

Business Plan

2025/26-2026/27

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Skilled Trades Ontario Mandate

Skilled Trades Ontario (STO) is a Crown agency overseen by the Ministry of Labour, Immigration, Training and Skills Development (the “MLITSD” or “Ministry”) and is dedicated to promoting rewarding careers in the skilled trades which support Ontario’s economy. The agency works to raise awareness about the benefits of working in the skilled trades and helps to ensure apprentices and skilled trades professionals are trained to the highest quality standards.

STO is committed to promoting and marketing careers in the skilled trades across the province. With a significant number of professionals preparing to retire, Ontario is facing a growing labour gap that demands urgent attention. STO is working to close this gap by encouraging a wide range of individuals - including youth, those pursuing a second career, and Canadian Armed Forces veterans facing labour mobility challenges to consider rewarding opportunities in the skilled trades.

A cornerstone of STO’s mission is its alignment with Ontario’s ambitious plan to build 1.5 million homes by 2031. STO has been instrumental in spotlighting the vital role skilled trades will play in achieving this target¹. By championing these rewarding and essential careers, STO is not only helping to strengthen the industry but also driving Ontario’s economic resilience and prosperity well into the future.

STO’s role and responsibilities are prescribed in Section 40 of the *Building Opportunities in the Skilled Trades Act, 2021 (BOSTA)*². They are (as of April 1, 2025):

- Establishing apprenticeship programs and other training programs for skilled trades, including training standards, curriculum standards and certifying examinations.
- Conducting research and evaluating whether a skilled trade should be prescribed as a skilled trade for the purposes of this Act and make recommendations on these matters to the Minister of Labour, Immigration, Training and Skills Development (the “Minister”).
- Issuing certificates for the purposes of this Act.
- Assessing whether the experience and qualifications obtained by applicants for a Certificate of Qualification who do not complete an apprenticeship are equivalent to those received through completing an apprenticeship.
- Maintaining a public register of every apprentice in a compulsory skilled trade and every holder of a Certificate of Qualification or Provisional Certificate of Qualification in a compulsory skilled trade.
- Promoting skilled trades and apprenticeship.
- Promoting inclusivity and diversity in relation to skilled trades and apprenticeship.
- Conducting research in relation to skilled trades and apprenticeship.
- Collaborating with other governments in Canada with respect to the Interprovincial Standards Red Seal Program for apprenticeship and with respect to standards, qualifications and other requirements in relation to skilled trades.

In alignment with the full scope of responsibilities intended for Skilled Trades Ontario (STO) during the period covered by this business plan, additional functions were formally assumed

¹ Skilled Trades Ontario. (2023). *Strategic Plan 2023–2026*. Retrieved from <https://www.skilledtradesontario.ca/wp-content/uploads/2023/09/Skilled-Trades-Ontario-Strategic-Plan-2023-2026-Public-Report-vSep-20-2023-FINAL.pdf>

² Government of Ontario. (2021). *Building Opportunities in the Skilled Trades Act, 2021*, S.O. 2021, c. 28. Retrieved from <https://www.ontario.ca/laws/statute/s21028>

following April 1, 2025. Effective April 2, 2025, STO became responsible for registering apprenticeship training agreements, administering certifying examinations, and issuing Certificates of Apprenticeship to individuals who successfully complete their programs. Further expanding its mandate, as of April 11, 2025, STO began supporting the Ministry in fulfilling Ontario's obligations to report to the federal government on matters related to trades and apprenticeship. Although these responsibilities were implemented shortly after the start of the fiscal year, they were communicated to STO well in advance and reflect the organization's evolving role in supporting a modernized skilled trades and apprenticeship system.

As the official body for **apprenticeship training agreement registration**, STO now oversees the intake and processing of agreements between apprentices, sponsors/employers, and training delivery agents. This includes verifying the eligibility of parties involved, capturing critical agreement details, and ensuring alignment with approved training standards. Centralizing this function within STO enhances efficiency, consistency, and responsiveness in managing Ontario's apprenticeship pathways.

In addition, STO is now responsible for the **issuance of Certificates of Apprenticeship** to individuals who have successfully completed all required components of their registered programs, including in-class and on-the-job training. The Certificate of Apprenticeship is a key credential in Ontario's skilled trades system, formally recognizing the apprentice's achievement and enabling smoother transitions into employment, further certification, or Red Seal endorsement where applicable.

STO has also assumed full responsibility for the **administration of skilled trades examinations**, including the development, scheduling, proctoring, and scoring of certifying exams. This encompasses the Certificate of Qualification examinations and the issuance of trade certification for qualified candidates. By overseeing this end-to-end process, STO supports improved exam security, streamlined client service delivery, and a more integrated experience for tradespeople navigating the final stages of their apprenticeship or certification journey.

About Skilled Trades Ontario

Overview

Skilled Trades Ontario (STO) is a Crown agency established by the *Building Opportunities in the Skilled Trades Act, 2021*³. STO is governed and managed by a Board of Directors and a Chief Executive Officer/Registrar. The Minister of Labour, Immigration, Training and Skills Development remains responsible for regulatory decisions related to apprenticeship training, Ontario's skilled trades, and the overall direction of STO.

As of April 2, 2025, STO has statutory responsibility for certain key apprenticeship and certification functions previously managed by the Ministry. This includes the administration of apprenticeship registrations, training agreements, the issuance of Certificates of Apprenticeship, and responsibility for the administration of examinations, including Certificate of Qualification examinations. Following this transition, STO will be the primary point of contact for apprenticeship services in Ontario, supported by expanded service channels and planned regional hubs across the province.

To support clients during this transition, STO has extended its Call Centre hours and launched updated web resources, while also working to establish regional service hubs in key areas including Thunder Bay, Ottawa, London, and Vaughan. These enhancements reflect STO's commitment to modern, client-focused service delivery and a more accessible, responsive skilled trades system in Ontario.

³ Government of Ontario. (2021). *Building Opportunities in the Skilled Trades Act, 2021*, S.O. 2021, c. 28. Retrieved from <https://www.ontario.ca/laws/statute/s21028>

Agency Statements

Vision

Make Ontario the place where skilled trades professionals thrive.

Mission

To support Ontario's economic success as the central authority responsible for establishing leading-edge standards in skilled trades to meet the opportunities of today and the challenges of tomorrow.

Values

- Professional: Setting high standards for a trusted and valued skilled trades workforce.
- Accessible: Making the pathways into the skilled trades clear and straightforward for all.
- Agile: Providing leading-edge education and certification standards.
- Collaborative: Building strong partnerships with skilled trades professionals, employers, and training providers.
- Engaged: Being there for skilled trades professionals, where and when they need us.

MLITSD's Strategies and Activities, Objectives & Government Priorities

The Minister provides Skilled Trades Ontario (STO) with an annual Letter of Direction outlining clear and actionable expectations for the fiscal year. For 2025–26, the focus remains on building an effective, client-centered skilled trades system that aligns with government priorities, including innovation, sustainability, and accountability.

STO plays a central role in advancing Ontario's strategic goals related to workforce development, economic growth, and education reform. Established to modernize the skilled trades system, STO directly supports Ontario's Skilled Trades Strategy—a key provincial initiative to develop a robust skilled trades workforce by breaking stigma, attracting youth, and reducing red tape. Through its mandate to manage certification, oversee apprenticeships, and uphold training standards, STO contributes to a more efficient, inclusive, and industry-responsive trades system. These efforts enhance Ontario's capacity to meet labour market needs, especially in infrastructure and manufacturing, while increasing employer participation, improving apprenticeship outcomes, and broadening access for underrepresented groups.

To support accessibility, STO will continue enhancing its services through improved digital tools, user-friendly systems, and regular client feedback. Responsible financial management will ensure resources are focused on key priorities such as training, certification, and support programs.

A critical priority is workforce expansion, with targeted efforts to attract youth, career-changers, and displaced workers, including Canadian Armed Forces veterans. By promoting diverse pathways into the trades, STO is helping bridge Ontario's labour gap and strengthen the sector.

STO's work also supports broader provincial goals, including Ontario's plan to build 1.5 million homes by 2031. Skilled trades are essential to achieving this goal, and STO is committed to championing these careers through strategic outreach and marketing. By improving public perception and accessibility, STO is reinforcing the sector's role in Ontario's long-term economic resilience.

Accountability remains central to STO's operations. The agency is required to track and report progress using clear performance metrics and ensure compliance with government standards related to data security, risk management, hybrid work, and office space optimization. Monthly and quarterly updates to the Ministry will promote transparency and sustained alignment with provincial objectives.

Beyond workforce development, STO is committed to modernizing apprenticeship programs, reducing barriers for international and interprovincial workers, and improving apprenticeship completion rates. These efforts foster an inclusive, dynamic skilled trades system that supports economic growth and career opportunity.

Through this work, STO is strengthening the skilled trades industry and contributing to Ontario's economic future by ensuring a well-trained, diverse, and resilient workforce.

Statements of Accountability

Message from the Board Chair

On behalf of the Board of Directors, I am pleased to present Skilled Trades Ontario's (STO) multi-year business plan for 2025/26 to 2027/28.

Ontario's economy is facing evolving challenges, making a strong and adaptable skilled trades sector more important than ever. With industries adjusting to shifting market conditions and global pressures, the need for a steady pipeline of highly trained workers remains critical to keeping our province strong, competitive, and prepared for the future.

Since our launch in 2022, STO has worked to modernize apprenticeship training, streamline certification processes, and strengthen industry partnerships. Under the leadership of CEO and Registrar Candice White, the agency continues to build on this foundation, ensuring that Ontario's apprenticeship system is responsive and positioned to support both workers and employers in an evolving landscape.

This plan reaffirms our commitment to delivering a system that is efficient, client-centered, and aligned with Ontario's long-term economic priorities. We remain focused on modernizing services, improving pathways into the trades, and reinforcing the system to meet the needs of our workforce, today and tomorrow.

I am confident that our dedicated staff, stakeholders, and partners, working together, will continue to strengthen the province's skilled trades workforce, which in turn will drive economic stability and growth.



