Published plan and annual report 2017-2018: Ministry of Research, Innovation and Science and Ministry of Economic Development and Growth

Plans for 2017-2018, and results and outcomes of all provincial programs delivered by the Ministry of Research, Innovation and Science and Ministry of Economic Development and Growth in 2016-2017.

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Part 1: 2017-18 Published Plan

Ministry overview

Mandate

The Ministry of Research, Innovation and Science (MRIS) supports the full cycle of research, innovation and entrepreneurship – from nurturing scientific discoveries, to turning those discoveries into technologies that can be commercialized. It aims to foster a culture of innovation, entrepreneurship and science in Ontario. The ministry's programs help support and prepare our researchers, entrepreneurs and start-up firms to succeed in a global market, while creating and keeping jobs in Ontario.

The mandate of the Ministry of Economic Development and Growth (MEDG) is to develop a provincial economic strategy that strengthens job creation in an innovation-driven economy, while increasing the ability of Ontario companies to compete abroad. The ministry helps innovative and high-growth companies scale up. It helps businesses succeed by lowering costs through smarter regulation and lowering trade barriers within Canada. It facilitates the growth of the social enterprise sector and puts a special focus on small business growth, a cornerstone of our prosperity and communities.

Ontario's outward-looking economy is caught in the tension between two massive economic and political forces: the great wave of globalization that is remaking the world's economic hierarchy, and the protectionist backlash that has arisen against its shortcomings. This unstable international order requires our ministries be nimble to meet unexpected challenges. And they must do so while grappling with rapid and historic technological change. With its highly skilled workforce, Ontario must drive the adoption of the digital platforms and technologies - from self-driving vehicles to 5G wireless networks and artificial intelligence - that will form the intelligent infrastructure of the next economy. Although Ontario has a healthy start-up culture, our small companies need more capital and sometimes support to grow quickly and compete globally.

To achieve these ambitious goals, the ministries work through the principles of the Business Growth Initiative (BGI), a bold strategy to sharpen Ontario's competitive edge. The Business Growth Initiative is designed to:

- Grow businesses: helping small and medium-sized businesses expand to compete in international markets.
- Create an innovation-driven economy: accelerating Ontario's transition to the 21st century, innovation-driven economy that thrives on the initiative, creativity, education and skills of its people.
- Modernize Ontario's regulatory system: removing regulatory barriers to growth and establishing new, modern regulatory practices.

The following charts summarize the results, strategies, programs, and activities of our work under these priorities, as well as key performance indicators.

MRIS/MEDG programs

Goals

Knowledge creation

Supporting high-impact research will help create scientific discoveries and drive innovation in Ontario.

Start-ups

Strengthening Ontario's entrepreneurial culture and networks will help accelerate the flow of successful, start-up companies.

Small businesses

Supporting high potential small businesses will help them grow sales, improve competitiveness and productivity and attract capital for expansion.

Scale-ups

Aggressively supporting Ontario companies in scaling-up will increase opportunity and help attract more domestic and international investment and talent.

Expansion

Proactively addressing corporate FDI and domestic business expansion will help open pathways to economic growth, profitability and global competitiveness.

Regulatory modernization

Modernizing regulations and processes will help lower the cost of doing business in Ontario and promote jobs and growth.

Key goals – MRIS

- Maintain and strengthen Ontario's research programs
- Bring more of Ontario's scientific knowledge to the marketplace by fostering entrepreneurship and start-ups
- Support scaling up of innovative and high growth companies
- Create an innovation-driven economy and foster a culture of innovation, entrepreneurship and science
- Support the development of transformative technology ecosystems to enhance their promotion and adoption in established sectors.

Key goals – MEDG

- Modernize the regulatory system and reduce the cost of doing business
- Bring more of Ontario's scientific knowledge to the marketplace by fostering entrepreneurship and start-ups
- Support scaling up of innovative and high growth companies
- Create an innovation-driven economy and foster a culture of innovation, entrepreneurship and science
- Support the development of transformative technology ecosystems to enhance their promotion and adoption in established sectors.

Key performance indicators – MRIS/MEDG [1]

- Increase business expenditure in R&D for Ontario as a percentage of Ontario GDP (%) (Target: Improve Ontario's BERD ranking to top 15 globally)

Ministry programs and activities

For generations, the people of Ontario have worked hard to make this province a great place to live. Farming, natural resources and manufacturing were the cornerstones of an economy that produced the wealth to educate our kids, care for the sick, and ensure we grow old with dignity.

But in the 21st century, we face a new industrial revolution. A bewildering array of new technologies and platforms are upending commerce, manufacturing, transportation, healthcare and more. This threatens the economic growth upon which our quality of life depends.

Yet Ontario is well-positioned to benefit from this technological transformation. For over a decade, the government has invested in developing the companies and highly skilled workforce that can meet the challenges of the digital age. Our science, engineering and digital skills are Ontario's strengths. We must act on that advantage, driving policies and programs that help Ontario compete in global markets, and building businesses that offer the next generations a bright future here at home.

Increasingly, this strategy focuses on ensuring that Ontario remains at the forefront in developing and using transformational technologies. From artificial intelligence to 5G networks and quantum computing, new technologies and platforms are forming the intelligent infrastructure of the next century's economy. These transformational technologies are creating jobs in new businesses and industries, while providing traditional sectors like manufacturing with the digital tools to compete globally – and hire locally.

The following programs and activities form the arsenal of the ministry's Business Growth Initiative (BGI), our plan to prosper from technological change.

The ministries' programs are clustered under 7 overall objectives:

1. Knowledge creation:

These programs support world-class research excellence in Ontario to build a pipeline for tomorrow's innovations, including research in key priority areas that lead to commercialization, and the highly skilled jobs and talent needed to grow Ontario businesses.

A number of these programs support and leverage the work of world-renowned research institutes such as the Perimeter Institute for Theoretical Physics, the Ontario Institute for Regenerative Medicine and the Ontario Institute for Cancer Research.

The ministry's knowledge creation programs directly support researchers, creating provincial knowledge, retaining highly skilled talent, and helping companies innovate, grow, scale up and prosper in Ontario. For example, the Ontario Research Fund – Research Excellence (ORF-RE) provides research institutions with funding for large-scale transformative research. The Ontario Research Fund – Research Infrastructure (ORF-RI) provides research institutions with funding for modern facilities and equipment. The Early Researcher Award (ERA) program helps new researchers working in publicly funded Ontario institutions to build a research team.

2. Start-ups:

Strengthening Ontario's entrepreneurial culture and networks is critical to accelerating the flow of successful, start-up companies. Start-up programs position Ontario businesses to clear commercialization hurdles, help them attract talent, capital and customers to grow and succeed in international markets.

To encourage a culture of entrepreneurship, programs such as Starter Company Plus, Talent Edge and Youth Skills Connection provide young and new entrepreneurs with the skills needed to successfully launch a business.

The social enterprise movement is led by a new wave of entrepreneurs who want to balance earning a profit with making a positive social impact. The ministry's social enterprise programs help social enterprises start up, connect with investors and create new jobs through programs such as the ONE Social Enterprise Demonstration Fund and the Business Fundamentals program. Funding support is also provided through the Social Impact Vouchers program.

3. Small business:

Small business programs leverage Ontario's existing and aspiring high-growth firms through hands-on business development expertise and services.

The ministry works directly with growing companies through its 12 offices across Southern Ontario. Ministry representatives have in-depth consultations with the companies, and connect them with a range of public and private sector resources to help them grow their domestic and export sales, improve their competitiveness and productivity, source capital for expansion and develop business plans for continued growth.

Energy Connections, Wisdom Exchange, Leading Growth Firm Reports, and Probe for Innovation and Manufacturing provide help by connecting growing small and medium enterprises (SMEs) directly to opportunities in new markets, providing tools to increase productivity and sustainability and delivering resources to support SME executive development.

The Eastern Ontario Development Fund and the Southwest Ontario Development Fund help businesses, municipalities and not-for-profit organizations located in eastern and southwest Ontario with their economic development efforts. The fund supports mostly SME expansion projects that create jobs by fostering innovation, productivity and competitiveness. Projects also encourage, collaboration and cluster development, and attract increased private sector investment.

