

Results-based Plan Briefing Book 2009-10

**Ministry of Small Business
and Consumer Services**

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PART I: PUBLISHED RESULTS-BASED PLAN 2009-10**Ministry Overview****Vision/Mandate**

The vision of the Ministry of Small Business and Consumer Services (MSBCS) is a *prosperous Ontario with a strong economy balanced with a fair, safe and informed marketplace for consumers.*

The ministry's mandate is to promote and support entrepreneurship, small and medium-sized businesses and provide consumer protection and public safety.

With this mandate and vision as our guide, the ministry works to position Ontario's small and medium enterprises (SMEs) for success both domestically and abroad. We are committed to this mission because SMEs are a vital economic engine of our province, employing nearly 2.9 million Ontarians and accounting for \$250 billion in annual economic activity.

At the same time, we champion consumer education and protection. Reason number one is: consumer confidence supports a strong marketplace, helping to sustain a prosperous Ontario. On average, our ministry handles an annual 55,000 complaints and questions from consumers. Why? Because our government believes smart Ontario consumers are good for business in our province.

Priorities/Strategies

The ministry is a star contributor to the overall Ontario government vision for a **Strong Economy** and **Serving the Public Interest** by:

- Supporting Ontario business in coping with global economic challenges; and
- Ensuring Ontarians' confidence in public safety and consumer protection.

The ministry is committed to a set of key actions that help realize these objectives. Here are some examples of ministry activities in support of a prosperous Ontario:

- Promoting entrepreneurial skills, qualities and opportunities for Ontario's youth;
- Assisting new entrepreneurs in the process of start-up and early-stage business development;
- Providing information, advice and services to Ontario's high performing firms, communities, business networks and other regional development stakeholders;
- Promoting the adoption of e-business and new technologies by SMEs;
- Providing policy and research support to the Ontario government;
- Providing advocacy on small business issues; and
- Focusing on activities that promote a fair, safe and informed marketplace where consumer rights and public safety are protected by:

- o Educating consumers about their rights and responsibilities in the marketplace;
- o Helping consumers resolve issues;
- o Protecting consumers from fraud; and
- o Providing oversight to ensure effective governance, accountability and relationship management with respect to the ministry's agencies, Delegated Administrative Authorities and other service delivery partners.

With a **Strong Economy** and **Serving the Public Interest** as priorities, the ministry is moving aggressively on several fronts to further support the government's agenda: specifically, Ontario's **Five-point Economic Plan**, the **Green Economy** agenda and the **Open for Business** initiative.

MSBCS is a key player in delivering the Ontario government's **Five-point Economic Plan**. For our part we are:

- Working with business to support job creation/retention, with particular focus on the innovative sectors of the new economy;
- Working closely with other provincial ministries and federal departments to promote the government's investment, export development and research commercialization programs;
- Assisting clients in accessing these programs;
- Strengthening key partnerships with the federal government, industry and municipal organizations to lever their resources to support business;
- Maintaining key partnerships with organizations such as the Ontario Chamber of Commerce, the Canadian Youth Business Foundation and the Canadian Manufacturers and Exporters;
- Collaborating with municipal partners to support a network of 57 Small Business Enterprise Centre (SBEC) locations across the province; and
- Providing field support to a range of other ministries' programs.

At MSBCS we have a strong green commitment which is in keeping with the government's **Green Economy** agenda. In fact, a key message to our clients is: *There has never been a better time for all businesses to adopt green practices that will reduce our impact on the environment. Not only is it smart business to reduce costs, we can't afford not to do it.*

To reinforce the message, we provide information to our SME business sector on how green economy practices can produce tangible benefits. For example, through our *Ontario Small Business NetBeat* newsletter we show our stakeholders that government's proposed Ontario Toxic Reduction Strategy is a win/win for business' bottom line and the environment. As well, our next Leading Growth Firm series report, "Think Green: Seizing green-based opportunities for growth" showcases successful firms that have gone green and prospered.

But our think-green efforts don't stop there. There are tremendous opportunities emerging in the green economy. Many experts believe that going green will fuel a fundamental shift in our economy.

To that end, our ministry staff are meeting with a wide variety of green industry technology leaders and other experts in the field. Currently, we are working with our partners to map the challenges and opportunities seen by our clients as we work toward a greener economy.

Open for Business (OFB) is the government's initiative to create faster, smarter and streamlined government-to-business services that make Ontario more attractive for business development while protecting the public interest. Led by the Minister of Economic Development, OFB serves as the foundation to the government's Five-point Economic Plan to create a stronger and more prosperous Ontario. As we work to support OFB, the ministry is saving companies' time by cutting down the amount of government paperwork entrepreneurs and business owners must complete. Through our Paper Burden Reduction Initiative, we engaged all ministries to encourage the elimination of unnecessary and obsolete forms. Going forward, any new initiatives to further reduce paper burden will be part of the OFB action plan.

Challenges in the Current Economic Climate

There is no doubt that we are living in turbulent economic times. With the new fiscal climate come challenges and opportunities. Business people and consumers are reviewing, respectively, traditional business practices and old spending and buying habits.

In today's economy, all businesses have to be ready to meet both the challenges and opportunities.

There are over 370,000 small and medium sized employer businesses in our province, accounting for approximately 2.9 million jobs. In the current financial climate, many of these firms are re-thinking how they do business and re-examining their options.

Also, in a contracted economy, consumers will spend dollars more cautiously and seek further assurance that their purchases and investments are safeguarded against fraud, and that contracts for products and services are honoured.

The ministry is helping business and consumers meet the challenges of today's economy in a number of ways.

Meeting the Challenges of the Current Economic Climate Small and Medium Enterprises (SMEs)

In the face of these challenges and in order to continue to promote the success of SMEs, the ministry strongly encourages the entrepreneurial spirit.

Now as never before, there is a need for innovation and development of new creative business thinking. Whether someone is starting a new business, has an established company and is looking for new markets, or operates a struggling company that needs expert advice to survive, the ministry is in a position to help.

The ministry is dedicated to helping businesses position themselves for success through a wide range of programs and services — from reducing red tape to providing networking and learning opportunities for our innovation firm leaders and from youth entrepreneurship programs to support for Ontario's wine and craft brewer industries.

Meeting the Challenges

Consumer Protection

In any economy, a consumer's most trusted tool is information. Equally important, a consumer's best recourses and remedies continue to lie in consumer protection.

