



SERVICE PLAN

2008 / 09 - 2010 / 11

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MESSAGE FROM THE CHAIR

On behalf of the Board of Directors, management and staff of the Residential Construction Industry Training Organization (RCITO), and the industry stakeholders served by our ITO, I am pleased to submit this Service Plan for fiscal 2008/09 - 2010/11.

This plan outlines the RCITO strategic approach, plans, budgeting and performance measures that will direct our operations over the next three-year period. RCITO, approved by the Industry Training Authority (ITA) as a pilot ITO in 2005, plans to successfully move through the ITO Developmental Phase and progress to a Full Service Delivery ITO in 2009/10.

Fiscal 2008/09 is a turning point for RCITO. The organization will strengthen its operations and financial resources, and align itself with changes in the residential construction sector across Canada. The organization will implement strategies and plans that increase professionalism throughout the province and contribute to the national agenda for residential construction apprenticeship programs. RCITO will continue to work in collaboration with its stakeholders in the broader construction and ITO sectors.

Key to the British Columbia apprenticeship system is the leadership and engagement of industry in addressing labour and competency shortages through skills training. The residential sector is a unique industry with significant skill shortages. By developing responsive, relevant, competency-based apprenticeship programs, the industry can respond to consumer preferences for professional trades employees delivering green building solutions. Developing these programs will take innovative training delivery options in partnership with the post secondary providers and through high school ACE IT programs.

The residential sector is in a strategic position to increase access to under-represented groups for apprenticeship program completion. Every community in British Columbia has residential construction needs, from new construction to major renovations, and regular maintenance. RCITO, with the ITA, intends to strengthen apprenticeship opportunities throughout British Columbia engaging unrepresented groups, including women and Aboriginals, in training and apprenticeship completions. This will be through enhanced industry and stakeholder awareness of the industry training system in partnership with the ITA, and increased participation and completions in RCITO-managed programs.

The challenges that residential construction faces in British Columbia are not unique. Across Canada, industry associations, individual employers, consumers, insurers and regulators are all looking for innovative solutions to skill shortages and specialized training. British Columbia will continue to lead Canada, and RCITO intends to share our expertise and success with other jurisdictions, achieving increased recognition of credentials and transfer of credentials across traditional boundaries.

Respectfully submitted,



MJ Whitemarsh
Chair, RCITO Board of Directors



ORGANIZATIONAL OVERVIEW

RCITO is the Industry Training Organization (ITO) for the residential construction industry in British Columbia, approved by the Industry Training Authority (ITA) under the Industry Training Authority Act (ITAA) in 2005. The ITO initiative is the key part of the ITA's strategic shift towards a truly industry-led training system. RCITO was established by the ITA in conjunction with other residential construction representatives and is officially incorporated as a Society in British Columbia.

The Residential Sector is a distinct and significant economic sector in British Columbia. In 2006, the industry accounted for 2.6% of GDP, contributing \$3.5 billion to the provincial economy. For the same period, total housing investment exceeded \$13 billion and 17,478 direct jobs were created.

There is a growing recognition of the importance of the sector's uniqueness in Canada, but also how it relates to and shares common concerns and issues with the non-residential Industrial, Commercial and Institutional (ICI) construction sector. The industry in British Columbia, through its ITO system, is providing national leadership in responding to industry's call for a new approach to trades training. Key to RCITO's success is the continued recognition and facilitation by the ITA in developing high quality apprenticeship specializations for residential trades.

Mandate

The RCITO mandate is to:

Identify, promote, develop, coordinate and manage the delivery of effective and efficient industry training and qualifications in the British Columbia residential construction industry by responding to the skills and training needs of trainees, workers and employers.

RCITO defines industry training needs, sets industry training and occupational standards, measures industry training results, and directly interfaces with other construction organizations and public, private and K-12 training providers.

Vision

RCITO's vision is:

An integrated and sustainable British Columbia residential construction industry training system and outcomes which effectively match the supply of and demand for skilled workers and support home building and renovation growth.

