Ontario



# Results-based Plan Briefing Book 2011-12

## Ministry of Finance

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**Ministry of Finance**

Ministry of Finance

## TABLE OF CONTENTS

## MINISTRY OVERVIEW

## MISSION

The Ministry of Finance's mission is to promote a dynamic, innovative and growing economy, and to manage the fiscal, financial and related regulatory affairs of the Province of Ontario. The ministry ensures that the government's priorities are aligned with the Province's fiscal plan, supports a climate for economic growth and job creation in the province, promotes the effective and efficient delivery of government services to citizens, ensures prudent management of the province's debt, and ensures that public organizations remain accountable to taxpayers for the use of their funds.

## MINISTRY ACTIVITIES

The Ministry of Finance performs a variety of roles, all focused on supporting a strong economic, fiscal and investment climate for Ontario, while ensuring accountability with respect to the use of public funds.

As a central agency within the government, the ministry:

- provides key fiscal, taxation and economic policy advice and support to the Minister of Finance, Cabinet Committees and the Premier;
- prepares the provincial Budget; Expenditure Estimates; a mid-year fiscal and economic update (Economic Outlook and Fiscal Review, also known as the Fall Economic Statement); the quarterly Ontario Economic Accounts and Public Accounts;
- reports on Ontario's economic and fiscal plan and results to the public; and
- promotes the principles of modern controllership within the Ontario Public Service and accountability for the use of public funds in all Ontario public sector institutions, including universities, hospitals and school boards.

In its line responsibilities, the ministry:

- manages the Province's financing arrangements and provincial debt;
- is responsible for applicable legislation and regulates, through its agencies, the financial services sector, including security companies, pension plans, mortgage brokers, agents and administrators and insurance companies;
- oversees selected operational enterprises that are accountable to the Minister of Finance; and
- provides advice on property assessment and property tax policy and on Ontario's fiscal relationship with municipalities, and manages the Ontario Municipal Partnership Fund, the government's main transfer payment to municipalities.

Ministry of Finance activities are designed to enable and provide the fiscal foundation for other activities in the Ontario Public Service.

# Ministry of Finance Key Priorities

## Government of Ontario Priorities

| Create Jobs; Boost Economic Growth | Invest in Knowledge and Skills | Invest in Infrastructure | Help Families | Manage Responsibly; Spend Prudently | Eliminate Deficit; Reform Public Service Delivery | Protect Public Health Care Sector |
|---|---|---|---|---|---|---|

## Ministry of Finance: 2011-12
## Effective Economic, Fiscal and Financial Management for a Strong Ontario

| Dynamic, innovative and growing economy | Effective management of financial and regulatory affairs |
|---|---|
| Develop and implement sound economic and fiscal strategies, to create a climate for growth and job creation | Provide responsible regulation of financial sectors and build flexibility to stimulate growth |
| Monitor and report on the fiscal plan through the quarterly Ontario Economic Accounts; the Economic Outlook and Fiscal Review; and the Ontario Budget | Ensure integrity of provincial financial systems, processes and information |
| Provide advice on key fiscal, taxation and economic policies | Reduce spending |
| Develop effective policies, legislation and regulation governing the property assessment and taxation system | Ensure that OPS financial and risk management plans and processes meet the highest standards of integrity, accountability and transparency |
| Maintain a fair and competitive tax system | Ensure that public organizations remain accountable to taxpayers for the use of public funds |
| Align projects with government priorities and policies | Create, direct and oversee policies to manage the Province's investment, debt financing, credit rating, investor relations and banking activities |
| Invest in innovative programs to reduce costs and increase productivity | Manage provincial debt prudently |

## OVERVIEW – AREAS OF RESPONSIBILITY

The Ministry of Finance is responsible for a wide range of strategic services and activities as described below:

**Office of Taxation, Agencies and Pensions (OTAP)** advises and assists the Minister and Deputy Minister of Finance and the government in formulating the Ontario Budget and other economic and fiscal documents such as the Economic Outlook and Fiscal Review.

OTAP is also responsible for the following:

- policy, design and quantitative analysis of commodity, corporate, payroll, personal and sales taxation and benefits;
- policy development and legislation regarding employment pension plans and income security issues, including the Canada Pension Plan (CPP);
- inter-governmental taxation and Retirement Income System (RIS) issues;
- research and analysis on Ontario’s tax competitiveness and emerging economic and social trends in taxation, pension, income security and benefits policy;
- advising the Minister on the policy, design and quantitative analysis of government fees and levies;
- managing the government’s Deposit Return Program for beverage alcohol containers; and
- leading and coordinating the development of government policy related to alcohol and gaming and managing the accountability and oversight relationship with the Liquor Control Board of Ontario, the Ontario Lottery and Gaming Corporation and the Ontario Racing Commission on behalf of the Ministry of Finance.

**Office of Economic Policy (OEP)** provides the Minister of Finance with forecasts and analysis of the provincial economy and revenues, analysis and advice on the economic consequences of policy proposals, and advice and information on economic issues and trends. As well, OEP assists with the development of sound economic strategies that foster economic growth and job creation. It provides analysis and advice on project proposals through economic development programs, analysis and advice on the regulatory framework for financial institutions and the financial services sector, and population projections and analysis of demographic issues.

The Office of Economic Policy provides advice on economic and financial market performance, regulation and policy, including the regulation of securities, deposit taking institutions and the insurance industry.  OEP provides the Minister of Finance with advice and analysis in support of a sound economic environment that ensures continued prosperity through sustainable economic growth and job creation.  This includes policies that address knowledge and skills, poverty reduction and help the economy become more innovative, greener, and less carbon dependent.

The office also represents Ontario in federal-provincial-territorial discussions regarding financial services policy, economic analysis and forecasting, fiscal planning and in negotiations with Statistics Canada.

**Provincial-Local Finance Division (PLFD)** provides advice on the development of policies, legislation and regulations governing the property assessment and taxation system in Ontario, including education property taxes and the business tax capping program. The division is also the government's lead on fiscal arrangements with the municipalities. It manages the $577 million[1] Ontario Municipal Partnership Fund (OMPF). Additional information on the OMPF can be found at http://www.fin.gov.on.ca/english/budget/ompf/.

The division will continue to implement the recommendations of the Provincial-Municipal Fiscal and Service Delivery Review (PMFSDR) that affect the OMPF. As a result, municipalities will see over $1.5 billion in 2011 through the combined benefit of OMPF and provincial uploads: $577 million in OMPF grants; and $947 million in reduced costs from the uploads of the Ontario Drug Benefits, Ontario Disability Support Program and phased upload of Ontario Works benefits.

**Budget and Treasury Board Office** provides analysis and support to Treasury Board/Management Board of Cabinet (TB/MBC), particularly with regard to the Results-based Planning (RbP) and Estimates processes, development of the fiscal plan and in-year expenditure monitoring.

The Budget and Treasury Board Office is also responsible for developing, monitoring and reporting on the fiscal plan and results for the quarterly Ontario Economic Accounts, the Economic Outlook and Fiscal Review, and the Ontario Budget, as well as federal-provincial fiscal relations.

