

Second Session – Forty-First Legislature
of the
Legislative Assembly of Manitoba
Standing Committee
on
Public Accounts

Chairperson
Mr. Matt Wiebe
Constituency of Concordia

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MANITOBA LEGISLATIVE ASSEMBLY
Forty-First Legislature

Member	Constituency	Political Affiliation
ALLUM, James	Fort Garry-Riverview	NDP
ALTEMEYER, Rob	Wolseley	NDP
BINDLE, Kelly	Thompson	PC
CLARKE, Eileen, Hon.	Agassiz	PC
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SCHULER, Ron, Hon.	St. Paul	PC
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**LEGISLATIVE ASSEMBLY OF MANITOBA
THE STANDING COMMITTEE ON PUBLIC ACCOUNTS**

Thursday, August 31, 2017

TIME – 2 p.m.

LOCATION – Winnipeg, Manitoba

CHAIRPERSON – Mr. Matt Wiebe (Concordia)

VICE-CHAIRPERSON – Mr. Reg Helwer
(Brandon West)

ATTENDANCE – 11 **QUORUM** – 6

Members of the Committee present:

*Messrs. Helwer, Johnston, Ms. Klassen, Messrs.
Lagimodiere, Maloway, Marcelino, Mrs. Mayer,
Mr. Michaleski, Ms. Morley-Lecomte, Messrs.
Wiebe, Yakimoski*

Substitutions:

Mr. Lagimodiere for Mr. Bindle

APPEARING:

*Mr. James Allum, MLA for Fort
Garry-Riverview*

Mr. Norm Ricard, Auditor General

*Ms. Lesley McFarlane, Executive Director,
Apprenticeship Manitoba*

WITNESSES:

*Hon. Ian Wishart, Minister of Education and
Training*

*Mr. James Wilson, Deputy Minister of Education
and Training*

MATTERS UNDER CONSIDERATION:

*Auditor General's Report–Management of
Manitoba's Apprenticeship Program, July 2017*

* * *

Mr. Chairperson: Good afternoon. Will the Standing Committee on Public Accounts please come to order.

This meeting has been called to consider the Auditor General's Report–Management of Manitoba's Apprenticeship Program, dated July 2017.

Committee Substitution

Mr. Chairperson: I'd like to inform the committee that under rule 104(2) that the following membership

substitution has been made for the meeting: Mr. Lagimodiere for Mr. Bindle.

* * *

Mr. Chairperson: Before we get started, then, are there any suggestions from the committee as to how long we should sit this afternoon?

Mr. James Allum (Fort Garry-Riverview): I was going to suggest until 3 p.m., and we can revisit at that point, Mr. Chair.

Mr. Chairperson: Okay, the suggestion has been that the committee would sit until 3 p.m. and then revisit at that time.

Is that agreed by the committee? [*Agreed*]

I would like to invite the minister and the deputy minister to the table. I see that they're already here and ready to go, and I'd like to invite you to introduce the staff that you've brought with you today.

Hon. Ian Wishart (Minister of Education and Training): Mr. Chairman, I have with me today at the table James Wilson, Deputy Minister of Manitoba Education and Training. He's been in that department for a little longer than a week and so he's had a learning curve. And also joining us at the table, if they would, is Jan Forster, assistant deputy minister, post-secondary workforce and development branch; and Lesley McFarlane, the executive director of Apprenticeship Manitoba.

Mr. Chairperson: Thank you very much, Mr. Wishart.

I'd now like to invite the Auditor General to introduce any staff you have with you at the table, and, if you'd like to make an opening statement, you may do so at this time.

Mr. Norm Ricard (Auditor General): Mr. Chair, I do have opening comments.

First, to my right is Sandra Cohen. She's the assistant auditor general, responsible for performance audits in our office—oversaw this audit in particular. And behind us is Grant Voakes. He's the principal responsible for the field work on this audit.

Mr. Chair, apprenticeships are important. They help meet industries' need for skilled labour and give workers an opportunity to earn while they learn. Apprenticeship Manitoba, a branch of the Department of Education and Training is responsible for administering the Province's apprenticeship program for the 55 trades designated as apprenticeship trades under The Apprenticeship and Certification Act. Its records show that the number of active apprentices grew significantly between 2007 and 2016, from about 5,800 to 11,300, an increase of 93 per cent.

Given the importance of apprenticeships and the program's rapid growth, we undertook this audit to assess the branch's administration of the program. More specifically, we examined its processes for overseeing in-school training, on-the-job training and apprentice progress. We also examined processes related to strategic planning and performance reporting. I'll highlight our key findings in each of these areas.

Mr. Chair, we found gaps in the oversight of in-school training. Apprenticeship Manitoba accredits certain trades-related training courses developed by high schools, colleges and other training providers. These courses are attended by people typically not yet registered as apprentices. Once registered as apprentices, they can seek credit for the successful completion of these courses. In our sample of 20 accreditation files, we found that while the branch ensured that the courses covered the standard curriculum, they lacked adequate assurance that most courses had qualified instructors, and, for about a third, that they were delivered in appropriate facilities, with suitable tools and equipment.

In addition, we found that the branch doesn't accredit the training courses it offers to registered apprentices and has limited alternative processes in place to oversee the quality of these courses.

Further, we identified issues related to the branch's purchasing of its training courses. In 2014-15, the branch paid about \$3 million for 904 unfilled training seats. That represents a 17 per cent vacancy rate, while at the same time only about half of apprentices chose to register for training.

In addition, since 2010, the branch has spent \$2.7 million for the development of online courses, but few courses have been offered to apprentices and enrolment has been low in those offered.

Mr. Chair, we found that processes for ensuring the quality of on-the-job training were inadequate. Employers can only register apprentices once the branch is satisfied that they will be able to provide suitable experience and the required level of supervision. However, there were gaps in how the branch verified and documented that employers met these requirements.

