



Office of the Auditor General of Ontario

Value-for-Money Audit:
COVID-19
Economic Response
and Supports
for Businesses



December 2021

Ministry of Economic Development, Job Creation and Trade

Ministry of Energy

Ministry of Finance

Ministry of Government and Consumer Services

Treasury Board Secretariat

COVID-19 Economic Response and Supports for Businesses

1.0 Summary

In early 2020, the COVID-19 pandemic reached Ontario, dramatically impacting Ontarians' lives and health, and presenting significant challenges for Ontario businesses. A series of public health restrictions intended to curb the spread of the coronavirus required many businesses to temporarily close, operate at limited capacity, or implement public health measures. The accommodation, food services, arts, entertainment and recreation sectors were some of the hardest hit, experiencing the greatest decrease in revenue in 2020 compared with 2019. Thirty-eight percent of businesses in the arts, entertainment and recreation sectors remained closed since the start of the pandemic up to January 2021, while three quarters of businesses in the accommodation and food services sectors had been only partially operational. By January 2021, Statistics Canada reported that, overall, only one-third of Ontario businesses remained fully operational since the start of the pandemic.

Leading the province's economic response was the Economic Response Structure, made up of the Premier and his Cabinet along with supporting tables and committees. This structure ultimately determined

which businesses were deemed essential and what programs were needed to help businesses operate through public health restrictions.

To alleviate the impact of the COVID-19 pandemic, the Province of Ontario announced as of March 31, 2021, \$50.9 billion in financial support, to be distributed from 2020 to 2024. The funding was split between supports for the health-care sector and supports for the economy. At the time, provincial ministries had received approval to deliver approximately \$36.5 billion or 72% of the total commitments, of which we calculated that \$11.2 billion was earmarked for businesses. Out of the \$11.2 billion, approximately \$4.5 billion (or 40.2%), was allocated to the five programs and one initiative that we audited (shown in **Figure 1**).

Our audit looked at the province's economic response to the COVID-19 pandemic and its impact on businesses in Ontario. We audited the design and delivery of five programs and one initiative that provided financial supports to businesses during the pandemic. We requested spending information from the ministries responsible for delivering the five programs, and determined that \$3.4 billion of \$4.5 billion, or 76% of the authorized amount, had been spent as of July 31, 2021.

Figure 1: Programs and Initiative Audited by the Office of the Auditor General of Ontario (\$ million)

Prepared by the Office of the Auditor General of Ontario

Program/Initiative	Ministry	Approved amount ¹	Total Payments (Jul 31, 2021)	Total Payments Audited (\$)	Total Payments Audited (%)
Ontario Small Business Support Grant		3,450.00	2,960.00	2,948.00	99.60%
Third-party non-consulting services to review high-risk applications for the Ontario Small Business Support Grant program	Ministry of Economic Development, Job Creation and Trade	4.22	1.97	1.97	100.00%
Ontario Together Fund		100.00	40.66	29.68	73.00%
Main Street Relief Grant (PPE Rebates)		65.00	11.60	11.60	100.00%
Digital Main Street		7.65	7.18	2.74	38.16%
Property Tax and Energy Cost Rebates	Ministry of Finance (Property Tax Rebate)		194.94	194.94	100.00%
	Ministry of Energy (Energy Cost Rebate)	905.00	145.10	145.10	100.00%
Total		4,531.87	3,361.45	3,334.03	99.18%
Other Economic Supports for Businesses ²		6,700.08			
Total Supports for Businesses^{2,3}		11,231.95			

1. Represents amounts approved from March 25, 2020 to July 31, 2021.

2. Represents amount approved from March 25, 2020 to March 31, 2021.

3. Full breakdown of supports for all COVID-19 initiatives (including non-business initiatives) can be found in **Appendix 11**.

The programs we reviewed were the following:

1. the **Ontario Small Business Support Grant**: one-time grants for small businesses that had to close or were otherwise severely restricted during the winter 2020 province-wide shutdown.
2. **Property Tax and Energy Cost Rebates**: rebates for businesses that had to close or were otherwise severely restricted during the time the Keeping Ontario Safe and Open: COVID-19 Response Framework was in effect or during a province-wide shutdown.
3. the **Ontario Together Fund**: supports for businesses to help build domestic capacity in making personal protective equipment (PPE) and other goods that aid Ontario's emergency response.
4. **Personal Protective Equipment (PPE) Rebates (Main Street Relief Grant)**: one-time grants that offset the cost for businesses that had to purchase PPE to operate during the pandemic.

5. the **Digital Main Street—Digital Transformation Grant**: grants and other resources to help small businesses adopt technologies and move online. The ministries responsible for the design and delivery of these programs are: the ministries of Economic Development, Job Creation and Trade; Energy; Finance; and Government and Consumer Services. We found that the province had not established any short-term or long-term objectives for its suite of economic support programs for businesses—in other words, what it sought to achieve with the over \$11.2 billion in spending authorized as of March 31, 2021. Ministries also did not establish outcome-based measures with which program success could be evaluated. Further, where individual ministries tracked spending under individual programs this information was not consolidated or tracked as COVID-19 economic support spending. We collected this information.

Our audit also found that, as a consequence of speeding up the delivery of programs once a funding decision was made, eligibility controls were either missing entirely, poorly designed, or not applied. For example, in the case of the Ontario Small Business Support Grant, payments were made to thousands of ineligible or suspicious applications. For this program, the province initially relied on applicant-reported information without verifying whether the information was true, asking for supporting documentation, or at a minimum, assessing the reasonableness of the information being provided.

Below are some of our significant findings for each of the five programs we audited:

Ontario Small Business Support Grant

- The province focused on speed when delivering the programs rather than trying to ensure applicant-reported information was authentic and applicants were eligible.** Because of the desire to get supports to businesses quickly, the ministries set this program up within a month. Key controls that could have identified or prevented payments to ineligible businesses were implemented well after the program launched. For example, controls to flag applications with a business or mailing address outside Ontario were implemented on March 5, 2021—seven weeks after the program launched. The province relied on applicant-reported information without asking for supporting documentation or assessing the reasonableness of the information being provided.
- Some businesses were not eligible for the Ontario Small Business Support Grant.** The eligibility criteria for this program left some businesses without the possibility of support. For example, only businesses that were required to close or significantly restrict services due to the December 26, 2020 province-wide shutdown were eligible for supports. Other businesses that nonetheless experienced significant revenue declines did not receive supports. Examples include laundromats and dry cleaners; manufacturing, supply chain, transportation and logistics services; and wineries and breweries.
- Approximately \$210 million was paid to ineligible recipients.** In August 2021, the province wrote off over \$210 million paid to approximately 14,500 ineligible recipients of the Ontario Small Business Support Grant, identified through application reviews performed by a consulting firm during the course of the program. The ministries of Finance, Economic Development, and Government Services did not make any attempts to recover funds paid to ineligible recipients. Excluded from the \$210 million is a further roughly \$6 million paid to 212 suspicious recipients that are still under investigation by the Economic Development Ministry. These recipients were reported by public tips, financial institutions, as well as internal review by the ministries.
- The amounts granted were not proportional to businesses' needs.** The minimum grant amount awarded was \$10,000. Our audit found that the financial support that some businesses received was more than their reported revenue loss. For example, some recipients reported that they lost as little as \$0.02 or experienced no change at all in their revenues, yet received \$10,000. Over 51,000 recipients received more than \$939 million in grants in comparison to their total reported losses of \$225 million.

Property Tax and Energy Cost Rebates

- As of July 31, 2021, only \$340 million was paid to businesses out of \$905 million approved for the program and allocated to the Finance and Energy Ministries.** In the 2020/21 fiscal year, \$600 million was approved for the program, of which \$187 million was spent by March 31, 2021. As a result, for fiscal year 2021/22, an additional \$305 million was approved, of which \$153 million was spent by July 31, 2021. The estimated budget for this program was significantly off track, and the number of applications fell severely short of what was anticipated by the time the program ended on July 31, 2021.
- At least \$16 million (\$15.1 million net of recoveries) in rebates were paid to over 3,000 ineligible recipients.** About \$14.3 million in property tax

reimbursements was paid to 2,463 ineligible businesses, and about \$1.7 million in energy cost reimbursements was paid to 602 ineligible businesses. As of October 4, 2021, the Finance Ministry and the Energy Ministry had recovered approximately \$850,000 from 229 businesses, or about 5.3% of the payments.

- **Overpayments to eligible businesses occurred due to inadequate IT controls.** IT controls required manual updates each time public health restrictions changed, which impacted businesses' eligibility. Because of this, ministries implemented pre- and post-payment validation reviews to assess eligibility. During the post-payment validation process, the Finance Ministry identified overpayments to eligible business totalling roughly \$547,000 to 38 recipients due to a system calculation error for the Property Tax Rebate program.

Ontario Together Fund

- **The Economic Development Ministry did not validate information about the progress of projects and relied on self-reported information from the grant recipients.** Progress of projects was tracked through interim reports. We found that interim reporting for projects was not consistently conducted and that the information contained in these reports was not validated by the Ministry. One company that received \$1.8 million in funding is now bankrupt while other projects were not completed by the date required in the agreement. At the time of our audit, 15 or 28% of the 54 Ontario Together Fund projects had been delayed in various stages. The Ministry approved a total of \$15.8 million in funding for these delayed projects, \$9.7 million of which had already been paid out to the businesses by July 31, 2021.
- **The Economic Development Ministry did not identify actual, potential or perceived conflicts of interest as defined by contracts.** For example, the Chief Executive Officer of a company that was awarded a \$2.5-million contract was a member of the Ministers' COVID-19 Vaccine Task Force. In addition, the Chief Technology Officer

and Executive Vice President of Marketing of the same company was a member of the Canadian Automotive Partnership Council, which the Economic Development Minister also sat on.

Personal Protective Equipment Rebates (Main Street Relief Grant)

- **Rationale unclear for the \$1,000 grant maximum and only 18% of budgeted commitments actually paid out.** Under this rebate program, eligible businesses could receive up to \$1,000 toward their costs incurred for purchased personal protective equipment (PPE). The Economic Development Ministry told us the grant amount was determined by "an estimate made at the time to provide a reasonable level of urgent assistance to small businesses to offset unexpected PPE costs." The committed budget for this program was \$65 million and the program ran from November 16, 2020 to March 31, 2021, or about 5 months. Despite being widely communicated, the application uptake was only 18% of the committed budget for the program. At the end of the program 17,230 applications had been received for the program. Eighty percent or 13,870 were eligible for the grant and received funding totalling \$11.6 million.

Digital Main Street, Digital Transformation Grant

- **Existing systems and processes contributed to ease of delivery during the pandemic.** We found that the delivery of the Digital Main Street – Digital Transformation Grants benefited from well-established systems and processes.

Besides these five targeted support programs, the audit confirmed that the province did not inform business owners in advance of publicly announcing restrictions to business operations. This meant businesses did not have sufficient time to prepare for closing or reopening their operations, in some cases further contributing to financial losses. For example, business owners found out on April 1, 2021, through a public announcement, that the province would be imposing a province-wide "emergency brake" effective

April 3—only two days later. This announcement itself came less than two weeks after the March 20, 2021 reopening, so restaurant owners were stocking up on inventory in response to the reopening.

This report contains eight recommendations with 12 action items to address our audit findings.

Overall Conclusion

We concluded that, on the whole, the ministries did not design effective and efficient systems and procedures to deliver cost-effective programs to only eligible recipients to support Ontario's economy during the COVID-19 pandemic. In two of the programs we audited, controls and processes were often either missing or ineffective for discerning true eligibility and need. As well, in one program, supports were sometimes not provided in the appropriate proportion, or to qualified recipients only.

Despite the significant amounts committed to and spent in relation to COVID-19 economic supports, the province did not put in place processes to track how much of the overall authorized funding had been spent. At the time of our audit, the province did not know how much of the money it committed to providing businesses had actually been distributed to the intended recipients. It also did not confirm that the programs it launched were effective in helping businesses in accordance with defined objectives because it did not establish outcome-based measures for those programs.

OVERALL RESPONSE MINISTRY OF ECONOMIC DEVELOPMENT, JOB CREATION AND TRADE, AND MINISTRY OF GOVERNMENT AND CONSUMER SERVICES

We would like to thank the Office of the Auditor General of Ontario for this report. We are reviewing all the recommendations and continue to work to address them.

These programs were created during and in response to the pandemic, out of an immediate and

urgent need to support businesses facing hardship as a result of the COVID-19 outbreak. These programs were not developed as a part of the ordinary course of business, and the government adapted its support as information became available about the impacts of COVID-19 on our economy.

OVERALL RESPONSE MINISTRY OF FINANCE

The Ministry of Finance would like to thank the Auditor General and her staff for their work on the audit and the recommendations.

As these programs were created during and in response to the pandemic, the Government of Ontario adapted its support as information became available about the impacts of COVID-19 on our economy. We want to note that these programs were not developed as a part of the ordinary course of business, but out of an immediate and urgent need to support businesses facing hardship as a result of the COVID-19 outbreak. We will be reviewing the recommendations and continue to work to address them.

OVERALL RESPONSE MINISTRY OF ENERGY

The Ministry of Energy (Ministry) would like to thank the Auditor General and her staff for their work on the audit and the recommendations.

The Ministry is committed to financial accountability and ensuring the appropriate use of taxpayer dollars. Due to the urgency of the COVID-19 pandemic, the Energy Cost Rebate Grant was designed and implemented using robust practices and strong internal controls that balanced the requirement for financial oversight with the need to deliver timely support to Ontario businesses in urgent financial need.

The Ministry welcomes the Office of the Auditor General of Ontario's recommendation on the Energy Cost Rebate Grant and will work

with the Ministry of Finance to implement the recommendation.

OVERALL RESPONSE TREASURY BOARD SECRETARIAT

Treasury Board Secretariat acknowledges the Auditor General's recommendations and appreciates the insights provided in the report. The Secretariat will continue to leverage existing processes to track the expenditure of authorized funding of COVID-19 economic supports. Since the beginning of the COVID-19 pandemic the government has been transparent about its finances, being the first jurisdiction in Canada to release a fiscal plan that reflected the potential impacts of the pandemic and the government's plan to address them. Several activities are already under way to further enhance performance measurement and evidence-based decision-making, and the Secretariat will continue supporting ministries that are accountable for the collection of information to monitor the performance of COVID-19 economic stimulus programs/initiatives.

2.0 Background

2.1 Overview of the Economic Impact of COVID-19 in Ontario

On January 25, 2020, the first confirmed case in Canada of the novel strain of the coronavirus disease, COVID-19, was identified in Toronto, Ontario. On March 11, 2020, the World Health Organization declared COVID-19 to be a pandemic.

The Province of Ontario declared a state of emergency on March 17, 2020, and implemented a series of public health measures and restrictions in response to the pandemic (see **Appendix 1** for chronology of key events and restrictions between January 2020 and June 2021). The restrictions, which were intended to curb the spread of COVID-19, required

many businesses to temporarily close, operate at limited capacity, or implement public health measures. According to Statistics Canada's Canadian Survey on Business Conditions, Ontario businesses reported significant decreases in revenue in 2020 compared to 2019. The largest percentage of businesses that experienced a decrease in revenue were in the following sectors: accommodation and food services; other services; arts, entertainment and recreation; and transportation and warehousing (see **Figure 2** and **Appendix 2**). Nonetheless, some businesses experienced revenue increases despite the pandemic and the related restrictions because, for example, they were able to shift their operations online.

Businesses having to operate at limited capacity, temporarily close or permanently close due to the public health restrictions, resulted in significant job losses in 2020. During 2020, Ontario's unemployment rate rose to a high of 13.5% in May, compared with a high of 6.0% in April 2019 (see **Figure 3**). By May 2020, about 2.1 million employees had lost their jobs, or experienced changes in the total hours worked on the job. In comparison, the peak unemployment rate during the 2007–2009 global financial crisis and the Great Recession was 9.7%.

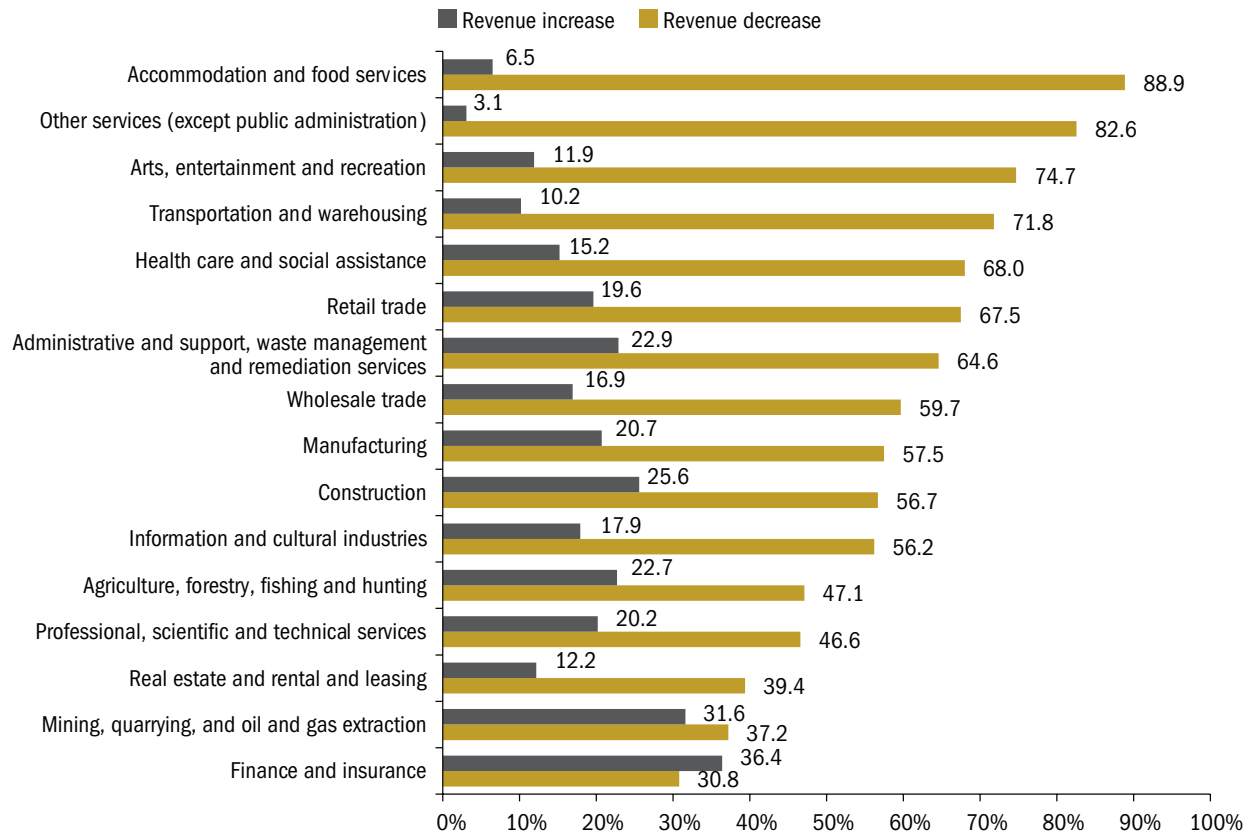
2.1.1 Ontario's Economic Sectors

Prior to the pandemic, in December 2019, there were over 484,000 businesses in Ontario (see **Appendix 3**), which comprised about 40% of the over 1.3 million businesses in Canada at the time. Of the 484,000 Ontario businesses, over 474,000 or approximately 98% were small businesses with fewer than 100 employees. The largest sectors, in terms of the number of businesses, were the professional, scientific and technical services (13%), retail (11%); construction industries (10%); and healthcare and social assistance (10%). Combined, these sectors contributed approximately 26% of Ontario's gross domestic product (GDP).

In 2019, 2.75 million workers or approximately 37% of Ontario's labour force was employed in

Figure 2: Percentage of Ontario Businesses That Reported a Change in Revenue, 2019–2020, by Business Sector*

Source of data: Statistics Canada

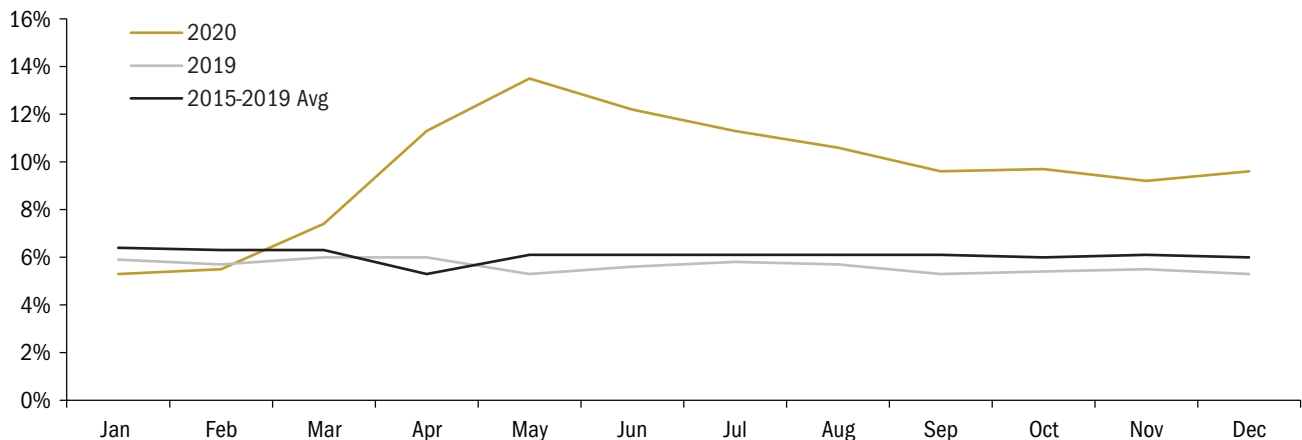


Note: The information contained in this figure is only reflective of the data that is available by sector published by Statistics Canada and may not include all sectors as listed on **Appendix 2**.

* Sectors are grouped according to the 2017 North American Industry Classification System—the common industry classification system agreed upon by Statistics Canada, Mexico's Instituto Nacional de Estadística y Geografía and the Economic Classification Policy Committee of the United States. See **Appendix 2** for a description of each sector.

Figure 3: Unemployment Percentage Rate in Ontario, 2015–2020

Source of data: Statistics Canada



three sectors: wholesale and retail trade; health care and social assistance; and manufacturing (see **Appendix 4**).

2.1.2 Impact of COVID-19 on Businesses

Decline in Revenues

Across Canada, 61% of businesses reported a decrease in revenues in 2020 compared with 2019 (see **Appendix 5**). In Ontario, 62% of businesses reported a decrease in revenues from 2019 to 2020—second only to Alberta, where 68% of businesses reported a decrease in revenues in the same period.

The impact of the pandemic and the associated restrictions varied across the different sectors of Ontario's economy. As shown in **Figure 2**, 88.9% of businesses in the accommodation and food services sector saw lower revenues in 2020. More than 70% of businesses in the transportation and the arts, entertainment and recreation sectors also experienced revenue decreases in 2020. Conversely, 36.4% of businesses in the finance and insurance sector reported an increase in revenue in 2020 compared with 2019.

Other sectors, such as mining, quarrying, and oil and gas extraction and construction, experienced a lesser impact on revenues due to a number of factors. For example, these sectors were declared essential operations during the pandemic, there was an increase in residential construction prices due to shortages in raw materials such as lumber and plywood, and Ontario saw a rebound of economic activity during summer 2020 when restrictions eased.

Changes in Operations

By January 2021, Statistics Canada reported that only one-third (33.1%) of businesses in Ontario had remained fully operational throughout the pandemic (see **Figure 4**). Since the start of the COVID-19 pandemic, businesses have had to adjust their operations in order to continue doing business while accommodating public health restrictions. E-commerce—the buying and selling of goods and services, or transmitting of funds or data, over the Internet—became an important means of revenue generation during the

pandemic. According to Statistics Canada, e-commerce sales increased by 98% between February 2020 and January 2021 for retail trade across Canada. **Figure 5** shows the percentage of Ontario businesses, by size of business, that had implemented an online sales platform as of March 2021.

As of December 2020, there were 480,929 businesses in Ontario, compared with 484,399 one year before, a decrease of 0.7%.

2.1.3 COVID-19 Impact on Labour Market

As shown in **Figure 3**, Ontario's unemployment rate reached a record high of 13.5% in May 2020. According to Statistics Canada's Canadian Survey on Business Conditions for the two-month period from May 2, 2020 to July 3, 2020, 17% of businesses across Canada (16.2% in Ontario) reported laying off over half of their workforce due to COVID-19. Almost half (48%) of businesses in the accommodation and food services sector across Canada reported laying off more than half of their workforce due to COVID-19.

In the first quarter of the 2021 calendar year, Ontario's employment decreased by 2.1% in January, followed by increases of 1.4% in February and 2.5% in March.

2.2 Federal and Provincial Responsibilities in Pandemic Response

2.2.1 Federal Powers and Responsibilities

Under the *Constitution Act*, the federal government can assist provinces in managing emergencies related to situations that present risks to life or property, social disruption, or a breakdown in the supply of essential goods or services. The COVID-19 pandemic is one such emergency.

From late summer 2020 to winter 2021, Ontario received over \$5 billion in one-time federal government assistance through the Safe Restart (Agreement). The funding was primarily to assist with the province's health response such as testing, contact tracing, data management and

Figure 4: Impact of COVID-19 on Operations of Ontario Businesses by Sector,* January 2021

Source of data: Statistics Canada

	% Shut Down Temporarily and Remained Shut Down	% Shut Down Temporarily but Reopened	% Partially Operational	% Remained Fully Operational
Accommodation and food services	10.1	8.4	74.6	6.9
Administrative and support, waste management and remediation services	13.1	21.4	36.2	29.3
Agriculture, forestry, fishing and hunting	–	5.1	10.8	84.1
Arts, entertainment and recreation	37.8	17.5	34.0	10.7
Construction	0.5	25.6	42.9	31.0
Finance and insurance	–	7.7	34.5	57.8
Health care and social assistance	5.6	26.6	37.7	30.1
Information and cultural industries	1.7	14.4	32.0	51.8
Manufacturing	0.6	21.2	31.4	46.8
Mining, quarrying, and oil and gas extraction	0.3	9.9	22.9	66.9
Other services (except public administration)	24.6	9.7	39.9	25.8
Professional, scientific and technical services	1.5	9.0	42.7	46.7
Real estate and rental and leasing	2.8	7.7	39.1	50.5
Retail trade	11.9	16.5	50.5	21.1
Transportation and warehousing	0.1	15.4	67.5	17.0
Wholesale trade	0.2	13.0	42.6	44.2
All businesses and organizations	6.7	15.4	44.7	33.1

Note: The information contained in this figure is only reflective of the data that is available by sector published by Statistics Canada and may not include all sectors as listed on [Appendix 2](#).

