

**Ministry of
Transportation**

**Ministère des
Transports**



Office of the Minister

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February 20, 2024

Mr. Larry Miller
Acting Chair
Owen Sound Transportation Company, Limited
717875 Highway 6
Owen Sound, ON N4K 5N7

Dear Mr. Miller:

I am pleased to share our government's 2024-25 priorities for the Owen Sound Transportation Company, Limited (OSTC).

Recognizing the importance of ferry services in Ontario, I ask that your agency's staff continue to work with the ministry in meeting the agency's mandate to provide safe, efficient, and reliable ferry transportation in Ontario. It is important that your agency's goals, objectives, and strategic direction continue to align with our government's priorities and direction.

The timely exchange of information and data between OSTC and the Ministry of Transportation is essential for fostering transparency and ensuring good agency-government practices in the public sector. This open communication facilitates informed decision-making, enhances public trust and allows for effective collaboration in the delivery of transportation services that benefit Ontario.

OSTC is expected to act in the best interests of the people of Ontario and achieve the initiatives outlined in the Annual Letter of Direction in a manner that is aligned with its government approved multi-year funding allocation. The ministry will continue to work with the agency in refining priorities as required on an ongoing basis.

The 2024-25 transportation-specific initiatives are as follows. I ask that you provide progress updates on a quarterly basis.

1. Ensure that business cycle deliverables (e.g., Business Plan, Annual Report, risk reporting, quarterly financial reporting, etc.) meet timelines and requirements

outlined under the Agencies and Appointments Directive, including establishing and reporting on outcome and output based key performance measures, with on-going engagement with ministry staff throughout the process, as required. With respect to risk reporting, OSTC will also develop and submit an implementation plan to the ministry by June 1, 2024, on the agency's approach to formalizing and enhancing OSTC risk management processes and procedures.

2. Develop and share an implementation plan with the ministry by April 30, 2024, on the agency's approach to formalizing and enhancing its financial reporting system(s) for its business lines and develop a process to ensure complete and timely quarterly reporting to the ministry of key financial information, in alignment with templates and timelines provided by the ministry.
3. Develop and submit a capital asset management plan for all OSTC -owned assets by September 1, 2024 to ensure a state of good repair. The assessment should reflect regular engagement with MTO and include an evaluation of asset conditions, utilization, capacity, risks, costs, future needs analysis and recommendations. In particular, complete a service level assessment for the Manitoulin service that determines the capacity and configuration of a potential replacement vessel, as part of future planning for this service.
4. Finalize the development and submission of a Human Resources Strategy by February 1, 2025, that includes workforce analysis and planning, succession planning, skills and competencies review, compensation, workplace culture and diversity assessment, training and development effectiveness, and related budget and resource allocations. The strategy should also outline actions taken to improve recruiting initiatives and programs, with consideration of both English and French opportunities, to attract, develop and retain talent, including executive leadership, and report on progress with performance metrics.
5. Work with the ministry to establish effective governance and accountability mechanisms which address the need for clearer and more formalized relationship management. This includes establishing a regular board meeting schedule for the 2024-25 fiscal year and reporting to MTO on the records management system for board discussions and decisions by June 1, 2024. MTO is also requesting that the agency completes an assessment of the board and its membership, as well as an updated skills matrix, on an annual basis.
6. Develop and submit an implementation plan for a Ferry Channel Monitoring Program by September 1, 2024, to the ministry, to help identify future dredging requirements to maintain the safety and efficiency of ferry operations. The implementation plan will include developing Community and Stakeholder Engagement and Communication plans and establishing protocols for channel monitoring, data collection and analysis, to ensure environmental compliance and consultation obligations are met, and also outline steps to address gaps such as obtaining any necessary technical expertise.

7. Meaningfully engage with Indigenous communities and organizations and fulfil duty to consult obligations with Indigenous communities, ensuring consistency with provincial policies and direction for Indigenous relations. Seek the advice of the ministry before entering into any significant commitments or agreements with Indigenous communities to ensure adherence to provincial policy.
8. Support recommendations and/or action items arising from the provincial ferry review and *The Future of the Great Lakes Economy: Ontario's Marine Transportation Strategy*, as applicable, and outline any initiatives undertaken in the agency's Annual Report.

I am also sharing several government-wide priorities applicable to OSTC.

Government-Wide Initiatives

- **Competitiveness, Sustainability and Expenditure Management**
 - Operating within the agency's financial allocations.
 - Identifying and pursuing opportunities for revenue generation, efficiencies and savings through innovative practices, and/or improved program sustainability.
 - Complying with applicable direction related to accounting practices and supply chain centralization, including leveraging Supply Ontario's bulk purchasing arrangement and working with Supply Ontario on strategic procurement initiatives.
 - Complying with realty interim measures for agency office space.
 - Leverage and meet benchmarked outcomes for compensation strategies and directives.
- **Transparency and Accountability**
 - Abiding by applicable government directives and policies and ensuring transparency and accountability in reporting.
 - Adhering to accounting standards and practices, and responding to audit findings, where applicable.
 - Identifying appropriate skills, knowledge and experience needed to effectively support the board's role in agency governance and accountability, and providing the Minister with annual skills matrices to ensure boards have qualified appointees.
 - Reviewing and updating agency Key Performance Indicators (KPIs) annually to ensure efficiency, effectiveness and sustainability.
- **Risk Management**
 - Developing and implementing an effective process for the identification, assessment and mitigation of agency risks, including cyber security, and any future emergency risks, including the establishment of an Enterprise Risk

Management program and reporting risks on a quarterly basis to the Ministry.

- **Workforce/Labour Management**
 - Optimizing your organizational capacity to support the best possible public service delivery, including redeploying resources to priority areas, where needed.
 - Aligning Human Resource and Accommodations strategies with OPS directives and policy.
 - Adhering to TB/MBC labour and bargaining mandates.
 - Prudently and efficiently managing operational funding and workforce size.

- **Diversity and Inclusion**
 - Developing and encouraging diversity and inclusion initiatives by promoting an equitable, inclusive, accessible, anti-racist and diverse workplace.
 - Adopting an inclusion engagement process to ensure all voices are heard to inform policies and decision-making.

- **Data Collection, Sharing and Use**
 - Improving how the agency uses data in decision-making, information sharing and reporting, to inform outcome-based reporting and improve service delivery.
 - Increasing data sharing with Supply Ontario when applicable regarding procurement spending and planning, contract arrangements and vendor relations to support data-driven decision-making.

These are the government-wide commitments for board-governed provincial agencies. Please see the attached guide for further details of each priority.

Thank you and your fellow board members for your continued commitment to the OSTC. Your work and ongoing support is invaluable to me and the people of Ontario.

Should you have any questions, please feel free to contact my Chief of Staff, Joshua Workman (Joshua.Workman@ontario.ca).

Sincerely,



Prabmeet Singh Sarkaria
Minister of Transportation

- c. Doug Jones, Deputy Minister, Ministry of Transportation
Mike St. Amant, Interim Chief Financial Officer, OSTC
Melissa Djurakov, Assistant Deputy Minister, Ministry of Transportation

Geoff Gladdy, A/Assistant Deputy Minister, Ministry of Transportation
Virginia McKimm, Assistant Deputy Minister and Chief Administrative Officer,
Ministry of Transportation

Attachment:

- Government Priorities for Agency Sector Chart