We found that the branch's workplace visits to monitor training were infrequent, undocumented and not risk based. They were also more focused on promoting greater participation in the apprenticeship system than on assessing the quality of training. We also noted that the branch only requires employers to report the hours worked by apprentices, not the types of tasks done, even though legislation requires the more detailed reporting. As a result, it is not possible to assess if apprentices are receiving the on-the-job training in all the required areas.

Apprenticeship legislation allows the branch to grant designated trainer status to individuals who are not journeypersons but who have sufficient trade experience. However, the branch doesn't verify the self-declared experience of individuals applying to be designated trainers.

In addition, the branch is granting apprentice-to-journeyperson ratio adjustments in circumstances other than those allowed under its legislation. Ratio adjustments allow a journeyperson or designated trainer to supervise a greater number of apprentices, potentially putting at risk the needed level of supervision and the quality of on-the-job training.

Mr. Chair, we found the branch was not adequately monitoring apprentices' progress towards program completion. Although the number of apprentices was increasing, there was no corresponding increase in the number of apprentices completing their apprenticeship programs and obtaining their trade designations—or certifications. Our file review showed the branch staff often didn't identify and follow up with apprentices failing to progress through their programs.

*(14:10)

And, lastly, Mr. Chair, we found that improvements were needed in planning, and a broader range of performance measures would better inform management, legislators and the public about the program's successes and challenges. We found the branch lacks adequate occupational forecasts

for its apprenticeship trades. Without these forecasts, investments and training resources may be misaligned and fail to meet industry needs. We noted that the branch has few goals related to providing quality training; most of its goals focus on growing participation in the apprenticeship system. And it lacks specific performance targets for its stated goals, as well as processes for identifying and managing risks.

In addition, unlike some other jurisdictions, the branch doesn't calculate program completion rates. It only calculates the number of apprentices annually completing their programs. This is like knowing the number of high school graduates, but not the high school graduation rate. We also found that the branch doesn't, on a regular basis, assess apprentice and employer satisfaction with the program.

Mr. Chair, the apprenticeship system is complex and involves many stakeholders, making oversight challenging. However, the department can do more to ensure that Manitoba's apprenticeship system is being properly managed. To this end, I am pleased that the department has accepted our 20 recommendations. We will be following up on the status of these recommendations as of September 30th, 2018.

Thank you, Mr. Chair.

Mr. Chairperson: Thank you very much, Mr. Ricard.

Does the deputy minister wish to make an opening statement?

An Honourable Member: The minister has one.

Mr. Chairperson: Would the minister like to make an opening statement?

Mr. Wishart: I'd like to thank the committee for the opportunity to provide an update on the Auditor General's report on the management of Manitoba's apprenticeship program. And I would like to thank the Auditor General for the good work that they had done in regards to this. I know it's a complex system, and it does take a little while to work your way through it. And I appreciate the amount of work that they have put into it.

The department accepts all of the report's recommendations. Since taking office in the spring of 2016, Apprenticeship Manitoba has been empowered to improve processes related to the oversight of in-school and on-the-ground—and on-the-job training, apprenticeship progression,

planning and performance rating. The audit work was conducted between January and December of 2015, examining processes in place that occurred between April of 2013 and June of 2015, when Apprenticeship Manitoba fell under the former Department of Jobs and the Economy. During that period of time, it had two different ministers, Theresa Oswald and Kevin Chief, at different periods.

Apprenticeship is a training program that consists of approximately 80 per cent on-the-job training and about 20 per cent in-class training. Industry employers and training providers are essential to the success of the apprenticeship training in Manitoba.

The department provides support to employers, apprentices and journeypersons in the administration of the apprenticeship and certification program. Apprenticeship and Certification Board advises the minister about Manitoba's skill labour needs and promotes participation in the apprenticeship training program. I am pleased that the department has already begun the work to address many of the recommendations identified by the Auditor General that will modernize and improve Manitoba's apprenticeship system. In fact, before the report even came out, we had moved to deal with a number of the problems that had been identified by the Auditor General, and I appreciate his backing up or providing validation of our concerns.

Our government is working to repair a system that had deteriorated during the previous administration. We will look to other jurisdictions for best practices and to inform decision making, and consult with our stakeholders to obtain feedback about how to better meet their needs.

This government has committed to building a strong workforce through the apprenticeship system to support current and future labour market needs. We look forward to continuing to improve services so that apprenticeship and certification systems remain responsible and flexible.

I would like to address a few of the recommendations specifically. Office of the Auditor General made 20 recommendations focusing on improving in-school and on-the-job training, apprenticeship progression and planning and performance.

The department accepts the report's recommendations. Many of the challenges are not

unique to Manitoba, and we are working with our partners in other provinces to provide improved practices. Manitoba's recent partnership in the New West Partnership will also help to share best practices and harmonize policy with our western neighbours.

The Apprenticeship and Certification Board noted in their 2017-18 Strategic Plan document that it is strongly supported—it strongly supported Manitoba's membership in the New West Partnership Trade Agreement, which will benefit apprentices through improved labour mobility between the provinces.

Thank you very much for the opportunity.

Mr. Chairperson: Thank you, Mr. Wishart.

Before we proceed further, I'd like to inform the committee of the process that's undertaken with regards to outstanding questions. At the end of each meeting, the research officer reviews the Hansard for any outstanding questions that the witness commits to provide an answer for and will draft a questions-pending-response document to send to the deputy minister. Upon receipt of the answers to those questions, the research officer then forwards those responses to every PAC member who was attending that meeting.

Therefore, I am pleased to table the responses provided by the Deputy Minister of Families to all questions pending responses from the June 19th, 2017, meeting. These responses were previously forwarded to all members of this committee by the research officer.

Before we get into further questions, I'd like to remind members that questions of an administrative nature are placed to the deputy minister, that policy questions will not be entertained and are better left for another forum. However, if there is a question that borders on policy, the minister would like to answer that question or the deputy minister wants to defer that to the minister to respond to, that is something that the committee will consider.

The floor is now open for questions.

