

**MODIFICATION AGREEMENT
(AMENDMENT #11)**

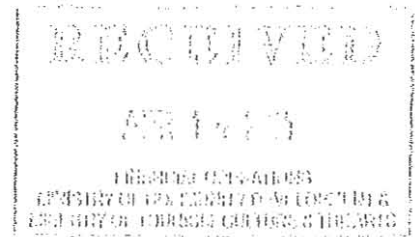
BETWEEN

HER MAJESTY THE QUEEN IN RIGHT IF THE PROVINCE OF BRITISH COLUMBIA, represented
by the Minister of Jobs, Tourism and Skills Training

(the "Province", "we", "us", or "our", as applicable)

AND

British Columbia Construction Association
#401-655 Tyee Road
Victoria, BC V9A 6X5



(the "Service Provider" "you" or "your" as applicable)

BACKGROUND

- A. The parties entered into an agreement identified as contact number CA90109004 and dated the 8th day of April, 2009. (the "Agreement")
- B. The parties subsequently modified the Agreement on: the 13th day of October, 2009; the 14th day of May, 2010; the 15th day of October 2010; the 1st day of November, 2010; the 27th day of October, 2011; the 18th of May, 2012; the 13th of March, 2013; the 26th of March 2013; the 23rd of January, 2014; and the 24th of January, 2014.
- C. The Parties have agreed to modify the Agreement as subsequently modified, on the terms and conditions set out herein.

AGREEMENT

The parties agree as follows:

- (1) That the attached Schedule A is added to the Agreement for the period April 1, 2014 to December 31, 2014. The Service Period will commence April 1, 2014 and end November 30, 2014. The Term end date is December 31, 2014 to allow sufficient time for the Service Provider to compile and submit a Final Report as outlined in paragraph A.11 of the Schedule A.
- (2) The revised Term of the Agreement is: April 15, 2009 to December 31, 2014. That the attached Schedule B is added to the Agreement for the period April 1, 2014 to November 30, 2014. The contract value is increased by \$4,660,021 for a total revised aggregate value of \$22,845,880.

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- (3) That Section 13, Termination, be revised to add the following paragraph 13.03:

13.03 The Province may also, at its sole option, terminate this Agreement without cause upon 30 days written notice to the Service Provider. The payment of the amount required under paragraph 13.02 of this Agreement will discharge the Province of all liability to the Service Provider under this Agreement.

- (4) In all other respects, the Agreement is confirmed.

Regardless of the date of execution or delivery of this Modification Agreement (Amendment #11), this Modification Agreement (Amendment #11) is effective as of March 31, 2014.

SIGNED AND DELIVERED on the ____ day
of _____, _____ on behalf of
Province by its authorized representative:
signatory

Signature: _____

Print name: _____

SIGNED AND DELIVERED on the 4 day
of April, 2014 by or on the
behalf of the Service Provider (or by its authorized
or signatories if the Contractor is a
corporation)

Signature: _____

Print name: _____

SCHEDULE A
STEP (Skilled Trades Employment Program)

For the Period: April 1, 2014 to November 30, 2014

A1. SERVICE PERIOD

Notwithstanding the date of execution and delivery of this Agreement, Services will commence on **April 1, 2014 and end November 30, 2014**. The Term end date is December 31, 2014 to allow sufficient time for the Service Provider to compile and submit a Final Report as outlined in paragraph A.11.

A2. PURPOSE

The purpose of the STEP Program (the Program) is to strengthen and grow BC's construction sector by enhancing opportunities for eligible unemployed persons and low skilled workers to gain employment and advancement in construction related careers.

The goal of the Program is to engage Participants in a process that will result in: an assessment of personal suitability for a career in the construction sector; identification of and completion of training and/or skills upgrading programs leading to acquisition of relevant credentials required by employers; and ultimately, placement and transition into ongoing employment in construction related jobs.

The Services in Schedule A are meant to strengthen and grow BC's construction sector by:

- a) Supporting 1,333 British Columbians in developing and upgrading employment related skills; and, arranging for their transition and/or placement into immediate job openings in the construction sector.
- b) Supporting employers by connecting job-ready unemployed individuals into immediate job openings in the construction sector.
- c) Enhancing the labour market information knowledge for BC construction businesses and education/training institutions through communication of information gathered through the administration of the Program.

