



774-2025-274

October 3, 2025

Mr. David Sinclair  
Vice-Chair  
Northern Ontario Heritage Fund Corporation  
[deadbrokedave@gmail.com](mailto:deadbrokedave@gmail.com)

Dear Mr. Sinclair,

I am pleased to share our government's 2026-27 priorities for the Northern Ontario Heritage Fund Corporation (NOHFC).

Agencies are a part of government and are expected to act in the best interests of the people of Ontario. In a time of economic uncertainty, the NOHFC plays a critical role in supporting our commitment to Protect Ontario by improving service delivery, driving innovation, and ensuring responsible stewardship of public resources – all while adhering to government policies and directives.

In accordance with the Agencies and Appointments Directive, agencies are required to align their goals, objectives, and strategic direction with our government's priorities. As Vice-Chair, you are responsible for ensuring that the NOHFC business plan clearly demonstrates how the agency will fulfill these expectations. Progress and achievements must be reported through your annual report, and compliance with these requirements will be monitored and reported to Treasury Board / Management Board of Cabinet annually.

This letter sets out my expectations for 2026-27, with a focus on how the NOHFC will contribute to protecting Ontario by delivering better services and driving innovation and value for money.

### **Protect Ontario**

1. Expand domestic partnerships within Canada, to promote the development of supply chains and economic opportunities across Canada and support economic resilience, particularly in light of ongoing U.S. tariff threats and economic uncertainty.
2. Procure from Ontario and Canadian businesses whenever feasible.

### **Deliver Better Services**

3. Focus on a user-centered client / customer experience by simplifying interactions, improving satisfaction, and expanding and optimizing digital service offerings.
4. Identify opportunities to enhance efficiency, improve services, drive innovation, and achieve cost savings for the people of Ontario, including through the use of AI and other advanced technologies.
5. Eliminate unnecessary bureaucracy and red tape by applying lean methodologies or other modalities to achieve operational efficiency.

### **Drive Innovation & Value for Money**

6. Find innovative solutions to use public resources efficiently and to effectively deliver on the agency's mandate while operating within the agency's financial allocation, supported by accurate financial reporting, effective internal controls, and proactive fraud management practices.

These are the government-wide commitments for board-governed provincial agencies. Please see the attached guide for further details of each priority and the accompanying outcomes and performance measures that can be utilised if measurements are not currently in place.

I am also sharing several priorities specific to the NOHFC:

1. Increasing awareness of the NOHFC's strategic economic focus while supporting broader community and organization participation in its programming to achieve economic outcomes.
2. Continuing to provide superior client service.
3. Bringing forward short and long-term measures to deliver funding more efficiently and effectively particularly to deliver priority projects faster.
4. Implementing options throughout all organization activities to reflect the preference for Ontario or Canadian businesses.
5. Responding to recommendations identified in the Mandate Review of the NOHFC undertaken in fiscal year 2024-25.

In light of the current trade and geopolitical challenges, I expect NOHFC to prioritize projects that will be an economic catalyst, as well as those with strategic economic importance. I also expect NOHFC to be responsive to the economic challenges, including fast-tracking solutions, as necessary, for sectors or communities impacted by tariffs, as well as those that will have significant and broad economic impact.

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

Thank you and your fellow board members for your continued commitment to the NOHFC. Your work and ongoing support are invaluable to our government and the people of Ontario. Together, through innovative, sustainable, and accountable direction, we can serve as the catalyst for growth, realize the full potential of the North, and help protect the long-term prosperity and security of the Northern Ontario economy.

Sincerely,



The Honourable George Pirie  
Minister of Northern Economic Development and Growth  
Chair, Northern Ontario Heritage Fund Corporation

Attachment: Government Priorities for Agency Sector Chart

- c: Drew Vanderduim, Deputy Minister, Ministry of Northern Economic Development and Growth  
Richard Scott, Assistant Deputy Minister, Ministry of Northern Economic Development and Growth  
Scott Mantle, Chief Administrative Officer, Ministry of Northern Economic Development and Growth  
John Guerard, Executive Director, Northern Ontario Heritage Fund Corporation  
Jamie Brunette, Director, Strategic Initiatives Branch, Ministry of Northern Economic Development and Growth

## **Government Priorities for Provincial Board-Governed Agencies 2026-27**

Each year TBS provides ministries with a set of government priorities for the agency sector. These priorities are then communicated in a Minister's annual letter of direction to each of the board-governed agencies.

