



# Revised Business & Strategic Plan 2021/2024

(Dec 30, 2020)

# Business & Strategic Plan

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## Mandate

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The Corporation is governed by the Metropolitan Toronto Convention Centre Corporation Act and is 100 percent owned by the Province of Ontario. The Metro Toronto Convention Centre (MTCC) is a Provincial Agency and an Operational Enterprise with a mandate, as provided in the Act, to operate, maintain and manage an international class convention centre facility in the City of Toronto in a manner that will promote and develop tourism and industry in Ontario.

In 1984, when the MTCC first opened, the Board of Directors of the Corporation established goals consistent with the policy objectives of the Government of Ontario that are also part of the MTCC Act:

- to position the MTCC as a world-class convention centre;
- to attract incremental visitors to Canada, Ontario and Toronto;
- to provide a showcase for conventions, trade shows, public shows, meetings and food and beverage needs; and
- to operate on a cost recovery commercial (profitable) basis over the long term.

The objectives are consistent with the Ministry of Heritage, Sport, Tourism and Culture Industries' goal of generating positive economic impact, through increased visitation to Ontario.

The objectives are intended to guide management in strategic and operational planning; they form the basis for this plan and are reflected in the Memorandum of Understanding with the Province.

## Corporate Background & Business Overview

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The MTCC operates within the accountability framework of the Province of Ontario as set out in the Agencies & Appointments Directive.

The objectives of the Corporation are to operate and manage an international class convention centre in the City of Toronto as a self-funded organization in a manner that will promote and develop tourism and industry in Ontario. Our primary goal remains to be the premier gathering place for conventions, trade/public shows and corporate meetings. In addition to maintaining our current business, our goal is to develop new business to both grow our corporate revenues and profit margins and drive additional economic benefit to the Province and City.

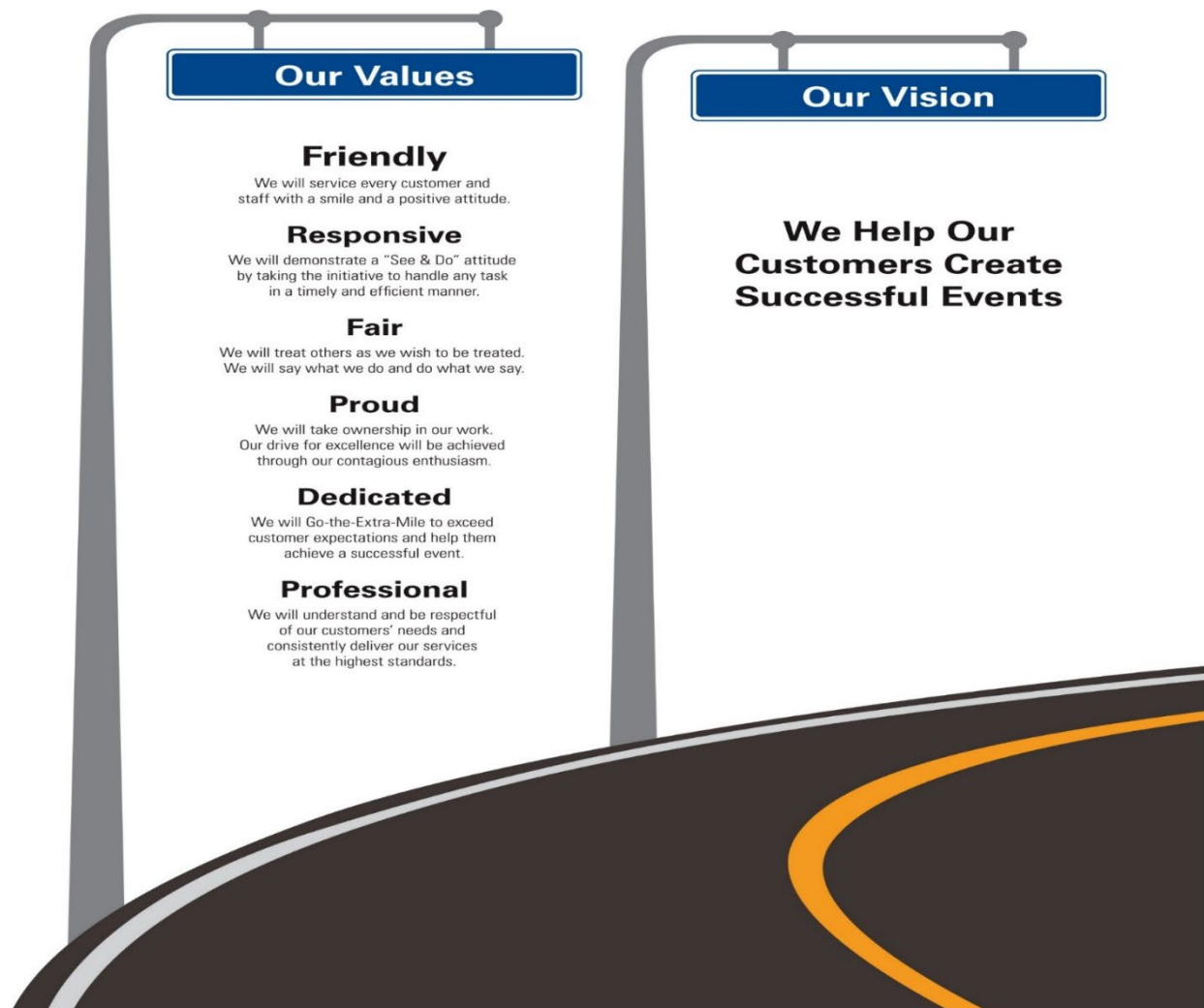
The Corporation has been successful in attracting hundreds of thousands of convention delegates to Toronto over the past three decades. As the MTCC concludes its 36th year of business, the experience it has accumulated over the years, and the reputation it has acquired as one of Canada's leading convention facilities, continues to grow. With its experience, reputation and people behind it, the Centre will continue to strive towards ensuring the success of its clients' events.

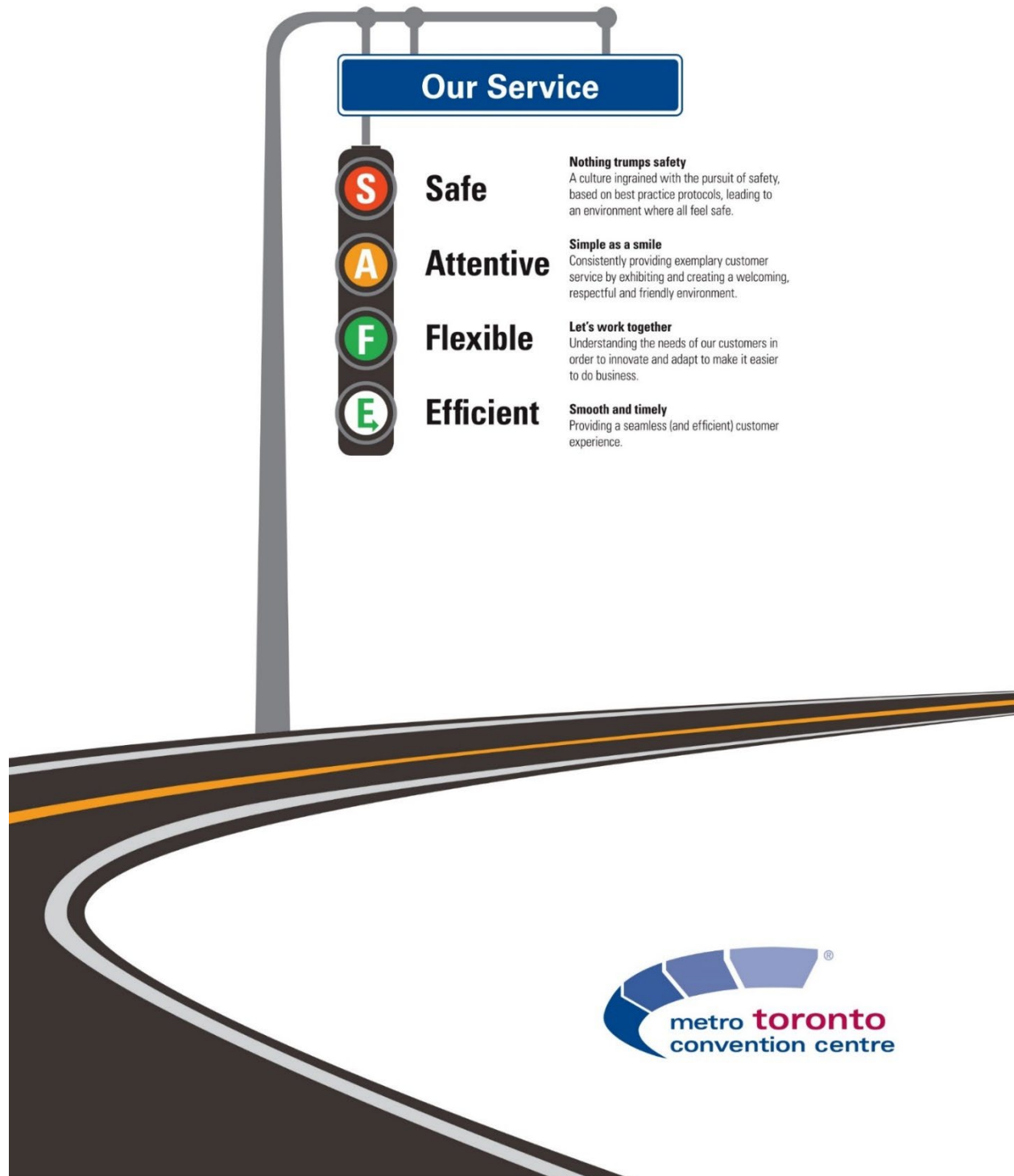
## Vision and Values

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MTCC has developed a vision and a set of values to guide us in our planning and day-to-day operations. They reflect the fact that, first and foremost, we are a customer service driven organization.

MTCC has developed the following vision statement. It represents MTCC's Success Equation, which reflects our culture, values and philosophy.





## Strategic Direction

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In recent years, MTCC experienced the best performance of its 36-year existence. The Centre attracts and services more impactful conventions and meetings annually than ever before; occupancy has hit record levels. Consequently, record economic impact and profitability have resulted, producing millions in dividends for the shareholder and billions in widespread economic benefits for the City, Province and Canada.

With the onset of COVID-19 in March of 2020, MTCC became incapable of generating revenues, and economic impact, due to government restrictions. While the Centre remains functional, it is forecasted to generate financial losses for the next several years.

While COVID-19 created significant business interruptions, it has not however, deterred MTCC from evaluating its' long-term position in the marketplace. The long-term viability of the hospitality and convention industry remains a strong and vital component to Toronto's and Ontario's hospitality sector. Industry activity is expected to recover quickly, however profitability and economic throughput will lag.

