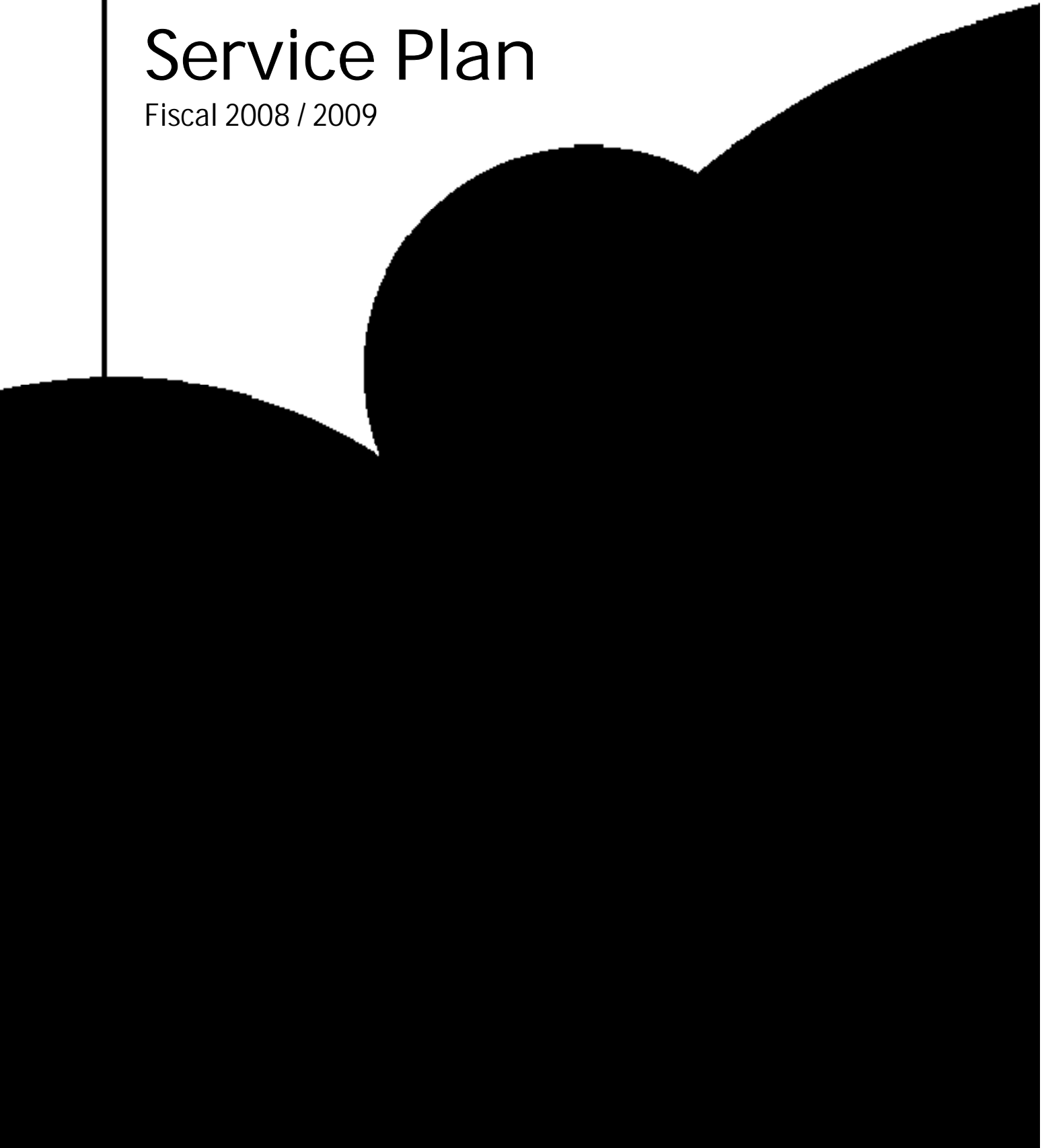




Resource Training Organization

# Service Plan

Fiscal 2008 / 2009



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## Message from the Chair

On behalf of the Board of Directors, I am pleased to present the Service Plan 2008/2009 for the Resource Training Organization (RTO). This plan sets out the major goals and strategies for the organization from April 1, 2008 to March 31, 2009.

