



Saskatchewan
Apprenticeship and
Trade Certification
Commission



2017-18 Business Plan

SATCC VISION, MANDATE, VALUES

Vision

**A skilled and representative
workforce
industry trained and certified.**

Mandate

**To develop and execute a relevant,
accessible and responsive apprenticeship
training and certification system to meet the
needs of employers, apprentices,
journeypersons and tradespersons**

Values

**Industry-focus, Collaboration,
Responsiveness, Equity,
Diversity, Transparency,
Accountability, Innovation,
Excellence**

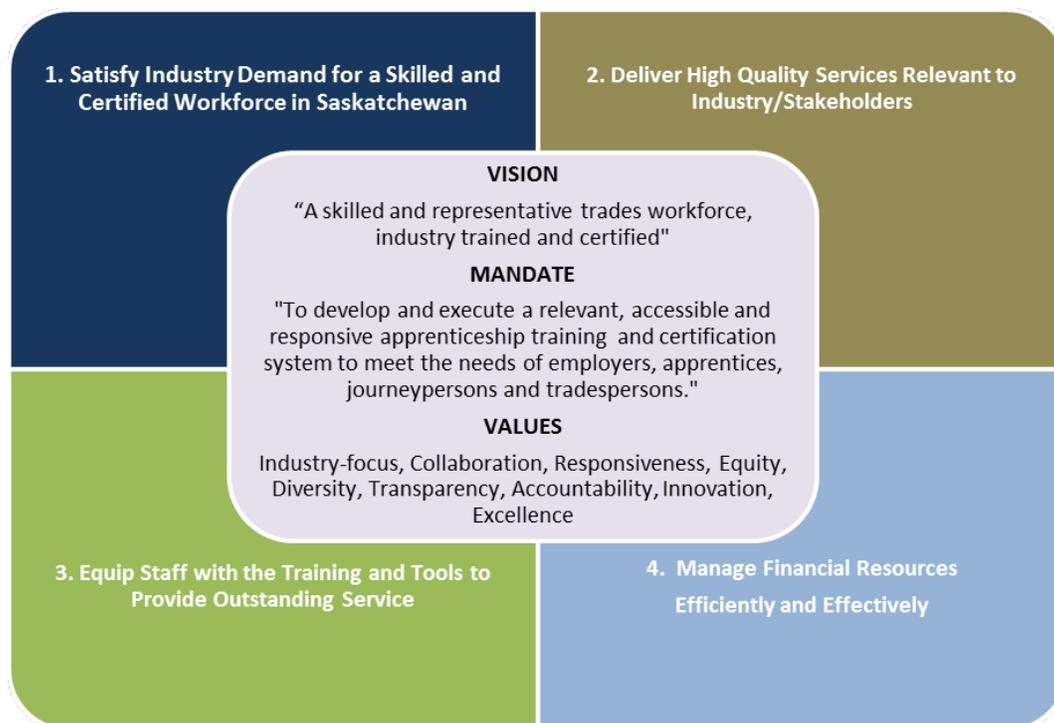
SATCC OVERVIEW

The *Apprenticeship and Trade Certification Act, 1999* (the Act) provides the Saskatchewan Apprenticeship and Trade Certification Commission (SATCC) with the mandate to manage the apprenticeship and trade certification system in Saskatchewan. The Act gives the SATCC the authority to make regulations to ensure the efficient and effective operation of the apprenticeship system to meet the needs of industry in a timely manner, including monitoring of apprentice to journeyman ratios. It also sets out the SATCC's accountability to government and industry.

The SATCC has an industry-led governance structure that allows revenue-generating authority to ensure that programs, services and training are timely and effective. Saskatchewan industry nominates twelve of the twenty SATCC Board members – six employer representatives and six employee representatives. The Board also includes representation from the Government of Saskatchewan, training providers as well as under-represented and equity groups. The Board Chair and Vice-Chair are elected annually by the SATCC Board members. The SATCC reports to the Saskatchewan Legislature through a Minister Responsible for the SATCC.

2017-22 STRATEGIC PLAN

The SATCC's current 2012-17 strategic plan will be completed in June 2017. In consultation with industry stakeholders, the Commission Board of Directors approved a new 2017-22 Strategic Plan to identify those strategies of highest priority, viewed from the perspective of a five-year planning horizon.



OPERATIONAL CONTEXT

The apprenticeship training model is demand-driven by employers and industry. Apprentices are not trained for jobs that might be available; apprentices must already be employed in their trade. Additionally, the majority of each apprentices training is at work. Approximately 85 per cent of training for an apprentice is on-the-job with their employer while remainder of an apprentice's training is provided through technical training.



Apprenticeship is a key part of Saskatchewan's labour market development and is essential to economic growth. Apprentices and journeypersons are integral to many sectors of Saskatchewan's economy – residential, commercial and institutional construction and maintenance, tourism, mining, agricultural, automotive and the oil and gas industries. In addition to supplying skilled labour, certified journeypersons also become entrepreneurs and leaders in these industries.

Saskatchewan's demand for skilled tradespeople remains solid despite the current challenges in the provincial economy and labour market. The majority of Saskatchewan's apprentices are employed in the construction sector. The demand in this sector is forecast to remain stable over a number of years into the future. Construction employment in Saskatchewan has expanded by three-quarters during the past decade (adding an estimated 22,000 new jobs between 2006 and 2016). This province experienced the strongest expansion in percentage terms (75.1 per cent) in this sector across Canada.¹

¹ Statistics Canada. 282-0012 *Labour force survey estimates (LFS), employment by class of worker, North American Industry Classification System (NAICS) and sex, annual (persons x 1,000)*. Last updated January 6, 2017.

“Construction demands in Saskatchewan are expected to soften in 2017 and 2018, but employment is sustained at high levels. The current pause as commodity prices weakened over the last few years follows a period of extraordinary resource expansion and historically high levels of activity and employment.

[A] series of planned major projects are expected[...] [to] restor[e] workforce requirements to previous peak levels by 2021. [M]eet[ing] these requirements is predicated on industry’s ability to continue attracting and training workers during a period of lower growth.”

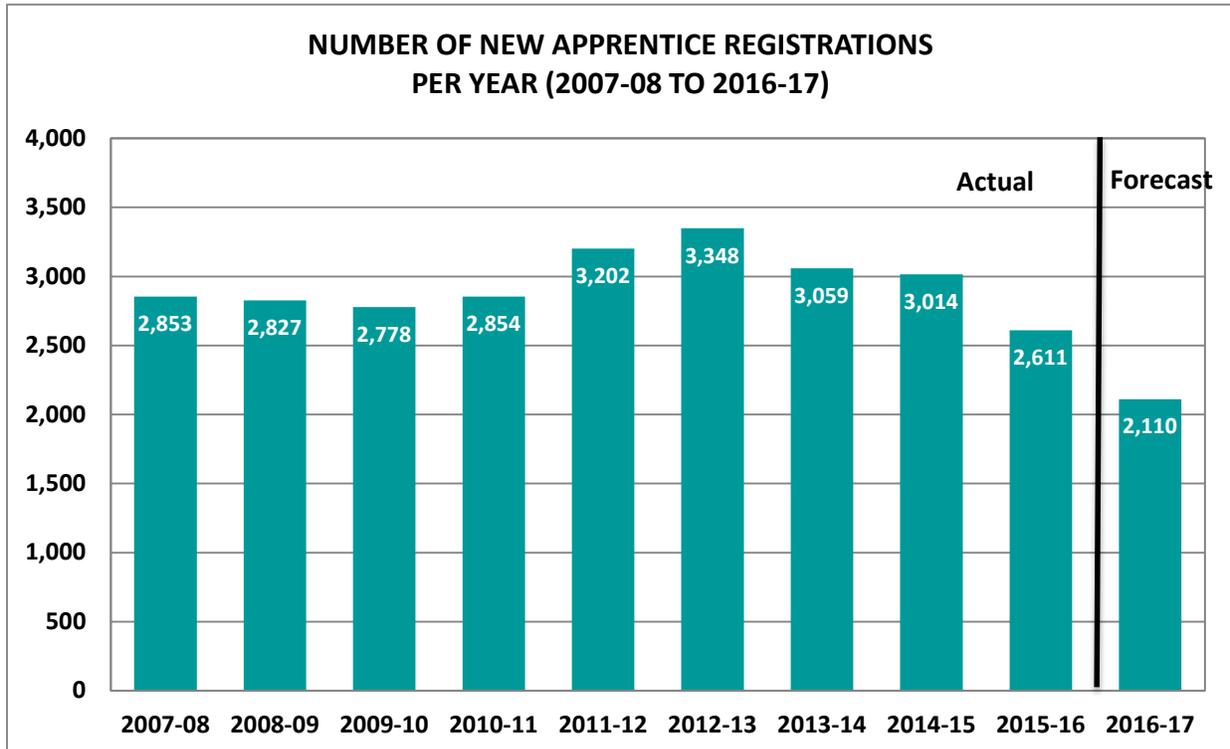
- Buildforce Canada (2017 Construction & Maintenance Looking Forward, Saskatchewan, Highlights, 2017-2026)

BuildForce Canada projects that 16.9 per cent of the Saskatchewan labour force in construction will retire by 2026. While total employment could decline by 5,200 during this same time period, the number of retirements could reach 9,100. This suggests the demand for new apprentices and journeypersons will continue to grow, albeit at a more moderate rate than over the last 10 years.

The SATCC will work to meet the demand for skilled labour by industry in Saskatchewan as noted above. The SATCC will also continue to adapt to effectively meet the needs of future growth for skilled labour in the province.

