



SERVICE PLAN
2004/05 - 2006/07

ita

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Honourable Shirley Bond
Minister of Advanced Education

Dear Minister Bond:

On behalf of the Board of Directors, the management and employees of the Industry Training Authority (ITA), I am pleased to submit the Industry Training Authority's 2004-2007 Service Plan. The ITA is mandated to create a new and innovative industry training system and to allocate public training funds to operate the system efficiently.

This plan has been prepared pursuant to the *Budget Transparency and Accountability Act* (July 2000 and the amendments in August 2001) and the related *Service Plan Guidelines for Government Organizations*, provided by the Crown Agencies Secretariat, Office of the Premier. This Plan also reflects the expectations set out in the *Shareholder's Letter of Expectations* between the Minister of Advanced Education and ITA.

As this is the first Service Plan for the new organization, the plan is expected to be revised to reflect on-going developments as the Authority works to meet the needs of industry and learners.

This plan presents the goals, objectives, priorities and strategies that will direct the Authority's activities over the next three years.

Since the creation of the new ITA in August 2003, we have:

1. Hired our new Chief Executive Officer;
2. Extended our reach throughout the province by entering into a contract with the Government Agents Branch to provide enrolment, information, and qualification assessment services for people participating in industry training;
3. Opened the ITA office with core staff to provide the strategic and policy resources to effect change in industry training; and

4. Provided \$882,000 for extra programs to help post-secondary institutions eliminate their current wait-lists for trades training. As a result over 600 additional apprentices will be able to attend training at 11 institutions across the province in 44 different technical trades training programs.

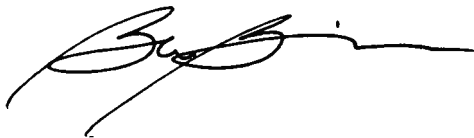
During the first year of full operations, the Authority will likely face many challenges as it takes over operations of industry training in BC. As the needs of industry continue to change, the Authority's programs must reflect this change. Skilled labour shortages related to demographic trends, market pressures and the infrastructure build up toward the 2010 Winter Olympic Games present another challenge to industry training in British Columbia.

To address these issues, the Authority has identified three key objectives in support of its mandate over the next three years:

- Effective Industry Training System
- Quality Industry Training
- Responsive, Efficient and Accountable Management

The Authority looks forward to developing these goals and implementing the new approach to industry training in British Columbia through the course of the three-year plan.

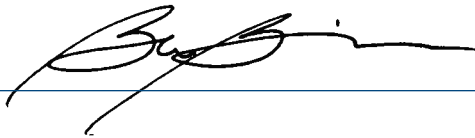
On behalf of the Board of Directors, the management and employees of the Industry Training Authority, I would like to thank you for giving the Authority the opportunity to improve industry training and contribute to the development of our province.

A handwritten signature in black ink, appearing to read 'Bev Briscoe', is positioned above the name and title.

Bev Briscoe
Chair

ACCOUNTABILITY STATEMENT

The 2004/05 – 2006/07 Industry Training Authority Service Plan was prepared under our direction in accordance with the *Budget Transparency and Accountability Act*. We are accountable for the contents of the plan, including the selection of performance measures and targets. The plan is consistent with the Government's direction and the Strategic Plan. All significant assumptions, policy decisions, and identified risks, as of March 31, 2004, have been considered in preparing the plan. We are accountable for ensuring the Industry Training Authority achieves its specific objectives identified in the plan and for measuring and reporting actual performance.



Bev Briscoe
Chair



Brian Clewes
CEO

ORGANIZATIONAL OVERVIEW

CORPORATE MANDATE/GOVERNANCE

The mandate of the Industry Training Authority is established under the *Industry Training Authority Act*.

This mandate includes the following powers and responsibilities as set out in the Act:

- Designate training programs as recognized programs;
- Recommend accredited programs to the minister;
- Develop standards for recognized and accredited programs;
- Determine eligibility for participation in programs;
- Develop examination and assessment standards;
- Develop criteria to award credentials;
- Authorize trainers and training institutions to award credentials; and
- Fund training and set standards for trainers funded by the authority.

The Industry Training Authority's governance relationships and accountabilities to its shareholder (the Government and the Legislative Assembly) are contained in the following legislation: the *Industry Training Authority Act*, the *Budget Transparency and Accountability Act*, the *Financial Information Act* and the *Financial Administration Act*. The ITA is held accountable to its shareholder through its Minister Responsible, the Minister of Advanced Education. A nine-member Board of independent Directors, appointed by the Lieutenant Governor in Council, guides the Authority in fulfilling its mandate. In addition, a *Shareholder's Letter of Expectations* sets out the shared understanding between the shareholder and the Authority on key governance issues, corporate mandate and core services, public policy issues, strategic priorities and performance expectations.

STRATEGIC FRAMEWORK

VISION OF THE ITA

British Columbians have affordable access to quality, responsive, integrated, and accountable industry training that will meet the needs of industry learners.

MISSION OF THE ITA

The Industry Training Authority provides effective governance for British Columbia's industry training system.