Mr. Allum: Really a matter of process or protocol on—in relation to the statement you just gave about the roles and responsibility of the deputy and the minister here. Typically, the deputy minister would speak to the committee. My understanding that the department is not going to make a statement to the committee today.

Mr. Chairperson: If I could, I believe that's a question to the deputy minister, so I'll recognize the deputy minister answer that question.

Mr. James Wilson (Deputy Minister of Education and Training): I could go ahead with the rest of the statement, or I can just answer questions from the members.

Mr. Allum: Well, forgive me. I didn't see the deputy minister making a statement; I heard the minister making a statement on behalf of the department. I'm just saying the normal procedure for this committee—and it's just a question—but the normal procedure for this is for the deputy minister do speak and make statements and answer questions from committee, and the minister's simply here for answering questions that might be characterized as political questions.

So—but today, we've had quite the reverse. The minister, in fact, is making the statement on behalf of the department when it, in fact—arguably, it should be the deputy minister making that statement.

Mr. Chairperson: Right. Well—so—and I didn't exactly hear a question to one of our witnesses here today, but maybe I can try to field this one. I think we've allowed some leeway at the beginning of this meeting, which—I think you're correct, Mr. Allum, in identifying it as quite out of the ordinary.

I'd like to get us back on track. I'd like to focus on the recommendations in this report and hopefully get some clarification from the deputy minister. So I think I'm understanding that the deputy minister has a statement or a continuation of a statement that was read by the—or started by the minister, so maybe I'll recognize you, Mr. Wilson. You can continue with that statement and then we can get straight into questions.

Mr. Wilson: Okay, I'll start with the recommendations 1 through 5, which are oversight of in-school training. The first five recommendations address the oversight of classroom-based training, including technical training and accredited programs.

The department has started an internal review of accreditation processes and requirements to establish a comprehensive framework for all apprenticeship-related training. The department has also begun an external review of the provincial colleges, the results of which will inform policies on classroom training and accreditation.

* (14:20)

So recommendations 6 through 12 deal with processes for ensuring the quality of on-the-job training. Recommendations 6 through 12 address workplace training and the oversight of employers. Some of these recommendations will be addressed through the Apprenticeship and Certification Board's strategic planning process for 2018 through to 2021. Once adopted, this will only be the board's second multi-year strategic plan in the more than 40-year history of Manitoba's apprenticeship system.

The department is also reviewing and developing policies and procedures to ensure consistent interpretation and application monitoring and compliance of apprenticeship regulatory requirements.

In addition, the department is in the process of developing a new systems database, which I can get to in more detail later, to modernize and streamline the administration of the apprenticeship and certification system.

Recommendations 13 through 17 relate to supporting apprentices and trades qualifiers, including the need for improving processes for the recognition for prior learning, monitoring progress, essential skills and completions.

These recommendations have informed the development of Apprenticeship Manitoba's 2017-2018 strategic plan and strategies are being developed that will address these recommendations.

The final three recommendations identified the need to develop better forecasting mechanisms, risk management processes, performance measures, and reporting practices. The new systems database currently being developed will provide a platform by which to improve performance monitoring and reporting. In addition, participation and alignment with the departmental labour market strategy currently under development will support these recommendations.

So, to conclude, the department accepts the findings and recommendations made by the Office of the Auditor General. The report will serve as a valuable guide to improve the apprenticeship and certification system and increase accountability within the department, and I'm pleased to answer questions about the findings and recommendations in more detail.

Mr. Chairperson: Thank you, Mr. Wilson.

Mr. Allum: And I appreciate the deputy minister providing that additional information.

I want to say that I think this is a very good report and it's very constructive, and I think all of us around the table would want the most successful apprenticeship program that can be developed.

On page 1 of the report it articulates, I think, very, very quickly some of the good things that have happened. I'm wondering if the Auditor General might be able to articulate some of the very good things that have happened under the apprenticeship program in addition to the valuable suggestions made for improving it going forward.

Mr. Ricard: If I understand the member's questions, you're looking for positive comments within the report? I'm just trying to get clarification on what is being asked.

Mr. Allum: Well, I think—thank you—I think the point was that while I—we regard this as a very constructive report, it wasn't clear entirely of the many good things that have happened as a result of the work of Apprenticeship Manitoba and the apprenticeship program. I'm just wondering if you could articulate for the committee any number of good things that you found during your review about the apprenticeship program.

Mr. Ricard: The best way that I can—you have to remember, when we do our audits, we have specific objectives and specific criteria, and we report against the objectives and the related criteria. So all I can really comment on is what's included in the report and the conclusions that we came to for each of the main criteria or the objectives, and I guess I'll just refer the committee members to the table of contents because it is, in many ways, a bit of a summary of all of the findings of the audit.

And you'll note there are, I think, two in particular, two positive headings—I think that's what the member is getting at—I'll just find them for you here.

Certainly, 3.1.2, where we found indeed that most certificates were issued for all—you know, after all requirements were met and that's, indeed, a very important and positive finding. We also found that—I'm just looking for it here—that 1.1.1—that the accreditation processes were based on industry standards, so that's, of course, critical. It's important that the accreditation standards be based on what industry believes is important.

The other positive finding—really, it's imbedded in 4.1.1, where, you know, we noted it's a little bit of a two-pronged thing. Strategies were developed to increase participation in the apprenticeship system, and, indeed, the apprenticeship system did grow as a result of those strategies. They focused on growth and growth occurred. At the same breath, we indicated that they needed more goals related to the quality of the training provided, but certainly that's a positive indication of the—of how the program was managed.

Mr. Allum: I appreciate that answer and that was precisely the point is that while the report acknowledges growth and participation in the program, it kind of breezes over that quite quickly to get on to the quality-control and assessment issues, which, no argument, are very, very important. But, when we have increasing numbers of women in non-traditional roles, of the indigenous participation, the extension into the high-school program, the growth-participation rate ought not to be undervalued in relation to the other important recommendations that you've made, and so it was important, I think, to put that on the record, that while growth and participation has—warrants further investigation in many, many respects, it's also important to acknowledge the nature of growth in participation in that program for often folks who weren't otherwise involved in apprenticeship programs earlier on and it was important, at least to me, to get that on the record. So I appreciate that.

