

# ONTARIO CREATES BUSINESS PLAN 2024-25



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DECEMBER 18, 2023

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## I. EXECUTIVE SUMMARY

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

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

Ontario's creative industries are regularly able to outperform expectations, produce critically acclaimed content enjoyed at home in Canada and around the world:

- In 2022, Ontario registered a record-high of \$3.15 billion in film and TV in production activity, with 419 domestic and foreign projects shot in the province.
- Eight Ontario Creates-supported features screened at the 2023 edition of the Toronto International Film Festival (TIFF). The films featured were: *Backspot*, *Close To You*, *Fitting In*, *Mr.Dressup: The Magic of Make Believe*, *Seven Veils*, *Swan Song*, and *The King Tide*. Notably, *Mr.Dressup: The Magic of Make Believe* was the winner of the TIFF 2023 People's Choice Documentary Award.
- Ten digital series supported by Ontario Creates, including *Avocado Toast: The Series*, *Detention Adventure*, and *Revenge of the Black Best Friend* earned a total of forty-six nominations at the 2023 Canadian Screen Awards. Winners in the Digital Media Category included: *Chateau Laurier* for Best Writing, Web Program or Series, *Revenge of the Black Best Friend* for Best Web Program or Series, Fiction, *Tokens* for Best Direction, Web Program or Series and Best Supporting Performance, Web Program or Series.
- Ontario publishers were well-represented among the finalists for the 2023 Governor General's Literary Awards, including *Chrysalis* by Anuja Varghese (House of Anansi Press), *The Sleeping Car Porter* by Suzette Mayr (Coach House Books), *Baby Book* by Amy Ching-Yang Lam (Brick Books), *Xanax Cowboy* by Hannah Green (House of Anansi Press), *Berani* by Michelle Kadarusman (Pajama Press), and *Boobies* by Nancy Vo (Groundwood Books).
- Five Ontario Creates-supported publications were honoured at the 2023 National Magazine Awards. Supported nominees were *The Walrus*, *Cottage Life*, *Literary Review of Canada*, *Broadview* and *Inuit Art Quarterly*.
- Forty per cent of the 2023 Polaris Music Prize Longlist nominees were Ontario-based and twenty-three per cent of those were Ontario Music Investment Fund-supported, including Aysanabee, the Sadies, Andy Shauf, US Girls, Witch Prophet and Zoon.

Ontario Creates is proud of our 2022-23 results, and of how these have contributed to supporting the creative industries when they needed it most, including:

- Leverage value targets for tax credits, IDM Fund, Magazine Fund, and the Business Intelligence Program were all exceeded in 2022-23.
- Media impressions totalled 235.8 million, significantly exceeding a target of 50 million. This is due to the coverage of various agency initiatives in large-scale media outlets like *CBC*, *The Hollywood Reporter* and *Rolling Stone*.
- Average turn-around time across all tax credits was quicker than expected, at an average of 22 weeks against a target of 25.0 weeks.

- As the creative industries turned towards international travel again, Ontario Creates supported attendance at 125 markets through export funding, and organized a strategic presence at 14 markets.

Throughout 2022-23 and 2023-24 to-date, the agency has been focused on the launch and implementation of its 2023-2027 strategic plan. The Business Plan that follows describes how we will work to activate the vision, mission, values and goals included in the strategic plan:

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

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

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

This Business Plan addresses how Ontario Creates will use its existing resources to support the expectations set out in the Minister of Tourism, Culture and Sport's (MTCS) 2024-25 letter of direction, and the initial actions of our new strategic plan. The Business Plan presents a status quo balanced budget with no request for increases to the agency's financial or human resources. Ontario Creates' 2024-25 expenditures are projected to be \$39.8 million before time-limited strategic initiatives. Revenue for 2024-25 is expected to be \$39.9 million (\$35.6 million in MTCS operational funding and \$4.3 million in self-generated revenue, including tax credit administration fees, interest, and other income).

As a result of the labour disruption and related production halt in the film and television sector in Q2 and Q3 2023-24, the forecast for tax credit fee revenue has decreased markedly for 2024-25. This Business Plan assumes a decrease from status quo expectations of approximately 50% in fee revenue in the film-related credits in 2024-25. In 2025-26, a compensating 25% increase or bump to status quo expectations resulting from pent-up activity is projected.

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 each year, and has consistently performed better than planned, allowing an annual contribution to cash reserves.

In 2024-25, Ontario Creates is prepared to utilize approximately \$2.292 million of these reserve funds to activate a series of time-limited initiatives totalling \$2.405 million that will leverage and extend existing programs, as well as support activation of our strategic plan commitments without creating unsustainable stakeholder expectations and with limited additional strain on human resources. These important initiatives will include extension of the Diversity Enhancement in all sector funds, as well as the renewal of the AcceleratiON Black & Indigenous entrepreneurship program.

In many ways, 2024-25 will be a transitional year for the agency, as we work towards activating the commitments included in our new strategic plan. For the most part, our projected 2024-25 activities are status quo delivery of existing core programs and strategic initiatives, while we undertake the extensive suite of reviews, analysis and modeling work in the remainder of 2023-24 and 2024-25 which are integral to more ambitious program and service redesign activities beginning in 2025-26.

Ontario Creates is committed to delivering on the government and ministry priorities of competitiveness, sustainability and expenditure management; transparency and accountability; risk management; workforce/labour management; diversity and inclusion; data collection, sharing and use; and digital delivery and customer service. These commitments are reflected in the Business Plan that follows, along with the priorities outlined in the agency's letter of direction, including productivity and global competitiveness; economic development, investment and jobs; performance measurement and demonstrating ROI of government investment; diversity, equity, inclusion and belonging; talent, investment attraction, training, entrepreneurship; and stable and effective tax credits. Programs and services have been carefully designed to align with these themes and deliver corresponding results. The agency will continue to ensure that it is operating in an accountable and transparent manner and in compliance with all relevant directives, as part of its responsibility as a board-governed provincial agency.

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

- Building Capacity
- Fueling Growth
- Driving Investment
- Developing Global Markets
- Delivering Exceptional Customer Experiences
- Empowering High-Performing Teams

These themes are carried through both the core program and time-limited initiatives Ontario Creates proposes to undertake in 2024-25, as detailed in Appendix A.

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

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

## 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 world-class leader;
- e) by administering provincial tax credit programs and such other programs and initiatives as may be required by legislation or a Minister of the Government of Ontario; and
- f) by acting as a catalyst for information, research and technological development in the cultural media industry provincially, nationally and internationally.

### **GOVERNANCE AND MINISTRY RELATIONSHIPS**

Ontario Creates is accountable to the Ministry of Tourism, Culture and Sport (MTCS) 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.

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

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

## **BOARD OF DIRECTORS**

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

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

## **PRESIDENT AND CHIEF EXECUTIVE OFFICER AND STAFF**

The President and Chief Executive Officer (CEO) reports jointly to the Board of Directors and the Deputy Minister of Tourism, Culture and Sport. 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 71.

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

The agency's policies and multi-year accessibility plan are posted on the corporate website. In late 2022, the agency launched its third Multi-Year Accessibility Plan 2023-27, which both highlights the achievements from the last plan (2018-2022) and provides information about strategies and actions for the coming years in the priority areas of equitable customer service, digitally-inclusive communications, inclusive employment, barrier-free facilities, accessible procurement and industry leadership. This plan was developed with input from a variety of sources, including review from an accessibility reference group.

Some examples of these activities included in the plan are:

- Completing a plain language version of tax credit regulations and legislation.
- Continuing to maintain a WCAG 2.0 Level AA compliant corporate website.
- Making use of the OPS Accessibility in Procurement Toolkit to embed accessibility requirement in agency procurement processes.
- Modifying investment program guidelines to explicitly allow for incorporation of costs related to accessibility through a top-up or budget line item.

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

## **RESPECTFUL WORKPLACES**

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

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

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

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

## **ACCOUNTABILITY**

Ontario Creates' relationship and obligations to MTCS 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.

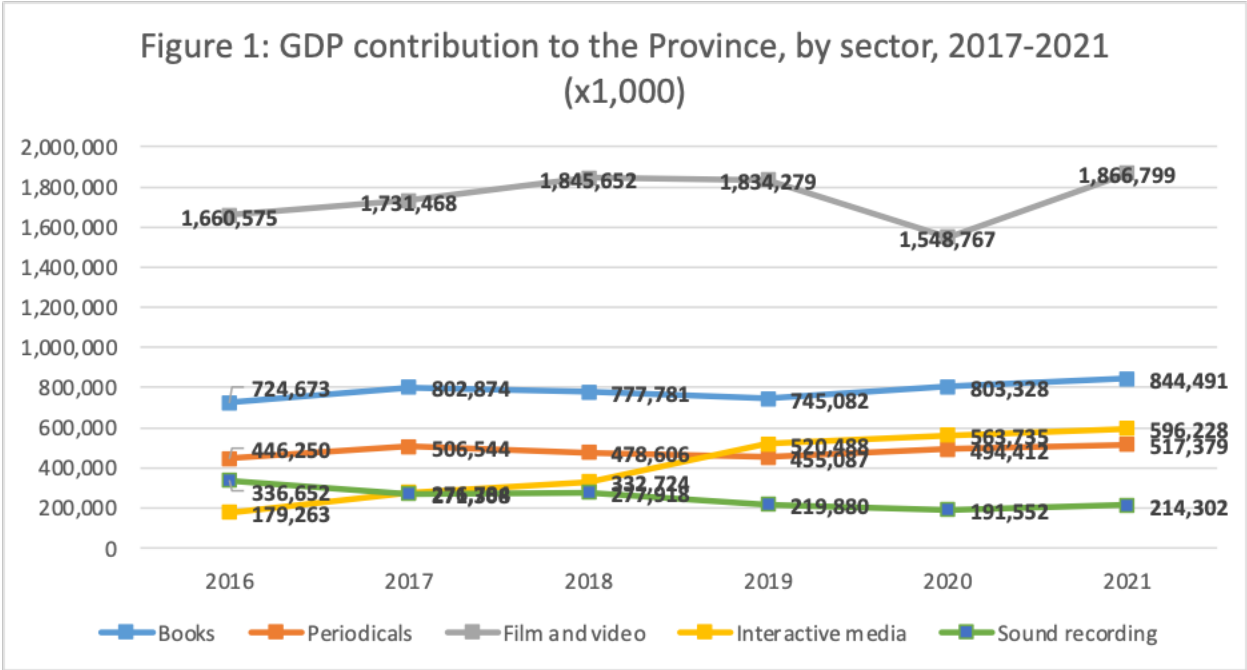


### III. ENVIRONMENTAL SCAN

#### THE CREATIVE INDUSTRIES IN ONTARIO

Representing 2.8% of the provincial economy, Ontario’s cultural sector is the largest in Canada in terms of both gross domestic product (GDP) and jobs, contributing approximately \$25 million in GDP and more than 267,000 jobs.<sup>1</sup>

Within this space, Ontario’s creative industries are comprised of individuals and companies whose work involves the creation, production and monetization of intellectual property in the film and television, interactive digital media, music, book and magazine publishing industries. These vibrant industries contribute over \$4 billion to Ontario’s gross domestic product (GDP) and account for over 56,000 jobs.<sup>2</sup> Beyond their economic impact within the Province, these sectors are also undoubtedly global success stories – exporting over \$2.8 billion in products and services internationally.<sup>3</sup>



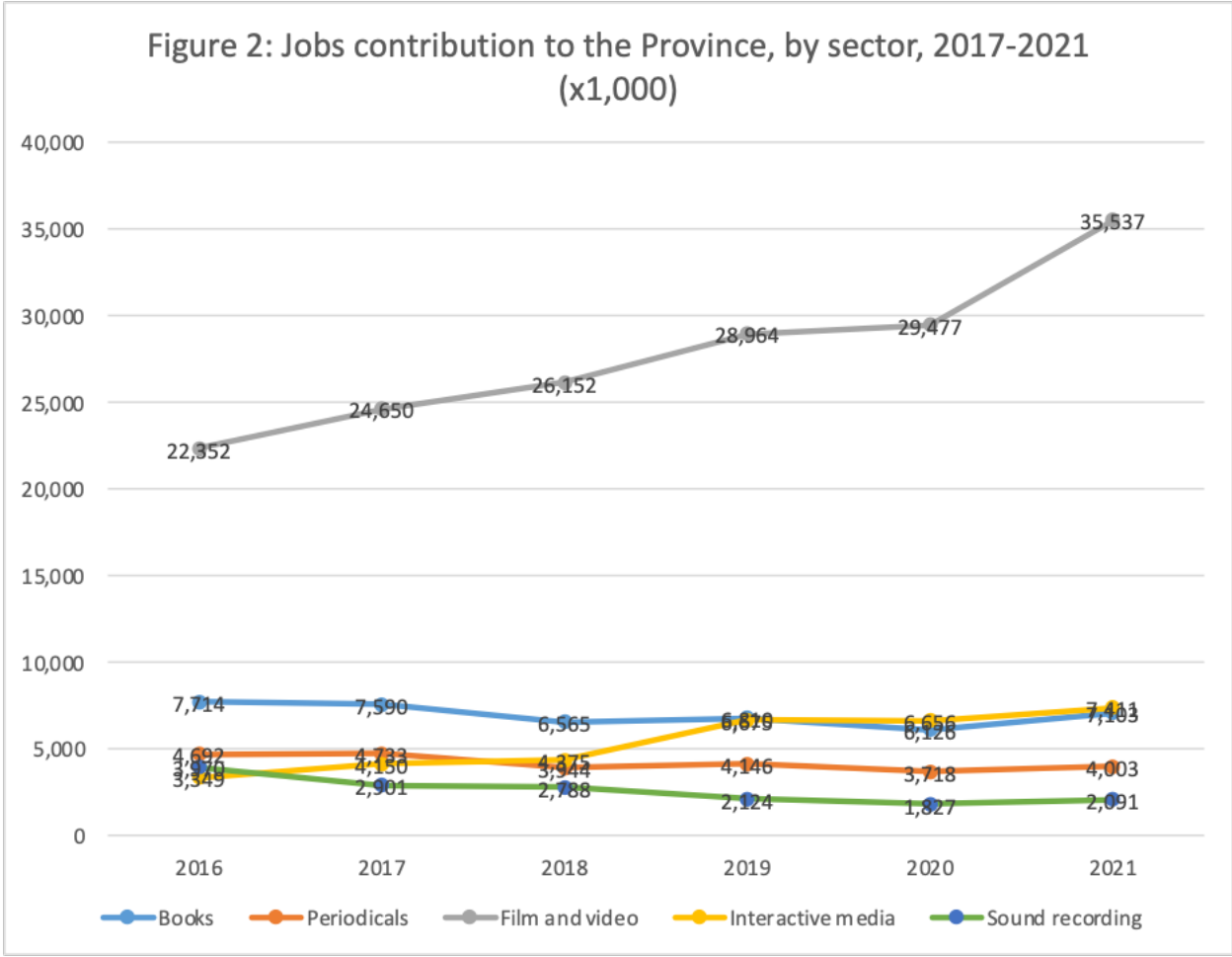
Source: Statistics Canada. Table 36-10-0452-01- Culture and sport indicators by domain and sub-domain, by province and territory, product perspective (x 1,000)

While the initial impacts of the COVID-19 pandemic, including closures and the interruption of international travel, have subsided, the ability of the creative industries to recover to pre-pandemic level has been uneven. As evidenced by Figures 1 and 2, GDP and job impacts for most sectors in Ontario (with the exception of sound recording) appeared to be on track for recovery to 2019 levels by 2021. However as most COVID-19 emergency business supports have abated, full

<sup>1</sup> Statistics Canada, Provincial and Territorial Culture Indicators, 2021, Statistics Canada, “Table 1: Culture and sport gross domestic product (GDP) as a share of the total economy, 2021,” released June 26, 2023.  
<sup>2</sup> Ontario Creates Analysis from Statistics Canada, Provincial and Territorial Culture Indicators (PTCI), 2010 to 2021, released June 26, 2023.  
<sup>3</sup> Statistics Canada, Table 12-10-0116-01 International and inter-provincial trade of culture and sport products, by domain and sub-domain, provinces and territories (x 1,000,000), released October 10, 2023.

recovery to pre-pandemic revenues and employment, particularly at the company level, remain a work in progress.

Moreover, the data made available by Statistics Canada does not include one of the hardest-hit sectors: the live music industry. The latest data available, collected by the Canadian Live Music Association, indicates that since March 2020, more than 75 prominent music venues had closed their doors, with 64% of the industry at risk of permanent closure.<sup>4</sup>



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

PwC’s Media and Entertainment Outlook for 2023-2027 provides consumer and advertising spend data, which is then used to forecast future growth patterns at the national and international level for each major segment of the creative industries. The following information is represented visually in Figure 3.

<sup>4</sup> Canadian Live Music Association, #ForTheLoveOfLive Campaign, accessed October 21, 2023

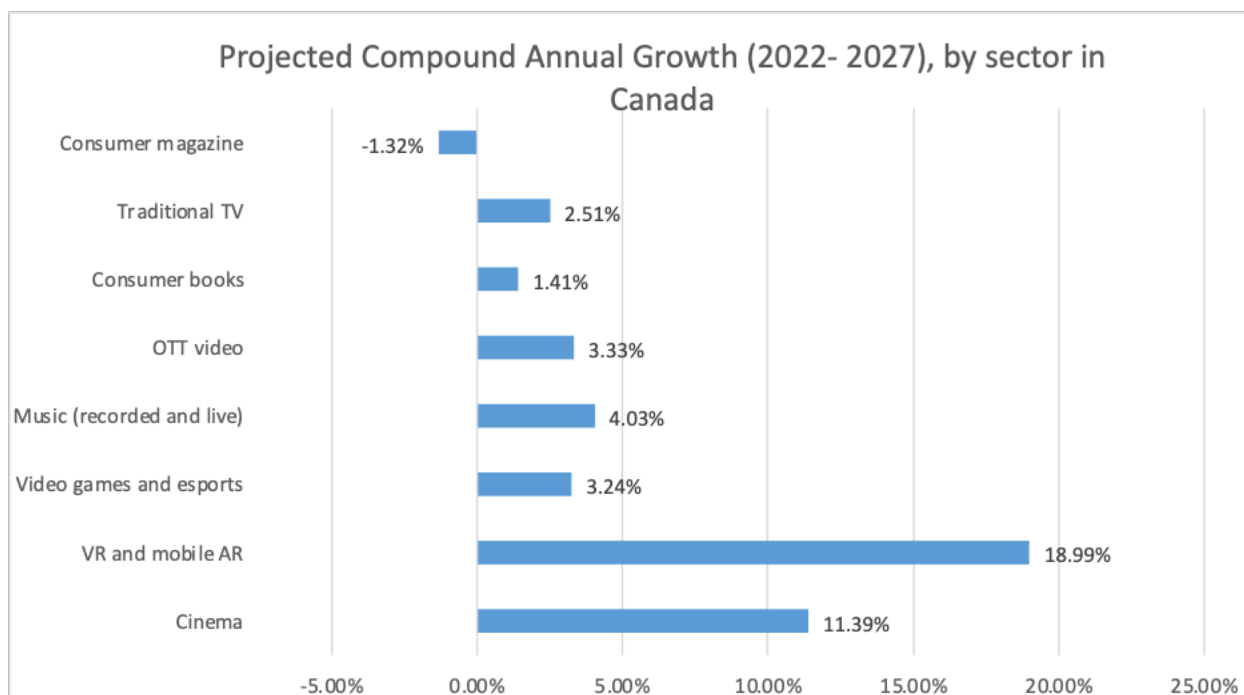
Growth is forecasted for all sectors over the period of 2022-2027, with the exception of consumer magazines.

According to these forecasts<sup>5</sup>,

- Canada's video games and e-sports revenue will continue to grow over the course of the next few years at a compound annual growth rate (CAGR) of 3.2%, fueled by continued expansion in social and casual gaming. This is expected to offset the continued decline in sales of physical console games. For its part, the virtual and augmented reality segment is expected to grow at a 18.99% CAGR.
- Canada's over-the-top (OTT) TV marketplace is expected to continue to grow at 3.3% CAGR, but will be outpaced by growth in Australia and Germany and fall to the 7<sup>th</sup> largest OTT market globally by 2027. In terms of traditional television services, Canada also has the 4<sup>th</sup> largest subscription TV market in the world, and revenues in that sector are expected to expand due to the leveraging of content rights alongside traditional offerings. Long-term, Canadian consumers are shifting away from linear TV broadcasts, and more towards on-demand and OTT viewing. Cinema revenues are also expected to return to pre-COVID levels by the end of 2027, growing at a 11.39% CAGR over the forecast period.
- Consumer magazines are expected to continue to decline at a -1.3% CAGR between 2022 and 2027, but will see some growth in digital advertising and digital circulation. Notably, food, travel and health/fitness magazines are most popular in Canada.
- The consumer books market in Canada is expected to modestly increase at a 1.4% CAGR. While print books dominate the consumer marketplace, growth is forecast within the e-books segment of the market (3.2% CAGR).
- Canada's music marketplace, including recorded and live music, is projected to grow at a 4.03% pace over the forecast period. Canada's recorded music marketplace will continue to grow over the forecast period of 2023-2027 at a rate of 3.8% CAGR, driven by growth in the digital music streaming marketplace, accompanied by a 4.31% CAGR in the live music segment.

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<sup>5</sup> PwC, *Global Entertainment and Media Outlook: 2023-2027 Canada*, accessed on October 16, 2023



Source: PwC, *Global Entertainment and Media Outlook, 2023-2027: Canada*, June 2023.

## BOOKS

- Ontario’s book publishing sector contributed \$844 million to Ontario’s GDP and accounted for over 7,100 jobs in 2021.<sup>6</sup> In 2020, the sector represented 65% of national wages, salaries and benefits, as well as 65% of total national operating revenues.<sup>7</sup>
- In 2021, Ontario exported over \$542 million worth of books internationally.<sup>8</sup>
- According to Statistics Canada, total book sales in Ontario in 2020 represented \$621.7 million. Ontario remains a print-dominant market, with the sales of print books (from wholesale, bookstores and general retailers) representing 69% of all sales, 19% from the sales of e-books, while online sales of print books accounted for 12%.<sup>9</sup> However, over the period of 2018-2020, there was a 39% increase in the sales of e-books in the market.
- Digital subscription services are growing in popularity in Canada, with Amazon Prime/Kindle (36%) and Audible (34%) among the most popular platforms, followed by Audiobooks.com (17%), Rakuten Kobo (13%), and Audiobooks Now (11%).<sup>10</sup>

<sup>6</sup> Statistics Canada. Table 21-10-0200-01 Book publishers, summary statistics, every 2 years (dollars unless otherwise noted), CANSIM (database). (released February 2, 2022)

<sup>7</sup> Statistics Canada. Table 21-10-0200-01 Book publishers, summary statistics, every 2 years (dollars unless otherwise noted), CANSIM (database), released February 2, 2022.

