

# Labour Education and Training Research Network



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## The British Columbia College, University College, Institutes and Agencies Accord on Government Contract Training

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# **The BC College, University College, Institutes and Agencies Accord On Government Contract Training**

## **1. Introduction and Overview**

The purpose of this paper is to outline the background and context for the negotiation of the Policy Accord on Government Training Expenditures (generally referred to as the 'Training Accord' or, simply, 'Accord').<sup>1</sup> I also intend to provide a brief synopsis of the content of the Accord and some of the policy issues that it raised. And, finally, I will give a brief assessment of its impact over the past eighteen months.

I should also add, as a small personal note, that the perspective I bring on this issue has been shaped by the role I played as a member of a two-person team, headed by Deputy Minister Tony Penikett, that was assigned responsibility for negotiating public sector accords for the Province.<sup>2</sup> As a consequence, I am most familiar with the history of the negotiations. However, I have tried to provide an account of other processes and issues that were directly related to the Accord negotiations. And, finally, I should add the caveat that this paper reflects my own perspective on the Accord and is not necessarily the official policy of the Government.

The Training Accord was the result of three distinct initiatives. One was the work carried out by the colleges, university colleges, institutes and agencies (colleges<sup>3</sup>) and their faculty unions to have a more effective voice in the development of policies shaping the evolution of the college system in BC and, more specifically, their desire to obtain a greater share of the Government's contract training and education purchases. A second was a shift in the framework for collective bargaining from locally based negotiations at individual institutions to a sector-wide (or more accurately, near sector-wide) approach. A third was the Provincial Government's interest in exploring policy initiatives that would facilitate achieving settlements at the bargaining table in the context of its limited financial resources.

## **2. A Voice in Educational Policy for the Colleges and College Faculty Unions**

On the educational policy side, the Training Accord was made possible by a number of significant policy developments, starting in the early 1990s, and culminating in agreement on a new policy framework for the college, university college, institute and agency system. This was set out in the document "Charting a New Course"<sup>4</sup>. It represented the completion of a co-operative process between the Ministry of Education, Skills and Training (now called the Ministry of Advanced Education Training and Technology - MAETT), college presidents, members of college boards, faculty/staff unions and students. Through this process they jointly identified a number of key challenges facing the college system and mapped out a strategy for addressing these challenges.

"Charting a New Course" represented a significant break from the past in a number of ways. It approached post-secondary education and training issues from a system-wide perspective. While acknowledging - and respecting - the strengths of individual institutions, it focused on system-wide planning, increased flexibility in delivery of programs, planned introduction of new educational technology and the development of new programs and delivery systems to meet the needs of an increasingly diverse group of learners. It outlined a vision of the future which was learner centred, outcome oriented, integrated on a system wide basis, flexible in curriculum/delivery mode/location and innovative in terms of incorporating new technologies and new partnerships.

In conceptualising the need for system-wide initiatives and the need for partnerships among the various stakeholders, the process of drafting "Charting a New Course" facilitated a much better understanding of common issues and problems confronting BC's public college system. It also underlined the need for planning on a system-wide basis and the need for policies that would allocate resources in a manner that would maximise system-wide economies and synergies.

One of the issues identified in the consultations leading to "Charting a New Course" was the difficulty colleges were having in winning Provincial Government training/education contracts. These contracts are normally awarded on the basis of a competitive tendering process or, in the case of smaller contracts, by local managers through a direct award process. (They are not to be confused with the core funding provided by the Ministry for regular programs.)

Provincial ministries, crowns and agencies purchase a wide range of training; both for their own employees and for individual clients they serve. Examples include: welfare-to-work training programs, computer and technology skills, management and professional development, ESL, foster care training, adoption worker training and a wide range of skills development (forestry, health care, etc.). Using a very broad definition of training, the BC Government and its Crowns and agencies were spending an estimated \$250 million, annually, on training purchases.<sup>5</sup> Very little of this went to the public colleges.

The reason for this was found in the Government's historic approach to tendering contract training. Over the years, the Province had established policies that restricted the ability of the public system to bid on training contracts. Many tenders explicitly excluded public colleges from the tendering process by stating that bids would only be accepted from private providers. Even where colleges were permitted to compete, Government managers had wide discretion over how they handled the tendering process. Frequently, they excluded public colleges from bidding lists, either deliberately, or through oversight. In addition, local managers often had authority to give out smaller contracts through a 'direct award' process. While the practice varied, a significant number of managers felt it was inappropriate to allocate this work to the public sector.

