



General Guidelines for Training Centre Infrastructure Fund (TCIF) funding – 2005

A. INTRODUCTION

The Training Centre Infrastructure Fund (TCIF) is a three-year, \$25 million pilot program. It addresses a growing need for union–employer training centres to replace or purchase training equipment for trades that have undergone significant technological change, whose occupational scope has broadened, or that have added new curricula, thereby requiring new equipment to address skill change. Applicants are encouraged to form broad-based partnerships or consortia that include representatives from trade union locals and employers/industry, so that as many workers as possible have access to the new equipment. Financial assistance under TCIF will be provided in the form of a contribution towards the purchase of equipment. The federal contribution is limited to 50% of the purchase cost of the equipment used for skills training, to a maximum of \$500,000 per applicant.

The strategic objective of the TCIF pilot program is to test whether federal funding can leverage increased investments by unions and employers in purchasing up-to-date training equipment for union–employer training centres.

TCIF will also be evaluated to assess its success, relevance and cost-effectiveness. Consortia that receive TCIF funding must be willing to provide the necessary information so that the program can be evaluated.

HRSDC will assess applications and recommend funding annually, for each of the three years that the pilot is in operation. Parties interested in funding will be invited to apply through an annual two-step “Call for Applications” process, which is outlined below.

B. THE 2005 APPLICATION PROCESS

The application process is a two-step process. First, one submits a letter of intent, then one submits a full application.

Step 1: Letter of Intent:

Applicants are invited to submit a letter of no more than two pages, by **April 30, 2005**, which informs Human Resources and Skills Development Canada (HRSDC) of their interest in applying for TCIF funding. This letter must describe the union–employer consortium making the application and must include a brief description of, and the estimated cost of, the equipment that the applicant wants to purchase. The letter must also indicate that the applicant is aware of the requirement to fund 50% of the purchase cost of the equipment and 100% of the other associated costs (such as training, installation and maintenance of



equipment). The letter must also summarize the skills to be developed and must include contact information. Please refer to Appendix A – Guidelines on How to Complete Your Letter of Intent.

HRSDC will review Letters of Intent to ensure that applicants have met the basic eligibility criteria.

Step 2: Application

Following the submission of a Letter of Intent and review by HRSDC officials, applicants meeting basic eligibility criteria will be invited to submit a full application to HRSDC. The application includes standard applicant information and detailed information such as the rationale for purchasing the equipment; the impact of training on the new or upgraded equipment on the skills development of workers; the impact of the skill development on the industry; the estimated budget; and so on. Detailed instructions on how to complete the application will be available in March 2005.

Applications for 2005 will be considered for funding from April 1, 2005, to March 31, 2006. Consortia must be able to demonstrate that they will have the funds available to finance their portion of the equipment costs and will be able to purchase and take delivery of this equipment within this one-year period. Consortia that want to purchase additional equipment in the following years will be required to re-apply then.

Applicants will be required to submit their full application by **June 17, 2005**, in order to be considered for funding during fiscal 2005-06. Applications received after that date will only be considered if funding for the 2005-06 period remains.

HRSDC will review all applications based on established criteria, which are outlined in Section G and which will be detailed on the form in the Application instructions (Step 2). HRSDC may seek the advice of external reviewers who understand trades training or the technical equipment used in industry or both.

C. WHAT HAPPENS WHEN A PROJECT IS APPROVED?

When a project is approved by the Minister, the applicant will be contacted by a TCIF project officer to negotiate a contribution agreement. At that time, any concerns that may have been raised during the application review and approval process will be discussed with the applicant and changes may be negotiated. The project officer will also explain key administrative aspects, such as the requirements for the consortium to provide data to support the overall TCIF evaluation, and the procedures for processing a claim for the equipment purchased. The contribution agreement, signed by the consortium and HRSDC, identifies the conditions of the contribution and the obligations of all signatories.

D. WHAT HAPPENS IF A PROJECT IS NOT APPROVED?

Applicants whose projects have not been approved for 2005 will be notified by HRSDC and provided feedback. Should they choose to address these issues, they could re-apply for funding in subsequent years.

In some cases, further information or clarification may be required from the applicant before a definitive recommendation can be made. In these cases, HRSDC officials will contact the applicant and once the additional information is supplied the application will be reviewed.

E. WHO IS ELIGIBLE TO APPLY?

To be eligible, applicants must be a “consortium.” A consortium is defined as a group of partners that includes at least one trade union and its affiliated industry/employer stakeholders. A consortium could also include partners from other locals or other unions with their industry partners who operate union training centres or mobile training units. Consortia usually exist as a result of established joint training trust funds, set up by employers and unions to fund skills upgrading of employees/members. Priority will be given to applicants who have formed broad-based partnerships to increase the number of trade workers who can benefit from the equipment to be purchased.

These broad-based partnerships could represent more than one union and employer group coming together to share the equipment. For example, different locals within a specific geographic region may have similar training requirements. An advantage to this approach is that all consortium partners could pool their financial resources to contribute to the overall 50% cash requirement. Consortia **must have** a union-training centre (UTC), which will house the equipment and where members/employees will receive skills training, or they must operate a mobile training centre.

