

**Industry Training Authority**

**2018/19**

**ANNUAL SERVICE PLAN REPORT**

**July 2019**



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## Board Chair's Accountability Statement



The *Industry Training Authority 2018/19 Annual Service Plan Report* compares the corporation's actual results to the expected results identified in the *2018/19 - 2020/21 Service Plan* created in February 2018. I am accountable for those results as reported.

A handwritten signature in black ink, appearing to read 'Roberta Ellis'.

*Roberta Ellis*  
*Board Chair*

## **Table of Contents**

Board Chair’s Accountability Statement.....	3
Chair/CEO Report Letter.....	5
Purpose of the Annual Service Plan Report .....	7
Purpose of the Organization .....	7
Strategic Direction.....	7
Operating Environment .....	8
Report on Performance.....	9
Goals, Objectives, Measures and Targets .....	9
Financial Report .....	14
Discussion of Results .....	14
Highlights.....	15
Resource Summary .....	17
Appendix A – Additional Information .....	18
Corporate Governance .....	18
Organizational Overview .....	18
Contact Information .....	18

## Chair/CEO Report Letter

The Board, leadership and staff of the Industry Training Authority (ITA) are pleased to work closely with Government to deliver on the direction outlined in ITA's [2018/19 Mandate Letter](#). This letter directed to the Board Chair, identified three key Government commitments to British Columbians: make life more affordable; deliver the services people count on; and build a strong, sustainable, innovative economy that works for everyone. The letter also identified Government's support to true and lasting reconciliation with Indigenous peoples in British Columbia, including fully adopting and implementing the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) and the Calls to Action of the Truth and Reconciliation Commission (TRC). ITA continues to work closely with its partners to support the ongoing implementation of these key Government commitments. Furthermore, ITA is working hard to create positive change in the trades training and apprenticeship system and provide students and apprentices with high quality skills to fully participate in B.C.'s growing economy.

ITA is deeply committed to leading the cultural change needed in B.C.'s trades training and apprenticeship system and is steadfast in its efforts to remove barriers for those under-represented in trade professions, including Indigenous peoples, women, youth and immigrants. ITA has demonstrated this by exceeding its 2018/19 goal of attracting an increased number of women and Indigenous peoples into apprenticeship.

ITA has also continued its efforts to make apprentices more successful and promote the value of trades careers. During 2018/19, ITA offered youth trade programs targeting students from grades 5 to 12. The programs' aim was to demonstrate to youth the benefits of a sustainable career in the trades. Over this past year, ITA exceeded its number of youth participants in its programming, surpassing the measure by an estimated additional 1,022 youth.

In addition, ITA has worked diligently on delivering on the 2018/19 Mandate Letter commitments, including supporting Government's trades policy direction concerning the introduction of Community Benefits Agreements, and the possible enhancements to the Apprenticeship Ratio Policy. ITA has also worked with its Sector Advisory Groups to develop a more fulsome engagement model which will include broader outreach to journeypersons, apprentices, trading providers, women, Indigenous peoples and others.

To facilitate a joint and strategic approach between ITA's Board and the Ministry, protocols and mechanisms of communication have been established. ITA's Board Chair and the Minister of Advanced Education, Skills and Training meet quarterly. ITA's executive also meets quarterly with ministry staff and the Chief Executive Officer holds biweekly calls with ministry executive.

During 2018/19, several of ITA's Board members participated in various educational sessions including: an organizational orientation; applied practice of good governance; and provincial and national conferences to better understand apprenticeship and develop strategies to foster diverse, inclusive workplaces. The Board has and will continue to participate in learning sessions regarding Indigenous culture and inclusiveness as part of their ongoing training. ITA's Board and all staff annually review and sign an [Organizational Code of Conduct and Conflict of Interest Policy](#).



Roberta Ellis  
Board Chair



Shelley Gray  
Chief Executive Officer

## Purpose of the Annual Service Plan Report

The Annual Service Plan Report (ASPR) is designed to meet the requirements of the [Budget Transparency and Accountability Act](#) (BTAA), which sets out the legislative framework for planning, reporting and accountability for Government organizations. Under the BTAA, the Crown Corporation’s Board is required to report on the actual results of the Crown’s performance related to the forecasted targets documented in the previous years’ Service Plan.