APPRENTICESHIP DEMAND TRENDS

Over the last 10 years, the SATCC has consistently met the increased demand for apprentice training seats and courses resulting from increasing numbers of new apprentice registrations. The chart below shows that new apprentice registrations peaked in 2012-13 and declined from this peak to pre-2007-08 levels.²

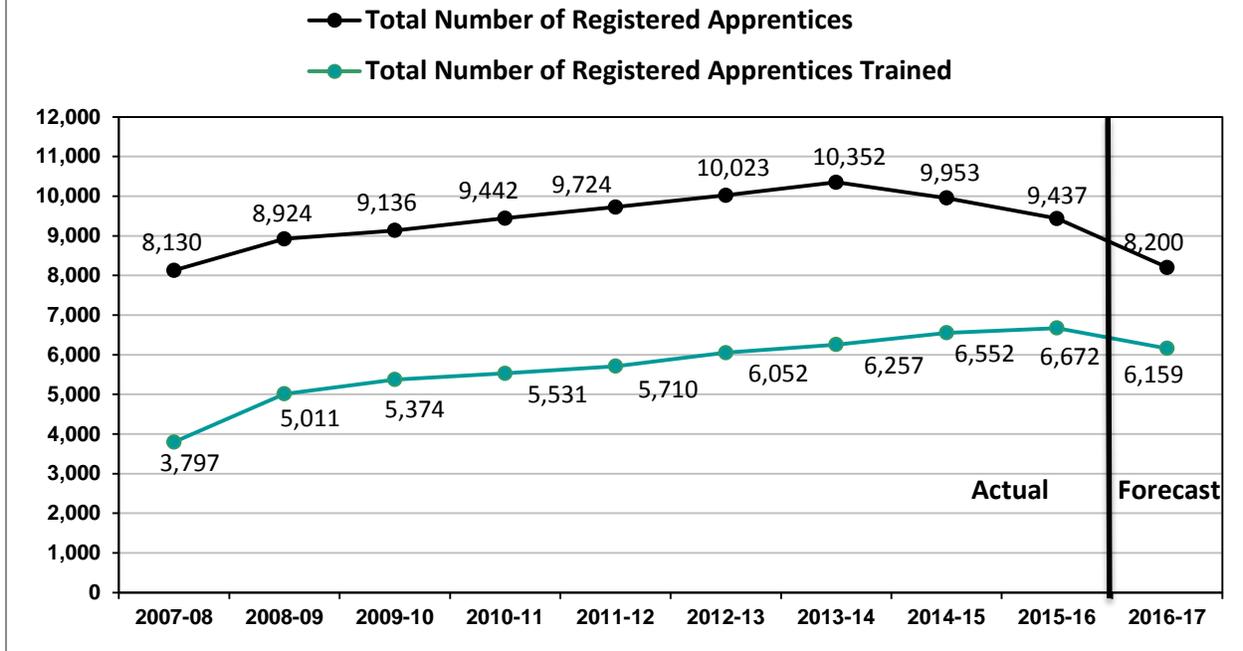


Apprentices progress through the training system by completing the required number of workplace hours as well as successfully completing the levels of required technical training. This means the increased demand for training seats tends to follow increases in apprenticeship numbers by one to two years. Similarly, at times when the economy slows, training seat demand typically continues to rise for one to two years before declining.

The number of apprentices attending technical training rose from 3,797 apprentices in 2007-08 to 6,171 apprentices forecasted for 2016-17, an increase of 62.5 per cent. This was facilitated by increased funding for training seats, internal SATCC process improvements and continued strong partnerships with technical training providers.

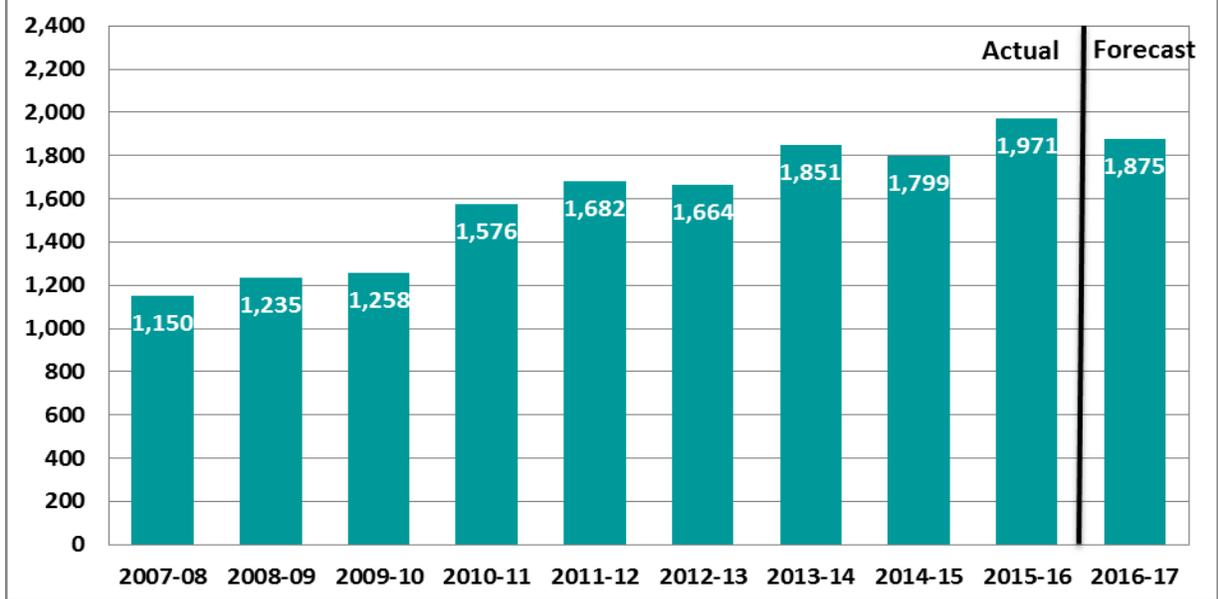
² The peak number of new registrations was reached in 2012-13. The average annual growth rate from 2007-08 to 2012-13 was 5.9 percent. The average growth rate for the period of 2013-14 to 2016-17 is negative 9.2 percent.

NUMBER OF REGISTERED APPRENTICES AND APPRENTICES TRAINED (2007-08 TO 2016-17)



Between 2007-08 and 2016-17, the number of journeyman certifications achieved rose by 61.3 per cent from 1,150 to a forecast of 1,875 for 2016-17, respectively. Similar to the demand for training seats, there is a lag of between four to six years between the increases in the number of apprentices registered and the number of journeyman certificates issued.

NUMBER OF JOURNEYMAN CERTIFICATES ISSUED PER YEAR (2007-08 TO 2016-17)



RISK ANALYSIS

The following section is a consolidation of the major risks identified by Board, Management and SATCC stakeholders prior to undertaking strategic planning. The major risks were identified as a risk which, if it occurs, would have a severe consequence or a risk that has a high likelihood of occurring and should be mitigated through the business plan.

Economy & Labour Market

Both the economy and the labour market have an impact on the apprenticeship system even though both are outside of the control of the SATCC. Therefore, these risks need to be identified, accepted and strategies put in place to mitigate and optimize any effects.

Participation in the provincial apprenticeship system moves up and down with the province's economic cycle. The number of registered apprentices peaked at approximately 10,400 apprentices in 2013-14. The number of registered apprentices had increased significantly over the decade prior to this peak in participation in the apprenticeship system.

Since 2013-14, the demand for apprenticeship has been in decline as the provincial economy has slowed. Apprentices are often laid off first in an economic downturn and/or there is a lessening in demand for new apprentices, particularly for entry level apprentices. This has the effect of reducing the number of apprentices participating in technical training. Over the past two-plus years, the SATCC has experienced softening demand in new apprentice registrations and technical training seats. This means differing responses and actions will be required during this period of slowing growth.

The SATCC's experience with economic/labour market downturns is there is a lag between the economic downturn and a decrease in the number of registered apprentices and demand for technical training. Specifically, apprentices do not necessarily exit the program immediately since employers may think the downturn is temporary and they want to retain skilled employees and/or apprentices may have earned enough trade time to attend the next level of training even if they do not currently have a job.

Generally speaking, the SATCC estimates this lag at approximately 18 to 24 months. In 2017-18, this is evidenced by the decrease in the total number of registered apprentices to roughly 9,000 and the decline in the number of technical training seats to 6,200 seats (from the planned amount of 6,500 seats).

Management believes this process is mostly completed but will continue somewhat in 2017-18. For example, the Ministry of Finance's 2017-18 Budget forecasts Saskatchewan's economy to only have real Gross Domestic Product (GDP) growth of 0.8 per cent in 2017 (with nominal GDP growth of 4.9%). The pace of growth is expected to increase modestly in 2018 at 2.0 per cent and 5.7 per cent, respectively, in real and nominal GDP growth.³ This modest economic recovery is reflected in Finance's forecast for employment growth as well. Total employment is forecast to increase by only 1,200 jobs in 2017 increasing to 4,900 jobs in 2018.

³ Saskatchewan Finance, 2017-18 Budget: Meeting the Challenge, p.33.

This forecast of modest growth in total provincial employment implies relatively stable demand for apprenticeship in Saskatchewan. Management will continue to actively monitor changes in demand for apprenticeship and adjust the supply of technical training accordingly.

Information Management System

The Board, stakeholders and management all identified the continued use of obsolete technology and database system as a major risk. The SATCC currently uses the Government of Saskatchewan's One Client Service Model (OCSM) as its database for all apprentice and employer information. In surveys conducted by the SATCC, a majority of apprentices and employers have indicated a strong preference for having the ability to provide/access information online or through smartphones, which OCSM does not support.

OCSM was based on antiquated hardware and software which was no longer vendor supported. The Ministry of Advanced Education and the Ministry of the Economy began a stabilization plan in 2015-16 to rectify this issue. The server hardware was replaced in 2015-16 while the Oracle database software was upgraded to a newer version in 2016-17. However, these efforts do not address the SATCC's main challenge with OCSM which is its lack of functionality. Specifically, OCSM lacks web-based/application tools to allow clients to provide/access information to/from the system.

In 2016-17, the SATCC participated in the Ministry of Advanced Education's work to develop a business case for a new student information management system for the regional colleges and other training institutions. Advanced Education hired a consultant (Deloitte) to support the development of this business case. The consultant concluded that only about one-quarter of the SATCC's business requirements would match those of the regional colleges and other training institutions due to the unique program requirements with apprenticeship relative to other educational institutions. As such, a partnership between the regional colleges and other training providers on an information management system does not represent a good fit.

Subsequently, the SATCC has explored a potential partnership with apprenticeship agencies from the Atlantic Workforce Partnership (AWP) and Manitoba. These five provinces have partnered to develop and purchase an information management system customized for the particular needs of the apprenticeship system from a private-sector vendor.

Based on a Request-for-Proposal (RFP) issued in 2015-16, these five provinces have chosen a successful vendor in the RFP process. The development/configuration of the core system is slated to begin in April 2017. The SATCC has completed an evaluation of the system and has determined this system will meet its business requirements.

