

# Owen Sound Transportation Company Business Plan 2024-25 to 2026-27

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## 1. Executive Summary

The Owen Sound Transportation Company, Limited (OSTC) was incorporated under the *Ontario Business Corporations Act, 1990* (the Act) and conforms to the legal requirements of the Act. The sole shareholder of the company is the Ontario Minister of Transportation (the Minister). The fiscal year 2024-25 to 2026-27 business plan has been developed with the following requirements in mind:

1. A Board Governed Operational Enterprise Agency as specified in the Agencies and Appointments Directive (AAD).
2. The Provincial Directives which apply to OSTC.
3. The Memorandum of Understanding (MOU) between the government and OSTC.
4. OSTC's Annual Letter of Direction provided by the Minister of Transportation on February 20, 2024.

OSTC provides safe, efficient and reliable ferry transportation in Ontario. OSTC transports passengers and goods safely from Moosonee to Moose Cree First Nation, located on Moose Factory Island, South Baymouth on Manitoulin Island to Tobermory on the Northern Bruce Peninsula, and Kingsville and Leamington to Pelee Island and Sandusky, Ohio, (with air service between Pelee Island and Windsor airport in winter). During the 2023 sailing season, OSTC carried over 177,000 passengers and 86,000 vehicles on the *Chi-Cheemaun*; 2,600 passengers and 1,900 vehicles on the *Niska*; and 44,000 passengers and 34,000 vehicles on its Pelee routes. The aggregate increase for the agency as a whole over 2022 was 12 percent for passengers and eight percent for vehicle traffic.

OSTC's Business Plan for the coming three-year cycle will focus on:

1. Continuing to develop enhanced Key Performance Indicators (KPIs) to measure the effectiveness and success of existing services and capture feedback to inform potential enhancements, including input from First Nations communities.
2. Implementing Agencies and Appointments Directive (AAD) compliance measures to improve monitoring of progress towards, and compliance with, provincial directives.
3. Identifying and pursuing opportunities for revenue generation as per the Annual Letter of Direction

OSTC continues to work on building capacity to enhance service delivery and effectiveness while facing critical challenges, including:

1. Staffing and crewing.
2. Maintaining and operating a fleet of vessels.
  - 2.1. The *MS Chi-Cheemaun* is 50 years old.
  - 2.2. The *MV Niska I* is a 13-year-old landing craft vessel
  - 2.3. The *MV Pelee Islander* is 64 years old.
3. In the North, siltation in James Bay requires regular large-scale dredging, with a major dredge project completed in 2023. Dredging issues are present in both Kingsville and Leamington in the South.

## 2. Mandate

OSTC contributes to the provision of safe, efficient, and reliable ferry transportation in the Province of Ontario by operating seasonal passenger, vehicle and commercial vehicle ferry services:

- *MS Chi-Cheemaun* on the Tobermory – South Baymouth Manitoulin Island route,
- *MV Niska I* on the Moosonee – Moose Factory Island route, operated by a subsidiary of Moose Cree First Nation (Complex RE) under contract.

OSTC also operates the Pelee Island Transportation Service (PITS) through a vessel management contract with MTO. The service has three ferry routes and one air service route:

- Kingsville to Pelee Island - serviced by the *MV Pelee Islander II (main vessel) and the MV Pelee Islander (backup vessel)*
- Leamington to Pelee Island – serviced by the *MV Pelee Islander II (main vessel) and the MV Pelee Islander (backup vessel)*
- Pelee Island to Sandusky, Ohio - serviced by the *MV Pelee Islander*.
- Pelee Island to Windsor - OSTC provides contract administration for an air service in the off season.

OSTC supports the mobility and delivery of goods and services in geographically disparate areas of the province not served, or minimally served, by highway systems. OSTC services also promote and support the tourism sector through partnerships with local communities and regional interest holders. These include the municipalities and First Nations communities in surrounding areas.

As an agency, OSTC receives an Annual Letter of Direction from the Minister which provides for accountability, transparency, and the effective management of organizational risks. The letter also covers the expectations of good governance, effective operations, and the reporting of enhanced performance indicators that the provincial government requires. The letter outlines ministerial expectations for service and performance, and the agency is required to address the expectations within its annual business plan and annual report.

## 3. Description

OSTC was incorporated through Letters Patent in 1921 under private ownership. Following its purchase from the private company in 1974, OSTC shares were held in trust by the Ontario Northland Transportation Commission (ONTC) on behalf of the government of Ontario. On April 1, 2002, OSTC's shares were consolidated and transferred from ONTC to the Minister of Northern Development and Mines (MNDM) who established OSTC as an Operational Enterprise Agency of the Province of Ontario. In 2019, the MTO took over agency oversight responsibilities of OSTC from MNDM via an Order in Council.

OSTC's administration office is in Owen Sound, Ontario. The company owns and operates the following:

- *MS Chi-Cheemaun* - A seasonal passenger, vehicle and commercial truck ferry between the ports of Tobermory and South Baymouth, Manitoulin Island.
- *MV Niska I* - A passenger, vehicle and commercial truck ferry on the Moose River between Moosonee and Moose Factory Island, at the southern end of James Bay.

OSTC also provides vessel management and operations services for the MTO for three vessels:

- *MV Pelee Islander* and *MV Pelee Islander II* - Operating between Kingsville, Leamington, Pelee Island ON, and Sandusky Ohio on Lake Erie, as well as the *MV Jiimaan* (not in service).

There are no other vehicle ferry services in competition with these provincially funded ferry services, and there is no immediate potential for private operators to develop competing services. In the case of the Lake Huron and Lake Erie services, the vessels are the largest, Canadian-owned conventional vehicle and passenger ferries being operated on the Great Lakes.

#### 4. Strategic Direction

OSTC's goals are developed to support and carry out the mandate of the company as established by the Province of Ontario and its sole shareholder, the Minister of Transportation.

OSTC's goals are to:

1. Provide safe, secure, regulatory compliant, accessible, reliable, and environmentally responsible marine transportation services to the public.
2. Achieve optimal financial performance by enhancing financial planning and oversight, increasing revenue and effectively managing costs.
3. Build and maintain strong, mutually beneficial relationships with the communities and regions served.
4. Build capacity by leveraging best practices to support the organization's goal to identify and pursue opportunities for efficiencies and savings, achieve business and operational service excellence, and improve service delivery.

#### 5. Implementation Plan

***Strategic Goal #1: Provide safe, secure, regulatory compliant, accessible, reliable, and environmentally responsible marine transportation services to the public.***

**Objective: Ensure Safety & Security**

**Implementation Tasks: Vessel Safety, Security & Regulatory Compliance**

- Continued compliance with International Safety Management Code (ISM).
- Continued compliance with International Ship and Port Security Code (ISPS) where applicable.
- Continued position-specific training for vessel crew members.
- Continued participation in joint safety and security exercises with government, law enforcement and emergency services.
- Continued participation in sector association meetings with regulators.
- Complete implementation of Fleet Management Software (FMS) that offers optimal procurement tools and asset management based on predicted lifecycles. 2024-25 deliverables include documentation compliance: vessel reporting, certificate management, and auditing.
- Continued adherence to, and improvements of, the Safety Management System.
- Review developing guidance on electric vehicle and battery combustibility, ensuring that risk management practices are in place, and fire fighting techniques are developed and implemented, to address the potential fire risks.

**Implementation Tasks: Passenger Safety, Security, Comfort and Accessibility**

- Continue implementation of a multi-year interior renovation plan for passenger and crew spaces.
- Continue to comply with the *Accessibility for Ontarians with Disabilities Act (AODA)* Standards as they come into effect; design renovations and modifications to vessels incorporating AODA standards wherever possible, and explore additional options for complying with AODA as necessary.

**Implementation Tasks: Employee Safety & Security**

- Continue employee training programs: Occupational Health and Safety, Violence in the Workplace, Confined Space, Fall Arrest, Forklift Operation, Transportation of Dangerous Goods, Workplace Hazardous Materials Information System (WHMIS), and any other training that may be required.
- Continue to utilize the new FMS for Job Safety Analysis and Risk Management Matrix for our crews.

**Objective: Ensure Reliability and Environmental Responsibility**

**Implementation Tasks**

- Continue to maintain OSTC vessels in accordance with Planned and Preventative Maintenance Programs.
- Engage the FMS to take advantage of a new capability to track asset performance and measure reliability; data will be made available to better manage maintenance objectives, budget, and identify equipment for renewal considerations.
- Monitor and audit vessel discharge plans and records.
- Continue Oil Spill Response training for all ship and terminal facility employees.
- Maintain Green Marine Level 2 certification and implement additional systems to elevate level wherever possible.