<sup>8</sup> Statistics Canada. Table 12-10-0116-01 International and inter-provincial trade of culture and sport products, by domain and sub-domain, provinces and territories (x 1,000,000), released October 4, 2022.

<sup>9</sup> Statistics Canada, Table 21-10-0042-01 – Book Publishers, net value of book sales by customer category (x 1,000,000), released February 2, 2022

<sup>10</sup> PwC, *Global Entertainment and Media Outlook: 2022-2026: Canada*

## FILM AND TELEVISION

- Ontario is a major hub for film and television production, both within Canada and internationally. In 2022, Ontario's film and TV industry contributed a record-breaking \$3.15 billion to Ontario's economy, and created just over 45,891 high-value, full-time equivalent direct and spin-off jobs.<sup>11</sup>
- Ontario's production data highlights that 2022 was a strong year for domestic film and television production. Total domestic production generated \$1.2 billion in 2022, an increase of 25% from 2021.
- Ontario remains an attractive market for foreign production, led by a strong television industry. Total foreign production levels in 2022 reached over \$1.95 billion.<sup>12</sup>
- Live action production accounted for 93.3% of the total number of productions in the province in 2022.
- According to data collected by the Canadian Media Producers Association (CMPA), Ontario ranks first in Canada in terms of total volume of production, accounting for 33% of all production spending, just ahead of British Columbia (32%). Ontario's share of the domestic film and television market is 42%.<sup>13</sup>

## INTERACTIVE DIGITAL MEDIA (IDM)

- Ontario's interactive media industry generated \$596 million in GDP, and just over 7,400 jobs in 2021.<sup>14</sup>
- According to data collected by the Entertainment Software Association of Canada (ESAC), the largest number of Canada's video game companies are located in Ontario (32%), followed by Quebec (31%) and British Columbia (17%).<sup>15</sup>
- Total international exports of Ontario's interactive media exceeded \$219 million in 2021.<sup>16</sup>
- Notably, 37% of Ontario's IDM companies were primarily involved in game development or publishing, with the next most common line of business being virtual, augmented or mixed reality.<sup>17</sup>

## MAGAZINES

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<sup>11</sup> Ontario Creates, 2022 Production Statistics, 2023. Data represents expenditures of all productions using Ontario Creates-administered incentives and services. Data does not include television commercials, corporate videos, music videos, or broadcaster in-house production.

<sup>12</sup> *ibid.*

<sup>13</sup> Canadian Media Producers Association, *Profile 2022*, released on May 3, 2023

<sup>14</sup> Statistics Canada, *Table 36-10-0452-01 – Culture and sport indicators by domain and sub-domain, by province and territory, product perspective*. Released June 26, 2023.

<sup>15</sup> Entertainment Software Association of Canada, *The Canadian Video Game Industry 2021*, p. 11

<sup>16</sup> Statistics Canada. *Table 12-10-0116-01 International and inter-provincial trade of culture and sport products, by domain and sub-domain, provinces and territories (x 1,000,000)*, released October 10, 2023.

<sup>17</sup> Interactive Ontario, *Measuring Success: The Impact of the Interactive Digital Media Sector in Ontario*, released in May 2019

- Ontario's magazine publishing sector contributed \$517 million to Ontario's GDP, and accounted for over 4,000 jobs in 2021.<sup>18</sup>
- Ontario represents 58% of Canada's national periodical publishing industry revenues.<sup>19</sup>
- The majority of magazines published in Canada (71%) and Ontario (68%) are consumer magazines, with B2B, trade and professional magazines representing 30% of the titles published in Canada and 32% of the titles published in Ontario. However, in Ontario in particular, the share of B2B magazines has increased from 12.4% in 2017 to 32% in 2021.<sup>20</sup>
- Ontario magazines accounted for over \$90 million in exports in 2021.<sup>21</sup>

## MUSIC

- The Ontario sound recording and music publishing sector contributed \$214 million to Ontario's GDP, and accounted for more than 2,000 jobs in 2021.<sup>22</sup> This data does not include live music.
- Ontario's sound recording and distribution sector accounts for approximately 74% of total national industry revenues.<sup>23</sup> This data does not include music publishing or live music.
- Ontario's sound recording and music publishing sector exported over \$154 million in 2021.<sup>24</sup>
- According to the Canadian Live Music Association (CLMA), live music was a key driver of the music industry in the pre-COVID environment, contributing more than \$3 billion to Canada's GDP and accounting for 72,000 employees.<sup>25</sup> No post-pandemic data is available at this time.
- In particular, the live music sector has faced significant upheaval during COVID-19 with widespread venue closures. In 2020, the sector's revenues dropped by 46%.<sup>26</sup>

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<sup>18</sup> Statistics Canada, *Table 36-10-0452-01, Culture and sport indicators by domain and sub-domain, by province and territory, 2020, product perspective (x 1,000)*. (Accessed June 26, 2023)

<sup>19</sup> Statistics Canada. *Table 21-10-0053-01- Periodical publishers, summary statistics, every 2 years (dollars unless otherwise noted)*, CANSIM (database), released January 24, 2023.

<sup>20</sup> Communications MDR, *An Environmental Scan of the Canadian Magazine Industry, 2023*

<sup>21</sup> Statistics Canada. *Table 12-10-0116-01 International and inter-provincial trade of culture and sport products, by domain and sub-domain, provinces and territories (x 1,000,000)*, released October 10, 2023.

<sup>22</sup> Statistics Canada, *Table 36-10-0452-01, Culture and sport indicators by domain and sub-domain, by province and territory, product perspective (x 1,000)*, released June 26, 2023.

<sup>23</sup> Statistics Canada. *Table 21-10-0055-01- Sound recording and music publishing, summary statistics, every 2 years (dollars unless otherwise noted)*, CANSIM (database), released March 28, 2023

<sup>24</sup> Statistics Canada. *Table 12-10-0116-01 International and inter-provincial trade of culture and sport products, by domain and sub-domain, provinces and territories (x 1,000,000)*, released October 10, 2023.

<sup>25</sup> Canadian Live Music Association, *Written Submission for the 2022 Pre-Budget Consultations*, 2022, p. 1

<sup>26</sup> Canadian Live Music Association, *For The Love of Live Campaign*, Accessed October 4, 2022.

## CREATIVE INDUSTRIES: CHALLENGES AND OPPORTUNITIES

Collectively, the creative industries continue to recover, albeit unevenly, from the effects of the COVID-19 pandemic. Alongside this journey towards a new normal, these industries continue to grapple with continually evolving marketplaces, new ways to reach consumers and as a result, changing revenue models. The following section outlines some of the more recent challenges to emerge for Ontario's creative industries in particular.

- **Artificial intelligence:** The rise of artificial intelligence (AI), and in particular, generative AI tools like ChatGPT, DALL-E and others pose significant regulatory, legal and ethical challenges for the creative industries. There are major concerns around the ethical and legal implications of copyright-protected works being used in the training of large-scale AI applications, often without permission or compensation. A major class action lawsuit has been launched in the United States against Meta and OpenAI on behalf of prominent authors, including John Grisham, Jodi Picoult and George R.R. Martin, alleging that these AI models were trained via large-scale infringement of their copyrighted books.<sup>27</sup> In music, major label Universal Music recently filed a lawsuit against an AI startup called Anthropic alleging that the service uses copyrighted lyrics without permission.<sup>28</sup> Finally, in the screen industries, AI became a key flashpoint of the Writers Guild of America (WGA) strike, with the result being the first major union agreement to include a standard for the use of AI.<sup>29</sup> Moreover, it remains to be seen how Canada's copyright framework can (or should) account for these developments. In order to answer some of these questions, the federal government launched a major generative AI and copyright consultation process in October 2023.
- **Environmental sustainability:** Concerns around understanding and mitigating the carbon generating impacts of the creative industries continue to be both a critical challenge and opportunity. Ontario's leadership in this space poses a significant opportunity, with the Ontario Green Screen initiative continuing to launch new tools, like the Grid Tie-In Map helping to outline sources of clean grid power, and the recent publication of a research report on waste management practices in the film and TV sector. Outside of film and TV, groups like the Green Book Alliance, a collaboration between the Canadian and U.K book publishing industries, have created sustainability checklists for the publishing sector.<sup>30</sup>
- **Copyright and Broadcasting:** There has been a recent resurgence in cultural policy review at the federal level, which is likely to change the playing field for Ontario's creative industries. Given that intellectual property is the bedrock of the creative industries, it is no surprise that copyright issues remain at the forefront for parts of the sector in terms of advocacy priorities. This is a particularly acute issue in the book publishing industry, where according to the Association of Canadian Publishers, changes to fair dealing legislation in 2012 resulted in significant financial losses to Canadian publishers as educational copying in the post-secondary and K12 sectors were essentially uncompensated. The federal government had indicated previously that it intended to undertake a review of the *Copyright Act*, which would have significant implications for all creative industries, but there is no indication of when that would happen. As AI and other new technologies emerge rapidly, ensuring that creators (and companies) who participate in the creation of intellectual property can effectively monetize their content globally and within Canada remains a key concern across all sectors. In 2022, Bill

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<sup>27</sup> Alexandra Alter, Elizabeth A. Harris, "Franzen, Grisham and Other Prominent Authors Sue OpenAI", *The New York Times*, published on September 20, 2023.

<sup>28</sup> Crystal Coe, "Universal Music sues AI startup over "widespread infringement" of copyrighted song lyrics", *MusicTech*, published on October 23, 2023

<sup>29</sup> Hamilton Nolan, "Screenwriters won a historic victory against AI. The rest of us should follow", *The Guardian*, published on October 7, 2023

<sup>30</sup> Green Book Alliance, *The Green Book Alliance (GBA) Publisher-Printer Sustainability Checklist*, published on February 2023.

C-11, the *Online Streaming Act*, received royal assent. This long-awaited update of Canada's broadcasting framework is an attempt to modernize the *Broadcasting Act* to formally bring streaming services into the regulatory system, and as such, ensure that Canadian stories and music are widely available on these platforms. Over the coming months, the CRTC will be working to develop a modern and flexible regulatory framework that will determine how exactly these services will be required to contribute to the creation and promotion of Canadian content. Within this new system, there are tremendous opportunities for Ontario's creative industries to benefit from new investments and new discoverability mechanisms that may emerge.

- **Diversity, equity, inclusion and belonging:** Diversity, equity, inclusion and belonging remains at the forefront of the creative industries. While many reports continue to be produced documenting the current state of representation within the industries, including Ontario Creates-supported reports from the Documentary Organization of Canada's DOC Institute and the CLMA, there is movement towards creating action plans, toolkits and reference guides. For example, the Black Screen Office released a landmark set of reports called *Being Seen, Being Heard* and *Being Counted* that offer directives towards authentic representation in front of and behind the screen. Moreover, there are new research reports currently underway developing new methodologies for measuring the economic impact of underrepresented groups, as well as efforts at the funder-level to be more proactive about collecting voluntary self-representation data from clients. There are also several major mentorship and accelerator initiatives intending to make a real-world impact on representation, including programs from Women and Film in Television - Toronto, Interactive Ontario and more. Broadly, this continues to be a priority area for both additional research and action in the creative industries in Ontario.
- **Workforce Development:** Ensuring that Ontario's creative industries continue to have access to a highly-skilled, comprehensive and diverse workforce remains a key challenge for the sector. This is evident in many different ways. As Ontario continues to grow its position as a major hub for film and television production, this growth puts additional pressure on Ontario's production workforce to meet this demand, and in particular, in regions outside of Toronto. The industry has articulated a need for additional support in developing elements of this workforce to fill some existing gaps, as well as prepare for the workforce of tomorrow. In other industries, like music publishing, a recent report from Music Publishers Canada has highlighted the need to support the small- and medium-sized companies in the sector to build their own human resources and skills mapping capacity. For its part, Interactive Ontario's recent report on scaling video game companies highlights the importance of founders with specific skill sets in ensuring that companies can effectively scale up. In light of this acute challenge facing all of Ontario's creative industries, Ontario Creates will be developing a workforce development strategy, with more information included in Section XIII – Implementation Plan and Appendix A of this document.
- **Labour Issues:** Over recent months, the global film and television industry has been interrupted by significant labour disputes resulting in work stoppages. Both the WGA and the Screen Actors Guild- American Federation of Television and Radio Artists (SAG-AFTRA) negotiations with the Alliance of Motion Picture and Television Producers (AMPTP) resulted in strike mandates, both of which lasted for over 100 days. The impact on the global production industry is expected to be significant, with an estimated economic impact of \$6 billion USD in the United States alone.<sup>31</sup> Residual payments from streaming services and artificial intelligence were among the key issues at play in these disputes. While both of those disputes have since ended, the immediate economic impact of the production stoppages have yet to be fully

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<sup>31</sup> Gene Maddeus, "Hollywood Strike Takes Increasing Economic Toll on Workers: 'I Burned Through my IRA'", *Variety*, October 18, 2023



quantified. Moreover, once production resumes, it remains to be seen what the medium to long-term implications are for Ontario's production levels. Furthermore, there are other international and domestic labour challenges on the horizon, with ACTRA's upcoming collective bargaining as well as ongoing unionization efforts in the visual effects and animation space.

- **High Cost of Borrowing:** Given the recent and forecasted economic climate, it appears that concerns around inflation and interest rates will be a persistent concern for Ontario's creative industry companies. As inflation rates hit a high of 8.1% in the summer of 2022, the Bank of Canada began a series of interest rate increases in response, eventually leading to 10 increases over the past year.<sup>32</sup> In July 2023, the Bank of Canada overnight rate was set at 5%, which was a 22 year high, and this rate was maintained most recently in October 2023.<sup>33</sup> High interest rates have numerous economic impacts, including an increased cost of borrowing. For creative industry companies in Ontario who may need to carry costs for a period before receiving tax credit and/or investment funds, this can have a significant impact on their cash flow, and ultimately, ability to finance productions and other creative work. As inflation rises across the economy, the cost of goods and services used to produce creative content also increases, including fuel, transportation and food costs. In Ontario, the provincial government has unveiled a number of measures within the Fall Economic Statement to mitigate inflationary pressures and high interest rates, including the extension of gasoline and fuel tax rate cuts until June 30, 2024.<sup>34</sup>

## FUNDING AND COMPETITIVE ENVIRONMENT

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

In 2023, there were several major funding announcements with implications for Ontario's creative industries. These include a \$42 million investment by the Province of British Columbia into Creative BC for its music, motion picture, publishing and interactive media industries.<sup>35</sup>

Federally, the 2023 Budget included an additional \$40 million commitment over two years to the Canada Media Fund (CMF) to help make more funding open to traditionally underrepresented voices.<sup>36</sup> The CMF has also (separately) announced several other initiatives for underrepresented voices, including the introduction of a narrative positioning policy for sovereignty and equity-seeking communities, as well as the further rollout of its PERSONA-ID voluntary demographic system across all of its programs.<sup>37</sup> For its part, Telefilm also recently released an inaugural Indigenous Reconciliation Plan.<sup>38</sup>

In some cases, there are also concerns about the sustainability of existing federal funding programs, particularly if they are maintained at their current level of funding. For example, music industry stakeholders have advocated for the federal government to make permanent increases to the Canada Music Fund, in light of rapidly diminishing broadcaster contributions to that fund. The Canada Music Fund provides important funding to both artists and music companies through

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<sup>32</sup> Pete Evans, "Bank of Canada holds rate steady but warns more increases are possible – even as markets bet they're done", *CBC News*, published on October 25, 2023

<sup>33</sup> *ibid*

<sup>34</sup> Government of Ontario, "Ontario Extending Gas and Fuel Tax Cuts to June 30, 2024", released on October 31, 2023

<sup>35</sup> Creative BC, "Historic investment promotes stability, jobs for B.C.'s creative sector", published on April 19, 2023

<sup>36</sup> Canada Media Fund, "CMF Thanks Federal Government for Additional Investment of \$40M", published on March 28, 2023

<sup>37</sup> Canada Media Fund, *Summary of Changes: 2023-24*, published in April 2023

<sup>38</sup> Telefilm, "Telefilm Canada releases its Indigenous Reconciliation Plan", published on October 19, 2023

funding bodies like FACTOR and Musicaction, many of which are from Ontario. A reduction of the Canada Music Fund would have a significant impact on demand for the Ontario Music Investment Fund.

Climate-related sustainability costs have also become an area of interest for funding counterparts. In Spring 2023, Telefilm announced that all programs will now require the submission of a Sustainability Plan with project applications as part of the agency's Eco-Responsibility Plan, while CMF has also begun to allow reasonable sustainability costs for activities, personnel and practices as eligible costs within their funding programs.<sup>39</sup>

Finally, the Government of Quebec included a major new investment into Société de développement des entreprises culturelles (SODEC) within their last provincial budget. As part of an overall \$415.4 million investment into arts and culture over five years, SODEC will receive an additional \$200 million in funding to expand its ability to support cultural business with new financial incentives.<sup>40</sup>

## GENERAL ECONOMIC ENVIRONMENT

- The Fall Economic Statement forecasts a \$5.6 billion deficit for 2023-24, and \$5.3 billion in 2024-25. The increase is largely driven by increased program spending, reduced projections for taxation revenues (including personal income tax) as well as a \$2.5 billion top-up to the Province's contingency fund.<sup>41</sup> As per the Fall Economic Statement, Ontario is projected to return to a surplus situation by 2025-26, one year later than originally forecasted in Budget 2023.
- The Fall Economic Statement also provides more optimistic employment rate projections for the province. For 2023, the Province is projecting 2.3% growth in the employment rate for 2023, followed by a slowdown for 2024 (0.8%) and 2025 (1.5%).<sup>42</sup>
- Real GDP is now projected to rise 1.1% in 2023, 0.5% in 2024, 2.0% in 2025 and 2.8% in 2026. Since the 2023 Budget, these forecasts were revised upwards for 2023 (originally set at 0.2% in 2023), but downwards for 2024 (originally 1.3%) and 2025 (originally set at 2.5%). These projections are set below private sector forecasts to be fiscally prudent.<sup>1</sup>
- In recent months, the Canadian dollar (CAD) has been trading at around the \$0.74 -\$0.76 mark, and is forecast to trade in the \$0.73-\$0.74 range through Q4 2024.<sup>43</sup>
- Rising interest rates continue to pose an issue for Ontario's economy at large. This has a key impact on cash flow and borrowing costs for creative industry companies. The Bank of Canada made a series of interest rate hikes to an overnight rate of 5% in July (the highest rate in over 22 years) in order to combat ongoing inflationary pressures. As of September 2023, Canada's Consumer Price Index (CPI) had risen 3.8% on a year-over-year basis, but also was a deceleration from a 4% gain in August.<sup>44</sup>

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<sup>39</sup> Canada Media Fund, "CMF to invest nearly \$366M in Canadian Television and Interactive Digital Media projects in 2023-24", published on March 31, 2023

<sup>40</sup> Kelly Townsend, "Quebec budget includes 'expanded' role for SODEC", *Playback*, published on March 22, 2023

<sup>41</sup> Ontario Ministry of Finance. (2023). *Building a Strong Ontario Together: 2022 Ontario Economic Outlook and Fiscal Review*. <https://budget.ontario.ca/2023/fallstatement> (Accessed November 6, 2023).

<sup>42</sup> *ibid*

<sup>43</sup> TD Bank, Latest Forecast Tables, accessed October 24, 2023, <https://economics.td.com/ca-forecast-tables>

<sup>44</sup> Statistics Canada, Consumer Price Index Portal, accessed on October 24, 2023

- RBC's *Macroeconomic Outlook*, published in September 2023, highlights that both the Canadian economy and the global economy are headed towards a downturn.<sup>45</sup> In particular, their analysis highlights that a recent 0.5% increase in the Canadian unemployment rate over the last four months was the largest ever (outside of the pandemic) since the recession in 2008-09. This slowdown has been attributed to slower hiring relative to both population and labour supply growth.<sup>46</sup>

## **ONTARIO DEMOGRAPHICS<sup>47</sup>**

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

## **ONTARIO CREATES – INTERNAL**

- As noted earlier in this document, the agency launched its strategic plan, *Powering Ontario's Creative Economy: 2023-2027*, in April 2023. The plan was developed with input from over 700 industry, government and partner stakeholders. Core themes include building capacity, fueling growth, driving investment, developing global markets, enabled by the empowerment of high-performing teams and the delivery of exceptional customer experiences. Work is underway to operationalize the commitments in that plan over the next several years. As part of these new strategic plan commitments, the agency is undertaking work to modernize and improve its performance measurement practices, and will be developing new key performance indicators to measure impact.
- Ontario Green Screen launched its 2023-2027 Strategic Plan in July 2023. The plan builds on the efforts of the previous plan by implementing tactics to help reduce greenhouse gas emissions, expands industry reach, and supports the film and television industry in reducing environmental impact.

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<sup>45</sup> RBC Economics, *Macroeconomic Outlook*, September 2023, <https://thoughtleadership.rbc.com/canadas-economic-engine-is-gearing-down/>

<sup>46</sup> *ibid*

<sup>47</sup> [Statistics Canada](#), *2021 Census of Population key indicators by geography: Ontario*, accessed on December 15, 2023.

