ONTARIO CREATES BUSINESS PLAN 2022-23



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I. EXECUTIVE SUMMARY

Ontario's creative industry companies have persevered in the face of significant challenges, making compelling content that is enjoyed the world over, while keeping workers and audiences safe. As the economy begins its staged re-opening and activities grow in number, Ontario is poised to make a strong recovery, thanks to our first-rate infrastructure, world-class talent, dynamic and competitive business environment, and supportive government policies.

Despite the difficulties of the past 21 months, Ontario-made content has continued its run of critial and commercial success at home and abroad:

- The award-winning made-in-Ontario limited series, *The Queen's Gambit* hit number 1 on Netflix's ranking in more than 60 countries and set a record for the most streams in the first four weeks, exceeding 62 million viewers worldwide.
- *Chivalry 2*, a multiplayer first-person game inspired by epic medieval movie battles, boasts more than 1 million copies sold and over 8 million gameplay hours.
- Home to chart-topping, Juno and Grammy-nominated artists like Jessie Reyez, Savannah Ré and Arkells, Ontario is an undeniable powerhouse of musical talent.

In 2020-21, Ontario's creative industries were able to outperform expectations, showing resiliency in challenging circumstances:

- In 2020, Ontario recorded \$1.50 billion in film and TV in production activity, with 232 domestic and foreign projects shot in the province. While spending decreased 30% due to shutdowns at the outset of the pandemic, there was a strong return in the Fall, with Live action production volume and spending surpassing any previous Fall on record.
- LA-Office-assisted productions also greatly exceeded projections, with leads more than double the target at 112 against an anticipated 60, and value exceeding 2019-20 levels by a healthy margin.
- Recipients of Ontario Creates' **IDM Fund** and **Film Fund** created over **24,000** weeks of work in 2020-21.
- In 2020-21, each tax credit dollar leveraged over \$14 in additional product/production spending for the 3,000+ book, film, television and interactive digital media products certified by Ontario Creates.

COVID-19 continues to have an impact on Ontario's creative sector. While many activities have begun to resume, companies are contending with inconsistent re-opening frameworks across the country, changes in consumer demand and purchasing patterns, and are modifying their workflows as they adjust to new hybrid models.

This Business Plan addresses how Ontario Creates will use its existing resources to support the expectations set out in the Minister's 2022-23 mandate letter, and will be implemented in conjunction with the government's priorities and commitments as well as the Ministry of Heritage Sport, Tourism and Culture Industries' (MHSTCI) White Paper – *Reconnecting Ontarians: Reemerging as a Global Leader* – that outlined medium- and long-term strategies to support the recovery of its sectors. This includes continuing to provide flexibility to creative companies, and ensuring that programs are responsive and geared toward stakeholder needs.

The Plan represents a status quo balanced budget with no requested increases for additional financial or human resources. Ontario Creates' 2022-23 expenditures are projected to be \$38.7 million. Revenue for 2022-23 is expected to be \$38.8 million (this includes a total of \$35.4 million in MHSTCI operational funding and \$3.4 million in self-generated revenue including tax credit administration fees, interest, and other income).

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 an annual contribution to cash reserves.

In 2022-23, Ontario Creates is prepared to utilize approximately \$2.15 million of these reserve funds to activate a series of time-limited initiatives that will leverage and extend existing programs without creating unsustainable stakeholder expectations and with limited additional strain on human resources. These important initiatives will include extension of the Diversity Enhancement for an additional year, including roll-out for the first time to the book and magazine sectors, funding to support business process improvements, and funding for a new Strategic Plan. In preparing for a new Strategic Plan, to be developed in 2022-23 and launched the following year, a plan to ensure fiscal sustainability in the long term will be a key goal, to ensure that the agency has the tools and capacity to respond to evolving industry needs as well as strategic priorities that will be identified in the development process.

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. These include COVID-19 recovery; workforce development; and diversity, equity and inclusion. As always, Ontario Creates will strive to provide flexible, efficient customer-focused support to the Province's creative industries, especially as they navigate the challenges of recovery, rebuilding and transforming to meet the market changes accelerated by the pandemic.

II. MANDATE

The Ontario Media Development Corporation (operating as Ontario Creates) is an operational service agency of the Ontario Government. Ontario Media Development Corporation was established 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).

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 worldclass 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 MHSTCI for the fulfillment of its mandate. The agency's mandate directly aligns with the ministry'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 ministry's goal of encouraging expansion of Ontario's creative industries, stimulating job creation, economic growth, and innovation.

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 13 Board members.

Diana ArajsPeter-Julian (PJ) LeeAaron Campbell (Chair)Yura MonestimeMichael CeciEdith MyersTina ColeRoger Nair (Vice-Chair)Aldo Di FeliceRekha ShahPhilip ForteJody SugrueVincent GeorgieVincent Georgie

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 Heritage, Sport, Tourism and Culture Industries. 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 78.

ANNUAL REPORT, AUDIT, AND INVESTMENTS

Ontario Creates is required to deliver to the Minister an annual report on its affairs, including audited financial statements signed by the Chair of the Board of Directors and one other Director, 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 the *Accessibility for Ontarians with Disabilities Act* (AODA). The agency's policies and multi-year accessibility plan are posted on the corporate website. 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

In 2018, in consultation with other funding agencies and industry trade organizations across Canada, Ontario Creates updated program guidelines to require 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.

As an organization, Ontario Creates holds itself and its employees to this same standard.

ACCOUNTABILITY

Ontario Creates' relationship and obligations to MHSTCI are laid out in a Memorandum of Understanding (MOU). The MOU is an internal document that is reviewed every five years and when there is a change of Minister or agency Chair. The MOU, as well as the agency's business plans and annual reports, are posted on the corporate website as required by the Agencies and Appointments Directive (AAD). In addition to these documents, Ontario Creates also posts the travel, meal and hospitality expenses of its Board of Directors (appointees), President and CEO, and staff at the Senior Management Group Level 3 and above. Expenses are posted on the corporate website on a quarterly basis following appropriate approvals and reimbursement. Under Ontario's Open Data Directive, an inventory of the agency's datasets has been posted on the website. The agency continues to proactively release datasets in a machine-readable format as per Ontario's Open Data directive. Ontario Creates complies with the *Occupational Health and Safety Act*, including maintaining a Joint Health & Safety Committee of staff and management.

III. ENVIRONMENTAL SCAN

THE CREATIVE INDUSTRIES IN ONTARIO

Ontario's culture sector generates \$27.5 billion annually, accounting for approximately 3.3% of Ontario's GDP. This is the highest level of culture GDP among all Canadian jurisdictions. The culture cluster includes the Entertainment and Creative Cluster (ECC), alongside other disciplines such as heritage and libraries, natural heritage, visual and applied arts, and more. In Ontario alone, the culture sector is responsible for generating more than 288,000 jobs.¹

Ontario is home to Canada's largest creative industry sectors, including book publishing, film and television, interactive digital media, magazine media, and music. These industries help to make Ontario a better place to live, work, and invest. The most recent data from Statistics Canada shows that the six sectors supported by Ontario Creates contributed over 64,500 Canadian jobs and more than \$7.2 billion to Ontario's GDP in 2019.² These industries exported \$3.2 billion in products and services internationally in 2019.³

The six sectors supported by Ontario Creates are national leaders in job creation and GDP contribution. All sectors have been impacted by COVID-19, through revenue losses, employment losses, sunk costs, difficulties in accessing markets, and changes to consumer demand patterns such as an increase in online sales. As of Q2 2021, some sectors are showing signs of recovery while others will take longer to return to pre-pandemic levels.

PwC anticipates that overall, spending on entertainment and media in Canada will rebound between 2021 and 2025, at a compound annual growth rate (CAGR) of 4.4%, from U.S. \$48 billion to U.S.\$ 59.5 billion, with the industries expected to return to pre-pandemic levels by 2022.⁴ PwC forecasts that the fastest growing segments will continue to be OTT video at 10.5% CAGR and video games and esports at 3.9% CAGR. The cinema industry, deeply impacted by COVID-19, is expected to recover at 38.5% CAGR by 2025.⁵

воок

- <u>Industry Size:</u> The Ontario book publishing industry reported \$1.1 billion in operating revenues in 2018, with an operating profit margin of 11%. At 67%, Ontario's book publishers generated a strong proportion of national revenues.⁶ In 2019, the provincial book publishing sector contributed \$759 million to Ontario's GDP, accounted for 6,651 jobs and exported over \$465 million in products to other countries.⁷
- <u>Impacts of COVID-19</u>: Early impacts on book publishers from COVID-19 included revenue losses, cancellation of contracts, non-recoverable costs estimated at nearly \$2.2 million (e.g., printing of books that could not be shipped or would be returned) and barriers in accessing the international market. Booksellers experienced a 56% decline in net sales due to persistent

¹ Statistics Canada, Provincial and Territorial Culture Indicators, 2015 to 2019, "Table 1: Culture and sport gross domestic product (GDP) as a share of the total economy, 2019," released May 27, 2021.

² 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 November 22, 2020.

³ 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 September 28, 2021. ⁴ PwC, *Global Entertainment and Media Outlook 2021-2025*, July 2021.

⁵ Ibid.

⁶ Statistics Canada, Table 361-0088 - Book publishers, summary statistics, every 2 years, CANSIM (database). (accessed: October 16, 2018).

⁷ Statistics Canada, Provincial and Territorial Culture Indicators, 2015 to 2019, Statistics Canada, "Table 1: Culture and sport gross domestic product (GDP) as a share of the total economy, 2019," released May 27, 2021.

closures and reduced customer foot traffic when allowed to open.⁸ Difficulties later shifted to contending with the rising costs of paper due to lumber shortages, supply chain disruptions, and adjusting to a hybrid work-from-home model. Changes in consumer patterns over the course of the pandemic have exacerbated existing discoverability issues, and led to changes to marketing timelines, and editorial and author processes, but also increased interest in audiobooks and digital formats, with the children's book business and post-secondary sector thriving.⁹ Early StatCan data suggests that Ontario book publishers' operating revenue declined 5.7% between 2019 and 2020. As of Q2 2021, the Canadian book sector showed signs of a partial recovery, with GDP returning to pre-pandemic levels, while jobs stood at 8% below Q4 2019.¹⁰

FILM AND TELEVISION

- Industry Size: Ontario is one of the largest film and television production centres in North America, with the economic contribution of film and television productions supported by the Province of Ontario valued at approximately \$1.50 billion in 2020 (representing a decrease of 30.8% compared to 2019).¹¹ According to Canadian Media Producers Association (CMPA), Ontario's production volume accounted for 38% of the national total as of 2019/20.¹²
- Impacts of COVID: Early in the pandemic, the sector experienced widespread production shutdowns and difficulties closing financing and going to camera due to inability to secure production insurance. A federal backstop program provided support on the insurance issue, and in Ontario, production was allowed to resume after a period, with health and safety measures in place. As of Q2 2021, at a national level, the film and video sector has shown only a limited recovery, according to Statistics Canada. GDP at \$1.1 billion is 16% below Q4 2019, while jobs remain at 9% below pre-pandemic levels. Ontario Creates data for the fiscal year in progress paints a more encouraging picture, however, as domestic and service production has picked up, both in terms of production spending, and in the number of productions, at a rate approaching pre-pandemic levels, assuming the trend from the first two quarters continues.¹³

INTERACTIVE DIGITAL MEDIA (IDM)

 Industry Size: In 2019, Ontario's interactive media industry contributed over \$3.7 billion to Ontario's GDP and employed over 25,000 people.¹⁴ Interactive Ontario estimates the size of the industry at 929 companies.¹⁵ The video game component of the sector employs 32,300 FTEs, according to a 2021 estimate from the Entertainment Software Association of Canada. Ontario's video game industry has the largest number of studios in the country. By number of employees, it is the third largest in the country after Quebec and British Columbia, with 298 firms directly employing 7,000 people.¹⁶

⁸ Association of Canadian Publishers, Survey Results: Impacts of COVID-19, April 21, 2020.

⁹ Ontario Creates, *The Post-Pandemic Reality in the Creative Industries Industry Advisory Committee meetings*; Internal whitepaper, May 2021.

¹⁰ Statistics Canada Experimental Data for reference year 2020, commissioned by Department of Canadian Heritage, Policy Research Group, July 2021; Department of Canadian Heritage, *National Culture Indicators 2016 Q1 to 2021 Q2: A Product of the Culture Satellite Account*, October 2021.

¹¹ Ontario Creates, 2020 Production Statistics, 2021. Data represents expenditures of all productions using Ontario Createsadministered incentives and services. Data does not include television commercials, corporate videos, music videos, or broadcaster in-house production.

¹² CMPA, Profile 2020.

¹³ Department of Canadian Heritage, National Culture Indicators 2016 Q1 to 2021 Q2: A Product of the Culture Satellite Account, October 2021; Ontario Creates Q2 2021 Results.

¹⁴ Statistics Canada, Provincial and Territorial Culture Indicators, 2015 to 2019, "Table 1: Culture and sport gross domestic product (GDP) as a share of the total economy, 2019," released May 27, 2021. Figures include general purpose software. ¹⁵ Interactive Ontario, *Measuring Success: The Impact of the Interactive Digital Media Sector in Ontario -2nd Edition*, May 2019.

¹⁶ Entertainment Software Association of Canada (ESAC), *The Canadian Video Game Industry 2021*, November 2021, pp. 11 14, 19.

Impacts of COVID: Early in the pandemic, lockdown measures increased interest in digital video games, with revenue increasing dramatically on a global level and reaching a record-breaking \$10 billion in March 2020.¹⁷ However, as of April 2020, almost half of Ontario IDM companies said they lost business development opportunities due to partners and stakeholders facing their own COVID-19 related difficulties. Thirty-four per cent also flagged major markets being cancelled, and 30% identified a decrease in sales due to loss of advertising budgets and decreased purchasing power of consumers.¹⁸ Nationally, jobs in the interactive sector increased 5.3% and GDP increased 7.2% between 2019 and 2020. According to Statistics Canada, as of Q2 2021, the interactive sector has significantly recovered from the downturn caused by COVID-19. GDP is up 4% and jobs up 8% compared to Q4 2019.¹⁹

MAGAZINE

- <u>Industry Size:</u> Ontario's periodical publishing sector contributed \$468 million to Ontario's GDP and accounted for 3,961 jobs in 2019.²⁰ That year, the industry generated \$732 million in revenues, representing 62% of the national total.
- <u>Impacts of COVID-19:</u> The publishing industries faced significant negative impacts early in the pandemic and during lockdowns, with 75% of Magazines Canada's independent retailers closed during this time.²¹ Early StatCan data suggests Ontario periodical publishers' operating revenue declined 22.7% between 2019 and 2020. The recovery in jobs and GDP for Canada's periodical sector has been only limited, as of Q2 2021, both indicators standing at 14% below Q4 2019 levels.²²

MUSIC

- Industry Size: Ontario generated over \$450 million in record production and integrated record production and distribution revenues in 2019, representing 73% of total national industry revenues.²³ The Ontario sound recording and music publishing industry contributed \$346 million to Ontario's GDP and accounted for 3,700 jobs in 2019.²⁴ Canada's music publishing industry has seen steady increases, with an 8.6% average annual increase between 2016 and 2020, and revenues of \$277 million in 2020. The vast majority of these revenues (92%) are generated in Ontario.²⁵ These figures do not include the live music sector.
- Impacts of COVID-19: Live music has been one of the hardest hit sectors over the course of the pandemic. By May 2020, 96% of music venues surveyed by the Canadian Live Music Association were at risk of business failure, and 70% had already begun to lay off staff.²⁶ Early data suggests Ontario's record production and distribution segment experienced operating revenue increases of 4.0% between 2019 and 2020. As of Q2 2021, the Canadian sound recording industry has seen a significant recovery, and music publishing is showing signs of a partial recovery compared to prior to the pandemic. Music publishing GDP is down 4%, and jobs

 ¹⁹ Department of Canadian Heritage, National Culture Indicators 2016 Q1 to 2021 Q2: A Product of the Culture Satellite Account, October 2021. Note: Statistics Canada figures on the interactive sector currently include general purpose software and are not limited to interactive digital media companies eligible for Ontario Creates funding and support.
 ²⁰ Statistics Canada. Table 21-10-0053-01- Periodical publishers, summary statistics, every 2 years (dollars unless otherwise noted), CANSIM (database). (accessed: 2021-05-31)

¹⁷ Matt Perez, "Report: Digital Video Game Revenue Hit \$10 Billion in March, Its Best Month ever," *Forbes*, April 22, 2020. ¹⁸ Interactive Ontario, *Measuring the Impact of COVID-19 on the IDM Industry*, April 15, 2020, p. 10.

²¹ Magazines Canada, "Magazines Canada Retail Distribution Update," *Magazines Canada Member Bulletin*, April 15, 2020. ²² Statistics Canada Experimental Data for reference year 2020, commissioned by Department of Canadian Heritage, Policy Research Group, July 2021; Department of Canadian Heritage, *National Culture Indicators 2016 Q1 to 2021 Q2: A Product of the Culture Satellite Account*, October 2021.

²³ Statistics Canada. Table 21-10-0055-01- Sound recording and music publishing, summary statistics, every 2 years (dollars unless otherwise noted), CANSIM (database). (accessed: May 31, 2021).

²⁴ Statistics Canada, Provincial and Territorial Culture Indicators, 2015 to 2019, "Table 1: Culture and sport gross domestic product (GDP) as a share of the total economy, 2019," released May 27, 2021.

²⁵ Circum, Profile of Members of MPC and APEM, 2020, July 2020, pp iii, 7.

²⁶ Nordicity, Re: Venues: A Case and Path forward for Toronto's Live Music Industry, 2020, pp.6-7.

down 6% compared to Q4 2019. Sound recording GDP and jobs are just 3% below prepandemic levels. Similar data regarding the live music segment is not available; however, as of December 2020, the Canadian live music sector was estimated to have lost 79% of its revenues.²⁷ As venues begin to be able to welcome patrons once again, the industry is contending with inconsistent capacity limits and restrictions across jurisdictions, in addition to issues accessing insurance.

CREATIVE INDUSTRIES: CHALLENGES AND OPPORTUNITIES

- The pandemic has accelerated changes in the ways audiences discover and engage with content; greater emphasis on marketing and distribution strategies are needed to help content find audiences. In addition, going forward, events such as awards shows, festivals and conferences will likely involve both virtual and in-person elements, incorporating familiar tools like live streams as well as new innovations such as extended reality technologies and gaming platforms as part of regular programming. Organizations will need to manage hybrid models while new industry norms are forged.
- Demand is growing for increased diversity and representation in content created by underrepresented and equity-seeking communities. While improvements have been seen in the gender balance of key roles in screen productions over the years, these gains have not equitably reached Black or Indigenous women. In other sectors, several landmark studies are currently underway, including a national research study exploring impact and representation of Black, Indigenous and people of colour live music workers in Canada and a similar study for the magazine sector.
- The federal government intends to re-introduce Bill C-10 in the new year. Bill C-10 includes proposed amendments to the *Broadcasting Act* that aim to bring digital media into the broadcasting regulatory framework, specifically by making various digital media broadcasters contribute to the Canadian broadcasting system and Canadian content.
- The most prominent application of artificial intelligence (AI) within the creative industry is found within music discoverability in streaming platforms; however, there is potential for AI to be more widely used in content creation and delivery. Other technologies growing in importance include the metaverse and Web 3.0. The metaverse is an emerging concept that refers to collective virtual spaces including virtual reality, augmented reality and the internet. Commonly associated with the gaming industries, other sectors have begun to embrace the concept through virtual performances streamed in gaming worlds such as Roblox and Fortnite, demonstrating opportunities to deepen engagement via these platforms.
- In recent years there has been increased scrutiny of the environmental impacts of the creative industries, which generate significant carbon emissions and waste, with some 95% of the material used in a film/tv production typically ending up in a landfill.²⁸ Effective January 2022, CBC will require productions with budgets over \$400,000 to adhere to a carbon footprint standard.²⁹ Ontario Creates recently launched the Green Screen Strategic Plan to contribute to Ontario's competitiveness as a leading environmentally friendly choice for producers.
- Generation Z is redefining how we produce and consume content, particularly through platforms such as TikTok. In Canada, Gen Z represents 25% of the population with \$50 billion

²⁷ Department of Canadian Heritage, *National Culture Indicators 2016 Q1 to 2021 Q2: A Product of the Culture Satellite Account,* October 2021.