RCITO Governance Structure & Staffing

RCITO is governed by a policy and industry-led Board of Directors. Board members work in a fiduciary capacity in the best interests of the ITO and advancing the achievement of its mandate. Members of the Board have been drawn from diverse sectoral backgrounds and have a range of industry and training-related expertise. The Governance structure ensures the Board contributes to organizational success by developing and overseeing the strategy of the ITO and supervising its management (the CEO) through standards setting and performance monitoring.

Strategic priorities for RCITO include the Board's role in:

- developing the ITO's vision and strategic direction;
- reviewing and approving material policies and standards;
- reviewing and approving proposed industry programs for ITA approval/implementation; and,
- assessing and approving strategic options with respect to major organizational issues.



Board of Directors

The following individuals serve on the Residential Construction ITO Board of Directors:

Chair

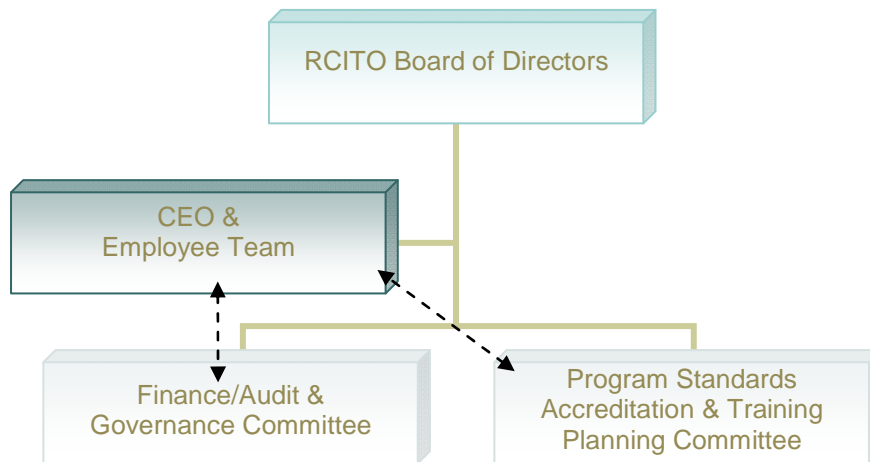
MJ Whitemarsh Chief Executive Officer, CHBA BC, Burnaby

Directors

Hank Bangma Carpentry Instructor, Thompson Rivers University
Kevin Bent President and Editor Pacific Newspaper Group
Frank Bourree President, Chemistry Consulting Group
Dean Duperron President, Sprott-Shaw Community College
Terry Regier ECCO Heating Products, Vice President TECA
Brad Ricketts Builder Developer Account Manager, Terasen Gas

Ex Officio Members

Mary Kenny Chief Executive Officer, RCITO
Ken Cameron Chief Executive Officer, HPO
Geoff Stevens ITA Advisor/Liaison



Program Standards Accreditation & Training Planning Committee

This Committee recommends new program and program compliance reviews to the RCITO Board of Directors for approval and/or sponsorship to the ITA. The Program Standards Accreditation & Training Planning Committee is chaired by a member of the RCITO Board. Apprenticeship Program Accreditation Committees are formed to provide industry direction on the apprenticeship program(s) serving their industries. Chairs of the Accreditation Committees serve as members of the Program Standards Accreditation & Training Planning Committee.



Management and Employee Team

In 2007/08, RCITO began the process of human resource capacity building. RCITO will continue aligning its human resources to the achievement of its critical mandate, while ensuring a high performance work culture. Succession of the CEO leadership began in Q4 fiscal 2007/08, and a new CEO has been engaged in February 2008.