4. Scale-ups:

Ontario's Business Growth Initiative is focused on developing more medium and large Ontario firms into global players. Ministry programs help high potential companies to scale up and anchor in Ontario by helping them overcome barriers to rapid growth and attract more domestic and international investment.

Access to capital is a significant barrier for new and start-up businesses. Through programs such as the Investment Accelerator Fund, the Clean Tech Venture Capital Fund, the Northleaf Venture Catalyst Fund and the Scale Up Ventures Fund, the ministry makes it easier for new and starting companies to access the capital they need to grow their business.

Two recently announced programs are underway to help Ontario companies scale up. The Scale-Up Voucher program will provide high-growth companies with immediate access to specific resources they need at pivotal moments in their development. Vouchers will be used by companies to fund activities such as specialized talent development and recruitment, accessing new markets and intellectual property protection services. The Small Business Innovation Challenge will provide SMEs with opportunities to develop and implement innovative technology solutions to public sector challenges, allowing companies the opportunity to demonstrate success in Ontario. Both programs will help SMEs across the province become better positioned for growth and expansion to compete globally, and keep pace with rapid technological change.

5. Expansion:

The Ontario Investment Office (OIO), launched in 2016, is focused on attracting investment to grow the Ontario economy. Proactively addressing corporate FDI and domestic business expansion in strategic areas of focus (e.g. sectors, clusters) is enabling the retention and growth of targeted mid- to large-size businesses in Ontario, and opening pathways to economic growth and profitability.

The OIO has both a domestic and international facing mandate to secure increased investment in key sectors while strengthening the overall competitiveness of Ontario firms. Providing a single window business concierge service to foreign investors looking to establish in Ontario, or helping Ontario businesses adopt advanced technology, the OIO's account management team builds close relationships with leading companies in key sectors to deliver customized advice and services. Using an integrated marketing strategy, the OIO markets Ontario to the world to secure high-value foreign investment. The OIO also offers pre-qualified premium sites through the Investment Ready: Certified Site Program, the first province-wide program of its kind in Canada.

A central component of the ministry's expansion efforts is the Jobs and Prosperity Fund, a 10-year, $2.7 billion program created to support a dynamic and innovative business climate, improve productivity and market access for Ontario companies and sectors. The auto industry is a significant engine of the Ontario economy. For this reason, a number of programs are in place to ensure the continued growth of the auto sector.

6. Technology development and adoption:

These programs are designed to accelerate Ontario's innovation economy by stimulating the development and adoption of key transformative technologies. Businesses are enabled to compete on innovation; leverage networks to cross-pollinate transformative technology best practices and share highly skilled talent; and remove government barriers to new technology.

In the 2017 Budget, the government announced significant investments in core disruptive technologies, including: 5G technologies ($130 million), advanced computing, artificial intelligence ($50 million), quantum technology, autonomous vehicles and cybersecurity. These new technologies can improve how we produce goods and deliver services, and ensure Ontario continues to be competitive in a fast-evolving global economy.

7. Regulatory modernization:

The ministry is committed to actively reducing the burden on businesses related to government regulations. Cutting red tape saves businesses time and money, making it easier for them to grow, invest, innovate and create jobs. By modernizing regulations and processes, the government is fostering a more competitive environment for businesses.

The Red Tape Challenge, launched in 2016, invites stakeholders to weigh in on specific regulatory changes they would like to see. Several Red Tape Challenge consultations are now complete: automotive, food services and financial services sectors. The mining Red Tape Challenge was issued in March 2017, to be followed by a review of the chemical manufacturing and forestry sectors.

To date, ministries have introduced 150 changes to numerous regulations, generating $31 million in savings for businesses, and $200 million in avoided costs.

Highlights of 2016-17 achievements

The Ministries of Research, Innovation and Science and of Economic Development and Growth are committed to creating a strong, vibrant and innovative economy.

The following highlights some of the achievements of the Ministries for the 2016-17 fiscal year:

Knowledge creation

- In June 2016, the Premier announced the creation of a new position of Chief Science Officer to lead the government's efforts to advance both basic and applied science. The Chief Science Officer will guide a comprehensive approach to advance both basic and applied science, and accelerate the use of science in decision-making within the Ontario government.
- As announced in the 2016 provincial Budget, $10 million will go towards the Canadian Urban Transit Research and Innovation Consortium, a centre to support R&D and commercialization of automotive technologies – such as lightweighting and autonomous software – in partnership with the federal and Quebec governments.
- The Electric and Hydrogen Vehicle Advancement Partnership brings together the automotive sector, environmental advocacy organizations and academic leaders to work alongside government to advance electric and hydrogen-powered vehicle technology and help reduce greenhouse gas emissions.
- In 2016–17, Ontario's flagship research programs, the Ontario Research Fund and Early Researcher Awards, committed $128 million toward 325 projects in 2016–17.
- Ontario made an investment of $75 million over five years in an Advanced Research Computing and Big Data Strategy. This investment will support researchers by providing the technology to analyze data more comprehensively, which would help accelerate the process of discovery.
- The Institute of Fiscal Studies and Democracy was launched in 2016 to focus on and integrate research, teaching, engagement and advice on best practices in public finance and democratic institutions. In 2016–17, it conducted research in the areas of healthcare sustainability, infrastructure planning, evidence-based decision-making and aboriginal program funding arrangements. These research findings can be used by all levels of government in policy development, and will also be made publicly available.

Start up

- In June 2016, MEDG released Ontario's Social Enterprise Strategy: 2016-2021. The strategy aims to accelerate the growth of the social enterprise sector through a number of commitments in three key areas: equipping social enterprises with solid business fundamentals; connecting social enterprises to markets and capital to grow and scale; and demonstrating the value of social enterprise and social finance. Thriving social entrepreneurs contribute to economic growth and job creation, while addressing pressing social and environmental challenges.
- Assisted by an additional investment of $44.4 million in 2015-16, the Youth Jobs Strategy achieved the following results:
- Reached over 425,000 students through entrepreneurship outreach and learning activities across the province, including 800 who submitted videos to the Make Your Pitch competition.
- Boosted entrepreneurship activity at all of Ontario's postsecondary institutions.
- Trained 10,600 youth to address skill gaps and gain employment capacity while securing employment for 1,600 newly trained youth.
- Served over 32,400 young entrepreneurs through training, expert advice, and mentorship, creating over 4,600 jobs through self-employment or business creation and growth, which helped students launch nearly 3,400 summer businesses.

- Leveraged over $162 million in funding from industry and other sources and developed over 1,570 prototypes and 70 patents by young entrepreneurs.

The Ontario Network of Entrepreneurs

Through the Ontario Network of Entrepreneurs (ONE), Ontario supports 18 Regional Innovation Centres including MaRS in Toronto, Communitech in Kitchener-Waterloo, Invest Ottawa and NORCAT in Sudbury that help to launch and grow new companies. For example, with the support of Communitech, over 2,299 new companies have been created since the hub was launched in 2010.

ONE has helped tech-based entrepreneurs and startups, by working with Regional Innovation Centres (RICs) to produce the following results:

- Created more than 5,330 jobs and retained more than 11,370 jobs.
- Created over 800 new businesses and leverage over $1 billion in investment $996 million of which was from the private sector.
- Brought to market over 7,180 new products, services and process improvements, developed over 600 prototypes and granted over 530 new patents and licenses.
- Supported potential high growth firms through its Services Ontario Investment Office-Field Services, resulting in over 2,200 business consultations, 1,684 new jobs created, over 4,830 jobs retained, over $300 million in new sales, including over $209 million in international exports, over $53 million in inter provincial sales to the Alberta oil sands, over $542 million in new investment projects, over $105 million in funding from public sector debt, tax credits and grants and private sector sources.

ONE has helped “main street” businesses by working with Small Business Enterprise Centres, to produce the following year-to-date results in 2016-17:

- Advanced “main street” businesses through Small Business Enterprise Centres resulting in the start-up of 4,389 businesses, 1,990 business expansions and the creation of over 7,222 jobs.
- Handled over 176,507 person-to-person general business inquiries and recorded almost 2.4 million online contacts, including social media contacts.
- Conducted over 28,300 one-on-one consultations of which more than 10,800 were repeat consultations, additionally delivering over 2,330 seminars and workshops to more than 31,500 business clients.
- Hosted 382 major small business events attended by 22,142 participants, including Aboriginal related and e-business events.