The public, post-secondary institutions and their unions believed such restrictions were not in the public interest. They prevented Government from taking full advantage of its very large investment in the public system. This included not only the physical infrastructure, but also the Government's investment, through the public colleges, in curriculum content and in the professional development of instructional staff. The public colleges wanted a level playing field, in which the preferences given to private providers would be eliminated and Government training purchases would be able to make a larger contribution in support of the public system.

The faculty unions and a number of colleges were also concerned about the expansion of private training in BC. They felt that some of its growth was a result of past Government policies that favoured the private sector. The unions, in particular, saw the expansion of private training as a long-term threat to the viability of public training and education and, as a consequence, were interested in finding ways to strengthen the public system.

The Government was interested in improving the competitiveness of BC's college, university college and institute sector (or post-secondary system). It wanted to address impediments to the provision of training services by public institutions. These included the sector's lack of flexibility in the scheduling and location of training, lack of focus on the training needs of ministries and Government clients, gaps in regional training programs and inexperience with the tendering process. The Government felt that it would be beneficial to the colleges, as well as the broader public interest, if they could develop a more flexible and competitive response to its training needs. However, this required a commitment by the colleges and their unions to meet the Government's requirements.

The Government also realised that one of the key strengths of the public college system was its ability to offer provincially - and nationally - recognised and transferable credentials (degrees, diplomas, certificates etc.). Such credentials were important to employees, in terms of advancing their education and careers, and employers, in terms of knowing the standards of training and competency associated with these credentials. The college system also had the ability to deliver programs in all regions of the Province in a manner that reflected the unique needs and circumstances of BC residents.

### **3. A Sector-Wide Approach to Bargaining**

The second factor that made it possible to negotiate an Accord on training was a shift to sector-wide, central table bargaining by most of BC's colleges, university colleges, institutes and agencies and their corresponding union locals.

In 1993 the Korbin Commission, established by the BC Government to review labour relations in the broader public sector, recommended establishment of a Public Sector Employers' Council (PSEC) to bring together employer representatives from all parts of the broader public sector. It also encouraged setting up sector-wide employers' associations where they did not already exist. College, university college and institute

employers were brought together as a statutory council under PSEC through the Post-Secondary Employers' Association (PSEA). It was composed of presidents and human resource managers as well as representatives of PSEC and the Ministry. However, certifications and bargaining were still based at individual institutions and negotiations were conducted on an institution-by-institution basis.

The two unions representing college faculty (College Institute Educators' Association [CIEA] and British Columbia Government and Service Employees' Union - [BCGEU]) came to believe that a sector-wide approach to bargaining certain issues would make sense. They understood that the Province was the ultimate funder and that major decisions about wage increases and benefits on the employers' side had to be approved by PSEC and, ultimately, the Minister Responsible and Cabinet. A central table brought negotiators closer to the real paymaster.

The process of moving towards a more centralised approach to bargaining was voluntary and incremental. A framework agreement between the unions and a majority of colleges was negotiated in the mid-1990s. The first round of central table bargaining involved the 1996 agreement. However, a number of colleges and institutes were not part of the negotiations. Nevertheless, the majority were able to reach agreement on key central table issues, with each institution and its union(s) left to resolve local issues on their own.

Aside from agreement on issues such as wages, one outcome of this first round of negotiations was the establishment of the Contract Training and Marketing Society (CTM), a joint union-employer organisation funded by the Ministry. It was established to promote and market the training and education programs of BC's public colleges to Government and other potential purchasers. It was also established to foster co-operation among the colleges, including pooling of resources and the development of a more co-operative approach to bidding. It was intended to be a vehicle through which the training capacity of the colleges could be marketed centrally, providing a 'one stop shopping' approach for potential Government purchasers who might otherwise be wary about the prospect of tendering to two dozen public institutions.

CTM was also created to act as a central 'clearing house' through which colleges could co-ordinate the marketing of their training programs, and thus minimise overlapping investments, duplication and wasteful competition. CTM's staff was expected to liaise with Government ministries, crowns and agencies, explain the training capacity of the college system and indicate that they could provide assistance in co-ordinating bids from the college sector. The fact that the CTM was already in place before the Accord process began proved critical to its subsequent implementation.

