

Industry Training Authority

2018/19 – 2020/21 SERVICE PLAN

February 2018



For more information on the Industry Training Authority contact:

800 – 8100 Granville Avenue
Richmond, B.C. V6Y 3T6

Phone: 778.785.2410

Toll-free (in B.C.): 1.866.660.6011

Fax: 778.328.8701

Or visit our website at
itabc.ca

Board Chair Accountability Statement

The 2018/19 - 2020/21 Industry Training Authority (ITA) Service Plan was prepared under the Board of Directors direction in accordance with the *Budget Transparency and Accountability Act*. The plan is consistent with government's strategic priorities and fiscal plan. The Board of Directors is accountable for the contents of the plan, including how it has been reported. The Board of Directors is also responsible for the validity and reliability of the information included in the plan.

All significant assumptions, policy decisions, events and identified risks as of February 2018 have been considered in preparing the plan. The performance measures presented are consistent with the *Budget Transparency and Accountability Act*, ITA's mandate and goals, and measures focus on aspects critical to the organization's performance. The targets in this plan have been determined based on an assessment of ITA's operating environment, forecast conditions, risk assessment and past performance. In 2018 the Board will review ITA's goals and measures and develop a performance framework that reflects the mandate of the Minister of Advanced Education, Skills and Training.



Roberta Ellis
Board Chair

Table of Contents

Board Chair Accountability Statement 3

Strategic Direction and Alignment with Government Priorities..... 5

Operating Environment..... 6

Performance Plan 7

Financial Plan..... 13

 Summary Financial Outlook..... 13

 Key Forecast Assumptions, Risks and Sensitivities 13

 Management’s Perspective on the Financial Outlook 14

Appendix A: Hyperlinks to Additional Information..... 15

 Corporate Governance 15

 Organizational Overview 15

Strategic Direction and Alignment with Government Priorities

This Service Plan is aligned with direction provided in ITA’s 2018/19 Mandate Letter and in the Minister of Advanced Education, Skills and Training’s July 2017 Mandate Letter. Guided by the accountabilities outlined in the [Industry Training Authority Act](#), ITA leads and coordinates British Columbia’s skilled trades system.

ITA’s *vision* is to create a world-class training and apprenticeship system for British Columbians, and its *mission* is to build the trades that build B.C.

Working with employers, apprentices, industry, labour, training partners and government, ITA sets program training and certification standards, supports apprenticeships, issues credentials, and works to increase opportunities in the trades through promotion.

Our operations are aligned with the Government’s key priorities:

Government Priorities	ITA Operations Aligns with These Priorities By:
Making life more affordable	<ul style="list-style-type: none"> • Ensuring there is a systematic approach to constant innovation and improvement for efficiency in the trades training system (Goal 4) • Making sure apprentices benefit from every dollar ITA spends by working with government and stakeholders to review how ITA funds and accredits delivery of technical training (Goal 3)
Delivering the services people count on	<ul style="list-style-type: none"> • Collaborating with training partners to ensure the best training experience and outcomes for apprentices (Goal 3) • Ensuring the trades training system provides quality programs that meet learning objectives of apprentices and the needs of industry (Goal 3)
Building a strong, sustainable economy	<ul style="list-style-type: none"> • Ensuring the trades training system has the capacity to meet the needs of apprentices and employer sponsors (Goal 1 & 2) • Enabling employers to provide an excellent apprenticeship experience (Goal 2)

ITA’s Three-Year Strategic Plan 2018/19-2020/21 and Service Plan guide us in supporting government’s key priorities by: keeping B.C.’s industry training processes affordable; providing quality programs that meet the needs of our clients and stakeholders; and ensuring that the trades training system maximizes its contribution to a strong provincial economy. In 2018/19, the Three-Year Strategic Plan will be reviewed to ensure alignment with government’s mandate. This will include the development and implementation of a performance management and reporting framework, through which we will ensure that the trades training system is meeting the needs of the provincial economy. As a result, many of the targets in this document are in development and subject to change in future Service Plans.

We are committed to an efficient, affordable, high-quality trades training system that helps apprentices from all backgrounds fulfill their career potential. We collaborate with partners in labour, trades training, and industry to build the trades that provide well-paying jobs and prosperity in every corner of the province.