A3. POINTS OF ACCESS:

The Program will be available throughout the Province of British Columbia with specific points of access as follows.

- Vancouver
- Abbotsford

- Victoria
- Nanaimo
- Prince George
- Prince Rupert
- Fort St. John
- Terrace
- Kitimat
- Dawson Creek
- Penticton
- Nelson
- Kelowna
- Kamloops

A4. DEFINITIONS

In the Schedules:

- a) A **"Participant"** means an individual who meets the Participant Eligibility Criteria described in Section A8 below and whose application to participate in the STEP program is approved by the Service Provider in consultation with the participating Ministries funding the program (Ministry of Jobs, Tourism and Skills Training and Ministry of Social Development and Social Innovation).
- b) **"Participant Case File"** means all information submitted by a Participant to the Service Provider, whether oral, written or electronic, including on any forms used in the Service Provider's provision of the services, and includes any Personal Information about that Participant contained therein.
- c) **"Participant Action Plan"** means a written schedule of goals and activities, customized for each Participant, showing how and when a Participant will gain skills, training and credentials leading to employment and/or career advancement upon completion of the Program.
- d) **"Personal Information"** means recorded information about an identifiable individual, as defined in the *Freedom of Information and Protection of Privacy Act* (British Columbia) ("FOIPPA");
- e) **"Construction Jobs"** are directly related to B.C.'s construction industry and defined as:
 - i. Primary: Entry level or skilled construction jobs including carpenters helper, electrical helper, labourers, pipe layers and others that work directly on the construction site.
 - ii. Secondary: Jobs that work directly for a construction company or its immediate subcontractor and required to work on the construction site

to complete other business/construction functions such as security guards, camp cooks, bookkeepers, flaggers, etc.

- f) An **'Employer'** is defined as a business that hires people for jobs within scope of A4(e) and:
- i. is a legal entity that controls and directs a worker under an express or implied contract of employment and pays (or is obligated to pay) him/her salary or wages in compensation;
 - ii. is appropriately registered and/or licensed to operate within British Columbia;
 - iii. is registered and in good standing with the Workers' Compensation Board of British Columbia.
- g) **"Partners"** means delivery agents sub-contracted by the Service Provider who are qualified to provide relevant training or certification or perform specialized literacy assessments and/or utilize specialized assessment tools.
- h) **"Service Period"** means the period April 1, 2014 to November 30, 2014. No services, other than preparing and submitting a Final Report will be delivered for the period December 1, 2014 to December 31, 2014.
- i) **"Trade Employment Specialists"** or **"TES"** means trades people with experience in the construction industry who will be trained and qualified for the role of assessing Participant suitability and skills, finding employment opportunities, matching Participants with employment opportunities, and fostering a Participant's transition to employment and/or career advancement through training, apprenticeship, and satisfactory working conditions.
- j) **"Job Placement"** means arranging for a Participant to be formally hired by an employer upon completion of the Program into a new and/or vacant position with an employer with whom the Participant has not previously worked with in the 6 months prior to enrolment in the Program.
- k) **"Program Completion"** means a Participant who fully participates in and substantially completes all activities identified in their Action Plan over the duration of their term of enrolment in the Program. A participant who leaves the Program before substantially completing 80% of the activities identified in their Action Plan is deemed to have "left early" and not completed the Program. A Participant who substantially completes their Action Plan but is not placed into a job is deemed to have completed the Program but cannot be counted as a job placement.
- l) **"JTST"** means Ministry of Jobs, Tourism and Skills Training

m) "MSDSI" means Ministry of Social Development and Social Innovation

A5. DELIVERABLES

A5.1 The Service Provider will deliver the following services:

