

**BRITISH COLUMBIA  
CONSTRUCTION INDUSTRY  
TRAINING ORGANIZATION**

**CITO**

**SERVICE PLAN:  
2007 - 2008**

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- Engage with industry and the training providers to identify needs and develop a training plan for the industry

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**Organizational Overview:****Overview of Construction Sector:**

The Construction Industry is one of the largest and most active components of the BC industrial base, and is one of the principle drivers of economic activity in British Columbia. The Construction Industry encompasses a wide range of sectors or sub-sectors including: Institutional, Commercial, Industrial, High Rise Multi Family Residential, Roadway and Highway, Bridge and Civil construction. Companies and employers within the industry range from small owner operator enterprises to large corporate organizations including both open shop and unionized workplaces. The industry contributes over \$15 billion to the economy annually, providing direct employment for over 140,000 British Columbians making it one of the largest employers in the province. Activity in the industry is strong and this is expected to continue for a number of years to come. This is being driven by strong public and private sector investments including construction of the 2010 Olympic venues, resource and industrial development, growth in transportation infrastructure, and continued pressure in the housing market.

## Overview of CITO:

CITO is the Industry Training Organization for the BC Construction Industry and is responsible for the development of a skilled workforce to serve the needs of the industry. This includes the upgrading and maintenance of standards and credentials to Industry, Provincial, and National standards. The main focus of activity for CITO will be within the Industrial Commercial and Institutional construction sectors. CITO is currently responsible for the following trades programs:

## Accredited Programs:

- Boilermaker (Construction)
- Bricklayer (Mason)
- C.O.R.E (Foundation)
- Cabinetmaker (Joiner)
- Carpenter
- Concrete Finisher (Cement Mason)
- Construction Electrician (Electrician)
- Floor Covering Installer
- Glazier
- Insulator (Heat & Frost)
- Ironworker (General)
- Lather (Wall & Ceiling Installer)
- Painter/Decorator
- Plumber
- Refrigeration & Air Conditioning Mechanic (Refrigeration Mechanic)
- Reinforcing Steel Installer
- Roofer
- Sheet Metal Worker
- Sprinkler System Installer
- Tiler
- Pipe Fitter/ Steam Fitter
- Structural Steel Fabricator/ Fitter

### Recognized Programs:

- Architectural Sheet Metal
- Construction Formwork Technician
- Domestic/Commercial Gasfitter
- Drywall Finisher
- Elevator Mechanic
- Hardwood Floor Layer
- Piledriver/Bridgeworker
- Plasterer
- Security Alarm Installer

### Foundation:

- Architectural Sheet Metal
- Boilermaker (Construction)
- Bricklayer (Mason)
- C.O.R.E (Foundation)
- Cabinetmaker (Joiner)
- Carpenter
- Concrete Finisher (Cement Mason)
- Construction Electrician (Electrician)
- Construction Formwork Technician
- Domestic/Commercial Gasfitter
- Drywall Finisher
- Floor Covering Installer
- Glazier
- Hardwood Floor Layer
- Ironworker (General)
- Painter/Decorator
- Plumber
- Refrigeration & Air Conditioning Mechanic (Refrigeration Mechanic)
- Security Alarm Installer
- Sheet Metal Worker
- Sprinkler System Installer

### Scope:

The Construction Industry Training Organization is accountable to its customers (employers & apprentices) and to the ITA for the standards and outcomes in the above program areas.

### Mandate:

CITO provides industry leadership in training which results in the right number of workers, with the right knowledge and skills, developed to the right standards, and available at the right time and for the right needs.

### CITO Objectives & Outcomes:

As CITO moves towards “full service ITO status” the achievement of these key strategic outcomes will act as guiding principles for the organization in carrying out its mandate.

- developing a better definition of current and anticipated future training needs within the sector;
- establishing sector-wide training coordination and more effective resource allocation;
- improved alignment between program standards and workforce requirements;
- improved alignment of training options and pathways with apprentice needs;
- enhanced recruitment and retention capabilities within the sector;
- improved workplace outcomes for apprentices;
- developing and implementing an effective consultation and communication mechanism

## Vision

CITO directed training matches worker competencies with employer needs and contributes to the long-term competitiveness, sustainability and vitality of the BC construction sector.