²⁸ CCCBLAB, Cristina Sáez, Eco-Friendly Practices in the Film Industry, January 2019.

²⁹ Nick Krewen, "CBC sets carbon footprint for original productions," Playback Online, November 17, 2021.

in buying power. A more diverse cohort than previous generations, as they enter the workforce it might further disrupt traditional structures, ways of doing business and introduce new values and perspectives to organizations. In the last two years, Ontario Creates partnered with VICE Media to release two research studies that shed light on the Gen Z workforce, and Gen Z as content consumers.

FUNDING AND COMPETITIVE ENVIRONMENT

- Similar Canadian funding agencies have recently conducted wide-ranging consultations on their programming and introduced equity and inclusion plans. Their action plans have led to a variety of changes to established programs to allow greater access and flexibility, through expanded eligibility criteria, and other measures such as the ability to have a greater proportion of budgets funded. A scan of new programs among similar agencies has also found increased activity in workforce development initiatives such as mentorship programs and sector labour market partnerships, as well as innovative activities such as a workplace accessibility grant, a micro-marketing program, a literary series adaptation partnership, and a music video production grant program.³⁰
- Other jurisdictions are offering new and innovative approaches to support content and incent business through tax credits, including Quebec and Alberta allowing online-only productions to access their credits; tax credits for score/soundtrack in California, scriptwriting tax credit in British Columbia and Louisiana. Many jurisdictions worldwide also increased or introduced new incentives to attract production in the wake of the pandemic to assist in re-starting the production sector. (e.g., Alberta, California, Spain, and Greece among others).

GENERAL ECONOMIC ENVIRONMENT

- The Fall Economic Statement forecasts a \$21.5 billion deficit for 2021-22 and a slightly smaller deficit in each of the following two years (\$19.6 billion in 2022-23; \$12.9 billion in 2023-24).³¹
- Ontario added 315,900 net jobs between May and September 2021, as the economy began a staged reopening. As of September 2021, employment has recovered to 0.1% above the February 2020 pre-pandemic level, with Ontario's rate of employment recovery exceeding that of Canada and the U.S. The unemployment rate of 7.3% remains higher than the 5.5% rate seen in February 2020, due to the growth of the labour force outpacing employment growth.³²
- In Q2 2021, GDP was down 0.8% after three quarters of gains, coinciding with a third wave of COVID-19, and driven by lower exports due to international supply chain disruptions and a decline in household spending.³³ Overall, Ontario's real GDP is expected to increase by 4.3% in 2021 year-over-year and to rise by 4.5% in 2022. Economic growth should moderate thereafter, with real GDP projected to rise 2.6% in 2023 and 2.0% in 2024.³⁴

³⁰ Agencies reviewed included Telefilm Canada, Canada Media Fund, FACTOR, Creative Saskatchewan, SODEC and Creative BC.

 ³¹ Ontario Ministry of Finance. (2021). Build Ontario: 2021 Ontario Economic Outlook and Fiscal Review. <u>https://budget.ontario.ca/2021/fallstatement/pdf/2021-fall-statement-en.pdf</u> (Accessed November 6, 2021).
 ³² Ibid.

³³ Ontario Ministry of Finance, "Q2 2021 Economic Accounts," <u>https://www.ontario.ca/page/ontario-economic-accounts</u> Accessed November 6, 2021.

- The Canadian dollar (CAD) is projected to remain strong in relation to the U.S. dollar (USD), trading at \$0.79-0.80 through Q4 2022.³⁵
- COVID-19 remains a significant source of risk and uncertainty to the global economy; despite some positive signs, it is unknown how the pandemic will evolve and what the pace of economic recovery will be.³⁶

ONTARIO CREATES – INTERNAL

- The agency continues to be responsive to stakeholder needs as they navigate the challenges of COVID-19, providing flexibility and support for virtual and hybrid activities. Ontario Creates administered \$2 million in COVID-specific top-ups to the Film Fund in 2021-22, and allocated additional resources to support innovative practices in the music industry through top ups to the Ontario Music Investment Fund for new/innovative business models and via the Business Intelligence Program.
- Ongoing streamlining efforts and process improvements have led to significant reductions in the processing time of tax credit applications; as of Q4 2020-21, the backlog has effectively been eliminated. The agency continues to implement business process improvements and recommendations from the MNP review of tax credit business processes.
- The agency has come to the end of its Strategic Plan and will be developing a new five-year plan in 2022-23, ensuring alignment with MHSTCI's White Paper that outlined medium- and long-term strategies to support the recovery of the heritage, sport, tourism and culture industries.
- Ontario Creates is increasingly focused on fostering diverse creative industries in Ontario, recognizing that supporting greater diversity both in content and in the talent pipeline will be a key driver in positioning Ontario's creative companies for continued economic success.
- Ontario Creates staff began a gradual return to the office from November 1, 2021, further to the Government of Ontario's Gradual Reopening of OPS Workplaces (GROW) Plan. The Plan has been paused effective December 17, 2021 until at least March 31, 2022. After the Plan has resumed, it is anticipated that staff will be working a minimum of two days per week in the office, transitioning into a new flexible work policy that will apply going forward.
- The agency's five-year lease of its office premises expires in October 2023; work to review options will be underway in 2022-23 with Infrastructure Ontario.

³⁵ RBC Economics, Financial Market Forecasts, October 2021, <u>http://www.rbc.com/economics/economic-reports/pdf/financial-markets/rates.pdf</u> Accessed November 6, 2021.

³⁶ Ibid.

IV. STRATEGIC DIRECTIONS

INTRODUCTION

Ontario Creates' strategic plan, *Lead. Connect. Grow*, aims to build globally leading and competitive creative industries that benefit and engage all Ontarians through high-value jobs, compelling cultural content and significant economic activity. The process for developing the plan included extensive consultation and validation with industry stakeholders and experts, government partners, and Ontario Creates' Board of Directors.

In 2021-22, Ontario Creates entered the final year of its five-year strategic plan. Given the impacts of COVID-19 across Ontario's culture sector, the Board of Directors agreed in December 2020 to delay the creation of the agency's next strategic plan to allow time to better understand what the "new normal" looks like for Ontario's creative industries. In 2022-23, Ontario Creates will write its next five-year strategic plan. This timing will also ensure alignment with the MHSTCI's White Paper that outlined medium- and long-term strategies to support the recovery of the heritage, sport, tourism and culture industries.

Achievements against the current Strategic Plan are summarized in section XIII of the Business Plan.



MISSION AND VISION

Ontario Creates wants Ontario to be a globally leading jurisdiction, recognized for innovative local companies producing exceptional content as well as a competitive destination for investment and development.

VISION

An Ontario where our creative industries are globally leading and competitive; celebrate Ontario's cultural vitality; and drive economic growth and development in the province.

Ontario Creates' role is to work collaboratively with private and public sector partners to drive economic development, including GDP and employment in Ontario's book publishing and magazine media, film and television, music, and interactive digital media industries.

MISSION

To be a catalyst for economic development in Ontario's creative industries through investment, promotion, and facilitation of innovation and collaboration, both domestically and internationally.

VALUES

Five core values embody the attitudes and behaviours Ontario Creates promotes and encourages across the organization and that are fundamental to relationships with stakeholders and the agency's internal culture. The Ontario Creates' team demonstrates its commitment to these core values though its decisions, daily activities and interactions with partners, stakeholders, and each other.

- *Flexible:* Be open to new ideas and approaches and proactively adjust based on our environment.
- *Smart Risk-Taking:* Take risks that support our vision based on good information and learn from investments that do not meet expectations.
- *Collaborative:* Work with each other and our partners to achieve the best possible outcomes.
- **Accountable:** Deliver on our commitments, be open and transparent about our progress and hold ourselves responsible for our actions.
- Inclusive: Value, celebrate and support diversity.

STRATEGIC GOALS AND ENABLERS

Ontario Creates is delivering a suite of programs and services including funding programs, tax credits and industry development. These programs have been impactful and will continue to remain a focus for the organization in the future. Despite this progress, there are still gaps in the industry that the agency can work to address through its strategic goals. Additionally, as Ontario Creates works to meet these strategic goals while maintaining the valuable programs and services currently delivered, it will need to reinforce its strong foundation by focusing on its internal enablers.

Strategic Goal #1: Stimulate Economic Growth and Employment

Ontario Creates' focus is on stimulating economic development through the creative industries. To support the continued growth of the sector Ontario Creates needs to have an effective set of investment tools that support high potential companies to grow and compete in the global creative industry.

For Ontario Creates, this means:

 Invest in high potential companies to help them grow and compete domestically and internationally

- · Deliver targeted programs and services that add value and have impact
- · Embrace new opportunities and tools to support content development in all sectors

The ways in which Ontario Creates will achieve this include:

- 1. Champion the modernization of Ontario's tax credits
- 2. Regularly update program parameters to ensure they are modern and responsive and to optimize the impact of Ontario Creates' role across the value chain
- 3. Explore new sources of investment capital and/or financing models to support industry growth (e.g., loan guarantee, bridge financing, angel/venture capital)

Strategic Goal #2: Promote the Industries

In an increasingly globalized and competitive industry, awareness of the high-potential and achievements of Ontario-based creative companies will grow new markets, domestically and internationally. Additionally, building Ontario's brand as a leading international jurisdiction for production and development will help bring financial investments and knowledge-based jobs to the sector.

For Ontario Creates, this means:

- Build awareness, encourage development and attract investment into Ontario's creative industries
- · Generate excitement about the achievements of Ontario's creative industries
- Support the promotion of Ontario's creative industries domestically and internationally

The ways in which Ontario Creates will achieve this include:

- 1. Promote Ontario as a place for inward investment and development in the creative industries
- 2. Amplify domestic and international exposure and export opportunities for Ontario companies and content
- 3. Refresh the agency's branding and communications to support promotion activities

Strategic Goal #3: Encourage Collaboration and Innovation

The creative industries are in a constant state of change. For companies to compete in this environment they need to be at the forefront by developing innovative products, services, and business models. Collaboration and information sharing can help support and enable this type of innovation and Ontario Creates, as a catalyst for industry development, can help encourage and connect organizations from across and outside of the sector.

For Ontario Creates, this means:

- Build and foster collaborative relationships among the creative industries to encourage innovation
- Facilitate relationships between creative industries and the broader public and private sectors, domestically and internationally
- Actively seek out opportunities to generate and share knowledge and ideas

The ways in which Ontario Creates will achieve this include:

- 1. Stimulate innovative cross-sector collaboration within the creative industries and with broader public sector partners
- 2. Optimize the impact of the agency's programs through incorporating business intelligence and leveraging partnerships
- 3. Facilitate domestic and international business partnership opportunities for Ontario-based companies

Enabler #1: Ensure Service and Operational Excellence

Ontario Creates is continuously working to be a better organization. The agency will build on the foundational work that has already been completed to ensure the agency's operations are more efficient and focused to support excellent customer experience and effective use of resources. As Ontario Creates concentrates on these areas, robust data and effective monitoring and reporting will be essential to maintain the agency's commitment to accountability and continuous improvement.

For Ontario Creates, this means:

- · Ensure a respectful customer experience for everyone that interacts with Ontario Creates
- Be informed by evidence to continuously improve the quality of programs and services
- Be fiscally responsible, accountable and transparent in our operations to ensure that public funds are invested effectively

The ways in which Ontario will achieve this include:

- 1. Continue to streamline internal processes and procedures
- 2. Review program priorities and capacity to deliver across the agency to ensure a continued focus on high-value activities
- 3. Streamline reporting to focus on transparent performance measurement and outcomes

Enabler #2: Empower People and Teams

Ontario Creates recognizes that our people are our strength – the team at Ontario Creates is made up of experts in their fields who are passionate about the creative industries and the potential these industries have to contribute to Ontario. In this rapidly evolving industry, the agency must support its people and culture to be flexible, nimble and respond to change. We will build this capacity to ensure that the agency's organizational culture and corporate systems support staff to achieve excellence and are aligned to our mission and contribute to our vision.

For Ontario Creates, this means:

- Actively ensure Ontario Creates' culture reflects the diversity of Ontario and contributes to
 our vision, mission and values
- Be an employer of choice to recruit and retain the best people in an inclusive work environment
- Support agency staff to be expert leaders through continuous professional development

The ways in which Ontario Creates will achieve this include:

- 1. Maintain focus on evolving Ontario Creates' culture to align with our values
- 2. Attract and retain the best people and support them to achieve excellence

V. OVERVIEW OF AGENCY'S CURRENT AND FUTURE PROGRAMS AND ACTIVITIES

INTRODUCTION

Ontario Creates strives to deliver its programs and initiatives effectively and efficiently and engages in partnerships with the public and private sectors to leverage resources and services for the benefit of the sectors served by the agency. Ontario Creates is committed to ongoing analysis and continuous improvement in its undertakings. The agency has demonstrated its capacity to deliver meaningful, results-based initiatives to clients in all of the sectors it serves. Ontario Creates programs and services support a range of different objectives that can generally be categorized as: content creation, business development, international market development, broad industry development, and marketing/promotion.

Ontario Creates offers its programs and activities through four departments:

- 1. **Industry Development Group**: Provides support for creative media 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 Development Group (IDG) are Industry Initiatives and the Ontario Music Office (investment funding, international support and strategic initiatives); and the Film Commission (marketing, promotion, capacity-building and inward investment services), and 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 credits³⁷ with the Canada Revenue Agency (CRA). The Group provides input to MHSTCI 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, and corporate operations. The group supports MHSTCI and the industry through the collection and dissemination of industry statistics and follows federal policy developments (e.g., Canadian Radio-television and Telecommunications Commission, Canada Media Fund). Human resources (HR) support to the agency is provided by the Ministry of Government and Consumer Services (MGCS) 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.

³⁷ 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

Ontario Creates has reviewed government and ministry priorities of economic development, workforce development, equity and customer service and designed programs in alignment with these themes.

Specific agency priorities for the year ahead include:

- COVID Recovery and Innovation
- Diversity and Inclusion / Accessibility
- Capacity Building and Workforce Development
- Environmental Sustainability
- Customer Service / Business Process Improvements
- Showcasing Ontario's Creative Industries
- Re-establish Ontario in International Markets

These themes are carried through both core program and time-limited initiatives Ontario Creates proposes to undertake in 2022-23, as shown in Appendix A.

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. 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 selective investment programs are juried by a panel of external jurors with senior industry knowledge and experience. Ontario Creates ensures that program juries are diverse, free from conflict of interest, and are regularly refreshed.

Ontario Creates invests in new activities, not core operations. The agency shares the risk with successful applicants; funding is always 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.

The decision criteria used to determine which applications are funded focuses on several factors, namely:

- 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.

The tables below list core programs as well as planned time-limited initiatives. Appendix A provides additional detail on recent accomplishments and specific plans by department.

TABLE 1: SUMMARY OF CORE PROGRAMS

Fund	Purpose	2022-23 Program Changes Details
Book Fund	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. Up to \$150K per publisher annually, depending on type of project, based on sales revenue and submission and evaluation of project plans.	Diversity Enhancement will be extended to eligible projects; incorporation of costs related to accessibility. Continued flexibility to allow some operational expenses that contribute to COVID-19 recovery.
Film Fund	Provides support to Ontario producers for feature film projects ready for production or at any stage of development. Fund has two components: 1) Development - interest-free loan up to \$25K; and 2) Production - repayable advance up to \$400K on a last-in basis to complete financing. Minimum budget of \$1M for drama and \$600K for documentaries.	Diversity Enhancement continued; incorporation of costs related to accessibility. Could consider allowing COVID-19 related health and safety costs if those budget items continue to be applicable.
Magazine Fund	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. Up to \$75K per publisher, depending on type of project.	Diversity Enhancement will be extended to eligible projects; incorporation of costs related to accessibility. Continued flexibility to allow some operational expenses that contribute to COVID-19 recovery.
Interactive Digital Media Fund	Financing support for Ontario-based, Canadian- owned companies to advance proprietary products into production; to create market-ready interactive digital media content/product. Support is also provided for concept definition; global market development; marketing support and industry development activities.	Diversity Enhancement will be extended to eligible projects; incorporation of costs related to accessibility. Potential to leverage funds from core program budget for Diversity Enhancement with a matching contribution from a partner organization.
International Business Development	Strategic and financial support to create new international business opportunities provided through: Ontario Creates' Export 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 2022-23. Rename "Export" funds to "Global Market Development" to align with Music and IDM and to capture broader activity. Begin returning to in-person market presence.

Industry Development Program	Targeted financial and strategic support to established trade and event organizations in all six sectors for activities that provide new business growth and development opportunities for Ontario's cultural entrepreneurs.	Continue to prioritize applications related to diverse mentorship and training opportunities and high impact B2B. Realign program deadlines for timely decision making.
Ontario Music Investment Fund	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.	Incorporation of costs related to accessibility.
Business Intelligence Program	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.	Continue to prioritize applications related to COVID-19 recovery, diversity and workforce development.

TABLE 2: TIME-LIMITED INITIATIVES

Department	Initiative	Notes
Music Office	JUNO Awards (extension of 50th anniversary)	Funding to support an Ontario nominees event as part of a return to live/in person JUNOs hosted in Toronto.
Music Office	Black and Indigenous Entrepreneurship Fund (Music)	Continuation of this initiative for a second year.
Music Office	New/Innovative Business Models (Music)	Continuation of this initiative for a second year.
Music Office	Diversity Enhancement (Music)	Continuation of this initiative for a second year.
Industry Initiatives	Diversity Enhancement (Industry Initiatives)	Expand from Film Fund and Industry Development Program to include IDM and publishing sectors
Industry Initiatives	Film Fund COVID-19 Health and Safety Top-Up	Continuation of this initiative for projects that did not go to camera before the end of fiscal 2021, with budget capped at amount of underspending from 2021-22 allocation.
BAR (Research)	Strategic Plan	Development of a new five-year Strategic Plan for the agency.
BAR (IT)	Business Process Improvement IT Projects	Includes demographic data collection, e- certificates, website improvements, etc.

TABLE 3: TAX CREDITS

Tax Credit	Purpose
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.

AGENCY OPERATIONS

In addition to regular activities, key operational priorities in the year ahead will include a focus on office lease and space planning, and phone system upgrades.

The agency's current five-year office space lease expires on October 31, 2023. In 2022-23, the agency will work with Infrastructure Ontario to consider options and finalize its space planning for 2023-24.

The office phone system will be upgraded to "soft phones," to permit calls to be made from desktops via an app or standalone software solution.

Further detail on planned operational activities is provided in Appendix A, in the Business Affairs and Research section.