- a) Design, manage and operate regional service delivery and provide outreach services as outlined in A3, including the direct provision of training and services to Participants and Employers outside of the Identified locations where need is demonstrated and the budget allows.
- b) Promote the program to potential Employers, potential Participants and potential industry or community partners through a communication plan which includes activities such as:
 - i. direct person-to-person contact;
 - ii. requesting referrals from other Employers and/or existing industry networks or non-governmental organizations;
 - iii. targeted advertising via print, direct mail, broadcast;
 - iv. distributing marketing materials (e.g. brochures, newsletters, flyers and/or posters);
 - v. promoting the program through community projects, job fairs, tradeshow, conferences and school presentations;
 - vi. publicizing the program in newsletters and trade journals; and
 - vii. implementing media relations campaigns (including but not limited to taking Ministry representatives, media, and other persons on work site tours).
- c) Inform the Province in advance of any advertisements or media relations opportunities and cooperate with the Province in making any public and/or media announcements regarding the program and the details of this Schedule.
- d) Engage the services of Trades Employment Specialists to screen and assess potential Participants to identify if Participants:
 - i. are suitable for the program and for immediate employment in the construction sector based on criteria defined by the Service Provider.
 - ii. meet eligibility criteria under either the Canada Job Fund Agreement (CJF) or Labour Market Development Agreement (LMDA), as defined in this Schedule under A8.

Where it is not clear if the client meets the eligibility criteria, the Service Provider will consult with the Ministry of Jobs, Tourism and Skills Training.

- e) Engage the services of Trades Employment Specialists to develop written action plans for each Participant enrolled in the program. The Participant action plan is developed

based on assessed client needs, not solely on eligibility for available financial supports.

The action plan identifies:

- i. relevant certificates currently held by the Participant;
 - ii. relevant skills and experience;
 - iii. potential match(es) in the construction trades, and with area employers;
 - iv. related issues such as transportation, re-location, family commitments, expectations of the workplace;
 - v. wage and position expectations;
 - vi. training/employability tickets that are required for the position;
 - vii. supports required such as clothing, safety items, tools and equipment required to perform the job on the work-site. These supports should not replace what an Employer would generally be expected to provide to an employee;
 - viii. other supports needed to enable Participants to get to/from the worksite for the first two weeks of employment prior to receipt of their first pay check. (for example, mileage, fuel, bus passes or short-term accommodations).
- f) Recommend and provide funding to support formal assessments and/or training for Participants (based on the Participant action plans), through Partners, including:
- i. training and/or certification – develop or coordinate delivery of workshops or training that is required through legislation, or by an employer, for employment in specific jobs. For example, safety training, first aid, flag person training, upgrading etc.
 - ii. For LMDA funded Participants:
 - a. the pre-employment training time should not exceed more than 60 hours, except in instances where the Service Provider deems appropriate based on the and skill level of the Participant and identify as needed to sustain employment.
 - b. where possible, pre-employment training will be limited to less than 10 hours a week.
- g) Provide pre-employment supports for Participants (based on the Participant action plans) including:
- i. clothing and safety items – identify and coordinate purchase of items required to perform the job on the work-site. Such items may include warm and reflective jackets, boots, gloves, etc.
 - ii. tools and equipment – identify and coordinate purchase of items required to perform the job on the work-site such as tool belts, hammers, etc.
 - iii. other supports – mileage, fuel, bus passes for first two weeks of employment to and from the worksite until first pay received, or longer in exceptional pre-approved instances. For LMDA Participants, financial

supports must not exceed maximum allowances under LMDA policy as amended from time to time by the Province.

- h) Engage the services of Trades Employment Specialists to develop Employer action plans:
 - i. Identify job vacancy needs with construction Employers;
 - ii. approach/recruit Employers for Job placements for STEP Participants;
 - iii. for each Participant the Employer hires:
 - i. Develop a plan which clearly articulates:
 - a. terms of employment (Minimum of 30 hours/week for up to, or beyond, 24 weeks, start date, wage, etc.), and
 - b. training plan/supports to be provided to the Participant by the Employer and/or Service Provider.
- i) Match Participants into vacant jobs with Employers (Job Placement).
- j) Provide post-employment supports to facilitate and support a job placement which may include:
 - i. supports needed to enable Participants to get to and from the worksite for the first two weeks of employment prior to receipt of their first pay check. (for example, fuel, bus passes or short-term accommodations).
 - ii. wage subsidies are not an eligible support under this Agreement.
- k) Monitor job placement outcomes:
 - i. ensure a good fit exists between Participant and Employer by following up with the Participant (minimum via telephone, in-person wherever time permits) at eight weeks of employment and three months of employment* after the date of placement with the Employer.