In 2011-12, the Budget and Treasury Board Office will continue to support the government's efforts, through the current fiscal environment, to provide a strong and competitive economic, fiscal and investment climate for Ontario by:

- working with central agency colleagues to integrate fiscal and policy decision-making; providing advice to Treasury Board/Management Board of Cabinet; and guidance to ministries to achieve fiscal priorities:
- facilitating the implementation of ministry expense plans in a way that is consistent with the overall priorities and direction established in the 2011 Budget;
- developing, monitoring and reporting on the fiscal plan and results of the Province, entailing coordination of the Quarterly Ontario Finances, Economic Outlook and Fiscal Review, Ontario Budget and Pre-Election Report on Ontario's Finances; and
- advising the Minister of Finance and the Government on Ontario's interests and policies related to federal-provincial arrangements.

**Office of the Provincial Controller Division (OPCD)** provides accounting and financial management policy advice and support to the government. The division ensures that financial control policies and practices are in place to safeguard Ontario's assets and to ensure the integrity of its financial systems, processes and information. The division also maintains Ontario's Public Accounts and prepares the Annual Financial Report,

[1] The $577 million for the 2011 OMPF reflects the municipalities' fiscal year (January to December), which is different from the provincial budget planning cycle (April to March).

Consolidated Financial Statements, and Public Sector Salary Disclosure. In addition, OPCD supports the preparation of the Ontario Budget, quarterly Ontario Economic Accounts, the Pre-Election Report on Ontario's Finances, and the Economic Outlook and Fiscal Review.

Looking forward, the division has identified the following priorities:

- maintain the Province's Public Accounts;
- prepare the Annual Financial Report, Consolidated Financial Statements, and the Public Sector Salary Disclosure Report;
- support the delivery of the Ontario Budget, quarterly Ontario Economic Accounts, the Pre-Election Report on Ontario's Finances, and the Economic Outlook and Fiscal Review;
- ensure the effectiveness, efficiency and integrity of the government's financial systems, processes and information; and
- strengthen financial management capacity across the OPS to improve decision-making.

**Broader Public Sector (BPS) Supply Chain Secretariat** supports the adoption of leading supply chain and back office practices among the broader public sector. (For more information see http://www.fin.gov.on.ca/en/bpssupplychain/index.html).

The BPS Supply Chain Secretariat oversees implementation of the BPS Procurement Directive, which sets out procurement rules in the purchase of goods and services with public funds under the *Broader Public Sector Accountability Act*.

The Secretariat manages the OntarioBuys program, which provides funding and advice on a wide range of projects that help broader public sector organizations modernize their supply chains and other back office processes.

**Ontario Internal Audit Division (OIAD)** provides value-added control, risk and consulting services, as well as independent and objective assurance services to the ministries and agencies of the Government of Ontario. The division's overall objective is to ensure that the government's financial, operational and risk management plans and processes meet the highest standards of integrity, accountability and transparency.

Looking forward, the division will continue to play a prominent role in helping the OPS manage risk and control more effectively. In this time of fiscal constraint and accountability, OIAD will evolve its services to deal with the most important priorities in government, including the Corporate Financial Assurance Program and reviews of Agencies. Internally, OIAD will examine ways to streamline its operations. Increased automation and new audit tools will be explored to maximize audit time and increase coverage.

**Main Office** includes the offices of the Minister, Parliamentary Assistant and Deputy Minister. Staff provide professional and technical support for the legislative policy making and administrative responsibilities of the Minister and Deputy Minister.

**Financial and Administrative Services** provides strategic executive decision and controllership support services to the Ministry of Finance and the Ministry of Revenue. This includes corporate strategic planning, resource monitoring and risk management, program analysis, controllership, accounting, accommodations management, business continuity of operations planning, emergency management and security services, Budget document production, coordination of corporate and ministry-specific modernization programs and administration of the *Freedom of Information and Protection of Privacy Act*.

**Strategic Human Resources Services** provides strategic and advisory human resources services to the Ministry of Finance and Ministry of Revenue senior executives to ensure that both ministries have the right people, in the right place, at the right time to achieve their business objectives.

**Communications and Corporate Affairs Branch** provides strategic communications advice and planning to the Minister of Finance and Minister of Revenue, the Deputy Ministers, all Ministry of Finance and Revenue divisions, Premier's Office and Cabinet Office, and where appropriate, other ministries, to support the government's fiscal priorities and ministries' programs.

The branch's activities include the following:

- manage and coordinate the Ministries of Finance and Revenue contentious issues process;
- respond to media inquiries and monitor the media;
- develop advertising strategies and campaigns and plan events;
- manage and coordinate the Ministers' correspondence;
- write news releases, speeches and statements for the legislature;
- provide reference and research support to staff; and
- maintains the Ministry of Finance and Revenue Internet and intranet sites in collaboration with Revenue Communications.

**Legal Services** provides legal advice to the Ministry of Finance and Ministry of Revenue on the interpretation of statutes and regulations and the preparation, drafting and review of proposed legislation, regulations, and other legal documents. General legal services include litigation, prosecutions, collections, and drafting of agreements. In addition, the branch provides legal advice on government financial matters, provincial borrowing and investments, tax policy, administration and enforcement, *Freedom of Information and Protection of Privacy Act* matters, and advice with respect to the agencies under the responsibility of the Minister and pensions, securities and financial services sector regulation.

**Audit Services** The Finance and Revenue Audit Service Team (FRAST) of the Ontario Internal Audit Division (OIAD) provides value-added control, risk and consulting services, as well as independent and objective assurance services to the Ministry of Finance, the Ministry of Revenue and some of their agencies. The overall objective for FRAST is to ensure that the ministries' financial and risk management plans and processes meet the highest standards of integrity, accountability and transparency.

## AGENCIES, BOARDS AND COMMISSIONS

**Deposit Insurance Corporation of Ontario (DICO)** protects depositors in credit unions and caisses populaires by providing deposit insurance within statutory limits. It promotes the safety and soundness of Ontario's credit unions and caisses populaires by establishing standards of sound business and financial practices and ensuring compliance with solvency related requirements. It also has the power to inspect and supervise the operations of credit unions and caisses populaires in difficulty. DICO administers the affairs of credit unions and caisses populaires that have insufficient capital and provides financial assistance to these institutions when necessary, conducting orderly liquidations and making direct payments to depositors. The Corporation's administrative costs and insurance funding are provided by an annual insurance premium paid by all credit unions and caisses populaires that conduct business in the Province of Ontario. DICO maintains a Deposit Insurance Reserve Fund to cover potential claims. A review of this fund is undertaken annually by DICO's board of directors to ensure that it remains within an appropriate range.

Looking forward, DICO will continue to be vigilant and proactive in identifying and managing unacceptable levels of risk. DICO is focused on enhancing depositor confidence with due regard to the sector's goal to be more competitive and responsive to its members' needs.