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 MHSTCI of at least \$35.4 million per year in 2022-23, 2023-24, and 2024-25. The Plan also requires estimated self-generated revenues of approximately \$3.4 million per year. Total operating costs are estimated to be \$38.7 million over the next three years.
- The agency's budget reduction strategy has always been to mitigate the direct industry impact of cuts 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 such, the agency has contained costs and operations are lean and efficient.

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

Ontario Creates updates and submits a risk register to MHSTCI quarterly. The risk register evaluates current and future activities of the agency and environment with respect to related risk factors and their impacts. Ontario Creates has prepared comprehensive mitigation strategies for all of the risks that it has identified and as risks evolve or new risks emerge, Ontario Creates will endeavor to inform MHSTCI and act judiciously to minimize any negative consequences.

The full risk register as of Q2 2021-22 is shown in Appendix B.

VIII. HUMAN RESOURCES AND STAFFING

Staff at Ontario Creates are highly skilled and competent 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 administrators of public funds. Ontario Creates places a great deal of emphasis on ensuring that all obligations under the Transfer Payment Accountability Directive (TPAD) and operating MOUs with MHSTCI are met.

All Ontario Creates staff are members of the Ontario Public Service (OPS). Staff members who are represented by a union are compensated under the terms of their collective agreements.

Ontario Creates is continuously working to be a better organization and workplace. The Strategic Plan includes two internal enabling commitments: to ensure service and operational excellence and to empower people and teams. This means that the agency will continue to work to improve processes and technology; to provide superior customer service; and to ensure accountability and the effective use of resources.

In a 2021 survey of all OPS employees, Ontario Creates staff had a strong participation rate of 92% (as compared to 63% across the OPS) and a high engagement index of 78.3 (as compared to 70.9 across the OPS). While the overall results were positive, improving upon the prior survey, and demonstrated strong results in inclusion, engagement, leadership, and learning and development, there is always room for improvement and the agency is committed to working with staff in the year ahead to further improve the Ontario Creates workplace. In 2022-23, the agency intends to conduct 360 reviews for the senior management team, to help identify opportunities to strengthen leadership and managerial skills.

An Employee Engagement Committee was established in 2018 which has developed a detailed action plan for engaging staff. In 2021-22, the Committee's accomplishments included offering unconscious bias training to all staff, hosting a virtual team building activity, and launching a job shadowing program.

Below is the staff complement broken down by bargaining unit classification, and an FTE forecast:

SMG/ITX	МСР	ICP Excluded C		AMAPCEO	TOTAL
3	6	0	62	7	78

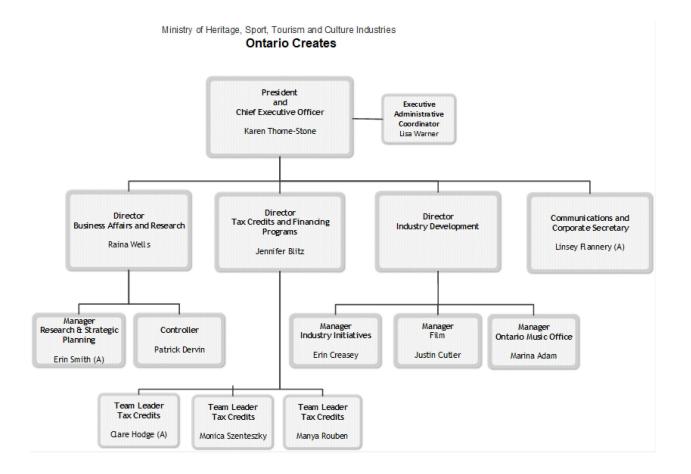
FTE CAP

FTE FORECAST

2023-24	2024-25
78	78

ORGANIZATIONAL CHART

As of November 3, 2021



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 align with MHSTCI's strategic objectives of fostering a sustainable and prosperous creative economy, supporting innovation, investment and job creation, helping Ontario's creative companies compete in the domestic and international marketplace, and helping Ontario become a leader in the knowledge-based economy.³⁸ In 2022-23, Ontario Creates will continue to collaborate with its government partners to strengthen and grow Ontario's entertainment and creative cluster.³⁹

The following table provides interim results as of September 30, 2021 (Q2) for key 2021-22 performance indicators.

Ontario Creates recognizes that the diversity of Ontario's creative sectors is key to their future economic success. Ontario Creates is currently engaged in developing additional metrics to track this priority.

In addition to the key performance indicators described below, Ontario Creates' management monitors performance measures that address operational efficiency and effectiveness as well as metrics in specific program areas. Monitoring these measures, while not reported in this Plan, contributes to the overall success of Ontario Creates in achieving the agency's corporate goals and commitment to continuous improvement as well as ensuring the agency's responsibilities under various accountability directives are met.

³⁸ Ontario Ministry of Tourism and Culture, *Results-based Plan Briefing Book 2014-15,* p. 4.

³⁹ Ibid, p. 7.

Key Performance Indicator	2021-22 Quarterly Results		Targets		Past Years' Results			Notes
	Q1	Q2	2021-22	2022-23	2020-21	2019-20	2018-19	-
	3	QZ	2021-22	2022-25	Actual	Actual	Actual	
Strategic Goal #1: STIMULATE ECONOMIC GROWTH AND EMPLOYMENT								
1. Estimated value of Tax Credits (millions)	\$225	\$132	\$600	\$600	\$690	\$621	\$840	
2. Leverage Value (additional amount of financing generated for each dollar investe	d by Ontar	io Creates)						
a) Investment through all six Tax Credits	\$13.39	\$18.87	\$10.00	\$15.00	\$14.53	\$13.59	\$20.64	
b) Investment through Book Fund	\$0.73	-	\$0.60	\$0.65	\$0.65	\$0.60	\$0.57	
c) Investment through Film Fund (Production)	\$39.94	\$23.07	\$18.00	\$20.00	\$19.73	\$18.49	\$20.66	
d) Investment IDM Fund (Production)	\$3.65	\$3.28	\$2.00	\$3.00	\$2.75	\$2.17	\$1.96	
e) Investment through Magazine Fund	\$0.95	-	\$0.70	\$0.70	\$0.92	\$0.70	\$1.01	
f) Investment through Ontario Music Investment Fund (OMIF)	-	-	\$4.50	\$5.50	\$5.09	\$5.84	\$4.18	
g) Investment through Business Intelligence Program	\$3.11	\$0.97	\$0.90	\$1.25	\$1.31	\$0.91	\$1.75	
3. Return on Investment (sales earned for every dollar invested by Ontario Creates)								
a) Book Fund	-	-	\$2.00	\$2.00	Note 2	\$5.54	\$7.10	
b) Export Funding (Export Fund and IDM Fund: Global Market Development)	-	-	\$100.00	\$100.00	Note 2	\$125.12	\$169.05	
c) IDM Fund: Marketing Support	-	-	\$2.00	\$2.00	Note 2	N/A	\$3.69	
d) Magazine Fund	-	-	\$0.75	\$0.75	Note 2	\$0.52	\$0.93	
4. Ontario Music Investment Fund Economic Growth and Employment Indicators								
a) Increased company gross revenue for OMIF -supported companies (millions)	Annua	l Result	\$45.00	\$45.00	N/A	N/A	\$30.23	Note 10
b) Private sector investment and equity secured for OMIF-supported companies	Annua	Decult	\$12.75	\$12.75	N/A	NI/A	\$13.56	Note 10
(millions)	Annual Result		\$12.75	φ12.75	IN/A	N/A	\$13.30	Note 10
c) Jobs created and/or retained by OMIF-supported companies (FTEs)	Annua	l Result	500	500	N/A	N/A	611	Note 10
5. Other Economic Growth and Employment Indicators								
a) Weeks of work created and/or retained through IDM Fund and Film Fund projects	13,465	5,194	20,000	20,000	24,415	32,625	35,280	
b) Job Creation Index (# of jobs per million dollars of Ontario Creates support)	Annua	l Result	N/A	N/A	Note 3	Note 3	Note 3	
c) Job Quality Index (average wage per job)	Annua	l Result	N/A	N/A	Note 3	Note 3	Note 3	

d) Economic ROI Index (GDP per dollar of Ontario Creates support)	Annual Result	N/A	N/A	Note 3	Note 3	Note 3	
e) Investment Leverage (private sector funding per dollar of Ontario Creates support)	Annual Result	N/A	N/A	Note 3	Note 3	Note 3	

Key Performance Indicator	2021-22 Quarterly Results		Targets		Past Years' Results			Notes
	Q1	Q2	2021-22	2022-23	2020-21	2019-20	2018-19	
	QI	QZ	2021-22	2022-23	Actual	Actual	Actual	
Strategic Goal #2: PROMOTE THE INDUSTRIES								
1. Film and Television Production								
a) Number of film and television productions that shoot in Ontario	50	51	80	140	104	170	152	
Domestic	21	33	20	70	61	102	92	
Service	29	18	60	70	43	68	60	
b) Value of film and television productions that shoot in Ontario (millions)	\$705	\$601	\$924	\$1,500	\$1,246	\$1,638	\$1,316	
Domestic	\$116	\$196	\$124	\$375	\$370	\$674	\$512	
Service	\$589	\$405	\$800	\$1,125	\$876	\$964	\$803	
c) Number of actively scouting domestic and service productions accessing Ontario Creates scouting services	27	22	75	90	114	140	154	
2. Los Angeles Office					1			
a) Number of leads developed by L.A. Office	22	31	60	100	112	110	120	Note 6
b) Number of L.A. Office-assisted projects that shoot in Ontario	10	16	NEW	40	New M	leasure as of	21/22	Notes 6, 11
c) Value of L.A. Office-assisted projects that shoot in Ontario (millions)	\$263	\$289	\$400	\$800	\$969	\$654	\$343	Note 6
3. Social Media Influence								
a) Sysomos score	8/10	8/10	8/10	8/10	8/10	8/10	8/10	
b) Number of new subscribers to Ontario Creates social media channels	838	747	2,000	2,500	5,006	2,822	3,996	
4. Media Impressions								
a) Number of media impressions (millions)	2.0	4.1	50.0	50.0	110.3	71.7	184.6	
b) Number of Trillium Book Award media impressions (millions)	135.7	-	60.0	150.0	59.5	126.5	4.5	Note 5
c) Pick up on news releases (Trillium Book Award only)	574.0	-	475.0	500.0	471.0		sure as of /21	

Key Performance Indicator	2021-22 Quarterly Results		Targets		Past Years' Results			Notes
	Q1	Q2	2021-22	2022-23	2020-21	2019-20	2018-19	
		QZ	2021-22	2022-20	Actual	Actual	Actual	
Strategic Goal #3: ENCOURAGE COLLABORATION AND INNOVATION								
1. Industry Development Support (Industry Development Program, Sector Marketing S	upport, othe	r Ontario Cr	eates suppo	rt to industry	development	:)		
a) Number of industry development initiatives led or supported by Ontario Creates	23	26	60	60	58	76	64	
b) Number of business connections/leads made by participants at Ontario Creates- led or supported initiatives	0	8,319	10,000	6,500	6,424	14,214NF	35,359	19/20 not final
 c) Number of business connections and/or leads made as a result of OMIF Music Industry Development Support 	Annual Result		6,000	6,000	N/A	2,326	13,141	Note 10
2. International Business Development								
a) Number of markets at which Ontario Creates has organized a strategic presence	3	1	8	8	6	7	6	
b) Number of foreign markets at which Ontario participants are supported through export activity support	37	23	150	150	129	181	241	
3. Collaboration Initiatives								
a) Number of Collaboration events led by Ontario Creates	0	1	4	4	3	5	4	
b) Number of business connections made through meetings at Collaboration events	112	0	900	700	1,210	1,050	1,167	
c) Number of deals/options arising from Collaboration events after 12 months	2	2	4	4	4	4	6	
d) Value (when applicable) of deals/options arising from Collaboration events after 12 months	\$7,000	\$12,250	\$5,000	\$15,000	\$22,500	\$13,750	\$23,000	Note 7
3. Business Intelligence				-			-	-
a) Number of Business Intelligence projects released	3	1	8	8	6	10	10	
b) Number of Industry Profiles updated	2	0	8	8	11	8	8	
c) Number of unique views of Industry Profiles on corporate website	1,927	1,383	15,000	15,000	6,217	12,830	14,816	
d) Number of new documents added to the Online Research Library	10	18	100	60	33	141	92	
e) Number of unique visitors to the Online Research Library	1,656	1,411	3,000	5,000	4,975	2,142	2,094	
f) Number of Business Intelligence Bulletin unique views	230	225	1,500	1,000	1,234	1,551	1,297	

Key Performance Indicator	2021-22 Quarterly Results		Targets		Past Years' Results			Notes
	Q1	Q2	2021-22	2022-23	2020-21	2019-20	2018-19	
Strategic Enabler #1: ENSURE SERVICE AND OPERATIONAL EXCELLENCE					Actual	Actual	Actual	
1. Program Delivery				L	L	•		L
a) Number of applications received (funds and tax credits)	832	592	1,800	2,200	2,248	2,588	2,464	Note 1
b) Average turnaround time across all tax credits (weeks)	14.9	16.9	25.0	25.0	25.3	35.1	33.8	
c) Average time tax credit files spend in analysis (weeks)	4.6	6.3	3.5	5.0	3.9	5.2	3.9	
d) Total number of tax credit products reviewed	634	375	2,700	2,700	3,611	2,947	3,183	
e) Program Delivery Effectiveness Index (avg. application time, weeks)	Annua	l Result	N/A	N/A	Note 3	Note 3	Note 3	
f) Program Delivery Effectiveness Index (avg. cost per application)	Annua	l Result	ilt N/A N/A		Note 3	Note 3	Note 3	
2. Service								
a) Number of service calls and emails	1,105	989	4,600	4,000	4,805	4,186	4,521	
b) Number of MHSTCI inquiries	27	30	100	100	90	144	97	
c) Client satisfaction survey (approximately every 5 years)	Annua	l Result	Annual Result		N/A	N/A	Completed	Note 4
3. Risk-Related Performance Measures								
a) % of risks managed down since last quarter	13%	13%	NEW	10%	١	New for 21-22	2	
b) % of risks with Medium or Low Risk Rating (Rating of 10 or below)	73%	80%	NEW	80%	٦	New for 21-2	2	
Strategic Enabler #2: EMPOWER PEOPLE AND TEAMS	A		550/	co%/	00.5%	F7 F0/	<u> </u>	
1. Percentage of staff that have been at organization 5+ years		l Result	55% 95%	60%	62.5% 94.4%	57.5% 100.0%	62.9% 94.3%	
 Percentage of staff with Performance Development and Learning Plans Percentage of staff who engaged in 1+ professional development 	Annua	l Result		95%		100.0%		
activities within the year	Annua	l Result	80%	95%	94.4%	97.5%	98.6%	
4. OPS Employee Survey (positive or negative variance between Ontario Creates and C	PS results	on Employe	e Engageme	nt Survey - w	/hen issued)			
a) Engagement Index	Annua	l Result	+9.0	+9.0	+7.4	+9.6	+7.7	
b) Inclusion Index	Annua	l Result	+5.0	+5.0	+4.6	+5.2	+5.3	Note 8

c) Performance Barriers	Annual Result	+5.0 +8.0		+13.3	+3.4	+12.4	Note 9
d) Independence & Innovation	Annual Result	+2.0	+1.0	+1.0	+1.7	-2.5	Note 9, 12
e) Learning & Development	Annual Result	+10.0	+10.0	+7.9	+9.1	+11.6	Note 9
f) Leadership Practices	Annual Result	+3.0	+10.0	+11.0	+11.6	+2.3	Note 9
g) Quality of Service	Annual Result	+12.0	+8.0	+8.0	+14.2	+10.6	Note 9, 12
h) Organizational Communication	Annual Result	+10.0	+14.0	+14.3	+19.0	+14.4	Note 9
i) Survey Response Rate	Annual Result	+12.0	+25.0	+29.0	+29.8	+12.0	Note 9

Key Performance Indicator	2020-21 Quarterly Results		Targets		Past Years' Results			Notes
	01	Q1 Q2 2020-21	2020.24	2021-22	2019-20	2018-19	2017-18	-
			2020-21		Actual	Actual	Actual	
COVID-19 Tracking Measures								
a) Number of investment commitments that were modified to reflect new COVID-19 related priorities	Annual Result		NEW	N/A	391	New for 20-21		

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) Target is relative to the number of Tax Credit applications certified
- (2) Results not yet available
- (3) Results not yet available, baseline results from survey, not directly comparable to future years
- (4) Ontario Creates Client Satisfaction Survey was issued in 2017-18. Surveys are issued approximately every five years
- (5) Elevated results in 2017-18 due to additional activities and ad spend related to Trillium's 30th anniversary
- (6) LA Office in Redevelopment mode new marketing consultant in place from Q4 2018-19 after position was vacant for 2 quarters.

(7) Results not yet final

(8) Inclusion Index was revised for 2018 and as a result, is not directly comparable to indices from previous years.

(9) Due to change in OPS Employee Survey reporting, not all historical indicators were available for 2018. Additional indicators developed for 2018.

(10) Targets for the Ontario Music Fund were established based on a \$15 million fund. The program was cut by \$8 million in 2019-20 and these targets do not reflect the reduced program. New measures and targets will be developed as the new Ontario Music Fund launches

- (11) Changed from previously used measure, which was proportion of newly Confirmed projects/Projects scouting in a given quarter.
- (12) Some survey questions revised in 2020 and as a result, measure is not directly comparable to previous years.

Ontario Creates met or exceeded most 2020-21 performance targets, noting the following:

- All leverage value targets were exceeded in 2020-21. Leverage value refers to the additional amount of spending generated for each dollar invested by Ontario Creates. This indicates that project budgets in 2020-21 exceeded expectations.
- Return on investment is a lagging measure. In 2019-20, Book Fund and Export Fund exceeded targets, while Magazine Fund did not.
- Ontario Music Fund's economic growth and employment indicators also lag behind. Results for 2019-20 are not comparable to previous years due to a reduction in funding beginning in 2019-20 (from a \$15M fund to a \$7M fund) before reviewing the program which was relaunched in 2020-21 as the Ontario Music Investment Fund. Negative results can be primarily attributed to the following:
 - Changes to the applicant pool (e.g., certain large companies that applied in 2018-19 did not apply in 2019-20, creating a significant drop in increased gross revenue figures year over year).
 - The 2019-20 reports capture impacts from the first half of the 2020 calendar year for Live Music which has a later activity window than our other program streams and would have been affected by COVID-19 related shutdowns.
- The number and value of both domestic and service film and television productions greatly exceeded projections, which had been set conservatively due to the anticipated impacts of COVID-19. While there were no productions in the first quarter, once filming was allowed to proceed with health and safety precautions in place, the remainder of the year saw a steady increase in production. Similarly, LA-Office-assisted productions greatly outperformed expectations, with leads more than double the target at 112 against an anticipated 60, and value even exceeding 2019-20 levels by a healthy margin.
- Targets linked to Strategic Goal #3 collaboration and innovation were primarily not met. While the number of industry development initiatives led or supported by Ontario Creates came close to the target (58, below the targeted 60), there was a sharp decrease in the number of connections made at events, in the number of markets at which Ontario Creates had a strategic presence, and in the number of foreign markets supported via Export Fund (which saw a decrease of 29 per cent year over year). Many festivals and events were cancelled in 2020-21, or moved online, affecting the number of activities and attendees.
- Fewer than anticipated collaboration initiatives took place (three against a hoped-for six), however, those that occurred were strong in the number of business connections made (1,210). In fact, more connections were made than in two fiscals prior, even with fewer events. The value of deals and options emerging from collaboration events (\$22,500) was also higher than the prior fiscal and very close to the levels reached two years earlier.
- In the research area, several targets were not achieved relating to industry profiles viewed, unique views of the Business Intelligence Bulletin, documents added to the Online Research Library, and Business Intelligence projects released. In 2020-21, research team efforts focused on updates to the Online Research Library system, over the addition of new materials. The release of new business intelligence projects may have slowed, particularly in the early stages of the pandemic, as industry organizations adjusted to focus on their core member services functions and prioritized understanding the impacts of COVID-19 and necessary recovery strategies.
- Processing time across all tax credits was faster than anticipated, reaching 25.3 weeks as an annual average, compared to a target of 30 weeks. Several process changes were introduced to streamline tax credit application reviews, allowing processing and queue reduction to pick up speed.

