



***Service Plan***  
***2008-2009***

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- Complete development of financial model
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- Develop and implement a communications & consultation mechanism
- Engage with industry and the training providers to identify needs and develop a training plan for the industry

**ITA:**

- Number of apprentices/trainees
- Number of employers with active apprentices
- Program completion rates
- Number of certificates issued
- Number of programs with updated standards

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- Overview of financial expenditures for 2007/2008

**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)
- Cabinetmaker (Joiner)
- Carpenter
- Concrete Finisher (Cement Mason)
- Construction Electrician (Electrician)
- Floor Covering Installer
- Glazier
- Insulator (Heat & Frost)
- Ironworker (General)
- Ironworker (Reinforcing)
- Ironworker (Structural)
- Lather (Wall & Ceiling Installer)
- Painter/Decorator
- Plumber
- Refrigeration & Air Conditioning Mechanic (Refrigeration Mechanic)
- Roofer
- Sheet Metal Worker
- Sprinkler System Installer
- Tiler

### 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:

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 Krampfl Vice Chair
- Karen Bazylewski
- Randy Callaghan
- Bob Cowan
- Richard (Dick) Coxford
- C.P. (Ken) deRooy
- Ken Hall
- Laura Stanton
- Greg Hubbard

### 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.

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### Staff Compliment:

Current staff compliment includes: the CEO, one administrative assistant, two full time program development officers, and one full time staff member seconded from ITA to manage program development transition issues. The secondment position will be converted to a full time position to address the increase in activity related to the planning and transition process to “Full Service” status.

### Strategic Context:

CITO will move forward based on the organization’s core values and principles established by the CITO Board. These include transparency, responsiveness and accessibility. CITO represents the interests of employers, apprentices, trainees, and other stakeholders with regard to training issues in the Industrial Commercial and Institutional component of the construction industry. The strategic context within which CITO has developed its service plan for the fiscal 2008/2009 year has been informed by a number of factors including: Consultations with employers, industry associations, the Industry Training Authority, and other stakeholder groups; core activities during fiscal 2007/2008 CITO’s first year of activity; CITO activities in fiscal 2007/2008, CITO’s first year of operation; and planning for “Full Service” implementation. The Scoping/Planning process for “Full Service” and the related implementation plan completed by CITO in 07/08 will be one of the primary strategic drivers for CITO in fiscal 08/09.

### Market Conditions:

Supported by a strong BC economy the outlook for the construction industry in the coming year remains positive! High levels of activity are anticipated in the coming year driven by initiatives such as: activity related to the Olympics in 2010; the Vancouver Trade and Convention Centre, the Gateway initiative in the Lower Mainland, expansion of the airport in Prince George, and expansions to the Interior Health system.

## Human Resources Issues:

Human resources issues, in the coming year, will be influenced by a number of factors including: the aging of the workforce and the increase in retirements as the baby boomers leave the industry in increasing numbers. A downward trend in birth rates coupled with a decline in the total numbers of young people graduating from high school also contributes to the problem.

The perception that the construction industry and or the skilled trades are not viable career options has in recent years presented barriers to recruiting young people into the industry. Headway has been made in addressing this situation and encouraging changing these perceptions. However, more work needs to be done in this area going forward. Other industries facing similar challenges have increased the competition for a declining pool of potential entrants into the industry. Other jurisdictions outside of BC face similar workforce retirement and replacement issues. The resulting migration of skilled workers between jurisdictions has added another dimension to the equation.

## Labour Market Supply & Demand:

Industry employment rates are currently at record high levels. The strongest demand is for trades workers in the areas of construction and industrial engineering. Unemployment is also at record lows with rates often below 5% while employment rates are expected to grow at an average of 1.4% in the coming year. Economic growth is expected to remain strong in the coming year and will maintain the demand for skilled workers. Strong economic activity in other provinces has also drawn workers away from BC. This may be mitigated somewhat by workers arriving from off shore. However, it is anticipated that the demand for skilled workers will continue to be strong in the coming year.

## Strategic Priorities & Goals:

The 2008/2009 fiscal year will be CITO's second full year of operation. The strategic goals for the fiscal year will be guided by the CITO board core values and mandate; the broader needs of the construction industry; the priorities develop by the board and planning and transitional considerations to prepare CITO to move to full service status as an ITO.