In addition, ONE has helped potential high growth and high growth firms through its Business Advisory Services, resulting in:

- Over 2,300 business consultations.
- 2,832 new jobs created and over 5,750 jobs retained, over $426 million in new sales, including over $232 million in international exports.
- Over $542 million in new investment projects.
- Over $46 million in funding from public sector debt, tax credits and grants and private sector sources.

Small business

- The Ministry continued to collaborate with Ontario communities and industry sectors through the Communities in Transition Program to respond to local, sector or regional economic challenges by creating new opportunities and attracting new investment. Since 2006-07, the government has supported over 65 projects across the province with a total contribution of $25 million.

Scale up

Angel Network Program (ANP)

Administered by Angel Investors Ontario, the ANP was established in 2007 to connect high-potential entrepreneurs with angel investors who provide both capital and valuable business experience.

The program is designed to:

- Increase the number of recognized angel groups in Ontario;
- Increase angel and seed investment in Ontario;
- Increase the number of seed and start-up companies that successfully expand their operations, due to improved business-management capacity and investment levels; and
- Improve networking among potential partners in commercialization activities across Ontario.

The ANP is delivered by 12 angel groups, comprised of 382 angel members, located across Ontario. For 2016-17, the ANP has resulted in:

- $42.8 million invested by angel members into Ontario tech companies
- $17.9 million invested by non-members into Ontario tech companies
- $6.4 million in government follow-on funding
- $86 million in leveraged funding (non-government) and
- 1,105 new or retained jobs.

ScaleUP Ventures Fund

The government invested $25 million in the ScaleUP Ventures Fund, a new venture capital fund that will also provide mentorship to a new generation of Ontario based start-ups and entrepreneurs.

The fund completed its second close as of March 2017 and, with private sector contributions, is targeting a final fund size of $75 million.

Ontario Emerging Technologies Fund

The Ontario Emerging Technologies Fund (OETF) is a direct co-investment fund established in 2009.

- Since its inception, the fund has invested over $96 million directly into 27 Ontario-based portfolio companies and levered $285 million in third-party capital since 2009.

- To date, on an aggregate basis, the portfolio of companies has recorded revenues of $396 million, incurred expenditures of approximately $312 million in research and development, and supported an estimated 700 full-time careers.

Ontario Venture Capital Fund LP and Northleaf Venture Catalyst Fund

The Ontario Venture Capital Fund (OVCF) is a joint initiative between the Government of Ontario and leading institutional investors to invest primarily in Ontario-based and Ontario-focused venture capital and growth equity funds that support innovative, high growth companies. Similarly structured, the Northleaf Venture Catalyst Fund (NVCF) invests in high-potential venture capital fund managers across Canada.

- Under OVCF, Ontario's commitment of $90 million has leveraged over $1 billion in third-party capital since 2015.
- Since 2009, Ontario-based companies in the OVCF portfolio, on an aggregate basis, have recorded approximately $1.7 billion in revenue, dedicated expenditures of $400 million in research and development, and employ approximately 3,400 people.
- Shopify, an OVCF investee company, offers online retailers ecommerce stores that do not require advanced programming knowledge. The company filed for IPO in 2015 with a $1.3 billion valuation, becoming the first Canadian e-commerce firm to go public in the U.S. since 2001. Their current valuation is $9.7 billion.
- Capital committed by NVCF, together with third party capital, has collectively provided over $1.5 billion for funds and companies with a Canada/Ontario presence.

To date, Canadian-based portfolio companies, on an aggregate basis, have recorded revenues of $400 million, dedicated expenditures of $86 million in research and development and employed 1,350 individuals.

Expansion

The Jobs and Prosperity Fund continued to attract investments to create new or protect existing jobs in key sectors. Some key investments include:

Automotive:

- Ontario is providing up to $85.8 million to partner with Fiat Chrysler Automobiles Canada in support of the production of next generation minivans at the Windsor Assembly Plant. The project will safeguard the facility, create 1,200 new jobs and secure 4,000 existing positions.
- The governments of Ontario and Canada partnered to support:
    - a $1.2-billion investment by Ford Canada to create 300 jobs and maintain 500 more in Ontario, and to help create an advanced manufacturing program in Windsor and a research and engineering centre in Ottawa, Waterloo and Oakville.
    - a $492 million investment by Honda that will secure 4,000 jobs at Honda's Alliston facility and thousands more in Ontario's in Ontario's automotive supply chain.
- The Automotive Supplier Competitiveness Innovation Program is a $5-million, two-year program to help smaller auto parts companies adopt the latest technologies and close technological gaps. This will help companies increase their productivity, adapt quickly to market changes and take advantage of new opportunities with larger manufacturers.

Advanced manufacturing:

- GE selected Welland as the location of its new Brilliant Factory. This factory will produce energy-efficient engines and other components that are used all over the world. A conditional grant of $26.55 million is leveraging an investment of almost $240 million to create 220 highly skilled jobs.
- PolyCorp, a leading Canadian designer and manufacturer of engineered rubber products, is investing $17 million to expand its Elora manufacturing facility with $2.5 million in support from Ontario. The investment will create 26 new jobs and retain 146 positions.
- Ontario is partnering with Kruger Products to support a multi-million dollar expansion at the company's Trenton plant, creating 119 new jobs and retaining 184 positions. The company will install state-of-the-art equipment and set up eight new production lines.
- A $12 million JPF investment in Thales Canada is leveraging an overall project investment of about $80 million to develop the next generation of rail signaling solutions. The partnership will help create 126 jobs while retaining another 963 over five years.
- The JPF fund is helping to create and maintain over 100 jobs and boost economic growth at Lavern Heideman & Sons in Eganville by supporting the expansion of the sawmill, modernizing its infrastructure and investing in advanced equipment.

Digital technology and information technology:

- Stereo D, a recognized leader in high-quality conversions of 2D theatrical content into stereoscopic 3D imagery, is investing close to $143 million over five years to set up a special effects studio in Ontario that will employ 358 people. This investment is supported by a $4.5 million JPF grant.

Other sectors:

- Johnson & Johnson selected Toronto to be the home of Innovation's first JLABS Incubator outside the United States. A grant of $19.4 million will help strengthen Ontario’s growing life sciences sector. Up to 50 promising young life sciences and health sector businesses at the facility will have access to leading-edge labs and equipment, including JLABS’ inaugural device and digital prototype lab, and access to scientific, industry and capital funding experts.
- Ontario is helping creating 82 new positions and retain more than 250 in Burlington by supporting the expansion of Ippolito Fruit and Produce, a local, family-owned fresh produce supplier. The province is investing up to $1.7 million in this project.

Technology adoption

- Ontario and Quebec announced a joint investment in ultra-high speed communications infrastructure to help develop the 5G network – the next generation of digital communication technology. It will serve as the backbone infrastructure for technologies such as autonomous vehicles. Ontario will invest $130 million over five years in two projects.
- The Vector Institute, a new institute for artificial intelligence (AI) supported by the Federal government and more than 30 private sector companies was launched. This $50 million investment will help produce, retain and attract top talent in the field, support AI technology start-ups, generate investment and promote exports of homegrown products and services enabled through AI.