The sectors represented within the RTO—Mining and Smelting, Oil and Gas, Pulp and Paper, Solid Wood, and Shipbuilding and Repair—are among the longest-established and largest sectors of the British Columbia economy. Collectively, they account for billions of dollars in economic activity annually, and directly and indirectly support more than 300,000 jobs. They are among the largest generators of government revenue and capital investment. It is essential to the long-term health of the Resource Industry to have well-trained, qualified employees.

The Board of Directors is committed to the apprenticeship system in British Columbia.

Over the last year, we worked closely with the Industry Training Authority and industry partners to expand our capacity and achieve our collective goals. This Service Plan provides a clear direction for our organization and reinforces our commitment to stakeholders.

All significant assumptions, policy decisions, and identified risks as of January 2008 have been considered in preparing and reviewing this plan. During this second year of operation for RTO, we plan to move the organization from the development stage to a full service Industry Training Organization.

Sincerely,



Tom Kirk  
Chair, RTO Board of Directors

## Message from the CEO

We are pleased to present our Service Plan for 2008/2009. It documents how the Resource Training Organization (RTO) is focusing its efforts to support the continued expansion of the apprenticeship system in British Columbia. The plan will focus the efforts of our staff and partners on addressing skill shortages in trades in the resource sector.

### Significant accomplishments since last service plan tabled

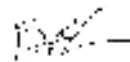
- Hired new CEO
- Board transition (two new board members)
- Launch of the new Industrial Electrician Program
- Completed program review phase for the Industrial Instrument Mechanic and Welding trades
- Appointment of Director of Program Standards and Quality Assurance
- Completed needs assessment for trades specific to shipbuilding and repair industry
- Launched Youth Outreach Program

This year we will complete our first youth outreach initiative, aimed at attracting youth to trades in the resource sector and providing parents with the knowledge to better assist youth that have made this decision.

RTO will continue to ensure that our program responsibilities remain focused on bringing our trades up to and beyond a national standard. The coming year will also see a focus in initiatives to attract under-represented groups including women, aboriginals and immigrants.

We are committed to offering programs that provide individuals with the knowledge and skills they will require to meet the projected economic growth across the Province.

Yours truly,



Doug MacLaren  
CEO RTO

## Organizational Overview

The Resource Training Organization (“RTO”) was established in 2007. It is the result of the Heavy Industry Training Advisory Committee’s (HITAC) long-standing efforts to strengthen the competitive position of its member companies, through enhanced workforce development and industry training strategies.

RTO is sanctioned as an Industry Training Organization (ITO), by the Industry Training Authority (ITA), pursuant to the Industry Training Authority Act.

RTO is quite distinct from the majority of ITOs in that it spans several sectors. RTO has responsibility for training programs of particular relevance to a cross-sectoral group of employers made up of large enterprises in the mining and smelting, oil and gas, pulp and paper, solid wood, and shipbuilding and repair sectors, as well as other organizations and sectors which utilize the trade programs assigned to RTO.

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### Mandate

Resource Training Organization’s mandate is to create and maintain an effective, efficient and responsive industry training system by:

- Defining and promoting workforce development and training needs;
- Developing and implementing an integrated training plan that matches the demand for skilled workers;
- Setting training and occupational standards, following Red Seal qualifications where applicable;
- Promoting career and training opportunities in the resource industry; and
- Measuring and responding to industry training results and outcomes.

### Vision

Resource Training Organization has a vision: a skilled, adaptive workforce that supports the resource industry and economic growth in British Columbia.

### Mission

To support the BC industry, represented within the Resource Training Organization, with the current and progressive training and credentialing that effectively matches the supply of appropriately skilled workers with the needs of the industry.

## Values

Resource Training Organization's core values are:

- Quality
- Responsiveness
- Accountability
- Integrity
- Collaboration
- Accessibility
- Inclusiveness

## Sectors

The Resource Training Organization (RTO) includes five key sectors:

- Mining and Smelting
- Oil and Gas
- Pulp and Paper
- Solid Wood
- Shipbuilding and Repair

Employers within these sectors are typically large, with operations that are commonly national or international in scope. They in turn deal with large numbers of small and medium size enterprises, which often face similar human resource challenges and employ many of the same trades. The resource sector represents the pillars of the training organization; however RTO will collaborate with and represent the interest of other industries and organizations that employ the trades falling within RTO program responsibility.