I want to ask the deputy minister, if I could, what plan in addition to responding—and I appreciate that you are responding and embracing all of the recommendations of the Auditor General—what is the government—what is the department's plan to grow the—and improve participation in the apprenticeship program? *[interjection]*

Mr. Chairperson: Mr. Wilson.

Mr. Wilson: Sorry.

Thank you for the question. My first time here at this committee, so it's—continues the steep learning curve, we'll put it that way. So—I'd—a number of areas, I think, in answer to your question, and the first would be the labour market strategy and looking at forecasting potential workforces in the future and what that will entail, as well as the current board, who have begun extensive consultations with the community of the broader Manitoba community. I know they've done a number of on-site visits throughout the province. They've done quite a

number of consultations, so those will all feed into this broader, long-term strategy, which, hopefully, equals growth of the—not only the number of apprentices but the number of people coming out of the apprenticeship system.

Mr. Allum: Thank you for that. So who—sorry—just for clarification: Who's doing the consultations and who will they be reporting to and will that report be made public?

Mr. Wilson: The existing apprenticeship board, which, I believe the members are—the members of the board are—I think that's information that's available to this committee and we can get you the location of where they've been and some of the people they've consulted with if you require that.

Mr. Allum: Thank you, I appreciate that. I'm just wondering whether or not there'll be a summation of the findings and that—whether that report would be made public so that all of us would have an opportunity to see it and see what there is to be learned from. *[interjection]*

Mr. Chairperson: Mr. Wilson.

Mr. Wilson: Yes.

* (14:30)

Mr. Allum: You don't have to be—all of us make the same mistake all the time, so don't you worry. I've made it a bazillion times already in my short time here, so not to worry about the protocol of Hansard.

Is there a plan within the government, the department's budget, to increase shop spaces within gyms, which the previous government—within schools, which we had dedicated quite considerable resources, once upon a time, to expanding shops that provide apprentice-level training? Is there a budget plan to increase, continue to increase, that within high schools—shops and whatnot—to ensure that high school apprenticeship programs continue to grow and thrive and provide our young people with opportunities for good jobs in the future?

Mr. Wilson: I think I will defer to the minister for that question, and—

Mr. Chairperson: Mr. Wishart.

Mr. Wishart: I appreciate the question.

Certainly, we are looking forward to working more closely with the K-to-12 system and the apprenticeship system. It's one of the reasons we changed the structure of the department in the form

that we have, so that we have inside one department now the linkages that were in two or it—perhaps three, to some degree, departments previous. So there's great opportunities that are associated with that. We are—and we are doing a colleges review as well, looking at how that linkage might be improved. As is noted, 20 per cent of the time of an apprentice—is spent at a post-secondary institution, usually a college, so that we need good linkages and we need the right courses available to them there.

We're certainly planning on expanding vocational options in the K-to-12 system. We're looking for opportunities to partner in regards to that. Shop space and the equipment that goes in it is very expensive, as I'm sure the member knows, but we are committed to a long-term plan not only to expand vocational space within the K-to-12 system but to find those partnerships that lead into the post-secondary institution. We see that very much as strengthening the—not only the apprenticeship system, but it also makes it clear to students that there is other options available to them and provide them with some role models, some mentors that can show them that there is some other way. So that they can see the future for themselves—identify with someone.

So we're certainly planning on doing that. It's one of the main reasons we changed the structure of the department, as we have done, to strengthen that approach.

Mr. Allum: I thank you for that.

I have a question both—I think I'd like the Auditor General to comment on, as well as the department, the deputy minister.

How is it possible—or what tools are available to better forecast supply and demand in various trades, because that's one of the central critiques of the report? No argument; that's important but not exactly simple either. So I'm wondering if there are suggestions in that 'recard' and whether the department could also respond as well.

Mr. Ricard: So we don't really—I can't really be specific in terms of the processes that should be followed. We didn't go that far in our research. We do comment, though, on page 38 where we say a national organization, led by the construction industry provides its own labour market information to advance the needs of its members.

So that just—what that told us is that it was possible. It would require—or we're not suggesting for

a minute that it would be an easy feat, but it seemed a very important and necessary thing to attempt to do.

Mr. Wilson: Thank you for the question.

We're doing a couple of things. The first is consulting with employers to figure out, both regionally and nationally, what the trends are and what the needs are and feeding that into a labour market strategy that will look at future trends.

Mr. Allum: Sorry, I just told the Chair I was finished, and it occurred to me that I had one other question for the department and maybe it would require Ms. Forster's expertise in this regard, but I'll leave that for you to decide.

Why—some of the central critiques of the report relate to absence of tracking around completion rates and that kind of thing. Why didn't that happen or did it happen but in a different manner, or is there an explanation for the committee so that we can understand why something that's seems kind of intuitive to the rest of us may not have happened or may not have happened in the manner which met with the approval of the Auditor General?

Mr. Wilson: Again, I'll try to break the answer in a couple of factors. One is the move towards harmonization, I think, has really helped in this regard, between provinces, both for the employer and for the employee. The introduction of a new apprenticeship management system, which will track data attached to the generalized data as well as more particular data around the apprentices working through the system, will also allow us to kind of measure performance more accurately. I don't know if that answers your question.

Mr. Allum: It's more a curiosity around why it didn't happen in the past, or did it happen, just happen differently? Just looking for some sense of why the observations and recommendations made by the Auditor General weren't, in fact, carried forward by the department in the past. No recognizing different circumstances completely, just trying to get a handle on why something that seems, I think, intuitive to all members, didn't happen, or maybe just happened, but it happened in a different way and I'm looking for some explanation for that.