**Financial Services Commission of Ontario (FSCO)** regulates Ontario's financial services sector, including insurance companies, pension plans, credit unions, caisses populaires, mortgage brokers, brokerages, agents and administrators, loan and trust companies, and co-operatives. FSCO also makes recommendations to the Minister of Finance on matters affecting these sectors. In addition, FSCO is responsible for the administration of the Motor Vehicle Accident Claims Fund (MVACF), which compensates people injured in automobile accidents in Ontario where no other insurance is available to respond to the claim. FSCO is also responsible for the administration of the Pension Benefits Guarantee Fund (PBGF), which pays a minimum level of pension benefits if a plan is wound up with insufficient assets.

FSCO works with the Ministry of Finance, consumers and industry stakeholders to protect the public interest, enhance public confidence in capital markets, and support the creation of a business climate that promotes Ontario's domestic and international competitiveness.

Looking forward, FSCO has established the following strategic priorities:

- Risk based delivery of regulatory services
- Continuous service improvement
- Fostering a coordinated national approach to regulatory issues.

**Financial Services Tribunal** is an independent, adjudicative body that conducts hearings arising from regulatory and proposed regulatory decisions of the Superintendent of FSCO. The Tribunal has exclusive jurisdiction to exercise the powers conferred under the *Financial Services Commission of Ontario Act, 1997* and other acts that confer powers or assign duties to the Tribunal.

The Tribunal also has exclusive jurisdiction to determine all questions of fact or law that arise in any proceedings before it. As well, the Tribunal has the authority to make rules for the practice and procedure to be observed in a proceeding before it; and to order a party to a proceeding before it to pay the costs of another party or the Tribunal's costs of the proceeding.

**Liquor Control Board of Ontario (LCBO)** is a Government of Ontario Crown Corporation established in 1927 under the *Liquor Control Act* to control the importation, distribution, pricing, and sale of beverage alcohol in the province in an efficient and socially responsible manner. The LCBO's mandate is reflected in its mission statement, five-year strategic plan and annual business plan. The agency administers social reference pricing, with the lowest price at which alcohol can be sold being set by government regulation, and maintains other social responsibility measures to protect against the misuse of beverage alcohol. The corporation directly operates approximately 610 retail stores, and five warehouses, and has almost 220 retail agency stores across Ontario.

The LCBO is classified as an Operational Enterprise Agency, meaning that it sells goods or services to the public. Its assets, expenses and net income are consolidated in the Province's financial statements on the modified equity basis. This means that the agency's net income is reported on one line (Income from Investment in Government Business Enterprises) and its net assets are reported on another line (Investment in Government Business Enterprises). For additional financial information, see the LCBO annual report available on the agency's website at http://www.lcbo.com/annualreport.

Profits distributed to the Province by LCBO (e.g. dividends) are deposited into the Consolidated Revenue Fund and recorded by the Ministry of Finance as revenues.

**Ontario Economic Forecast Council** is an advisory agency established by the Minister of Finance to provide advice on the macroeconomic outlook as required by the *Fiscal Transparency and Accountability Act*. Council members review the economic assumptions underlying the Budget and the Ontario Economic Outlook to assess the reasonableness of the forecast as a basis for planning. During this process, the council meets with Ministry of Finance staff to discuss emerging economic trends.

**Ontario Electricity Financial Corporation (OEFC)** is the legal continuation of the former Ontario Hydro and is responsible for managing that organization's legacy debt and other liabilities. The OEFC receives risk management, cash management, banking and accounting services from the Ontario Financing Authority (OFA) to manage and retire the outstanding debt and derivative contracts of the former Ontario Hydro.

**Ontario Financing Authority (OFA)** is a Provincial Crown agency established by the *Capital Investment Plan Act, 1993*. The OFA conducts borrowing and investment for the Province, manages the Provincial debt, and provides other financial and centralized cash management services for the Province. In addition, the OFA advises government on financial matters and assists other public bodies such as school boards, colleges, hospitals and certain Crown Corporations in borrowing and investment.

The OFA also provides a broad range of financial services to Ontario Electricity Financial Corporation (OEFC) and Ontario Infrastructure Projects Corporation (Infrastructure Ontario).

Looking forward, the OFA has identified the following priorities:

- conduct borrowing in a cost-effective and prudent manner, manage the debt, investment, and financial risk for the Province;
- provide other financial and centralized cash management services for the Province; and
- advise ministries, Crown agencies and other public bodies on financial policies and projects.

**Ontario Lottery and Gaming Corporation (OLG):** Established in 2000 under the *Ontario Lottery and Gaming Corporation Act,* the OLG is responsible for the conduct, management and operation of the slots facilities at horse racing tracks and the lotteries and casinos across the province. OLG provides gaming entertainment in a socially responsible manner that provides economic benefits for the people of Ontario, related economic sectors and host communities.

The OLG is classified as an Operational Enterprise Agency, meaning that it sells goods or services to the public. OLG's assets, expenses and net income are consolidated in the province's financial statements on the modified equity basis. This means that the agency's net income is reported on one line (Income from Investment in Government Business Enterprises) and its net assets are reported on another line (Investment in Government Business Enterprises). For additional financial information, see the OLG Annual Report available at: www.olg.ca/about/public_disclosure/annual_report.jsp.

OLG's net profits are distributed to the Province into the Consolidated Revenue Fund and recorded by the Ministry of Finance as revenues.

**Ontario Racing Commission (ORC):** Established in 1950, the ORC is an arm's-length regulatory agency responsible for acting in the public interest to govern, direct, control and regulate thoroughbred, standardbred and quarter horse racing in Ontario. Under the *Racing Commission Act*, *2000*, the ORC ensures that the Ontario horse racing industry operates with honesty, integrity and social responsibility. The ORC is responsible for industry licensing and has the authority to suspend, impose and collect fines should participants in the industry breach the provincial rules of racing.

In 2000, the ORC was converted into a self-financing regulatory agency with a governing board. Revenue is derived from licensing fees, fines and a percentage levy on wagering and purses paid. For additional financial information, see the ORC's Annual Report at: www.ontarioracingcommission.ca/default.aspx.

**Ontario Securities Commission (OSC)** is a self-funded arm's length crown corporation which provides securities regulation in the province. The OSC's mandate is to provide protection to investors from unfair, improper or fraudulent practices, and to foster fair and efficient capital markets and confidence in capital markets within the framework set out in the legislation which the OSC administers and enforces. The OSC is included in the Ministry of Finance's Expenditure Estimates on a consolidated basis.

**Stadium Corporation of Ontario Limited (STADCO)** was incorporated on August 1, 1984 under the *Business Corporations Act*. The Minister of Finance is the sole shareholder. STADCO has ongoing responsibilities for liabilities and obligations resulting from its past construction, operation, maintenance and ownership interest in the Rogers Centre, including the obligation to provide permanent bus parking for the Centre.

## Open Ontario for Jobs and Growth
Economic Outlook and Fiscal Plan

The Ministry of Finance plan is based on Ontario real GDP increasing 2.4 per cent in 2011, 2.7 per cent in 2012 and 2013, and 2.6 per cent in 2014. The modest but solid pace of growth reflects a fundamentally sound domestic economy and continued increases in global demand for Ontario's exports.