Operating Environment

ITA's values—respect, excellence, innovation and collaboration—along with our vision and mission, guide us in the pursuit of the four goals that define a successful industry training system:

- Make apprentices more successful;
- Enable employers to provide an excellent apprenticeship experience;
- Collaborate with training partners to ensure the best training experience for apprentices; and
- Deliver innovation for effective apprenticeships.

There are two B.C. Government initiatives with the potential to affect apprenticeship in the coming years: examining apprenticeship ratios on public infrastructure projects and determining whether or not there are trades that could benefit from compulsory designation. ITA will work closely with the Ministry of Advanced Education, Skills and Training to provide evidentiary support for potential changes. ITA will also engage with large public sector organizations to increase public sector apprenticeship opportunities, and develop recommendations regarding how to strengthen the commitment to apprenticeship in the public sector.

The B.C. Government has also adopted the *United Nations Declaration of the Rights of Indigenous Peoples* and the Truth and Reconciliation Commission's *Calls to Action*. In order to remove barriers and support equity of access to trades training programs, we will work with the ITA's Indigenous Advisory Council to review ITA operations in light of the recommendations in these framework documents, and identify improvements that will enable greater participation by Indigenous Peoples.

The *B.C. Labour Market Outlook* is produced annually by the Government of B.C. and provides ITA with a 10-year forecast of the supply and demand for trades occupations in the province. The most recent data from various sources (including BC Stats, Statistics Canada, B.C. Ministry of Finance, industry and unions) is used to produce the Outlook. The Outlook forecasts 917,000 job openings throughout British Columbia by 2027. Seven out of ten of these jobs will be the result of retiring workers, while the remaining three will be new jobs created by economic growth. About 11 percent (101,430) of all 917,000 job openings will be in the trades.

ITA's success is closely linked to our ability to access the best possible industry intelligence and labour market information. We continue to build both internal capacity and external relationships to generate critical and timely information to support effective, data-driven decision-making. Our Industry Relations team works with 11 Sector Advisory Groups to validate B.C. Labour Market Outlook data and ensure that government receives direct feedback from industry leaders. Industry has indicated a desire for innovation in trades training. Industry has also expressed the need for apprenticeship training to keep pace with the rapid development of technology in the trades, such as, in the automotive sector with introduction of hybrid, electric and fuel cell vehicles.

Our ongoing work at both the provincial and national levels is also paying dividends by improving apprentice mobility across Canada through aligning the sequencing of training across both the province and the country. As a result of this Pan-Canadian initiative to harmonize trades training, for the first time in B.C., the provincial trades training system is undertaking coordinated efforts to develop high-quality, consistent instructor resources to improve the training experiences for apprentices across the province.

Performance Plan

Goal 1: Make Apprentices More Successful

Objective 1.1: Ensure trades training system has the capacity to meet the needs of apprentices

Key Strategies:

- Work with the Ministry of Education, school districts, and employers to increase work experience opportunities for youth still in high school and increase youth participation in trades programs.
- Support government’s ongoing plan to address the impact of drugs and addiction by working collaboratively with employers, training partners and Sector Advisory Groups to improve the safety, overall well-being and mental health of those employed in the trades occupations.
- Review information and supports available to apprentices and employer sponsors to ensure apprentices can more seamlessly progress through training to completion.
- Promote the value of trades careers to those considering career choices as a way to attract more people to the trades, and promote the value of certification to those already in trades training to increase completions of training.

Performance Measure(s)	2016/17 Actual	2017/18 Forecast	2018/19 Target	2019/20 Target	2020/21 Target
1.1a Number of Credentials Issued ¹ • Certificates of Qualification	7,756	6,950	8,752	9,200	9,660
1.1b Youth Program Participation	4,795	5,000	5,500 ²	5,700	5,900
1.1c Reporting Apprenticeships ³ • Indigenous Peoples • Women	36,915 2,296 3,595	37,175 2,375 3,500 ⁴	37,525 2,493 3,675	37,875 2,618 3,859	38,250 2,749 4,052

¹ ITA will develop a performance management and reporting framework in 2018/19. While new measures are being developed as part of the framework, this performance measure will be based on certificates of qualification, consistent with the methodology used in the February 2017 Service Plan.