To ensure these fundamentals remain in place for Ontario consumers, the ministry works with administrative authorities to ensure Ontarians have a fair, safe and informed marketplace where consumer rights are protected.

We will continue to support a modern regulatory and legal environment that protects consumers, generates confidence and promotes economic growth.

For consumers, this means access to a system aimed at helping resolve consumer complaints and educating consumers. We also work to encourage confidence in overall buyer protection and public safety.

For businesses, it means removing barriers to economic activity through modernization and harmonization of Ontario's business and consumer laws.

2009 Budget Initiatives

The Vintners' Quality Alliance (VQA) Wine Support Program received an additional \$2 million in 2009-10. The program has been successful and both the volume and value of the VQA table wines sold is consistently higher than estimated when the program was launched in 2006.

The Summer Company program received an additional \$1 million in 2009-10 and 2010-11 through the Ministry of Training, Colleges and Universities (MTCU) as part of the government's increased spending on summer employment opportunities for youth.

Additional ongoing funding was provided to increase the oversight of the Ministry's eight Delegated Administrative Authorities (DAAs) and to support the new Deputy Minister's Office.

Ministry Contribution to Key Priorities & Results

Strong Economy

Serving the Public Interest

- Strengthening business development, consumer protection and public safety
- Promoting the growth of an innovative, competitive economy
- Maintaining a modern regulatory business environment that protects consumers and promotes economic growth
- Increasing skills and quality of jobs
- Providing a range of modern, efficient public services to support the growth and success of SMEs.

- Number of new entrepreneurs and high performing firms assisted through the Small Business Enterprise Centres and the ministry's Business Advisory Services
- Number of youth summer companies launched
- Customer satisfaction with service from the Consumer Services Branch
- Overall 75% satisfaction rate of Delegated Administrative Authorities (DAAs) with the clarity, timeliness and relevance of relationship management and policy development support in relation to the administration of the statutes for which the ministry is responsible.

Small Business and Entrepreneurship

Consumer Services

- 12 Field Offices*
- Exporter Assistance
- Regional Economic Development
- Assistance to High Performing Firms
- Disaster and Extraordinary Event Relief & Mitigation
- 57 Small Business Enterprise Centre (SBEC) Locations
- Global Edge Program
- Summer Company
- Youth Entrepreneurship Partnerships (YEP)
- Secondary School Business Plan Competition
- Promoting the Use of e-business by SMEs
- Salute to Small Business Month
- One-Window Website
- SME Policy Analysis and Development
- Secretariat Support for Small Business Agency of Ontario (SBAO)
- Marketing Initiatives for Microbreweries and Wineries
- Ontario Craft Brewers Opportunity Fund (OCBOF)
- Vintners' Quality Alliance (VQA) Wine Support Program

- Administer consumer protection statutes
- Promote consumer awareness
- Investigate consumer complaints, enforce legislation/regulations, and provide mediation services
- Support policy agenda for consumer protection, public safety, and business law modernization
- Work to reduce regulatory burden and create a more positive economic climate
- Provide oversight, accountability, governance, policy development and relationship management services for the ministry's Delegated Administrative Authorities

Linkages with the other ministries in the Ontario Government:

* MSBCS provides support and promotion services for a number of ministries, including the Ministry of International Trade and Investment, the Ministry of Economic Development, the Ministry of Research and Innovation, the Ministry of Culture, and the Ministry of Training, Colleges, and Universities.

Ministry Contribution to Key Priorities & Results

Key Performance Measures

At MSBCS, we have a clear view of how we measure the outcome of our work on behalf of our direct clients and the province as a whole. Here are the main gauges that allow us to track the impact of our work:

- The number of new entrepreneurs and small businesses assisted through the Small Business Enterprise Centres and the ministry's business advisors;
- The number of youth summer companies launched;
- Customer satisfaction with service from the Consumer Services Bureau;
- Assessment of whether the ministry has a clear and efficient process for evaluating DAA policy proposals;
- Assessment of whether the DAAs perceive that the process for regulation and related policy development includes their perspectives, goals and priorities; and
- Assessment of implementation and ongoing support activities for Ontario's DAAs.

Highlights of Achievements

A summary of the key results for 2008-09 follows.

- **Consultations**
 - o The ministry's network of 57 Small Business Enterprise Centre (SBEC) locations provided over 25,000 one-on-one consultations with new and existing entrepreneurs and small business owners.
 - o Through the ministry's Business Advisory Services, we consulted with more than 2,000 high performing businesses, including helping them obtain almost \$100 million in new export sales.
 - o Achieved 85% customer satisfaction with the services from the Consumer Services Bureau.
- **Events**
 - o SBECs held 41 ministry-sponsored small business peer-to-peer networking events. Thirty of these events were held during October 2008 in support of Salute to Small Business Month.
 - o SBECs held over 100 ministry-sponsored seminars and workshops to promote the adoption of e-business.

- o SBECs, in partnership with the Ministry of Culture, held 19 ministry-sponsored business training seminars for artists and artisans.
- o The Wisdom Exchange, a networking and learning program for Chief Executive Officers (CEO) and presidents of Ontario's high performing firms, was held February 18 – 19, 2009.
- o An 'Evening with Innovators' was held on December 2, 2008. Approximately 100 presidents and CEOs of some of Ontario's leading SMEs attended this annual event held in partnership with the Innovators Alliance, and attendees benefited from this networking and learning opportunity.
- o Four energy workshops were held to support SMEs in their efforts to reduce energy costs.
- o Co-ordinated Consumer Awareness Week, in November 2008, during which the *2009 Smart Consumer Calendar* was launched.
- o Led 100 public education/community events to encourage consumer protection.

- **Programs**

- o SBECs worked with the Canadian Youth Business Foundation (CYBF) to help young people receive loans to start up new businesses and receive mentoring support.
- o The ministry launched the Ontario Global Edge program with an initial 14 overseas placements through four post-secondary institutions.
- o The Summer Company program assisted 368 students to start and manage their own businesses.
- o Over 1,000 entries were received for the Ontario Secondary School Business Plan Competition.
- o The Youth Entrepreneurship Partnerships (YEP) program supported 20 projects that facilitated the development of an enterprising culture among Ontario's youth. YEP-supported projects have reached approximately 15,000 youth participants and 1,200 youth influencers since the program started in 2006.
- o The Future Entrepreneurs curriculum support kit for students in grades 7 to 10 was distributed to 3,700 schools, teachers and parents. The kit introduces students to the skills and mindset of entrepreneurship through role models, case studies, and interactive activities.