## Board Structure & Staffing:

The CITO board is composed of eleven (11) members. The selection of candidates for the first CITO board was conducted by an independent third party organization selected by the Industry Training Authority. Board members were selected based on specific criteria and are representative of a broad cross section of the industry. Subsequent appointments to the CITO board will be based upon selection criteria developed by the current CITO board and articulated in board by-laws. The board structure consists of a Chair, a Vice Chair and four sub or standing committees. The sub-committees are responsible for governing distinct components of the CITO mandate. These are:

- Finance and Audit
- Governance
- Program Standards
- Training & Planning

## Board members:

- Dan Mott Board Chair
- Kurt KrAMPL Vice Chair
- Karen Bazylewski
- Randy Callaghan
- Bob Cowan
- Richard (Dick) Coxford
- C.P. (Ken) deRooy
- Ken Hall
- Jim Plumridge
- Laura Stanton

### Finance and Audit Committee:

The Finance and Audit Committee is responsible to ensure that the organization's financial structure and procedures including: accounting, record keeping, statements and reports follow generally accepted accounting practices; are accurate and correct; that financial transactions are transparent; and that CITO financial and business practices comply with Government and Society Act requirements.

### Governance Committee:

The Governance Committee is responsible for the establishment of mechanisms to support the selection and recruitment of board members; orientation of new board members; populating board standing committees; managing nominations and approvals of new board members. The committee is also responsible to develop new or potential candidates for board participation to ensure continued full board membership. The committee will work within the CITO by-law framework for board appointments. The Governance Committee will also oversee the development of policy in the following areas: industry consultation and communication; human resources policy; and the terms of reference for board sub-committees.

### Program Standards Committee:

The Program Standards Committee is responsible to ensure that the programs that fall within the CITO trades cluster continue to meet Industry, Provincial and National standards. The committee makes recommendations to the board with regard to program standards including: program outlines, content, and assessment. The committee also makes recommendations regarding updating of current programs and the development of new programs and credentials.

### Training & Planning Committee:

The Training and Planning Committee is responsible for the development of the training plan for the trades programs that fall within CITO's mandate. The committee makes recommendations to the board with regard to the content of the training plan including specific trades needs, supply, demand balance, and distribution.

### Staff Compliment:

CITO is currently in the transition from start up to the developmental phase for an ITO. Current staff compliment includes the CEO and administrative assistant and a program development officer. Further staff will be added as the organization moves forward.

### Strategic Context:

CITO will be driven by the core values and principles that have been established during the creation of the organization. CITO represents the interests of a broad range of stakeholders and must be accessible and responsive to the needs of employers, apprentices and trainees and other stakeholders across British Columbia. The strategic context within which CITO has developed its priorities, goals and objectives for the 2007/2008 fiscal year has been constructed as a result of information and input gathered from a number of sources. This included consultations and dialogue with employers, industry associations, government agencies, and other stakeholders; prior to the creation of CITO and during start up and initial organizational development. CITO has also taken into consideration data and input from provincial and national organizations with regard to issues such as economic activity, demographic and population changes, retirement statistics, immigration figures and other factors that may have some bearing on the construction industry.

### Market Conditions:

The BC construction industry is currently in a period of high activity. This is characterized by a growing economy, significant investment by both the public and private sectors in projects such as the Vancouver Trade and Convention Centre, Prince Rupert port expansion, UNBC Northern Sports Centre, expanded highway infrastructure initiatives and continued demand for high rise multi-family dwelling units. Conventional wisdom, based on current estimates, suggests that the industry will see high levels of activity, particularly in the ICI sector, up to and beyond the 2010 Olympics as far as 2014.

### Human Resources Issues:

A number of factors including demographic change; an aging workforce; a negative perception of the skilled trades as viable career options; and a downward trend in population growth and declining high school numbers in recent years have made it increasingly difficult for the construction industry to recruit and retain skilled workers.

As the baby boomer generation moves towards retirement in ever increasing numbers the inventory of skilled workers available to the industry continues to decline. This situation is compounded by the fact that the low birth rate in British Columbia does not provide enough young people to replace the retirees. This has been complicated by negative perceptions of the construction industry and the skilled trades as viable career options for young people. Many other industries are facing the same challenges resulting in increased competition for a declining pool of potential workers.

### Labour Market Supply & Demand:

The supply of qualified, skilled workers to meet the needs of the British Columbia Construction Industry has come under increasing pressure in recent years from a number of areas. Economic activity and new employment opportunities in British Columbia will soon be leading the country. Provincial unemployment rates are at their lowest for many years and indications are that this will be the norm for a number of years. New employment opportunities are projected to continue to increase. This will present particular challenges in areas requiring a high level of education or training. Increased economic activity in neighboring provinces such as Alberta, which is facing similar challenges in securing sufficient skilled workers, has added another dimension to the problem. Significant numbers of highly skilled workers have chosen to move out of province, lured by high wages and lower taxes.

## **Strategic Priorities & Goals:**

The 2007/2008 year is CITO's first full year of operation. The strategic direction that CITO has chosen to pursue within this fiscal year has been guided by: the core CITO mandate statement developed during the establishment of the organization; the first year priorities developed by the board; the needs of the construction industry at large; and by ITA standards required to move CITO to full service ITO status.