X. FINANCIAL BUDGET

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

- Ontario Creates' 2022-23 expenditures are projected to be \$38.7 million for accounting purposes, before adjusting for amortization and capital acquisitions. These expenditures include \$2.15 million in planned time-limited initiatives to be funded from cash reserves.
- Ontario Creates' annual revenue for 2022-23 is expected to be \$38.8 million which includes operating funding from MHSTCI of \$35.4 million and \$3.4 million in self-generated revenue (tax credit administration fees, interest, and other income).
- Uncommitted cash reserves at the end of 2022-23 are projected to be \$1.815 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.

AGENCY:

DRAFT FINANCIAL FORECAST SUMMARY FOR PLANNING PURPOSES

ONTARIO CREATES	2022-23	2023-24	2024-25
(\$ Thousands)	OC Business Plan Budget	FORECAST	
REVENUE			
MHSTCI Funding (Note 1)	35,432.7	35,370.7	35,370.7
Self-generated (Notes 2, 7)	3,410.0	3,410.0	3,410.0
TOTAL REVENUE	38,842.7	38,780.7	38,780.7
EXPENDITURES			
Salaries & Benefits (Note 3)	8,173.3	8,254.8	8,337.1
Operations (Notes 4, 5, 8)	2,068.0	2,079.4	2,071.4
Grants	26,712.0	26,692.0	26,692.0
Program Delivery (Note 6)	1,121.0	1,072.1	1,065.2
TIFF	1,115.0	1,115.0	1,115.0
Provision for Rescinded Grants	-500.0	-500.0	-500.0
TOTAL EXPENDITURES	38,689.3	38,713.3	38,780.7
Net Surplus/(Deficit) before Other Items	153.4	67.4	0.0
Other Items (funded from uncommitted cash):			
- Time-limited Strategic Initiatives	2,150.0	0.0	0.0
Net Deficit	-1,996.6	67.4	0.0
Cash Reserves - beginning of year	3,812.2	1,815.5	1,882.9
Cash Reserves - end of year	1,815.5	1,882.9	1,882.9

Notes:

(1) Base allocation \$28.45 million; Ontario Music Investment Fund \$7 million; Canada-Ontario Agreement on French-Language Services \$0.062 million; deferred revenue OMIF (-\$0.08 million). Q2 Reforecast OMIF deferred revenue (-\$0.09 million)

(2) Includes tax credit administration fees, interest, and other income

(3) Assumes 1% increase; collective bargaining negotiations are currently underway which may affect this assumption

(4) Includes occupancy, administration, marketing and communications costs, and annual 2% inflation on operations and information services

(5) Current premises lease expires on October 31, 2023. For purposes of this projection, occupancy costs are assumed to extend to the end of the 2023-24 at the rate in effect at the expiration of the current lease

(6) Program delivery includes costs to deliver OC Funds, Trillium Awards and the Film Commission

(7) Consistent with the 2021-22 Q2 reforecast for tax credit fee revenue, the assumption is that tax credit fee revenue will increase over the budgeted amount of \$2.58 million in FY22, to \$2.845 million for FY23 and FY24.

(8) A deficit of \$19k occurs in FY25 under the revenue assumptions in Note 7. A decrease in operating expenditures of this amount was notionally applied to achieve a balanced budget in that year.

XI. IT AND ELECTRONIC SERVICE DELIVERY PLAN

Ontario Creates provides and supports its own information technology services, including maintenance of the 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 credits 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 Digital Locations Library (DLL) and the Online Research Library (ORL) through the website. It is also the agency's communications portal to provide information about the agency's programs and services and to share news for and about stakeholders.

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 do 24-hour system monitoring. This is carried out on a rotational basis by members of the IT team. Ontario Creates engages in an annual security audit carried out by MGCS to ensure that there are no major flaws in the system and that personal and confidential information is secure. The agency has built a strong track record of promptly addressing any security vulnerabilities identified in annual audits, and there have been no major security breaches over the years.

ELECTRONIC SERVICE DELIVERY

Ontario Creates provides Electronic Service Delivery to clients through the OAP. It is mandatory for all applicants to the Industry Initiatives, Ontario Music Fund, Business Intelligence Program, and Tax Credit programs to submit their applications through the portal. All written communication regarding applications is done through the OAP. The OAP tracks and 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 the 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. 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 from the Research, Film Commission, and IT areas, who work with the external vendor to implement them. Enhancements are implemented through the process described above.

RECENT ACCOMPLISHMENTS

In the last three years, a number of significant IT projects and systems upgrades have been completed:

- The agency completed the first phase of transitioning to cloud-based Office 365, including SharePoint, as part of its efforts to modernize IT systems, supporting efforts to ensure they conform to the highest security standards.
- A new corporate website was launched in 2020, designed to meet the requirements of the Accessibility for Ontarians with Disabilities Act. New tools to improve user experience for tax credit applicants were created and are available on the website, including an online tax credit estimate calculator and a tool to assist in determining whether a particular region qualifies as being inside or outside of the GTA for the purposes of the regional bonus.
- An enhancement to the ORL to improve user experience was successfully completed. Results show visits to the new site have more than doubled since the refresh.
- In support of the agency's transfer payment modernization efforts, e-transfer payment of tax credit administration fees and electronic grant payments were completed. Requirements gathering began for implementing e-contracts for funding recipients, and for collecting demographic data from program and tax credit applicants.
- In early March 2020, Ontario Creates' IT Team quickly mobilized to make remote work
 possible for the 78 FTEs at the agency. Significant time and resources were required to
 ensure that staff were able to access IT networks safely and securely in order to keep the
 agency business operations, programs and services running and responsive to clients. New
 devices and hardware were purchased to support work-from-home protocols. These
 devices will be substituted for regularly scheduled replacements in the coming years. The
 agency's IT Team continues to monitor and support staff while they work remotely.
- The final phase of upgrades to Ontario Creates' CRM systems was completed.

In 2021-22:

- The IT Team will continue supporting the Tax Credit unit's plans to bring the risk assessment scoring function (currently undertaken by MoF) in-house. The project is currently in a discovery and analysis stage.
- The IT Team finalized the exploration of processes available to issue electronic tax credit certificates with appropriate security features embedded. The project was completed and launched in December, 2021.
- The IT Team will support the Research and Strategic Planning Group's efforts to enhance data collection around key business and creative roles among companies and productions supported by Ontario Creates. This project is currently in an implementation stage.
- IT Helpdesk Ticketing System for supporting Internal Users: the IT team has successfully procured the software, the project went through implementation and testing phases, with a launch in early October 2021.
- As the Agency begins its return to the workplace, IT will finalize remote and hybrid work policies regarding IT related questions such as how hardware will be utilized, when to retire desktops, and how to facilitate docking stations.
- Procurement of the IT solution for the Digital Signature Project is currently in progress, with implementation and launch anticipated to be complete by end of Q3 2021-22.

2022-23 INFORMATION TECHNOLOGY PLAN

- Security and IT Infrastructure upgrades will be undertaken. The firewall will be upgraded and consideration will be given to upgrading the web server in order to increase the speed at which the Ontario Creates website loads.
- The agency will be in a planning and requirements gathering stage for transitioning clientfacing applications (OAP, DLL, ORL) to the Cloud to assist in improving security, access to service, and flexibility.

- The office phone system will be upgraded to "soft phones," to permit calls to be made from desktops via an app or standalone software solution.
- The IT Team will continue to fine-tune the CRM upgrade and will process ongoing enhancements to the database.

XII. LEVERAGING PARTNERSHIPS: INITIATIVES INVOLVING THIRD PARTIES

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. 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.

As an agency that administers investment funds and tax credits, Ontario Creates complies with all its responsibilities under TPAD. For each program, Ontario Creates defines expectations, establishes and implements agreements, monitors projects and takes corrective action where necessary, and reports on the results of the agency's funding. Regular risk assessment and mitigation is done on each file by Ontario Creates staff and referred to management when necessary. To improve effectiveness and performance, the agency works with public and private partners to deliver specific services and activities that support the creative media industries.

The following initiatives demonstrate ways Ontario Creates has been able to maximize the impact of Ontario's investments through partnership 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. It 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 formed a partnership with 18 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 offered financial, strategic and tactical support to deliver program initiatives.
- Over 200 film workers have taken part in the Climate and Sustainable Film Production, and Carbon Calculating courses delivered by the initiative. 140 film workers attended the inaugural OGS community meeting.
- The Ontario Green Screen Strategic Plan was launched in April 2021. The two-year plan provides tactics aligned to four strategic pillars to support the mission "to develop tools and resources that will empower Ontario's film and television industry to adopt environmentally sustainable best practices and business models to reduce the environmental impact". Build community; Inform and educate; Implement best practices; and Measure impact.

TORONTO INTERNATIONAL FILM FESTIVAL, INC (TIFF)

• Ontario Creates is the mechanism by which MHSTCI provides annual funds (\$815,000 in 2020-21 for the care and maintenance of the Province's film collection at the Film Reference Library (formerly Cinematheque Ontario) and TIFF Cinematheque's screening programs.

• In 2020-21, the agency also provided \$300,000 in operating support to TIFF, \$150,000 to the TIFF Industry Office which supports international sales opportunities for producers during the Festival, and \$30,000 via the Industry Development Program to TIFF's Film Circuit.

COCREATE

- Ontario Creates partners with Screen Australia, New Zealand Film Commission, British Film Institute, Irish Film Board, and Creative Scotland to deliver this co-production business development initiative in the feature film industry.
- Ontario Creates initiated and led this initiative to raise industry profiles 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.
- In the absence of in-person events in 2019-20, a virtual CoCreate reunion and panel session was held at the virtual Cannes film festival in 2020.

INTERNATIONAL CANADA STANDS

- 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), Reeperbahn Festival and Conference, Kidscreen, and Game Developers Conference.
- 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. An example of this is the American Film Market.

IDM FUND PARTNERSHIPS

- IDM Fund Futures is initiative 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 Afrotopolis Arts Collective, reducing the administrative burden on Ontario Creates of running the program, while increasing partner capacity.
- In 2020-21, Ontario Creates partnered with the Trade Commissioner Services, provincial partner Creative BC and Medienboard Berlin-Brandenberg to deliver the Canada-Germany Virtual IDM Exchange. Taking place over three days, the event created a B2B forum for interactive digital media companies looking for coproduction opportunities, as well as a panel discussion.
- In 2021-22, Ontario Creates partnered with the Trade Commissioner Services on the delivery of strategic events at DevCom and the Game Developer's Conference.

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 will be delivered in partnership with

organizations such as ADVANCE and the International Indigenous Music Summit. This will help broaden the reach and impact of these organizations while reducing the administrative burden on Ontario Creates.

CANADIAN AUDIO-VISUAL CERTIFICATION OFFICE (CAVCO)

• Ontario Creates is exploring with CAVCO how information can be shared by the Federal administrator as a means of streamlining an applicant's need to input and validate information in the Ontario Creates application form.

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.

ALLIANCE OF CANADIAN CINEMA, TELEVISION AND RADIO ARTISTS (ACTRA):

• To support the work that Ontario Creates is doing to assist the film and television sector with reopening when it is safe to do so, the agency has partnered with ACTRA Toronto to help develop the *Ready to Roll* marketing campaign.

CANADA REVENUE AGENCY (CRA)

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

ECONOMIC CLUB/CONSCIOUS ECONOMICS

• Ontario Creates partnered with the Economic Club of Canada and the Canadian Live Music Association to host *Business is Better with Music*, an in person B2B event to connect music stakeholders with representatives from corporate Canada. Additional events will follow.

CANADIAN ACADEMY OF RECORDING ARTS AND SCIENCES (CARAS)

• To promote and raise the profile of Ontario Juno Award nominees, Ontario Creates partnered with CARAS to present ProjectiON-- striking larger than life projections of Ontario nominees and winners at Ontario Place and the Distillery District.

DESTINATION ONTARIO

• Ontario Creates fellow MHSTCI agency Destination Ontario partnered on two video content series to profile a select group of first-time Ontario Juno Award nominees. and five author delegates to the 2021 Frankfurt Book Fair. The *Homegrown* series was distributed across social media channels and broadcast on the show floor at the Frankfurt Book Fair.

GLOBAL AFFAIRS CANADA (GAC)

• Ontario Creates partnered with the Canadian Consulate in Los Angeles and Trade Commissioner Services on the Canadian Creative Accelerator program, including four cohorts for film, television, interactive, and music companies.

XIII. 2022-23 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' strategic plan concluded in 2021-22 and the creation of a new plan was delayed by a year in order to better understand the long-term impacts of COVID-19 to Ontario's creative industries. In 2022-23, Ontario Creates will continue to be guided by the goals and activities of the agency's existing plan, while developing a new five-year plan to commence 2023-24.

SUMMARY OF ACCOMPLISHMENTS

Ontario Creates has made significant progress against many initiatives outlined in the Strategic Plan. Key accomplishments include:

- Recognizing the importance of activities like development and marketing to the overall success of a project, Ontario Creates extended support to include more impactful activities across the value chain.
- Encouraged collaboration and innovation by expanding program eligibility to allow for unique partnerships within and across creative sectors.
- Prioritized support for diverse projects and teams in order to ensure greater equity of opportunity across these industries and to meet audience demand for creative content that reflects the diverse communities across Ontario.
- Supported the considerable growth of Ontario's production sector which, over the last five years, has seen a significant increase in studio space and dollars spent in Ontario on commercially successful and critically acclaimed domestic and foreign film and television productions.
- Successfully rebranded the Ontario Media Development Corporation as Ontario Creates, and expanded that new brand across Canada and internationally, reaching new industry and consumer audiences.
- Made significant progress eliminating the backlog of tax credit applications, reducing the processing time of tax credit applications and implementing improvements to make the processing of tax credits more efficient, meaning companies can receive their rebates much more quickly, spend less on loan interest fees and can reinvest those funds into the creation of new projects.
- Customer service improvements that have made accessing Ontario Creates programs and services easier and faster for clients.

2022-23 IMPLEMENTATION PLAN

The chart below maps out the specific activities that will be carried out in 2022-23 against the three strategic goals and two strategic enablers.

#	OBJECTIVE	2022-23 TACTICS	
STRATEGIC GOAL #1: STIMULATE ECONOMIC GROWTH AND EMPLOYMENT			
1	Champion the modernization of Ontario's tax credits	 a. Complete business process improvement projects identified through the MNP review b. Continue to work with government partners to improve and ensure stable and effective tax credits c. Review tax credit administration fee structure 	
2	Regularly update program parameters to ensure they are modern and responsive and	 Continue to evaluate and refine new program criteria and funding guidelines 	

17	to optimize the impact of Ontario Creates'	b. Continue to deliver Diversity Enhancement		
	role across the value chain	 and enhanced Marketing support programs; expand Diversity Enhancement to all sectors c. Provide leadership with regard to film and television workforce development and 		
		sustainable production strategies.		
STD	ATEGIC GOAL #2: PROMOTE THE INDUSTRI	d. Undertake Magazine Fund Review		
4	Promote Ontario as a place for inward investment and development in the creative industries	 a. Continue implementing high-priority promotion opportunities b. Evaluate the impact of promotion programs on industry investment and development in Ontario 		
5	Amplify domestic and international export opportunities for Ontario companies and content	a. Continue implementing refined/new programs, services and partnerships		
6	Refresh Ontario Creates' branding and communications to support promotion activities	a. Refresh branding materials and templates		
STRATEGIC GOAL #3: ENCOURAGE COLLABORATION AND INNOVATION				
7	Stimulate innovative cross-sector collaboration within the creative industries and with broader public sector partners	 a. Ongoing implementation and evaluation of industry development and partnership initiatives b. Continue to explore inter-ministerial opportunities (e.g., EDU, MEDJCT) c. Continue partnerships with other levels of 		
		government		
9	Facilitate domestic and international business partnership opportunities for Ontario-based companies	 Continue to facilitate partnerships and evaluate the impact of increased engagement on levels of innovation and collaboration 		
STR	ATEGIC ENABLER #1: ENSURE SERVICE AND	Construction control and		
10	Continue to streamline internal processes and procedures	 Evaluate impact of the business process review recommendations and integrate continuous improvement 		
11	Review program priorities and capacity to deliver across the agency to ensure a continued focus on high value activities	 a. Ongoing program review in alignment with agency requirements and annual review cycle b. Adjust programs and service offerings based on review outcomes 		
12	Streamline reporting to focus on transparent performance measurement and outcomes	 a. Evaluate the impact of custom reports for results management on operational efficiency b. Implement demographic data collection for key business and creative roles across program and tax credit applications. 		
STRA	TEGIC ENABLER #2: EMPOWER PEOPLE AND	TEAMS		
13	Maintain focus on continuously evolving Ontario Creates' culture to align with agency and government values	a. Continue to support activities of Ontario Creates' Employee Engagement Committee and Diversity and Inclusion Taskforce		

XIV. COMMUNICATIONS PLAN

As the Creative Industries continue to recover from the devastating effects of the pandemic, we will focus our communications for 2022-23 on 'strength in recovery.' This will include showcasing the successes of diverse-owned companies, promoting key Ontario Creates-led initiatives, and providing ongoing support to Ontario Creates-supported companies, productions, and stakeholders.

GOAL

To promote the industries and build awareness about the strength of Ontario's film and television, interactive digital media, music, book, and magazine industries through engagement with stakeholders, and to attract new productions to the province of Ontario.

OBJECTIVES

Stimulate economic growth and employment by demonstrating that Ontario offers a safe, business-friendly environment where companies can thrive, good jobs can grow, and great content gets made.

AUDIENCES

- External: Consumers and industry stakeholders, influencers and decision-makers in Ontario, across Canada and around the globe
- Internal: MHSTCI and relevant government ministries, The Ontario Creates Board of Directors, Industry Advisory Committee members, and Ontario Creates staff
- Media: Trade and consumer journalists and editors; social media influencers and bloggers

APPROACH

Digital Asset Management - Social Media Channels and Agency Website

- Develop and execute social media marketing plans to support sector initiatives that target regional, national, and international audiences, as well as influencers
- Use paid support to amplify messaging across social media channels for key priorities and initiatives
- Use key stakeholders as spokespersons or ambassadors for the success and advantages of doing business in Ontario
- Strategically employ Ontario Creates' website carousel to build awareness of program launches and Ontario content

Paid Sponsorships, Partnerships, and Advertisements

- Leverage opportunities with partner organizations to extend the reach of Ontario Creates impact and messaging to key target audiences
- Strategically advertise in trade publications during key times and to support key priorities

Events

• Host and sponsor/support industry events to connect industry stakeholders, reinforce the Agency's business development role, and leverage opportunities to build public and stakeholder awareness

Media Outreach

 Develop an annual editorial calendar to track and leverage key initiatives, events and seasons

- Pitch traditional and industry trade publications with stories relevant to industry recovery and success
- Develop key messages at the agency and sector level to act as a guide for all proactive and reactive agency communications
- Review and assess current Media Impressions performance metrics and determine the best way to capture the quality of our coverage moving forward.