² ITA receives its final lift to its youth trades programs in 2018/19, after which funding remains constant.

³ Data Source: ITA Direct Access information system.

⁴ Administrative changes to the Hairstylist program have resulted in new registrations now counting as foundation registrations rather than apprenticeship, resulting in a reduction of approximately 200 women reporting apprenticeships.

Linking Performance Measures with Objectives

1.1a Each credential issued signals that the trades training system has the capacity to deliver members of the workforce who possess the occupational skills needed to work in a particular trade.

1.1b Youth program participation is an indicator of capacity within the trades training system to train the next generation of tradespeople.

1.1c Reporting Apprenticeships shows the number of registrations in ITA apprenticeship programs to ensure there is capacity in the system for the identified groups.

Discussion

Targets for **Number of Credentials Issued** are based on the ongoing need to increase the skill level of the B.C.'s labour force. While the provincial labour market forecasts labour supply and demand for trades occupations moving into balance, there is continued need for more credentialed journeypersons in order to increase the overall skill level of the provincial workforce. We will continue to focus on completion initiatives, which have resulted in the highest apprentice completion rates since ITA's inception. The number of credentials issued depends on the efficient functioning of the training system as a whole - from recruitment into apprenticeship and availability of work-based and technical training, to effective assessment tools and supports for program completion. The number of credentials issued is the most concrete ITA performance measure; however, it is also strongly influenced by external factors outside of our control such as fluctuations in the economy and labour market, and the value employers place on certification.

Apprentice completion initiatives introduced by ITA that have affected this performance measure include:

- Deployment of 15 Apprenticeship Advisors to cover all regions of B.C. who provide on-the-ground support in navigating the system to apprentices, employer sponsors and training providers.
- Deployment of a Manager of Apprenticeship Completions and two additional staff to coordinate and lead completion strategies.

We will continue to closely monitor targets for certifications issued in light of program changes and fluctuating projections of labour market demand. Future forecasts will be adjusted accordingly to reflect the most up-to-date information.

Youth Program Participation is a new performance measure in 2018/19. Youth programs – such as ITA's Discover, Explore, Train, and Work in Trades – are highly effective in connecting younger people to experience opportunities in the skilled trades. This measure provides clarity on the value of youth participation in pre-apprenticeship programs as an effective pathway to apprenticeship, and ITA reports through other methods the number of youth program participants who become apprentices. Working with partners in the Ministry of Education, we will continue to deliver apprenticeship and work experience programs for high school students.

Reporting Apprenticeships is a performance measure re-introduced for 2018/19. ITA has placed emphasis on increasing participation in trades training for Indigenous Peoples and for equity seeking groups (women, immigrants, persons with disabilities, and other under-represented groups). Upward targets are conservative for total reporting apprenticeships. An apprenticeship is considered active for ITA statistical reporting purposes if work-based training hours, technical training, examination marks or change in sponsorship were submitted to ITA within a prescribed time frame.

Goal 2: Enable More Employers to Provide an Excellent Apprenticeship Experience

Objective 2.1: Ensure the trades training system has the capacity to meet the needs of employer sponsors

Key Strategies:

- Encourage more employers to sponsor apprentices through further education, promotion and sharing of information, tools and resources that help prepare employers to deliver work-based training.
- Lead cultural change in B.C.’s trades training system to remove barriers for equity seeking groups, starting with a multi-stakeholder information and engagement campaign that provides tools to help employers better integrate equity-seeking groups into their workforce and ensure clear accountabilities to achieve increases.
- Support government in the implementation of effective apprentice ratios on public infrastructure projects.
- Engage journeypersons to identify more employer sponsors, to better prepare employer sponsors for the requirements of work based training, to identify potential mentors for current apprentices, and to remain connected with journeypersons directly to share information.

Performance Measure(s)	2016/17 Actual	2017/18 Forecast	2018/19 Target	2019/20 Target	2020/21 Target
2.1a Total Registered Sponsors ¹	10,406	10,500	11,000	11,500	12,000
2.1b Value Employer Sponsors Place on Credential ²	80	80	80	80	80

¹ ITA will develop a performance management and reporting framework in 2018/19. While new measures are being developed as part of the framework, this performance measure will be based on Total Registered Sponsors, consistent with the reporting methodology used in the February 2017 Service Plan.