RCITO's operations are led by three industry-aligned Program Directors and a part-time Office Manager/Accountant:

- Director of Technical Program Management: this individual oversees the development of the approved Certified Heating Technician, HVAC, Hydronics and Geothermal Streams, and works with the BC Safety Authority to ensure programs recognize regulated work requirements.
- Director of Wood Trades Program Management: this individual is responsible for the ongoing management and supervision of the Log Builder program, and works on the RBMW program compliance requirements.
- Director of Residential Carpentry Programs: RCITO is currently in the process of hiring an individual to work on the development of the residential carpentry trades specializations, the maintenance of the RCFT program and facilitation of the implementation of the BET program.
- Part-time Office Manager/Accountant: this individual is responsible for financial administration and reporting.

Sectors Served

RCITO's industry scope focuses on four unique industries within the residential construction sector: the log and timber building industry; the forced air/hydronics/geothermal residential heating industry; the social, senior and aboriginal housing sector and residential maintenance companies; and, new home builders and residential renovators - encompassing employers within these industries, employees, trades contractors and their employees, and manufacturers and suppliers.

RCITO's industry training activities target workers in residential buildings that include: single detached homes; townhomes/duplexes/row housing; multi-unit low-rise homes; and, mixed-used projects.



Program Assignments and Linkages

The Residential Construction ITO is accountable to its customers (employers and Apprentices) and the ITA for the standards and outcomes of the following ITA approved training programs:

Program	Lead Responsibility	Linkages
Accredited		
Bricklayer (Mason)		✓
Cabinet Maker (Joiner)		✓
Carpenter		✓
Concrete Finisher		✓
Drywall Finisher		✓
Electrician		✓
Floor Covering Installer		✓
Glazier		✓
Plumber		✓
Roofer		✓
Sheet Metal Worker		✓
Tilesetter		✓
Wall & Ceiling Installer		✓
Recognized		
Building Envelope Technician	✓	
Domestic Certified Residential Heating/Geothermal Technician	✓	
Locksmith	✓	
Log Builder	✓	
Residential Building Maintenance Worker	✓	
Residential Construction Framing Technician	✓	
Residential Steep Roofer	✓	



STRATEGIC CONTEXT AND LABOUR MARKET CONDITIONS

British Columbia continues to experience robust residential construction economic activity. In 2008 and onwards, the sector will see a growth in green building construction and increased professionalism, responding to an industry and Homeowner Protection Office call to “Raise the Bar”. As events unfold, the industry in Canada will be watching British Columbia and begin replicating the significant advancements in skills training at both the management and apprentice levels. The following strategic initiatives are evidence of British Columbia’s leading change in the industry:

- British Columbia is experiencing the strongest job growth rate in Canada, with predictions of one million job openings in the next 12 years. Running parallel is the hot economy and an unemployment rate of 4.3% at the same time that the baby boomers are beginning to exit the workforce. As in the province as a whole, the residential construction industry has an unprecedented labour supply gap that must be addressed. There is an immediate need to expand access to training, and ensure labour mobility and recognition of worker skills developed elsewhere.
- CHBA BC and the Construction Sector Council (CSC) are continuing to create new approaches to understanding the scope of work undertaken in residential construction and the specialized skills required to meet housing construction demands. An important milestone was reached in 2007 when the CSC and CHBA BC, through the national New Home Building and Renovation LMI Committee undertook a joint initiative to research and validate the unique labour market requirements of new home construction sub trades. In 2008 the LMI Committee will be completing and producing the renovation skills survey and will finalize research related to barriers to apprenticeship completion. Understanding the demand, the supply and the structure of the industry is key to appropriate trades specialization and apprenticeship program development.
- British Columbia's housing starts continue to be above historical averages. While modest declines are expected in 2008 to 33,250 and to 31,700 in 2009, these are from record high levels. The renovation market is expected to outpace new home construction and will be impacted by increased listings and fewer resales, bringing more balanced supply and demand conditions to existing homes. Some professional contractors view renovation work as requiring a range of competencies that typically emerge after achieving journey status and work experience on a variety of projects, resulting in a broad and deep level of expertise. The industry continues to request a modularized and articulated competency-based approach to residential trades training to address the needs for both specialized and broad skills sets.
- British Columbia is recognized nationally as the most environmentally astute jurisdiction in Canada and there is a strong uptake of “greener” building practices in the Province. Led by industry associations including the CHBA BC and TECA, consumer preferences are being addressed by home builders who are building and renovating to the Built Green™ standard. In 2008, the Government of British Columbia, through its commitment to environmental stewardship, will implement the BC Green Building code. New home builders and renovators will continue leading greener building practices and, on behalf of their clients, will be developing solutions that provide energy efficiencies, water conservation, improved air quality and the efficient use of resources. There will be a direct impact on the volume and range of skills required in the labour market to understand Building Science from an installation perspective and how to work with green building products in new and renovation construction.