* See [Appendix 2](#) for a description of each sector.

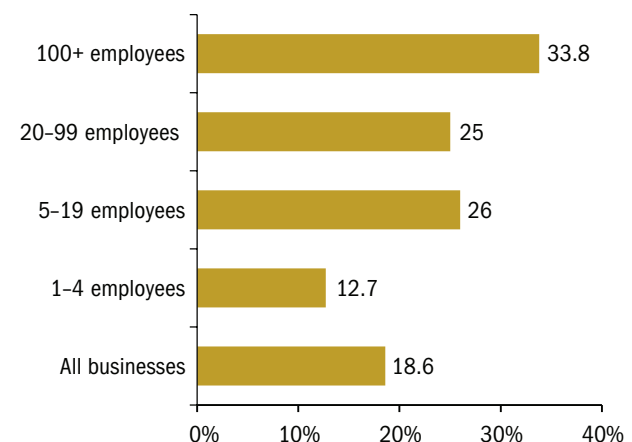
personal protective equipment. The Agreement did not include federal commitments related to supports for businesses. However, the federal government directly launched a number of programs to support businesses through loans, rent and wage subsidies.

2.2.2 Provincial Powers and Responsibilities

The *Emergency Management and Civil Protection Act* (Act) and one of its regulations, Regulation 380/04, establish the legal framework for managing emergencies that fall within the responsibility of the province and municipalities. Under the Act, the Premier or the Lieutenant Governor in Council has the authority to declare states of emergency in the province. During a declared emergency, the Lieutenant Governor in

Figure 5: Percentage of Ontario Businesses That Implemented an Online Sales Platform, March 2021

Source of data: Ministry of Finance based off data from Statistics Canada



Counsel may order temporary closures of any establishment—whether public or private—and impose travel or movement restrictions. These declarations and orders are accomplished through regulations under the Act.

With respect to public health restrictions to prevent the spread of COVID-19, including those that affect business operations, section 77.1 of the *Health Protection and Promotion Act* authorizes Ontario's Chief Medical Officer of Health (CMOH) to act as he or she considers appropriate to prevent, eliminate or decrease the risk to the health of any persons where there is a risk to health. Section 22 of the *Health Protection and Promotion Act* authorizes local medical officers of health in public health units (discussed in **Section 2.3.3**), to issue an order to “require a person to take or to refrain from taking any action in respect of a communicable disease” where the legal requirements in the *Health Protection and Promotion Act* are met.

In addition, from April 2020 to April 2021, the province passed various laws as part of its response to the pandemic, some of which impacted businesses and their workers. For example, Bill 192, *Protecting Small Business Act, 2020* prohibited landlords from evicting commercial tenants from May 1 to September 1, 2020. Bill 197, *COVID-19 Economic Recovery Act, 2020* set caps on interest rates on loans beginning on July 21, 2020.

2.3 Public Health Restrictions Affecting Ontario Businesses

2.3.1 Public Health Restrictions and Reopening Plans

As COVID-19 cases fluctuated over the course of the pandemic, the province alternated between imposing public health restrictions to try to control the spread of the virus and reopening the economy. (See **Appendix 1** for chronology of key events and restrictions between January 2020 and June 2021.) From April 2020 to June 2021, the province released three frameworks on which it based its decisions about

when and how to reopen the economy. Each subsequent framework replaced the previous one:

- On April 27, 2020, the province released A Framework for Reopening our Province, which used a phased approach to reopen businesses and public spaces based on factors such as the risk of spread of COVID-19 and the ability of employers to implement protective and preventative measures in the workplace (see **Appendix 6**).
- On November 3, 2020, the province released the Keeping Ontario Safe and Open: COVID-19 Response Framework, which used a five-colour-coded system to distinguish public health restrictions (see **Appendix 7**).
- On May 20, 2021 the province released the Roadmap to Reopen, which outlined a three-step framework based on province-wide vaccination rates, improvements in public health and health-care indicators and other metrics (see **Appendix 8**).

2.3.2 Health Co-ordination Table

The Emergency Management Office within the Ministry of the Solicitor General is responsible for the provincial emergency response plans and the Ministry of Health leads health-related emergency response plans.

On February 28, 2020, the Ministry of Health established the Health Co-ordination Table (formerly called the Health Command Table) to provide advice to the Minister of Health on how to manage the COVID-19 pandemic. On April 11, 2020, informed by advice from a consulting firm, the province also established a Central Co-ordination Table to co-ordinate Ontario's response to COVID-19. (See our Special Report entitled Chapter 2, Outbreak Planning and Decision-Making, released as part of our 2020 Special Report on COVID-19 Preparedness and Management). The Ministers' Pandemic Response Leadership Table was established on October 22, 2020 to formalize reporting from the Health Co-ordination Table and its sub tables and provide a forum to co-ordinate direction regarding provincial pandemic

strategies, responses and actions. **Appendix 9** lists these table members as of August 30, 2021.

The Premier and his Cabinet, which is made up of ministers of various provincial ministries, have the ultimate decision-making authority regarding the province's response to COVID-19. This included, for example, determining public health restrictions and approving reopening plans. See **Appendix 10** for the decision-making structure for the health response to COVID-19, including public health restrictions that affected business operations, as of August 30, 2021.

2.3.3 Local Public Health Units

There are 34 local public health units—each with a local medical officer of health—that deliver programs and services focused on, among other things, preventing and controlling communicable diseases. The Ministry of Health and municipalities fund local public health units. The units are governed by local boards of health and do not report to the CMOH. However, the CMOH may, under section 77.1 of the *Health Protection and Promotion Act*, direct public health units to undertake specific actions where there is a risk to health.

2.4 Provincial Supports for Ontario Businesses

2.4.1 Budgeted Commitments (Action Plans)

On March 24, 2021, the province released Ontario's Action Plan: Protecting People's Health and Our Economy as part of the 2021 Ontario Budget. It outlines the government's budgeted commitments in response to the COVID-19 pandemic. This action plan built on the province's two previously-released action plans, released in March 2020 and November 2020 (see **Figure 6**).

By the time of the March 2021 action plan, the province had announced nearly \$50.9 billion of commitments from 2020 to 2024, split between supports for the health-care sector and supports for the economy. Approximately \$36.5 billion of the commitments had been approved for spending by March 31, 2021 (**Appendix 11**). The majority of the supports targeted for businesses were programs delivered in the 2020/21 fiscal year (April 1, 2020 to March 31, 2021) and continue to be delivered in the 2021/22 fiscal year (April 1, 2021 to March 31, 2022). Supports for businesses are discussed in **Section 2.4.2**.

Figure 6: Ontario's Budgeted Commitments, March 2020–March 2021 (\$ billion)

Prepared by the Office of the Auditor General of Ontario based on data from the Ontario government

	March 2020 Economic and Fiscal Update	2020 Budget	2021 Budget
Date announced	Mar 25, 2020	Nov 5, 2020	Mar 24, 2021
Period covered	2020–2021	2020–2023	2020–2024
Commitments			
Health-related supports ¹	3.3	15.2	16.3
Economic supports ²	13.7 ³	29.6 ⁴	34.6 ⁵
Total amount of commitments	17.0	44.8	50.9

1. Includes supports for hospitals and long-term-care homes, and spending commitments related to testing, contact tracing, personal protective equipment and vaccination planning.

2. Includes supports for individuals, families, workers and businesses.

3. Includes \$10 billion in deferrals of amounts due (tax).

4. Includes \$11.3 billion in deferrals of amounts due (tax).

5. Includes \$11.3 billion in deferrals of amounts due (tax) that was previously announced in the November 2020 action plan.

Figure 7 shows a comparison of the per capita COVID-19 federal and provincial spending in all Canadian provinces as of June 30, 2021.

2.4.2 COVID-19 Support Programs for Businesses

As of March 31, 2021, provincial ministries had received the funding for and approval to spend approximately \$36.5 billion or 72% of the \$50.9 billion on initiatives that the province announced in the March 2021 Action Plan. The approved amounts included supports for individuals, businesses, and the health and education sectors (see **Figure 8**).

Of the \$36.5 billion in approved spending, about \$11.2 billion or one-third were supports for businesses. **Appendix 12** describes the five programs that were the focus of this audit. These programs—with total approved funding of \$4.528 billion as of August 31, 2021—were intended to provide direct support to businesses through one-time grants and rebates. The other support programs for businesses were, for example, enhancements to farm support program coverage or deferral of amounts (for example,

taxes and Workplace Safety and Insurance Board premiums) owed.

Appendix 13 shows the different types of support programs for businesses in other select Canadian provinces.

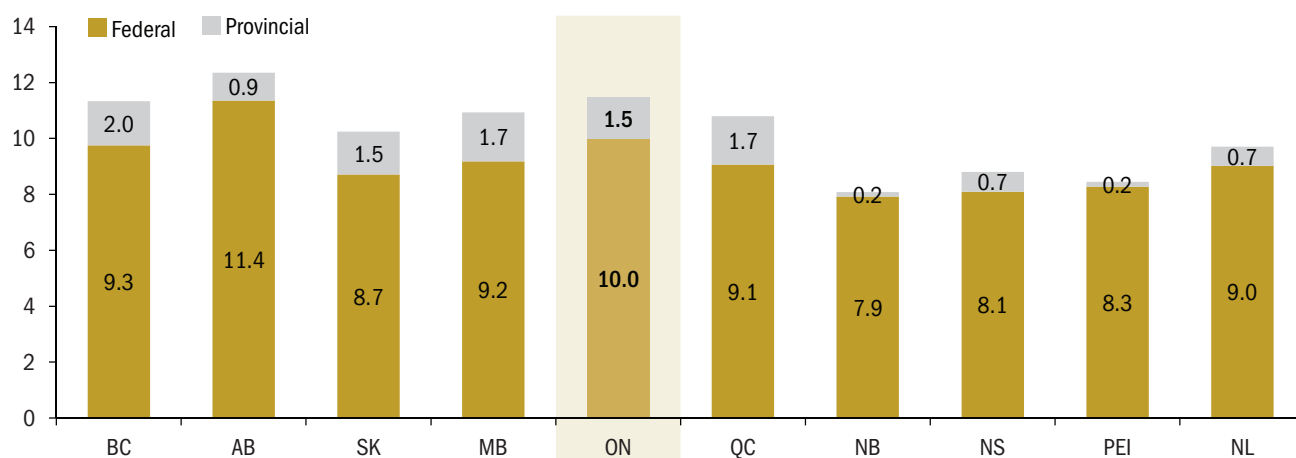
2.5 Provincial Entities Involved in Ontario's COVID-19 Economic Response

2.5.1 Economic Response Structure

As discussed in **Section 2.3.2**, the Premier and his Cabinet had the ultimate decision-making authority regarding the province's response to COVID-19. This includes approving the suite of COVID-19 economic support and recovery initiatives announced in the various action plans. To support decision-making in this regard, the province established committees, task forces and tables to gather information and provide advice. See **Appendix 14** for the Economic Response Structure and **Appendix 15** for members of key committees. **Appendix 16** provides the chronology of key events related to the province's economic response to the pandemic.

Figure 7: Federal and Provincial COVID-19 Spending per Capita in Canadian Provinces, between March 2020 and June 2021* (\$ thousand)

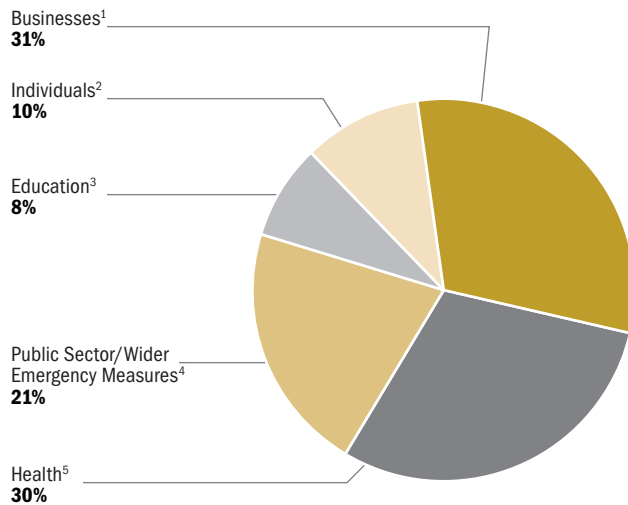
Source of data: Canadian Centre for Policy Alternatives



* Based on commitments announced in fiscal updates, budgets, economic statements, COVID-19 plans, press releases or other official government communications released between March 25, 2020 and June 20, 2021.

Figure 8: Breakdown of \$36.5 Billion in Approved COVID-19 Spending, as of March 31, 2021

Prepared by the Office of the Auditor General of Ontario



Note: Figure does not include balances remaining in the province's Extraordinary Contingency Funds: the Pandemic Fund and the Support for People and Jobs Fund. At the time of the 2021 Budget, for 2022/23, a balance of \$2.0 billion remained available in the Pandemic Fund and \$0.8 billion in the Support for People and Jobs Fund.

1. Includes \$11.2 billion to support businesses such as grant funding, commercial rent relief, energy rebates or reductions in property tax amounts owed.
2. Includes \$3.6 billion for wage boosts or reductions in amounts owed by individuals. Examples include electricity rate reductions, a six-month pause in the collection of Ontario Student Assistance Program (OSAP) amounts, and employment and training through Employment Ontario.
3. Includes \$3.0 billion in financial assistance for parents of students, child-care centres, elementary schools and post-secondary institutions.
4. Includes \$7.7 billion for public sector (municipalities and provincial ministries and agencies) initiatives related to public transit, long-term-care homes and other areas.
5. Includes \$11.0 billion for personal protective equipment (PPE) and critical supplies and equipment in hospitals and long-term-care homes, testing and contract tracing. See our Special Report entitled **Chapter 4, Management of COVID-19 Health-Related Expenditures**, released May 2021.

2.5.2 Provincial Ministries: Design and Delivery of COVID-19 Programs

Each provincial ministry was responsible for designing (that is, establishing the eligibility criteria and support amounts), seeking approval for, and delivering COVID-19 economic support programs based on its individual mandate. Provincial ministries were required to develop a business case to support their requests for COVID-19 funding. The business cases included: the overall financial impact of the request;

rationale for the request; assessment of options; detailed analysis of the recommended option; risks and mitigation strategies; implementation plan; and approach for performance monitoring and reporting.

Appendix 12 includes information about the responsibilities of the four ministries in the design and delivery of the five programs that were the focus of this audit: the ministries of Economic Development, Job Creation and Trade (Economic Development Ministry); Energy (Energy Ministry); Finance (Finance Ministry); and Government and Consumer Services (Government Services Ministry).

2.5.3 Treasury Board Secretariat: Review and Approval of Requests for Funding

Ministries submitted their business cases to the Treasury Board Secretariat for approval by the Treasury Board/Management Board of Cabinet, a committee of Cabinet. Once business cases were approved, ministries had to submit report backs (or progress reports) to the Treasury Board Secretariat, on a quarterly basis, with information about program spending.

2.6 Impact of COVID-19 on Province's Financial Position

In the March 2020 Economic and Fiscal Update, which was released in the early months of the pandemic in March 2020, the province projected a deficit of \$20.5 billion for the 2020/21 fiscal year. Deficit amounts represent the excess of planned or actual expenditures over revenues in a given period.

In the 2021 Ontario Budget, released in March 2021, the province projected a \$33.1 billion deficit for the 2021/22 fiscal year as a result of its continued response to the pandemic. The province projected that it would not return to a pre-COVID-19 deficit until the 2027/28 fiscal year. Audited financial statements reported a deficit of \$16.4 billion for the 2020/21 fiscal year.

3.0 Audit Objective and Scope

Our audit objective was to assess whether the Province of Ontario used effective and efficient internal controls, systems and procedures to make informed and co-ordinated decisions for the:

- design and delivery of cost-effective programs to achieve outcomes to support Ontario's economy during the COVID-19 pandemic;
- design and delivery of cost-effective programs intended to achieve outcomes to help Ontario's economy recover after the COVID-19 pandemic;
- management of COVID-19 expenditures related to economic support and recovery so that supports are provided to eligible recipients only and in a timely manner; and
- monitoring and reporting, internally and publicly, of spending against public commitments, approved amounts, distributed amounts, and the effectiveness of economic support and recovery programs.

In planning our work, we identified the audit criteria (see **Appendix 17**) we would use to address our audit objective. These criteria were established based on a review of applicable legislation, policies and procedures, internal and external studies, and best practices. Senior management at each of the following ministries reviewed and agreed with the suitability of our objectives and associated criteria: the ministries of Economic Development, Job Creation and Trade (Economic Development Ministry); Energy (Energy Ministry); Finance (Finance Ministry); Government and Consumer Services (Government Services Ministry); and the Treasury Board Secretariat (the Secretariat).

We conducted our audit between January 2021 and October 2021. We obtained written representation from each ministry management and the Secretariat that, effective November 29, 2021, they had provided us with all the information they were aware of that could significantly affect the findings or the conclusion of this report.

Our audit looked at five initiatives (see **Appendix 12**) with total approved funding of \$4.5 billion as of August 31, 2021. We focused on initiatives and programs that provided direct financial supports to Ontario businesses. Our audit work included the following:

- Reviewing legislation and regulations, agreements, and committee terms of reference documents to understand the roles and responsibilities of various provincial entities in Ontario's response to the COVID-19 pandemic.
- Reviewing the 2020 Economic and Fiscal Update, the 2020 Ontario Budget, the 2021 Ontario Budget, ministry business case submissions, the Secretariat assessment notes, and the Treasury Board/Management Board of Cabinet minutes for information about COVID-19 support amounts that have been committed, approved and spent.
- Reviewing ministry progress report submissions to the Secretariat for information about ministry spending against approved amounts.
- Reviewing the various provincial re-opening frameworks, and associated announcements for information on public health restrictions that affected business operations.
- Testing program eligibility and approval of applications and the payments made for various programs.

We met with management and staff at the following provincial entities to confirm and request additional information about the decision-making structure and processes related to public health restrictions and economic support programs for businesses, the design and delivery of the support programs (listed in **Appendix 12**), as well as monitoring and reporting processes for the province's economic support programs:

- Cabinet Office;
- the Treasury Board Secretariat;
- Ministry of Health;
- Ministry of Economic Development, Job Creation and Trade;
- Ministry of Energy;

- Ministry of Finance; and
- Ministry of Government and Consumer Services.

We requested information and met with representatives from five of the 34 Public Health Units in Ontario—representing Northern, Southern, Central, Western and Eastern Ontario to obtain their perspectives on the province’s decisions related to public health restrictions that affected businesses. There was a total of over 169,000 businesses in these five jurisdictions, which comprised about 35% of all Ontario businesses in December 2020.

To understand the impact of public health restrictions on businesses, and obtain their perspectives on the province’s economic support programs, we requested information, met with and/or surveyed business associations such as the Ontario Business Improvement Area Association, Nature and Outdoor Tourism Ontario, and the Toronto Region Board of Trade.

We surveyed business operators to further understand how Ontario businesses were impacted by public health restrictions and their experience with provincial supports for businesses during the COVID-19 pandemic.

To supplement the information we gathered from the previously mentioned sources, we met with representatives and/or reviewed relevant reports from the Canadian Centre for Policy Alternatives, the Canadian Federation of Independent Businesses, the Fiscal Accountability Office of Ontario and Statistics Canada. We also conducted research on economic support programs for businesses in other jurisdictions to identify potential best practices.

We reviewed the province’s COVID-19 expenditure tracking for business programs and initiatives by first obtaining an understanding of the province’s budgeting process. We obtained the budgets released between March 2020 and October 2021 and noted that \$50.9 billion in commitments was publicly promised through the 2021 Budget. We requested information from the Treasury Board Secretariat to determine how much of the \$50.9 billion had been allocated to ministries to spend on designing and delivering COVID-19 response programs. With

the information that was provided (shown in **Appendix 11**), we determined that as of March 31, 2021, \$36.5 billion had been allocated to the ministries, of which \$11.2 billion was targeted for business supports.

4.0 Province’s COVID-19 Economic Response

4.1 Stakeholders Who Were Consulted about Supports or Program Development Were Not Those Most Impacted

The Ministry of Finance informed us that the Ontario Jobs and Recovery Committee held consultations across Ontario through approximately 100 roundtable discussions and consultations. The Finance Ministry was unable to provide us with meeting minutes documenting any of these discussions.

The associations representing business operators we interviewed and surveyed during our audit told us that they were not consulted. Specifically, eight of the ten associations we interviewed told us that the province did not consult them during the development of COVID-19 economic support programs for businesses. Two of these eight associations represent over 83,000 business members in the retail (32% of members), accommodation and food (23%), health and social services (11%) sector. As shown in **Figure 2**, these sectors had among the highest percentage of businesses reporting a drop in revenue.

Seven of the associations we interviewed presented three submissions prior to the 2020 and 2021 budgets, called, emailed and sent a total of 15 letters to the Premier and various ministries (including the Economic Development Ministry and the Finance Ministry), asking the province to provide supports to businesses that had been significantly impacted by the pandemic and associated restrictions.

At the time of our audit, representatives from these associations told us that they had not yet

received a response from the province. However, in July 2021, the Finance Ministry, which received three letters from associations we met with, sent a response to a letter it received on February 18, 2021 regarding support for property taxes.

4.2 No Documentation of Discussions about Province's Economic Response or Essential Business List by Supporting Tables and Committees

The Premier and Cabinet ultimately retained decision-making authority for all aspects of the province's economic response to the pandemic. Our audit found that no official minutes were taken at meetings held by the province's Economic Response Structure, which advised and co-ordinated committees under the Premier and his Cabinet (see **Appendix 14**). This finding was also noted in our Special Report entitled *Outbreak Planning and Decision-Making*, released as part of our 2020 Special Report on COVID-19 Preparedness and Management.

Further, there was no formal documentation of advice provided by the Ontario Jobs and Recovery Committee (Committee), whose role was to advise Cabinet. The Committee met 40 times between April 17, 2020 and May 28, 2021 and our review of agenda items found that the Committee received presentations from various ministries about topics such as federal and stakeholder engagement, planning for economic recovery, reopening plans, sector-specific analysis such as small business and tourism, school reopening and the vaccine rollout. The Committee also provided advice to ministries involved in the economic response. The Chair of the Committee is designated to attend Cabinet meetings and report on Committee recommendations and activities as necessary.

Similarly, there was no documentation of discussions by the Essential Business List Committee. The province publicly communicated the types of businesses that were deemed essential, but did not provide information about how it made this determination. The Economic Development Ministry

(whose Minister is the Chair of this Committee) told us "in formulating and refining the list of essential businesses, the province considered the imperative to reduce contacts between people in order to stop the spread of COVID-19, the need to ensure Ontarians had uninterrupted access to necessities like food, pharmaceutical items and fuel, and the critical nature of maintaining the operations of certain sectors, community services and infrastructure." No further criteria were provided to support this response. Absent meeting minutes or any other documentation, we could not determine how the Committee decided which businesses were "essential," and were therefore allowed to remain open.

The province did, however, provide a rationale for its emergency orders under the *Emergency Management and Civil Protection Act* in its report titled "Report on Ontario's Provincial Emergency from March 17, 2020 to July 24, 2020." The report highlighted why the emergency orders were needed along with the amendments made to the act, but did not specifically provide the rationale behind how the province determined essential and non-essential businesses.

4.3 Province Did Not Clearly Communicate the Basis for Restrictions

Until November 2020, the province did not publish information about where virus outbreaks were occurring. After this date, outbreak information was posted publicly online by the Ministry of Health, but two of the stakeholder groups we spoke to were not aware they could access this information online. Another stakeholder (Ontario Business Improvement Area Association) said that not all of their board members were aware this information was publicly available, and thus were not able to share it with their members accordingly.

We reviewed outbreak information gathered by the Ministry of Health and analyzed by the Economic Development Ministry. We found that between April 1, 2020 and June 10, 2021, the majority

of COVID-19 outbreaks occurred in health-care settings such as hospitals, long-term-care and retirement homes (see **Figure 9**). The category with the second-highest incidence of outbreaks (“workplace-other”) included a number of sectors, such as construction, repair and maintenance of motor vehicles, machinery, and equipment, landscaping services and funeral homes. About half (49%) of all outbreaks occurred in these two categories: health-care settings and workplace—other.

Although retail stores, bars, restaurants and personal service settings (such as hair and nail salons), combined, accounted for only 10% of all outbreaks, the public health unit representatives we spoke with agreed that these places were high-risk settings for COVID-19 transmission. They acknowledged that the restrictions likely contributed to the low outbreak incidence in these places. According to research conducted by the British Broadcasting Corporation, as of May 24, 2021, Toronto had the longest ban on indoor dining compared with other major cities in the world (see **Figure 10**).