## Purpose of the Organization

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.

ITA is responsible for managing, promoting and supporting the industry training, apprenticeship and trades certification system in British Columbia to help meet the province’s needs for skilled trades workers. Established under the [Industry Training Authority Act](#), purposes of ITA are the following: a) to manage and support a trades training and apprenticeship system in British Columbia; b) to ensure that the trades training and apprenticeship system meets the Province’s need for skilled workers; c) to work with the Government to achieve the Government’s objectives respecting the trades training and apprenticeship system; d) to promote industry training programs, including by encouraging employers and individuals to participate in those programs. Other authorities are defined in Part 3 of the [Industry Training Authority Act](#). ITA’s mandate and accountabilities are developed annually through a [Mandate Letter](#) signed by the Minister of Advanced Education, Skills and Training and each member of the Board.

## Strategic Direction

The strategic direction set by Government in 2017/18 and expanded upon in the Board Chair’s [Mandate Letter](#) from the Minister Responsible in 2018 shaped the [2018/19 Service Plan](#) and the results reported in this ASPR.

The following table highlights the key goals, objectives or strategies that support the key priorities of Government identified in the 2018/19 Industry Training Authority Service Plan:

Government Priorities	Industry Training Authority Aligns with These Priorities By:
Making life more affordable	<ul style="list-style-type: none"> <li>• Ensuring there is a systematic approach to constant innovation and improvement for efficiency in the trades training system (Goal 4)</li> <li>• 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)</li> </ul>
Delivering the services people count on	<ul style="list-style-type: none"> <li>• Collaborating with training partners to ensure the best training experience and outcomes for apprentices (Goal 1)</li> <li>• Ensuring the trades training system provides quality programs that meet learning objectives of apprentices and the needs of industry (Goal 3)</li> </ul>

Government Priorities	Industry Training Authority Aligns with These Priorities By:
A strong, sustainable economy	<ul style="list-style-type: none"> <li>• Ensuring the trades training and apprenticeship system has the capacity to meet the needs of apprentices and employer sponsors (Goals 1 and 2)</li> <li>• Enabling employers to provide an excellent apprenticeship experience (Goal 2)</li> </ul>

## Operating Environment

ITA’s operating environment is influenced by the province’s expected supply and demand for labour and trades careers; the societal and cultural bias towards trades careers compared to university degrees; the existing population of the trades’ workforce in contrast to the province’s diverse society; evolving technology; the delivery capacity of training providers; and the needs of industry.

A consistent supply of highly skilled trades workers is crucial to supporting the growth of British Columbia’s economy. Of the 903,000 job openings anticipated across the province by 2028, apprenticeable trades jobs will make up approximately eight percent (71,000). The demand for apprentices in British Columbia has been heightened by the Liquefied Natural Gas (LNG) Canada project underway in the province’s north. In 2018/19 ITA engaged Indigenous communities, women, youth and other under-represented groups in this area of the province to support the LNG project and other employment needs within the region. ITA continues to help employers in demand of apprentices across British Columbia, including British Columbia’s Infrastructure Benefits Inc. (BCIB) and other employers working with Government’s Community Benefits Agreements. Additionally, through its youth programming, ITA is looking to the future in meeting labour demands by encouraging British Columbia’s youth to examine trades as a potential career.

ITA has made efforts to forge a new relationship with its industry partners. Throughout 2018/19, ITA developed a new industry engagement model to redesign and expand the membership of its Sector Advisory Groups. The new model will enable, through the use of in-person meetings, conference calls, webinars and other interactions with ITA and its industry and regional supports, greater participation in the delivery of the trades training and apprenticeship system to an increased amount of system users, including journeypersons, apprentices, women, Indigenous peoples and others from across the province. Sector Advisory Group Chairs met in January 2019 to discuss the new engagement model and continue to provide support and guidance to ITA as it refines the model.

Organizationally, ITA has undergone change in 2018/19 including at the Board and executive levels. In May 2018, ITA’s Board had six new members appointed. The new Board has been orienting itself to support and lead ITA and the apprenticeship and trades training system in a direction that supports Government’s commitments and delivers on ITA’s mandate to British Columbians.