- Industry commitment and support of the apprenticeship model within the residential construction sector includes successes and challenges. The structure of the sector is predominantly small owner-managed businesses, with significant activity and demands that result in relatively good compensation with limited technical training. At the same time, many employers are subcontractors to larger builders and developers. The training strategy of these subcontractors is typically learning on the job by co-workers, site/project managers, and/or owners. The sector has had limited exposure to the benefits of apprenticeship, in part because the format and content of apprenticeship programs have not addressed the unique needs of the residential sector. There are opportunities to increase awareness and understanding of the benefits of apprenticeship within the sector.
- Taking a systems view of the apprenticeship system in Canada, there are both resource constraints and opportunities to build better outcomes by developing innovative solutions. ITA-funded private and public training providers will be ensuring their programs meet utilization commitments. Programs with limited industry support and minimum utilization of training investments will compete for facilities and faculty resources with more established programs. Industry, institutions and funding agencies, in creating new partnerships, will respond with innovative solutions such as alternate delivery systems, e-learning, accelerated programs and work study options.
- The Canadian Council of Directors of Apprenticeship and the Trades and Apprenticeship Branch at HRSDC are conducting research on the recognition of specialization in established trades. This research is reviewing current practices in the provinces and other jurisdictions and will be available early in 2008. Findings will highlight the motivations of those who oppose and those who support specializations and the various models used to implement specialized training and certification. Decisions arising out of the research will have an impact on the residential sectors requirements for new sub trade apprenticeship and, where the needs exist, progressive credentials.
- There is a growing recognition and promotion of the return on training investment (ROI) for employers. Employers are hiring apprentice to address skilled labour challenges and to replace the aging workforce. Concerns with the poaching risk are diminishing by competitors as most employers have met the industry benchmark for wages, benefits and working conditions. A more serious issue is the risk of poaching by other industries.

The residential construction sector, while achieving significant advancements and outcomes as a result of its move for increased professionalism, continues to address challenges, opportunities, barriers and threats to a sustainable industry training organization. The following sections address the planning context and market conditions that drive the business priorities and planned activities for the Residential Construction Industry Training Organization.



STRATEGIC PRIORITIES AND GOALS

The overall strategic goals of RCITO are as follows:

- To identify residential construction industry training requirements arising out of the British Columbia residential construction LMI information and develop strategies, programs and qualifications to meet them.
- To ensure sufficient numbers of motivated people enter British Columbia residential construction industry employment and career paths.
- To establish career and learning pathways which connect British Columbia residential construction training programs, other programs, and industry training qualifications.
- To build and sustain an industry training culture within the British Columbia residential construction industry as a whole, and among individual employers and workers.
- To build a sustainable British Columbia residential construction industry training organization that produces qualified workers in existing apprenticeship programs, and to address the new energy efficient and green building techniques.
- To attain a high level of trainee, worker and employer satisfaction with RCITO products, programs and services.

The following roles and priorities of the ITA and RCITO are defined by ITA legislation and ITO guidelines:

ITA's roles and responsibilities as they relate to RCITO's activities are as follows:

- Maintaining industry training policy and standards framework;
- Approving programs/standards recommended by industry;
- Registering, tracking and certifying trainees (through its Industry Training Centre);
- Funding industry training (based upon industry developed plans and priorities); and,
- Participating in an ex-officio capacity in the RCITO governance structure.