***Strategic Goal #2: Achieve optimal financial performance by enhancing financial planning and oversight, increasing revenue and effectively managing costs.***

**Objective: Improve Financial Planning and Oversight**

**Implementation Tasks:**

- Recruit and retain critical senior financial staff.
- Continue to update financial recording and reporting processes: digitize recording, approval, and storage of financial matters.
- Continue to build capacity to create regular operating and capital financial reports, as well as ridership statistics.
- Train and develop financial staff.
- Work with Ministry staff to continue meeting quarterly financial requirements in alignment with templates and timelines set by the Ministry.

**Objective: Enhance Revenue Opportunities**

**Implementation Tasks:**

- Optimize new online reservation system with flexibility to adjust for any fare changes and service purchase options.
- Review on-board customer experiences provided in prior years, and consider reintroducing limited items, where adequate resources are in place.
- Explore opportunities to develop tourism experience packages with regional partners to provide an integrated experiential value chain for ferry users.
- Identify and remove barriers that deter customers from using the ferry.
- Explore a comprehensive fare strategy that: considers revenue optimization, compares fares with other similar operations across Canada, provides value for money, and simplifies the reservation process for customers.

**Objective: Identify Opportunities for Enhanced Efficiencies to Reduce Expenses**

**Implementation Tasks:**

- Fully implement the FMS to incorporate shipboard or shore-based inventory tracking and streamline procurement functions.
- Implement employee development and training plans for all positions and closely monitor employee performance against goals to optimize effectiveness and efficiency.
- Optimize purchasing practices to ensure all goods or services acquired are necessary, are purchased in compliance with policy, and provide best value.
- Continue annual review of the current operating schedule and season to evaluate the cost/benefit of schedule modifications on the ferry service and value to regional economies.
- Work closely with Supply Ontario on all procurements requiring its advice and guidance.

***Strategic Goal #3: Build and maintain strong, mutually beneficial relationships with the communities and regions served.***

**Objective: Develop Community Relationships**

**Implementation Tasks: Ongoing Participation and Support of or in, and Resumption of Activities**

- Continue to support and develop regional tourism partnerships.
- Continue to participate in tourism development seminars and conferences.
- Identify and participate in strategic promotion & advertising partnerships.
- Continue to provide opportunities for public and user input through community meetings and customer surveys.
- Continue to work with Complex RE, Moose Cree First Nation and the Town of Moosonee and re-establish a protocol for regular meetings and communication practices to ensure there is a forum to discuss issues. Conduct Public Information Sessions to engage the broader community whenever events occur which may affect service delivery.
- Annually monitor ferry route channel depths to ensure safe navigation and provide early warning of any potential ferry service disruptions. Where dredge operations are required, work with community leaders to ensure the right fit with the least impact.

**Objective: Developing Team and Succession Planning**

**Implementation Tasks: Promote Industry Opportunities**

- Continue to provide onboard co-op opportunities for navigation and engineering cadets.

- Maintain visibility in secondary school systems throughout Ontario.
- Explore opportunities to provide co-op opportunities for high school students on MV *Niska I*.
- Provide seasonal employment opportunities to post-secondary students.
- Develop succession plans for key positions to identify future personnel needs.
- Complete comprehensive wage and benefit assessment for all positions.
- Implement recruitment plans.

***Strategic Goal #4: Build capacity by leveraging best practices to support the organization’s goal to identify and pursue opportunities for efficiencies and savings, achieve business and operational service excellence, and improve service***

**Objective: Improve Capacity to Attract and Retain, Develop, and Manage**

**Implementation Tasks: Develop HR Department and Systems**

- Provide HR Department with all tools required to succeed.
- Continue to implement new payroll, benefit, leave, and performance review systems accessible to all staff.

**Objective: Improve Key Systems**

**Implementations Tasks:**

- Optimize the use and effectiveness of the FMS, point-of-sale retail system, SAGE. accounting system, and BOOKIT reservation system; train key staff in contract management and oversight.
- Implement a performance review system for staff.

**Objective: Improve Policies, Processes and Procedures**

**Implementation Tasks:**

- Create corporate-wide policies in all areas of operability.
  - Consider amalgamating benefits to one provider, including health, life and disability insurance.
  - Enhance onboarding, probation and termination policies.
  - Map staff pay scales to equivalent public sector positions.
  - Consolidate vacation, statutory holiday and leave provisions company-wide.
  - Develop and implement an enhanced risk monitoring and evaluation process.

## **6. Overview of Current and Future Programs and Activities**

### **6.1 Vessel Charters**

The MS *Chi-Cheemaun* has historically been chartered for dinner cruises from the Owen Sound harbour during the month of April, weather permitting. Vessel charters are also available during the non-peak sailing season at a premium rate and have been operated outside the regular sailing schedule. OSTC is exercising caution when identifying opportunities for vessel charters, given that staffing is optimized with the current schedule, significantly increasing risks of staff shortages or excessive costs with incremental trips.

### **6.2 MS *Chi-Cheemaun* Food, Beverage & Retail Services**



OSTC is reviewing pricing and margins on all food, beverage and retail services. OSTC will use increased reporting functionality in its new point-of-sale system to ensure that overall margins are optimized.

### **6.3 Fuel Consumption Control**

OSTC's standard operating procedure is to run MS *Chi-Cheemaun* on two of the four engines, alternating engine use on a weekly rotation basis. This allows OSTC to optimize fuel consumption and keep the operating hours on the equipment as low as possible to lengthen the service life of the machinery and maintain a lower carbon footprint. Fuel consumption is also managed through sound company operating practices, adherence to maintenance recommendations, employee training and real-time condition monitoring that keep key equipment in line with factory standards.

OSTC dry docks each vessel every five years, as required by Transport Canada. This provides an opportunity to clean propellers and wash and recoat hulls to the highest standards. This action lends itself to reduced fuel consumption, the propellers are more effective, and the hull glides through the water with less drag when cleaned. The next *Chi-Cheemaun* drydock will occur during the second half of fiscal 2026/27.

As fuel prices are expected to continue to rise to record levels over the business plan cycle, the company will maximize its efforts to conserve fuel, both from cost and environmental impact standpoints.

### **6.4 Federal Code for Ferry Accessibility and AODA (2005)**

Following the enactment of the Accessibility for Ontarians with Disabilities Act (AODA) in 2005, regulations were introduced by the Province requiring existing and new public transportation vehicles to become accessible. OSTC had already begun the process of upgrading accessibility on the MS *Chi-Cheemaun* to meet the Federal Code of Accessibility as is in place on the Pelee Island ferry service. The provincial regulations have since adopted the Federal Code as the provincial standard.

OSTC established and implemented policies, practices, and procedures for the appropriate provision of goods and services to persons with disabilities effective January 1, 2010. This is referred to as the "Customer Service Standard" and has been closely followed by the Transportation, Employment, and Communications Standards with which the company is also required to comply.

OSTC is committed to meeting all required standards to the extent physically possible.

### **6.5 Communication Upgrades**

In 2023, a new pilot communication upgrade was implemented for the Manitoulin Island and the Pelee Island services vessels through Starlink to provide increased wireless coverage over its route and to improve business processes capability and support personal use of internet for ship's crew as a quality-of-life improvement. Once the pilot is complete, OSTC expects service will then be made available to passengers. Work is underway to consider public Wi-Fi capabilities on board the vessels for the 2024 sailing season.

## 7. Resources to Meet Goals and Objectives

### 7.1 Human Resources

Currently, OSTC has a complement of 52 full-time (Administration and Ships' Officers) and 133 seasonal and part-time employees. Part-time employees are hourly workers who work between 6 and 9 months of the year on board the ships, or on shore at the terminals while the ships are in operation. Part-time employees also include the additional crews hired for summer sailing schedules. Pelee Island Transportation (PITS) employees, who are employees of the OSTC, are staff dedicated to the provision of the Pelee Island service under contract with MTO. There are 19 full time (Administration and Ships' Officers) and 45 seasonal and part-time employees dedicated to this service, of the OSTC's total staffing complement.

Moose Factory Island ferry crew are employees of Complex RE Limited Partnership, owned by the Moose Cree Group of Companies Limited Partnership, a wholly owned subsidiary of the Moose Cree First Nation.