In September 2018 ITA’s Chief Executive Officer left the organization.

ITA’s Chief Operating Officer was appointed in March 2019 to the Chief Executive Officer position and a member of ITA’s senior leadership team was appointed, on an interim basis, to the Chief Operating Officer position. Recruitment to fill this vacancy is underway. These changes, while transforming ITA’s leadership, have strengthened the organization’s determination to deliver on Government’s commitments and its organizational mandate.

## Report on Performance

ITA has achieved or exceeded seven of its nine performance measures in 2018/19, including increasing the number of overall apprenticeships as well as Indigenous and female apprenticeships. ITA also exceeded its measure regarding youth program participants and met all value and satisfaction measures (within the margin of error). The number of Certificates of Qualification issued and the total registered sponsors, while unmet still increased compared to 2017/18.

### *Goals, Objectives, Measures and Targets*

#### **Goal 1: Make Apprentices More Successful**

##### **Objective 1.1 Ensure trades training system has the capacity to meet the needs of apprentices.**

##### **Key Highlights:**

- Throughout 2018/19, ITA assisted apprentices in completing their training by: 1) providing hands-on support through ITA’s regional apprenticeship advisors; 2) working directly with employer sponsors to retain apprentices and support their workforce requirements; 3) facilitating apprentice participation in major projects including LNG; and 4) working with BCIB to support apprentices working on projects with Community Benefit Agreements. Additionally, throughout the year, ITA’s Completions team contacted 6,401 apprentices to offer ITA support in helping apprentices achieve completion; an increase of 16 percent over 2017/18.
- During 2018/19, ITA strengthened its partnerships with the Ministry of Education and schools across the province. ITA’s youth programming is offered in more schools and demand is increasing, evidenced by ITA exceeding its 2018/19 target.
- To support Indigenous communities and increase the number of Indigenous apprentices, throughout 2018/19 ITA sought advice and input on its Indigenous initiatives through direct engagement with over 70 Indigenous communities and from ongoing feedback from its Indigenous Advisory Council.
- ITA continues to encourage women to consider the trades as a career choice and support those women already working in the trades. Throughout 2018/19, ITA collaborated with industry, the Ministry of Education and others by: 1) supporting women in trades’ programming offered by industry; and 2) leading women in trades’ initiatives in British Columbia schools. ITA also prepared a proposal to the Federal Government’s Women in Construction Fund. The “Attract, Train and Retain: Women in Construction Trades” two- year program was approved for funding in February 2019.

Performance Measure(s)	2016/17 Actuals	2017/18 Actuals	2018/19 Target	2018/19 Actuals	2019/20 Target	2020/21 Target
1.1a Number of Credentials Issued <sup>1,2</sup> <ul style="list-style-type: none"> <li>• Certificates of Qualification</li> </ul>	7,756	7,240	8,752	7,291	7,318	7,391
1.1b Youth Program Participation <sup>3</sup>	4,795	5,303	5,500	6,522	--	--

## Industry Training Authority

1.1c							
	Reporting Apprenticeships <sup>1</sup>	36,978	37,703	37,525	38,637		
	• Indigenous Peoples <sup>4</sup>	2,296	2,570	2,493	2,806	--	--
	• Women	3,595	3,527	3,675	3,683		

**Data Source:**

<sup>1</sup> ITA Direct Access information system.

<sup>2</sup> Based on trend analysis of CofQs issued over the last five years, the target for this measure was modified in the 2019/20 Service Plan.

<sup>3</sup> ITA Direct Access information system. The final number of Youth Program Participants is unavailable until completion of the school year.

<sup>4</sup> Self-identified as Indigenous.

## Discussion

**Number of Credentials Issued:** 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. This measure is strongly influenced by external factors outside of ITA’s control such as fluctuations in the economy and labour market, and the value employers place on certification. Over the past five years, the number of Certificates of Qualification issued has achieved a high of 7,756 to a low of 7,240. During this five-year period, the highest number of Certificates of Qualification achieved was in 2016/17, the year the completions team began its targeted efforts. During this initial year of the completions team work, several apprentices near completion, and with ITA support, were issued their Certificates of Qualification in that year. While the target for this measure was not met for 2018/19, there was an increase over 2017/18.