#### **4. The Accord Process**

The public sector Accord process began in January 1998. It was a new initiative by the Provincial Government to explore the feasibility of negotiating agreements on public policy issues with unions and employers in the broader public sector. It was to be carried out parallel to, but quite separate from, collective bargaining. Accord negotiators represented the Government in its capacity as policy maker, not as employer. The latter role was the responsibility of PSEC and the sectoral employer councils (including PSEA).

In initiating the Accord process, the Government was mindful of the fact that contracts covering over 250,000 public sector workers were due for renewal in 1998 and that it had limited fiscal capacity to fund large wage increases. The Government's collective bargaining objective was to negotiate three year agreements with wage settlements following a pattern of 0% in the first year, 0% in the second and 2% in the third. However, it recognised that the unions would find this pattern very difficult to accept. In light of this situation, it believed that it might be possible to identify and address public policy issues of concern to unions and employers whose solution would make it easier for the parties to reach agreement at the bargaining table within the Government's monetary mandate. The major caveat about such solutions is that they also had to be defensible as good public policy and in the broader public interest. In addition, the Government indicated that all policy solutions reached through the Accord process had to be 'cost neutral'.

It is perhaps worth noting that the BC Government, like other governments, deals with a very large number of policy issues. Whether an issue becomes sufficiently visible to be added to the legislative, or regulatory, agenda of government is dependent on a wide range of factors. Numerous issues, including many that have merit, never get addressed for reasons of time, other priorities, or lack of a catalyst to put them on the political agenda. The Accord process provided a vehicle through which employers and unions could address some of these issues.

The Government considered negotiating Accords with all the major unions and employers at a central table. However, it rejected this idea in favour of a sector-by-sector approach. One factor in this decision was the negative experience of the Ontario 'social contract' negotiations that had proved unmanageable because of the disparate interests and views of the numerous participants. Another factor was a belief that policy solutions needed to be sector specific so that they would have an impact on the parties engaged in collective bargaining in the sector. The accord(s) had to have a real value to the parties involved in ratifying collective agreements to be effective in getting settlements.

The Government did not have a preconceived agenda of policy items for the Accord process. Rather, it believed that the policy issues had to be identified by employers and unions, not Government. This would ensure they would be sufficiently important to facilitate getting settlements at the bargaining table.

## 5. Negotiating the College Training Accord

The process of negotiating the college training Accord began with introductory meetings between Accord negotiators, college faculty unions and college employers. A number of potential policy issues were identified, discussed and subsequently discarded. However, this initial canvassing of options resulted in a consensus that there was a significant opportunity to explore the feasibility of giving public colleges greater access to Government training contracts.<sup>6</sup> Government negotiators consulted with the Ministry of Advanced Education and Training (MAETT) to obtain its views on such an Accord. The Ministry took the view that such an agreement was possible, but its content would need to be carefully negotiated to ensure it met the test of sound public policy.

Once at the table, the three parties realised that there were differing interests and perspectives on a number of the critical issues.

As noted earlier, the Government's interest was to make the colleges more flexible and competitive. It wanted to ensure that if the colleges obtained a greater share of training contracts, this would not result in the creation of a new 'entitlement'. Rather, it wanted the colleges to succeed on the basis of becoming more efficient, cost effective and responsive to the needs of Government, its employees and its clients. It did not want the costs of training contracts to increase as a result of the Accord for this would defeat its objective that all policy changes would be 'cost neutral'. At the same time it wanted to obtain better value from the very significant public investment in BC's public college system.

The Government was also aware that an Accord with the public colleges could impact on other providers of training and education services. There are approximately 1,100 registered private training institutions in BC. The Province's private trainers account for more than half of all private training institutions in Canada.<sup>7</sup> A significant number of for-profit and not-for-profit training providers obtain training contracts from the Government. Consequently, the content of an Accord had to meet a strong public interest test to justify any new arrangements that might shift additional training contracts to the public colleges.

College employers wanted better access to Government training purchases. However, they were concerned that the renewal of tendered contracts was not guaranteed and, therefore, that they would have difficulty providing a level of job security for employees funded through contracts that was comparable to the job security provided in collective agreement provisions based on core funding. Also they were concerned about adapting to the requirements of contract tendering, delivering training on site, providing service flexibility and other matters which might require new investments and/or changes to working practices and collective agreements.