The ITA facilitates career opportunities for learners and the timely supply of skilled staff for employers and the labour market by:

- Setting standards and providing quality assurance for industry training credentials;
- Coordinating industry training requirements across industries, learners and training institutes;
- Funding industry training; and,

Working with industry and other stakeholders to support the promotion of industry careers.

VALUES OF THE ITA

Quality

Our standards will be clear, measurable and outcomes based. Training will be current and relevant. We will use the most competitive training sources, while maintaining the highest standards of training.

Skill Development Opportunity

Training will be accessible to British Columbians and we will recognize skills obtained in other jurisdictions. British Columbia credentials will be portable throughout the province and other jurisdictions. The system will be flexible offering multiple paths and timeframes. We recognize the learners' obligation for personal development and life-long learning.

Accountability

We will respond to customer needs and be considerate of other stakeholder inputs. We will answer to the shareholder (government) and the public with integrity and openness. We will be performance based and meet our shareholder expectations, continuously assessing our training programs to ensure they meet the needs of our customers – employers and learners. We will also operate with fiscal responsibility using criteria based decision-making and achieve positive outcomes from the training dollars invested.

STRATEGIC PLANNING CONTEXT

As the new Authority is in its infancy, a complete environmental scan has not yet been completed. An environmental scan identifies and assesses internal and external environmental factors and risks that might impact the Authority's ability to achieve its mission, vision and goals.

This section leverages information from the Ministry of Advanced Education's Service Plan and reviews some of the major trends and issues that will influence the industry training sector over the next three fiscal years. A number of these trends and issues will continue through this decade and into the next.

MAJOR TRENDS AND ISSUES

The BC government identified widespread problems with the old industry training system. Credits for courses have been granted inconsistently and programs offering the same training credit differed in length and quality. Training methods were inflexible and learners had to start over when shifting their career goals – even if the knowledge and skills they had already acquired applied directly to their new focus.

As the average age of entry into an apprenticeship is 28, many apprentices are in their 30s or 40s before they complete their training, reducing the number of years in which they will remain in the workforce. As a result of these and other problems, employers' needs for skilled workers are not being met.

As well, demographic projections point to an aging Canadian population and slower labour-force growth. Meanwhile, demand is projected to increase rapidly for many highly skilled occupations. According to the Conference Board of Canada, demand outstrips domestic supply in building, automotive and aerospace trades, among others.

Between 2002 and 2006, BC's population is expected to grow faster than the national average as a whole. In BC, the number of 18 to 29-year-olds is expected to continue to increase until around the year 2014 before levelling off. In response, there has been an increase in the number and type of post-secondary training providers operating in B.C. and in the use of technology as a teaching tool.

As a result of the aging population, some occupations in the trades sectors appear to be at risk of experiencing skilled labour shortages in particular regions. Cyclical factors, such as the strong growth in construction activity during 2002, are creating tight labour market conditions in terms of the availability of certain skilled trades' workers across a number of provinces, including BC. Skill demand, particularly in BC, is further pressured by the infrastructure build up associated with the 2010 Olympics and the current home building explosion.

The industry training system must reflect the needs of its customers to accommodate the growing demand for skilled workers and flexible, accessible training options for learners. It must also meet the rapidly changing demands of the economy and labour market. Alternative training providers and tools such as on-line learning and self-paced learning must be utilized as much as possible to increase the availability of relevant training.

GOALS AND STRATEGIES

The ITA has three goals and associated strategies to assist in achieving them over the next three years. The goals state the overall intended results of the Service Plan. The strategies describe the key activities and initiatives that will be implemented in order to achieve the objectives. Year-end results will be reported in our Annual Report.

GOALS

Our vision, values and shareholder direction provide the framework for our goals, strategies and performance measures.

GOAL 1 – AN EFFECTIVE INDUSTRY TRAINING SYSTEM

To provide an accessible, affordable, and relevant industry training system.

STRATEGIES

- 1 Evaluate, redesign and update current approach to industry training.
- 2 Develop a training institute funding framework that will ensure cost effective industry training programs.
- 3 Respond to industry demands for training programs.

PERFORMANCE MEASURES	TARGETS			
	BASELINE	04/05	05/06	06/07
• Effective registration and tracking systems in place		Feasibility study and project plan completed by November 04	New system implemented in accordance with project plan and operating effectively	
• Funding priorities based on labour market information		Establish labour market information framework (LMIF)	Sector / trade funding based on LMIF	Sector / trade funding based on LMIF
• Positive results from Pilot Projects implemented		Pilot Project assessment complete with action plan in place	Action plan fully implemented	
• Number of trainees in the industry training system	03/04	Establish baseline numbers and increase by 10%	Increase by 10% of 04/05	Increase by 10% of 05/06