- o Worked with the Ministry of Economic Development and the Canadian Manufacturers and Exporters (CME) to develop the SMART program, and helped our clients obtain over \$4.6 million in grants to support almost \$19 million in capital projects.
- o Worked with the Ontario Chamber of Commerce (OCC) to develop the Export Market Access program funded by the ministry, and helped our clients obtain over \$1 million in grants to support \$2 million in new export market development activities.
- o The Ontario Wine Strategy provided \$2 million to the Ontario Wine Council and the Ontario Microbrewery Strategy provided \$1 million to the Ontario Craft Brewers.
- o The Ontario Vintners' Quality Alliance (VQA) Wine Support Program provided \$4.5 million to 50 wineries. In the first two years of the program, 16 wineries began selling their VQA table wines through the Liquor Control Board of Ontario (LCBO). The LCBO reported that sales of VQA table wines increased 11.8% in 2007-08.
- o The Ontario Craft Brewers Opportunity Fund provided approximately \$2 million to 33 brewers.
- o The ministry took steps to provide additional protection for users of payday loans through the development of the *Payday Loans Act, 2008*, which received Royal Assent on June 18, 2008.
- o Beginning April 1, 2009, users of payday loans will benefit from stronger consumer protections, including: requiring payday lenders and loan brokers to be licensed; and prohibiting certain industry practices, including "rollover" loans, effective July 2009.
- o The Ontario Payday Lending Education Fund (Education Fund), to be established in Winter 2010, will educate consumers about their rights and obligations under the *Payday Loans Act, 2008* and financial planning. The Education Fund will be funded by annual payments from licensees beginning April 1, 2010.
- o Increased electrical safety requirements by adopting the new Ontario Electrical Safety Code, 2009 in December 2008 with new requirements to come into effect as of May 1, 2009.
- o Brought into force new mandatory reporting of serious electrical incident or defect rules resulting from electrical products on July 1, 2008. This strengthens the Electrical Safety Authority's (ESA) mandate to respond to reports of safety concerns with electrical products in the market place.

- o Worked with Tarion, the regulator of the new home building industry in Ontario, to strengthen transparency and accountability. This resulted in several new Tarion initiatives, including establishing an internal new home buyer Ombudsperson to provide a review function for homeowner claims, and agreement by Tarion to open its annual general meeting to the public.
- o Following a 45 day consultation with industry and other stakeholders, the Propane Safety Review Panel, which was established in September 2008, made 40 recommendations to the Minister. Regulations increasing propane safety were passed in December 2008.

- **Publications**

- o Two issues of the ministry's newsletter, *Ontario Small Business Beat*, were published.
- o The Ministry published an e-Business Toolkit which includes a handbook and a dozen booklets on specialized topics.
- o Eight issues of the ministry's electronic newsletter, *Ontario Small Business NetBeat*, were e-mailed.
- o Three Leading Growth Firm reports were released.
- o Created and produced over 300,000 copies of the *2009 Smart Consumer Calendar*. The calendar is now available in multiple languages, including Spanish, simplified and traditional Chinese, Punjabi and Portuguese, in addition to English and French. To access the calendar online, visit:
<http://www.gov.on.ca/mgs/graphics/261048.pdf>
- o The Consumer Protection website provides a consumer toolbox for common marketplace issues and can be found at:
http://www.gov.on.ca/mgs/en/ConsProt/ConsProt/STEL01_132036.html
- o Issued a series of consumer articles to newspapers across Ontario, in several different languages, in an effort to increase consumer protection awareness.

Ministry Activities

Small Business and Entrepreneurship

SMEs account for over half of all private sector jobs in Ontario.

That's one of the main reasons our ministry is dedicated to creating a powerful business climate for the province's SMEs. We can help across the full spectrum of growth: from the very beginning of a business venture; through the early stages of small business growth; and to companies that are increasingly complex in scale.

Along with broad initiatives that really make government work for business — our contribution to the government's Open for Business initiative is one example — we continue to promote the adoption of new technology, including e-business by SMEs to increase their competitiveness.

Our Salute to Small Business Month is an annual event, held in October, which includes "Bridges to Better Business" events.

The ministry's website, www.sbe.gov.on.ca/ontcan/sbe/en/home_en.jsp, provides a one-stop information resource to ensure that entrepreneurs and SME owners have the most relevant information about planning, starting and growing a business.

Helping Ontario's established business community is important, but we have also made significant inroads in supporting the province's future business leaders.

The ministry's **Entrepreneurship and Youth** programs are delivered in partnership with 57 Small Business Enterprise Centre (SBEC) locations across Ontario.

Programs and activities focus on providing support to start-up and small enterprises during their initial years of development and operation. Entrepreneurs are provided with easy access to business consulting services and information covering management, marketing, technology and financing.

The Summer Company program provides hands-on business training and mentoring, together with financial support, to help enterprising students (ages 15-29) start up and run their summer businesses. The program is coordinated and delivered at the community level through the network of SBECs and other program providers supported by the government.

MSBCS' Youth Entrepreneurship Partnerships program provides funding, up to \$75,000 per year for projects of one year or less, to non-profit organizations that facilitate development of an enterprising culture among Ontario youth (typically between the ages of 12 and 29). The program provides youth with educational, experiential and entrepreneurial opportunities and programs.

The ministry's Ontario Global Edge program provides entrepreneurial international work opportunities to post-secondary students.

The Ontario Secondary School Business Plan Competition, operated in partnership with the network of SBECs, celebrates the creativity and entrepreneurial spirit of Ontario's high school students. Students enter their business plans to be judged by community and business volunteers.

The ministry's **Business Advisory Services** are provided through 12 field offices located throughout southern Ontario. Staff provide consulting services to Ontario's high performing firms and help these firms identify opportunities for growth and access resources to address their challenges.

Regional economic development and investment promotion assistance is provided to municipalities, regional development organizations and regional business networks to support local economic development.

Examples of assistance provided to high performing firms include: the Wisdom Exchange, an annual peer-to-peer networking and learning event for presidents and CEOs; a series of Leading Growth Firm reports, which chronicle effective CEO management practices in high performing firms; and Innovators Alliance, a network of CEOs and presidents of Ontario's high-performing, fastest growing firms.

Business Advisors working with SMEs across the province also gather important information from businesses, and, in turn, provide research, analysis and advice to the government regarding business competitiveness issues.