One of the key areas of focus for CITO will be the updating of program standards for the trades that fall within CITO's area of responsibility. Currently CITO is responsible for twenty nine (29) trades programs. In 07/08 CITO established the process and secured the core staff required to complete program standards development work within CITO. During fiscal 07/08 CITO completed the updating of six-eight (6-8) programs including the development of standardized examination banks. In 08/09 CITO will complete development work on six-eight (6-8) trades programs including examination bank development. This will form the basis of a three/five year rolling plan for ongoing upgrading of program standards. The plan will be published within the first quarter of the fiscal year.

In its first year of operation fiscal 2007/2008 one of CITO's objectives was to establish the core capacity to conduct program development activities. This was considered an initial step towards assuming full responsibility for all program development activities. The development activities conducted in fiscal 07/08 year enabled the model to be fully developed and has proved its effectiveness. In the 08/09 fiscal year CITO will move to "Full Service" status in the area of program development and will assume full responsibility for all program development activities.

One of the key areas of focus for the CITO board in its first year of activity, 2007/2008 was to engage in a planning and consultation process to develop an operational model for CITO at the "Full Service" level. The planning process was to determine what specific services and levels of support CITO should provide to the industry; identify how services could best be delivered; and to develop an operational plan and business model to support the model. The final element of the planning process was to create an implementation plan that will allow CITO to progressively assume "Full Service" responsibilities over the next several years.

The "Full Service" planning process was completed during the last quarter of the 07/08 fiscal year and a final model for CITO "Full Service" was approved by the CITO Board, attached. Moving forward with the implementation of this model will be a major focus of activities for CITO in the 2008/2009 fiscal year.

As CITO moves forward with the implementation of the "Full 'Service" model it will be important to communicate broadly with the industry and

other stakeholders with regard to the final model, the implementation strategy, and time frames. In the 2008/2009 fiscal year CITO will put in place a strategy to proactively communicate the “Full Service” model and implementation plan to the system.

Individual goals for the organization have been identified that support the overall strategic direction for fiscal 08/09. The main areas of focus will be in the areas of program development and the implementation of the transition plan for “Full Service” and marketing and communications.

### Goals:

- #1 Assume “Full Service” responsibilities for the Program Development area.
- #2 Complete CITO “Full Service” development process and commence implementation.
- #3 Implement a communication process with regard to “Full Service” status, implementation and phase in
- #4 Registered training participants
- #5 Apprentice training seats purchased
- #6 Customer satisfaction index

### Program Standards: Transition to “Full Service”

CITO is currently responsible for twenty nine (29) trades programs. Continuing to update these programs to meet provincial and national standards will continue to be a high priority for the organization. In its first year of operation 07/08 CITO focused on developing the capacity to conduct program development work in-house. Based on this model CITO was able to meet its original target of updating program standards for six trade programs and to update two additional programs. These programs were prioritized based on the size of the trade and the currency of the standards. The intention was to address the most pressing needs as soon as possible. In fiscal 08/09 CITO will continue this approach and will upgrade six trade programs including the development of standardized examination banks. CITO will also establish a three/four year operation cycle for updating and maintenance of program standards. This will align

the updating process with the National Occupational Analysis and the development of new IP, Red Seal exams. This will create a predictable schedule for updating all CITO trades.

In fiscal 08/09 CITO will assume full responsibility for Program Standards updating and maintenance. This will include: reviewing new program proposals, making recommendations to ITA with regard to final approval and implementation, and dealing with other standards related issues that may emerge.

Program targets for the 2008, 2009 fiscal year:

- Complete updating and standard examination bank development for six trades programs.
- Implement a three/four year operational cycle for updating all CITO trades programs.
- Develop and implement a transition plan to assume responsibility for Full Service status in the Program Standards area.
- Implement a communication plan with regard to the CITO Program Standards development model, and promote participation by stakeholders.

### CITO Core Operation “Full Service” Implementation

In fiscal 07/08 CITO commenced an in-depth planning and consultation process to develop a “Full Service” operational model for the organization. This process is focused on identifying the requirements to fulfill each of the areas of responsibility that will be devolved to CITO from the ITA; developing an operational mechanism for each area; benchmarking the approach against best practices in other jurisdictions; and defining resource requirements. This will result in the creation of a detailed operational plan for the organization.