Michael Sherrard
Chair, Board of Directors
Skilled Trades Ontario

Message from the CEO

Now more than ever, a strong skilled trades workforce is essential to Ontario's economic resilience. In times of change and uncertainty, trades professionals play a vital role in keeping industries moving, businesses growing, and communities thriving. Skilled Trades Ontario (STO) is committed to making it simpler, faster, and more accessible for people to enter and succeed in the trades, ensuring that Ontario has the workforce it needs for the future.

Since stepping into my role as CEO, I have been inspired by the dedication, adaptability, and expertise of Ontario's skilled trades professionals. Together with the Government, our industry partners and staff, we have made great strides in modernizing apprenticeship training, streamlining processes, and strengthening support for apprentices and journeypersons.

This plan reinforces our commitment to continuous improvement and sets a clear path forward. As we build on the strong foundation in place, we remain focused on enhancing client services, expanding opportunities, and ensuring that Ontario's skilled trades system remains modern, responsive, and prepared for long-term success.

I am grateful to our Provincial Government, Board, staff, and partners for their collaboration and dedication. Together, we will continue to strengthen Ontario's skilled trades system and ensure it remains a key driver of economic opportunity and stability.



Candice White
Chief Executive Officer & Registrar
Skilled Trades Ontario

Alignment with Government Priorities

Skilled Trades Ontario (STO) is committed to fulfilling the government priorities outlined in the annual Letter of Direction (LOD) by strengthening the skilled trades system, improving service delivery, and supporting Ontario's economic and infrastructure goals. The LOD emphasizes several key priorities, including:

- **Enhancing client services** through streamlined and accessible processes.
- **Optimizing resources** to ensure financial sustainability and efficiency.
- **Increasing accountability and transparency** through clear performance measures.
- **Supporting workforce development** to meet growing demands in high-priority industries, such as construction and manufacturing.
- **Promoting diversity, inclusion, and accessibility** to create equitable opportunities in skilled trades.

Client Interactions and Customer Service

STO is advancing the government's priorities by enhancing service accessibility and efficiency. Digital-first services simplify client interactions, directly supporting the LOD's goal of streamlining administrative processes. The reduction of apprenticeship registration wait times from 60 days to 12 days improves service efficiency, while the employer support unit addresses the government's focus on assisting small businesses, particularly in rural and remote areas. Additionally, multi-year registration cards reduce administrative burdens, aligning with the LOD's objective of improving convenience for trades professionals.

Alignment with Government Priorities

- **Enhancing Client Services:** STO's digital-first approach simplifies client interactions, making services more efficient and accessible.
- **Improving Service Standards:** Reducing apprenticeship registration wait times and establishing response commitments aligns with the LOD's focus on client-centric service delivery.
- **Supporting Small Businesses:** The employer support unit helps rural and remote businesses access trades services, supporting the government's focus on inclusive economic growth.

Key Initiatives

- **Digital-First Services:** Expand digital platforms for all apprentice functions.
- **Faster Registration:** Reduce wait times from 60 days to 12 days.
- **Establish clear service standards,** including timely acknowledgement and response commitments, across all areas of exam administration and certification. These standards will support exam integrity and align with best practices and expectations set by the Canadian Council of Directors of Apprenticeship (CCDA).
- **Employer Support Unit:** Assist rural and remote small businesses.
- **Multi-Year Registration Cards:** Streamline administrative processes.

Sustainability and Resource Optimization

STO is aligning with the LOD's government priorities by developing financial efficiency and modernized service delivery. The agency's 5% cost reduction target through operational efficiencies aligns with the LOD's focus on maximizing public funds without compromising service quality. The digital-first transition of Apprenticeship Recognition and Exam Administration from the Ministry to STO supports the government's goal of streamlining public services. Additionally, the expansion of the digital logbook pilot to all trades reflects the LOD's emphasis on modernizing apprenticeship processes.

Alignment with Government Priorities

- Resource Optimization: STO's 5% cost savings initiative and revenue growth efforts directly support the LOD's priority of financial efficiency and sustainability.
- Digital Transformation: The transition of Apprenticeship Recognition and Exam Administration from the Ministry to STO demonstrates the agency's commitment to streamlining service delivery.
- Improved Certification Processes: Reducing the number of expired Certificates of Certification ensures the skilled trades system maintains high standards and credibility.

Key Initiatives

- Cost Reductions: Achieve 5% cost savings through efficiencies.
- Revenue Growth: Identify new revenue-generation opportunities.
- Apprenticeship Transition: Transfer Apprenticeship Recognition from the Ministry to STO.
- Digital Logbook Expansion: expand the digital logbook function to all trades.
- Certification Expiry Reduction: Minimize the number of expired certifications.

Accountability and Transparency

STO's performance measures, technology governance, and workplace modernization directly support the LOD's priorities of accountability, transparency, and efficient resource utilization by improving oversight, transparency, and performance monitoring. The agency's outcome-focused performance measures support the LOD's call for evidence-based reporting on progress and achievements. STO's cybersecurity and AI reporting aligns with the LOD's emphasis on protecting data integrity and promoting responsible technology governance. Additionally, the adoption of OPS hybrid work standards and collaboration with the Ministry of Infrastructure to optimize office space reflect the government's goals of improving operational efficiency.

Alignment with Government Priorities

- Outcome-Based Reporting: STO's performance measures and quarterly updates address the LOD's emphasis on transparency and accountability.
- Cybersecurity and AI Oversight: Enhanced cybersecurity and AI reporting aligns with the government's commitment to protecting data integrity.

Key Initiatives

- Performance Measures: Report on outcome-focused metrics.
- Cybersecurity and AI: Strengthen cybersecurity efforts and report on AI usage.
- Hybrid Work Policies: Align with OPS standards.

- **Workplace Modernization:** Aligning hybrid work policies with OPS standards supports the LOD's focus on modernized public service practices.
- **Diversity and Inclusion:** Promote accessibility and equity.
- **Revenue Growth:** Increase non-government revenue by 3%.

Marketing and Promotion

STO's alignment with the government priorities consists of expanding awareness and participation in the skilled trades sector. The agency's province-wide marketing campaign highlights the benefits of skilled trades careers, supporting the LOD's goals of attracting more individuals to the workforce. By partnering with unions, non-unions contractors, and employers, STO is directly addressing the government's objective of increasing apprenticeship opportunities in high-demand industries, such as construction, manufacturing, and automotive trades. These efforts promote workforce expansion and help fill critical labour shortages, aligning with the LOD's focus on strengthening Ontario's skilled trades pipeline.

Alignment with Government Priorities

- **Promoting Skilled Trades:** The marketing campaign aligns with the LOD's emphasis on increasing awareness and uptake of skilled trades careers.
- **Employer Collaboration:** Expanding partnerships with unions and contractors directly supports the government's goal of workforce expansion.
- **Public Outreach:** Engaging with diverse audiences promotes equitable access to apprenticeship opportunities, supporting the LOD's focus on inclusive economic growth.

Key Initiatives

- **Marketing Campaign:** Launch a province-wide campaign to promote skilled trades.
- **Partnerships:** Collaborate with unions, contractors, and employers.
- **Industry Expansion:** Grow apprenticeship opportunities in high-demand sectors.
- **Public Engagement:** Use targeted outreach strategies.

Research and Innovation

STO is supporting improved service delivery by focusing on apprenticeship retention, certification outcomes, and labour mobility. STO's goal to reduce apprenticeship dropout rates by 20% supports the LOD's focus on improving retention and completion rates, ensuring more apprentices achieve certification. STO's efforts to boost examination pass rates align with the government's emphasis on maintaining high industry standards and expanding the skilled labour pool. The support for foreign and interprovincial credential recognition directly addresses the LOD's priority of enhancing labour mobility by reducing barriers for internationally trained workers. Additionally, STO's pilot project to transition individuals off social assistance into trades careers promotes economic inclusion and reduces unemployment, in line with the LOD's goal of creating stable, well-paying job opportunities. Finally, the plan to increase non-compulsory trade registrations by Q3 2025 supports the government's objective of expanding workforce participation and addressing industry shortages.

Alignment with Government Priorities

- Apprenticeship Retention: Reducing dropout rates by 20% aligns with the LOD's focus on improving apprenticeship completion rates.
- Credential Recognition: Supporting foreign and interprovincial credential recognition addresses the government's priority of enhancing workforce mobility.
- Social Assistance Transition: Helping individuals transition into skilled trades reduces unemployment, supporting the LOD's economic inclusion goals.

Key Initiatives

- Retention: Reduce dropout rates by 20%.
- Exam Pass Rates: Improve certification exam success rates.
- Credential Recognition: Support foreign and interprovincial credentialing.
- Social Assistance Transition: Pilot project to transition individuals into trades.
- Non-Compulsory Registrations: STO to develop a plan to increase registrations.

Governance and Reporting

STO is strengthening the government's transparency, accountability, and oversight priorities through robust governance and reporting practices. The finalization of the Memorandum of Understanding (MOU) between the Chair and the Minister reflects STO's commitment to clear governance and compliance with Ministry expectations. The agency's monthly financial and operational reports meet the LOD's requirement for regular progress updates, ensuring the government remains informed of STO's performance. Additionally, quarterly updates on LOD priorities reinforce STO's transparency and focus on delivering measurable results. The agency's roadmap for a mature-state integrated service delivery model directly supports the government's goal of improving service coordination and efficiency, positioning STO as a modern, client-focused agency.

Alignment with Government Priorities

- Transparency and Oversight: The monthly and quarterly reporting meets the LOD's requirements for regular progress updates.
- Clear Governance Framework: Finalizing the MOU ensures clear accountability and compliance.
- Integrated Service Delivery: Developing a roadmap for a mature-state model supports the LOD's goal of improving service coordination.

Key Initiatives

- MOU Finalization: Establish clear governance with the Ministry.
- Monthly Reports: Share financial and operational updates.
- Quarterly Updates: Report on LOD priorities.
- Service Delivery Roadmap: Develop a mature-state model.

Overview of Current and Future Programs and Activities

Strategic Framework

In August 2023, STO introduced its first three-year Strategic Plan.⁴ The plan emphasizes skills development, technological advancements, and workforce diversity. It reflects input and advice of industry leaders and sets out a strategic framework that aims to shape the future of apprenticeship in the province.