### 7.2 Facilities and Ships

The Moose Factory Island ferry service will require the acquisition of a suitable, permanent winter haul-out and maintenance area within the life of this plan. An engineering firm is outlining considerations, including specifications for potentially building a second launch beside Moosonee Transportation Limited (MTL)'s existing launch for its own vessels, which accommodates the *Niska* as well. As a result of malfunction of the system in late 2023, repairs are planned, and a feasibility review is being undertaken for the construction of a second system. This will lead to a business case during 2024/25, reviewing options and costing for OSTC's launch and haul out requirements.

### 7.3 Technology

#### IT Assets

OSTC reviews its Information Technology Policies, Systems and Equipment on an annual basis. Hardware and software are maintained, upgraded, or replaced when the existing technology becomes unreliable, or more efficient technology becomes available. OSTC contracts an external IT firm to provide IT support and security to OSTC's systems, along with internal supports. OSTC is undergoing systems modernization to improve information governance and provide accessible data for use in decision making. The updated systems, including the reservation system, contact centre system, fleet management, and the Point-of-Sale (POS) system, provide granular data to support improved outcome-based reporting and service delivery enhancements.

#### Point of Sale (POS) System

The new POS system was fully implemented in 2023, replacing the legacy, obsolete Galaxy system. Plans to migrate the application to the cloud is expected to occur in 2025 and an investigation into improved inventory management is expected to occur in 2026 or sooner.

#### Contact Centre Software

Contact Centre software is providing improved call center metrics reporting and improved customer service using the chat function, call back queue, and call escalation/routing. Year over year analysis and reporting is expected by the end of 2024.

### Fleet Management System (FMS)

The FMS implementation was begun in 2023, and will significantly improve operational visibility of asset management costs, and support data-driven decisions. It will assist in the reviews of asset lifespans, tracking of procurements, and control of repair, major project, and upkeep costs.

## 8. Risk Identification, Assessment and Mitigation Strategies

OSTC will continue to develop systematic processes for identifying, examining, and assessing agency risks for both operations and capital requirements. The new Fleet Management System enables OSTC to monitor capital assets in near-real time, and plan for mitigation should a critical incident occur. Similarly, OSTC's new financial and human resource information systems and processes support timely decision-making for operational risk mitigation. The following matrix identifies our current and foreseen risks.

### 8.1 Risk Assessment Matrix

OSTC's primary focus while transporting people and goods on the ferry is to ensure a safe, secure, environmentally responsible, dependable, and regulatory compliant operation.

OSTC does not have access to replacement vessels for either the Manitoulin Island or the Moose Factory Island ferry services. Therefore, all probable failure scenarios have been assessed, and procedures established to mitigate the negative operational and/or safety effects of most types of failure. These are not infallible, and risks exist. Contingency planning is crucial to the uninterrupted operation of ferry service.

In accordance with the provincial government Treasury Board Secretariat Guide (2021) for board-governed agency business planning, OSTC includes in its business plans an assessment of risks and the plans to mitigate these risks.

### 8.2 Risk Register

Risk	Description/Notes	Risk Type	Mitigation	Owner
Impacts to MS Chi-Cheemaun services to due to advanced vessel age	The advanced age of the MS Chi-Cheemaun may result in increased downtime for repairs/maintenance as well as a risk of mechanical failure or loss. This may result in disruptions to the ferry's regular schedule and impact passengers and businesses.	Vessels	Previously, re-powering of the MS <i>Chi-Cheemaun</i> in 2006-07 included redundancies in the engine room that enable the ship to operate in a mechanical breakdown of one engine. In addition, OSTC has upgraded the remaining systems that have no back-up, are original, and have potential to stop operations. This includes hydraulic openings systems for bow and stern doors, stabilizer system, and the steering system.  <b>Short Term Plans:</b> Annual maintenance and development of a critical parts inventory to ensure the ferry experiences little to no down-time. Loss of two engines simultaneously is extremely unlikely.	OSTC

Risk	Description/Notes	Risk Type	Mitigation	Owner
			<p>OSTC to explore stabilizer systems options including timelines and costs.</p> <p><b>Long Term Plans:</b> Explore potential plans and considerations for a vessel and infrastructure needs study to assess long-term vessel options (e.g., replacement) and requirements.</p>	
Failure of or damage to the ramp making it unusable for loading/unloading the MS <i>Chi-Cheemaun</i>	There are no alternate facilities with ramps suitable for the ship.	Vessels	OSTC has the ramp systems professionally inspected and serviced annually. OSTC also engages in asset management, which is key for planning any necessary replacements	OSTC
Inability to overwinter the <i>Niska</i> safely	<i>Niska</i> haul out ramp is on third-party land. A malfunction of the haul out system has resulted in a need to assess short-term and long-term options	Vessels	<p>Rails have broken and considerable costs were incurred to secure the vessel in Dec 2023, with additional costs required to launch in 2024 and address the third-party's rail system.</p> <p><b>Short term</b> Emergency work is underway, but a permanent solution must be found.</p> <p><b>Long term</b> Explore opportunities including long term land lease so new rail system can be installed beside the existing rail and maintained.</p>	OSTC
Inability to dock due to low water levels	Climate change is significantly changing Great Lakes water levels. Each vessel is dependent on shore infrastructure for proper docking and if water levels fall too low, safe under keel clearances will be compromised, particularly in higher sea states resulting in unsafe entry conditions. Regular dredging may not suffice. There is a projected water level decrease in 6-7 years at South	Vessels	<p>OSTC will continue to collaborate with MTO and other potential partners to seek short- and long-term solutions.</p> <p>Blasting and dredging the area may be required. Stakeholders and partners involved may include Transport Canada, Department of Fisheries and Oceans and Wiikwemkoong Unceded Territory</p>	Transport Canada, OSTC, MTO

Risk	Description/Notes	Risk Type	Mitigation	Owner
	Baymouth and Tobermory.			
Power/Mechanical Failure	Complete power or mechanical failure at dock, terminal and office facilities	IT/IM	<p>There are no backup systems in place at terminals or on docks with the exception of Tobermory where perishables are stored. However, South Baymouth Terminal has a portable gas-powered generator which could be used in the event of an extended power outage.</p> <p>OSTC plans to engage a contractor to assess options for the supply and installation of an inline generator for South Baymouth.</p> <p>IT functions are being improved with cloud-based storage for core documents and the booking system.</p>	OSTC
Technology / Cyber-Security	IT systems could fail or be compromised which may impact business continuity.	IT/IM	<p>OSTC capital upgrades are in process. New IT personnel were hired in 2023 to update and maintain electronic systems and manage risk, with increased communications and training for all staff, on cyber and phishing awareness included in the ongoing campaign implemented in 2023.</p> <p>Additional changes will await evaluation of OSTC's administrative office and potential future space</p>	OSTC
Ship-based staff shortages globally, applies to all OSTC vessels.	OSTC ship operational capability is under complete control of Transport Canada along with the minimum staffing requirements.	Human Resources	<p>OSTC is strengthening recruitment overseas and in markets not previously looked at.</p> <p>OSTC is using Canada's reciprocal agreements with other countries to recruit foreign seafarers with certifications recognized as equivalent to Canadian standards. OSTC continues to support and encourage new entrants in the field by hiring co-op students in post-secondary marine training programs.</p>	MTO and OSTC
Office staff are difficult to recruit and retain. Continuity at risk.	Significant turnover in both senior management and professional staff in the past 18 months has OSTC at elevated risk	Human Resources	OSTC is working with MTO to determine how best to recruit staff and retain staff.	OSTC