Regulatory modernization

- The Burden Reduction Act, 2017, which received Royal Assent in March 2017, makes 150 changes to 50 different statutes across 11 ministries to reduce regulatory burdens and practices that cost businesses time and money while protecting environmental and health standards and enhancing worker safety. Highlights from the act include:
  - Streamlining the Superload permit approval process: The government will save businesses money by providing more options for non-police escorts of overweight or oversize vehicles. It also plans to coordinate the permitting service and create Superload corridors.
  - Making the industrial exception in the Professional Engineers Act permanent: Retaining the "industrial exception" in the Professional Engineers Act would allow businesses to have work performed on their own equipment by employees rather than professional engineers. The proposed "industrial exception" would continue to protect worker health and safety, provide greater certainty, and avoid unnecessary costs to the manufacturing sector, resulting in an estimated savings of between $118 million and $196 million per year for the manufacturing sector.
- Working with other ministries to identify burden reduction projects on an annual basis and report on the tangible time and cost savings for businesses and other stakeholders. Results are published through annual reports as required by the *Burden Reduction Reporting Act, 2014*.
- The latest annual report released on June 30, 2016, Building a Better Business Climate for Ontario features an estimated savings of $71 million which surpassed the government’s $100 million goal by more than $22 million a full two years ahead of schedule.
- On March 29, 2016, Ontario launched the Red Tape Challenge -- an innovative online consultation platform designed to identify and eliminate duplication, lessen compliance burdens, shorten response times and make it easier for businesses to interact with government.
- The Red Tape Challenge is focusing on seven sectors over two years: auto parts manufacturing, food processing, financial services, mining, chemical manufacturing, forestry and tourism.
- Each sector will have a complete inventory of applicable regulations sorted by categories and posted for consultation for two months to gather users’ feedback and recommendations.
- The government will read and review all submissions, and six months after each consultation closes, we will publish Ontario’s plan to address the issues identified through the challenge.
- Results for the past 12 months:
  - Three rounds completed: auto parts manufacturing, (March 29th to June 15th, 2016), food processing (August 1st to September 30th, 2016 and financial services (December 1st to January 31st, 2017)
  - **46,000** website views and **762** comments collected on ways to improve our regulatory environment.
  - Two reports (auto parts and food processing) posted, identifying **120** opportunities that government will act on to reduce burden. Highlights from the reports include:
    - Amending the Employment Standards Act to create a pilot in the auto sector that groups Personal Emergency Leave into two categories: a three day bereavement leave per incident and a seven day medical leave.
    - Modernizing communication with the Technical Standards and Safety Authority to facilitate

electronic filings and payments.

- Simplifying compliance information provided by the Ontario College of Trades.
- Streamlining and reducing timelines for environmental compliance approvals by at least 45%.
- Streamlining permits, approvals and inspections for food processing businesses.
- Educating wineries on how to prepare for their annual audit and simplify record keeping.
- Applying for and managing all alcohol-related licences in one central online location.
- Reducing the processing time for commercial vehicle operator's registration.
- Digitizing driver's licence and vehicle registration renewal reminders by 2018.

Ministry of Research, Innovation and Science / Ministry of Economic Development and Growth organizational chart

- Ministry of Economic Development and Growth - Hon. Brad Duguid
  - Legislative Assistant & Issues Manager, Economic Development & Growth - Tanvir Janmohamed
- Minister Responsible for Small Business Hon. Jeff Leal
  - Legislative Assistant & Issues Manager, Small Business - Ivana Spasovka
- Ministry of Research, Innovation and Science - Hon. Reza Moridi
  - Legislative Assistant & Issues Manager, Research, Innovation and Science - Ben Ellis
  - Deputy Minister - Giles Gherson
    - EA to the Deputy Minister - Melinda Gibson (A)
    - ADM, Open for Business - Kevin Perry (A)
      - Director, Regulatory Modernization - Anne Bermonte
      - Director, Public Sec. Liaison & New Economy Regulation - Carrie Burd
    - ADM, Strategic Programs Dev & Delivery Office - Bill Mantel

- Director, Strategic Programs Delivery - Rachel Simeon
- ADM, Business Climate & Funding Administration - Victor Severino
  - Director, Funding Administration - Rudy Lo (A)
  - Director, Trade Policy - Richard Caine (A)
  - Director, Policy Coordination & Business Climate - Stephanie Appave (A)
  - Director, Regional Economics Development - Akin Alaga (A)
- ADM, Commercialization & Scale-Ups - John Marshall
  - Director, Entrepreneurship & Start-Up Services - Katie Gibson
  - Director, Scale-Up Services - George Cadete
  - CEO Ontario Capital Growth Corporation - Robert Burns (A)
  - Director, Commercialization & scale-up Networks - Jennifer Block(A)
- VP, Strategic Accounts - Trevor Dauphinee (A)
  - Director, Head of Practice (Digital Tech & Life Sciences) - Andrew Guy (A)
  - Director, Head of Practice CleanTech & Advanced Manugacturing - Brian Love
  - Director, Head of Practice Auto Manufacturing & Technology - Joseph Veloce
- VP, Investment Growth - Clare Barnett (A)
  - Director, Marketing & Creative Services - Vacant
  - Director, Investor Services - Trish Dyl
  - Director, Technology Adoption & Regional Growth - Joanne Anderson
- ADM, Research, Science & Strategy - Greg Wootton

- Director, Science & Research - Kelly Gatten
- Director, Innovation Economy Strategies - Steve Romanyshyn
- Director, Analytics & Advanced Technology - Richard Kikuta
- Director, Office of the Chief Scientist - Alison Barr

CAO/ADM, Corporate Services - Robert Burns

- Director, Strategic HR Business Unit - Christina Critelli
- Director, Business Planning & Finance - Kate Johnstone (A)
- Director, Service Management & Facilities - Nelson Janicas
- Executive Lead, Transfer Payment Transformation - Isolina Kuzminski

Director, Communications - Paola Gemmiti (A)

Director, Legal Services - Cheryl Carson (A)

Agencies, boards and commissions

Ontario Capital Growth Corporation (OCGC)

The Ontario Capital Growth Corporation was established to, receive, hold, administer and otherwise deal with the interest of the Government of Ontario in the limited partnership known as the Ontario Venture Capital Fund LP. As manager of the Ontario Emerging Technologies Fund, OCGC is responsible for acquiring, managing and otherwise dealing with a portfolio of investments in businesses that the Corporation considers to be emerging technology businesses. Additionally, OCGC is able to participate in the formation of funds, acquire interest in the funds, and to hold, administer and otherwise deal with those interests, where each fund meets the following criteria:

- Receives funding directly or indirectly from, among others, one or more of the following; the Government of Canada, the Corporation, and private sector entities.
- Goals include promoting the creation of a globally competitive venture capital industry, increasing the supply and effective deployment of early-stage investment capital, and increasing the supply of top-performing fund managers to manage venture capital investment, in Ontario and Canada.

- Invests in one or both of the following; other funds that supply venture capital to companies, and innovative companies that require venture capital.
- Managed by a private sector fund manager and perform any additional objects specified by the Lieutenant Governor in Council.

OCGC has purchased limited partnership interests in the Northleaf Venture Catalyst Fund LP and ScaleUP Venture Fund I LP and is committing funds towards an expected limited partnership investment in a Cleantech Equity Fund. Responses to a request for Expressions of Intererst are currently being reviewed to select a General Partner for this initiative.

Ontario Research Fund Advisory Board (ORFAB)

The ORFAB reviews and assesses Ontario Research Fund and Early Researcher Award funding proposals, and makes recommendations to the Minister. The Board also provides strategic advice to the Minister on the research agenda to keep Ontario competitive and prosperous.

Detailed financial information

Table 1: Ministry planned expenditures 2017-18	
Operating Expense*	1,006,061,328
Capital Expense*	79,402,000
Total Expense	1,085,463,328
Operating Assets	20,000,000
Capital Assets	1,000

* Excludes the following Consolidation Adjustments:

- Consolidation Adjustment - Hospitals
- Consolidation Adjustment - Colleges
- Consolidation Adjustment - Ontario Capital Growth Corporation
- Operating Expense Adjustment - Greenhouse Gas Reduction Account Reclassification

Table 2: Ministry Allocation of 2017-18 Base Spending ($M)	
Ministry Administration	21,092,600

Statutory Appropriations	555,028
Economic Development, Investment and Industry	322,427,700
Policy and Strategy	29,909,600
Trade and Marketing	20,684,400
Research, Innovation and Science	611,392,000
Capital Expense	79,402,000
Total	**1,085,463,328**

Table 3: Combined Operating and Capital Summary by Vote

Votes/Programs	Estimates 2017-18 $	Change from Estimates 2016-17 $	%	Estimates 2016-17 * $	Interim Actuals 2016-17 * $	Actuals 2015-16 * $
Operating Expense						
Ministry Administration Program	21,092,600	600,000	2.9	20,492,600	20,492,600	20,798,139
Economic Development, Employment and Infrastructure Program	373,021,700	(72,732,100)	(16.3)	445,753,800	376,943,800	337,473,417
Research and Innovation Program	611,392,000	(448,500)	(0.1)	611,840,500	645,329,000	473,216,658
Less: Special Warrants	-	-	-	-	-	-
Total Operating Expense to be Voted	1,005,506,300	(72,580,600)	(6.7)	1,078,086,900	1,042,765,400	831,488,214
Special Warrants	-	-	-	-	-	-

