



SERVICE PLAN 2009/10 – 2011/12



THE RIGHT SKILLS ► A PROVEN ADVANTAGE

MESSAGE FROM THE CHAIR	1
ORGANIZATIONAL OVERVIEW	3
CORPORATE GOVERNANCE	5
STRATEGIC CONTEXT	6
PERFORMANCE MANAGEMENT FRAMEWORK	11
- Goal and Measure Selection	11
- Changes to the Framework	12
- Performance Management Systems	13
- Goals, Strategies, Measures	14
SHAREHOLDER'S LETTER OF EXPECTATIONS	18
SUMMARY FINANCIAL OUTLOOK	19
GLOSSARY	21

MESSAGE FROM THE CHAIR

To: The Honourable Murray Coell
*Minister of Advanced Education and Labour
 Market Development*

On behalf of the board of directors, management and staff of the Industry Training Authority (ITA), I am pleased to submit this service plan for fiscal 2009/10-2011/12.

It was prepared at a time of global economic turmoil. While British Columbia is believed to be well-positioned to weather this storm, the economy will be adversely impacted during the period to which this service plan applies, to an extent and for a duration that cannot be reliably predicted.

This represents a fundamental shift in the ITA's operating environment, since the organization has until now operated exclusively during a period of strong growth in the economy as a whole and in demand for skilled labour. We nevertheless believe that the ongoing improvement and growth of the industry training system remains fundamental to BC's long-term prosperity and competitiveness.

The economic outlook has risk-opportunity implications for the ITA, since it may result in a decline in at least short-term industry demand for skilled labour, with impacts on training availability. But as this service plan outlines, we believe participation growth at some level can nevertheless be sustained. Indeed, the downturn may present opportunities for counter-cyclical training that will position the province to capitalize on economic recovery.

This service plan is an interim outcome of a broader strategic-planning exercise involving the ITA board and management, and which is more fully described below (see "Strategic Planning", page 10). It reflects an updated articulation of the ITA's vision and mission, and a sustained focus on customer-centric operations and collaborative partnerships. This service plan consists of a streamlined set of select performance measures reflecting our mandate as a whole and key goals and objectives.

Focal points for the next three years will include:

- continued efforts to foster training participation, while maintaining alignment between participation/certification and short and long-term labour-market needs;
- an increased emphasis on the second aspect of the ITA's dual mandate, that being certification based on existing skills (in contrast to certification based on training);
- further improvement in the flexibility and accessibility of training, with a particular emphasis on putting e-learning into practice;
- ongoing refinement of the Industry Training Organization framework, including policies relating to accountabilities and funding; and
- continued expansion of supply-side initiatives relating to participation on the part of Aboriginal peoples and other target groups.

We will also focus, during 2009/10 in particular, on implementation of further measures that may be required to address the recommendations identified in the recent Auditor General's report on trades training. An action plan is scheduled for

completion at approximately the same time this service plan will be tabled.

Flexibility and responsiveness to revised outlooks and emerging trends will be particularly important, given the degree of current economic

The following *significant developments* have occurred since the ITA's last Service Plan was tabled:

- Launched a seventh ITO (transportation sector)
- Continued progress towards full-service status for existing ITOs (three expected to reach this milestone during 2008/09)
- ITA was involved in major apprenticeship completion research projects
- Provided grants to further support Aboriginal and youth participation
- Formed an Aboriginal Apprenticeship Advisory Committee
- Released a report on Aboriginal industry-training participation
- Formed the Flexible Trades Training Initiative consortium (e-learning mandate)
- Secured national/CCDA support for Multiple Assessment Pathways pilot
- Expanded use of Labour Market Agreement funding for supply-side initiatives
- Launched the ITADirectAccess information management system
- Internal re-organization completed to better support strategic initiatives and innovation

uncertainty. For example, it is unclear at this time whether a sustained economic downturn would result in increased or decreased technical-training demand.

We nevertheless have confidence in the strengths of the ITA's capacities and partnerships, and in our ability to achieve the targets for continued growth and improvement. Given current outlooks and uncertainties, we view these targets as aggressive.

This service plan was prepared under the board's direction in accordance with the *Budget Transparency and Accountability Act* and the *BC Reporting Principles*. It is consistent with government's strategic priorities and fiscal plan, and the board is responsible for its contents, including measure and target selection.

All significant assumptions, policy decisions and identified risks as of January 2009 have been considered. The measures are consistent with the ITA mandate and goals, and focus on critical aspects of performance. Targets have been set based on an assessment of the ITA's operating environment, forecast conditions, risk assessment and past performance, and specific rationales are elaborated on below.

Sincerely,



Frank Borowicz
Chair, Board of Directors

ORGANIZATIONAL OVERVIEW

Mandate

The Industry Training Authority (ITA) governs the industry training system and strives to fully capture its potential to contribute to the prosperity of BC. The ITA serves the public interest in ensuring industry has access to skilled labour, and individuals have access to skill-recognition opportunities that help them develop to their fullest potential.