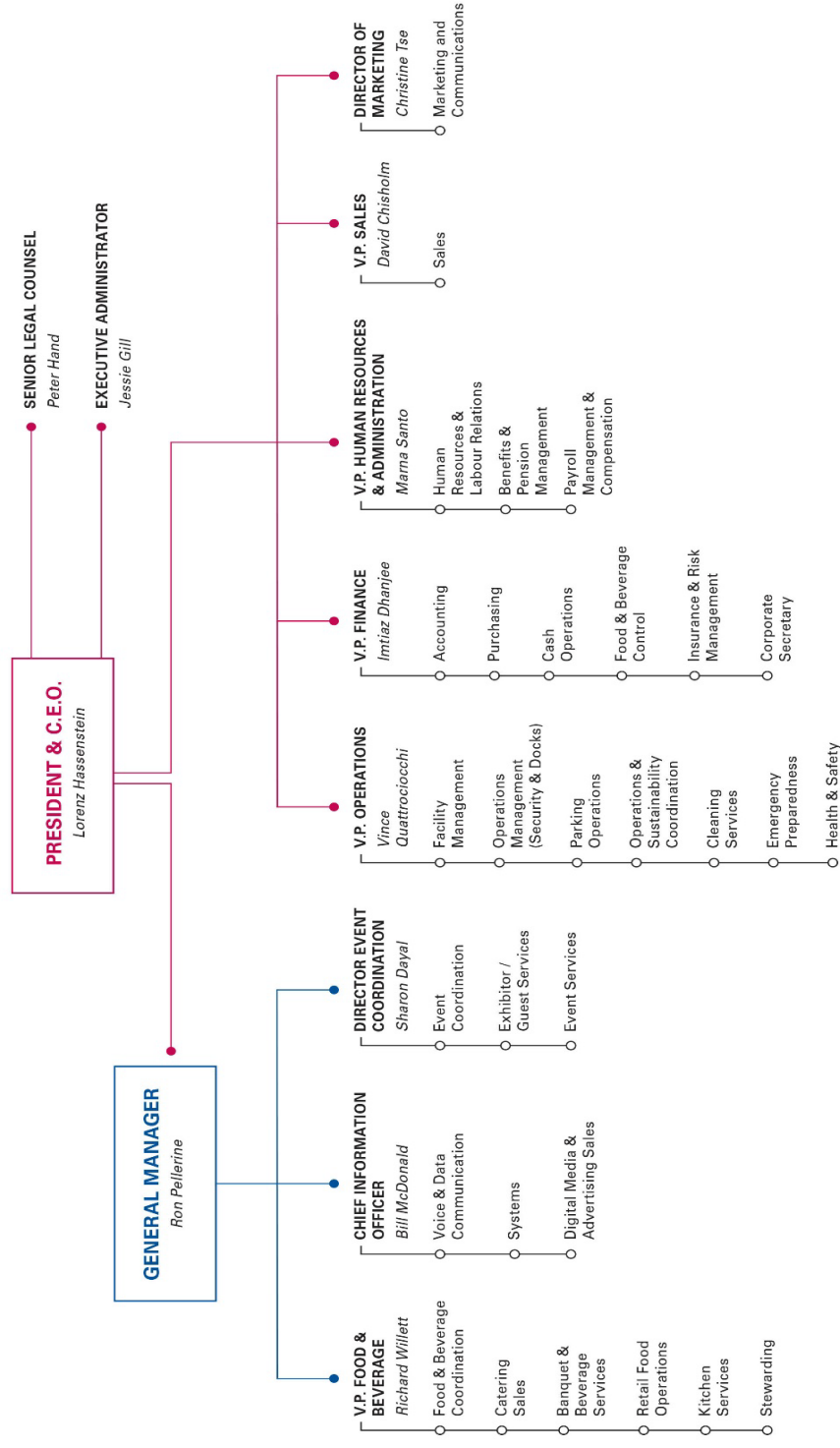
Leading up to March 2019, the Centre hosted 15 or more large conventions annually. However, we continue to regret over 50 large events annually due to a lack of meeting space availability at MTCC, or within the city's available hotels. In the short-term, the volume of regrets will subside, however once the industry recovers, inventory shortages will resume.

A recent major strategic focus for Management and the Board of Directors, was to conduct a feasibility study, including economic impact projections, for expansion of the Centre. This body of work included a discussion of the potential for improving yield management in the space as configured, exploring alternative sites, as well as the most efficient redevelopment options for the existing site, and the development of additional hotel rooms. A joint presentation between Oxford and MTCC represents the most viable path forward regarding the evolution of MTCC and the convention industry in Toronto. Many jurisdictions throughout North America are currently taking advantage of travel restrictions to perform major capital investments, including expansion and redevelopment schemes.

A second strategic direction relates to the temporarily changing nature of the convention industry and the operations required to reopen the Centre. This revolves around the evolving customer requirements, which includes changing expectations of food services, virtual or hybrid, event offerings and increasingly complex requirements for technology services, not to mention health and social-distancing dynamics required to respond safely to COVID-19.

Finally, our people will continue to be our most important strategic focus. We expect a major transition in the makeup of our employee base over the next few years, we expect retirements to accelerate due to the pandemic. This presents both challenges and opportunities; challenges with losing people to other industries as a result of COVID-19, yet opportunities through our employee development programs. MTCC continues to develop new employee skill sets for the shifting expectations of our customers and our industry.

# Metro Toronto Convention Centre Organizational Chart



# Organizational Chart & Summary of Staff Complement

## Summary of Staff Numbers

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MTCC currently employs 786 employees.

- 379 full-time (including salaried contract).
- 32 part-time and 375 casuals; the hourly complement is 629, 34 non-union, 595 unionized.

For bargaining unit employees, 573 employees are members of the Labourers' International Union of North America Local 506; 22 employees are members of the Labourers' International Union of North America Local 3000.

- The average tenure of our full and part-time employees is 16.5 years.
- The impact of the COVID-19 pandemic has forced MTCC to temporarily layoff 699 employees, of which 93 are salaried, 199 are full-time hourly and 407 are part-time and casual.

MTCC is proud of its low employee turnover rate, which is around 10 percent compared to the hospitality and tourism industry, which can be in upwards of 25 to 30 percent. During the 2019/20 fiscal year, MTCC experienced an overall turnover rate of 6 percent.



# Overview of Current and Future Programs and Activities

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## Facility Rental

MTCC's 2021/2022 calendar of events continues to remain strong. We have many large US and International conventions on the books with the majority of them scheduled to occur between April and November. Given the border closures, and other government restrictions, these clients have been unable to travel to Toronto to perform pre-planning site tours and meetings. Since the planning cycle is generally six months or more, as each day passes there is a greater risk to cancel or postpone the larger events within the 2021/2022 fiscal period. Additionally, our domestic clients, who depend less on the border reopening, are still impacted by government recommendations to not travel inter-provincially, and also by the meeting attendance limitations. Many are skeptical that we will move from the current level of 10, to numbers in the thousands, over the next six to eight months.

We remain hopeful that vaccinations will be administered over the first four to eight months in 2021. Therefore, events can start to plan for reopening this summer. In order to reopen successfully, large events that generate revenues through participation from exhibitors, sponsors and delegate registration fees, are expected to experience revenue shortfalls. Consequently, we expect clients to request financial support, and added value to operate. Smaller events with reduced budgets will yield less revenues and economic impact for the shareholder. Our strategy will be to support customers in re-launching through fiscal 2021/2022.

We continue to focus our sales strategy on booking large US and International conventions into the future through our collaborative efforts with Destination Toronto. Investing in our targeted approach to researching new opportunities is a key to success and aligns well to the good work being done with our Leaders Circle Program.

While a focus on long-term success for the building is essential, we must also focus on the short-term as we reopen the building to events of all sizes. Our local corporate, association and exhibition business will likely be the first to test the confidence and safety measures required to host an event. This will require precise communication inter-departmentally between Sales, Event Coordination and Food and Beverage. Given the competition that will exist within the marketplace, we will deliver on our promise to host successful events for our customers with the best value for money.

## Food and Beverage Services

With a solid reputation for delivering contemporary quality food supported by service excellence, the Centre's food and beverage program is considered to be best in class in our industry by right of the innovation and creativity that we offer our clients. This year will provide challenges for the team as new solutions are engineered to provide clients with innovation, enhanced safety protocols with anticipated reductions in budgets. In this unique service environment, progressive low-risk service solutions are being designed, new menu options have been engineered along with unique floor plan models for various meal types and participant numbers. We are confident this level of due diligence will maintain our leading position in the marketplace.

Retail Food Operations will undergo an extensive review to determine what this side of the business will look like in anticipation of the 2021 contractual partnership expiration. The retail food landscape in North America is progressing and we believe this is a prime opportunity to consider new solutions.

## Parking

From mid-March, the garages were open and free to use for the general public. In July, when the Government announced phase 2 reopening, the parking garage resumed operation with minimal staff and limited service. As further restrictions are lifted, Management will expand the operation to meet demand, and will also explore new fleet parking revenue opportunities. Incentive programs are being explored with local attractions to bolster parking revenue.

## Labour

We take pride in our brand, “Our People are the Centre.” Our people are the critical element in our customer service model and we need to ensure that we attract and retain the best talent. MTCC, like many organizations, was affected by layoffs in 2020/2021. In an already limited labour market, it is crucial that MTCC be able to retain and successfully recall its employees, when business levels resume. In 2020, two major collective agreements came up for renewal – one with LiUNA Local 506 and the other with LiUNA Local 3000. We recently negotiated a two-year Collective Agreement with LiUNA, Local 506, which expires on December 31, 2021. Negotiations for the second collective agreement commenced at the end of 2020.

## Convention Development Fund

MTCC has been a steadfast supporter of the Convention Development Fund (CDF). Funds applied to support events that cancelled or postponed in 2020, are being returned to the fund. These funds will be used to support future conventions. Of concern going forward, is both the unbalanced contributions made to the fund by the three participants, (MTCC, Destination Toronto and Greater Toronto Hotel Association) and the short-term annual contribution levels required to maintain the program viability. Due to cancellations and re-bookings of postponed events, the fund currently has a positive cash balance. Over the next two years, the fund will require evaluation.

## Redevelopment

Redeveloping the Centre continues to be raised. MTCC assembled an Advisory Council, comprised of 13 customers and prospects, to assess which cities “get it right” – and what we should be considering for Toronto going forward. In the last several years, we have worked diligently with Oxford Properties, our partner and landlord of the North Building, to put forward the optimal redevelopment scheme for MTCC. A feasibility study completed for MTCC, determined that Ontario risks losing market-share within Canada and North America, if the Centre is not redeveloped, and the overall number of committable hotel rooms are not expanded. Additional work and evaluation have been initiated to determine the short-term effects on the industry by the pandemic.

## Aging Equipment

### Escalators/Elevators

- Management continues to address major repairs and replacements of our critical escalators and elevators. We replaced all the North Building escalators after approximately 22 years of service, and we have been upgrading elevators as required. The next phase of this activity would have taken place over the next three years and incorporated the following: South Building escalators (circa 1997) 17 units. Replacement of heavier used units (bridge to street levels) and refurbishment of remaining units,
- Repairs and upgrades to freight elevators for safe and stable operations
- Upgrades to passenger elevators as needed for safe and reliable operations, and to improve the fit and finish elements.

The estimated cost for this project is between \$7.5M and \$8.5M and was slated to begin in fiscal 2021/2022. However, due to the current situation, these projects have been deferred to future years and will be included in future capital plans.

### Parking Garage Equipment

The parking equipment is currently eight years old and will eventually need to be upgraded. Historically, we have replaced this equipment at this age and stage at a cost of approximately \$1M. However, our current equipment has been reliable and therefore, Management has decided it would be more prudent to upgrade key components, which include:

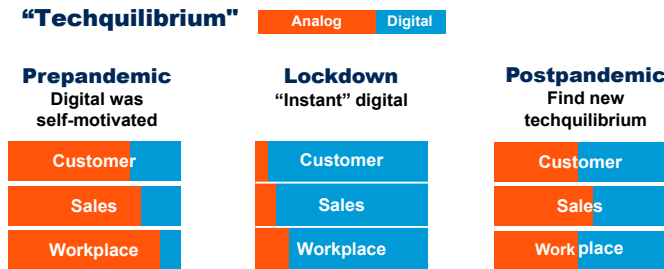
- Network hardening, which protects our network from intruders by configuring the security features of the network's servers and routers
- Parking software upgrade, which will provide software enhancements that allows MTCC to leverage technology to improve operations and customer facing features. For example, a web-based operative dashboard, extended statistics, payment on entry (e.g. for event parking), mobile pay (paying a ticket using a cell phone), and third-party card access integration (e.g. HID proximity readers);
- Cashier station, entry and exit terminal upgrades, will allow MTCC to offer credit and debit (chip and pin contactless payment as well as mobile wallet payment at the exit. Installing this upgrade will also address the phasing out of the current contactless credit card reader. Our current payment system will not be supported within the next 18-24 months.