Faculty unions wanted the public colleges to obtain a much greater share of the estimated \$250 million in Government training contracts. This would provide colleges with more revenue that could, in turn, create more jobs and provide greater job security for college faculty. They advocated an agreement that would give colleges a 'right of first refusal' on

all Government tendered training contracts. At the same time, they were opposed to any weakening of provisions in their collective agreements in areas such as job security.

Serious negotiations began in early 1998 and continued through the late spring. The parties held about a dozen major negotiating sessions. Sub-committees were established to work on certain elements of the Accord. Employers and unions consulted widely with their respective constituencies, while Government negotiators did the same within Government itself. Senior MAETT staff worked closely with Government negotiators throughout the process and the Deputy Minister was at the table during the final negotiation sessions. Once the Accord was signed, a second process began with the same participants. It involved interpreting and applying the Accord's commitments to a variety of situations. This process went on until the spring of 2000.

## **6. What's In the Accord?**

The Accord is designed to establish a different relationship between the Provincial Government, as the purchaser of contract training, and the public colleges and their faculty unions with respect to the tendering and awarding of Government training and educational services contracts. There are three elements to this new relationship. Each involves additional obligations and additional benefits for the three parties concerned.

On the part of the Government, it involves a commitment to 'enhance the role of public trainers' through five specific initiatives. These include: 1) a review of the tendering process to eliminate barriers to public colleges obtaining contracts; 2) supporting the Contract Training and Marketing Society; 3) promoting partnerships between colleges and Government ministries, agencies and Crowns; 4) strengthening the accreditation process for non-public providers; and 5) requiring Government managers to 'first consider' the use of public educational institutions before they consider offering training contracts to other providers. With respect to this last point, first consideration would be given to the colleges where their services were equivalent to those of private providers in terms of quality, cost effectiveness and a range of other relevant factors. In other words, if the offerings of the public colleges are essentially equal to those of competing private providers, public colleges will get preference.

The issue of 'first consideration' was one of the most contentious matters to resolve. As noted, unions and college employers wanted a 'right of first refusal' on tendered contracts. The Government strongly resisted this approach because it would eliminate the incentive for colleges to improve their competitiveness. Moreover, a simple entitlement could increase costs and would be difficult to defend, particularly in the context of a tight fiscal situation. And it would raise concerns about whether Government was being even handed in its dealings with other training providers.



The compromise reached - that the public colleges would be given 'first consideration' as long as they were competitive with private providers - reflected a balance between Government's interest to ensure the deal was in the broader public interest, and those of the colleges and unions who wanted greater access to training purchases. This formulation subsequently became the subject of almost a year's further discussion after the Accord was finalised, because it had to be interpreted in the context of a wide variety of different tendering situations.

To ensure that the public colleges had full access to tendered training contracts, the Government also eliminated all restrictive contract tender language that had previously excluded public colleges from bidding on training contracts. Managers who, in the past, had taken the view that it was somehow 'unfair' for public colleges to compete with private providers - and excluded them from bidding - were now required to give them first consideration.

Finally, the Government agreed to establish a joint implementation process involving representatives of the colleges and unions. It recognised that there were a wide range of issues and situations that would need to be addressed if the Accord were to be implemented effectively. Government purchasing policy had to be amended. The application of the Accord to specific situations in Ministries, crowns and agencies, as well as with respect to training for clients of Government had to be worked through. Government committed to a process that would address these issues over the following year.

The second element of the Accord was a commitment by the colleges to implement changes to enable them to meet Government training needs more effectively. This meant a willingness to deliver services at Government workplaces or other locations suitable to Government where required. It meant providing services at times and in geographic locations which met Government needs. It meant tailoring the content of programs to suit Government priorities and requirements. It meant investing in course development, internal staff training and, in some cases, new facilities. It meant learning to respond to Government RFPs and contract tenders quickly and in a format that met the requirements of Government's tendering process. In other words, colleges were to become more responsive to Government needs and more flexible and cost effective in the way in which they delivered training and educational services.

College employers also undertook to share the benefits of the Accord with their employees in a 'fair and equitable' manner.