- In delivering its programs and services, Ontario Creates continues to operate within the full-time equivalent (FTE) allocation set by the Ministry. There were no funding announcements pertaining to the agency in the 2023 Budget or Fall Economic Statement.
- The office premises lease is held by the Minister of Infrastructure. The five-year lease expired on October 31, 2023, and was extended for 18 months. The province's Centralized Real Estate Authority directive will take effect on April 1, 2024, at which time funding and control of Ontario Creates' office lease, maintenance and leasehold improvements will transfer to the Ministry of Infrastructure.
- In compliance with Ontario Public Service requirements, agency staff work from the office a minimum of three days per week; with the option to work up to two days remotely, subject to operational requirements.
- Due to increased revenues, the agency was able to fund time-limited initiatives, like the Diversity Enhancement and the AcceleratiON Program from its regular budget. Uncommitted cash reserves were not required to fund these initiatives in 2023-24, providing longer term capacity to support initiatives emerging from the strategic plan.
- Demand on agency programs continues to be high. Across all investment programs, 58% of applications received funding in 2022-2023. For tax credits, the agency received applications for 14% more products in 2022-23 than in 2021-22.
- Rising interest rates continue to put increased pressure on the agency to speed up tax credit processing times. In 2022-23, the time a file spent actively in analysis grew to 7.3 weeks. This was partially due to ongoing staffing challenges.
- The agency is awaiting the results of its mandate review undertaken by MTCS in 2022-23.
- The film and television production stoppages as a result of the WGA and SAG-AFTRA strikes will have an impact on the agency in several important ways. First, the Province's production levels for 2023 will be significantly reduced, with the full impact still to be quantified. We anticipate that the effects of the work stoppage will be felt into 2024. Second, there will be a financial impact on the agency's self-generated revenues from tax credit administration fees as a result of the lower production levels. More detail is provided in Section X of this Business Plan, but at present, the agency is forecasting a decrease of approximately 50% in revenue from the film-related credits in 2024-25. In 2025-26, a 25% increase in revenues is projected due to pent-up production activity. The exact impacts and timing are difficult to forecast and will be tracked carefully as production resumes.

## IV. STRATEGIC DIRECTIONS

### INTRODUCTION AND APPROACH

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

The strategic planning process formally began in February 2022 and was completed in November 2022. The strategic plan was developed by the Board of Directors and Senior Management Team, with input from staff, industry partners and government stakeholders.

To ensure that the strategic plan was reflective of these constantly-evolving sectors, the agency undertook the largest-ever industry consultation process in its history. Over 700 individuals shared their perspectives on Ontario Creates' reputation and impact, its recent successes, challenges, risks, and opportunities, noteworthy industry trends, and the current state of equity, diversity, and inclusion, both within the agency and across the creative industries. These 700 individuals represented a broad array of perspectives, including stakeholders and industry experts from both urban and rural areas, Anglophones and Francophones, successful and unsuccessful program and tax credit applicants, as well as experts at the intersection of creative industries and equity-deserving communities. This process also involved consultation and engagement with MTCS.

Alongside this robust consultation framework, the plan considered the agency's internal and external operating environment by examining the agency's strengths and opportunities for improvement, the business environment, and technological changes in the creative industries and best practices from other jurisdictions.

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

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



## MISSION AND VISION

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

### VISION

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

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

## **MISSION**

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

## **VALUES**

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

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

## **STRATEGIC GOALS AND ENABLERS**

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

### **Strategic Goal #1: Build Capacity**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



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

To develop global markets, Ontario Creates will strategically promote Ontario's content, companies and services to the world to open new markets, reach new audiences and generate export opportunities, business partnerships, and inward investment. To do so, Ontario Creates will support Ontario's companies in key strategic markets, help Ontario companies develop and execute successful export marketing strategies and expand their global reach, and focus on attracting new production business to Ontario.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1. Define Ontario Creates' culture and employee value proposition.
2. Promote an equitable inclusive, accessible, anti-racist and diverse workplace.
3. Build a flexible, inclusive and effective hybrid work model.

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

### INTRODUCTION

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

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

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

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

- 1. Industry Investment and Attraction:** Under this category of activities, the agency provides support for creative industry companies to create and market content, undertake strategic business development activities, and access new markets and grow their businesses. The three units of the Industry Investment and Attraction Group are Industry Development (investment funding, international support and strategic initiatives), the Ontario Music Office (investment funding, international support and strategic initiatives), and the Film Commission (marketing, promotion, capacity-building and inward investment services). Collectively they encourage and support collaboration across and within sectors contributing to the economic growth of Ontario's creative industry businesses.
- 2. Tax Credits and Financing Programs:** Co-administers five refundable tax credits<sup>48</sup> with the Canada Revenue Agency (CRA). The Group provides input to MTCS 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 MTCS and the industry through the collection and dissemination of industry statistics and follows federal policy

**In 2022-23, there were 196 image packages created for productions scouting for film and television productions across the Province.**

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<sup>48</sup> The 2015 Ontario Budget announced that the Ontario Sound Recording Tax Credit would be phased out. A qualifying corporation may claim an OSRTC for eligible sound recordings that commenced before April 23, 2015. However, a tax credit can only be claimed on eligible expenditures incurred before May 1, 2016.

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 Public and Business Service Delivery (MPBSD) through its centralized HR Ontario service.

4. **CEO and Communications:** Encompasses the office of the President and CEO, Ontario Creates Board of Directors, and the Communications team, who are responsible for supporting the agency in all its communications activities as outlined in the Communications Plan in Section XIV.

**In 2022-23, the agency added over 4,200 new social media subscribers across Facebook, Instagram, LinkedIn, YouTube and X.**

## KEY AGENCY PRIORITIES

Ontario Creates' Business Plan is aligned with government and ministry priorities of competitiveness, sustainability and expenditure management; transparency and accountability; risk management; workforce management; diversity and inclusion; data collection, sharing and use, and digital delivery and customer service.

**In 2022-23, Ontario Creates' suite of tax credits generated \$15.29 in additional spending for every dollar invested.**

The Plan also responds to the priorities outlined in the agency's letter of direction, including increasing productivity and competitiveness of the creative industries; promoting economic development, investment and jobs; performance measurement and demonstrating return on investment for the Province; diversity, equity, inclusion and belonging; talent and investment attraction, training and entrepreneurship and stable and effective tax credits. Programs and services have been designed in alignment with these themes and the agency ensures that it is operating in an accountable and transparent manner, in compliance with all relevant Directives, as part of its responsibility as a board-governed provincial agency.

In the second year of our new strategic plan, Ontario Creates' activities in 2024-25 will focus on the development and early-stage implementation of tactics, activities and programs that support our core strategic plan pillars:

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

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

- Deliver Exceptional Customer Experiences
- Empower High-Performing Teams

Given that 2023-24 was the first year under the new strategic plan, the programs, services and activities offered in 2024-25 will be fairly status quo as the agency works towards the launch of refreshed programs, services and activities for 2025-26 and beyond. Work to be undertaken in 2024-25 includes the following, organized by strategic goal:

### *Building Capacity:*

- The continuation of both AcceleratiON and the Diversity Enhancemen as t time-limited initiatives for 2024-25, as the agency completes various program reviews that will inform the direction of these initiatives moving forward.
- The launch of an Indigenous and Third-Language content market study, modeled on the Franco-Ontarian content market study undertaken in 2023-24.
- Implementation of the workforce strategy, as well as specific partnerships on workforce development research (with WorkInCulture), and various Film Commission activations (e.g. ReelOpportunities Online Film and Television Career Guide).

### *Fueling Growth:*

- Redesign work for the agency's content investment programs for the screen sector (film and interactive digital media), following a third-party program review process completed in 2023-24.
- Program reviews for business development and marketing programs for Industry Development and the Ontario Music Office are scheduled to take place in 2024-25.
- Continued work with the Province to simplify and drive efficiencies to ensure stable and effective tax credits.

### *Driving Investment:*

- The agency will continue to explore viability of securing private sponsorship funds to augment the capacity of investment programs.
- The agency will also continue to investigate modeling innovative financial tools to better support creative industry companies.

### *Developing Global Markets:*

- The agency will conduct an internal review of Global Market Development programs to ensure the programs are streamlined and standardized across sectors.
- An international business development plan will be implemented in 2024-25, articulating opportunities for Ontario companies to grow their businesses with a toolkit including funding support to access international markets, strategic in-market activations led by Ontario Creates, and partnership opportunities to strengthen Ontario's global presence.
- The agency will also update its marketing strategy to better communicate benefits of investing in or partnering with Ontario in international marketplaces.

In terms of internal enablers:

### *Delivering Exceptional Customer Experiences:*

- Significant progress is expected in 2024-25 relating to the agency's goal of enhancing performance measurement capabilities. Specifically, the agency will begin integrating its existing database with Microsoft Power BI and building out the KPI dashboard and scorecard. This process will include reviewing and improving data collection from applicants to Ontario Creates' programs and services. The agency will also implement a short customer experience survey to provide regular feedback from clients who interact with the agency.

- A suite of technological improvements will be implemented throughout 2024-25 that are intended to reduce processing times and improve customer experience for tax credit applicants.

*Empowering High-Performing Teams:*

In 2024-25 Ontario Creates will:

- Engage external expertise to develop a Recruitment and Retention Value Proposition to better understand how to improve both of these factors.
- Carry out a workplace environmental sustainability audit.

These major goals and enablers are supported through both core program and time-limited initiatives Ontario Creates proposes to undertake in 2024-25, 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, and to attract and retain both business and talent across the province. Ontario Creates programs and services are enabling Ontario’s creative industries to make important contributions to Ontario’s economy and its cultural vitality.

**Ontario Creates investments supported more than 1,069 companies in 2022-23, inclusive of both grants awarded and tax credits issued.**

**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, experience and expertise. Ontario Creates ensures that program juries are diverse, free from conflict of interest, and are regularly refreshed.

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

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.

**Over 23,000 weeks of work were created or retained through the Film Fund and IDM Fund in 2022-23.**

**Across the 58 industry development initiatives supported or led by the agency in 2022-23, over 34,000 contacts or business leads were generated.**

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 INVESTMENT PROGRAMS**

<b>Fund</b>	<b>Purpose</b>	<b>2024-25 Program Changes Details</b>
<b>Book Fund</b>	Funding to Ontario-based, Canadian-owned publishers to increase financial viability and overall business growth through marketing activities or activities that create or improve companies' digital capacity. Up to \$150K per publisher annually, depending on type of project, based on sales revenue and submission and evaluation of project plans.	No substantial changes in 2024-25.
<b>Film Fund</b>	Provides support to Ontario producers for feature film projects ready for production or in the final stages of development. Fund has three components: 1) Development - interest-free loan up to \$25K for any stage of development; 2) Production - repayable advance up to \$400K on a last-in basis to complete financing; 3) Marketing and Distribution Support – grant of up to \$25K for audience development activities. Projects must be for public release (theatrical or digital), with length over 75 minutes. Minimum budget of \$1M for drama and \$600K for documentaries.	No substantial changes in 2024-25.
<b>Magazine Fund</b>	Funding to support new business development projects of Ontario-based, Canadian-owned magazine publishers, including projects that assist publishers in adapting and preparing to meet digital challenges in a fast-changing marketplace. Up to \$75K per publisher, depending on type of project.	No substantial changes in 2024-25.
<b>Interactive Digital Media Fund</b>	Financing support for Ontario-based, Canadian-owned companies to advance proprietary products IP into production; to create market-ready interactive digital media content/product. Support is also provided for concept definition; early stage activities for emerging companies, global market development; discoverability and commercialization, and industry development activities.	No substantial changes in 2024-25.
<b>International Business Development</b>	Strategic and financial support to create new international business opportunities provided through: Ontario Creates' Global Market Development Fund to offset costs of market attendance; collective market stand operations; and enhanced marketing and strategic presence to provide greater market access and visibility.	No substantial changes in 2024-25.

<b>Industry Development Program</b>	Targeted financial and strategic support to established trade and event organizations in the publishing and screen sectors for activities that provide new business growth and capacity building opportunities for Ontario’s creative industry professionals.	No substantial changes in 2024-25; will prioritize applications related to environmental sustainability and supporting mid-career mentorships.
<b>Ontario Music Investment Fund</b>	The Ontario Music Investment Fund (OMIF) is aimed at strengthening and stimulating growth in Ontario’s music companies and supporting this growing sector. Ontario Creates offers financial support to drive activity and investment and to support Ontario’s music companies and organizations in expanding their economic and cultural footprints within Canada and around the world.	No substantial changes in 2024-25.
<b>Business Intelligence Program</b>	Funding support to incorporated not-for-profit industry organizations undertaking business intelligence initiatives aimed at gathering, formulating and disseminating business intelligence relevant to the growth of one or more content creating sectors in Ontario.	No substantial changes in 2024-25. Continue to prioritize applications related to diversity and workforce development.

**TABLE 2: TAX CREDITS**

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



**TABLE 3: FILM COMMISSION SERVICES**

Location Library	An online listing service that provides industry professionals with access to 9,000 film-friendly location portfolios from across the province.
Production Consulting Service	The Film Commission provides consultation advice to producers considering Ontario as a destination for production investment, and on-the-ground trouble shooting support for productions filming across Ontario. Consultation includes locations advice, location site tours, and building connections between producers and local vendors, suppliers and labour.

**TABLE 4: TIME-LIMITED INITIATIVES**

Program Area	Initiative	Notes
Music Office	AcceleratiON Black and Indigenous Entrepreneurship Fund (Music)	Continuation of this initiative for a fourth year.
Music Office	Diversity Enhancement (Music)	Continuation of this initiative for a fourth year.
Industry Development	Diversity Enhancement (Film, interactive digital media, books and magazines)	Continuation of this initiative in Film Fund, Book Fund, Magazine Fund, IDM Fund, and Industry Development Program.

*\*See XIII 2024-25 Implementation Plan section for further detail on initiatives.*

## **AGENCY OPERATIONS**

In addition to regular activities, key operational priorities in the year ahead. 2024-25 will include a focus on office lease and space planning to reduce the agency’s physical footprint in 2025-26.

The office premises lease is held by the Minister of Infrastructure. The five-year lease expired October 31, 2023, and was extended for 18 months. The province’s Centralized Real Estate Authority directive will take effect on April 1, 2024, at which time funding and control of Ontario Creates’ office lease, maintenance and leasehold improvements will transfer to the Ministry of Infrastructure.

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 MTCS of at least \$35.6 million per year in 2024-25 and 2025-26, and \$35.5 million in 2026-27. The Plan also requires estimated self-generated revenues of \$4.3 million in 2024-25, \$7.0 million in 2025-26 and \$6.2 million in 2026-27. Total operating costs before time-limited strategic initiatives are estimated to be \$39.8 million in 2024-25, \$40 million in 2025-26 and \$40.1 million in 2026-27.
- Notably, there is a projected decline in self-generated revenues factored into this forecast, due to revised expectations regarding tax credit administration fees. As a result of the labour disruption and related production halt in the film and television sector in Q2 and Q3 2023-24, the forecast for tax credit fee revenue has decreased markedly for 2024-25. This business plan assumes a decrease from status quo expectations of approximately 50% in fee revenue in the film-related credits in 2024-25. In 2025-26, a compensating 25% increase or bump to status quo expectations resulting from pent-up activity is projected. The specific impact and timing of recovery is difficult to predict; the agency will track these impacts closely and will report on variances as necessary throughout the year.
- The agency's budget strategy has always been to mitigate the direct industry impact of reductions through timing adjustments, cost containment, program modifications, revenue increases, and program reductions while ensuring the long term financial and strategic sustainability of the agency's strategic and business planning. The budget for core programs and services is balanced and cash reserves are used to support time-limited initiatives which do not create long-term stakeholder expectations. As such, the agency has contained costs and operations are lean and efficient.
- As a new action identified in Ontario Creates' new strategic plan, the agency intends to explore partnerships with other entities to generate revenue, which supports the priority to pursue opportunities of this nature identified in the letter of direction (a government-wide commitment for all board-governed provincial agencies).

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

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

The full risk register as of Q2 2023-24 is shown in Appendix B.

## VIII. HUMAN RESOURCES AND STAFFING

Staff at Ontario Creates are highly skilled in their respective service areas and have the highest levels of commitment both to public service and to the stakeholders they serve. Ontario Creates meets or exceeds all required controls and accountabilities as a public service agency and 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 MTCS 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.

In an April 2022 survey of all OPS employees, Ontario Creates staff had a strong participation rate of 92% (as compared to 60% across the OPS) and a strong engagement index of 73.9 (as compared to 69.2 across the OPS). While the overall results were fairly positive, similar to elsewhere in the OPS, in many areas indicators showed a decline over the prior year's results.

An Employee Engagement Committee was established in 2018 which has developed a detailed action plan for engaging staff. The Committee's recent accomplishments included organizing a group volunteer activity, promoting greater awareness of OPS employee groups, and continuing a job shadowing program. This Committee will work closely with Management to address priorities stemming from the most recent Employee Engagement Survey as well as in support of strategic plan directions and actions.

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

Ontario Creates is committed to working with staff in the year ahead to improve the workplace, including several initiatives outlined in new strategic plan commitments. In 2024-25, the agency intends to begin work on defining Ontario Creates' culture and employee value proposition, promoting an equitable inclusive, accessible, anti-racist and diverse place, and building a flexible, inclusive and effective hybrid work model. Specific actions scheduled for this year are outlined in Section XIII, Implementation Plan, but include conducting a Recruitment and Retention Value proposition assessment, a sustainability audit of the agency office, and continuing to focus on team building and effectiveness in a hybrid environment.

Below is the staff complement broken down by bargaining unit classification, and an FTE forecast, following the FTE reduction in 2023-24:

### FTE CAP

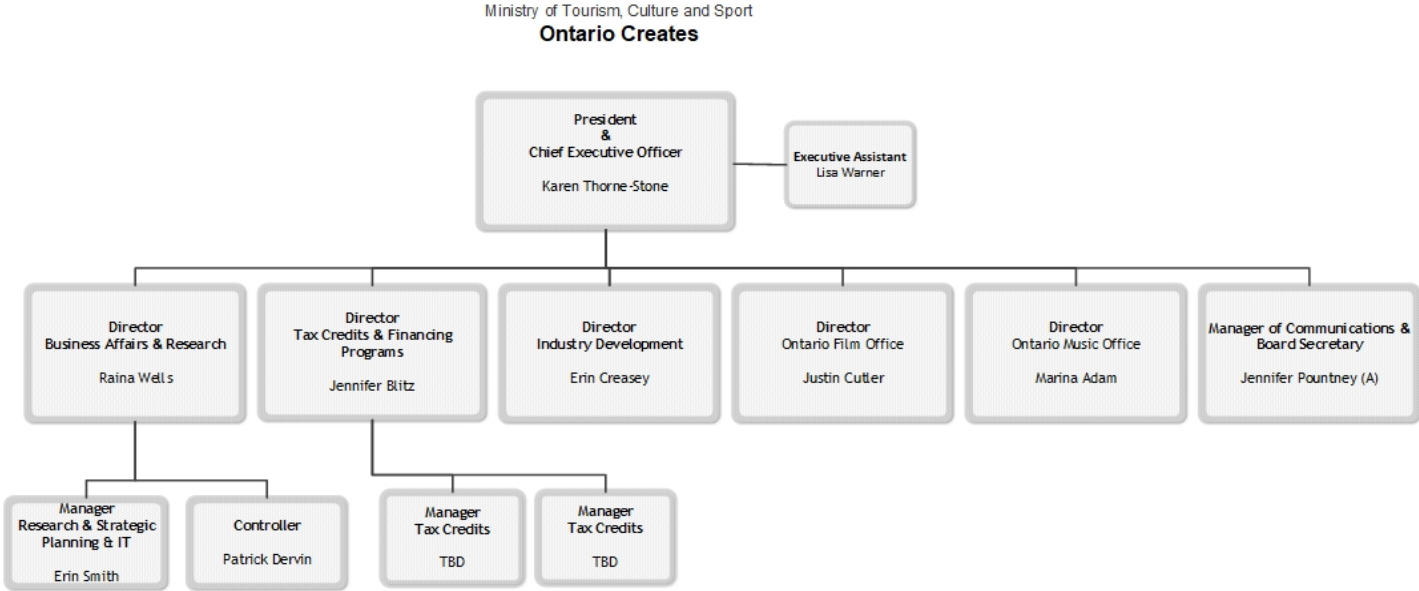
SMG/ITX	MCP	Excluded	OPSEU	AMAPCEO	TOTAL
3	8	0	55	5	71

### FTE FORECAST

2024-25	2025-26
71	71

# ORGANIZATIONAL CHART

As of November 6, 2023



## IX. PERFORMANCE MEASURES

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

In 2023-24, the Business Affairs and Research team undertook a review of the agency's existing KPIs with the goal of realigning them to the new strategic framework, and developing new outcome indicators to better demonstrate and communicate our impact. In 2024-25, the agency will procure business analytics software to improve data management and reporting, creating more compelling visualizations to better describe the impact and outcomes of Ontario Creates programs and services.

The following table provides interim results as of September 30, 2023 (Q2) for key performance indicators.

Following the table, we have included a copy of our in-progress draft KPI framework, to be operationalized beginning in 2024-25. In addition to the strategic level KPIs in this plan, program level performance measures are also in development. Metrics and targets will continue to be refined throughout 2024-25 as the agency implements new data collection and reporting.

Note: 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. While not reported in this Plan, monitoring these measures contributes to the overall success of Ontario Creates in achieving its corporate goals and commitment to continuous improvement as well as ensuring the agency's responsibilities under various accountability directives are met.