² Data Source: Since 2012/13 Sentis Market Research has been commissioned by ITA to conduct the survey for this performance measure (formerly called Sponsor Value Index). Data is collected by combined telephone and online surveys. Industry best practices and quality assurance methods are employed throughout the process. Survey analysis includes a margin of error in which the targets must fall.

Linking Performance Measures with Objectives

2.1a The availability of employer sponsors who can offer high quality work-based training and a wide scope of trades skills determines how many people can pursue apprenticeship at any given time, and how quickly apprentices can complete their training and achieve certification.

2.1b Employer sponsors take on apprentices – and encourage others to do so – if they believe apprenticeship adds value to their business. Employers must feel that apprentices offer a return on investment, and that any administrative requirements are manageable.

Discussion

Total Registered Sponsors reflects the number of employer sponsors providing the work-based training that is the building block of apprenticeship. Approximately 80 per cent of an apprentice's learning takes place on the job where supervising journeypersons pass down their knowledge and trade skills.

We have been increasing efforts to provide industry with new and higher quality information regarding the value of an apprenticeship. These activities are expected to yield increases in the total number of employer sponsors. The online Employer Sponsor Recruitment campaign; partnerships with Chambers of Commerce to disseminate information on how to become an employer sponsor; and province-wide information sessions conducted by our Apprenticeship Advisor team are all part of this recruitment strategy. We will continue with industry engagement efforts which have proven to be successful in growing the number of employer sponsors from 9,188 in 2012/13 to nearly 10,500 in 2016/17.

Value Employer Sponsors Place on Credentials offers us insight into what employer sponsors consider benefits of hiring apprentices. It also provides insights to guide ITA program delivery and training improvements, and helps to ensure that employers remain committed to apprenticeship training. This is an annual survey of approximately 700 employer sponsors. Results are calculated using satisfaction and importance rates based on four statements below:

1. Training/skills of apprentices align with industry needs
2. Apprentices increase profitability
3. Sponsorship provides recruiting/retention advantages
4. Administrative requirements of sponsorship are manageable

We are striving to increase the value and improve the experience of apprenticeship for employer sponsors. Our strategy includes investing in better technologies, and implementing improvements identified from field intelligence gathered by our Apprenticeship Advisor and Industry Relations teams. We will continue to build on its partnership with the B.C. Chamber of Commerce and other trades training partners to engage past, current and potential employer sponsors. We will also work with government to implement effective apprenticeship ratios for those contractors working on government-funded infrastructure projects.

Goal 3: Collaborate with Training Partners to Ensure the Best Training Experience for Apprentices

Objective 3.1: Ensure the trades training system delivers quality programs that meet learning objectives of apprentices

Key Strategies:

- Work closely with government to review and update mandates and memberships of Sector Advisory Groups to ensure they can provide relevant advice on how to improve B.C.'s trades training system.

- Develop and implement a performance management and reporting framework to ensure training providers and employers deliver high quality training, aligned with the ministry’s accountability framework.
- Make sure apprentices benefit from every dollar ITA spends by working with government and stakeholders to review how ITA funds and accredits delivery of technical training.
- Harmonize training of Red Seal trades to ensure labour mobility for apprentices and to align the delivery of training across B.C. and the country.
- Work closely with government and key stakeholders to complete a review of whether or not compulsory designation could be used to improve worker health and safety, consumer protection and environmental safety for certain trades occupations in B.C.

Performance Measure(s)	2016/17 Actual	2017/18 Forecast	2018/19 Target	2019/20 Target	2020/21 Target
3.1a Satisfaction with ITA Credentials ¹					
• Employers & Sponsors	80%	80%	80%	80%	80%
• Credential Holders	83%	86%	86%	86%	86%

¹ Data Source: Since 2012/13 ITA has commissioned Sentis Market Research to conduct the survey for this performance measure. Data is collected by combined telephone and online surveys. Industry best practices and quality assurance methods are employed throughout the process. Survey analysis includes a margin of error in which the targets must fall.