CITO will complete the “Full Service” planning process in the first part of fiscal 08/09. Subsequent to this CITO will enter into a dialogue with ITA

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regarding the transfer of responsibilities; funding; and the planned phase in of the “Full Service” model. Based on the outcome of these discussions an implementation plan will be put in place to move CITO to “Full Service” status.

This initiative will be a major area of focus for the organization throughout 08/09 and in the following fiscal years.

Full Service implementation targets for 2008, 2009:

- Complete “Full Service” Scoping process
- Agree on final model
- Finalize overall implementations strategy
- Identify elements to be implemented in 2008, 2009
- Develop detailed operational role out calendar
- Identify and secure human, financial, and operational resources
- Coordinate transition of responsibilities from ITA
- Phase in operational model
- Communicate the implementation strategy, roles, responsibilities, and business practices to stakeholders

### Communication Strategy

As CITO moves forward with “Full Service” implementation communication will be a key element of the process. CITO will initiate a communication process to support implementation that will provide stakeholders with information with regard to: the development process; the operational model; the implementation time frames; expected outcomes; contact information and feedback mechanisms; and the expected results and outcomes. The process will commence in fiscal 08/09 and will be carried forward into subsequent fiscal years as the implementation process moves forward.

Communication targets for 2008, 2009:

- Complete a series of presentations with key stakeholders.

- Develop and distribute promotional materials.
- Conduct consultations with key stakeholders.
- Engage with print and other media.
- Expand web site materials.

**Performance Measures & Targets:**

**Goal 1:**

Performance Measure	Target	
	2007/2008 Actual	2008/2009 Forecast
Assume “Full Service” responsibilities for the Program Development area.	Complete updating of standards on six trade programs.	Assume responsibility for all program development activities for 29 trades. Complete updating standards for six trade programs.

**Goal 2:**

Performance Measure	Target	
	2007/2008 Actual	2008/2009 Forecast
Complete CITO “Full Service” development process.	Commence development and planning of “Full Service” model for CITO.	Complete CITO full “Full Service” development process and commence phase in of model.

**Goal 3:**

Performance Measure	Target	
	2007/2008 Actual	2008/2009
Implement a communication process with regards to CITO "Full Service" model.		Conduct activities to communicate CITO "Full Service" model to stakeholders across the province: web site launch, presentations to stakeholders, development of promotional materials.

**Goal 4**

Performance Measure	Target	
	2007/2008 Actual	2008/2009 Forecast
Registered Training Participants - Apprenticeship - Foundation - Youth <b>Total</b>	22,880	This measure will be addressed when CITO achieves "Full Service" status.

## Goal 5

Performance Measure	Target	
	2007/2008 Actual	2008/2009 Forecast
Apprenticeship Training Seats Purchased		This measure will be addressed when CITO achieves "Full Service" status.
Foundation Training Seats Purchased		

## Goal 6

Performance Measure	Target	
	2007/2008 Actual	2008/2009 Forecast
Customer Satisfaction Index (industry, employers and apprentices)		This measure will be addressed when CITO achieves "Full Service" level.

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

The financial statement, below, provides an overview of CITO planned expenditures for the fiscal year 2008/2009.

<b>CONSOLIDATED EXPENSES</b>		
<b>Revenue</b>	Fiscal 2007/2008	Fiscal 2008/2009
ITA Core Contribution	\$384,139.00	\$507,439.57
ITA Development Funding	\$502,000.00	\$636,939.00
<b>Total Revenue</b>	<b>\$886,139.00</b>	<b>\$1,177,094.45</b>
<b>Expenditures</b>		
Program Development Expenses	\$502,000.00	636,939.00
Board Expenses	\$34,749.00	\$30,000.00
Staff Salaries & Benefits	\$235,500.00	\$276,284.12
Staff Travel	\$22,840.00	\$38,000.00
Professional Services		
Facilities & Supplies	\$91,050.00	\$163,155.45
<b>Total Expenditures</b>	<b>\$886,139.00</b>	<b>\$1,177,094.45</b>
<b>Net Income (Loss)</b>	<b>0.00</b>	<b>0.00</b>