The estimated cost for this project is between \$500K and \$600K.

## Technology Services

Several technologies have become central to our business since we entered the pandemic "lockdown". While all of these technologies existed pre-pandemic, the lockdown conditions forced a fast and widespread adoption. As MTCC, and the event industry, transition through the re-opening phase and business returns to at least a viable level, we anticipate that these technologies will continue well past recovery and become a normal part of our business. There are a number of reasons for their continuance, including operational efficiencies, increased capabilities, and cost containment.

The Gartner Research Group coined the phrase “techquilibrium” to describe the transition from specific business digitalization, to pervasive digitalization necessitated by the lockdown, to a shifted balance of digital to non-digital business operations. The net effect is that MTCC, and our industry, will become more digital businesses.



While not comprehensive, here are some examples of increased digitalization in our industry:

- **Virtual / Hybrid Events:** During lockdown and gradual re-opening, events have the challenge of either delaying for at least a year or creating a virtual experience that allows remote participation. Although virtual events have the benefit of keeping an event “alive”, they present a number of design challenges, particularly for those with limited experience. Also, not all events lend themselves to the virtual experience as well as others.

The common industry belief is that there will be a strong return to the physical event. When they do, many will adopt a virtual component (hybrid), as this provides new presentation and participation opportunities. This will be further motivated by increased comfort with this technology.

- **Virtual Event Planning:** During lockdown, we have provided event site tours using real time video and voice communication. Post-recovery, this will not replace site tours. However, it does present the opportunity to augment them through smaller on-site client representation (cost saving), additional virtual site visits to address specific customer requirements, and providing site visit opportunities to a wider range of event planners.
- **Work from Home:** With the lockdown, all staff began working from home on a full-time basis. While our technology design was conducive to remote working, there was a learning requirement for most staff. More importantly, departments had to adapt their business operations and management process. As many of these barriers have been addressed, more staff will be working from home on a more frequent basis than in pre-pandemic.
- **Remote Collaboration:** As staff working remotely engage internally and externally, there is a need to introduce additional technology that facilitates collaboration. Examples include sharing whiteboards and project / work management tools. The value of virtual collaboration will continue in the post-pandemic world.

## Market Segment Overview

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Due to Provincial mandates in response to the COVID-19 crisis, the facility was closed for business on March 12, 2020. In addition to the 35 events that were cancelled in March 2020, another 252 events that were scheduled to take place April 1, 2020 to March 31, 2021, have also been cancelled or postponed. The Ministry of Attorney General (MAG) moved into the South Building in early fall to perform jury selection, which has provided some financial relief for the Centre. As of December 1, 2020 MAG has cancelled all future events. Early signs of recovery in the industry are expected by the final quarter of 2021. We expect long haul, international, business and events-based travel to be on the slowest recovery trajectory.

Consumer confidence in safe travel and gathering will be a key component in reopening our business. In the short-term, our focus is to steer recovery via local, regional, and bubble-based travel. Reliance on domestic and regional meetings, exhibitions and trade shows will be more prevalent than ever before. We continue to benefit from the collaboration with Destination Toronto, and our hotel partners. However, there will be fierce competition for this segment in the market. Even more challenging is the notion that the bottom half of the event production market will not survive, as most local producers are small businesses and have limited funds remaining to restart successfully.

## Social Market

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In the first two quarters of the 2021/2022 fiscal year the social market clients will be challenged in bringing to fruition their annual programs, which include fundraisers, galas, corporate luncheons and dinners. This is due to the depletion of corporate and audience confidence to attend in-person events and reduced budgets. However, the social market clients' share a consistent anticipation that a return to in-person events starting in September 2021 onward is a realistic expectation for this market. The vast majority of annual social market client events are looking to rebook with the Centre in the third and fourth quarters. The events will likely return with scaled back footprints and smaller initial guest attendances as the rebuilding of attendee confidence begins.

## Third-Party Relationships & Initiatives

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Management has formed strategic relationships with several organizations to help secure and provide a diverse range of contracted services to ensure client events are successful.

Commission revenue is provided by our exclusive and official suppliers for services provided to MTCC's clients. The major suppliers include: audio/visual, computer rental, electrical, production and decoration. We believe that upon reopening, downward pressure on pricing by customers will significantly reduce supplier margins, thus jeopardizing MTCC's commissions. Where applicable, MTCC will evaluate bringing contracted services in-house in an attempt to offset lost revenues.

All suppliers are expected to meet MTCC standards in terms of product quality and service excellence. Showtech Power and Lighting, Check Mates and Access Cash General Partnership are the only organizations considered as exclusive suppliers. GES, Encore, Corporate Nursing Services and Executek Security Services are designated as official suppliers.

The suppliers are responsible for all aspects of the above services, including the provision of staff and equipment.

Showtech Power and Lighting is designated as an exclusive suppliers due to the specialized nature of its services. Company representatives require regular access to our electrical infrastructure and are therefore bound by the facility's operations and safety policies. In addition, they also provide rigging and production services for events requiring specialized lighting. They maintain offices and inventory within MTCC to facilitate client access to these services. The current contract with Showtech Power and Lighting will expire on June 14, 2021.

GES (Global Experience Specialists) is an official supplier that provides show decorating and general contracting services, including transportation, customs brokerage, furniture, carpet, modular exhibit rentals and booths accessories, as well as state of the art graphics and signage. They maintain an office on-site and have dedicated Exhibitor Services representatives to provide a full range of services. The current contract with GES will expire on March 31, 2024.

Encore provides comprehensive audio/video services, computer and peripheral rental services and translation services. They maintain both sales offices and warehouse facilities on-site to ensure our clients have immediate access to these important products and services. The current contract with Encore expired on April 30, 2020. A request for proposal was issued in the marketplace, however, due to COVID-19, the process has been put on hold. We are currently on a month to month extension for our existing agreement until further notice.

Destination Toronto and the local hotel community also play an important part in marketing and securing large convention business, which in turn generates significant economic benefit to the City and Province. This strategic relationship involves a series of initiatives, including the creation of a fund to compete with other destinations by attracting new business and targeting large convention business around the world.

The impact of COVID-19 has had a significant financial impact on all organizations, particularly the small businesses.

There is a possibility that once we get past the pandemic, some small businesses, including our smaller in house contractors and partners, may become insolvent and not be able to continue their business operation (i.e. coat check, nursing services and contracted security services).

## Capital Investment

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MTCC has significantly reduced its capital investment budget for fiscal 2021/2022. Projects which are of a high priority such as health and safety, building maintenance, technology services and emergency work will be undertaken in the upcoming year.

Our North Building landlord has budgeted some projects that were originally planned to be done in fiscal 2020/2021 but were postponed due to the pandemic. These projects are necessary to maintain the integrity of the building systems and exterior structure. Our lease with Oxford allows that they can undertake these capital improvements to the facility. MTCC must pay its proportionate share as defined in the lease. Our share ranges from 47.6% to 57% of the total capital costs. In 2021 we are expected to pay \$685K in Oxford capital work.

The capital budget for the upcoming year is \$1.5M. This does not include the replacement of the South Building escalators estimated at \$7.5 M to \$8.5M and the purchase of land for the marshalling yard for approximately \$12.0M.

<b>CAPITAL BUDGET 2021/22</b>	
Technology Services	\$ 85,000
Event Services	5,000
Engineering	241,500
Sales & Marketing	13,000
Oxford Properties projects	685,500
Contingency Fund	500,000
<b>Total Capital Budget 2021/22</b>	<b>\$ 1,530,000</b>

## SWOT Analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> <li>• Highly desirable destination - Toronto is ranked 10<sup>th</sup> in North America for major conventions amongst event planners (2020 Watkins Report).</li> <li>• MTCC maintains high customer satisfaction ratings - 92% food &amp; beverage, 98% overall customer satisfaction rating.</li> <li>• Canada's leading convention centre - By measurement of economic impact, gross revenues and profitability among 22 convention centres across Canada (2019 Convention Centres of Canada Benchmarking Results).</li> <li>• High brand awareness throughout North America and the world as a leading city to host events.</li> <li>• Excellent collaborative partnership with Destination Toronto.</li> <li>• Location-downtown core; centrally located in the Convention Centre district with a direct link to public transit and the airports.</li> <li>• Diverse workforce.</li> <li>• Well respected management team in the industry.</li> <li>• Strong building and operational knowledge.</li> <li>• Excellent record in sustainability/green initiatives – 90% divergence rate.</li> <li>• Consistent &amp; meaningful social impact on the community.</li> <li>• Strong working relationship with our Unions and hourly employees.</li> <li>• Culturally consistent working relationships and partnerships with suppliers and contractors.</li> <li>• Very robust and reliable technology/infrastructure</li> <li>• Low employee turnover (~6% annually).</li> <li>• First-class, industry leading Food &amp; Beverage offerings and team.</li> <li>• Highly trained and specialized workforce.</li> <li>• Significant economic impact - \$540M annually economic (measured against top 80 annual events).</li> <li>• Highest dividend payments to any Province – Total contributions at March 31, 2020 is \$102M.</li> <li>• Flexible remote working environment/collaboration.</li> <li>• Certified Safe Travel Stamp.</li> </ul>	<ul style="list-style-type: none"> <li>• MTCC ranked 18<sup>th</sup> out of 40 in venue appeal in North American for major conventions amongst event planners (2020 Watkins Report).</li> <li>• Facility capacity - MTCC is limited to servicing 73% of the market potential.</li> <li>• Hotel commitment – Overall room blocks for large conventions have decreased from 51% to 36% since 2017 and is forecasted to decline further due to future condo conversions.</li> <li>• Exhibit Hall occupancy at capacity – Currently at 69% reducing the ability to host larger conventions and trade events.</li> <li>• Availability versus Demand - Increased building occupancy has led to regretting new convention business – From 2017/2019, we regretted 82 events of 1,500 attendees or more, foregoing approximately \$776M in lost economic impact for the Province and the City.</li> <li>• Inability for MTCC to continue contributing funding into Convention Development Fund.</li> <li>• \$42M annual financial break-even point.</li> <li>• Maintain Human Capital levels for the return of pre-COVID-19 business.</li> <li>• Education of Industry partners in government assistance programs.</li> <li>• Marshalling yard – currently MTCC does not have a marshalling yard.</li> </ul>



Opportunities	Threats
<ul style="list-style-type: none"> <li>• Strong economic sectors in Toronto, such as life sciences, information technology and finance align to events for both U.S. and international markets.</li> <li>• Canada seen as a safer North American destination during the pandemic.</li> <li>• Direct airlift from across the country into Toronto creates attractive and accessible domestic business market opportunities.</li> <li>• Exploring new post-COVID-19 revenue streams and business opportunities.</li> <li>• Size and flexibility of space allow for physical distancing for events as required.</li> <li>• Promote MTCC's capabilities to host Hybrid events as a complement to live events.</li> <li>• Alternate uses of the facility (storage, prayer halls, jury selection halls); community engagement- expand into new market segments.</li> <li>• Collaboration within the industry.</li> <li>• Favourable currency exchange to attract. US/International business.</li> <li>• Strong dynamics for redevelopment due to recovery timing and stimulus packages.</li> <li>• Ability to develop stronger local supplier networks</li> <li>• Robust public safety program and greater coordination with customers.</li> </ul>	<ul style="list-style-type: none"> <li>• Competing convention facilities in Canada and the U.S. are expanding.</li> <li>• Competitive convention development funds - Demand is outpacing supply for economic-impact rich events, making it extremely competitive as we see other centres leverage convention development funds to attract new business.</li> <li>• Hotel availability – Hotel-to-condo conversion threatens our ability to secure future citywide and corporate business and achieve our mandate.</li> <li>• Evolving government restrictions in terms of gathering and meeting limits as well as border closure.</li> <li>• Consumer confidence – Willingness to travel/attend events.</li> <li>• Loss of employee talent to other industries</li> <li>• Retired/vulnerable workers not wanting to work.</li> <li>• Client budget restraints/ event survival / reduced client base.</li> <li>• Loss of culture as fewer employees in the building at any given time.</li> <li>• Supply chain (lack of resources, high prices).</li> <li>• Media crisis due to any infections in the building.</li> <li>• Competitive dynamics of bidding on local businesses.</li> <li>• Compensation legislation and government restraints – there is limited financial support for Crown Corporations.</li> <li>• Global/Canadian recession due to the pandemic.</li> <li>• Change in operations due to COVID-19; increase in labour and engineering product costs.</li> <li>• Less ability to fund capital projects due to COVID-19.</li> <li>• Insolvency of small businesses, Industry organizers / show producers.</li> <li>• In fiscal 2021/2022 MTCC is scheduled to host 18 citywide events however, due to the pandemic all of these events are at risk.</li> </ul>

# Environmental Scan & Risk Identification

## Assessment and Mitigation Strategies

The environmental scan identifies the challenges and outlines the major corporate risk factors that could influence the MTCC's operations. These risk factors are monitored with appropriate strategies implemented to mitigate these risks.

