

**SHAREHOLDER'S LETTER OF EXPECTATIONS  
BETWEEN**

**THE MINISTER OF ADVANCED EDUCATION AND  
LABOUR MARKET DEVELOPMENT  
(AS REPRESENTATIVE OF THE SHAREHOLDER,  
THE GOVERNMENT OF BRITISH COLUMBIA)**

**AND**

**THE CHAIR OF THE INDUSTRY TRAINING AUTHORITY  
(AS REPRESENTATIVE OF THE AUTHORITY)**

**PURPOSE**

This Letter of Expectations between the Shareholder and Authority is an agreement on their respective roles, responsibilities and on corporate mandate including high level strategic priorities, public policy issues and performance expectations<sup>1</sup>. This Letter is reviewed and updated annually. The Letter is the basis for the development of the Authority's Service Plans and Annual Service Plan Reports. This Letter applies equally to both parties. The Letter does not create any legal or binding obligations on the parties and is intended to promote a co-operative working relationship.

**AUTHORITY ACCOUNTABILITIES**

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<sup>1</sup> The Province of British Columbia's Crown Agency Accountability System (CAAS) ([http://www.gov.bc.ca/cas/attachments/shareholders\\_expectations\\_manual.pdf](http://www.gov.bc.ca/cas/attachments/shareholders_expectations_manual.pdf)) establishes guiding principles for the governance of Crown corporations. The CAAS identifies roles and responsibilities for the Shareholder and Crown corporations, and provides for a Shareholder's Letter of Expectations (Letter) to be jointly developed.

In addition to the duties of the Authority set out in the *Industry Training Authority Act*, Government has provided the following mandate direction to the Industry Training Authority:

- through innovation and collaboration, develop training that is relevant and responsive to industry, community and labour market needs;
- expand access to training in all regions of the province for groups that are traditionally underrepresented or face barriers to labour force participation;
- attract more young people into trades training, promoting the benefits and rewards of a trades career path, and assist the transition from school to work;
- demonstrate the link between effective skills training and improved productivity and global competitiveness;
- create avenues for training delivery and certification processes that are efficient, effective, and flexible; and
- ensure labour mobility under the Agreement on Internal Trade; the Trade, Investment and Labour Mobility Agreement; and any other trade agreements to which the government may become a party, to ensure appropriate recognition of worker skills developed elsewhere, and to support multi-lateral and bi-lateral labour mobility initiatives.

To achieve this mandate direction, and in response to the Shareholder's general direction, frameworks and principles, the Authority will:

- ensure that the Authority's priorities reflect government's goals of building a strong economy; job creation; infrastructure and private sector investment; First Nations reconciliation; and climate action initiatives;
- conduct its affairs to achieve its mandate and the performance expectations of the Shareholder, including establishing and implementing corporate strategies, policies, programs, plans and financial outcomes consistent with the Shareholder's general direction and with the principles of integrity, efficiency, effectiveness, and customer service;
- conduct its operations and financial activities in a manner consistent with the legislative, regulatory and policy framework established by the Shareholder;
- prepare Service Plans with clearly articulated goals, strategies, performance measures and targets, and Annual Service Plan Reports that describe progress toward achieving those goals, strategies, performance measures and targets and post both documents on its website;
- display annual *Financial Information Act* – Statement of Financial Information and Executive Compensation Disclosure Schedules, a Remuneration for Appointees to Crown Agency Boards Schedule and Corporate Governance Disclosure in an easily accessible website location;
- develop and implement strategies to manage financial and performance risks identified in the Service Plan;
- provide the Shareholder with reports and other information that would enable the Shareholder to carry out its responsibilities; and
- inform the Shareholder immediately if the Authority is unable to meet the performance and financial targets identified in its Service Plan.