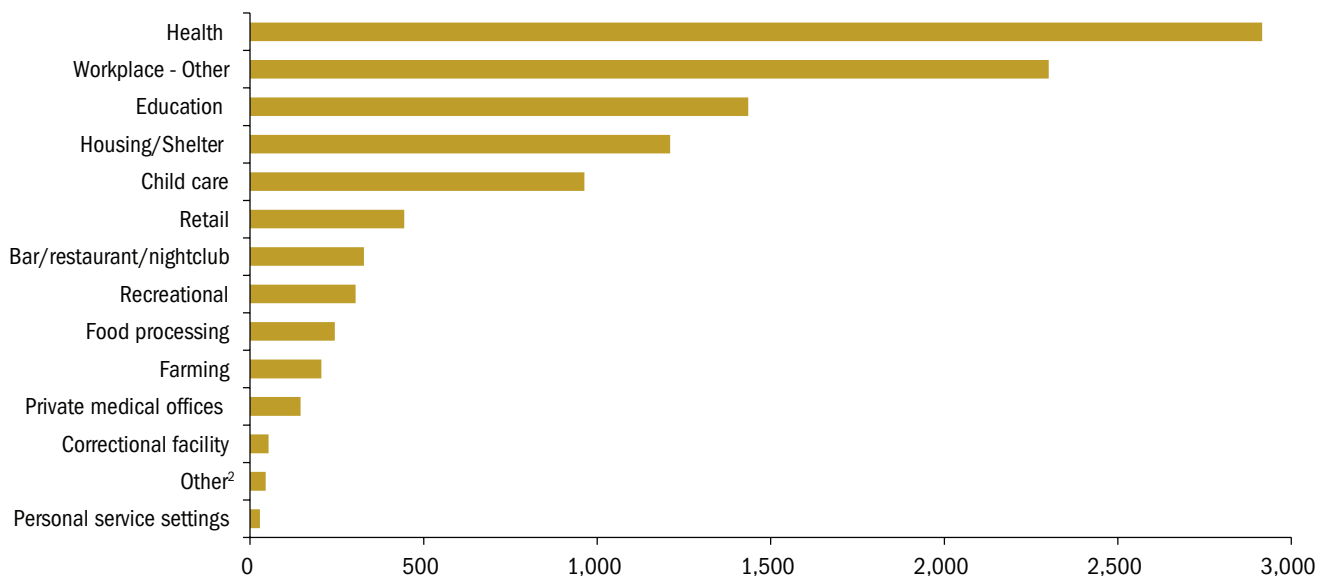
Our audit found that, throughout the pandemic, the province did not inform businesses in advance of imposing or relaxing restrictions that affected their operations. As a result, business operators often did not have sufficient time to prepare for closing or reopening their operations. In our survey of business operators, 50% of respondents said they first became aware of the various public health restrictions related to business operations through broadcast news and media (TV or radio), while 19% said they first became aware through a professional association.

Business owners found out on April 1, 2021 through a public announcement that the province would be imposing a province-wide “emergency brake” effective April 3—only two days after the announcement. This announcement itself came less than two weeks after the March 20, 2021 reopening, while owners were stocking up on inventory in response to the reopening.

More than two-thirds of the survey respondents stated that they did not have sufficient time to adapt to the restrictions. Business owners found out on June 7, 2021 through a public announcement that

Figure 9: Total Number of Outbreaks¹ in Sectors, April 1, 2020–June 10, 2021

Source of data: Ministry of Health

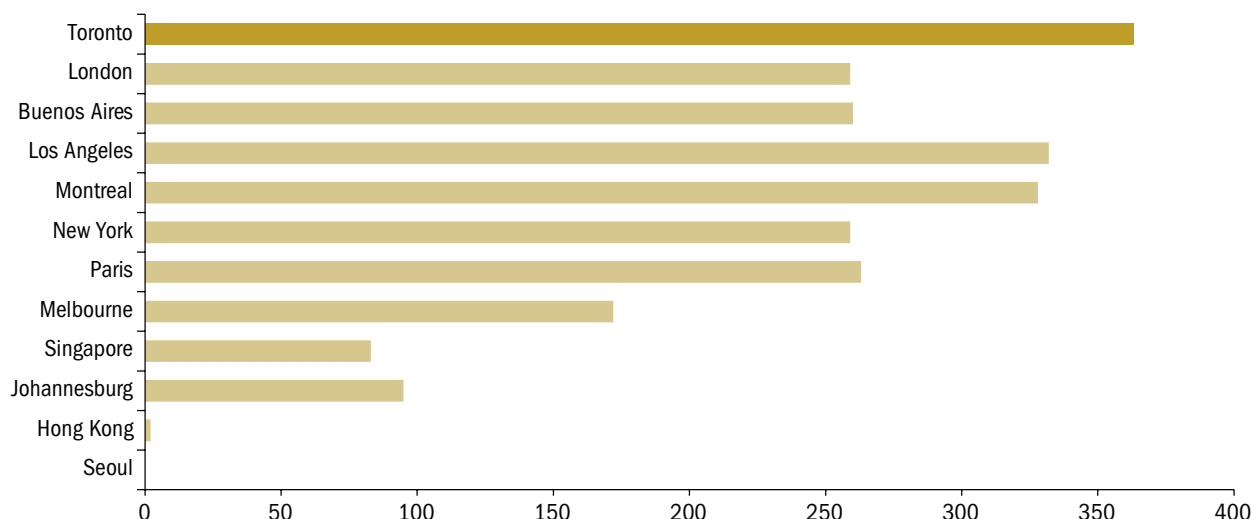


1. As per the Public Health Ontario's Infectious Diseases Protocol, the outbreak case definition varies with the outbreak under investigation and should be established by the Public Health Unit. Consideration of criteria for whether an outbreak exists in a workplace: two or more laboratory-confirmed COVID-19 cases with an epidemiological link in the workplace (e.g., same work area, same shift) within a 14-day period where both cases could have reasonably acquired their infection in the workplace. Examples of reasonably having acquired infection in workplace include no known source of infection outside of the workplace or known exposure in the workplace.

2. Other includes outbreak settings that are currently pending investigation or the source is unknown.

Figure 10: Number of Lockdown Days with No Indoor Dining, as of May 24, 2021

Source of data: British Broadcasting Corporation (BBC)



all public health regions would move to Step 1 of the Province's Roadmap to Reopen (see **Appendix 8**) just four days later, on June 11, 2021. The move allowed, among other things, outdoor dining for up to four people per table.

5.0 Ontario Small Business Support Grant

On January 15, 2021, the Economic Development Ministry, in partnership with the Finance Ministry and Government Services Ministry, launched the Ontario Small Business Support Grant (Small Business Grant). The Small Business Grant provided small businesses between \$10,000 and \$20,000, increased in March 2021 to \$20,000–\$40,000 after the release of the 2021 Ontario Budget. The objective of the Small Business Grant was to give financial relief to small businesses whose revenues had declined by 20% or more as a result of provincial public health restrictions affecting their businesses.

The province engaged in social media campaigns, used news outlets and various government communications (i.e., press releases and announcements) to raise awareness for the

program. By the end of the program, as of August 18, 2021, nearly 203,000 businesses had applied for supports and \$2.96 billion had been paid to 111,150 recipients. **Appendix 18** lists the types of businesses that were eligible for the Small Business Grant.

As shown in **Figure 1**, we reviewed payments made in the program from its inception to its completion. Due to the scale and speed at which the program was delivered, the province hired an external consulting firm to assist in the review of applications for the program. We also audited the contract and payments to this firm to determine if the province followed the appropriate protocols for procuring these services and confirmed that it did.

5.1 Some Small Businesses Not Eligible for Ontario Small Business Support Grant

Applicants to the Ontario Small Business Grant applied online via a government website. To be eligible, they had to meet all three criteria:

- have fewer than 100 employees;
- were required to close or significantly restrict services due to the December 26, 2020 province-wide shutdown; and

- experienced at least a 20% decline in their revenues in April 2020 compared with April 2019.

We examined the design of the eligibility criteria, internal processes and controls that facilitated the delivery of the program across all three ministries, and the payments made to businesses to determine if they were eligible for the money and that the payments had been properly approved. We found that the program eligibility criteria meant that some small businesses were ineligible for supports even though they had been impacted by public health restrictions affecting their operations.

5.1.1 Some Small Businesses Not Eligible for Supports

The eligibility criteria designed for the Small Business Grant (see **Appendix 12**) excluded the following businesses:

- **Businesses that were not required to close or significantly restrict services due to the December 26, 2020 province-wide shutdown but still experienced significant revenue declines were not initially eligible for the grant.** Examples of such businesses include motels and hotels; laundromats and dry cleaners; auto dealerships that do not offer vehicle leasing or vehicle repair services; construction services including subtrades (such as flooring and painting services); manufacturing, supply chain, transportation and logistics services; and wineries and breweries. In addition, hotels were not required to close but had to significantly restrict their other income-producing services, such as hosting weddings, events and meetings in their non-accommodation facilities. In May 2021, the province launched the Ontario Tourism and Travel Small Business Support Grant (Tourism Grant) to provide funding for small businesses in the tourism and travel sectors. Some of the business sectors that were not eligible for the Small Business Grant were eligible for the Tourism Grant such as hotels, motels and amusement parks. However, these supports came more than a year after the start of the pandemic.
- **Businesses that experienced less than a 20% revenue decline from April 2019 compared to April 2020 but experienced significant revenue declines in other months were also not eligible.** One of the stakeholders we interviewed told us that businesses that happened to be closed or not operating (for example, due to renovations) in April 2019 did not qualify for any funding because they did not meet the 20% revenue decline criteria when comparing the two months of April 2020 and April 2019. Another stakeholder group we interviewed stated that most of its members (which included hunting and fishing operators, resorts and summer camps) were not eligible because they operate seasonally and were not open during the required revenue comparison periods. Applicants were allowed to use comparator months other than April 2019 and April 2020 only under certain circumstances (see **Figure 11**).
- **Businesses that had 100 or more employees were not eligible for supports.** Businesses that needed to hire additional temporary staff on a part-time basis during peak season, but otherwise normally had fewer than 100 employees, were not eligible for the grant.

5.1.2 Grant Amounts Were Not Proportionate to Lost Business Revenue

As shown in **Figure 12**, the province set a minimum grant amount of \$10,000 and an initial maximum amount of \$20,000. The grant that some businesses received was more than their reported revenue loss. In addition, some businesses received a second grant equivalent to their first payment. Therefore, the maximum grant that could be received was \$40,000.

Our analysis of application and payment information for the Small Business Grant found that:

- Of the 111,150 grant recipients, 51,059 or 46% reported a decrease of \$10,000 or less in revenue lost in April 2019 compared to April 2020.
- The 51,059 recipients reported losing an average of \$4,400 in April 2019 compared to April 2020, with some reporting that they lost as little as

Figure 11: Ontario Small Business Support Grant Alternative Months for Revenue Comparison

Source of data: Ministry of Finance

Winter seasonal businesses	Were permitted to compare revenue from Dec 2019 or Jan 2020 to Dec 2020.
New businesses established since Apr 2019	Were provided the following alternative revenue comparator months: <ul style="list-style-type: none"> • Businesses that started operating between May 2019 and Jan 2020 could compare revenues from Feb 2020 to Apr 2020. • Businesses that started operating between Feb 2020 and Oct 2020 could compare their month of highest revenue to Dec 2020.
Businesses that started operating in Nov 2020 or Dec 2020	Did not have to meet the revenue decline criteria, and were eligible for the minimum grant of \$10,000.
New businesses that started operating in Jan 2021	Were not eligible.

\$0.02 and 404 reporting no change at all in their revenues (see **Figure 13**).

- The 51,059 recipients received a total of over \$939 million. As shown in **Figure 12**, those who reported a revenue loss of \$10,001 to \$20,000 received a grant amount equivalent to the amount of the reported loss. Had the same rules applied to those who reported a revenue of \$10,000 or less, that is, that their grant was equivalent to the amount of their loss in the comparator months, the 51,059 recipients would have instead received a total of \$225 million.

According to the Finance Ministry, the \$20,000 initial maximum amount was partly based on Alberta's Small and Medium Enterprise Relaunch Grant, which, as of December 2020, provided up to \$20,000 to eligible businesses. Regarding the \$10,000 minimum amount, Finance Ministry staff told us that they received direction from the Finance Minister to ensure that all eligible businesses receive a substantial base amount of support.

Tax Data Indicate Businesses Experienced Greater Losses than Supports Provided

We asked the Finance Ministry to analyze income tax data for businesses that received supports through the Small Business Grant. At the time of our audit, approximately 42,000 or 38% of the 111,150 grant recipients had submitted tax returns for both 2019 and 2020 tax years. The \$10,000 minimum grant

amount meant that some recipients received more grant money than they lost in revenues (see above), but the analysis also indicated that businesses, overall, and in some sectors specifically, may have needed more support to weather the impacts of the pandemic:

- While the median decrease in revenue from 2019 to 2020 (19%) was near the 20% revenue-decline threshold to receive supports, businesses suffered a median 51% decrease in their net income over the same period, after accounting for operating costs.
- The following industries experienced greater than a 40% decrease in revenue: tour and guide services (49%), conference centres (42%) and performing arts and cinema (41%).
- Sole proprietorships experienced median revenue decreases of 35%, while corporations experienced a median revenue decrease of 17%.

RECOMMENDATION 1

To determine whether the Ontario Small Business Support Grant was effective in providing supports to small businesses that were impacted by public health restrictions, we recommend that the Ministry of Economic Development, Job Creation and Trade, in collaboration with the Ministry of Finance, and the Ministry of Government and Consumer Services, review lessons learned from

Figure 12: Calculation of Ontario Small Business Support Grant Payment Amounts

Source of data: Ministry of Finance

Reported Monthly Loss (Apr 2020 compared with Apr 2019) (\$)	\$ Grant Amount (First Round)	\$ Grant Amount (Second Round)
≤ 10,000	10,000	
10,001–20,000	Exact value of reported monthly loss	Equivalent to amount paid during first round
≥ 20,001	20,000	

Figure 13: Number of Ontario Small Business Grant Recipients Who Reported a Less than \$10,000 Decline in Monthly Revenue

Source of data: Ministry of Government and Consumer Services

Revenue Decrease (\$)	# of Applications	Total Revenue Decrease (\$)	Total Grant Funding (\$)
0 (no change)	404	0	8,302,392
0.02–499.99	1,470	423,569	27,353,596
500–999.99	2,347	1,741,371	43,307,640
1,000–4,999.99	26,851	79,163,098	492,039,583
5,000–9,999.99	19,987	143,900,369	368,399,625
Total	51,059	225,228,407	939,402,836

the delivery of the Ontario Small Business Support Grant and provide this information to the Ontario Jobs and Recovery Committee to inform the design and delivery of future economic support programs for businesses.

MINISTRY OF ECONOMIC DEVELOPMENT, JOB CREATION AND TRADE RESPONSE

The Ministry of Economic Development, Job Creation and Trade has already provided best practices and lessons learned from the Ontario Small Business Support Grant to subsequent grants, such as the Ontario Tourism and Travel Small Business Support Grant (Small Business Grant).

The Ministry proactively engaged with both a third-party vendor and the Ontario Internal Audit Division to review the design and implementation

of the Small Business Grant during the winter and spring of 2021.

The Ministry and its partners will also complete a review of lessons learned and will report on those findings to the Ontario Jobs and Recovery Committee, or a similar Cabinet committee, in the 2022/23 fiscal year.

5.2 Payments Made to Ineligible Recipients

5.2.1 \$210 Million Paid to Approximately 14,500 Ineligible Businesses with No Attempt to Collect

The province contracted an external consulting firm in February 2021 to review high-risk applications for eligibility and develop a framework to mitigate the risk of further payments to ineligible applicants. The firm was engaged by the province through a sole-source contract due to the extraordinary

circumstances of the pandemic, and our audit did not identify any issues with the process of procuring the firm's services.

The firm identified a significant number of ineligible recipients, based on application information, who had been paid out through the program. Over \$210 million was paid to roughly 14,500 ineligible recipients. Program controls did not detect issues on their applications that should have made them ineligible for the grant.

Based on the findings, the province wrote off \$210.3 million as uncollectible, which represented amounts that were paid to approximately 14,500 ineligible recipients in August 2021. The \$210.3 million write-off represents approximately 7% of the total payments under the program (\$2.96 billion).

The Economic Development Ministry told us it did not attempt to recover any of the amounts. The Priorities and Planning Committee of the Cabinet recommended that the Ministry not pursue recovery of these amounts “due to the exceptional circumstances caused by COVID-19.” This committee sets the overall provincial strategic direction by determining priorities in policy, communications, intergovernmental affairs and ensuring alignment with fiscal planning. In making this decision, the same committee noted that collecting all or some amount of the debt could take years, and that the act of collection may appear unreasonable and unjust to business owners and the greater public during a pandemic.

At the time of our audit, the ministries of Finance and Government Services also had not made any attempts to recover the funds.

During the course of our audit, we noted that there may be additional cases of overpayments to potentially ineligible recipients. The Economic Development Ministry told us that the Ministry of Government Services' Transfer Payment Ontario System had previously flagged these cases and were subsequently reviewed by Economic Development Ministry staff and deemed eligible. We confirmed that the system had controls in place to flag potentially ineligible cases requiring further investigation. The

Economic Development Ministry provided examples of cases it had reviewed and resolved.

5.2.2 Grant Program Lacked Proper Controls to Identify Potentially Ineligible Businesses

Ministries Had Only Days to Design Program and Put Controls in Place Prior to Launch

Our audit found that Finance Ministry staff had only two days to prepare the initial business case that contained details about program eligibility for the Small Business Grant. Specifically, Ministry staff received direction from the Finance Minister on December 17, 2020 to develop a program to provide support for small businesses. The initial draft of the business case was submitted for the Minister's review on December 19, and the final version submitted to TB/MBC for approval on December 21. On that same day, the Premier announced the Small Business Grant.

We also learned that Government Services Ministry staff did not finalize the technical design of the Transfer Payment Ontario System (TPON), the information system that was used to administer the application and payment process, until January 9, 2021—six days before the program was launched. Ministry staff began discussions of the changes needed on December 24, 2020. From January 9, 2021 to May 25, 2021, Government Services Ministry staff submitted a total of 24 requests to amend controls built into TPON (change requests). Our review of the change requests noted that 23 of the 24 change requests were approved after the program launched on January 15, 2021, meaning that Government Services Ministry staff made numerous changes to strengthen system controls during the application period. We also noted that key controls that would have identified or prevented payments to ineligible businesses were implemented well after the program launch on January 15. For example:

- controls to flag applications that contained the words “taxi,” “Uber,” “Lyft,” and “limo” were implemented on February 24—nearly six weeks after the program launched. These types of businesses were ineligible for the grant yet we found

995 applicants who received over \$12.6 million in payments that had these keywords in their operating name;

- controls to flag applications with a business or mailing address outside Ontario were implemented on March 5—seven weeks after the program launched; and
- controls to reject applications with bank branches outside Ontario were implemented on March 9—more than seven weeks after the program launched.

Figure 14 lists the controls that were in place when the Small Business Grant was launched on January 15, 2021, as well as additional controls that were put in place between January 19 and March 15, 2021. The application window closed on April 7, 2021.

Province Relied Almost Completely on Applicant-Reported Information

Staff from all three ministries—Economic Development, Finance, and Government Services—told us that they received direction that the province’s priority was to launch the program and provide supports to businesses as soon as possible, and require minimal effort from businesses to apply. As a result, the program was designed to rely completely on applicant-reported information. The business case indicated that, “to enable quick delivery, eligibility would be based on attestations, with minimal ability to audit.”

During the application process, applicants were asked to answer “yes” or “no” to the three eligibility criteria (see **Appendix 12**). If they answered “yes” to all three, they were deemed eligible for supports. Once applicants were deemed eligible, they were asked to provide information about their business such as the business name, Canada Revenue Agency (CRA) business number, contact information, address, business type, number of employees, revenues for the comparator months, and banking information. To meet the required timelines and provide critical funding to small businesses, the only real-time validation of tax or revenue information

that was in place was to verify whether the CRA business number provided by the applicant existed in the CRA database.

The Finance Ministry indicated in its business case that the risk of fraud was low because applicants would be required to attest to the accuracy of the information they provide and controls would be implemented to flag potential anomalies. This assessment was inaccurate as evidenced by the number of potentially ineligible recipients identified by both the ministries and our Office. We found that key controls were either missing or failed to flag potential issues, and relying on applicants’ attestation did not give the province reasonable assurance about the accuracy and validity of those attestations.

Our assessment is consistent with the conclusions of the Ontario Internal Audit Division (OIAD), which the Economic Development Ministry engaged to provide advice on processes and controls related to the Small Business Grant. In its May 2021 report, the OIAD concluded that the Ministry’s assessment that the risk of fraud was low was “inadequate” and that “the inability to verify the validity of information in the application prior to payments being made [presented] a greater than usual risk exposure to the province.” According to the OIAD, TPON had the capability to accommodate the submission of documents, which had been used for other programs. The ministries could have required that applicants provide documentation to support revenue decline and eligibility.

Risks and Other Control Failures Identified by Other Parties

In addition to engaging the OIAD to advise on improvements to controls and processes, the Economic Development Ministry engaged a third-party contractor to review 16,000 applications that had been flagged by the Ministry as high-risk. Specifically, these were applications in which the applicant stated that the business was affiliated with another business (for example, had the same owner). These applications were reviewed prior to any payments going out. Of the 16,000 applications, the contractor

identified 6,850 or 43% as ineligible, and no payment was made. In its May 2021 report, the contractor also noted the following issues:

- There was a risk that applicants made false assertions in their application, and in their email responses after being contacted by the contractor to verify certain application information. The Economic Development Ministry instructed the contractor that email attestations were acceptable evidence. As a result, the contractor did not further verify the accuracy of the email attestations.
- A control that was intended to flag applications where the business reported no employees at

times failed to flag such applications. The contractor noted that the inconsistencies with this flag suggested that other flags could also be working inconsistently.

5.2.3 Additional Funding Given to Many Businesses with Limited Verification of Eligibility

On March 24, 2021, the province announced that an additional \$1.7 billion would be allocated to the Small Business Grant. This additional funding was given as a top-up to those who previously received funding in the first round of payments; this, in essence, doubled what recipients initially received.

Figure 14: Controls for the Ontario Small Business Support Grant

Source of data: Ministry of Government and Consumer Services

Controls in place on January 15, 2021 (program launch)

- Validation of Canada Revenue Agency (CRA) business number with the Business Directory to ensure applicant is a valid business
- Preventing applications submitted from malicious Internet bots
- Preventing multiple applications with the same CRA business number
- Preventing multiple applications with the same banking information
- Accepting valid bank branch, transit and institution numbers
- Flag applications for secondary review:
 - Business is associated with a business enterprise, with more than 20 employees but only one application
 - Grant is calculated as \$0 (revenue declined less than 20%)
 - Zero employees and a revenue loss of \$20,000 or greater
 - Duplicate business address
 - Bank account holder name for multiple applications
 - Applications from foreign IP address
 - Bank account holder name is neither the business name nor operating name
 - Duplicate business owner/contact name

Additional controls implemented from January 19, 2021 to March 15, 2021 to flag potentially ineligible applications

- Banking information required, including void cheques and bank statements
- Additional validation/screening for applications deemed ineligible under the following conditions
 - Business or mailing address outside Ontario
 - Bank branch outside Ontario
 - CRA number created/activated in 2021
 - Disposable email address
 - Suspicious email address
 - Blocked bank accounts
 - Bank account exists in other applications history
 - Duplicated IP on the same day
 - Numbered company
 - Failed to provide bank documents within 48 hours
 - No bank documents provided after seven days
 - Failed delivery to email address

Businesses that received supports in the initial round of payments did not have to apply for the top-up. After the March 24 announcement, recipients from the initial round were informed, through email, that the top-up would automatically be deposited into the bank account previously provided during the application. The top-ups were made without any further verification of recipients' eligibility or need for the funds.

The Economic Development Ministry performed limited analysis, through the same third-party contractor, of recipient information from the first round of payments prior to issuing second-round payments. Specifically, the third-party contractor conducted the following reviews:

- A second review of 14,800 high-risk applications that had already been reviewed by Economic Development Ministry staff.
- A review of 400 high-risk and 400 random first-round recipients.

These reviews identified about 14,500 ineligible recipients who received over \$210 million in grants (see **Section 5.2.1**). The Economic Development Ministry did not attempt to recover these amounts, and subsequently wrote them off as uncollectible in August 2021. Excluding these ineligible recipients, the second round of payments for the grant was automatically deposited to other recipients who had received the first round.

5.3 Businesses Found Program's Purpose and Application Requirements Unclear and Confusing

During the course of our audit, business operators from different sectors told us that they found the eligibility requirements and application process for the Small Business Grant unclear and confusing. For example:

- **Business number:** Applicants were required to provide their CRA business number as part of the application. The CRA business number is the unique nine-digit number that the CRA assigns to each business for tax purposes. Although

instructions were provided to applicants about which number to use, there was still confusion among select applicants—for example, sole proprietors who do not always have a business number. Some sole proprietorships operating under the name of the business owner do not need to register for a business number in Ontario. In order to apply for the Small Business Grant, these individuals had to then register for a business number.

- **Revenue comparison months:** Applicants we interviewed indicated to us that they did not understand why April 2020 and April 2019 were specifically chosen as comparative periods for the 20% revenue decline test, even though the rationale was provided through the program's Frequently Asked Questions page. Finance Ministry staff told us that April was chosen because it was the closest month during which a provincial emergency stay-at-home order was enacted (the first provincial Emergency Order was from March 16, 2020 to July 24, 2020). Of the survey respondents, 48% also indicated that they felt the province's communications about the program were unclear.
- **Affiliated enterprises:** Applicants were required to indicate whether their business was affiliated with another business, which caused confusion because the term is not a commonly used one. The third-party contractor that the Economic Development Ministry engaged to review the applications involving these types of businesses also highlighted the issue regarding the definitions for the terms "enterprise" and "affiliated enterprise," stating that the definitions were not generally accepted ones.

The stakeholder groups we interviewed also told us that applicants believed the name of the program, Ontario Small Business Support Grant, suggested wider supports for all small businesses that experienced financial loss throughout the pandemic. Business owners were not aware that the grant was meant to offset only some of the revenue losses that resulted from the restrictions enacted on December 26, 2020.

In our survey, many respondents indicated that it took multiple phone calls to receive help and receive updates on the status of their application. Respondents also noted that the program did not have an appeals process.

6.0 Property Tax and Energy Cost Rebates

On November 16, 2020, the Finance Ministry and the Energy Ministry, in partnership with the Government Services Ministry, launched the Property Tax and Energy Cost Rebates program. The program was intended to reimburse businesses for 100% of their property tax and energy bills for the periods that they were required to temporarily close or significantly restrict services as a result of public health measures. The province used social media campaigns and government communications (such as press releases and announcements) to raise awareness for the program. Businesses could apply online by submitting proof of their property tax and/or energy cost receipts along with their application information.

