

**Ministry of
Transportation**

Office of the Minister
777 Bay Street, 5th Floor
Toronto ON M7A 1Z8

Tel: 416 327-9200

**Ministère des
Transports**

Bureau du ministre
777, rue Bay 5^e étage
Toronto ON M7A 1Z8

Tél : 416 327-9200



October 27, 2025

107-2025-2563

James Colliver
Chair of the Board of Directors
Owen Sound Transportation Company, Limited
717875 Highway 6
Owen Sound, ON N4K 5N7

2026-27 Annual Letter of Direction

Dear Mr. Colliver,

I'm pleased to outline our government's priorities for the Owen Sound Transportation Company, Limited (OSTC) for the 2026-27 fiscal year.

Your leadership as Chair is instrumental in ensuring OSTC continues to work closely with the Ministry to deliver on its mandate: providing ferry transportation services that are safe, efficient, and dependable, while remaining aligned with provincial objectives.

In the year ahead, OSTC is expected to maintain its strong focus on safety, for passengers, employees, and the communities it serves through ongoing improvements, adherence to best practices, and full compliance with health, safety, and environmental standards.

I ask that you provide progress updates for the transportation-specific priorities on a quarterly basis, as follows:

Quarter	Deadline
Q1	June 30, 2026
Q2	September 30, 2026
Q3	December 31, 2026
Q4	March 31, 2027

These are the 2026-27 transportation-specific priorities for OSTC:

1. Tariff Impacts

- Continue to monitor and report on tariff risks as part of financial reporting.
 - Include analysis of direct cost impacts on projects, the effectiveness of mitigation strategies, and any actions required from government to manage exposure.

2. Enhance Digital Infrastructure

- As of **June 30, 2026**, the agency must submit to the ministry a comprehensive plan to upgrade its IT and website infrastructure. The plan must include:
 - A detailed assessment of current limitations, including:
 - System performance issues
 - User experience challenges
 - Security gaps
 - Operational constraints (e.g., limited internal IT capacity)
- Identification of required upgrades, including hardware, software, and any tools to improve performance, security, and customer trust.
- Estimated costs for each upgrade, including implementation and ongoing maintenance.
- A proposed timeline for implementation, including key milestones and resource requirements.

3. Capital Asset Management

- Complete the service level assessment and options analysis planned for in 2025-26 with respect to the Manitoulin Island service.
- This service level assessment results should be submitted to the ministry by **September 1, 2026**.

4. Community and Partner Engagement

- Continue to take into account the diverse needs of equity-deserving groups (i.e., women, 2SLGBTQIA+, Indigenous, racialized, vulnerable persons and people with disabilities) in the planning, design and delivery of safe, affordable, accessible, and equitable access to transportation services.
- Continue to take actions to combat sexual exploitation and human trafficking in accordance with Ontario's Anti-Human Trafficking Strategy and the Calls for Justice of the National Inquiry into Missing and Murdered Indigenous Women and Girls.

5. Supporting Ferry Enhancements

- Support recommendations and/or action items arising from the provincial ferry review and outline any initiatives undertaken in the agency's Annual Report.

6. Duty to Consult

- Continue to fulfil the duty to consult Indigenous communities in line with provincial policies.
- Share engagement plans with the ministry before significant commitments and provide updates on outcomes

Furthermore, this letter sets out government-wide commitments for board-governed provincial agencies as follows:

Protect Ontario

1. Expand domestic partnerships within Canada, to promote the development of supply chains and economic opportunities across Canada and support economic resilience, particularly in light of ongoing U.S. tariff threats and economic uncertainty.
2. Procure from Ontario and Canadian businesses whenever feasible.
3. Provide economic relief for Ontario families, consumers and businesses by freezing government fees and fares, unless approved by the oversight Minister.

Deliver Better Services

4. Focus on a user-centered client/customer experience by simplifying interactions, improving satisfaction, and expanding and optimizing digital service offerings.
5. Identify opportunities to enhance efficiency, improve services, drive innovation, and achieve cost savings for the people of Ontario, including through the use of AI and other advanced technologies.
6. Eliminate unnecessary bureaucracy and red tape by applying lean methodologies or other modalities to achieve operational efficiency.

Drive Innovation & Value for Money

7. Find innovative solutions to use public resources efficiently and to effectively deliver on the agency's mandate while operating within agency's financial allocation, supported by accurate financial reporting, effective internal controls, and proactive fraud management practices.
8. Manage agency workforce with careful responsibility to stabilize expenditures and preserve long-term financial viability by:
 - Strictly adhering to the hiring control parameters, including ceasing hiring for non-business critical and non-public facing positions, including the use of consultants;
 - Operating within a defined maximum workforce size (including consultants);
 - Ensuring compliance with the *Broader Public Sector Executive Compensation Act* (BPSECA); and

- Enhancing productivity and efficiency by using technology wherever possible.
- 9. Create a span of control policy that recognizes different streams of work within the organization and sets minimum span of control benchmarks and provide it to the Minister for approval by March 31st, 2026.
- 10. Provide to your oversight minister by October 1, 2025, the amended human resource policy, guideline or directive that adheres to the OPS in-office standard of four (4) days per week effective October 20, 2025, and five (5) days per week effective January 5, 2026, and work with your oversight ministry to address any office space constraints.

Please see the attached **Government Priorities 2026-27 Chart** for further details of each priority and the accompanying performance measures that can be utilised if measurements are not currently in place.

Per the requirements of the Agencies and Appointments Directive, agencies are required to align goals, objectives and strategic direction with our government's priorities and direction. As Chair, you must ensure that OSTC's business plan demonstrates the agency's plans in fulfilling the expectations and government priorities and that progress and achievements are reported through your annual report. Compliance with these requirements is reported to Treasury Board/Management Board of Cabinet annually.

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

Should you have any questions, please feel free to contact my chief of staff, Megan Skinner (megan.skinner2@ontario.ca).

Sincerely,



Prabmeet Singh Sarkaria
Minister of Transportation

- c. Mike St. Amant, Interim Chief Executive Officer, Owen Sound Transportation Company, Limited
Megan Skinner, Chief of Staff, Ministry of Transportation
Doug Jones, Deputy Minister of Transportation

Melissa Djurakov, Assistant Deputy Minister, Oversight and Agency Governance Division, Ministry of Transportation
Jasan Boparai, Assistant Deputy Minister, Operations Division, Ministry of Transportation
Virginia McKimm, Assistant Deputy Minister, Corporate Services Division and Chief Administrative Officer, Ministry of Transportation

Attachment: Government Priorities 2026-27 Chart