RCITO's roles and responsibilities are as follows:

- Identifying current and future skills and training needs;
- Designing and developing training programs and strategies;
- Establishing occupational and program standards;
- Developing an annual training plan with the ITA accrediting training providers;
- Coordinating and facilitating program delivery;
- In partnership with educators and employers, recruiting trainees;
- Marketing/promoting programs to employers;
- Training the trainers, mentors and workplace assessors; and,
- Implementing training management system.

RCITO Goals 2008/09 - 2010/11

For the period 2008/09 - 2010/11, RCITO plans to focus on seven areas related to our strategic goals:

1. Move from Developmental ITO to Full Service ITO. Develop forecasting capacity and training provider assessment capacity. Meet the performance measurements of the Developmental ITO.
2. Strengthen financial resources with alternate funding sources, in partnership with industry associations.
3. Develop relevant and responsive training through industry engagement and leadership, maximizing on opportunities for competency-based systems.



4. In partnership with the post secondary institutions, develop alternate delivery options, and create strategies that improve participation and utilization of RCITO-managed programs.
5. Increase access to under-represented groups for RCITO-managed programs.
6. Increase labour mobility to effectively match the demand and supply for qualified residential trade professionals.
7. Enhance industry and stakeholder awareness of the industry training system in partnership with the ITA, and increase participation and completions in RCITO managed programs.

The rationale for the selection of goals and the following performance measures has been to ensure the RCITO integrates its industry strategy with that of the ITA, and to ensure RCITO meets its commitments for a sustainable industry-led ITO. The goals are responsive to the agreed challenges facing both the apprenticeship training system generally in British Columbia and RCITO specifically.



PERFORMANCE MEASURES AND TARGETS

GOAL 1

Move to a Full Service ITO by achieving the following performance targets:

	Baseline	Target 08/09	Target 09/10	Target 10/11
Registered Apprentices	1377	1700	TBD	TBD
Employers	146	185	TBD	TBD
Trainee Completions	Confirm 23%	Meet ITA targets	TBD	TBD
Programs meeting ITA Standards	1	4	TBD	TBD
Enhance Forecasting	NA	LMI Process	Accuracy %	Accuracy %
Training Assessments	NA	Checklist	Completed	Completed

The performance measures for the ITA and RCITO for 2008-09 include:

- The number of registered trainees/apprentices in programs leading to ITA credentials
- The number of employers/sponsors with an active trainee/apprentice on staff*
- Trainee/apprentice program completion rates**
- The number of training programs with updated standards***

* During 2007/08, RCITO proposed a process for training providers to sponsor apprentices. For the institutions that take on a sponsor role, there will be less employers registering. A 25% increase is targeted for 2008/09.

** Projected RCITO completion rates are derived from the historical trends of the ITA, which was last reported at approximately 40%.

*** RCITO has four new programs in development. The Domestic Residential Certified Residential Heating Technician (CHT) and Domestic Residential Certified Geothermal Technician (CGT) programs, the Log Builder program, and the Residential Building Maintenance Worker (RBMW) program will all be completed in 2008/09. The RCFT program currently meets industry and ITA Standards.

RCITO will undergo an independent third-party audit on behalf of the ITA to determine if RCITO is able to move from Developmental to Full Service ITO. Each of the following areas and goals has been selected to determine and audit performance so as to ensure appropriate stewardship of government funding:

Governance: The ITA wants the ITO to have an appropriate governance structure with a capacity to achieve sound organizational management and performance.

Financial management: The ITA wants the ITO to have procedures and controls in place surrounding financial management, to mitigate the risk that funds are spent inappropriately or not in accordance with government guidelines.

Ability to manage program standards: The ITA wants to delegate significant responsibility to the ITO to develop new programs and maintain current programs.

Performance against the current Service Plan: The ITA wants the ITO to have processes in place to deliver on the Service Plan, and identify and take action where progress is not in line with the plan.

