

**Ministry of
Transportation**

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November 3, 2022

Alan Spacek
Commission Chair
Ontario Northland Transportation Commission
ONTC.Chair@ontarionorthland.ca

Dear Mr. Spacek:

I am pleased to share our government's 2023-24 priorities for the Ontario Northland Transportation Commission (ONTC).

As Chair, you play a vital role in helping the ONTC achieve its mandate. It is important that your agency's goals and objectives continue to align with our government's priorities and direction.

Recognizing the unique transportation challenges in Northern Ontario, I ask that your agency's staff continue to work with the ministry to ensure your objectives and business model support the following priorities:

- Focusing on operational excellence with the goal of delivering services in a cost-efficient, modern and effective manner and reducing service duplication.
- Delivering or supporting the delivery of efficient, safe and reliable transportation services to enable the movement of goods and people across Northern Ontario while providing a secure connection to essential services.

As a provincial agency, ONTC is expected to act in the best interests of the people of Ontario and ensure that they provide value for money to taxpayers. ONTC is also required to adhere to all applicable government policies and directives.

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

Transportation-Specific Initiatives

1. Operational Excellence in the Delivery of Efficient, Safe and Reliable Transportation Services in Northern Ontario

- Continuing to strive for the highest standards of reliable services for passengers.
- Continuing to work with the ministry to provide essential transportation options for the movement of goods.
- Ensuring that safe operations, for customers and communities, remain the highest priority, through the implementation of best practices, continuous improvement processes and compliance with applicable health and safety regulations, including applicable environmental safety regulations. This includes providing the ministry with regular updates on health and safety initiatives.
- Improving recruiting initiatives and programs to attract, develop and retain talent through effective staffing and succession management strategies that build a strong, diverse and inclusive workforce.
- Further implementing strategies and initiatives to foster an efficient high performing workforce while supporting staff health, safety and wellness to foster a positive corporate culture and work environment.
- Continuing to work with the provincial government to establish partnerships between the ONTC and the private sector for intercommunity bus service delivery, as a way to enhance access to and coordination of intercommunity bus service, including for Indigenous communities.
- Working with the ministry to develop a multi-year agency operational plan.
- Developing long-term operational planning for motor coach fleet management, including an assessment of the existing fleet to identify gaps and opportunities for cost effectiveness, reducing emissions, efficiency and to support the ministry with evidence-informed planning and decision making.
- Taking into account the safety of Indigenous women, girls, 2SLGBTQQIA people (particularly those living in rural, remote, and northern communities) and other marginalized groups in delivering transportation services and taking actions to combat sexual exploitation and human trafficking (e.g. training of front-line employees, public awareness, reporting policies), in accordance with the Calls for Justice of the National Inquiry into Missing and Murdered Indigenous Women and Girls and Ontario's Anti- Human Trafficking Strategy. This includes engagement with Indigenous communities and anti-human trafficking organizations.
- Taking into account needs of vulnerable and underserved populations, including women, 2SLGBTQQIA people, racialized people, Indigenous communities and people and people with disabilities in the delivery of safe, equitable and accessible transportation services. This includes engagement with these populations to best serve their needs.

- Collaborating with the ministry to consider innovative solutions and partnership opportunities to pilot emerging transportation technologies to enhance people and goods transportation services in northern and rural communities, including Indigenous communities.
- Continuing to work with the ministry to support the ongoing review of provincial rail safety, including, as necessary, the planning and implementation of changes to strengthen rail safety and oversight across the province.
- Reporting to the Transportation Safety Board of Canada (TSB), as soon as possible, all rail safety occurrences in accordance with the procedure set out by the TSB and notifying the Ministry as soon as possible when a report is made.
- Working with MTO to develop criteria and a framework for when the agency would provide charter services, with intent to support activities with a clear public good, and/or where the private sector is unable to deliver.
- Proposing ways to adapt to future environmental conditions to ensure transportation options are sustainable and resilient to a changing climate.
- Considering the impacts of inflation on delivery of current projects, contract management and future project costing as part of the agency's risk management processes.