**Ontario Economic Outlook**

**(Per Cent)**

| | 2008 | 2009 | 2010 | 2011p | 2012p | 2013p | 2014p |
|---|---|---|---|---|---|---|---|
| Real GDP Growth | (0.9) | (3.6) | 2.8e | 2.4 | 2.7 | 2.7 | 2.6 |
| Nominal GDP Growth | 0.1 | (1.1) | 6.1e | 4.6 | 5.1 | 4.8 | 4.6 |
| Employment Growth | 1.6 | (2.5) | 1.7 | 1.7 | 1.8 | 1.8 | 1.7 |
| CPI Inflation | 2.3 | 0.4 | 2.5 | 2.3 | 2.1 | 2.0 | 2.0 |

e = Ontario Ministry of Finance estimate. p = Ontario Ministry of Finance planning projection.
*Sources:* Statistics Canada and Ontario Ministry of Finance. Ontario Budget 2011, page 156

The deficit for 2010–11 is projected to be $3.0 billion lower than outlined in the *2010 Budget,* an improvement of about 32 per cent from the 2009–10 deficit of $24.7 billion forecast in the fall of 2009. Over the next two years the government is on track to improve on its deficit projections by $1.7 billion — for a total improvement of $4.7 billion over three years.

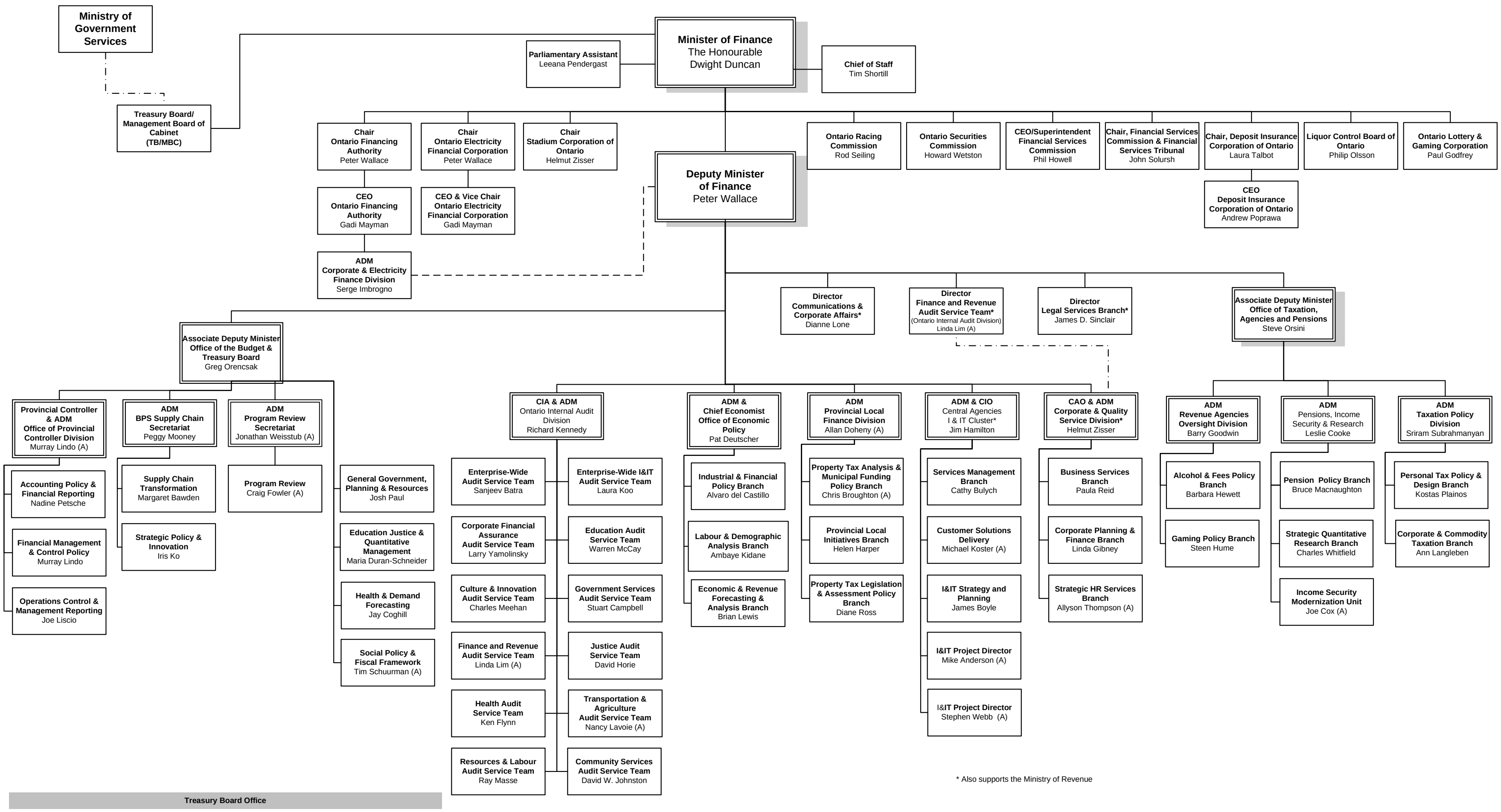
**Medium-Term Fiscal Plan and Outlook**

**($ Billions)**

| | Interim | Plan | Outlook | |
|---|---|---|---|---|
| | 2010–11 | 2011–12 | 2012–13 | 2013–14 |
| **Total Revenue** | **106.2** | **108.5** | **111.8** | **117.0** |
| **Expense** | | | | |
| Programs | 113.3 | 113.8 | 114.6 | 116.7 |
| Interest on Debt | 9.5 | 10.3 | 11.4 | 12.6 |
| **Total Expense** | **122.9** | **124.1** | **126.0** | **129.3** |
| Reserve | – | 0.7 | 1.0 | 1.0 |
| **Surplus/(Deficit)** | **(16.7)** | **(16.3)** | **(15.2)** | **(13.3)** |

*Note*: Numbers may not add due to rounding. Ontario Budget 2011, page 206

# Ministry of Finance
# March, 2011 Organizational Structure



## LEGISLATION

The following is a list of the legislation for which the Ministry of Finance has primary legislative or administrative responsibility, sorted by the core business and the item or sub-item.