XV. RESPONSE TO THE EXPECTATIONS SET OUT IN THE AGENCY MANDATE LETTER

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 Strategic Plan, *Lead. Connect. Grow.*, focuses resources on stimulating economic growth and employment, encouraging collaboration and innovation, and promoting Ontario's creative industries while striving to be flexible, collaborative, accountable, and inclusive. This plan strongly aligns with, and supports, the government's priorities and MHSTCI's dual mandate reflecting Ontario's cultural fabric and economic bottom line, as set out in the agency's 2022-23 mandate letter from the Minister of Heritage, Sport, Tourism and Culture Industries.

Ontario Creates will support government priorities to promote economic development, investment and jobs in Ontario's vibrant cultural 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 the government's efforts to responsibly restart the economy, including MHSTCI's December 2020 White Paper that outlined medium- and long-term strategies to support the recovery of the heritage, sport, tourism and culture industries, and the Ministry's efforts to reinforce the work of the Ontario Jobs and Recovery Committee and the next phase of *Ontario's Action Plan: Protecting People's Health and Our Economy*.

In these ways, the agency will help advance MHSTCI's priorities such as promoting the arts, fueling the creative economy, and helping to restore public confidence and re-engage Ontarians with our sectors safely, to ensure that the creative industries will be able to rebound, recover, grow and thrive, and to be ready to welcome the world back to our province.

As always, the agency will maintain the highest levels of accountability, fiscal management and good governance, and will continue to act in the best interests of Ontarians by being efficient, effective, and providing value for money to taxpayers. This includes ensuring a focus on the following:

- Competitiveness, sustainability and expenditure management,
- Transparency and accountability,
- Risk management,
- Workforce management,
- Data collection,
- Digital delivery and customer service,
- Diversity and inclusion, and
- COVID-19 recovery.

The agency is invested in continuous improvement across all services and operations. The plans and projects detailed in this business plan demonstrate our commitment to ensuring Ontario Creates' programs and activities are customer-focused and tailored to the needs of the sectors we support. The agency will continue to offer virtual services, building on digital service delivery advancements that were accomplished prior to, and during the pandemic. Ontario Creates strives to support all government initiatives that relate to the agency's mandate. We will work closely with MHSTCI, as described in our MOU, to ensure a coordinated approach to communication. Where appropriate we will collaborate with other Ministry agencies to support the creative sectors' recovery and promote their long-term viability.

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

APPENDIX A: DETAIL OF AGENCY'S CURRENT AND FUTURE PROGRAMS AND ACTIVITIES

AGENCY PRIORITIES

The agency has the following key priorities for the year ahead. These themes have been developed to align with government and ministry priorities, and the programs, services and activities described below are linked to the following themes:

- COVID Recovery and Innovation
- Diversity and Inclusion / Accessibility
- Capacity-Building and Workforce Development
- Environmental Sustainability
- Customer Service/Business Process Improvements
- Showcasing Ontario's Creative Industries
- Re-Establish Ontario in International Markets

INDUSTRY DEVELOPMENT GROUP

In 2022-23, the following three initiatives will be undertaken across all Industry Initiatives investment programs:

DIVERSITY ENHANCEMENT

• In 2022-23, the Diversity Enhancement will be rolled out to all investment programs for the first time. The Diversity Enhancement began as a time-limited add-on to the Film Fund in 2017-18, providing an additional \$4.5 million over three fiscal years (ending in 2019-20) to films that meet the provincial definition of diversity, which encompasses: ancestry, culture, ethnicity, gender identity and expression, language, physical and intellectual ability, race, religion, sex, sexual orientation and socio-economic status. From 2018-19, Ontario Creates allocated \$250,000 of this funding to the Industry Development Program for initiatives across the book, film, television and magazine sectors. In recognition of the significant value and impact of dedicated funding for projects with a diversity component, Ontario Creates continued to support the program using uncommitted cash reserves in 2020-21 and 2021-22. The agency will continue to prioritize this activity through the allocation of uncommitted reserves to the extent possible in the year ahead. A strategy will be developed in 2022-23 to transition away from the use of cash reserves, to a more sustainable solution to support diversity initiatives.

ACCESSIBILITY

- To assist companies and organizations in executing projects that are accessible and inclusive for people with disabilities, guidelines will be updated across all Industry Initiatives programs in order to explicitly allow for incorporation of costs related to accessibility through a top-up or budget line item.
- 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.

APPLICATION PROCESS IMPROVEMENTS

- Application requirements will be streamlined to improve client service and reduce red tape.
- Deadline cycles will be reviewed to better align with other funders' timeframes and ensure timely turn-around time on decisions.
- Ontario Creates will use the Nordicity environmental scan on Transfer Payment requirements to inform application requirements and support best practices.

FILM FUND

The Film Fund provides support to Ontario feature film projects that are ready for production or in development.

PROGRAM OBJECTIVES:

- To increase investment and jobs in Ontario by Ontario-based feature film production companies.
- To assist in capitalizing Ontario-based feature film production companies.
- To increase the number of high quality, original feature films produced in Ontario by Ontario-based production companies.
- To increase awareness of funded films throughout the release cycle and to extend audience reach.

THE FUND HAS THREE COMPONENTS:

- **Development** Provides funding in the form of an interest-free loan for development activities.
- **Production** Provides funding in the form of a repayable advance on a last-in basis to complete the production financing of a feature film.
- Marketing and Distribution Initiative (MDI)– Provides targeted funding to Film Fund (Production) recipients for innovative domestic marketing and distribution strategies.

FILM FUND DIVERSITY ENHANCEMENT:

- The agency will continue to prioritize this activity through the allocation of uncommitted reserves to the extent possible in 2022-23.
- **PROGRAM RESULTS**: In 2020-21, every dollar invested by Ontario Creates through the Film Fund leveraged an additional \$19.73 in spending in the economy. The program also created nearly 9,000 weeks of work. Results for this program are measured by the number of jobs created and/or retained.
- Leverage value of Ontario Creates' contribution to each project.

2022-23 PRIORITIES:

- Ontario Creates will continue to deliver the Film Fund and will top-up the core program with funds dedicated to diverse projects for another year by accessing the agency's cash reserves.
- Application and contract requirements will be streamlined to reduce red tape for applicants.
- Guidelines will be updated in order to explicitly allow for incorporation of costs related to accessibility through a top-up or budget line item.

FILM FUND SUCCESSES: Many Film Fund-supported projects have achieved critical and commercial acclaim both at home and abroad:

- Five Ontario Creates-supported features screened at the 2021 edition of the Toronto International Film Festival (TIFF), which was delivered in a hybrid format with both in person and digital screenings: All My Puny Sorrows, Charlotte, Kicking Blood, The Middle Man, and Night Raiders. During TIFF, All My Puny Sorrows alone generated 105,188 media impressions, 1,147 website clicks, 191 positive reactions, and 37 shares. The film has also been nominated for a 2021 Directors' Guild of Canada (DGC) Award.
- Night Raiders (Alcina Pictures, Uno Bravo), directed by Danis Goulet and starring Elle-Máijá Tailfeathers and Brooklyn Letexier-Hart, is a science fiction apocalyptic film set in 2044. The film follows a Cree woman who joins a resistance movement to the military government to save her daughter. Following its world premiere at the Berlin Film Festival and subsequent premieres at TIFF and VIFF, Night Raiders had the widest ever Canadian theatrical release for an Indigenous film, with 80 locations across the country, breaking the previous record held by Atanarjuat: The Fast Runner. The Ontario Creates-supported Canada/New Zealand co-production also screened as the opening night film at the imagineNATIVE Film + Media Film Festival.
- The 16th annual Ontario Creates International Financing Forum was held in a virtual format, with 41 producers and over 40 executives participated in curated meetings, an exclusive panel discussion, and roundtables on the future of financing.
- Ontario Creates supported projects received a total of 70 nominations at the 2021 Canadian Screen Award nominations, across Film, Digital and Television categories, and 16 wins. *Akilla's Escape* and *Funny Boy* led in nominations with 8 and 9 respectively. *Akilla's Escape* took home 5 overall wins including Best Original Screenplay. *Funny Boy* received three awards including Deepa Mehta's win for Achievement in Direction.
- At the Guild of Music Supervisors Awards, Ontario Creates supported film *The Cuban* won an award for Best Music Supervision for a film under \$5 million. The soundtrack was also produced by a nominee for the Grammys and Canadian Screen Awards nominee and Ontario Music Investment Fund (OMIF) recipient, Hilario Duran.
- Four Ontario Creates supported films were selected for the 2021 Hot Docs Canadian International Documentary Festival, which took place online, including the opening night film. *Artificial Immortality*, and *One of Ours*, which was honoured with the Special Jury Prize for Canadian Feature Documentary.
- **Diversity & Inclusion:** In 2020-21, 55% of Film Fund supported films received the Diversity Enhancement; including 4 Indigenous projects; 2 Francophone projects & 9 from people of colour.
- In 2020-21, Ontario Creates partnered with the Indigenous Screen Office to support ongoing on-set mentorship and training initiatives for Indigenous crews, specifically on the set of the forthcoming film *Stellar*.

INTERACTIVE DIGITAL MEDIA FUND

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:

- To support the creation and exploitation of interactive original content by Ontario companies.
- To provide opportunities for interactive digital media content producers to access existing and new markets, build capacity, and grow their companies.
- To provide support for established trade and event organizations for activities that stimulate the growth of Ontario's interactive industry.

THE FUND HAS SIX PROGRAM STREAMS:

- Concept Definition (Linear and Non-Linear Streams) Provides support for early-stage activities that assist companies in moving towards the production of market-ready content projects.
- Production (Linear and Non-Linear Streams) Provides support for the creation of a market-ready content project that will be released to end users.
- Discoverability & Commercialization (formerly Marketing Support) Provides support for marketing activities that will amplify the visibility and financial viability of Ontario Createsfunded interactive digital media projects when they are released/available for sale in the marketplace.
- Global Market Development Provides Ontario companies with funding to participate in international activities that support company growth and produce measurable business and market development results.
- Industry Development Provides support for business development activities and trade organization initiatives.
- IDM Fund Futures Provides training and support via a selective grant to emerging producers.

IDM FUND DIVERSITY ENHANCEMENT

• The agency will introduce a Diversity Enhancement for the IDM Fund through an allocation from the IDM Fund. There is also potential to leverage Ontario Creates' allocation with a matching contribution from a partner organization.

PROGRAM RESULTS:

In 2020-21, the program created 15,428 weeks of work and leveraged spending in the economy of 2.75x the amount invested by Ontario Creates.

Results for this program are measured by the:

- Number of jobs created and/or retained.
- Leverage value of Ontario Creates' contribution to each project.
- Number of contacts/business leads made by participants.

2022-23 PRIORITIES:

• Ontario Creates will continue to deliver the IDM Fund and may introduce additional support for diverse teams and projects pending partnership support. To better support diverse projects and teams, the IDM Fund will continue to explore opportunities to mentor and provide training opportunities to emerging and mid-level content creators through the IDM Futures program and new initiatives in partnership with trade organizations such as magineNATIVE, Hand Eye Society, the Afrotopolis Art Collective, Interactive Ontario and other trade organizations.

• Ontario Creates will undertake activities focused on the key goal of raising the profile of Ontario's interactive companies and content internationally, and increasing Ontario's competitiveness. This may include promotion activities, marketing projects and other targeted actions. Guidelines will be updated in order to explicitly allow for incorporation of costs related to accessibility through a top-up or budget line item.

IDM FUND SUCCESSES: IDM Fund recipients have been recognized for their creativity and innovation in a variety of platforms:

- A recently released IDM Fund supported project, *Chivalry 2*, a multiplayer first-person game inspired by epic medieval movie battles, boasts more than 1 million copies sold and over 8 million gameplay hours.
- In October 2021, *LOVE A Puzzle Box Filled with Stories* by Ontario Creates-supported Rocketship Park was selected by Apple as Game of the Day in the United States, receiving a strong endorsement from the App Store editorial team.
- *Bit Playas* by Larue Productions Inc. won Best Series and Best Writing at the 2021 Canadian Screen Awards.
- Avocado Toast by Border2Border Entertainment won Best Web Series Narrative at Japan Web Fest 2021, and the Best Editing award at the Seoul Webfest 2020.
- The IDM Fund Futures program was expanded in 2021-22 and included a cohort led by the Afrotopolis Art Collective, targeted to Black IDM content creators.
- With support from the Ontario Creates IDM Fund, *Culture Magazin*, a bilingual English-Vietnamese magazine, was able to transform its business from a small publication into a large-scale digital property with 320,000 readers across North America. Its YouTube channel has over 2.5M views and over 15,000 subscribers.
- Ontario Creates hosted a networking event at the online edition of Gamescom/Devcom in August 2021, the world's largest game festival that typically takes place in Cologne, Germany. The event featured an engaging interactive networking space for delegate avatars to wander; including display booths for Ontario companies and videos to watch. Projects from 11 stakeholders were showcased. Delegates could sit down at a table and connect by video to chat with other people in the space.
- **Diversity & Inclusion:** In 2020-21, Ontario Creates supported the production of diverse web series including *Topline, Revenge of the Black Best Friend*, and *Avocado Toast*, as well as concept definition activities for *Black Community Mixtapes* and *Aunty B's House*.

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 introduce a Diversity Enhancement for the Book Fund through the allocation of uncommitted reserves to the extent possible in 2022-23.

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 2019-20, the most recent year sales results are available, Book Fund recipients reported earning an average of \$5.54 for every dollar invested by Ontario Creates.

Results for this program are measured by the:

- Leverage value of Ontario Creates' contribution to each project.
- ROI which represents the value of sales generated by a project for every dollar invested by Ontario Creates.

2022-23 PRIORITIES:

- Ontario Creates will continue to deliver the Book Fund; and in recognizing the challenges
 publishers have faced as a result of the pandemic, will continue to allow an expanded range
 of eligible costs to include operational costs for activities that are in line with overall
 program objectives.
- Ontario Creates will introduce a 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 marketing activities for diverse content and to expand partnerships with diverse creators.
- Application requirements will be streamlined to reduce red tape for applicants.
- Guidelines will be updated in order to explicitly allow for incorporation of costs related to accessibility through a top-up or budget line item.

BOOK FUND SUCCESSES: In 2019-20, Book Fund recipients reported earning an average annual return of \$5.54 in sales for every dollar invested by Ontario Creates. Books published by Ontario-based, Canadian-owned publishers have received significant critical and commercial acclaim:

- Two books by Book Fund-supported publishers are among the five titles shortlisted for the 2021 Scotiabank Giller Prize: *The Son of the House* by Cheluchi Onyemelukwe-Onuobia (Dundurn Press) and *Glorious Frazzled Beings* by Angélique Lalonde (House of Anansi Press).
- When the Trillium Book Awards were launched in May 2021, there was exceptional media pick-up. Media impressions surpassed 20 million on launch day, up from 9 million the previous year. The virtual award ceremony was presented via livestream on Facebook and YouTube, and garnered over 878 views on Facebook alone. Overall, this year's event achieved a total of 135.6M+ impressions, surpassing 2020's impressions results by over 68%.
- Canada was the country of honour at the Frankfurt Book Fair, held October 20-24, 2021 in hybrid format. This marquee event provided increased profile and opportunities for Ontario publishers and other creators from the province to showcase their work on the world stage through activities including a series of videos produced with Destination Ontario. Ontario Creates organized a supportive presence for Minister MacLeod at the virtual market with a Fireside Chat with delegate authors and a publisher roundtable discussion.
- 2020 was a banner year for Book*hug, with the publisher seeing titles nominated for major awards. Shani Mootoo's *Polar Vortex* was a finalist for the 2020 Scotiabank Giller Prize, while Oana Avasilichioaei's *The Neptune Room* was a finalist for the 2020 Governor General's Literary Awards.
- **Diversity & Inclusion:** Kids Can Press' Feminist Books for Young Readers Campaign successfully promoted five feminist Young Adult and nonfiction titles to over 200,000 teachers and librarians through an extensive digital and traditional marketing campaign, resulting in over \$300,000 in sales revenues.

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 ENHANCMENT:

• The agency will introduce a Diversity Enhancement for the Magazine Fund through the allocation of uncommitted reserves to the extent possible in 2022-23.

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 2020-21, each dollar invested in the Magazine Fund leveraged \$0.91 in additional spending.

Results for this program are measured by the:

- Leverage value of Ontario Creates' contribution to each project.
- ROI which represents the value of sales generated by a project for every dollar invested by Ontario Creates.

2022-23 PRIORITIES:

- Ontario Creates will continue to deliver the Magazine Fund; and in recognizing the challenges magazine companies have faced as a result of the pandemic, will expand eligible costs to include operational costs for activities that are in line with overall program objectives.
- Ontario Creates will introduce a 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.
- The agency will commission a Program Review of the Magazine Fund, and begin to implement study recommendations.
- Application requirements will be streamlined to reduce red tape for applicants.
- Guidelines will be updated in order to explicitly allow for incorporation of costs related to accessibility through a top-up or budget line item.

MAGAZINE FUND SUCCESSES: Ontario has the largest magazine industry in the country. Ontario magazine media are frequently recognized for their excellence in content, design and production:

- This year, seven Ontario Creates supported publications received nominations at the 2021 National Magazine Awards. *Cottage Life* and *Inuit Art Quarterly*, each with seven overall category nominations, were top nominees. The editor of *Cottage Life*, Michelle Kelly, won the Editor Grand Prix award at the National Magazine Awards. Kelly was dynamic and shifted gears during the pandemic and launched a Cottage Life podcast in an effort to stay connected to readers and subscribers. *Toronto Life* took home the prestigious Magazine Grand Prix.
- Among National Magazine Awards B2B Magazine winners, highlights include Wenting Li of *Precedent Magazine* who received the Gold Award for Best Illustration and *Azure*'s Gold Award for Best Issue.
- Three Ontario Creates supported publications were nominated for the 2021 Digital Publishing Awards, with *The Walrus* winning Gold in the Best Feature category.
- With Ontario Creates support, online magazine ByBlacks.com relaunched a popular social media campaign entitled #BlackHistory365, with unique micro-stories celebrating a Black Canadian historical figure or current-day changemaker breaking barriers in their field. The support made possible a focus on Ontario creative industry professionals and content creators during the first three months of the campaign, which ran on Instagram, Facebook, Twitter, LinkedIn, Pinterest, and TumbIr.
- Horse Publications Group (HPG) received Magazine Fund support on a project to create dedicated websites for Horse Sport, Horse Canada and Canadian Thoroughbred magazines, which led to a 48% increase in digital revenues and an 80-90% increase in digital ad spending between 2018 and 2020, and supported a move to digital-only.
- **Diversity & Inclusion:** The Magazine Fund supports magazine media aimed at a wide range of audiences, including *Culture Magazin*, which reflects the diverse and dynamic cultures of Canada and Vietnam, *Inuit Art Quarterly*, the only publication dedicated to the advancement and appreciation of Inuit and circumpolar Indigenous arts, and *Brazilian Wave*, which strengthens the Brazil-Canada cultural link and connects the Brazilian community.

