online program delivery system. The agency has in place clearly defined processes and protocols with regard to results tracking and reporting. Management approval is required prior to the release of statistical information. In addition, Ontario Creates has its own dedicated IT Team with someone on call at all times who can respond immediately to any breach of data or security. Spam alerts are regularly shared	<b>Risk Likelihood:</b> Unlikely (2)  <b>Risk Impact:</b> Moderate (3)	6	Ontario Creates will continue to maintain the highest security standards for IT and network security. The release of statistical information will continue to require approval at the management level. IT staff will implement best practices from the OPS-wide cybersecurity CoP. Frequent spam alerts and cybersecurity training opportunities will continue to be shared with staff. The agency will continue to enhance security protocols and monitor network security. The agency will carry out a cybersecurity tabletop exercise and a Red Teaming exercise in 2024/25.

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		are also transporting equipment (laptops) to and from home on a frequent basis). Additionally, certain processes, like connecting to network drives through VPN, may slow staff down.		with staff via email, leading to increased awareness of potential threats and improved ability to recognize suspicious messages. OPS-level cybersecurity training opportunities are offered to staff where available. IT staff have undertaken security training, and are participating in the OPS-wide cybersecurity community of practice (CoP). Staff working from home are using Ontario Creates' devices with the enhanced security software installed. Network drive connection is through VPN or SharePoint in the cloud to ensure additional security. The agency's IT Team closely monitors the			

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				network and ensures the latest security protocols are being followed. An Emergency Management and Business Continuity Plan, including an Information Technology Continuity of Operations Plan is in place and reviewed annually.			
10	Maintaining IT infrastructure and information systems	Due to the vulnerability of the physical structures that house Ontario Creates' servers and other physical IT infrastructure such as servers, there is a risk that physical building integrity failures (such as flood or fire) could compromise Ontario Creates' IT infrastructure. As the building ages, this risk intensifies.	Delivery/Operational (Information / Privacy)	All agency data is backed up and can be restored, with limited service interruption. The agency has moved most applications offsite including the Online Application Portal, Online Research Library and Digital Location Library. Network drives have been moved to the cloud.	<b>Risk Likelihood:</b> Rare (1)  <b>Risk Impact:</b> Moderate (3)	4	The agency process to move our final applications to the cloud is nearly completed. This will completely mitigate any risks related to the physical integrity of the office. This project is anticipated to conclude in 2024.

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11	Workforce Development	As the creative industries continue to grow in Ontario, there is a need to ensure that a skilled workforce exists in order to service this growth. There is a strong need for skilled labour across the creative sectors, and if this demand is unmet, it can negatively impact Ontario's competitive advantage, lead to a reduction of Ontario-made content, and may cause Ontario Creates to miss its own KPIs relating to job creation.	Delivery	Ontario Creates regularly engages with stakeholders through our Industry Advisory Committees, events like the Workforce Symposium and our Business Intelligence program to understand issues and needs related to workforce development. While the WGA and SAG-AFTRA work stoppages have concluded, risks remain related to the number of workers who may have exited the industry as a result, which may have long-term impacts as production resumes in the Province.	<b>Risk Likelihood:</b> Possibly (3)  <b>Risk Impact:</b> Moderate (3)	9	The agency held a Workforce Development Symposium in Q4 2023/24 with the goal of gathering stakeholder input on key workforce development issues in their sector. The feedback gathered as part of this process is informing the development of a Workforce Development Strategy. Ontario Creates has shared a proposed workforce development strategy with its Board of Directors, MTCG and will outline several actions for 2025-26 within its 2025-26 Business Plan.
12	Labour Relations in the Film and Television Production Sector	Ongoing labour negotiations between the various unions and guilds that represent workers in the Film and Television industry continue to create work stoppages and	Delivery	Ontario Creates is in regular communication with partners (including City of Toronto, Film Ontario, MTCG) and stakeholders to	<b>Risk Likelihood:</b> Likely (4)  <b>Risk Impact:</b> Very High (5)	25	Ontario Creates will continue to monitor and assess the situation, as well as its impact on production spend and job creation. Based on the

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		slowdowns. While the Writers Guild of America and SAG-AFTRA disputes have concluded, there are likely to be more labour challenges on the horizon. This may lead to a reduction in the amount of service film and television work happening in Ontario and will lead to weaker economic impact and fewer jobs for Ontarians. In addition, Ontario Creates will be unable to meet KPI targets related to production spend and jobs creation, and the agency will likely see a decline in self-generated revenues associated with admin fees for tax credits administered by the agency.		understand issues and timelines. Mitigations are largely outside of agency control.			agency's 2023 Production Statistics, film and television production in the Province accounted for \$1.8 billion in economic impacts in 2023, down from \$3.1 billion in 2022. While the impact on the agency in terms of tax credit administrative fees has not been felt yet, a direct negative impact on the agency's revenues is anticipated for 2024/25.
13	Artificial Intelligence	As artificial intelligence tools like ChatGPT and other applications see increased adoption in the creative sectors (and among audiences), there is the potential for far-reaching practical and	Delivery / Operational and Public Perception / Stakeholder	Ontario Creates is currently monitoring the developments around artificial intelligence policy, and evaluates applications for potential legal and	<b>Risk Likelihood: Likely (4)</b>  <b>Risk Impact: Moderate (3)</b>	12	Ontario Creates will continue to liaise on an ongoing basis with MTCG, MOF, and legal counsel as well as partner funding agencies in order to understand the risks,