Management completed a business case in 2016-17 to receive approval to join the STACS partnership. The SATCC's business case received endorsement from the Information Management Advisory Council (IMAC) and the Deputy Minister Information Technology Governance Committee (DMITGC) in spring 2017.

In 2017-18, management will work with the AWP/Manitoba partnership on an agreement to join the partnership. Further, the SATCC will work with its colleagues in the Ministry of the Economy to generate funding for the project (see the next section for a further description).

Financial Challenges

The SATCC's GRF grant has been reduced by \$2.1M in 2017-18 in keeping with the reduction in budgeted technical training seats from 6,500 seats in 2016-17 to 5,900 seats in 2017-18. The reduction in the GRF grant will require significant expenditure reduction for the organization but steps will be taken to minimize the impact on clients.

Specifically, it is estimated the SATCC will have approximately \$1.9M in unrestricted funds available within its accumulated surplus at the end of 2016-17. Due to the reduction in the GRF grant, the SATCC will draw down its unrestricted funds in 2017-18 in order to pay for its operating expenses in that year.

By the end of 2017-18, management anticipates the unrestricted surplus will be slightly above the Board of Directors policy to have a minimum of one-twelfth (1/12) of operating expenses (not including training expenses) in its unrestricted surplus. The minimum unrestricted surplus for 2017-18 is estimated at \$578K. The 2017-18 Budget estimates an unrestricted surplus of \$658K which will put it approximately \$80K above the policy's threshold.

Beginning in 2018-19, the SATCC must begin posting balanced budgets, or surpluses, because it will no longer have the capacity to absorb substantial deficits. The SATCC will take steps in 2017-18 to begin address this issue by generating more own-source revenues.

For example, tuition will be increased from \$95 per week to \$105 per week. The fee for apprentice registrations will be increased from \$175 to \$200. Examination fees will also be increased modestly. These tuition and administrative fee changes will be implemented effective January 1, 2018. Additionally, management will explore the potential for new administrative fees and/or review prices for existing administrative fees for the purpose of increasing cost recovery for services provided by the SATCC.

This work will also support the SATCC's ability to undertake the Shared Trades and Certification System (STACS) information management system project with the Atlantic Workforce Partnership (AWP) and Manitoba. The SATCC estimates it requires approximately \$2.5M to invest in STACS.

In 2017-18, management will work to find funding sources for the project as well as negotiate the timing of payments with the AWP/Manitoba and the vendor. . The SATCC will work with the Ministry of the Economy to seek financial support for STACS from other sources including the federal government, additional funding from the Province and/or additional own-source revenue.

Barriers to Apprentices' Advancement

The "currency" requirement within the apprenticeship system means an apprentice must continue to advance at least one level of technical training within three years or lose their current standing. This risk means that, if the SATCC is not able to continue to offer technical training in a timely fashion, a potential barrier to apprentice advancement will be created. However, management has the ability to assess each apprentice's situation on a case-by-case basis and can waive the currency requirement if necessary.

Employer Engagement with Apprenticeship System

Employers that register apprentices demonstrate a commitment to train and certify to national industry standards. The SATCC's challenge and opportunity is to engage employers, no matter the size of their operation or location, to participate in the apprenticeship program.

The demand for apprentice services and/or workers seeking apprenticeship may drop if the number of employers supporting apprenticeship declines. Employers may be able to fulfill their demand for skilled labour given the limited job growth forecasted. This may happen, in part, because there may be an influx of journeypersons from other labour markets (e.g. Alberta); therefore, employers will not need to train apprentices.

STRATEGIES, GOALS, OPERATIONAL INITIATIVES AND PERFORMANCE MEASURES

The four goals identified in the SATCC's 2017-22 Strategic Plan are:

1. Satisfy Industry Demand for a Skilled and Certified Workforce;
2. Deliver High Quality Services Relevant to Industry/Stakeholders;
3. Equip Staff with the Training and Tools to Provide Outstanding Service; and
4. Manage Financial Resources Efficiently and Effectively.

The entire Plan can be found at the following link:

<http://saskapprenticeship.ca/resources/plans-research-reports/strategic-plan/>

Objectives, strategies, actions to support each of the four goals identify the business activities and required budget to:

- Identify the direction of the SATCC over the next three years; and
- Establish priorities to direct the financial and other resource components of the SATCC annual business plan.

In order to measure progress, 30 measures were developed by management and the Board and included in the Balanced Scorecard (BSC). The majority of these measures are the same as in the 2016-17 BSC but there are a handful of additions and deletions as well as a name change for one measure.

The targets for each performance measure were arrived at through a combination of methodologies and trend analysis of the latest information impacting SATCC. The proposed balanced scorecard is made up of two components:

- A set of proposed performance measures. These are listed in a Balanced Scorecard summary table over the next two pages; and
- A reference table which highlights each measure, the description and purpose, methodology and target explanation for the 2017-18 target as well as two further years. Please see Appendix A for this table.

What follows is a description of the goals, objectives, strategies and actions the SATCC will undertake, in 2017-18. The overall progress made towards meeting them will be reported through the BSC both in the 2017-18 Annual Report and regular reporting at each Board of Directors' meeting throughout the year.

Goal 1: Satisfy Industry Demand for a Skilled and Certified Workforce

Meet the needs of industry and stakeholders while increasing participation in the apprenticeship and trade certification system in Saskatchewan, including people from under-represented groups.

1.1 Be Responsive to Industry Demand

Management creates an annual training schedule that it monitors closely throughout the training year. Adjustments to the training schedule are made in-year according to increases/decreases in demand for training. This is done to ensure the effective use of public funding while remaining responsive to industry demand for apprenticeship training. This practice will continue to be refined in 2017-18.

1.2 Keep Training Techniques Up-to-Date

The SATCC continues to actively engage industry through Trade Boards, consultations and harmonization consultations to ensure training techniques are up to date.

The SATCC also continues to seek out innovative, alternative technical training options for apprentices. The goal is to make technical training as effective and accessible as possible. These are not meant to replace traditional training, but to be an additional option. The SATCC wants to provide its apprentices with as much choice as possible when it comes to technical training.

A good example of this is the Flexibility and Innovations in Apprenticeship Technical Training (FIATT) project. Sask. Polytechnic received a grant from the federal government to test alternative delivery models for apprenticeship training.

FIATT allows apprentices in four trades to complete up to two weeks of their technical training online before attending a Saskatchewan Polytechnic campus to complete the training. This project began in 2016-17 with Level 1 and 3 apprentices. In 2017-18, Level 2 and 4 apprentices will take training within FIATT. The SATCC partnered with Sask. Polytechnic on this project by scheduling classes for this project and working with apprentices to fill the classes.

To effectively implement innovative training, the SATCC employs change management techniques to effectively communicate the benefits and overcome resistance to online and alternate delivery methods for technical training

1.3 Add Designated Occupations

A designated occupation has standards for training and certification but does not necessarily require a certificate or participation in a training program to work in and learn the occupation; while, a designated trade is an occupation that has an apprenticeship program and either compulsory or optional certifications.

There is currently no organization in Saskatchewan that has the authority to designate and certify occupations. This change will expand the SATCC's ability to certify a safe, skilled, and industry trained workforce. It also represents a significant communications opportunity to further promote skilled trades and occupations.

The SATCC Board of Directors approved that the SATCC seek legislative changes to allow for this type of activity. In 2017-18, SATCC will pursue these legislative changes.

1.4 Emphasize Tradesperson Certification

While the SATCC explores the expansion for certification only options for tradespeople, the SATCC will continue to certify tradespeople in the current non-compulsory designated trades. Tradespeople—skilled trade workers who are not apprentices or journeypersons— can potentially challenge the journeyperson exam as trade qualifiers if they have the necessary on-the-job experience. Generally, this route does not require tradespeople to apprentice or complete any regular technical training.

The SATCC is adding a new measure to its Balanced Scorecard in 2017-18 to track its efforts in this area. Additionally, a revised communications plan will specify how to enhance promotion of this option to tradespeople (please see 1.5 below).

1.5 Promote the Apprenticeship/Trade Certification System

Research will be undertaken to form the basis of a revised communications plan to refine the organization's activities to promote the apprenticeship and trade certification system. It will engage employers to promote the benefits of hiring and training apprentices including under-represented groups as well as for tradespersons to certify in designated trades and occupations.

As noted in 1.4, this will include work to enhance its communications activities to promote the certification route for tradespeople in non-compulsory trades. The SATCC will also continue outreach through the Saskatchewan Youth Apprenticeship (SYA) program aimed at increasing awareness of high school students to consider a career in skilled trades as an option.

Goal 2: Deliver High Quality Services Relevant to Industry/Stakeholders

Provide highly rated client services by maximizing efficiency and effectively delivering regulatory compliance.

2.1 Improve Innovation and Service Quality

In addition to the FIATT project described previously in 1.2, the SATCC will continue to add upgrading for both apprentices and tradespeople, with a focus on high volume trades, such as plumber. In 2017-18, the SATCC will continue to lead and contribute to the pan-Canadian effort to harmonize the Red Seal trades. The trades that will be harmonized effective September 2017 are:

- Agricultural Equipment Technician;
- Automotive Service Technician;
- Construction Electrician;
- Heavy Duty Equipment Technician;
- Industrial Electrician (not designated in Saskatchewan);
- Industrial Mechanic (Millwright);
- Plumber;
- Steamfitter-Pipefitter; and
- Truck and Transport Mechanic.

There are also a number of trades that are scheduled to be harmonized by September 2018. Industry consultations will occur in 2017-18 to facilitate this process. These trades are:

- Boilermaker;
- Concrete Finisher (not designated in Saskatchewan);
- Landscape Horticulturist;
- Sheet Metal Worker; and
- Sprinkler Fitter.

2.2 Modernize IT System

In 2016-17, the SATCC completed a business case process to seek approval to proceed with partnering with the Atlantic Workforce Partnership and Manitoba on the development and implementation of the Shared Trades and Certification System (STACS). The SATCC's business case received endorsement from the Information Management Advisory Council (IMAC) and the Deputy Minister Information Technology Governance Committee (DMITGC) in spring 2017.