Mr. Wilson: So the common definition of completion rates, I think, has been one thing that's complicated the issue. So was, you know—is four years completions, is it six years—at what level? So I

think that was definitely one factor that complicated that.

Mrs. Colleen Mayer (St. Vital): First of all, I want to thank the Office of the Auditor General. I have come to appreciate through the time we've spent together in this room how much value there is in the—how much work goes into your report and how much this helps not only the department to dig in, but how much it allows policy-makers to make good decisions going forward. So thank you very much for that.

And, to the department, thank you for grabbing these recommendations and starting the work already. I think that that's important. One thing that my grandmother, who only had a grade 7 education, instilled in me was that your education is your building block. And without that you really do stumble along in life. So it's really important that we have the systems in place that give every Manitoban the strongest opportunity to put their best foot forward because that's how we are going to be a stronger province all together. So thank you for that.

I wanted to start just—if you could just explain on page 9 of the report—this is for the department. Can you define what compulsory trade means as if—means with the apprenticeship program? I know what compulsory defined as, but as it refrains to apprenticeship.

* (14:40)

Mr. Wilson: So we have nine such trades in Manitoba, and it's—essentially you have to be a registered apprentice or have journeyperson's status. And that was a definition in essence for safety that was pushed by both—sorry, that was pushed by industry. So an electrician, as an example, you have to be a full journeyperson before you can practise.

Mrs. Mayer: Okay. So you mention the nine designated as compulsory. How—you said that industry—can you talk about that a little more? They had identified the nine and we can see them in the report as, you know, sprinkler system installer, etc., hairstyling. Why were those chosen? Was that based off industry information or just the recommendation—like, where did they come up with that?

Mr. Wilson: So industry comes forward with a formal request. The Apprenticeship Manitoba then makes sure that that's a broad industry request. And, basically, industry comes forward with the request and government validates that request and looks at—to make sure there's no overlap or anything like that.

So, again, driven by safety considerations and broader consultations with industry and employers.

Mrs. Mayer: Thank you very much for that answer.

Now do—does the Department of Education speak with the Department of Growth, Enterprise and Trade, as far as—you know, you talk about the labour market strategy. I would assume and it makes sense that looking forward or is that the board that you speak of that deals with that or is it department to department who helps gather information and crosscheck this—what the industry is telling you?

Mr. Wilson: This is one I don't have to ask [*inaudible*]

Yes, there's broad consultation between departments, both at the deputy level, ADM level, right down to the front-line staff who work quite closely and have a number of—numerous contacts with industry throughout Manitoba.

Mrs. Mayer: And has the department looked at—so you have the nine designated and there are others in there that are called—deemed voluntary, have—is it an annual thing that gets checked? Has there been any changes or shifts in what the nine should be or has there been any changes? Has—oh, I guess the (b), has it always been those nine or has there been shifts and it's fluid year over year?

Mr. Chairperson: So I'm just—if I could just recognize Mr. Wilson at the table, and just to inform the committee or remind the committee of our process here. So we do have the deputy, we have the minister at the table, but we also have staff members.

We did ask for and received leave in the House or through the rules of this committee that we could allow the assistant deputy minister to answer questions directly if she would like, but you would need to ask for leave of the committee.

So maybe I'll just do that. Is there leave of the committee to allow the assistant deputy minister to answer a question if she would like to?

Is there leave of the committee? [*Agreed*]

Mr. Wilson: Just to clarify, it's the executive director of Apprenticeship Manitoba.

Mr. Chairperson: Oh, my apologies.

So now I will recognize the executive director, then.

Ms. Lesley McFarlane (Executive Director, Apprenticeship Manitoba): Thank you.

No, it changes. It can change. For example, there's a current industry request on the table for plumber to be compulsory. So we're in the process of the industry in public consultations regarding whether or not plumber should be added to this list, to be made compulsory. And that may or may not be approved. And then, if it is, it would be a recommendation from the board, and we'd go to the minister to determine whether or not the value for Manitoba is there, to make that occupation compulsory as well.

And others could be revisited, that they should no longer be compulsory. So that's a fluid thing that can be determined, at any time, by industry bringing forward requests to go either way.

Mrs. Mayer: I, too, like Mr. Allum, that was going to be my last question, but I've got one more and then I will let others ask questions.

An Honourable Member: Don't follow my lead.

Mrs. Mayer: That almost never happens.

So anyways, back to page 35—or on to page 35, there is a graph that talks in regards to the number of apprentices, that that number is increasing versus the number completing in the course.

So completions seem to be flatlined. Like, can the department talk a little bit about some strategies that they are working on or things that you've identified with looking at this information, as it was pointed out by the Auditor General, the steep intake versus the low completion and what's happening with that?

Ms. McFarlane: There—we had—previously had quite a focus on growth, so there were a number of initiatives that were helping to grow the number, the total number, of active apprentices. And so that was, as has been pointed out, quite successful, and you can see that relatively steep curve in terms of growth of the number of active apprentices. At the same time, there wasn't necessarily the same focus around the energy to ensure that those apprentices were actively engaged and progressing well through their apprenticeship. And so we've moved to a more balance between growing the number of active apprentices and making sure that we're seeing progress through the system. So that should bring those two more in line, that the curves should align more closely. And that process is happening through a review that the department is taking through its strategic planning process. And we're going back and reconnecting with all of our apprentices that are

listed here as active apprentices. We've completed a pilot program to connect with them, and now we're rolling that out across the whole base of the apprenticeship to ensure that everyone that's—we're counting as an active apprentice is really engaged in the system and is moving towards completion.

But there is another element to it, I think, that's really important to point out, which is we're learning, as we talk about these complexities regarding completion, completion isn't always necessarily the only good thing. It is obviously a good thing. But there may be lots of scenarios, perhaps in a rural or remote community, where someone with a level 2 certification may be well and gainfully employed and satisfied in a rewarding career and doesn't necessarily need the level 3 and the level 4 and to obtain ultimate trades qualification or certification in their trade. And so we're looking to determine how we want to define that and how we need to factor that into what the goals are and to acknowledge that that might be also still a meaningful career for someone and it doesn't necessarily apply to that particular statistic of completion rate. So those are important considerations.