**Ontario Creates 2023-24 Q2 Performance Measures**  
as September 30, 2023

Key Performance Indicator	2023-24 Quarterly Results							Notes
	Q1	Q2	2023-24 Target	2023-24 Actual	2022-23 Actual	2021-22 Actual	2020-21 Actual	
<b>Strategic Goal #1: STIMULATE ECONOMIC GROWTH AND EMPLOYMENT</b>								
<b>1. Estimated value of Tax Credits (millions)</b>	\$215	\$206	\$680		\$606	\$723	\$690	
<b>2. Leverage Value (additional amount of financing generated for each dollar invested by Ontario Creates)</b>								
a) Investment through all Tax Credits	\$17.16	\$14.56	\$15.00		\$15.29	\$16.30	\$14.53	
b) Investment through Book Fund	\$0.69	\$0.00	\$0.65		\$0.62	\$0.73	\$0.65	
c) Investment through Film Fund (Production)	\$25.40	\$35.42	\$20.00		\$15.77	\$26.41	\$19.73	Note 8
d) Investment through IDM Fund (Production)	\$7.36	\$0.00	\$3.00		\$3.54	\$3.46	\$2.75	
e) Investment through Magazine Fund	\$1.45	\$0.00	\$0.80		\$0.81	\$0.95	\$0.92	
f) Investment through Ontario Music Investment Fund (OMIF)	\$3.26	\$4.82	\$5.50		\$4.57	\$4.64	\$5.09	
g) Investment through Business Intelligence Program	\$1.40	\$0.00	\$2.25		\$2.01	\$2.14	\$1.31	
<b>3. Return on Investment (sales earned for every dollar invested by Ontario Creates)</b>								
a) Book Fund	-	-	\$4.50		Note 2	Note 2	\$4.63	
b) Export Funding (Export Fund and IDM Fund: Global Market Development)	-	-	\$175.00		Note 2	Note 2	\$224.88	Note 9
c) IDM Fund: Marketing Support	-	-	\$3.00		Note 2	Note 2	\$2.52	
d) Magazine Fund	-	-	\$2.00		Note 2	Note 2	\$3.91	
<b>4. Ontario Music Investment Fund Economic Growth and Employment Indicators</b>								
a) Increased gross revenue for OMIF-supported companies (millions)	Annual Result		\$45.00			\$13.10	(\$17.80)	Note 5, Note 10
b) Private sector investment and equity secured as a result of OMIF support (millions)	Annual Result		\$12.75			\$2.20	\$17.20	Note 5

c) Jobs created and/or retained through <b>OMIF</b> -supported companies (FTEs)	Annual Result	500			333	306	Note 5
<b>5. Other Economic Growth and Employment Indicators</b>							
a) Weeks of work created and/or retained through <b>IDM Fund</b> and <b>Film Fund</b> projects	11,405	1,694	25,000		14,877	25,300	24,415

Key Performance Indicator	2023-24 Quarterly Results							Notes
	Q1	Q2	2023-24 Target	2023-24 Actual	2022-23 Actual	2021-22 Actual	2020-21 Actual	
<b>Strategic Goal #2: PROMOTE THE INDUSTRIES</b>								
<b>1. Film and Television Production</b>								
a) Number of <b>film and television productions</b> that shoot in Ontario	48	24	175		207	151	104	
Domestic	28	19	100		108	83	61	
Service	20	5	75		99	68	43	
b) Value of <b>film and television productions</b> that shoot in Ontario (millions)	\$436	\$141	\$2,000		\$1,979	\$1,793	\$1,246	
Domestic	\$199	\$120	\$600		\$554	\$520	\$370	
Service	\$237	\$21	\$1,400		\$1,425	\$1,273	\$876	
c) Number of actively scouting domestic and service productions accessing Ontario Creates scouting services	28	32	120		109	105	114	
<b>2. Los Angeles Office</b>								
a) Number of leads developed by <b>L.A. Office</b>	78	25	140		278	110	112	
b) Number of <b>L.A. Office-assisted projects</b> that shoot in Ontario	28	0	55		63	57	New Measure as of 21/22	Note 6
c) Value of <b>L.A. Office-assisted projects</b> that shoot in Ontario (millions)	\$215	\$0	\$1,100		\$998	\$1,000	\$969	
<b>3. Social Media Influence</b>								
a) Sysomos score	8/10	8/10	8/10		8/10	8/10	8/10	
b) Number of new subscribers to Ontario Creates social media channels	1,091	647	5,000		4,217	4,411	5,006	



a) Number of media impressions (millions)	62.0	186.0			235.8	48.3	110.3	
b) Number of <b>Trillium Book Award</b> media impressions (millions)	237.5	-			142.4	135.7	59.5	
c) Pick up on news releases ( <b>Trillium Book Award</b> only)	325.0	-			149.0	574.0	471.0	

Key Performance Indicator	2023-24 Quarterly Results							Notes
	Q1	Q2	2023-24 Target	2023-24 Actual	2022-23 Actual	2021-22 Actual	2020-21 Actual	
<b>Strategic Goal #3: ENCOURAGE COLLABORATION AND INNOVATION</b>								
<b>1. Industry Development Support</b> (Industry Development Program, Sector Marketing Support, other Ontario Creates support to industry development)								
a) Number of industry development initiatives led or supported by Ontario Creates	34	25	80		126	67	58	
b) Number of business connections/leads made by participants at Ontario Creates-led or supported initiatives	626	621	12,000		531	11,274	6,424	
c) Number of business connections and/or leads made as a result of <b>OMIF Music Industry Initiatives Support</b>	Annual Result		6,000			N/A	N/A	Note 5
<b>2. International Business Development</b>								
a) Number of markets at which Ontario Creates has organized a strategic presence	3	2	10		14	13	6	
b) Number of foreign markets at which Ontario participants are supported through export activity support	29	19	130		125	117	129	
<b>3. Collaboration Initiatives</b>								
a) Number of Collaboration events led by Ontario Creates	0	2	4		4	2	3	
b) Number of business connections made through meetings at Collaboration events	0	900	1,000		1,374	940	1,210	
c) Number of deals/options arising from Collaboration events after 12 months	0	0	10		20	17	4	
d) Value (when applicable) of deals/options arising from Collaboration events after 12 months	\$0	\$0	\$75,000		\$87,250	\$173,750	\$22,500	
<b>4. Business Intelligence</b>								

a) Number of <b>Business Intelligence</b> projects released	2	7	8		5	11	6	
b) Number of <b>Industry Profiles</b> updated	0	3	8		5	7	11	
c) Number of unique views of <b>Industry Profiles</b> on corporate website	1,006	1,089	6,000		4,978	7,408	6,217	
d) Number of new documents added to the <b>Online Research Library</b>	0	0	60		19	46	33	
e) Number of unique visitors to the <b>Online Research Library</b>	0	0	10,000		6,548	6,262	4,975	
f) Number of <b>Business Intelligence Bulletin</b> unique views	96	55	1,000		316	780	1,234	

Key Performance Indicator	2023-24 Quarterly Results							Notes
	Q1	Q2	2023-24 Target	2023-24 Actual	2022-23 Actual	2021-22 Actual	2020-21 Actual	
<b>Strategic Enabler #1: ENSURE SERVICE AND OPERATIONAL EXCELLENCE</b>								
<b>1. Program Delivery</b>								
a) Number of applications received (funds and tax credits)	930	831	2,400		2,561	2,345	2,248	Note 1
b) Average turnaround time across all tax credits (weeks)	22.1	27.2	20.0		22.0	16.5	25.3	
c) Average time tax credit files spend in analysis (weeks)	4.7	4.1	5.0		7.3	5.7	3.9	
d) Total number of tax credit products reviewed	694	411	2,700		2,278	1,928	3,611	
<b>2. Service</b>								
a) Number of service calls and emails	1,098	968	4,000		4,524	4,290	4,805	
b) Number of ministry inquiries	44	25	100		146	109	90	
c) Client satisfaction survey (approximately every 5 years)	Annual Result		N/A		N/A	N/A	N/A	Note 4
<b>3. Risk-Related Performance Measures</b>								
a) % of risks managed down since last quarter	-13%	-20%	10%		8%		New for 21-22	
b) % of risks with Medium or Low Risk Rating (Rating of 10 or below)	73%	67%	80%		89%		New for 21-22	

Key Performance Indicator	2023-24 Quarterly Results							Notes
	Q1	Q2	2023-24 Target	2023-24 Actual	2022-23 Actual	2021-22 Actual	2020-21 Actual	
<b>Strategic Enabler #2: EMPOWER PEOPLE AND TEAMS</b>								
1. Percentage of staff that have been at organization 5+ years	Annual Result	60%	Note 2			72.1%	62.5%	
2. Percentage of staff with Performance Development and Learning Plans	Annual Result	95%	Note 2			Note 2	94.4%	
3. Percentage of staff who engaged in 1+ professional development activities within the year	Annual Result	95%	Note 2			Note 2	94.4%	
<b>4. OPS Employee Survey</b> (positive or negative variance between Ontario Creates and OPS results on Employee Engagement Survey - when issued)								
a) Engagement Index	Annual Result	+8.0				N/A	+7.4	
b) Inclusion Index	Annual Result	+5.0				N/A	+4.6	
c) Performance Barriers	Annual Result	+8.0				N/A	+13.3	
d) Independence & Innovation	Annual Result	+2.0				N/A	+1.0	Note 7
e) Learning & Development	Annual Result	+10.0				N/A	+7.9	
f) Leadership Practices	Annual Result	+5.0				N/A	+11.0	
g) Quality of Service	Annual Result	+8.0				N/A	+8.0	Note 7
h) Organizational Communication	Annual Result	+14.0				N/A	+14.3	
i) Survey Response Rate	Annual Result	+30.0				N/A	+29.0	

Key Performance Indicator	2023-24 Quarterly Results							Notes
	Q1	Q2	2023-24 Target	2023-24 Actual	2022-23 Actual	2021-22 Actual	2020-21 Actual	
<b>COVID-19 Tracking Measures</b>								
Number of investment commitments that were modified to reflect new COVID-19 related priorities	Annual Result		N/A	N/A	N/A	129	391	
Dollars committed to COVID-19 health and safety measures	Annual Result		N/A		1,000,000	\$989,619	New for 2021-22	

**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) 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 \$7M) before year-end review of the program which was relaunched in 2020-21 as the Ontario Music Investment Fund with different program parameters from the former OMF. Results for 2019-20 are not comparable to 2020-21 and later due to the different program parameters introduced in 2020-21.

(6) Changed from previously used measure, which was proportion of newly Confirmed projects/Projects scouting in a given quarter.

(7) Some survey questions were revised in 2020 and as a result, measure is not directly comparable to previous years.

(8) 2021-22 Film Fund (Production) leverage values exclude COVID-19 top-ups.

(9) 2019-20 figure has been corrected. Previously published figure of \$125.12 erroneously excluded IDM Global Market Development data.

(10) Increased gross revenue in a negative position due to significant impacts of the pandemic, (including prolonged venue closures, tour postponements & cancellations, rising inflation, etc.) on live music in particular and ripple effects on the full music industry ecosystem.

## HIGHLIGHTS OF 2022-23 RESULTS

In 2022-23, Ontario Creates achieved the following results:

- Leverage value targets for tax credits, IDM Fund, Magazine Fund, and the Business Intelligence Program were all exceeded in 2022-23. Leverage value refers to the additional amount of spending generated for each dollar invested by Ontario Creates. For both the Book Fund and the Ontario Music Investment Fund (OMIF), leverage values came in under target, and further to that, did not meet 2021-22 levels. For OMIF, this was a result of fluctuations within parts of the music industry, including live music, that have not recovered as quickly as other segments.
- Ontario significantly exceeded its targets for the number and value of film and television productions shot in Ontario, with a total of 207 productions valued at \$1.9 billion. This growth was experienced across both domestic and service productions, and targets around the number of actively scouting productions accessing Ontario Creates services also exceeded their target of 90 with 109 in 2022-23. Scouting activity assisted by the L.A. Office continued to outperform expectations, with 278 leads (target of 100) and 63 L.A. Office-assisted productions ultimately electing to shoot in Ontario in 2022-23. This is predominately due to greater than anticipated productivity in the film and television production sector including the restarting of some projects that were put on hold due to COVID-19.
- Media impressions (excluding Trillium Book Award) for 2022-2023 totalled 235.8 million, significantly exceeding the target of 50 million. This is due to coverage and profile of various agency initiatives in large-scale media outlets like *CBC*, *The Hollywood Reporter* and *Rolling Stone*. Trillium Book Award media impressions exceeded the past three years of results, but ultimately fell slightly short of 2022-23 targets. Social media engagement remained strong, with over 4,200 new subscribers gained across the agency's various social media channels, with growth coming largely from LinkedIn and Instagram.
- While recovery from the COVID-19 pandemic remains uneven across industries, there was a marked return to international business development activities in 2022-23. In 2022-23, the agency organized a strategic presence at 14 markets, greatly exceeding its target of eight. The agency's export activity support helped Ontario participants conduct business development activities in 125 markets in 2022-23, exceeding 2021-22 results but coming in slightly under the target of 150. There were 58 total industry development initiatives let or supported by the agency in 2022-23, generating over 34,000 business connections or leads for participants. Finally, the agency led four collaboration events in 2022-23, generating 1,374 business connections, and 20 deals or options valued at \$87,250.
- Ontario Creates continues to support business intelligence projects relevant to the creative industries in Ontario. In 2022-23, a total of five projects were released, fewer than the expected eight. Several targets were not achieved related to number of profiles updated, unique views of the profiles, new documents added to the Online Research Library, and views of the business intelligence bulletin. A lower staff complement in the Research unit over much of the fiscal year affected the unit's output.
- Average turn-around time across all tax credits was quicker than expected, at an average of 22 weeks against a target of 25.0 weeks. However, the time a file spent actively in analysis grew to 7.3 weeks in 2022-23, due in part to the complexity and risk status of the files received, as well as the end of short-term pandemic-related measures intended to accelerate the review process. While the number of tax credit products reviewed (2,278) fell slightly below its target (2,700), this greatly exceeded 2021-22 figures by 18 per cent. As described in Section XIII - Implementation Plan and Appendix A, several initiatives are underway to address tax credit processing times.

## ONTARIO CREATES DRAFT KPI FRAMEWORK

The following section provides an overview of the key performance indicators, metrics, targets and data sources identified for the major strategic goals and internal enablers for the agency's recent strategic plan. This work commenced in 2023-24, and will continue to be developed and operationalized over the course of 2024-25. In addition to the development of these high-level KPIs, agency senior management will be working with staff to develop a series of program-level KPIs. This process, including operational and IT requirements, is described in the Section XIII - Implementation Plan and Appendix A of this Business Plan.

### Goal #1 Build Capacity

Work collaboratively to ensure Ontario's creative industries are diverse, sustainable and positioned for growth with a strong, skilled workforce and supporting infrastructure.

KPI	METRIC	TARGET	DATA SOURCE
<b>Creative Industries GDP Growth</b>	2021 Ontario creative industry GDP contribution multiplied by 2022 real Ontario GDP growth of 3.7%	Total creative industry GDP contribution of \$4.18 Billion (or greater)	Statistics Canada <sup>49</sup> (lags by two years)
<b>Creative Industries Job Growth</b>	Total number of FTEs contributed by Ontario's creative industries in 2021 multiplied by 2022 real Ontario GDP growth of 3.7%	Total creative industry FTEs of 58,222 (or greater)	Statistics Canada (lags by two years)
<b>Leverage Value</b>	Total value of dollars spent in Ontario (budgeted numbers) – OC's total investment, divided by the value of OC's investment across (will be reported as one number for tax credits and programs, but program level detail will be available)	\$15.25 - \$15.85 spent in the economy per dollar invested by Ontario Creates	Ontario Creates Internal Data
<b>Competitive Position (national)</b>	Ontario's percentage share of the national creative economy and the film and television sector specifically.	37% - 42% of national creative economy;  32% - 37% of total film and television production in Canada	Statistics Canada (lags by two years) CMPA Profile (lags by one year)

<sup>49</sup> It is recommended that lagging Statistics Canada data could be replaced by CIERA data for Ontario which would provide more targeted results with only one year of lag time. These numbers would also allow for direct comparison with BC, Alberta and Quebec. There is a one-time fee to implement CIERA and then an annual cost for updated data.

		45% - 50% of total Canadian content production  24% - 29% of total foreign location service production in Canada	
<b>Diversity, Equity, Inclusion (application success rates)</b>	Percentage of successful applications from specific equity deserving groups compared to all applications from those same groups.	TBD (as part of 2024-25 benchmarking work)	Ontario Creates Internal Data
<b>Diversity, Equity, Inclusion (provincial demographics comparison)</b>	Percentage of successful applications from specific equity deserving groups compared to Ontario demographics	TBD (as part of 2024-25 benchmarking work)	Ontario Creates Internal Data; Ontario demographic data
<b>Greenhouse Gas Emissions</b>	Percentage change year-over-year in greenhouse gas emissions from Ontario's creative industries.	TBD (data not available, but is part of ongoing CIERA work)	CIERA (data source not yet available)

**Goal #2 Fuel Growth**

Support the growth of Ontario's creative industry companies by investing in the creation and distribution of intellectual property, enabling business development, and facilitating collaboration within and across sectors, through modern responsive and informed programs.

KPI	METRIC	TARGET	DATA SOURCE
<b>Company-level Growth</b>	Year-over-year growth in revenues of successful applicant pool to Ontario Creates' investment programs.	TBD* OC collects this data and is in process of building a report to aggregate across program applicant pool so 2022-23 data is not yet available	Ontario Creates internal data
<b>New Entrants</b>	The percentage of first-time successful applicants to Ontario Creates' investment programs compared to overall applicants.	TBD* OC collects this data and is in process of building a report to aggregate across program applicant	Ontario Creates internal data

		pool so 2022-23 baseline data is not yet available	
<b>New Entrants (DEIB)</b>	The percentage of first-time successful applicants to Ontario Creates' investment programs majority owned and/or led by individuals from equity-deserving groups compared to overall applicants.	TBD* OC collects this data and is in process of building a report to aggregate across program applicant pool so 2022-23 baseline data is not yet available	Ontario Creates internal data
<b>Regional companies</b>	Percentage of successful applications from companies headquartered outside of the GTA	TBD* OC collects this data and is in process of building a report to aggregate across program applicant pool	Ontario Creates internal data

**Goal #3 Drive Investment**

Generate investment in Ontario's creative economy by ensuring a diverse, sustainable, innovative, competitive and world-class business destination.

<b>KPI</b>	<b>METRIC</b>	<b>TARGET</b>	<b>DATA SOURCE</b>
<b>Greater competitive position for Ontario's film and television sector (foreign location services)</b>	The year-over-year percentage growth and actual number/spend of foreign service film and television production in Ontario.	Foreign service production Ontario spend of \$450 - 500 million and approximately 40 productions per year (2023).	Ontario Creates internal data (Annual Film and Television Production Stats)
<b>Greater competitive position for Ontario's film and television sector (domestic)</b>	The year-over-year percentage growth and actual number/spend of domestic film and television production in Ontario.	Domestic production Ontario spend of \$675 - 725 million from an average of 188 productions per year (2023).	Ontario Creates internal data (Annual Film and Television Production Stats)
<b>Export ROI</b>	Total value of sales per dollar invested through Ontario Creates' Global Market Development programs.	\$406 - \$414 dollars in sales earned for every dollar invested by Ontario Creates	Ontario Creates internal data (lags by two years)
<b>Number of Business Leads</b>	Year-over-year percentage change in number of business leads made at Ontario Creates' events.	35,673 business leads	Ontario Creates internal data



#### Goal #4: Develop Global Markets

Strategically promote Ontario's content, companies, services, and talent to the world to open new markets, reach new audiences and generate export opportunities, business partnerships, and inward investment.

KPI	METRIC	TARGET	DATA SOURCE
<b>Value of Ontario Exports</b>	Year-over-year growth in value of international exports from Ontario's creative industry companies (not just OC-funded companies/projects).	3% - 5% annual growth totalling \$10.7 to \$10.9 billion in international exports in 2022	Statistics Canada (lags by two years)
<b>International Sales for Ontario Creates-supported companies</b>	Year-over-year growth in the total value of sales reported by companies receiving support from Ontario Creates' Global Market Development Funds.	3% to 5% annual growth totalling \$554 to \$556 million in international sales	Ontario Creates internal data
<b>Export Ready Companies</b>	The percentage of first-time recipients of Ontario Creates' Global Market Development Funds compared to a target.	TBD* OC collects this data and is in process of building a report to aggregate across program applicant pool so 2022-23 data is not yet available	Ontario Creates internal data

#### Enabler #1 Deliver Exceptional Customer Experiences

Demonstrate service excellence by ensuring programs and services are modern, accessible, inclusive, responsive, transparent, and timely, and are aligned with evolving industry trends.

KPI	METRIC	TARGET	DATA SOURCE
<b>Tax Credit Processing Time<sup>50</sup></b>	First Year: Percentage analysis time is faster or slower from prior period.  Subsequent Years: Percentage of applications processed within service standard window.	Analysis Time <sup>51</sup> (weeks): 6.6 to 6.9 weeks (all credits aggregated)  Cycle Time <sup>52</sup> (weeks): 14.7 weeks (all credits aggregated)	Ontario Creates internal data. A service standard dashboard is in development and will be used to assess service time once established.

<sup>50</sup> Please note that this measure will be updated and replaced with a service standard metric once the new dashboard has been implemented and the service standard determined.

<sup>51</sup> Analysis time refers to the number of weeks between when a Business Officer picks up an application and that application is certified.

<sup>52</sup> Cycle time refers to the number of weeks between an application is in the queue before it is picked up by a Business Officer for analysis.

<b>Tax Credit Queue</b>	Growth in queue (actual number of products in the queue as well as the percentage growth of the queue year from prior period).	0 – 200 products; percentage growth TBC	Ontario Creates internal data
<b>Application Review Time</b>	Percentage of Ontario Creates investment programs for which applications are decisions are made within the established timelines.	80%	Ontario Creates internal data
<b>Customer Experience Index Score</b>	TBD (new metric and survey to be designed and implemented in 2024-25)	TBD	Score will be generated from a survey that OC will offer to clients that interact with our online applications.

**Enabler #2**

Foster a work environment and team culture that prioritizes the development and wellbeing of our staff and a sense of belonging. Leverage technology, policies and shared values to promote collaboration and optimize productivity and effectiveness.

KPI	METRIC	TARGET	DATA SOURCE
<b>Employee Engagement</b>	OC Employee Experience responses rate, and response rate compared to OPS as a whole.	Response rate of 92% or greater	OPS Employee Experience survey data <sup>53</sup>
<b>Employee Engagement</b>	Overall engagement index score compared to prior period.	Score of 76.1 to 77.6	OPS Employee Experience survey data
<b>Leadership</b>	Leadership practices index score compared to OPS as a whole and compared to OC's score in the prior year.	Score of 63.0 to 66.8	OPS Employee Experience survey data
<b>Learning and Development</b>	Learning and Development index score compared to OPS as a whole and compared to OC's score in the prior year.	Score of 60.7 to 62.0	OPS Employee Experience survey data

<sup>53</sup> The OPS Experience Survey provides a comprehensive dataset about employee well-being, leadership practices, inclusion and engagement. The survey and dataset are released at least every other year though sometimes annually.