Business Advisors support other ministries to implement programs and services, and work with other ministries to maintain the Integrated Community Profiles. Business Advisors work with the Ministry of International Trade and Investment in expanding exporting opportunities for SMEs. They also work with the Ministry of Research and Innovation and the Ministry of Economic Development in delivering the Next Generation of Jobs Fund (NGOJF). Business Advisors work with the Ministry of Economic Development on the Eastern Ontario Development Fund, the Canadian Manufacturers and Exporters' SMART Program, the Advanced Manufacturing Investment Strategy (AMIS), and Yves Landry Foundation's Achieving Innovation and Manufacturing Excellence (AIME) Initiative. Business Advisors actively participate on the Ministry of Training, Colleges, and Universities' Rapid Response and Re-employment Teams and the Ministry of Economic Development's Communities in Transition program.

Policy and Outreach staff provide research, analytical and advisory services to other ministries and Cabinet Committees on policy, program, legislative and regulatory proposals that may affect SMEs.

The ministry provides support to the Small Business Agency of Ontario (SBAO), an advisory agency to the Minister of Small Business and Consumer Services, which provides advice on two key priority projects:

- o The Paper Burden Reduction Initiative (PBRI) is a cooperative effort with MSBCS and the Ministry of Government Services (MGS) to eliminate unnecessary government business forms and improve electronic access and provide user-friendly, streamlined government business forms. The third and final phase of the PBRI was completed in 2008-09. Any new initiatives to further reduce paper burden will be part of the government's Open for Business (OFB) action plan.
- o The Regulatory Registry, through Service Ontario, is a one-stop website that makes it easier for businesses to review and provide feedback on regulatory proposals that may affect their operations and to learn more about recently approved regulations.

Key initiatives for SME sectors:

- o The Ontario Microbrewery Strategy is a five year, \$5 million government-industry marketing and promotion initiative that supports the growth and development of Ontario craft brewers.
- o The Ontario Wine Strategy, introduced in 2006, is a five year, \$10 million government-industry initiative to enhance marketing, tourism and export development activities that support the growth and development of Ontario's wine industry.
- o The Vintners' Quality Alliance (VQA) Wine Support Program is a three year, \$10 million support program that encourages the sale of VQA table wines (wines that must contain 100 percent Ontario-grown grapes) through the Liquor Control Board of Ontario. Since the VQA program was launched in June 2006, 50 wineries have received \$7.8 million in grant payments through this program, including 16 wineries that began selling their VQA table wines through the LCBO. The LCBO reported that sales of VQA table wines increased 11.8% in 2007-08.
- o The Ontario Craft Brewers Opportunity Fund (OCBOF) provides \$2 million per year over four years to support the continued growth and development of Ontario craft brewers.

Consumer Services

Ontario benefits when its consumers are protected and informed. For its part, the ministry helps maintain a modern regulatory and legal environment that protects consumers, generates public confidence and promotes economic growth.

From shielding consumers from identity theft to protecting the public by working with the Electrical Safety Authority to ensure electrical appliances meet the provincial code, the ministry works in partnership with industry and key stakeholders to strengthen public safety.

The ministry is responsible for 44 consumer protection, public safety and business statutes. Policy activities focus on:

- o Supporting a broad and diverse policy agenda in three key areas: consumer protection, public safety and business law modernization;
- o Developing legislation and regulations that strengthen consumer protection, public safety and modernize the legal framework for businesses operating in Ontario;
- o Reducing unnecessary regulatory burden and creating a more positive economic climate;
- o Developing approaches to reduce reliance on government and decrease the overall cost of providing government services; and
- o Undertaking stakeholder issues management and policy liaison on a broad range of marketplace issues, including the identification of emerging trends and factors affecting consumers and business.

In its direct delivery of **Consumer Protection** programs, the ministry's key activities are:

- o Providing consumer protection, complaint handling, inspection and investigation;
- o Making public education services available; for example: co-ordinated Consumer Awareness Week including release of the 2009 Smart Consumer Calendar; and led 100 public education/consumer events;
- o Registering and regulating businesses under a number of business statutes;
- o Processing consumer complaints;
- o Investigating alleged infractions;
- o Monitoring and educating the marketplace;
- o Licensing professional boxing and kickboxing in Ontario;
- o Issuing licenses to film and video exhibitors, distributors and retailers;
- o Promoting consumer awareness on current and emerging consumer issues;
- o Performing mediation and enforcement activities on behalf of consumers;
- o Inspecting regulated businesses – for example, cemeteries, collection agencies, video retailers, theatres – for compliance with regulations;
- o Providing Ontario Film Review Board (OFRB) with operational support, including the intake of films submitted for classification, screenings, revenue and content management for the OFRB website; and
- o Supporting OFRB in delivering a biennial film school competition to produce promotional videos aimed at raising awareness of film classification, and hosting a number of educational public evenings.