Eligible businesses were those required to close or significantly restrict services as a result of modified Stage 2, Red-Control, Grey-Lockdown, or Province-wide Shutdown, and/or during Step 1 and Step 2 of the Roadmap to Reopen. See **Appendix 19** for a list of businesses eligible for reimbursement and **Appendices 6, 7 and 8** for an overview of the COVID-19 response frameworks and their restrictions.

The program ended on July 30, 2021. At that time, over \$340 million had been paid to approximately 31,000 businesses. As part of our audit, we examined the design of the eligibility criteria, internal processes and controls supporting the delivery of the program, and payments made to businesses between the launch of the program and its conclusion.

6.1 Only 38% of Approved Funding Paid Out

The initial 2020 budget for this program, \$600 million, was approved in November 2020. By March 31, 2021, about \$187 million, or 31% of the 2020 rebates, had been paid to over 27,000 businesses. The Finance and Energy ministries returned the funds that had not been spent at the time.

Then, in 2021, these ministries requested another \$305 million to support the need for ongoing payments for the rebate programs. According to the ministries, the request for additional funding assumed businesses would be required to close or restrict services for much of the year due to high COVID-19 case counts at the time. However, since the province entered Step 3 of its reopening plan on July 16, 2021 with most businesses resuming normal operations, the program ended on July 30, 2021. At the time the program ended, over \$340 million had been paid out to businesses, or 38% of the allocated budget for the program.

Ministries Overestimated Application Volumes

The Ministry of Finance estimated that approximately 120,000 applications would apply for Property Tax and Energy Cost Rebates. The Ministry's estimate represents 70% of the number of Ontario businesses in sectors that were required to close or significantly restrict services as a result of provincial public health measures. However, the actual program intake was approximately 31,000, just over 25% of the expected 120,000 applications. The Ministry was unable to offer us an explanation as to why the actual number of businesses that applied and qualified was so much lower than expected.

We found through our survey that respondents ranked reimbursement of property taxes and energy bills as the second-most helpful for their business operations, after one-time grants, if they were to receive financial support from the province. While Ontario businesses indicated a high demand for this type of support, many businesses did not apply for or receive it.

Although the province undertook paid advertising to promote the program through social media (Twitter, Facebook, LinkedIn postings and search engine marketing) and notified local electricity distribution companies, our survey showed that 23% of respondents were unaware of the Property Tax and Energy Cost Rebates program. Over 63% of respondents felt that the province's communications about the program were not clear.

6.2 Over \$16 Million Paid to Over 3,000 Ineligible Recipients

The Finance and Energy Ministries determined that payments were made to ineligible businesses during the course of the program because the initial system and manual controls were not strong enough to detect and screen out all the types of ineligible businesses that applied. In response, both ministries set up additional validation procedures to identify and screen for ineligible recipients.

Similar to the Ontario Small Business Support Grant, the province used the Transfer Payment Ontario System (TPON) to facilitate the application process for the Property Tax and Energy Cost Rebates program. The Government Services Ministry implemented controls that:

- rejected applications with the same CRA business numbers;
- rejected applications with the same banking information;
- prevented bots and fraudulent traffic from applying; and
- created an audit trail of all the changes made to the application.

The system was also programmed to calculate certain rebate amounts based on reported property taxes and the number of days the business was eligible for the rebates. Eligibility was based on the applicant's business type and location. Only businesses located in modified Stage 2, Red-Control regions, Grey-Lockdown regions, or under province-wide shutdown and/or Step 1 and Step 2 of the Roadmap to Reopen were eligible (see **Appendix 19**).

The controls listed above were working as designed, but the Finance and Energy Ministries had to conduct a manual review of applications after it was found that payments were made to ineligible recipients who:

- reported a business activity type (for example, restaurant and bar) in their application that was different from what was reported in their tax return;
- filed multiple applications; and
- were landlords applying for tenants that might be eligible.

Over 5% of Ineligible Payments Recovered

In conjunction with the Finance and Energy Ministries, we reviewed the validation procedures and together identified that over \$16 million was paid to ineligible recipients at the time our audit was finalized.

We calculated that, as of October 4, 2021, over \$16.0 million had been paid to 3,065 ineligible businesses, broken down as follows:

- about \$14.3 million in property tax reimbursements were paid to 2,463 ineligible businesses; and
- about \$1.7 million in energy cost reimbursements were paid to 602 ineligible businesses.

The \$16.0 million represents about 2% of the \$905 million budgeted commitment for the program.

As of October 4, 2021, the Finance Ministry and the Energy Ministry had recovered approximately \$850,000 from 229 businesses, or about 5.3% of these ineligible payments. The breakdown of the recovery is as follows:

- The Finance Ministry recovered about \$400,000 from 26 businesses, or about 3% of the ineligible payments.
- The Energy Ministry recovered about \$450,000 from 203 businesses, or about 27% of the ineligible payments.

System Calculation Error Also a Cause of Ineligible Payments

In its manual review of applications, the Finance Ministry identified 38 cases with approximately \$547,379 in overpayments due to a TPON system error for the Property Tax Rebate program. This amount is included in the \$16.0 million paid to

ineligible recipients as stated above. The error resulted from a typo used in the algorithm to calculate property taxes specifically for select properties in the Kawartha Lakes region. Due to the complexity and change of which regions were entering lockdown, rebate algorithms were required to be manually adjusted by the Government Services Ministry when regions enter or leave the eligible Red-Control, Grey-Lockdown, and province-wide Shutdown colour-coded system under the Keeping Ontario Safe and Open: COVID-19 Response Framework (**Appendix 7**) or when a provincial shutdown is ordered. The error was not caught until after the changes were implemented, despite prior review by Government Services and Finance Ministry staff. Immediately after identifying the issue, the ministries instituted additional quality control processes for subsequent rounds of payments and began recovering the funds. As of October 4, 2021, 26 of these cases totalling approximately \$399,608 (over 73%) had been repaid with ongoing efforts to recoup the remainder.

RECOMMENDATION 2

So that property tax and energy cost rebates made to ineligible businesses are recovered on a timely basis, we recommend that the Ministry of Finance and the Ministry of Energy continue to recover funds paid to ineligible recipients.

MINISTRY OF FINANCE AND MINISTRY OF ENERGY RESPONSE

The Ministry of Finance and the Ministry of Energy will continue to recover ineligible payments using a collections approach that is fair and targeted, in recognition that many businesses may still be recovering from the impacts of COVID-19.

Since the program ended, the Finance and Energy ministries have processed an additional 4.2% of applications since the time the program closed, which represents another \$108 million in payments to businesses by November 19, 2021 (roughly 12% of the committed budget over 2020 and 2021).

7.0 Ontario Together Fund

On April 1, 2020, the Economic Development Ministry launched the Ontario Together Fund (Fund). The Fund was intended to help finance businesses to retool their operations to produce personal protective equipment (PPE), critical supplies and equipment, and to develop technology-driven solutions and services to help build domestic capacity to support the province's response to the COVID-19 pandemic and help prepare for future pandemics.

The fund grants up to a maximum of \$2.5 million per applicant. The program opened for applications on April 1, 2020 and will close on March 31, 2022. Eligible businesses must meet two criteria:

1. Be operating for at least two years or have two years of financial statements.
2. Compliant with all applicable laws and not be owing any fees, levies or taxes to the province, including Crown agencies.

Eligible projects include investments in equipment, retooling and clean workplaces, to produce ventilators, masks, sanitization; providing innovative solutions; and generating ideas, other products or services that could support Ontario's COVID-19 response. Eligible project costs are further defined on **Appendix 12**.

The Economic Development Ministry used social media posts and government communications (i.e., Ontario Newsroom releases and announcements by the Economic Development Minister) to raise awareness for the program, which was open to public applications through the online "Ontario Together" portal. Applicants submitted their information on this website and received a detailed application package.

Although any business was free to apply for the Ontario Together Fund, the province sought to target specific businesses that were able to retool or re-shift their operations during the pandemic in a timely and feasible manner. The ministry used internal contact lists from other similar programs as well as internal ministry referrals to build their outreach groups, and directly solicited applications from these groups.

As of July 31, 2021, the Economic Development Ministry had awarded contracts worth a total of \$55.3 million (out of a budgeted commitment of \$100 million for the program) to 54 businesses, ranging from \$51,000 to \$2.5 million in contract value. Six of those recipients received the maximum allowable amount of \$2.5 million. Twenty-two of these businesses (or 40.7% of the 54 recipients) were solicited by ministry staff to apply.

In the Fund, a contract can be awarded before the project work starts. Businesses received funding in two instalments: first, when the project work commenced and second, when the project concluded and a complete set of final reports, including an external audit validation, was provided for the project. As of July 31, 2021, \$40.66 million has been paid to businesses that had started project work.

Our audit looked at a sample of 25 contracts that were awarded and paid to businesses. Through these contracts businesses received \$29.68 million in payments. We examined each contract's eligibility, approval process, payment process, as well as its monitoring and reporting process. Based on our sample, we found that all projects met the eligibility criteria. However, we found problems with project monitoring, significant project delays, and two situations where perceived conflict of interest was not disclosed or identified.

7.1 Economic Development Ministry Did Not Have Sufficient Monitoring Processes over Projects

7.1.1 Interim Reporting Is Inconsistent

Businesses submitted interim reports to the Economic Development Ministry near or at the project's halfway mark, which intended to monitor the project's progress. Interim reports were either requested from the company (that is, attestation) or conducted through a virtual site visit performed by the case officer. While both types of interim reports were documented, there was no set template for either initially.

In the attestation cases, the recipient submitted a progress report through written documentation, that is, letters or emails that were sent directly to Ministry staff from the recipient providing a brief update on the project's progress. However, this did not always include the percentage of completion, which is the stage of the project at the time of the interim report. There was no template or criteria for what recipients had to report initially, and many responses varied in length, detail, and evidence provided, if evidence was provided at all. For example, one of the emails included a quick note about the progress made on spending, task completion, and the anticipated completion date. This email was seven sentences in length with no attachments. The Ministry told us it did not perform further validations on these attestations, as discussed in **Section 7.1.2**.

Site visits were all conducted virtually through a live walkthrough using webcams due to public health restrictions, but were never recorded. The Ministry also accepted photos and videos from businesses, and did not always require a live walkthrough to see the products, facilities, or production process. Some projects involved building equipment or medical infrastructure such as injection moulding equipment and surgical mask production lines to support Ontario's future efforts in PPE production. Interim site visits were and are intended to confirm organizations' progress on their projects.

We found from our review that interim reports were not conducted for all projects. Typically, case officers took it upon themselves to conduct any interim check-ins. We reviewed a sample of 25 projects in various stages of completion and noted that only 15 interim reports were completed, of which 11 were documented as virtual site visits. From our review, five interim reports indicated that project milestones had not been met. All five of these projects were delayed at the time of our audit.

We questioned the Ministry regarding these inconsistencies and it told us that it started mandating interim reporting beginning in June 2021. At this time, a formal interim reporting template was also created.

7.1.2 Ministry Accepted Self-Reported Information in Interim Project Progress Reports

We found that the Economic Development Ministry did not verify the accuracy of information provided by businesses in their interim reports. Businesses submitted interim reports to the Economic Development Ministry near or at the project's halfway mark, and this was intended as a check on the project's progress. The Ministry relied on the businesses to report accurate and truthful information in these reports and did not externally validate the information because of the potential costs and delays that validation could create. The Ministry told us that during the interim reporting process it did not typically perform external checks on the financial condition of companies, such as a review of annual reports, media scans and (if the company is public) its valuation on the stock exchange.

We found, for example, one business was awarded a contract for \$2.5 million to produce tracing and physical distancing devices. Our own review of publicly available information noted that since the business was awarded the contract in February 2021, the business had reported a quarterly net loss of \$5.8 million. The Chief Executive Officer resigned in September 2021.

As part of the contract agreement, this business agreed to deliver 160,000 units of the device by March 31, 2021. The Ministry extended the project completion date to July 5, 2021 because, according to the business, it anticipated delays in meetings its milestones due to a shortage in supplies and “unforeseen engineering issues.” As of August 30, 2021, the Ministry had not yet received the final report from the business, and could not tell us if the project was completed because the report was not yet due. In the latest interim report, provided to the Ministry on May 5, 2021, Ministry staff had assessed the project as “low risk” with minimal follow-up questions, despite the delay.

RECOMMENDATION 3

So that the Ministry of Economic Development, Job Creation and Trade can effectively oversee the progress of projects approved under the Ontario Together Fund, we recommend that the Ministry validate information reported by funding recipients in interim reports to ensure that the information is complete and accurate.

MINISTRY OF ECONOMIC DEVELOPMENT, JOB CREATION AND TRADE RESPONSE

Effective management of Ontario Together Fund agreements is important to the Ministry.

Ontario Together Fund projects are short in length (typically less than a year), so the interim checks were not initially required in the funding agreements, but were undertaken by the Ministry to understand the progress of projects and to identify any potential issues related to project completion.

The Ministry did standardize the interim reports and made them a contractual requirement starting June 2021. Given the pandemic, staff did not initially conduct on-site visits due to public health restrictions. The Ministry will validate these reports through conducting and documenting virtual site visits, including having the company provide a virtual tour of their facility.

7.2 Contract Worth \$1.8 Million Awarded to Business That Went Bankrupt

Our audit found that the Economic Development Ministry awarded a \$1.8-million contract to a company that went bankrupt eight months later. This project involved the design and manufacturing of a double-filter, soft-seal reusable respirator. Prior to the company declaring bankruptcy in May 2021, the Ministry had paid \$1,087,164 or approximately 61% of the contract value to the company.

When assessing the business's application, Economic Development Ministry staff noted concerns regarding the business's financial situation. Staff assessed project completion risk as medium and working capital risk as high because external financing for the project was unconfirmed and revenues up to 2019 were minimal. Despite this risk assessment, the Ministry awarded the contract to the business.

The contract that the province signed with the business was unsecured, which means that the Ministry did not have priority in reclaiming what was paid. We asked the Economic Development Ministry if it believed the amount was still recoverable. The Ministry told us that, at the time of our audit, it did not expect to recover any portion of the \$1,087,164 that had been paid out. The Ministry was still in the process of determining if any amounts could be recoverable through the receivership process.

RECOMMENDATION 4

So that funding under the Ontario Together Fund is awarded to businesses that have the capacity to complete their projects, we recommend that the Ministry of Economic Development, Job Creation and Trade:

- review and improve its assessment criteria to require additional financial information or guarantee from applicants that are assessed as high financial risk; and
- monitor and mitigate changes to each project's overall risks during its lifecycle.

MINISTRY OF ECONOMIC DEVELOPMENT, JOB CREATION AND TRADE RESPONSE

The Ministry is committed to continuing to improve its processes to manage risk and protect funding. The Ministry will review the Ontario Together Fund's financial assessment criteria and its risk monitoring process, to seek ways to help further consider/mitigate financial risk.

The Ministry conducts a detailed risk and benefit assessment that includes financial and technical due diligence. As recommended, additional financial information will be requested for high financial risk projects, as well as, when available, guarantees. Recipients will also be required to provide confirmation that financing is in place before government funding is disbursed to the recipient. In the case of the project cited, the Ministry did not disburse the holdback payment.

Given the pandemic and the need to secure domestic supplies of PPE critical to our health-care sector and front-line workers, the Ministry invested in some projects that proposed innovative solutions to reflect priority needs. At the time of the assessment there was a critical shortage of respirators, and the company had demonstrated strong recent financial gains and relevant experience. As circumstances related to the pandemic changed, i.e., vaccines became available, etc., the need for some of those innovative solutions changed, impacting the outcome of some projects.

7.3 Over One-Quarter of Funded Projects Have Been Delayed

The awarding of money for the Ontario Together Fund is to assist businesses in manufacturing PPE and other goods and equipment to fight COVID-19 and building domestic capacity in the production and manufacturing of such goods. At the time of our audit, 15 or 28% of the 54 Ontario Together Fund projects were delayed in various stages, meaning that these businesses had received money to help build PPE or other pandemic-related equipment but have not yet been able to deliver on their agreement. The Economic Development Ministry had approved a total of \$15.8 million in funding for these projects, \$9.7 million of which had been paid to the businesses as of July 30, 2021. Of the 15 projects:

- eight were delayed because of disruptions in the supply chain;
- one was delayed due to delay in obtaining permit approval from the municipality; and

- six projects were delayed because the companies faced issues in procurement, financing and trial testing.

The Economic Development Ministry told us that it would work with delayed projects “in good faith.” The Ministry extended the project completion deadline for all these projects. On average, the Ministry granted an extension from three to six months for these companies.

RECOMMENDATION 5

To prevent further delays in future Ontario Together Fund projects, we recommend that the Ministry of Economic Development, Job Creation and Trade use provisions in contracts, including clawback measures, to recover funds from recipients that are unlikely to complete projects.

MINISTRY OF ECONOMIC DEVELOPMENT, JOB CREATION AND TRADE RESPONSE

Funding agreements are structured with safeguards to protect government funding, and there are consequences if recipients do not complete their projects. Funding agreements include a holdback of funds, clawbacks and default provisions, should recipients not meet their commitments.

The objective of the Ontario Together Fund was to get products out to Ontarians quickly, but also to build domestic capacity to support the continued fight against this current pandemic, as well as building resiliency and capacity to deal with future pandemics.

Given the global pandemic affecting supply chains, labour shortages and disruptions, and other uncertainties, we have permitted some flexibility regarding project completion timelines. The majority of projects are expected to be completed successfully, with minimal additional time provided to address unforeseen challenges.

Given the investment-related clawback and other protections in the agreement, the pandemic causing global supply chain and labour shortages

beyond the control of companies, and the need to build domestic capacity and resiliency, the Ministry will assess project extension requests on a case by case basis to determine if any reduction in funding is appropriate.

7.4 Perceived Conflicts of Interest Were Not Disclosed or Identified

The province stipulates that recipients of the Ontario Together Fund must carry out projects and use the funds without an actual, potential, or perceived conflict of interest. Each contract in the program requires that the recipient of funding disclose without delay “any situation that a reasonable person would interpret as an actual, potential, or perceived conflict of interest” including any circumstance where the recipient company or persons working for the recipient company has the capacity to influence the recipient company’s decisions; has outside commitments, relationships, or financial interests that could, or could be seen to, interfere with the recipient company’s objective, unbiased, and impartial judgment relating to the project, the use of the proceeds of the grant, or both.

During the course of our work, we found two perceived conflicts of interests that were not declared; the applicant did not disclose their relationship to the following task force or council. The Chief Executive Officer of a company that was awarded a \$2.5 million contract (the maximum possible under the Fund) was a member of the Ministers’ COVID-19 Vaccine Task Force. In addition, the Chief Technology Officer and Executive Vice President of Marketing of the same company was a member of the Canadian Automotive Partnership Council, on which the Economic Development Minister also sat.

When we raised these examples with the Economic Development Ministry, the Ministry told us it was not aware of these perceived conflicts. Although stipulations are in place in each contract to disclose an actual, potential or perceived conflict of interest, the Economic Development Ministry believes it is incumbent on the applicant to self-declare this

information. Ministry staff did not take steps to determine any conflicts during the assessment process.

RECOMMENDATION 6

So that actual, potential or perceived any conflicts of interest are identified prior to contracts being awarded to businesses under the Ontario Together Fund, we recommend that the Ministry of Economic Development, Job Creation and Trade, as part of the application and assessment process:

- review whether actual, potential or perceived conflicts of interest exist and determine whether or not funds should be recovered and if the contract should be disengaged; and
- reinforce the importance of applicants declaring any actual, potential or perceived conflict of interest in their applications for funding.

MINISTRY OF ECONOMIC DEVELOPMENT, JOB CREATION AND TRADE RESPONSE

Given that the Ministry does not have full visibility on interests/activities of company officers, the onus is on the recipient to report as it relates to them. There are also conflict of interest rules and processes in place as it relates to government staff and officials.

The Ministry is not aware of any facts or information that participation in a task force could constitute a conflict of interest. Government often engages business leaders to participate on task forces and committees. Participation on those task forces and committees, as well as application processes to Ministry programs, are public and transparent.

The Ministry is working with its legal services to include a company attestation form regarding conflicts of interest in the application forms to reinforce that applicants need to disclose actual, potential or perceived conflicts of interest.

8.0 Personal Protective Equipment Rebates (Main Street Relief Grant)

The Personal Protective Equipment (PPE) Rebates program (also called Main Street Relief Grant) was delivered by the Economic Development Ministry in partnership with the Government Services Ministry from November 16, 2020 to March 31, 2021. At the time of our audit, the program had already concluded.

The PPE Rebates program was designed to reimburse businesses employing two to 19 staff with up to \$1,000 for the costs of PPE, such as gloves, masks, sanitizers, thermometers, plexiglass dividers and signage. The grant was available for the following types of businesses: retail; accommodation and food services; repair and maintenance; personal and laundry services; gyms and yoga studios; and arts, entertainment and recreation. Applications were online and open to the public. The province promoted the program through social media postings, print, radio and digital ads, and news releases.

Eligible businesses had to meet all three criteria:

1. Was required to shut down or significantly restrict services due to provincial public health measures.
2. Had two to nine employees (expanded to 19 employees on February 16, 2021).
3. Be in one of the following sectors: retail; accommodation and food services; repair and maintenance; personal and laundry services; gyms and yoga studios.

We evaluated how the grant threshold was determined, the program's communications strategy, and the program results. We found that the Economic Development Ministry did not have basis for setting the maximum grant amount at \$1,000. Despite advertising efforts, the PPE rebates only received 17,230 applications at the time the program ended. Out of this amount, 13,870 applications (or 80%) were approved and received funding totalling \$11.6 million. The committed budget for this program was \$65 million.

8.1 No Basis Provided for \$1,000 Grant Maximum

Eligible businesses could receive up to \$1,000 to purchase PPE. We asked the Economic Development Ministry how it determined the \$1,000 maximum grant amount, but it did not provide a rationale for the amount other than to state that it “was an estimate made at the time to provide a reasonable level of urgent assistance to small businesses to offset unexpected PPE costs.” We noted that two-thirds of the business operators who responded to our survey said the grant amount was insufficient to help mitigate or reduce the impact of the pandemic on their business.

8.2 Only 18% of Budgeted Commitments Actually Paid Out

As of July 31, 2021, 17,230 applications had been received for the program. Eighty percent or 13,870 proved eligible for the grant and received funding totalling \$11.6 million. The other applicants did not meet eligibility criteria.

The committed budget for this program was \$65 million and the program ran from November 16, 2020 to March 31, 2021, or about five months. We reviewed the communications strategy and noted that the province used diverse media to advertise the program, including: provincewide news releases, podium announcements, social media postings, stakeholder outreach, mentions through the COVID-19 Support Landing Webpage, as well as print, radio and digital ads. We also inspected these advertisements and noted they were clear and direct.

Despite these efforts, only \$11.6 million (18%) of the budgeted \$65 million commitment was actually spent by the end of the program. We inquired with the Economic Development Ministry why the application uptake was so low and they said it could be due to a number of factors, including businesses delaying their applications in an attempt to reach the maximum benefit of the grant, the program eligibility criteria being stringent, or lack of awareness of the program.

9.0 Digital Main Street – Digital Transformation Grant

On June 11, 2020, the Economic Development Ministry, in partnership with the Federal Economic Development Agency for Southern Ontario (FedDev) launched the 2020 Digital Main Street program. The province allocated \$7.65 million to the overall program, accompanied by \$50 million in funding from FedDev. Our audit examined the Digital Transformation Grant, the largest grant in the overall program, which provides up to \$2,500 to eligible small “Main Street” businesses to help them adopt or improve digital tools and/or technologies to better promote their business and sell products online. Approximately 36% (\$2.74 million) of the \$7.65 million was allocated to this grant.

Businesses applied online for the Digital Transformation grant through the Digital Main Street website. To be eligible, main street businesses must meet these criteria:

1. Be a registered business in Ontario.
2. Be owned by a Canadian citizen or permanent resident who is an Ontario resident.
3. Have a physical store site located on a main street, within a Business Improvement Area, or within a defined downtown business district.
4. Have one to 99 employees.
5. Pay commercial property tax, either directly or indirectly through commercial rent.

The grant is delivered by a third-party partner, the Ontario Business Improvement Area Association (OBIAA). OBIAA, along with its delivery partners, promoted the program through social media and digital advertising. The application period closed on December 31, 2020. As of June 30, 2021, the full allocation of \$2.74 million had been paid to businesses.

We reviewed the design of the eligibility criteria, transfer payment agreement between the province and OBIAA, and performance metrics and targets achieved for the 2020 Digital Transformation Grant program. We also walked through the application

criteria and controls of the delivery partners, highlighted in **Appendix 12**.

9.1 Existing Systems and Processes Contributed to Ease of Delivery during Pandemic

We found that the delivery of the Digital Main Street Grant program benefitted from its reliance on well-established systems and processes. The program was first created in 2016 through a partnership between the City of Toronto and the Toronto Association of Business Improvement Areas (TABIA). At the time, the goal of the program was to provide an online platform for main street businesses in Toronto's 83 business improvement areas to help them adopt or improve digital tools and/or technologies. Member businesses had access to tools, information, and discounts from digital vendors to help improve their online presence.

In 2018, as part of the province's Main Street Enhancement Initiative, the Ministry of Agriculture, Food and Rural Affairs partnered with the OBIAA to take over the administration and delivery of the program, using the information system that was first developed by the TABIA. Main street businesses across Ontario could apply to receive up to \$2,500 to help them adopt digital technologies. In addition to the grant, successful applicants also had access to training to improve their digital literacy skills and tools to help them develop a plan to adopt digital technologies.

The 2020 iteration of the program had the same target audience, eligibility criteria, application and review process as the 2018 version. It was also delivered by the OBIAA on behalf of the Economic Development Ministry using the same information system.

Recognizing these benefits, the Ontario Internal Audit Division suggested in its May 2021 report on the Ontario Small Business Support Grant (discussed in **Section 5.2.3**) that, where possible, consideration be given to leverage existing structures to deliver and administer future programs and/or disburse funds.

About 1,100 businesses directly received the Digital Transformation Grant funded by the Economic Development Ministry and 2,910 businesses received federal funding out of 5,166 total applications. Overall, we found that the businesses that had received provincial funding from the Digital Transformation Grant had established an online store or improved their digital presence per the program objectives.