## Program Responsibility

The RTO is responsible for a significant number of trades, including a number of high-participation trades. The programs include:

- Industrial Electrician
- Industrial Mechanic (Millwright)
- Welder (C, B, A)
- Industrial Instrumentation Mechanic
- Machinists
- Metal Fabricator (Fitter)
- Planer Mill Maintenance Technician I & II
- Steam Fitter/Pipe Fitter
- Saw Trades – Bench person, Saw Filer, Saw Fitter
- Oil and Gas Rig Technician 1, 2 and 3
- Tool and Die Maker
- Winder Electrician
- Marine Fitter (Machinist Fitter & Boilermaker Fitter)
- Rigger
- Electroplater
- Electronic Technician
- Shipwright
- Power Engineering (not an apprentice trade)
- All related Foundation/ELTT Programs



## Corporate Governance

The Resource Training Organization is governed by a 13-member board of directors, independent of government, ITA management, and RTO management. The board has a fiduciary responsibility for direction, decisions, legal compliance, probity, and finance.

### Board Membership and Structure

The RTO board is voluntary and reflects collaboration between industry and labour. Both the CEO and an ITA representative sit on the board in an ex officio and non-voting capacity. Board members are drawn from diverse sectoral backgrounds, and have a range of industry, labour and training-related expertise.

#### Current 13 member RTO Board

Tom Kirk (Chair)	Tembec Enterprises Inc.
Mike Agg	Teck Cominco Ltd.
Ron Bettin	Encana Corporation
David Bonvie	Howe Sound Pulp & Paper Ltd.
Richard Boyce	United Steel Workers
Doug Daniels	Canfor Corporation
Bob Hughf	Communications, Energy & Paperworkers Union
Jim Jones	Elk Valley Coal Corporation
George MacPherson	Marine Workers and Boilermakers Industrial Union, Local No. 1
Rick Maksymetz	West Fraser Timber Co. Ltd.
Capt(N) Alex Rueben	National Defence
Jane Staschuk	BC Federation of Labour
Greg Wishart	Interior Forest Labour Relations Association
<i>Doug MacLaren</i>	<i>CEO, RTO (Ex Officio)</i>
<i>Geoff Stevens</i>	<i>Industry Training Authority (Ex Officio)</i>

## Key Responsibilities

RTO Board has the following key responsibilities:

- Approving organizational policies, bylaws and procedures;
- Approving and monitoring business plans, budgets and key performance measures;
- Overseeing a chief executive officer;
- Determining strategic direction;
- Overseeing the management of major risks;
- Receiving input from and ensuring communication with external stakeholders;
- Ensuring compliance with legislation and regulations;
- Appointing Board committees and advisory groups as may be appropriate; and
- Reporting to stakeholders.

The RTO board is accountable to the sectors it encompasses and to the ITA Board. It needs to be responsive to training participants and to other industries within which the trades it manages are employed.

Standing board committees have responsibility for overseeing the following:

- Treasurer
- Secretary
- Governance Committee
- Finance Committee
- Program and Standards Committee
- Training Planning Committee
- Customer Service, Communications & Marketing
- Stakeholder Relations (Employers, Labour, First Nations, Educators & others)
- Others to be determined.

## Strategic Context

The competitive environment across the resource sector is increasingly global and requires ever-faster responses to changing market conditions and technological advances. While components of this sector are subject to cyclical pressures, they remain solid components of the British Columbia economy and will continue to be for the foreseeable future.

Labour market demand and pressures across many of the candidate trades – and in the resource industry context in particular – are anticipated to be very strong in the years ahead. In particular, dramatic levels of retirement-driven turnover are projected. There is also intense competition between industries and provincial jurisdictions for skilled trades.

RTO has established four key goals which will inform all activities outlined in the 2008/2009 Service Plan. These goals are:

- GOAL 1 An efficient, effective Resource Training Organization
- GOAL 2 An effective resource industry training system that provides the required number of quality apprentices and journeypersons
- GOAL 3 Increase effectiveness and efficiency of program development and delivery
- GOAL 4 Highly engaged stakeholders and satisfied customers