Sector priorities guide agencies in the development of annual business plans and help to ensure strategic direction and operations align with government direction and expectations. The priorities are clear, measurable and flexible such that they are broadly relevant to all board-governed agencies.

The following charts describe the 2026-27 government priorities, corresponding expectations and potential measurements to help track expectation progress and outcomes.

### **Outcomes and Potential Measurements**

Outcome based measurements are intended to track agency progress on implementing government priorities and provide standards for success. Agencies should have measures to track effective implementation of priorities. Potential measures are included in this document for consideration, or agencies can develop their own measures that they will track progress on and report to TBS annually. Note, there are specific measures that TBS recommends are utilized by all board-governed agencies, indicated in the charts that follow.

## Theme 1: Protect Ontario

Provincial agencies have a key role to play in executing the plan to protect Ontario. This includes agencies supporting Ontario families and businesses and helping build the province’s economic resilience.

Below are the expectations in the Protect Ontario category. Potential measures can be leveraged where none exist, or agencies can develop their own for each expectation.

### Priority 1: Expand domestic partnerships within Canada, to promote the development of supply chains and economic opportunities across Canada and support economic resilience, particularly in light of ongoing U.S. tariff threats and economic uncertainty.

Outcome	Potential Measurements	Guidance
<p>Increased number of strategic partnerships between Canadian businesses supporting economic resilience domestically</p> <p>Increased domestic partnerships within the public sector</p>	<p><b>TBS Recommended:</b></p> <ul style="list-style-type: none"> <li>• Number of new formalized Canadian partnerships</li> <li>• Estimated value (\$) of partnerships annually</li> <li>• Percentage increase in financial contribution from Canadian partnered sectors</li> <li>• Number of provinces/territories/public sector entities that you have developed active partnerships with</li> </ul>	<p>This may include tracking partnerships, information and data sharing, signed MOUs, contracts, joint-ventures, policy development and/or funding contributions with Canadian entities, including governments, non-profits and businesses.</p> <p>Focus on developing relationships and partnerships with Canadian businesses and organizations (e.g., connecting/ engaging with business/operational counterparts in other provinces/ territories to expand access to products/ services within Canada).</p> <p>Track inter-governmental and broader public sector (provincial/territorial/municipal, etc.) partnerships and engagements.</p>

## **Priority 1 - Supporting Material and examples:**

- [Protect Ontario Through Free Trade Within Canada Act, 2025](#)
  - [Overview: Protect Ontario Through Free Trade Within Canada Act](#)
- [2025 Ontario Budget: A Plan to Protect Ontario](#)
- [Speech from the Throne](#)

**Priority 2: Procure from Ontario and Canadian businesses whenever feasible.**

Outcome	Potential Measurements	Guidance
Increased economic activity and job creation (procurement, removal of barriers, etc.) for Ontario businesses/organizations as a share of overall procurement spend	<ul style="list-style-type: none"> <li>Percentage of total procurement spend on Ontario-based businesses</li> </ul>	<p>Track procurement agreements from Ontario-based businesses and organizations (e.g., supplies and services procured by the agency).</p> <p>Prioritize spending agency dollars on Ontario-based businesses, services and products, whenever feasible while remaining within approved budget.</p>
Increased economic activity and job creation (procurement, removal of barriers, etc.) for Canadian business/ organizations as a share of overall procurement spend	<ul style="list-style-type: none"> <li>Percentage of total procurement spend on Canadian-based businesses</li> </ul>	<p>Track and compare procurement agreements from Canadian-based businesses (by province/ territory).</p> <p>Where an Ontario-based option is not feasible, prioritize spending agency dollars on Canadian-based businesses, services and products, whenever feasible while remaining within approved budget.</p>
Increased supplier diversity	<ul style="list-style-type: none"> <li>Number of new Ontario/Canadian suppliers onboarded annually</li> </ul>	<p>Aim to increase the number of Ontario/Canadian suppliers used.</p>
Reduced reliance on foreign vendors to strengthen Ontario's and Canada's economic resilience	<ul style="list-style-type: none"> <li>Percentage of procurement categories assessed for Canadian sourcing feasibility</li> </ul>	<p>Only work with foreign vendors when Canadian businesses are not feasible (no Canadian supplier exists, major price differential that</p>