Performance Measure: RCITO will continue to enhance its governance structure and implement the Board Policies as developed in 2007/08, and will strengthen its ability to manage program standards.

Strategy: RCITO will focus on Board and staff development, engaging the Board in governance and strategic planning training, and staff in the development of technical expertise in program development areas including: exam bank development, stakeholder consultation, learning resource assessment, alternate delivery approaches and competency-based systems. Outcome: RCITO will meet its Service Plan commitments and progress to a Full Service ITO in 2009/10.



GOAL 2

Strengthen financial resources with alternate funding sources.

Performance Measure: RCITO will enhance leverage of its Core Contribution towards operational funding through Program Development funding and sustainable industry funding and, where appropriate, access other public program funding partnerships such as the Federal Government's Labour Market Development Agreements. RCITO will seek additional financial resources to offset the increase in the 2008/09 operating budget, and subsequent forecasted increases.

Strategy: RCITO will develop a minimum of four external proposals to achieve project-based and/or sustainable contributions of \$30-50,000 each to supplement ITA operational funds. Targeted funding will be to support the following: creating British Columbia as a center of residential construction energy efficiency and green building stewardship; social and Aboriginal housing construction and maintenance; and home builders' national agenda to develop unique apprenticeship programs for residential subtrades. Outcome: RCITO will achieve the target for alternate revenues of \$198,676 for 2008/09.

GOAL 3

Develop relevant and responsive training through industry engagement and leadership, maximizing opportunities for competency-based systems.

The approach will ensure that high quality program standards and innovative training delivery options are developed in partnership with industry to meet the provincial industry requirements and align with the priorities of the ITA.

Performance Measure:

1. RCITO will meet established standards for program development and employer participation in the Domestic Residential Certified Heating Technician (CHT) Program and the Domestic Residential Certified Geothermal Technician (CGT) Program. In partnership with Service Canada, RCITO will also coordinate the industry consultation process around the development of the three Residential Carpentry subtrades programs: Formwork, Interior and Exterior Finishing Technicians.
2. RCITO will complete the development of Levels 3 and 4 for the Log Builder Program and Levels 2 and 3 of the Residential Building Maintenance Worker (RBMW) Programs, including Assessment Tools and Learning Resources.

Strategy: RCITO will facilitate industry engagement in developing programs that will be evaluated by industry associations through a focus group process. Program accreditation committees will intend to include 1/3 recently accredited apprentices in same or parallel program, 1/3 employers, training provider (articulation) committees where appropriate, and one RCITO employee.

GOAL 4

In partnership with the post secondary institutions, develop alternate delivery options and create strategies that improve participation and utilization of RCITO-managed programs.

Performance Measure: RCITO will work with post secondary providers to ensure ITA utilization targets are met for RCITO programs and responsive to industry requirements for modular program delivery, maximizing alternate delivery programs of shorter duration and conducted using innovative approaches. It will support utilization targets of 75% and completion targets in funded post secondary programs of 75%.

Strategy: In 2008/09, RCITO intends to focus increased efforts towards developing a stronger industry relationship with the post secondary institutions - particularly with BCIT, Camosun College and Kwantlen University College. In addition, RCITO will engage the post secondaries in Training Provider Roundtables, where educators will work with industry and the ITO to develop alternate training approaches and competency-based systems. RCITO, industry and post secondary providers will work on a "co-op" student model for front-end loaded programs where



apprentices will be matched with employers for work-based training completion. RCITO will market programs with the training providers to ensure that cohorts maximize utilization.

GOAL 5

Increase access to RCITO-managed programs by under-represented groups.

Performance Measure: RCITO will develop baseline data to determine current representation of targeted groups including Aboriginals and women. It will then participate in and complement ITA and other stakeholder initiatives to increase participation of Aboriginals and women in RCITO-managed technical training programs. RCITO will then actively support the work-based placement to these apprentices to achieve their Certificates of Qualification.