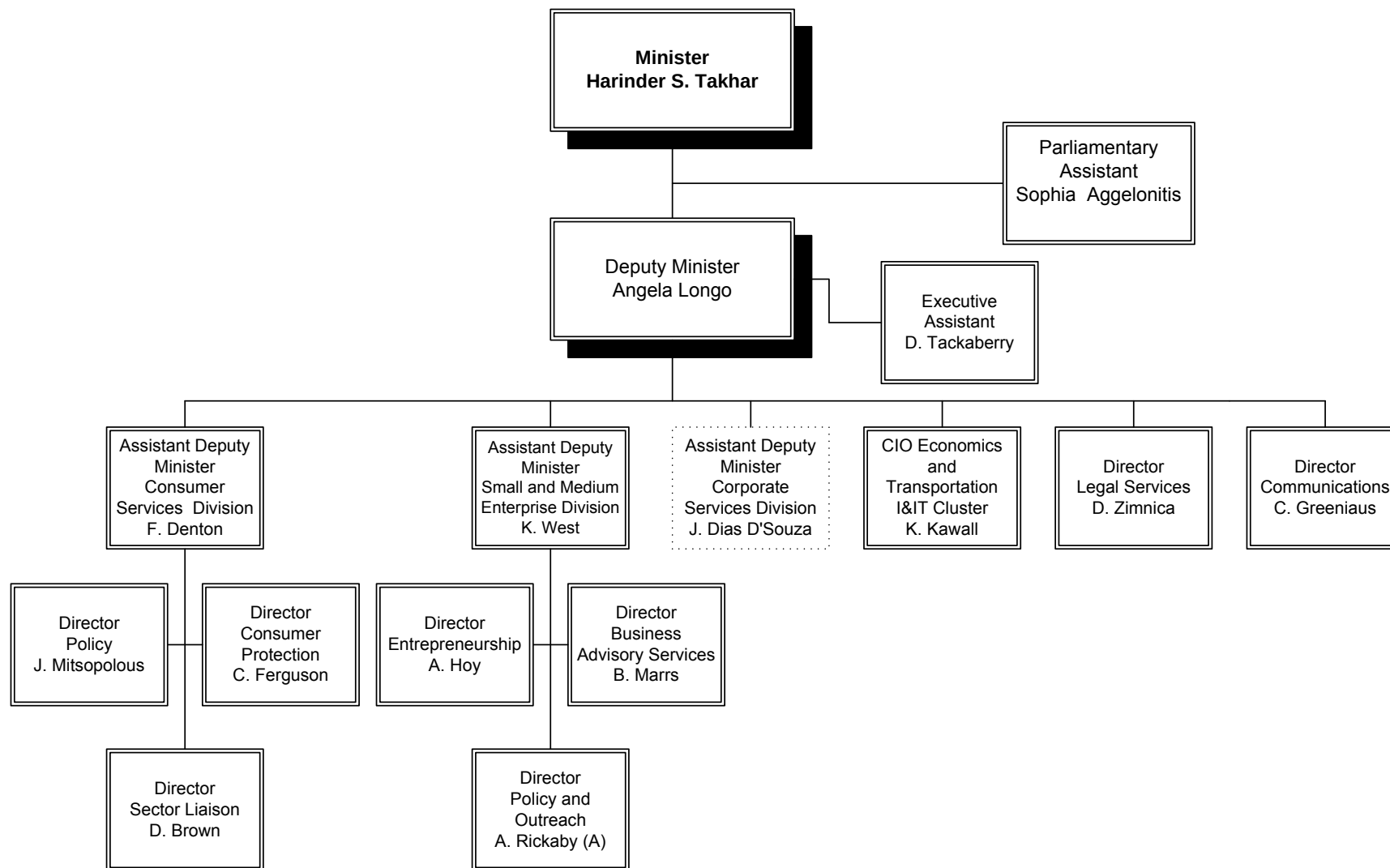
The MSBCS website provides a comprehensive resource for consumers and includes a Consumer Beware Database:

<http://www.consumerbeware.mgs.gov.on.ca/catsct/start.do>

In addition to direct delivery of consumer protection services, the ministry oversees eight independent bodies that deliver consumer protection and public safety programs. The ministry protects the public interest by:

- o Providing oversight, accountability and governance, policy development and relationship management services for the Ontario Film Review Board, the ministry's Delegated Administrative Authorities (DAAs), Tarion and the Board of Funeral Services; (for a full list of DAAs see page 18)
- o Working with the Wine and Grape Steering Committee to promote industry growth and enhance industry competitiveness; and
- o Linking the ministry and its external community.

MSBCS continues to partner with the Consumer Advisory Council (CAC), whose mandate is to provide advice to the ministry on setting consumer protection priorities. The Minister will next meet with the CAC in Spring 2009 to share information and seek input on current consumer education and regulatory initiatives.



LEGISLATION

Apportionment Act
Arthur Wishart Act, 2000
Assignments and Preferences Act R.S.O. 1990
Athletics Control Act, 1990
Bailiffs Act, R.S.O. 1990
*Business Corporations Act, 1990
*Business Names Act
Business Regulations Reform Act
Cemeteries Act (Revised), 1990
Collection Agencies Act, 1990
Collision Repair Standards Act, 2002 (unproclaimed)
*Condominium Act, 1998
Consumer Protection Act, 2002
Consumer Reporting Act, 1990
*Corporations Act, R.S.O., 1990
Corporations Information Act
Debt Collectors Act, 1990
Discriminatory Business Practices Act, 1990
Electricity Act, 1998, 1998 c. Part VIII
Electronic Registration Act
*Extra-Provincial Corporations Act
Factors Act, 1990
Film Classification Act, 2005
Funeral, Burial and Cremation Services Act, 2002
Funeral Directors and Establishments Act, 1990
Horse Riding Safety Act, 2001
*Limited Partnerships Act, 1990
Ministry of Consumer and Business Services Act, R.S.O. 1990
Motor Vehicle Dealers Act, 1990
Motor Vehicle Dealers Act, 2002
Ontario New Home Warranties Plan Act, 1990
Paperback and Periodical Distributions Act, 1990
Partnerships Act, 1990
Payday Loans Act, 2008
*Personal Property Security Act, 1990
Real Estate and Business Brokers Act, 2002
*Repair and Storage Liens Act, 1990
Residential Complex Sales Representation Act, 1990
Retail Business Holidays Act, 1990
Safety and Consumer Statutes Administration Act, 1996
Securities Transfer Act, 2006
Technical Standards and Safety Act, 2000

Travel Industry Act, 2002,
S.O. 2002
Vintners' Quality Alliance Act,
1999

***Responsibility for these statutes is shared with MGS**

AGENCIES, BOARDS AND COMMISSIONS

Small Business Agency of Ontario (SBAO)

The SBAO is an advisory agency that reports to the Minister of Small Business and Consumer Services. The SBAO was modified in terms of its membership and focus in 2008-09. The SBAO will continue to help improve interactions between government and SMEs and will serve as a sounding board and provide high level and strategic advice to the Minister on key issues affecting the growth and competitiveness of SMEs in Ontario.

Ontario Film Review Board (OFRB)

The **Ontario Film Review Board** (OFRB) receives its mandate through the *Film Classification Act, 2005*. Subject to specific exceptions, if a film (e.g. movie, DVD, video etc.) is to be distributed or exhibited in Ontario, it must first be classified by the OFRB. Their objective is to classify film, and thereby provide the public with sufficient information to make informed viewing choices for themselves and their children.

DELEGATED ADMINISTRATIVE AUTHORITIES

The Delegated Administrative Authority (DAA) model establishes an accountability and governance framework between a ministry and a not-for-profit corporation that regulates on behalf of the government in specific consumer or safety areas.

The ministry monitors DAA service delivery and the government enacts the legislation and regulations that the DAA administers. The DAA delivers regulatory services within a defined business sector, such as licensing, inspections, complaint-handling and enforcement.

The **Electrical Safety Authority** (ESA) enforces Ontario's Electrical Safety Code, regulates electrical distribution safety and licenses electrical contractors and master electricians. As of July 1, 2008, the ESA's mandate was expanded to include ensuring that electrical products used in Ontario meet Ontario's safety requirements.