INTERNATIONAL BUSINESS DEVELOPMENT

Ontario Creates provides support for Ontario book publishers and film and television content producers 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. Formerly called the Export Fund, for 2022-23 and the years ahead, a name change is planned to Global Market Development, to align with terminology used for the music and interactive digital media sectors, and to better describe the range of activities supported. Export activities for the music and interactive digital media sectors will continue to be supported through the Ontario Music Investment Fund (OMIF) and the IDM Fund.

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 2019-20, Export Fund recipients in the Book and Film/TV sectors reported earning international sales of approximately \$150 million, equivalent to \$125.12 for every dollar invested by Ontario Creates.

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.
- Number of foreign markets attended by program participants.
- Number of markets at which Ontario Creates has organized a strategic presence.

In 2021-22, activities included:

- Participation in the virtual program of the Frankfurt Book Fair (held in October 2021 in a hybrid format) with Canada featured as the Country of Honour, including virtual meetings supporting Ontario's presence at the Book Fair for Minister MacLeod.
- A virtual presence at both GamesCom and MIGS, including networking events, a virtual booth presence, and organized pitch sessions for Ontario companies.
- Partnership on the Canada Creative Accelerator program, an initiative led by the Canadian Consulates in L.A. and New York.
- Co-hosting an event with the Embassy of Canada in Paris, France, to support business opportunities for web series content creators.
- Leading Minister MacLeod's virtual L.A. mission for the Film, TV, Music and Interactive industries in April 2021, including roundtables with domestic film producers, music companies, and meetings with LA-based executives including film studios, music supervisors and IDM publishers.
- Virtual trade mission for animation companies in partnership with the New Zealand Film Commission. Participants learned about coproduction incentives and success through a case study presentation, and took part in one-on-one producer meetings.

2022-23 PRIORITIES:

- Rename Export Fund programs to Global Market Development, to better reflect the wide range of activities (IP; content creation; rights) leading to strong program results.
- Refine eligible activities in a "post-pandemic" climate
- Identify key priorities and strategic opportunities for each sector.
- Ontario Creates will continue to deliver Global Market Development (formerly Export Fund) funding and international business development activities; and in recognizing the challenges companies have faced as a result of the pandemic, will continue to allow for expanded eligibility, inclusive of virtual export activities and marketing initiatives targeted to building international sales and business contacts.
- While international travel remains limited, Ontario Creates will continue to spearhead virtual and hybrid initiatives as appropriate for Ontario companies seeking potential export and partnership opportunities.
- Staff will continue to work with the federal trade commissioner services and staff to augment and amplify export opportunities for Ontario creative businesses.
- Application requirements will be streamlined to reduce red tape for applicants.
- Guidelines will be updated in order to explicitly allow for incorporation of costs related to accessibility through a top-up or budget line item.

INTERNATIONAL BUSINESS DEVELOPMENT SUCCESSES:

- In 2020-21, Ontario Creates Export programs awarded a total of \$1.52M in funding to 151 companies. The funding was split between the Film and TV Export Fund (\$886K for 95 companies); the Book Export fund (\$300K for 29 companies); and the IDM Global Market Development fund (\$333K for 27 companies). With the inability to travel, the export programs provided a dynamic and flexible system for pursuing international sales and marketing activities.
- Ontario Creates supported 225 companies to virtually attend 129 foreign markets.
- A return on investment of \$125.12 for every dollar invested by Ontario Creates was achieved in 2019-20, the most recent year for which this data is available.
- Ontario Creates had a virtual strategic presence internationally including at Cannes Film Festival and the Frankfurt Book Fair, and led an IDM Virtual Mission to Germany.

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 Ontario Music Investment Fund (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 2022-23.

PROGRAM RESULTS:

In 2020-21, Ontario Creates supported or led 58 initiatives, creating over 7,600 business leads for Ontario creative industry entrepreneurs. These leads typically help create new partnerships that generate new projects and revenue growth for companies. The program also provided 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.

2022-23 PRIORITIES:

- In line with government priorities and identified corporate objectives, in 2022-23, the Industry Development Program will continue to target three priority areas. This three-fold lens will be applied on a project-by-project basis to ensure enhanced support for the following types of activities:
 - o Skills development, mentorship and increased workforce capacity
 - Diversity and inclusion
 - Marketing and discoverability, including high impact B2B opportunities
- 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.
- Implement program deadline/cycle adjustments to better align with other funders, and reduce wait time for decisions, improving service to stakeholders.
- Application requirements will be streamlined to reduce red tape for applicants.
- Guidelines will be updated in order to explicitly allow for incorporation of costs related to accessibility through a top-up or budget line item.

INDUSTRY DEVELOPMENT SUCCESSES:

- To mitigate the financial effects of marketplace closures due to COVID-19, Ontario Creates launched the Shop. Stream. Support campaign that features over 40 different products from all sectors which was met with over 900K impressions from the advertising campaigns.
- The 2021 edition of From Page to Screen, held virtually, garnered participation from over 60 book publishers and screen producers, who took part in one-on-one meetings. The event included an option incentive offered by Ontario Creates for any deals made as a result of the event. This event was followed up with curated meetings between Apple TV and Ontario book publishers.
- **Diversity & Inclusion:** In 2020-21, the Diversity Enhancement provided assistance to support mentorship and training activities which included on-set mentorship for Indigenous filmmakers; diversity-focused internships for the Book industry; crew and writer initiatives for BIPOC workers, and incubators for creators of colour.

ONTARIO MUSIC INVESTMENT FUND

The Ontario Music Investment Fund (OMIF) was launched in 2020-21, replacing the Ontario Music Fund. The program is designed to provide targeted economic development and investment to the province's vibrant and diverse music industry.

PROGRAM OBJECTIVES:

- Support Ontario music companies with strong growth potential to maximize ROI; and
- Create more opportunities for emerging artists to record and perform in Ontario.

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,
- Strengthen support at critical stages in the careers of artists.

PROGRAM STREAMS:

• There are three program streams, tailored for different parts of the industry:

Music Creation

Supporting businesses that take risks discovering and developing talent – particularly emerging artists – and bringing it to market through recording and production, marketing and promotion, touring and showcasing, and publishing.

• Eligible applicants include domestic and multinational record labels, and domestic music publishers.

Music Industry Initiatives

Supporting collective industry initiatives to undertake professional development/training and export activities, conduct industry analysis/data gathering and build regional capacity.

- Eligible applicants include music industry trade associations and music service organizations.
- Export/market development funding available for music managers.

Live Music

Supporting businesses and organizations that produce or promote live music events featuring Canadian artists including eligible music festivals and concert series.

• Eligible applicants include live music promoters and presenters.

PROGRAM RESULTS:

As the OMIF was introduced in 2020-21 (formerly the Ontario Music Fund), some notional performance targets have been developed and will be further refined as needed in 2022-23 and beyond. Metrics for this program include:

- Number of jobs created and/or retained.
- Company growth (net revenue/income).
- Private investment and equity secured.
- Leverage value of Ontario Creates' contribution to each project.
- Number of contacts/business leads made by participants.

Key 2020-21 OMIF Results:

• Leverage value (amount of additional spending generated for every dollar invested by Ontario Creates): \$5.09

Industry Results after 7 Years of support from the Ontario Music Fund (OMF) (2013-14 to 2019-20):

- Almost 30 million units of recordings by OMF-supported companies sold worldwide.
- 15 million people attended OMF-supported live music events.
- 3,200 artists directly supported.
- 54.000 business leads and deals from export missions and B2B meetings.

2022-23 PRIORITIES:

- Ontario Creates will deliver the Ontario Music Investment Fund; and in recognizing the challenges music companies have faced as a result of the pandemic, will continue to expand eligible costs to include operational costs for activities that are in line with overall program objectives.
- The agency will continue AcceleratiON, the new Black & Indigenous music entrepreneurship initiative introduced as a time-limited activity in 2021-22, and consider expanding the program to People of Colour. As an additional mentorship activity, and linked to the agency's workforce development priority, the Access CMW conference mentorship initiative will be expanded to a wider range of conferences and professional development opportunities.
- The agency will continue to explore ways to leverage innovative and non-traditional partnerships for the music sector including re-imagining the "Music Makes It": New Connections cross-sector initiative to maximize impact by creating targeted bespoke events, and exploring opportunities with sectors outside Ontario Creates mandate (e.g., performing arts, corporate Canada).
- Ontario JUNO Awards 2022: The JUNO Awards were held virtually in 2021, and will return to Toronto for delayed 50th anniversary in person celebrations in 2022. Ontario Creates will partner with the Canadian Academy of Recording Arts and Sciences (CARAS) on a celebration event/marketing campaign to mark the beginnings of the recovery for the music sector.

ONTARIO MUSIC INVESTMENT FUND SUCCESSES:

- Ontario artists were well represented at 2021 JUNO Awards, with 113 nominations, more than half of the total 225 nominations. Two-thirds of the winners were Ontario based, and 20 winners were OMF/OMIF-supported, including Jessie Reyez, Savannah Re, July Talk & Arkells.
- Eight out of 10 Polaris Music Prize shortlisted artists were based in Ontario in 2021, including five OMIF-supported acts: The OBGMs (*The Ends*), The Weather Station, (*Ignorance*), Mustafa (*When Smoke Rises*), Zoon (*Bleached Wavves*), and the winner, who was announced on September 27, 2021: Cadence Weapon for the album *Parallel World* (Kelp Records).
- At the 20th Annual Indie Awards, Ontario Creates supported artists had 34 total category nominations and 6 category wins, including July Talk, winner of Album of the Year, and City and Colour, who won Song of the Year.
- Lido Pimienta, an OMIF-supported artist represented by Kelp Records, was selected by choreographer Andrea Miller to score a NYC Ballet production, marking the first time a composer of colour has been selected for this honour.
- Ontario Creates supported Indigenous artist Iskwē was selected for a prestigious residency at Stanford, where she staged an immersive performance that included a visual installation with lighting. Indigenous instrumentation and vocals, and live movement and dance – reflecting the resilience and survival of Indigenous people and the lasting power and hope that follows transformation. Iskwē was also invited to perform at the Frankfurt Book Fair to showcase Canada and Ontario's music industry and talent as part of the Country of Honour celebrations.
- The 2021 Prism Prize, which honours achievement in Canadian music videos, went to the video for the song *Thirteen*, by Ontario Creates supported artist Haviah Mighty. The Prism Prize Top 20 included multiple OMF/OMIF-supported nominees.
- Diversity and Inclusion: The new 2020-21 OMIF Music Creation stream had a total of 60 approved applications. Of the approved applicants, 38% (23) have self-identified as being BIPOC-owned companies. 9 are Black-owned, 7 are Indigenous, 7 are helmed by People of Colour and 17% (10) of the approved companies are female led. Additionally, 3 Franco Ontarian applications were supported.
- Ontario Creates supported the ADVANCE/CIMA Breaking Down Racial Barriers discussion series, and attended a subsequent virtual event to demonstrate continued support by signing an industry-wide declaration to end anti-black racism in Canada's music industry.
- At the International Indigenous Music Summit, Ontario Creates sponsored the Ontario portion of the Giiwewizh series of short films/music showcase that featured 16 artists (six from Ontario).

FILM COMMISSION

Ontario's Film Commission offers a suite of services to domestic and foreign film and television companies to attract production, post-production, animation and visual effects investment to Ontario. The Film Commission is a key point of contact for most of the film and television projects in Ontario. These services include the leading-edge Digital Locations Library website, complimentary scouting assistance to all productions considering Ontario as a location, familiarization tours, and facilitation and troubleshooting support to productions shooting in the province through the Production Liaison Service. The Film Unit serves as the primary promotional body selling Ontario's advantages to the global film industry, through strategic B2B initiatives and international advertising campaigns. The Unit also collects statistics on this production activity. In 2020, the Film Commission was pivotal in helping ensure a safe return to work for the production sector, working with partners to establish the *Ready to Roll* website and campaign.

Throughout 2021-22, the Film Commission continued to communicate provincial policy, and health and safety updates through the Ready to Roll website, to keep the industry informed, and assisted stakeholders with gaining access to free test kits for productions and production services as part of the Provincial Rapid Antigen Testing Program.

- 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 LA Office continues to make a significant contribution to Ontario's foreign production activity. In 2020-21, 112 leads were supported through the LA Office, 49 of which converted to scouting and 44 of which ended up shooting in Ontario, with total budgets valuing over \$969 million. The LA Office also collects client experience intelligence from foreign service productions, which is used to improve the province's offering.
- Ontario Creates' award-winning Digital Locations Database image collection continues to grow. As of the end of 2020-21, the database held approximately 9,000 portfolios, representing nearly 270,000 individual images. The database services 6000+ users, including property owners, local freelance production personnel, domestic and international producers and Ontario Creates staff, who use the database to create digital image packages that are used to both market the province and convince productions to shoot in Ontario. In 2020-21, there were over 18,700 visits to view location files on the Digital Locations Library.
- The Film Commission regularly organizes specialized marketing familiarization 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 2019-20 familiarization tours brought 10 production executives from companies including Netflix, Disney, Paramount and Warner Brothers to Ontario to take part in B2B programming over three days. The guests met with 170 business reps from Ontario's film industry, reinforcing and strengthening 1,700 key production relationships. The tour has generated investment leads from all executives in attendance.
- 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 weekly town hall call with over 25 regions and municipalities, the DGC Ontario's Location Caucus Representative and the LA Office Business Officer, to discuss filming guideline best practices, investment leads business trends and policy updates. The Unit also presents a bi-annual Regional Film Forum to discuss production

trends and best practices regarding the creation and enforcement of film policies and permitting procedures. Seventy regional film liaisons were in attendance at the 11th edition held virtually in May 2021.

In 2020, Ontario recorded \$1.50 billion in film and TV in production activity, with 232 domestic and foreign projects shot in the province. Spending decreased 30.8% compared to 2019, as a direct result of COVID-19 related shutdowns. Yet there was a strong return in the Fall, with Live action production volume and spending exceeding any previous Fall on record. In the first two quarters of 2021-22, this positive trend has continued. 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 our 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 partnered with 20 industry and government organizations to launch the Ontario Green Screen initiative 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. Sustainability is a growing area of awareness and concern across all industries as well as among consumers and households. Productions are seeking ways to reduce the environmental impact of their activities and welcome resources to make doing so easier to implement. The program launched in 2020 and aims to provide the education, tools and resources necessary to empower the motion picture industry in Ontario to incorporate and scale up environmentally sustainable best practices that lead to the well-being of our environment. A significant step was accomplished in 2021-22 with the publication of the Ontario Green Screen two-year Strategic Plan. Ontario Creates has also partnered with Creative BC to co-chair the National Reel Green sustainability committee to share best practices and provide consistency for producers working across the country.

In 2022-23, 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:

In 2020, film and television productions supported by the province contributed \$1.50 billion to the economy and accounted for approximately 29,667 full-time direct and spin-off jobs.⁴⁰ While production was stopped for several months as a health and safety measure during the beginning of the pandemic. Ontario experienced a robust return to production once the province allowed provinces to resume filming. Global demand for film and television content has increased even more as a result of the pandemic and this suggests that 2022-23 and beyond will be strong years for production.

Results for the Film Commission are measured by the:

 Number and value of domestic and foreign film and television productions that shoot in Ontario.

⁴⁰ Ontario Creates, 2019 Film and Television Production Statistics.

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

2022-23 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.
- Ontario as an Industry Leader: The Film Commission will continue to lead two resultsoriented industry committees:
 - 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 multifaceted 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, Ontario's on-screen talent in partnership with the Alliance of Canadian Cinema, Television and Radio Artists (ACTRA). 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.
 - Ontario Green Screen Initiatives: The Film Commission will continue to facilitate the Ontario Green Screen Initiative, working with industry and regional partners. The initiative launched on September 10, 2020, along with its inaugural Carbon and Sustainable Production and Carbon Calculation training program. The advisory committee released its first two-year strategic plan in April 2021 and will continue to work with the Circular Innovation Council to deliver the tactics outlined in the strategic plan.

FILM COMMISSION SUCCESSES:

Made-in-Ontario film and television productions receive significant critical and commercial acclaim and have made a significant economic impact in Ontario:

- The award-winning made-in-Ontario limited series, *The Queen's Gambit* hit number 1 on Netflix's ranking in more than 60 countries and set a record for the most streams in the first four weeks; exceeding 62 million viewers worldwide. The project shot predominantly in Cambridge, Hamilton and Toronto. *The Queen's Gambit* took home 2021 Emmys in the Limited Series and Directing in a Limited Series categories, and was honoured at the 2021 Screen Actors' Guild (SAG) Awards, among other accolades.
- In addition to *The Queen's Gambit*'s win, multiple productions shot in Ontario received 2021 Emmy Award nominations, including for *The Handmaid's Tale*, *The Boys*, *Property Brothers: Forever Home*, *Star Trek: Discovery*, *The Umbrella Academy* and *Vikings*. At the 26th annual Critics Choice Awards, Ontario-made TV series earning nominations included *Mrs. America* (FX), *Schitt's Creek* (Pop), *The Queen's Gambit*, and *What We Do in the Shadows* (FX).
- COVID-19 has impacted the film and television industry in Ontario. Through collaboration and strategic public/private partnership, Ontario Creates worked alongside a variety of industry partners to ensure that the industry was able to get up-and-running safety and securely. In 2020, 232 film and television productions shot in Ontario, contributing \$1.5B to the economy. The Ontario Film Commission helped to develop Section 21 Health & Safety Guidelines and launched the Ready to Roll campaign and website as a one-stop shop for updated information about production during the pandemic.
- The Film Commission has brokered key relationships among investors, developers, studio operators and production planning executives pushing for soundstage growth all over the province, in Ottawa, Pickering, Hamilton, Mississauga and Toronto. In 2020-21, 800,000 sq ft of additional studio space was secured.
- As of 2020-21, a total of 19 partners have joined the Ontario Green Screen initiative, which is cochaired by the Ontario Creates' Film Commissioner. A total of 200 film and television workers have taken the online Climate and Sustainable Production Education training course so far, and the Ontario Green Screen launched an online Carbon Calculator tool to streamline the process of inputting and collecting data needed to calculate carbon impact.
- Amazon Prime Original *The Boys*, which filmed in Hamilton, Oshawa and Toronto, was released in July 2019 to popular acclaim. It is the streaming service's highest rated series on IMDb and is one of the most-watched Amazon Originals ever, according to the company.
- Season 4 of the Canadian series, *Cardinal*, shot in North Bay, worked directly with over 650 Ontario vendors. The production spent nearly \$3 million per episode and employed 1,008 Ontario residents directly.
- In its first two seasons filmed in 2017 and 2018, CBS' *Star Trek: Discovery* spent \$257 million in Ontario, with 4,199 jobs created. The production supported more than 100 businesses in each of the two seasons. Spending was split approximately evenly between crew and labour costs (53%) and local goods and services (47%).
- In the last 18 months, the Location Library has made improvements in the way new locations are processed. Queue time for quality control, metadata tagging and photofinishing has been reduced from eight months to five days.