10.0 Monitoring and Results of COVID-19 Initiatives

10.1 No Centralized Tracking of Approved Funding

The costs associated with the province's COVID-19 response totalled \$50.9 billion in spending commitments, as of March 31, 2021. Despite the magnitude of the funding, the Treasury Board Secretariat (Secretariat)—the central provincial body responsible for facilitating approval of funding requests from ministries and monitoring the status of spending against approved amounts—did not track:

- How much of the \$50.9 billion the province committed to as part of its COVID-19 response had been authorized for spending. The amounts shown in **Appendix 11**, totalling \$36.5 billion as of March 31, 2021, are based on our own analysis of more than 300 individual ministry business case submissions to the Treasury Board/Management Board of Cabinet from March 2020 to March 2021.
- How much of the \$36.5 billion in authorized funding for all COVID-19 initiatives, including \$11.2 billion for businesses, has been spent. As a result, the province does not know how much, in total, of the money it has committed to providing to businesses has actually been given to recipients. We requested spending information from the ministries responsible for delivering the five programs we audited, and noted that about \$3.4 billion, or 76%, of the \$4.5 billion authorized

amounts had been spent at the time of our audit (see **Figure 15**).

Lack of specific expenditure tracking and monitoring by the Secretariat was also noted in our Special Report on Management of Health-Related COVID-19 Expenditures that was issued in May 2021.

The Secretariat told us that it did not track spending because individual ministries were responsible for tracking amounts spent for each COVID-19 program or initiative they were delivering and it could request program expenditure information from individual ministries at any time. Individual ministries did track amounts spent and recorded the amounts in the province's Integrated Financial Information System (IFIS)—the information system that the province uses to record financial information, including revenues and expenditures. In addition, ministries were required to include program spending during the reporting quarter in their progress reports to the Treasury Board/Management Board of Cabinet (TB/MBC). **Figure 15** shows the breakdown of payments

made in the programs we audited by source of information.

RECOMMENDATION 7

To facilitate proper oversight in the province's COVID-19 spending, we recommend that the Treasury Board Secretariat compile COVID-19 program expenditure data from provincial ministries and report amounts spent against amounts authorized.

TREASURY BOARD SECRETARIAT RESPONSE

Since the beginning of the COVID-19 pandemic the government has been transparent about its finances, being the first jurisdiction in Canada to release a fiscal plan that reflected the potential impacts of the pandemic. The recently released 2021 Ontario Economic Outlook and Fiscal Review is the seventh financial update since the pandemic began, highlighting the government's

Figure 15: Spending by Ministries for Each Program Audited (\$ million)

Prepared by the Office of the Auditor General of Ontario

Program	Ministry	Approved Amount ¹	Per Ministry Records (Jul 31, 2021)	Per IFIS ² (Jul 31, 2021)
Ontario Small Business Support Grant	Ministry of Economic Development, Job Creation and Trade	3,450.00	2,960.00	2,934.99
Property Tax Rebate	Ministry of Finance	905.00	194.94	194.90
Energy Cost Rebate	Ministry of Energy		145.10	152.20
Ontario Together Fund	Ministry of Economic Development, Job Creation and Trade	100.00	40.66	40.63
Main Street Relief Grant (PPE rebates)		65.00	11.60	11.44
Digital Main Street		7.65	7.18	7.18
Total		4,527.65	3,359.48	3,341.34

1. Represents amounts approved from March 25, 2020 to August 31, 2021.

2. Integrated Financial Information System (IFIS) is the information system that the province uses to record financial information, including revenues and expenditures. Amounts represent payments from program inception to July 31, 2021. The discrepancies between the amounts in this column and the amounts per Ministry records result from the fact that the ministry records are updated in real time and reflect all payments made on a cash basis, whereas IFIS records include manual financial reporting adjustments for accruals (i.e., recovered payments not yet received or applications that are approved but not yet paid).

commitment to provide regular updates on Ontario's finances, even during this uncertain economic period.

Existing public fiscal publications (i.e., the Budget, Economic Outlook and Fiscal Review, and Quarterly Finances) include significant updates on COVID-19 spending projections on an aggregate basis. These are informed by quarterly ministry reporting. These publications provide updates to current initiatives, announce new initiatives, update the public on the fiscal and economic outlook, and are informed by quarterly ministry reporting. Sector information on actual spending, including narrative on COVID-19 specific spending, is included in the 2020/21 Public Accounts. The Secretariat will continue to leverage existing processes to track the expenditure of authorized funding of COVID-19 economic supports.

10.2 Program Results Not Publicly Communicated

Our review of the three action plans that the province released during the first year of the COVID-19 pandemic (see **Figure 6**) found that none of the plans contained clear and measurable outcomes for the province's COVID-19 economic support programs.

The three action plans were the primary way through which the province communicated to Ontarians how it intended to support the various sectors in the province such as health, education, social services, and the economy in response to the COVID-19 pandemic. We found that all three plans made general commitments intended to (1) protect people's health, and (2) support jobs and the economy. However, such broad commitments are difficult to measure.

Our audit found that most of the performance measures established for the programs we audited are outputs-based such as the number of applications received and approved, number of contracts awarded, and grant amounts paid out. As a result, the various ministries could not assess whether the

program achieved their objectives. The only outcome-based metric we identified was for the Digital Main Street Grant. For that, the Economic Development Ministry reported on the number of businesses that launched an online store after receiving support through the program.

We also noted that ministries reported on the results of the outputs-based performance measures through the quarterly progress reports submitted to TB/MBC, which were not publicly available. As a result, the public did not know how many businesses each economic support program helped.

Most Programs Provided No or Very Little Public Information about Results

We found that public information about program results was available for only two of the five programs we audited: the Ontario Together Fund and the Digital Main Street Grant.

For the Ontario Together Fund, the province periodically published news releases about projects. However, the news releases focused on events in the project lifecycle before completion; therefore, none of the releases contained information about actual results achieved. For example, the province released a news report on September 2, 2021 containing information about how a project would help ramp up capacity to produce PPE in the Hamilton area, months after the project had already paused because initial buyers for the contract backed out. The report did not contain information about this project's status or outcomes achieved even though the project had essentially concluded. For the Digital Main Street Grant, we noted the Ontario Business Improvement Area Association (OBIAA)—the organization responsible for delivering the program—produced marketing materials, which included mid-term progress reports that were publicly available. Our review of OBIAA's May 2021 progress report, *Keeping Small Business Connected*, found that the report included output-based statistics similar to those in the Economic Development Ministry's quarterly progress report such as number of grants issued and total value of grants. The report also included feedback

from grant recipients; for example, 99% of businesses that responded considered the program a success. However, the OBIAA report did not include program-level outcome-based statistics to demonstrate how the program contributed to helping small businesses increase their online presence.

OBIAA's May 2021 progress report on the Digital Main Street Grant also included examples of success stories, where business owners used the grant money to launch online stores, update their website, offer online classes, and carry out new marketing campaigns through social media, email and online advertising; many stories included results of the grant investment indicating it had increased their online presence.

In our review of the success stories, we noted examples of possible outcome-based indicators that the Economic Development Ministry could measure to assess the effectiveness of the program such as:

- the number of businesses that carried out new marketing campaigns and were able to establish or expand their social media presence;
- the percentage growth in website traffic, customer base, and sales through an online store; and
- savings and new jobs created from adopting technologies.

As discussed in **Section 2.1.2**, the COVID-19 pandemic demonstrated the importance of e-commerce in generating revenues when public health restrictions forced businesses to shut down their brick-and-mortar operations or limit their operating capacity. Therefore, an assessment of key outcomes from this program could provide the Economic Development Ministry valuable insight into the digital competencies of small businesses in Ontario to inform future longer-term programs.

RECOMMENDATION 8

So that the Province of Ontario can assess the effectiveness of its COVID-19 economic support and recovery initiatives for businesses, we recommend that the Treasury Board Secretariat:

- require ministries responsible for the economic support and recovery initiatives for Ontario's businesses to develop clear, measurable short and long-term objectives for the initiatives;
- establish outcome-based performance measures based on the objectives; and
- publicly report on the results.

TREASURY BOARD SECRETARIAT RESPONSE

Treasury Board Secretariat welcomes the Auditor General's recommendations and is committed to working with ministries to ensure they develop measurable short- and long-term objectives for programs/initiatives and establishing outcome-based performance measures. Ministries are responsible for the collection of information to monitor the programs'/ initiatives' performance.

Several Secretariat-led activities are already under way to further support performance measurement and evidence-based decision-making.

First, the Secretariat is implementing a Transfer Payment Performance Measurement Framework that will support granting ministries to develop stronger outcome-based performance measures for time-limited and discretionary transfer payment programs.

Second, the Secretariat is implementing a plan to proactively work with line ministries to improve the development of performance-monitoring plans and quantifiable performance measures in the business cases they prepare for Treasury Board/ Management Board of Cabinet.

In addition, the important role that program/ initiative-specific indicators play in business cases will form a portion of a new formal training program that is currently in development for Secretariat and line ministry staff.

Appendix 1: Chronology of Key Events and Restrictions Relating to Ontario's Response to COVID-19, January 25, 2020–June 30, 2021

Prepared by the Office of the Auditor General of Ontario based on data from Public Health Ontario and the Reopening Ontario websites and various other sources

Date	# of New COVID-19 Cases Reported	Events and Restrictions
Early months of the COVID-19 pandemic		
Jan 25, 2020	1	Toronto is the location of the first confirmed case of COVID-19 in Canada.
Mar 11, 2020	6	World Health Organization declares COVID-19 to be a pandemic.
Mar 17, 2020	12	Ontario declares a state of emergency until March 31, 2020 and: <ul style="list-style-type: none"> prohibits public gatherings of more than 50 people; and orders the closure of all private schools, licensed child-care centres, public libraries, indoor recreational facilities, bars and restaurants (except for takeout and delivery), and cinemas, theatres, and concert venues.
Mar 24, 2020	85	Province orders closure of non-essential businesses. List of essential businesses includes 74 types of businesses (e.g., food services [grocery stores], pharmacies, businesses that support power generation, natural gas distribution and clean drinking water, hotels, motels, transportation services including taxis and airplanes, farms and manufacturing businesses).
Mar 30, 2020	351	Province extends state of emergency to April 13 and orders closure of all outdoor recreational amenities province-wide.
Apr 27, 2020	424	Province releases A Framework for Reopening our Province (Reopening Framework). See Appendix 6 for details.
Gradual lifting of restrictions		
May 4, 2020	370	Some businesses permitted to open with restrictions: garden centres and nurseries with curbside pick-up and delivery only; auto dealerships, open by appointment only; golf courses may prepare their courses for the upcoming season, but not open to the public.
May 8, 2020	477	Garden centres and nurseries may open for in-store payment and purchases.
May 9, 2020	346	Hardware stores and safety supply stores may open for in-store payment and purchases.
May 11, 2020	308	Retail stores with a street entrance may offer curbside pickup and delivery.
May 16, 2020	391	Additional businesses permitted to open and measures loosened including: <ul style="list-style-type: none"> private parks and campgrounds may open to enable preparation for the season and to allow access for trailers and recreational vehicles whose owners have a full season contract; businesses that board animals, such as stables, may allow boarders to visit, care for or ride their animal.
A Framework for Reopening our Province		
May 19, 2020	427	All public health regions in Ontario move to Phase 2: Stage 1. Select workplaces are allowed to re-open, such as construction, certain retail, media operations, certain outdoor recreational amenities, certain training and sports competitions (without spectators), professional services, including those related to research and development, animal and regular veterinarian services, and household services.

Date	# of New COVID-19 Cases Reported	Events and Restrictions
Jun 12, 2020	182	<p>24 public health unit regions move to Stage 2, except for:</p> <ul style="list-style-type: none"> • Durham Region Health Department; • Haldimand-Norfolk Health Unit; • Halton Region Health Department; • Hamilton Public Health Services; • Lambton Health Unit; • Niagara Region Public Health Department; • York Region Public Health Services; • Peel Public Health; • Toronto Public Health; and • Windsor-Essex County Health Unit. <ul style="list-style-type: none"> • Additional businesses, including select personal care services, outdoor dine-in services at restaurants and bars, water recreational facilities, beach access and additional camping at Ontario Parks, are allowed to re-open. • Licensed daycare centres are allowed to reopen with limited capacity, and other rules. • Wedding and funeral services, rites or ceremonies at greater capacity and small outdoor events of up to 10 people can take place. • People encouraged to establish an exclusive group of up to 10 people (a social circle) who can interact and come in close contact with one another.
Jun 19, 2020	178	<p>Seven public health unit regions move to Stage 2:</p> <ul style="list-style-type: none"> • Durham Region Health Department; • Haldimand-Norfolk Health Unit; • Halton Region Health Department; • Hamilton Public Health Services; • Lambton Health Unit; • Niagara Region Public Health Department; and • York Region Public Health Services
Jun 24, 2020	163	Toronto Public Health and Peel Public Health regions move to Stage 2.
Jun 25, 2020	189	Windsor-Essex County Health region moves to Stage 2, except for the Municipality of Leamington and the Town of Kingsville (areas with higher transmission rates, including the agriculture and agri-food sector).
Jul 7, 2020	112	Municipality of Leamington and the Town of Kingsville (in Windsor-Essex County Health Unit) move to Stage 2.
Jul 17, 2020	111	<p>24 public health regions move to Stage 3, except for:</p> <ul style="list-style-type: none"> • Durham Region Health Department; • Haldimand-Norfolk Health Unit; • Halton Region Health Department; • Hamilton Public Health Services; • Lambton Health Unit; • Niagara Region Public Health Department; • York Region Public Health Services • Peel Public Health; • Toronto Public Health; and • Windsor-Essex County Health Unit. <p>Businesses and public spaces are allowed to open with public health restrictions in place. Higher-risk venues and activities (such as amusement parks and water parks, buffets, overnight camps, private karaoke rooms, saunas, steam rooms, and table games at casinos) remain closed.</p>

Date	# of New COVID-19 Cases Reported	Events and Restrictions
Jul 24, 2020	195	State of emergency ends. The following public health regions move to Stage 3: <ul style="list-style-type: none"> • Durham Region Health Department; • Haldimand-Norfolk Health Unit; • Halton Region Health Department; • Hamilton Public Health Services; • Lambton Health Unit; • Niagara Region Public Health Department; and • York Region Public Health Services
Jul 31, 2020	134	Toronto Public Health and Peel Public Health regions move to Stage 3.
Aug 12, 2020	95	Windsor-Essex County Health region moves to Stage 3.
Oct 10, 2020	809	Ottawa Public Health, Peel Public Health and Toronto Public Health regions move to a modified Stage 2, which prohibit indoor food and drink services and closes indoor gyms and fitness centres. Schools and child-care centres remain open.
Launch of Keeping Ontario Safe and Open: COVID-19 Response Framework (colour-coded framework)		
Nov 7, 2020	1,132	Province enters Keeping Ontario Safe and Open: COVID-19 Response Framework. See Appendix 7 for details.
Nov 23, 2020	1,589	Province places: <ul style="list-style-type: none"> • Toronto and Peel Public Health regions in Grey-Lockdown level. All restaurants (except for takeout and delivery), indoor sports and recreational facilities, personal care services, and other businesses are ordered closed. • Durham and Waterloo public health regions in Red-Control level. • Other public health regions in Orange-Restrict and Yellow-Protect levels with fewer restrictions. Some public health regions remain in Green-Prevent level.
Province-wide Shutdown		
Dec 26, 2020	2,142	Province enters strict province-wide shut down for 28 days beginning on Dec 26, 2020. Schools are to move to remote learning when students return from the winter break (January 2021). Province recommends that residents stay at home unless performing an essential activity (such as going to an essential workplace where remote work cannot be done, grocery shopping, or attending a medical appointment). Province advises against non-essential interregional travel.
Jan 12, 2021	2,903	Province declares a second state of emergency.
Jan 14, 2021	3,326	Province issues a stay-at-home order, requiring residents to remain at home except for permitted purposes.
Feb 9, 2021	1,022	The second state of emergency ends. Stay-at-home order remains in place.
Return to Keeping Ontario Safe and Open: COVID-19 Response Framework		
Feb 9, 2021	1,022	In-person shopping in the Grey-Lockdown level permitted in most retail settings, subject to public health measures, including 25% capacity limit.
Feb 10, 2021	1,072	Province lifts the stay-at-home order and moves the following public health regions to Green-Prevent level: <ul style="list-style-type: none"> • Hastings Prince Edward Public Health; • Kingston, Frontenac and Lennox & Addington Public Health; and • Renfrew County and District Health Unit

Date	# of New COVID-19 Cases Reported	Events and Restrictions
Feb 16, 2021	904	Province lifts the stay-at-home order for remaining 27 public health unit regions (except for Toronto Public Health, Peel Public Health, York Region Public Health and North Bay Parry Sound District public health unit regions).
Feb 22, 2021	1,058	Province lifts stay-at-home order for York Region Public Health and places it in the Red-Control level.
Mar 8, 2021	1,631	Province lifts stay-at-home order for Toronto Public Health and Peel Public Health regions and places both in the Grey-Lockdown level. Province lifts stay-at-home order for North Bay Parry Sound District region and places it in the Red-Control level.
Mar 20, 2021	1,829	Province allows restaurants in Grey-Lockdown level regions to have outdoor dining and adjusts dining capacity limits in the Red-Control and Orange-Restrict levels of the Framework.
Province-wide Emergency Brake		
Apr 3, 2021	3,009	Province imposes province-wide “emergency brake” that: <ul style="list-style-type: none"> • prohibits indoor organized public events and social gatherings, and limits the capacity for outdoor gatherings to five people, with limited exceptions; • prohibits indoor and outdoor dining; • limits capacity to 50% for supermarkets, grocery stores, convenience stores, and 25% for all other retail stores; and • other public health and workplace safety measures.
Apr 6, 2021	3,065	Peel Public Health Unit suspends in-person teaching and instruction in schools in Peel region.
Apr 7, 2021	3,215	Province declares third state-of-emergency. Toronto Public Health Unit suspends in-person teaching and instruction in schools in Toronto.
Apr 8, 2021	3,295	Province issues second province-wide stay-at-home order. Non-essential retail outlets are ordered to close for in-person shopping and discount and big box stores are limited to selling groceries, pet care supplies, household cleaning supplies, pharmaceutical items, health care items, and personal care items, amongst other public health measures.
Apr 12, 2021	4,401	Province announces that Ontario schools will move to remote learning following the spring break.
Roadmap to Reopen		
May 20, 2021	2,400	Province announces three-step plan to safely and cautiously reopen the province called the Roadmap to Reopen. See Appendix 8 for details.
Jun 2, 2021	733	Second stay-at-home order ends.
Jun 11, 2021	574	Province moves all public health regions to Step One of its Roadmap to Reopen.
Jun 30, 2021	184	Province moves all public health regions to Step Two of its Roadmap to Reopen.

Appendix 2: North American Industry Classification System (NAICS) Sector Definitions

Source of data: Statistics Canada

Sector	Establishments
Accommodation and food services	Provide short-term lodging and complementary services to travelers or vacationers. This sector also comprises establishments that are engaged in preparing meals, snacks and beverages to customers.
Administrative and support, waste management and remediation services	Support the day-to-day operations of other organizations or engage in waste management activities
Agriculture, forestry, fishing and hunting	Grow crops, raise animals, harvest timber, fish, and other animals from their natural habitats
Arts, entertainment and recreation	Operate facilities or provide services to meet the cultural, entertainment and recreational interests of their consumers
Construction	Construct, repair and renovate buildings
Educational services	Provide instruction/training in a wide variety of subjects
Finance and insurance	Facilitate financial transactions. This sector includes establishments that are primarily engaged in financial intermediation and pooling of risk by underwriting annuities and insurance.
Health care and social assistance	Provide health care by diagnosis and treatment, provide residential care for medical and social reasons, and provide social assistance, such as counselling, welfare, child protection, community housing and food services, vocational rehabilitation and child care.
Information and cultural industries	Produce and distribute information and cultural products. The main establishments of this sector include publishing industries, the motion picture and sound recording industries, the broadcasting industries, the telecommunications industries, and the data processing and hosting services industries.
Management of companies and enterprises	Manage companies and enterprises
Manufacturing	Chemical, mechanical, or physical transformation of materials or substances into new products
Mining, quarrying, and oil and gas extraction	Extract naturally occurring minerals
Other services	Not classified to any other sector, but primarily repair and maintain motor vehicles, machinery, and equipment. This sector also includes providing personal care services, funeral services, laundry services and other services to individuals, such as pet care and photo finishing; organizing and promoting religious activities; supporting various causes through grant-making, advocating (promoting) various social and political causes, and promoting and defending the interests of their members.
Professional, scientific and technical services	Engaged in activities requiring human capital as the input. These establishments use the knowledge and skills of their employees, e.g., legal services, engineering, accounting, computer systems design and scientific research.
Public administration	Engaged in activities of a governmental nature. This includes federal, provincial, and municipal government.
Real estate and rental leasing	Rent, lease, or use assets

Sector	Establishments
Retail trade	<p>Engaged in retailing merchandise. This sector comprises two main types of retailers:</p> <ul style="list-style-type: none"> • Store retailers operate fixed point-of-sale locations, located and designed to attract a high volume of walk-in customers through mass-media advertising and extensive displays. This includes grocery stores, beer, wine and liquor stores, and clothing and shoe stores. • Non-store retailers market merchandise through infomercials, direct-response advertising, traditional and electronic catalogues, door-to-door solicitation, in-home demonstration, temporary displaying of merchandise (stalls) and distribution by vending machines.
Transportation and warehousing	Engaged in transporting passengers and goods, warehousing, and storing goods
Utilities	Operate electric, gas and water utilities
Wholesale trade	<p>Wholesale merchandise to businesses and normally operate from a warehouse or office. This sector comprises two main types of wholesalers: merchant wholesalers that sell goods on own account and wholesale electronic markets, agents, and brokers that arrange sales and purchases for others generally for a commission or fee</p>

Appendix 3: Number of Businesses in Ontario by Sector¹ and Size, December 2019

Source of data: Statistics Canada

	# of Small Businesses ²	# of Medium Businesses ²	# of Large Businesses ²	All #	% of Total Businesses	% of Ontario's Gross Domestic Product
Accommodation and food services	30,147	527	32	30,706	6	2.12
Administrative and support, waste management and remediation	19,837	759	124	20,720	4	3.39
Agriculture, forestry, fishing and hunting	8,834	105	6	8,945	2	0.92
Arts, entertainment and recreation	6,159	231	40	6,430	1	0.85
Construction	49,887	492	32	50,411	10	6.78
Educational services	5,566	152	124	5,842	1	5.75
Finance and insurance	17,030	292	67	17,389	4	9.15
Health care and social assistance	44,830	1,038	148	46,016	10	7.37
Information and cultural industries	7,273	258	34	7,565	2	3.35
Management of companies and enterprises	1,963	305	126	2,394	<1	0.60
Manufacturing	18,827	1,416	142	20,385	4	11.98
Mining, quarrying, and oil and gas extraction	700	31	18	749	<1	0.88
Other services	40,068	228	18	40,314	8	1.93
Professional, scientific and technical services	63,883	562	70	64,515	13	7.42
Public administration	936	260	98	1,294	<1	7.33
Real estate and rental and leasing	21,339	148	10	21,497	4	13.01
Retail trade	50,755	1,293	21	52,069	11	4.91
Transportation and warehousing	30,795	423	68	31,286	7	4.3
Wholesale trade	20,986	539	50	21,575	4	6.05
Utilities	491	33	10	534	<1	1.92
Unclassified ³	33,716	44	3	33,763	7	Unknown
Total	474,022	9,136	1,241	484,399	100	

Note: The information contained in this figure is only reflective of the data that is available by sector published by Statistics Canada and may not include all sectors as listed on Appendix 2.

1. See Appendix 2 for a description of each sector.

2. Small businesses are those with one to 99 employees. Medium-sized businesses have 100 to 499 employees. Large businesses have 500 or more employees.

3. Composed of businesses that have not been coded to a specific sector.

Appendix 4: Number of Employees in Ontario by Sector,¹ December 2019

Source of data: Statistics Canada

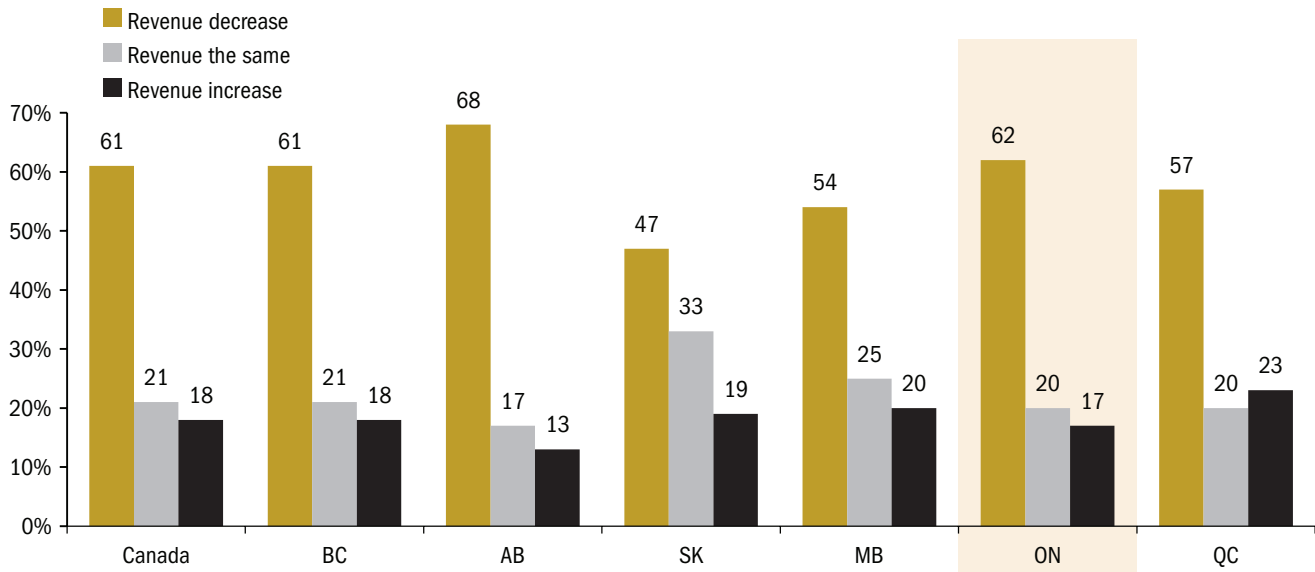
	# of Full-time ² Employees (000)	# of Part-time ³ Employees (000)	All Employees	
			# (000)	% of All Employees
Wholesale and retail trade	762.1	322	1,084.10	15
Health care and social assistance	712.7	187.8	900.5	12
Manufacturing	731.3	30.2	761.5	10
Professional, scientific and technical services	582.8	85.2	668	9
Finance, insurance, real estate, rental and leasing	531.4	59.1	590.4	8
Educational services	408.8	132	540.8	7
Construction	502.9	37.1	540	7
Accommodation and food services	249.1	199.7	448.9	6
Transportation and warehousing	337.3	58.4	395.7	5
Public administration	352.3	20.8	373	5
Business, building and other support services	241.8	70.8	312.6	4
Other services (except public administration)	233.4	65.5	298.8	4
Information, culture and recreation	205.5	91.3	296.8	4
Agriculture	59.8	15.2	75	1
Utilities	54.7	0.9	55.6	<1
Forestry, fishing, mining, quarrying, oil and gas	34.5	0.6	35.1	<1
Total	6,000.4	1,376.6	7,376.8	100

Note: The information contained in this Appendix is only reflective of the data that is available by sector published by Statistics Canada and may not include all sectors as listed on **Appendix 2**.