The third element was a commitment by the faculty unions to work closely with the colleges to ensure that they would be able to compete successfully for Government training contracts. The unions recognised that if they were to make the Accord work effectively, they would have to make some adjustments in working practices. The quid pro quo was that more work would be provided to their members. This did not mean that longstanding collective agreement provisions addressing issues such as job security,

hours of work and other matters would be changed. Rather, it meant that agreements would be modified in a limited way in areas where it would improve competitiveness and result in the achievement of more training contracts. In return, the unions would gain additional jobs and a greater degree of job security for faculty whose positions were funded through contract training.

The unions also accepted the Government's position that implementation of the Accord was contingent on reaching a collective agreement within the Government's fiscal mandate. In a sense, this was the most fundamental *quid pro quo*.

In addition to the obligations and benefits set out in the Accord for the three participants, the document contained a number of other provisions to address a range of issues the parties anticipated would arise in its implementation. For example, the scope of the Accord was defined to include Government ministries, Crowns, agencies and clients of these bodies. The Accord referenced - and thereby further legitimised - the role of the Contract Training and Marketing Society, strengthening the Ministry's commitment to the CTM's role in co-ordinating relations between the colleges and Government. At the same time, the role of not-for profit training providers was acknowledged and respected.

It was understood by all involved that the outcome of the Accord would be a gradual, incremental shift in training and education contracts to the public colleges. It would not result in a sharp reduction of the value and volume of contracts going to the private, for-profit providers and would have a negligible effect on the not-for-profit providers.

## **7. Opposition to the Training Accord**

The Government believed that the impact of the training Accord would be slow and incremental, shifting a relatively small proportion of contracts each year to the public colleges. This approach reflected the fact that the colleges themselves needed time to develop new programs, hire staff and put in place needed infrastructure to enable them to deliver additional training. Moreover, there were many well-established relationships between private providers and Government ministries and agencies that would still be in place: colleges would have to demonstrate their competitiveness if they were to obtain these contracts. In short, while change would occur, it would do so in a manner that avoided major disruptions to existing relationships.

While not publicised, the negotiation of the Accord was no secret: college employers and unions were consulting widely with their respective constituents, in some cases reporting on negotiations in their newsletters on web sites. There were also numerous consultations within Government. Consequently, private training providers became aware of the issues surfacing in the negotiations and began lobbying to have the negotiations terminated.

Opponents of the Accord initiated a major lobbying campaign, contacting Ministers and MLA's to persuade them either to stop the process, or include them in the Accord. They feared that the Accord would result in a dramatic shift in training contracts to the public colleges and that many of their training operations would end up closed or dramatically downsized.<sup>8</sup>

Opponents of the Accord were broadly divided into two camps: for-profit and not-for-profit providers. These two groups shared certain interests, but not others. The not-for-profit groups covered a wide range of training services from cross-cultural training, professional and legal training, industry/occupation specific societies, union apprenticeship schools, and a wide range of other services. They tended to be locally or provincially, based and were often connected to a not-for-profit-society, cultural organisation or registered voluntary charitable group.

The for-profit sector included both individual trainers (often professionals) and a range of small, medium and large training companies, some locally based and some operating as subsidiaries, or franchises, of major multi-national companies. The reference in the Accord to accreditation raised concerns among the smaller for-profit providers because most were not accredited and they were worried that they would be eliminated from Government tendering if they did not go through this process. However, the issue of accreditation had been dealt with extensively in a quite separate process. It was fundamentally one of standards and consumer protection for students and only peripherally associated with the Accord. The Ministry took steps to address the concerns of the smaller providers.

The Parties to the Accord did not want to disrupt contracts received by the existing community based not-for-profit agencies. Nor did they want to shift work from other public providers, including universities, institutions outside the college sector bargaining table and the public school system. Community based, not-for-profit agencies that had delivered or developed training products, services or programs for a minimum of 2 consecutive years and met the selection criteria had their programs' contracts 'grand parented' until March 31, 2001. Other public educational institutions were permitted to take advantage of the provisions of the Accord. However, they did not have the assistance of the CTM. Nor did they enjoy the same level of consultation about Accord implementation as the unions and colleges party to the Accord.

For the larger, for-profit providers, the Accord signalled a shift in Government policy from tacitly supporting the expansion of private trainers to one of strengthening the public college system. While the direct impact on their activities would be small and incremental, the signal of support for the public system was one they strongly opposed. Their continuing expansion was, in part, dependent on a diminishing role for the public system. Through organisations such as the Association of Service Providers for Employability and Career Training (ASPECT) they tried to reverse the Government's policy direction.