The strategic framework is built on four pillars to guide STO's work from 2023 to 2026:

1. Supporting an innovative apprenticeship and certification model
2. Promoting and advancing skilled trades
3. Facilitating research in the skilled trades
4. Building a diverse, equitable, inclusive skilled trades sector

STO is taking concrete steps to achieve these goals through planned activities outlined below.

Key Initiatives by Pillar

Pillar 1: Supporting an Innovative Apprenticeship and Certification Model

This means:

- STO will clearly communicate Ontario's apprenticeship model.
- STO will simplify and streamline the apprenticeship pathway to support entry and success for employers and prospective apprentices.
- STO will update training and curriculum standards.
- STO will enhance certification and examination processes.

Pillar 2: Promoting and Advancing the Skilled Trades

This means:

- STO will work to promote skilled trades as a career of choice.
- STO will champion a variety of career paths in the skilled trades professions.
- STO will demonstrate the value of certification and apprenticeship.
- STO will communicate a clear and unified identity to its stakeholders and industry partners.

Pillar 3: Facilitating Research in Skilled Trades

This means:

- STO will be a center of excellence for respected and trusted research and insights to support policies related to apprentices, employers, and government.
- STO will use data to support evidence-based decision-making on policies related to the skilled trades sector.
- STO will build a user-centric culture that is focused on making processes and services work better for apprentices and skilled trades professionals.

Pillar 4: Building a Diverse, Equitable, Inclusive Skilled Trades Sector

This means:

- STO will strive to ensure the skilled trades reflect Ontario's diverse population and geography.

⁴ Skilled Trades Ontario. (2023). *Strategic Plan 2023–2026*. Retrieved from <https://www.skilledtradesontario.ca/wp-content/uploads/2023/09/Skilled-Trades-Ontario-Strategic-Plan-2023-2026-Public-Report-vSep-20-2023-FINAL.pdf>

- STO will build partnerships to encourage the representation of equity-deserving communities, youth, and Indigenous peoples in the skilled trades.
- STO will evolve its practices, policies, tools, and technologies to create an equitable and inclusive culture.

STO is actively developing its new three-year strategic plan for 2026–2029, ensuring a forward-thinking approach to innovation, sustainability, and growth. Through a structured procurement process, we are engaging key stakeholders and industry experts to shape a comprehensive strategy that aligns with our mission and future goals. The new plan is set to launch in 2026, guiding our direction for the next 3 years ahead.

Principal Programs and Activities

STO is committed to delivering exceptional customer service, providing seamless and accessible support across various channels to meet client needs efficiently and effectively. A key focus of STO is promoting skilled trades and apprenticeships, encouraging individuals to pursue careers in these essential fields. STO manages the intake and registration process for both Apprenticeship and non-Apprenticeship Certification pathways, facilitating entry into the skilled trades workforce.

For individuals who do not complete a formal apprenticeship, STO assesses their experience and qualifications to determine their eligibility for certification. Additionally, STO verifies interprovincial Certificates for those seeking to work in Ontario, ensuring compliance with provincial standards. Credential management is another critical function of STO, including the production and distribution of Certificates of Qualification. To modernize the process, STO is implementing a digital-first Canadian certification verification model, enhancing efficiency and accessibility.

Maintaining transparency, STO upholds a public register of active apprentices, as well as holders of Certificates of Qualification or Provisional Certificates of Qualification in compulsory skilled trades. Furthermore, STO is responsible for the delivery and administration of certification exams. It also provides exam support to eligible apprentices and Trade Equivalency Assessment (TEA) clients, helping them navigate the certification process successfully.

Regional Hubs

STO is implementing a Regional Service Model to enhance accessibility, responsiveness, and engagement with stakeholders across the province. Through the strategic deployment of field-based staff, STO will provide in-person support tailored to the distinct needs of each region—benefiting apprentices, trade qualifiers, employers, training providers, and other key partners. This localized approach strengthens STO’s capacity to deliver core services in promotion, training, assessment, and certification, while promoting equitable access and operational excellence. A targeted communications strategy will be launched in advance to raise awareness and understanding of the regional hub model as it is introduced across the province.

Embedding staff directly within communities allows STO to better understand and address local labour market demands, provide real-time responses to client inquiries, and strengthen collaboration with regional partners. The model also enhances service efficiency by enabling STO to adapt more effectively to periods of high client demand or unexpected system

disruptions, ensuring continuity of operations across Ontario. By fostering closer relationships with stakeholders and improving service delivery, the Regional Service Model reinforces STO's commitment to supporting the skilled trades workforce and driving economic growth throughout the province.

Registration Services Activities

STO is committed to providing digital-first client services for all core functions related to apprenticeships. This includes expanding client-centric digital services within the STO Portal, such as live chat support and enhanced graphics/visual aids, to improve the registration and completion processes for apprentices.

Additionally, STO will implement a service standard timeline for processing apprenticeship registrations, beginning with the establishment of baseline data to support the future reduction of processing times from 60 days to 12, in alignment with the announced commitment under Operational Priority #2. Operating procedures will be established to support a 10-day processing timeline for registrations, and an omni-channel application intake will be offered for stakeholders and industry partners involved in apprenticeship group registrations. Efforts will focus on improving the apprenticeship completion rate by identifying barriers to program completion and researching strategies to address them. STO will begin establishing baseline data in the current fiscal year to inform its ongoing apprenticeship completion monitoring strategy, recognizing that a longer timeline may be required to achieve measurable improvements.

STO continues to monitor and analyze apprenticeship completion rates across the skilled trades. Improving completion rates remains a key priority, as higher completion levels contribute directly to a stronger, more reliable skilled trades workforce. STO is working closely with training delivery agents, industry partners, and the Ministry to identify and address barriers that impact apprentices' ability to complete their training. Targeted strategies are being explored to support apprentices throughout their training journey, with a focus on mentorship, access to resources, and streamlined certification processes. Continued data collection and performance measurement will support STO in driving evidence-based interventions to improve overall apprenticeship completion outcomes.

Industry partnerships will be established to promote apprentice participation in Learning Basic Skills programs, and greater access will be facilitated for internationally trained professionals to enter the skilled trades. This includes researching digital service enhancements to reduce barriers in trade equivalency assessments and participating in initiatives that promote skilled trades to newcomers. Additionally, a strategic evaluation of trade equivalency assessments will address labour market needs and create pathways for internationally trained professionals to enter the skilled trades, with a particular focus on compulsory trades experiencing employment shortages in the Canadian labour market.

STO will also work on developing a framework to assess equivalencies for individuals in their country of origin before their arrival in Ontario. Partnerships with government agencies such as Immigration Ontario will be established to promote compulsory trade equivalency assessment pathways available to internationally trained skilled trades professionals.

Furthermore, STO will explore evolving service delivery models by researching client support options to enhance omni-channel service delivery. Customer satisfaction surveys will be

implemented through phone, email, and digital service platforms, and the IVR menu options will be updated to improve the inbound call decision tree, allowing direct transfers to Ministry partner groups with overlapping responsibilities (e.g., Employment Ontario, MLITSD, Occupational Health and Safety). Client feedback will be encouraged through social media polls, and recognition agreements will be explored to facilitate labour mobility for individuals trained in jurisdictions with training standards similar to, or exceeding, Ontario's standards, particularly in the European Union and through the Canada-United States-Mexico Agreement (CUSMA).

Finally, trade equivalency pathways to certification for internationally trained professionals will be expanded through International Credential Recognition programs and partnerships. STO will identify best practices and assess current registration practices for professionals with certifications from other provinces and international jurisdictions. Regular reviews of STO registration practices will be conducted in collaboration with the Fairness Commissioner's office, ensuring that best practices are identified and implemented.

STO Transition Plan – April 2, 2025

STO is in the final stages of preparing to assume legislated functions from the MLITSD on April 2, 2025. This transition will include expanded centralized services, enhanced regional service delivery, and a new process for certifying exam administration.

Key Transition Areas

1. Expanded Centralized Services

STO is enhancing its registration and apprenticeship assessment processes to ensure a seamless transition.

- Registration of apprenticeship training agreements and issuance of Certificates of Apprenticeship will be fully managed by STO.
- A dedicated STO Call Centre will operate with extended hours (7 AM – 7 PM, Monday to Friday) starting April 2.
- Knowledge transfer sessions have been conducted with staff to ensure smooth implementation of AMANDA and EOIS-APPR, the two primary apprenticeship administration systems.
- New forms and policies are being introduced, including processes for training agreement terminations, apprenticeship completion, and exam accommodation.
- The STO website will be fully updated on April 2 to reflect these changes, including revised pages for apprenticeship registration, completion, and certification.

2. Third-Party Certifying Exam Service Delivery

To streamline exam administration, STO has engaged Prometric Canada as a third-party service provider.

- Exam scheduling is now live, with test sittings beginning April 2, 2025.
- Apprentices who completed their programs after January 1, 2025, will receive a fee waiver for their first exam attempt.

- A quality assurance review of all digitized exams has been completed to ensure a smooth transition.
- Exam sites have been confirmed in Toronto, Mississauga, London, Hamilton, Ottawa, Barrie, Thunder Bay, and Sudbury, with additional locations being explored.
- STO is assuming full responsibility for administering in-person certification exams, working collaboratively with Training Delivery Agents (TDAs) to enhance exam accessibility.

3. Regional Services Expansion

STO is implementing a regional service model to better support apprentices and employers across Ontario.

- Regional hubs are planned in Thunder Bay, Ottawa, London, and Vaughan, with dedicated support for rural and northern areas.
- The hubs will provide in-person assistance, stakeholder engagement, and targeted support for small businesses navigating the apprenticeship system.
- Four Regional Manager positions have been posted, with interviews scheduled for April. These managers will play a key role in shaping STO's regional service strategy.

Communications & Stakeholder Engagement

STO and the Ministry have launched a robust communications strategy to inform stakeholders about the transition.

- The STO website now features a dedicated page on service delivery changes, apprenticeship registration, and certifying exams.
- A Special Edition STO Connected Newsletter was distributed on March 14, and additional stakeholder emails have been sent to apprentices, sponsors, and journeypersons.
- Training Delivery Agents (TDAs) and large apprenticeship sponsors have been directly engaged to facilitate a smooth transition of relationships from the Ministry to STO.
- STO's website will be further updated on April 2 with new pages covering apprenticeship processes, sponsor requirements, and certification details.