COLLABORATIVE INITIATIVES

Ontario Creates works with industry stakeholders to deliver 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:

- From Page to Screen is a B2B initiative that brings Ontario book publishers together with film, television, and interactive digital media producers for a series of one-on-one meetings. To date, the program has set up over 4,000 business meetings and brokered over 75 book options. In 2021-22 and the prior year, the program was delivered virtually. At a previous edition of the event, *The Breadwinner* by Deborah Ellis, published by Groundwood Books, was optioned by Aircraft Pictures. The film, financed in part via the Ontario Creates Film Fund, was a 2018 Oscar Nominee for Best Animated Film. *The Breadwinner* is a Canada/Ireland/Luxembourg co-production with Angelina Jolie as Executive Producer.
- To date, over 100 films have been successfully financed through Ontario Creates' International Financing Forum including: *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.*⁴¹ In September 2020 and 2021, Ontario Creates successfully transitioned IFF to a virtual event that was featured in a *Globe and Mail* article and was highly regarded by the participants: "This was an exceptional experience. The enthusiasm from the fellow producers and from the executives we met with was invaluable. I will highly recommend this forum to other producers." (Summer Shelton, Story Farm)
- The Discussion Series (formerly known as the Digital Dialogue Breakfast Series) is a yearround forum for conversation among leaders in media, culture and technology. Four sessions were organized in 2021-22. All sessions were delivered virtually and the invite list continued to include contacts from across the province. All panel discussions are made available by Ontario Creates as podcasts and transcripts.
- Ontario Creates facilitates a Content Exchange Day in alternate years. This event provides an opportunity for all sectors to meet, learn (through roundtables and speakers), and participate in one-on-one meetings to explore new business and format opportunities. The program design is modeled on the first phase of the Collaboration and Innovation Fund program which concluded in 2016-17. This event launched in 2017-18 and takes place every other year. The 2021-22 edition was put on hold for one year to allow for planning of an in-person event. The next event is expected to take place in April 2022.
- In 2022-23, Ontario Creates will continue cross-sector strategic marketing efforts highlighting diverse projects supported by Ontario Creates, in order to grow audiences for regional, Francophone, Indigenous, and other projects that meet the provincial definition of diversity. In 2020-21, this initiative promoted 85 pieces of content via the *Shop.Stream.Support.* campaign, and highlighted Black Ontario companies and artists by supporting ByBlacks #BlackHistory365 campaign.
- Partnership with JUNOs JUNO Talks series curated conversations around live music & technology.

⁴¹ Ibid.

- Beginning in March 2021, Ontario Creates presented Music Makes It: New Connections, a series of intimate, targeted networking events designed to help foster and unlock cross-sector partnerships. The first was delivered virtually in a first-ever partnership with Canadian Stage to introduce music industry representatives to live performance organizations to help spark non-traditional partnerships as a COVID-19 recovery strategy. The second: *Business is Better with Music* was delivered in-person through a partnership with Conscious Economics (Economic Club of Canada) and the Canadian Live Music Association to connect music stakeholders with representatives from "Corporate Canada". Future events to follow.
- Ontario Creates will once again host an in-person Celebrate Ontario reception during TIFF 2022 after a two-year hiatus.
- In addition, in 2022-23, Ontario Creates will continue to work with the other MHSTCI 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.

TRILLIUM BOOK AWARD

The Industry Development Group 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 (Frenchlanguage) 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.

In 2021-22, The Trillium Book Awards were delivered entirely virtually for the second year in a row, including using Facebook Live to deliver the awards ceremony, replacing the author in-person readings with author videos, and augmenting the program with live winner interviews. Between the shortlist and the winner announcement, the agency's promotional work generated 574 stories, which in turn achieved more than 187.7 million impressions, triple the number of impressions achieved in the prior year.

- The year 2022 marks the 35th Anniversary of the Trillium Book Award. Special celebrations
 are planned for the occasion, including activities to honour past winners and nominees, and
 the creation of a 35th anniversary video.
- The Trillium Awards are expected to be delivered in a hybrid format, with in-person and virtual elements.
- Electronic submissions will be implemented for 2022-23. Jurors will be provided with ereaders and electronic files for judging. Publishers will only be required to submit one hard copy of the book under consideration for the award. This change will allow for a lower environmental footprint for the awards management process and will reduce costs and complexity for publishers submitting titles.

FUNDING TO TORONTO INTERNATIONAL FILM FESTIVAL, INC.

In 2021-22, 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 2021-22, 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 2021 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. In 2021, TIFF mounted a hybrid in-person and virtual festival. Ontario Creates' marquee industry development event, the IFF, was delivered virtually for the second year in a row. The 16th annual IFF brought Ontario, Canadian and international film producers together with international financiers. In the 2021 virtual edition, 41 producers and over 40 executives participated in curated meetings, an exclusive panel discussion, and roundtables on the future of financing. The agency was also able to host an Ontario "stand" at the virtual industry marketplace, and lead a panel on coproduction featuring the Canada-Norway coproduction *The Middle Man*.

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.

Cultural media tax credits are used in many jurisdictions worldwide as a tool to incentivize production and deliver a range of economic benefits. A first-of-its-kind study examining the impact of tax credits on the UK screen sectors found that tax relief supported screen sectors delivered a total of £7.91 billion in Gross Value Added for the UK economy. Together, production spend and its job creation led to the generation of significant tax returns for the government. It is estimated that the screen sectors delivered £2.04 billion in tax revenues in 2016. These revenues are also growing. Total tax revenues grew by 67% in the four-year period between 2013 and 2016.⁴²

Global over-the-top players like Netflix and Hulu are contributing to a significant expansion in content production. Ontario is well-positioned to continue to capitalize on the worldwide expansion of the screen-based industries. 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.

Ontario Creates currently co-administers five refundable tax credits with the Canada Revenue Agency (CRA) based on eligible expenditures for the film, television, interactive digital media, book publishing and music industries.⁴³ Tax credit legislation falls under the responsibility of the Ministry of Finance (MoF). Ontario Creates works collaboratively with MoF and the Ministry of Heritage, Sport, Tourism and Culture Industries (MHSTCI) 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.
- 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).

⁴² BFI. 2018. "Screen Business". London. https://www.bfi.org.uk/sites/bfi.org.uk/files/downloads/screen-business-full-report-2018-10-08.pdf, p. 16.

⁴³ In 2015, a sixth tax credit, the Ontario Sound Recording Tax Credit (OSRTC) was discontinued; however, Ontario Creates will continue to administer the credit until all eligible applications are processed.

• Ontario Book Publishing Tax Credit (OBPTC): a refundable tax credit to eligible Ontariobased 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 Ontariobased 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.

PROGRAM RESULTS:

In 2020-21, support provided through tax credits leveraged product and production spending of more than \$10 billion dollars (or more than \$14.50 for every dollar invested by Ontario) while encouraging the creation of domestic content and attracting significant international investment through foreign service production.

As a result of several process improvements and COVID-19 mitigation strategies, the Ontario Creates' Tax Credits and Financing Department saw significant year-over-year progress in reducing tax credit queues:

- Analysis time across all tax credits was 3.9 weeks, an improvement of 25% year-over-yearon average.
- Total processing time was 25.3 weeks, which was 28% faster than in the prior year.
- Ontario Creates reviewed a record number of products: over 3,600. 2020-21 marked the fourth year in a row that Ontario Creates reviewed more products than it received, reducing the backlog of files awaiting certification.

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.

PRODUCTIVITY AND CUSTOMER SERVICE IMPROVEMENTS:

Ontario Creates has made a number of aggressive changes in recent years to improve productivity that include: moving from paper-based systems to a fully online system for application and processing; comprehensive Business Process Review and continuous improvements/refinements; implementation of a risk-based assessment methodology (with MoF); cross-training and redeployment of staff resources; increasing staffing levels and opportunities for paid staff overtime; revised application forms (to improve the quality and relevance of information received); application deadlines and time limits to receive requested material from slow and non-responsive applicants; and additional pilots of risk-based processing modifications to evaluate impact. Electronic certificates were launched in Q3 2021-22.

Focusing on improvements has been of paramount importance, 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. Shorter processing times better leverage Ontario Creates' investment and significantly improve access to capital for Ontario content companies.

- Ontario Creates is proud of the significant gains the agency has made on the agency's corporate website: an OPSTC/OFTTC calculator to estimate tax credit value, and a regional bonus address lookup tool to identify whether a filming location is within or outside of the Greater Toronto Area (GTA) boundaries and qualifies for a bonus. A project to provide plain language version of the guidelines will also begin in 2020-21.
- Ontario Creates introduced the pilot project "Going Paperless", in which printed review packages were replaced by digitized versions for final review by the Team Leader, in one team of Business Officers in Q1 2019-20. Due to COVID-19 and the current work-from-home protocols, this project was accelerated and the paperless approach was adopted by all Business Officers and Team Leaders in Q4 2019-20.
- Ontario Creates accepts digital copies of products/productions for applications for OCASE, OFTTC and OIDMTC. This was expanded to include digital copies of books for the OBPTC due to COVID-19 restrictions.
- Ontario Creates continued to implement enhancements to the application process to help ensure that applications are complete when submitted. For example, a fillable Corporate Schedule was introduced to the application submission in Q1 2020-21 to address the deficiency in corporate documentation found in more than 30% of OFTTC applications.
- Ontario Creates is committed to streamlining the tax credit application process through the use of technology and has a strong foundation to build upon through the agency's OAP. A CRM update is currently underway which provides improved search functionality and reporting capabilities to enable increased data collection and analysis.

Improved processing times were achieved in recent years thanks to business process improvements and additional staff. As a result of these process improvements, as well as due to the impact of temporary processing measures put in place in light of COVID-19, the average total processing time in 2020-21 was the lowest in more than five years at 25.3 weeks (of which time spent in active analysis represents only 3.9 weeks with the remainder being weeks spent in queue), compared to 35.1 weeks the year prior. In addition to processing applications more quickly, the agency is also processing more of them—a record 3,600 products were reviewed in 2020-21.

In 2020-21, Ontario Creates worked with MHSTCI and MNP LLP on a review of Ontario's Cultural Media Tax Credit Certification Programs. The agency is committed to continuous process improvements and had already implemented several of the report's recommendations when the final report was shared with the agency in October 2020. In 2021-22, the agency is continuing to act upon and implement the remaining recommendations of the report and is pursuing further efforts to reduce processing times and find ways to make client interactions more streamlined.

IN 2021-22:

- Ontario Creates provided a list of strategic and administrative priorities to MHSTCI to highlight opportunities and options to ensure tax credits are responsive and simpler for users, aligned with current market realities and the government's Open for Business objectives.
- A project to bring the risk assessment scoring function (currently undertaken by MoF) inhouse is underway and is currently in the discovery and analysis phase.
- The agency continues to chair monthly calls and an Annual General Meeting with MoF and CRA to address issues of administration of the tax credits. In 2017-18, Ontario Creates began discussions with CRA to look at information sharing and harmonization possibilities to streamline the administration of tax credits. This work led to development of a solution to reduce duplication of document submission requested of applicants by CRA, which was

completed with a launch in May 2021, marking a significant service improvement for stakeholders.

- Further to the action plan outlined in the MNP report, Ontario Creates has investigated appropriate processing time service standard targets for complete applications and intends to make these times public by the fourth quarter of 2021-22.
- As the Tax Credit team moves to establish service standard targets, potential challenges are anticipated around an increase in irregular files which may require additional processing time and may have higher potential for disputes. As a mitigating strategy, Ontario Creates is committed to working with partners to recommend a privative clause which would formalize the review process in the event of a dispute.
- Since 2019-20, Ontario Creates has been working to digitize key process documentation in order to streamline the review process and remove duplication of effort. In 2021-22, a new module was launched in the OAP allowing an electronic cover sheet to be generated. Additional functionality will be added in future. By integrating the Business Officer's review package with the data collected in the OAP, accuracy and analysis time will be improved.
- In 2021-22, Ontario Creates streamlined the submission process for applicants by removing the requirement to submit physical media as part of tax credit applications. This also has the benefit of reducing storage space requirements and expenses for the agency.
- Building on temporary electronic signatures and tax credit certificate solutions that were implemented during COVID-19, Ontario Creates completed an agency-wide project to allow for secure digital signatures on all contractual documentation and tax credit certificates. This allows for electronic certificates to be provided via the secure OAP, removing the need to print copies and send them by mail. With development and testing phases now complete, e-certificates were launched in December 2021.
- The Fall 2020 Ontario Budget introduced amendments to four tax credits to help stakeholders mitigate against the impact of COVID-19. Ontario Creates acted on these changes and updated the agency's materials (application forms and guidelines) accordingly. Once the changes passed into law, Ontario Creates prepared information bulletins to provide an overview and technical details of the regulatory amendments in coordination with MoF, CRA and MHSTCI.

2022-23 PRIORITIES:

- Ontario Creates will conduct a review of tax credit administration fees. Scope will include both the consideration of fee reductions for certain applicants as well as generating greater revenue to offset operational pressures.
- Ontario Creates will continue its project to develop plain language versions of all tax credit guidelines as part of an ongoing focus on customer service improvements.
- Ontario Creates will review materials required to demonstrate Canadian citizenship in tax credit applications to ensure that language is respectful and inclusive of Indigenous people.
- Ontario Creates will continue with the onboarding/training process improvements
 recommended in the MNP report which aim to increase staff productivity. Examples include
 detailed procedures and work instructions, standardization of tools and templates, and
 improvement of training and onboarding programs.
- Ontario Creates is part of a three party working group (Ontario Creates, MoF and MHSTCI) looking at aspects of the MNP recommendations which require joint cooperation, which has led to renewed discussion regarding updating the MOU.
- The agency will continue to monitor outcomes from the Film & TV Advisory Committee and MHSTCI 5-Year Strategic Plan and implement as appropriate.
- Ontario Creates will be working with the Canada Revenue Agency (CRA) on an update to the Memorandum of Understanding which governs information exchange between the two organizations.
- Ontario Creates continues to represent and advance Ontario's interests as an active member of the National Tax Credits Committee (NTCC). In 2017-18, a working group of the

NTCC was formed and Ontario Creates began working with the Canadian Audio-Visual Certification Office (CAVCO) and other provinces to investigate information sharing and harmonization possibilities. This work is expected to continue into 2022-23.

- Ontario Creates will leverage an internal CRM feature to allow for improved visibility into process performance. This feature will track the actual time spent on analysis of applications and enable better insight into the time spent waiting for the applicant to respond.
- Ontario Creates has begun outreach to the Ontario Digital Service in regards to exploring prospective opportunities, such as leveraging artificial intelligence (AI) within the application process, new funding potential for digital technologies in the Ontario Onwards Acceleration Fund, and the potential relevance of the Ontario Digital Identity project for streamlining residency attestations.

BUSINESS AFFAIRS AND RESEARCH

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 and in 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 2022-23, the Business Intelligence Program (BIP) is anticipated to 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. In 2020-21, six BIP-funded projects were released, and ten new projects were approved, the latter of which leveraged \$1.31 in spending for every dollar invested by Ontario Creates. In 2019-20, the program guidelines were updated to include accepting applications from the music sector. Results for this program are measured by the:

- Number of projects released.
- Leverage value of Ontario Creates' contribution to each project.

Ontario Creates has supported several projects which aimed to better understand the impacts of the pandemic on the creative industries, and makes completed reports publicly available on its website. Examples include the Canadian Film Centre's *Pandemic Effect*, which provides a snapshot of the impact of COVID-19 on women-led digital media businesses in Ontario, and Game Arts International Network's *Isolation Nation* which identified the key challenges faced by Canadian game studios while working from home during COVID-19 and provides mitigation strategies. In 2021-22, an additional injection of funds is being allocated to projects which will directly assist in developing strategies for COVID-19 recovery, including an in progress study by Wavelength Music Projects exploring new operating models for small live music venues. Additional relevant reports conducted by third parties are shared with industry through the Online Research Library and highlighted in quarterly business intelligence bulletins.

2022-23 PRIORITIES:

• Given the recent demand on this small program, in the next year the agency will continue to prioritize BIP applications that focus on COVID-19 recovery, workforce development, or diversity and inclusion in the creative industries.

ONTARIO CREATES 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:

- Production Statistics Methodology Review: Ontario Creates is conducting a study in partnership with other members of the Association of Provincial Funding Agencies (APFA) to better understand how different Canadian jurisdictions capture and report on film and television production statistics. Following the completion of a first phase documenting current state, Phase 2 which is commissioning a third party to provide best practices in production statistics development that could be adopted by all partners is underway with an expected completion by Q42022. The project includes a component to develop a regional economic impact calculation tool that will be available for Ontario communities and shared for information with the APFA partner jurisdictions.
- Strategic plan for the Agency: In 2022-23, Ontario Creates will undertake a 5-year strategic planning process for the agency, to be managed by the Business Affairs and Research team.

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.

- Since 2013-14, Ontario Creates has participated in the Culture Statistics Strategy, an initiative led by the federal Department of Canadian Heritage and including 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.
- In 2020-21, Ontario Creates partnered with VICE Media Group to conduct a joint research study on the future of the creative workforce, exploring Gen Z and Gen Y awareness of and interest in creative and behind-the-scenes roles in the creative industries. The report was released in August 2021. This followed a first report conducted in 2019-20 on the habits, behaviours and preferences of Generation Z consumers and on best practices from content creators successfully reaching these audiences. The partnership model allowed Ontario Creates to leverage VICE's unique expertise to deliver valuable market intelligence to our stakeholders across sectors.
- In 2021-22, Ontario Creates partnered with several organizations to support key research initiatives for the creative industries, including the following:
 - A study to examine the role of informal networking opportunities (i.e., industry events), and how these "gatherings" might contribute to including or excluding women of colour in the screen-based industry (with Women in Film and Television (WIFT)-Alberta);
 - Development of an eSports strategy for the City of Toronto and the province of Ontario (partnership with City of Toronto IDM Office); and
 - Development of directives for creating authentic and inclusive content with underrepresented communities in the screen sector. Known as Being Seen, this study is being led by the Black Screen Office, with support from partners including Telefilm Canada, Bell Fund and REEL Canada.

ONLINE RESEARCH LIBRARY

The Online Research Library (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. The number of unique visitors has more than doubled since the update.

- As of October 2021, the ORL contains 870 research studies.
- In 2020-21, the ORL was visited by almost 5,000 unique users.
- The studies in the ORL are also used to inform the development of the agency's semiannual industry profiles which received over 6,000 unique views last year.
- In 2022-23, a new social media sharing feature will be added to enable users to easily post links to ORL reports via Twitter and similar third-party sites. Additional improvements may include publicizing a tally of the total number of studies available on the Online Research Library which will assist with results tracking and promotion of the Library as a valuable resource.

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. The bulletin is read by over 1,200 people a year.

OPERATIONAL ACTIVITIES

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.

2021-22 Accomplishments:

- Corporate policy updates: In 2021-22, Ontario Creates developed both its return to office policies, and flexible work policy (moving toward an anticipated permanent hybrid model of work). In addition, a full review of all internal corporate policies was completed.
- Reception area accessibility: A project to make the Front Desk Reception Area more accessible and welcoming to people with disabilities was also finalized.
- Transfer payment modernization: Trillium Book Award and Tax Credits supporting documentation are now submitted electronically. The BAR team also worked with MGS and MHSTCI to meet the requirements of the recently released Transfer Payment Consolidation Operational Directive and undertook the first data extraction which will be done annually going forward.
- Demographic data collection: Database design improvements and policy development, laying the groundwork for a roll out of individual demographic data collection on key business and creative roles beginning in 2021-22.

Operational activities in 2022-23 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. In 2022-23, this will include electronic signatures and automated generation of contracts from the database.
- Ontario Creates will also work with MHSTCI and MGCS on meeting the requirements of Ontario's Transfer Payment Consolidation Operational Directive, including completing the annual data extraction required.