### Risk Category: Operational

#### Risk Factor #1: The Economy

The staggering drop in economic activity and interruption of global growth due to COVID-19 was unprecedented. The greatest decline occurred from mid-March to the end of April 2020. There was a strong bounce back between May and August as government support programs and central bank stimulus provided essential monetary relief. As well, labour market conditions began to improve by May.

Looking ahead, the Canadian and global economies should grow but at a moderate pace. By the beginning of 2021, none are expected to return to pre-COVID-19 levels of output. Only 4-6% growth is projected in Canada, US, and UK whereas over 10% is anticipated in the Euro-area. The economy's ability to recover by 2021 is dependent on the development of a vaccine and labour market conditions to improve.

The hospitality and entertainment industries have experienced the sharpest declines in activity due to continuous social distancing measures, travel restrictions, and border closures. The limited growth in the service industries will weigh on the economy and delay the return to full capacity. As well, the return of US and International business is dependent on Provincial Government regulations and Federal Government decisions to ease border restrictions.

Reopening the facility will be dictated by four factors - Provincial restrictions, public confidence, industry solvency, and MTCC's financial and operational ability. It is believed that restrictions will be lifted slowly, however not significantly enough at the beginning for the facility to reopen its business completely. Furthermore, given the nature of the virus, and the inability of anyone to accurately forecast, customers are taking a conservative approach to planning events, and the 2021 events calendar is shrinking.

MTCC historically generates a positive economic benefit for the City of Toronto and the Province of Ontario between \$500M and \$600M per year. However, due to the pandemic, we will not be able to achieve this level of economic benefit for the 2021/2022 fiscal year.

MTCC does not expect to return to normal business levels till early fiscal 2022/2023. This will significantly impact its revenues for fiscal 2021/2022. This will also eliminate MTCC's ability to make a minimum distribution payment of \$2.5M to the Shareholder.

#### Related Strategic Priority

Book local and regional business meetings in the near-term.

#### Impact and Scope

High

Hosting large convention business is essential in increasing our profitability and economic benefit to the City and Province. However, we do not expect to see the large US and International events return during fiscal 2021/2022. We will therefore, rely on local and regional based businesses during this period.

#### Mitigation

If sufficient revenue is not generated to cover expenditures, MTCC will work with the Province to identify and employ funding solutions.

## Risk Category: Operational

### Risk Factor #2: Reopening

MTCC anticipates accommodating smaller events starting in the final quarter of 2021/2022. MTCC will focus on these key areas:

1. The health and safety of all visitors, customers and employees.
2. Human capital retention
3. Corporate solvency

### Related Strategic Priority

1. **The health and safety of all visitors, customers and employees** – As it is our highest priority, our enhanced safety guide, ONWARD, provides additional guidelines that prioritize physical distancing, personal protective equipment, traffic flow management and more. The guide was developed in consultation with Toronto Public Health and is aligned with guidelines provided by the Province of Ontario and our industry. In addition, our facility has been awarded a Safe Travels Stamp by the World Travel and Tourism Council. The Safe Travels Stamp is an international symbol designed to allow travellers to recognize governments and companies around the world, which have adopted proper health and hygiene standardized protocols – so individuals can experience 'safe travels'. This can be found on our website [www.mtccc.com/onward/](http://www.mtccc.com/onward/)
2. **Human capital retention** - Our employees play a crucial role in maintaining business continuity. The long-term success of the centre will be affected by the ability to retain the current talent. The dynamic around layoffs and recall will affect our solvency and ability to operate successfully.
3. **Corporate Solvency** – Due to the continued uncertainty resulting from the closure of the border and gathering limits, the business remains at risk for the 2021/2022 fiscal year.

### Impact and Scope

High

Due to the lack of revenues as a result of the pandemic MTCC has laid off the majority of its workforce. The lack of revenues resulting from the pandemic will require financial support from the Province.

### Mitigation

MTCC will continue to pursue any revenue generating opportunity in an attempt to reduce or offset monthly fixed costs. MTCC is in discussion with the Ministry to seek financial support and funding solutions for the Corporation.

The health and safety mitigation - We will continue to review our policies and procedures and update according to Government guidelines, customer and colleague feedback. The Safe Travels Stamp will be used to boost customer confidence. Recognizing that many employees will be off work for well over a year, our health and safety training will play a key role in our return to work orientation.

Human capital retention – Staffing is at a bare minimum and lieu banks have been exhausted. Our retention is tied to reopening and the financial support from the Province.

Corporate Solvency - MTCC will continue to pursue any revenue generating opportunities in an attempt to reduce or offset monthly fixed costs. Management is in the process of identifying funding options to help it meet its financial obligations while working on recovery

### **Risk Factor #3: Renewal and Sustainability of Convention Development Fund (CDF)**

The CDF supports all citywide non-domestic conventions held at MTCC. The definition of a citywide convention is one that would use MTCC, use two or more hotels and require 1,100 or more peak night hotel rooms. This very successful tool has been used to help clients offset MTCC facility rental charges and other conference related expenses. Destination Toronto, MTCC and nearly 20 hotels participate in this funding mechanism. The hotel contributions are generated based on hotel room nights occupied within the hotel block for every CDF supported event hosted. Anyone attending a convention, but booking outside the contracted room block, or using a service like Airbnb, is not contributing to the fund. Additionally, more clients are endeavouring to mitigate the risks of their hotel room night commitments at 1100 peak room nights in exchange for a model that would reward their success by the number of attendees attending their event. This would further reduce the amount of contribution from the hotel community. Consequently, the CDF is flawed. While the CDF has provided sufficient resources to help attract major conventions that bring significant economic value to this marketplace. For the short-term, the CDF will remain active however, due to the insolvency of its supporters, the CDF is at risk and will require significant funding in 2022 and beyond.

The CDF agreement is automatically renewed annually unless a specific hotel elects to opt out of the program.

#### **Related Strategic Priority**

Ensure funding remains available over the long-term.

#### **Impact and Scope**

**High**

The major convention market is very competitive. Our primary Canadian competitors, Montreal and Vancouver, have significantly increased their incentives. In the US, we compete with over 40 cities in bidding on this size of business. Without sufficient funding, Toronto, as a destination, will not be competitive and MTCC would be at risk of losing revenue and generating less economic impact.

#### **Mitigation**

The financial incentives for each convention are getting larger. Under the current funding levels, the program will become unsustainable. Therefore, higher CDF funding may be required by all participants.

### **Risk Factor #4: F&B Productivity and Profitability**

The economic impact of COVID-19 will influence the food and beverage spend as budgets will be reduced in most companies. This combined with entire events canceling or postponing and an attrition of attendees, top line revenues are forecasted to decline substantially. Costs will increase due to enhanced sanitation protocols, increased food commodity pricing, and lower labour productivity associated with new safe physical distancing requirements. Retention of hourly and salaried talent is at risk due to the extended lay-off period and a very gradual return to business.

#### **Related Strategic Priority**

Restructuring of the Food and Beverage department's financial, operational and client service models is required to compensate for the expected decrease in revenues and profits this fiscal year. Re-engineering available menu selections, graduated and tiered client pricing options and aggressive purchasing measures, if applied fluidly, will be key functions of stabilizing a steep decline in business volumes while cautiously rebuilding clients' confidence, spending and profitability. Retention and retraining of the department's key experienced food and beverage hospitality talent is critical to ensure the quality of products and services that can be delivered as events return to the Centre.

**Impact and Scope****High**

Food and beverage services are the primary ancillary costs where companies reduce or eliminate budgets. As a price leader locally, nationally and across the border, at risk is our menu value proposition. Client ancillary spending on food and beverage services that can be offered for multiple layered menu and pricing alternatives will provide for strategic client focused incentives during suppressed economic conditions. Higher commodity costs will erode profitability if mitigation strategies are not put in place. Loss of talent will challenge recovery efforts.

**Mitigation**

- Aggressively pursuing creative and innovative market segment opportunities within the hospitality and special events communities.
- Reimagining and designing culinary and hospitality service focused programs that can be hosted most safely and effectively within a facility with an abundance of physically distanced space.
- Alternate use of space, technology and human resources will be explored to drive revenues, profits and retain talent.
- Comprehensive menu analysis and competitive facility comparisons both locally, nationally and internationally will assist in determining where price adjustments can be carefully applied.
- Vendor reviews to establish new contracts yielding more effective long term purchasing and pricing agreements on select commodities.
- Menu engineered to reduce high-cost food items will be replaced with alternative products appropriate for the current client environment.

**Risk Factor #5: Marshalling Yard**

MTCC does not currently have a marshalling yard. Management has identified a lot from Provincial surplus lands however, due to MTCC's diminished financial status, there may be some difficulty in securing the parcel of land.

**Related Strategic Priority**

Purchase a parcel of land to operate our marshalling yard.

**Impact and Scope****High**

Without securing a permanent marshalling yard in close proximity to MTCC, our clients' ability to efficiently and effectively move-in and move-out their events will be severely impacted.

**Mitigation**

MTCC has been working with Infrastructure Ontario (IO) to purchase surplus land to ensure our marshalling yard requirements are intact going forward.

Management has adopted a new technology that can help with efficiently moving smaller events in a limited fashion in and out of the facility. The system resembles an "Uber" type app whereby incoming workers, visitors and privately owned vehicles, can be scheduled in advance and tracked by schedule, thus allowing for a limited "virtual" marshalling yard for smaller and simpler events. This type of technology is currently being used in busy urban centres throughout the world.

Over the past year, MTCC has worked with over 40 clients using this technology and the overwhelming response has been positive. Considering our marshalling yard is at risk, management will be forced to increase the use of this app, however this application has its limitations.

## **Risk Category: Information Technology and Infrastructure**

### **Risk Factor #1: Malicious Attacks on our Information Technology Infrastructure (“Cyber Security”)**

Malicious attacks on corporate information technology infrastructure (e.g. network and devices, business applications, corporate information) are not a new phenomenon. However, it has become an area of increased focus. The primary reasons for this are:

- Long-standing threats such as viruses and other forms of malicious software (malware) still exist in abundance and continue to grow in numbers and sophistication.
- While not new, “phishing” attacks (e.g. using email to gather personal or corporate information under the false pretense of being a credible source) are on the rise.
- The remote working environment (home pc’s, smartphones, tablets, laptops provide a wide number of entry points into corporate networks. These devices do not necessarily have the same level of intrusion prevention as corporately housed technology.

#### **Related Strategic Priority**

Protect the organization from cyber attacks.

#### **Impact and Scope**

**Low – High**

As there are a wide variety of threats, the actual attacks or the degree of their success may vary dramatically. Specific risk identification and mitigation measures will be focussed accordingly.