**Youth Program Participants:** Throughout the 2018/19 school year, ITA offered youth trade programs targeting students from grades 5 to 12, including employment opportunities for those in grades 10 through 12 with credit towards graduation. The programs’ aim is to demonstrate to youth the benefits of a sustainable career in the trades. ITA has seen a 23 percent increase over 2017/18 of youth participants and will exceed its 2018/19 target by an estimated 1,022 youth.

**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 timeframe. In 2018/19 ITA began to place greater emphasis on increasing participation of Indigenous peoples, women, youth, immigrants and other under-represented groups in the trades training and apprenticeship system. ITA met all Reporting Apprenticeship measures including exceeding targets as follows: 1) Reporting Apprenticeships by 3.0 percent; 2) Reporting Apprenticeships, Indigenous Peoples by 12.6 percent; and 3) Reporting Women Apprenticeships by 0.2 percent.

## **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 Highlights:**

- ITA has been working to increase its supports to employer sponsors through information, tools and resources. As representatives of employer sponsors, Sector Advisory Groups are key in providing advice on the development of ITA’s new engagement model, which will identify greater opportunities on how best employer sponsors and other system stakeholders can be served by ITA. ITA has also been undertaking data analysis, including through its customer support team, analyzing employer call types and inquiries received to assess sponsor outreach and approach. Furthermore, ITA has implemented an employer sponsor recruitment and retention plan to reach lapsed, untapped and existing sponsors.
- In 2018/19, ITA produced four guidebooks to support employers sponsors and apprentices in tracking the competencies an apprentice must demonstrate for each level of training. The publications are a quick reference which helps employer sponsors ensure they offer full scope of trade to their apprentices, with an end goal of supporting apprentices to achieve their Certificate of Qualification. When apprentices demonstrate their skills and knowledge on the job, employer sponsors have heightened value as it relates to the credential and the apprentice’s journey to obtaining it. The results of 2018/19 employer sponsor response demonstrates the value employer sponsors place on ITA credentials and further strengthens and solidifies the standing of the trades training and apprenticeship system in the province’s trades industry.

Performance Measure(s)	2016/17 Actuals	2017/18 Actuals	2018/19 Target	2018/19 Actuals	2019/20 Target	2020/21 Target
2.1a Total Registered Sponsors <sup>1</sup>	10,406	10,666	11,000	10,689	11,500	12,000
2.1b Value Employer Sponsors Place on Credential <sup>2</sup>	80	80	80	81	80	80

**Data Source:**

<sup>1</sup> ITA Direct Access

<sup>2</sup> 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 as noted in the Discussion section below.

## Discussion

**Total Registered Sponsors** reflects the number of employer sponsors providing apprentices with work-based training, which is a building block of apprenticeship. Approximately 80 percent of an apprentice's learning takes place on the job where supervising journeypersons pass down their knowledge and trade skills. 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. Over the past five years, the number of employer sponsors registered with ITA has been as high as 10,666 and as low of 9,958. The number of employer sponsors is influenced by external factors outside of ITA's control such as fluctuations in the economy and the labour market. While the 2018/19 target was not met, the total number of registered sponsors exceeded the total number achieved over the past five years.

**Value Employer Sponsors Place on Credentials** offers ITA insight into what employer sponsors consider benefits of hiring apprentices. It also provides guidance regarding ITA's program delivery and training improvements and helps to ensure that employers remain committed to apprenticeship training. In 2018/19, ITA received 802 responses from employer sponsors. The area with the highest satisfaction rating was, "training the apprentice receives aligns with the skill needs of the company". This rating signals that in 2018/19 the training apprentices received met industry needs and requirements and in turn, enabled employer sponsors to provide apprentices with work-based training that further strengthened the apprentice's skills. The 81 percent rating ITA achieved in 2018/19 is higher than ratings in past years.

### **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 Highlights:** During 2018/19 ITA worked closely with Government to review, align and update the mandate of its Sector Advisory Groups. In undertaking its review, ITA also developed a broader, more nimble and inclusive engagement model that involves employing the use of in-person meetings, conference calls webinars and other forms of engagement to enable ITA to reach a larger population of partners and system users from across the province. ITA's Sector Advisory Groups were supportive of the expanded industry engagement model and have been providing ITA with feedback and advice as it develops the model for launch in 2019/20. Having a strong alignment with industry ensures that the training apprentices receive meets industry's needs, furthering an apprentice's ability to secure employment opportunities within the trades.
- Over the past year, ITA also supported Government's work on trades' policy, including the Ministry of Advanced, Education, Skills and Training Apprenticeship Ratio Policy.

