



7<sup>th</sup> Floor, Frost Building South  
7 Queen's Park Crescent  
Toronto ON M7A 1Y7  
Telephone: 416-325-0400  
Facsimile: 416-327-0374

7<sup>e</sup> étage, Édifice Frost Sud  
7 Queen's Park Crescent  
Toronto ON M7A 1Y7  
Téléphone: 416-325-0400  
Télécopieur: 416-327-0374

Mr. Grant Vingoe  
Acting Chair and Chief Executive Officer  
Ontario Securities Commission  
20 Queen Street West, 22nd Floor  
Toronto, ON M5H 3S8

Dear Mr. Vingoe:

As you begin planning for 2021–22, I am pleased to write to you in your capacity as Chair of the Ontario Securities Commission (OSC) to provide you with a letter setting out expectations and direction for OSC in the year ahead. Pursuant to the requirements of the Agencies and Appointments Directive, this letter sets out my expectations for OSC for the 2021–22 fiscal year.

Ontario's board-governed agencies are vital partners in ensuring the delivery of high-quality services to the people of Ontario. The OSC plays a vital function in administering and enforcing Ontario's rules and regulations in the securities sector. The work that you and your fellow board members undertake to establish the goals, objectives, and strategic direction for the OSC ensures that it provides protection to investors from unfair, improper or fraudulent practices, fosters fair and efficient capital markets and confidence in capital markets, and contributes to the stability of the financial system and the reduction of systemic risk. It is important that this direction is consistent with government priorities, your agency mandate, key policies and directives and my directions, where appropriate. I thank you for your willingness to serve.

As part of the government of Ontario, I expect all agencies to act in the best interest of the people of Ontario by being efficient, effective, and providing value for money. As people and employers face immense challenges due to COVID-19, this expectation is more important than ever. In every action, decision, and expenditure, I expect you to consider the interests of the taxpayer and the people we serve. This includes:

- 1. Competitiveness, Sustainability and Expenditure Management**
  - Identifying and pursuing opportunities for improved program sustainability;
  - Identifying and pursuing efficiencies and savings; and
  - 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 Appointment Directive, and responding to audit findings, where applicable; and
  - 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 the OSC's workforce to enable efficient and effective fulfilment of government priorities, while enhancing customer service standards.
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; and
  - 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; and
  - Using a variety of approaches or tools to ensure service delivery in all situations, including COVID-19.

In addition to these government-wide priorities, I expect the OSC to focus on:

- Conducting its affairs with a focus on ensuring efficiencies and red tape reduction are a priority for all internal and external processes;
- Supporting the work of the Capital Markets Modernization Taskforce (Taskforce) that aims to make Ontario one of the most attractive capital markets destinations globally;
- Ensuring readiness and timeliness in implementing the Taskforce's final recommendations that the government chooses to implement;
- Working with the government to foster economic growth through Ontario's Capital Markets Plan;
- Engaging market participants with the objective of supporting innovation and promoting capital formation and regulatory compliance through the Office of Economic Growth and Innovation;
- Taking a leadership role in securities regulation to foster fair and efficient capital markets in Ontario and Canada;
- Enhancing transparency by ensuring that qualitative and quantitative analysis of anticipated costs and benefits of a proposed rule would be provided within the OSC's rule publications and shared as part of the consultations on the proposal to better inform public comments and the rule-making process;

- Supporting the government on strategic policy initiatives as needed;
- Delivering responsive regulation through collaboration with stakeholders and other regulators;
- Maintaining strong investor protections while identifying opportunities to enhance the competitiveness of Ontario businesses;
- Working with regulatory partners in identifying, addressing and mitigating systemic risk and promoting stability;
- Continuing to work collaboratively with other participating jurisdictions on the Cooperative Capital Markets Regulatory System, while maintaining high standards of regulation in Ontario; and
- Adhering to directives and policies regarding expenditure management and executive compensation.

Through these measures, we can continue to ensure that the OSC is continuing to protect investors, foster fair and efficient markets, and contribute to the stability of the financial system by making and monitoring compliance with rules governing the securities industry in Ontario.

I thank you and your fellow board members for your continued support, and for your valuable contributions. Should you have any questions/concerns, please feel free to contact David Wai, Assistant Deputy Minister, Financial Services Policy Division at (416) 459-3719 or david.wai@ontario.ca.

Sincerely,



Rod Phillips  
Minister of Finance

- c: Greg Orencsak, Deputy Minister, Ministry of Finance  
Nancy Mudrinic, Associate Deputy Minister, Ministry of Finance  
David Wai, Assistant Deputy Minister, Ministry of Finance  
Michael Waterston, Director (A), Legal Services Branch, Ministry of Finance