<b>Inclusion Index</b>	Inclusion index score compared to OPS as a whole and compared to OC's score in the prior year.	Score of 76.2 to 77.7	OPS Employee Experience survey data
<b>Demographic Profile</b>	OC's demographic data profile as compared to the OPS profile and year-over-year change.	Targeting that Ontario Creates continues to remain more diverse than the OPS as a whole across the categories than can be measured	OPS Employee Experience survey data

## X. FINANCIAL BUDGET

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

- Ontario Creates' 2024-25 core expenditures for accounting purposes are projected to be \$39.8 million before time-limited strategic initiatives. If sufficient capacity is not available in the base budget, these initiatives will be funded from cash reserves.
- Ontario Creates' revenue for 2024-25 is expected to be \$39.9 million which includes operating funding from MTCS of \$35.6 million and \$4.3 million in self-generated revenue (tax credit administration fees, interest, and other income).
- Notably, there is a projected decline in self-generated revenues factored into this forecast, due to revised expectations regarding tax credit administration fees. As a result of the labour disruption and related production halt in the film and television sector in Q2 and Q3 2023-24, the forecast for tax credit fee revenue has decreased markedly for 2024-25. This business plan assumes a decrease from status quo expectations of approximately 50% in fee revenue in the film-related credits in 2024-25. In 2025-26, a compensating 25% increase or bump to status quo expectations resulting from pent-up activity is projected.
- Uncommitted cash reserves at the end of 2024-25 are projected to be \$4.0 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:**

ONTARIO CREATES (\$ Thousands)	2024-25	2025-26 <i>FORECAST</i>	2026-27
<b>REVENUE</b>			
MTCS Funding (Note 1)	35,583.6	35,583.6	35,450.3
Self-generated (Note 2)	4,350.0	7,067.5	6,207.5
<b>TOTAL REVENUE</b>	<b>39,933.6</b>	<b>42,651.1</b>	<b>41,657.8</b>
<b>EXPENDITURES</b>			
Salaries & Benefits (Note 3)	8,635.0	8,721.1	8,808.1
Operations (Notes 4, 5)	2,393.9	2,448.9	2,505.5
Grants	26,807.0	26,807.0	26,807.0
Program Delivery (Note 6)	1,369.1	1,375.1	1,381.3
TIFF	1,115.0	1,115.0	1,115.0
Provision for Rescinded Grants	-500.0	-500.0	-500.0
<b>TOTAL EXPENDITURES</b>	<b>39,820.1</b>	<b>39,967.2</b>	<b>40,116.9</b>
<b>Net Surplus before Other Items</b>	<b>113.5</b>	<b>2,684.0</b>	<b>1,540.9</b>
<b>Other Items:</b>			
- Time-limited Strategic Initiatives (Note 7)	2,405.0	0.0	0.0
<b>Net Surplus/(Deficit)</b>	<b>-2,291.5</b>	<b>2,684.0</b>	<b>1,540.9</b>
<b>Cash Reserves - beginning of year</b>	<b>6,313.4</b>	<b>4,022.0</b>	<b>6,705.9</b>
<b>Cash Reserves - end of year (Note 7)</b>	<b>4,022.0</b>	<b>6,705.9</b>	<b>8,246.8</b>

**Notes:**

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

(2) Includes tax credit administration fees, interest, and other income. Tax credit fee revenue assumes 50% decrease for OPSTC, OFTTC, and OCASE in FY25 resulting from labour disruption in FY24 Q2-Q3. FY26 assumes return to original projection plus 25% increase for pent-up demand. Interest income assumes continuation of current interest rate environment.

(3) Based on existing collective bargaining agreements. Does not reflect potential salary implications of the ongoing Bill C-124 legal proceedings.

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

(5) Current premises lease expires on October 31, 2023. Expenditures include estimated premises lease cost per Infrastructure Ontario.

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

(7) Cash reserves will be used to fund time-limited initiatives as required. These initiatives are reported as nil for FY26 and FY27 in this forecast, but will be revisited in those years based on business needs and requirements.

## **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 credit applications. The agency is responsible for all procurement and security related to this infrastructure.

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

### **CLIENT SERVICES**

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

### **SECURITY AND SYSTEM MONITORING**

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

### **ELECTRONIC SERVICE DELIVERY**

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

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

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

### **RECENT ACCOMPLISHMENTS**

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

- With funding from the Ontario Onwards Acceleration Fund (OOAF), Ontario Creates has started work on a series of technological enhancements for the tax credit team and clients. Work began in 2022-23 and continued through 2023-24. Projects include the creation of a tax credits service dashboard and time tracking feature to provide an enhanced experience and additional data to staff and stakeholders using the OAP. Analysis will be undertaken around automation for streamlining processing of tax credits, including opportunities to incorporate AI and chatbots. IT will support scoping and implementation of a suite of technological changes to tax credits to reduce processing times for clients (electronic review package, service standard dashboard, AI chatbot, digital ID, and use of AI to continuously improve risk scoring module).
- The agency has launched an internal risk assessment process for OBPTC applications and will continue to monitor and report on the project as we work towards bringing all tax credit risk scoring in house.
- The IT Team has designed a new workflow process for the approval of internal documents electronically.
- A project to integrate information from the database with the Transfer Payment Agreement is nearing completion. This project is estimated to save several days of staff time and will provide significant customer service improvements, allowing awardees to sign contracts using secure electronic signatures.

### **2024-25 INFORMATION TECHNOLOGY PLAN**

- In 2023-24, the agency migrated the OAP, ORL, and the corporate website to the cloud for improved security, access to service, and flexibility. The DLL will be migrated in 2024-25.
- Work is already underway on the procurement of a new DLL that will provide additional customer service enhancements for clients, and will upgrade the DLL to help improve Ontario's competitiveness. The new DLL is scheduled to launch at the beginning of the 2024-25 fiscal year.
- The IT Team will continue to fine-tune the CRM upgrade and will process ongoing enhancements to the database.
- Work on a series of tax credit processing improvements which are being undertaken with funding from the OOAF (as noted above) will be completed in 2024-25. Staff will continue to monitor, report on, and adjust these applications as required.
- The IT Team will support implementation of a new KPI Framework including making adjustments to application schemas, making changes to the database and OAP to collect new data requirements and by integrating the database with Microsoft Power BI in order to build a performance measurement dashboard and reporting scorecard.
- As part of the agency's commitment to emergency preparedness, agency management and the IT team will conduct a cybersecurity tabletop exercise to simulate a cyber-attack.
- Maintain security and system monitoring, as described above.



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

On an ongoing basis, Ontario Creates works closely with a range of partners on targeted initiatives. Extending existing partnerships and developing new ones is a key strategic priority for the agency, as collaboration with both internal and external entities allows the agency to greatly extend its impact, often without the need to tap into additional resources. In line with expectations identified in the 2024-25 letter of direction to identify and pursue opportunities for efficiencies and savings through innovative practices, Ontario Creates continually seeks out appropriate partnerships with local, regional, federal and international private, non-profit and public entities that assist in furthering the agency's mandate and strategic goals.

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

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

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

### **ONTARIO GREEN SCREEN PROGRAM**

- Ontario Creates is a partner with 27 stakeholder groups, including unions, industry trade organizations, associations, production service companies, producers, studios and municipal government partners, to fund and deliver the Ontario Green Screen program.
- Partners offer financial, strategic and tactical support to deliver program initiatives.
- Over 650 film workers have taken part in the Climate and Sustainable Film Production, and Carbon Calculating courses delivered by the initiative.
- In 2024-25, Ontario Green Screen will be implementing the strategic initiatives laid out in its 2023-2027 strategic plan, with the key priorities being to strengthen partnerships, inform & educate, support best practice implementation and measure impact.

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

- Ontario Creates is the mechanism by which MTCS provides annual funds 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 2023-24, \$815,000 funding was provided for this purpose. In 2023-24, the agency also provided \$300,000 in operating support to TIFF for the annual film festival, \$120,000 to the TIFF Industry Office, which supports international sales opportunities for producers during the Festival, \$20,000 for various Pre-Market Bootcamps, 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 the profile and create opportunities for Ontario producers, and to raise the international profile of the agency, the industry, and the Province.
- The program commenced at Cannes 2017, with over 30 feature film producers conducting over 200 business meetings across English-language territories.
- The 2023 edition of CoCreate was once again held at Cannes, in partnership with organizations from Australia, New Zealand, Ireland, and the UK. Each jurisdiction is able to select 5 producers or production companies to participate in the programming, which included a roundtable discussion, and 1:1 meetings curated in advance by Ontario Creates.

### **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, The Great Escape, Kidscreen.
- Ontario Creates also partners with Telefilm and other provinces on international activities that do not involve a stand presence but that provide a coordinated Canadian presence and opportunity for producers to do business.
- In 2022-23, Ontario Creates partnered with the Indigenous Screen Office (ISO) on the first-ever International Indigenous Coproduction Forum at the Canada Pavilion at Cannes. Ontario Creates was proud to be a partner with the ISO on delivering this event, and worked closely with the ISO to confirm delegates and design and deliver a robust program for 20 Indigenous delegates on the topic of coproduction.
- In 2023-24 Ontario Creates partnered with MusicAction, Music Ontario and L’Association des Professionnels de la Chanson et de la Musique (APCM) as part of a “Canada Focus” at MaMA Music and Convention (Paris) leading an Ontario delegation of music reps and artists for showcasing and B2B opportunities for both Franco-Ontarian and Anglophone music reps and artists.

### **IDM FUND PARTNERSHIPS**

- IDM Fund Futures Forward is a program designed to teach business, marketing, and pitching skills to up-and-coming digital-media creators and those transitioning to digital from traditional screen content. This program is delivered by leveraging the expertise and reach of partner organizations Women in Film and Television-Toronto, Hand Eye Society, Interactive Ontario, WebSeries Canada, and Afrotopolis Arts Collective, reducing the administrative burden on Ontario Creates of running the program, while increasing partner capacity.
- In 2022-23, the IDM Fund Futures program launched a grant program in partnership with the Canada Media Fund (CMF). Eligible Futures Forward training program graduates and companies owned by individuals from equity-deserving communities are eligible to apply for early-stage development awards of up to \$20,000, with Ontario Creates and CMF funding half of each award. This relationship was renewed for 2023-24.
- In 2023-24, Ontario Creates was a Principal Partner on the Canada Pavilion and Canada space in the business meeting lounge at Series Mania in Lille, France. A highlight of this initiative was hosting a lunch for delegates from the APFC (representing Francophone producers from outside Quebec) to meet with decision-makers who acquire French content from countries across Europe.

- In 2023-24, Ontario Creates partnered on the Canada Pavilion at Gamescom in Cologne, Germany, and partnered with Interactive Ontario, and Ontario and federal trade commission partners on the Ontario presence at Game Developers' 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 are delivered in partnership with organizations such as ADVANCE, the International Indigenous Music Summit, Canadian Music Week, Indie Week and Music Publishers Canada. This helps 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.

#### **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.

## XIII. 2024-25 IMPLEMENTATION PLAN

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

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

### 2024-25 IMPLEMENTATION PLAN

The chart below maps out the specific activities that will be carried out in 2024-25 against the four strategic goals and two strategic enablers.

#	OBJECTIVE	2024-25 TACTICS
<b>STRATEGIC GOAL #1: BUILDING CAPACITY</b>		
1	Establish and implement a workforce development strategy	a. Establish and implement a workforce development strategy including the following initiatives: <ul style="list-style-type: none"> <li>• Develop new workforce development insights by partnering with WorkInCulture.</li> <li>• The Film Commission will launch several film and television-specific workforce activations, including an ongoing partnership with Reel Opportunities, job fairs, and other academic engagements.</li> </ul>
2	Provide targeted support to diverse-led projects and businesses that demonstrate high potential for economic and cultural growth	a. Continue the Diversity Enhancement strategic initiative for another year. b. Continue AcceleratiON as a strategic initiative for another year. c. Develop specific benchmarks and KPIs for diversity, equity, inclusion and belonging. d. Launch an Indigenous and Third-language content market study, modelled on the approach to the Franco-Ontarian content market study. e. Model a potential diversity bonus for tax credits.
3	Build on Ontario Green Screen leadership and expand sustainability strategy across the creative industries	a. Continue to implement the Ontario Green Screen strategic plan commitments, with assistance from existing or new partners.
<b>STRATEGIC GOAL #2: FUELING GROWTH</b>		
1	Revise core investment programs to keep pace with evolving business opportunities and focus investment on high-impact support	a. Redesign screen programs, following the recommendations from the Future of Screen report. b. Redesign AcceleratiON, based on the outcomes of the AcceleratiON program review. c. Conduct a review of the Industry Development and Ontario Music Office marketing and business development investment programs. d. Conduct an internal review of the use and value of agency's research projects.

2	Enhance communication and outreach to emerging companies and new entrants to the creative industries	a. Conduct a system-wide gap analysis of business support programs based on company type and experience level.
3	Partner with government to simplify tax credit eligibility requirements	a. Continue to work with government and industry partners to identify additional changes to tax credit legislation and regulations to ensure efficiency, value and impact on achieving government priorities. b. Participate in the review of the Ontario Film & Television Tax Credit (OFTTC) regional bonus to ensure it is providing effective and appropriate incentives and support for film and television productions in all regions of Ontario.
4	Establish a regional development plan	a. Work with MTCS (and other partners) to determine scope of the regional development plan.
<b>STRATEGIC GOAL #3: DRIVING INVESTMENT</b>		
1	Seek out new private sector partnership/sponsorship opportunities to increase capacity in Ontario Creates' priority program areas	a. Internally explore the viability of securing private sponsorship to augment Ontario Creates investment funds.
1	Explore innovative financing models that reinvest in Ontario's creative industries	b. Conduct research and information-gathering exercise to model a revolving loan or equity investment financing tool for the creative industries.
2	Grow the domestic and service screen production industry across all regions of Ontario	a. Launch a new Digital Locations Library. b. Conduct a data-gathering exercise (through exit surveys and internal research) to determine if a research study focused on service screen industry clients and their needs is warranted. c. Develop a regional film readiness map.
4	Partner with government to support the continued modernization of tax credits.	c. Continue to work with government to support the modernization of tax credits.
<b>STRATEGIC GOAL #4: DEVELOPING GLOBAL MARKETS</b>		
1	Review and enhance programming and strategic initiatives in international markets	a. Following the completion of the International Business Development strategy, work to refine staff responsibilities to ensure resources are available to deliver on plan commitments.
2	Simplify access to funds that support international development and growth of companies	b. Conduct an internal review of Global Market Development programs to streamline and standardize across sectors.
3	Build the value proposition of the Ontario brand	a. Articulate value proposition for investing or partnering with Ontario. b. Update market strategy to communicate benefits to prospective partners and businesses.
3	Optimize brand partnerships	a. Continue to evaluate sponsorship opportunities on an ongoing basis. b. Collaborate with the Canadian Academy of Recording Arts and Sciences (CARAS) to amplify Ontario music industry presence at 2025 JUNO Awards (if in Ontario)

<b>STRATEGIC ENABLER #1: DELIVERING EXCEPTIONAL CUSTOMER EXPERIENCES</b>		
1	Review and improve accessibility of investment and tax credit programs	<ul style="list-style-type: none"> <li>a. On an ongoing basis, seek new opportunities to connect with stakeholders outside of the GTA.</li> <li>b. Continue to monitor and assess communications and outreach efforts on an ongoing basis.</li> </ul>
2	Implement an information technology roadmap to improve efficiency and stakeholder experience	<ul style="list-style-type: none"> <li>a. Develop and launch targeted feedback surveys to measure client satisfaction with services like the OAP.</li> <li>b. Conduct a cybersecurity tabletop exercise to improve emergency preparedness by simulating a cyber-attack.</li> </ul>
3	Enhance performance measurement capacity and tools	<ul style="list-style-type: none"> <li>a. Procure and implement database integration with Microsoft Power BI.</li> <li>b. Procure and develop KPI dashboard and scorecard.</li> </ul>
<b>STRATEGIC ENABLER #2: EMPOWERING HIGH PERFORMING TEAMS</b>		
1	Define Ontario Creates' culture and employee value proposition	<ul style="list-style-type: none"> <li>a. Conduct a Recruitment and Retention Value proposition assessment.</li> </ul>
2	Promote an equitable, inclusive, accessible, anti-racist and diverse workplace	<ul style="list-style-type: none"> <li>a. Continue to implement the Multi-Year Accessibility Plan.</li> <li>b. Conduct workplace environmental sustainability audit.</li> </ul>
3	Build a flexible, inclusive, and effective hybrid work model that aligns with OPS requirements	<ul style="list-style-type: none"> <li>a. Continue to refine internal policies with respect to hybrid and remote work in accordance with government direction.</li> </ul>

## XIV. COMMUNICATIONS PLAN

As Ontario's creative industries continue to navigate the post-pandemic years and the subsequent economic challenges, including US labour disruptions in the film and television industry, we will focus our communications for 2024-25 on *Powering Ontario's Creative Economy*.

Our communications plan will align with the strategic plan and Business Plan's goals of building capacity, expanding awareness and stimulating growth and investment. Strategies will include outreach to underrepresented and new entrants to the creative industries, showcasing the successes of diverse-owned companies, promoting Ontario's benefits as a business jurisdiction and building awareness of key Ontario Creates programs and initiatives, and supporting the marketing efforts of Ontario companies and content.

### GOAL

To build awareness about Ontario Creates programs, the opportunities in Ontario's film and television, interactive digital media, music, book, and magazine industries, and the province's successful companies and content through traditional and social media, events, and outreach.

### OBJECTIVES

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

**In 2022-23, total media impressions were 235.8M.**

### AUDIENCES

- **External:** Consumers, industry stakeholders, influencers and decision-makers in Ontario, across Canada and around the globe.
- **Internal:** MTCS and relevant government ministries, 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

#### *Build Capacity*

- Enhance communication and outreach to underrepresented communities, emerging companies and new entrants to the creative industries.
- Ensure outreach and communications related to Ontario Creates' programs and services extends to emerging companies and new entrants (who may not yet be incorporated); partner with industry orgs to enhance outreach efforts.
- Focus on the agency's leadership initiatives such as Ontario Green Screen, DEIB programming, and streamlining of business services and supports.

**In 2022-23, over 220,000 unique users visited the Ontario Creates website.**

#### *Fuel Growth*

- Evaluate sponsorship and partnership opportunities to focus on highest value opportunities to build brand awareness of Ontario's creative industries and content.
- Collaborate with industry partners such as CARAS to leverage exposure for Ontario nominees at the JUNOS to promote emerging nominated 'home-grown talent'.
- Support the development and implementation of a regional outreach strategy.

***Develop Global Markets***

- Identify key success indicators to articulate the value proposition of the Ontario brand.
- Revise success stories production to focus on economic impact as a result of support from Ontario Creates.

***Deliver Exceptional Customer Experiences***

- Assess communications and outreach efforts to ensure we reach all potential stakeholders across the province; continue to offer pre-recorded info-sessions virtually, enhance online resources, and seek opportunities to connect with stakeholders outside of the GTA to provide more equitable access to Ontario Creates' staff and expertise.
- Use demographic data to help inform outreach strategies to equity seeking groups in order to improve their success rates for Ontario Creates' investment programs.
- Continue to refine format and content of Ontario Creates' website to ensure plain language and easy access to information and resources.



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

This Business Plan details the goals, objectives, strategic direction, specific programs, activities, and initiatives that will enable Ontario Creates to achieve its mandate in the year ahead. The agency's new strategic plan focuses resources on building foundational industry capacity, empowering growth, driving investment in Ontario, and promoting Ontario content while striving to be responsive, collaborative, accountable, and showing leadership and excellence. This plan strongly aligns with, and supports, the government's priorities and the expectations set out in the agency's 2024-25 letter of direction from MTCS.

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

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

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

Key priorities:

1. Productivity and global competitiveness
2. Economic development, investment and jobs
3. Performance measurement and demonstrating return on investment
4. Diversity, equity, inclusion and belonging
5. Talent, investment attraction, training, and entrepreneurship
6. Stable and effective tax credits

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

- Ontario Creates' core programs are designed to incent business development and job creation, which are key elements of fostering productivity and global competitiveness within Ontario's creative industries.
- The Ontario Film Commission promotes Ontario as a key investment destination, and the agency has a strategic presence at marquee international events, including brokering B2B meetings with international partners.
- In 2024-25, Ontario Creates' Industry Investment and Attraction will conduct reviews of its marketing and business development programs to ensure that they remain responsive to a continually evolving business environment.
- In 2024-25, the agency will conduct an internal review of Global Market Development programs to streamline and work to standardize services and offerings across sectors.
- Also in 2024-25, the agency will implement its workforce development strategy for the creative industries in Ontario, based on findings collected as part of the workforce symposium (2023-24).

**2. *Promote economic development, investment and jobs in Ontario's cultural media industry and support, as needed, the government's response to changes in the sector(s) (e.g., digital platforms, Federal legislative changes, labour disruptions)***

- In 2022, film and television domestic and service production spending reached a historic \$3.15 billion, and helped create more than 45,000 high-value, full-time equivalent direct and spin-off jobs for Ontarians.
- 23,225 weeks of work were created/retained through IDM Fund and Film Fund.
- Each dollar invested in tax credits leveraged \$15.29 in additional spending.
- On an ongoing basis, Ontario Creates will monitor legal, policy and regulatory changes that impact the creative industries, and participate in consultations as appropriate. In 2023-24, Ontario Creates participated in the CRTC's consultation process around potential changes to be introduced as a result of the federal *Online Streaming Act*. In consultation with MTCS, the agency will seek out other opportunities to ensure that Ontario's perspectives are recognized within national consultation processes of relevance to the sectors.

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

- As part of its strategic plan, the agency has committed to conducting an overhaul of its performance management framework. In 2024-25, the agency will begin to operationalize its new framework, with a focus on producing the required analytics software, data sources, and services to create a visual representation of these new KPIs.

**4. *Work to increase diversity, equity, inclusion and belonging in the culture sector in Ontario broadly and specific to their agency programs and services***

- Both the Diversity Enhancement and AcceleratiON initiatives will be maintained for 2024-25.
- As part of AcceleratiON, the Access CMW mentorship initiative for Black and Indigenous talent will be continued for 2024-25.
- Ontario Creates will continue its work to collect demographic data from applicants.
- Ontario Creates will continue to implement its multi-year accessibility plan which will include actions aimed at increasing funded organizations' capacity and offerings to promote greater inclusivity.

**5. *Work with MTCS and partner ministries to develop and deliver programming in priority areas including talent and investment attraction and training and entrepreneurship***

- Ontario Creates is committed to working with partners across government to identify opportunities to support priority areas in workforce development, training and entrepreneurship.

**6. *Work with government partners to ensure stable and effective tax credits***

- The April 2022 Provincial Budget announced several changes to tax credits as well as commitments to review further aspects of tax credits. Many of these changes were aligned with strategic and administrative priorities Ontario Creates has highlighted as options and opportunities in the past, to help ensure tax credits are responsive and simpler for users, as well as aligned with current market realities. Ontario Creates has implemented the legislative changes to tax credits which were passed in 2023 (extending eligibility to OFTTC

for online-only productions, expanding eligible expenditures for OPSTC for location fees), and will continue to work with the government to review the untethering of OCASE and the OFTTC regional bonus as per the 2022 Fall Economic Statement. The agency will also continue to work with government and industry partners to identify additional changes to tax credit legislation and regulations to ensure efficiency, value and impact on achieving government priorities.