Statutory Appropriations	555,028	(144,000)	(20.6)	699,028	699,028	1,053,665
Ministry Total Operating Expense	1,006,061,328	(72,724,600)	(6.7)	1,078,785,928	1,043,464,428	832,541,879
Consolidation & Other Adjustments - Hospitals	(10,490,800)	1,104,500	-	(11,595,300)	(12,786,600)	(14,664,096)
Consolidation & Other Adjustments - Colleges	(1,020,600)	774,400	-	(1,795,000)	(1,346,400)	(575,900)
Consolidation & Other Adjustments - Ontario Capital Growth Corporation	(100,147,800)	(54,704,400)	-	(45,443,400)	(33,443,400)	16,701,015
Operating Expense Adjustment – Greenhouse Gas Reduction Account Reclassification	10,800,000	10,800,000	-	-	-	-
Total Including Consolidation & Other Adjustments	905,202,128	(114,750,100)	(11.3)	1,019,952,228	995,888,028	834,002,898
Operating Assets						
Economic Development, Employment and Infrastructure Program	20,000,000	(102,000,000)	(83.6)	122,000,000	122,000,000	6,840,485

Less: Special Warrants	-	-	-	-	-	-
Total Operating Assets to be Voted	20,000,000	(102,000,000)	(83.6)	122,000,000	122,000,000	6,840,485
Special Warrants	-	-	-	-	-	-
Statutory Appropriations	-	-	-	-	-	-
Ministry Total Operating Assets	20,000,000	(102,000,000)	(83.6)	122,000,000	122,000,000	6,840,485
Capital Expense						
Economic Development, Employment and Infrastructure Program	1,000	-	-	1,000	1,000	-
Research and Innovation Program	79,400,000	(3,917,400)	(4.7)	83,317,400	83,317,400	81,094,500
Less: Special Warrants	-	-	-	-	-	-
Total Capital Expense to be Voted	79,401,000	(3,917,400)	(4.7)	83,318,400	83,318,400	81,094,500
Special Warrants	-	-	-	-	-	-
Statutory Appropriations	1,000	-	-	1,000	1,000	-
Ministry Total Capital Expense	79,402,000	(3,917,400)	(4.7)	83,319,400	83,319,400	81,094,500
Consolidation & Other Adjustments - Hospitals	(12,839,800)	2,640,500	-	(15,480,300)	(18,532,900)	(5,984,471)

Consolidation & Other Adjustments - Colleges	(771,500)	(751,900)	-	(19,600)	(2,108,300)	(974,990)
Total Including Consolidation & Other Adjustments	65,790,700	(2,028,800)	(3.0)	67,819,500	62,678,200	74,135,039
Capital Assets						
Economic Development, Employment and Infrastructure Program	1,000	-	-	1,000	1,000	-
Less: Special Warrants	-	-	-	-	-	-
Total Capital Assets to be Voted	1,000	-	-	1,000	1,000	-
Special Warrants	-	-	-	-	-	-
Ministry Total Capital Assets	1,000	-	-	1,000	1,000	-
Ministry Total Operating and Capital Including Consolidation and Other Adjustments (not including Assets)	**970,992,828**	**(116,778,900)**	**(10.7)**	**1,087,771,728**	**1,058,566,228**	**908,137,937**

* Estimates, Interim Actuals and Actuals for prior fiscal years are re-stated to reflect any changes in ministry organization and/or program structure. Interim actuals reflect the numbers presented in the 2017 Ontario Budget.

For additional financial information, see:

- Ministry of Finance Expenditure Estimates
- Ministry of Finance Public Accounts of Ontario

Ministry of Finance 2016 Ontario Budget

Or

For information please contact:
Business Planning and Finance Branch
Ministry of Research, Innovation and Science
Ministry of Economic Development and Growth

Phone: 416-325-6421

Legislation

Statutes administered by the Ministry of Research, Innovation and Science

- *Community Small Business Investment Funds Act*, 1992, S.O. 1992, c. 18 in respect of Part III.2 and in the application of the provisions of Part I, Part IV and the regulations to or in respect of an investment corporation registered or previously registered under Part III.2
- *Ministry of Economic Development and Trade Act*, R.S.O. 1990, c. M. in respect of research, innovation and science matters
- *Ontario Capital Growth Corporation Act*, 2008, S.O. 2008, c. 19, Schedule O

Statutes administered by the Minister of Economic Development and Growth

- *Burden Reduction Reporting Act*, 2014, S.O. 2014, c. 12, Sched. 1
- *Development Corporations Act*, R.S.O. 1990, c. D. 10
- *Ministry of Economic Development and Trade Act*, R.S.O. 1990, c. M.27 in respect of economic development, growth and trade
- *Partnerships for Jobs and Growth Act*, 2014, S.O. 2014, c. 12, Sched. 2
- *Water Opportunities Act*, 2010, S.O. 2010, c. 19, Schedule 1, in respect of Part II

Statutes administered by the Minister Responsible for Small Business

- *Attracting Investment and Creating Jobs Act*, 2012, S.O. 2012, c. 10
- *Ministry of Economic Development and Trade Act*, R.S.O. 1990, c. M.27 in respect of small business

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Appendix: annual report 2016-17

2016-17 achievements

The Ministry of Research, Innovation and Science and the Ministry of Economic Development and Growth provided leadership in fostering a competitive business climate to attract jobs and investment to Ontario. The

Ministries supported the following government priorities:

- Creating an innovative and dynamic business environment.
- Investing in people's talent and skills among Ontarians.
- Unlocking the value of provincial assets.
- Supporting a fair society.

Attract and secure strategic investments that support productivity, innovation and exports

In 2016-17, the Ministries contributed to economic growth by attracting the following investments:

Jobs and Prosperity Fund

During 2016-17, the Jobs and Prosperity Fund (JPF) announced support to 8 projects with a total funding commitment of 147 million.

Since January 2013, the Ministry has announced 22 projects that are now administered under JPF, with government commitments totalling over $600 million, and leveraging over $4 billion in total eligible investment. This is helping to create and retain over 35,000 jobs.

Jobs and Prosperity Fund projects announced in 2016-17

Company	Location	Ontario Funding Commitment ($M)	Jobs Created / Retained
PolyCorp Ltd.	Elora, Waterloo and Toronto	$2.5	172
Stereo D Canada Ltd.	Toronto	$4.5	358
Ippolito Fruit and Produce Limited, The Ippolito Group Inc. Ippolito Produce Limited	Burlington	$1.71	333
Lavern Heideman & Sons Limited	Eganville	$4.0	108
Kruger Products AFH L.P.	Trenton	$10.0	303
General Electric Canada	Welland	$26.55	220
FCA Canada Inc.	Windsor	$85.8	5,200
Thales Canada Inc. coba Thales Canada, Transportation Solutions	Toronto	$12.0	1,089
	Announced in 2016/17	**$147.1**	**7,783**

Eastern Ontario Development Fund

During 2016-17, the Eastern Ontario Development Fund (EODF) announced support to 16 projects with a total investment commitment of $97.5 million. Since the Fund was established in 2008, the government has invested more than $93 million in over 180 projects leveraging a total investment of approximately $897 million. These investments support the creation of over 3,800 new jobs and retention of over 15,500 jobs.