Risk	Description/Notes	Risk Type	Mitigation	Owner
	as this affects vessel scheduling, maintenance, booking, finance, IT/IM and has had an effect on staff engagement.			
Failed labour negotiations resulting in a strike or lock-out during the operating season.	A labour disruption would halt service as unions represent 80% of ship-based staff.	Human Resources	OSTC will continue to maintain good relationships with both SIU (north) and UNIFOR (south) to stay informed of potential challenges/issues.	OSTC
Transport Canada (TC) owns the Tobermory & South Baymouth wharf facilities and should TC sell the facilities, OSTC may need to deal with a new owner, or seek approval to purchase them.	The current contract with TC outlines that if OSTC operates the ferry service, TC must own and maintain the docks. Should TC divest the docks, the new owner will be responsible unless the parties agree to different terms.	Facilities	TC is not actively pursuing divestment currently. However, MTO has first rights of refusal, if TC were to sell.  MTO and OSTC are collaboratively meeting with TC. OSTC will continue to support any conversations related to this as needed.	MTO/TC
Electric Vehicle Fires	EV high-voltage battery fires are difficult to extinguish and may put vessel integrity at risk.	Vessels	OSTC continues to investigate mitigation options. Procedures for identifying and potentially segregating EVs and battery-powered vehicles are under development before the 2024 sailing season. Staff training on the procedures and firefighting plan will be in place before the first sailing.	OSTC/ MTO/ TC
Chi-Cheemaun Stabilizer Failure	Failure will result in months of non-service to replace, or inability to sail in anything but calm weather.	Vessel, operationa l	Stabilizer units are being considered, with potential delivery by end of 2024. Replacement at 5-year mandatory drydock in 2026 or sooner should the need arise.	OSTC
Replacing the ageing Pelee Islander.	Vessel is 64 years old	Vessel, operations	The ministry understands the need to replace the MV Pelee Islander to provide sufficient capacity to service the Pelee Island and is evaluating all potential options, for the service.  Over the next few months, the ministry will be reviewing the ferry service, factoring in the service's capacity issues, cargo needs, and economic considerations, to evaluate all potential options regarding a two-vessel solution.	MTO

Risk	Description/Notes	Risk Type	Mitigation	Owner
			Should the vessel become inoperable, single vessel service to Pelee Island will occur, while the service to Sandusky, OH will be cancelled.	

### **8.3 Mitigation Strategies**

#### **Preventive Measures**

OSTC is highly regulated for the purpose of assessing and managing risks. It is the responsibility of the individual Classification Society surveyor (on behalf of Transport Canada) to determine if a company is applying regulation properly and operating its vessels within the regulations:

1. OSTC reviews all new legislation and regulations, and implements changes as required by law. Those regulations include but are not exclusive to safety equipment, operating manuals, crew certification, fire protection, emergency evacuation, and training requirements.
2. OSTC operates all vessels in accordance with the Canada Shipping Act and ancillary regulations; and all other relevant provincial and federal regulations including but not limited to Pollution Prevention and Control, Workplace Health and Safety, and Marine Transportation of Dangerous Goods.
3. OSTC independently assesses safety, security and environmental risks that may not be required within regulation and incorporates procedures and training in OSTC's Safety Management Systems.

#### **Insurance**

OSTC carries insurance policies for Marine Hull, Marine P&L, Property, CGL, Auto, Boiler and Machinery, D&O, Fiduciary, Crime, EPL, Business Practices, Internet Security, and General Liability insurance coverage. Insurance coverage is reviewed annually to ensure there is adequate coverage in all areas of the organization.

## **9. Environmental Scan**

### **9.1 Economic Conditions/Business Climate**

The Manitoulin Island ferry service supports the tourism, agriculture and commercial industries in the Algoma District in Northern Ontario and the Bruce Peninsula.

Manitoulin Island has increased its agricultural output in the past few seasons and OSTC plans to improve its data collection to better quantify agricultural outputs transported in the 2024 and 2025 sailing seasons.

The Moose Factory Island ferry service is a necessary means of transportation and provides significant socio-economic benefits as, without the ferry, the residents on Moose Factory Island would have limited access to mainland goods and services. The ferry is certified by Transport Canada for the safe carriage of passengers and can transport large commercial vehicles.

#### **Competition**

The Manitoulin Island ferry service is an optional mode of transportation for customers to reach their destination. Persons traveling to Manitoulin Island and northern Ontario, as well as from northern Ontario travelling to southern Ontario, can travel by Provincial Highways 400 and 69, and bypass the ferry entirely.



Loss of vessel traffic to Highways 400 and 69 is high-risk for the ferry service as a significant proportion of customers are not using the ferry service to visit Manitoulin Island but are using it to reach Northern Ontario beyond Manitoulin Island. Past customer surveys indicate that only 30% of ferry traffic identifies Manitoulin Island as their destination.

In 2024, OSTC plans to improve marketing of excursion opportunities to encourage greater use of our service. The two one-way fares required for a return voyage remain competitive with local tour boat operators in Tobermory. Many tourists opt to take the glass bottom boat tours for the experience and are not aware of the experience that the *Chi-Cheemaun* can offer. OSTC will continue to promote the walk-on options through social media campaigns.

MV *Niska I* is the only means of transporting vehicles between Moosonee and Moose Factory, except for a small private landing craft, and winter roads when available.

### ***MS Chi-Cheemaun Ferry Traffic & Fares***

OSTC undertakes an annual cost and benefit exercise using origin and destination information gathered through the customer survey to determine whether time, cost or distance are one of the factors that influences the ferry customer's choice between taking the ferry or driving around Georgian Bay.

OSTC also performs an annual comparison of OSTC's fare structure to other Canadian ferry services operating vessels of similar size to the MS *Chi-Cheemaun* on routes of comparable distance.

OSTC had established the 2005 annual vehicle deck utilization rate of 67.7% as the short-term traffic improvement target for this plan. Vehicle deck utilization is measured as the percentage of usable vehicle deck space occupied per departure. There are eight vehicle categories which have been assigned average vehicle lengths. Total footage for each load is calculated by multiplying the number of vehicles per category by the assigned average length.

Steps OSTC has taken to maximize ferry revenues:

- OSTC has modified the fare structure to arrive at prices that balance revenues and customer costs. This included the introduction of Off-Peak (spring/fall) and Peak (summer) pricing.
- A fare simplification exercise is underway to explore opportunities for more understandable fare structures for passengers and staff.
- Post-COVID, OSTC continues to review services such as dinner cruises, live entertainment, craft brew tastings, artisan shows and sales, storytelling and interpretation, and vessel charters.

OSTC's focus will be on generating more vehicle and passenger traffic to improve revenue levels through additional marketing and new ferry experience initiatives. An overhaul of the merchandise offered in the on-board "Boatique" began in 2014-15 and continues to focus on locally and regionally produced products. New and attractive merchandise is acquired yearly to accommodate shifting tastes.

## **9.2 Fuel Costs**

In fiscal 2022-23, fuel costs, OSTC's biggest single cost of operation outside of payroll, rose significantly, and although they have decreased in fiscal year 2023-24, costs remain high. Fuel costs have risen 11.5% per year for the last 5 years (2018-2023).

## **9.3 Facilities Supporting Service Operation**

### ***Ships***

MS *Chi-Cheemaun* was built in 1974 and is 105.61 meters long, 18.99 meters wide, and 6990.65 gross register tons. The steel ferry has two passenger levels containing a dining room, gift shop, tourism information centre and two seating lounges. The ship can accommodate up to 138 standard size automobiles in the multi-ramped vehicle deck, and 638 passengers per trip. A service level assessment will be undertaken for the Manitoulin Island service in 2024-25, to assist in developing specifications for a replacement vessel.

MV *Niska I* was built in 2010 and is 27 meters long, 10.5 meters wide and 153.09 gross register tons. It is an open deck ferry with no interior passenger accommodation. The ferry can carry up to 10 standard automobiles and 47 passengers, or up to two full length transport trucks per 20-minute crossing.

### ***Terminal Buildings and Properties***

The Tobermory and South Baymouth Ferry Terminal Buildings are of stone and brick construction with a combination of flat and peaked roofs. Originally built in 1973, the buildings have required roof and window repairs over the last 30 years. Both buildings have had their interiors renovated (South Baymouth in 2014-15, and Tobermory in 2016-17) and now conform to AODA requirements for persons with disabilities.

### ***OSTC Main Office Building***

OSTC is housed on an interim basis in Class A office space in downtown Owen Sound, only 200m from the winter berth of the *Chi-Cheemaun*. Reservations will continue to operate from the Springmount location in 2024, while OSTC works with provincial staff to determine a longer term solution to its head office needs.

### ***Tobermory, South Baymouth & Owen Sound Wharf Facilities***

Transport Canada is the owner of the Tobermory and South Baymouth dock walls, and the Owen Sound harbour wall used exclusively by OSTC, all adjacent to OSTC-owned properties.

OSTC owns a small piece of riverfront property and a water lot on the west wall of the Owen Sound inner harbour where the MS *Chi-Cheemaun* is berthed in the winter months.

All the above wharves (Tobermory, South Baymouth, and Owen Sound) are on Transport Canada's list for divestiture. Any future discussions regarding the transfer of facility ownership will be conducted between the MTO and Transport Canada.

