



**SHAREHOLDER'S LETTER OF EXPECTATIONS**

**BETWEEN**

**THE MINISTER OF REGIONAL ECONOMIC AND SKILLS DEVELOPMENT  
(AS REPRESENTATIVE OF THE SHAREHOLDER,  
THE GOVERNMENT OF BRITISH COLUMBIA)**

**AND**

**THE CHAIR OF THE INDUSTRY TRAINING AUTHORITY  
(AS REPRESENTATIVE OF THE AUTHORITY)**

**FOR 2011/12**

**PURPOSE**

This Letter of Expectations between the Shareholder and Authority is an agreement on their respective roles, responsibilities and on corporate mandate including high level strategic priorities, public policy issues and performance expectations as documented in the Shareholder's Expectations Manual for British Columbia Crown Agencies<sup>1</sup>. The Letter is the basis for the development of the Authority's Service Plans and Annual Service Plan Reports, and is reviewed and updated annually. The Letter does not create any legal or binding obligations on the parties and is intended to promote a co-operative working relationship.

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<sup>1</sup> The Province of British Columbia's Crown Agency Accountability System (<http://www.gov.bc.ca/caro/publications/index.html>) establishes guiding principles for the governance of Crown Authorities. The Shareholder's Expectations Manual identifies roles and responsibilities for the Shareholder and Crown corporations, and provides for a Shareholder's Letter of Expectations (Letter) to be jointly developed.

## AUTHORITY ACCOUNTABILITIES

In addition to the duties of the Authority set out in the *Industry Training Authority Act*, Government has provided the following mandate direction to the Industry Training Authority:

- through innovation and collaboration, develop training that is relevant and responsive to industry, community and labour market needs;
- expand access to training in all regions of the province for groups that are traditionally underrepresented or face barriers to labour force participation;
- attract more young people into trades training, promoting the benefits and rewards of a trades career path, and assist the transition from school to work;
- demonstrate the link between effective skills training and improved productivity and global competitiveness;
- create avenues for training delivery and certification processes that are efficient, effective, and flexible; and
- ensure labour mobility under the Agreement on Internal Trade; the Trade, Investment and Labour Mobility Agreement; and any other trade agreements to which the government may become a party, to ensure appropriate recognition of worker skills developed elsewhere, and to support multi-lateral and bi-lateral labour mobility initiatives.

To achieve this mandate direction, and in response to the Shareholder's general direction, frameworks and principles, the Authority will:

- ensure that the Authority's priorities reflect government's goals of building a strong economy; job creation; infrastructure and private sector investment; First Nations reconciliation; and climate action initiatives;
- conduct its affairs to achieve its mandate and the performance expectations of the Shareholder, with the principles of integrity, efficiency, effectiveness, and customer service;
- prepare Service Plans with clearly articulated goals, strategies, performance measures and targets, and Annual Service Plan Reports that describe progress toward achieving those goals, strategies, performance measures and targets and post both documents on its website;
- display annual *Financial Information Act* – Statement of Financial Information and Executive Compensation Disclosure Schedules, a Remuneration for Appointees to Crown Agency Boards Schedule and Corporate Governance Disclosure in an easily accessible website location;
- develop and implement strategies to manage financial and performance risks identified in the Service Plan;
- provide the Shareholder with reports and other information that would enable the Shareholder to carry out its responsibilities; and
- inform the Shareholder immediately if the Authority is unable to meet the performance and financial targets identified in its Service Plan.

The Shareholder also sets broad policy direction to ensure the Authority's operation and performance is consistent with government's strategic priorities and Fiscal Plan; as such the Authority will:

- comply with the Shareholder's requirements to be carbon neutral under the *Greenhouse Gas Reduction Targets Act*, including: accurately defining, measuring, reporting on and verifying the greenhouse gas emissions from the Authority's operations; implementing aggressive measures to reduce those emissions and reporting on these reduction measures and reduction plans; and offsetting any remaining emissions through investments in the Pacific Carbon Trust, which will invest in greenhouse gas reduction projects outside of the Authority's scope of operations;
- ensure the Shareholder is advised in advance of the release of any information requests by the Authority under the *Freedom of Information and Protection of Privacy Act*;
- ensure any debit/credit card payment services provided to the public are in compliance with the international Payment Card Industry (PCI) Data Security Standards;
- for Corporations subject to the *Public Sector Employers Act*, ensure the Authority's membership in the Crown Corporation Employers' Association is in good standing;
- annually assess the Board appointment process to ensure that succession results in a balance of renewal and continuity of Board membership, and provide the results of this assessment to the Shareholder for consideration;
- ensure that Board appointments to Crown Corporation subsidiaries comply with Board Resourcing and Development Office's Best Practice Guidelines and are approved by Cabinet; and
- comply with government's requirement that lobbyists not be engaged to act on behalf of the Authority in its dealings with government.