Eastern Ontario Development Fund announced projects in 2016-17

Company	Location	Ontario Funding Commitment ($M)	Jobs Created / Retained
Berry Plastics Canada Inc.	Belleville	$0.78	66
Boulangerie Lanthier Ltée	Alexandria	$0.61	75
Cam Tran Co. Ltd.	Colborne	$0.30	149
Direct Coil Inc.	Millhaven	$0.27	93
DRS Technologies Canada Ltd.	Kanata	$0.72	274
Dynamo Industries	Rockland and Plantagenet	$0.13	48
ELPA (Ontario) Inc.	L'Orignal	$0.22	34
Epocal Inc.	Ottawa	$1.50	311
Evotech Industrial Coatings Inc.	Cornwall	$0.38	20
Groupe TIF Group Inc.	Vars	$0.32	56
Morbern Inc.	Cornwall	$1.50	266
Northern Cables Inc.	Brockville	$0.82	181
QlikTech Corporation	Ottawa	$1.50	115
Tri Art Manufacturing Inc.	Kingston	$0.14	48
Triangle Fluid Controls Limited	Belleville	$0.19	35
Ventra Group Co.	Peterborough	$0.55	298
	Announced in 2016/17	**$9.93**	**2,069**

Southwestern Ontario Development Fund

During 2016-17, the Southwestern Ontario Development Fund (SWODF) announced support to 35 projects with a total investment commitment of approximately $367 million. Since the launch of the fund in October 2012, the government has invested almost $115 million to more than 153 projects leveraging a total of over $1.4 billion and supporting the creation of over 5,200 new jobs and the retention of over 24,800 existing jobs.

Southwestern Ontario Development Fund announced projects 2016-17

Company	Location	Ontario Funding Commitment ($M)	Jobs Created / Retained
Allied Marine & Industrial Inc.	Port Colborne	$0.46	61
Ampacet Canada Company	Kitchener	$0.40	88
Apogee Ceramics Inc.	Brantford	$0.19	28
Armo-Tool Ltd.	London	$0.61	160
Astrex Inc.	Lakeshore	$1.50	62
T.F. Warren Group Inc. (Blastech)	Brantford	$0.80	175
Brotech Precision CNC Inc.	Barrie	$0.26	33
5274398 Manitoba Ltd O/A Cross Country Mfg	Blenheim	$0.55	123
Dajcor Aluminum Ltd.	Chatham	$1.02	175
The Electromac Group Inc.	LaSalle	$1.50	221
Essex Weld Solutions Ltd.	Leamington	$0.45	130
Ferrero Canada Limited/Ferrero Canada Limitée	Brantford	$1.50	886
Magna Structural Systems Inc. (Formet Industries)	St. Thomas	$1.00	1,427
Garaga Inc	Barrie	$0.25	49
GCW Custom Kitchens & Cabinetry Inc.	St. Thomas	$0.20	99
Guelph Manufacturing Group Inc.	Guelph	$0.87	554
Hartmann Canada Inc.	Brantford	$0.84	168

Integrated Metal Products Ltd.	Guelph	$0.26	38
Integrity Tool and Mold Inc.	Oldcastle	$1.17	369
Jacobs & Thompson Inc	Barrie	$0.25	16
JAY-LOR Fabricating Inc.	East Garafraxa	$0.21	69
JD Norman Canada ULC	Windsor	$0.49	99
Kromet International Inc.	Cambridge	$0.80	184
KTH Shelburne Mfg. Inc.	Shelburne	$0.57	363
Lakeside Plastics Limited	Oldcastle	$1.28	360
Canafric Inc. O/A Mortimer's Fine Foods	St. Catharines	$0.68	30
MTM Automation & Aerospace Mfg. Inc.	Guelph	$0.18	18
North Star Manufacturing (London) Ltd.	St. Thomas	$1.27	324
Ramsden Industries Limited	London	$0.61	68
Schaeffler Canada Inc	Stratford	$1.31	426
Stubbe's Precast Commercial Inc.	Harley and Princeton	$1.50	274
Teutech Industries Inc.	Guelph	$1.00	260
Ultra Manufacturing / Mitchell Plastics Ltd.	Kitchener	$1.50	622
Ventra Group Co.	Tecumseh	$1.50	216
VistaPrint North American Services Corp.	Tecumseh	$0.89	768
	Announced in 2016/17	**$27.89**	**8,943**

Communities in Transition Program

The Ministry continued to collaborate with Ontario communities and industry sectors to respond to local, sector or regional economic challenges by creating new opportunities and attracting new investment. Since 2006-07, the government has supported over 65 projects across the province with a total contribution of $25 million.

Greater Coordination and Integration of Regional Business Support Programs

As outlined in the 2016 Ontario Budget, the Eastern Ontario Development Fund, the Southwestern Ontario Development Fund and the business stream of the Rural Economic Development Program will be better integrated under the Jobs and Prosperity Fund to help improve the coordination of regional business support programs.

The integrated program will bolster economic growth in regions by supporting projects that allow businesses to diversify, address barriers to long-term growth, and help shape a strong future for regional communities.

Examples of Business Growth and Investment Attraction Initiatives

- In August, 2016 GE broke ground on their new ‘Brilliant Factory’ in Welland. Beginning in 2018, this factory will produce energy efficient-engines and other components that are used all over the world. Ontario will provide a conditional grant of $26.55 million through JPF to leverage an investment of almost $240 million. Ontario helped secure this project by providing a single point of contact for GE when the company was deciding where in Canada to make this major investment.
- On October 7, 2016 Thompson Reuters (TR), one of the biggest media and information companies in the world, announced that it was moving its Corporate headquarters from New York back to Toronto, its city of origin. TR also opened an Applications Development Centre of Excellence in Ontario, which will support 400 new jobs with the potential to grow to up to 1,500 employees. TR opened this office in order to take advantage of Ontario’s diverse pool of talent, which will promote innovation and enhance their services to professional markets around the world.
- Minister Duguid led the Ontario delegation to the Farnborough International Airshow in the United Kingdom in July 2016, meeting with 6 leading global aerospace companies, furthering investment opportunities and discussing key issues.
- The Ministry partnered with the C100, MaRS, Communitech and the Ontario Capital Growth Corporation (OCGC) to host the second annual Venture North conference in Toronto in September 2016. The primary objective of the conference was to generate increased interest amongst US-based tier-one VC firms in considering the Toronto-Waterloo corridor as the priority region for making tech investments. The conference was attended by U.S. investors from over 20 VC firms and local start-ups. In total, the investors attending Venture North represented over $20 billion in investable capital.
- Minister Duguid attended the North American International Auto Show where he met with global executives from all of the automotive assemblers with a manufacturing presence in Ontario. In addition, four Ontario companies successfully displayed their innovative mobility technologies and platforms at the first Automobili-D exposition and the auto show as part of a joint Ontario-Canada booth.

A modernized and transparent Ontario

Open for Business

Open for Business (OFB) aims to create an environment in Ontario that supports business by reducing the burden of regulations. In 2014, Ontario set a target of reducing burdens to save business $100 million by the end of 2017. As published in last year’s annual burden reduction report, Ontario has already surpassed that target by more than $22 million.

Some of the key results achieved in 2016-17 include:

- On March 22, the Burden Reduction Act, 2017 received Royal Assent. The Burden Reduction Act, 2017 makes 150 changes to 50 different statutes across 11 ministries to reduce regulatory burdens and practices that cost businesses time and money while protecting environmental and health standards and enhancing worker safety.
- As announced as part of the Business Growth Initiative in the 2015 Fall Economic Statement, Ontario strengthened the mandate of Open for Business with a new suite of initiatives aimed at lowering business costs in this province by reducing government burdens.
- The Regulatory Modernization Committee was established to eliminate unnecessary or unnecessarily costly regulations, to promote regulatory best practices and to challenge existing regulatory approaches in order to lower the cost of doing business in Ontario while protecting public standards. 6 principles have been developed for regulatory modernization:
  - **Focus on the user** by writing in plain language and creating a single point of contact for business to access information or government services.
  - **Use industry standards** (e.g. ISO) to eliminate redundant reporting requirements.
  - **Enhance risk-based inspections** to recognize businesses with a strong safety and compliance record.
  - **Create a "Tell Us Once" culture** by ensuring all ministries that interact with business use the Business Number to avoid having businesses provide the same information to government repeatedly.
  - **Apply a small business lens** by setting different compliance paths to achieve desired outcomes, rather than using a one-size-fits-all approach.
  - **Go digital** by delivering simple and straightforward digital services and products that will modernize public service delivery and make government work better for businesses.