In 2017-18, management will work with the AWP/Manitoba partnership on an agreement to join the partnership. Further, the SATCC will work with its colleagues in the Ministry of the Economy to generate funding for the project (see the next section for a further description).

Further, the partner provinces will continue working with the vendor in 2017-18 to develop the core system for STACS. Provincial implementations, beginning with Nova Scotia, are scheduled to start in the second half of 2017-18 continuing into 2018-19. If funding approval is obtained, the SATCC will participate in the development of the core system for STACS and change management efforts.

2.3 Regulatory Role

SATCC continues to develop ways to standardize and improve inspections processes and response to industry issues. In 2016-17, work was completed to enhance data collection and tracking systems both to improve processes and to be able to measure the SATCC's timeliness to respond to industry issues and regulatory compliance.

Both of these measures and targets are included in the 2017-18 Balanced Scorecard. Management will monitor and report progress on these measures to the Commission Board of Directors throughout 2017-18. Future changes to work in this area will be guided, in part, by the results and by continued enhancements to the tracking system, such as specific tracking of trades and types of issues

It should be noted the SATCC also focuses on monitoring and identifying potential for improvement in other areas of regulatory responsibility such as:

- Designation and de-designation of trades;
- Appointment of trade boards and board members;
- Administration of contracts of apprenticeship;
- Curriculum and examination development;
- Eligibility standards and assessment; and
- Issuing of credentials.

Goal 3: Equip Staff with the Training and Tools to Provide Outstanding Service

Create organizational capacity to deliver high quality client services while fostering employee engagement.

3.1 Promote a Service Culture

A human resources review completed in 2016-17 revealed there are a number of pending retirements and/or areas of specialty knowledge within the organization. This presents an opportunity for management to develop a comprehensive human resources plan, including succession planning. This work will be completed in 2017-18.

Management will build upon its current initiatives to increase communication with staff to enhance each staff members' understanding of their impact/role on the organization's success. These activities emphasize the strategic importance of delivering high quality service to the SATCC's clients and other stakeholders and each staff's role in achieving the organization's goal. Multiple communication methods are used to deliver information regarding the strategic and business plan, including the balanced scorecard. Communication vehicles include stand up meetings, employee newsletters and staff meetings.

There will also be a continued emphasis on a safe work culture employing strategies such as workplace safety audits and employee communications to enhance employee awareness of safety and safe behavior.

3.2 Enhance Employee Efficiency

The SATCC established a continuous improvement process several years ago. One of the key activities undertaken was to map all of the organization's business processes. This work was initially completed in 2012 and subsequently updated in 2014. This effort resulted in eliminating the redundant/unnecessary work in each process (given the current information management system).

Management's emphasis on continuous improvement has resulted in some significant gains in efficiency. For example, the 'fill rate' for technical training seats has increased from 82.3 per cent in 2007-08 to a peak of 99.0 per cent in 2014-15 and is forecasted to be approximately 98 per cent in 2016-17. During this period, the size of the system increased substantially as the

number of registered apprentices and training seats purchased approximately doubled. Other work activities such as trade time assessments, field visits, etc. also increased substantially. These increases were managed while maintaining virtually the same staffing complement.

Management will continue to ensure the organization operates in an efficient and effective manner given its current constraints. Specifically, the SATCC's current information management system (OCSM) requires substantial manual data entry/verification work by staff. Work will continue to refine work processes throughout the organization. Further improvements in employee efficiency are anticipated when the Shared Trades and Certification System (STACS) IT system is fully implemented in the future.

3.3 Foster a Culture of Appreciation

Management uses a variety of tools to acknowledge staff contributions to organizational success. Recognition of a job well done by staff is done at monthly staff meetings, within employee newsletters and on an individual one-on-one basis.

Management has also emphasized employee engagement by establishing an employee engagement committee with a senior management employee champion and supporting social committees. The purpose of these groups is to enhance employee participation and receive and address employee feedback on the culture and activities within the organization.

Further, promotion of employee learning and development opportunities will continue to be supported through the annual Planning for Success document which each employee is asked to complete.

Goal 4: Manage Financial Resources Efficiently and Effectively

Using financial resources effectively and efficiently to ensure the organization can successfully deliver its mandate and goals.

4.1 Sustainable Funding

The 2017-18 Business Plan assumes the delivery of 5,900 technical training seats. Based on this, the 2017-18 Budget includes a GRF grant of \$20.3M to deliver the training and generating an additional \$5.0M in tuition and administrative fees. This funding should be sufficient to deliver training to approximately 70 per cent of registered apprentices.

Weekly tuition rates will be increased from \$95 per week to \$105 per week in 2017-18 (effective January 1, 2018). There will also be the following changes to the SATCC's administrative fees, effective January 1, 2018:

- Registration fees will increase from \$175 to \$200;
- Written exams administered by the SATCC will increase from \$100 to \$125 per exam;
- Practical exams will increase from \$160 to \$175 per exam; and
- Exam reviews will increase from \$100 to \$125.

Beginning in 2018-19, the SATCC will require additional revenue to balance its budget while also being able to contribute financially to a new IT system. Management will explore enhancing its non-government revenue sources including examining potential new administrative fees.

In addition to the above activities, management will also continue to explore sponsorship opportunities from industry. Specifically, sponsorships to support the Saskatchewan Youth Apprenticeship (SYA) industry scholarship, the annual Apprenticeship Awards, as well as other opportunities, will be sought out by the SATCC.

4.2 Organizational Efficiency

In 2016-17, the SATCC negotiated new training protocol agreements with Saskatchewan Polytechnic and SaskPower that establish limits on annual price increases for training. These two agreements cover more than 90 per cent of all technical training costs. Both agreements are anticipated to be signed in early 2017-18.

The SATCC will also begin work on reviewing its training protocol agreements with its other training providers in 2017-18. Management will monitor price increases across all training providers to ensure value while limiting inflationary pressures.

As noted in 1.1, management closely monitors the annual training schedule to ensure classes are filled to maximum capacity while also meeting industry demand. Work will continue in 2017-18 to refine the tools used to monitor/make changes to the annual training schedule.

The 2017-18 Balanced Scorecard also establishes a new measure to track operational efficiency titled “Administrative Cost Change.” This measure will track the ability of the organization to limit administrative cost increases and deliver upon them.

The Balanced Scorecard

The year-end forecast and targets reflect the end of May 2017 actual results.

	2015-16 Actual	2016-17 Target	2016-17 Year End Forecast*	2017-18 Target	2018-19 Target	2019-20 Target
1. SATISFY INDUSTRY DEMAND FOR A SKILLED AND CERTIFIED WORKFORCE IN SASKATCHEWAN						
New Apprentice Registrations	2,611	2,500	2,110	2,100	2,100	2,200
Total Apprentices	9,437	9,200	8,200	7,900	7,900	8,000
Trade Qualifiers (New)	N/A	N/A	N/A	TBD	TBD	TBD
Technical Training Seats	6,834	6,500	6,159	5,900	5,900	5,800
Online Technical Training Available (New)	N/A	N/A	N/A	TBD	TBD	TBD
Blue Seal Certifications (New)	N/A	N/A	N/A	25	25	25
Employer Consultations	4,445	4,000	4,900	4,200	4,300	4,400
Trade Board Meetings	128	125	130	130	130	130
Journeyman Certificates Issued	1,971	1,600	1,875	1,725	1,725	1,700
Red Seal Exam Pass Rate	80%	80%	76%	80%	80%	80%
Real Completion Rate (RCR)	66.2%	63%	60%	60%	60%	60%
Total Employers**	2,689	2,650	2,400	2,400	2,450	2,500
Indigenous Apprentices	1,436	1,300	1,310	1,200	1,150	1,200
Female Apprentices	879	875	800	750	750	750
Female Apprentices in Traditionally Male Trades (TMT)	464	450	410	400	400	400
Visible Minority Apprentices	315	300	300	250	250	250
Apprentices with Disabilities	511	500	520	500	500	500
2. DELIVER HIGH QUALITY SERVICES RELEVANT TO INDUSTRY/STAKEHOLDERS						
Employer Satisfaction with Training+	87%+	N/A+	N/A	85%	N/A+	85%
Apprentice Satisfaction with Training+	89%+	N/A+	N/A	90%	N/A+	90%
Trade Levels Harmonized (NEW)	N/A	N/A	7	15	17	20
Industry Response Time	N/A	N/A	98%	95%	95%	95%
Ratio Compliance	N/A	N/A	98%	95%	95%	95%

	2015-16 Actual	2016-17 Target	2016-17 Year End Forecast*	2017-18 Target	2018-19 Target	2019-20 Target
3. EQUIP STAFF WITH THE TRAINING AND TOOLS TO PROVIDE OUTSTANDING SERVICE						
Employer Satisfaction with SATCC Services+	94.2%	N/A+	N/A+	92%	N/A+	TBD
Apprentice Satisfaction with SATCC Services+	91.5%	N/A+	N/A+	92%	N/A+	TBD
Employee Engagement	69%	70%	73.5%	70%	70%	70%
4. MANAGE FINANCIAL RESOURCES EFFICIENTLY AND EFFECTIVELY						
Share of Registered Apprentices in Technical Training	71%	71%	74.7%	74%	74%	73%
Technical Training Fill Ratio	98.7%	98%	98.1%	98%	98%	98%
Sponsorship Revenue (New)	N/A	N/A	N/A	\$70K	\$72K	\$75K
Administrative Cost Change (New)	-2.8%	N/A	-3.8%	-1.7%	TBD	TBD
Share of Non-Government Revenue (%)	19.3%	21%	19.3%	21.0%	21.0%	21.0%

* Based on actuals to May 31, 2017.

**The number of Employers is the count from the SATCC database, which is an underestimate of the total number of employers engaged in the apprenticeship system. The Employer count includes more than a dozen Joint Training Committees (JTCs). Each JTC engages with a number of employers who hire apprentices, so the actual number of employers engaging with apprentices is several hundred (approximately 400 to 600) more than listed in the SATCC database. However, the SATCC only receives updated information on the number of employers with JTCs every three years making it impossible to get updated figures on a regular basis. Therefore, only the JTCs are included as an employer.

+The Employer and Apprentice Satisfaction Survey is administered every two years; the results shown in the 2015-2016 actual column are from 2013-14. There will be no target shown for the years where the survey is not administered.