Outcome	Potential Measurements	Guidance
		would impact cost recovery etc., see the Procurement Directive for more information).
Increased opportunities for small and medium-sized businesses in Canada	<ul style="list-style-type: none"> <li>• Percentage of contracts awarded to Canadian small and medium businesses</li> </ul>	Prioritize seeking Canadian businesses to take part in requests for services/proposals.

**Priority 2 – Supporting Material and examples:**

- [Building Ontario Businesses Initiative](#)
- [Ontario Public Service Procurement Directive](#)
- [Procurement Restriction Policy](#)
  - [Doing business with the Government of Ontario \(public site\)](#)
  - [Supply Ontario for guidance\[PDF\] and FAQs\[PDF\]](#)
  - [InsideOPS — Procurement Tools and Templates page \(Intranet site for government entities\)](#)

**Priority 3: Provide economic relief for Ontario families, consumers and businesses by freezing government fees and fares, unless approved by the oversight Minister.**

Outcome	Potential Measurements	Guidance
Provide economic relief through increased affordability and access to government services	<ul style="list-style-type: none"> <li>• Number of government fees frozen/unchanged</li> <li>• Number of government fares frozen/unchanged</li> </ul>	May include shifting financial priorities to account for stagnant or decreased fee/fare revenue.
Increased transparency and accountability of fees and fares	<ul style="list-style-type: none"> <li>• Percentage of fee/fare increase requests approved by oversight minister</li> </ul>	Instances to seek minister approval of fee/fare increases include cases where the agency will not be able to shift costs to account for lost revenue (cost recovery) or where the agency would need the government to supplement lost revenue.
Reduced financial burden on Ontario families, consumers and businesses	<ul style="list-style-type: none"> <li>• Satisfaction rate with affordability of services</li> <li>• Annual savings for average Ontario families, consumers and businesses (expressed as a percentage rate)</li> </ul>	<p>May include surveying clients/consumers on awareness and satisfaction of affordability measures.</p> <p>May include quantitative surveys.</p>

**Priority 3 – Supporting Material and examples:**

- [Fees and Fares Definition](#)

## Theme 2: Deliver Better Services

Provincial agencies are expected to focus on improving service delivery for the people of Ontario and optimizing operating processes. This includes providing service in an innovative and accessible manner, prioritizing customer satisfaction and simplifying interactions.

Below are the expectations in the Deliver Better Services category. Potential measures can be leveraged where none exist, or agencies can develop their own for each expectation.

### Priority 4: Focus on a user-centered client/customer experience by simplifying interactions, improving satisfaction, and expanding and optimizing digital service offerings.

Outcome	Potential Measurements	Guidance
Simpler and more intuitive service offerings and interactions	<ul style="list-style-type: none"> <li><b>TBS recommended:</b> Percentage of services redesigned for simplicity and clarity</li> </ul>	Make the process transparent, easily understood and informed by research and stakeholder consultation.
Increased customer satisfaction and trust	<ul style="list-style-type: none"> <li><b>TBS recommended:</b> Percentage change in satisfaction score from client feedback surveys</li> </ul>	Tracking client satisfaction allows for intervention and adjustments to be made to programs and services where declines are happening and to understand where positive experiences can be expanded.
Increased adoption and usage of digital services	<ul style="list-style-type: none"> <li><b>TBS recommended:</b> Percentage of services available online</li> <li>Percentage of new users utilizing digital service Year over Year</li> </ul>	Evaluate and modernize business practices or services provided, by moving towards digital tools to enable cost and time savings for users.
Inclusive and accessible service design	<ul style="list-style-type: none"> <li>Percentage of digital services meeting AODA standards</li> </ul>	Ensure services do not present barriers to

Outcome	Potential Measurements	Guidance
	<ul style="list-style-type: none"> <li>Percent completion rate of accessibility training within the organization and the frequency of training sessions</li> </ul>	accessing services and resources.
Reduced service delivery times and errors	<ul style="list-style-type: none"> <li>Percentage change in service delivery errors or complaints</li> </ul>	Seek opportunities to consolidate or eliminate unnecessary steps.