The ITA's mandate and accountabilities are defined in its enabling legislation, the *Industry Training Authority Act*. Further direction and accountability are provided through a Shareholder's Letter of Expectations (see page 18), executed jointly by the ITA and the Minister of Advanced Education and Labour Market Development (to whom the ITA has a reporting relationship).

Core Business Areas and Services

The ITA focuses on governance, policy development, program standards and system-wide collaboration and coordination. Its head office is located in Richmond while a second office in Vancouver serves primarily as a customer-service centre.

Responsibilities among ITA executive staff were reconfigured during 2008/09 to better advance an innovation agenda and align with evolving priorities more broadly. These staff members are now organized along the following functional lines which reflect the ITA's core business areas:

- customer service
- operations and Industry Training Organizations
- strategy and policy
- labour-supply initiatives
- Aboriginal initiatives
- program standards
- training delivery
- trainer designation
- strategic initiatives
- marketing and communications
- finance and corporate services
- human resources

Province-wide information and examination services are available through Service BC offices. The ITA had 45 active full-time employees and seven part-time employees as of November 2008.

Customers and Delivery Partners

The ITA provides services to two customer groups:

1. Industry – any employer or group of employers with a need for formally trained workers possessing credentials within the scope of the ITA's operations; and
2. Training Participants and Challengers – apprentices and foundation program (pre-apprenticeship) participants who pursue industry training programs with the intent of achieving certification, and challengers who pursue certification on the basis of their existing skills.

An industry-driven agenda is central to the ITA's mandate and operational approaches. The ITA also maintains a dual focus on both training participation and existing-skills assessment as pathways towards certification. During 2008/09, it placed increased emphasis on the second aspect of that mandate, relative to which considerable un-utilized potential is believed to exist.

The ITA works in close collaboration with two categories of service-delivery partners, to which it provides funding based on contractual accountabilities:

1. Industry Training Organizations – Responsibilities on the part of sector-specific ITOs include proposing and maintaining program standards, participating in the ITA's training-delivery processes, and providing services to industry and training participants. Accountability is provided through annual service plans and an ongoing reporting process, built around targets aligned with those in this service plan.
2. Training Providers – Various public and private training institutions, together with partners in the K-12 school system, provide the technical-training component of programs leading to ITA credentials. Accountability is provided through institution-specific contracts and training purchase plans, which are developed in consultation with relevant ITOs and are consistent with system-wide program priorities.

CORPORATE GOVERNANCE

The Industry Training Authority (ITA) is governed by a nine-member board of directors, appointed by the Minister of Advanced Education and Labour Market Development. Its members are independent of government and ITA management and have diverse sectoral backgrounds and professional expertise.

The board's role consists of:

- setting strategic direction and empowering management to pursue it;
- holding management accountable for defined performance results;
- ensuring effective use of resources made available to the ITA; and
- reporting to government, stakeholders and the public at large.

The board has three standing committees with responsibility for finance and audit, human resources and governance, and policy.

More information with respect to the board's membership, committee structure, terms of reference, conflict of interest guidelines and other matters – information constituting compliance with the disclosure requirements of the BC government's Board Resourcing and Development Office – is available at: www.itabc.ca/Page59.aspx.

This information reflects the board's adherence to key governance principles including: clearly delineated responsibilities, adherence to a rigorous code of conduct, meaningful oversight of management, and continuous governance improvement.

Senior Management

Kevin Evans	Chief Executive Officer
Ellen Brodie	Senior Lead, Projects
Ashifa Dhanani	Senior Lead, Customer Service
Lisa Dooling	Executive Lead, Marketing & Communications
Lindsay Langill	Senior Lead, Program Standards
Gary McDermott	Senior Lead, Aboriginal Initiatives
Jeff Nugent	Executive Lead, Strategy & Policy
Johann Steinmann	Senior Lead, Programs
Geoff Stevens	Executive Lead, Operations & Industry Training Organizations
Sandy Steward	Executive Lead, Strategic Initiatives
Sue Thomas	Executive Lead, Finance & Corporate Services
Jessie Zielke	Senior Lead, Labour Supply Initiatives

Directors and Committee Responsibilities

Frank Borowicz, Chair	(Finance & Audit, Acting Chair; HR & Governance)
Allan Bruce	(Policy)
Jack Carthy	(Finance & Audit, HR & Governance)
Dana Francis	(Policy)
Barbara Naef	(Finance & Audit)
Frank Pasacreta	(Policy, Chair)
Gord Stewart	(Policy, HR & Governance)
Jim Utley	(HR & Governance, Chair)
One vacancy effective December 30, 2008	

STRATEGIC CONTEXT

The Industry Training Authority (ITA) has identified the strategic issues described in the following tables as the ones with the greatest potential to impact on its performance in the period covered by this plan. They encompass trends, opportunities, risks and capacity issues, whose significance is verifiable with reference to economic, demographic and other data.

