

Attorney General
McMurtry-Scott Building
720 Bay Street
11th Floor
Toronto ON M7A 2S9
Tel: 416-326-4000
Fax: 416-326-4007

Procureur général
Édifce McMurtry-Scott
720, rue Bay
11^e étage
Toronto ON M7A 2S9
Tél.: 416-326-4000
Télééc.: 416-326-4007



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September 28, 2022

Mr. Lalit Aggarwal
Chair
Alcohol and Gaming Commission of Ontario
Email: lalit.aggarwal@agco.ca

Mr. Tom Mungham
CEO/Registrar
Alcohol and Gaming Commission of Ontario
Email: tom.mungham@agco.ca

Dear Mr. Aggarwal and Mr. Mungham:

I am pleased to share our government's 2023-24 priorities for the Alcohol and Gaming Commission of Ontario (AGCO).

In your capacities as Chair and CEO/Registrar, you play a vital role in helping AGCO achieve its mandate. It is important that your agency's goals, objectives, and strategic direction continue to align with our government's priorities and direction. As part of the government of Ontario, agencies are expected to act in the best interests of the people of Ontario and ensure that they provide value for money to taxpayers. Agencies are also required to adhere to government policies and directives.

Per the requirements of the Agencies and Appointments Directive, this letter sets out my expectations for AGCO for 2023-24. These priorities include:

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

- Identifying and pursuing opportunities for revenue generation through partnerships, where appropriate.
- Identifying efficiencies and savings through innovative practices, and/or improved program sustainability.
- Operate within the agency's financial allocations.
- Complying with applicable direction related to supply chain centralization, including contract harmonization for planned and pending procurements, accounting practices and realty interim measures for agency office space.
- Leveraging and meeting benchmarked outcomes for compensation strategies and directives.

2. **Transparency and Accountability**

- Abiding by applicable government directives and policies and ensuring transparency and accountability in reporting.
- Adhering to accounting standards and practices, 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 agency risks, including COVID-19 impacts and any future emergency risks.

4. **Workforce Management**

- Optimizing your organizational capacity to support the best possible public service delivery, including redeploying resources to priority areas, where needed.
- Supporting the implementation of the Community Jobs Initiative (CJI) by identifying opportunities to relocate new or existing agencies to lower cost communities.

5. **Diversity and Inclusion**

- Developing and encouraging diversity and inclusion initiatives by promoting an equitable, inclusive, accessible, anti-racist and diverse workplace.
- Adopting an inclusion engagement process to ensure all voices are heard to inform policies and decision-making.

6. **Data Collection**

- Improving how the agency uses data in decision-making, information sharing and reporting, to inform outcome-based reporting and improve service delivery.
- Increasing data sharing with Supply Ontario when applicable regarding procurement spending and planning, contract arrangements and vendor relations to support data-driven decision-making.

7. **Digital Delivery and Customer Service**

- Exploring and implementing digitization for online service delivery to ensure customer service standards are met.
- Using a variety of approaches or tools to ensure service delivery in all situations, including pursuing delivery methods that have evolved since COVID-19.

These are the government-wide commitments for board-governed provincial agencies. Please see the attached guide for further details of each priority.

In addition to these government-wide priorities, I am also sharing priorities specific to AGCO:

- Our government remains committed to supporting businesses as they recover from the impacts of the COVID-19 pandemic. The AGCO is an important partner in addressing

these impacts on Ontario's hospitality sector. I ask that the CEO/Registrar and the Board continue to make recommendations to support businesses across AGCO's regulated sectors, including through ongoing modernization initiatives and the reduction of unnecessary regulatory burden.

- Our government remains committed to program sustainability. I ask that the CEO/Registrar and the Board continue working to consider the AGCO's licensing fees across all regulated sectors through a cost recovery framework.
- Our government remains committed to being transparent and accountable. In December 2020, the Auditor General of Ontario released recommendations resulting from her Value for Money audit of the AGCO. I ask that the CEO/Registrar and the Board, working with ministry officials as needed, continue working towards implementing any outstanding recommendations.
- Providing more convenience and choice to consumers with respect to alcohol sales is a government priority that also supports the broader regulatory objective of ensuring the alcohol sector is operated with honesty and integrity and in the broader public interest. I ask the CEO/Registrar and the Board to support the government's objectives and policy development activities related to modernizing Ontario's beverage alcohol retail marketplace while maintaining the province's strong commitment to the safe and responsible sale, service, delivery and consumption of alcohol.
- Our government's top priorities in response to the federal legalization of cannabis are to combat the illegal market and keep our youth and communities safe. I ask that the CEO/Registrar and the Board continue to work collaboratively with the Ontario Cannabis Store and government in exploring opportunities to support cannabis retailers in building a robust open market retail system that supports these priorities. I also ask that the AGCO provide advice to government as it responds to the legislated review of the federal *Cannabis Act*.

I look forward to hearing how they will be reflected in the agency's upcoming business plan and in ongoing agency operations.

Thank you and your fellow board members for your continued commitment to the AGCO. Your work and ongoing support is invaluable to me and the people of Ontario.

Should you have any questions, please feel free to contact Jane Mallen, Assistant Deputy Attorney General, Policy Division by email at jane.n.mallen@ontario.ca.

Sincerely,



Doug Downey
Attorney General

Attachment: Government Priorities for Agency Sector Chart