An area of high priority for CITO will be the upgrading of program standards for the CITO trades group. Many of the program outline documents and curriculum materials are out of date or have not kept pace with the needs of the industry in recent years. This places apprentices and trainees at a disadvantage in their ability to complete their training and to secure Provincial and National credentials. This also represents a cost to employers in terms of the productivity of their employees and their ability to be credentialed in a timely manner.

The construction industry faces many issues that are urgent in nature and require an immediate response. The CITO board recognizes this reality and is motivated to take action on behalf of its clients and stakeholders as soon as possible. One of the key steps in moving quickly to address key industry issues is developing the organizational capability to undertake substantive initiatives. Within the ITO structure this capacity, in terms of funding and operational freedom is significantly enhanced when an ITO reaches full service capacity. The board of CITO has taken the position that it is in the best interests of the organization and the industry to move to full service status at the earliest opportunity. This will be a high priority for the organization. The board contemplates a progressive transition to full service status for CITO where, in anticipation of a satisfactory audit by ITA, additional funding and operational autonomy will be provided by ITA as the year progresses.

Specific goals have been selected based upon the most urgent need of CITO clients and stakeholders; the development of CITO as an organization and its evolution to full service ITO status; and the operational capacity of the organization. These include:

## Goals:

- Review and updating of program standards
- Complete development of board governance model
- Complete development of financial model for CITO
- Complete scoping of CITO operational model
- Develop and implement a communications & consultation mechanism
- Engage with industry and training providers to identify needs and develop a training plan for the industry

## Review and updating of Program Standards

CITO is currently responsible for 29 trades programs. Many of these programs are out of date and do not reflect current industry needs. A high priority for CITO in the 07/08 fiscal year will be to begin the process of updating these programs to meet current industry, provincial and national standards. The maintenance of this group of programs represents a substantive workload on an ongoing basis. CITO has determined that the most effective approach is to manage the work in-house. CITO will develop a group of program development specialists to undertake this work within this and the next fiscal years.

Over the next three years CITO will implement a three year cycle of updating for programs within its mandate. This will be developed in a phased progression over the next three fiscal years. Currently, within CITO's twenty nine program groups, there are seventeen updating initiatives underway. These range from letters of intent to full development projects. The programs identified by CITO for updating in the 07/08 fiscal year have been selected based on the following criteria: their importance to the industry; the relative currency of their standards.

This approach has been taken to enable CITO to move standards updating forward as quickly as possible and to develop in-house staff and processes to support a long term maintenance strategy. It is understood that as CITO develops a more complete understanding of the development work currently underway, and as these projects mature, that there may be a desire or need

for CITO to assume responsibility for a number of these initiatives. Such issues will be addressed on a case by case basis.

Program development targets for the 2007, 2008 fiscal year:

- New activity: CITO will complete updating in four trades program areas that have been selected based on the above criteria. These programs currently have no development activity underway.
- Ongoing projects: CITO will assume responsibility for and complete development work on two programs that have ongoing development work underway.
- Additional program initiatives: CITO will conduct a review of all ongoing program initiatives within its trades group and work with the relevant industry bodies to develop a transition plan to link the current ongoing work to the CITO multi year cycle for program development.

#### Complete development of Board Governance model:

The development of effective and transparent board governance procedures and policies has been identified as a priority for the board. The core elements of the CITO board including, chair, vice chair, and four standing committees have already been established and have taken up their responsibilities.

In order to complete the board development process a facilitated retreat will be held at the first opportunity. The focus of the retreat will be to finalize the governance model for CITO; to clarify director roles and responsibilities; and to agree upon a by-law framework for CITO. CITO will complete this process by September of 2007.

#### Development of a financial model for CITO administration:

CITO will develop a financial management model for the administration of the organization. This will include the development of transparent business practices in areas such as: payroll, accounts payable, purchasing, consulting services and budget administration. CITO will complete this process by September of 2007.

### Complete scoping of CITO operational model:

It is anticipated that in the course of the 07/08 fiscal year, CITO will move from developmental to full service ITO status. It is important that the board, staff, and stakeholders share a clear understanding of what this transition implies. This will include defining the scope of activities, tasks and responsibilities identified within the ITA full service model for ITOs; determining resource requirements; and developing a full service model for CITO. The ITA framework for ITOs identifies a total of nineteen areas of core responsibility, within its developmental and full service categories, that will be devolved to a full service ITO. Many of these tasks are complex and will require considerable planning and operational capability to put into operation. These include:

- Act as primary point of contact for employers and apprentices
- Consult with all key stakeholders with an interest in CITO programs
- Register apprentices/trainees in conjunction with ITA
- Approve credit for prior learning and work experience
- Coordinate and manage Red Seal product development
- Undertake program development and implementation activities
- Prepare annual training purchase plan for assigned programs and recommend to ITA, including relative levels of investment by program type.