### Taxation, Agencies and Pensions Policy

Item 1202-1: Office of Taxation, Agencies and Pensions
*Alcohol and Gaming Regulation and Public Protection Act, 1996* (only specified provisions)
*City of Toronto Act, 2006* (joint)
*Community Small Business Investment Funds Act* (shared with Ministry of Revenue)
*Corporations Tax Act* (shared with Ministry of Revenue)
*Crown Foundations Act, 1996*
*Employer Health Tax Act* (shared with Ministry of Revenue)
*Estate Administration Tax Act, 1998* (shared with Ministry of Revenue)
*Fuel Tax Act* (shared with Ministry of Revenue)
*Gasoline Tax Act* (shared with Ministry of Revenue)
*Highway Traffic Act* (only specified provisions) (shared with Ministry of Revenue)
*Income Tax Act* (shared with Ministry of Revenue)
*Land Transfer Tax Act* (shared with Ministry of Revenue)
*Liquor Control Act*
*Mining Tax Act* (shared with Ministry of Revenue)
*Ministry of Revenue Act* (shared with Ministry of Revenue)
*Ontario Guaranteed Annual Income Act* (shared with Ministry of Revenue)
*Ontario Lottery and Gaming Corporation Act, 1999*
*Pension Benefits Act* (joint with the Financial Services Commission of Ontario)
*Race Tracks Tax Act* (shared with Ministry of Revenue)
*Racing Commission Act, 2000*
*Retail Sales Tax Act* (shared with Ministry of Revenue)
*Taxation Act, 2007* (shared with Ministry of Revenue)
*Taxpayer Protection Act, 1999*
*Tobacco Tax Act* (shared with Ministry of Revenue)

## Economic, Fiscal and Financial Policy

Item 1203-1: Economic Policy

*Statistics Act*

Item 1203-5: Provincial-Local Finance Division

*Assessment Act*
*City of Toronto Act, 2006* (joint)
*Education Act* (joint)
*Electricity Act, 1998* (only specific provisions) (joint)
*Municipal Act, 2001* (joint)
*Municipal Property Assessment Corporation Act, 1997*
*Provincial Land Tax Act, 2006* (shared with Ministry of Revenue)
*Tax Incentive Zones Act (Pilot Projects), 2002*
*Tax Increment Financing Act, 2006*

Item 1203-8: Office of the Budget and Treasury Board

*Auditor General Act*
*Capital Investment Plan Act, 1993*
*Financial Administration Act*
*Fiscal Transparency and Accountability Act, 2004*
*Interim Appropriation Acts*
*Investing in Ontario Act, 2008*
*Public Sector Salary Disclosure Act, 1996*
*Supplementary Interim Appropriation Acts*
*Supply Acts*

## Financial Services Industry Regulation

Item 1204-1: Financial Services Commission of Ontario

*Automobile Insurance Rate Stabilization Act, 2003*
*Compulsory Automobile Insurance Act*
*Co-operative Corporations Act*
*Credit Unions and Caisses Populaires Act, 1994*
*Financial Services Commission of Ontario Act, 1997*
*Insurance Act*
*Loan and Trust Corporations Act*
*Marine Insurance Act*
*Mortgage Brokerages, Lenders and Administrators Act, 2006*
*Pension Benefits Act*
*Prepaid Hospital and Medical Services Act*
*Registered Insurance Brokers Act*

Item 1204-2: Motor Vehicle Accident Claims Fund

*Motor Vehicle Accident Claims Act*

Securities Regulation

*Canadian Public Accountability Board Act (Ontario), 2006*
*Commodity Futures Act*
*Securities Act*
*Toronto Stock Exchange Act*
*Trust Beneficiaries' Liability Act, 2004*

## Treasury

Statutory Item: Interest on Debt for Provincial Purposes

*Capital Investment Plan Act, 1993*
*Electricity Act, 1998* (joint)
*Financial Administration Act*
*Ontario Loan Acts*

## Other

*MPPs Pension Act, 1996*
*Public Sector Compensation Restraint to Protect Public Services Act, 2010*
*Province of Ontario Savings Office Act*
*Province of Ontario Savings Office Privatization Act, 2002*
*Skydome Act (Bus Parking), 2002*
*Social Contract Act, 1993*
*Unclaimed Intangible Property Act, 1990*

## MINISTRY FINANCIAL INFORMATION

### Table 1: Ministry Planned Expenditures 2011-12 ($M)

| ($M) | Ministry Planned Expenditures 2011-12 |
|---|---|
| Operating | **11,647.0** |
| Capital | **0.3** |
| TOTAL* | **11,647.3** |

*Excluding Consolidation and Other Adjustments

### Table 2: Operating and Capital Summary by Vote

| VOTE PROGRAM | Estimates 2011-12 $ | Change from 2010-11 Estimates $ | % | Estimates 2010-11 $ | Interim Actuals 2010-11 $ | Actual 2009-10 $ |
|---|---|---|---|---|---|---|
| **OPERATING AND CAPITAL EXPENSE** | | | | | | |
| Ministry Administration | 39,491,200 | (7,447,300) | (15.9) | 46,938,500 | 38,812,900 | 37,673,196 |
| Taxation, Agencies and Pensions Policy | 20,818,400 | (53,200) | (0.3) | 20,871,600 | 17,588,400 | 14,355,368 |
| Economic, Fiscal and Financial Policy | 2,120,142,900 | (1,056,744,000) | (33.3) | 3,176,886,900 | 1,834,352,900 | 1,684,911,304 |
| Financial Services Industry Regulation | 1,952,000 | (2,500,000) | (56.2) | 4,452,000 | 4,451,000 | 506,148,192 |
| Investing in Ontario | 1,000 | - | | 1,000 | - | - |
| **Total Operating and Capital Expense to be Voted** | **2,182,405,500** | **(1,066,744,500)** | **(32.8)** | **3,249,150,000** | **1,895,205,200** | **2,243,088,060** |
| Statutory Appropriations | | | | | | |
| Treasury Program | 9,464,497,900 | 313,781,700 | 3.4 | 9,150,716,200 | 8,853,891,319 | 10,873,797,696 |
| Other Statutory Appropriations | 67,014 | - | | 67,014 | 64,014 | 65,968 |
| Amortization, the *Financial Administration Act* | 322,100 | 131,900 | 69.3 | 190,200 | 188,000 | 14,807 |
| **Total Operating and Capital Expense** | **11,647,292,514** | **(752,830,900)** | **(6.1)** | **12,400,123,414** | **10,749,348,533** | **13,116,966,531** |
| Consolidation and Other Adjustments | 1,769,201,800 | (314,733,300) | (15.1) | 2,083,935,100 | 1,527,045,781 | 1,806,317,627 |
| **Total Including Consolidation & Other Adjustments** | **13,416,494,314** | **(1,067,564,200)** | **(7.4)** | **14,484,058,514** | **12,276,394,314** | **14,923,284,158** |
| **OPERATING AND CAPITAL ASSETS** | | | | | | |
| Ministry Administration | 1,000 | (16,000) | (94.1) | 17,000 | - | - |
| Economic, Fiscal and Financial Policy | 2,000 | - | | 2,000 | 2,000 | 4,493,363,299 |
| Financial Services Industry Regulation | 651,000 | 101,000 | 18.4 | 550,000 | 550,000 | 530,352 |
| **Total Operating and Capital Assets to be Voted** | **654,000** | **85,000** | **14.9** | **569,000** | **552,000** | **4,493,893,651** |
| Statutory Appropriations | | | | | . | |
| Harmonized Sales Tax, the *Financial Administration Act* | 1,000 | - | | 1,000 | 1,000 | - |
| **Total Operating and Capital Assets** | **655,000** | **85,000** | **14.9** | **570,000** | **553,000** | **4,493,893,651** |

Note: Estimates for the previous fiscal year are re-stated to reflect any changes in ministry organization and/or program structure. Interim Actuals reflect the numbers presented in the 2011 Ontario Budget.