N/A = Not Available

TBD = To Be Developed or Determined

2017-18 Budget

The 2017-18 Budget is based upon a mix of the 2016-17 Budget and the 2016-17 Forecast (as of May 2017). As a result, values for 2016-17 may change between the development of the 2017-18 Budget and the year-end process. This could change some of the balances (e.g. accumulated surplus, unrestricted surplus, etc.) and/or introduce forecast error for revenues and expenses in the 2017-18 Budget.

Revenues

Total revenue is budgeted at \$25.739M in 2017-18 based on the following sources:

The **General Revenue Fund (GRF)** grant from the Ministry of the Economy was reduced by \$2.1M to \$20.306M. This is 9.4 percent below the 2016-17 Budget of \$22.406M. The Apprenticeship Training Allowance (ATA) administrative fees and the Aboriginal Apprenticeship Initiative funding also remain at \$180K and \$400K, respectively.

Client Fees (i.e. tuition and other fees charged to apprentices) are budgeted at \$5.008M. This represents an approximate decrease of \$226K over the 2016-17 Forecast of \$4.782M. The decrease in Client Fees is attributable to two variables:

- Tuition revenue is expected to increase from the forecasted \$4.192M in 2016-17 to \$4.349M (3.7%) in 2017-18. Tuition is being increased from the current \$95 per week to \$105 per week effective January 1, 2018. The increase in tuition is partially offset by the anticipated decline in the number of technical training seats from 6,151 seats in 2016-17 to 5,900 seats in 2017-18; and
- Administrative fees charged to apprentices are budgeted to be approximately \$660K in 2017-18, the same as being forecasted in 2016-17. Starting January 1, 2018, apprentice registration fees will be increased from \$175 to \$200. Additionally, examination fees will be increased for written exams (from \$100 to \$125) and practical exams (from \$160 to \$175). The increase in fees is expected to be offset by a lower number of new apprentice applications, journeyman examinations, etc.

Other Revenue is budgeted at \$424K. This amount includes \$152K for psycho-educational assessments from the Ministry of the Economy to pay for learning disability assessments for apprentices and \$25K in awards revenue. This is an approximate increase of \$23K from the 2016-17 Forecast of \$400.5K. The increase in other revenue is mainly attributed to:

- Products and Services revenue increasing from the forecasted \$306.5K in 2016-17 to \$338.5K in 2017-18. The increase is largely attributed to increases in the contract amounts pertaining to the assignment of a SATCC staff member working full-time for the Canadian Council of Directors of Apprenticeship (CCDA) on an initiative to harmonize the Red Seal trades through funding support from Employment and Social Development Canada (ESDC) and a contract for the Advisor to the CCDA Chair funded through contributions from all provincial/territorial CCDA members.

- Interest is budgeted at \$30K, which is down slightly over the \$34K forecast for 2016-17. The decrease in interest is based on a lower bank balance in 2017-18 and earning less interest than expected.
- SYA revenue is budgeted at \$55K. This amount represents the approximate value of scholarships that are expected to be paid out in 2017-18 to eligible apprentices.

Operating Expenses

Total expenses are budgeted at \$26.963M in 2017-18 based on the following:

Salaries are budgeted at \$4.651M in 2017-18. This represents a 0.5 per cent increase in employee compensation compared to the 2016-17 Budget. The increase in employee compensation in 2017-18 is due to inflationary pressures partially offset by organizational restructuring savings. The total staff complement will remain at 72.4 full time equivalent (FTE) positions in 2017-18 with budgeted funding for 68.0 FTEs. The aforementioned restructuring plus vacancy management efforts will be used to manage the FTE budget.

Program Contractual Services for apprenticeship technical training in 2017-18 is budgeted to be \$19.867M. Technical training costs in 2017-18 are forecast to be \$737.5K (-8.1%) lower than the 2016-17 Budget. The number of technical training seats purchased is projected to decline to 5,900 seats (-4.4%) in 2017-18 from the forecast of 6,171 seats in 2016-17.

The projected reduction in the number of training seats purchased is due to a decrease in demand for apprenticeship training. The purchase of technical training seats continues to represent the single largest component of the SATCC's total operating expenses at approximately 75 per cent of total expenses.

Other Contractual Services are budgeted at \$946.9K. This is \$33K (3.6%) higher than the 2016-17 Forecast due mainly to increased travel expense related to contracts with ESDC and CCDA (note: these travel expenses are fully offset as revenues from funding provided from these two organizations).

Board Expenses are budgeted at \$163K in 2017-18 which is an approximate one percent reduction in spending in this category compared to the 2016-17 Budget.

Travel is budgeted at \$202.5K, a decrease of \$27.5K (-12.0%) from the 2016-17 Budget due to reduced overall spending in this category.

Telephone expenses are budgeted at \$75.4K, an increase of 5.6 per cent relative to the 2016-17 Budget. This increase is due to providing all field services staff with a cellular phone for when they are on worksite/employer visits.

Advertising, Promotion, and Printing is budgeted at \$214.8K. This represents a reduction of \$78.3K (-26.7%) from the 2016-17 Budget. This decrease is budgeted to reduce overall spending in this category.

Space Rental is budgeted at \$480K. This is \$40K (-7.7%) below the 2016-17 Budget. The reduction is mainly due to not having to pay for moving costs as the lease for the Regina head office was renewed for another five years starting in 2017-18. The savings on moving costs is partially offset by accommodation cost increases associated with the renewal of leases in Regina and Swift Current.

Equipment Rental is budgeted at \$35.8K in 2017-18. This is the same value in the 2016-17 Budget. There has been no change given that expenditures in this category's budget are relatively stable.

Office Supplies are budgeted at \$84.0K a decrease of \$7.0K (-7.7%) from the 2016-17 Budget due to reduced overall spending in this category.

Postage, Courier and Freight is budgeted at \$140K, an increase of \$5K (3.7%) from the 2016-17 Budget. The increase is due to an anticipated increase in expenditures resulting in the use of private-sector vendors

Other Expenses are budgeted at \$75.7K. This is \$3.7K higher than the 2016-17 Budget, due to increase increased spending on office furniture and equipment.

Amortization is projected to be \$26.8K in 2017-18. The leasehold improvements of the Regina head office will be nearly all amortized in 2016-17.

First Nations and Métis Apprentices

Government is committed to increasing Aboriginal access, participation and completion of apprenticeship training. For 2017-18, government designated \$1M to Aboriginal Initiatives. The Aboriginal Apprenticeship Initiatives (AAI) program will have \$400K to deliver projects with another \$600K improve outcomes for First Nations and Métis apprentices.

Summary

The 2017-18 Budget projects a deficit of \$1.223M based on revenues of \$25.739M and expenses of \$26.963M. The SATCC is required to maintain a minimum unrestricted surplus set out in the SATCC Board of Directors F-2 Financial Assets - Surplus Policy.

The policy states the SATCC shall maintain a minimum unrestricted accumulated surplus equivalent to one month of the previous year's operating expenses (excluding training costs and amortization). This is equal to approximately \$578K.

The 2017-18 Budget projects an Unrestricted Surplus of \$658K and an Excess over Minimum of \$80K. Therefore, management anticipates remaining above the F-2 Financial Assets – Surplus Policy threshold in 2017-18.

Saskatchewan Apprenticeship and Trade Certification Commission
Consolidated Statement of Financial Position
As at June 30

	2018	2017	2016
	Budget	Forecast	Actual
Financial Assets			
Cash	\$ 3,031,665	\$ 4,250,916	\$ 5,277,336
Accounts Receivable	216,361	216,361	216,361
	3,248,026	4,467,277	5,493,697
Liabilities			
Accounts Payable and Accrued Liabilities	497,540	497,540	497,540
Accrued Leave Liabilities	265,026	265,026	265,026
Deferred Revenue	987,310	987,310	987,310
Deferred Contributions	735,598	735,598	735,598
	2,485,474	2,485,474	2,485,474
Net Financial Assets/(Debt)	762,552	1,981,803	3,008,223
Non-Financial Assets			
Tangible Capital Assets	57,230	61,530	171,530
Inventory of Promotional Supplies	6,598	6,598	6,598
Prepaid Expenses	60,162	60,162	60,162
Total Non-Financial Assets	123,990	128,290	238,290
Accumulated Surplus/(Deficit) (Statement 2)	\$ 886,542	\$ 2,110,093	\$ 3,246,513

Saskatchewan Apprenticeship and Trade Certification Commission
Consolidated Statement of Operations
For the Year Ended June 30

	2018	2017	2017	2016
	Budget	Forecast	Budget	Actual
Revenue				
Grants - General Revenue Fund	\$ 20,306,400	\$ 21,631,000	\$ 22,156,000	\$ 23,406,000
Client Fees	5,008,850	\$ 4,782,300	\$ 5,160,000	5,202,731
SYA Contributions	55,000	\$ 60,000	\$ -	53,000
Products and Services	339,000	\$ 306,480	\$ 338,500	287,342
Interest	30,000	\$ 34,000	\$ 40,000	38,791
Total Revenue	<u>25,739,250</u>	<u>26,813,780</u>	<u>27,694,500</u>	<u>28,987,864</u>
Expense				
Salaries and Personnel	4,651,200	4,598,000	4,628,100	4,639,803
Program Contractual Services	19,866,500	20,855,700	21,382,700	22,158,606
Other Contractual Services	946,900	913,800	945,000	818,740
Board Expenses	163,200	158,700	167,700	152,010
Travel	202,500	207,500	230,000	180,023
Telephone	75,400	70,400	71,400	68,752
Advertising, Promotion and Printing	214,800	255,200	293,000	267,396
Space Rental	480,000	454,000	520,000	454,149
Equipment Rental	35,800	35,800	35,800	34,886
Office Supplies	84,000	58,000	91,000	105,678
Postage, Courier, and Freight	140,000	140,000	135,000	141,630
Other	75,700	68,500	72,000	74,841
Amortization	26,800	134,600	134,600	147,195
Total Expenses	<u>26,962,800</u>	<u>27,950,200</u>	<u>28,706,300</u>	<u>29,243,709</u>
Annual Surplus/(Deficit)	<u>(1,223,551)</u>	<u>(1,136,420)</u>	<u>(1,011,800)</u>	<u>(255,845)</u>
Accumulated Surplus, Beginning of Year	2,110,093	3,246,513	3,150,358	3,502,358
Accumulated Surplus, End of Year (to Statement 1)	<u>\$ 886,542</u>	<u>\$ 2,110,093</u>	<u>\$ 2,138,558</u>	<u>\$ 3,246,513</u>