- In 2018/19, 10 trades and eight percent of British Columbia’s apprentices were involved in phase 3 and 4 of the Harmonization Initiative<sup>1</sup> for Pan-Canadian apprentice mobility. This brings the province to an overall total of 26 trades and 65 percent of apprentices involved in phase 1 – 4 of Harmonization. Consultation and program development for Harmonization included over 200 industry and instructor SMEs, private and public training providers, as well as broader industry consultation both nationally and provincially.

Performance Measure(s)	2016/17 Actuals	2017/18 Actuals	2018/19 Target	2018/19 Actuals	2019/20 Target	2020/21 Target
3.1a Satisfaction with ITA Credentials <sup>1</sup>						
• Employer and Sponsors	80%	78%	80%	79%	80%	80%
• Credential Holders	83%	84%	86%	85%	86%	86%

Data Source: Sentis Market Research. Since 2012/13, Sentis Market Research has been commissioned by ITA to conduct the survey for this performance measure. Data is collected by combined telephone and online surveys. Industry best practices and quality assurance methodologies are employed throughout the process. Survey analysis includes a margin of error as noted in the Discussion section below.

## Discussion

**Employers and Sponsors Satisfaction with ITA Credentials** has remained consistent since 2013, with increasing requests by customers for Red Seal certified workers and credential holders meeting the needs of their employers for skilled labour. ITA’s outreach undertaken by its industry relations and completions teams, and its apprenticeship advisors continues to drive these high satisfaction ratings. In 2018/19, ITA received 666 responses from employers including lapsed employer sponsors. The highest satisfaction rating was: “the credential signals that the holder can meet the skill needs of the company”. The result of this measure indicates that ITA’s program standards are meeting the needs of industry and that employers are confident hiring an ITA credential holder. The satisfaction rating is 1 percent below the target, however, it is within the margin of error (+/- 3.8 percent). The rating this year is a 1 percent increase over 2017/18.

**Credential Holders Satisfaction with ITA Credentials** Credential holders were highly satisfied in all four measurement areas: 1) credential signals to employers that credential holders are able to meet their needs; 2) credential provides a competitive advantage for finding employment or promotion; 3) credential increases earning potential; and 4) credential allows holders to work in other parts of Canada or abroad. In 2018/19, ITA received 1,131 responses from credential holders who rated measurement 1 and 2 the highest. The satisfaction rating is 1 percentage point below the target, however, it is within the margin of error (+/- 2.9 percent). The rating this year is a 1 percent increase over 2017/18.

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<sup>1</sup> Harmonization is a Canadian Council of Directors of Apprenticeship (CCDA) initiative with the goal to substantively align apprenticeship systems across jurisdictions by making training requirements more consistent in Red Seal trades.

## **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**

#### **Key Highlights:**

- In fiscal 2018/19 ITA collaborated with training providers and offered 16 Indigenous training programs amounting to \$688,280. In addition, ITA provided funding to four qualified First Nation schools to purchase supplies, tools and materials to deliver Youth Explore Trades Skills programs, targeting grades 10 to 12.
- Working closely with the Ministry of Advanced Education, Skills and Training, ITA supported five innovative trades training pilot projects amounting to \$488,909. The pilots were aimed at providing more flexible and innovative training to: 1) reduce the amount of time an apprentice must leave her/his job to attend technical training, and 2) reduce the barriers some apprentices experience to attend technical training, for example regional access is limited or adequate technology is unavailable.
- In 2018/19, ITA began work to establish a framework to assess how innovation and technology can be used to make apprenticeship training more accessible and effective. Regional consultations began with apprentices, training providers, industry, employer sponsors, employment services and labour organizations, Indigenous peoples, women, and other under-represented groups. The framework will be implemented in 2019/20 and related performance measures will be introduced once the framework is complete.