They include both external trends and developments impacting upon the ITA's mandate and operations, and considerations internal to the training system. Broadly speaking, they relate to the economic outlook, entry and completion on the part of training participants, and high-level issues relating to BC's productivity and competitiveness.

The ITA continually monitors general economic and labour-market conditions and outlooks, and other strategic indicators and issues as they arise and evolve. This enables the ITA to manage resulting performance impacts and leverage opportunities.

The ITA coordinates the efforts of dozens of private and public training providers, while responding to direction from a wide range of sectors within the BC economy, and maximizing the quality of training and certification outcomes for tens of thousands of registered participants and challengers.

With effective infrastructure now in place and key processes stabilized, ongoing change is becoming more incremental. However, global economic turmoil and its anticipated impacts introduced new uncertainty and strategic complexity in 2008/09, the full extent and duration of which remained unknown when this service plan was prepared.

Economic Outlook

Key Strategic Issues	Status and Potential Impacts	Plans to Address, Linkages to Goals and Measures
Supply/Demand Alignment	<p>Current economic conditions may result in at least short-term moderations in skilled-labour demand, although this impact will be offset by demographic trends (e.g. high retirement levels). This creates considerably less certainty as to what level of certifications will best align with labour-market demand within particular timeframes, and creates a risk of over or under-supply.</p>	<p>Total participation levels and end-point supply-related outcomes (certificates of qualification issued) are among the performance measures in this plan, and targets have been set (and will be refined as necessary) based on the recent trends, current economic outlooks and industry input with respect to anticipated needs. The addition of a measure relating to post-completion employment in the trades will indicate any emerging supply/demand misalignment.</p>
Industry Engagement, Sponsorship Model	<p>Industry training is inherently dependent on strong industry engagement, most fundamentally through work-based training opportunities. Economic conditions may reduce industry engagement and capacity to provide such opportunities, thus negatively impacting training participation and completion.</p>	<p>The ITA is targeting continued growth in registered sponsors commensurate with the level of targeted growth in registered training participants. Additionally, an increased focus on certification based on existing-skills assessment (the subject of a new measure in this plan) will expand non-sponsorship based certifications. The ITA will explore opportunities (in addition to existing foundation programs) to protect the investment made in apprentices who may now find themselves without employment-based sponsorships. The measure of % of participants in ITO-managed programs will indicate the extent to which higher-level industry engagement is being sustained.</p>
Technical Training Capacity	<p>Strong recent growth in technical training has strained capacity limits. While current economic conditions may alleviate such constraints, the potential also exists for heightened technical-training demand, as more apprentices find themselves without work or with opportunities for temporary absences. The economic slowdown may therefore present an opportunity to address a backlog of deferred technical training.</p>	<p>The ITA anticipates actively encouraging apprentices to pursue technical training during the period when economic conditions make it more feasible, and targets for certificates of qualification issued are premised in part on this expectation. A measure relating to wait times will provide a direct indication of any resulting exacerbation in capacity constraints. The ITA will continue to work with training providers to sustain recent momentum towards capacity maximization, and the capacity-utilization measure will indicate success in this regard.</p>

Entry and Completion

Key Strategic Issues	Status and Potential Impacts	Plans to Address, Linkages to Goals and Measures
Accessibility/ Flexibility	<p>Accessibility and flexibility of training (technical training in particular) and assessment opportunities remain major determinants of the extent of training participation and certification. Accessibility, on geographic and other bases, and flexibility are likely of particular relevance to the participation of some currently under-represented groups.</p>	<p>The ITA continues to enhance the accessibility and flexibility of training options, with a current emphasis on e-learning. Additionally, the ITA is working to improve opportunities for existing-skills assessment, most notably through development of a Multiple Assessment Pathways (MAP) initiative. Measures of training participants and challengers will indicate success, as will continued tracking of participation by under-represented groups.</p>
Under-Represented Groups	<p>Increased participation on the part of target groups (including women, persons with disabilities, recent immigrants and Aboriginal peoples) will support certification growth, and is a potentially effective response to long-term demographic pressures. It also represents enhanced opportunities for personal and career advancement on the part of members of such groups.</p>	<p>The ITA is continuing to develop and implement various targeted labour-supply initiatives. Initiatives such as e-learning and MAP are of particular relevance to target groups (recent immigrants, in the case of MAP). While no longer the subject of specific service plan measures, target-group participation will continue to be tracked, and will contribute to overall participation growth.</p>
Essential Skills	<p>Research strongly suggests that essential-skills (i.e. literacy and numeracy) deficiencies are common barriers to entry into and completion of industry training and certification.</p>	<p>The ITA is developing an Essential Skills Strategy, aimed at providing enhanced opportunities for essential-skills enhancement on the part of potential and current industry-training participants. Components will be implemented in partnership with different levels/types of training providers. Outcomes tracking will be an element of the strategy, and it will contribute to overall participation growth.</p>