## Strategic Context

Strategic Context	Status and Implications	GOALS
Labour Market Demand Growth	Employment growth is projected to continue at a strong pace in BC in 2008. The resource industry in conjunction with RTO needs to understand and forecast labour demand vs. supply to ensure an adequate supply of trained employees. This is critical to the long-term success.	GOAL 2 GOAL 4
Labour market supply constraints	Unemployment rates in British Columbia will likely continue to remain below 5% in 2008. The resource industry is facing competition from other jurisdictions and sectors for employees. The issue of succession planning and the loss of employees through retirement are key issues the industries will face in the coming years. A significant challenge will be to attract, train and retain employees in the sector.	GOAL 2 GOAL 4
Under representation / utilization	First Nations, Youth, Women and Immigrants have been historically under-represented in the trades within the resource industry. In addition, opportunities exist to retrain under-skilled Canadians for new opportunities in the economy.	GOAL 2
Industry collaboration	The RTO board reflects the range of employers and industries in this sector. RTO is also the first industry training organization to include both employers and labour representatives on its board of directors.	GOAL 1 GOAL 3 GOAL 4
Need for collaboration	A collaborative approach with labour, employers, educators, other ITOs, the ITA and government will be essential for success. Success will be met by all stakeholders working together focusing on shared opportunities and shared solutions.	GOAL 3
Technical training capacity	Capacity to provide technical training is ultimately limited by physical space, utilization efficiencies and access to capital funding for expansion or modernization at training institutes. Technical training capacity constitutes a potential bottleneck inhibiting system growth. RTO will analyze and monitor number of apprentices, utilization rates, regional access, and examine ways to integrate e-learning strategies.	GOAL 2 GOAL 3
Retention and completion	Relatively low apprenticeship completion rates are confirmed by statistical assessment in British Columbia and across Canada. RTO will develop a thorough understanding of completion rates by program as well as reasons for attrition and develop appropriate strategies to retain apprentices and support completion.	GOAL 2
Public Understanding	British Columbian's are aware of skill shortages in the economy, although the implications and solutions require an educational effort. This limits public and stakeholder support for new initiatives, such as those relating to under-represented groups and to foreign-credential recognition.	GOAL 4

GOAL 1 An efficient, effective Resource Training Organization

GOAL 2 An effective resource industry training system that provides the required number of quality apprentices and journeypersons

GOAL 3 Increase effectiveness and efficiency of program development and delivery

GOAL 4 Highly engaged stakeholders and satisfied customers

## Strategic Priorities, Goals and Performance Measures

This section provides an overview of Resource Training Organization's goals, strategies and performance measures. The goals represent the long-term direction of the RTO and the strategies are the actions that will be the focus in the 2008/2009 fiscal year. The selection of goals and measures are based on the assessment of previous performance results, consultations with and engagement of industry stakeholders and ITA, current and projected labour market information, and on-going dialogue with employers, other ITO's and government. These measures and targets will be used to assess RTO's readiness to move from the developmental stage to a full service ITO in the fiscal 2008/09.

### GOAL 1: An efficient, effective Resource Training Organization

#### Strategies

- Develop transition plan to achieve Full Service status in 2008/9.
- Implement policies and procedures to ensure transparency and accountability.
- Ensure close alignment with ITA operational objectives and business plan.
- Promote information sharing and reduce duplication with ITA and other ITOs.
- Ensure cost effective and efficient business processes to increase ITO impact in supporting ITA objectives.
- Participate in the development of ITA service plan/strategy and annual training purchase plan.

Performance Measure	Actual 2007/2008	Target 2008/2009
ITO Progression	Development	Pass ITA Full Service Stage Audit
Administrative Policy and Procedures	Development	Complete
Performance Management System	n/a	Complete
Synergies across ITA and ITO	Development	Harmonize best practices with ITA/ITOs
Fiscal Accountability	Balanced Budget	Balanced Budget

## GOAL 2: An effective resource industry training system that provides the required number of quality apprentices and journeypersons

### Strategies

- Support cost-effective and efficient training delivery.
- Increase number of registered sponsors.
- Align program delivery more effectively with industry and labour market needs.
- Identify actionable and credible labour market indicator (LMI) data sources, and utilize LMI to more precisely define industry demand.
- Foster participation within targeted groups (i.e., Aboriginal people, women, and recent immigrants).
- Identify and address apprenticeship continuation and completion barriers.
- Develop and deliver specific apprenticeship initiatives to increase youth engagement in apprenticeship training opportunities.