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		ethical impacts across business models, intellectual property, labour in addition to ethical considerations. Ontario Creates' investment programs and tax incentives are likely to see applications from Ontario companies utilizing AI tools and without policy or legislative clarity, will have to make decisions on eligibility for Ontario Creates' support.		ethical ramifications.			implications and opportunities of AI. The agency is considering the question of eligibility of AI-created or supported content for its investment programs. The agency has implemented an AI disclosure for applicants, and has released an interim policy to ensure that internal agency operations are in line with the current OPS guidance for the use of AI, as well as reporting requirements around use cases for AI within the agency. An AI symposium with industry was held in Q1 2024-25, which is helping with the development of an agency-wide policy in line with other funding bodies and aligns with the agency's mandate for innovation and job creation.

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14	Financial Stability of Large Organizations supported in part by Ontario Creates	As exemplified by the recent financial and operational difficulties at major creative industry organizations, there are increased financial and reputational risks for both the agency as well as the Province when large organizations that typically receive support from Ontario Creates face high-profile challenges. These could include increased demand on the agency for financial support, as well as reputational risks to the Province depending on the type of difficulties the organization may be facing.	Public Perception Delivery/Operational	Ontario Creates is actively engaged in communicating with organizations receiving funding, and requests financial and operationally-relevant information as part of its application and final reporting processes.	<b>Risk Likelihood: Possibly (3)</b>  <b>Risk Impact: Minor (2)</b>	5	Ontario Creates will continue to actively monitor and assess situations impacting its funding recipients that have impact on the agency, or on the Province's reputation.
15	New Public Accounting Standard PS3400	A new public accounting standard, PS3400, has been introduced that has a significant impact on the agency's financials. Specifically, this accounting standard means that tax credit revenues will be recognized in the year that a file is closed,	Financial	Ontario Creates is working with the OAG to understand, plan and mitigate the impacts of this new accounting framework on a retroactive (1 year) and ongoing basis.	<b>Risk Likelihood: Almost Certain (5)</b>  <b>Risk Impact: Very High (5)</b>	25	Ontario Creates will be applying the change retroactively to smooth the revenue impact and avoid a year-end deficit position for FY24. The agency will monitor the impact of the \$3 million net reduction to cash



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		rather than the year that the payment was received. This will have a direct impact on the value of tax credit administration fees that will be reflected in the agency's revenues in a given year. The change will result in a \$3.0M reduction in the agency's cash reserves in the immediate term, will cause significant forecasting/planning difficulties moving forward, and will require back-end process and system modifications. Moreover, this decreases overall certainty about the ability of our annual revenues to cover the costs associated with the salaries of tax credit staff within a fiscal year.					reserves and will modify program funding and delivery plans as needed to compensate for the shortfall. A negative net asset position could result if a decision is made to utilize cash received that has not yet been recognized as revenue. Moving forward, Ontario Creates will continue to work with MTCG to reinstate FTEs in order to increase capacity and productivity so that a higher proportion of revenues can be recognized within the same fiscal year as applications are received. Exposure will be decreased as the queue is reduced.
16	Canada – U.S. Economic Relationship	The United States is a key trading partner for Ontario's creative industries A changing Canada-U.S. economic relationship can pose a significant risk to the	Policy	Ontario Creates is actively monitoring the ongoing trade situation with the U.S., and working to understand the scale and scope of	<b>Risk Likelihood: Almost Certain (5)</b>  <b>Risk Impact: Moderate (3)</b>	15	Ontario Creates will continue to monitor this developing situation, as well as monitoring any subsequent retaliatory measures

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		creative industries, and subsequently, to the companies receiving support from the agency (particularly those who export physical goods to the U.S.). Initial estimates shared by the Association of Canadian Publishing (ACP) indicate that tariffs could be potentially catastrophic for segments like children's publishing, where the U.S. market accounts for more than 50% of revenues. Across the board, U.S. sales account for approximately \$45 million annually for the Canadian-owned book publishing sectors. Beyond tariffs, there are other efforts underway intended to keep more creative business within the United States, like the 'Stay in LA' campaign intended to keep more production activity in Los Angeles.		potential actions and Canadian responses. Ontario Creates is actively engaging with creative industry trade associations to develop an understanding of sector-specific implications.			and/or other initiatives the federal government may roll out in response to this situation. The agency will also continue to monitor how this situation evolves politically with respect to the renewal of CUSMA in 2026, and the status of the current cultural exemption. Ontario Creates will also continue to discuss immediately and projected impacts with trade organizations to understand sector-specific nuances, and will continue to communicate with MTCG to understand provincial policy responses. At an agency level, Ontario Creates will also immediately increase our focus on supporting and developing opportunities for Ontario companies to increase their

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							business internationally beyond the rest of North America. These efforts would include focusing on expanding international opportunities for co-production, content creation, rights and licensing sales, and sales of products.