## LIST OF ACRONYMS

| | |
|---|---|
| ADM | Assistant Deputy Minister |
| BPS | Broader Public Sector |
| BPS-SCS | Broader Public Sector Supply Chain Secretariat |
| CITCA | Comprehensive Integrated Tax Coordination Agreement |
| CRA | Canada Revenue Agency |
| DICO | Deposit Insurance Corporation of Ontario |
| FPT | Federal-Provincial-Territorial |
| FRAST | Finance and Revenue Audit Service Team |
| FSCO | Financial Services Commission of Ontario |
| HR | Human Resources |
| HST | Harmonized Sales Tax |
| LCBO | Liquor Control Board of Ontario |
| MOF | Ministry of Finance |
| mTCA | Moveable/Minor Tangible Capital Assets |
| MVACF | Motor Vehicle Accident Claims Fund |
| OBTB | Office of the Budget and Treasury Board |
| ODB | Ontario Drug Benefit |
| ODSP | Ontario Disability Support Program |
| OEFC | Ontario Electricity Financial Corporation |
| OEP | Office of Economic Policy |
| OFA | Ontario Financing Authority |
| OIAD | Ontario Internal Audit Division |
| OLG | Ontario Lottery and Gaming Corporation |
| OMPF | Ontario Municipal Partnership Fund |
| OPCD | Office of the Provincial Controller Division |
| OPS | Ontario Public Service |
| ORC | Ontario Racing Commission |
| OSC | Ontario Securities Commission |
| OTAP | Office of Taxation, Agencies and Pensions |
| PSAB | Public Sector Accounting Board |
| PBGF | Pension Benefits Guarantee Fund |
| PLFD | Provincial-Local Finance Division |
| PMFSDR | Provincial-Municipal Fiscal and Service Delivery Review |
| RbP | Results-based Plan(ning) |
| RIS | Retirement Income System |
| STADCO | Stadium Corporation of Ontario Limited |

## CONTACT US

If you have questions about the programs and/or services of the Ministry of Finance, we invite you to start by reading our About Finance pages on the ministry's website http://www.fin.gov.on.ca . The site map and search engine on the website may also help you find the information you need.

Contact the Ministry of Finance by selecting one of the following choices:

- **Telephone**: 1-800-263-7965
- **E-mail**: financecommunications.fin@ontario.ca
- **In Person**: location of ServiceOntario/Government Information Centres can be found on Find Us - Ontario.ca where you can access a wide range of general government information including as related to the Ministry of Finance.
- **Mail**:

  Ministry of Finance
  33 King Street West
  PO Box 627
  Oshawa ON  L1H 8H5

# Appendix: 2010-11 Annual Report

## Ministry of Finance

## 2010-11 ACHIEVEMENTS

The Ministry of Finance is responsible for a wide range of strategic services and activities in support of the Ontario Government's key priorities. These are some highlights of the ministry's achievements in 2010-11.

### Office of Taxation, Agencies and Pensions

- Built on the significant modernization reforms in Bill 236, the *Pension Benefits Amendment Act, 2010,* to prepare Bill 120, the *Securing Pension Benefits Now and For the Future Act, 2010*. Together, these bills form the most significant pension reform package to be introduced in Ontario in more than 20 years and balance the diverse interests of pensioners, pension plan members and plan sponsors. Both bills were passed unanimously in 2010.
- Supported the province's leadership role during Federal-Provincial-Territorial (FPT) Finance Ministers' meetings and negotiations on improving Canada's retirement income system (RIS). The Division drafted the Ontario discussion paper on the RIS, and supported the ongoing FPT initiative to develop complementary reform initiatives: options for fully-funded, modest Canada Pension Plan expansion and a framework for expanding coverage through Pooled Registered Pension Plans.
- Prepared additional policy analysis and legislative requirements to implement Ontario's Tax Plan for Jobs and Growth. Worked with the federal government in the development of technical material in support of the implementation of the HST. Worked with Ministry of Revenue in developing technical bulletins and brochures to help educate the public on Ontario's Tax Plan for Jobs and Growth.
- Supported the policy development of subsequent measures to provide tax relief to people. Over three years, the tax plan and additional measures will provide $12 billion in temporary and permanent tax relief to people (including the Children's Activity Tax Credit and the Northern Ontario Energy Credit); and more than $4.8 billion in tax relief to businesses over three years.
- Prepared detailed analysis and released technical report on the impact of the HST on households and business, including commissioning the first report on business pass-through of HST savings.
- Secured government approval to modernize provincial gaming, including the launch of Internet Gaming to be conducted and managed by OLG by 2012.
- Supported implementation of the Beer and Wine taxes to ensure overall revenue neutrality, minimal alcohol price, consumer or stakeholder impacts.

### Office of Economic Policy

- Provided advice and risk analysis on the macroeconomic environment and outlook with particular attention paid to the implications for the revenue outlook and fiscal plan. This included delivery of the 2010 Economic Outlook and Fiscal Review and quarterly Ontario Economic Accounts. Provided policy analysis and forecasts to be included in the 2011 Ontario Budget and input towards the development of the 2011 Pre-Election Report required by FTAA (*Fiscal Transparency and Accountability Act, 2004*).

- Provided analysis and advice on key government policy initiatives in innovation, social innovation, risk capital, aboriginal affairs, water, climate change, and strategies for knowledge and training; as well as government investments and research support for strategic industry sectors.
- Delivered a major automobile insurance reform package as announced by the government and provided advice and support towards the implementation of the reforms in September, 2010.
- Provided support and advice on the establishment of a Canadian Securities Regulator including Ontario's support of the federal reference of the proposed *Canadian Securities Act* to the Supreme Court of Canada, the development of regulatory frameworks for over-the-counter derivatives and credit rating agencies, the tightening of investor protection measures and input toward the introduction of financial literacy in Ontario's curriculum, commencing in September 2011.
- Produced the Ontario Population Projections, 2010-2036 for the province and each of its 49 Census Divisions and provided on-going support for the government's compensation strategy and Poverty Reduction Strategy.

### Provincial Local Finance Division

- Committed $577[1] million to 372 municipalities in funding through the 2011 Ontario Municipal Partnership Fund (OMPF) grants.
- Facilitated the provincial uploads of an estimated $947 million in social assistance benefit program costs to municipalities in 2011. This year the province completed the upload of the Ontario Disability Support Program (ODSP) benefits and continues to phase in the upload of Ontario Works benefits, building on the previous upload of the Ontario Drug Benefits (ODB) (completed in January 2008) and the administration component of ODSP (completed in 2009). These uploads, including up to $125 million in court security costs annually will provide municipalities with a net benefit of $1.5 billion annually by 2018.
- Continued implementation of the $540 million cut to Business Education Tax rates.
- Continued to implement key changes to stabilize the property tax system, including the introduction of a four-year reassessment cycle and mandatory phase-in of property assessment increases which began in 2009.