The Shareholder also sets broad policy direction to ensure the Authority's operation and performance is consistent with government's strategic priorities and Fiscal Plan, as such the Authority will:

- comply with the Shareholder's requirements to make the Public Sector carbon neutral by 2010, including: accurately defining, measuring, reporting on and verifying the greenhouse gas emissions from the Authority's operations; implementing aggressive measures to reduce those emissions and reporting on these reduction measures and reduction plans; and offsetting any remaining emissions through investments in the Pacific Carbon Trust, which will invest in greenhouse gas reduction projects outside of the Authority's scope of operations;
- support the Healthier Choices Initiative, ensuring that all vending machines located in facilities owned or leased by the Authority have food products which meet the Shareholder's Nutrition Guidelines for Vending Machines in Public Buildings;
- ensure the Shareholder is advised in advance of the release of any information requests by the Authority under the *Freedom of Information and Protection of Privacy Act*; and
- ensure any debit/credit card payment services provided to the public are in compliance with the international Payment Card Industry (PCI) Data Security Standards, by the October 1, 2010 deadline;
- for Corporations subject to the *Public Sector Employers Act*, ensure the Authority's membership in the Crown Corporation Employers' Association is in good standing;
- annually assess the Board appointment process to ensure that succession results in a balance of renewal and continuity of Board membership, and provide the results of this assessment to the Shareholder for consideration;
- ensure that Board appointments to Crown corporation subsidiaries have been approved by Cabinet; and
- comply with government's requirement that lobbyists not be engaged to act on behalf of the Authority in its dealings with government.

In addition, the Shareholder directs the Authority to take the following specific actions:

#### **Relevant and Responsive Training**

- work with system partners to demonstrate the link between effective skills training and improved productivity;
- continue to provide an effective policy framework and sustainable funding to facilitate an industry-driven training system through Industry Training Organizations;
- implement recommendations of a review undertaken with Industry Training Organizations and public training providers to improve processes for program standards development, qualification assessment, and related quality assurance processes by April 2010;
- initiate and participate in local and cross-jurisdictional research and discussion designed to understand the dynamics of completion rates and develop a strategy to improve completion rates by October 2010;
- continue to expand regional availability of technical training where appropriate; and



- through innovation and collaboration, work with industry and public and private training institutions to ensure the trades training system: is accessible and current; is relevant and responsive; optimizes the utilization and value of industry training capacity; and increases the efficiency of administration and management.

### **Access to Training for Underrepresented Groups**

- continue to consult with the Aboriginal Advisory Council and other stakeholders to guide the delivery of the Aboriginal Trades and Apprenticeship Business Plan initiatives to build capacity and increase awareness, access and Aboriginal participation in apprenticeship training;
- with Labour Market Agreement funding, continue to work with Industry Training Organizations and other stakeholders to identify and support initiatives for women and immigrants that will increase their participation in industry training;
- develop and implement a strategy to address essential skills requirements to help remove the barriers to entry into and completion of industry training programs by April 2010; and
- consult with the Minister's Council on Employment for Persons with Disabilities and provide information to Industry Training Organizations regarding supports and training tax credits available for persons with disabilities by February 2010.

### **Attracting Young People**

- ensure high levels of awareness and intent to participate in trades training by young people through communications and marketing activities;
- continue to support initiatives that will increase high school students' participation in and completion of industry training programs; and
- continue to work collaboratively with the K-12 system and post-secondary institutions on the provision and expansion of youth industry training programs.

### **Efficient, Effective and Flexible Training Delivery**

- continue to maximize value for training system participants in collaboration with public and private post-secondary institutions;
- continue to work with public post-secondary institutions to explore and implement strategies to increase technical training attendance among employed and unemployed apprentices, particularly during the economic downturn, thereby maximizing the utilization of the public post-secondary system and promoting apprenticeship completion;
- continue to work to reduce wait times for apprentices to access technical training; and
- collaborate with trades training providers to expand training accessibility and flexibility through the implementation and expansion of flexible technical training models, such as E-PPRENTICE, where feasible.