Saskatchewan Apprenticeship and Trade Certification Commission
Consolidated Statement of Change in Net Financial Assets (Debt)
For the Year Ended June 30

	<u>2018 Budget</u>	<u>2017 Forecast</u>	<u>2016 Actual</u>
Annual Surplus/(Deficit)	\$ (1,223,551)	\$ (1,136,420)	\$ (255,845)
Acquisition of Tangible Capital Assets	(22,500)	(24,600)	(14,288)
Amortization of Tangible Capital Assets	26,800	134,600	147,195
Loss on Disposal of Tangible Capital Assets	-	-	30
(Acquisition)/ Use of Prepaid Expenses	-	-	(5,667)
Acquisition/ (Consumption) in Inventory of Promotional Supplies	-	-	419
Increase/(Decrease) in Net Financial Assets	<u>(1,219,251)</u>	<u>(1,026,420)</u>	<u>(128,156)</u>
Net Financial Assets/(Debt), Beginning of Year	<u>1,981,803</u>	<u>3,008,223</u>	<u>3,136,379</u>
Net Financial Assets/(Debt), End of Year	<u>\$ 762,552</u>	<u>\$ 1,981,803</u>	<u>\$ 3,008,223</u>

Saskatchewan Apprenticeship and Trade Certification Commission
Consolidated Statement of Cash Flows
For the Year ended June 30

	2018	2017	2016
	Budget	Forecast	Actual
Operating Activities			
Cash Receipts from General Revenue	\$ 20,306,400	\$ 21,631,000	\$ 23,406,000
Cash Receipts from Clients	5,008,850	4,782,300	5,051,086
Interest Received	30,000	34,000	21,315
Industry Contributions Received	55,000	60,000	249,349
Products and Services	339,000	306,480	41,017
Cash Paid to Employees	(4,651,200)	(4,598,000)	(4,765,288)
Cash Paid to Provide Program Services	(19,866,500)	(20,855,700)	(22,046,553)
Cash Paid to Suppliers	(2,418,300)	(2,361,900)	(2,254,687)
Increase/(Decrease) in Cash from Operating Activities	(1,196,751)	(1,001,820)	(297,761)
Capital Activities			
Purchase of Tangible Capital Assets	(22,500)	(24,600)	(14,288)
Increase/(Decrease) in Cash from Capital Activities	(22,500)	(24,600)	(14,288)
Increase/(Decrease) in Cash	(1,219,251)	(1,026,420)	(312,049)
Cash, Beginning of Year	4,250,916	5,277,336	5,589,385
Cash, End of Year	\$ 3,031,665	\$ 4,250,916	\$ 5,277,336

APPENDIX A: Balanced Scorecard Reference Table

Measure	Description	Purpose	Methodology	2017-18 Target Explanation	2018-20 Trend Explanation												
<p>New Apprentice Registrations</p> <p>Lead: Apprenticeship</p>	<p>The number of newly registered apprentices is an indicator of growth in the SATCC system.</p>	<p>Due to the demand nature of the apprenticeship system, the number of newly registered apprentices is outside the control of the SATCC.</p> <p>It is a key operational indicator and is an important variable to be considered in budgetary and technical training planning.</p>	<p>The SATCC estimates the number of new apprentices using a mix of the trends from the current/previous year as well as its estimate of number of new apprentices, completed on a by trade/by level basis used in its Three-Year Training Seat Forecast.</p>	<p>The forecasted number of new apprentices for 2016-17 is approximately 2,100 apprentices. The Three-Year Training Seat Forecast estimates a similar amount for 2017-18.</p>	<p>The Three-Year Training Seat Forecast assumes 2,100 new apprentices in 2018-19 then rising to 2,200 in 2019-20 based on slight firming of demand for training by industry.</p>												
<p>Trade Qualifiers</p> <p>Lead: Apprenticeship</p>	TBD	TBD	TBD	TBD	TBD												
<p>Total Apprentices</p> <p>Lead: Corporate Services and Apprenticeship</p>	<p>The total number of registered apprentices indicates the size of the SATCC client base requiring services.</p>	<p>Due to the demand nature of the apprenticeship system, the total number of registered apprentices is outside the control of the SATCC.</p> <p>It is a key operational indicator and is an important variable to be considered in budgetary and technical training planning.</p>	<p>The 5-year average of percentage increase or (decrease year) over year.</p>	<table border="0"> <tr> <td>11-12 to 12-13</td> <td>3.1</td> </tr> <tr> <td>12-13 to 13-14</td> <td>3.3</td> </tr> <tr> <td>13-14 to 14-15</td> <td>(6.7)</td> </tr> <tr> <td>14-15 to 15-16</td> <td>(5.2)</td> </tr> <tr> <td>15-16 to 16-17</td> <td>(13.1)*</td> </tr> <tr> <td>5 year avg.</td> <td>(3.7)</td> </tr> </table> <p>The 3.7% decrease from year end forecast of 8,200* is 7,897. Rounded to 7,900 apprentices based on management's expectations that a similar decrease (3.7%) will occur in 2017-18. While the number of new apprentices registered is expected to remain relatively constant, management expects some existing apprentices will be 'cancelled' if they are laid off and are transitioning from one employer to another.</p>	11-12 to 12-13	3.1	12-13 to 13-14	3.3	13-14 to 14-15	(6.7)	14-15 to 15-16	(5.2)	15-16 to 16-17	(13.1)*	5 year avg.	(3.7)	<p>Management anticipates the number of new apprentices entering the system will balance off any apprentices exiting the system through layoffs and/or successfully completing their apprenticeships creating a stable number of total apprentices (7,900) in 2018-19. In 2019-20, a resumption of slightly higher growth in new apprentices is expected to increase the total number of new apprentices to 8,000.</p>
11-12 to 12-13	3.1																
12-13 to 13-14	3.3																
13-14 to 14-15	(6.7)																
14-15 to 15-16	(5.2)																
15-16 to 16-17	(13.1)*																
5 year avg.	(3.7)																
<p>Technical Training Seats</p> <p>Lead: Corporate Services</p>	<p>Apprentices receive training on the job and by attending technical training. In order to achieve journey person certification an apprentice must attend technical training on an annual basis, as well as accumulating on the job training.</p>	<p>This outcome will directly impact the achievement of the SATCC Vision and Mission.</p>	<p>The SATCC uses a forecasting method to determine the number of training seats required for the next three years. It takes into account the current number of active apprentices by trade and by level of training. It also uses historical data related to attendance patterns on a trade by trade basis and historical growth patterns over the past 5 years.</p>	<p>5,900 training seats forecast to be purchased, decreased from training seats (decrease of 4.8%) purchased in 2016-17.</p>	<p>The target for the number of training seats is expected to remain at 5,900 in 2018-19 and 5,800 in 2019-20 based on the relative stability of total apprentices within the system.</p>												

Measure	Description	Purpose	Methodology	2017-18 Target Explanation	2018-20 Trend Explanation
Online Technical Training Available Lead: Apprenticeship	TBD	TBD	TBD	TBD	TBD
Blue Seal Certifications Lead: Apprenticeship	Number of Blue Seal Certificates Earned by Tradespeople The Blue Seal demonstrates a journey person has successfully achieved a reasonable level of business business and management knowledge.	Program to encourage continued learning for journeypersons to gain business skills and encourage entrepreneurship. To support tradespeople preparing for management positions or running their own businesses.	Average of the previous three years (only have data for this time span) number of certificates awarded.	2014-15 - 25 2015-16 - 29 2016-17 - 20 (YTD) 3 year avg. 25; so the target for 2017-18 is set at 25.	This measure flat lined in the out years until further resources and promotion can be devoted to increasing the reach of this program.
Employer Consultations Lead: Apprenticeship	As of year-end, the total number of visits made to employer work sites to promote apprenticeship or to support apprentices.	This is a measure of service standards provided by field consultants to SATCC clients, both employers and apprentices.	5 year average of visits conducted.	2012-13 3,876 2013-14 4,354 2014-15 3,861 2015-16 4,445 2016-17 4,900* 5 year avg. 4,287 Rounded down to 4,200 In the SATCC's Operations Manual 4,200 visits are listed as the field consultants' performance target. This target was chosen given the 5-year average as well as a reduced number of field consultant staff due to budgetary restraint.	The target in the out-years is expected to rise by 100 per year to 4,300 in 2019-20.
Trade Board Meetings Lead: Apprenticeship	Each designated trade has a Trade Board with equal representation from employers and employees of that Trade. There are subject matter experts who participate on Trade Examining Boards and the Curriculum Development Boards.	Trade boards provide a forum for trade-specific direction and general feedback to the ATCC from industry partners. SATCC staff support the Trade Boards and record minutes of all meetings; the number of meetings is reported.	All meetings of the Trade Boards, Trade Board Examining Boards and the Trade Examining Boards and the Curriculum Development Boards are counted. Dependent on specific industry concerns or developments, trade boards meet at least once per year and then on an as needed basis. The other two boards meet on an as needed basis. 40 Trade Boards are currently active. Nine trades do not have active trade boards. This is due to being a low volume or inactive trade or a trade where technical training is delivered out of province.	2012-13 140 2013-14 127 2014-15 153 2015-16 128 2016-17 130* 5 year avg. 136 Rounded to 130	The target in the out years is projected to be the same as in 2017-18 given the current number of active boards.