The **Technical Standards and Safety Authority** (TSSA) enforces public safety standards in industry sectors such as amusement devices, boilers and pressure vessels, elevating devices, natural gas, petroleum, propane fuels and equipment, operating engineers, and upholstered and stuffed articles.

The **Ontario Motor Vehicle Industry Council** (OMVIC) administers the *Motor Vehicle Dealers Act* and the Motor Vehicle Dealers Compensation Fund. It is responsible for registering motor vehicle dealers and salespeople and conducts inspections and investigations.

The **Real Estate Council of Ontario** (RECO) administers the *Real Estate and Business Brokers Act, 2002* and regulates real estate salespersons and brokers.

The **Travel Industry Council of Ontario** (TICO) regulates travel retailers and wholesalers and manages Ontario's Travel Compensation Fund.

The **Vintners' Quality Alliance Ontario** establishes and administers the framework for an "Appellation of Origin" system governing the production and marketing of quality Ontario wines designated "VQA."

MSBCS also works with:

The **Tarion Warranty Corporation**, which registers new home builders and vendors. It also enrolls new homes for warranty coverage, investigates illegal building practices and resolves warranty disputes between builders/vendors and homeowners. It is mandated to promote high standards of construction among Ontario's new home builders.

The **Board of Funeral Services** (BoFS), which regulates the funeral industry by administering the *Funeral Directors and Establishments Act*. It also mediates and adjudicates complaints and administers a consumer compensation fund.

Ministry staff also support Ministry of Government Services (MGS) by managing policy and oversight activities relating to the Alcohol Gaming Commission of Ontario (AGCO), an agency under the responsibility of MGS.

MINISTRY FINANCIAL INFORMATION
Table 1: Ministry Planned Expenditures 2009-10

	Ministry Planned Expenditures (\$M)
Operating	48.8
Capital	-
TOTAL	48.8

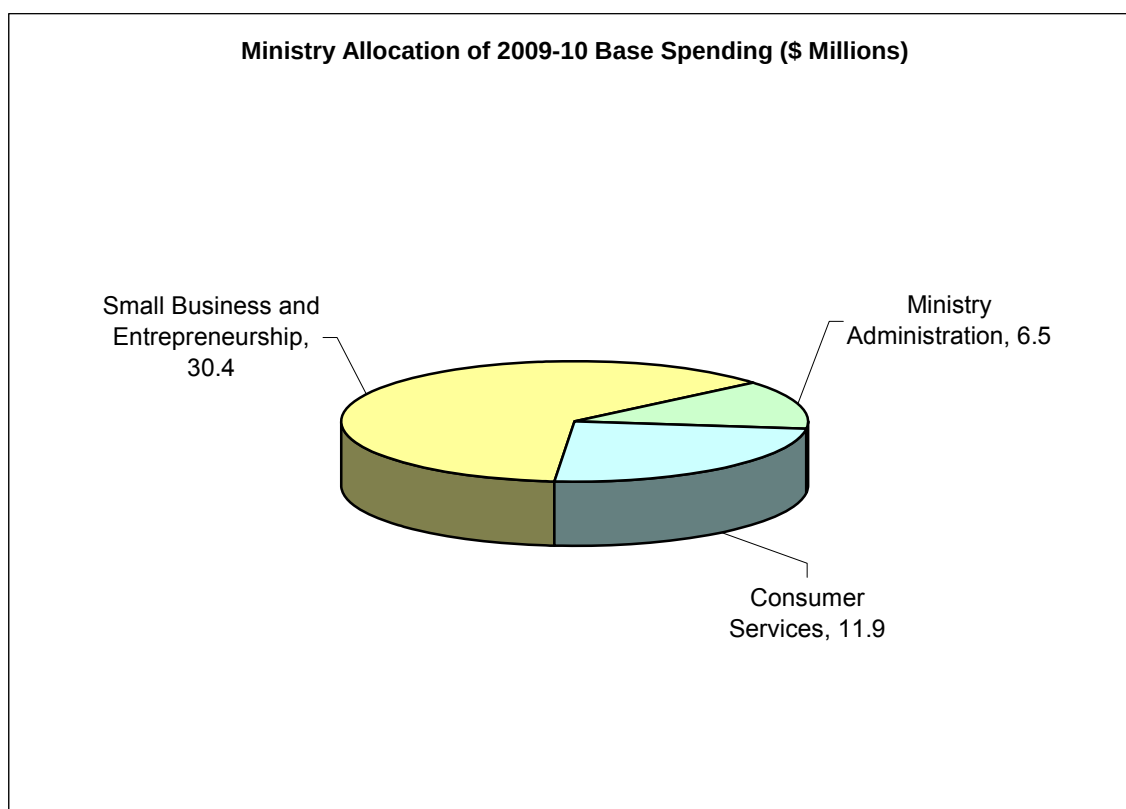


Table 2: Operating and Capital Summary by Vote

The ministry plays a lead role in strengthening business development, consumer protection and public safety. The ministry works with its network of Small Business Enterprise Centres and other key stakeholders across the province to provide programs and services to support business start-up and early stage growth, and to promote entrepreneurship as a viable career option among Ontario's youth. In addition, the ministry works with high performance firms across southern Ontario to provide advice and consultation services that assist in business expansion, both domestically and abroad. The ministry is also responsible for many of the Province's consumer protection programs, either directly or through oversight of delegated administrative authorities. In the area of public safety, the ministry oversees the Technical Standards and Safety Authority and the Electrical Safety Authority. Ministry staff continually review the regulatory environment businesses face in order to streamline the system and remove unnecessary barriers.

The ministry devotes resources to ensuring consumers are well protected and informed about their rights. Staff work in partnership with industry and key stakeholders on government policies and information campaigns to strengthen public safety.

Votes/Programs	Estimates 2009-10 \$	Change from 2008-09 Estimates		2008-09*		Actuals 2007-08 \$
		\$	%	Estimates \$	Interim Actuals \$	
OPERATING AND CAPITAL EXPENSE						
Small Business and Consumer Services Program	48,717,200	6,941,400	17%	41,775,800	47,003,491	45,332,751
Total Including Special Warrants	48,717,200	6,941,400	17%	41,775,800	47,003,491	45,332,751
Less: Special Warrants	-	-	-	-	-	-
Total To Be Voted	48,717,200	6,941,400	17%	41,775,800	47,003,491	45,332,751
Statutory Appropriations	67,014	1,000	2%	66,014	65,968	55,267
Ministry Total Operating and Capital	48,784,214	6,942,400	17%	41,841,814	47,069,459	45,388,018
OPERATING AND CAPITAL ASSETS						
Small Business and Consumer Services Program	2,000	1,000	100%	1,000	-	-
Total Assets To Be Voted	2,000	1,000	100%	1,000	-	-

* Estimates for the previous fiscal year are restated to reflect any changes in ministry organization and/or program structure. Interim actuals reflect the numbers presented in the Ontario Budget.