The Government was not willing to abandon the Accord process for the reasons noted above. However, it did provide a commitment that it would consult with the private trainers and give their interests a fair hearing. This was done - and done conscientiously. The Ministry initiated a major consultative process with the not-for-profit and for-profit trainers to hear their concerns and also to explain that the changes promoted by the Accord would be incremental and carried out in a manner that would be sensitive to the impacts on private providers. The Ministry also attempted to address other concerns of the private training industry, such as the impact of a rapid introduction of accreditation on smaller providers. These consultations were subsequently considered in the development of the Operational Policies and Guidelines by the Implementation Steering Committee.

## **8. Implementation of the Accord**

Implementation of the Accord was contingent on an agreement at the bargaining table. This did not occur until the autumn of 1998. However, on a good faith basis, considerable work was done during the summer and early autumn in anticipation of a settlement (and assuming that it would be within the Government's mandate, which it was).

An Implementation Steering Committee, which included the parties plus representatives from the Purchasing Commission of the BC Government, the Public Service Employee Relations Commission (PSERC), Crown corporations and CTM was established to work through the numerous and often complex issues associated with implementing the Accord. It was agreed that the date for official commencement of the Accord would be April 1, 2000.<sup>9</sup>

There were numerous challenges. Some of the Accord language was ambiguous and needed interpretation and clarification. While the Accord established a broad policy framework, it had to be applied to a wide range of different tendering situations. The Government's contracting policies and procedures - including the language of tender documents - had to be revised to incorporate the commitments made in the Accord. Communications material had to be developed to explain the Accord to a number of diverse audiences (Government managers, agencies, crowns, private trainers, etc.)

Government contract tendering regulations varied according to the size of the contract being awarded. For example, the Government permitted contracts of between \$5,000 and \$25,000 to be awarded on a 'direct award' basis without competitive tendering. For contracts within this dollar range, the concept of 'first consideration' was implemented by requiring managers to first consider awarding contracts to public institutions. If they decided to use a non-public provider, they had to document the rationale for this decision, including the public providers they had considered.

For contracts of over \$25,000 (which are normally awarded on a competitive basis), managers were required to give first consideration to a public institution's proposal if it met or exceeded the proposals of private providers. Government also moved away from

the old system of selected bidders' lists which often excluded colleges because, historically, they had not tended to be included on such lists. The BC Bid process that was more open and public replaced this old approach. This new system also ensured that colleges were given full information about contracts being tendered.

Managers were also required to ensure that the contract selection criteria were suitable for the training to be purchased. Where appropriate, they were now expected to take into account selection criteria such as quality of facilities, faculty qualifications, student support systems, laddering opportunities, ability to award provincially recognized credentials, transferability of credits and other relevant criteria.

Finally, managers were asked to carry out their contract tendering in a manner which would facilitate implementation of the 'spirit and intent' of the training Accord.

The parties to the Accord recognized the need to oversee the implementation process on an ongoing basis. On conclusion of the work of the Implementation Steering Committee, a Policy Accord Review Committee (PARC) was established, comprised of representatives of the same groups on the original Implementation Steering Committee. It began the process of establishing a Government-wide annual reporting system covering all contracts greater than \$5,000 awarded to public, non-profit and for-profit providers. The first full year of this reporting system (fiscal 2000-01) will provide the baseline enabling Government to have annual reports on the value and percentage of contracts going to each sector. In addition to monitoring implementation of the Accord, PARC is also mandated to identify and support pilot programs or activities with the public colleges.

## **9. Assessment of the Impact of the Accord**

The impact of the Accord can be assessed from the perspectives of the colleges, college faculty unions and the Government. From the college perspective, perhaps the most critical test is how much new contract work it is providing. From the perspective of college faculty, the test is the number of jobs created, and more importantly, the number of these that are going to bargaining unit members. And, from the perspective of the Government, the test is whether the Accord has resulted in colleges becoming more responsive to Government training needs in terms of issues such as of quality, efficiency, cost effectiveness and flexibility.

It is simply too early to answer these questions in a scientifically valid manner. It is not yet possible to provide accurate, comprehensive statistics about the impact of the Accord, using indicators such as the number and value of additional contracts awarded to the public colleges or the number of faculty jobs created. However, as noted earlier, new systems have now been put in place to collect such data in the future.