Linking Performance Measures with Objectives

3.1a The level of satisfaction with ITA credentials is an indicator of the extent to which ITA and its partners in the trades training system are serving customers, meeting the needs of industry with relevant program standards and contributing to career opportunities.

Discussion

Credentials represent the culmination of all the services that ITA provides and are the result of collaboration with training providers and employer sponsors. A credential’s value rests in the satisfaction that it provides to our customers – both credential holders and employers. The more satisfied customers are with their ITA ‘ticket,’ the more value it holds. Workers covet certification as a key to employability and pride. It also reflects the perceived strength of the credential in terms of improving safety, quality and consumer protection.

Customer satisfaction measures are based on a survey using a 100-point index relative to several benefits associated with holding a credential, including:

1. Evidence of skill set to employers
2. Competitive employment/promotion advantage
3. Contribution to earning potential and employer profitability
4. Ability to work across Canada or abroad

High satisfaction levels have remained largely consistent over the past several years. Targets going forward reflect our ongoing effort to ensure that alignment between industry needs and ITA programs can be consistently reflected within an index that is made up of multiple satisfaction indicators. ITA sets higher satisfaction targets for credential holders, reflecting the additional value that those who earn credentials should place on their achievement.

Goal 4: Deliver Innovation for Effective Apprenticeships

Objective 4.1: Ensure there is a systematic approach to constant innovation and improvement in the trades training system

We will continue to encourage innovation and collaboration across B.C.'s trades training system to meet the needs of apprentices and employers.

Key Strategies:

- Pursue innovative methods of engaging and training Indigenous Peoples to enable participation in trades careers in support of government's commitment to fully adopt the *United Nations Declaration on Rights of Indigenous People* and *Calls to Action* of the Truth and Reconciliation Commission of Canada.
- Help more equity-seeking groups (particularly women, immigrants and persons with disabilities) participate in trades training and progress through training to certification by working closely with community service providers to incorporate more innovation and technology into programming.
- Work with key stakeholders, including training providers, to establish a framework to assess how innovation and technology can be used to make training more accessible and effective.

Discussion

Performance measures for innovation and technology will be developed in conjunction with key stakeholders over the coming year, so a performance measure can be introduced in the 2019/20 Service Plan.

We are working closely with employer sponsors and training providers to encourage innovation in the trades training system with the goal of improving apprenticeship outcomes and completion rates.

Innovation in skilled trades training is a way to reduce barriers and improve outcomes including: flexible technical training delivery, regional access, student supports and partnerships. Innovative project outcomes include improved access to on-the-job training, increased numbers of apprentices entering the system and completing their training, increased geographical access to training, less time away from the workforce for technical training (not reduced total apprenticeship training time), improved completion rates, reduced delivery costs and more training opportunities for targeted demographics.

We will report to our Board annually regarding innovation in trades training and the outcomes of that innovation. Examples of promising innovation will be shared across the province to inspire future partnerships to provide more British Columbians with trades training.

Financial Plan

Summary Financial Outlook

	2017/18	2018/19	2019/20	2020/21
	Forecast	Budget	Budget	Budget
Total Revenue (\$000)				
Ministry - Core Operating Grant	96,974	97,679	97,679	97,679
Project Based Funding - Prov(1)	10,190	10,190	10,190	10,190
Other Revenue	1,288	918	918	918
Total	108,452	108,787	108,787	108,787
Total Expenses (\$000)				
Industry Engagement	767	850	850	850
Define Standards	2,136	1,700	1,700	1,700
Deliver Assessments & Certification	2,213	2,260	2,260	2,260
Invest in Training Pathways (2)	94,602	95,745	92,245	92,245
Customer Contact Centre	3,177	3,160	3,160	3,160
Communication	1,592	712	712	712
Business Support	7,965	7,860	7,860	7,860
Total Expenses	112,452	112,287	108,787	108,787
Net Income	(4,000)	(3,500)	0	0
Total Liabilities (even if zero)	4,040	4,000	4,000	4,000
Accumulated Surpluses/Retained Earnings (even if zero)	11,353	7,853	7,853	7,853
Capital Expenditures	2,000	2,000	2,000	2,000

(1) Project based funding transferred from the Province to the ITA annually through a Federal agreement. Funding amounts for 2018/19 onwards are unknown at the time of Service Plan drafting but are expected to remain at levels consistent with previous years.

