

March 22, 2022

**RE: Remote work for Companies Operating in Ontario and Ontario Residents (OIDMTC)**

Dear Minister MacLeod and Minister Bethlenfalvy,

The purpose of this letter is to make sure that the Province continues to fully support – post pandemic – remote work for video game and interactive digital media (IDM) companies **operating in Ontario and employing Ontario residents**, under the Ontario Interactive Digital Media Tax Credit (OIDMTC).

The pandemic has taught us that companies can operate efficiently with people working remotely. It is especially so for businesses creating digital products such as video games and interactive digital media.

People from all regions of the province now have access to high-paying jobs without having to move, thanks to the government investing in Ontario's broadband networks. Remote work is now expected, especially by the young generation of workers. It is an important incentive in attracting and retaining Ontario employees in a very competitive labour market.

Consequently, 97% of Canadian video game companies with 1-4 employees and 88% of companies of over 4 employees will operate in hybrid mode (mix of office time and remote work) or in fully remote work (from home, co-working space etc.), post pandemic<sup>1</sup>.

The OIDMTC was created when effective remote work was not possible. It may explain why it is not supported in Ontario while it is in other jurisdictions. The Ontario government was proactive in recognizing that fact and made sure that remote work would be eligible during the pandemic.

As COVID restrictions are lifted, it will soon be time to permanently integrate the eligibility of remote work in the OIDMTC for companies **operating in Ontario and employing Ontario residents**.

There are several options to address this legacy issue in order to stimulate economic growth and ensure the competitiveness of Ontario on the global stage. In fact, your teams may already be planning to remedy it in the next Spring budget, since this issue has been raised many times to the government by Interactive Ontario and industry stakeholders<sup>2</sup>.

Interactive Ontario and industry leaders are looking forward to discussing next steps with your teams.

Best regards,



Lucie Lalumière  
President & CEO, Interactive Ontario

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<sup>1</sup> The Canadian Video Game Industry 2021, October 2021, prepared by Nordicity for the Entertainment Software Association of Canada (ESAC), page 41

<sup>2</sup> Roadmap to Economic Success: The Video Game and Interactive Digital Media (IDM) industry in Ontario, Feb 22 2022, <https://interactiveontario.com/2022/02/roadmap-to-economic-success/>