#### **Mitigation**

In previous years, we have continuously improved our cyber security detective and preventative controls. In 2021/2022, the primary initiatives will be:

- Implementation of Mobile Device Management software to track devices, install upgrades and patches, and improve support to remote users
- Conduct fraudulent email awareness training for all MTCC staff
- Continue to evolve MTCC security standards document that was established in 2020/2021

Our cyber security threats, controls, impacts and response plans are reviewed regularly with the Finance and Audit Committee.

## **Risk Category: Human Resources**

### **Risk Factor #1: Human Capital & Compensation Restraints**

Prior to March 2020, the competitive nature of the labour market demographics required Human Resources strategies that included both attracting and retaining high performing individuals and positioning MTCC as an employer of choice. While our strategy remains positioning MTCC as a top employer, the focus has shifted towards retaining and recalling talent whose roles have been negatively impacted by the disruption to our operation. If we do not successfully retain these individuals, we face the risk of not having the right people in place for when our operations resume and as our business continues to grow. In a climate where success historically has been mainly related to technological advances, success this coming decade will be more a function of human capital.

Furthermore, to successfully achieve our vision, we must demonstrate to our employees that “Our People are the Centre”. This requires competitive compensation packages, an engaged culture and a positive and productive relationship between management, employees and our two labour unions.

We recently negotiated a two-year Collective Agreement with LiUNA, Local 506, which expires on December 31, 2021. Consistent with Bill 124, Protecting a Sustainable Public Sector for Future Generations Act, 2019, the Collective Agreement provides a 1% across-the-board annual wage increase without any increase to benefit entitlement. We have commenced negotiations with our second union, LiUNA, Local 3000, and are proposing that any changes to wages and benefits are consistent with Bill 124 and to the negotiated Collective Agreement with LiUNA, Local 506.

With respect to executive compensation, under a directive issued to public sector agencies in August 2018, Ontario has frozen the base salaries of executives across the public sector. As a result, the program implemented in 2017, under the Broader Public Sector Executive Compensation Act, continues to be suspended and salary and performance-related payments for designated executives cannot exceed the previous year's compensation payouts. Furthermore, it is common knowledge that the majority of public sector organizations have a significantly better Pension Plan (Defined Benefit) as compared to MTCC's Pension Plan. MTCC's current Pension Plan has two components. The Defined Benefit (DB) component of the Plan provides benefits to members who joined the Corporation prior to December 31, 2004, and the Defined Contribution component of the Plan for members that joined the Corporation after January 1, 2005. MTCC's Pension Plan is not as rewarding as the Ontario Public Service Pension Plan (PSPP). Due to the current compensation restrictions and recruitment challenges, MTCC will examine the implications of transferring to the DB Plan managed by OPB. Merging with the Ontario Public Sector Pension Plan would require funding the deficit, the anticipated cost is still to be determined.

As MTCC has been continuing benefit coverage for its unionized employees on temporary layoff, constructive dismissal liability would apply 35 weeks from their layoff date, which for the most part is November 15, 2020. After this date, employees may choose to resign and would be entitled to severance pay under the Employment Standards Act (ESA). The ESA would supersede any language in our Collective Agreement. There is nothing we can do to prevent an employee from waiving their recall rights (i.e. resigning) and filing a claim. The total liability cost for all unionized employees would be approximately \$8,000,000.

Our non-unionized, salaried employees who are not actively working are covered by the Infectious Emergency Disease Leave (IDEL), which is currently set to end on July 3, 2021. As MTCC has been continuing benefit coverage, constructive dismissal liability for our non-unionized, salaried workforce would apply 35 weeks from this date, which is March 2022. One potential complication with this is that Sun life has only agreed to extend benefits for 3 months after the IDEL, which means the 35-week period would be compromised. The total liability cost for all salaried employees would be approximately \$7M to \$9M.

#### Related Strategic Priority

To remain a recognized leader in our industry by aligning our people practices with our employer brand, "Our People are the Centre."

#### Impact and Scope

High

The calibre of our employees affects MTCC financially and operationally. As such, it is necessary to invest in our internal workforce to ensure they remain with the Corporation and that they have the skills necessary to support our customers within the new reality of the events industry. With the growing uncertainty of the pandemic, efforts will be focused on supporting employees through these difficult times, with a particular focus on mental health and well-being. These efforts will ensure we maintain our position as an industry leader attracting and retaining top talent.

The pandemic has contributed to the growing concerns of an aging workforce. When operations resume, our most senior full-time employees will be the first to be recalled back to work. There is a likelihood that when this time comes, we may face the risk of employees not returning upon recall and instead retiring from the industry. This could mean losing many of our employees who have the greatest knowledge and experience with our business.

With respect to competitive compensation, one of our areas of focus surrounds retaining, attracting and/or promoting existing talent to the executive and senior leadership level, especially from a gender diversity perspective. With these compensation restrictions in place, we are challenged given that we compete for talent from the private sector and the opportunities available from a total compensation package perspective.

Traditionally, MTCC's executive team has primarily come from the private sector and management believes the skill sets and experience required to be an effective convention centre executive are best found in private sector organizations. As the need continues to attract and retain qualified individuals from this sector, we need to have a

compensation program that is competitive with the business landscape that we operate in, as opposed to being constrained by the framework requirements. Being in a compensation model designed solely for the public sector may hinder our ability to attract and retain the required skill set that is required to be successful.

Regarding our unionized workforce, if we are able to maintain a mutually respectful relationship, we can achieve a collaborative front and jointly advocate the benefits of a highly productive labour-management relationship.

#### Mitigation

- Regular communication with our employee base with updates and resources to support them through uncertain times, with a particular focus on mental health.
  - Ensure consistent feedback from employees through surveys, meetings and one-on-one communication.
  - Continue to provide MTCC benefits to active and inactive employees.
  - Develop, communicate, and train all employees on updated health and safety protocols, making it clear that health & safety continues to be our top priority.
  - A focus on low-cost, high value training and development opportunities, along with increased awareness communication.
  - Provide resources to managers to ensure success in a remote working environment, with a focus on providing employees with increased flexibility and understanding the new reality of remote working
  - Create opportunities to provide recognition to both active and inactive employees at a low cost, keeping in mind a remote working environment
  - Advancing our HR Brand to communicate the opportunities and benefits of working at the MTCC to attract and retain top talent.
  - Promote MTCC as an employer of choice through LinkedIn, our website, various social media channels, the Indigenous community, and new Canadians and Ontario youth.
  - Partner with the Operations Department and the Joint Health and Safety Committee to review various labour-intensive tasks that could be automated, process streamlined and/or ergonomically improved.
  - We will continue to conduct wage and benefit research within the public sector where appropriate and the private sector, specifically, the hospitality and convention sector to benchmark external competitiveness.
  - We will consider moving to the DB plan managed by OPB.
  - We will ensure our policies and procedures remain progressive and in line with our hospitality competitors and the industries from which we recruit and attract talent.
  - We will work with our unions to look for opportunities to add value and flexibility for our employees, to position MTCC as an employer of choice.



### **Risk Factor #2: Reputation Risk (A)**

At MTCC, we pride ourselves in our ability to deliver exceptional customer service.

In an effort to manage our labour cost during the pandemic, we had to layoff experienced and trained employees which could negatively impact our clients' service satisfaction when the business re-opens. This absence of talent could result in a workload imbalance and/or an inability to deliver quality results in the short term. Additionally, failure to retain third party vendors and/or their experienced talent could also negatively impact our clients' service satisfaction. The pandemic has also put stress on the financial position of the Corporation, which could impact the client's confidence in MTCC's financial stability hence, negatively impacting MTCC's reputation.

#### **Related Strategic Priority**

Providing value and removing risk are key elements to being successful in attracting impactful events. A major service failure would increase risk to planners, seriously impact client confidence and, in turn, jeopardize sales.

#### **Impact and Scope**

**High**

Failing to meet client expectations in a significant way would affect MTCC's reputation and, by extension, Toronto as a destination for large business events.

#### **Mitigation**

There are a variety of strategies that ought to be implemented to mitigate potential risks that would jeopardize our reputation. First, constantly monitor client feedback and continuously improve the event experience our customers expect. Second, ensure we have the right people, train them and continually help them achieve the standards that have been established for their role, each department and the Corporation. Third, manage labor resources based on the projected level of business. Last, work with the province to identify funding options to help us meet our financial obligations while working on recovery.

### **Risk Factor #2: Reputation Risk (B)**

As an Operational Enterprise Agency of the Province of Ontario, we are constantly in the public eye and must be diligent and remain compliant at all times to ensure an exemplary reputation.

#### **Related Strategic Priority**

Monitor our best practices in all relevant legislated workplace acts, statutes and regulations, including the Ontario Occupational Health and Safety Act, the Accessibility for Ontarians with Disabilities Act, Human Rights Code - Violence and Harassment in the Workplace, the Alcohol and Gaming Commission of Ontario, and other policies within the Public Service of Ontario Act, such as the Conflict of Interest and Disclosure of Wrongdoing/Whistleblower policies.

#### **Impact and Scope**

**Low – Medium**

Depending on the nature of the failure. The potential loss of business reputation may be due to any reason outlined above. Our vision is to "Help our Customers Create Successful Events."

#### **Mitigation**

We will annually review all relevant policies, procedures and standards to ensure we are up to date and compliant. For the Conflict of Interest (COI) Policy, the Vice President, Finance is the COI Officer. For the Disclosure of Wrongdoing/Whistleblower Policy, matters are reported to the Vice President, Human Resources. The President and CEO is the Corporation's ethics officer for both policies.

# Corporate Goals & Strategies

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We will focus on the five strategic corporate goals outlined in this section. Management has identified specific strategies to achieve these goals and has outlined performance measurement tracking procedures. Executives and department managers review financial goals monthly while all other corporate goals are reviewed quarterly. Each executive is held accountable for achieving corporate goals and the results are reflected in his or her individual job performance review, conducted annually with the President and CEO.

## Goal #1: Customer Service

<b>Goal / Output</b>	<p>As an industry leader we look forward to welcoming back our customers, attendees and exhibitor. MTCC's priority is to focus on elevating the experience and MTCC's brand.</p> <p>Maintaining our standing as a best-in-class facility we will remain focused on our customer's ever-changing needs and expectations. MTCC will continue to provide a safe, secure and flexible environment for its clients. We have implemented an enhanced safety guide, ONWARD. This guide will provide the structure our customers have come to expect from MTCC.</p>
<b>Strategies</b>	<p>MTCC's approach is to increase customer service standards, marketing and communication delivery.</p> <p><b>Customer Service Standards</b></p> <ul style="list-style-type: none"><li>• Employee training on new health and safety protocols.</li><li>• Safe Events Guide, ONWARDS to be amended as public health protocols are adjusted.</li><li>• Operating Guidelines pricing remain flexible.</li><li>• Monitor internal communication for feedback to make adjustments as required.</li></ul> <p><b>Marketing and Communications</b></p> <ul style="list-style-type: none"><li>• Marketing Department to communicate the Safe Events Guide, ONWARDS.</li><li>• Use social media to deliver our communication to customers and attendees.</li><li>• Use positive customer feedback to promote MTCC's brand.</li></ul>
<b>Performance Measures / Outcomes</b>	<ul style="list-style-type: none"><li>• As events return, customer and exhibitor surveys will be used to measure our success. Our aim is to receive an overall satisfaction rating of 98 % from our clients and 93% from our exhibitors.</li><li>• 100% of all recalled employees and new hires will be trained on the new health and safety protocols.</li><li>• We will achieve a 90% satisfaction rating on MTCC's active employee pulse survey on the Centre's health and safety protocols.</li></ul>

## Goal #2: Financial

### Goal / Output

Our goal is to manage the business operations efficiently and minimize our losses during the pre-opening period. We will maintain the facility at the highest level of safety for our clients and employees.

Our goal is to achieve Net Operating Income breakeven point as business volumes gradually increase over the next three years.