### Budget and Treasury Board Office

- Led the coordination and monitoring of the province's fiscal plan and outlook and played a key role in developing the 2011 Budget, 2010 Economic Outlook and Fiscal Review, and quarterly updates of the province's finances, and the Expenditure Estimates.
- Provided advice and analysis to the Minister, Treasury Board/Management Board of Cabinet and other committees of Cabinet on government fiscal policy and specific program expenditures.
- Provided analysis and advice to ministries in support of the development of their multi-year Results-based Plans and in-year Treasury Board/Management Board of

[1] The $577 million for the 2011 OMPF reflects the municipalities' fiscal year (January to December), which is different from provincial budget planning cycle (April to March).

Cabinet submissions. In addition, continued to promote effective partnerships with ministries, agencies and other central agencies to support sound, timely decisions and the delivery of priorities.
- Provided strategic advice to the Minister of Finance to support participation in two meetings of federal-provincial-territorial Finance Ministers and the Premier at the annual Council of the Federation meeting. Also provided ongoing monitoring and strategic advice on Ontario's position on federal-provincial fiscal arrangements.

**Office of the Provincial Controller**
- Delivered the 2009-10 Annual Financial Report and Consolidated Financial Statements, receiving a clean audit opinion from the Auditor General. Also worked collaboratively with them on the implementation of New Public Sector Accounting Board (PSAB) standards; and with other jurisdictions and PSAB on the development of improved accounting standards for the public sector. Consulted with key stakeholders to resolve outstanding accounting and reporting issues pending transition to International Financial Reporting Standards (for certain public entities).
- Led the successful implementation of the HST into the government's operations, involving coordination of integrated plans for 35 ministry teams, changes to 56 ministry systems, and extensive two-way communications with 890 government agencies on their operation and implementation requirements.
- Improved the integrity of the government's financial infrastructure and stewardship over government assets through the upgrading of reporting requirements for the annual Certificates of Assurance, provided by ministries on the state of their internal controls. Collaborated with ministries to implement enhancements to their internal control processes.
- In collaboration with the Ministry of Government Services, assisted in the implementation of strengthened public accountability framework for government agencies. Supported training for ministries in implementing financial risk management, performance measurement and accountability frameworks.
- Coordinated efforts to strengthen financial management capacity through joint partnerships with the Ontario Public Service policy and program delivery communities. Delivered key learning events to improve understanding of financial management principles and practices across the Public Service.

**Broader Public Sector Supply Chain Secretariat**
- Developed the BPS Procurement Directive, mandated under the *Broader Public Sector Accountability Act*, and the BPS Procurement Directive Implementation Guidebook to support the transition to the new rules on fair, open and transparent procurement in the BPS.
- Delivered English and French Webinar information sessions about the BPS Procurement Directive to over a thousand participants representing the health, education, higher learning and social services sectors. Commenced sector-specific training sessions on the BPS Procurement Directive across Ontario starting March 2011.
- Completed a group purchasing initiative focused on capital equipment for Ontario hospitals (including such items as MRI's CT scanners, beds, IV pumps, etc) that

generated 9% in savings. This successful initiative has set the foundation to expand to a more permanent province-wide solution.

- As part of the Open for Business initiative collaborated with the national association for the Canadian medical technology industry (MEDEC) and the Information Technology Association of Canada to develop a handbook to assist companies seeking access to broader public sector markets.

**Ontario Internal Audit Division (OIAD)**

- Continued to be in demand from Ministries. Client survey results indicate that our clients are 90% satisfied or more, year after year with our services.
- Continued to evolve the Corporate Financial Assurance Program. Working with the Office of the Provincial Controller Division (OPCD) as well as selected ministries, OIAD rolled out a financial assurance process that is being used to evaluate risks and strengthen/enhance controls at all levels of a financial transaction.
- Provided advisory services and participated in key enterprise-wide initiatives to support the enhancement of corporate governance and management policy frameworks, and corporate directives frameworks to strengthen risk management, control effectiveness, Transfer Payment Accountability, and Agency Governance.

**Ministry Administration**

**<u>Financial and Administrative Services</u>**

- Managed the Results-based Planning process for the Ministries of Finance and Revenue, meeting corporate expectations on the 2010-11 Printed Estimates, the 2010-11 Results-based Plan Briefing Books and the 2011-12 Results-based Plan submissions. Coordinated the Estimates Review by the Standing Committee on Estimates for both the Ministry of Finance and the Ministry of Revenue.
- Continuously monitored expenditure plans and communication of strategies to contain costs, resulting in the timely declaration of savings for the Ministry of Finance and the Ministry of Revenue.
- Managed in-year submissions to central agencies to address emerging business requirements, project approvals, report backs and financial risks.
- Managed the 2009-10 Public Accounts process for both the Ministry of Finance and the Ministry of Revenue. Provided controllership advice and support to program areas on a range of issues, including managing affordability of staffing limits, and providing strategic business support systems to identify and manage planned recruitment.
- Conducted threat risk assessments for all ministry-led locations and submitted the annual joint ministry physical security plan in compliance with the OPS Physical Building Security Operating Policy. Submitted the annual Continuity of Operations Plan.
- Developed and filed the 3-year Green Plan which included the creation of a Green Innovation Award.
- Continued to support the corporate priorities of diversity and accessibility by advancing new initiatives such as establishing a diversity and inclusion advisory group. Developed the annual Accessibility Plan.

## Strategic Human Resources Services Branch

- Provided strategic human resources design and realignment services to the Ministry of Finance and Ministry of Revenue to ensure those organizations have the right people, in the right place, at the right time. Significant organizational change initiatives were supported in both ministries.
- Provided technical advice and support for business transformation initiatives, including activities stemming from the 2010 Ontario Budget, within the Ministry of Finance and Ministry of Revenue and the OPS.
- Engaged with senior leaders to establish divisional Strategic HR Service Plans, including the analysis of the divisional priorities, major responsibilities, emerging business challenges, organizational health metrics and human resources challenges to ensure their divisions are positioned to deliver on current and emerging business needs.
- Developed a Ministry of Revenue Strategic Human Resources Framework that supports the ministry's transformation agenda, new strategic direction and aligns with the ministry's mission, vision and values.
- Supported managers and employees in both ministries in achieving optimum talent and performance assessment completion rates by the corporate deadlines set for both initial plan set-up and mid-year reviews.
- Continued quality journey toward organizational excellence and was awarded Level 2 Certification by the National Quality Institute (NQI).

## Communications and Corporate Affairs Branch

- Led the publication and production of key ministry products, including:
  - 2011 Ontario Budget
  - 2010 Economic Outlook and Fiscal Review
  - Public Sector Salary Disclosure
  - Ontario Savings Bonds: The successful advertising campaign resulted in $1.1 billion in sales during the three-week selling period in June 2010.
- Provided advertising and promotional support for the Ontario Children's Activity Tax Credit campaign.