Red Tape Challenge

- The final report on the auto parts manufacturing sector Red Tape Challenge was released on November 30, 2016 and identifies 63 actions the province is taking to make it easier and less costly for manufacturers to operate in Ontario.
- The final report on the food processing sector Red Tape Challenge was released on March 31, 2017 and identifies 57 actions the government is taking to reduce the burden on business without compromising the public interest.
- 232 comments were received for the financial services sector and the final report is set to be released on July 31, 2017.

Other initiatives

- The Regulatory Centre of Excellence was established to create networks and capacity across the OPS on modern regulatory practices and alternatives to regulation. On April 26, 2017, it hosted the Smart Moves – Modern Ways to Regulate conference to launch the Centre.
- Open for Business partnered with the City of Toronto and with the Association of Municipalities of Ontario (AMO) to streamline regulatory activities, eliminate unnecessary duplication and foster cooperation between municipalities and the province to make it easier for businesses to start and operate.
- On October 21, 2016, Ontario and Quebec held a joint meeting of cabinet ministers which focused on innovation and the economy. At the meeting the Premiers signed a renewed memorandum of understanding on regulatory

cooperation.

Internal trade renewal negotiations

- Under the leadership of the Council of the Federation, the provinces, territories and federal government have undertaken a comprehensive renewal of the Agreement on Internal Trade (AIT), Canada's internal trade framework. Since December 2014, in support of the Premiers' direction, Ontario has chaired these negotiations. As the province's lead negotiating ministry, MEDG played a central role in developing an ambitious and equitable renewed agreement that will liberalize trade within Canada, and reduce the burdens shouldered by Ontario businesses when operating across provincial and territorial lines. On April 7, 2017, it was announced that the Canadian Free Trade Agreement (CFTA) was signed and would take effect on July 1, 2017. MEDG has now taken on the role of leading the implementation of the CFTA Ontario.

Drive economic development, while creating social and environmental impact

The Ministry launched Ontario's Social Enterprise Strategy: 2016-2021 in June 2016. The strategy aims to accelerate the growth of the province's social enterprise sector through significant commitments in three key areas: 1) Equipping social enterprises with solid business fundamentals, 2) Connecting social enterprises to markets and capital to grow and scale, and 3) Demonstrating the value of social enterprise and social finance. Thriving social entrepreneurs contribute to economic growth and job creation, while addressing pressing social and environmental challenges.

- Since its launch in 2015, 11 organizations have received funding under the Social Enterprise Demonstration Fund. These recipients have,
  - Created or retained approximately 300 full-time and part-time jobs;
  - Provided funding and/or support to over 300 social enterprises;
  - Hosted or facilitated approximately 182 knowledge-transfer opportunities that reached approximately 3,000 participants; and
  - Developed and fostered approximately 122 partnerships with financial institutions, nor-for-profit organizations, for-profit organizations, academic institutions, and government.
- The Ministry opened applications to a second round of the Social Enterprise Demonstration Fund, directing $2 million to non-profit organizations that provide Ontario-based social enterprises with support and access to capital in the form of a grant, loan, or other investment.
- The Ministry launched the Centre of Excellence in Social Enterprise and Social Finance. In its first six months, it has:
  - Partnered with more than five ministries to design and deliver pilot projects, including an accelerator for social enterprises whose products, services and technologies contribute to reductions in greenhouse gas emissions and a boot camp to support community hubs developers access social finance.
  - Launched the Social Finance Leaders Program, which created opportunities for 10 OPS staff across 10 ministries to build awareness and capacity in social enterprise and social finance through participation in the Queen's University Social Finance Academy, networking events and engagement with social enterprises.
  - Developed and coordinated a panel on social enterprise for all of Canada's Secretaries and Clerks of Cabinet at an Innovation Symposium in Ottawa.

- In October 2016, the Ministry launched the Impact Measurement Task Force. It brings sector leaders together to explore uniform impact measurement standards for social enterprises in Ontario. Prior to launching the Impact Measurement Task Force, the Ministry partnered with the Mowat Centre to develop the Unpacking Impact report, released on October 27, 2016. The report identifies specific opportunities to strengthen impact measurement practices for the social enterprise ecosystem in Ontario.
- Through the Ontario Social Impact Voucher Program, administered by Ontario Centres of Excellence (OCE), the Ministry has made 200 vouchers worth up to $3,000 available to social enterprises and entrepreneurs, of which 111 have been allocated. Vouchers are redeemed by social enterprises for value-added supports and services, provided by delivery organizations selected by OCE through a competitive process.
- The Ministry launched the Social Enterprise Procurement Action Plan, designed to increase the province's procurement from social enterprises.
- The Ministry partnered with the Canadian Community Economic Development Network to develop a Social Enterprise Gift Guide in advance of the 2016 holiday season. The guide features 47 products and services available for purchase from Ontario-based social enterprises.

Translate research into improved efficiencies in health care delivery

Ontario Brain Institute (OBI)

It is estimated that, one in three Ontarians will be directly affected by a brain disorder within the course of a lifetime. OBI is tackling this challenge through its integrated approach to brain research and care. OBI is leveraging the infrastructure, talent, and the existing excellence of Ontario's neuroscience community. OBI also creates partnerships to break down silos between clinicians and researchers, between institutions, between industry and researchers, between patient advocacy groups and researchers, and between disciplines and methodologies.

Recent highlights include:

- Data sharing through the Brain Centre for Ontario Data Exploration (Brain-CODE) to help accelerate brain research including clinical, imaging and neuropsychology assessments. Tests from over 1,500 patients living with a variety of brain disorders will allow researchers to observe commonalities across and between disorders.
- Funding the development of 17 primary care memory clinics across Ontario. Memory clinics provide primary care-givers with the necessary training to diagnose and manage cases of dementia. Evidence shows that only 9% of patients seen in a memory clinic need to be referred to specialty care (neurologist/gerontologist) versus 82% of patients who are not seen at a memory clinic.

The Ontario Institute for Cancer Research (OICR)

The Ontario Institute for Cancer Research translates cancer research findings into improved health outcomes and, through the Fight Against Cancer Innovation Trust, better economic benefits for Ontario.

Recent successful outcomes include:

- Turnstone Biologics Inc., a spin-out company from OICR's Immuno and Bio-therapies (ORBiT) Program, received US $41.4 million in private capital in 2016-17. The funding will be used to continue testing a new vaccine-based cancer treatment approach called MG1-MAGEA3. This therapy uses the body's own immune system to fight cancer cells, training it to attack cells that it normally ignores. The unique therapy approach is considered first in class. Manufacturing facilities for the virus have been set up in Ottawa, which greatly facilitated the completion of a Phase I clinical trial and the initiation of a Phase II clinical trial in fiscal year 2016-17. Forty-two patients have been treated to date in Hamilton, Toronto and Ottawa. OICR is continuing to fund immunotherapy research in Ontario through the new Immuno-oncology Translational Research Initiative, which builds on findings from the earlier ORBiT Program.

- Researchers in OICR's PanCuRx Translational Research Initiative (TRI) published new research in 2016 that challenges the current understanding of how pancreatic cancer develops, which they hope will improve treatment outcomes for patients. They found that rather than being a disease that grows slowly over time undetected, the DNA alterations that cause the disease actually occur all at once, something they liken to the Big Bang. This is a major paradigm shift in understanding the disease, and provides new clues for combating it. The PanCuRx TRI was renewed for another two years and work continues, including an ongoing clinical trial called COMPASS, which involves patients with advanced pancreatic cancer. This clinical trial aims to use information obtained from genomic profiling to inform treatment options.
- Novera Therapeutics, a spin-out of OICR's Drug Discovery program, entered into a $450 milion partnership with Janssen (J&J) to develop small molecule inhibitors targeting a previously “un-druggable” B-cell lymphoma target, discovered by OICR in collaboration with the University Health Network (UHN). Janssen and OICR are currently working together to demonstrate proof of concept in relevant in vivo models, a crucial step before conducting final preclinical safety testing on a candidate drug, which is required by Health Canada prior to conducting human clinical trials.