The ultimate goal is become profitable and rebuild our cash balance to pre-pandemic levels and become self-sufficient in the next five years.

We will generate the following financial results as indicated in the 2021/2022 fiscal budget:

- Gross revenue \$21.4M
- Operating expenses \$32.2M
- Net operating income (loss) (\$10.8M)
- Capital budget \$1.5M
- Distribution payment \$0.0M

We will monitor the key performance indicators to ensure the financial results are in line with the budget.

### Strategies

Manage in accordance with the financial targets (revenue and expenses).

Meet the requirements of the accountability measures established by the Agencies & Appointments Directive (AAD).

### Performance Measures / Outcomes

Monitor progress using monthly financial statements and timely completion of key AAD requirements including the following:

- Annual Report
- Business and Strategic Plan
- External Audit
- Financial Reporting
- Agency Quarterly Report to the Ministry
- Compliance Report to the Board of Directors

DESCRIPTION	Actual 2018/2019	Actual 2019/2020	Forecast 2020/2021	Budget 2021/2022
Economic Benefit (Millions)	\$557	\$482	Unknown	Unknown
Gross Revenue (Millions)	\$75.5	\$75.2	\$13.3	\$21.4
Net Operating Income (Millions)	\$25.7	\$24.0	(\$12.4)	(\$10.8)
Net Operating Income %	34.0%	31.9%	-93.2%	-50.5%
Capital Expenditure (Millions)	\$9.20	\$3.80	\$1.5	\$1.5
Distribution Payment (Millions)	\$11.50	\$9.00	\$2.5	\$0.0

### Goal #3: Human Resources

**Goal / Output** Positioning MTCC as an employer of choice is critical in retaining our top performers by ensuring we have the right people in place.

#### Strategies

- Expand our diversity and inclusion initiatives through partnerships, manager training, and the implementation of our Employee Inclusion Council in an effort to ensure all employees have a voice and feel included in the workplace.
- Increasing our HR Brand awareness by communicating the opportunities and benefits of working at the MTCC to attract and retain top talent.
- Promote MTCC as an employer of choice through LinkedIn, our website, various social media channels, the Indigenous community, and new Canadians and Ontario youth.
- Scheduled communication with our employee base with updates and/or resources to support them through uncertain times, with a particular focus on mental health.
- Ensure consistent feedback from employees through surveys, meetings, one-on-one communication to ensure engagement.
- Provide resources to managers to ensure success in a remote working environment.
- Continue to provide MTCC benefits to active and inactive employees, including health, dental, and access to our Employee & Family Assistance Program.
- Focus on low-cost, high value training and development opportunities, along with increased awareness communication.
- Create recognition opportunities at a low cost to both active and inactive employees.

#### Performance Measures / Outcomes

- Track levels of engagement achieved via social media channels.
- Monitor performance to ensure consistency and accountability across the board through our Annual Performance Review process, Incentive Pay Program and progressive discipline procedure.
- Analyze results from employee surveys to ensure high levels of engagement and determine where to focus our efforts.
- Continue to track our health and safety incidents with the goal of zero lost time accidents and closely monitor our return to work program to ensure timely offers of modified work are being executed.
- Identify potential gaps or high-risk areas, so we can develop proactive retention plans with the goal of maintaining a diverse workforce and our 10% turnover rate.

## Goal #4: Corporate Social Responsibility (CSR)

### Goal / Output

Supporting the well-being of our community will continue to be one of our priorities. It is our goal to continue our CSR.

The return of events will allow for us to continue our sustainability practices, as well as the food and item donations that are part of this program.

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### Strategies

- Local procurement –Where possible, procure local vendors to support local businesses to help rebuild our economy.
- Community Give-Back – food and item donations where possible.
- Volunteering - Executives will continue to participate in senior advisory industry groups to share best practices and create strategies to guide reopening and recovery (Canadian Association of Exposition Managers, Canadian Tourism Alliance, and Great Taste of Ontario).

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### Performance Measures / Outcomes

- Share our community give-back stories showing our commitment to our community and industry. Leverage our corporate social media platforms and post stories of our corporate social responsibility activities.
  - To be recognized as leaders in sustainability by participating in award submissions that celebrate our achievements in innovation and raise the profile of the Centre.
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## Goal #5: Industry Leadership and Innovation

**Goal / Output** We will maintain our industry leadership position through innovative uses of information technology.

**Strategies** In 2021/2022, we will continue to evaluate technologies and processes that will (1) enhance the experience of event planners, exhibitors, and attendees and (2) provide operational efficiencies to MTCC staff. Capital funding will be limited to initiatives justifiable in the immediate time-frame (if any).

**Performance Measures / Outcomes**

In 2021/2022, we will:

- Implement technologies to enhance the remote working environment, including work group collaboration tools
- Evaluate the advanced exhibitor online ordering application from Ungerboeck Systems. Implementation may be deferred to 2022/2023, pending business resumption
- Finalize network infrastructure WiFi 6 upgrade plans. Capital investment tentatively planned for 2023/2024
- Develop the fundamentals necessary to provide customers with a broadcast studio and necessary networking infrastructure to cost-effectively produce hybrid events.

# Financial Projection

## Financial Trend

	Actual	Actual	Actual	Actual	Actual	Forecast *	Budget **	Forecast	Forecast
	March 31,2016	March 31,2017	March 31,2018	March 31,2019	March 31,2020	March 31,2021	March 31,2022	March 31,2023	March 31,2024
<b>GROSS REVENUE</b>	<b>\$ 63,198,699</b>	<b>\$ 65,034,194</b>	<b>\$ 80,776,180</b>	<b>\$ 75,462,443</b>	<b>\$ 75,230,417</b>	<b>\$ 13,264,300</b>	<b>\$ 21,422,900</b>	<b>\$ 40,000,000</b>	<b>\$ 55,000,000</b>
<b>OPERATING EXPENSES</b>	<b>\$ 46,294,938</b>	<b>\$ 48,688,225</b>	<b>\$ 54,997,342</b>	<b>\$ 49,806,469</b>	<b>\$ 51,217,284</b>	<b>\$ 25,625,700</b>	<b>\$ 32,199,500</b>	<b>\$ 44,500,000</b>	<b>\$ 45,500,000</b>
Operating Expenses %	73.3%	74.9%	68.1%	66.0%	68.1%	193.2%	150.3%	111.3%	82.7%
<b>NET OPERATING INCOME (LOSS)</b>	<b>\$ 16,903,761</b>	<b>\$ 16,345,969</b>	<b>\$ 25,778,838</b>	<b>\$ 25,655,974</b>	<b>\$ 24,013,133</b>	<b>\$ (12,361,400)</b>	<b>\$ (10,776,600)</b>	<b>\$ (4,500,000)</b>	<b>\$ 9,500,000</b>
Net Operating Income (Loss) %	26.7%	25.1%	31.9%	34.0%	31.9%	-93.2%	-50.3%	-11.3%	17.3%
Depreciation	8,676,981	8,737,904	9,718,154	10,135,723	10,577,837	10,630,000	10,700,000	10,800,000	11,000,000
<b>NET INCOME (LOSS)</b>	<b>\$ 8,226,780</b>	<b>\$ 7,608,065</b>	<b>\$ 16,060,684</b>	<b>\$ 15,520,251</b>	<b>\$ 13,435,296</b>	<b>\$ (22,991,400)</b>	<b>\$ (21,476,600)</b>	<b>\$ (15,300,000)</b>	<b>\$ (1,500,000)</b>
Net Income (Loss) %	13.0%	11.7%	19.9%	20.6%	17.9%	-173.3%	-100.3%	-38.3%	-2.7%
<b>DISTRIBUTION PAYMENT</b>	<b>\$ 6,500,000</b>	<b>\$ 7,000,000</b>	<b>\$ 9,000,000</b>	<b>\$ 11,500,000</b>	<b>\$ 9,000,000</b>	<b>\$ 2,500,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
* Forecast 2020/21 includes recognized revenue of \$6,808,364 and expenses of \$4,308,364 as per the Emergency Stabilization Fund Agreement.									
** Budget includes recognized revenue of \$3,985,000 as per the Emergency Stabilization Fund Agreement.									

## Balance Sheet

	Actual	Actual	Actual	Actual	Actual	Forecast	Budget	Forecast	Forecast
	As at	As at	As at	As at	As at	As at	As at	As at	As at
	March 31,2016	March 31,2017	March 31,2018	March 31,2019	March 31,2020	March 31,2021	March 31,2022	March 31,2023	March 31,2024
<b>ASSETS</b>									
<b>CURRENT</b>									
Cash	9,821,000	10,727,600	8,240,782	10,180,898	16,679,064	(583,500)	(15,032,700)	(29,440,800)	(30,198,900)
Cash Reserve for Insurance Deductible					2,500,000	2,500,000	3,000,000	4,000,000	5,000,000
Customer Deposits	13,846,700	14,290,700	23,337,265	21,644,778	19,432,316	15,577,900	16,000,000	19,000,000	19,500,000
Accounts Receivable	3,379,800	3,981,100	5,412,238	5,520,130	2,950,053	260,000	500,000	1,200,000	2,000,000
Inventories	440,700	469,400	738,069	790,647	819,332	150,000	500,000	650,000	700,000
Prepaid Expenses & Other Assets	666,100	663,100	730,024	899,365	965,107	250,000	450,000	700,000	800,000
<b>TOTAL CURRENT ASSETS</b>	<b>28,154,300</b>	<b>30,131,900</b>	<b>38,458,378</b>	<b>39,035,818</b>	<b>43,345,872</b>	<b>18,154,400</b>	<b>5,417,300</b>	<b>(3,890,800)</b>	<b>(2,198,900)</b>
<b>OTHER ASSETS</b>									
Capital Assets	337,231,300	347,679,700	368,145,860	377,354,733	381,139,913	382,639,900	384,169,900	391,169,900	398,669,900
Accumulated Depreciation	(152,452,300)	(161,326,200)	(171,193,676)	(180,616,122)	(191,183,104)	(201,999,200)	(212,885,200)	(223,870,200)	(235,055,200)
Employee Future Benefits	(2,151,000)	(2,455,400)	(2,391,700)	(2,337,500)	(1,844,800)	(1,245,500)	(1,100,000)	(1,000,000)	(900,000)
<b>TOTAL ASSETS</b>	<b>210,782,300</b>	<b>214,030,000</b>	<b>233,018,862</b>	<b>233,436,929</b>	<b>231,457,881</b>	<b>197,549,600</b>	<b>175,602,000</b>	<b>162,408,900</b>	<b>160,515,800</b>
<b>LIABILITIES</b>									
<b>CURRENT</b>									
Accounts Payable & Accrued Liabilities	5,131,200	8,319,900	12,194,669	11,278,083	8,069,311	4,500,000	4,600,000	4,700,000	4,800,000
Capital Contribution	44,690,000	43,696,900	42,703,775	41,710,664	40,717,553	39,724,400	38,731,300	37,738,200	36,745,100
Deferred revenue	13,846,700	14,290,700	23,337,265	21,644,778	19,432,316	15,577,900	16,000,000	19,000,000	19,500,000
<b>TOTAL CURRENT LIABILITIES</b>	<b>63,667,900</b>	<b>66,307,500</b>	<b>78,235,709</b>	<b>74,633,525</b>	<b>68,219,180</b>	<b>59,802,300</b>	<b>59,331,300</b>	<b>61,438,200</b>	<b>61,045,100</b>
<b>EQUITIES</b>									
Surplus	61,536,900	69,763,700	77,371,765	93,432,449	108,952,701	122,388,000	99,396,600	77,920,000	62,620,000
Distribution	(65,500,000)	(72,500,000)	(81,500,000)	(93,000,000)	(102,000,000)	(104,500,000)	(104,500,000)	(104,500,000)	(104,500,000)
Contributed Surplus	142,850,700	142,850,700	142,850,704	142,850,704	142,850,704	142,850,700	142,850,700	142,850,700	142,850,700
Current operating gain (loss)	8,226,800	7,608,100	16,060,684	15,520,251	13,435,296	(22,991,400)	(21,476,600)	(15,300,000)	(1,500,000)
<b>TOTAL EQUITIES</b>	<b>147,114,400</b>	<b>147,722,500</b>	<b>154,783,153</b>	<b>158,803,404</b>	<b>163,238,701</b>	<b>137,747,300</b>	<b>116,270,700</b>	<b>100,970,700</b>	<b>99,470,700</b>
<b>TOTAL EQUITIES AND LIABILITIES</b>	<b>210,782,300</b>	<b>214,030,000</b>	<b>233,018,862</b>	<b>233,436,929</b>	<b>231,457,881</b>	<b>197,549,600</b>	<b>175,602,000</b>	<b>162,408,900</b>	<b>160,515,800</b>