(2) Project based funding transferred from the Province to the ITA annually through a Federal agreement.

Key Forecast Assumptions, Risks and Sensitivities

The summary financial outlook reflects the following assumptions:

- Fiscal 2018/19 is the last year of a three-year initiative started in Fiscal 2016/17, to fund a Youth Trades Capital Equipment Program (YTCEP), targeted to enable schools to purchase trades training equipment needed to support the delivery of ITA's Youth Trades Programs. The amount committed was for a maximum of \$15 million over a three-year period, with the last year being \$3.5 million. This program is being funded from ITA's Accumulated Surplus, creating an approved deficit in 2018/19.
- ITA will continue to receive a core operating grant from the Ministry of Advanced Education, Skills and Training. The core operating grant is assumed to remain the same for the next three years.

- The project based funding - monies transferred from the Canada-B.C. Workforce Development Agreement, a program for industry and trades training to support pre-apprenticeship programs for under-represented and equity seeking groups such as Indigenous Peoples, women, youth at risk and immigrants - while still unconfirmed, is assumed to be the same as prior years.

Increased pressures on ITA's training investment funds will result from:

- Increase in training hours, or additional classes required as a result of Red Seal harmonization;
- Potential increased demand for training seats if compulsory trades are designated;
- Potential increased demand for innovation funding;
- Potential increased training seats and supports requested for equity-seeking groups;
- Alignment with labour market demand information;
- Review of the training funding model.

Increased operational pressure on ITA continues from harmonization efforts, continued outreach to various groups to promote trades as a first choice career path, as well as increase in general operating costs in line with the consumer price index.

Management's Perspective on the Financial Outlook

Key activities envisioned within this Service Plan will be funded within the core operating grant. These activities are aligned with delivering on ITA's Mandate Letter, and the government's commitment to make life more affordable, deliver the services that our customers count on, and to build a strong, sustainable and innovative economy.

ITA is not a capital intensive organization and has no capital projects valued at more than \$50 million. Capital activity of maximum \$2.0 million is primarily focused on ITA's digital strategy and is funded from ITA's core operating funds.

Appendix A: Hyperlinks to Additional Information

Corporate Governance

ITA follows the Best Practices Guidelines and disclosure requirements of the province's Board Resourcing and Development Office. The following information may be found on ITA's website:

- [Board of Directors](#) members;
- Board Committee terms of reference ([Audit Committee](#), [Governance Committee](#), [Human Resource Committee](#));
- [Senior Leadership Team](#) members;
- [Board of Director's Terms of Reference](#);
- [Relationship with Minister](#).

Organizational Overview

Established under the [Industry Training Authority Act](#), the purposes of ITA are the following:

- a) To manage and support an industry training and apprenticeship system in British Columbia;
- b) To ensure that the industry training and apprenticeship system referred to in paragraph (a) meets the Province's need for skilled workers;
- c) To work with the government to achieve the government's objectives respecting the industry training and apprenticeship system referred to in paragraph (a);
- d) To promote industry training programs, including by encouraging employers and individuals to participate in those programs;
- e) Other purposes the Minister may prescribe.

Based in Richmond, ITA leads and coordinates British Columbia's skilled trades system. ITA works with employers, apprentices, industry, labour, training providers and government to issue credentials, support apprenticeships, set program standards and support increased opportunities in the trades.

Mission, Vision and Values

ITA's Vision: To create a world-class training and apprenticeship system for British Columbians.

ITA's Mission: To build the trades that build BC.

ITA's Values: *Respect.* We value mutual respect in everything we do and how we do it. Nothing is more important than the respect we have for our people and the trust we put in their skills.

Excellence. We value a superior experience for all of our customers, internal and external, sensing their needs and exceeding their expectations.

Innovation. We value the spirit and practice of innovation. We believe that change fosters the constant improvement that is crucial for success.

Collaboration. We value the opinion of others, openness and transparency. With everyone at the table, and everything on the table, we deliver the best results.