## **Financial Report**

### **Discussion of Results**

Fiscal 2018/19 was the third and last year of a three-year program for ITA to distribute up to \$15 million of its accumulated surplus to provide grants to school districts purchasing trades training equipment required to support the delivery of ITA's youth Capital Equipment Program. This program resulted in an approved deficit for 3 years: \$7.5 million in fiscal 2016/17, \$4 million in 2017/18 and \$3.5 million in 2018/19. In fiscal 2018/19, ITA's reported deficit was \$3.1M, slightly less than the budgeted approved deficit

ITA's main source of revenue continues to be core funding from the Ministry of Advanced Education, Skills and Training. This funding is approximately 88.5 percent of total revenues. ITA also receives other specific funding for trades training, it generates revenues through fees and investment income to support its operations. Generated revenues comprise only 1.7 percent of total revenues, or \$1.8 million.

ITA's expenses are focused predominantly on training investment, customer support and business operations. ITA continues to invest more than 80 percent (84 percent in 2018/19) of its revenues in direct training support for apprentice and pre-apprenticeship programs, with another 7 percent on direct apprentice, pre-apprentice and sponsor support, including program development, exam management and challenger assessment. ITA's business support which includes information technology, comprises another 7 percent of expenses while communication is 1.5 percent.

In fiscal 2018/19, ITA's total revenues were \$110.2 million, and total operating expenses \$109.9 million. Another \$3.5 million was invested in the Youth Trade Capital Equipment Program, resulting in a reported deficit of \$3.1 million.

## **Highlights**

### **Revenues**

ITA's 2018/19 revenues consisted mainly of core funding of \$97.7 million from the Provincial Government, a \$0.7 million increase over the prior year (which includes the final increase and ongoing support of the youth programs).

In 2018/19, ITA was funded an additional \$10.6 million through the Work Development Agreement (formerly Canada Job Fund Program) to continue to support the engagement and training of under-represented and multi-barriered groups in the trades.

ITA generated approximately \$1.9 million through assessments, investment income and royalties – revenues that fund the production of learning resources and the management of exams and challenge assessments.

### **Expenditures**

Over the past fiscal year, ITA's expenditures reflect strategic direction provided in the 2018/19 Mandate Letter and commitments outlined in ITA's Service Plan. ITA continued alignment of training funding with labour market needs, facilitating industry engagement and improving accessibility of training for under-represented and multi-barriered groups. ITA continued enhancing its youth programs by offering more funding and supporting school districts across the province with a final \$3.5 million grant in Youth Trade Capital Equipment. In addition, ITA continued its efforts on aligning policies, programs, and the sequencing of training across both the province and the country to support the pan-Canadian apprentice harmonization and mobility initiatives.

ITA continues its commitment to investing more than 80 percent of its financial resources in training and realigning the remaining 20 percent to best deliver on its mandate by achieving the outcomes articulated in its Mandate Letter. In fiscal 2018/19, ITA invested 84 percent of its core funding in trades training. Approximately 50 percent of the funding supported apprenticeship programs, while another 40 percent supported pre-apprenticeship programs, with a 10 percent investment in youth.

In addition to funding apprentice and pre-apprenticeship training, ITA also supported its clients through its customer support team, its apprenticeship advisors' team and its exam management team, supporting the exam writing process and challengers looking to be certified in their trade. While always looking for efficiencies, the investment in this level of support is approximately \$6 million.

ITA also ensures that trades program standards are reviewed on a regular basis and aligned provincially and nationally, investing approximately \$1.8 million annually in this process.

Business support, which includes information technology, rent and corporate infrastructure is maintained below 8 percent of total costs.

During fiscal 2018/19, ITA received additional funding from the Workforce Development Agreement (formerly Canada Job Fund) for continued support and training of under-represented and multi-barriered groups in the trades. This funding is reflected in the increased revenues noted above, as well as in increased expenditures in training investment.

### **2018/2019 Surplus**

Effective surplus and expense management strategies resulted in operating surplus of \$376,000, 0.03 percent of total expenses. However, the approved \$3.5 million distribution of funds to the school districts resulted in a total deficit of \$3.12 million.