Jurisdictional Prosperity

Key Strategic Issue	Status and Potential Impacts	Plans to Address, Linkages to Goals and Measures
Training-Productivity Linkage	There is growing recognition of the extent to which Canada's productivity lags that of other jurisdictions with which it competes. Training is an important means of improving productivity, yet its potential in this regard is under-recognized at this time.	The ITA is initiating research aimed at better quantifying and leveraging the contribution of training to productivity.
Access to Skilled Labour Internationally	The extent of recent skills shortages and of anticipated demographic pressures have underscored the importance of immigrants within the Canadian labour market. Canada is competing with other immigrant-receiving countries for a finite pool of mobile skilled labour. The efficacy of opportunities for skills recognition and gap-based training will be a key determinate of competitive success.	The ITA is improving the efficacy of skills recognition and training opportunities of particular relevance to recent immigrants through the MAP initiative. Outcomes tracking will be an element of this initiative, and it is expected to contribute to overall participation growth (most notably growth in challengers). Labour Market Agreement funding is also being directed to projects to support immigrant engagement in trades training.

Strategic Planning

In 2008/09 – its fifth full year in operation – ITA management and its board of directors undertook a process through which a new strategic plan is being developed. This service plan is consistent with, although narrower in scope than, the version of the strategic plan existing as of January 2009.

The key elements of that version of the strategic plan are defined in the following chart, including updated vision and mission statements. When this service plan was prepared it was expected that the strategic plan would be finalized by mid-February.

Highly skilled and productive people making BC's industries prosperous and globally competitive

To lead BC's industry skills training and certification system through collaboration and innovation

Individuals are recognized for their skills and knowledge and have opportunities to develop to their full potential

1. Training and skills recognition are accessible, flexible and responsive to individual needs
2. ITA-issued credentials are valued because they enable employment, mobility and progression

Employers and industry have the skilled workers they need to be successful

3. Industry drives BC's industry training and certification system to ensure it has the skilled workers needed to be successful
4. Industry has access to skilled workers with the right skills at the right time
5. ITA-issued credentials are valued because they represent that standardized, industry-defined outcomes have been met

The industry training system makes a vital contribution to BC's prosperity

6. Maximize the value of all investments made in the system
7. Effective partnerships enable collaboration and innovation among system stakeholders
8. Promote understanding of the connection between training, skills and productivity

PERFORMANCE MANAGEMENT FRAMEWORK

The Industry Training Authority (ITA) has established three goals, related objectives and strategies, and eight key performance measures and associated targets for the next three years. These are defined in this service plan, and results will be reported in annual reports and supplemental monthly reports (www.itabc.ca/Page62.aspx).

For comparative purposes, the goals that were contained in the ITA's most recent previous service plan are also noted below. The rationale for the extensive revision of the organization's performance-management framework is provided on the next page.

Current ITA Goals: 2009/10-2011/12

1. Individuals are recognized for their skills and knowledge and have opportunities to develop to their full potential
2. Employers and industry have the skilled workers they need to be successful
3. The industry training system makes a vital contribution to BC's prosperity

Previous ITA Goals

1. Sufficient and timely supply of skilled labour, relative to industry needs
2. Active and effective industry leadership of industry training
3. Efficient and effective program development and delivery
4. High levels of customer satisfaction and stakeholder engagement

GOAL AND MEASURE SELECTION

The goals in this service plan represent an encompassing and appropriately segmented articulation of the ITA's mandate – focusing on each of its two customer groups, and on the ITA's leadership role within a prosperity-enhancing training system. The goals are directly derived from a strategic framework developed through a broader planning exercise (see previous page).

The measures included in this plan have been selected based on close linkage to goals and to underlying direction from government, and based on the following criteria:

- Will results reliably indicate success or failure and provide a basis for action planning in response?
- Does the ITA have the capacity to meaningfully influence performance relative to the measure?
- Can outcomes be feasibly, reliably and quantifiably measured and reported?
- Does the measure relate to aspects of performance that impact upon or are of interest to the ITA's customer and stakeholder groups?

The basis for the selection of specific targets is elaborated on in the section within which the targets are defined.

CHANGES TO THE FRAMEWORK

The ITA's performance-management framework has been refined annually, to ensure alignment with the structure of and operational context for the training system. As noted (see "Strategic Planning", page 10), a broad strategic planning process was nearing completion when this service plan was prepared, and has directly informed it.

This process represents the largest-scale re-visiting of the ITA vision, mission and performance metrics to have been undertaken since the organization's inception, and was the catalyst for a significant re-evaluation of service plan goals and measures. As a result, there are extensive changes – most notably, a reduction in the number of measures – between this service plan and the previous plan.