Ontario Institute for Regenerative Medicine

- The institute is an umbrella organization for all stem cell and regenerative medicine activity in Ontario.
- It launched in 2014 to bring together government, philanthropy, and commercial partners to sustain Ontario's competitive advantage in regenerative medicine and deliver on the health and economic promise of stem cells.
- The 2015 Ontario Budget committed $25 million over five years to support the institute starting in 2015-16.
- OIRM clinicians have developed a successful treatment for aggressive multiple sclerosis with blood stem cell transplantation. This is the first treatment in the world to fully halt all detectable central nervous system inflammatory activity for a prolonged period (median of 6.7 years) in the absence of any disease-modifying drugs. Published in the Lancet. This clinical trial was led by Dr. Harry Atkins at the Ottawa Hospital and demonstrates OIRM's capacity to use stem cells to tackle degenerative diseases that are costly to the Ontario healthcare system.

Clinical Trials Ontario (CTO)

- Created Streamlined Research Ethics Review System that supports the timely, efficient and effective review of multi-centre clinical research in Ontario.
- This system enables any single qualified Research Ethics Board to provide ethics review and oversight on behalf of multiple research sites involved in a clinical trial, while also harmonizing processes and reducing the time and effort required to conduct research across multiple sites in Ontario.
- As of 2016-2017 CTO there are 13 qualified research ethics boards with up to 82 participating research sites on board, comprised of academic hospitals, community hospitals and universities and 82% of ethics approvals are

completed in three weeks or less.

- Other institutions collaborate with CTO and most recently the Ontario Cancer Research Ethics Board (OCREB) joined the streamlined system.
- As of 2016-2017 CTO has been building The Registry which will allow researchers from participating institutions to create an account and have a profile where they can keep their CV and training documentation up to date.
- CTO held a conference in Toronto in March 2017. More than 300 delegates and 35 speakers from across Ontario, Canada and the U.S. participated. Minister Moridi provided opening remarks.

Support leading-edge research to boost Ontario’s Research Capacity

Since 2004, through the Ontario Research Fund and Early Researcher Awards programs, over $1.7 billion in investments has leveraged an additional $3.5 billion, and over 625 industrial and institutional partnerships have been created. As a result there have been over 115,000 opportunities for highly qualified personnel to significantly improve their skills and knowledge.

Highlights of 2016-17 include:

- The Ontario Research Fund – Research Excellence program committed $73 million to 37 projects.
- The Early Researcher Awards program committed $11 million to 79 projects.
- The International Collaboration Programs supported three types of activities:
- Joint funding programs with India, Israel and China which resulted in the launch of three new call for proposals with China and Israel worth $2.6 million and management of 26 ongoing collaborative international R&D projects in China, India and Israel.
- Minister-led science and technology missions to California and Premier’s missions to Israel, Japan and South Korea which resulted in a total of 60 new partnerships worth over $305 million and 363 new jobs.
- Partnership development activities for four thematic workshops which served to foster new collaborations with international researchers.

Deliver the youth jobs strategy in three areas: industry skills development, entrepreneurship and innovation

Thanks to additional funding of $44.4 million in 2015-16 across three funds (Youth Skills Connections, Ontario Youth Entrepreneurship Fund, and Ontario Youth Innovation Fund) the following has been achieved in 2016-17:

Youth Skills Connections (YSC)

- YSC invested $8.5 million in industry partnership projects. Investments from the first two years continue to show results. To date, funding has supported the training of 10,600 youth and enabled 3,200 to experience temporary job placements and 2,250 to secure full employment with industry partners.

Ontario Youth Entrepreneurship Fund (OYEF)

- Summer Company received a top-up investment of $3 million to help 970 students launch their own summer business in 2016 and support the program launch in advance of summer 2017.

- Make Your Pitch business competition was renewed for two more years with an investment of $500,000 in 2015-16. The contest is in its fourth year and has received a total of 630 video entries from over 800 students from across Ontario and over 85,000 online votes from the public. By May 2017, 24 youth will have been named Make Your Pitch winners since 2013, from a total of 77 contest finalists.
- Starter Company invested a further $9.5 million into training, mentorship and start-up grants for young entrepreneurs and youth-led businesses. In 2016-17, over 2,900 youth participated in the program leading to the creation and expansion of more than 1,350 businesses and over 1,500 jobs.
- The Entrepreneurship Learning Stream invested $3 million in projects focused on experiential learning, self-employment, and small business creation. Since 2013, funding has supported outreach to 425,000 students, delivered training to over 20,000 youth and helped create almost 1,300 new businesses.
- Youth Business Acceleration Program (Youth BAP) invested $3 million to support the development of technology companies by young entrepreneurs. To date Youth BAP has served over 2,165 unique clients. The impact of these clients include:
    - Creating 1,202 new jobs and retained 1,846 jobs.
    - Launching 188 new companies.
    - Leveraging over $245 million in investments by clients ($208 million of which is from the private sector).
    - Generating sales revenue of over $88 million.
    - Brought to market 2,469 new innovative products, services and process improvements
- Smart Start Seed Capital Fund received an additional $7 million funding to seed stage grants of up to $35,000 to enable promising youth-led ventures to reach early milestones in creating and growing their start-ups. Over 320 businesses have received investment with additional applications in the pipeline.
- Youth Investment Accelerator Fund invested $7 million to continue support for emerging technology companies led by young entrepreneurs. The fund provides investment capital of up to $250,000 for second-stage growth needs. In 2016-17, 18 companies have received investments supporting over 191 jobs.

Ontario Youth Innovation Fund (OYIF)

- Campus-linked Accelerators invested $38.8 million to support Ontario’s colleges and universities in creating, improving, and sustaining campus-linked entrepreneurship programs and accelerators for students and youth in their regions.
- 44 institutions have been engaged.
- Over 6,800 post-secondary students have been involved in entrepreneurship activities on campus.
- Supported 2,214 new start-ups.
- Created 3,699 jobs.
- Leveraged $128 million from other government and industry.
- Talent Edge provided 997 internships and 239 fellowship opportunities to college and university students, graduate students, recent graduates and postdoctoral fellows.

Ontario Network of Entrepreneurs

The Ontario Network of Entrepreneurs helped potential high growth and high growth firms through its Ontario Investment Office – Field Services, resulting in:

- Over 2,170 business consultations.
- 1,674 new jobs created and over 54,838 jobs retained, over $300 million in new sales, including over $209 million in international exports.
- Over $52.7 million in interprovincial sales to the Alberta oil sands.
- Over $416 million in new investment projects.
- Over $104 million in funding from public sector debt, tax credits and grants and private sector sources.

Maintain a robust venture capital industry

- Through the Ontario Emerging Technologies Fund (OETF), invested over $93 million in 27 companies.
- Through the Ontario Venture Capital Fund (OVCF), Ontario's commitment of $90 million has leveraged over $1 billion in third-party capital.
- Between 2008 and 2015 Ontario-based companies in the OVCF portfolio, on an aggregate basis:
  - Recorded $1.2 billion in revenue;
  - Dedicated $257.5 million to research and development, and employed 2,864 people.
- To date the Northleaf Venture Catalyst Fund (NVCf) has announced commitments to nine leading Canadian venture capital funds and invested in eight companies totalling over $230 million.

Table 4: Ministry interim actual expenditures 2016-17

-	Ministry Interim Actual Expenditures 2016-17 ($M)
Operating Expense [2]	995.89
Capital Expense [3]	62.68
Staff Strength (as of March 31, 2017) [4] [5]	464.95

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Footnotes

- [1] ^ The ministry is progressing with developing additional performance indicators to measure the effectiveness of its programs against stretch targets to assess the impact of ministry activities. The ministry will continue to work with TBS to finalize and seek approval on these additional KPIs.
- [2] ^ Interim actuals reflect the numbers presented in the 2017 Ontario Budget.
- [3] ^ Interim actuals reflect the numbers presented in the 2017 Ontario Budget.
- [4] ^ Ontario Public Service Full-Time Equivalent positions.

- [5] ^ Figure excludes staff strength for the ADO and Infrastructure, which were transferred to support oversight of these activities as standalone ministries as part of the 2017-18 PRRT. On a comparative basis, total staff strength was 715.95 when including staff strength for ADO and MOI.
  Excludes the following Consolidation Adjustments:
  - Consolidation Adjustment - Hospitals
  - Consolidation Adjustment - Colleges
  - Consolidation Adjustment - Ontario Capital Growth Corporation
  - Operating Expense Adjustment - Greenhouse Gas Reduction Account Reclassification