PERFORMANCE MEASURES	TARGETS			
	BASELINE	04/05	05/06	06/07
• Number of youth participants in SSA and related programs	03/04	Establish baseline numbers and increase by 100	Increase 04/05 total by 200	Increase 05/06 total by 200
• Number of credentials awarded	03/04	Establish baseline and increase by 1.5%	Increase by 1.5% of 04/05	Increase by 1.5% of 05/06
• Improve access to industry training credentials for foreign trained workers and experienced local workers		Evaluate PLA and competency based assessment (CBA) alternatives. Assess effectiveness of current challenge processes.	Implement and test PLA's or CBA tools in 3 high demand occupations and update challenge process	Implement PLA's or CBA tools for top 5 occupations and update challenge process
• Effective response to industry demands for new training		Establish user friendly policies and processes to address industry need for change	New training programs and credentials implemented effectively and in a timely manner	New training programs and credentials implemented effectively and in a timely manner
• Number of employers offering apprentice / trainee placement	6,740	Increase to 6,950	Increase to 7,550	Increase to 8,150

GOAL 2 – ENSURE QUALITY INDUSTRY TRAINING

Innovative, flexible and high quality training that provides learners with the skills and knowledge to secure jobs in the workforce and address critical shortages in the labour market.

STRATEGIES

- 1 Implement a quality assurance structure.
- 2 Identify skill shortages and gaps in order to respond quickly to industry needs.
- 3 Maintain Red Seal standards and continue to participate in developing trade and safety standards.

PERFORMANCE MEASURES	TARGETS			
	BASELINE	04/05	05/06	06/07
• Funding priorities based on labour market information		Establish labour market information framework (LMIF)	Sector / trade funding based on LMIF	Sector / trade funding based on LMIF
• Credential completion rates for trainees		Develop baseline based on 04/05 results	Maintain or increase	Maintain or increase
• Implement multiple means of access to learning (e.g. correspondence, web based)		Establish baseline on number of programs offering alternative measures of access	Increase by 10% over 04/05	Increase by 20% over 05/06

PERFORMANCE MEASURES	TARGETS			
	BASELINE	04/05	05/06	06/07
• Ensure quality and relevance of industry training		Develop quality assurance framework including examinations and assessment standards. Start implementation.	Complete implementation	Ongoing assessment of quality
• Quality satisfaction index that measures quality of training for learners and industry		Develop index and establish baseline	Maintain or increase satisfaction	Maintain or increase satisfaction
• Learner employability from non-apprenticeship programs		Establish baseline	Increase number employed by 10% of baseline	Increase number employed by 10% of 05/06

GOAL 3 – RESPONSIVE, EFFICIENT AND ACCOUNTABLE MANAGEMENT

Management processes that respond to customer needs and are efficient and fiscally responsible.

STRATEGIES

- 1 Analyze current industry training system and administrative process to create a more efficient delivery model.
- 2 Use criteria-based assessments to determine initial and ongoing program funding.
- 3 Develop and implement a comprehensive communications strategy to build sustainable working relationships with stakeholders.
- 4 Promote awareness of industry training and apprenticeships at all levels especially amongst the young.

PERFORMANCE MEASURES	TARGETS			
	BASELINE	04/05	05/06	06/07
• Turnaround times of applications, enquiries and requests for assistance through ITC		Establish baseline measure and future year goals		
• Performance based training contracts for training institutes	03/04	Establish performance criteria and baseline data. Improve productivity by 10%	Improve productivity by 10% of 04/05	Improve productivity by 10% of 06/07

PERFORMANCE MEASURES	TARGETS			
	BASELINE	04/05	05/06	06/07
• Effective registration and tracking systems in place		Feasibility study and project plan completed by November 04	New system implemented in accordance with project plan and operating effectively	
• Implement communication strategy		1. Fully functioning web site by year end 2. Baseline measure on stakeholders understanding of the ITA's mandate, goals, and results	Increase clarity among all stakeholders regarding the ITA's mandate, goals, and results by TBD%	Increase clarity among all stakeholders regarding the ITA's mandate, goals, and results by TBD%

ALIGNMENT WITH GOVERNMENT'S STRATEGIC PLAN

The Authority's values are consistent with the Government's expressed Core Values of Integrity, Fiscal Responsibility, Accountability, Respect and Choice set out in the Government's 2003/04 – 2005/06 Strategic Plan. The Shareholder's Letter of Expectations will direct how the Authority is to support the government in achieving its goals and objectives. Specifically, the goals, objectives and strategies in this 2004–2007 Service Plan align with, and contribute to, the Government's Strategic Plan Goals of a strong and vibrant provincial economy and a supportive social fabric.

SUMMARY FINANCIAL OUTLOOK

(\$M)	2003/04 (forecast)	2004/05 (budget)	2005/06 (forecast)	2006/07 (forecast)
REVENUE				
Ministry AVED	N/A	77,281	76,981	76,981
Fees		168	168	168
Total Revenue		<u>77,449</u>	<u>77,149</u>	<u>77,149</u>
COSTS				
Operating Costs				
Salaries & Benefits		1,229	1,266	1,304
General & Admin		1,081	869	841
Professional Services		350	225	215
Depreciation		140	140	140
Total Operating Costs		<u>2,800</u>	<u>2,500</u>	<u>2,500</u>
Program Costs		<u>74,649</u>	<u>74,649</u>	<u>74,649</u>
Total Costs		<u>77,449</u>	<u>77,149</u>	<u>77,149</u>
Revenue less Costs			<u>0</u>	<u>0</u>

Audited Financial Statements will be provided.