## Labour Mobility

- participate in and influence for the benefit of industry pan-Canadian initiatives such as the Canadian Council of Directors of Apprenticeship, the Red Seal program, and the Canadian Apprenticeship Forum;
- continue to actively support and improve the National Red Seal program to enhance labour mobility and ensure these training standards are relevant and responsive;
- comply with the Agreement on Internal Trade, the Trade, Investment and Labour Mobility Agreement; and any other trade agreements to which the government may become a party, to ensure appropriate recognition of worker skills developed elsewhere, and to support multi-lateral and bi-lateral labour mobility initiatives;
- ensure appropriate information is provided to potential applicants for industry training credentials, including any information required to be posted to the ITA website by provincial policy or legislation, such as availability of certification requirements information and application forms for the various certificates issued;
- support government efforts to ensure timely, fair, consistent and transparent licensure practices, including any work that may be undertaken with provincial regulatory authorities to improve recognition of internationally trained workers; and
- continue to develop mechanisms for the efficient and effective assessment and recognition of internationally trained workers and those individuals who have gained their skills outside the formal apprenticeship system, including work with the Canadian Council of Directors of Apprenticeship to continue to pilot an alternative assessment methodology for Red Seal trades.

## Customer Service/Administration

- operate the business of the Authority in an efficient and effective manner for the benefit of its customers and the Shareholder;
- in consultation with the Shareholder, prepare a progress report on the actions taken to address issues identified by the 2008 Audit of the Trades Training System by the Office of the Auditor General of British Columbia by March 2010;
- fully implement the Authority's new information management system (ITADirectAccess) to improve efficiency, customer service, access to information, and reporting by June 2010;
- ensure high-quality program standards, high levels of client satisfaction with the Authority's services, and effective stakeholder relationships; and
- ensure transparency of mechanisms for reconsideration and appeal of decisions of the Authority.

## SHAREHOLDER'S RESPONSIBILITIES

The Shareholder is responsible for the legislative, regulatory and public policy framework in which Crown corporations operate. In order to meet these responsibilities and support achievement of government's performance expectations, the Shareholder will:



- establish, review, revise and communicate any changes to the Authority's mandate;
- establish and communicate the general and Crown-specific financial frameworks under which the Authority operates (borrowing, investment, and payment to the Shareholder);
- issue performance management guidelines, including guidelines for Service Plans and Annual Service Plan Reports (<http://www.gov.bc.ca/cas/publications/index.html>);
- review, provide feedback and final approval of the Authority's Service Plans and Annual Service Plan Reports;
- provide broad policy direction and confirmation of general frameworks/principles to the Authority, within which the Authority may establish/apply specific policies/processes;
- advise the Authority of government's strategic priorities, decisions and public policy and any performance objectives and expectations that may impact the Authority; and
- issue directives or orders or sponsor submissions on behalf of the Authority that may be required to seek decisions or policy direction by the Executive Council or its committees, in order to facilitate the Authority fulfilling its mandate and achieving the performance targets outlined in its Service Plans.

The Shareholder has developed policies for Ministries and Crown corporations for Capital Asset Management (<http://www.fin.gov.bc.ca/tbs/camf.htm>) and Remuneration Guidelines for Appointees to Crown Agency Boards (<http://www.gov.bc.ca/cas/publications/index.html>). The Shareholder has also issued the Best Practice Guidelines – BC Governance and Disclosure Guidelines for Governing Boards of Public Sector Organizations (<http://www.lcs.gov.bc.ca/brdo/governance/index.asp>). During the term of this Letter, the Shareholder may provide additional policy direction to the Crown agency sector, and will communicate such direction, including implementation expectations, to the Authority as decisions are made.

The Shareholder will also, on a continuing basis, monitor the achievement of the goals, objectives, performance and financial targets, and risk assessments identified in the Authority's Service Plans.