Mr. Scott Johnston (St. James): As per my friend, Mr. Allum, I would indicate that the—certainly, the report and the program that we're deliberating over today is certainly a benefit to all Manitobans, and I know that our government is working with due diligence to improve the program, and my compliments to the auditor for pointing out the essential things that need to be corrected in a program that we need to further enhance for the students of Manitoba.

My question is, is in regards to the relationship that you have with the K-to-12 education stakeholders: What is the relationship that you feel—this is more to the minister, I think—what is the relationship that you feel that needs to take place or it needs more enhancement with the school divisions, high schools in particular, to further enhance this program?

* (14:50)

We know that literacy and numeracy has been or is challenging within our province and we're working to enhance that. Can the minister indicate the relationship or the enhancement of the relationship with high schools to address the apprenticeship program?

Mr. Wishart: I thank the member for the question.

We're certainly working to try and develop those linkages, as I referenced earlier, that with the K-to-12 system and the opportunities that we see presented by the trades, in particular, the apprenticeship system. There's a number of places that we see opportunities to begin to work together.

There's—in the school system as it exists today, many people feel that there's an undue focus on post-secondary education alone—in particular, university—and not get the balance in there, because the trades are a very important part of our society. They're an important part of industry in Manitoba. And, unless students see more of that, have greater exposure to it, they don't realize that those options are available. And the range of trades, of course, continues to expand year to year because we're looking at things, at doing things through trades, such as the—well, pipefitting, in particular, has had—seen a great bump in numbers simply because of the sprinkler system requirement in many new constructions, and so it certainly created an additional demand. The same on the electrical side with security systems, we're seeing that as well.

And so people need to be aware of these opportunities. We're certainly trying to make that part of what the K-to-12 system expose them to. And don't take this wrong, but, I mean, every guidance counsellor has, I think, a bit of an innate bias built in, and they're all university grads. They certainly see that as the ultimate goal. And for a lot of people, that's a great goal to work towards. There's certainly a percentage of the population that wants to go there. But there is also a percentage of the population that are not so inclined. And the trades is a great destination for them, provides them with great opportunities and opportunity to educate themselves and have a meaningful career, a meaningful and well-paying career. The example I like to use to, when we get a group of students together, is how many poor plumbers do you know. And the answer is usually none. There's great opportunities in that occupation, and that's a lesson for them. And even though I know guidance counsellors try very, very hard to be even-handed, there is a bit of an innate bias that's built into the system. And so we need to provide opportunities to do that.

One of the best examples was the summer we had the skills competition here at RBC, and I hope some of you took it in. It was certainly well worth going to see. It was a demonstration for the national sales competition. And I think we had 1,800 competitors, but we had over 8,000 students go

through it, Manitoba students. We took advantage of that opportunity to showplace what the trades and the apprenticeship system have in terms of opportunities, and I—certainly the feedback has been very, very positive, and we're hoping that that will lead us to an increase in numbers and the number of individual students that see themselves with different options that—available that they didn't have before.

Mr. Brad Michaleski (Dauphin): Thank you, Auditor General, for a good report.

I'll get right to it. I'll go right to the—on page 44 where it's talking about the weak planning and performance reporting. I think it's very, very important that we track completions. It's not—this is—it's an important program. It's public money. And I actually take exception to the fact that it's—that it shouldn't be fully evaluated. It should always be tracked, because if you're pumping money into programs, you need to know where that money is going and what the results are going to be.

So I guess I'm going to go to question 18.(a) and just ask for some clarification on the mechanisms for forecasting supply and demand for apprenticeship trades. Can you shine a little light on what being—what's being done?

And I'll qualify that with the 93 per cent increase and the fail—and the flatline of people that are getting—that are still apprentices. Like, why is the increase—why is that spread widening? Like, what is the courses? And who are you consulting to create the courses? Where is that demand coming from to create the programs?

Ms. McFarlane: I will agree that we are absolutely concerned with performance measures in all aspects, and speaking to—being able to respond appropriately with how public funds are being spent. So we take that very seriously as well.

In terms of forecasting supply and demand for apprenticeship trades, which was, I think, the first part of your question, the report also speaks to fill rates in the schools—in the technical training and talks to looking for improvement in fill rates. And so we do—we have quite recently done some significant work that has made some improvement in our ability to adequately forecast the number of technical training classes that we need to be running and resulting in higher fill rates. So since this report's been generated, we've actually been able to improve the fill rates that we're seeing in our classes.

So I think that that's a really great thing, and we've done that through trend analysis over the last number of years and looking at the fill rates that we've been seeing and making sure that we're not scheduling classes more than we're going to be able to have completely full. So we're seeing quite an increase in fill rate for the classes just since this period, based on that, using analysis as opposed to previous practice, which was a bit more anecdotal. So I think that's one good thing.

And we are also definitely concerned about completion rates. And—I mean, I will say that if an apprentice is not attending technical training, we're not paying for their technical training. So I think that that's an important point to note. But we still, as an apprenticeship system, are deeply concerned that people are moving through the system and that they're not stalling out. If there's a good reason and they're satisfied or they've moved to a different career, that's one thing. But that doesn't mean that we don't want to measure that and we don't want to promote apprenticeship completions.

I'm a part of the Canadian Council of Directors of Apprenticeship, which is cross-jurisdictional across all 13 jurisdictions in Canada, and we have this as a topic of conversation where we discuss how we can make improvements on that, how we can better determine what the definition should be and how we can jointly be working towards ensuring that we are improving completions. And a big part of it, as he spoke before, is about ensuring that we're engaged closely with the apprentices and the employers to understand what barriers or challenges the apprentices are experiencing and the employers are experiencing, and then helping to remove those barriers so that the apprentices are able to be successful. It sometimes can come down to things like essential skills and helping them with that, because if they're attending technical training and they're not being successful, they may be having some kind of barrier with math or some of the other areas. So we're working to understand and assist and make improvements in all of those areas and working cross-jurisdictionally to learn best practices and share from that.