Performance Measure	Actual 2007/2008	Target 2008/2009
Demand driven training	Supply driven model	Develop demand and supply driven model
Capacity (Seat Purchase)	4,640	4,845
-Apprenticeship	4,297	4,500
-Foundation	343	345
Actual Percent Utilization	89.6%	90%
-Apprenticeship	89.9%	90%
-Foundation	86.0%	86%
Number of apprentices (including 378 Rig Technicians Registered in AB but resident in BC)	4,585	4,775
Number of employers with active apprentices (excludes Rig Technician employers)	1,185	1,200
Credentials awarded (includes 56 credentials awarded by AB to resident BC Rig Technicians)	1,588	1,620
Completion rate		
-Industrial Instrumentation Mechanic	63.6%	64%
-Millwright	71.3%	71%
-Welder A	33.3%	33%
-Metal Fabrication	36.8%	37%
Plan and deliver annual youth initiatives	n/a	Two initiatives
Outreach with targeted groups	n/a	Support ITA initiatives

### GOAL 3: Increase effectiveness and efficiency of program development and delivery

#### Strategies

- Establish comprehensive program development priorities. (See table page 14)
- Develop and maintain high quality program standards and specifications.
- Develop new programs as industry requirements merit (Logging Operator, Gold Seal Journeyman Certification).
- Adopt ITA assessment tools and standards.
- Actively participate in national and jurisdictional trade initiatives.
- Capitalize on program development opportunities with potential partners.
- Expand training accessibility and flexibility for learners and industry.
- With training providers arrive at mutually acceptable funding and utilization targets.
- Pilot post-delivery evaluation process for all program delivery.
- Participate in ITA sponsored e-learning initiatives.

Performance Measure	Actual 2007/2008	Target 2008/2009
Prioritize programs to ensure updated to established standards	n/a	Program Priorities Matrix established
Program development guidelines/specifications	Development	Complete
Number of programs with updated standards	2	7
Number of new programs launched	1	None
Co-development opportunities and synergies	n/a	2
ITA assessment tools and standards	n/a	Implement as appropriate
Support NOA and trade initiatives	Establish Baseline	Maintain and improve
Apprentices in updated programs	n/a	50%
Launch e-learning delivery option	n/a	1 course
Adopt and support ITA funding and utilization measures	n/a	90%
Post-delivery evaluation framework and tools	Development	Random audit of key programs

#### GOAL 4: Highly engaged stakeholders and satisfied customers

##### Strategies

- Ensure common understanding of mandate, vision, values and strategies.
- Involve stakeholders in strategy development and other key processes.
- Establish and implement customer-facing processes to increase service levels.
- Engage in targeted communication campaign and initiatives.
- Participate in and support ITA annual indexes.

Performance Measure	Actual 2007/2008	Target 2008/2009
Effective stakeholder relationships	n/a	Develop, measure, baseline, targets.
Develop and implement communication strategy.	Development	Implement
Launch RTO website	n/a	Launch
Support ITA annual indexes	n/a	Maintain and improve
Customer satisfaction index (industry, employers and apprentices)	81 <sup>2</sup> (+/- Margin of Error)	Maintain or Improve at 81 (+/- Margin of Error)
Produce RTO Annual Report	n/a	Annual Report delivered to ITA

## 2008/2009 Program Development Priorities

April 1, 2008 – March 31, 2009	Tasks
Industrial Electrician	New program implementation
Industrial Instrument Mechanic	Phase 2 program maintenance
Metal Fabricator	Program maintenance
Steamfitter/Pipefitter	Program maintenance
Machinist	Program maintenance
Millwright Phase 3	Phase 3 program maintenance
Oil and Gas Rig Technician	Program maintenance
Welder B & A	Program implementation
Marine Trades	Program review (Service Canada Initiative)
Logging Equipment Operator	New program development

Note: RTO is examining options for development of Gold Seal Certification for Journeypersons completing RTO sanctioned supervisory and leadership training programs.

## Summary Financial Outlook

	2007/2008 Actual	2008/2009 Forecast
<b>Revenue</b>		
Contribution from ITA – Core Administration	\$ 309,441	\$ 326,822
Contribution from ITA – Program Development	\$ 249,375	\$ 506,625
Interest/Amortization	\$ 3,664	\$ 2,000
Other Income - YES2IT	\$	\$ 51,500
- Service Canada	\$	\$ 98,000
<b>Total Revenue</b>	<b>\$ 562,480</b>	<b>\$ 984,947</b>
<b>Expenses</b>		
General Operations and Administration	\$ 281,256	\$ 328,822
Program Development/Designation	\$ 222,375	\$ 506,625
YES2IT	\$	\$ 51,500
Service Canada		\$ 98,000
<b>Total Expenses</b>	<b>\$ 503,631</b>	<b>\$ 984,947</b>
<b>Projected Net Income</b>	<b>\$ 58,849</b>	<b>\$ 0</b>