There is nevertheless substantive consistency at the level of goals. And of the eight performance measures included in the current service plan, six are carried forward from the previous plan – representing at least one measure associated with each of the first three of the four goals of that plan.

This plan contains a smaller number of measures that are more encompassing in their scope and that reflect end-point outcomes. For example, the plan now contains a single registered-participants measure, rather than a series of measures

segmented by participant type. And it contains a single measure of training and assessment outcomes (certificates of qualification), rather than a series of interim measures (youth and foundation program credits, continuation). Measures no longer included in the service plan may, subject to data availability, continue to be tracked and reported in ITA monthly performance reports.

Non-inclusion of a specific measure (such as completion rates and under-represented group participation) does not indicate that the underlying issue is no longer a priority for the ITA, rather it reflects consistency with the directive in the *BC Reporting Principles* to focus the service plan on the few most critical aspects of performance.

The new measure relating to registered challengers reflects more emphasis on the dual nature of the ITA's mandate – that is, on both training participation and existing-skills assessment. The new measure relating to post-completion employment reflects the emphasis on end-point outcomes and on accountability for training relevance.

PERFORMANCE MANAGEMENT SYSTEMS

In February, the ITA launched ITADirectAccess – an information management system which replaced a legacy system known as AIMS (Apprenticeship Information Management System). ITADirectAccess is the data source relied on in connection with most of the performance measures in this service plan.

ITADirectAccess provides a broader range of tracking and reporting capabilities, and further enhances management's confidence in the accuracy of the data relied on for performance management.

ITADirectAccess is a database for information that originates with ITA customer service staff, ITOs, training providers and training participants themselves (via web and other direct interfaces), and minimizes the need for data re-entry after initial collection. It is also a basis for customer service improvements and process streamlining.

Methodologies, criteria and timeframes relevant to the collection and assessment of performance-measurement data are addressed in more detail in notes to the ITA's supplemental monthly performance reports.

A NOTE ON BENCHMARKING

Industry training authorities with comparable mandates exist in other Canadian and foreign jurisdictions, and are potential benchmarking peers for the ITA. However, the current validity of direct performance-outcome comparisons is limited by wide variation with respect to: training system and program structures; definitions and methodologies relating to specific performance measures; and prevailing economic conditions and industry needs.

Accordingly, the application of external benchmarking in the development of this service plan was limited. Targets are, however, informed by internal benchmarking (i.e. the ITA's own performance in previous periods).

The ITA is participating in a Canadian Council of Directors of Apprenticeship initiative to develop a national performance-management framework that is expected to incorporate benchmarking, and may serve to overcome the above-noted limitations.

Two sets of external benchmark-based disclosures are included in ITA annual reports: i) ITA performance on two key measures (total participation and credentials awarded) relative to that in four other Canadian jurisdictions (selected based on a reasonable degree of comparability and availability of information); and ii) BC pass rates on Red Seal exams relative to national pass rates.

Benchmarking is given wider application as a management tool in the context of system-wide funding allocations and third-party service-delivery arrangements, and informs ITA performance expectations relative to Industry Training Organizations and training providers. The ITA continues to assess feasible benchmarking opportunities, in such potential contexts as e-learning and Multiple Assessment Pathways.

GOALS, STRATEGIES, AND PERFORMANCE MEASURES

GOAL 1: Individuals are recognized for their skills and knowledge and have opportunities to develop to their full potential

Objectives:

- Training and skills recognition are accessible, flexible and responsive to individual needs
- ITA issued credentials are valued because they enable employment, mobility and progression

Strategies:

- Develop and support flexible learning approaches (including e-learning)
- Develop targeted opportunities that better enable women, Aboriginal peoples, and new immigrants to fully participate in the industry training and certification system
- Develop an action plan to address essential skills-related barriers
- Develop and implement Multiple Assessment Pathways to enable better recognition of existing skills

Performance Measure	2007/08 Actual	2008/09 Forecast	2009/10 Target	2010/11 Target	2011/12 Target
Total Registered Training Participants¹	43,922	45,500	47,000	47,500	48,000
Registered Challengers² <i>New Measure</i>	n/a	n/a	Establish Baseline	TBD	TBD
Certificates of Qualification Issued³	5,246	5,500	6,000	6,100	6,200

Target Rationales:

- Total Registered Training Participants – The 2009/10 target assumes growth consistent with a rolling average of net growth over the six months prior to when this service plan was prepared, with a heavier weighting on the final three months in light of rapidly changing economic conditions. Lower growth is targeted in the following years. In the event of further deterioration in economic conditions, even modest growth will require aggressive efforts to sustain. Targets remain subject to refinement based on industry and training provider consultations (ongoing when this service plan was prepared), aimed in part at ensuring alignment with longer-term labour-market needs.

Continued next page

¹ Includes apprenticeship, foundation program and youth program participants.