*Three months of employment follow up is required only for LMDA funded Participants. Three month follow-up with CJF funded Participants will be completed through a third party survey/evaluation process administered by the Province.

A6. THE PROVINCE'S OBLIGATIONS

- a) The Province will support the Service Provider by providing funding as per the Schedule B attached.
- b) The Province will NOT provide:
 - o participant nor business referrals or
 - o operational advice.

A7. OUTCOMES

The Service Provider will make its best efforts to serve **1,333 Participants (533 LMDA Clients and 800 CJF Clients)** and place them into vacant jobs that provide a minimum of 30 hours employment per week for up to, or beyond, 24 weeks (6 months).

A8. ELIGIBILITY DETERMINATION

Prior to accepting an individual into the program, the Service Provider will determine whether or not the individual qualifies as LMDA or CJF eligible as defined below. The Province will provide tools to assist the Service Provider in determining LMDA or CJF eligibility.

The Service Provider is required to advise applicants in receipt of BC Employment Assistance to contact their Ministry of Social Development and Social Innovation case worker.

The Service Provider is requested to refer non-suitable or non-eligible clients to their local WorkBC centre for information about other programs available and the required eligibility.

Labour Market Development Agreement (LMDA) Eligible

Eligibility requirements for an LMDA eligible client will be established, and confirmed by, the Ministry of Social Development and Social Innovation, based on the definition of "insured participant" under Section 58 of the *Employment Insurance Act*.

LMDA Participants must have been confirmed as unemployed by MSDSI, (or meet allowable exceptions to eligibility criteria prescribed by the Province), over 16 years of age and be legally eligible to work in British Columbia and are eligible to collect EI benefits or have had an EI claim in the past 3 years.

Canada-BC Job Fund Agreement (CJF) Eligible

CJF Eligible "Participants" are defined as:

- (a) an unemployed individual who is determined to be a non- EI Client;

An "unemployed, individual" is defined as an individual who is not self-employed or working full-time or part time. A "non-EI client" is an individual:

- i. who is not eligible for assistance under labour market programs provided by the Canada Employment Insurance Commission under Part II of the *Employment Insurance Act*, or
- ii. who is not eligible for assistance under any similar labour market programs provided by British Columbia which are funded by the Canada Employment



Insurance Commission under a Labour Market Development Agreement entered into between Canada and British Columbia pursuant to Part II (section 63) of the *Employment Insurance Act*.

iii. more specifically, a non-EI client is an individual who:

- a. has not established a regular EI claim in the last three years; and,
- b. has not established a maternity or parental claim in the past five years.

(b) an employed individual who is low skilled, in particular employed individuals who do not have a high school diploma or a recognized certification or who has low levels of literacy and Essential Skills.

"Essential Skills" means the nine essential skills identified by Human Resources and Social Development Canada: reading text, document use, numeracy, writing, oral communication, working with others, thinking skills, computer use and continuous learning.

In addition, an eligible CJF Participant must:

- be legally entitled to work in Canada;
- be living in BC;
- not be a full-time post-secondary student;
- not be a high school student; and,
- not be participating in another Canada-British Columbia Job Fund Agreement or Canada-British Columbia Labour Market Development Agreement-funded program.

On an exceptional basis, potential Participants who do not strictly meet CJF eligibility criteria as described above, but who would otherwise benefit from participation in the program may be approved by JTST on a case by case basis. In such cases the Service Provider will provide JTST with a written request and rationale for enrolment of an ineligible CJF Participant. JTST will provide a written response advising of the approval (or not) of the individual's enrolment in the Program.

A9. ACCESS AND AUTHORIZATION FOR LMDA CLIENT SUPPORTS

Participants who meet LMDA eligibility can participate in the Program, if assessed by Ministry of Social Development and Social Innovation as needing this level of service, and access supports identified as needed in the Participant action plan.

A10. ADDITIONAL LMDA CLIENT REQUIREMENTS

The following requirements are applicable to LMDA eligible Participants in order for them to participate in pre-employment training that is greater than 10 hours in one week.