**Priority 4 – Supporting Material and examples:**

- [ServiceOntario Service Innovation](#)
- [Service by Design: The OPS Service Framework](#)
- [Service Framework Resources](#)
- [OPS Service Directive | ontario.ca](#)
- [Ontario government service standards | ontario.ca](#)

**Priority 5: Identify opportunities to enhance efficiency, improve services, drive innovation, and achieve cost savings for the people of Ontario, including through the use of AI and other advanced technologies.**

Outcome	Potential Measurements	Guidance
Improved operational efficiency and reduced manual workload	<ul style="list-style-type: none"> <li>• Number of services improved or automated using AI</li> <li>• Percentage change in staff hours due to AI automation</li> </ul>	This may include the use of customer service chatbots to provide 24/7 access to information.
Increased innovation in public sector processes	<ul style="list-style-type: none"> <li>• Number of new AI-driven initiatives or pilots launched</li> </ul>	Assess areas of operation for feasibility and/or opportunity of AI integration.
Demonstrated cost and time savings	<ul style="list-style-type: none"> <li>• Estimated annual savings from AI implementations</li> </ul>	Seek opportunities for AI solutions to consolidate or eliminate unnecessary procedural burden, including processing times.
Increasing public trust in AI use in government services	<ul style="list-style-type: none"> <li>• Percentage change of public confidence in AI use (survey-based)</li> <li>• Number/percentage of new public users accessing AI-driven government services</li> </ul>	Follow the Responsible Use of AI Directive and ensure public transparency when utilizing AI.

**Priority 5 – Supporting Material and examples:**

- [Guidance and Best Practices for Using Generative Artificial Intelligence \(Gen AI\) for the OPS](#)
- [Ontario’s Responsible Use of Artificial Intelligence Directive: Guidance for Provincial Agencies](#)
- [LearnON Training on: Responsible Use of Generative AI](#)

**Priority 6: Eliminate unnecessary bureaucracy and red tape by applying lean methodologies or other modalities to achieve operational efficiency.**

Outcome	Potential Measurements	Guidance
Reduced process complexity and administrative burden	<ul style="list-style-type: none"> <li>• Number of processes redesigned using Lean or similar methodologies</li> <li>• Track the number of mandatory steps customers must take to obtain services (procedural burden time)</li> </ul>	Prioritize reduction in burdens for client-facing processes.
Cost and time savings through streamlined operations	<ul style="list-style-type: none"> <li>• Estimated annual cost savings from reduced bureaucracy and red tape</li> </ul>	Analyze ways to streamline the approval process and unnecessary levels of approval.
Reduce red tape for faster and more efficient service delivery	<ul style="list-style-type: none"> <li>• Average reduction in processing time</li> <li>• <b>TBS recommended:</b> Number of forms, approvals, or steps eliminated</li> </ul>	Analyze ways to streamline processes and remove duplicative or unnecessary steps (forms, approvals, assessments etc.,).
Increased client satisfaction	<ul style="list-style-type: none"> <li>• Satisfaction scores for streamlined services</li> </ul>	May include surveying clients/consumers on awareness and satisfaction of streamlined services.
A culture of continuous improvement	<ul style="list-style-type: none"> <li>• Number of staff trained in Lean or process improvement methodologies</li> </ul>	Encourage or mandate staff training in various methodologies to achieve continuous improvement in service delivery (accessibility, one-window approaches, Lean, behavioral insights, modernization etc.).

## **Priority 6 – Supporting Material and examples:**

- [Lean Resources](#)
- [Stories of Service Excellence within Government](#)

## Theme 3: Drive Innovation & Value for Money

Provincial agencies must use public resources responsibly and provide value for money by focusing on highest priority areas including redeployment, reskilling, and scaling back on lower-value activities.

Below are the expectations in the drive innovation & value for money category. Potential measures can be leveraged where none exist, or agencies can develop their own for each expectation.