### ***Moosonee Winter Storage Haul-Out Facility***

In 2011, the Ontario Northland Transportation Commission (ONTC) began construction of a marine railway at the MV *Niska I* loading ramp. Construction was stopped when excavation of the piece of land revealed that it was predominantly marine clay, and unsuitable to provide the stability required for the railway. As an interim measure, while other options were being investigated, MV *Niska I* was hauled out on the Moosonee Transportation Limited (MTL) marine railway on an adjacent property. The vessel has wintered on the MTL marine railway from 2011 through 2023. Discussions are underway in 2024 to explore short-term and long-term options.

### ***Navigable Route/Dredging***

**South Baymouth Channel:** Lower than normal water levels threaten to reduce the safe navigational channel for MS *Chi-Cheemaun's* approach into the South Baymouth dock. The agency will continue ongoing discussions with Transport Canada to identify options to ensure safe navigation through this channel and include consultations with community interests as needed.

OSTC follows and reviews weather patterns, ice formation and break-up, and water levels as the start of each sailing season approaches. Water level readings are observed and recorded by all captains on all ships prior to taking a ship away from the dock on every crossing, to ensure safe passage.

**Moose River:** Lower than normal water levels have reduced the safe navigational route for the MV *Niska I* to Moose Factory Island. A significant dredging project was completed in 2023. A multi-year water level monitoring agreement is in place and it is expected dredging will be needed again in four to five years subject to annual infill rate observations in the river delta.

**Owen Sound Harbour:** Owned by Transport Canada, the Owen Sound Harbour has been identified as an asset for divestment. The ministry, OSTC and Transport Canada will continue discussions on options and approaches.

#### **9.4 Environment**

OSTC ferry operations are in full compliance with all applicable environmental regulations as set out by Transport Canada.

OSTC participates in the voluntary Green Marine environmental program and is certified at a Level 2 out of 5 for vessels and 1 out of 5 for terminals for the 2022 season. The Pelee Island ferry service is part of this program and is evaluated annually on performance indicators set by Green Marine. 2023 season evaluations will be completed in Spring, 2024.

#### **9.5 Passenger Demographics:**

Over the last several years, the ferry service has experienced an increase in middle-aged to older customers. Approximately 67 per cent of customers are 46 years of age and older. The professional compilation of traveler information collected over eight years during the market feasibility study showed that 38% of passengers travel to the ferry from Southwestern Ontario (bordered by Toronto on the east and Windsor on the west). Customers from Manitoulin Island, Bruce Peninsula and the Greater Toronto Area (GTA) made up 37 per cent of the respondent base.

Survey results consistently showed that 40% to 50% of travelers take the ferry for recreation and vacation purposes and 30% to 40% uses the ferry because it is the shortest route to their destination.

## **10. Human Resources**

### **10.1 Building Capacity. Managing Change.**

While OSTC has managed continuous change over recent years, it recognizes the importance of securing stability and consistency in leadership roles. To achieve this, the OSTC intends to enhance leadership

recruitment and development activities to support the agency's objectives and sustain operational effectiveness.

During 2023-24 a full-time director of HR and an HR Specialist were hired. OSTC is reviewing staffing required to continue to build organizational capacity and close operational gaps. Further, it will continue updating human resource policies, processes and systems throughout 2024-25.

The organization chart illustrates the organization-wide human resources that will support the planning and change management of a modern, public service marine operation. The other key resources required are strategy, policies and processes, systems, and time to manage change.

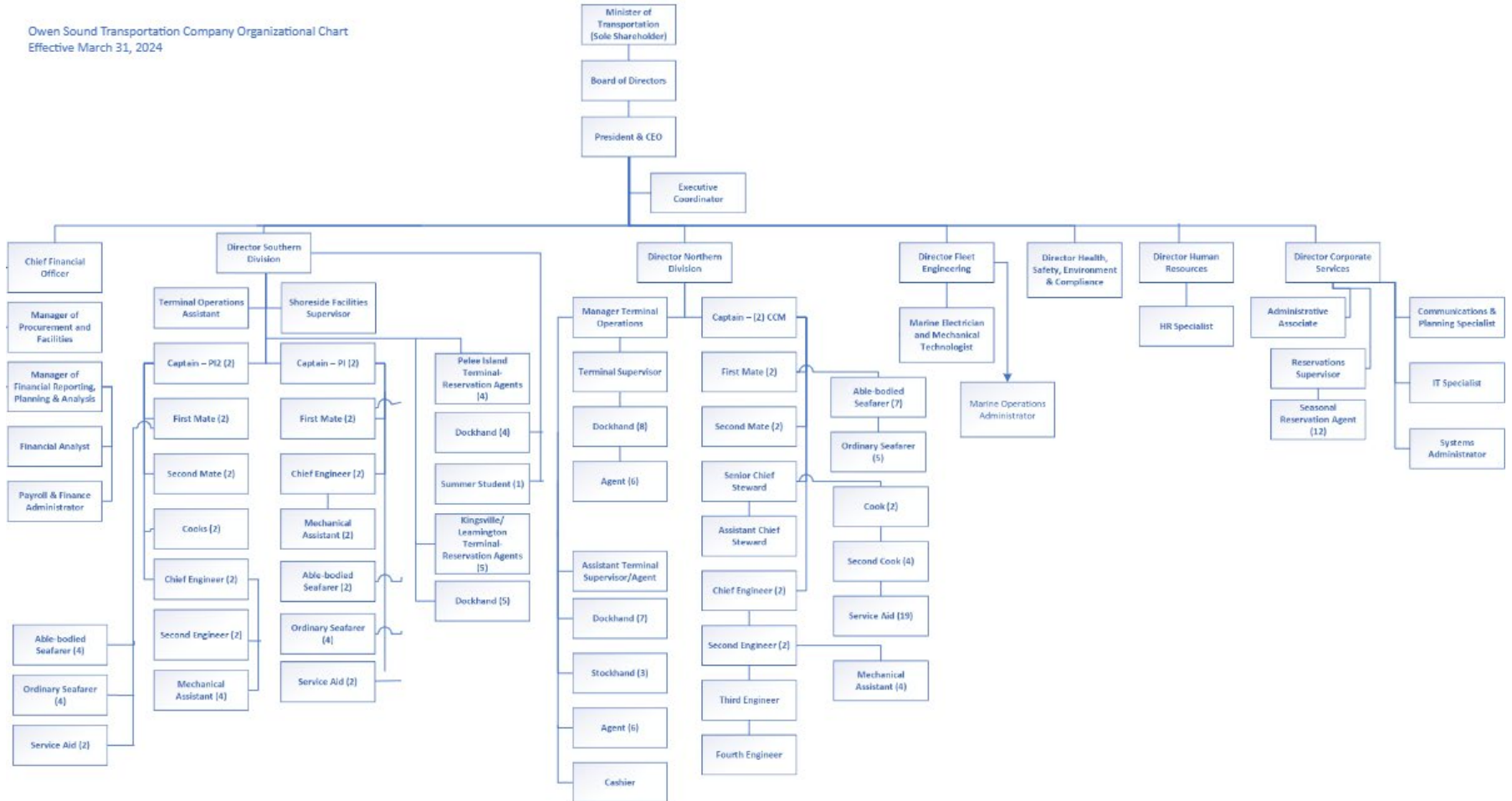
### **10.2 Organization Chart and Capacity Analysis**

The following organization chart (refer to s 10.3) illustrates the human resource capacity required to address the strategic direction, business objectives and implementation plan set out in this business plan.

OSTC will be focusing its efforts to address the critical Human Resource, Financial and Technical Management and support position needs.

### 10.3 OSTC Organization Chart

Owen Sound Transportation Company Organizational Chart  
Effective March 31, 2024



#### 10.4 Human Resource Business Objectives

The human resource strategies to address business objectives include the requisite people, policies, processes and systems. The company operates in a cyclical, seasonal manner with a geographically disparate employee base, multi-location workplaces (including shore and ship offices), multiple labour unions, a broad employee demographic profile, and an intense operating season.

We are committed to the development of HR policies, programs and strategies that meet the needs of both the organization and the people who bring their commitment, skills, and abilities to work every day. We endeavor to engage employees at times and use methods that meet their needs and optimize their participation.

Interdependency also plays a role in the timing required to roll out policies, processes, and systems to meet business objectives. As new human resources are added and programs are developed, the organization builds capacity to enable objectives.