- i. Collect information from the potential Participant, as may be directed by the Province, necessary for a decision to be made whether to provide the potential Participant with a referral to a course or program of instruction or training or other employment activity for the purpose of section 25 of the *Employment Insurance Act* (Canada);
- ii. Obtain, in a form to be determined by and as may be directed by the Province, an application from the potential Participant for a referral for the purpose of section 25 of the *Employment Insurance Act* (Canada);
- iii. Provide the information described in (i) and the application described in (ii) to the Province for a determination to be made by the Province whether to provide the potential Participant with a referral for the purpose of section 25 of the *Employment Insurance Act* (Canada);
- iv. Communicate to the potential Participant any determination made by the Province respecting the potential Participant's referral for the purpose of section 25 of the *Employment Insurance Act* (Canada) and for any potential Participant who obtains a referral for the purpose of section 25 of the *Employment Insurance Act* (Canada), inform him or her, as may be directed by the Province, of his or her obligations related to that referral and the implications of a failure to attend his or her course or program of instruction or training or other employment activity;
- v. Monitor the potential Participant's attendance at his or her course or program of instruction or training or other employment activity, collect information about the potential Participant's attendance, as may be directed by the Province and provide that information to the Province as directed by the Province.

A11. REPORTING

In a format prescribed by the Province, the Service Provider will report the following data to JTST to meet accountability and reporting requirements:

- a) copies of all Participant intake and exit forms
- b) participant job placement forms
- c) monthly activity reports which will include the following:
 - i. the number of applications approved during the monthly reporting period (Intake forms),
 - ii. the number of Participants who complete the program
 - iii. the number of Participants who are placed into jobs (Job Placements) during the monthly reporting period by region and by job/position,
 - iv. average wage rate of Participants placed in the reporting period,
 - v. the number of income assistance (IA) clients served,
 - vi. the number of Participants who completed/exited the program during the monthly reporting period (exit forms).
 - vii. reference to any intake/exit forms that were not included in package.

Upon completion of the Services on November 31, 2014, a final report (the "Final Report") will be submitted on or before, December 31, 2014, in substantially the same format and with the same categories as the monthly activity reports. The Final Report will also include details to describe the achievement of the objectives inclusive of both CJF and LMDA funded Participants.

- i. average wage rate of Participants that were placed,
- ii. types of jobs Participants were placed in,
- iii. number of Participants still employed after 3 months,
- iv. types of pre-and-post supports provided,
- v. best practices/success stories and lessons learned.

A12: CONTRACT MANAGEMENT

The Province has identified the following governance model with the goal to resolve all contract management and performance issues as early as possible. On a monthly basis, or as otherwise required, representatives of the Province and the Service Provider will meet via face to face or by teleconference to identify and resolve issues as they arise and at the lowest levels, using a collaborative approach. Where issues occur and cannot be resolved pursuant to the above, such issues will be escalated to senior management representatives for the Province and the Service Provider for further discussion and resolution.

Ministry Representative:

Leila Hazemi, Director Sector Programs, JTST

Service Provider Representative:

Ablgall Fulton, Vice President, British Columbia Construction Association

SCHEDULE B

FINANCIAL CONTRIBUTION -- STEP Program

For the Period: April 1, 2014 to November 30, 2014

1. The Province will provide a Financial Contribution to the Service Provider up to the amount of **\$4,660,021** in respect of Eligible Costs (See 'Eligible Costs' below) expended or incurred by the Service Provider for the provision of the Services as defined in Schedule A. Payments will be made as follows:
 - (a) an advance within 30 days of the start date of this Amendment of **\$1,165,005** which is equivalent to 25% of the Project budget, attached as Appendix 1 to Schedule B.
 - (b) monthly payments based on actual expenditures reported within 30 days of receipt and approval by the Province of a completed monthly payment claim form, which includes:
 - i. a monthly expenditure report/invoice split by funding source (LMDA and CJF) signed by the agency signing authority stating that all expenses listed in the supplied invoice are in accordance with the criteria stated in this Schedule;
 - ii. a general ledger to support the claim
 - iii. Participant Intake and Exit Forms (Schedules G and H);
 - iv. A completed and signed Monthly Activity Report (Schedule I)
 - (c) the advance payment will be deducted against subsequent monthly invoices.
 - (d) the final payment will be made upon:
 - i. completion of the outcomes specified in Schedule A
 - ii. a final report on the services and outcomes of the project (details to be specified by the Ministry),
 - iii. receipt and approval of the final monthly payment claim including a full accounting of the receipt and expenditure of the Financial Contribution.