## Statement of Changes in Financial Position

	Actual	Actual	Actual	Actual	Actual	Forecast	Budget	Forecast	Forecast
	March 31, 2016	March 31, 2017	March 31, 2018	March 31, 2019	March 31, 2020	March 31, 2021	March 31, 2022	March 31, 2023	March 31, 2024
<b>NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES</b>									
<b>OPERATING</b>									
Surplus of revenue over expenses	\$8,226,800	\$7,608,100	\$16,060,684	\$15,520,251	\$13,435,296	(\$22,991,400)	(\$21,476,600)	(\$15,300,000)	(\$1,500,000)
Interest accrued									
Depreciation (including depreciation charged to Parking)	8,848,400	8,873,900	9,867,474	9,422,446	10,566,983	10,816,000	10,886,000	10,985,000	11,185,000
	\$17,075,200	\$16,482,000	\$25,928,158	\$24,942,697	\$24,002,279	(\$12,175,400)	(\$10,590,600)	(\$4,315,000)	\$9,685,000
<b>Changes in non-cash working balances related to operations:</b>									
Accounts receivable	868,300	(601,200)	(1,431,157)	(107,892)	2,570,074	2,690,100	(240,000)	(700,000)	(800,000)
Inventories	107,400	(28,700)	(268,708)	(52,578)	(28,685)	669,300	(350,000)	(150,000)	(50,000)
Prepaid expenses	22,300	3,100	(66,970)	(169,341)	(65,742)	715,100	(200,000)	(250,000)	(100,000)
Employee future benefits	(141,700)	304,400	(63,700)	(54,200)	(492,700)	(599,300)	(145,500)	(100,000)	(100,000)
Accounts payable and accrued liabilities	(906,700)	3,188,500	3,874,846	(916,586)	(3,208,770)	(3,569,300)	100,000	100,000	100,000
Deferred Contribution related to Tangible capital assets	(993,100)	(993,100)	(993,111)	(993,111)	(993,111)	(993,100)	(993,100)	(993,100)	(993,100)
	\$16,031,700	\$18,355,000	\$26,979,358	\$22,648,989	\$21,783,345	(\$13,262,600)	(\$12,419,200)	(\$6,408,100)	\$7,741,900
<b>Financing</b>									
<b>Distribution Payments</b>									
2015/2016	(6,500,000)								
2016/2017		(7,000,000)							
2017/2018			(9,000,000)						
2018/2019				(11,500,000)					
2019/2020					(9,000,000)				
2020/2021						(2,500,000)			
<b>Investments</b>									
Additions to Sustaining Capital Assets	(2,016,400)	(2,597,800)	(2,442,902)	(3,677,759)	(2,897,731)	(290,000)	(844,500)	(6,500,000)	(6,850,000)
Special Projects: Flood	(1,678,500)	(93,600)		(4,547,922)					
Oxford Properties Capital Projects	(352,300)	(1,306,400)	(1,150,030)	(837,887)	(372,559)	(10,000)	(685,500)	(500,000)	(650,000)
Modifications		(6,158,400)	(16,066,540)						
Cash Reserve - Prior Year Approved Budget	(840,500)	(292,200)	(806,733)	(145,305)	(514,889)	(1,200,000)			
<b>Increase/(Decrease) in cash</b>	<b>\$4,644,000</b>	<b>\$906,600</b>	<b>(\$2,486,800)</b>	<b>\$1,940,116</b>	<b>\$8,998,166</b>	<b>(\$17,262,600)</b>	<b>(\$13,949,200)</b>	<b>(\$13,408,100)</b>	<b>\$241,900</b>
Cash at the beginning of the year	5,177,000	9,821,000	10,727,582	8,240,782	10,180,898	19,179,100	1,916,500	(12,032,700)	(25,440,800)
<b>Cash at the end of the year</b>	<b>\$9,821,000</b>	<b>\$10,727,600</b>	<b>\$8,240,782</b>	<b>\$10,180,898</b>	<b>\$19,179,064</b>	<b>\$1,916,500</b>	<b>(\$12,032,700)</b>	<b>(\$25,440,800)</b>	<b>(\$25,198,900)</b>

The financial numbers presented in the forecast for fiscal 2021/2022 and the following two years carry some degree of risk as they are dependent on the re-opening of the border between Canada and the United States and the regulations imposed by the Province. Closure of the border for an extended period will negatively impact the US convention and corporate market.

If the imposed restrictions on the size of events permitted in the facilities are not communicated to the event organizers in a timely manner, it may result in the unnecessary cancellation of future events. Event organizers require significant time and resources to plan and organize conventions.



# Marketing and Communications

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## OVERVIEW

As the global effects of COVID-19 continues to impact almost every industry, it has undoubtedly changed the meetings and events landscape in the short-term. We are in the midst of seeing this niche market survive the pandemic and adapt to sustain its future. As we witness real-time disruption happening to the business events industry, we see our customers quickly adapt to create immediate solutions for the short and long-term. Event and meeting professionals are redefining what they need to be successful from venues, suppliers, and partners. We anticipate business levels to slowly resume by the fall of 2021, and we expect the marketplace will change. Our customer base will be different, budgets will be smaller initially, and planners will have redefined what success means for their events.

Tourism economists and industry research predicts recovery of the larger US and International events returning to pre-COVID-19 levels in Canada by 2024. Business development activities will continue between our coordinated sales and marketing teams at MTCC and Destination Toronto to bid and secure future US and International conventions.

This year, our plan will be largely focused on recovering our domestic market segments - Canadian conventions, trade and consumer shows, corporate meetings, and social events. It will be imperative to promote our assured ability to host safe events, to instill confidence with our customers through regular communications, and to reaffirm our strong brand as the most experienced convention centre in Canada.

## KEY MARKETING ACTIVATIONS

### SAFE Facility Reopening

The health and safety of our customers and visitors has always been our highest priority, and as we prepare for the day we may host events, it will be important to continue our key message as a safe facility. Marketing and communications will play a key role in promoting our safe facility, and our enhanced safe events guide, ONWARD. In October 2020, we were awarded the Safe Travels Stamp by the World Travel and Tourism Council. The Safe Travels Stamp is an international symbol designed to allow travelers to recognize governments and companies around the world which have adopted proper health and hygiene standardized protocols. Our reopening guide will include marketing, communications, collateral and creative media to instill confidence with our customers and attendees.

### Virtual and Hybrid Events

Across many industries, we see disruption in the marketplace and businesses responding with the need to diversify their products and services. We see meeting and event organizers responding similarly, continuing their events virtually and exploring the future of hybrid events. In a recent survey conducted by PCMA (October 2020), its Business Events Compass Insights Report collected data from more than 2,400 business events from around the world. A key insight from the survey found that participants believed the future of business events is Omni-channel and increasing in digital offerings. In fact, 36 percent of business event planners from this survey said that a broadcasting facility was part of their site-selection efforts for future hybrid events. It will be important for Management to keep close to the changing needs of our customers and explore the marketability of hybrid events.

### Communications

Communications has always been an integral component of our marketing activities, and we will be keeping close to the five key stakeholder audiences. That is our customers, community, industry and business, government, and employees.

It will be imperative to keep in close contact with our Canadian customers to inform, share knowledge and provide facility updates regularly. It is a priority to continue to demonstrate our ability to host a safe, secure and successful event in our facility. This will require consistent communications to broadcast our safe events guide, ONWARD. As well, to reinforce our position as the leading and most experienced convention centre in Canada.

We will continue to provide frequent internal communications for staff, sharing the latest public information available, facility updates and employee wellness resources. The Human Resources department, along with the Marketing and

Culinary team have found creative ways to keep in touch with employees and stay connected to engage and retain talent.

Our social media platforms remain an essential element of our communications activities. We have adapted our digital strategy to ensure content across channels is acutely relevant and continue to find creative ways to engage our stakeholders. Creative posts will include videos, CSR activities, facility developments and support of our destination towards recovery. We saw an increase in our average engagement rate per post at 0.34% (October 2020), which indicates our organic activities have been successful. We will continue to produce relevant organic content to nurture online customer relationships and positive public perception. We hope to resume our paid media plans as business levels resume in the last quarter of 2021.



**Ministry of Heritage,  
Sport, Tourism and  
Culture Industries**

Minister

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Tel: 416 326-9326

**Ministère des Industries du  
patrimoine, du sport, du  
tourisme et de la culture**

Ministre

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438, avenue University  
Toronto (Ontario) M7A 2R9  
Tél : 416 326-9326



Ms. Janice Dymond  
Chair  
Metropolitan Toronto Convention Centre  
255 Front Street West  
Toronto, ON M5V 2W6

**2021-22 Mandate Letter**

Dear Ms. Dymond:

Thank you for taking on the role of Chair of the Board of Directors of the Metropolitan Toronto Convention Centre. Your team's work contributes to a spectacular double bottom line in Ontario reflecting our rich cultural fabric and contributing to our economic success.

I often say Ontario offers the world in one province. The Metro Toronto Convention Centre is a world class facility, which generates a positive economic benefit to the City of Toronto and the province of between \$500 million and \$600 million each year, creating approximately 5,200 jobs annually, and generating annual taxes of approximately \$150 million. The important work you are doing provides truly unique opportunities for residents and visitors to explore and discover.

I recognize the increased success of your food donation program as an example of your positive community engagement. Please continue to work with local partners to meet the needs of the community and fulfil your mandate.

As you develop your business objectives, performance goals and other activities for the coming year, I ask that you consider a number of key government priorities.

The heritage, sport, tourism and culture sectors were one of the first hit by COVID-19 by a "triple threat" of health, economic and social crises. This has had an unprecedented and devastating impact on the ministry's agencies and operations and on our sectors. There's been no guide book on how to recover, but together, we've been supporting the work of the Ontario Jobs and Recovery Committee, shining a light on our sectors' challenges at the Standing Committee on Finance and Economic Affairs, and will help inform the next phase of *Ontario's Action Plan: Responding to COVID-19*, to responsibly restart the economy. This coordinated effort will also culminate in a five-year strategic plan for the ministry, with a view to helping us rebuild and re-emerge as a premiere visitor destination. We need to be, and we will be, ready to welcome the world back to our province

As part of the government of Ontario, agencies are expected to act in the best interests of Ontarians by being efficient, effective, and providing value for money to taxpayers. This includes:

**1. Competitiveness, Sustainability and Expenditure Management**

- Operating within your agency's approved budget.
- Identifying and pursuing opportunities for revenue generation, innovative practices, and/or improved program sustainability.
- Identifying and pursuing efficiencies and savings.
- Complying with applicable direction related to supply chain centralization, Realty Interim Measures and Agency Office Location Criteria.

**2. Transparency and Accountability**

- Abiding by applicable government directives and policies and ensuring transparency and accountability in reporting.
- Adhering to requirements of the Agencies and Appointments Directive, and responding to audit findings, where applicable.
- Identifying appropriate skills, knowledge and experience needed to effectively support the board's role in agency governance and accountability.