Consortia from Quebec must demonstrate that they comply with the Act respecting the Ministère du Conseil exécutif, R.S.Q., c. M-30. The Commission de la Construction du Québec (CCQ) oversees the application of construction trades training and manages skills upgrading in Quebec, so it is an eligible recipient, as are other organizations that meet the definition of a consortium.

F. WHAT ARE THE ELIGIBLE COSTS UNDER TCIF?

The Training Centre Infrastructure Fund (TCIF) is a contribution program. Federal TCIF funding provides 50% of eligible costs and the consortium (partners) must contribute the remaining 50% of the cash costs. The maximum amount of funding assistance for TCIF is \$500,000 per consortium for the one-year period. The applicant may wish to purchase more than one piece of equipment in one application. This is acceptable as long as the total federal contribution does not exceed \$500,000 per consortium per year and a rationale for each piece of equipment is clearly stated.

Eligible costs include;

- the cost of purchasing up-to-date equipment for skilled trades training conducted at union training centres, so long as the equipment, whether new or second-hand, meets current industry standards with a particular focus on trades that have undergone significant technological change;
- the direct costs related to the purchase, such as shipping and delivery costs; and,
- the provincial sales tax (except HST), and the portion of GST/HST for which the applicant is not entitled to a GST rebate from the Canada Revenue Agency.

Costs **ineligible** for federal funding include:

- standard tools and supplies required at a training centre and/or worksites;
- hi-tech equipment and tools for individual use, such as laptop computers;
- equipment located at a facility other than a union-training centre funded through employee-union contribution, such as community colleges or industry worksites;
- costs associated with installing the equipment, including renovations required to accommodate equipment;
- costs related to training on the new equipment, such as the wage of the trainer and salary costs; and
- costs associated with the upkeep and maintenance of the equipment.

Please note that when using federal funds to purchase goods and services, such as equipment, worth \$25,000 or more, recipients will be required to ensure a fair and accountable process, such as selecting from at least three bids on the basis of cost or value.

Note that TCIF will not reimburse costs for equipment purchased or ordered before a finalized contribution agreement is in place.

G. WHAT ARE THE ASSESSMENT CRITERIA?

The assessment criteria for evaluating applications ensure that all applications are assessed objectively against the following criteria:

- evidence of a union–employer partnership that supports skills training;
- an established union training centre (UTC) and/or mobile training unit;
- equipment is being sought that will support those trades that have undergone significant technological change or whose scope has broadened or have new curricula;
- rationale as to how skills gained as a result of using the new equipment will enhance industry productivity and/or competitiveness;
- the potential to maximize the number of people who receive training;
- a training focus on trade occupations, with greater consideration for Red Seal trades;
- a financially viable consortium that has funds immediately available for its 50% contribution, as well as funding mechanisms to support other related costs not eligible for federal funding; and
- a clearly established training plan that incorporates the on-going use of the new equipment.

Please note that TCIF funds are limited. It is possible that applications that meet the criteria may not be recommended for funding, because other applicants have made a stronger case.

H. HOW WILL THE CONSORTIUM BE INVOLVED IN TCIF EVALUATION?

According to the Government of Canada's Policy on Transfer Payments, an evaluation must be conducted on all federal government programs (including contribution programs) that require Treasury Board funding. As such, an evaluation will be conducted on the TCIF program in which the program's relevance, success and cost-effectiveness will be assessed. The results of this evaluation will provide evidence that will help the Government of Canada consider the viability of continuing and expanding the program beyond the initial pilot period.

The TCIF program has immediate, medium-term, long-term and ultimate intended outcomes, all of which will be measured as part of the assessment of the program's success. Outcomes that will be measured include increased investment leveraged from unions and employers to upgrade UTC equipment; increased partnerships among unions and employers: enhanced capacity of UTCs to develop workplace skills reflecting changing technological needs; increased technical skill levels in the skilled trades, closing skills gaps and increasing employment opportunities and enhanced competitiveness and productivity of Canadian workplaces.

Due to the important role evaluation plays in assessing TCIF impacts, all applicants will be encouraged to supply information in their application (Step #2) to aid in the conduct of the evaluation. However, applicants whose projects have been approved will be required to provide information for evaluation purposes, stipulated in the contribution agreements, which could be obtained at a later date through various data collection methodologies, such as surveys (of UTCs and workers), case studies (on premises of consortia and UTCs), key informant interviews and focus groups. Successful applicants must be willing to participate in the evaluation process.

I. HOW AND WHERE TO SUBMIT YOUR TCIF PILOT PROGRAM LETTER OF INTENT AND APPLICATION

Send your documents for Step 1 (Letter of Intent) and Step 2 (Application) to:

Training Centre Infrastructure Fund

c/o Trades and Apprenticeship Division, Human Resource Partnerships

Human Resources and Skill Development Canada (HRSDC)

5th floor, Phase IV, Place du Portage

140 Promenade du Portage

Gatineau, Quebec K1A 0J9

Fax: (819) 997-0227

For more information please contact us at:

E-mail: nc-tcif-ficf-gd@hrsdc-rhdcc.gc.ca