The Province will hold back up to 10% (\$466,002) of the contract value until receipt and approval of the Final Report, due on or before December 31, 2014.

Eligible Costs

2. Eligible Costs are the actual costs relating to the service components listed in the Project Budget attached as Appendix 1 to Schedule B.

Eligible Costs are also subject to the following limitations:

- i. No Financial Contribution shall be payable to the Service Provider for program costs incurred by the Service Provider prior to the effective date, or after the end of the Service Period (November 30, 2014), of this Agreement.
- ii. Administrative Fees shall not exceed 12% of the expenditures. Administrative Fees costs include the appropriate portion of such oversight expenses and may include:
 - For administrative site and may include:
 - Senior Leadership wages
 - Utilities
 - Office equipment rental/operating leasing costs
 - Third party liability costs (where applicable)
 - Insurance (fire, theft)
 - Licenses as required by Municipal, Provincial or Federal regulations or Acts
 - Bookkeeping and bank charges
 - Office supplies
 - Photocopying
 - Postage, mailing and handling costs
 - Telephone and fax line(s)
 - Long-distance telephone and fax charges
 - Criminal Records Check for staff
 - Worker's Compensation Board costs
 - Regular audit costs for day to day business
 - Reception services or other shared resources
 - Other costs not covered elsewhere in the budget, as negotiated with the Province
- iii. No contribution paid to any Participant or wages paid to any administrative staff who is a member of the immediate family of the Service Provider, or, if the Service Provider is a corporation or unincorporated association, who is a member of the immediate family of an officer or a director of the corporation or unincorporated association, is eligible for reimbursement unless the Province is satisfied that the recruitment of the Participant or the hiring of the administrative staff was not the result of favouritism by reason of membership in the immediate family of the Service Provider or officer or director of the Service Provider, as the case may be.

"Immediate family" means father, mother, step-father, step-mother, foster parent, brother, sister, spouse (including common law spouse), child (including child of common law spouse), step-child, ward, father-in-law, mother-in-law, or relative permanently residing with the Service Provider, officer or director, as the case may be.

Pre-employment and post-employment support costs for either CJF or LMDA Participants must meet the respective legislative and policy requirements of the Province in order to be considered for reimbursement.

All services provided to LMDA Participants must be funded proportionate to the funding breakdown detailed in Appendix 1 to Schedule B, and should not duplicate any services available through the CJF Agreement or other alternative programming for which the Participant may be eligible.

Repayment or Reduction

3. Any Financial Contribution provided by the Province under this Agreement, but not expended or incurred during the Term of the Agreement towards eligible expenses, will be returned by the Service Provider to the Province by cheque payable to the Minister of Finance within 30 days after the end of the Agreement.
4. Any Refunds received by the Service Provider shall be noted on Monthly Expenditure Reports and deducted from the amount payable in any given month. Any Refunds received by the Service Provider after the end of the Agreement will be returned by the Service Provider to the Province by cheque payable to the Minister of Finance within 30 days.
5. Unless the Province has given its prior written approval to an adjustment between the budget categories identified in the attached budget, the amount payable by the Province with respect to the budget categories will not exceed the amounts specified in the budget categories.
6. To respond to increases in training delivery and employer demand, with the approval of the Province, the Service Provider can transfer up to a maximum of 10% over the contract period between the financial categories. Such transfers between categories will not require a contract amendment, however, the transfers must be requested, via e-mail, to the Ministry for approval and tracking. The budget for the Administrative Fee shall remain fixed at 12% of expenditures.

Appendix 1 to Schedule B: Project Budget

STEP Services	LDMA 533 Participants	CJF* 800 Participants	TOTAL 1,333 Participants**
Participant Training and Supports	s17		
Operating Expenditures			
SUBTOTAL			
Administration Fee @12%			
TOTAL	\$1,526,709	\$3,133,312	\$4,660,021

* NOTE: Support for Participants who are Ineligible CJF clients but approved by JTST for enrolment in the Program as per section A8 of Schedule A shall be administered under the CJF portion of the Program budget in accordance with CJF reporting and financial protocols.

**NOTE: The Service Provider will notify the Province, in writing, should they be able to serve more than 1,333 Participants within the total budget.