Specific to the Authority, the Shareholder:

- approves the Authority's mandate for industry training development and delivery under the *Industry Training Authority Act*;
- continues the Authority as an agent of the Crown;
- confirms the role of the Minister of Finance as fiscal agent to the Authority, providing the Authority with access to government financing and banking services;
- provides all available information necessary for the Authority to facilitate implementation of the industry training system;
- reviews, monitors and evaluates programs, services and performance indicators to ensure compliance with the Authority's Service Plan and the *Industry Training Authority Act*;
- consults with the Authority in developing the government's annual expenditure and capital plans, in order to consider the financial requirements of the Authority;
- consults with and seeks input from the Authority on relevant programming when considering proposed capital expansion at public post-secondary institutions;



- consults with and continues to work with the Authority on periodic reviews of facility capacity and requirements for effective delivery of trades training;
- provides policy direction related to multi-lateral and bi-lateral agreements of government in support of labour mobility, trade and investment;
- confirms labour market policy and direction to support development of a skilled workforce and position the province for economic growth; and
- consults with the Authority in developing labour market information resources, in order to consider the information requirements of the Authority.

## **AREAS OF SHARED ACCOUNTABILITY**

### **Communications**

It is agreed by both the Shareholder and the Authority that, to ensure effective and efficient day-to-day communications and relationship building, representatives for both parties will be tasked with implementing the contents of this Letter and keeping the Minister Responsible and the Board of Directors informed of progress in a timely fashion.

The Shareholder and the Authority agree that any joint announcements related to the Authority shall be released simultaneously. Development of key communications tools will be conducted jointly or in close consultation.

The Authority agrees to acknowledge the financial contribution of the Shareholder in any news releases, announcements or special joint communications and will use the Provincial Government logo in accordance with communications protocols and as requested by the Shareholder.

### **Reporting**

The Shareholder and the Authority are committed to transparency and accountability to the public. The Shareholder has put in place a public reporting structure which is set out in the *Budget Transparency and Accountability Act*, the *Financial Administration Act*, and the *Financial Information Act*. The Shareholder has provided the Authority with an Information Requirements and Events Calendar which sets out financial and performance reporting requirements (<http://www.gov.bc.ca/cas/publications/index.html>). The Authority agrees that it will meet these financial and performance reporting requirements. If government determines that changes to the reporting requirements are necessary, the Shareholder will communicate these to the Authority.

It is agreed by the parties that there will be advance discussion and review of key documents such as Service Plans, Quarterly Financial Reports and Annual Service Plan Reports. These discussions will be completed sufficiently in advance of deadlines to ensure the opportunity for effective and timely input by the Shareholder.


In addition to these financial and performance reporting requirements, the Authority agrees to provide information to the Shareholder related to risks and opportunities anticipated in achieving financial forecasts and performance targets.


The parties agree that, as a matter of course, each will advise the other in a timely manner of any issues that may materially impact the business of the Authority and/or the interests of the Shareholder.

It is agreed that the Authority will post the most recent signed copy of the Shareholder's Letter of Expectations on its website. Crown Agencies Resource Office will also post a signed copy of the Letter on its website.

#### **Review and Revision of this Letter**

The Minister of Advanced Education and Labour Market Development is accountable for undertaking reviews of this Letter and monitoring its implementation. The Crown Agencies Resource Office is responsible for co-ordinating the overall process for preparing Letters of Expectation, and may assist the Minister in undertaking reviews of this Letter and monitoring its implementation. If deemed necessary by either party, the Shareholder and the Authority will discuss any issues and may agree to amend this Letter on a more frequent than annual basis.

  
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Honourable Moira Stiwell, MD FRCP (C)  
Minister of Advanced Education  
and Labour Market Development

  
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Frank Pasacreta  
Chair, Industry Training Authority

Date Jan 7/10  
cc. Honourable Gordon Campbell  
Premier

Date January 20 2010

Allan Seckel  
Deputy Minister to the Premier and Cabinet Secretary

Graham Whitmarsh  
Deputy Minister and Secretary to Treasury Board  
Ministry of Finance

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