One other thing I could mention is just the availability of online training and being able to make that available to people that can help reduce the barrier for them to leave the work place and attend a block of technical training. And those are things that we're also working on. So there are a number of

factors and a number of things that we're working towards.

Mr. Chairperson: Before I recognize Mr. Michaleski, we're running up against our allotted time, here, of one hour allotted for the committee. So maybe I'll just put the question back to the committee. Just to let you know, I've got Mr. Michaleski for a follow-up question, Mr. Marcelino and Ms. Morley-Lecomte on my speakers' list, although there may be more.

What is the will of the committee in terms of our time here this afternoon?

Mr. Allum: Well, I would suggest that we certainly extend it to allow the members who are on your list right now to complete their questions. If at that point we're done, then I think the committee has done its work. But, at a minimum, Mr. Chair, I would suggest that we extend it to 3:30 if there are still additional questions. But, I think, we should—at—certainly take care of the members who have indicated that they want to ask questions.

Mr. Chairperson: Is there agreement from the committee? *[Agreed]*

* (15:00)

Mr. Michaleski: Just a quick question, because I don't know the term and what this—fill rate. Explain fill rate.

Ms. McFarlane: So, in the apprenticeship system, we publish a schedule of classes for apprentices to register for the classes, and it's up to apprentices to choose to register for those classes.

Many, many years ago, apprentices were told when they were going to technical training, but about 10 years ago we switched that system because employers felt that it was rigid and didn't allow them to, you know, find the best time for people to be away from their place of employment to attend technical training. So the opportunity exists for apprentices and employers to work together to register for technical training at the time that is most advantageous for the employer and the apprentice.

So, with that system, there is the possibility that a class could not be 100 per cent filled. Most of the classes are 12 students, and we could have a situation where there are eight, 10 or 11 or fewer students actually attending a class. So, in—the report speaks to—I think the fill rate was 83 per cent spoken to in this period, and so what I was speaking to is that fact that we've made significant effort to ensure that we

don't schedule classes unless we can be confident that we will be able to fill or nearly fill them, much more so than we had in the past. So we've used analysis to be more accurate with our scheduling, and we've also done work with our apprenticeship training co-ordinators, our field staff, to have them ensured that we're getting out there, if we're sitting at 10, that we're finding a couple more folks and contacting employers and apprentices to make sure that the classes are filled as much as humanly possible so that we're getting the maximum value for running that class.

Mr. Ted Marcelino (Tyndall Park): I thank the auditor for this report.

My first question is directed to the auditor, and would you tell us if there was any research as to the retention of the apprentices who were graduated from the program? Did you take a look?

Mr. Ricard: Just get some clarity on what your retention of apprentice—you mean the ability of an apprentice to find a full-time employment after graduation?

Mr. Marcelino: And staying in the province.

Mr. Ricard: That's not research that we as an office did. I'm not certain that the department has that information.

Mr. Marcelino: So same question to the department. Do we track retention of our apprentices or do they migrate to other jurisdictions?

Mr. Wilson: Sorry, can I ask for—can you restate the question, please?

Mr. Marcelino: Do we track the retention of our completed or of our apprentices who have been graduated through the program? Do we track them?

Mr. Wilson: As far as tracking them, whether they—so, if they're in the program they're employed already. Tracking in post-apprenticeship, if they stay in the province or not, we're not—currently do not—we do not track that, no.

Mr. Marcelino: Yes, and are there any plans to strengthen our forecasting abilities as to the supply and demand in the construction industry, at least? Do we have any plans at all?

Mr. Wilson: Yes, absolutely. So the work that the apprenticeship board is doing and the—feeding into the labour market strategy will help us forecast and predict, you know, what are the trades of the future

and what are the trends, where is the most need in the community, in the province.

Mr. Marcelino: The—there is a—I have some friends in the construction industry who are complaining about the lack of glaziers, meaning those who install those aluminums and—aluminum frames and those units—glass in the buildings that we are constructing now. And there's—they are complaining about the quality of work of some, meaning that there are some back charges that were, according to some of those who were involved in the industry.

So is there any quality control as to the training itself, or is that something that we just allow those who are delivering the programs to?

Mr. Wilson: I'll weigh in, and then I might ask Lesley to weigh in on this as well, but I know the—before training occurs, there's inspections of the site—where it will happen. Does it meet the standard as well as the instructors? Do the instructors meet the department's standard? It's an ongoing process, but maybe to get into some—Lesley can get into some details on that.

Ms. McFarlane: So the apprenticeship system is a system whereby approximately 80 per cent or more of the training actually is conducted on the workplace, and the other 20 per cent is connected in technical training. So there are elements that need to be looked at in terms of the quality control in both aspects of the training, and this report really speaks to the opportunity to continually improve the work that the department is doing to ensure the quality of both of those.

And so department staff, through our strategic plan, have work under way to ensure that we're providing a clear policy and direction to field staff to ensure that employers are providing the full range of the scope of every trade, not just glazier, but every trade, and ensuring that apprentices are getting the training that they need while they're in the workplace.

And then, while they're attending technical training, the report also speaks to the opportunity to look at improving the way that we ensure the quality of that as well. And so one of the things I think we mentioned earlier is that we're doing a review of our—well, two things: a review of our accredited systems and a college review. And both of those will inform us regarding specific ways that we can ensure that we're improving on the quality, constantly, of the

technical training that we're providing to apprentices. So both of those things are under way.

Mr. Marcelino: One last question: So you have a timeline as to when those reports might be?

Mr. Wilson: So we—the department has to report back on the Auditor General's Report by September 30th of 2018. Prior to that, the college review should have something back sometime before the new year.