APPENDIX I:**ANNUAL REPORT 2008-09**

The ministry's mandate is to promote and support entrepreneurship, small and medium-sized businesses and provide consumer protection and public safety.

Small Business and Entrepreneurship

Through its **Entrepreneurship and Youth** programs and services the ministry:

- Provided over 25,000 one-on-one consultations with new and existing entrepreneurs and small business owners through the ministry's network of 57 Small Business Enterprise Centre (SBEC) locations, which are operated in partnership with municipalities.
- Opened one new SBEC in Orleans.
- Held 41 ministry-sponsored small business peer-to-peer networking events by SBECs, of which over 30 were held in October 2008 in support of Salute to Small Business Month.
- Held over 100 ministry-sponsored seminars and workshops by SBECs to promote the adoption of e-business by small businesses across the province.
- Held 19 ministry-sponsored business training seminars for artists and artisans by SBECs, in partnership with the Ministry of Culture.
- Worked with the Canadian Youth Business Foundation (CYBF) to help young people receive loans to start up new businesses and receive mentoring support.
- Launched the Ontario Global Edge program with an initial 14 overseas placements through four post-secondary institutions.
- Assisted 368 students to start and manage their own businesses through the Summer Company program.
- Attracted more than 1,000 entries from individual students and teams of students to the Ontario Secondary School Business Plan Competition, in which contestants vie for cash awards at the regional and provincial level. Forty-one SBECs worked with 230 secondary schools across Ontario to coordinate the local business plan competitions.
- Managed 20 grants under the Youth Entrepreneurship Partnerships (YEP) program to Aboriginal groups, educational institutions and other non-profit community

organizations to deliver entrepreneurial, experiential and educational opportunities and programs for youth ages 12 – 29.

- Reached approximately 15,000 youth participants – including nearly 2,000 rural, Aboriginal and under-served youth – as well as approximately 1,200 youth influencers, through YEP projects since the program started in 2006. Contracts with additional organizations are being finalized as result of a call for proposals.
- Published an e-Business Toolkit which includes the handbook “How you Can Profit from e-Business” and a dozen booklets on specialized topics such as e-commerce, social media marketing, on-line advertising, e-exporting and open-source software.
- Distributed the Future Entrepreneurs curriculum support kit for students in grades 7 to 10 to 3,700 schools, teachers and parents. The kit introduces students to the skills and mindset of entrepreneurship through role models, case studies, and interactive activities.
- Published two issues of the ministry’s newsletter, *Ontario Small Business Beat*. This newsletter contains articles and information of interest to entrepreneurs and small business owners.
- E-mailed eight issues of the ministry’s electronic newsletter, *Ontario Small Business NetBeat*.

Through **Business Advisory Services** the ministry:

- Consulted with more than 2,000 high performing businesses, including support for new export opportunities, helping them obtain almost \$100 million in new export sales.
- Released 3 Leading Growth Firm publications: *The Wisdom Exchange 2008: Strategies for Growth; Thinking Lean: Improving Performance, Customer Satisfaction and the Bottom Line; and the Wisdom Exchange 2009 Reporter*.
- Supported the Ontario Chamber of Commerce (OCC) in the launch and delivery of the \$5 million Export Market Access – A Global Expansion Program, which was announced in the 2008 Ontario Budget. Through promotion to our clients and assistance with their applications, we helped our clients obtain over \$1 million in grants supporting \$2 million in new export market development activities.
- Supported Canadian Manufacturers and Exporters (CME) in the development and launch of the \$25 million SMART program, which was announced in the 2008 Ontario Budget. In 2008-09, we helped our clients obtain over \$4.6 million in grants to support almost \$19 million in capital projects to improve their competitive position.

- Organized a number of events, such as:
 - o Wisdom Exchange, an annual peer-to-peer, invitation-only networking and learning event bringing together CEOs and presidents of Ontario's high performing firms. The February 2009 event, which featured key note speakers focusing on thriving in challenging economic times, was well received by the 76 industry leaders in attendance.
 - o Evening with Innovators, sponsored by the Innovators Alliance in December 2008, attracted 100 entrepreneurs who benefited from the networking and learning opportunity for CEOs of Ontario's leading innovation firms.
 - o Through our support, the Association for Manufacturing Excellence's 2008 International Lean Conference, which was held in Toronto, attracted over 2,500 manufacturers' representatives from around the world. We exceeded the goal of having Ontario SMEs account for at least 10% of the participants.
 - o Four energy workshops to support SMEs in their efforts to reduce energy costs.

Through its **SME Policy and Outreach** programs and services the ministry:

- Provided administrative support for initiatives for key SME sectors:
 - o Completed the fourth year of the five year, \$10 million Ontario Wine Strategy and the fourth year of the five year, \$5 million Ontario Microbrewery Strategy.
 - o Provided \$4.5 million to 50 Ontario wineries under the Vintner's Quality Assurance (VQA) Wine Support Program.
 - o In 2008-09, the first year of the Ontario Craft Brewers Opportunity Fund, provided approximately \$2 million to 33 brewers for marketing and product development.
- Worked with the Small Business Agency of Ontario (SBAO) to achieve the following:
 - o The Paper Burden Reduction Initiative: The ministry and the SBAO worked with the Ministry of Government Services (MGS) and other ministries to eliminate unnecessary business forms, to convert as many as possible from paper form to an electronic format, to ensure that all forms meet Ontario Public Service guidelines and standards and to post all forms on the government's central forms repository. The third and final phase of the PBRI was completed in 2008-09.
 - o Improving the Regulatory Registry: The ministry's Regulatory Registry was designed to be the one-window repository for all new and proposed regulations affecting business. Since its October 2005 launch, the Regulatory Registry has received over 200,000 visits.