1. See **Appendix 2** for a description of each sector.
2. Defined as employees who work 30 hours or more per week at their main or only job.
3. Defined as employees who work less than 30 hours per week at their main or only job.

Appendix 5: Revenue Impact Due to COVID-19 on Percentage of Businesses in Canada and Select Provinces*

Source of data: Statistics Canada



* Does not reflect federal or provincial financial assistance during COVID-19.

Appendix 6: A Framework for Reopening Our Province, May 19–November 6, 2020

Prepared by the Office of the Auditor General of Ontario

Stage*	Allowable Activities and Operations
1.	<ul style="list-style-type: none"> • Retail services that are not in shopping malls and have separate street-front entrances with measures in place that can enable physical distancing, such as limiting the number of customers in the store at any one time and booking appointments beforehand or on the spot • Seasonal businesses and recreational activities for individual or single competitors, including training and sport competitions conducted by a recognized national or provincial sport organization. This includes indoor and outdoor non-team sport competitions that can be played while maintaining physical distancing and without spectators, such as tennis, track and field, and horse racing • Animal services, specifically pet care services, such as grooming and training, and regular veterinary appointments • Indoor and outdoor household services that can follow public health guidelines, such as housekeepers, cooks, cleaning and maintenance • Lifting essential workplace limits on construction • Allowing certain health and medical services to resume, such as in-person counselling and scheduled surgeries based on the ability to meet pre-specified conditions as outlined in A Measured Approach to Planning for Surgeries and Procedures During the COVID-19 Pandemic, as well as resuming professional services such as shifting Children's Treatment Centres from virtual to in-person • Some outdoor recreational amenities, including outdoor sports facilities and multi-use fields, off-leash dog areas, and outdoor picnic sites, benches and shelters in parks and recreational areas • Drive-in religious gatherings
2.	<ul style="list-style-type: none"> • Outdoor dine-in services at restaurants, bars and other establishments, including patios, curbside, parking lots and adjacent properties are allowed • Select personal and personal care services, including tattoo parlours, barber shops, hair salons and beauty salons are allowed to open • Shopping malls may open including food services for take-out and outdoor dining only • Tour and guide services, such as bike, walking, bus and boat tours, as well as tasting tours for wineries, breweries and distilleries are allowed to operate • Water recreational facilities such as swimming pools and outdoor splash pads and wading pools • Beach access and additional camping at Ontario Parks, as well as camping at private campgrounds • Outdoor-only recreational facilities and training for outdoor team sports, with limits to enable physical distancing • Drive-in and drive-through venues for theatres, concerts, animal attractions and cultural appreciation, such as art installations • Film and television production activities, with limits to enable physical distancing • Weddings and funerals, with limits on social gatherings to 10 people
3.	<ul style="list-style-type: none"> • Indoor gathering limits will increase to a maximum of 50 people • Outdoor gathering limits will increase to a maximum of 100 people • Gathering limits remain subject to physical distancing requirements • Public gathering limits apply to indoor and outdoor events, such as community events or gatherings, concerts, live shows, festivals, conferences, sports and recreational fitness activities, fundraisers, fairs, festivals or open houses. A two-metre distance must still be maintained at such events

- Opening sport and recreational fitness facilities (the total number of people permitted in areas containing weights or exercise machines is limited to the number of people that can maintain physical distancing of at least two metres, which cannot exceed the indoor gathering limit of 50 people)
- The total number people permitted in classes or organized activities at any one time is limited to the number of people that can maintain physical distancing of at least two metres, and cannot exceed the indoor gathering limit of 50 people or the outdoor limit of 100
- Higher-risk places and activities are still prohibited: amusement and water parks; buffet-style food services; dancing at restaurants and bars, other than by performers hired by the establishment following specific requirements; overnight stays at camps for children; private karaoke rooms; prolonged or deliberate contact while playing sports; saunas, steam rooms, bath houses and oxygen bars; and table games at casinos and gaming establishments

Note: The province directed the public to contact their local Public Health Units for further restrictive measures and/or explanations on the easing of restrictions. Chart is not an exhaustive list of all restrictions and is presented as a summary of select businesses and measures put in place.

* The transition between stages depended on a consistent two-to-four week decrease in the number of new daily COVID-19 cases.

Appendix 7: Keeping Ontario Safe and Open: COVID-19 Response Framework, November 7, 2020–April 3, 2021

Prepared by the Office of the Auditor General of Ontario

Restrictions			
	Public events and social gatherings	Sports and recreational fitness facilities, meetings and event spaces	Restaurants, grocery and retail stores
Green (Prevent)	<p>Events and gatherings not in staffed businesses and facilities: Indoor: 10 people Outdoor: 25 people</p> <p>Events and gatherings in staffed businesses and facilities: Indoor: 50 people Outdoor: 100 people</p>	<p>Sports and Recreational Fitness:</p> <ul style="list-style-type: none"> • Maximum of 50 people indoors or 100 people outdoors in classes • Maximum of 50 people indoors in area with weights or fitness or exercise equipment • Maximum of 50 spectators indoors or 100 spectators outdoors • Capacity limits applied on a per room basis if operating in compliance with a plan approved by the Office of the Chief Medical Officer of Health <p>Meeting and Event Spaces:</p> <ul style="list-style-type: none"> • Maximum of 50 people indoors or 100 people outdoors; exceptions for wedding, funeral and religious services, rites or ceremonies • Maximum of 50 people per room indoors if venue operates in accordance with the approved plan from the Office of the Chief Medical Officer of Health 	Open with physical distancing and face coverings

Restrictions		
	Public events and social gatherings	Sports and recreational fitness facilities, meetings and event spaces
Yellow (Protect)	<p>Events and gatherings not in staffed businesses and facilities: Indoor: 10 people Outdoor: 25 people</p> <p>Events and gatherings in staffed businesses and facilities: Indoor: 50 people Outdoor: 100 people</p>	<p>Sports and Recreational Fitness:</p> <ul style="list-style-type: none"> Maximum of 50 people indoors or 100 people outdoors in classes (10 people per room indoors, 25 outdoors) Maximum of 50 people indoors in area with weights or fitness or exercise equipment Maximum of 50 spectators indoors or 100 spectators outdoors Capacity limits applied on a per room basis if operating in compliance with a plan approved by the Office of the Chief Medical Officer of Health <p>Meeting and Event Spaces:</p> <ul style="list-style-type: none"> Measures from previous levels (Green-Prevent) and: Establishments must be closed from 12 a.m. to 5 a.m. Require contact information for all seated patrons Limit of six people may be seated together <p>Restaurants, grocery and retail stores</p> <p>Restaurants: Indoor dining limited to six people at one table</p> <p>Retail stores: Open with physical distancing and face coverings</p>
Orange (Restrict)	<p>Events and gatherings not in staffed businesses and facilities: Indoor: 10 people Outdoor: 25 people</p> <p>Events and gatherings in staffed businesses and facilities: Indoor: 50 people Outdoor: 100 people</p>	<p>Sports and Recreational Fitness:</p> <ul style="list-style-type: none"> Maximum of 50 people total in areas with weights and exercise machines and all classes (10 people per room indoors, 25 outdoors) <p>Sports and Recreational Fitness</p> <ul style="list-style-type: none"> Maximum of 50 people total indoors in areas with weights and exercise machines and all classes <p>Meeting and Event Spaces:</p> <p>Measures from previous levels and:</p> <ul style="list-style-type: none"> Maximum of 50 people indoors per facility Establishments must be closed from 10 p.m. to 5 a.m. Limit of four people may be seated together Screening of patrons is required, in accordance with instructions issued by the Office of the Chief Medical Officer of Health <p>Restaurants: Maximum number of patrons permitted to be seated indoors is 50. Limit of four people may be seated together</p> <p>Retail stores: Open with physical distancing and face coverings</p>

Restrictions			
	Public events and social gatherings	Sports and recreational fitness facilities, meetings and event spaces	Restaurants, grocery and retail stores
Red (Control)	Indoor: 5 people Outdoor: 25 people	<p>Sports and Recreational Fitness:</p> <ul style="list-style-type: none"> Maximum of 10 people indoors or 25 people outdoors in classes 10 people indoors in areas with weights or exercise equipment <p>Meeting and Event Spaces:</p> <p>Measures from previous levels and:</p> <ul style="list-style-type: none"> Maximum of 10 people per facility indoors or 25 people outdoors 	<p>Restaurants: Maximum number of patrons permitted to be seated indoors is 10</p> <p>Retail stores: Open with physical distancing and face coverings</p>
Grey (Lockdown)	Indoor: Only with members of same household Outdoor: 10 people	Closed, with limited exceptions	<p>Restaurants: Indoor and outdoor dining closed</p> <p>Retail stores: Retail generally permitted to be open for curbside pick-up or delivery only (in-person retail shopping not permitted) with some exceptions:</p> <ul style="list-style-type: none"> Supermarkets, grocery stores, convenience stores, hardware stores, other retailers selling groceries, beer/wine and liquor stores, pharmacies and safety supply stores permitted to be open for in-person shopping 50% capacity limits where in-person shopping is permitted Motor/recreational vehicle sales permitted to be open for in-person shopping by appointment only and other restrictions Garden centres, plant nurseries: indoor by appointment. Permitted if public remains outdoors or by curbside pick-up or delivery Outdoor markets, including farmer's markets and holiday markets, permitted with restrictions

Restrictions			
	Public events and social gatherings	Sports and recreational fitness facilities, meetings and event spaces	Restaurants, grocery and retail stores
Province-wide Shutdown¹	Indoor social gatherings and organized public events are prohibited, except with members of same household, with limited exceptions	Closed, with limited exceptions	<p>Restaurants: Indoor and outdoor dining closed for in person. Curbside and delivery allowed</p> <p>Non-essential retail: Closed for in-person shopping in most retail settings. Curbside pick-up and delivery allowed between 7 a.m. and 8 p.m. (delivery from 6 a.m. to 9 p.m.)</p> <p>Essential retail stores: 50% capacity; discount and big box retailers selling groceries at 25% capacity</p>
Stay-at-Home Order²	All Ontarians must remain at home except for essential activities (e.g., going to the grocery store or pharmacy, accessing health-care services)		

Note: Changes were made to measures in the levels throughout the time period it was in effect. The chart is not an exhaustive list of all restrictions and changes and is presented as a summary of select sectors and measures put in place.

1. The Province-wide Shutdown is not explicitly referenced in the Framework. A list of the restrictions in place during the shutdown can be found in Schedules 1 through 5 (Shutdown Zone) of Regulation 82/20 under the *Reopening Ontario (A Flexible Response to COVID-19) Act, 2020*. Note that these restrictions evolved over the period of the shutdown. The Province-wide Shutdown was effective from December 26, 2020 to February 10, 2021.
2. The Stay-at-Home Order is not part of the Framework, but has been included in this chart for reference purposes. Full list of essential activities can be found under the *Emergency Management and Civil Protection Act* and its Regulation 11/21.

Appendix 8: Steps in Ontario's Roadmap to Reopen, June 11, 2021

Prepared by the Office of the Auditor General of Ontario

	Step 1	Step 2	Step 3
Criteria	60% of adults with one dose of the vaccine	70% of adults with one dose of the vaccine and 20% of adults fully vaccinated	70%–80% of adults with one dose of the vaccine and 25% of adults full vaccinated
Gatherings and organized public events	Indoor gatherings only with members of same household Outdoor gatherings limited to 10 people	Indoor gatherings limited to five people Outdoor gatherings limited to 25 people	Indoor social gatherings and organized public events limited to 25 people Outdoor social gatherings and organized public events limited to 100 people
Hotels, motels, lodges and resorts	Open with indoor recreational facilities (pools and gyms) closed	Open with indoor recreational facilities (pools and gyms) closed	Indoor recreational facilities (pools and gyms) are open with restrictions
Meeting and event spaces	Closed except for certain purposes including social services, government operations, court services, in-person examinations for select professions (subject to conditions)	Indoor spaces closed, except for certain purposes, such as viewing for potential booking of future event Outdoor spaces open at 25% capacity	Indoor spaces open with 50% capacity limit or 1,000 (whichever is less)
Restaurants and bars	Indoor dining prohibited. Outdoor dining limited to four people from different households in each table	Outdoor dining limited to six people from different households in each table	Indoor and outdoor dining permitted with capacity limited to permit physical distancing of two metres and no limits on the number of patrons per table
Retail	Essential and select retail: 25% capacity Non-essential: 15% capacity, retail stores in malls closed	Essential: 50% capacity Non-essential: 25% capacity, stores in malls open	Essential and non-essential retail with capacity limited to permit physical distancing of two metres
Personal care services	Closed	Open at 25% capacity for services where face coverings can be worn at all times	Open with limited capacity to permit physical distancing of two metres
Photography services	Outdoor and by appointment only	Outdoor and limited indoor open with restrictions	Outdoor and indoor open with restrictions
Performing arts	Indoor: Closed Outdoor: Open for rehearsing or performing a recorded or broadcasted event—limited to 10 people, spectators not permitted	Indoor: Only for rehearsing or performing a recorded or broadcasted event—spectators not permitted Outdoor: Open with spectator capacity at 25%	Indoor: Open with 50% capacity limit or 1,000 people (whichever is less) Outdoor: Open with 75% capacity limit or 5,000 people for unseated events (whichever is less) and up to 75% capacity limit or 15,000 people for events with fixed seating (whichever is less)

	Step 1	Step 2	Step 3
Museums and attractions	Outdoor museums, galleries, zoos, landmarks, historic sites, botanical gardens, and similar outdoor attractions open with capacity limited to 15% for ticketed areas and other restrictions	Outdoor museums, galleries, zoos, landmarks, historic sites, botanical gardens, and similar outdoor attractions open with capacity limited to 25% and other restrictions Outdoor amusement parks and waterparks open with capacity limited to 25% and other restrictions, including on rides	Museums, galleries, historic sites, aquariums, zoos, landmarks, botanical gardens, science centres, amusement parks, fairs and rural exhibitions, festivals, are open with capacity limited to 50% indoors and 75% outdoors

Note: Chart is not an exhaustive list of all sectors and restrictions. Please note that changes were made to measures in Step 3 since the time of our audit. Full list of restrictions can be found under the *Reopening Ontario (A Flexible Response to COVID-19) Act, 2020* and its Regulations 82/20, 263/20, 364/20.

Appendix 9: Table Members, August 30, 2021

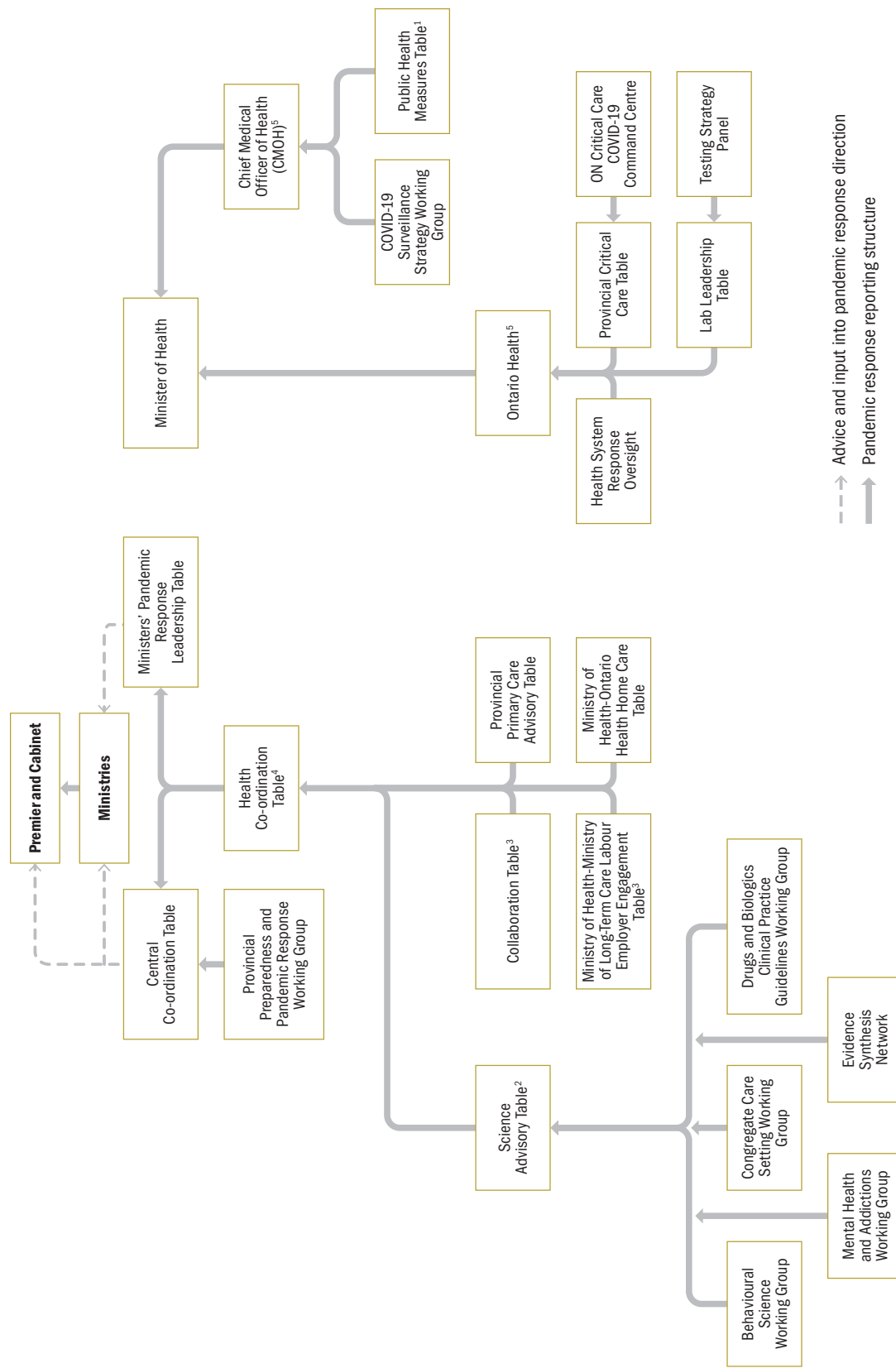
Prepared by the Office of the Auditor General of Ontario

Position	Role in Government
Central Co-ordination Table*	
2 Co-chairs	Secretary of the Cabinet
	Premier's Chief of Staff
14 Members	Deputy Minister of Health (also Deputy Minister lead for Health Coordination Table)
	Deputy Minister of Government and Consumer Services (also Deputy Minister lead for Supply Chain Coordination Table)
	Deputy Minister of Municipal Affairs and Housing (also Deputy Minister lead for Public Safety Coordination Table)
	Deputy Minister of Communications, Cabinet Office
	Deputy Minister of Policy and Delivery, Cabinet Office
	Chief Digital and Data Officer and Deputy Minister of Ontario Digital Service
	Deputy Minister of Finance
	Deputy Minister of Treasury Board Secretariat
	Deputy Minister of Intergovernmental Affairs
	Deputy Solicitor General, Community Safety
	Deputy Minister of Long-Term Care
	Deputy Minister of Education
	Deputy Minister of Labour, Training and Skills Development
	Deputy Minister of Indigenous Affairs
Health Co-ordination Table	
3 Co-chairs	Deputy Minister, Ministry of Health
	President and CEO, Ontario Health
	Chief Medical Officer of Health, Ministry of Health
12 Members	Deputy Minister, Ministry of Long-Term Care
	Deputy Minister, Ministry of Seniors and Accessibility
	Assistant Deputy Minister, Cabinet Office
	Chief Coroner for Ontario, Ministry of the Solicitor General
	Acting President and CEO, Public Health Ontario
	Vice President, Public Health Ontario
	President and CEO, University Health Network
	Director, University of Toronto Joint Centre for Bioethics
	Executive VP Patient Care Services & COO, Trillium Health Partners
	President and CEO, William Osler Health System
	Associate Deputy Minister, Pandemic Response and Recovery
	Associate Deputy Minister, Health Services

Position	Role in Government
Ministers' Pandemic Response Leadership Table	
2 Co-chairs	Deputy Premier and Minister of Health
	Minister of Long-Term Care
10 Members	Deputy Minister, Ministry of Health
	Deputy Minister, Ministry of Long-Term Care
	Chief Medical Officer of Health, Ministry of Health
	President and CEO, Ontario Health
	Associate Deputy Minister, Ministry of Health
	Associate Deputy Minister, Ministry of Health
	Associate Deputy Minister, Ministry of Long-Term Care
	Chief of Staff, Minister's Office, Health
	Chief of Staff, Minister's Office, Long-Term Care
	Special Advisor to Chief of Staff, Office of the Premier

* This list does not include other ad hoc observers and/or invitees from the Premier's Office, Cabinet Office, Minister's Offices and ministries.

Source of data: Ministry of Health



1. Advised the CMOH regarding restrictions to prevent or slow the transmission of COVID-19. Members included select local medical officers of health and representatives from Public Health Ontario and the Ministry of Health.
2. Provides a summary of important scientific evidence for the Health Co-ordination Table, integrating inputs from existing tables, Ontario's universities and agencies, and the best global evidence, including modelling estimates and infectious disease and clinical care.
3. Provides venue for the Ministry of Health to consult with a wide range of external partners on COVID-19 policies and emerging issues, and to solicit advice and varied perspectives from the field.
4. Table to inform their decision-making related to policy and programs.
5. Ontario Health and CMOH report information into the Health Co-ordination Table, but this is not a direct reporting relationship.