Next Steps & Final Preparations

- STO's Registration Services team has completed in-person training workshops and will be onsite to support staff during the transition.
- User acceptance testing with Prometric Canada has been successfully completed, and over 200 exams have already been scheduled.
- Additional apprenticeship advisors will be recruited to support the regional service model in the coming months.

Starting April 2, 2025, STO will be the primary point of contact for apprenticeship registration, exam administration, and certification in Ontario. The Ministry and STO continue to work closely to ensure service continuity and a smooth transition for all stakeholders.

Risk Identification, Assessment and Mitigation Strategies

When considering the planning time horizon, STO must identify potential risks and outline key strategies to mitigate them. Risks reported in STO's business plan reflect the agency's perspective, which may differ from the Ministry's assessment. For example, STO may categorize certain workforce or regulatory risks as high, even if the Ministry views them as moderate or low.

By proactively addressing potential risks—such as labour market fluctuations, skills shortages, or regulatory changes—and aligning with established directives, STO can enhance its resilience and adaptability throughout the planning period. This approach ensures that STO remains responsive to industry needs while supporting the growth and stability of Ontario's skilled trades sector.

Risk Identification	Residual Risk Likelihood	Residual Risk Impact	Residual Risk Score	Residual Risk Status	Risk Treatment
Excessive workload and limited staff The risk of not completing new strategic objectives and deliverables within the mandate due to high workloads across the agency in a very short timeframe causing difficulty in meeting deadlines and achieving organizational goals. <u>Root Cause[s]</u> High workloads coupled with difficulties recruiting senior level staff	2	2	4	Low	Accept
"Apprenticeship Transition – Transition of Apprenticeship Administrative Service Functions" The risk of successful transition of apprenticeship administrative service functions not happening due to lack of a comprehensive transition plan to address the shift in responsibilities causing significant risk to the agency's viability and operational reputation. <u>Root Cause[s]</u> Lack of a transition plan that is planned, timed, and delivered to minimize the impact on all apprenticeship and skilled trades clients	3	3	9	Low	Accept
Apprenticeship Technical Transition - STO Digital Portal The risk of a successful apprenticeship technical transition to the digital portal not happening due to lack of updates to several areas causing potential implementation delays <u>Root Cause[s]</u> Lack of clarity and coordination between the two system owners (MLITSD and STO) on the integration and operations of the Backoffice systems.	No Longer A Risk	No Longer A Risk	No Longer A Risk	No Longer A Risk	Accept
STO financial sustainability and projected balances in the SPP (Strategic Planning Process) budget until the funding model is established/clarified.					

<p>The risk of financial sustainability and ongoing deficits due to lack of a defined funding model and unaccounted costs for additional or revamped services causing significant financial strain on the organization.</p> <p><u>Root Cause[s]</u> Funding model not established/clarified</p>	5	5	25	High	Mitigate
<p>Finance software (ERP) support</p> <p>The risk of the finance software not functioning as needed after December 31, 2024, due to lack of vendor support causing inaccurate, incomplete, and untimely financial reporting and analysis.</p> <p><u>Root Cause[s]</u> Lack of vendor support</p>	2	3	6	Medium	Accept
<p>Labour Disruption from STO's OPSEU members</p> <p>The risk of labor disruption due to lack of an active collective agreement, since its expiration in December 2022, causing potential operational disruptions and workforce instability</p> <p><u>Root Cause[s]</u> Lack of an active collective agreement</p>	No Longer A Risk	No Longer A Risk	No Longer A Risk	No Longer A Risk	Accept
<p>Cybersecurity</p> <p>The risk of unauthorized access to end user and corporate systems leading to data breach and information loss, system compromises, breaches leading to productivity and system disruptions causing potential financial and reputational losses</p> <p><u>Root Cause[s]</u> Presence of persistent systems and user exploits like zero-day attacks, denial of service attacks, malware, ransomware etc. Also, the rise of state sponsor actors with vast resources and insider threats</p>	3	3	9	Medium	Mitigate

***Risk Identification:** Outlines the Risk Name [bolded], Risk Describe and the root cause which is the core issue that sets in motion the cause-and-effect reaction that ultimately leads to the agency risk(s) and the current observations.

***Residual Risk Likelihood:** Indicate the likelihood of the risk occurring. Rare (1), Unlikely (2), Possibly (3), Likely (4), Almost Certain (5), No Longer A Risk, Not Assessed

***Residual Risk Impact:** Indicate the impact of the risk. Insignificant (1), Minor (2), Moderate (3), Major (4), Critical (5), No Longer A Risk, Not Assessed

***Residual Risk Score:** This score is automatically calculated using a pre-determined formula of Residual Likelihood (Column S) x Residual Impact (Column T)

***Residual Risk Status:** This rating is automatically calculated using a pre-determined formula of Likelihood (Column S) x Impact (Column T). Pre-determined outcomes include Low, Medium, Medium-High, High

***Risk Treatment:** Accept: to accept the risk as is, with no additional actions required, mitigate: to take actions to reduce the risk, Transfer: to transfer the risk to a third-party, whether through insurance, or external means, avoid: to stop the activity that is contributing to the risk.

Mitigation

Excessive Workload and Limited Staff:

The organization continues to experience challenges related to excessive workload and limited staffing. The Human Resources Department is actively building capacity by recruiting and onboarding new staff into both newly created and vacant positions. However, filling these roles—particularly senior-level positions—remains difficult due to a limited talent pool and a compensation structure that is not reflective of the current market. The team is working to

operationalize and prioritize departmental recruitment needs to ensure that the organization can continue to make progress in staffing up appropriately. A compensation review of all levels in the organization is currently underway and will be completed during this calendar year. A review of the additional 48 FTE's that were assigned to STO to support the three core responsibilities that transitioned on April 2 is being conducted for its accuracy and effectiveness.

Apprenticeship Transition – Transition of Apprenticeship Administrative Service Functions:

The transition of the three apprenticeship administrative service functions defined in the *Building Opportunities in the Skilled Trades Act, 2021 (BOSTA)* was successfully completed on April 2. Skilled Trades Ontario has now entered an operational phase, with efforts focused on continuous system and process improvements that will unfold over the coming months and years. The planning phase is completed therefore the risk as defined has been mitigated.

Apprenticeship Technical Transition – STO Digital Portal:

Phase 1 of the STO Digital Portal project has been completed. Several issues identified in the previous risk report have now been addressed. Infrastructure capacity concerns were resolved following the successful migration to the STO data center. Staffing gaps have been mitigated through active recruitment, which remains ongoing. System performance issues that previously caused operational disruptions are being addressed through the application of upgrade patches to the Amanda System. Data inaccuracies were resolved by a six-month special project team, and all cybersecurity vulnerabilities passed both the CSA assessment and annual penetration test. Reliability issues have also been resolved through vendor-provided update patches.

STO Financial Sustainability and Projected Balances in the Strategic Planning Process (SPP) Budget:

Financial sustainability continues to be a focus as STO operates under the current Strategic Planning Process (SPP) budget while awaiting the establishment of a long-term funding model. Efforts are ongoing to evaluate operational efficiencies and maximize the use of capital and reserves without compromising service delivery. STO remains in active discussions with the Ministry to clarify financial support and move toward a sustainable funding framework.

Finance Software (ERP) Support:

Support for the finance software (ERP) has been stabilized. A new vendor has been onboarded, and implementation is currently underway. This matter is no longer being tracked as an active risk item.

Labour Disruption from STO's OPSEU Members:

Potential labour disruption related to OPSEU members is no longer considered an active risk and is no longer being tracked.

Cybersecurity:

STO continues to prioritize cybersecurity by investing in ongoing awareness and training initiatives for staff. This includes the regular distribution of newsletters and cybersecurity tools aimed at enhancing both threat prevention and system monitoring capabilities.

Environmental Scan

STO operates in a dynamic business environment shaped by economic trends, government policies, technological advancements, demographic shifts, and public perception of skilled trades careers. The agency works with employers, unions, training providers, and government bodies to ensure a skilled workforce that meets industry demands.

Economic conditions directly impact the demand for skilled labor, with growth creating shortages and downturns reducing opportunities. Government regulations, including changes in apprenticeship training and licensing, affect operations. Technological advancements, such as automation and green energy solutions, require updates to training and certification standards. Additionally, an aging workforce and declining enrollment in trades programs present challenges, making it essential to attract new talent. Public perception also plays a role in shaping participation in skilled trades careers.

Significant changes in these factors could have various effects. Economic fluctuations may alter apprenticeship opportunities, while regulatory changes could influence workforce composition. Emerging technologies may shift training needs, and demographic changes could create labor shortages. Additionally, variations in government funding may impact the agency's ability to deliver programs effectively.

By remaining adaptable, STO can respond to these challenges and continue supporting a highly skilled workforce in the province.

Key External Factors

Legislative, Regulatory, or Policy Changes

STO operates within a shifting policy landscape shaped by both provincial and federal government actions. At the provincial level, initiatives such as expanding dual-credit programs in high schools and offering apprenticeship incentives aim to create a pipeline of skilled tradespeople aligned with current labor market demands. These efforts are part of Ontario's strategy to address the ongoing shortage of skilled workers, particularly in high-demand areas like electrical, plumbing, and carpentry⁵. Furthermore, changes in the provincial apprenticeship frameworks aim to streamline certification processes, reducing barriers to entry for internationally trained workers and enhancing workforce mobility⁶.

On the federal side, immigration policies are increasingly focused on filling labor gaps in the trades sector. Programs targeting skilled immigrants, such as the Express Entry program, are designed to attract workers in trades experiencing high rates of retirement or lacking local entrants⁷. These federal and provincial policy changes are critical in shaping the strategies of STO, particularly in meeting the labor demands caused by the aging workforce and increasing project needs in construction and infrastructure.

⁵ Government of Ontario. (2023). *Ontario Budget 2023: Ontario's Economic Outlook*. Retrieved from <http://www.ontario.ca/page/budget>.