² Number of applicants approved to undergo an assessment of their existing skills as a basis for certification.

³ Number of final certifications issued to both those who have participated in a formal apprenticeship program and those who have challenged for the qualification based on existing skills. Targets for 2009/10 and 2010/11 have been adjusted upward (from 4,200) to align with a forecast of above-target performance for 2008/09.

- Certificates of Qualification Issued – The 2009/10 target has been set using a similar rolling average methodology (see previous page), and remains aggressive (9% growth). This is due to the less immediate impact of economic conditions on this aspect of performance. Continued but more modest growth is projected going forward in the expectation that two factors – development of progressive program models that may result in acquisition of more than one credential, and completion by apprentices who may have more flexibility to pursue technical training during an economic downturn – will compensate for the negative impact of economic conditions on certification.

Recent Trends

The following are recent growth trends for several of the measures included in this plan.

Total Registered Training Participants

2003/04	2004/05	2005/06	2006/07	2007/08	2008/09 (f)
14,676	20,050	33,389	38,018	43,922	45,500

Certificates of Qualification Issued

2003/04	2004/05	2005/06	2006/07	2007/08	2008/09 (f)
2,329	2,378	2,899	3,551	5,246	5,500

Registered Sponsors

2003/04	2004/05	2005/06	2006/07	2007/08	2008/09 (f)
6,740	7,863	8,819	9,575	10,552	11,000

GOAL 2: Employers and industry have the skilled workers they need to be successful**Objectives:**

- Industry drives BC's industry training and certification system to ensure it has the skilled workers needed to be successful
- Industry has access to skilled workers with the right skills at the right time
- ITA-issued credentials are valued because they represent that standardized, industry-defined outcomes have been met

Strategies:

- Facilitate development of an ITO-driven employer-engagement strategy
- Continue efforts to promote trades careers
- Ensure regular industry review and ongoing currency of all program standards
- Promote and provide opportunities for youth participation in industry training

Performance Measure	2007/08 Actual	2008/09 Forecast	2009/10 Target	2010/11 Target	2011/12 Target
% of Registered Participants in Industry/ITO-Managed Programs⁴	88%	94%	95%	97%	97%
Total Registered Sponsors	10,552	11,000	11,250	11,350	11,450
Employment in Trades 6-12 Months After Acquiring Certificate of Qualification <i>New Measure</i>	n/a	n/a	Establish Methodology, Baseline	TBD	TBD

Target Rationales:

- % in Industry/ITO Managed Programs – Targets have been set with reference to the industry training program coverage defined within ITO mandate statements, and anticipated progression by ITOs towards full assumption of their assigned responsibilities.
- Total Registered Sponsors – Targeted growth in total registered training participants (see previous goal) necessitates some growth in total registered sponsors. Sponsorship growth targets are, however, lower than participant growth targets since sponsorship growth is likely to be more immediately (and negatively) impacted by economic conditions. Growth in these two measures need not be precisely proportionate, given the expectation of greater use of training models that are not dependent on sponsorship.

⁴ This measure includes apprentices only. The 2010/11 target has been adjusted upward (from 95%) to reflect recent ITO formation and coverage trends.

GOAL 3: The industry training system makes a vital contribution to BC's prosperity**Objectives:**

- Maximize the value of all investments made in the system
- Effective partnerships enable collaboration and innovation among system stakeholders
- Promote understanding of the connection between training, skills and productivity

Strategies:

- Conduct system-wide planning and performance reporting
- Support system-wide identification and development of innovative approaches to service delivery
- Quantify the connection between skills training and productivity
- Prioritize program development funding that supports innovation and enhanced outcomes

Performance Measure	2007/08 Actual	2008/09 Forecast	2009/10 Target	2010/11 Target	2011/12 Target
Capacity Utilization⁵	91.1%	91.5%	Targets for these measures are based in large part on consultations conducted with training providers in connection with the development of training purchase plans. They will be set by March 31, 2009 and reported in subsequent ITA monthly performance reports.		
Apprentices Waiting >12 Months for Next Level of Training	6.6%	6.9% ⁶			

Target Rationales:

- Modest targets are anticipated for both of these measures in recognition of: the complexity of influencing factors, the need to work in close coordination with training providers to address them, and potential impacts of current economic conditions. It is further recognized that incremental improvement will avoid unintended adverse consequences that could result from more aggressive targets – for example, an undue focus on capacity utilization could increase wait times.

⁵ Reflects per cent of ITA-funded training seats filled by registered participants. This measure is now defined as a weighted average of both apprenticeship and foundation program seat utilization. Forecast performance for 2008/09 is consistent with targets previously defined on a segmented basis.

⁶ Targeted performance for 2008/09 was for less than 5% of apprentices waiting more than 12 months. Forecast performance therefore falls short of target.