**3. Risk Management**

- Developing and implementing an effective process for the identification, assessment and mitigation of risks, including planning for and responding to emergency situations such as COVID-19.

**4. Workforce Management**

- Optimizing your agency's workforce to enable efficient and effective fulfilment of government priorities, while enhancing customer service standards.
- Streamlining back office functions to ensure that all available resources are redirected towards the critical front-line services that Ontarians depend upon.

**5. Data Collection**

- Improving how the agency uses data in decision-making, information sharing and reporting, including by leveraging available or new data solutions to inform outcome-based reporting and improve service delivery.
- Supporting transparency and data sharing with the ministry, as appropriate.

**6. Digital Delivery and Customer Service**

- Exploring and implementing digitization or digital modernization strategies for the provision of services online and continuing to meet and exceed customer service standards through transition.
- Using a variety of approaches or tools to ensure service delivery in all situations, including COVID-19.

I also ask that your staff work with my ministry to ensure your objectives and business model are aligned with your mandate and government priorities. When it is safe to do so, please continue to grow the Metro Toronto Convention Centre's convention and trade show business and drive tourism growth. I encourage you to work in collaboration with your Regional Tourism Organization, where appropriate.

As the government continues to respond to COVID-19, there will be ongoing efforts to ensure that provincial agencies focus on improving the customer experience, adopting service innovation, offering more services virtually and online, and eliminating redundancies as part of the Enhanced Agency Evaluation being led by Treasury Board. This work will build on the advancements in digital service delivery made during the pandemic and the comprehensive review of provincial agencies that was completed in Fall 2019 to improve services, address inefficiencies and more effectively spend taxpayer dollars. The government is also continuing its Red Tape and Regulatory Burden Reduction initiative to reduce the cost of complying with regulations and reduce the number of regulatory compliance requirements, including red tape, on Ontario businesses. Staff from my Ministry may reach out to you to support these initiatives.

I value your role in operating, maintaining and managing an international-class convention centre in a way that promotes and develops tourism and industry in Ontario. I ask that you ensure your agency continues to deliver this important work in a manner consistent with government priorities. As we move forward, it will be important to continue to work closely together, including taking a coordinated approach to communications, so that when it is safe to welcome the world back to our province, we are ready.

Together, our work has the potential to drive billions of dollars in economic activity and create thousands of jobs. Our work supports that incredible double bottom line – strong economic growth and a resilient cultural fabric that reflects the diversity and strength of Ontario's communities. As the Minister responsible for this important suite of industries, I recognize that there is a lot of work ahead of us to get our economy moving again and to make sure that Ontario remains an economic powerhouse.

I know that with the Metro Toronto Convention Centre's help, we will succeed.

Kindest regards,

A handwritten signature in black ink, appearing to read 'Lisa', followed by a period.

Lisa MacLeod  
Minister of Heritage, Sport, Tourism and Culture Industries

- c: Lorenz Hassenstein, President and CEO, Metro Toronto Convention Centre
- Nancy Matthews, Deputy Minister, Heritage, Sport, Tourism and Culture Industries
- Sarah McQuarrie, Assistant Deputy Minister, Agency Relations and Accountability Division, Ministry of Heritage, Sport, Tourism and Culture Industries

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Madame Janice Dymond  
Présidente  
Société du palais des congrès de la  
communauté urbaine de Toronto  
255, rue Front Ouest  
Toronto (Ontario) M5V 2W6

**Lettre de mandat 2021-2022**

Madame Dymond,

Je vous remercie d'avoir accepté le rôle de présidente du Conseil d'administration de la Société du palais des congrès de la communauté urbaine de Toronto. Le travail effectué par votre équipe contribue à des résultats spectaculaires en Ontario de deux manières, en reflétant notre riche tissu culturel et en contribuant à notre succès économique.

Comme j'aime à le dire, l'Ontario vous propose de découvrir le monde entier dans une seule province. La Société du palais des congrès de la communauté urbaine de Toronto est une institution de classe internationale, qui génère des retombées économiques positives pour la ville de Toronto et la province de l'ordre de 500 à 600 millions de dollars par an, créant environ 5 200 emplois chaque année et générant des taxes annuelles d'environ 150 millions de dollars. L'important travail que vous accomplissez offre aux résidents comme aux visiteurs des possibilités véritablement uniques de découvrir et d'explorer notre province.

Je salue le succès croissant de votre programme de dons alimentaires, qui témoigne de votre engagement positif auprès des collectivités. Je vous encourage à poursuivre votre collaboration avec vos partenaires locaux afin de répondre aux besoins de la collectivité et de remplir votre mandat.

Au moment d'élaborer vos objectifs opérationnels, vos objectifs de rendement ainsi que vos autres activités pour l'année à venir, je vous invite à tenir compte d'un certain nombre de priorités gouvernementales clés.

Les secteurs du patrimoine, du sport, du tourisme et de la culture ont été parmi les premiers touchés par la COVID-19, frappés de plein fouet par la « triple menace » d'une crise sanitaire, d'une crise économique et d'une crise sociale. La situation a eu des conséquences sans précédent et dévastatrices sur les organismes et les activités du ministère ainsi que sur nos secteurs.



Nous ne disposons d'aucun manuel pour nous indiquer comment redresser la situation, mais main dans la main, nous avons soutenu le travail du Comité ontarien de l'emploi et de la relance et mis en lumière les défis auxquels nos secteurs étaient confrontés devant le Comité permanent des finances et des affaires économiques, et nous contribuerons à la prochaine phase du *Plan d'action de l'Ontario contre la COVID-19* afin de relancer l'économie de manière responsable. Cet effort coordonné se traduira également, à terme, par un plan stratégique quinquennal pour le ministère, lequel devrait nous aider à nous reconstruire et à redevenir une destination touristique de premier plan. Nous devons être prêts à ouvrir de nouveau les portes de notre province au monde extérieur, et nous le serons.

En tant que membres du gouvernement de l'Ontario, les organismes ont le devoir d'agir dans le meilleur intérêt des Ontariennes et des Ontariens en se montrant efficaces et efficaces et en optimisant leurs ressources pour les contribuables. Cela comprend ce qui suit :

### **1. Compétitivité, durabilité et gestion des dépenses**

- Fonctionner dans le cadre du budget approuvé de votre organisme.
- Identifier des possibilités de générer des revenus, d'adopter des pratiques innovantes et/ou d'améliorer la durabilité des programmes et les mettre en œuvre.
- Identifier les possibilités de gains d'efficacité et d'économies et les mettre en œuvre.
- Se conformer aux orientations applicables relatives à la centralisation de la chaîne d'approvisionnement, aux mesures provisoires sur les biens immobiliers et aux critères d'emplacement des bureaux de l'organisme.

### **2. Transparence et reddition de comptes**

- Respecter les directives et les politiques gouvernementales applicables et veiller à la transparence et au respect de l'obligation de reddition de comptes dans les rapports.
- Respecter les exigences de la *Directive concernant les organismes et les nominations* et répondre aux constatations d'audit, le cas échéant.
- Déterminer les compétences, les connaissances et l'expérience appropriées nécessaires pour soutenir efficacement le rôle du conseil d'administration en ce qui a trait à la gouvernance et à l'obligation de reddition de comptes de l'organisme.

### **3. Gestion des risques**

- Élaborer et mettre en œuvre un processus efficace d'identification, d'évaluation et d'atténuation des risques, incluant la planification et l'intervention face aux situations d'urgence comme la pandémie de COVID-19.

### **4. Gestion des effectifs**

- Optimiser la main-d'œuvre de votre organisme afin de permettre la mise en œuvre efficace et efficiente des priorités gouvernementales, tout en améliorant les normes de service à la clientèle.
- Simplifier les fonctions administratives afin de garantir que toutes les ressources disponibles soient réorientées vers les services de première ligne essentiels dont dépendent les Ontariennes et les Ontariens.

## **5. Collecte de données**

- Améliorer la façon dont l'organisme utilise les données dans la prise de décisions, le partage de renseignements et la production de rapports, notamment en tirant parti des solutions de données disponibles ou nouvelles pour éclairer les rapports fondés sur les résultats et améliorer la prestation de services.
- Soutenir la transparence et le partage des données avec le ministère, selon le cas.

## **6. Livraison numérique et service à la clientèle**

- Explorer et mettre en œuvre des stratégies de numérisation ou de modernisation numérique pour la prestation de services en ligne et continuer de respecter et de dépasser les normes de service à la clientèle au cours de la transition.
- Utiliser des approches ou des outils variés pour assurer la prestation des services dans toutes les situations, y compris durant la pandémie de COVID-19.

Je souhaite également que votre personnel collabore avec mon ministère pour veiller à ce que vos objectifs et votre modèle de gestion soient conformes à votre mandat et aux priorités du gouvernement. Lorsque vous pourrez le faire en toute sécurité, je vous encourage à poursuivre le développement des activités de la Société du palais des congrès de la communauté urbaine de Toronto en tant que lieu de congrès et de salons professionnels et à stimuler la croissance du tourisme. Je vous invite à collaborer avec votre organisme touristique régional, au besoin.

Dans le cadre de ses efforts continus pour lutter contre la COVID-19, le gouvernement fera son possible pour que les organismes provinciaux puissent se concentrer sur l'amélioration de l'expérience client, l'innovation en matière de services, l'offre d'un plus grand nombre de services virtuels et en ligne et l'élimination des redondances dans le cadre de l'examen élargi des organismes mené par le Conseil du Trésor. Ce travail s'appuiera sur les progrès réalisés en matière de prestation de services numériques pendant la pandémie et sur l'examen complet des organismes provinciaux qui s'est achevé à l'automne 2019 en vue d'améliorer les services, de remédier aux inefficacités et de dépenser plus efficacement l'argent des contribuables. Le gouvernement poursuit également l'initiative Réduction des formalités administratives et des fardeaux réglementaires afin de réduire le coût de la conformité aux règlements ainsi que le nombre d'exigences liées à la conformité réglementaire, y compris les formalités administratives, imposées aux entreprises ontariennes. Il est possible que le personnel de mon ministère vous contacte afin de vous demander votre soutien dans le cadre de ces initiatives.

Je salue le rôle que vous jouez dans le fonctionnement, l'entretien et la direction d'un palais des congrès de classe internationale de manière à encourager et à promouvoir le tourisme et l'industrie en Ontario. Je souhaite que votre organisme continue à accomplir ce travail important d'une manière qui soit conforme aux priorités du gouvernement. À l'avenir, il sera important de continuer à travailler en étroite collaboration, notamment en adoptant une approche coordonnée en matière de communications, afin que nous soyons prêts à rouvrir les portes de notre province au monde extérieur lorsque nous pourrons le faire en toute sécurité.

En travaillant ensemble, nous avons le potentiel de générer des milliards de dollars d'activité économique et de créer des milliers d'emplois. Notre travail soutient ce double objectif incroyable : une forte croissance économique et un tissu culturel résilient qui reflète la diversité et la force des collectivités de l'Ontario. En tant que ministre responsable de cet important ensemble d'industries, je reconnais qu'il y a beaucoup de travail à accomplir pour relancer notre économie et faire en sorte que l'Ontario demeure un moteur économique.

Je sais qu'avec le concours de la Société du palais des congrès de la communauté urbaine de Toronto, nous y parviendrons.

Sincères salutations,

A handwritten signature in black ink, appearing to read 'Lisa' followed by a stylized flourish.

Lisa MacLeod

Ministre des Industries du patrimoine, du sport, du tourisme et de la culture

c.c. : Lorenz Hassenstein, président et directeur général, Société du palais des congrès de la communauté urbaine de Toronto  
Nancy Matthews, sous-ministre, Industries du patrimoine, du sport, du tourisme et de la culture  
Sarah McQuarrie, sous-ministre adjointe, Division des relations avec les organismes et de la responsabilisation, ministère des Industries du patrimoine, du sport, du tourisme et de la culture