Appendix 11: Approved COVID-19 Initiatives by Ministry, March 2020–March 2021

Prepared by the Office of the Auditor General of Ontario based on data provided by the Treasury Board Secretariat

Date approved	Category	Description	Amount approved (\$ million)
Agriculture, Food and Rural Affairs			
Mar 25, 2020	Health	Enhanced cleaning and customer screening at Ontario Food Terminal	0.35
Mar 25, 2020	Public Sector/Wider emergency measures	Training additional food safety inspectors (meats, dairy and livestock community sales)	0.15
Apr 28, 2020	Businesses	Enhancement to AgriStability program (a support program for farmers)	39.50
May 21, 2020 Feb 9, 2021	Businesses	Agri-Food Supply Chain Sustainability Fund to deal with the acute and immediate issues disrupting the food supply chain	27.50
Jun 25, 2020	Businesses	Enhancement to Production Insurance program to expand coverage to production losses due to insufficient labour	13.00
Jul 9, 2020	Businesses	Increase for ongoing support for the Ontario Risk Management Program (another support program for farmers)	50.00
Sep 1, 2020	Businesses	Ontario's contribution to the federal Emergency On-Farm Support Fund for agri-food sector workplace protection	15.00
Total			145.50
Attorney General			
Mar 25, 2020	Public Sector/Wider emergency measures	Increased use of virtual courts and extended hours for video bail hearings	7.00
Mar 25, 2020	Health	Enhanced cleaning of courtrooms and tribunals	6.00
Jul 21, 2020 Dec 15, 2020	Public Sector/Wider emergency measures	Support for Alcohol Gaming Commission of Ontario due to decreased revenues from the horse racing, gaming and cannabis industries	35.70
Jul 21, 2020	Public Sector/Wider emergency measures	Support for operating pressures faced by Legal Aid Ontario (partial offset from federal government)	30.00
Total			78.70
Children, Community and Social Services			
Mar 16, 2020 Mar 25, 2020	Health	Prevention and containment measures in residential facilities that deliver Developmental Services, Gender-based Violence, and Children and Youth in Care programs	40.00
Mar 25, 2020	Public Sector/Wider emergency measures	Supports for Indigenous transfer payment partners	10.00
Mar 25, 2020	Public Sector/Wider emergency measures	Maintain operating capacity and implement preventative measures to support ongoing custody of and care for children in the Youth Justice, and Child and Parent Resource Institute	18.30
Apr 17, 2020 Apr 22, 2020 May 21, 2020 Oct 27, 2020	Individuals	Canada Emergency Response Benefit (CERB) Social Assistance Treatment of savings for applicants receiving federal CERB, Ontario Works and Ontario Disability Support Program emergency benefit for those applicants that did not meet requirements of CERB and savings as a result of Transition from Employment Insurance/Canada Recovery Benefits	115.50
Apr 24, 2020	Individuals	Pandemic pay for front-line workers in residential facilities	93.28
Aug 24, 2020	Public Sector/Wider emergency measures	Social Assistance Recovery Plan	46.78
Total			323.86

Date approved	Category	Description	Amount approved (\$ million)
Colleges and Universities			
Mar 20, 2020	Individuals	Six-month pause in collection of Ontario Student Assistance Program (OSAP) payments	20.00
Mar 25, 2020	Education	Support for research and innovation regarding COVID-19	20.00
Oct 6, 2020 Oct 27, 2020	Education	Support for micro-credentials, research and virtual learning	97.50
Jan 19, 2021	Education	Support for financially vulnerable post-secondary institutions	121.40
Total			258.90
Economic Development, Job Creation and Trade			
May 21, 2020	Businesses	Support small businesses create and enhance their online presence through the Digital Main Street Grant ¹	7.65
May 21, 2020	Businesses	Digital Export Market Development Initiative	6.10
Mar 25, 2020	Businesses	Ontario Together Fund to provide grants to businesses, organizations and communities so they can provide essential goods and services for critical health, safety and security ¹	50.00
Sep 29, 2020	Businesses	Support small businesses with cost of PPE through Main Street Relief Grant program ¹	65.00
Jan 19, 2021	Businesses	Support small businesses impacted by shutdowns through the Ontario Small Business Support Grant ¹	1,700.00
Mar 12, 2021	Public Sector/Wider emergency measures	Third-party non-consulting services to review high-risk applications for the Ontario Small Business Support Grant program ¹	4.22
Total			1,832.97
Education			
Mar 20, 2020	Health	Enhanced cleaning protocols for school boards, school authorities, hospital boards and child care centres to address higher costs of cleaning and custodial workers overtime for evening and weekend cleaning	4.60
Mar 25, 2020	Education	One-time support to help parents with the costs of workbooks, educational apps, educational subscription services, movies and other tools to support learning at home	335.80
Mar 25, 2020 Jan 8, 19, 22, 2021	Education	Emergency child care for parents who are front-line workers (health care, police, fire fighters and correctional officers)	205.70
Mar 25, 2020	Public Sector/Wider emergency measures	One-time deferral of quarterly municipal education property tax payments	1,800.00
Apr 30, 2020 Jun 11, 2020 Jul 21, 2020 Nov 17, 2020	Education	Support for child care centres and early year programs	1,765.70
May 15, 2020	Education	Expanded summer learning programs	57.10
Jun 9, 2020	Education	Student computers and technology updates and mental health supports	25.10
Jun 25, 2020 Mar 30, 2021	Education	Support for demonstration schools who serve students with severe learning disabilities	11.70
Aug 26, 2020	Education	Support safe reopening of schools for 2020–21 school year, in-person learning	381.00
Total			4,586.70

Date approved	Category	Description	Amount approved (\$ million)
Environment, Conservation and Parks			
Mar 25, 2020	Public Sector/Wider emergency measures	Ensure continuity of operations at water and wastewater treatment plants in rural and Indigenous areas	5.59
May 21, 2020	Public Sector/Wider emergency measures	One-time funding to support food rescue organizations	4.50
Sep 15, 2020	Public Sector/Wider emergency measures	Ontario Parks fee deferrals/reductions/refunds for 2020	1.26
Total			11.35
Finance			
Mar 1, 2020	Individuals	Double Guaranteed annual income system benefit for six months from Apr to Sep 2020 for low-income seniors	75.0
Mar 25, 2020	Health	Non-profit long-term-care home property tax exemption for municipalities	3.90
	Businesses	Doubling the Employer Health Tax exemption from \$490,000 to \$1 million for 2020 for eligible private-sector employers	355.00
	Businesses	Regional Opportunities Investment Tax Credit (10% refundable corporate income tax credit) for businesses that construct, renovate or acquire qualifying commercial and industrial buildings in designated regions of the province	145.00
	Businesses	Five-month interest and penalty free period provincially administered business tax ^{2,3} beginning Apr 1, 2020, to Aug 2020	6,000.00
	Businesses	Six-month WSIB premium deferral and interest and penalty free period ¹ for employers up to Aug 31, 2020	1,900.00
Apr 23, 2020	Businesses	Small business and commercial property owner rent relief—Ontario's contribution in cost sharing agreement with federal government for Canada Emergency Commercial Rent Assistance	241.20
Jul 22, 2020	Public Sector/Wider emergency measures	Support for municipalities and Transit Systems Ontario's contribution in a cost sharing agreement with the federal government for the Safe Restart Framework	1,777.20
Total			10,497.30
Finance and Energy, Northern Development and Mines			
Mar 23, 2020 May 1, 2020 Feb 2, 9 2021	Individuals	Electricity rate reductions—application of Time-Of-Use electricity rate for all periods of the day effective Mar 24, 2020 to Feb 22, 2021	749.00
Mar 25, 2020 Mar 23, 2021	Individuals	Low-income Electricity Energy Assistance Program: Residential for households to help those who are having difficulty paying their natural gas or electricity bills	40.00
Apr 20, 2020 Dec 8, 2020	Businesses	Global Adjustment Deferral and Reduction from Apr 2020 to Jun 2020 for commercial and industrial consumers which will be recovered starting in Jan 2021 over a 12-month period	7.00
Nov 3, 2020 Nov 20, 2020 Mar 23, 2021	Businesses	Assistance for Businesses: Property Tax and Energy Rebates a time-limited property tax and energy cost rebate program (which would include electricity, natural gas, propane and heating oil costs) for businesses under Red "control" or Grey "lockdown" categories ¹	600.00
Total			1,396.00

Date approved	Category	Description	Amount approved (\$ million)
Government and Consumer Services			
Mar 25, 2020	Public Sector/Wider emergency measures	Uninterrupted government service delivery funding in key business areas	37.00
Apr 7, 2020 May 21, 2020 Jul 21, 2020 Dec 15, 2020 Mar 9, 2021	Public Sector/Wider emergency measures	Funding to address pressures related to the pandemic (\$6.6 million), Bereavement Authority of Ontario (\$5.4 million), ServiceOntario Recovery Strategy and Retail Strategy (\$4.2 million), and to waive the 20-21 oversight fee for the TSSA to enable fee relief for the amusement and ski sectors (\$5.2 million) Expenditure increase of \$0.5million in 2020/21 to provide an abatement (grant) of up to 75% of the monthly rent or licence fees and related interest owed by the General Real Estate Portfolio (GREP) / Transmission Corridor Program (TCP) tenants for the period from Apr 1 to Sep 30, 2020 (\$1 million) including interest on deferred rent up to Feb 28, 2021 (\$0.5 million)	22.90
Apr 28, 2020 Feb 9, 2021 Mar 30, 2021	Health	Centralized procurement of non-health PPE funding within the Ministry and other ministries. Includes masks, hand sanitizer, face shields and cleaning supplies for government owned properties. ⁴	657.11
Dec 15, 2020	Health	Procurement of PPE and CSE for non-health entities	325.20
Dec 15, 2020 Mar 24, 2021	Health	Procurement of warehousing and transportation of non-health PPE and CSE through non-competitive procurement	60.05
Total			1,102.26
Heritage, Sport, Culture and Tourism Industries			
Oct 6, 27 2020 Jan 12, 2021	Public Sector/Wider emergency measures	Support agencies and attractions for nine provincial entities at risk of insolvency due to closures and slowdown of tourism (\$55.8 million) and Ontario's contribution of federal COVID-19 Emergency Support Fund for Cultural, Heritage and Sport Organizations (\$7.86 million) and Sport Canada Program (\$0.4 million)	64.07
Mar 16, 2021	Public Sector/Wider emergency measures	Measures to support provincial tourism agencies and attractions (\$5.49 million), Sport Initiatives (\$8.05 million) and museum and agencies' digital capacity (\$2 million) for 2020/21	15.54
Mar 30, 2021	Public Sector/Wider emergency measures	Support the Ontario Hockey League (\$11.5 million) and other professional and elite amateur sport leagues (\$13.5 million)	25.00
Total			104.61
Indigenous Affairs			
Mar 16, 2020	Health	Transportation of health professionals and distribution of supplies	4.00
Mar 20, 2020 Mar 25, 2020	Health	Pandemic planning and emergency management with a focus on NAN/remote communities (\$4.3 million), Enhanced urban Indigenous community supports (\$4 million), Indigenous community awareness and prevention (\$2 million)	10.30
Mar 25, 2020	Health	Indigenous self-isolation facilities	2.10
May 21, 2020	Businesses	Indigenous small- and medium-sized enterprise support available to Aboriginal Financial Institutions (AFIs) through the Indigenous Economic Development Fund	10.00
Total			26.40

Date approved	Category	Description	Amount approved (\$ million)
Infrastructure			
May 21, 2020	Public Sector/Wider emergency measures	Municipal, housing and health-care provider borrowing costs relief through Ontario Infrastructure and Lands Corporation Loan Program Deferral	1.00
Total			1.00
Labour, Training and Skills Development			
Mar 25, 2020 Jan 12, 2021 Mar 23, 2021	Individuals	Employment Ontario employment and training initiatives designed to support vulnerable groups Skills Development Fund initiatives to provide rapid re-skilling and to enhance digital infrastructure	719.40
Aug 5, 2020 Oct 20, 2020	Public Sector/Wider emergency measures	Enhance enforcement of <i>Occupational Health and Safety Act</i> in industrial and health-care sectors	17.10
Total			736.50
Municipal Affairs and Housing			
Apr 24, 2020	Individuals	Pandemic pay for Ontario works and Ontario Disability Support Program service managers	15.10
Jun 4, 2020	Public Sector/Wider emergency measures	Ontario's contribution in cost-sharing Safe Restart agreement with federal government to support municipalities	250.00
Jan 12, 2021	Public Sector/Wider emergency measures	Implementation of isolation centres in hotels across areas served by MOH's High Priority Communities Strategy to reduce barriers to testing and safe isolation	56.70
Feb 23, 2021	Public Sector/Wider emergency measures	Support municipalities' operating budget pressures due to financial impact of increased case counts due to variants, business restrictions, impact of stay at home orders, reduced municipal revenues and operational costs	500.00
Feb 23, 2021	Public Sector/Wider emergency measures	Maintaining homelessness supports for municipal service managers and Indigenous program administrators in 2021	255.00
Total			1,076.8
Natural Resources and Forestry			
Jul 9, 2020 Sep 29, 2020 Nov 23, 2020	Public Sector/Wider emergency measures	Provide resource-based tourism businesses with relief from select licenses/fees in 2020 (\$1.5 million) Relieve Ontario's commercial fishing industry by temporarily suspending and refunding royalty payments for fish harvesting in 2020 (\$1 million) Bilateral agreement with the federal government to administer Ontario's portion of the Forest Sector Safety Measures Fund (\$5.31 million)	7.81
Total			7.81
Seniors and Accessibility			
Mar 16, 2020– Feb 2, 2021	Health	Prevention and containment in retirement homes ³	50.00
Mar 25, 2020 Mar 30, 2020	Health	Delivery of food, meals and essential supplies to seniors in retirement homes and active living centres	10.00
Apr 24, 2020	Individuals	Pandemic pay for front-line workers in retirement homes ²	99.60
Total			159.60

Date approved	Category	Description	Amount approved (\$ million)
Solicitor General			
Mar 25, 2020	Health	PPE for front-line workers in correctional facilities	3.80
	Individuals	Emergency compensation for workers in correctional institutions and youth facilities to mitigate labour disruptions	83.00
	Public Sector/Wider emergency measures	Inmate phone services, medical and drug costs	12.50
	Public Sector/Wider emergency measures	Mitigate overcrowding in corrections	3.70
Apr 21, 2020	Public Sector/Wider emergency measures	Additional year-end funding for pressures within correctional services	10.02
Apr 24, 2020 Apr 28, 2020 Jun 25, 2020	Individuals	Pandemic pay for front-line workers in correctional facilities	22.53
Dec 15, 2020	Public Sector/Wider emergency measures	Address immediate pressures in correctional facilities	22.60
Mar 9, 2021	Public Sector/Wider emergency measures	Non-competitive procurement of virtual reality-based mental health crisis response training curriculum for municipal and First Nations police services, and for the Ontario Police College	3.50
	Public Sector/Wider emergency measures	Municipal Fire Protection Grant program to provide one-time support for municipal fire departments related to fire personnel training and fire code inspections	5.00
Total			166.65
Transportation			
Mar 25, 2020 May 5, 2020 Mar 30, 2021	Public Sector/Wider emergency measures	Support for remote northern airports (\$4 million)	9.89
		Refunds or deferrals for High Occupancy Transit (HOT) permits upon request from the permit holder for the Apr to Jun 2020 period and future permit periods until recovery (\$0.6 million)	
		Freeze tolling increases on Highway 407 East, 412 and 418 for one year to May 31, 2021 (\$0.5 million)	
		Increase capacity to address the Drive Test backlog and road tests at Drive Test Centres (\$2.39 million)	
		Freeze Highway 412 and 418 toll rate from Jun 1, 2021 to May 31, 2023 (\$2.4 million)	
May 21, 2020	Public Sector/Wider emergency measures	Connecting Links program to support municipalities to repair roadways and bridges that connect two ends of a provincial highway	20.00
	Public Sector/Wider emergency measures	Enhanced cleaning of municipal transit through Urban and Regional Transportation program	15.00
	Public Sector/Wider emergency measures	Address Metrolinx operating pressures	73.00
Jun 11, 2020	Individuals	Cancellation of driver, vehicle and carrier products and services fee increase	11.00
Oct 27, 2020	Public Sector/Wider emergency measures	Support operating pressures at Metrolinx, Ontario Northland Transportation Corporation and Owen Sound Transportation Company	614.00
Dec 8, 2020	Public Sector/Wider emergency measures	Driver and Vehicle Recovery Plan to collect licence fees during the state of emergency in which regulation was put in place to extend the validity of driver, vehicle and carriers licences	11.13

Date approved	Category	Description	Amount approved (\$ million)
Feb 23, 2021	Public Sector/Wider emergency measures	Funding to municipalities for public transit	150.00
Total			904.02
The Treasury Board Secretariat			
Apr 28, 2020	Public Sector/Wider emergency measures	Pandemic pay for non-management frontline staff in high-risk areas and congregate settings (correctional facilities and social services)	2.20
May 21, 2020	Public Sector/Wider emergency measures	Central Agencies Information and Information Technology Cluster support for increased demand for IT consulting services and mitigate risks of service disruption	50.00
Jun 25, 2020	Public Sector/Wider emergency measures	Support for additional costs related to the adjustments for temporary pandemic pay strategy	269.90
Jul 9, 2020	Public Sector/Wider emergency measures	Support additional advertising campaign expenditures	11.00
Jul 9, 2020	Public Sector/Wider emergency measures	Non-competitive procurement of management consulting services through McKinsey Canada for Future State Modernization Initiative	3.40
Total			336.50
Long-Term Care			
Mar 16, 2020– Sep 29, 2020	Health	Prevention and containment in long-term care homes	543.30
Mar 25, 2020– May 28, 2020	Health	Long-term-care homes emergency surge capacity to assist in prevention and treatment efforts ^{4,5}	21.80
Apr 24, 2020– Jun 25, 2020	Individuals	Pandemic pay for long-term-care homes ^{4,5}	346.60
May 28, 2020 Nov 24, 2020	Health	Reimbursement of long-term care homes for lost revenues due to co-pay deferral for 6 months	40.04
Aug 24, 2021	Health	Implement long-term care stabilization by supporting homes who have experienced reduced occupancy revenue, increasing funding for minor capital renovations to improve infection control measures in older facilities, enhancing capacity through additional personnel and training and other measures	114.20
Jul 21, 2020 Sep 29, 2020 Nov 3, 2020	Public Sector/Wider emergency measures	Remuneration for members of Ontario's Long-Term Care COVID-19 Commission for 2020/21 and 2021/22 (\$4.25 million) Community Paramedicine program (\$5 million) Additional human resource capacity to deliver long-term-care modernization (\$6.16 million)	15.41
Dec 17, 2020	Health	Construct a 90-bed temporary care centre at the Toronto Congress Centre (operated by Toronto Grace Health) to provide surge capacity to long term care homes in the Greater Toronto Area	39.24
Dec 18, 2020	Health	Additional funding to support LTC sector's response to Wave 2	398.00
Feb 23, 2021	Health	Personal Support Working Training Program for 2021/22 to support an accelerated program delivered by publicly assisted colleges to train 8,200 personal support workers	115.39
Mar 16, 2021	Health	Enhancing cooling in long-term care homes (\$61.4 million) to support infection prevention and control and New Minor Capital Funding (\$1.8 million)	63.20
Mar 23, 2021	Individuals	Personal support worker temporary wage enhancement from Oct 1, 2020 to Mar 31, 2021	135.96
Total			1,833.14

Date approved	Category	Description	Amount approved (\$ million)
Health			
Mar 16, 2020 May 13, 2020	Health	Procure and build capacity of health-related PPE ⁶ in the hospital sector ⁴	1,190.40
Mar 16, 2020 Mar 20, 2020	Health	Extraordinary costs incurred by Public Health Ontario and public health units ⁴	100.00
Mar 16, 2020	Health	Funding for hospital beds ⁴	341.00
Mar 20, 2020 Mar 25, 2020	Health	Support for additional physicians, nurses and personal support workers	24.70
	Health	Physician funding for assessment centres ⁴	37.60
Mar 20, 2020	Health	Health fund for emergency services ⁴	77.00
Mar 25, 2020	Health	Additional funding to ensure, source and provide alternative drug products and increased utilization of home oxygen therapy ⁴	6.00
	Individuals	Suspension of three-month waiting period for OHIP coverage ⁴	10.00
	Health	Increased Telehealth Ontario capacity ⁴	50.00
	Health	Support primary care capacity including virtual health care tools ⁴	10.00
	Health	Mental health support, virtual services and support for frontline service providers ⁴	12.00
	Health	Enhanced Community Capacity, virtual home care and COVID Home Care Plus ⁴	120.00
	Health	Investment in drugs and devices ⁴	3.00
	Health	Additional funding for Ornge air ambulance services	4.95
Apr 7, 2020	Health	COVID-19 marketing campaign	3.00
Mar 26, 2020	Health	COVID-19 testing kits—Project Spartan ⁴	80.00
Apr 7, 2020	Health	Emergency Procurement of COVID-19 testing supplies and ventilators, required for testing and emergency care, PPE and critical supplies to health care workers ⁴	80.00
Apr 7, 2020	Health	Funding for COVID-19 health data system (Data Initiative/Health Data Platform) ⁴	15.17
Apr 17, 2020	Health	Temporary OHIP advance payments on future related billings to providers ⁴	485.70
Apr 24, 2020– Jun 25, 2020	Individuals	Pandemic pay—health care ⁴	755.70
May 1, 2020 May 12, 2020	Individuals	Suspension on Ontario Drug Benefit co-pay ⁴ and adjustments to the Trillium Drug Program	70.00
May 21, 2020 Jan 19, 2021	Health	Meeting mental health and addiction needs by increasing the ceiling price of existing agreements for internet-based cognitive behavioural therapy and virtual addictions support services	32.33
Jun 4, 2020	Health	Support for centralized provincial COVID-19 case and contact management system	19.90
Jun 18, 2020	Health	Increasing COVID-19 laboratory and testing capacity ⁴	66.70
Sep 9, 2020 Sep 15, 2020 Sep 16, 2020 Nov 7, 2020	Health	Fall Preparedness Strategy – Building an Integrated Health System Capacity Plan for Wave 2 and Influenza Season for additional components to support the delivery of home and community care, maintain Public Health Measures for testing, tracing and isolating and mental health and addictions	2,269.80

Date approved	Category	Description	Amount approved (\$ million)
Oct 6, 2020	Health	Hospital Sector COVID-19 Surge Response: Additional Capacity Needs (Fall Preparedness)—additional funding to address emerging and current hospital capacity constraint	111.46
	Health	Critical Mental Health Supports for Ontarians—implement the Roadmap to Wellness, Ontario's mental health and addiction strategy	100.00
Nov 3, 2020 Feb 23, 2021	Health	Reimbursement for hospital COVID-19 expenses incurred between Mar 2020 to Nov 2020	771.80
Dec 15, 2020	Health	Funding for projected expenses to be incurred between Dec 2020 and Mar 2021 to support the planning and co-ordination of COVID-19 vaccine/immunization clinics, procurement and IT Resources	96.70
Dec 17, 2020	Health	Support for extraordinary COVID-19 hospital sector costs by reimbursing the hospitals for incremental expenses incurred up to second quarter 2020/21	378.88
Jan 15, 2021	Health	Expanding critical care capacity in hospitals up to 519 additional critical care beds	125.00
Feb 23, 2021	Health	Ontario Health procurement for mobile COVID-19 testing services contract	68.55
	Health	Increased allocation for hospitals who experienced reduced hospital revenues/hospital working funds deficits	1,268.90
Mar 16, 2021	Health	Implementation of 305 critical care beds (estimated cost of up to \$74 million in 2021/22), and Mobile Health Units at an estimated capital cost of \$26.1 million (\$10 million in 20210/21 and \$16.1 million in 2021/22) and a total operating cost of up to \$18 million	118.09
Mar 23, 2021	Health	Information and information technology procurements in support of the COVID-19 Vaccine Distribution Plan for additional Clinic-In-A-Box hardware to support the growing number of mass immunization clinics, as well as for additional software development, training, and technical support services	22.70
	Health	Mental health and addictions initiatives (\$230.2 million) and paramedic services and dispatch centres support (\$92.1 million)	322.30
Total			9,249.33
Infrastructure, Education and Long-Term Care			
Oct 14, 2020	Public Sector/Wider emergency measures	Ontario's contribution for the Federal Government's Investing in Canada Infrastructure Program to include a new COVID-19 Resilience Stream for infrastructure improvements for schools, long-term-care homes and municipal projects	210.00
Total			210.00
Transportation, and Energy, Northern Development and Mines			
May 21, 2020	Public Sector/Wider emergency measures	Increase capital funding for highway rehabilitation projects	25.00
Total			25.00
Solicitor General and Health			
Dec 3, 2020	Health	Establish a vaccine distribution secretariat to advise on and support the logistics and operational planning required to ensure that the vaccine is delivered across the province with military-grade efficacy	1.01
Total			1.01

Date approved	Category	Description	Amount approved (\$ million)
Solicitor General, Health, Children, Community and Social Services, Attorney General, Education, Indigenous Affairs, Municipal Affairs and Housing and Colleges and Universities			
Dec 15, 2020	Public Sector/Wider emergency measures	One-time funding for a comprehensive cross-ministry plan for mental health and addictions supports	45.06
Total			45.06
Government and Consumer Services, Education, Heritage, Sport, Tourism and Culture Industries, Seniors and Accessibility, Agriculture Food and Rural Affairs			
Dec 21, 2020 Feb 23, 2021	Public Sector/Wider emergency measures	Increased health and food inspections and financial support for organizations and increasing digital capacity to enhance digital operations	47.74
Total			47.74
Health and Indigenous Affairs			
Feb 16, 2021	Health	Vaccine implementation planning and response in Indigenous communities	50.00
Total			50.00
Long-Term Care, Health, Infrastructure, Municipal Affairs and Housing, and Labour, Training and Skills Development			
Jun 30, 2020 Oct 27, 2020	Public Sector/Wider emergency measures	Support the development of four new long-term-care homes under the Accelerated Build Pilot Program	691.70
Total			691.70
The Treasury Board Secretariat, Health, Long-Term Care, and Children, Community and Social Services			
Mar 2, 2021	Individuals	Temporary extension of wage enhancement for three months for personal support workers in hospitals and long-term-care sector and direct support workers in social services sector from Apr 1, 2021 to Jun 30, 2021	239.40
Total			239.40
Municipal Affairs and Housing and Children, Community and Social Services			
Mar 20, 2020 May 20, 2020 May 23, 2020 Jun 30, 2020	Public Sector/Wider emergency measures	Social Services Relief Fund that provides funding to Consolidated Municipal Service Managers and District Social Service Administration Boards to continue to help service managers and indigenous programs, and support charitable and non-profit service providers (e.g., food banks, homeless shelters, churches and emergency services)	350.00
Total			350.00
Total			36,495.81

Note: This appendix does not include balances remaining in the province's Extraordinary Contingency Funds: the Pandemic Fund and the Support for People and Jobs Fund. At the time of the 2021 Budget, for 2022/23, a balance of \$2.0 billion remained available in the Pandemic Fund and \$0.8 billion in the Support for People and Jobs Fund.

This appendix contains information and amounts compiled manually by the Office of the Auditor General of Ontario based on ministry submissions to Treasury Board/Management Board of Cabinet and Treasury Board Secretariat assessment notes. Ministry submissions are proposals made by the ministries to Treasury Board/Management Board of Cabinet and do not represent final approved commitments. Treasury Board Secretariat assessment notes also reflect ministry submissions and may differ from final approved commitments. Final approved commitments may differ from the amounts we represent in this appendix.

1. Select programs covered in this audit.
2. The following provincial taxes are included in the relief period: employer health tax; tobacco tax; fuel tax; gas tax; beer, wine and spirits tax; mining tax; insurance premium tax; international fuel tax agreement; retail sales tax on insurance contracts and benefit plans; and race track tax.
3. Initiatives that reflect provincial revenues that have been deferred. The overall impact on cashflows is limited to interest charges.
4. These amounts were audited in the Office of the Auditor General's **Chapter 4: Special Report on Management of Health-Related COVID-19 Expenditures** published in 2020.
5. The Treasury Board/Management Board of Cabinet approved \$129.7 million in respect of this initiative. On April 24, 2020, \$87.9 million was reallocated to the Pandemic pay – long-term-care homes initiative. On May 28, 2020, a further \$20 million was reallocated to the long-term-care co-pay increase deferred initiative. This resulted in net approved funding of \$21.8 million.
6. The Treasury Board/Management Board of Cabinet (TB/MBC) approved a total of \$1,763.9 million in respect of this initiative. On May 13, 2020, \$573.5 million was rescinded, resulting in net approved funding of \$1,190.4 million.