SHAREHOLDER'S LETTER OF EXPECTATIONS

The following table identifies Industry Training Authority (ITA) actions in specific relation to direction from government in the most recent Shareholder's Letter of Expectations, executed by the Minister of Advanced Education and Labour

Market Development and the chair of the ITA board. These actions are consistent with those identified above in connection with key strategic issues and goal-specific strategies.

Government Direction	Planned ITA Actions in Response
Through innovation and collaboration, develop training that is relevant and responsive to industry, community and labour market needs	<ul style="list-style-type: none"> • Continued refinement of ITO framework (accountabilities, funding), and expansion of ITO training coverage • Maintenance of regular program updates for all trades • Various research/engagement re improved system outcomes, e.g. progression, completion, continuation • Continued improvement to system-wide planning and coordination, e.g. through Joint Leadership Committee • Continued development of more accessible and diverse training and assessment models
Expand access to under-represented groups in all regions of the province	<ul style="list-style-type: none"> • Further development and implementation of Aboriginal-participation strategy • Funding of projects to increase participation of women and immigrants • Refinement of strategies based on recent research on barriers for people with disabilities • Leveraging of Labour Market Agreement funding and partnerships
Attract more young people into trades training and assist the transition from school to work	<ul style="list-style-type: none"> • Continued delivery of comprehensive youth strategy, including communication/outreach and three middle and secondary school industry training programs • Continued collaboration with Ministry of Education and school districts, and targeted support for external youth initiatives (e.g. Skills Canada BC competitions)
Create avenues for training delivery and certification processes that are efficient, effective and flexible	<ul style="list-style-type: none"> • Ongoing improvement in public post-secondary trainer capacity utilization • Ongoing collaborative development of flexible-delivery models, with particular focus on e-learning • Continued designation of private trainers • Implementation of new information-management system
Ensure labour mobility under the Agreement on Internal Trade (AIT) and Trade, Investment and Labour Mobility Agreement (TILMA); ensure appropriate recognition of skills developed elsewhere, and support multi- and bi-lateral labour mobility initiatives	<ul style="list-style-type: none"> • Pilot alternative assessment methods for challengers (Multiple Assessment Pathways) • Ensure full compliance with trades-related AIT and TILMA provisions • Continued active participation/leadership on the Canadian Council of Directors of Apprenticeship
Achieve carbon neutrality by 2010	<ul style="list-style-type: none"> • Continued facilitation of telecommuting on the part of ITA staff, and extensive use of tele/video-conferencing • NB: The provision of closer-to-home and flexible training options (e.g. e-learning) is believed to reduce carbon emissions indirectly associated with ITA activities

SUMMARY FINANCIAL OUTLOOK

(\$'000's)	2007/08 Actual	2008/09 (forecast)	2009/10 (forecast)	2010/11 (forecast)	2011/12 (forecast)
REVENUE					
Contributions from the Province ⁽¹⁾	97,586	107,698	113,709	113,236	112,947
Other Income	1,318	938	707	1,531	1,860
Total Revenue	98,904	108,636	114,416	114,767	114,807
COSTS					
Program Operations Costs					
Training Program Delivery	84,720	87,240	91,168	91,395	91,343
Program Development / Designation	2,756	3,277	2,641	2,665	2,649
LMA Projects / Supply Side Initiatives	319	5,500	8,500	8,000	8,000
Industry Training Organizations	1,935	2,484	3,606	3,827	3,827
Total Program Operations Costs	89,730	98,501	105,915	105,887	105,819
General Operations & Administration					
General Operations & Administration	7,679	8,519	7,950	8,318	8,431
Amortization	565	1,616	550	562	557
Total General Operations & Administration	8,243	10,135	8,500	8,880	8,988
Total Costs	97,974	108,636	114,415	114,767	114,807
Projected Net Income (loss)	930	0	0	0	0

⁽¹⁾ Contributions from the Province

Ministry – General Funding ⁽²⁾	96,938	100,538	104,938	104,938	104,938
Ministry – LMA Funding	–	5,500	8,500	8,000	8,000
Ministry – Other Grants	166	127	–	–	–
Recognition of deferred contributions	482	1,533	271	298	9
	97,586	107,698	113,709	113,236	112,947

⁽²⁾ Increased funding has been allocated to address the Premier's commitment to add 7,000 apprenticeship training spaces commencing in 2007/08.

ASSUMPTIONS, RISKS, SENSITIVITIES

The summary financial outlook is informed by the following key assumptions:

- expanded funding from the province for 2009/10 with a sustainment of that level into the near future;
- continued demand for training delivery despite current economic conditions, in part through a counter-cyclical strategy;
- ongoing, expanded and new labour-supply initiatives (including Aboriginal peoples, women and immigrants);
- timely progress of ITOs towards full-service status and assumption of full range of assigned responsibilities, and continued employer engagement generally;
- continued efforts by training providers to ensure effective capacity utilization; and
- access to other sources of revenue (in addition to contributions from the province).