One reason for the lack of information is that until this year the Government did not have a system in place to collect this data across Government ministries, crowns and agencies. There was no centralised, Government-wide, data collection system that identified contract training expenditures as separate items in each ministry's budget. Funds spent on training were buried in a range of other budget items. However, as a result of the Accord, the Government, through MAETT, PSERC and the Purchasing Commission, will be identifying and documenting the number, cost and type of training contracts. This is being done in a standardised manner across ministries and Crowns, using comparable definitions and methodology. As a consequence, it will permit year-on-year comparisons that will provide the parties with valuable information about the impact of the Accord on training purchases.

Another difficulty in assessing the impact of the Accord is that it is not easy to separate the effects of the Accord from other developments, such as the establishment of the CTM and the advocacy work the colleges have carried out independently. And, of course, there are the normal issues around defining what constitutes a training contract for purposes of the Accord process, given the wide variety of types of training arrangements funded by Government.

The Accord has assisted the colleges in addressing some of the other impediments to bidding on Government tenders. The replacement of bidder lists by an on-line bidding process insures that colleges (and other providers) have access to tenders that previously were circulated to a restricted group of providers. The standardisation of tender response timelines at a minimum of four weeks has also been helpful. Previously, tenders would require response times as short as one week which made it virtually impossible for colleges to submit properly formulated bids. The new timelines not only enable the colleges to meet tender deadlines: it gives them a chance to improve the quality of their proposals. It also enables them to develop co-operative responses that pool resources from several colleges to create a higher standard of tender proposals. And it enables them to include elements in their proposals, such as regional training, which require more extensive planning and co-operation.

The Accord also appears to have led to a shift in the attitudes of some Government managers towards the colleges. Many managers have been persuaded that they should operate in the 'spirit of the Accord' and, therefore, should ensure that the colleges are given full opportunity to bid on contracts. The Accord has also made it easier for CTM to engage in 'relationship building' with Ministries, Crowns and agencies because it is now Government policy to support the provisions in the Accord. As a result, the colleges have developed a better understanding of the needs of Government, while Government managers have a better sense of the capacity of the colleges to deliver training services.

CTM has also been formally recognised in the Government's operating manual that sets out the rules for tendering contracts (GMOP) as a contact point for Government managers. A Policy Accord Review Committee, successor to the original Accord implementation committee now meets regularly to evaluate progress on the Accord. It has

two sub-committees, one overseeing the development of the database and reporting system and the other dealing with contract management issues.

While the Government has only recently put in place a comprehensive data base for assessing the impact of the Accord, the Contract Training and Marketing Society (CTM) has been able to collect data on the value of contracts awarded to colleges with assistance from CTM.<sup>10</sup> During 1997/98, its first year of operation, CTM assisted colleges in obtaining contracts with a value totalling \$325,000. By September of this year, the cumulative total of contracts had risen to \$11.6 million. Some of this increase would have occurred as a result of CTM's activities, independently of the Accord. However, the Accord gave CTM additional clout in its efforts to persuade Government managers to look at what colleges had to offer when they assessed their training needs. Consequently, the sharp increase in the value of training contracts in the most recent years may be attributed, at least in part, to the Accord. The following table summarises the total value of training contracts in which CTM played a role during the past 4 years

#### **CTM Project Summary<sup>11</sup>**

<b>Year</b>	<b>Amount</b>
1997/98	\$325,000
1998/99	\$692,670
1999/00	\$2,257,790
2000/01	\$3,185,263
2001+	\$5,175,000
<b>Cumulative Total</b>	<b>\$11,635,723</b>

The impact of the Accord from the perspective of the faculty unions also appears positive. The unions were concerned that the additional work generated by the Accord be shared with bargaining unit members. Both the unions and the CTM believe that this is happening and the value of additional contracts supports this interpretation. It has also created additional work outside teaching as some faculty positions are now partly, or entirely, devoted to contract management. Thus in terms of providing more jobs and greater job security, it has fulfilled its goal, albeit in a modest manner.