Mr. Alan Lagimodiere (Selkirk): First of all, I'd like to bring three questions forward, one from my colleague Janice. She would like to know how long the current framework for Apprenticeship Manitoba has been in place, and has there been any change in the structure of the program in the last few years?

Ms. McFarlane: Well, the apprenticeship system in Manitoba has been in place since 1944, and, in all jurisdictions, it's a historic system that, really, you could say, almost dates back long, long before that, as long as there was a person mentoring someone else. Essentially, that's the concept that we have in the apprenticeship. But the actual apprenticeship system in Manitoba has been regulated since 1944.

*(15:10)

But yes, there have been lots of changes over that many decades, and there was one rather significant change point—about 2009 when the Apprenticeship Futures Commission produced a series of recommendations which have been all responded to, and the response to those is available on the Apprenticeship Manitoba website. And those—that was a kind of an inflection point where a number of changes in the system happened, and one of those was the thing I mentioned before, where we went from that previous—we called it school-call method, where we told apprentices when they were taking training to giving them that more freedom. So a number of things changed. That was probably the single one big review that resulted in a number of changes to the apprenticeship system most recently.

Mr. Lagimodiere: So, on my behalf, I would like to also thank the Auditor General for a very detailed and comprehensive report to the committee today. The report certainly does highlight some areas that we feel may be strengths with our program, but also highlights areas of identified weaknesses and gaps in the program.

The question, one of the questions I have, is in relation to page 38 of the report, where

figure 4, Apprentices from under-represented groups increased over the past 5 years—that was suggested that this is a strength.

I would like to know if the Auditor General—they are presenting here absolute numbers, and if we look at the indigenous population, certainly we know the indigenous population in Manitoba is one of the most rapidly growing segments of our population, and yet we only have 400—an absolute number of 400 numbers increasing in the apprenticeship program.

Is that number significant when we look at the population itself? Has it actually grown, or is it still the same percentage or a lesser percentage of the population?

Mr. Ricard: It's one of the things that's important to remember, in particular with respect to indigenous peoples, is, as we had identified when we—in our previous report on the education results from K to 12, that they need to self-declare. And so in this situation, it's hard to know if there are many indigenous peoples in the apprenticeship program who haven't self-declared for one reason or another.

So these numbers are the numbers that are in Apprenticeship Manitoba records. We didn't, ourselves, do anything to verify them. They are just what's in the records. And I just caution you, particularly for the indigenous peoples, because it—it does require that they self-declare.

Mr. Lagimodiere: Do we happen to know if the completion rates are the same or above average for these groups?

Mr. Ricard: The problem is the department doesn't calculate completion rates for anybody, so we don't know.

Mr. Lagimodiere: Going back to page 35, where we looked at the number of apprentices increasing, but no increase in the number completing the program, I guess my question is for the deputy minister. To me, looking at the graph, and if you say we're getting more people taking apprenticeship programs but we're relatively static in terms of the number graduating, to me, that would indicate a decrease in correlation between the number of people in the program and the number we're effectively graduating from the programs.

So the question is, what steps are going to be taken to help increase the correlation between the

number of people in the programs and the number of people graduating?

Mr. Wilson: If I can answer at the broader department, and then I'll maybe get into Apprenticeship Manitoba, one of the things we're strongly pushing within the department is performance measurement and key performance indicators, which, at a department level—so everybody within the department, their job, what they do on a daily basis would be feeding into broader goals and objectives of the broader department, and then—so this, of course, would be a pretty significant indicator, not the top of the funnel—that's important—but also how many graduate out of the bottom of the funnel. Maybe I'll ask Lesley to comment as well.

Ms. McFarlane: So there are several things we're doing to ensure there's better correlation. As I mentioned before, we're working cross-jurisdictionally to ensure that we're going to define completion the same way so that if you say completion rate in Manitoba and you say it in Saskatchewan and you say it in Nova Scotia, that that means the same thing, and that's one of the things that we're working on.

We're working on ensuring that when we define a trade to be an apprenticeable trade, that's done ensuring that there's value for Manitoba in doing so, so we're adding some value to the province by creating that. So we're ensuring that we have robust processes around defining what we're creating as an apprenticeable trade and not—if there's not value, then we're not doing it.

And we're defining and being more clear with field staff regarding our objectives about this and specifically what tasks and expectations and key performance indicators there are for them regarding follow-up with apprentices and employers and enabling them to be successful.

We're also doing a lot of employer consultations, and that's something that the board is undertaking, and Deputy Minister Wilson mentioned that earlier. And we hope to hear a lot from employers through that process; the board hopes to hear a lot from

employers through that process, to inform us about how we can help them to help their apprentices to be more effective. But virtually all the things that we're currently doing will ultimately need to be done to drive for improved completion rates because that's really what the game that we're in and that's what we're supposed to be here and doing.

The other thing that the board is doing is actually a review of its own governance structure and ensuring that it's as effective as it can be, that it's as streamlined as it can be and making things as effective and easy for employers to participate in the system as possible. And all of that will ensure that apprentices are moving through and successfully getting out the other side. *[interjection]* Well, and I did mention that before, and I don't want to—you know, I recognize that everyone understands and wants completion. Many people have told us that completion is not the only measure of their personal feeling of success, and so we've heard that repeatedly, especially in some of the more remote communities, that people feel that they are gainfully employed and yet they are not officially completed and they have no intention to complete. And, if there is perhaps another statistic that we can generate where we get a satisfaction measure that says, yes, I'm not completed but I am satisfied with my progress, and, you know, maybe other measures, because usually these things are not black and white but multiple factors can define whether or not the system is actually functioning well and effectively.

Mr. Chairperson: Seeing no further questions from members of the committee, I'll put the question to the committee.

Auditor General's Report – Management of Manitoba's Apprenticeship Program, dated July 2017–pass.

Before we rise—the hour being 3:20, what is the will of the committee?

Some Honourable Members: Rise.

Mr. Chairperson: Committee rise.

COMMITTEE ROSE AT: 3:19 p.m.

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