**Priority 7: Find innovative solutions to use public resources efficiently and to effectively deliver on the agency’s mandate while operating within the agency’s financial allocation, supported by accurate financial reporting, effective internal controls, and proactive fraud management practices.**

Outcome	Potential Measurements	Guidance
Innovation that leads to tangible benefits	<ul style="list-style-type: none"> <li>Number of new initiatives or technologies implemented that result in measurable cost savings or service improvements</li> </ul>	Use innovation to pursue creative economic development while effectively delivering on agency mandate.
Increased responsiveness and effectiveness of fraud detection and resolution	<ul style="list-style-type: none"> <li>Percentage of fraud cases detected and resolved within 30 days</li> </ul>	Ensure fraud mitigation plans are in place and adequate training is provided for all staff.
Increased financial discipline across the agency	<ul style="list-style-type: none"> <li><b>TBS recommended:</b> Percentage of departments/programs operating within allocated budgets</li> </ul>	Work to increase revenue while reducing operating expenses.
Increased accuracy and timeliness of financial management	<ul style="list-style-type: none"> <li>Percentage of financial reports submitted on time and without errors</li> </ul>	Ensure adequate internal controls are in place to provide accurate financial reporting.

## **Priority 7 – Supporting Material and examples:**

- [Enterprise Fraud Management Policy](#)
- [Controllership Directive](#)
- [Internal Control Policy](#)

**Priority 8: Prudently and responsibly manage workforce size. Where an agency requires an increase in workforce size, the agency must provide the Minister with an HR plan for approval that provides the rationale based on government priorities and/or agency mandate.**

Outcome	Potential Measurements	Guidance
Workforce size is managed and connected to government priorities	<ul style="list-style-type: none"> <li>• Annual Percentage Change in Workforce Size: Track the change (increase or decrease) in annual percentage change in workforce size</li> <li>• Track the growth rate (annual percentage increase) in workforce size</li> <li>• Track the shrink rate (annual percentage decrease) in workforce size</li> </ul>	Aim to limit annual workforce expansion. Where growth or decline occurs, document the rationale.

**Priority 8 – Supporting Material and examples:**

- n/a

**Priority 9: Create a span of control policy that recognizes different streams of work within the organization and sets minimum span of control benchmarks and provide it to the Minister for approval by March 31st, 2026.**

Outcome	Potential Measurements	Guidance
Ensures timely delivery of the policy	<ul style="list-style-type: none"> <li>Span of control policy submitted to the Minister by deadline</li> </ul>	Build out internal work and approval timelines to ensure deadline is met.
Ensures comprehensive application of the policy	<ul style="list-style-type: none"> <li>Percentage of departments or units assessed for span of control</li> </ul>	Utilize guidance materials and trainings to ensure effective implementation of span of control plan.
Measures preparedness for operationalizing the policy	<ul style="list-style-type: none"> <li>Percentage of units with implementation plans aligned to the new policy</li> </ul>	Ensure the span of control policy accounts for different streams of work in order to achieve enterprise-wide adherence.
Increased alignment of internal span of control benchmarks with the Minister approved policy	<ul style="list-style-type: none"> <li>Ratio of leadership (management and executives) to employees</li> <li>Percentage of ratios in alignment with minister-approved policy</li> </ul>	<p>Ex. A ratio of 1 leader to 3 employees is expressed as 3.0. An increase in this ratio would be 1 leader to 6 employees, which is expressed as 6.0.</p> <p>Noting that progress will be reported on in the 2026/27 Annual Report.</p>

**Priority 9 – Supporting Material and examples:**

- [Span of Control Guidelines \(OPS\)](#)
- [How to identify the right ‘spans of control’ for your organization | McKinsey](#)
- [Nadler and Tushman Congruence Model Explained - SM Insight](#)

**Priority 10: Provide to your oversight Minister by October 1, 2025, the amended human resource policy, guideline or directive that adheres to the OPS in-office standard of four (4) days per week effective October 20, 2025, and five (5) days per week effective January 5, 2026, and work with your oversight ministry to address any office space constraints.**

Outcome	Potential Measurements	Guidance
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**Priority 10 – Supporting Material and examples:**

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