Implementation is based on the availability and outputs of other people and programs, making the timeline for delivery fluid. The organization acquired a full-time senior HR Director and an intermediate HR specialist to build the human resource capacity to deliver on these priorities (Table HR 02).

Table HR 02: Human Resource Business Objectives	Timeline
1. Fully Implement a Human Resources Information System (HRIS) - Collage	2024-2025
2. Develop and implement a performance management program	2024-2025
3. Develop and implement a total compensation management plan (including pay equity).	2024-2025
4. Survey employees, conduct research and advise on benefits planning.	2024-2025
5. Develop and implement human resource policies and procedures.	2023-2025
6. Develop and implement a company-wide retention plan.	2023-2026
7. Develop and implement recruitment strategy.	2023-2025
8. Develop and implement a succession plan and training policy and program that contributes to employee retention and succession planning of skilled employees.	2024-2026

#### 10.5 Employee Engagement Metrics

In late 2022, OSTC conducted its first-ever Employee Engagement Survey. OSTC’s senior management wanted to provide employees with a structured, quantifiable, and anonymous way to share individual perspectives on a range of topics to supplement one-on-one and town hall discussions.

The employee satisfaction survey is one of the most used resources by leaders and HR departments because of its simplicity. This is an effective way to know the status of teams and the results indicate how to improve, respond appropriately to concerns and, in some cases, anticipate and address potential workplace issues.

#### 10.6 Business Plan Objectives

1. Implement an HRIS for the purpose of employee data storage, input, tracking and reporting. The chosen system, Collage HR, is a two-way system allowing both management to enter and track data, and employees to access and update their information as well as making time-off requests, once fully implemented. The Collage HRIS includes performance management modules which will allow two-way participation in performance reviews and provide opportunity for recognition and improvement plans where needed. Collage HR also has a full recruitment module allowing posting of jobs and a complete applicant tracking system for proper selection and onboarding of

candidates. Once fully implemented Collage HR will serve as a communication hub for all staff and provide a survey tool where OSTC can survey staff and involve staff in more decision-making processes.

2. Develop and Implement a Performance Management Program
3. As part of the new HRIS, a performance management program will be developed with a simplified version implemented for year end 2023 and a full version implemented in 2024.
4. Develop and Implement a Total Compensation Management Plan (including Pay Equity)

Total compensation is the collective compensation provided to employees in exchange for their services and includes base compensation as well as benefits.

At OSTC, licensed officers work a seven days on, seven days off rotation; this has become a consistent practice in 2023. The passenger ferry operation offers this flexibility and allows OSTC to readily recruit and retain licenced seafarers (notwithstanding the global shortage of qualified labour).

OSTC has engaged the contracted insurance broker to identify and review all benefit programs and the offerings to ensure they align with Ontario Public Service (OPS) benefit offerings and that OSTC is receiving appropriate value for cost. A market review will take place to assess whether OSTC continues to offer Administrative Services Only (ASO) benefit plans with ONTC, reviews options to better limit costs under the ASO plans, or seeks a provider or providers of insured plans.

Job descriptions are under review and will be updated leading to a job evaluation of all OSTC positions, planned for 2024-25. Compensation plans will be reviewed and updated, where appropriate, for all non-unionized positions to better align with OPS comparators and with legislative requirements e.g. O. Reg. 406/18: Compensation Framework.

In 2023, OSTC began the development and implementation of policies with the introduction of three mandatory policies (Code of Conduct, Harassment, Conflict of Interest and Declaration of Interest) under the Ontario government public sector framework. The continued rollout of these policies (including training as required) will continue this year. With the implementation of a Director of HR and HR Specialist, further policies and programs e.g. a Compensation Policy, Time Away From Work Policy, Appearance Standards, Respectful Workplace Policy, etc. will be developed to ensure full compliance with the AAD and to align with the Ontario Public Service human resources strategy.

The development of an employee intranet will help ensure access to company information including all policies and will be part of the HRIS implementation process. OSTC will continue to survey and/or gather employee feedback in various ways to help inform decisions and policies moving forward.

Once the above pressing objectives are met, effort will be placed on developing more effective recruitment and retention strategies and will be rounded out with a succession planning program.

## **11. Health, Safety, Environment and Compliance**

A Director of HSEC was engaged in May of 2023 and a number of initiatives have already been completed, with many planned for the business plan period of 2024-25 and 2025-26

In FY 2023-24 OSTC has been working with the Canadian Transportation Agency (CTA) to ensure that Accessibility for Ontarians with Disabilities Act (AODA) compliances are reflected correctly on our website according to the Act. The OSTC website is now in full compliance and our terminals and ships are also being upgraded to provide safety information in large print and Braille formats (Chi-Cheemaun and North Terminals now complete).

## Performance Measures

Performance measures and targets have been established only for those areas in which the company and its personnel can have an influence. For example, the company cannot influence the weather, however the weather can have an influence on the company’s performance. OSTC will continue to work with the ministry to refine its performance measures through subsequent business planning processes.

### Public Performance Measures

#### *Customer Satisfaction*

Goals/Outcomes	Measures	Targets/Standards	2024-25 Commitments
Customers are satisfied with the quality of service provided on the ship and on the dock	Customer surveys	95% satisfaction level as minimum standard	Conduct real-time surveys on vessels and maintain a minimum customer satisfaction level of 95%

#### *Customer Complaint Resolution*

Goals/Outcomes	Measures	Targets/Standards	2024-25 Commitments
Customer complaints are responded to in writing, within five working days of the complaint	Average response time for complaint resolution	Average response time of no more than five working days	Investigate and respond to customer complaints in writing, within five working days

#### *Mechanical Downtime*

Goals/Outcomes	Measures	Targets/Standards	2024-25 Commitments
No lost operating time resulting from preventable mechanical failures	Vessel Log Sheets	Zero lost days resulting from preventable mechanical problems	Adhere to preventative maintenance program to ensure service is not disrupted due to mechanical failure

#### *Safety*

Goals/Outcomes	Measures	Targets/Standards	2024-25 Commitments
No injuries to staff	Injury Reports	Zero lost time for injuries to staff	Reinforce safety first culture amongst staff

#### *Customer Safety*

Goals/Outcomes	Measures	Targets/Standards	2024-25 Commitments
No injuries to passengers	Customer first aid reports	Zero first aid requirements for customer trips or falls	Ensure all accessible areas are safe and customer friendly. Any reported issues are



Goals/Outcomes	Measures	Targets/Standards	2024-25 Commitments
			addressed within standards.

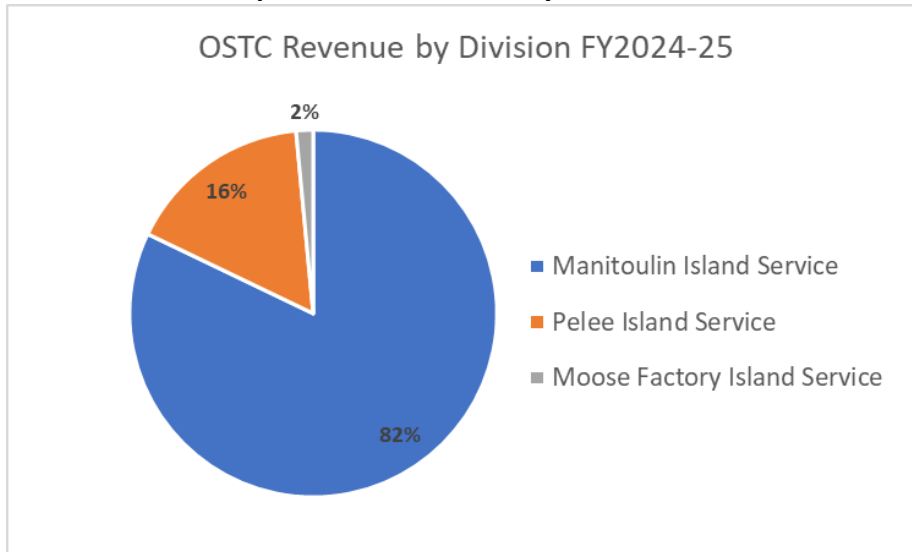
## 12. Financial Profile

### 12.1 Operating Budget Summary

The 2024-25 to 2026-27 Operating Budget for the 3 services is as follows:

SUMMARY OPERATING BUDGET FY 2024-25 TO FY 2026-27			
<b>Revenue</b>			
Passengers	\$ 3,772,200	\$ 3,795,066	\$ 3,818,618
Vehicles and freight	\$ 4,409,500	\$ 4,429,585	\$ 4,450,273
Other	\$ 1,897,650	\$ 1,940,030	\$ 1,983,646
	\$ 10,079,350	\$ 10,164,681	\$ 10,252,537
<b>Expenses (for funding purposes)</b>			
Salaries & Benefits	\$ 12,840,030	\$ 13,228,456	\$ 13,626,001
Repairs & Maintenance	\$ 3,528,400	\$ 3,639,752	\$ 3,754,191
Fuel	\$ 3,985,200	\$ 4,223,920	\$ 4,476,935
Services	\$ 2,052,300	\$ 2,120,885	\$ 2,184,473
Other	\$ 5,014,175	\$ 5,165,024	\$ 5,320,404
	\$ 27,420,105	\$ 28,378,037	\$ 29,362,004
<b>Total Operating Subsidy Requirement</b>	\$ 17,340,755	\$ 18,213,356	\$ 19,109,467
Expenses not included in funding calculation			
Amortization	2,050,000	2,150,000	2,250,000
Changes to Future employment benefit liability	301,195	314,396	320,000
	2,351,195	2,464,396	2,570,000
. Includes operating revenues and costs of the Pelee Island Transportation Service			

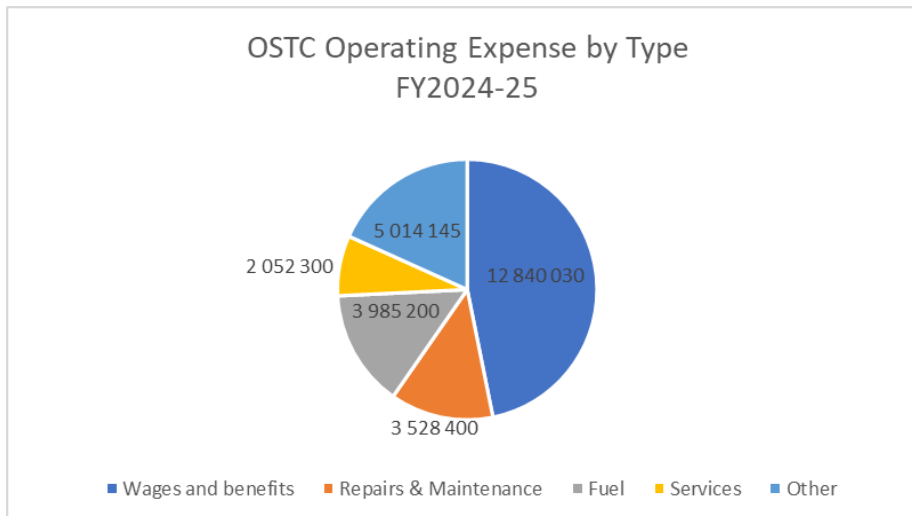
### Owen Sound Transportation Revenues by Division



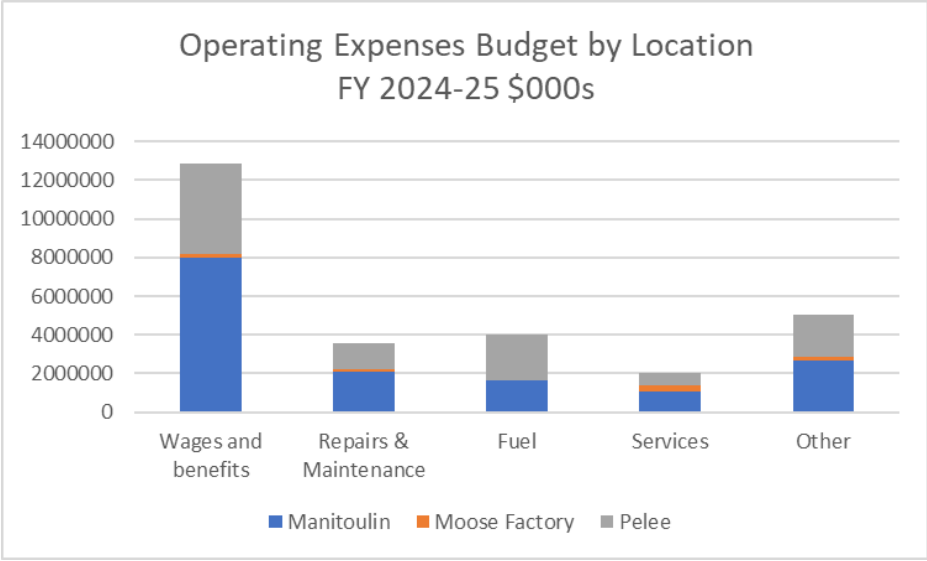
Revenues had been materially impacted by the pandemic, both in terms of reduced capacity (fewer trips), and reduced passengers and vehicles per trip. This plan provides for the capacity to remain at its 2022-23 levels. Revenues for the Manitoulin Island Service are anticipated to increase by 3% in 2024-25 compared to 2023-24. The marketing plan will be updated in 2024-25, to consider market segmentation and fare sensitivity.

The Moose Factory Island Service will not have a repeat of the large charter in 2023-24 but will benefit from the completion of dredging and a return to a full schedule, while Pelee Island Service revenues are expected to be unchanged year over year.

### Owen Sound Transportation Expenses



In 2024-25, Wages and Benefits are planned to represent approximately 47% of total expenses (excluding amortization), followed by Fuel – 15%, Repairs and Maintenance – 13%, Services – 7%, and Other (utilities, operating supplies and miscellaneous) – 18%.



The Manitoulin Island Service, which includes the head office of OSTC, has the majority of each expense. However, for fuel, the Pelee Island Service has increased costs due to the longer season, increased sailings, and distances involved. As the Pelee Island Service costs are directly funded through a contract with MTO for services, these amounts were previously netted in OSTC’s operating budget.

**12.2 Capital Budget Summary**

The Capital Budget Requirement is as follows:

Location/Project	OSTC 10 year Capital Plan			
	2024-25	2025-26	2026-27	2027-2034
South Baymouth	\$ 722,000	\$ 100,000	\$ 100,000	\$ 700,000
Tobermory	\$ 1,516,000	\$ 250,000	\$ 250,000	\$ 1,750,000
Chi-Cheemaun	\$ 6,803,000	\$ 4,070,000	\$ 8,345,000	\$162,615,000
Moosonee	\$ 6,050,000	\$ 25,000	\$ 25,000	\$ 375,000
OSTC Owen Sound Office	\$ 1,900,000	\$ -	\$ -	\$ -
<b>Total</b>	<b>\$16,991,000</b>	<b>\$ 4,445,000</b>	<b>\$ 8,720,000</b>	<b>\$165,440,000</b>

Key 2024-25 projects include engine stabilizer and water-tight door replacements on the Chi-Cheemaun, completion shore costs remaining from the dredging project, and the haul out and launch project in Moosonee, and the head office review project.

The out years include a proposed replacement vessel for the Chi-Cheemaun (subject to further planning work and approvals).

Pelee Island Transportation Services capital costs are not included, as MTO owns all PITS assets.

### 13. Information Technology (IT)/Electronic Service Delivery (ESD) Plan

As the agency moved forward on its journey of systems modernization, it has continued to uncover opportunities for improved integration, real-time reporting, and added services to support and attract customers. These opportunities should result in better utilized and more efficient operations moving forward.

OSTC continues to advance priority initiatives to improve data-driven decision-making tools by introducing and leveraging the capabilities of new software systems, and to continue to work on new initiatives including:

- **Investigate and pilot introduction of Wi-Fi onboard vessels for passenger use.**
  - Utilizing the Starlink communication system introduced in 2023.
- **Enhance Reporting, Data and Analytics**
  - Establish dashboard reporting to support performance measures programs.
  - Create an offline data warehouse to support reservation system reporting.
  - Improve the usage of the Microsoft Power Platform (Power BI, Power Automate, Power Apps)
- **Cyber Security Improvements and Awareness**
  - Continue to ensure heightened employee awareness of cyber security and cyber hygiene through regular year-round communications and training with special communications during Cyber Awareness month.
  - Improve IT security and user acceptance policies for onboarded employees at the beginning of the sailing season.
  - Administer simulated phishing campaigns for staff and conduct tabletop exercises.
- **Ongoing adoption of Microsoft 365 tools and features.**
- **Update / improve security systems**
  - Investigate and update security systems onboard and at terminals.
  - Re-establish Chi-Cheemaun port camera in Tobermory (webcam).
- **Refresh IT infrastructure at Owen Sound office.**
  - Update infrastructure to ensure a smooth transition to the new office.
- **Improve and modernize digital signage and video display system.**

### 14. Initiatives Involving Third Parties

#### 14.1 Strategic Alliances

OSTC is a member of the Canadian Ferry Association. We work with Transport Canada Marine Safety regarding application of regulatory reform in the passenger ship industry. OSTC has also actively participated in regulator and industry forums such as Canadian Marine Advisory Council (CMAC) and the Great Lakes Marine Advisory Board (GLMAB), and plans to continue to participate.