⁶ Ontario Ministry of Labour, Immigration, Training and Skilled Development. (2020). *Bill 288: Ontario's Labour Mobility and Apprenticeship Act*. Retrieved from <https://www.ontario.ca>

⁷ Government of Canada. (2021). *Canadian Free Trade Agreement*. Retrieved from <https://www.cfta-alec.ca>

Fiscal Environment and Economic Outlook

The fiscal outlook for STO is influenced by both local and global economic conditions. Ontario's construction and infrastructure sectors are thriving due to significant government investment in housing, transportation, and green energy projects. However, economic challenges, such as rising material costs, inflation, and increased interest rates, pose risks to project feasibility and the affordability of training programs^{8 9}. These rising costs could strain both the construction sector and STO's ability to manage training budgets effectively.

Federal and provincial funding remain vital in mitigating these risks. The Canadian government allocates nearly \$1 billion annually for apprenticeship programs, including grants, loans, and tax credits, which support apprenticeships and related training initiatives. The 2024 federal budget's allocation of \$90 million for apprenticeship services is a notable example of how federal funds are being used to bolster workforce development¹⁰. These investments are crucial in maintaining the availability of skilled labor despite economic uncertainties, such as inflation and higher borrowing costs.

Changes and Trends in the Operating Environment

STO is facing transformative changes in the trades sector due to advancements in technology and a focus on sustainability. Technologies such as Building Information Modeling (BIM), automation, and advanced digital tools are revolutionizing how construction projects are managed, requiring workers to acquire new technical skills¹¹. Additionally, there is a growing demand for "green" trades in sectors like renewable energy and energy-efficient building practices, driven by both government policies and market demand for sustainable solutions¹².

The ongoing push for net-zero emissions and green construction is reshaping the training needs of the trade's workforce. Programs such as the Union Training and Innovation Program (UTIP) are helping tradespeople transition into these new fields by offering modernized equipment and targeted green training¹³. As a result, STO must continually update its curricula to reflect these technological and environmental shifts, ensuring the workforce remains adaptable and relevant to the evolving demands of the industry.

Demographic Shifts, Labor Market Conditions, and Employment Trends

Demographic changes pose a significant challenge to Ontario's trades workforce. With approximately 25% of tradespeople in the Greater Toronto Area expected to retire by 2030, the province is facing a large gap in skilled workers. This is compounded by the fact that younger generations are not entering the trades at the rates necessary to replace retiring workers^{14 15}. To

⁸ TD Economics. (2023). *Economic Outlook: Skilled Trades Sector in Ontario*. Retrieved from <https://www.td.com/ca>

⁹ Ontario Construction Secretariat. (2022). *The skilled trades workforce: Ontario's construction outlook*. Retrieved from fao-on.org

¹⁰ Financial Accountability Office of Ontario. (2024). *2023-34 Annual Report*. Retrieved from fao-on.org

¹¹ Ontario General Contractors Association. (2023). *Building Information Modeling (BIM) in Ontario: Current practices and future directions*. Retrieved from <https://www.ogca.ca/resources/bim-ontario-report-2023>

¹² Canadian Apprenticeship Forum. (2022). *The Impact of Technological Change on Skilled Trades Training in Canada*. Retrieved from <https://www.caf-fca.org>

¹³ Ontario Construction Secretariat. (2022). *The Skilled Trades Workforce: Ontario's Construction Outlook*. Retrieved from <https://www.ocs.on.ca>

¹⁴ Statistics Canada. (2023). *Labour Force Survey*. Retrieved from <https://www.statcan.gc.ca>

¹⁵ Labour Market Information Council. (2023). *Ontario Skilled Trades Labor Market Report*. Retrieved from <https://lmic-cimt.ca>

address this, STO and the provincial government have been focusing on attracting younger workers, as well as underrepresented groups such as women and Indigenous peoples, into the trade's workforce. These efforts include financial incentives such as grants and interest-free loans to help ease the financial barriers for new apprentices¹⁶.

Furthermore, immigration plays a crucial role in addressing these shortages. Many of the skilled trades professionals entering Ontario's labor market are immigrants, and federal policies facilitating the entry of skilled tradespeople are helping to fill gaps caused by both demographic shifts and labor shortages^{17 18}.

Potential Effects of External Changes

1. **Policy and Legislative Changes:** Policy shifts, such as changes to funding allocations or adjustments in immigration pathways, could either strengthen or challenge STO's ability to respond to workforce needs. Increased funding and supportive policies could enhance the agency's capacity to deliver effective training programs, whereas a reduction in resources could make it difficult to meet demand.
2. **Economic Conditions:** Economic downturns or persistent inflation may lead to fewer construction projects, reducing the need for skilled tradespeople and potentially limiting funding for training programs. This could, in turn, reduce opportunities for apprenticeships and negatively affect workforce growth.
3. **Technological Advancements:** While technology adoption in the trades sector offers many opportunities, it also creates challenges. The rapid pace of technological advancements may outstrip the ability of training programs to adapt. STO must continue investing in curriculum updates and instructor training to keep pace with these changes and ensure that workers are adequately prepared for the future job market.
4. **Demographics and Labor Market Dynamics:** If younger workers or immigrants are not successfully attracted to the trades, the skills gap could worsen, exacerbating labor shortages. Proactive outreach and diverse training programs targeting underrepresented groups are critical to maintaining a steady supply of skilled workers.

Key Internal Factors

STO has identified several key internal factors that influence its strategic direction and operational focus for the 2025-2026 Annual Business Plan. These factors include cost and program delivery drivers, workforce demographics and labor relations challenges, structural changes impacting the organization, transition information, and insights gained from program reviews, audits, surveys, and stakeholder recommendations. Addressing these factors is essential to sustaining and strengthening Ontario's skilled trades sector.

Cost and Program Delivery Considerations

A critical internal factor influencing STO's operations is the cost and efficiency of program delivery. To improve accessibility and effectiveness, STO is dedicated to modernizing

¹⁶ Financial Accountability office of Ontario. (2024). *2023-34 Annual Report*. Retrieved from fao-on.org

¹⁷ Government of Canada. (2021). *Canadian Free Trade Agreement*. Retrieved from <https://www.cfta-alec.ca>

¹⁸ Labour Market Information Council. (2023). *Ontario skilled trades labour market report*. Retrieved from fao-on.org

apprenticeship and certification pathways, updating training materials, and streamlining the certification process. By ensuring alignment with industry needs, STO seeks to implement cost-effective solutions that minimize administrative burdens while maintaining high training and certification standards. These initiatives will enhance resource allocation and improve overall program delivery.

Workforce Demographics and Labor Relations Challenges

Ontario's skilled trades workforce is undergoing significant demographic shifts, including an aging workforce and a growing demand for new talent. In response, STO is focused on promoting and advancing careers in skilled trades. Key efforts include increasing awareness of skilled trades as a viable career choice among students, parents, and educators and strengthening partnerships with schools, training institutions, and industry stakeholders. Additionally, STO remains committed to collaborating with labor organizations and industry partners to support workforce development and ensure skilled trades professionals receive the training and support necessary for success.

Structural Changes Impacting the Organization

The skilled trades sector is continually evolving due to technological advancements, policy shifts, and economic changes. To adapt, STO is prioritizing research and data-driven decision-making. Establishing a center for research and insights will enable STO to analyze workforce trends, industry demands, and emerging challenges. This research will support evidence-based policymaking and ensure that STO's programs and initiatives remain relevant and responsive to the changing labor market.

Transition Information: STO Transition – April 2, 2025

A major internal change is the transition of critical apprenticeship and certification functions from the MLITSD to STO, effective April 2, 2025. This transition involves several key changes:

- **Centralized Services:** STO will assume responsibility for apprenticeship registration, training agreements, and issuing Certificates of Apprenticeship. The STO Call Centre will extend its hours to improve customer support. Staff have been trained on key systems such as AMANDA and EOIS-APPR to effectively manage apprenticeship programs. The STO website will also be fully updated to reflect these changes.
- **Third-Party Exam Administration:** As of April 2, STO will have statutory responsibility for administering examinations under BOSTA, including certifying examinations. Prometric Canada will be contracted to deliver certifying exams, with apprentices able to schedule exams online. Test sites have been confirmed in major cities, and STO is working to expand offsite exam options.
- **Regional Service Expansion:** STO is establishing regional hubs in Thunder Bay, Ottawa, London, and Vaughan to provide in-person support and service. These hubs will also focus on expanding services to rural and northern Ontario, with Regional Managers being hired to shape service delivery in these areas.

Program Evaluations and Stakeholder Recommendations

Continuous evaluation of STO's programs and policies is essential to maintaining high standards and aligning with government priorities. Based on insights from program reviews, audits, surveys, and stakeholder reports, STO is committed to fostering a diverse, equitable, and inclusive skilled trades sector. Partnering with organizations that support equity-deserving

groups, youth, and Indigenous communities will help create a more inclusive and representative workforce. Implementing recommendations from these evaluations and working closely with stakeholders will enhance STO's programs, ensuring they effectively serve individuals pursuing careers in the skilled trades.

Strategic Priorities for 2023-2026

To support the continued growth and modernization of Ontario's skilled trades sector, STO has outlined four internal strategic priorities, as detailed in the STO Strategic Plan 2023-2026¹⁹:

1. **Enhance Apprenticeship and Certification Models:** STO is working to streamline apprenticeship pathways and update training standards to meet the evolving needs of the workforce. Modernizing certification processes will improve accessibility and efficiency.
2. **Promote and Elevate Skilled Trades Careers:** To address labor shortages and highlight the benefits of skilled trades professions, STO is actively promoting these careers through targeted outreach and awareness initiatives.
3. **Leverage Research for Informed Decision-Making:** STO is committed to a data-driven approach, establishing a research center to analyze trends and inform policies that enhance sector performance and responsiveness.
4. **Foster a Diverse and Inclusive Workforce:** STO is prioritizing diversity, equity, and inclusion by forming partnerships with organizations representing equity-deserving groups, youth, and Indigenous communities to create a welcoming and supportive skilled trades environment.