Appendix 12: Business Support Programs Audited by the Office of the Auditor General of Ontario

Sources of data: Ministry of Energy, Ministry of Economic Development, Job Creation and Trade, Ministry of Finance, and Ministry of Government and Consumer Services

Program Duration	Description	Amount of Support per Recipient	Ministries Responsible	Amount Approved ¹ (\$ million)	Amount Spent ² (\$ million)	# of Businesses that Received Support ²
Ontario Small Business Support Grant (see Section 5.0)						
Jan 15–Apr 7, 2021	<p>Objective: The objective of the Small Business Grant was to provide financial relief to small businesses whose revenues declined by 20% or more as a result of provincial public health restrictions that affected their businesses.</p> <p>Eligible businesses must meet all three criteria:</p> <ol style="list-style-type: none"> 1. Were required to close or significantly restrict services due to the Dec 26, 2020 province-wide shutdown. 2. Experienced revenue decline of at least 20% when comparing the month of April 2020 to April 2019. 3. Had less than 100 employees at the enterprise level. 	<p>Two payments of \$10,000–\$20,000 each depending on amount of revenue decline reported</p>	<ul style="list-style-type: none"> • Finance—program design, including eligibility criteria • Economic Development, Job Creation, and Trade—review of applications and payment approval • Government and Consumer Services—management of online application portal 	3,450	2,960	111,150
Property Tax and Energy Cost Rebates (see Section 6.0)						
Nov 16, 2020–July 30, 2021	<p>Objective: To reimburse businesses for their property tax and energy bills for the periods of time they were required to temporarily close or significantly restrict services as a result of provincial public health measures.</p> <p>Eligible businesses include those that were required to close or significantly restrict services as a result of modified Stage 2, Red-Control, Grey-Lockdown, or Province-wide Shutdown, and/or during Step 1 and Step 2 of the Roadmap to Reopen.</p>	<p>100% of reported property tax and energy bills</p>	<ul style="list-style-type: none"> • Finance—program design, review of applications and approval of payment for property tax rebates • Energy—review of applications and approval of payment for energy cost rebates • Government and Consumer Services—management of online application portal 	905	340	31,000

Program Duration	Description	Amount of Support per Recipient	Ministries Responsible	Amount Approved ¹ (\$ million)	Amount Spent ² (\$ million)	# of Businesses that Received Support ²
Ontario Together Fund (see Section 7.0)						
Apr 1, 2020–Mar 31, 2022	<p>Objective: To provide funding to entities to manufacture personal protective equipment and other goods and equipment; and provide technical solutions to help build domestic capacity to support the province's COVID-19 emergency response and help prepare for future pandemics.</p> <p>Eligible businesses must meet both criteria:</p> <ol style="list-style-type: none"> 1. Be operating for at least two years or have two years of financial statements. 2. Compliant with all applicable laws and not owing any fees, levies or taxes to the province, including Crown agencies. <p>Eligible projects include investments in equipment, retooling and clean workplaces, to produce ventilators, masks, sanitization; providing innovative solutions; and generating ideas, other products or services that could support Ontario's COVID-19 response.</p> <p>Eligible project costs are those that are directly attributable to the project and documented through invoices, receipts or recipient records.</p>	<p>Up to 75% of eligible costs Maximum of \$2.5 million for businesses Maximum of \$500,000 for municipalities</p>	<ul style="list-style-type: none"> • Economic Development, Job Creation, and Trade—program design including eligibility criteria, review of applications and approval of payment • Government and Consumer Services—management of online application portal 	100	40.7	54
PPE Rebates (Main Street Relief Grant) (see Section 8.0)						
Nov 16, 2020–Mar 31, 2021	<p>Objective: To provide funding to small businesses for required personal protective equipment (PPE) due to COVID-19. PPE could include gloves, masks, sanitizer, thermometers, plexiglass dividers and signage.</p> <p>Eligible businesses must meet all three criteria:</p> <ol style="list-style-type: none"> 1. Was required to shut down or significantly restrict services due to provincial public health measures. 2. Had two to nine employees (expanded to 19 employees on February 16, 2021). 3. Be in one of the following sectors: retail; accommodation and food services; repair and maintenance; personal and laundry services; gyms and yoga studios. 	Up to \$1,000	<ul style="list-style-type: none"> • Economic Development, Job Creation, and Trade—program design including eligibility criteria, reviews applications and approves payment • Government and Consumer Services—manages online application portal 	65	11.6	13,870

Program Duration	Description	Amount of Support per Recipient	Ministries Responsible	Amount Approved ¹ (\$ million)	Amount Spent ² (\$ million)	# of Businesses that Received Support ²
2020 Digital Main Street—Digital Transformation Grant (see Section 9.0)						
Jun 11, 2020–Dec 31, 2020	<p>Objective: To help small main street businesses improve their adoption of technologies to better promote themselves online and sell online.</p> <p>Eligible small businesses must meet all criteria:</p> <ol style="list-style-type: none"> 1. A registered business in Ontario. 2. Owned by a Canadian citizen or permanent resident, who is an Ontario resident. 3. Have a physical site located on a main street located within a Business Improvement Area, or within a defined downtown business district. 4. Have one to 99 employees. 5. Pays commercial property tax, either directly or through commercial rent. 	<p>\$2,500 plus 90-day trial access to Google's shopHERE³ program</p>	<ul style="list-style-type: none"> • Economic Development, Job Creation, and Trade—program design and funding • Ontario Business Improvement Area Association⁴—developed eligibility criteria, review of applications and approval of payment • Toronto Association of Business Improvement Areas – developed the program's website and pre-screening criteria. 	2.74	2.74	1,100

1. As of June 30, 2021.

2. As of July 30, 2021.

3. As part of the shopHere program, businesses received hands-on assistance in setting up and launching their online store on Shopify (an e-commerce platform for online stores and retail point-of-sale systems). Businesses will be responsible for paying the monthly fee after the 90-day trial period.

4. The Ontario Business Improvement Area Association represents 82,922 members and supports business improvement area associations across Ontario.

Appendix 13: COVID-19 Supports for Businesses in Select Canadian Provinces

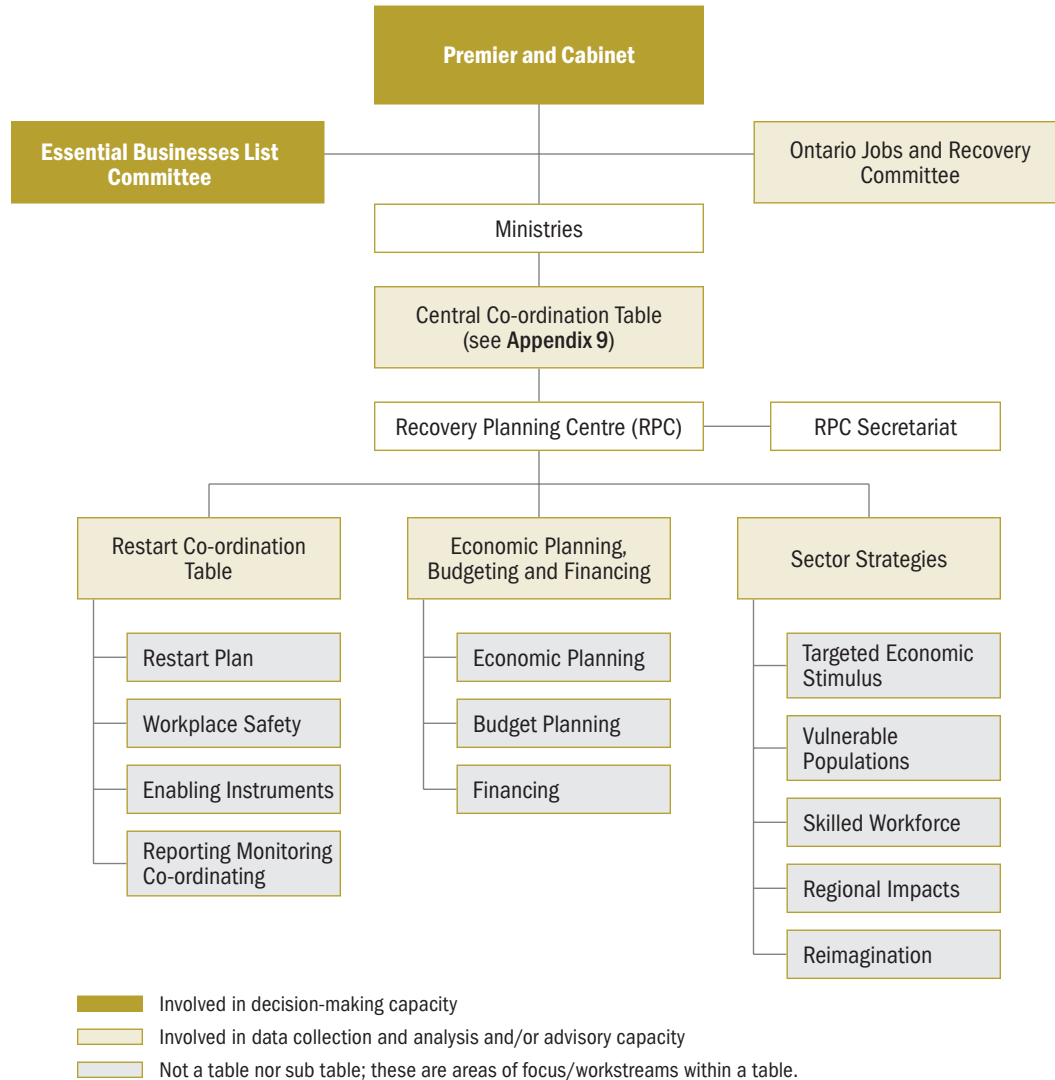
Prepared by the Office of the Auditor General of Ontario

	ON	BC	AB	MB	QC
Business Grant	✓	✓	✓	✓	✓
Business Loan					✓
Online Platform Grant	✓	✓			
Property Tax Rebate/Deferral/Reduction	✓	✓	✓		✓
Energy Cost Rebate/Deferral/Reduction	✓	✓	✓		
Dine-in Relief				✓	

Note: This table includes a broad scan of comparable programs offered in select provinces and is not meant to be an exhaustive list of all supports for businesses.

Appendix 14: Overview of Ontario's Economic Response Structure, April 2020 –August 2020

Source of data: Cabinet Office



Note: In September 2020, the Recovery Planning Centre and all tables reporting to it were disbanded and its workstreams became embedded within the day-to-day focus and operations of the ministries.

Appendix 15: Members of Key Committees Involved in Ontario's COVID-19 Economic Response

Sources of data: Ministry of Finance and the Ontario Cabinet Office

Position	Name	Role in Government
Essential Businesses List Committee, as of July 31, 2021		
Chair	Vic Fedeli	Minister of Economic Development, Job Creation and Trade
Vice Chair	Christine Elliott	Minister of Health
4 Members	Doug Downey	Attorney General
	Prabmeet Sarkaria	Associate Minister of Small Business and Red Tape Reduction
	Monte McNaughton	Minister of Labour, Training and Skills Development
	Sylvia Jones	Solicitor General
Ontario Jobs and Recovery Committee, as of August 26, 2021		
Chair	Peter Bethlenfalvy	Minister of Finance
Vice Chair	Vic Fedeli	Minister of Economic Development, Job Creation and Trade
9 Members	Steve Clark	Minister of Municipal Affairs and Housing
	Caroline Mulroney	Minister of Transportation
	Christine Elliott	Deputy Premier and Minister of Health
	Jill Dunlop	Minister of Colleges and Universities
	Greg Rickford	Minister of Northern Development, Mines, Natural Resources and Forestry and Minister of Indigenous Affairs
	Lisa MacLeod	Minister of Heritage, Sport, Tourism and Culture Industries
	Lisa Thompson	Minister of Agriculture, Food and Rural Affairs
	Monte McNaughton	Minister of Labour, Training and Skills Development
	Prabmeet Sarkaria	President of the Treasury Board
Recovery Planning Centre (<i>prior to wind-down</i>), as of August 30, 2020		
Chair	Greg Orenacsak	Deputy Minister of Finance
	Martha Greenberg	Deputy Minister of Cabinet Office, Policy and Delivery
4 Members	Serge Imbrogno	Deputy Minister at Ontario Ministry of Environment, Conservation and Parks
	Helen Angus	Deputy Minister of Health
	Lynn Betzner	Deputy Minister of Intergovernmental Affairs
	Nina Chiarelli	Deputy Minister of Cabinet Office Communications

Position	Name	Role in Government
Restart Co-ordination Table¹ (prior to wind-down), as of August 30, 2020		
Chair	Helen Angus	Deputy Minister of Health
	Martha Greenberg	Deputy Minister of Cabinet Office
Other Members: Officials²		Ministry of Health
		Ministry of Labour, Training and Skills Development
		Ministry of Economic Development, Job Creation and Trade
		Ministry of Finance
		Ministry of Intergovernmental Affairs
		Ministry of Education
		Ministry of Municipal Affairs and Housing
		Ministry of Colleges and Universities
		Cabinet Office Communications
Economic Planning, Budgeting and Financing Table (prior to wind-down), as of August 30, 2020		
Chair	Greg Orensak	Deputy Minister of Finance
Standing Members²		Ministry of Finance Officials
		Cabinet Office – Policy
Other Members: Officials²		Ministry of Finance – Budgeting
		Ontario Financing Authority – Financing
		Treasury Board Secretariat – Expenditure Prioritization
		Ministry of Economic Development, Job Creation and Trade – Economic Development
		Ministry of Infrastructure – Infrastructure
Sector Strategies Table (prior to wind-down), as of August 30, 2020		
Chair	Serge Imbrogno	Deputy Minister at Ontario Ministry of Environment, Conservation and Parks
Standing Members²		Ministry of Heritage, Sport, Tourism and Culture Industries
		Ministry of Labour, Training and Skills Development
		Ministry of Economic Development, Job Creation and Trade
		Ministry of Finance
		Ministry of Infrastructure
		Cabinet Office
		Ministry of Colleges and Universities
Other Members²		Ministry of Northern Development and Mines
		Ministry of Agriculture, Food and Rural Affairs
		Ministry of Children, Community and Social Services

1. This Table is a special-purpose table set up by civil servants to help support the government's economic response and recovery efforts in the period immediately after the pandemic struck.

2. Various staff from the ministries and the Ontario Cabinet Office assisted the Chairs in performing the tasks and responsibilities as set forth for the Table.

Appendix 16: Key Events in Ontario's Economic Response to COVID-19, March 11, 2020–June 25, 2021

Prepared by the Office of the Auditor General of Ontario

Date	Event
Mar 11, 2020	The World Health Organization declares COVID-19 a pandemic.
Mar 13, 2020	Ministry of Finance pauses work to finalize the 2020 Budget in order to respond to budgeting for COVID-19 supports. First call out for ministry proposals for COVID-19 initiatives; work on the creation of two dedicated contingency funds: <ul style="list-style-type: none"> • COVID-19 Health Sector Response Fund • Support for People and Jobs Fund
Mar 17, 2020	Province declares state of emergency. Province announces Interest and Penalty tax relief and five-month deferral of Workplace Safety and Insurance Board (WSIB) payments (from Apr 1 to Aug 31); later extended for an additional month until Oct 1, 2020.
Mar 25, 2020	Province releases Ontario's Action Plan 2020: Responding to COVID-19, a one-year outlook that contained initiatives in response to the pandemic. See Figure 6 . The Treasury Board/Management Board of Cabinet (TB/MBC) approves the Ministry of Economic Development, Job Creation and Trade's business case for the Ontario Together Fund . See Appendix 12 for details about the program.
Apr 1, 2020	Province announces the Ontario Together Fund for the period from Apr 1, 2020 to Mar 31, 2021.
Apr 8–17, 2020	Ministries begin submitting business cases under the Support for People and Jobs Fund.
Apr 9, 2020	Province establishes the Ontario Jobs and Recovery Committee.
Apr 11, 2020	Province establishes the Central Co-ordination Table (discussed in Section 2.3.2).
Apr 18–24, 2020	Integrated team from Ministry of Finance and the Treasury Board Secretariat (Secretariat) reviews ministry business cases for the Support for People and Jobs Fund and makes recommendations.
Apr 27, 2020	Ministry of Finance and the Treasury Board Secretariat staff start briefing the Deputy Minister of Finance, Minister of Finance, and the Secretary and Chair of TB/MBC on proposals under the Support for People and Jobs Fund. Briefings continue until May 13, 2020.
May 2020	Ontario Jobs and Recovery Committee begins consultations with sectoral stakeholders.
May 19, 2020	Minister of Finance approves proposals under the Support for People and Jobs Fund, and meets with the Premier to brief him.
Jun 4, 2020	TB/MBC provides final approval of proposals under the Support for People and Jobs Fund. TB/MBC approves the Digital Main Street Grant program \$7.7 million to be funded through the Support for People and Jobs Fund.
Jun 11, 2020	Province announces the Digital Main Street Grant program. Application period is from Jun 11 to Dec 31, 2020. TB/MBC approves \$50 million for the Ontario Together Fund from the COVID-19 Health Sector Response Fund.
Jun 16, 2020	Economic Update and Forecast Scenarios, which provides a range of possible economic outcomes with fast, moderate, and slow recovery scenarios, is presented to Sector Strategies Table.
Jul 10, 2020	Economic Update and Forecast Scenarios is presented to Ontario Jobs and Recovery Committee.
Jul 10, 2020	Ministry of Finance publicly releases Ontario Economic Accounts, providing comprehensive accounting of Ontario's economic performance.
Jul 16, 2020	Federal government announces Safe Restart Agreement (discussed in Section 2.2.1)
Aug 12, 2020	Province allocates an additional \$3 billion to the Support for People and Jobs Fund.

Date	Event
Aug 17, 2020	Ministry of Finance presents COVID-19 and Ontario Sectors: Considerations and Responses to the Business Climate Assistant Deputy Ministers Committee. Includes key considerations and responses to challenges in 20+ economic sectors as a result of COVID-19.
Sep 29, 2020	TB/MBC approves in principle \$65 million for the Main Street Relief Grant (PPE Rebates) to be funded through the Support for People and Jobs Fund.
Oct 2, 2020	Province announces start of application period for the Main Street Relief Grant (PPE Rebates). Application period ends Mar 31, 2021.
Oct 7, 2020	Ontario acknowledges the Safe Restart Agreement through formal letter from the Premier of Ontario.
Oct 9, 2020	Cabinet approves creating the Property Tax and Energy Rebates program.
Oct 13, 2020	Ministry of Finance publicly releases Ontario Economic Accounts.
Nov 5, 2020	Province releases a three-year budget in Ontario's Action Plan 2020: Protect, Support and Recover. See Figure 6 . Province allocates an additional \$1 billion to the Support for People and Jobs Fund for 2021/22, plus an additional \$800 million for 2022/23. Province returns to normal "Multi-Year Planning" (normal, pre-COVID-19) budgeting process to prepare for the release of the next budget in March 2021. TB/MBC approves \$65 million Main Street Relief Grant (PPE Rebates) as part of the 2020 Budget process.
Nov 16, 2020	Province announces start of application period for Property Tax and Energy Rebates program.
Nov 30, 2020	TB/MBC approves \$6 million extension of Ontario Together Fund through the Multi-Year Planning process.
Dec 11, 2020	COVID-19 and Impacts on Ontario's labour market data presented to Ontario Jobs and Recovery Committee.
Dec 21, 2020	Ministry of Economic Development, Job Creation and Trade, Ministry of Finance, and Ministry of Government Consumer Services submits business case for Ontario Small Business Support Grant . TB/MBC approves \$1.4 billion funding for the program. Ministry of Energy and Ministry of Finance request approval to continue Property Tax and Energy Rebates program. TB/MBC approves with direction to continue drawing down from current allocation (\$600 million at the time).
Jan 15, 2021	Ministry of Finance publicly releases Ontario Economic Accounts.
Jan 15, 2021	Application period begins for the Ontario Small Business Support Grant .
Mar 12, 2021	TB/MBC approves \$1.7 billion increase for Ontario Small Business Support Grant allocation.
Mar 24, 2021	Province releases Ontario Budget 2021: Protecting People's Health and Our Economy. See Figure 6 . TB/MBC approves \$44 million Ontario Together Fund extension in 2021/22 to be funded through the Support for People and Jobs Fund. TB/MBC approves \$10 million for Digital Main Street Grant extension in 2021/22 to be funded through the Support for People and Jobs Fund.
Apr 16, 2021	Ministry of Finance publicly releases Ontario Economic Accounts.

Appendix 17: Audit Criteria

Prepared by the Office of the Auditor General of Ontario

1. Roles, responsibilities, and accountability mechanisms for developing, approving, delivering, and monitoring COVID-19 economic support and recovery programs are clearly defined.
2. The province's short- and long-term objectives with respect to economic support during and after the pandemic were and are clearly defined to guide the development of specific economic support programs and initiatives.
3. Appropriate approval from the Treasury Board/Management Board of Cabinet is obtained before funds are spent. Report backs are provided on a timely basis, as required.
4. Public health restrictions that affect businesses are based on credible and relevant scientific information about COVID-19 transmission; informed by adequate consultation with relevant stakeholders; applied fairly and consistently; and clearly communicated to affected businesses on a timely basis.
5. COVID-19 economic support and recovery programs were and are developed based on credible, relevant and timely information. Relevant stakeholders are adequately consulted to inform program design. Programs are appropriately designed to address the economic consequences of COVID-19 restrictions.
6. Program objectives and eligibility criteria were and are clearly defined, and consistent with the objectives of the province's action plan with respect to economic support and recovery. Appropriate internal controls are in place to effectively manage and monitor the delivery of COVID-19 economic support and recovery programs.
7. Funds are distributed appropriately to eligible recipients in a timely manner.
8. Funds are used or distributed by recipients for the purposes intended and in accordance with agreements.
9. Management information systems are effective in maintaining information on the delivery of COVID-19 economic support and recovery programs to enable reliable and timely monitoring and internal and public reporting of progress against program objectives.
10. Meaningful performance measures and targets are established, regularly monitored and compared against actual results, and publicly reported on. Corrective actions are taken on a timely basis when issues are identified, to ensure that intended outcomes are achieved.

Appendix 18: Types of Businesses Eligible for Ontario Small Business Support Grant

Source of data: Ministry of Finance

Sector	Eligible Business Type
Accommodation and food	<ul style="list-style-type: none"> • Restaurants and bars
Administrative and support, waste management and remediation services	<ul style="list-style-type: none"> • Domestic services such as house cleaning, housekeeping, cooking, indoor and outdoor cleaning, and janitorial services
Arts, entertainment and recreation	<ul style="list-style-type: none"> • Drive-in cinemas, concerts, events and performances • Media industries including film and television production (excluding radio/television broadcasting) • Performing art and cinemas • Outdoor sports and recreation facilities • Museums, galleries, aquariums, zoos, science centres, landmarks, historic sites, botanical gardens and similar attractions • Facilities for indoor sports and recreational fitness activities (for example: fitness centres, gyms, dance studios, karate/martial arts facilities) • Meeting or event space for rental • Community centres and multi-purpose facilities • Conference centres and convention centres • Ski hills and tour and guide services • Racing venues, casino, bingo halls and gaming establishments • Personal services (for example: party and wedding planners, personal organizer services, and personal physical fitness and sports trainers) • Campgrounds
Educational services	<ul style="list-style-type: none"> • In-person teaching and instruction • Driving instruction • Before- and after-school programs and day camps for children
Health and personal services	<ul style="list-style-type: none"> • Personal care services relating to the hair or body (with exception of oxygen bars) • Safety, medical and assistive devices retail (excluding pharmacies)
Retail	<ul style="list-style-type: none"> • Cannabis retail stores • Hardware stores (including big box stores) required to close for in-person shopping • Outdoor markets (excluding grocery) • Garden centres • Shopping malls • Retail required to close for in-person shopping
Other	<ul style="list-style-type: none"> • Cell phone and computer providers and repairs • Pet/animal food and services, veterinary services • Photography services • Rental and leasing services (including automobile, commercial and light industrial machinery and equipment rental); vehicle and equipment repair services

Appendix 19: Businesses Eligible for Property Taxes and Energy Rebates

Source of data: Ministry of Finance

Sector Name*	Province-wide Shutdown		
	Grey-Lockdown		<i>In addition to those eligible in Red-Control and Grey-Lockdown, the following are also eligible in each respective shutdown period:</i>
	Red-Control	<i>In addition to those eligible in Red-Control, the following are also eligible in Grey-Lockdown:</i>	
Arts, entertainment and recreation	<ul style="list-style-type: none"> Facilities for indoor sports and recreational fitness (e.g., fitness centres, gyms, dance studios, martial arts facilities) Conference centres and convention centres Community centres and multi-purpose facilities Museums, galleries, aquariums, zoos, science centres, landmarks, historic sites, botanical gardens and similar attractions Performing arts and cinemas Racing venues, casinos, bingo halls and gaming establishments Meeting or event space for rent 	<ul style="list-style-type: none"> Personal services (for example: party and wedding planners, personal organizer services, and personal physical fitness and sport trainers) Tour and guide services Campgrounds 	<ul style="list-style-type: none"> Drive-in cinemas, concerts, events and performances Outdoor sports and recreation facilities Ski hills Media industries including film and television production (excluding radio/television broadcasting)
Accommodation and food	<ul style="list-style-type: none"> Restaurants and bars 	None	None
Administrative and support, waste management and remediation services	None	None	<ul style="list-style-type: none"> Domestic services (such as house cleaning, housekeeping, cooking, indoor and outdoor cleaning, and janitorial services)
Animal care	None	None	<ul style="list-style-type: none"> Pet/animal food and services Veterinary services
Educational services	<ul style="list-style-type: none"> In-person teaching and instruction 	<ul style="list-style-type: none"> Driving instruction 	<ul style="list-style-type: none"> Day camps for children Before- and after- school programs
Health and personal services	<ul style="list-style-type: none"> Personal care services relating to hair and body (except oxygen bars) 	None	<ul style="list-style-type: none"> Safety, medical and assistive devices retail (excluding pharmacies)

Retail	None	<ul style="list-style-type: none"> • Retail required to close for in-person shopping • Shopping malls • Cannabis retail stores • Outdoor markets (excluding grocery) 	<ul style="list-style-type: none"> • Hardware stores (including big box stores) required to close for in-person shopping • Garden centres
Other	None	<ul style="list-style-type: none"> • Photography services 	<ul style="list-style-type: none"> • Rental and leasing services (including automobile, commercial and light industrial equipment) • Vehicle and equipment repair services • Cell phone and computer providers and repairs

* Some business types were not required to close or significantly restrict services during the entirety of their regions' Control, Lockdown and/or Province-wide Shutdown periods. Rebate amounts reflected the actual periods of time a business had been required to close or significantly restrict services.



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