As a Crown agency, ITA is precluded from incurring debt, and annual operating surpluses are transferred to accumulated surplus, which is restricted to expenditures for capital assets. However, because Treasury Board approved ITA to spend up to \$15 million of its accumulated surplus over the 2016/17 – 2018/19 period, in 2018/19 ITA was able to use its accumulated surplus to provide grants totaling \$3.5 million to school districts for the Youth Trade Capital Equipment Program.

ITA had no capital projects greater than \$50 million in 2018/19. In this fiscal, a total of \$1.4 million was directed towards capital expenditures: \$1.1 million was used in the development of a new digital platform designed to increase industry, apprentice and youth engagement, improve customer service, and provide ITA with business intelligence to better align training investment with market demand. Another \$200,000 was directed to regular infrastructure requirements. ITA funds its capital expenditure from its core operating funds.

**Resource Summary**

\$ millions	2017/18 Actual	2018/19 Budget	2018/19 Actual	2018/19 Variance
<b>Operating Revenue</b>				
Ministry - General Funding	96.974	97.679	97.679	-
Ministry - Other Funding and Grants	10.372	10.190	10.632	0.442
Federal Funding	-	-	0.099	0.099
Other Revenue	1.236	0.918	1.863	0.945
<b>Total Revenue</b>	<b>108.582</b>	<b>108.787</b>	<b>110.273</b>	<b>1.486</b>
<b>Operating Expenses</b>				
Industry Engagement	0.602	0.850	0.599	(0.251)
Define Standards	2.069	1.700	1.783	0.083
Deliver Assessments and Certifications	2.053	2.260	2.203	(0.057)
Invest in Training Pathways	95.441	95.745	95.977	0.232
Customer Contact Centre	3.087	3.160	3.264	0.104
Communications	1.842	0.712	1.682	0.970
Business Support	7.426	7.860	7.889	0.029
<b>Total Expenses</b>	<b>112.520</b>	<b>112.287</b>	<b>113.397</b>	<b>1.110</b>
<b>Net (Deficit)/Surplus from Operations <sup>2</sup></b>	<b>(3.938)</b>	<b>(3.500)</b>	<b>(3.124)</b>	<b>0.376</b>
<b>Capital Expenditures</b>	1.466	2.000	1.371	(0.629)
<b>Total Liabilities (even if zero)</b>	5.758	5.041	5.126	0.085
<b>Accumulated Surplus/ Retained Earnings (even if zero)</b>	11.415	7.853	8.291	0.438

**Note 1:** The above financial information was prepared based on current Generally Accepted Accounting Principles.

**Note 2:** ITA was approved to run a deficit of up to \$3.5M (\$4.0M F17/18) to support the final year of the Youth Trades Capital Equipment

## Appendix A – Additional Information

### Corporate Governance

ITA is governed by a nine-person [Board of Directors](#), appointed by the Minister responsible, one of whom is appointed as Chair. [The Board of Directors](#) is committed to continuously improving governance through transparency, professional development of directors and annual board assessments.

### Organizational Overview

ITA is a Crown agency established on January 2, 2004 and operates under the authority of the [Industry Training Authority Act](#). ITA’s executive leadership team comprises three executives. Its [Chief Executive Officer](#) who reports directly to ITA’s Board and its Chair, [Chief Operating Officer](#) and [Chief Financial Officer](#). ITA executive is supported through its [senior leadership team](#).

Based in Richmond, ITA leads and coordinates British Columbia’s trades training and apprenticeship system. ITA’s vision, mission and values include:

<b>Vision</b>	To create an inclusive, world-class training and apprenticeship system that meets the needs of British Columbia’s economy.
<b>Mission</b>	To build the trades careers that build B.C.
<b>Values</b>	<p><b>Inclusiveness.</b> We value, recognize and support the rights of all individuals to be accepted in their workplaces without biases based on differences of any kind.</p> <p><b>Respect.</b> 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.</p> <p><b>Excellence.</b> We value a superior experience for all of our customers, internal and external, sensing their needs and exceeding their expectations.</p> <p><b>Innovation.</b> We value the spirit and practice of innovation. We believe that change fosters the constant improvement that is crucial for success.</p> <p><b>Collaboration.</b> We value the opinion of others, openness and transparency. With everyone at the table, and everything on the table, we deliver the best results.</p>

### Contact Information

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