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Mr. Carmine Nigro
Chair
Liquor Control Board of Ontario
55 Lakeshore Boulevard
Toronto, Ontario MSE 1A4

Dear Mr. Nigro:

As you begin planning for the 2022-23 fiscal year, I am pleased to write to you in your capacity as Chair of the Liquor Control Board of Ontario (LCBO). Pursuant to the requirements of the *Agencies and Appointments Directive*, this letter sets out my expectations for the LCBO for the 2022-23 fiscal year.

Ontario's board-governed agencies are vital partners in ensuring the delivery of high-quality services to the people of Ontario. The work that you and your fellow board members undertake to establish the goals, objectives, and strategic direction for the LCBO ensures that the LCBO is able to fulfill its mandate to import, control, sell, and distribute liquor responsibly; and deliver net profits to the Consolidated Revenue Fund. 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 by being efficient, effective, and providing fiscally responsible value for taxpayers. Demonstrating respect for public dollars is more important than ever as families, workers, and employers have faced immense challenges due to COVID-19 and continue to make sacrifices to bring an end to the pandemic. Therefore, my expectation is that every action, decision, and expenditure made by your agency will be respectful of the interests of the taxpayer and the people we serve.

This includes:

1. Competitiveness, Sustainability and Expenditure Management

- Identifying and pursuing opportunities for revenue generation, innovative practices, and/or improved program sustainability;
- Complying with applicable direction related to supply chain centralization and Realty Interim Measures for agency office space;
- Leveraging and meeting benchmarked outcomes for compensation strategies and directives; and
- Working with the ministry, where appropriate, to advance the *Ontario Onwards Action Plan*.

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*, accounting standards and practices and the *Public Service of Ontario Act* ethical framework, 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 health and other emergency situations, including but not limited to COVID-19; and
- Developing a continuity of operations plan that identifies time critical/essential services and personnel.

4. Workforce Management

- Optimizing LCBO's organizational capacity to support the best possible public service delivery; and
- Modernizing and redeploying resources to priority areas when or where they are needed.

5. Data Collection

- Improving how the LCBO 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 privacy requirements of data work and data sharing with the ministry, as appropriate.

6. Digital Delivery and Customer Service

- Exploring and implementing digitization or digital modernization strategies for online service delivery and continuing to meet and exceed customer service standards through transition; and
- Adopting digital approaches, such as user research and agile development.

7. Diversity and Inclusion

- Developing and encouraging diversity and inclusion initiatives that promote an equitable, inclusive, accessible, anti-racist and diverse workplace;
- Demonstrating leadership of an inclusive environment free of harassment; and
- Adopting an inclusion engagement process to ensure all voices are heard to inform policies and decision-making.

8. COVID-19 Recovery

- Identifying and pursuing service delivery methods (digital or other) that have evolved since the start of COVID-19; and

- Supporting the recovery efforts from COVID-19.

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

1. Helping shape a more sustainable Ontario by promoting local Ontario products through collaborative marketing and merchandising efforts both in-store and online.
2. Supporting the Beverage Alcohol Review, including the implementation of any changes informed by this review.
3. Reviewing and acting on opportunities for red tape reduction, including streamlining monthly reporting of winery and small distillery sales.
4. Helping to ensure the LCBO and the government meet our financial and social objectives as they relate to the control and sale of liquor, including engaging with partners to support social responsibility related to liquor consumption.
5. Supporting government-wide efforts to modernize and find efficiencies and savings in provincial agencies.
6. Implementing a new eCommerce platform that responds to business and consumer needs and drives incremental revenues for the agency.

Through these measures, we can continue to ensure that the LCBO is continuing to fulfill its mandate. We are confident that the people of Ontario are going to unleash the economic growth that is necessary for job creation, prosperity and a stronger province.

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 Erin McGinn, Assistant Deputy Minister, Government Business Enterprise Division at (647) 535-2632 or erin.mcgin@ontario.ca.

Sincerely,



Peter Bethlenfalvy
Minister of Finance

- c. George Soleas, President and CEO, Liquor Control Board of Ontario
Richard Clark, Chief of Staff, Minister's Office, Ministry of Finance
Greg Orencsak, Deputy Minister, Ministry of Finance
Nancy Mudrinic, Associate Deputy Minister, Office of Regulatory Policy and Agency Relations, Ministry of Finance
Erin McGinn, Assistant Deputy Minister, Ministry of Finance
Michael Waterston, Director (A), Legal Services Branch, Ministry of Finance