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/labour
- Diversity and inclusion,
- Data collection, sharing and use, and
- Digital delivery and customer service.

The agency is invested in continuous improvement across all services and operations. For example:

- With support from the Ontario Onwards Acceleration Fund, Ontario Creates continues to develop and deploy a series of technological improvements aimed at reducing tax credit processing and analysis times.
- The agency continues to conduct risk assessment monitoring on a quarterly basis, in line with OPS requirements.
- The agency will conduct a cybersecurity tabletop exercise in 2024-25 to improve emergency preparedness by simulating a cyber-attack.

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

Ontario's screen, publishing, and music industries are a global success story. Collectively, these industries generate billions of dollars in economic activity and create tens of thousands of jobs, while supporting local economies. We are confident that with ongoing support from MTCS, 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 become more resilient as they 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 2024-25. These priorities are closely linked to the strategic goals and enablers developed as part of our recent strategic plan, as well as the agency's letter of direction. While many of the activities for 2024-25 build upon and continue successful activities from 2023-24, there are important parts of building the foundations for more substantive redesign and improvements to be implemented for 2025-26.

These themes are also closely aligned with government and ministry priorities, in addition to our strategic plan.

These priorities are:

- **Building Capacity:** working collaboratively to ensure that Ontario's creative industries are diverse, sustainable and positioned for growth with a strong, skilled workforce and supporting infrastructure.
- **Fueling Growth:** supporting the growth of Ontario's creative industry companies by investing in the creation and distribution of intellectual property, enabling business development, and facilitating collaboration within and across sectors through modern, responsive and informed programs.
- **Driving Investment:** generating investment in Ontario's creative ecosystem by ensuring a diverse, sustainable, innovative, competitive and world-class business destination.
- **Developing Global Markets:** strategically promoting Ontario's content companies, services and talent to the world to open new markets, reach new audiences, and generate export opportunities, business partnerships and inward investment.
- **Delivering Exceptional Customer Experiences:** demonstrating service excellence by ensuring programs and services are modern, accessible, inclusive, responsive, transparent, timely, and aligned with evolving industry needs.
- **Empowering High-Performing Teams:** fostering a work environment and team culture that prioritizes the well-being and development of staff and a sense of belonging through the leveraging of technology, policies and shared values.

## INDUSTRY INVESTMENT AND ATTRACTION (IIA)

In 2024-25, the following three initiatives will be undertaken across all Industry Investment and Attraction investment programs:

### DIVERSITY ENHANCEMENT

- In 2024-25, the Diversity Enhancement will continue to be available for all investment programs in order to provide targeted support to diverse-led projects and businesses that demonstrate high potential for economic and cultural growth. Initially launched in 2017-18 as a time-limited add-on to the Film Fund, the Diversity Enhancement provided an additional \$4.5 million over three fiscal years (ending in 2019-20) to films that meet the provincial definition of diversity, which encompasses (but is not limited to) ancestry, culture, ethnicity, gender identity and expression, language, physical and intellectual ability, race, religion, sex, sexual orientation and socio-economic status. In 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. The Diversity Enhancement was also made available within the Ontario Music Investment Fund. Ontario

Creates has continued to support the program at reduced funding levels using uncommitted cash reserves since 2020-21. The agency will continue to prioritize this activity through the allocation of uncommitted reserves to the extent possible in the year ahead with consideration to fiscal responsibility, while also acknowledging that continued reductions to the value of the Diversity Enhancement stream pose a significant negative risk to the agency's reputation. As the IIA teams complete a suite of program evaluations of marketing and business development programs in 2024-25, the agency will move forward with building a sustainable way to fund these programs on an ongoing basis as part of the agency's core budget.

#### **ACCESSIBILITY**

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

#### **APPLICATION PROCESS IMPROVEMENTS**

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

#### **FILM FUND**

The Film Fund provides support to Ontario feature film projects that are ready for production, in development, or being released to a public audience.

#### **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 2024-25.

#### PROGRAM RESULTS:

In 2022-23, every dollar invested by Ontario Creates through the Film Fund leveraged an additional \$15.77 in spending in the economy. The program also created over 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.

New, outcome-focused KPIs are being developed for this program as part of the ongoing performance measurement improvements being undertaken by the agency.

#### 2024-25 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.
- Ontario Creates will begin the work of redesigning its screen programs following the completion of the *Future of Screen* Report.

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

- Eight Ontario Creates-supported features screened at the 2023 edition of the Toronto International Film Festival (TIFF). The films featured were: *Backspot*, *Close To You*, *Fitting In*, *Mr.Dressup: The Magic of Make Believe*, *Seven Veils*, *Swan Song*, and *The King Tide*. Notably, *Mr.Dressup: The Magic of Make Believe* was the winner of the TIFF 2023 People's Choice Documentary Award.
- Toronto Star's Movie Critic Peter Howell listed Ontario Creates supported films *Brother* and *Blackberry* in his Top 10 films of the year so far in an article on July 29, 2023. To-date, *Blackberry* has generated over \$1.9 million in box office earnings (domestic and global).
- Many Ontario Creates-supported productions were nominated at the Canadian Screen Awards in 2023, with 98 total nominations across 46 categories. Winners included *Buffy Sainte Marie: Carry It On*, *Sex with Sue*, *The Colour of Ink*, *Crimes of the Future*, *The Swearing Jar* and *Brother*. Notably, *Brother* won 12 out of its 14 nominations.
- The Hot Docs Canadian International Documentary Festival 2023 lineup included three Ontario Creates-supported projects, including Film Fund-supported *Coven* and *Cynara*, and IDM Fund-supported, *Witness*.
- In April 2023, Ontario Creates-supported film *Brother* was selected for The Feature Film Award at the Writers Guild of Canada Screenwriting Awards.
- In October 2023, Ontario Creates-supported film *Buffy Sainte-Marie: Carry It On* was nominated for an International Emmy Award.

## **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:** Provides support for marketing activities that will amplify the visibility and financial viability of Ontario Creates-funded 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.

- **Ontario Creates – CMF IDM Fund Futures Forward:** Provides training and support via a selective grant to emerging producers. This program stream seeks to support companies that often have barriers to accessing project funding and to support the initial stages of a project’s development.

#### **IDM FUND DIVERSITY ENHANCEMENT AND FUTURES FORWARD**

- The agency will continue a Diversity Enhancement for the IDM Fund through an allocation from the IDM Fund.
- The Ontario Creates – CMF IDM Futures Forward program is also supported by a matching contribution from the Canada Media Fund. This relationship was renewed for another year (2024-25) and the program will allocate provide one-third of its budget towards French-language projects and two-thirds towards projects from companies owned by individuals belonging to Indigenous or equity-seeking communities.

#### **PROGRAM RESULTS:**

In 2022-23, the program created over 14,000 weeks of work and for every \$1 invested by Ontario Creates, leveraged \$3.54 in spending in the economy.

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.

New, outcome-focused KPIs are being developed for this program as part of the ongoing performance measurement improvements being undertaken by the agency.

#### **2024-25 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 Ontario Creates – CMF IDM Futures Forward program and new initiatives in partnership with trade organizations such as the Hand Eye Society, Amplifia, Webseries Canada, Women in Film and Television, and Interactive Ontario.
- As noted earlier in relation to the Film Fund, Ontario Creates will begin the work of redesigning its screen programs following the completion of the *Future of Screen* Report.



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

- Ten digital series supported by Ontario Creates, including *Avocado Toast: The Series*, *Detention Adventure*, and *Revenge of the Black Best Friend* earned a total of 46 nominations at the 2023 Canadian Screen Awards. Winners in the Digital Media Category included:
  - *Chateau Laurier* for Best Writing, Web Program or Series
  - *Revenge of the Black Best Friend* for Best Web Program or Series, Fiction
  - *Tokens* for Best Direction, Web Program or Series and Best Supporting Performance, Web Program or Series
- Ontario Creates-supported T.O. Webfest announced their award winners for 2023, which included many shows supported by the IDM Fund. The shows include *Chateau Laurier Season 2*, *Streams Flow From a River*, *Happy House of Frightenstein Season 2*, *Tokens Season 2*, *Revenge of the Black Best Friend*, and *The Drop*.
- Several IDM Fund-supported video games became available on popular gaming platforms this year, including *Broken Spectre* on Meta Quest, *Solace State* on Xbox and Steam, and *Survivorman VR* on Quest.
- Ontario Creates renewed its partnership with the Canada Media Fund to maintain an updated IDM Fund Futures investment program for 2023-24. Eligible emerging companies, and experienced companies with more than 51% of ownership from equity-deserving communities are eligible to apply for early-stage development support of up to \$20,000. Ontario Creates' program contribution signals the inclusion of targeted support in the IDM Fund.
- In partnership with Interactive Ontario, Ontario Creates created a marketing promotion for Ontario games on Steam, the world's largest online gaming platform. The sale ran September 7 to 14, 2022 and resulted in improved direct relationships with and purchases by video game consumers, generating revenue for and awareness of Ontario video game studios. It also served as a celebration of excellence in the Ontario video game industry.

## **BOOK FUND**

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

### **PROGRAM OBJECTIVES:**

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

### **BOOK FUND DIVERSITY ENHANCEMENT:**

- The agency will continue the Diversity Enhancement for the Book Fund through the allocation of uncommitted reserves to the extent possible in 2024-25.

### **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 2021-22, the most recent year sales results are available, Book Fund recipients reported earning an average of \$3.65 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.

New, outcome-focused KPIs are being developed for this program as part of the ongoing performance measurement improvements being undertaken by the agency.

### **2024-25 PRIORITIES:**

- Ontario Creates will continue to deliver the Book Fund.
- Ontario Creates will continue to offer a Diversity Enhancement program stream and top-up to the core program with funds dedicated to diverse projects by accessing the agency's cash reserves. The Diversity Enhancement will support emerging companies as well as providing incentives for established companies to increase publishing activities featuring diverse content and to expand partnerships with diverse creators.
- In 2024-25, IIA will lead a review of the agency's marketing and business development-related investment programs, which may have implications and findings relevant to the Book Fund.

**BOOK FUND SUCCESSES:** Books published by Ontario-based, Canadian-owned publishers have received significant critical and commercial acclaim:

- The 36th edition of the Trillium Book Awards hosted by Ontario Creates took place on June 20, 2023. The province's leading award for literature, the Award supports marketing and fosters increased public awareness of the quality and diversity of Ontario writers and writing. The winners were: Stuart Ross, *The Book of Grief and Hamburgers* for Trillium Book Award; Gilles Lacombe, *Circé des hirondelles* pour Prix Trillium; Sanna Wani, *My Grief, the Sun* for Poetry; and Michèle Laframboise, *Le secret de Paloma* pour du livre d'enfant.
- Ontario publishers were well-represented among the finalists for the 2023 Governor General's Literary Awards, including *Chrysalis* by Anuja Varghese (House of Anansi Press), *The Sleeping Car Porter* by Suzette Mayr (Coach House Books), *Baby Book* by Amy Ching-Yang Lam (Brick Books), *Xanax Cowboy* by Hannah Green (House of Anansi Press), *Berani* by Michelle Kadarusman (Pajama Press), and *Boobies* by Nancy Vo (Groundwood Books).

## **MAGAZINE FUND**

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

### **PROGRAM OBJECTIVES:**

- To provide opportunities for magazine publishers to build capacity and grow their companies through increased competitiveness and sales.
- To support the creation of content by Ontario companies.

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

- The agency will continue the Diversity Enhancement for the Magazine Fund through the allocation of uncommitted reserves to the extent possible in 2024-25.

### **PROGRAM RESULTS:**

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

Results for this program are measured by the:

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

New, outcome-focused KPIs are being developed for this program as part of the ongoing performance measurement improvements being undertaken by the agency.

### **2024-25 PRIORITIES:**

- Ontario Creates will continue to deliver the Magazine Fund.
- Ontario Creates will continue to offer a Diversity Enhancement program stream and top-up to the core program with funds dedicated to diverse projects by accessing the agency's cash reserves. The Diversity Enhancement will support emerging companies as well as providing incentives for established companies to increase publishing activities featuring diverse content and to expand partnerships with diverse creators.
- In 2024-25, IIA will lead a review of the agency's marketing and business development investment programs, which may have implications and findings relevant to the Magazine Fund.

**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:

- Five Ontario Creates-supported publications were honoured at the 2023 National Magazine Awards. Supported nominees were *The Walrus*, *Cottage Life*, *Literary Review of Canada*, *Broadview* and *Inuit Art Quarterly*. Highlights of the winner's announcement include *Inuit Art Quarterly* taking gold for Cover Grand Prix, followed by another Ontario Creates supported publication, *Literary Review of Canada*, winning the silver prize for Cover Grand Prix. Additional highlights include *Cottage Life* winning for Service Journalism, as well as *The Walrus* winning Personal Journalism, Poetry, and Illustration categories.
- Ontario Creates-supported publications also made an impact on the National B2B Magazine Awards. Presented on June 2nd, *Precedent Magazine* won one gold prize, *Azure* won a silver prize and *Newcom* received an honourable mention.
- Ontario Creates supported two winning publications at the 2023 Digital Publishing Awards, including *The Walrus*, which won gold for best essay and *C Magazine*, which received an honourable mention.
- With support from the Magazine Fund, *The Hockey News* launched *The Hockey News Archive* in October 2023. The archive is a digital repository of over 2,600 past issues of the magazine, including 158,000+ articles for individual reading, and 103,000 historical pages of hockey data and news reports scanned manually.

## **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, through Global Market Development funding. Note: export activities for the music and interactive digital media sectors 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 2021-22, Global Market Development Fund recipients in the Book and Film/TV sectors reported earning international sales of over \$526 million, equivalent to \$479 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.

New, outcome-focused KPIs are being developed for this program as part of the ongoing performance measurement improvements being undertaken by the agency.

In 2022-23, activities included:

- Attendance at key strategic markets including the Bologna Children's Book Fair, Cannes International Film Festival, MLA Annual Convention, SXSW, and Seriesmania.
- Ontario Creates also participated in an IDM trade mission to Berlin.

### **2024-25 PRIORITIES:**

- Ontario Creates will continue to deliver Global Market Development funding and international business development activities.
- The agency will conduct an internal review of Global Market Development programs to streamline and standardize services and offerings across sectors.
- Staff will continue to work with the federal trade commissioner services and staff, as well as other partners, to augment and amplify export opportunities for Ontario creative businesses.
- Following the completion of the International Business Development plan from 2023-24, Ontario Creates will work to refine staff responsibilities to ensure resources are available to implement that plan.

- The agency will also continue to articulate a value proposition for investing and partnering with Ontario, and develop a strategy to communicate benefits for prospective partners and businesses.

#### **INTERNATIONAL BUSINESS DEVELOPMENT SUCCESSES:**

- In 2022-23, Ontario Creates Global Market Development programs awarded a total of \$1,500,000M in funding to 163 companies in the Film, TV, interactive, and book publishing sectors.
- A return on investment of \$479 for every dollar invested by Ontario Creates in the Global Market Development Fund for Book and Film and TV was achieved in 2021-22, the most recent year for which this data is available.
- The agency led a delegation of Ontario magazine publishers to the Niche Marketing conference in New Orleans, April 25-29, 2023. The event presented an opportunity for magazine publishers to engage in industry thought leadership, and to connect with potential business partners and peers from publications across the US. The selected Ontario delegates all had a focus to improve their US marketing efforts and to grow international subscriptions and sales.
- Ontario Creates attended Series Mania in Lille, France, from March 20-23, 2023. It was Ontario Creates first time at this very popular market with a focus on series content, and we joined over one hundred fifty Canadian delegates who attended this year. Ontario Creates was well-represented as a Principal Partner on the Canada Pavilion and Canada space in the business meeting lounge. OC co-hosted a Canadian Producers to Watch session, which featured excellent pitches from digital-content creators, supported the Ontario producers selected for the Canada-France CoProduction Forum, and sponsored a dinner for the Forum that included many international broadcasters (traditional and digital), funders, and producers. A highlight was hosting a lunch for delegates from the APFC (Francophone producers from outside Quebec) with decision makers who acquire French content for countries across Europe.
- Ontario Creates supported a pied-a-terre meeting place for Ontario publishers at the Frankfurt Book Fair.
- Ontario Creates attended the Cannes Film Festival in 2023 in France, supporting over seventy Ontario producers through five Ontario Creates-led strategic events, hundreds of new business connections, and forty-three individual meetings with international contacts and partners to activate more advantageous future partnerships for Ontario companies.

## 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 2023-24.

### PROGRAM RESULTS:

In 2022-23, Ontario Creates supported or led 58 initiatives, creating over 34,000 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.

New, outcome-focused KPIs are being developed for this program as part of the ongoing performance measurement improvements being undertaken by the agency.

### 2024-25 PRIORITIES:

- In line with government priorities and identified corporate objectives, in 2024-25, the Industry Development Program will target priority areas including:
  - Mid-career mentorship and increased workforce capacity
  - Environmental sustainability initiatives
  - 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.



#### **INDUSTRY DEVELOPMENT SUCCESSES:**

- Ontario Creates hosted the Magazine Sector: Publisher Roundtables and Networking 2023 with forty magazine publishing professionals. This was the seventh iteration in this successful series. Five roundtables, each with a separate discussion topic, were the main knowledge-sharing forum, with an industry expert facilitating each table. Attendees had excellent feedback about the event, which brought together a substantial group of companies in this sector for the first time post-pandemic.
- Ontario Creates launched the IP Market Day at TIFF in 2023; a brand new event on the calendar where producers from Ontario and around-the-world heard pitches on compelling Ontario books and games available to be adapted for the screen, and participated in B2B meetings.
- Across 2022-23, Ontario Creates supported several mentorship and training programs targeted to participants from equity deserving communities from screen-based industries, including at the International Film Festival of South Asia, the Toronto Arab Film Festival, Toronto Black Film Festival, Ottawa Black Film Festival, Caribbean Tales Big Pitch, Toronto Reel Asian Film Festival, the B.L.A.C.K. Academy training program, Toronto International Nollywood Film Festival, ImagineNATIVE, and the Reelworld Screen Institute.
- Twenty-two producers were selected for the Ontario Creates-supported 2023 National Screen Institute Canada Access BIPOC Producers program.
- Ontario Creates supported the inaugural Toronto Indie Games week in June 2023. The event included many independently curated events across the city, and culminated with an Interactive Ontario Connect Event and Games Showcase.

## ONTARIO MUSIC INVESTMENT FUND

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

### PROGRAM OBJECTIVES:

- Focused targeting of funding to optimize revenue, profits, job creation, private investment and tax revenue.
- Production of intellectual property (content) which may be owned and consumed domestically and exported, leading to sustained revenues and jobs in the province.
- Increasing the profile and prestige of Ontario on the world stage as the next generation of breakthrough artists are discovered and developed to their full potential.

### KEY PROGRAM GOALS:

- Focus resources on music companies with strong growth potential by:
  - Providing investment to high-potential companies to drive long-term growth;
  - Maximizing ROI and enhancing opportunities for emerging talent; and,
- Strengthen support at critical stages in the careers of artists.

### THE PROGRAM HAS FOUR STREAMS:

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

### PROGRAM RESULTS:

Results for this program include:

- Number of jobs created and/or retained.
- Company 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.

New, outcome-focused KPIs are being developed for this program as part of the ongoing performance measurement improvements being undertaken by the agency.

Key 2022-23 OMIF Results:

- Every dollar invested by Ontario Creates generated \$4.57 in additional spending in the economy.

Industry Results after the first two years of the Ontario Music Investment Fund (20/21 & 21/22):

- 2.6 million units of recordings by OMIF-supported companies sold worldwide.
- 1.5 million people attended OMIF-supported live music events (virtual and in-person)
- Over 3,000 performances by Ontario and Canadian artists supported
- 8,000 business leads and deals from export missions and B2B meetings.

#### **2024-25 PRIORITIES:**

- Ontario Creates will deliver the Ontario Music Investment Fund; and in recognizing the continuing challenges music companies (particularly in the live music sector) are facing as a result of the pandemic, will continue to offer limited flexibility for activities that are in line with overall program objectives.
- Ontario Creates will continue to offer a Diversity Enhancement top-up to the core program with funds dedicated to diverse companies and projects by accessing the agency's cash reserves.
- The agency will continue AcceleratiON, the Black & Indigenous music entrepreneurship initiative introduced as a time-limited activity in 2021-22. As an additional mentorship activity, and linked to the agency's workforce development priority, the "Access" series of events, including various networking and capacity-building initiatives will continue to be available for a wide range of conferences and professional development opportunities.
- In 2024-25, the Ontario Music Office (OMO) will continue its focus on building capacity for Franco-Ontarian music stakeholder capacity and export growth; support domestic activation and export initiative: Activate a series of initiatives to support the development of Franco-Ontarian music companies, including research, events, and missions to an export market.
- Ontario Creates will work with CARAS to explore opportunities to amplify the Ontario music industry presence at the 2025 JUNO Awards (if held in Ontario).
- The agency will engage a consultant to review and assess music program structure and objectives against changing market environment to provide recommendations on how to better align and target high value opportunities.

#### ONTARIO MUSIC OFFICE AND ONTARIO MUSIC INVESTMENT FUND SUCCESSES:

- Business is Better with Music, an exclusive event co-presented by Ontario Creates and Conscious Economics, gathered 250 music and corporate leaders to explore the role that music can play towards economic recovery, business innovation, social change, and a more prosperous Canada. Performers were Haviah Mighty, The Reklaws and Jhyve along with a panel discussion around successful corporate/music collaborations including reps from Loblaws and RBCX, plus artist entrepreneurs Haviah Mighty and Choclair.
- The 2023 Country Music Association of Ontario (CMAO) Awards took place on Sunday, June 4 at Theatre Aquarius in Hamilton. One third of the awards went to OMIF-supported artists. Highlights included: Tim Hicks winning Male artist of the Year; The Reklaws winning Group or Duo of the Year and the Compass Award; and Jade Eagleson winning the Fan Choice Award.
- Ontario Creates was in attendance at SXSW 2023, supporting the presence of over 30 Ontario music companies. As part of the music program, Ontario Creates partnered with Ontario tech company AHRT Media to present live and pre-programmed holographic performances by Ontario artists, as well as participated in several panels. This activity generated a significant amount of media attention, including coverage in *Rolling Stone*.
- In May 2023, AcceleratiON Connects took place at the Woodland Cultural Centre in Brantford, the territory of Six Nations of the Grand River. Approximately 50 stakeholders participated in this event from both the Toronto area and from the local community. The objective of this event was to increase awareness of the AcceleratiON program within the Indigenous creative community. The day centered on Indigenous culture and experiences, and featured a tour of the state-of-the-art Jukasa Studios, followed by a networking lunch and afternoon of professional development that included a presentation on the National Indigenous Music Impact Study by consultant Jennifer David of NVision Insight Group and a panel on *Opportunities in Ontario's Music Ecosystem* along with performances by local Indigenous artists.
- The 2023 JUNO Awards heavily featured Ontario-based artists, with all five awards handed out during the live broadcast going to Ontario artists. Of the forty-six JUNO awards announced across the awards program, fifty-two per cent went to Ontarians. Highlights from OMIF supported artists include Preston Pablo who won Breakthrough Artist Of The Year, Rêve claiming Dance Recording Of The Year, Savannah Ré winning Traditional R&B/Soul Recording Of The Year, The Sadies taking home Adult Alternative Album Of The Year and Digging Roots won Contemporary Indigenous Artist Or Group Of The Year.
- Forty per cent of the 2023 Polaris Music Prize Longlist nominees were Ontario-based and twenty-three per cent of those were OMIF-supported, including Aysanabee, the Sadies, Andy Shauf, US Girls, Witch Prophet and Zoon.