By addressing these key internal factors, STO's 2025-2026 Annual Business Plan aims to fortify Ontario's skilled trades sector. Through modernized apprenticeship and certification processes, increased awareness and participation, data-driven research, and a commitment to diversity and inclusion, STO is ensuring a resilient, adaptable, and well-prepared skilled trades workforce for the future. Additionally, as part of the process for the new strategic plan for 2026-2029, STO will focus on refining procurement strategies to support the ongoing evolution of skilled trades training and development.

¹⁹Skilled Trades Ontario. (2023). *Skilled Trades Ontario Strategic Plan 2023-2026*. Retrieved from <https://www.skilledtradesontario.ca/wp-content/uploads/2023/09/Skilled-Trades-Ontario-Strategic-Plan-2023-2026-Public-Report-vSep-20-2023-FINAL.pdf>

HR Impacts over the upcoming three fiscal years

STO recognizes that attracting and retaining a diverse, energized, engaged, and competent workforce is key to its success. As the organization continues to grow and mature, the Human Resources Strategy will focus on several key elements to support the delivery of its mandate while looking to streamline operations in an efficient and effective manner.

First, STO will promote and place a high value on employee engagement and the attraction and retention of top talent. This will be achieved through the development of relevant strategies, policies, and HR practices. The organization will continue to seek and attract top talent based on the highest priority department needs, and by conducting a compensation review that will allow STO to be competitive in the market. Through the development of a diversity, equity, inclusion and belonging (DEIB) framework, STO will look to establish an organizational culture that fosters inclusivity and belonging for all employees.

STO is committed to ensuring the organization operates within the Ministry-approved full-time equivalent (FTE) allocation and to strategically deploying resources across the organization to support its mandate and overall success. STO has 123 employees expressed as FTEs, including 9 executives (Directors and above). The organization also employs 1 part-time employee and 54 temporary employees.

Establishing STO as a learning organization is another key priority. The organization will empower leaders and encourage employee growth and professional development through a robust learning and development strategy. This will include leveraging a learning management system to facilitate continuous learning opportunities. Additionally, STO will continue to strengthen its succession planning strategy to maintain operational effectiveness and retain institutional knowledge.

The organization will enhance operational effectiveness and improve the employee experience by implementing an upgraded Human Resources Information System (HRIS), which will also provide efficiencies in the areas of talent acquisition with the introduction of an applicant tracking system. Other modules such as a performance management and succession planning tool will also be built into the new system, allowing HR to streamline processes throughout the organization.

STO will also continue to review existing HR policies and procedures to ensure they remain current and relevant. Where necessary, new policies will be developed to align with the organization's evolving needs and long-term success. Additionally, as employees transition from a fully remote work environment back to an office or hybrid work model, STO will implement strategies to support a smooth and effective shift.

Finally, STO continues to collaborate with the MLITSD to support the planning and implementation of a future state-integrated service delivery model.

Performance Measures

This performance measurement framework outlines key initiatives and goals for skilled trades development in Ontario for the 2025-2026 fiscal, across six outcome areas:

1. Innovation – Modernizing training, technology, and processes to improve skilled trades. Goals include updating standards, expanding digital logbooks, introducing multi-year registration cards, enhancing digital services, and improving cybersecurity reporting.
2. Sustainability – Strengthening long-term trade viability through education and retention. Key targets include reducing apprenticeship dropout rates, improving foreign credential recognition, launching a transition program for social assistance recipients, and establishing employer support for rural businesses.
3. Accountability – Enhancing transparency and efficiency in skilled trades administration. Efforts focus on improving exam pass rates, increasing Certificates of Qualification issuance, reducing apprenticeship registration times, and identifying cost-saving measures.
4. Operational Policies & Client Services – Enhancing efficiency, accessibility, and client satisfaction for tradespeople. Targets include improving Trade Equivalency Assessment processing, reducing phone/email response times, maintaining high service standards, and regularly monitoring client satisfaction to inform service improvements.
5. Research & Apprenticeship Initiatives – Promoting skilled trades and refining support mechanisms. Priorities include enhancing career awareness through marketing initiatives, evaluating the effectiveness of exam support, and increasing awareness of apprenticeship grants and incentives offered by the Ministry.
6. Organizational Management – Strengthening STO workforce engagement and operational alignment. Goals include achieving a 75% employee survey response rate, ensuring 85% of employees have learning plans, and aligning hybrid work policies with provincial standards.

Each outcome area has defined measures and baselines, with goals that demonstrate a structured approach to advancing Ontario's skilled trades sector; where specific annual targets are still being established, this work will continue as part of STO's performance measurement framework.

Outcome 1 - Innovation

Enhancing processes, technology, and training to improve skilled trades in Ontario.

Measure	Baseline	Goal
Up-to-date standards for the top 10 trades	Standards out of date	Updated standards for each of the top 10 trades
Digital logbook expansion	Pilot program in progress	Full implementation across all trades
Multi-year registration cards implementation	Single-year renewals	Transition to multi-year licensing model
Digital-first client services	Limited online services	Expand digital applications, online exams, and explore STO mobile app
Cybersecurity and AI reporting	No structured reporting	Quarterly reports to Ministry on cybersecurity measures and AI applications

Outcome 2 - Sustainability

Ensuring long-term viability of skilled trades through education, retention, and modernization.

Measure	Baseline	Goal
Apprenticeship dropout rate reduction	High dropout rates	Decrease dropout rate by 20% through targeted interventions
Foreign credential recognition updates	Monthly reporting is not in place	Provide monthly updates to Minister on improvements in interprovincial mobility and foreign credential recognition
Social assistance transition program	No existing pilot	Launch a pilot project to transition individuals from social assistance to skilled trades (Q4 2025)
Employer support unit established	No dedicated support	Dedicated unit to assist small businesses in rural and remote regions

Outcome 3 - Accountability

Improving transparency, tracking progress, and ensuring responsible decision-making.

Measure	Baseline	Goal
Overall exam pass rates (Red Seal, non-Red-Seal)	The baseline pass rate remains to be determined, as STO assumed responsibility for exam administration in 2025.	Exam oversight newly assumed, STO will focus on improving outcomes before setting targets.
Certificates of Qualification (CofQ) issued	11,332 (Fiscal year 2022/23)	Increase
Apprenticeship registration processing time	60 days	Reduce to 12 days

Budget efficiency & cost reduction	No set reduction target	Identify 5% cost savings in certain areas through operational efficiencies
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Outcome 4 - Operational Policies and Client Services

Providing seamless, efficient, and client-focused experience for tradespeople.

Measure	Goal	YTD (as of December 31, 2024)
Trade Equivalency Assessment (TEA) decision performance for applicants with certification from other Canadian jurisdictions	80.0% verified within 2 weeks	85.0%
TEA decision performance for internationally trained applicants with skilled trade work experience	80.0% assessed within 8 weeks	58.3%
Average speed of answer – inbound phone calls	90.0 seconds	79.8 seconds
Email response performance	80.0% response rate within 2 business days	70.1%

Outcome 5 - Research and Apprenticeship Initiatives

Enhancing participation and understanding of skilled trades through research, promotion, and strategic initiatives.

Measure	Baseline	Goal
Boost the visibility of in-demand career opportunities through STO's social media channels and website	13,000 followers across all social media channels	Improve engagement through marketing campaigns and partnerships
Research on exam support services impact	Limited data available	Establish metrics and track progress
Expansion of apprenticeship grants and incentives	Current programs in place	Increase accessibility and awareness

Outcome 6 - Organizational Management

Ensuring STO employees are engaged, well-trained, and aligned with the organization's mission.

Measure	Baseline	Goal
Response rate for STO Employee Survey	TBC through upcoming survey	75% response rate
Employees with learning and development plan in place	TBC – will be reported through STO Annual Report	85%
Hybrid work policy alignment	Under review	Align with OPS standards and optimize office space usage

Financial budget over 3-year life of business plan

Financial Overview and Projections

The projected figures for the 2024-25 fiscal year were based on actual financial data for the nine months ending December 31, 2024, with projections extended over a 12-month period. Notably, the budget and forecasts do not include any transfer payment revenue from the Province of Ontario, as the province has not yet confirmed a mature state funding model as of March 2025. Additionally, other income reflects time-limited, project-based funding from the Government of Canada and the Workplace Safety Insurance Board (WSIB), with associated expenses equal to the funding received.

Revenue and Expenses

For the 2024-25 fiscal year, total revenue is projected at \$18.1 million, which represents a \$218K (1%) increase over the budgeted amount. This increase is primarily driven by a modest growth in membership fees, attributed to former members of the Ontario College of Skilled Trades renewing their membership with STO. Revenue from exam and assessment fees is projected to meet the budget expectations, despite the loss of \$400K in exam fees due to the Minister's decision to waive fees for first-time qualification exam writers starting in January 2025. Without this waiver, the exam and assessment revenue would have been \$400K higher, reflecting an increase in the volume of completed exams and assessments. Notably, fees for repeat exam writers, membership, and trade equivalent assessments remained unchanged.

Total projected expenses for 2024-25 amount to \$20.6 million, which is \$9.8 million (80%) lower than budgeted. This reduction is primarily due to delays in the transfer of several information technology projects as STO takes on additional operational functions from the MLITSD. Furthermore, stakeholder engagement events were significantly under budget due to the postponement or cancellation of planned events.

Consequently, the projected fiscal deficit for 2024-25 is \$2.5 million, which is \$9.8 million less than originally anticipated. This positive variance is a result of both the lower-than-expected expenses and the later than anticipated transition of certain I.T. functions from MLITSD.

Future Financial Outlook

Looking ahead, membership, examination, and assessment fee revenues are expected to grow at an annual rate of 3%, driven by an increase in the number of members and apprentices utilizing STO's services in the coming years. However, interest income is forecasted to decline substantially, due to lower interest rates on cash and a decrease in STO's cash balance.

As STO continues to assume additional responsibilities from MLITSD, expenses are projected to rise significantly starting in the 2025/26 fiscal year. By the fall of 2025, STO is expected to reach a more mature operational state, with four new regional hub locations for outreach and case management services for apprentices across Ontario. STO will also assume responsibility

for administering the 23,000 Certificate of Qualification Exams and managing the online client portal from MLITSD.