Measure	Description	Purpose	Methodology	2017-18 Target Explanation	2018-20 Trend Explanation
Journeyman Certificates Issued Lead: Apprenticeship and Corporate Services	The more journeyman certificates (JP's) issued the more skilled workers available to the Saskatchewan labour market.	This outcome will directly impact the achievement of the SATCC Vision and Mission.	The targets for the number of journeyman certificates issued uses a mixture of the following data: - the # of apprentices attending/completed final level training adjusting for the number who write and successfully pass the certification exam; - the # of trades qualifiers adjusting for the number who write and successfully pass the certification exam; and - the # of apprentices who have successfully passed their certification exam but required more trade time hours to complete their certification.	The number of JC's issued is anticipated to decline to 1,725 in 2017-18 given the lesser number of apprentices in the system.	The number of JC's issues is anticipated to be stable at 1,725 in 2018-19 with a slight decline to 1,700 in 2019-20.
Red Seal Exam Pass Rate Lead: Apprenticeship	The Red Seal secretariat publishes the percentage of apprentices who are successful at passing the Red Seal journeyman exam in their given trade, on an annual basis. The information is available for SK apprentices and all of Canada.	The higher the success of SK apprentices on the Red Seal exam, the greater the number of journeymen available to the labour market. This measure indirectly indicates the quality of training provided and the employer and employee supports provided by SATCC.	The SATCC reports the results for the previous calendar year as audited by Statistics Canada; the results are received in June of the following year (the 2017 results will be received in June 2018).	2012 – 78% 2013 – 80% 2014 – 80% 2015 – 80% 2016 – 76%* 5 year avg. 80%	The target is flat lined at 80% for the out years as this is the typical achievement level historically and in management's opinion, a target of 80% is reasonable.

Measure	Description	Purpose	Methodology	2017-18 Target Explanation	2018-20 Trend Explanation
<p>Real Completion Rate (RCR)</p> <p>Lead: Corporate Services</p>	<p>SK was not included in a 2003 national cohort study for apprentice completion rates due to data limitations. In 2012-13, the SATCC adopted the Alberta methodology for cohort completion calculation.</p>	<p>The higher the completion rate, the greater the number of journeypersons available to the labour market and the greater the return on the Province's investment in training.</p>	<p>This method follows individuals through the system and takes the # of apprentices who get JP status (within 2 years after expected end of program) divided by the # of apprentices who complete Level One in a given year.</p> <p>It excludes electronics assemblers, food and beverage persons, guest services representatives and hair stylists, as these trades do not follow the traditional apprentice training routes.</p> <p>An overall completion rate is calculated annually based on the completion rate for each trade. The completion rate for compulsory and non-compulsory trades is calculated on an annual basis (at year end) for information.</p>	<p>2012-13 65.4% 2013-14 61.1% 2014-15 62.4% 2015-16 66.2% 2016-17 59.9%*</p> <p>5 year avg. 63.8%</p> <p>Rounded to 60.0% The target is based on the rolling 5-year average for the completion rate based on a weighted average using the number of apprentices in each trade.</p> <p>Compared to 2012-13, the number of JCs issued to L1Cs in 2013-14 was 14.9 percent higher. However, the number of L1Cs rose by 22.9 percent during the same period. Even with an absolute number of JCs that was higher than the previous year, the RCR fell by 4.3 percent.</p> <p>The completion rate and averages for compulsory and non-compulsory groups are included below for information:</p> <p>Compulsory trades 2011-12 73.4% 2012-13 73.7% 2013-14 69.3% 2014-15 69.0% 2015-16 72.2% 5 year avg. 71.5%</p> <p>Non-Compulsory trades 2011-12 61.2% 2012-13 61.4% 2013-14 57.5% 2014-15 58.8% 2015-16 62.4% 5 year avg. 60.3%</p>	<p>Given the increased number of L1Cs moving through the system over the next two years, it is anticipated the RCR will remain stable at 60%.</p>

Measure	Description	Purpose	Methodology	2017-18 Target Explanation	2018-20 Trend Explanation
Total Employers Lead: Apprenticeship	Employers of apprentices drive demand for apprenticeship services.	The more employers engaged with apprenticeship, the higher the demand for SATCC services and the greater the capacity to meet the labour market need for skilled tradespeople.	The 5-year average number of employers. SATCC's planned "Employer Engagement" campaign to try to increase the number of employers participating in the apprenticeship system was not fully implemented due to fiscal restraint. When adding in the current economic context of slower growth, the target is reduced from the 5 year average.	2012-13 2,750 2013-14 2,813 2014-15 2,788 2015-16 2,689 2016-17 2,400* 5 year avg. 2,688 Rounded down to 2,400 given the current economic context and the employer engagement campaign was not fully implemented over the last two years.	Modest growth in the number of employers, up to 2,500 total employers by 2019-20, is expected as the provincial economy and labour market stabilizes.
Indigenous Apprentices Lead: Apprenticeship	The number of Aboriginal apprentices registered at year end.	Maintain a representative proportion of the SK Aboriginal population as apprentices compared to the general labour market.	The 5 year average as a percentage of total number of apprentices.	2012-13 13.8% 2013-14 14.8% 2014-15 13.9% 2015-16 15.2% 2016-17 16.0% (15.975) 5 year avg. 14.7% 14.7% of 8,200 = 1,210 rounded to 1,200	The target in the out years is projected to 2018-19 to 1,150 and rebound to 1,200 in 2019-20, given the forecast of modest growth in the total number of apprentices.
Female Apprentices Lead: Apprenticeship	The number of female apprentices registered at year end.	Women are under-represented in the SK apprenticeship system compared to the general labour market. This indicator will provide trend information.	The 5 year average as a percentage of total number of apprentices.	2012-13 8.8% 2013-14 9.1% 2014-15 9.1% 2015-16 9.3% 2016-17 9.8%* (800 of 8,200) 5 year avg. 9.2% 9.2% of 8,200* = 757 rounded to 750	The target in the out years is projected to be the same as in 2017-18, given the forecast of modest growth in the total number of apprentices.
Female Apprentices in Traditionally Male Trades (TMT) Lead: Apprenticeship	The number of female apprentices registered in PMT at year end.	Women are under-represented in the SK apprenticeship system in PMT. This indicator will provide trend information.	The 5 year trend of the actual number of apprentices in this category.	2012-13 377 of 10,023 = 3.8% 2013-14 445 of 10,352 = 4.3% 2014-15 454 of 9,953 = 4.6% 2015-16 464 of 9,437 = 4.9% 2016-17 410* of 8,200 = 5.0% 5 year avg. = 4.5% 4.5% of 7,900 = 355	The target for 2018-19 remains at 355 given the number of the overall number of apprentices and increases to 360 in 2019-20 with the increase in the overall number of apprentices.

Measure	Description	Purpose	Methodology	2017-18 Target Explanation	2018-20 Trend Explanation
Visible Minority Apprentices Lead: Apprenticeship	The number of visible minority apprentices registered at year end.	Visible minorities are under-represented in the SK apprenticeship system compared to the general labour market. This indicator will provide trend information.	The 5 year average percentage of total number of apprentices.	2012-13 3.7% 2013-14 3.3% 2014-15 2.8% 2015-16 2.3% 2016-17 2.1% (300* of 8,200*) 5 year avg. 2.9% 2.9% of 8,200*= 234 Target moved to 250 based on current year forecast of 300.	The target in the out years is projected to be the same as in 2017-18, given the forecast of modest growth in the total number of apprentices.
Apprentices with Disabilities Lead: Apprenticeship	The number of apprentices that self-identify with a disability, or an assessed learning disability, registered at year end.	Provide trend information regarding the number of registered apprentices with disabilities and learning disabilities.	Previous to 2013-14 information about apprentices with disabilities was tracked for those who self-identified with a disability. On a go forward basis, this information will be tracked on a combined basis, both self-identified and those provided with learning accommodations.	Target set at 500 based on 2016-17 year end number of 520* and 2015-16 year end number of 511.	The target in the out years is projected to be the same as in 2017-18, given the forecast of modest growth in the total number of apprentices.
Employer Satisfaction with the Training Lead: Apprenticeship	The Apprentice and Employer Satisfaction survey was conducted in 2007, 2010 and 2013. The survey is completed on a two year cycle and won't be completed again until October of 2017.	To provide employer satisfaction with quality of the journey person as a proxy for satisfaction with the training.	The target is an average of the percentage of employers who agreed or strongly agreed with the statement "Overall I am satisfied with the quality of the journey person following completion of apprenticeship."	2007 86% 2010 82% 2013 81% 2015 87% 4 year avg. 84% Rounded to 85% The statistical validity of the survey is 95% certainty within + or -5%. In management's opinion, a target of 85% is reasonable.	The statistical validity of the survey is 95% certainty within + or -5%. In management's opinion, a target of 85% in the out years is reasonable.
Apprentice Satisfaction with Training Lead: Apprenticeship	The Apprentice and Employer Satisfaction survey was conducted in 2007, 2010, 2013 and 2015. The survey is completed on a two year cycle and won't be completed again until October of 2017.	To provide apprentice satisfaction with on the job training.	The target is an average of the percentage of apprentices who agreed or strongly agreed with the statement "Overall I am satisfied with the quality of my on the job training."	2007 91% 2010 84% 2013 88% 2015 89% 4 year avg. 88% Rounded to 90% The statistical validity of the survey is 95% certainty within + or -5%. In management's opinion, a target of 90% is reasonable.	The statistical validity of the survey is 95% certainty within + or -5%. In management's opinion, a target of 90% in the out years is reasonable.