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

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

In addition:

- Ontario Creates, in partnership with the City of Toronto, maintains a full-time marketing presence in Los Angeles (LA), providing on-the-ground marketing to attract production to Ontario and support to Ontario's screen-based content creators. Ontario Creates is the managing partner of the Office. The L.A. Office continues to make a significant contribution to Ontario's foreign production activity. The L.A. Office also collects client experience intelligence from foreign service productions, which is used to improve the province's offering. In 2022-23, 278 leads were supported through the L.A. Office, of which 63 ended up shooting in Ontario, with total budgets valued at \$998 million.
- Ontario Creates' award-winning DLL image collection continues to grow. In 2022-23, the Film Commission completed a promotional photography project with over 200 incredible photographs from across the province for use in future ads, social posts and image packages for producers. As of the end of 2022-23, the database held approximately 9,213 portfolios, representing over 275,000 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 2022-23, there were over 23,000 visits to view location files on the DLL.
- The Film Commission regularly organizes specialized marketing familiarization (FAM) tours that target international feature film and television production executives, with the goal of promoting Ontario's production and post-production assets for the eventual investment in the province. The Film Commission hosted a delegation of senior U.S. Film and Television production executives for the Ontario Creates FAM TOUR 2023. Participating companies included Skydance, Focus Features, A24, Studio Canal, Paramount Pictures, Blumhouse and Fifth Season. The executives learned about the benefits of shooting in Ontario with an itinerary that included locations tours across the Golden Horseshoe, studio visits, and business networking events with Ontario stakeholders (e.g. key creatives, vendors, administrators and municipal film offices). The tour resulted in a number of foreign direct investment leads for physical and post-production.

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

In 2022, Ontario recorded a record-breaking \$3.15 billion in film and TV in production activity, with 419 domestic and foreign projects shot in the province. This production activity created 45,891 high-value, full-time equivalent direct and spin-off jobs for Ontarians across the province. While foreign production remained strong in 2023, domestic television services was particularly robust, domestic production drove 38% of total film and television spending in the Province, up from 34% in 2021.

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 is a partner with 27 industry and government organizations on the Ontario Green Screen initiative (OGS), which was launched in 2020 to develop strategies for sustainable production that will save both environmental and monetary costs for productions and provide a value add to choosing the Ontario as a filming jurisdiction. In the short time since OGS was established, sustainability has become a key competitive factor driving where productions will land worldwide.

In 2024-25, Ontario Creates plans to continue its leadership role by facilitating meetings with industry partners around opportunities such as workforce development, studio development and sustainable production. The agency will also explore ways to expand our role as a centralized provider of production resources by offering enhanced listings and services. Taking a leadership role on both the workforce development and sustainable production fronts will further enhance Ontario's value proposition as a jurisdiction for filming.

#### **PROGRAM RESULTS:**

Results for the Film Commission are measured by the:

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

New, outcome-focused KPIs are being developed for this program as part of the ongoing performance measurement improvements being undertaken by the agency.

#### **2024-25 PRIORITIES:**

- The Film Commission will continue to deliver high value service to stakeholders and to reinforce relationships with both new and existing international clients to maximize inward investment opportunities, using client experience intelligence to support continuous

improvement.

- As part of its strategic goal of Driving Investment in Ontario, the agency will grow the domestic and service screen production industry across all regions of Ontario by leading and participating in domestic and foreign direct investment pitches to expand infrastructure for the film industry (e.g. long term studio leases, VFX houses, studio space, green tech, equipment supply, etc.)
- The Film Commission will implement and augment a digital exit survey of foreign and domestic producers to better understand their experiences in Ontario.
- **Ontario as an Industry Leader:** The Film Commission will continue to lead industry committees and partnerships that contribute to capacity building for the sector:
  - **Ontario Green Screen Initiatives:** The Film Commission will continue to facilitate the Ontario Green Screen Initiative, working with 27 industry and regional partners. The initiative launched on September 10, 2020, along with its inaugural Carbon and Sustainable Production and Carbon Calculation training program which has now trained over 400 professionals.
  - The Ontario Green Screen Committee released its four-year Strategic Plan in July 2023. The Film Commission will activate the first year of the Ontario Green Screen's new four-year strategic plan and will continue to work with the Circular Innovation Council and other partners to deliver on plan tactics. The plan provides a roadmap for delivering the tools and resources to productions operating in Ontario that will enable sustainable action.
  - **Workforce Development:** In partnership with film and television industry members, regional and municipal representatives, unions and guilds, Ontario Creates will address labour force challenges through the development of a multi-faceted strategy that includes documenting the categories of work that exist and the particular career pathways for each type of film and television occupation; layered onto this mapping is information on regional job fairs, academic institutions that provide training, and second career opportunities available. Efforts will also include enhancing opportunities for, and awareness of, talent behind the screen and on-screen talent in partnership with the Alliance of Canadian Cinema, Television and Radio Artists (ACTRA), and Ontario's creative and technical unions and guilds. Work will be done in cooperation with external parties, the support of the Business Affairs and Research unit of Ontario Creates, and will include outreach to potential government partners including the Ministries of Labour, Training and Skills Development, Education, and Colleges and Universities. In 2024-25, Ontario Creates will continue to make strategic investments into targeted workforce development initiatives, including Reel Canada's Reel Opportunities Online Film and Television Career Guide, facilitating academic engagement in addressing job training gaps, and facilitating the adoption of the environmental sustainability training offered by Ontario Green Screen in post-secondary curriculums across the province.
- **Regional development:** The Film Commission will launch a regional production economic impact assessment tool, to provide regions and municipalities access to an estimates generator that can be used to gain support for production activity locally. The Film Commission will also conduct a readiness assessment of provincial regions for film production.
- **Digital Locations Library:** Ontario Creates will launch a new, leading, Digital Locations Library for Ontario's Film Office. Updating the library is an important priority to ensure it remains competitive as a tool for prospective productions.

#### FILM COMMISSION SUCCESSES:

- Ontario Green Screen released a new study, *Advancing Waste Management Practices in Ontario's Film and Television Industry*. This in-depth waste diversion analysis of four made-in-Ontario projects of varying sizes, both domestic and foreign is the first study of its kind in Canada
- In partnership with the Computer Animation Studios of Ontario (CASO), the Film Commission created VFX and Animation Sizzle Reels promoting Ontario's VFX and animation sector.
- As part of the Film Commission's significant promotional presence at TIFF 2023, Ontario Creates hosted a Regional Film Liaison Breakfast in September 2023, providing an opportunity for municipal and provincial film offices to meet and exchange best practices, discuss new filming locations and foster a stronger network of local film commissions supporting production across Ontario. Moreover, the Film Commission also hosted a promotional stand and other networking events in order to promote Ontario to the global film industry audience in attendance.
- The Film Commission published an *Ontario Producer's Guide* in April 2023, a resource highlighting Ontario's jurisdictional advantages to producers, including: financial incentives, locations, Film Commission services, studio space, talented workforce and sustainable production opportunities.
- The Film Commission's production assistants supported 109 projects with location scouting assistance, studio vacancy searchers and bespoke location site tours in 2022-23.
- Since April 1, 2023, the Film Commission's Digital Locations Library has processed 383 new locations.
- Ontario Green Screen achievements include:
  - To date, 400 training certificates have been issued to film workers through the Ontario Green Screen Climate and Sustainable Production and Carbon Calculation courses.
  - OGS is electrifying the industry through access to a new clean energy Grid Tie In Map on the Film Commission website. Regional Film Offices have identified 40 high impact locations (primarily basecamps) for this project to help productions reduce their dependency on diesel generators.
  - The industry has averted 64,987 KG of greenhouse gas emissions through Second Harvest, a food rescue program, promoted by OGS, that supports local agencies in need of meals. This program has rescued 33,400 meals for 81 local non-profit agencies since 2019.
  - 9.8 metric tons of set material was rescued and exchanged through the Partner in Project Green pilot program, valued at \$33,000 in material savings.



## COLLABORATIVE INITIATIVES

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

- New in 2022-23, the agency launched an IP Market Day as part of the suite of activities delivered at TIFF. By being held during TIFF, the event was able to convene international and domestic producers to hear pitches on compelling Ontario books and games available to be adapted for the screen, as well as participate in B2B meetings. Ontario Creates plans to convene another IP Market Day in 2024-25.
- To date, over 125 films have been successfully financed through Ontario Creates' International Financing Forum (iff) including: *Alice*, *Darling*, *Night Raiders*, *Castle in the Ground*, *Maudie*, *Tokyo Story*, *Book of Negroes*, *Citizen Gangster*, *Midnight's Children*, *The Husband*, *The Whistleblower*, *Coriolanus*, *Born to Be Blue*, *Wadjda* and the Oscar-nominated *Incendies*.<sup>54</sup> In 2023, IFF gathered 40 international producer teams alongside producers taking part from Ontario, Canada and across the globe, and also added a new virtual meeting component. The agency plans to hold the next edition of iff in 2024-25.
- Creative Industries in Conversation (formerly known as the Discussion Series) is a year-round forum for conversation among leaders in media, culture and technology. Three sessions were held in 2022-23, covering topics like blockchain and NFTs, TikTok and diversity, equity, inclusion and belonging. Two of those sessions were offered virtually, while one session was held in person in Toronto. All panel discussions are made available by Ontario Creates as podcasts and transcripts. Alongside other research and business intelligence offerings, the agency will be conducting an internal review to determine the best format for this initiative in 2024-25.
- In 2023-24, Ontario Creates will host a cross-sector workforce symposium to share recent research and collect input to help articulate the goals of a workforce strategy. The workforce development strategy implementation will be a core component of the agency's 2024-25 activities across multiple departments. As an example, the agency will explore its capacity to partner with WorkInCulture to support their cross-sectoral labour market insights research project.
- Ontario Creates will once again host an in-person Celebrate Ontario reception during TIFF 2024.
- Business is Better with Music, an exclusive event co-presented by Ontario Creates and Conscious Economics, gathered 250 music and corporate leaders to explore the role that music can play towards economic recovery, business innovation, social change, and a more prosperous Canada. Performers were Haviah Mighty, The Reklaws and Jhyve along with a panel discussion around successful corporate/music collaborations including reps from Loblaws and RBCX, plus artist entrepreneurs Haviah Mighty and Choclair. The OMO intends to continue this initiative in 2024-25.
- In June 2023 Ontario Creates hosted a Music and Screen B2B event during New York Song Week at the Canadian Consulate that brought together Ontario music publishers with New York Based music supervisors and film/tv industry reps to explore sync-licensing business

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<sup>54</sup> Ibid.

opportunities for Ontario music.

- On an ongoing basis, Ontario Creates will continue to work with other MTCS 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 (French-language) receive \$10,000 each; their publishers receive \$2,000 each. The awards for Children's Literature (French-language) and Poetry (French-language) are awarded in alternate years.

Electronic submissions were implemented for 2022-23. Jurors were provided with e-readers and electronic files for judging. Publishers were only be required to submit one hard copy of the book under consideration for the award. This change allows for a lower environmental footprint for the awards management process and reduces costs and complexity for publishers submitting titles. This practice will be continued into 2024-25, with additional adjustments made to improve accessibility.

Also in 2022-23, a media outreach program was launched to announce the shortlisted nominees and winners. Top-tier journalists in the literary space were offered both announcements under embargo, leading to strong relationships and high-quality coverage. This culminated in 149 story pick-ups, and 142.4 million impressions.

### **FUNDING TO TORONTO INTERNATIONAL FILM FESTIVAL, INC.**

In 2023-24, 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 2023-24, 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 \$50,000 via the Industry Development Program to TIFF's Film Circuit and their Pre-Market Bootcamps.

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

- Celebrate Ontario, the signature Ontario Creates international industry networking event and celebration of Ontario films and filmmakers.
- Ontario Creates iff in 2023, Ontario Creates' key business-to-business event during TIFF that gives film producers from Ontario and around the world the opportunity to meet with executives in distribution, finance, studios and more towards securing financing for upcoming projects.
- The Ontario x UK Film Producers Business Event in partnership with the British Film Institute, Ontario's Ministry for Economic Development, Job Creation and Trade, and the

UK Department for Business and Trade. The first time event included 50 producers from Ontario and the UK for a full-day programming including a presentation on Ontario incentives, the UK's new Global Screen Fund, a case study presentation on the Ontario Creates-supported co-production *Close to You*, a networking lunch with industry guests, and B2B meetings.

- A networking lunch for New Zealand, Ontario and BC producers during TIFF, intended to act as an introduction to the trade mission planned for March 2024.

## TAX CREDITS AND FINANCING PROGRAMS

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

Creative media tax credits are used in many jurisdictions worldwide as a tool to incentivize production and deliver a range of economic benefits. A report on the economic impact of New York State's film tax credit estimates that the State, New York City, and other local jurisdictions received US \$2.1B in additional tax revenue from the film production tax credit and another US \$93.8 million from the post production tax credit across 2019 and 2020. It is estimated that collectively, the tax credits supported more than 57,000 jobs, over \$3.7B in earnings and \$10.3B in spending in each of the two years.<sup>55</sup>

Global over-the-top players like Netflix, Amazon and Disney+ 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 currently co-administers five refundable tax credits with the Canada Revenue Agency (CRA) based on eligible expenditures for the film, television, interactive digital media, and book publishing industries.<sup>56</sup> Tax credit legislation falls under the responsibility of the Ministry of Finance (MoF). Ontario works collaboratively with MoF and the Ministry of Tourism, Culture and Sport (MTCS) 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).

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<sup>55</sup> *Economic Impact of the Film Industry in New York State, 2019 & 2020*, Empire State Development, <https://esd.ny.gov/sites/default/files/Camoin-310-Report-2019-20-Film-Incentive-Impact-ESD-Final.pdf>, pp. 3-4.

<sup>56</sup> In 2015, a sixth tax credit, the Ontario Sound Recording Tax Credit (OSRTC) was discontinued; however, Ontario will continue to administer the credit until all eligible applications are processed.

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

#### **PROGRAM OBJECTIVES:**

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

#### **PROGRAM RESULTS:**

In 2022-23, support provided through tax credits leveraged product and production spending of \$15.29 for every dollar invested by Ontario, while encouraging the creation of domestic content and attracting significant international investment through foreign service production.

Results for this program are measured by the:

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

New, outcome-focused KPIs are being developed for this program as part of the ongoing performance measurement improvements being undertaken by the agency.

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

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

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

In 2022-23, we received a total of 2,499 products, marking a significant 14% increase compared to the previous year. This demonstrates the continued trust and reliance placed on our agency by Ontario's creative industries.

While the total processing time in 2022-23 (at 22 weeks) was longer than last fiscal, this compares favourably with other fiscal years. Processing times overall are longer for a few reasons: the department has returned to regularized business processes following aggressively streamlined review processes during COVID-19; there are a number of higher risk productions in OFTTC and OPSTC with a number of unusual features appropriately requiring more extensive review which takes more time, and staffing competitions are under way.

The agency anticipates that once pending regulatory changes are announced and implemented for the film and television tax credits as part of the August 2022 Provincial Budget, and the department is fully staffed up, the processing times will improve moving forward.

Other key activities from 2022-23 include the completion of a comprehensive review of tax credit administrative fees. The review aimed to establish a consistent approach applicable to all credits, ensure fees are proportional to the value of the tax credit received, maintain equity across sectors, keep fees affordable for applicants, facilitate reasonable administration, and appropriately reflect the level of work and complexity involved in reviewing applications. We also carefully considered the impact on smaller companies and claims.

As approved by the Board and the Ministry of Tourism, Culture and Sport (MTCS), we have implemented a cap increase for OPSTC from \$10,000 to \$15,000, so that administration fees charged will be proportionate to the value of the tax credit received. Furthermore, we have reduced the minimum admin fee for ODMTC from \$1,000 to \$500, ensuring greater accessibility for stakeholders. These changes took effect in May 2023.

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

#### **2024-25 PRIORITIES:**

- Complete project to publish plain language version of tax credit regulations and legislation as part of an ongoing focus on customer service improvements and accessibility.
- With support from Ontario Onwards Acceleration Funds received, develop and implement suite of technological changes to tax credits to reduce processing times, refine time tracking and improve the experience for clients (electronic review package, service standard dashboard (feature allowing for improved visibility into process performance), AI chatbot, and updates/enhancements to risk scoring technology.
- Continue to explore and implement potential changes to tax credits identified in 2022 Ontario Budget and 2022 Fall Economic Statement (review of untethering OCASE; and review of OFTTC regional bonus)
- Continue to work with government to identify additional changes to tax credit legislation and regulations to ensure efficiency, value and impact on achieving government priorities.
- Participate, as appropriate, in the government's review of the OFTTC regional bonus to ensure it is providing effective and appropriate incentives and support for film and television productions in all regions of Ontario.
- Ontario Creates continues to represent and advance Ontario's interests as an active member of the National Tax Credits Committee (NTCC) in partnership with the Canadian Audio-Visual Certification Office (CAVCO) and other provinces
- Ontario Creates and the Ministry of Finance will prioritize updating the MOU in 2024-25.
- 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. This will also incorporate updates such as electronic certificates, and the information sharing module.

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

### **BUSINESS INTELLIGENCE PROGRAM**

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

#### **PROGRAM OBJECTIVES:**

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

#### **PROGRAM RESULTS:**

In 2024-25, the Business Intelligence Program (BIP) will support five to ten new studies that will provide information and data to help Ontario creative industry companies remain competitive with larger scale multinational companies operating around the world. Business Intelligence studies are also anticipated to raise the profile of Ontario Creates and the Province as a trusted partner and a catalyst for information and research in the creative media industries. In 2022-23, five BIP-funded projects were released, and nine new projects were approved, the latter of which leveraged \$2.01 in spending for every dollar invested by Ontario Creates. Results for this program are measured by the:

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

New, outcome-focused KPIs are being developed for this program as part of the ongoing performance measurement improvements being undertaken by the agency.

#### **2024-25 PRIORITIES:**

- Given the recent demand on this small program, in the next year the agency will continue to prioritize BIP applications that focus on workforce development, or diversity, equity, inclusion and belonging in the creative industries.
- The agency will develop a research standards document to better guide prospective applicants on best practices for conducting research projects. This is intended to improve the quality of the quantitative and qualitative business intelligence insights being made available to the sector.

### **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:

- Ontario Creates commissioned a Franco-Ontarian content market study, to be completed by the end of Q4 2023-24. For 2024-25, Ontario will build on this framework to commission a similar study for the Indigenous and Third-Language content market.

- In 2024-25, Ontario Creates will also conduct an internal research and data gathering exercise to compile existing research on alternative financing models; identify other jurisdictions that have implemented similar programs for the creative industries; and conduct gap analysis for Ontario to determine stakeholder need.
- On an ongoing basis, Ontario Creates publishes Industry Profiles to provide information on the size and economic impact of each of the cultural media industries. The profiles also provide information on trends and issues facing the sectors. Ontario Creates uses publicly available research and statistical reports to compile the profiles, which are fully updated once per year and receive an interim update approximately six months later. For 2024-25, Ontario Creates will be conducting an internal research and data gathering exercise to evaluate its research products, including Industry Profiles.
- Ontario Creates will work with MTCS and other partners to determine the scope of, and contribute to, a regional development plan.

## **PARTNERSHIPS**

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

- In 2024-25, Ontario Creates is proposing to procure access to a new timely, Ontario-specific economic data source to support the major updates being made to the agency's performance management framework.
- In 2024-25, Ontario Creates will seek out an opportunity to partner with WorkInCulture on its forthcoming labour market insights research project.

## **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 2023, the ORL contains more than 900 research studies.
- In 2022-23, the ORL was visited by over 6,500 unique users.
- The studies in the ORL are also used to inform the development of the agency's semi-annual industry profiles which received over 4,900 unique views last year.

For 2024-25, Ontario Creates will be conducting an internal research and data gathering exercise to evaluate its research products, including the Online Research Library.

## **BUSINESS INTELLIGENCE BULLETIN**

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

For 2024-25, Ontario Creates will be conducting an internal research and data gathering exercise to evaluate its research products, including the Business Intelligence Program.



## **DEVELOPMENT OF A NEW PERFORMANCE MEASUREMENT FRAMEWORK**

As part of the new strategic plan, Ontario Creates is committed to overhauling its existing performance measurement framework. The goal is to develop a performance measurement framework that includes a broader range of output and outcome measures, and in a format that is more intuitive and visual. In 2023-24, BAR led consultations with the Ontario Creates Board of Directors, senior management and staff to identify appropriate provincial-level, agency-level, program-level and operation key performance indicators and potential data sources. For 2024-25, BAR will procure the required analytics software in consultation with the IT Team, in order to improve data management and reporting, as well as procure access to the most up-to-date data sources for the broader, provincial-level measures (like gross domestic product (GDP), employment).

## **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.

### 2022-23 Accomplishments:

- Reviewed and updated all internal corporate policies.
- Upgrades completed allowing for electronic signatures on transfer payment contracts and automated generation of contracts from the database.
- Demographic data collection: Undertook database design improvements and policy development, laying the groundwork for a roll out of invitations to participate to individuals in key business and creative roles.
- Multi-Year Accessibility Plan published by calendar year-end 2022, following consultations with key stakeholder partners.