OSTC is a supporter of the marine training program at Georgian College in Owen Sound, Ontario. OSTC employs cadets of the college on the MS *Chi-Cheemaun* and the MV *Pelee Islander II*.

## **14.2 Community Partnerships**

Through the ferry service’s community advisory committees and regional tourism partnerships, OSTC partners with the communities on each end of the ferry route to jointly promote the opportunities of each region, using the ferry for access.

OSTC has historically been engaged with the members of the communities it serves and plans to continue engagement with local groups during 2024-25. The following provides a historical perspective of community involvement and areas identified for planned re-engagement. In Tobermory, OSTC is a major financial partner in the community’s water and sewage systems; it sponsors “Big Canoe Weekend” and provides sponsorship for items such as the highway speed reminder sign and permanent Christmas light fixtures and Canada Day celebrations. In South Baymouth, OSTC houses the water intake and treatment facility for the Township of Tehkummah and is a sponsor of community association projects including outdoor benches. OSTC is a major opening night participant in the Festival of Northern Lights and provides the ship to the Blue Water Regional Science and Technology Fair committee to use for special events during the School Board Wide Regional Science Fair.

The company owns the ferry/landing craft *Niska* and partners with the economic development arm of Moose Cree First Nation to carry passengers and freight from the island to Moosonee in operating months (typically June through late September).

## **14.3 Maintenance of vessels and facilities**

Vessel and facility maintenance that exceeds the ability of OSTC employees, or is unique or specialized, is contracted with specialized companies, as required.

## **14.4 External Clients**

OSTC’s external customers include contract clients (MTO), the communities on Manitoulin Island and the Bruce Peninsula, the communities of Moosonee and Moose Factory Island, the communities in Essex County and Pelee Island, and all users of the ferry services.

OSTC obtains operational feedback from all user groups either through public forum (community advisory groups), customer survey cards and verbal or written correspondence. OSTC provides operational and financial reports to contract clients in compliance with the schedules contained within the agreements.

## **15. Communications Plan**

OSTC communications are governed by the Memorandum of Understanding (MOU) between Owen Sound Transportation Company (OSTC) and the government. The President and CEO and Planning & Communication Specialist of OSTC and the Director of Communications at the Ministry of Transportation (MTO) share responsibility for the coordination of public communications and media initiatives.

Communication items being worked on:

- Increasing awareness and presence on digital platforms by creating original high quality informative and engaging content and posting regularly
- Establishing policies including sponsorship policy, internal and external cancellations communication policies,

- Keeping website updated – i.e., public notices, sailing schedules, terms & conditions, amenities, etc.
- Creating and establishing new messages for digital and published ads
- Evaluating advertisement opportunities
- Establishing a cohesive corporate identity on business collateral (i.e., letterheads, business cards, public documents, social media, email signatures, etc.)

### **15.1 Communications Scenarios**

- Changes to ferry service; cancelled or delayed sailings – external users of the service
- Safety messages on board the vessel and at the terminal facilities
- Sales and marketing messages – external users of the service
- Decision making and recommendations – internal operations personnel
- Accidents that result in material damage or injury to persons
- Information regarding the start and end of the sailing season
- Hours of operation
- Events taking place on the Chi-Cheemaun that are open to the public (ie. Sunset Cruise)
- Communicating sponsorship opportunities for non-profit organizations
- Chi-Cheemaun's 50<sup>th</sup> Anniversary May 3 – October 2024
- Positions for which OSTC is hiring
- Sharing how we're giving back to the community

### **15.2 Audiences**

- Reserved and non-reserved customers (general traveling public)
- General public at-large – with a majority located in Ontario
- Tourists to the Grey-Bruce region
- Local businesses, business leaders, non-profit organizations
- Social media followers (Facebook, X, LinkedIn, Instagram)
- OSTC Board of Directors, Ministries and agency employees
- Local residents / community
- Ferry Service Advisory Committee
- Media outlets

### **15.3 Communication Tactics by Objective**

- Customer Notifications of Major Service Delays: radio, newspaper, and television and website news outlets, Facebook, X, Instagram; telephone; highway signs, SMS OPT-IN service and direct SMS messaging to impacted reservation holders.
- Sales and Advertising: radio and television, website, newspaper, travel guides, highway signs, direct sales literature, travel shows, travel agencies, Facebook, X and Instagram for annual and ongoing sales and advertising.

### **15.4 Communications Budget and Evaluation Plan**

OSTC's marketing and communication activities were largely suspended between 2020 and 2023. In 2024, OSTC plans to revisit a more fulsome approach to marketing and communications.

There is opportunity to increase awareness of ferry services offered in the province and the advertising done by OSTC is primarily used to raise awareness of the Chi-Cheemaun service to those outside our

operating area. The Chi-Cheemaun is a provincial tourist attraction that supports regional economic development.

OSTC continues to use Google Analytics on its company website to get a better understanding of online traffic origins. In previous years, the largest proportion of new visits to the website originated from the Greater Toronto Area (GTA). OSTC will continue to use Google Analytics and similar tools to monitor the effectiveness of marketing investments and social media. OSTC is undertaking an audience audit to determine whether the tactics we are using to communicate with our existing audience and the tactics used to acquire customer conversions are appropriate and effective.

### 15.5 Complaint Response Mechanism & Process

OSTC’s procedure for handling of customer complaints regarding service includes:

**On-site and in-person:** Front line managers and supervisors are empowered to resolve customer complaints in the moment.

**By letter or email:** Letters of complaint are responded to in writing, typically within five working days of receipt, depending on the complexity of the investigation into the complaint.

**By telephone:** Complaint calls are referred to the appropriate Manager, then Director or CEO for response if needed. A follow-up letter is sent if the customer provides a mailing address.

Changes to procedures that arise from a complaint resolution are implemented, and employees are trained accordingly at the earliest possible time, without causing disruption to the ferry services.

## 16. Response to the Minister’s Annual Letter of Direction (ALOD)

The Minister’s Annual Letter of Direction, dated February 20, 2024 requested OSTC to provide progress updates on a quarterly basis on the following 8 items:

ALOD Priority	Deliverable (steps the agency is taking to address the priority)
<p><b>1.</b> 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</p>	<p>OSTC will continue to work with Ministry staff to meet AAD requirements, and will ensure that an Enterprise Risk Management implementation plan is provided to the Ministry by June 1, 2024</p>

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.	OSTC will work Ministry staff to outline their expectations and develop the requested plan by April 30, 2024.
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.	OSTC staff will work with Ministry staff and review asset management data in place and submit the plan by September 1, 2024. OSTC staff will also work with Ministry staff to determine their requirements for a complete transportation needs assessment for the Manitoulin Island 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.	OSTC staff will work with professionals and Ministry staff to complete the HR strategy by February 1, 2025.
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	OSTC will work with the Ministry to support stability at leadership positions and that the requested governance practices are put in place by June 1, 2024, including a regular meeting schedule, records management, and an ongoing assessment of board member skills.



<p>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.</p>	
<p>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.</p>	<p>OSTC will submit the Ferry Channel monitoring program to the Ministry by September 1, 2024. Should the Ministry wish that the monitoring programs for the Leamington and Kingsville harbours be transferred from MTO to OSTC, these will be included once requisite knowledge transfer has occurred.</p>
<p>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.</p>	<p>OSTC will review prior Indigenous community engagement plans with the 4 communities and will propose expanded engagement plans for the term of this business plan by July 31, 2024.</p>
<p>8. Support recommendations and/or action items arising from the provincial ferry review and <i>The Future of the Great Lakes Economy: Ontario's Marine Transportation Strategy</i>, as applicable, and outline any initiatives undertaken in the agency's Annual Report.</p>	<p>OSTC will support any action which may arise from the provincial reviews and strategies.</p>