## Assumptions, Risks and Sensitivities

The summary financial outlook is based on several assumptions:

- On-going demand-driven increases in industry training participation across resource sector
- Operationalization of supply-side recruitment practices and meaningful employer engagement of under-represented populations in workforce
- Ability to redirect resources from lower to higher priority programs in a timely fashion
- System-wide cooperation and participation in the establishment and implementation of flexible delivery models to support specific industry needs
- Increased responsibility and accountability of RTO as it moves towards Full Service Stage
- Achievement of significant and replicable efficiencies by training-program deliverers
- Province and ITA maintain or improve present funding levels

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Attendant with these assumptions are several risks or sensitivities which could impact RTO's ability to achieve specific performance targets. They include:

- Demand growth at higher or lower than anticipated levels
- Limited or failure to engage in supply-side recruitment practices by employers
- Barriers to redirecting resources as required from lower to higher priority programs in a timely fashion
- Inability to establish and implement flexible delivery models
- Failure of training program deliverers to achieve efficiencies
- Failure Province or ITA to provide adequate funding
- Lack of clarity regarding cost implications of Full Service Stage

## Appendix A: Summary of Participant Registration and Completion by Program

Program	Registration/Completion	2007/2008 <sup>1</sup>	2008/2009 <sup>2</sup>
Industrial Electrician	Registered Participants	66	72
	Credentials Awarded	2	6
	Completion Rate*	n/a	
Millwright	Registered Participants	1114	1170
	Credentials Awarded	182	186
	Completion Rate*	71.3%	71%
Planer Mill Maintenance Technician I	Registered Participants	6	6
	Credentials Awarded	11	11
	Completion Rate*	n/a	
Planer Mill Maintenance Technician II	Registered Participants	28	32
	Credentials Awarded	7	7
	Completion Rate*	n/a	
Industrial Instrumentation Mechanic	Registered Participants	197	207
	Credentials Awarded	27	30
	Completion Rate*	63.6%	64%
Steam Fitter – Pipe Fitter	Registered Participants	261	274
	Credentials Awarded	33	36
	Completion Rate*	n/a	
Machinist	Registered Participants	484	508
	Credentials Awarded	72	74
	Completion Rate*	n/a	
Saw Trades - Benchperson	Registered Participants	19	19
	Credentials Awarded	24	24
	Completion Rate*	n/a	
Saw Trades – Saw Filer	Registered Participants	29	28
	Credentials Awarded	18	18
	Completion Rate*	n/a	
Saw Trades – Saw Fitter	Registered Participants	53	53
	Credentials Awarded	30	30
	Completion Rate*	n/a	

<sup>1</sup> As of March 31, 2008 (AIMS)

<sup>2</sup> Based on ITA forecasts

Program	Registration Completion	2007/2008	2008/2009
Oil and Gas Rig Technician	Registered Participants	378	397
	Credentials Awarded	56	61
	Completion Rate*	n/a	
Welder C	Registered Participants	416	437
	Credentials Awarded	620	632
	Completion Rate*	n/a	
Welder B	Registered Participants	n/a	
	Credentials Awarded	309	315
	Completion Rate*	n/a	
Welder A	Registered Participants	920	966
	Credentials Awarded	129	132
	Completion Rate*	33.3%	33%
Metal Fabricator	Registered Participants	577	606
	Credentials Awarded	68	69
	Completion Rate*	36.8%	37%
Tool and Die Maker	Registered Participants		TBD
	Credentials Awarded		TBD
	Completion Rate*		TBD
Welder Electrician	Registered Participants		TBD
	Credentials Awarded		TBD
	Completion Rate*		TBD
Rigger	Registered Participants		TBD
	Credentials Awarded		TBD
	Completion Rate*		TBD
Electroplater	Registered Participants		TBD
	Credentials Awarded		TBD
	Completion Rate*		TBD
Shipwright	Registered Participants		TBD
	Credentials Awarded		TBD
	Completion Rate*		TBD
Marine Fitter (Machinist Fitter & Boilermaker Fitter)	Registered Participants		TBD
	Credentials Awarded		TBD
	Completion Rate*		TBD
Marine Electronics Technician	Registered Participants		TBD
	Credentials Awarded		TBD
	Completion Rate*		TBD

Resource Training Organization (RTO) was established in 2007 to oversee the management and development of apprenticeship training for the resource sector in BC.

RTO is funded provincially by the Industry Training Authority of BC



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