As noted earlier, a major objective of the exercise from Government's perspective was achieving a settlement within the mandate. This it did. It also enabled the Government to put more money into the colleges without having to increase its total spending. With respect to the objective of making colleges more competitive and more responsive to Government's training needs, it appears that they are making significant progress, but it may be too soon to make a definitive assessment. It might be argued that the fact that colleges are bidding successfully in the context of a competitive process is an indicator

that changes wanted by Government have occurred. However, this is essentially anecdotal. It does, however, speak to the desirability of developing a methodology for assessing its impact on the quality and cost effectiveness of training provided to Government by the colleges.

## **10. Conclusion**

In this paper, I have provided an account of the background to the negotiations of the Training Accord and an outline of the principal objectives and interests of the parties involved. I have described the process of negotiating the Accord and the key elements of its content. I have also attempted to outline some of the issues faced by the parties in its implementation. And, finally, I have provided a brief assessment of its impact thus far in giving the public colleges a greater share of Government training purchases.

There are a number of features of the Accord which make it a unique public policy initiative. Certainly the decision to link Accord negotiations with achieving a settlement at the bargaining table was a new and, I would argue, quite significant development. It provided a reason for the Government to focus on the public policy concerns of the colleges and their faculty unions in the area of contract training purchases. (This point was often difficult to get across to other providers who wanted the Government to give them the same benefits, but without any quid pro quo in return.)

In a modest way the experiment seems to have worked, not simply from the perspective of resolving a collective agreement, but also in terms of laying the foundations for a new relationship between colleges, college unions and the Government in the area of contract training and education. How this relationship will evolve in the coming years is a matter for speculation. However, there are grounds for believing that this experiment may prove to be one of the more interesting - and perhaps lasting - public policy initiatives of the Government.



## Notes

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<sup>1</sup> The full text of the Accord is included on the Ministry of Advanced Education, Training and Technology website at: [www.aett.gov.bc.ca/policy\\_accord](http://www.aett.gov.bc.ca/policy_accord)

<sup>2</sup> Mr Tony Penikett was the Chief Public Sector Accord Negotiator and Associate Deputy to the Premier during the accord process. He had overall responsibility for the project and I worked with him throughout the negotiations. The success of the project was very much a result of his exceptional negotiating skills.

<sup>3</sup> The term 'colleges' is being used here to describe the various categories of post secondary institutions in the sector (colleges, university colleges, institutes and agencies). Within the Province, the preferred term is 'institutions', rather than colleges, because the latter term refers, specifically, to only one kind of post-secondary institution. However, for purposes of making it easier for participants at the Conference from outside BC to follow the discussion, I have chosen to use the term 'colleges' to refer to the entire group of post secondary institutions.

<sup>4</sup> Ministry of Advanced Education, Training and Technology, "Charting a New Course" available on the Ministry website [www.aett.gov.bc.ca/strategic/newcourse](http://www.aett.gov.bc.ca/strategic/newcourse)

<sup>5</sup> This was a very rough estimate: there was no Government/Crown/agency data system that identified all training and educational expenditures. One of the outcomes of the Accord process was to establish a new data system in which training expenditures were clearly identified.

<sup>6</sup> It should be noted that there were two other Accords negotiated in the college sector that involved faculty. One provided improvements in the College Pension plan, including a \$5million fund drawn from the surplus in the plan to facilitate the early retirement of about 100 college faculty. A second Accord, between the Government and the two unions was reached to establish joint trusteeship of the governance of the College Pension Plan.

<sup>7</sup> The official number may be higher in BC because the Province's definition of private trainers is much broader than in other jurisdictions and because BC's registration requirements are more stringent.

<sup>8</sup> The following are the three main private organisations that expressed concerns about the accord: the Association of Service Providers for Employability and Career Training (ASPECT), the Affiliation of Multicultural Societies and Service Agencies of BC (AMSSA) and the British Columbia Career Colleges Association (BCCCA). Two other significant groups were included in Ministry consultations: the Community Skills Centre Consortium of BC and the BC School District Continuing Education Directors' Association.

<sup>9</sup> The extensive nature of the consultative process is reflected in the minutes of meetings and other documentation available in the section of the MAETT's web site dealing with the Training Accord ([www.aett.gov.ca/policy\\_accord](http://www.aett.gov.ca/policy_accord)).

<sup>10</sup> This information is restricted to contracts for which CTM provided assistance. It does not include all Government/Crown/agency contracts with colleges. Contracts awarded to individual colleges bidding on their own outside the CTM process would not necessarily be included.

<sup>11</sup> Data supplied by CTM.

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