Consumer Services

Through its **Consumer Protection Branch**:

- The ministry provided greater protection for consumers from identity theft through new provisions to the *Consumer Reporting Act*, which:
 - o allows consumers to place flags on their credit reports;
 - o requires consumer-reporting agencies to place alerts or warnings in a consumers file at the request of the consumer; and
 - o requires credit lenders to take extra precautions when processing credit applications in confirming the identity of the consumer.
- The ministry achieved the following results in resolving issues:
 - o \$457,125 in mediated refunds;
 - o \$414,627 in restitution;
 - o \$202,829 in cancelled or rescinded contracts for goods delivered, services started, and other remedies in hundreds of cases;
 - o advice and assistance on over 55,000 calls and complaints;
 - o 410 compliance inspections and field visits;
 - o 1,668 charges laid with a 98-percent conviction rate;
 - o over \$389,000 in fines against violators; and
 - o over 532 months of court ordered probation that effectively gets offenders out of the marketplace.
- In support of consumer education, the ministry:
 - o Created and produced over 300,000 copies of the *2009 Smart Consumer Calendar*. For the first time, the calendar is available in multiple languages, including Spanish, simplified and traditional Chinese, Punjabi and Portuguese, in addition to English and French. Examples of calendar sponsors include: the Government of Canada; Bank of Canada; Interac; Financial Services Commission of Ontario; Canadian Health Care Anti-fraud Association (CHCAA); Canadian Motor Vehicle Arbitration Plan (CAMVAP); and a number of Ontario Delegated Administrative Authorities.
 - o Co-ordinated Consumer Awareness Week, in November 2008, during which the *2009 Smart Consumer Calendar* was launched.
 - o Delivered or participated in over 100 public education/community events to encourage consumer protection about their rights, including police-sponsored crime prevention seminars (e.g. in Halton and Peel Regions), an Active Living event in Cambridge, Consumer Rights Days with local community legal clinics (e.g. in Ottawa) and events at Ryerson University and George Brown College.

- o Issued a series of consumer articles to newspapers across Ontario, in several different languages, in an effort to increase consumer protection awareness. Topics cover the full range of issues arising from calls and complaints to the Consumer Protection Branch. Specific topics covered to date include lawn care, dating services, air purifiers, gym memberships, avoiding ID theft and gift cards.

Through its **Sector Liaison Branch**, the ministry:

- Worked with Tarion, the regulator of the new home building industry in Ontario, to strengthen transparency and accountability. This resulted in several new Tarion initiatives, including establishing an internal new home buyer Ombudsperson to provide a review function for homeowner claims and agreeing to host a public annual general meeting.
- Made amendments to the rules for wine-making as set out in Regulation 406 under the *Vintners' Quality Alliance (VQA) Act, 1999*. The primary result is a new requirement for labelling changes. These changes ensure that appellation of origin claims are displayed prominently on all VQA labels, while providing wineries with greater design flexibility.

Through its **Policy Branch**:

- Working with stakeholders, the ministry took steps to provide additional protection for users of payday loan services by introducing the *Payday Loans Act, 2008*. This Act received Royal Assent on June 18, 2008.
- Through amendments to the *Electricity Act* and the Ontario Electrical code, which strengthens the Electrical Safety Authority's (ESA) mandate to support consumer protection and public safety, the ESA can now monitor and regulate electrical products in the market place.
- The Propane Safety Review Panel was established in September 2008. Following a 45 day consultation with industry and other stakeholders, the panel made 40 recommendations to the Minister.
- The ministry's work with the Technical Standards and Safety Authority (TSSA) has, to-date, resulted in the implementation of 34 of the Panel's recommendations, with the remaining six underway. Recommendations focused on the storage and handling of propane in Ontario.
- Amendments to the *Motor Vehicle Dealers Act, 2002 (MVDA)*, which will come into effect on January 1, 2010, will fortify the Act with some of the strongest consumer protections for people buying new or used motor vehicles. When fully implemented, the MVDA will, for example, provide new disclosure requirements in new and used car contracts.

- Regulations under the *Consumer Protection Act, 2002* were amended, resulting in significant benefits for consumers with regard to gift cards. Gift cards issued on or after October 1, 2007 can no longer have expiry dates. Fees or deductions from a gift card's value are not permitted and expiry dates on mall gift cards, issued as of September 1, 2008, are banned. British Columbia and Manitoba have adopted Ontario's regulatory approach to the treatment of gift cards.
- To clarify issues surrounding the scattering of cremated human remains on Ontario waterways, MSBCS led a working group comprising regional conservation authorities, affected provincial ministries and federal departments. The result was public communication that Ontario permits individuals to scatter cremated human remains on Crown land, including Ontario waterways. A letter of explanation was sent in December 2008 to six Ontario faith-based organizations.

Table 1: Ministry Expenditures 2008-09

	Ministry Interim Actual Expenditures (\$M)
Operating	47.1
Capital	-
Staff Strength (as of March 31, 2009)	236

GLOSSARY

AGCO	Alcohol Gaming Commission of Ontario	MTCU	Ministry of Training, Colleges and Universities
AIME	Achieving Innovation and Manufacturing Excellence	OCBOF	Ontario Craft Brewers Opportunity Fund
AMIS	Advanced Manufacturing Investment Strategy	MRI	Ministry of Research and Innovation
BoFS	Board of Funeral Services	MSBCS	Ministry of Small Business and Consumer Services
CAC	Consumer Advisory Council	OMVIC	Ontario Motor Vehicle Industry Council
CAMVAP	Canadian Motor Vehicle Arbitration Plan	NGOJF	Next Generation of Jobs Fund
CEO	Chief Executive Officer	OCC	Ontario Chamber of Commerce
CHCAA	Canadian Health Care Anti-fraud Association	OFB	Open for Business
CME	Canadian Manufacturers and Exporters	OFRB	Ontario Film Review Board
CYBF	Canadian Youth Business Foundation	OMAFRA	Ontario Ministry of Agriculture, Food and Rural Affairs
DAA	Delegated Administrative Authority	PBRI	Paper Burden Reduction Initiative
EPC's	Engineering, Procurement and Construction Companies	RECO	Real Estate Council of Ontario
EPCM's	Engineering, Procurement and Construction Management Companies	SBAO	Small Business Agency of Ontario
ESA	Electrical Safety Authority	SBEC	Small Business Enterprise Centre
LCBO	Liquor Control Board of Ontario	SMEs	Small and Medium Enterprises
MED	Ministry of Economic Development	TICO	Travel Industry Council of Ontario
MGS	Ministry of Government Services	TSSA	Technical Standards and Safety Authority
MITI	Ministry of International Trade and Investment	VQA	Vintners' Quality Alliance
		YEP	Youth Entrepreneurship Partnerships