Strategy: RCITO will work with Aboriginal training providers and human resource agencies to create awareness of residential career choices and requirements of the apprenticeship program model. RCITO will develop a “women in trades strategy” to introduce women to residential construction career options.

GOAL 6

Increase labour mobility to effectively match the demand and supply for qualified residential trade professionals.

Performance Measure:

1. Through the Canadian Council of Directors of Apprenticeships (CCDA), seek recognition of the RCFT program for Red Seal designation.
2. Develop a Prior Learning Assessment and Recognition (PLAR) process and assessment tools for international trades to ensure recognition of skills and credentials that are relevant to RCITO-managed programs.
3. Promote RCITO-managed programs for articulation in Alberta, and then seek “TILMA” recognition.

Strategy:

1. RCITO will engage national and provincial associations in developing residential construction specialized apprenticeship programs, building a nucleus of new specialized trades for national Red Seal certification. In Year One, RCITO will make application for Red Seal recognition of the Residential Construction Framing Technician program. In Year Two and Three, RCITO will bring the Domestic Residential Certified Heating Technician and Domestic Residential Certified Geothermal Technician programs forward.
2. RCITO will work with the ITA and the Construction Sector Council in developing assessment of foreign worker credentials, using a competency-based system to ensure recognition of equivalencies.
3. RCITO will work with the ITA and the Alberta industry to gain implementation of Alberta trades parallel to recognized trades in British Columbia, and then apply for TILMA recognition.

GOAL 7

Enhance industry and stakeholder awareness of the industry training system, in partnership with the ITA, and increase participation and completions in RCITO-managed programs.

Performance Measure: RCITO will see an increase in employer participation in the apprenticeship system, and an increase in work-based training completions. RCITO will develop baseline statistics and, once established, will target a 25% increase in the baseline.

Strategy: RCITO will move from a pilot to a sustainable ITO by creating awareness of its leadership of residential construction apprenticeship and career selection. In its industry focus, RCITO will facilitate industry round tables on the value of apprenticeship, using return on investment (ROI) research. RCITO will also assist in building professionalism and a training culture in the sectors it serves.



SUMMARY FINANCIAL OUTLOOK

In 2007/08, RCITO leveraged its Core Contribution with direct Program Development funding from the ITA. Through its industry Human Resource Development (Service Canada) Committees and the Construction Sector Council, RCITO also secured additional funding to complete:

- Domestic Residential Certified Heating Technician (CHT) and Domestic Residential Certified Geothermal Technician (CGT) program outline modifications, program marketing materials and website, and exam bank development training;
- Construction sector LMI research on residential trades in cooperation with the ICI sector, the BC Building Trades Council and the CHBA BC; and
- Construction Sector Council apprenticeship completion rates research in cooperation with the ICI sector, the BC Building Trades Council and the CHBA BC.

Funding for the above projects and work undertaken by industry to support RCITO initiatives totaled approximately \$150,000.

RCITO has a continued commitment to secure additional operational and project revenue from industry and external funders, to complement and support the mandate it has with the ITA. The RCITO Board recognizes that this is essential for the long-term sustainability of the ITO.

As RCITO moves forward in 2008/09 - 2009/10, it also intends to seek efficiencies with the other ITOs. It will consider shared services and resources that continue to allow for unique industry ITOs while developing areas of common expertise and economies of scale. Examples of shared services would be with the CITO in the development of construction LMI and economic forecasts, and studies on apprenticeship completions. With other ITOs, shared services for province-wide LMI, accounting, office rental and administrative support are under discussion.