2. Excellence in Governance and Accountability

- Working closely with the ministry to assess, develop and implement initiatives that would continue to modernize the agency and its enabling legislation.
- Continuing to work with the ministry to implement and adhere to previous Act amendments.
- Continuing the development of enhanced performance measures, including a technology-enabled data collection strategy and monitoring and evaluation processes on all business lines to support evidence-based decision-making and continuous improvement in program effectiveness, operating efficiency, data sharing and reporting, safety and customer experience, including service reliability.
- Ensuring that the agency adheres to all approval and review processes, as well as frameworks established between the agency and the ministry (e.g., business case process) to ensure early collaboration, timely submissions and alignment with established priorities.
- Providing regular updates and report backs on progress in implementing the direction as set out in this Annual Letter of Direction and in other Letters of Direction, key initiatives and projects, with accompanying performance measurement and evaluation as applicable.
- Continuing to inform the ministry about any planned or current agency-initiated reviews.
- Continuing to implement a skills-based governance model to enhance agency governance, accountability, oversight and effective decision-making. This includes

regularly assessing the Board of Directors to identify skills, knowledge and experience gaps and opportunities, regularly updating the board's skills matrix and conducting succession planning to ensure continuity of operations.

- Submitting the Board's skills matrix and succession plan to the ministry for review on an annual basis or as requested.
- Continuing to conduct periodic reviews of the informational needs, as well as decision-making approaches, of the board and senior management and to report to the ministry on outcomes of these reviews.
- Working with the ministry to update the communications protocol between the ministry and agency, as required, to support collaboration, clarify roles and expectations and ensure compliance on public communications opportunities, including community and stakeholder engagement.
- Continuing to assess and develop consistent approaches to third-party engagement, including categorization, relationship management and risk management strategies, to support continuous improvement efforts, and share results with the ministry.

3. Advancement of Key Transportation Initiatives

- Continuing to advance the Northeastern Passenger Rail service between Toronto and Timmins, with a rail connection to Cochrane; establishing an implementation plan to deliver the service; and releasing updated planning and analysis, with a target in-service date in the mid-2020s.
- Working to fulfill the Duty to Consult with Indigenous communities when ONTC initiatives have the potential to adversely impact Aboriginal and treaty rights.
- Supporting the ministry in the advancement of *Connecting the North: A Draft Transportation Plan for Northern Ontario*.

4. Implementation of the Capital Asset Management Plan

- Continuing implementation of the capital asset management plan and asset management data reporting to support the long-term sustainability of the agency and state of good repair of assets, reduce ongoing maintenance expenses and provide improved safety to passengers and employees.
- Developing business capabilities, processes and technologies for ONTC to adhere to their Asset Management policy and principles, and to support the organization to mature Enterprise Asset Management practices in accordance with industry standards.
- Maintaining ongoing improvements and investments in equipment and facilities; motor coaches and rolling stock; and bridges, culverts and track infrastructure.

I am also sharing several government-wide priorities.

Government -Wide Initiatives

1. Competitiveness, Sustainability and Expenditure Management

- Identifying and pursuing opportunities for revenue generation through partnerships, where appropriate.
- Identifying efficiencies and savings through innovative practices, and/or improved program sustainability.
- Operating within the agency's financial allocations.
- Complying with applicable direction related to supply chain centralization, including contract harmonization for planned and pending procurements, accounting practices and realty interim measures for agency office space.
- Leveraging and meeting benchmarked outcomes for compensation strategies and directives.

2. 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.

3. Risk Management

- Developing and implementing an effective process for the identification, assessment, and mitigation of agency risks, including COVID-19 impacts, environmental hazards, climate change impacts and any future emergency risks.

4. Workforce Management

- Optimizing your organizational capacity to support the best possible public service delivery, including redeploying resources to priority areas, where needed.
- Continuing to support government wide initiatives, as applicable.

5. Diversity and Inclusion

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

6. Data Collection

- 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.

7. Digital Delivery and Customer Service

- Exploring and implementing digitization for online service delivery to ensure customer service standards are met.
- Using a variety of approaches or tools to ensure service delivery in all situations, including pursuing delivery methods that have evolved since COVID-19.

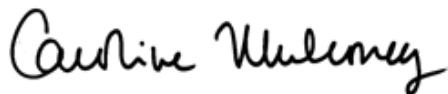
These are the government-wide commitments for board-governed provincial agencies. Please see the attached guide for further details of each priority.

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 agency's upcoming business plan and in ongoing agency operations.

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

Should you have any questions, please feel free to contact Deputy Jones (Doug.Jones@ontario.ca).

Sincerely,



Caroline Mulroney
Minister of Transportation

- c. Stan Cho, Associate Minister of Transportation
Doug Jones, Deputy Minister, Ministry of Transportation
Chad Evans, Interim President & Chief Executive Officer, ONTC
Vinay Sharda, Associate Deputy Minister, Ministry of Transportation
Felix Fung, Assistant Deputy Minister, Ministry of Transportation
Tija Dirks, Assistant Deputy Minister, Ministry of Transportation
Ian Freeman, Chief Administrative Officer, Ministry of Transportation

Attachment:

- Government Priorities for Agency Sector Chart