The final full service model will include strategies to address each of the nineteen areas of responsibility. The depth to which each area will be addressed will be driven by the approach adopted by the board. Additional activities or tasks that the CITO board may wish to include in the final areas of activity over and above the ITA core responsibilities will also be included in the scoping exercise.

Developing an understanding of the operational, logistical and financial implications of these activities will be crucial to the development of an effective operational model for CITO.

Given the potential scope and complexity of the CITO full service model the board feels that the model must be implemented in a phased progression. The stages will include: planning consultation with industry and other

stakeholders; research with regard to technological options and solutions; operational policy development; development of a draft plan; identification of financial and human resources; creation of a phase in strategy; and final approval implementation. The board feels that bringing this process to successful completion will require dedicate resources and budgetary support.

It is anticipated that the planning phase will be completed by September 2007. Target date to complete phase in of the full service model is the end of fiscal 2007.

#### Develop and implement a communications & consultation mechanism for CITO

A high priority for CITO in its first year of operation will be to develop and implement a communications and consultation mechanism. The ability to communicate effectively with its partners and to consult and seek feedback on a range of issues will be one of the key elements of CITO's operational model and will be crucial to its success. The communications and consultation mechanism will also play an important role in linking the core elements of CITO's operational model. The communications and consultation model will be developed in two phases. The first phase or core operational level component will be developed by September 07. The second and more comprehensive phase of the model will be completed as an element of the full service scoping exercise.

#### Engage with industry and training providers to identify needs and develop a training plan for the industry:

One of the key responsibilities for CITO is the development of an annual training plan for its trades programs. The Training Plan addresses the training needs of each trade program at a system wide level. CITO will put in place a process to seek input from industry with regard to training needs and will engage with the training providers to develop a training plan that addresses industries needs. This initiative will be fully implemented for the 09/2010 fiscal year. For the 08/09 fiscal year, CITO will review the training plan and make a recommendation to the Industry Training Authority.

### Completion of Apprenticeship:

CITO recognizes that improving the completion rate for apprentices is an important issue for the industry. CITO is currently participating in a study, supported by Service Canada, to identify the factors that affect apprentice completion. At this time, CITO has not established specific goals around this issue but will continue participate in the completions project monitor the completions statistics.

CITO's overall objective in the 2007, 2008 fiscal year is moving the organization to full service ITO status and its principle focus will be in completing the objectives identified above. The CITO board also recognizes that ITA has set generic performance measures and targets for all ITOs. The board feels that while the organization is in the developmental phase it does not have the operational capacity and resources to address these performance targets and cannot make a commitment to meet them. However as CITO pursues its core objectives for the fiscal year it can be anticipated that the ITA objectives will be influenced in a positive manner. When CITO has had the opportunity to engage in meaningful discussion with industry and the training providers with regard to these issues, it will develop specific goals for each of the ITA measurables. This will take place in the 2007/2008 fiscal year.

### **Performance Measures & Targets:**

#### **Goal 1:**

Performance Measure	Target	
	2006/2007 Actual	2007/2008 Forecast
Completion of Board Governance Model and manual	Process fully developed including governance manual Sept 07	

**Goal 2:**

Performance Measure	Target	
	2006/2007 Actual	2007/2008 Forecast
Development of a financial model for CITO	Model fully developed and documented Sept 07	

**Goal 3:**

Performance Measure	Target	
	2006/2007 Actual	2007/2008
Complete scoping of CITO operational model	Phase one of Scoping process complete Sept 07, in cooperation with ITA. Completion of Scoping and implementation of full service model in subsequent fiscal years	

**Goal 4:**

Performance Measure	Target	
	2007-2008	
Development and implementation of training plan process for schools and institutions	Review and sign off on training plan 08/09 fiscal	Process fully implemented for fiscal 09/10

**Goal 5:**

Performance Measure	Target	
	2006/2007 Actual	2007/2008 Forecast
Number of training programs with updated standards		Updating of 4 new programs Development of transition strategy for program work currently underway: up to 14 programs

**Goal 6:**

Performance Measure	Target	
	2006/2007 Actual	2007/2008 Forecast
Development of a Consultation & Communication mechanism for CITO	Phase one complete Sept 07. Complete process developed as a component of the Scoping exercise and implementation of full service model	

### **Summary of Financial Outlook:**

The financial statement, below, provides an overview of CITO planned expenditures for the fiscal year 2007/2008.

<b>CONSOLIDATED EXPENSES</b>	
	Fiscal 2007/2008
Staff	235,500
Office Equipment & Start Up Costs	13,500
Office Operating Costs	60,550
Insurance, Licences & Fees	11,000
Accounting & Legal	6,000
Board Expenses	34,749
Strategic Initiatives	0
Miscellaneous Expenditures	22,840
<b>Total Operational Funding</b>	<b>384,139</b>
<b>Program Development Costs</b>	<b>502,000</b>
<b>Total</b>	<b>886,139</b>