- Results Measurement: Implement ongoing enhancements to increase automation of quarterly results and reporting to make results management and responding to data requests required for briefing and event notes more efficient.Open Data: 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.
- Production Statistics: The BAR team will work with Film Commission and Tax Credits to compile annual film and television production statistics, incorporating changes as appropriate from recommendations of the Production Statistics Methodology Review (Phase 2).
- Strategic Planning: Commission a new five-year Strategic Plan for the Agency. Monitor implementation of the expiring strategic plan and coordinate annual agency business planning.
- Lease renewal: The Agency's 5-year lease of the office premises expires in October, 2023. In 2022-23, Ontario Creates will be working with Infrastructure Ontario (IO) to review options.
- The office phone system will be upgraded to "soft phones," to permit calls to be made from desktops via an app or standalone software solution.
- Multi-Year Accessibility Plan development: By December 31, 2022, Ontario Creates will publish a new multi-year accessibility plan.
- The agency will conduct 360 reviews of the senior management team, to further develop leadership and managerial skills.

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 crosssector 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;
- 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.

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.

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.

- Since 2019-20, Ontario Creates has participated on the MHSTCI/MoF Film and Television Advisory Panel.
- In 2021-22, Ontario Creates made submissions to Ontario's Workforce Recovery Advisory Committee; Ontario's Women in the Economy Task Force; *Spark Courage*, the Canada Media Fund's 2021 Industry Consultations; and provided feedback on the Ministry of Heritage, Sport, Tourism and Culture Industries' White Paper.
- Ontario Creates intends to monitor, and contribute as appropriate to relevant federal and provincial consultations, such as activities stemming from the recently completed review of the *Copyright Act* as well as the Broadcasting and Telecommunications Legislative Review.
- 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.

STRATEGIC 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.

Strategic 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 2022-23, Ontario Creates is prepared to utilize approximately \$2.15 million of these reserve funds to activate a series of time-limited initiatives that will leverage and extend existing programs without creating unsustainable stakeholder expectations and with limited additional strain on human resources.

The initiatives are as follows:

- Diversity Enhancement (Industry Initiatives): In 2022-23, the Diversity Enhancement will be rolled out to all investment programs for the first time. The Diversity Enhancement began as a time-limited add-on to the Film Fund in 2017-18, providing an additional \$4.5 million over three fiscal years (ending in 2019-20) to films that meet the provincial definition of diversity, which encompasses: ancestry, culture, ethnicity, gender identity and expression, language, physical and intellectual ability, race, religion, sex, sexual orientation and socio-economic status. From 2018-19, Ontario Creates allocated \$250,000 of this funding to the Industry Development Program for initiatives across the book, film, television and magazine sectors. In recognition of the significant value and impact of dedicated funding for projects with a diversity component, Ontario Creates continued to support the program using uncommitted cash reserves in 2020-21 and 2021-22. The agency will continue to prioritize this activity through the allocation of uncommitted reserves to the extent possible in the year ahead. A strategy will be developed in 2022-23 to transition away from the use of cash reserves, to a more sustainable solution to support diversity initiatives.
- Diversity Enhancement (Music): Propose to continue for a second year. In 2021-22, the Diversity Enhancement provided a "top up" to the OMIF to provide additional support to companies and organizations demonstrating tangible, measurable efforts to support and increase diversity in staffing (including executive positions), roster and mentorship/training/professional development activities.
- JUNO Awards (extension of 50th anniversary): Ontario JUNO Awards 2022: The JUNO Awards were held virtually in 2021, and will return to Toronto for delayed 50th anniversary in person celebrations in 2022. Ontario Creates will partner with the Canadian Academy of Recording Arts and Sciences (CARAS) on a celebration event/marketing campaign to mark the beginnings of the recovery for the music sector.
- AcceleratiON: Black and Indigenous Entrepreneurship Program (Music): The agency will continue the new Black & Indigenous music entrepreneur initiative introduced as a timelimited activity in 2021-22, and consider expanding the program to People of Colour. As an additional mentorship activity, the agency plans to expand the Access CMW conference mentorship initiative to a wider range of conferences and professional development

opportunities. This initiative connects with the agency's prioritization of workforce development for the creative industries.

- New/Innovative Business Models (Music): The agency will continue to explore ways to leverage innovative and non-traditional partnerships for the music sector including reimagining the "Music Makes It" cross-sector initiative to maximize impact by creating targeted bespoke events, and exploring opportunities with sectors outside Ontario Creates mandate (e.g., performing arts, corporate Canada).
- Strategic Plan: Ontario Creates will commission a new Strategic Plan to be developed over the course of 2022-23 and to guide the agency over the five-year period beginning in 2023-24.
- New Phone System Contract: The office phone system will be upgraded to "soft phones," to permit calls to be made from desktops via an app or standalone software solution. Initiative covers one-time fee associated with installation of hardware and software for new phone contract.
- Business Process Improvement IT Projects: Includes demographic data collection and website improvements.

APPENDIX B: RISK REGISTER

#	Objective	Risk Statement	Risk Category	Existing Controls	Risk Assessment (Residual)	Risk Rating	Mitigation / Action Plan
1	Supporting Ontario's creative industries through COVID-19.	Due to COVID-19, Ontario Creates' programs and services may not provide adequate support to the province's creative industries.	Delivery / Operational and Public Perception / Stakeholder	The agency has implemented flexibility on program delivery dates and eligible events, provided reimbursements for non-refundable costs and has supported time-sensitive industry initiatives that respond to COVID- 19 and stimulate recovery. Marketing campaigns Ready to Roll (R2R) and Shop.Stream.Support (SSS) were launched to help clients. Additional funds will augment available support to companies to counter COVID-related challenges and foster recovery opportunities.	Risk Likelihood: Almost Certain (5) – COVID-19 continues to pose many ongoing challenges. Risk Impact: Moderate (3) – Ontario Creates has the flexibility to implement program changes that will be helpful to stakeholders during this crisis and additional funds are being redeployed specifically to support COVID- related challenges.	15	Ontario Creates has adjusted existing program parameters and has introduced greater flexibility to help accommodate and support clients during this crisis. Marketing campaigns such as Ready to Roll (R2R) and Shop.Stream.Support (SSS), and live music supports were undertaken. Additional funds received are being allocated to a variety of measures designed to boost recovery efforts across the creative industries.
2	Supporting the growth of Ontario's creative industries.	Ontario's creative industries are a success story, demonstrated by the continued growth of the sector. Increased demand on Ontario Creates' services without adequate resources may lead to slow customer service and dissatisfied stakeholders.	Delivery / Operational and Public Perception / Stakeholder	The agency engages in ongoing business process improvements in order to gain efficiencies. Temporary tax credit processing changes as a result of COVID have helped to reduce the queue of tax credit applications, eliminating the backlog and reducing processing time. Additional tax credit FTEs have also helped.	Risk Likelihood: Almost Certain (5) – Demand for services increases every year. Risk Impact: Minor (2) – Dedicated staff continue to go above and beyond to meet service standards and implement business improvement processes. Elimination of the backlog and reduction to the tax credit queue have sped up tax credit process times and significantly	10	Ontario Creates will continue to consider and implement business process improvements (including many of those recommended in the review of tax credit business processes). Staff will continue to work hard to deliver a high standard of customer service.

3	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, regulatory rules, and the impacts of COVID-19, which have exacerbated some long-term trends and accelerated the pace of change. To be most effective Ontario Creates' programs and services should align with this environment. If not, there is a risk that activities may not produce the greatest economic impact for the Province's investment and that projects may move to other jurisdictions.	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 the MHSTCI and MoF to discuss changes that would modernize tax credit legislation and regulation.	 improved customer satisfaction. Risk Likelihood: Likely (4) – The creative industries are dynamic businesses that are continuously evolving. Risk Impact: 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. 	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.
4	Film and television production: Contributing to the continued expansion of a business environment in Ontario that is advantageous to the growth of new employment, investment and production opportunities.	Due to COVID-19 health and safety measures that include regional lockdowns, there is a risk that public opinion about location film production may result in municipalities restricting or suspending their film permit programs.	Public Perception / Stakeholder (reputation)	Ontario Creates is in regular dialogue with all of the regional film offices in order to understand their concerns and provide information about the latest health and safety protocols. The Ready to Roll (R2R) marketing campaign was developed to provide the latest information about filming to stakeholders across the Province.	Risk Likelihood: Unlikely (2) – As COVID-19 numbers decrease sharply across the province and vaccination rates increase, concerns that regional jurisdictions would refuse to permit production activity out of an overabundance of caution are abating. Risk Impact: Moderate (3) – Number of productions affected would depend on the size of the region.	6	Ontario Creates will continue to monitor the situation and will communicate changes in restrictions and policies and health and safety protocols with the regional film offices as well as champion the excellent safety record that the sector has maintained throughout the pandemic.
5	Ontario Creates' Strategic Plan identifies	Current events demonstrating the systemic	Public Perception	Diversity of projects is embedded in program	Risk Likelihood: Possibly (3) – Ontario Creates has reserve	6	Ontario Creates is working on data

inclusivity (value,	roots of oppression have		evaluation. Dedicated	funds available for the time		collection to better
celebrate and support	created a call for greater		diversity programs, while	being and has identified		understand
diversity) as a core	equity across all parts of		temporary, have increased	diversity as a priority for use of		demographics of
value that embodies	society, and especially		available funding in film,	these funds. Risk Impact: Minor (2) –		successful funding
the attitudes and	within the creative		industry development and	Initiatives underway such as		recipients. The desire for
behaviours we promote	industries. As current		music more recently. In	Demographic data collection,		increased diversity in
and encourage across	diversity funding initiatives		addition, a project to capture	diversity enhancements and		board composition has
our organization and	are non-permanent, being		enhanced demographic data	incorporation of diversity in		been flagged to MHSTCI.
that are fundamental to	funded out of reserves,		will provide additional	evaluation criteria, should help		
	there is a risk that Ontario		information about the	to minimize impact of the risk.		
our relationship with	Creates may be perceived as		makeup of applicants and			
our stakeholders and	not doing enough to address		successful funding recipients.			
our internal culture.	these issues and may be		Ontario Creates has increased			
	perceived as insufficiently		the diversity of its workforce			
	equitable in its distribution		in recent years. While Ontario			
	of funding particularly if the		Creates' workforce is diverse,			
	agency is unable to continue		its management and board			
	these programs.		are less so, which could make			
	In addition, with several		the agency vulnerable to the			
	other agencies, funding		claim of being insufficiently			
	bodies and industry		diverse.			
	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.					
Ontario Creates strives	As grant funding is limited	Public Perception	Industry juries are the primary	Risk Likelihood: Unlikely (2) –		Ontario Creates will
to offer service and	and demand exceeds		mechanism for funding	Peer jury model used in sector investment funding decisions	6	continue to support staff

	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.	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 favouritism or bias affects funding decisions, which could impact confidence in the agency's trustworthiness and impartiality as a funder, and overall reputation.		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 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.	is in place for most programs, and is considered best practice in reducing chance of bias/favouritism influencing decisions. Risk Impact: Moderate (3) – When similar agencies have contended with a charge of bias or favouritism, there have been moderate impacts to their reputation, and a requirement to have processes investigated by a third party.		anti-bias training, and continue to rely primarily on a peer jury model to support a fair and transparent decision-making system.
7	Contributing to the continued expansion, and mitigating risk of retraction, of a business environment in Ontario that is advantageous to the growth of new employment, investment and production	The compliance costs related to health and safety on film sets and the live music sector which are largely ineligible for tax credits or other funding, may prove too burdensome for small- to-medium-sized domestic productions and music companies. Difficulties obtaining affordable	Delivery/Operational	A federal insurance backstop program is providing some limited assistance to Ontario film and television producers. Some COVID costs are being offset for projects funded through the Film Fund.	Risk Likelihood: Likely (4) – Ontario Creates noticed a significant drop in the level of domestic production in the province at the beginning of 2021 but has seen a rebound in Q2. Still, our understanding from the industry is that the cost of health and safety related items and labour remains a significant barrier for domestic companies in	16	Ontario Creates will continue to work with the domestic production sector and music industry to understand current production and capacity/insurance barriers and will communicate with the Ministry.

	opportunities in Ontario.	insurance policies (for individual productions or commercial insurance for music venues) is also a significant barrier. Cross- jurisdictional inconsistency/confusion on venue capacity impacts revenue potential for both touring artists and venues, exacerbating challenges that were faced during prolonged shutdowns.			moving to the production stage. Following prolonged shutdowns, artists/booking agents are contending with cross-jurisdictional inconsistency/confusion over capacity limits. Risk Impact: High (4) – in a typical year domestic production is responsible for approximately 50% of the jobs and spend related to production in Ontario (approximately \$1 billion). The live music sector is a huge driver of employment, creating an estimated 10,500 full-time jobs in Toronto alone. While a federal backstop insurance program exists for film and television through Telefilm, there is no similar music		
8	Good governance of the agency	New appointments have been made to the Board since the last quarter. While the Board of Directors is getting closer to full strength, it does not include representation from all sectors – specifically, the book, magazine and IDM industries are not currently represented; in addition, the Board does not have a	Governance/Accountability	Ontario Creates has provided the MHSTCI with a Board skills matrix identifying gaps and needs. New Board members receive an extensive briefing by senior staff.	equivalent. Risk Likelihood: Possibly (3) – The Board currently has 11 (of a possible 17) members, and most of them have been on the Board for less than a year. Risk Impact: Moderate (3) – Given the small size of the Board, current members are taking on an increased workload in order to govern the agency but this is not a sustainable long term solution.	9	Ontario Creates will continue to raise this issue with the government.

		chartered professional accountant and regional and ethnic diversity are limited. 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.					
9	Administering provincial tax credit programs and such other programs and initiatives as may be required by legislation.	A growing demand for judicial reviews and other legal proceedings between unsuccessful tax credit applicants and the government may require significant staff time, and depending on the court rulings, could have serious policy and financial implications for the government.	Financial and Policy	Ontario Creates ensures staff are well-trained and experts on tax credit legislation to avoid making incorrect eligibility decisions. The agency liaises with the Ministry legal department and Crown Law Office as required.	Risk Likelihood: Unlikely (2) – past judicial reviews have all decided in favour of Ontario Creates. Risk Impact: Very High (5) – The cost of losing a legal proceeding could range anywhere from \$10,000 to \$750,000 in legal fees and damages. If the court makes a ruling that expands eligible costs or products, the potential cost to the Province could be substantially more.	10	Ontario Creates has proposed adding a privative clause to tax credit legislation.

10	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 Bill C- 10 could create a disconnect between federal and provincial policies which may make Ontario a less desirable jurisdiction for content creating companies.	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.	Risk Likelihood: Possibly (3) Risk Impact: Moderate (3)	9	The agency will continue to monitor and will communicate any potential policy misalignments that could jeopardize Ontario's competitive position with MSHTCI.
11	Film and television production: Contributing to the continued expansion of a business environment in Ontario that is advantageous to the growth of new employment, investment and production opportunities in Ontario.	A shortage in purpose-built studio space may impede the province from attracting high-end, big budget productions to the Province, which could result in a loss of jobs and GDP. In addition, studio space shortages may make it more difficult for domestic production to compete for space.	Delivery / Operational	Ontario Creates' Film Commission works to locate warehouses suitable for conversion to soundstage facilities, and brokers relationships between developers, operators, financiers and to catalyze studio space growth. The Film Commission also promotes RFPs on municipally owned land that is suitable for soundstage development to interested stakeholders.	 Risk Likelihood: Unlikely (2) – even with COVID-19, studio vacancy rates in Ontario have been very low. 2.5 million sq. ft. of new studio space is anticipated for the GTHA and Ottawa by 2026. This may not be enough to keep pace with industry growth in the short term. Risk Impact: Moderate (3) – the continued low vacancy for studio space in Ontario suggests that there is demand that could still be met, bringing high quality jobs and increased economic growth to the Province. 	6	Ontario Creates is continuing to facilitate innovative opportunities to repurpose and redistribute existing studio space, as well as find other locations suitable for production to increase capacity.
12	Ensuring that Ontario Creates is a workplace	There have been instances where unhappy stakeholders	Delivery/Operational (Human Resources)	Ontario Creates' workplace and discrimination policy is	Risk Likelihood: Unlikely (2)– While a gradual return to the office has begun, the office	6	Ontario Creates will continue to review and

	free from	who have been turned down		reviewed at least annually,	remains closed to visitors.		update policies and
	discrimination and	for funding have been		and updated when required.	Increased work from home has		procedures around
	harassment.	abusive to Ontario Creates'		Staff are reminded that any	made physical threats at the		workplace
	narassinent.	staff. There is a risk that this		form of harassment should be	office less likely.		discrimination and
		behaviour could escalate to		reported immediately to			harassment regularly.
		discrimination or		management who will handle	Risk Impact: Moderate (3)		Several staff members
		harassment, including		such occurrences according to			that deal regularly with
		physical threats when staff		OPS policies and guidelines.			clients are also receiving
		are back in the office post		All visitors to the office are			specialized customer de-
		COVID-19. When processing		required to sign in and an			escalation training via
		times increase, or more		emergency button is located			CAMH.
		client projects are turned		at reception in case of a			
		down due to program		threat. Staff are required to			
		oversubscription, there is a		complete mandatory training			
		greater likelihood this could		about workplace			
		occur.		discrimination and			
				harassment, and anti-bias			
				training has been provided.			
13	Maintaining highest	Due to the significant	Delivery/Operational	Ontario Creates IT policies	Risk Likelihood: Rare (1)		Ontario Creates will
	levels of information	amount of data and	(Information / Privacy)	ensure the highest levels of			continue to maintain the
	and network security.	information held by Ontario		network security. This includes	Risk Impact: Moderate (3)		highest security
		Creates, incomplete, out-of-		annual security audits and			standards for IT and
		date, inaccurate or		regular updates to security			network security. The
		confidential information		infrastructure. Ontario			release of statistical
		could be disclosed to the		Creates' Online Application			information will
		public including statistics or		Portal (OAP) is a state-of-the-		3	continue to require
		other personal or		art online program delivery		5	approval at the
		proprietary business		system. The agency has in			management level. IT
		information that could be		place clearly defined			staff will implement best
		harmful to individual		processes and protocols with			practices from the OPS-
		companies, or the industries		regard to results tracking and			wide cybersecurity CoP.
		themselves and how they		reporting. Management			Frequent spam alerts
		are perceived in the		approval is required prior to			and cybersecurity
		Province. Email scams and		the release of statistical			training opportunities

		phishing attempts run the risk of causing financial harm to individual staff members and/or the organization if messages are not recognized as fraudulent.		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 with staff via email, leading to increased awareness of potential threats and improved ability to recognize suspicious			will continue to be shared with staff.
				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.			
14	Maintaining highest levels of information and network security and efficiency while staff work from home in a flexible work model.	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). Additionally, certain processes, like connecting to network drives through VPN, may	Delivery/Operational (Information / Privacy)	The agency has accommodated and moved quickly to ensure staff working from home were 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 network	Risk Likelihood: Rare (1) Risk Impact: Moderate (3)	3	The agency will continue to enhance security protocols and monitor network security.

	slow staff down.		and ensures the latest security protocols are being followed. Staff are alerted to spam emails and instructed to delete them. An Emergency Management and Business Continuity Plan, including an Information Technology Continuity of Operations Plan is in place.			
15 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 interruption to online services while servers are rebooted or replaced and operating software and firewalls are reinstalled. 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 and the agency is midway through a co-location project to move servers to a temperature- controlled secure facility offsite. The SOC report from our data storage location, Iron Mountain was reviewed in July 2021.	Risk Likelihood: Rare (1) Risk Impact: Moderate (3)	3	The agency is actively engaged in a plan to move applications to the cloud and servers to a secure offsite facility. When completed, this will completely mitigate any risks related to the physical integrity of the office. This project is anticipated to conclude in 2023.