Budget Summary

Revenues	Budget F 07/08	Forecast F 08/09	Forecast F 09/10	Forecast F 10/11
ITA	\$200,000	\$200,000	\$200,000	\$200,000
Other	\$151,200	\$198,676	\$210,882	\$161,147
Total	\$351,200	\$398,676	\$410,882	\$361,147
Expenditures	Forecast F 07/08	Forecast F 08/09	Forecast F09/10	Forecast F10/11
Operations	\$351,200	\$398,676	\$410,882	\$361,147
New Program Development	\$135,610	\$265,500	\$360,000	TBD
Significant Program Upgrades	\$108,808	\$169,050	\$65,000	\$40,000
Total	\$595,618	\$833,226	\$835,882	\$401,147



RCITO Operations Budget

RCITO plans to leverage Program Development funding for Salaries & Benefits, Travel & Meetings and Marketing & Communications. Each program that is reviewed and implemented will have marketing costs associated with its initial or revised implementation. As well, RCITO will have increased travel and meeting expenses to serve the distinct sectors within residential construction: Log Building, Residential Heating, Social and Aboriginal Housing, and Home Builders and Subcontractors. As noted in the Summary above, RCITO intends to seek additional sustainable revenue from alternate sources in 2008/09, and in the future, to meet the forecast detailed as follows:

Item	Budget FY 07/08	Forecast FY 08/09	Forecast FY 09/10	Forecast FY 10/11
Salary & Benefits	239,200	246,376	253,767	262,650
Consultants	12,000	15,000	20,000	0
Board Expense	5,000	12,000	12,000	12,000
Professional Services (Legal/Audit) & Insurance	6,300	6,800	7,140	7497
Office Furniture	2,000	2,000	1,000	1000
IT Network Costs	3,600	4,000	4,000	4500
Computer & Telecommunications Equipment	3,000	3,000	1,500	1500
Office Rental	14,400	20,000	20,000	20,000
Leasehold improvements	2,000	1,000	1,000	1000
Office Expenses	8,000	8,000	9,000	10,000
Telecommunications	4,500	4,500	4,725	5000
Marketing & Communications	30,000	60,000	60,000	15000
Travel & Meetings	18,000	15,000	15,750	20000
Depreciation	700	1,000	1,000	1000
Website	2,500	0	0	0
Total	\$351,200	\$398,676	\$410,882	\$361,147



New Program Development and Significant Program Upgrades

RCITO is committed to developing dedicated residential construction apprenticeship programs. High quality programs that are maintained by industry are necessary to ensure a viable sector and build a sustainable workforce. New Program Development and Significant Upgrades to existing programs are proposed for 2008/09 and 2009/10. Upgrades have been identified to continue in 2010/11. Additional New Programs will be considered at a later date, as the ongoing effectiveness of the current programs is assessed.

In 2008/09, RCITO also proposes to take on the responsibilities of Sponsor to ensure efficient and effective support for work-based training of residential construction apprentices and address completion issues. In 2006/07, RCITO and the ITA proposed a funded model for training providers to assume this role. To date, the training providers have not responded positively. RCITO sees value in an industry-based sponsorship model, where established networks can be used to advantage in placing apprentices with specific employers who can ensure work experience that is appropriate for the required skills.

Our 2008/09 – 2010/11 plans include the following:

New Program Development and Significant Program Upgrades				
	Current	Forecast		
	07/08	08/09	09/10	10/11
New Program Development				
New Program Name				TBD
<i>Domestic Residential Certified Heating & Certified Geothermal Technicians</i>	\$126,110	\$195,000	\$20,000	
<i>Exterior Finishing Technician</i>			\$120,000	
<i>Formwork Technician</i>			\$80,000	
<i>Interior Finishing Technician</i>			\$120,000	
<i>Pilot Industry Sponsorship Model</i>	\$9,500	\$70,500	\$20,000	
Total	\$135,610	\$265,500	\$360,000	TBD
Significant Program Upgrade				
Program Name				
<i>Log Builder</i>	\$95,958	\$112,000	\$20,000	\$10,000
<i>Residential Building Maintenance Worker</i>	\$12,850	\$22,050	\$10,000	\$10,000
<i>Building Envelope Technician</i>	\$0	\$25,000	\$25,000	\$10,000
<i>Residential Construction Framing Technician</i>	\$0	\$10,000	\$10,000	\$10,000
Total	\$108,808	\$169,050	\$65,000	\$40,000