## Legal Services Branch

- Involved in various *Securities Act* amendments to keep pace with evolving international regulatory standards and to implement Canada's G20 commitments and provided advice regarding the national securities regulator initiative, including review of the proposed Canadian *Securities Act* and the transition plan to the new regulator.
- Provided legal support in the development of pension reform legislation and regulations arising from the Report of the Expert Commission on Pensions, public sector solvency relief regulations and pension division on marriage breakdown regulations.
- Provided legal advice on the Province's coordinated financial assistance to the automobile sector with the federal government and reviewed extensive documentation in connection with General Motors' Initial Public Offering.
- Involved in the prosecution of Provincial Offences charges laid by Ministry of Revenue personnel as well as in the conduct of appeals and other civil actions arising from

appeals of tax assessments under various provincial tax statutes, including the *Tobacco Tax Act*, the *Retail Sales Tax Act*, the *Corporations Tax Act*, the *Gasoline Tax Act*, the *Land Transfer Tax Act,* the *Employer Health Tax Act* and other statutes.

- Provided legal advice and support on the transaction which extended Teranet's exclusive licences to facilitate the delivery of electronic land registration and writs services for a further period of 50 years. The transaction was announced as part of the Province's 2010 Economic Outlook and Fiscal Review and resulted in proceeds to the Province of approximately $1 billion.

**Finance and Revenue Audit Services Team (FRAST)**

- FRAST clients continued to ask for assurance and consulting services. Client satisfaction survey results indicated that FRAST clients were well satisfied with the team's services and performance**.** A recent survey revealed that 92% of clients are satisfied with FRAST's audit services.
- FRAST continued to assist ministries when dealing with the Auditor General of Ontario, and prepared senior government officials for the tabling of the Auditor General's Annual Report.

## AGENCIES, BOARDS AND COMMISSIONS

**Deposit Insurance Corporation of Ontario (DICO)**

- All depositors were protected from loss of any deposits held in Ontario's credit unions and caisses populaires despite some institutions ceasing to carry on business.
- All institutions exhibiting higher than acceptable risk profiles were subject to increased scrutiny and appropriate steps were taken to protect depositors.
- DICO is taking proactive steps to recover past losses from failures due to fraud and illegal activities of former credit union employees and directors.
- DICO's website provides transparent, accessible information to the public on DICO's deposit insurance coverage, regulatory activities, programs and performance.
- DICO's Deposit Insurance Reserve Fund increased to $94.8 million to provide increased safety and security for depositors.

**Financial Services Commission of Ontario (FSCO)**

- Implemented the Ontario government's auto insurance reforms and communicated the reforms to ensure they would be clearly understood by consumers. Appointed a panel of experts to recommend changes to the definition of catastrophic impairment in the Statutory Accident Benefits Schedule (SABS) and develop minimum standards setting out the training and experience required for assessors. Issued a Request for Proposals to conduct a scientific, evidence-based study and make recommendations in the development of minor injury treatment protocol.
- FSCO consulted on a risk based regulation framework for pension regulation with Advisory Committee members and stakeholder groups. Posted a consultation paper on best practices for pension plan administrators on how to deal with member complaints and inquiries.
- Implemented enhanced risk-based monitoring, examination and enforcement activities to promote industry compliance with the *Mortgage Brokerages, Lenders and Administrators Act (MBLAA), 2006,* and associated regulations which significantly improved compliance rates. FSCO released a public consultation paper in December 2010 about mandatory continuing education for mortgage brokers and agents in Ontario.
- FSCO worked with the Canadian Association of Pension Supervisory Authorities (CAPSA) and completed a proposed new agreement to establish clear rules for the administration and regulation of multi-jurisdictional pension plans and issued for consultation draft guidelines for pension plan investment and funding.
- FSCO implemented key consumer financial literacy initiatives including new Fund Facts and Key Facts disclosure documents that make it easier for consumers to understand and make informed investment decisions concerning individual variable insurance contracts (IVICs) and segregated funds. Implemented new rules that came into effect April 1, 2011 to improve disclosure to consumers who are considering replacing their existing insurance policy with a new one.

**Ontario Financing Authority (OFA)**

- Completed the Province's long-term borrowing program and achieved program objectives of term extension, completion of at least 50% in the domestic market, and diversification of foreign borrowing. The OFA also provided $1.6 billion in long-term loans to public bodies, including a number of Ontario colleges, school boards, and crown corporations.
- Provided ongoing advice and support in delivering required financial assistance to the North American automotive manufacturing industry.
- Led negotiations on behalf of the Province to renew Teranet's exclusive licenses to provide electronic land registration and writs services for an additional 50 years. Borealis Infrastructure, Teranet's current owner, provided a $1 billion payment to the Province, which has been used to reduce the Province's debt and borrowing requirements.
- Undertook significant due diligence on Aboriginal Loan Guarantee Program applications. Supported electricity policies and initiatives, including development and implementation of the Northern Industrial Electricity Rate Program and the Ontario Clean Energy Benefit.
- Provided cost effective banking and cash management services to the OPS, including significant progress on implementing mandatory Payment Card Industry Data Security Standards for payments that various ministries receive via credit and debit cards.

**Ontario Securities Commission (OSC)**

- Strengthened enforcement through the creation of a specialized insider trading investigations team and development of proprietary technology to better identify illegal trading prior to public disclosure of mergers and acquisitions. The goal of these initiatives is to widen the surveillance net to find the individuals who are the source of insider trading in advance of major corporate deals and announcements.
- Created Investor Advisory Panel (IAP) to enable investor input in OSC rule and policy making process. The seven-member independent Panel has a range of experience and skills to provide comments on OSC proposed rules, policies, concept papers and discussion drafts. The Panel consults with, and seeks input from, investors and organizations representing investors in carrying out its mandate.
- Completed the first step in the implementation of the Point of Sale disclosure project that will provide investors with more meaningful and effective disclosure at the time of purchase of mutual funds. As of January 1, 2011, mutual fund companies are required to prepare a Fund Facts document for each of their mutual funds. They must make the Fund Facts available to investors on their website and deliver the Fund Facts to investors free of charge upon request no later than July 8, 2011. The new "Fund Facts" is designed to give investors key information about a mutual fund, in language they can easily understand, at a time that is relevant to their investment decision.
- Implemented the adoption of International Financial Reporting Standards (IFRS) for financial reporting to ensure high quality financial reporting and easier comparability of financial results. The OCS facilitated a smooth regulatory transition for the benefit

of issuers, their advisors and their investors through various educational outreach initiatives.

## Ministry 2010-11 Interim Actual Expenditures and Staff Strength

*Table 1: Ministry Interim Actual Expenditures and Staff Strength, 2010-11*

| | Ministry Interim Actual Expenditures * 2010-11 ($M except Staff Strength) |
|---|---|
| Operating and Capital | 534.9 |
| Ontario Municipal Partnership Fund | 683.5 |
| Operating Contingency Fund | 250.0 |
| Power Purchases | 1,281.0 |
| Interest on Debt | 9,527.0 |
| Staff Strength as of March 31, 2011 | 1,399.5 |

*Refer to pages 227 & 228 in the 2011 Ontario Budget