In addition, the Shareholder directs the Authority to take the following specific actions:

- continue to support pan-Canadian initiatives such as the Occupational Performance Standards project to strengthen the national Red Seal program. In addition, identify opportunities for further efficiencies among provinces and territories such as developing national curriculum and program tools for trades training and enhancing labour mobility for apprentices.
- in consultation with the Shareholder, work with Industry Training Organizations, industry and other stakeholders to develop and implement an action plan to further expand employer participation in industry training including sponsorship of apprentices by Spring, 2011.
- continue to address the Auditor General's recommendations (from the November 2008 Report, *A Major Renovation: Trades Training in British Columbia*) by developing a comprehensive Continuous Improvement Framework covering program standards development, industry input, private trainer designation, customer services, stakeholder satisfaction, and certification assessment. The Framework is to be completed by October, 2011.

- review the current level of support, provided by the Industry Training Authority, Industry Training Organizations, post-secondary institutions, and others, for employers and apprentices and develop a plan of action to address any gaps by November, 2011.

## SHAREHOLDER'S RESPONSIBILITIES

The Shareholder is responsible for the legislative, regulatory and public policy framework in which Crown corporations operate. In order to meet these responsibilities and support achievement of government's performance expectations, the Shareholder will:

- issue performance management guidelines, including guidelines for Service Plans and Annual Service Plan Reports (<http://www.gov.bc.ca/caro/publications/index.html>); and
- review and provide feedback and final approval of the Authority's Service Plans and Annual Service Plan Reports.

The Shareholder has developed policies for Ministries and Crown corporations for Capital Asset Management (<http://www.fin.gov.bc.ca/tbs/camf.htm>) and Remuneration Guidelines for Appointees to Crown Agency Boards (<http://www.gov.bc.ca/caro/publications/index.html>). The Shareholder has also issued the Best Practice Guidelines – BC Governance and Disclosure Guidelines for Governing Boards of Public Sector Organizations (<http://www.lcs.gov.bc.ca/brdo/governance/index.asp>). During the term of this Letter, the Shareholder may provide additional policy direction to the Crown agency sector, and will communicate such direction to the Authority as decisions are made.

The Shareholder will also, on a continuing basis, monitor the achievement of the goals, objectives, performance and financial targets and risk assessments identified in the Authority's Service Plan.

Specific to the Authority, the Shareholder:

- approves the Authority's mandate for industry training development and delivery under the *Industry Training Authority Act*;
- continues the Authority as an agent of the Crown;
- confirms the role of the Minister of Finance as fiscal agent to the Authority, providing the Authority with access to government financing and banking services; and
- consults with the Authority in developing the government's annual expenditure and capital plans, in order to consider the financial requirements of the Authority;
- consults with and seeks input from the Authority on relevant programming when considering proposed capital expansion at public post-secondary institutions;
- consults with and continues to work with the Authority on periodic reviews of facility capacity and requirements for effective delivery of trades training; and

- will work with the Authority and Industry Training Organizations to assess trades-related supply and demand on a regional basis and will produce an annual regional trades labour market information report to support planning for training delivery.

## AREAS OF SHARED ACCOUNTABILITY:

### Reporting

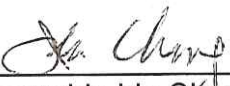
The Shareholder and the Authority are committed to transparency and accountability to the public. The Shareholder has put in place a public reporting structure which is set out in the *Budget Transparency and Accountability Act*, the *Financial Administration Act*, and the *Financial Information Act* and has provided the Authority with an Information Requirements and Events Calendar which sets out financial and performance reporting requirements (<http://www.gov.bc.ca/caro/publications/index.html>). The Authority agrees that it will meet these financial and performance reporting requirements. If government determines that changes to the reporting requirements are necessary, the Shareholder will communicate these to the Authority.

The parties agree that, as a matter of course, each will advise the other in a timely manner of any issues that may materially impact the business of the Authority and/or the interests of the Shareholder, including information on any risks to achieving financial forecasts and performance targets.

It is agreed that the Authority will post the most recent signed copy of the Shareholder's Letter of Expectations on its website. Crown Agencies Resource Office will also post a signed copy of the Letter on its website.

### Review and Revision of this Letter

The Minister of Regional Economic and Skills Development is accountable for undertaking reviews of this Letter and monitoring its implementation. The Crown Agencies Resource Office is responsible for co-ordinating the overall process for preparing Letters of Expectation, and may assist the Minister in undertaking reviews of this Letter and monitoring its implementation. If deemed necessary by either party, the Shareholder and the Authority will discuss any issues and may agree to amend this Letter on a more frequent than annual basis.

  
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Honourable Ida Chong  
Minister of Regional Economic  
and Skills Development

Nov. 30/10  
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Date

  
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Frank Pasacreta  
Chair, Industry Training Authority

Dec. 16 2010  
\_\_\_\_\_  
Date

cc. Honourable Gordon Campbell  
Premier

Allan Seckel  
Deputy Minister to the Premier and Cabinet Secretary

Graham Whitmarsh  
Deputy Minister and Secretary to Treasury Board  
Ministry of Finance

Philip Steenkamp  
Deputy Minister  
Ministry of Regional Economic and Skills Development

Kevin Evans  
Chief Executive Officer  
Industry Training Authority

Marie Ty  
Executive Director  
Crown Agencies Resource Office