Measure	Description	Purpose	Methodology	2017-18 Target Explanation	2018-20 Trend Explanation
Trade Levels Harmonized Lead: Apprenticeship	The National Harmonization effort requires input from provincial and territorial (P/T) stakeholders to come to consensus re: <ul style="list-style-type: none"> • Use of Red Seal Name; • Use of current National Occupational Analysis; • Hours (work/training); • Levels; and • Sequence of Curriculum. 	Industry boards (Trade Boards and Curriculum and Examination and Development Boards) provide a forum for content-specific direction and specific feedback to the SATCC and the Harmonization Taskforce. This informs the Canadian Council of Directors of Apprenticeship's (CCDA) Harmonization efforts. SATCC staff support the Boards and collaborate with national, provincial and territorial partners to consult, develop and validate trade-specific information. Additionally, these meetings may be with training providers to validate provincial curriculum and delivery.	The number of harmonized technical training levels implemented as of the beginning of the technical training year. The implementation for harmonization is progressive, so the target will be a combination of 2 to 4 years. Trades with out-of-province training have been included.	<u>2017-18: 15 Levels Harmonized</u> Phase 1 Trades (Level 2) <ul style="list-style-type: none"> • Carpenter • Ironwork (Reinforcing and Structural) • Mobile Crane Operator • Tower Crane Operator • Welder • Metal Fabricator Phase 2 Trades (Level 1) <ul style="list-style-type: none"> • Automotive Service Technician • Agricultural Equipment Technician • Heavy-Duty Equipment Technician • Truck and Transport Mechanic • Construction Electrician • Industrial Mechanic (Millwright) • Plumber • Steamfitter/Pipefitter 	<u>2018-19: 17 Levels Harmonized</u> Phase 1 Trades (Level 3) <ul style="list-style-type: none"> • Carpenter • Ironwork (Reinforcing and Structural) • Mobile Crane Operator • Tower Crane Operator • Welder • Metal Fabricator Phase 2 Trades (Level 2) <ul style="list-style-type: none"> • Automotive Service Technician • Agricultural Equipment Technician • Heavy-Duty Equipment Technician • Truck and Transport Mechanic • Construction Electrician • Industrial Mechanic (Millwright) • Plumber • Steamfitter/Pipefitter Phase 3 Trades (Level 1) <ul style="list-style-type: none"> • Landscape Horticulturalist* • Boilermaker* • Sprinkler Fitter* • Sheet Metal Worker <u>2019-20: 17 Levels Harmonized</u> Phase 1 Trades (Level 4) <ul style="list-style-type: none"> • Carpenter Phase 2 Trades (Level 3) <ul style="list-style-type: none"> • Automotive Service Technician • Agricultural Equipment Technician • Heavy-Duty Equipment Technician • Truck and Transport Mechanic • Construction Electrician • Industrial Mechanic (Millwright) • Plumber • Steamfitter/Pipefitter Phase 3 Trades (Level 2) <ul style="list-style-type: none"> • Landscape Horticulturalist* • Boilermaker* • Sprinkler Fitter* • Sheet Metal Worker Phase 4 Trades (Level 1) <ul style="list-style-type: none"> • Insulator • Machinist • Refrigeration and Air Conditioning Mechanic • Rig Technician *These trades have out-of-province training.
Industry Response Time Lead: Apprenticeship	This measure tracks if the SATCC responds to 'industry issues' within the 30-day period mandated by its own policy.	The SATCC's policy is to respond to 'industry issues' (i.e. apprentice and employers concerns/needs) within a 30-day time period. The measure tracks the SATCC's effectiveness at meeting this policy goal.	The measure tracks the share of 'green sheets' which are completed within the 30-day timeframe mandated as per SATCC policy.	2012-13 95.8% 2013-14 93.2% 2014-15 88.5% 2015-16 99.4% 2016-17 98% 5 year avg. 95.0%	The 95% percent target will be increased in future years if monthly values continually exceed it. Marginal increases (to 98%) are appropriate if monthly values continually exceed 95%.

Measure	Description	Purpose	Methodology	2017-18 Target Explanation	2018-20 Trend Explanation
Ratio Compliance Lead: Apprenticeship	The SATCC has mandated apprentice to journeyperson ratios within its regulations. The measure tracks how employers comply in this area.	To measure number of inspected employers in compliance with regulated apprentice to journeyperson ratios. Employers may be counted more than once dependent on the number of onsite trades.	The target is the year-to-date percentage of all in-compliance employers inspected by field staff. There is a formal process under development for the selection of worksites to be inspected.	2016-17 98.9%* There is less than one year of data for this target. Therefore, management set a target of 95%.	The 95% target may be carried forward into future years. Marginal increases (to 98%) are appropriate if monthly values continually exceed 95%.
Employer Satisfaction with SATCC Lead: Apprenticeship and Corporate Services	The Apprentice and Employer Satisfaction survey was conducted in 2007, 2010, 2013 and 2015. Only the 2013 and 2015 survey asked customer and service satisfaction questions. The survey is completed on a two year cycle and won't be completed again until October 2017	To indicate employer satisfaction with SATCC service delivery.	The result is an average of the positive responses to 7 types of service SATCC provides to employers.	2013 91.2% 2015 94.2% 2 year avg. 92.7% Target set at 92% of employers indicate a positive response to 7 types of service SATCC provides to apprentices. The statistical validity of the survey is 95% certainty within + or -5%. In management's opinion, a target of 92% is reasonable.	The target in the out years will not be set until the results in 2017 are known.
Apprentice Satisfaction with SATCC Lead: Apprenticeship and Corporate Services	The Apprentice and Employer Satisfaction survey was conducted in 2007, 2010, 2013 and 2015. Only the 2013 and 2015 survey asked customer and service satisfaction questions. The survey is completed on a two year cycle and won't be completed again until October of 2017.	To indicate apprentice satisfaction with SATCC service delivery.	The result is an average of the positive responses to 10 types of service SATCC provides to apprentices.	2013 91.4 2015 91.5 Target set at 92% of apprentices indicate a positive response to 10 types of service SATCC provides to apprentices. The statistical validity of the survey is 95% certainty within + or -5%. In management's opinion, a target of 90% is reasonable.	The target in the out years will not be set until the results in 2017 are known.
Employee Engagement Lead: Communications	The Annual Employee Engagement Survey is an internally generated survey which asks employees a number of questions to measure aspects of their job satisfaction. The results are tabulated and shared with employees. The survey has been administered for the last four years.	Measure SATCC staff satisfaction.	The target is an average of the percentage of employees who strongly agree or agree with the following statement: "I find my work fulfilling and I look forward to coming to work each day."	2012 76% 2013 82% 2014 68% 2015 69% 2016 73.5% 5 year avg. 73.7% Target rounded to 70%, The target of 70% represents a minimum threshold of success for this measure.	Management has undertaken a number of initiatives to increase employee satisfaction. Management anticipates that it will be able to achieve a target of 70% given the current environment.
Share of Registered Apprentices in Technical Training Lead: Corporate Services	The provincial government grant and tuition fee revenues are sufficient to fund apprentice technical training.	In any given year, only a certain percentage of registered apprentices are ready to attend technical training.	The estimated number of technical training seats purchased in divided by the projected number of registered apprentices	2017-18: 5,900 seats divided by 7,900 apprentices = 74.6% rounded to 74%	2018-19: 5,900 seats divided by 7,900 apprentices = 74.6% rounded to 74% 2019-20: 5,800 seats divided by 8,000 apprentices = 72.5% rounded to 73%

Measure	Description	Purpose	Methodology	2017-18 Target Explanation	2018-20 Trend Explanation
Technical Training Fill Ratio Lead: Corporate Services	The SATCC compares the number of technical training seats purchased with the number of technical training seats used by apprentices.	More apprentices are trained.	<p>The fill rate is calculated by the number of technical training seats purchased being divided by the number of seats filled by apprentices. (The number of seats purchased and filled includes the upgraders seats as SATCC pays full price for those seats; the number of seats purchased does not include the number of apprentices who attend technical training outside of Saskatchewan.)</p> <p>The target is set using management's judgement as to what the optimal target is based on past experience and current human resources.</p>	<p>Due to operational changes and a focus on achieving the highest fill rate possible given the human resources available the target is being set at 98%; the optimal target in management's opinion.</p> <p>2012-13 96.6% 2013-14 98.2% 2014-15 99.0% 2015-16 98.6% 2016-17 98.1%*</p> <p>5-year Avg. 98.1% rounded to 98%</p>	The target for the out years stays at 98% because management believes it is difficult to achieve much more than this level of performance, without negative unintended consequences.
Sponsorship Revenue Lead: Communications	Sponsorship revenue generated to support the SYA Industry Scholarship Program and the Apprenticeship Awards Banquet	To defray costs associated with the annual awards banquet and to ensure the continued ability of the SYA scholarship to be awarded, sponsorship revenue is generated.	Average of the past three years of funds raised for the SYA Scholarship Program + 10% increase; and the 17-18 budgeted cost for the Apprenticeship Awards Banquet	<p>2017-18 Target = \$70K</p> <p>SYA Industry Scholarship 2014-15 = \$30,000 2015-16 = \$16,000 2016-17 = \$38,000* Average = \$28,000 + 10% increase = \$30,800</p> <p>2017-18 Apprenticeship Awards budget for Awards \$40,000</p>	The targets for the out-years are increased modestly based on increasing scholarship sponsorship funding.
Administrative Cost Change Lead: Corporate Services	Measures annual change in administrative costs, including SATCC staff salaries, but excluding training expenses.	<p>The purpose of this measure is track management's efforts to control budgeted administrative expenses, not including amortization, to ensure the efficient operation of the organization.</p> <p>Training expenses are excluded from this measure since these are not administrative expenses. Rather, training expenses represent the cost of purchasing training seats from training providers.</p> <p>Amortization is excluded because it's a non-cash expense.</p>	<p>Target ACC = [(Current Year's Budget AE – Previous Year's Budget AE)/Previous Year's Budget AE] x 100</p> <p>Actual ACC = [(Current Year's Actual AE – Previous Year's Budget AE)/Previous Year's Budget AE] x 100</p> <p>Administrative Expenses (AE) = [Total Expenses – Training Expenses - Amortization]</p>	<p>Target ACC = [(2017-18 Budget AE – 2016-17 Budget AE)/2016-17 Budget AE] x 100</p> <p>ACC = [(\$7.068M – \$7.189M)/ \$7.189M] x 100 = -1.7%</p> <p>2016-17 Budget AE = \$7.189M (= \$28.706M - \$21.383M - \$0.135M)</p> <p>2017-18 Budget AE = \$7.068M (= \$26.962M - \$19.867M - \$0.027M)</p>	This measure is to be determined annually based on budget direction and budgetary pressures. Therefore, no targets for out-years will be set.

Measure	Description	Purpose	Methodology	2017-18 Target Explanation	2018-20 Trend Explanation
Share of Non-Government Revenue (%) Lead: Corporate Services	The share of revenue generated from non-government sources such as Client Fees, Interest, etc.	Measures the reliance of the SATCC on government funding to generate revenue.	Non-Gov't Revenue = Client Fees + Industry Contributions + Products and Services + Interest Non-Gov't Revenue Share = (Non-Gov't Revenue/Total Revenue) x 100	Non-Gov't Revenue = \$5.432M Total Revenue = \$25.739M Non-Gov't Revenue Share = (\$5.432M/\$25.739M) x 100 = 21.1% rounded to 21%	Non-Gov't Revenue Share is expected to stay constant at 21.0% given current tuition and administrative fees. The target may increase in the future if new administrative fees are added and/or there are increases in existing tuition/administrative fees. However, these changes are unknown at this time.

*This is a forecast to year end based on May 31, 2017 actuals.