Inherent within these assumptions are various risks and sensitivities, occurrence of which could impair the ability of the Industry Training Authority (ITA) to achieve targeted performance within currently anticipated budgetary resources:

- a severe or sustained reduction in training participation as a result of economic conditions;
- ineffectiveness of strategies/initiatives aimed at maintaining participation growth;
- lack of target-group responsiveness to labour-supply initiatives;
- employer disengagement from ITO model and from support for work-based training generally;
- inability of training providers to achieve targeted utilization; and
- lower than anticipated levels of funding.

FUTURE FINANCIAL OUTLOOK

The ITA has had the benefit of increased contributions from the province, which remains by far its largest source of funding, for several years. This has supported large-scale system-wide change and growth. The current expectation is for a further increase in funding in 2009/10 – the third and final increase made to fund the addition of 7,000 new apprenticeship spaces – after which contributions from the province will stabilize. As noted, the ITA also anticipates securing further increases in Labour Market Agreement funding as well as other sources of funding to support specific initiatives including ones focusing on labour supply.

Subject to the risks and sensitivities noted above, the ITA sees currently anticipated funding as sufficient to achieve the targeted performance outlined in this service plan. However, just as there is uncertainty as to the extent and duration of impacts in BC, resulting from current economic conditions, so too is there uncertainty regarding the ITA's financial outlook.

The ITA's financial outlook is premised most particularly on: support from the province enabling the ITA to capitalize on the economic downturn to up-skill and re-tool the BC workforce in advance of an economic recovery; continued participation of industry through ITOs; and, access to additional sources of funding for other specific strategic initiatives.

GLOSSARY

Agreement on Internal Trade (AIT) – An agreement among Canadian first ministers, in place since 1995 and recently strengthened, which aims to reduce barriers to the movement of persons, goods, services and investments within the country.

Apprentice – A person who registers with the Industry Training Authority and pursues an industry training program – combining work-based training with technical or institution-based training – with the intent of obtaining an industry training credential.

BC Reporting Principles – A set of principles – endorsed by the government, legislature and Auditor General of BC – intended to enhance the quality of information disclosed by BC Crown agencies in their annual reports.

Canadian Council of Directors of Apprenticeship (CCDA) – An organization comprised of all provincial and territorial directors of apprenticeship and representatives of the federal government, which is tasked with management of the Interprovincial Red Seal program.

Challengers – Individuals who have not participated in a formal apprenticeship program in Canada, but who have been assessed and approved to write the final certification exam based on their prior experience and existing skills.

Credential/Certification – Formal recognition that an individual has successfully completed an industry training program. In BC, the industry training credentials issued upon apprenticeship completion take the form of a provincial Certificate of Qualification, possibly with an inter-provincial or Red Seal endorsement.

Foundation Programs – Pre-apprenticeship and primarily in-school based programs (including those formerly known as Entry Level Trades Training Programs) directly aligned with apprenticeship programs, and providing an entry point by which participants can earn credit for level one technical training without the need for a sponsor.

Industry Training Organization (ITO) – An industry-directed, not-for-profit legal entity with responsibility for developing and managing industry training programs province-wide within a particular economic sector (e.g. construction, transportation, resource industries).

Industry Training Program – An occupation-specific program involving defined competencies and standards,

assessment tools and a credential to be awarded upon successful completion. Includes both apprenticeship and foundation programs.

Joint Leadership Committee – A permanent forum for dialogue and collaboration between the Industry Training Authority and the public post-secondary institutions that deliver technical training.

Labour Market Agreement – Bi-lateral agreements under which the federal government provides funding (pursuant to the *Employment Insurance Act*) for specific labour market initiatives which the province then assumes responsibility to design and deliver.

Multiple Assessment Pathways (MAP) – A multi-phase research and development initiative being led by the ITA and involving the design and piloting of new robust and flexible standards-based means, beyond the existing written examinations, of gathering evidence to determine an individual's competency.

Red Seal – A national program providing a standardized endorsement for specific occupations/trades and allowing for greater labour mobility. Upon successful completion of a Red Seal exam, a Red Seal endorsement is added to the provincial credential.

Sponsor – A qualified individual or other legal entity (often, but not necessarily, an employer) that commits to ensuring that an apprentice receives work-based training relevant to his or her industry training program, and under the direction of one or more qualified individuals.

Technical Training – The institution-based (in-class or distance education) component of an industry training program that provides a combination of theoretical knowledge and practical skills to complement work-based training.

Trade, Investment and Labour Mobility Agreement (TILMA) – An agreement between British Columbia and Alberta, scheduled to come into full force in April 2009, which aims to eliminate barriers to trade, investment and labour mobility between the two provinces.

Training Purchase Plans – Contractual agreements between the Industry Training Authority and training providers, specifying the types of industry training programs to be offered – and number of participants – in return for defined funding contributions.



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