Over the next three years, the forecast anticipates an increase in staffing costs due to the hiring of approximately 50 new full-time employees necessary to support the transition. Additionally, lease costs for the regional hubs and professional fees for exam administration will contribute to higher occupancy and operational costs. The online apprenticeship portal is expected to be fully integrated into STO's IT environment by 2026-27, with associated maintenance costs reflected in the forecasted IT expenses.

In summary, while STO is facing a fiscal deficit for 2024-25, the organization is positioning itself for significant growth and expansion in the coming years as it assumes more operational functions and responsibilities.

Financial Outlook

2024-2025 Budget to Forecasted Actuals

	2024-25	2024-25		
	Fiscal Forecast	Fiscal Budget	Variance	Variance
	\$	\$	\$	%
Membership Fees	\$11,163,631	\$10,729,829	\$433,802	4.0%
Exam and Assessment Fees	\$4,583,108	\$4,620,158	(\$37,050)	(0.8%)
Interest and other Income	\$1,513,000	\$1,626,317	(\$113,317)	(7.0%)
Grant Funding – Government of Canada	\$836,408	\$897,446	(\$61,038)	(6.8%)
Total Revenue	\$18,096,147	\$17,873,750	\$222,397	1.2%
Salaries and benefits	15,982,907	16,223,595	(240,688)	(1.5%)
Rent, insurance, office and general	529,397	606,583	(77,186)	(12.7%)
Employee training and recruitment	91,550	442,148	(350,598)	(79.3%)
Membership and conference fees	162,687	3,809,846	(3,647,159)	(95.7%)
Telecommunication and I.T.	912,688	3,061,499	(2,148,811)	(70.2%)
Payment processing charges	363,781	346,468	17,314	5.0%
Advertising and public relations	361,358	29,670	331,688	1117.9%
Member communication	1,494,904	2,057,923	(563,019)	(27.4%)
Stakeholder engagement	173,055	2,739,618	(2,566,563)	(93.7%)
Professional fees	479,001	864,840	(385,839)	(44.6%)
Total Expenses	20,551,328	30,182,190	(9,630,861)	(31.9%)
Deficit	(\$2,455,182)	(\$12,308,440)		

Three Year Financial Forecast - (Currently under review)

	2025-26	2026-27	2027-28
	Fiscal Forecast \$	Fiscal Forecast \$	Fiscal Forecast \$
Membership Fees	\$11,498,540	\$11,843,496	\$12,198,801
Exam and Assessment Fees	\$3,021,556	\$3,112,203	\$3,205,569
Interest and Other Income	\$1,215,909	\$607,955	-
Grant Funding – WSIB	\$5,509,612	\$10,500,000	\$9,000,000
Grant Funding – Government of Canada	\$836,408	\$836,408	\$836,408
Total Revenue	\$22,082,025	\$26,900,061	\$25,240,778
Salaries and benefits	\$20,112,404	\$20,715,776	\$21,337,249
Rent, insurance, office and general	\$577,880	\$1,095,216	\$1,128,073
Employee training and recruitment	\$449,250	\$462,728	\$476,609
Membership and conference fees	\$251,500	\$259,045	\$266,816
Telecommunication and I.T.	\$2,739,757	\$2,821,950	\$2,906,608
Payment processing charges	\$380,000	\$391,400	\$403,142
Advertising and public relations	\$1,400,000	\$1,442,000	\$1,485,260
Member communication	\$1,070,500	\$1,102,615	\$1,135,693
Stakeholder engagement	\$4,021,316	\$4,141,955	\$4,266,214
Professional fees	\$4,587,000	\$9,724,610	\$9,224,610
Total Expenses	\$35,589,607	\$42,157,295	\$42,630,276
Deficit	(\$13,507,582)	(\$15,257,234)	(\$17,389,498)

*Note that the anticipated fiscal deficits are without transfer payments from the Province of Ontario.

Realty

Current Headquarters & Future Considerations

STO, a newly established Crown agency, is actively working with Infrastructure Ontario (IO) to develop a long-term realty strategy that meets its operational needs and projected staffing growth. Currently, STO occupies a head office in Mississauga on a month-to-month lease. Under proposed amendments to the Centralization of Broader Real Estate Authority (CBREA), STO is required to engage IO for its real estate needs, in alignment with the MBC Realty Directive and OPS Modern Office Space (OMOS) Standards.

As of March 2025, IO has completed an assessment of STO's current and future space requirements, including a General Real Estate Portfolio Scan of Broader Public Sector and Provincial Agency holdings. This analysis found no suitable existing accommodations, and IO has therefore recommended securing new third-party turnkey office space. The procurement and transition process is expected to take approximately 12–14 months.

Regional Operations and Expansion

To enhance its regional presence and better serve apprentices and members across Ontario, STO is establishing four regional hub offices. These hubs will be strategically located in:

- Thunder Bay (Northern Region)
- Ottawa (Eastern Region)
- London (Western Region)
- Vaughan (GTA/Central Region)

STO has once again engaged IO to identify and secure suitable office spaces in these regions. The establishment of these hubs will allow STO to align fully with the Ontario Public Service's hybrid work policies, ensuring accessibility and operational efficiency across the province.

As STO continues to evolve, it remains committed to developing a robust real estate strategy that supports its long-term growth and operational needs, while ensuring alignment with provincial real estate policies and best practices.

Information Technology

STO will continue working with MLITSD to complete the Digital Portal Project, with all main portal features expected to be finalized by the end of the 2025-2026 fiscal year. This includes integrating data synchronization to align transferred MLITSD functionalities with STO operations and conducting an infrastructure review to prepare for the Ministry's portion of the Portal system. In parallel, the MLITSD Business Transition Project will focus on implementing and fully integrating the new electronic examination system, supporting internal departments in system integration and automation initiatives, and facilitating continuous improvement processes.

Internal systems management efforts will include routine annual system upgrades for security and operational enhancements, along with major upgrades for key platforms such as the Call Center VOIP system, finance system, portal and back-office systems, and the Human Resources Management System. Additionally, new electronic examination booking, delivery, and scoring systems will be introduced for provincial and interprovincial examinations. As part of IT governance, existing IT contracts—including cybersecurity service contracts, Microsoft agreements, and IT hardware and software contracts—will be reviewed and retendered to ensure compliance with the OPS Procurement Directive and best practices.

To maintain a strong cybersecurity posture, STO IT will continue monitoring and minimizing access points to ensure system security, working closely with Cyber Security Ontario and security vendors to stay ahead of evolving risks. This will involve constant system reviews, periodic user training for cybersecurity awareness, prompt system patching and upgrades, and quarterly evaluations of internal security KPIs and protocols. Additionally, AI-driven security solutions will be explored to enhance monitoring and threat detection capabilities.

In preparation for the planned MLITSD system transfer in 2025, STO will update its enterprise system architecture to accommodate new and upgraded systems while conducting a technical architecture review to maximize the value of its IT infrastructure. Cybersecurity vendors and practices will also be assessed for value-for-money considerations, with contracts reviewed and retendered as needed. Major IT contracts, including the Microsoft Master Agreement, will be evaluated for compliance with the Ontario Public Service Procurement Directive upon renewal. These initiatives will ensure STO remains secure, efficient, and aligned with best practices in IT management.

Inventory of the agency's artificial intelligence

STO will align with Ontario's Trustworthy Artificial Intelligence Framework²⁰ and the Responsible Use of Artificial Intelligence Directive²¹ by applying its six core principles:

- AI is used to benefit the people of Ontario.
- AI use is justified and proportionate, and AI systems are reliable and valid.
- AI is implemented in a safe, secure, and privacy-protective manner.
- AI use is human rights-affirming and non-discriminatory.
- AI is transparent, with meaningful explanations of decisions made available.
- AI use is accountable and responsibly managed.

STO currently does not use AI in any of its operations, but it is committed to aligning with Ontario's Trustworthy Artificial Intelligence Framework and the Responsible Use of Artificial Intelligence Directive by applying its six core principles if taken effect. These principles ensure that AI is applied ethically and effectively, prioritizing public benefit, security, fairness, and transparency. By following this framework, STO will conduct a thorough review of internal operations and assess both current and future AI opportunities. As part of AI deployment preparations, STO will review information classification protocols to ensure compliance with the AI usage directive. The initial implementation phase will focus on working with STO's security vendor to enhance cybersecurity threat analysis and support coding development.

²⁰ Government of Ontario. (2021a). *Ontario's trustworthy artificial intelligence (AI) framework*. Retrieved from <https://www.ontario.ca/page/ontarios-trustworthy-artificial-intelligence-ai-framework>

²¹ Government of Ontario. (2021b). *Responsible use of artificial intelligence directive*. <https://www.ontario.ca/page/responsible-use-artificial-intelligence-directive>

Initiatives involving 3rd parties

STO works with a range of partners and is committed to developing and leveraging partnerships with third parties. STO will continue to foster existing relationships through available channels to support the successful delivery of agency initiatives and goals. Key relationships are outlined below.

Canadian Council of Directors of Apprenticeship and Red Seal Program (CCDA)

STO shares responsibility for the apprenticeship pathway with MLITSD. As such, both participate on the CCDA which is a voluntary intergovernmental partnership among the provinces and territories and federal government, responsible for apprenticeship training and trade certification. STO's Registrar is the CCDA voting representative for Ontario. MLITSD staff as well as STO executive and staff members participate in several CCDA committees including the Strategic Planning and Priorities Committee, the Research Committee, and the Interprovincial Computerized Examinations Management System Committee.

STO uses the Red Seal examination as the final certification exam in designated Red Seal trades and actively engages with Ontario subject matter experts and instructors to support the development of national standards and exams.

Technical Standards and Safety Authority (TSSA)

The TSSA plays a critical role in the certification process for the Elevating Devices Mechanic (EDM) trade, which is a named trade under the *Building Opportunities in the Skilled Trades Act, 2021* (BOSTA). While Skilled Trades Ontario is responsible for developing the apprenticeship curriculum and training standards—and, as of April 2, 2025, will also administer the apprenticeship program including the issuance of Certificates of Apprenticeship—this forms only one part of a broader regulatory and certification pathway. The TSSA, under the *Technical Standards and Safety Act*, regulates elevating devices and oversees the practice of the EDM trade in Ontario. It conducts its own certification and examination processes for nine EDM license classes. Although EDM is a non-compulsory trade under BOSTA and does not require a Certificate of Qualification from STO, apprentices must still meet the TSSA's licensing requirements. STO's responsibility lies in setting and maintaining the apprenticeship training standards aligned with these nine TSSA license classes. STO's role in the process is further outlined in the EDM flowchart²².