Operational activities in 2024-25 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. Ontario Creates will also work with MTCS and MPBSD on meeting the requirements of Ontario's Transfer Payment Consolidation Operational Directive, including completing the annual data extraction required.
- **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.
- **Customer Service Feedback Survey:** In 2024-25, the agency will deploy a targeted online customer feedback survey to assess user satisfaction with services like the Online Application Portal.
- **Space planning and lease renewal:** Ontario Creates' office premises lease is held by the Minister of Infrastructure (MOI). In 2023-24, the agency's five-year lease expired and was extended for 18 months, to April 30, 2025. The province's Centralized Real Estate Authority directive will take effect on April 1, 2024, at which time funding and control of Ontario Creates' office lease, maintenance and leasehold improvements will transfer to MOI. In 2024-25, the agency will work with MOI and its agency, Infrastructure Ontario, to

begin planning for the next lease renewal, which will include reduction of the agency's realty footprint.

- **Multi-Year Accessibility Plan:** 2024-25 will be the first year of Ontario Creates' new multi-year accessibility plan implementation. Tasks will include broadening consultation to add specific actions to the plan framework.
- **Ontario Creates' culture and employee value proposition:** Ontario Creates will continue to support staff learning and development goals, including by expanding the employee mentorship program to include industry opportunities, and through a focus on team building and effectiveness in a hybrid environment. In 2024-25, the agency will procure and deploy a Recruitment and Retention Value Proposition, a consultation with staff to better understand Ontario Creates' advantages and disadvantages when it comes to recruiting and retaining talent.
- **Promote an equitable, inclusive, accessible, anti-racist and diverse workplace:** Ontario Creates will create and/or review policies, practices and processes against best practices in equity, diversity, inclusion, belonging and accessibility (as it relates to procurement practices, event planning, hiring and recruitment) on an ongoing basis. In 2024-25, Ontario Creates will carry out a workplace environmental sustainability audit in order to develop policies and best practices for a more sustainable workplace. Also in 2024-25, the agency will continue to implement the recommendations coming from its Employee Engagement Plan.
- **Workforce Development Strategy:** In 2024-25, led by the BAR team, Ontario Creates will work to develop a workforce development strategy impacting all sectors, with appropriate partners, staffing needs and costs to be identified. This work will be heavily informed by the Workforce Symposium held in 2023-24.
- **Performance Measurement Enhancement:** In 2024-25, Ontario Creates will begin to operationalize its updated performance measurement framework. For 2024-25, BAR will procure the required analytics software in consultation with the IT Team, in order to improve data management and reporting, as well as procure access to the most up-to-date data sources for the broader, provincial-level measures (like GDP, employment). This will also include the scoping and procuring of services to create a KPI Scorecard – a visual representation of the agency's KPIs.

## INDUSTRY ENGAGEMENT ACTIVITIES

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

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

The role of the Advisory Committees is threefold:

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

3. To inform Ontario Creates of emerging stakeholder issues and priorities.

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

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

As part of the agency's ongoing commitment to offer spaces to explore emerging issues and challenges, Ontario Creates will be convening a cross-sectoral roundtable on artificial intelligence in Q4 2023-24. This will allow stakeholders from across the sectors we support an opportunity to learn from, and discuss issues with their counterparts working in different industries on common challenges.

### **ACT AS A CHAMPION FOR THE CREATIVE INDUSTRIES**

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

- Ontario Creates recently made a submission to the Canada Media Fund's #CanConDef consultation, providing a snapshot of the screen industries' impact in the Province.
- Ontario Creates intends to monitor and contribute as appropriate to relevant federal and provincial consultations, such as activities stemming from the ongoing *Online Streaming Act* consultations with the CRTC, and other relevant consultation processes.
- 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 2024-25, Ontario Creates is prepared to utilize approximately \$2.292 million of these reserve funds to activate a series of time-limited initiatives totalling \$2.405 million that will leverage and extend existing programs, as well as support activation of our strategic plan commitments without creating unsustainable stakeholder expectations and with limited additional strain on human resources.

The initiatives are as follows:

- **Diversity Enhancement (Industry Development):** In 2024-25, the Diversity Enhancement will continue to be available to all investment programs. 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 at reduced funding levels using uncommitted cash reserves from 2020-21. The agency will continue to prioritize this activity through the allocation of uncommitted reserves to the extent possible in the year ahead. In 2024-25, the agency will explore the viability of securing private sponsorship to augment this funding, where possible.
- **Diversity Enhancement (Music):** Propose to continue the initiative for an additional year. The Diversity Enhancement provides 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.
- **AcceleratiON: Black and Indigenous Entrepreneurship Program (Music):** The agency will continue the new Black & Indigenous music entrepreneur initiative introduced as a time-limited activity in 2021-22. As an additional mentorship activity, and linked to the agency's workforce development priority, the Access CMW conference mentorship initiative will continue to be available for a wide range of conferences and professional development opportunities. In 2023-24, the agency conducted an evaluation of AcceleratiON, and will look for opportunities to implement some of these recommendations in 2024-25.

## APPENDIX B: RISK REGISTER

#	Objective	Risk Statement	Risk Category	Existing Controls	Risk Assessment (Residual)	Risk Rating	Mitigation / Action Plan
1	Supporting the growth of Ontario's creative industries.	Due to increased demand for Ontario Creates' programs and services, without corresponding additional resources, there are an increasing number of companies that are unable to be supported by Ontario Creates, or may be required to wait a long time for service (in the case of tax credit certification). This may lead to lost opportunities for economic growth; it may lead to these companies leaving Ontario for other jurisdictions and ultimately it may make Ontario less competitive relative to other jurisdictions that are increasing their support to these sectors (e.g., Quebec, BC).	Delivery / Operational and Public Perception / Stakeholder	The agency engages in ongoing business process improvements in order to gain efficiencies.	<p><b>Risk Likelihood:</b> Almost Certain (5) – Demand for services increases every year.</p> <p><b>Risk Impact:</b> Moderate (3) – Dedicated staff continue to go above and beyond to meet service standards and implement business improvement processes.</p>	15	Ontario Creates will continue to consider and implement business process improvements (including many of those recommended in the review of tax credit business processes). A suite of technological changes to improve tax credit processing efficiency are underway and expected to conclude in 2024/25. Staff will continue to work hard to deliver a high standard of customer service.
2	Ensuring programs and services are effective and responsive to the current business environment for the creative industries.	The creative industries are rapidly evolving as a result of new technologies including AI, regulatory rules, and the ongoing impacts of COVID-19, including inflationary pressures, and an increase in remote/hybrid working models, which have exacerbated some long-term trends and accelerated the pace of change. In the wake of COVID-19 and amid rising interest rates and inflation, industries are experiencing new and different risks than in the past, including labour force and infrastructure related challenges, supply chain disruptions and additional expenses associated with	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 MTCS and MoF to discuss changes that would modernize tax credit legislation and regulation. Regular surveys and feedback mechanisms are used to collect client input on programming.	<p><b>Risk Likelihood:</b> Likely (4) – The creative industries are dynamic businesses that are continuously evolving.</p> <p><b>Risk Impact:</b> Moderate (3) – Ontario Creates' programs and services are designed to be flexible and responsive to a changing industry, however, modernizing tax credit legislation is not within the agency's control.</p>	12	Ontario Creates will continue to monitor and evolve programs as the environment changes and will continue to work with partners around implementing changes to the tax credits to better align them with the current technological and regulatory environment. The provincial government introduced several tax credit modernization mechanisms in the Spring 2022 budget

#	Objective	Risk Statement	Risk Category	Existing Controls	Risk Assessment (Residual)	Risk Rating	Mitigation / Action Plan
		financing their work. To be most effective Ontario Creates' programs and services should align with changes in the environment. If not, there is a risk that programs may not adequately support industry needs, supported activities may not produce the greatest economic impact for the Province's investment, and projects may move to other jurisdictions. As in person activities resume, there may also be some risk of stakeholder dissatisfaction related to the shifting balance of hybrid vs. in person activities, due to increased access achieved through exclusively virtual activities during the pandemic.		In direct response to COVID-related pressures, the agency implemented flexibility on program delivery dates and eligible events, provided reimbursements for non-refundable costs and supported time-sensitive industry initiatives that respond to COVID-19 and stimulate recovery. In this period of continued uncertainty, flexibility will continue to be offered as required in response to situations that may be outside of funded organizations' control with regard to how public health guidelines evolve and how this may impact company activities.			and the Fall Economic Statement. The agency's new five-year Strategic Plan will also serve as an opportunity to reset and prioritize areas of support. Values in the new plan include being Service-Focused and Collaborative; and new strategic goals and initiatives have been designed to address stakeholder needs in the current business environment, as identified through the strategic plan development process.
3	Ontario Creates' new Strategic Plan identifies being Inclusive (ensuring diversity, equity and accessibility in our programs and our workplace) as a core value that embodies the attitudes and behaviours we promote and encourage across our organization and that are fundamental to our relationship with our stakeholders and our internal culture.	Current events demonstrating the systemic roots of oppression have created a call for greater equity across all parts of society, and especially within the creative industries. As current diversity funding initiatives are non-permanent, there is a risk that Ontario Creates may be perceived as not doing enough to address these issues and may be perceived as insufficiently equitable in its distribution of funding particularly if the agency is unable to continue these programs. In addition, with several other agencies, funding bodies and industry organizations launching dedicated programs and creating dedicated positions to address diversity and equity, there is a risk of the agency being perceived as insufficiently	Public Perception	Diversity of projects is embedded in program evaluation. Dedicated diversity programs, while temporary, have increased available funding in film, industry development and music more recently. In addition, a project to capture enhanced demographic data will provide additional information about the makeup of applicants and successful funding recipients. Ontario Creates has increased the diversity of its workforce in recent years. While Ontario Creates' workforce is diverse, its management and board are less so, which could make the agency	<b>Risk Likelihood:</b> Possibly (2) – For the 2023-24 unexpected income due to increased interest rates has meant that the agency has been able to support the Diversity Enhancement and AcceleratiON programs without the use of cash reserves. We do not anticipate that this will be a source of support beyond this year.  <b>Risk Impact:</b> Minor (2) – Initiatives underway such as Demographic data collection, diversity	4	Ontario Creates is working on data collection to better understand demographics of successful funding recipients. Aggregate information will be shared back with the creative community at large. The desire for increased diversity in board composition has been flagged to MTCS.

#	Objective	Risk Statement	Risk Category	Existing Controls	Risk Assessment (Residual)	Risk Rating	Mitigation / Action Plan
		committed to diversity or insufficiently diverse in the composition of its workforce and decision-makers.		vulnerable to the claim of being insufficiently diverse.	enhancements and incorporation of diversity in evaluation criteria, should help to minimize impact of the risk.		
4	Ontario Creates strives to offer service and operational excellence to its stakeholders, which includes fair and transparent decision-making on distribution of limited grant funding. Strategic Plan values include being collaborative, accountable and inclusive.	As grant funding is limited and demand exceeds available funds, an evaluation process is required to distribute funding. There is a risk that unsuccessful applicants or other stakeholders may take issue with decision criteria, processes or perceive that favoritism or bias affects funding decisions, which could impact confidence in the agency's trustworthiness and impartiality as a funder, and overall reputation.	Public Perception	Industry juries are the primary mechanism for funding decision-making in the sector-specific investment programs. Calls for jurors are widely circulated and committees are regularly refreshed. In the programs that do not use external juries, evaluation criteria, scoring and weighting are clearly outlined in program guidelines (as they are in sector fund guidelines). Scoring for each project and decision rationale are documented internally and a list of all successful funding recipients is published on the Ontario Creates 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.	<b>Risk Likelihood:</b> Unlikely (2) – Peer jury model used in sector investment funding decisions is in place for most programs, and is considered best practice in reducing chance of bias/favoritism influencing decisions.  <b>Risk Impact:</b> Moderate (3) – When similar agencies have contended with a charge of bias or favoritism, there have been moderate impacts to their reputation, and a requirement to have processes investigated by a third party.	6	Ontario Creates will continue to support staff anti-bias training, and continue to rely primarily on a peer jury model to support a fair and transparent decision-making system.
5	Good governance of the agency	The Board of Directors is now at full strength, however it does not include balanced representation from all sectors – specifically, the book, magazine and IDM (video games) industries are currently underrepresented in the primary areas of expertise among Board members. This presents a risk that the Board may not have some of the specific skillsets and knowledge needed to	Governance/Accountability	Ontario Creates has provided the MTCS with a Board skills matrix identifying gaps and needs. New Board members receive an extensive briefing by senior staff.	<b>Risk Likelihood:</b> Possible (3)  <b>Risk Impact:</b> Minor (2)	6	The Board skills matrix is a tool to keep the government informed of gaps in Board areas of expertise; updated skills and expertise has been collected from each board member and will be provided to MTCS following review by the Board's Governance committee.

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		provide effective governance and strategic direction to the Agency.					
6	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 eligibility requirements to avoid making incorrect eligibility decisions. The agency liaises with the Ministry legal department and Crown Law Office as required.	<p><b>Risk Likelihood:</b> Unlikely (2) – past judicial reviews have all decided in favour of Ontario Creates.</p> <p><b>Risk Impact:</b> 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.</p>	10	Ontario Creates has proposed adding a privative clause to tax credit legislation.
7	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-11, as well as Bill C-18, 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.	<p><b>Risk Likelihood:</b> Likely (4)</p> <p><b>Risk Impact:</b> Moderate (3)</p>	12	The agency will continue to monitor and will communicate any potential policy misalignments that could jeopardize Ontario's competitive position with MTCS. The agency will also continue to participate in consultation processes at the CRTC and federal level, as deemed appropriate.



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8	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.	The low vacancy of purpose-built studio space will impede the province from attracting high-end, big budget productions to the Province in the short-to medium- term, which will limit the province's potential for job creation and GDP growth. In addition, studio space shortages may make it more difficult for domestic production to compete for space. The continued low vacancy for studio space in Ontario suggests that there is still unmet demand, bringing high quality jobs and increased economic growth to the Province.	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 requests for proposals (RFPs) on municipally owned land that is suitable for soundstage development to interested stakeholders. 2.6M in square footage of studio space is expected to be built by 2026, which should alleviate the demand, however much of this space will not come online until 2024, limiting growth in the short-term.	<b>Risk Likelihood:</b> Unlikely (2) <b>Risk Impact:</b> Moderate (3)	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.
9	Ensuring that Ontario Creates is a workplace free from discrimination and harassment.	There have been instances where unhappy stakeholders who have been turned down for funding have been abusive to Ontario Creates' staff. There is a risk that this behaviour could escalate to discrimination or harassment, including physical threats. When processing times increase, or more client projects are turned down due to program oversubscription, there is a greater likelihood this could occur.	Delivery/Operational (Human Resources)	Ontario Creates' workplace and discrimination policy is reviewed at least annually, and updated when required. Staff are reminded that any form of harassment should be reported immediately to management who will handle such occurrences according to OPS policies and guidelines. All visitors to the office are required to sign in and an emergency button is located at reception in case of a threat. Staff are required to complete mandatory training about workplace discrimination and harassment, and anti-bias training has been provided.	<b>Risk Likelihood:</b> Unlikely (2) <b>Risk Impact:</b> Moderate (3)	6	Ontario Creates will continue to review and update policies and procedures around workplace discrimination and harassment regularly. A new toolkit of policy resources for staff is currently being finalized. Several staff members that deal regularly with clients have also received specialized customer de-escalation training via CAMH.

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10	Ensuring Ontario Creates has measures in place to support recruitment, retention and engagement of highly qualified staff members.	Due to a high volume of job opportunities elsewhere in the OPS and industry, workforce demographics and other factors, Ontario Creates faces an HR risk related to recruitment and retention. Career development opportunities abound for staff, however retirements and departures of trained team members can present a challenge to Ontario Creates productivity and succession planning. Moreover, broader considerations about how existing vacancies are managed, staff reductions, and the return to work policies at the OPS level have an impact on Ontario Creates' ability to recruit, retain and ensure high morale.	Delivery/Operational (Human Resources)	Ontario Creates offers competitive salaries and a positive work environment consistent with OPS policies and standards. Staff members have access to professional development opportunities and a hybrid environment allowing for work from home multiple days per week. An Employee Engagement Committee is working on an action plan to support continuous improvement in staff engagement, including novel initiatives such as the job shadowing program. Ontario Creates has also recently expanded and diversified its job posting strategy in order to help attract a wider pool of qualified candidates to open postings.	<b>Risk Likelihood:</b> Possibly (3) <b>Risk Impact:</b> Moderate (3)	9	Ontario Creates and its Employee Engagement Committee will continue work on the Action Plan for existing staff, and continue to employ diversified strategies for recruitment to build awareness of the agency and associated job opportunities. Ontario Creates will utilize FORTE to plan for learning and development opportunities.
11	Maintaining the highest levels of information and network security.	Due to the significant amount of data and information held by Ontario Creates, incomplete, out-of-date, inaccurate or confidential information could be disclosed to the public including statistics or other personal or proprietary business information that could be harmful to individual companies, or the industries themselves and how they are perceived in the Province. Email scams and phishing attempts run the risk of causing financial harm to individual staff members and/or the organization if messages are not recognized as fraudulent.	Delivery/Operational (Information / Privacy)	Ontario Creates IT policies ensure the highest levels of network security. This includes annual security audits and regular updates to security infrastructure. Ontario Creates' Online Application Portal (OAP) is a state-of-the-art online program delivery system. The agency has in place clearly defined processes and protocols with regard to results tracking and reporting. Management approval is required prior to the release of statistical information. In addition, Ontario Creates has its own dedicated IT Team with someone on call at all	<b>Risk Likelihood:</b> Unlikely (2) <b>Risk Impact:</b> Moderate (3)	6	Ontario Creates will continue to maintain the highest security standards for IT and network security. The release of statistical information will continue to require approval at the management level. IT staff will implement best practices from the OPS-wide cybersecurity CoP. In 2024-25, the IT team and management will conduct a cybersecurity tabletop exercise to evaluate preparedness for a cyber

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		<p>Due to the flexible work model in place, with staff working from home on a regular basis, there is potential for security issues (as employees will be connected through their own internet service providers; they are also transporting equipment (laptops) to and from home on a frequent basis). Additionally, certain processes, like connecting to network drives through VPN, may slow staff down.</p>		<p>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 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. Staff working from home are using Ontario Creates' devices with the enhanced security software installed. Network drive connection is through VPN or SharePoint in the cloud to ensure additional security. The agency's IT Team closely monitors the network 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.</p>			<p>security attack. Frequent spam alerts and cybersecurity training opportunities will continue to be shared with staff. The agency will continue to enhance security protocols and monitor network security.</p>
12	Maintaining IT infrastructure and information systems	<p>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</p>	Delivery/Operational (Information / Privacy)	<p>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</p>	<p><b>Risk Likelihood:</b> Rare (1) <b>Risk Impact:</b> Moderate (3)</p>	4	<p>The agency process to move our final applications to the cloud is nearly completed. This will completely mitigate any risks related to the physical integrity of the</p>

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		<p>compromise Ontario Creates' IT infrastructure. As the building ages, this risk intensifies.</p>		<p>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 March 2022. In February 2022 we successfully moved all but one of our physical servers to the Cloud.</p>			<p>office. This project is anticipated to conclude in 2023.</p>

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13	Workforce Development	As the creative industries continue to grow in Ontario, there is a need to ensure that a skilled workforce exists in order to service this growth. There is a strong need for skilled labour across the creative sectors, and if this demand is unmet, it can negatively impact Ontario's competitive advantage, lead to a reduction of Ontario-made content, and may cause Ontario Creates to miss its own KPIs relating to job creation.	Delivery	Ontario Creates regularly engages with stakeholders through our Industry Advisory Committees and our research program to understand issues and needs related to workforce development. The agency is also planning to hold a workforce symposium in 2023 to initiate the creation of a Workforce Development Strategy for the agency (as we have committed to doing in our most recent Strategic and Business Plans). While the WGA and SAG-AFTRA work stoppages have concluded, risks remain related to the number of workers who may have exited the industry as a result, which may have long-term impacts as production resumes in the Province.	<b>Risk Likelihood:</b> Possibly (3) <b>Risk Impact:</b> Moderate (3)	9	A forthcoming Workforce Development Strategy will help Ontario Creates play an appropriate role in ensuring that there is a strong and skilled labour force in the Province.
14	Labour Relations in the Film and Television Production Sector	Ongoing labour negotiations between the various unions and guilds that represent workers in the Film and Television industry continue to create work stoppages and slowdowns. While the Writers Guild of America and SAG-AFTRA disputes have concluded, there are likely to be more labour challenges on the horizon (e.g. ACTRA, as well as various unionization efforts for VFX workers). This may lead to a reduction in the amount of service film and television work happening in Ontario and will lead	Delivery	Ontario Creates is in regular communication with partners (including City of Toronto, Film Ontario, Ministry) and stakeholders to understand issues and timelines. Mitigations are largely outside of agency control.	<b>Risk Likelihood:</b> Almost Certain (5) <b>Risk Impact:</b> Very High (5)	25	Ontario Creates will continue to monitor and assess the situation, as well as its impact on production spend and job creation. While the impact on the agency in terms of tax credit administrative fees has not been felt yet, the reduced production levels (volume and spend) in the Province is already felt as of Q2 results collection and planning is

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		to weaker economic impact and fewer jobs for Ontarians. In addition, Ontario Creates will be unable to meet KPI targets related to production spend and jobs creation, and the agency will likely see a decline in self-generated revenues associated with admin fees for tax credits administered by the agency					underway to understand the potential size of this impact.
15	Artificial Intelligence	As artificial intelligence tools like ChatGPT and other applications see increased adoption in the creative sectors (and among audiences), there is the potential for far-reaching practical and ethical impacts across business models, intellectual property, labour in addition to ethical considerations. Ontario Creates' investment programs and tax incentives are likely to see applications from Ontario companies utilizing AI tools and without policy or legislative clarity, will have to make decisions on eligibility for Ontario Creates' support.	Delivery / Operational and Public Perception / Stakeholder	Ontario Creates is currently monitoring the developments around artificial intelligence policy, and evaluates applications for potential legal and ethical ramifications.	<b>Risk Likelihood: Likely (4)</b> <b>Risk Impact: Moderate (3)</b>	12	Ontario Creates will continue to liaise on an ongoing basis with MTCS, MOF, and legal counsel as well as partner funding agencies in order to understand the risks, implications and opportunities of AI. The agency is considering the question of eligibility of AI-created or supported content for its investment programs. As required, Ontario Creates will adjust its policies and program guidelines to provide direct guidance to applicants. Internally, Ontario Creates will ensure that the agency's operations are in accordance with formal OPS guidance on AI.