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Ms. Connie Dejak
Chair
Ontario Cannabis Retail Corporation
4100 Yonge Street, Suite 200
Toronto, Ontario
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Dear Ms. Dejak:

I am pleased to share our government's 2023-24 priorities for the Ontario Cannabis Retail Corporation (OCRC).

As Chair of the Board, you play a vital role in helping the OCRC achieve its mandate. It is important that your agency's goals, objectives, and strategic direction continue to align with our government's priorities and direction. As part of the government of Ontario, agencies are expected to act in the best interests of the people of Ontario and ensure that they provide value for money to taxpayers. Agencies are also required to adhere to government policies and directives.

Per the requirements of the Agencies and Appointments Directive, this letter sets out my expectations for the OCRC for 2023-24. These priorities include:

1. Competitiveness, Sustainability and Expenditure Management

- Continue identifying and pursuing opportunities for revenue generation, innovative practices, and/or improved program sustainability;
- Continue identifying and pursuing efficiencies and savings;
- Complying with applicable direction related to Supply Chain Centralization, Realty Interim Measures and Agency Office Location Criteria;
- Leveraging and meeting benchmarked outcomes for compensation strategies and directives; and
- Working with the ministry, where appropriate, to advance the Ontario Onwards Action Plan.

2. Transparency and Accountability

- Abiding by applicable government directives and policies and ensuring transparency and accountability in reporting;
- Adhering to requirements of the Agencies and Appointment Directive (AAD), and responding to audit findings, where applicable; and
- Identifying appropriate skills, knowledge and experience needed to effectively support the board's role in agency governance and accountability.

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3. Risk Management

- Continue identifying, assessing and mitigating risks, including planning for and responding to emergency situations, including cyber and security-based disruptions; and
- Ensuring a continuity of operations plan that:
 - Identifies time critical or essential services and personnel at the agency and at the OCS's distribution center and associated delivery hubs;
 - Outlines how services levels could be recovered as quickly as possible in the event of an emergency situation, including cyber and security-based disruptions.

4. Workforce Management

- Optimizing your agency's workforce to enable efficient and effective fulfilment of government priorities, while enhancing customer service standards;
- Streamlining back office functions to ensure that all available resources are redirected towards the critical front-line services that the people of Ontario depend upon; and

5. Data Collection

- Continue improving how the agency uses data in decision-making, information sharing and reporting, including by leveraging available or new data solutions to inform outcome-based reporting and improve service delivery; and
- Supporting transparency and data sharing with the ministry, as appropriate.

6. Digital Delivery and Customer Service

- Exploring and implementing digitization or digital modernization strategies for the provision of services online and continuing to meet and exceed customer service standards through transition;
- Using a variety of approaches or tools to ensure service delivery in all situations, including cyberattacks and business or labour disruptions; and
- Increasing data sharing with Supply Ontario when applicable regarding procurement spending and planning, contract arrangements and vendor relations to support data-driven decision-making.

7. Diversity and Inclusion

- Developing and encouraging diversity and inclusion initiatives promoting an equitable, inclusive, accessible, anti-racist and diverse workplace; and
- Demonstrating leadership of an inclusive environment free of harassment.

In addition to these government-wide priorities, I expect the OCRC to focus on:

- Continuing to work with the government, the Alcohol and Gaming Commission of Ontario (AGCO), licensed producers, and licensed cannabis retailers to enable a vibrant legal cannabis market that displaces the illicit market;
- Continuing to review the OCRC's wholesale pricing model and ensure that the OCRC, as the exclusive wholesaler of cannabis in the province, provides transparency on pricing and supports a competitive marketplace;
- Continuing to focus on the deployment and management of robust, foundational wholesale and distribution infrastructure, alongside operational capability enhancements, to ensure the agency is positioned to support current and future network needs as consumers continue to transition towards legal sources;
- Continuing to work with federally-licensed producers in Ontario, and across Canada, to enable a diverse and innovative assortment of quality-tested products into the market, to increase choice for consumers and incentivize the purchase of cannabis through legal channels;
- Championing a socially responsible industry by continuing to implement the OCRC's Social Responsibility Strategy focused on sustainability, diversity and inclusion, and advancing cannabis knowledge;
- Continuing to respond to the findings of the Auditor General of Ontario's 2021 value-for-money review of the OCRC;
- Continuing to work with the Province to engage Health Canada as part of its review of the federal legal cannabis framework;
- Continuing to work with government to build and strengthen partnerships with First Nation communities;
- Continuing to ensure access to legal cannabis products in underserved, remote and rural communities across the province; and
- Managing the operational, strategic and financial risks encountered by the OCRC, to help ensure the OCRC and government meet financial and social objectives as they relate to the sale of legal recreational cannabis.

I would be pleased to discuss these priorities during our next meeting, and I look forward to hearing how they will be reflected in the OCRC's upcoming business plan and in ongoing agency operations.

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

Should you have any questions, please feel free to contact Richard Clark, Chief of Staff to the Minister of Finance at (647) 309-5714 or richard.clark@ontario.ca.

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Sincerely,

A handwritten signature in black ink, appearing to read "Peter Bethlenfalvy". The signature is fluid and cursive, with a prominent loop at the end.

Peter Bethlenfalvy
Minister of Finance

- c: David Lobo, President and CEO, Ontario Cannabis Retail Corporation
- Greg Orencsak, Deputy Minister of Finance
- Richard Clark, Chief of Staff to the Minister of Finance
- Nancy Mudrinic, Associate Deputy Minister, Office of Regulatory Policy and Agency Relations, Ministry of Finance
- Erin McGinn, Assistant Deputy Minister, Government Business Enterprise Division, Ministry of Finance
- Tom McKinlay, Director, Legal Services Branch, Ministry of Finance