Virtual Learning Strategy (VLS)

In June 2023, STO signed on to the national Virtual Learning Strategy (VLS) bi-lateral agreement and licensing agreement. All provincial apprenticeship authorities participate in VLS Canada, a virtual learning strategy designed to support apprentices who face challenges in formal learning, technical training, and exam preparation. The primary goal is to ensure apprentices are successful in their certifying exams. VLS Canada offers a range of supports, including online tutoring, personalized training, and wrap-around learning resources available to apprentices across Canada. As of November 2024, the number of VLS spots allocated to Ontario increased from 250 to 390, available annually until August 31, 2026. STO's Exam

²² Becoming an Elevating Devices Mechanic in Ontario – EDM Flowchart, Version 12, March 2023, Skilled Trades Ontario. EDM-flowchart_v12-March-2023_ENGLISH.pdf

Support Unit now has access to these additional spots and can identify and recommend clients for the program.

International Credential Recognition Initiative

The ICR Project is focused on streamlining foreign credential recognition in skilled trades, in alignment with BOSTA, to reduce barriers for foreign-trained professionals. The key objectives of the project include upholding Ontario's certification standards, facilitating workforce integration, prioritizing demand-driven trades in construction and motive power, and supporting informed recruitment strategies. This initiative plays a vital role in Ontario's efforts to address labor shortages and improve workforce integration for internationally trained professionals. In July 2024, MOUs were signed between Ontario and Alberta, followed by a similar agreement with Nova Scotia in August 2024, to explore credential recognition and skilled labor recruitment. The project will run from October 2023 to December 2027.

Modernizing Standards with DEIB Lens Initiative

In December 2023, STO entered a Canadian Apprenticeship Strategy, General Apprentice Supports Contribution Agreement with the Government of Canada (Employment and Social Development Canada) for a multi-year project aimed at improving apprenticeship participation and success for equity-deserving groups. Partnering with Unifor and the Provincial Building and Construction Trades Council of Ontario (PBCTO), the project applies a diversity, inclusion, and environmental impact lens to develop accessible materials, update training and curriculum standards, and create additional resources to support 25,000 apprentices in Ontario across 11 Red Seal trades. The initiative aims to increase union and employer participation, harmonize 14 updated standards with Red Seal standards, and reduce barriers to successful apprenticeship outcomes for equity-deserving groups, including youth, women, Indigenous peoples, newcomers, persons with disabilities, racialized communities, and members of 2SLGBTQI+ communities. While the initial focus is on 11 trades, the project seeks to leverage deliverables and lessons learned to benefit other trades. The project is set to run through March 2028.

WSIB 3-Year Program

WSIB has agreed to provide STO with \$25 million over three years, through August 2027, to improve health and safety in the Skilled Trades. The first Statement of Work (SOW-1), for \$1 million in funding, has been signed, and additional funding will be released based on future SOWs signed by both WSIB and STO. During this three-year period, there may be opportunities for collaboration with additional third parties on specific projects. A clearer picture of the projects and potential third-party organizations that could be involved will emerge by May 2025.

Implementation Plan

Innovative Initiatives

STO is actively implementing several initiatives to enhance client services, streamline operations, and improve overall efficiency. To enhance the user experience, STO is upgrading its Interactive Voice Response (IVR) phone system, making it more user-friendly and intuitive. To expedite client resolutions, the agency is establishing an escalation pathway to address joint STO/Ministry concerns more efficiently. This will be complemented by the rollout of a ticketing system to enable faster issue tracking and response times.

To strengthen communication, STO is aligning messaging consistency across all platforms—print, email, and website—in both official languages. The agency is also conducting a French-language service assessment to identify and address any gaps in serving Francophone clients.

In collaboration with the Ministry, STO is expanding its digital service offerings. This includes:

- Online school preferences to streamline apprenticeship placements.
- Faster apprenticeship completions by optimizing internal processes.
- Enhanced Registration and Training Agreement (RTA) processes for improved efficiency.
- Expanded digital exam delivery to offer more flexible testing options.

To measure the effectiveness of these initiatives, STO is launching a client satisfaction survey to gather feedback and pinpoint areas for improvement. Additionally, the agency is creating a procurement data repository to enhance reporting accuracy and support Supply Ontario, aligning with broader government priorities.

Sustainable Operations

STO is strengthening public service delivery by optimizing organizational capacity and ensuring the efficient use of resources. The agency will operate within approved financial allocations, with any significant staffing increases accompanied by a detailed HR plan for Ministerial approval. This approach ensures that STO maintains financial accountability while enhancing service efficiency and workforce alignment with its strategic goals.

As part of its operational sustainability efforts, STO is implementing efficiency measures to achieve cost savings and streamline processes. These measures will focus on maximizing service delivery effectiveness while adhering to government priorities.

Accountable Governance

To strengthen governance and promote transparency, STO is enhancing internal risk management processes. The agency is developing a standardized internal risk reporting template that aligns with Ministry requirements. The template, submitted quarterly, will include:

- Risk descriptions and categories.
- Risk ratings and mitigation actions to proactively address potential issues.

To foster a more inclusive workplace, STO is establishing a Diversity, Equity, and Inclusion (DEI) framework. This framework will include:

- Employee Resource Groups (ERGs) to promote inclusivity and engagement.

- Baseline goals and KPIs to measure STO's progress.
- Regular employee surveys to assess the effectiveness of DEI initiatives.

These efforts will promote a more engaged and diverse organizational culture.

Operational Enhancements

STO is implementing several operational improvements to enhance service delivery and optimize client interactions. The agency is establishing baseline data and service standards for key processes, including:

- Call-back times to ensure prompt client support.
- Apprenticeship registration processing standards, reducing timelines from 60 days to 12 days, making the process more accessible and transparent.

To support small and rural businesses, STO is creating a new employer support unit. This unit will provide targeted assistance and guidance to employers navigating the apprenticeship system.

As part of its modernization efforts, STO is also implementing:

- Long-term card renewal options (3-, 5-, or 10-year periods) to reduce administrative burdens.
- Semi-annual notifications to apprentices with active Training Agreements (TAs) beyond five years, encouraging progression to completion and improving record accuracy.
- Expanded offsite exam delivery options, providing more flexible testing for clients.

Communications and Marketing

STO is actively implementing communication and marketing strategies to raise awareness of its initiatives. The Communications Working Group has reviewed and refined initial campaign concepts, which will be integrated into the next development phase for a Spring launch.

To support this campaign, STO is introducing an interim refresh of the apprenticeship landing page, which was scheduled to go live the week of March 17, 2025. This refresh will align with the ad campaign, enhancing the user experience and driving engagement.

Additionally, STO is developing a long-term communications plan to promote awareness of its services and support government-skilled trades initiatives. The plan will leverage key partnerships, including with the MLITSD, to ensure alignment with broader workforce development goals.

Research and Apprenticeship Initiatives

STO is implementing research initiatives to enhance program effectiveness and client satisfaction. Key initiatives include:

- Completion rate and pass rate studies, with results informing future actions and Ministry considerations.
- Development of a rolling 5-year plan using a prioritization matrix to properly sequence initiatives.

- Integration of the MR1 Portal to implement real-time reciprocal Interprovincial Certificate issuance.
- Collaboration with Provincial and Territorial Apprenticeship authorities to explore the feasibility of a National public register.

To support workforce mobility, STO is identifying labour mobility challenges for Canadian Armed Forces members and their spouses, ensuring targeted support strategies. The agency will also conduct targeted surveys to encourage non-compulsory trades to register voluntarily and develop mentorship programs for apprentices in non-compulsory trades.

Organizational Management

STO is enhancing its organizational management practices through digital integration and process improvements. The agency is:

- Implementing a digital signal for apprenticeship completion into the portal for efficient tracking.
- Rolling out a third-party electronic exam delivery system to streamline exam administration.
- Conducting an evaluation of the current pilot to identify areas for improvement.
- Launching a feasibility study to assess the integration of new logbooks into the system.

To improve client retention, STO is:

- Establishing a baseline for tracking registration lapses.
- Researching the reintroduction of reminder calls to reduce registration lapses.

These measures will enhance portal functionality, streamline operations, and improve client engagement.

Communication Plan

STO is committed to clear, engaging, and impactful communication with skilled trades professionals, industry partners, employers, educators, and the public. Guided by our Letter of Direction and Strategic Plan, our multi-year communications approach is designed to promote careers in skilled trades, strengthen stakeholder relationships, and support workforce development.

Strategic objectives

STO's communications activities will focus on:

- Raising awareness of apprenticeship pathways and the value of certification, with a particular focus on students, parents, newcomers, and underrepresented groups.
- Strengthening relationships with industry, training providers, and employers to amplify opportunities and improve service delivery.

Implementation and rollout

STO will use a multi-channel approach to ensure broad reach and engagement.

Communications efforts will include:

- Marketing and media campaigns to build awareness and excitement around skilled trades careers, including a large-scale marketing campaign in 2025-2026 to promote apprenticeship.
- Gathering insights to measure ongoing efforts and future campaigns, including awareness and perceptions of safety in the skilled trades and the value of certification.
- Employer and stakeholder outreach to foster industry partnerships and promote apprenticeship opportunities.
- Public and media engagement through events, opinion pieces, and proactive storytelling that highlights the success of skilled trades professionals.
- Continued participation in *Level Up!* Career Fairs to connect directly with students, parents, and educators, promoting apprenticeship pathways and skilled trades careers.

Performance and measurement

As STO continues to grow, we remain committed to effective, transparent, and results-driven communication to support the skilled trades system and Ontario's workforce development goals.

STO will track the impact of its communications efforts through engagement metrics, stakeholder feedback, and market research, including focus group testing. Regular updates will be provided to the MLITSD to ensure alignment with government priorities.