SkilledTradesBC

2025/26
Annual Service Plan Report

August 2026

BRITISH COLUMBIA

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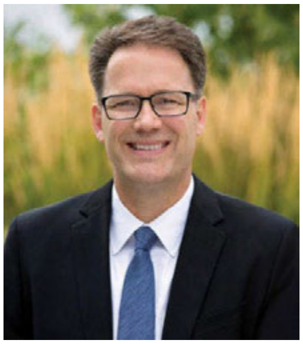
Board Chair's Accountability Statement



The SkilledTradesBC's 2025/26 Annual Service Plan Report compares the organization's actual results to the expected results identified in the 2025/26 – 2027/28 Service Plan published in 2025. I am accountable for those results as reported.

Signed on behalf of the Board by:

Paul Vogt
Board Chair
July 27, 2026

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Letter from the Board Chair & CEO

We are pleased to submit SkilledTradesBC's 2025/26 Annual Service Plan Report, which summarizes the organization's performance and focus over the past fiscal year as we continued to advance British Columbia's skilled trades training system.

We began the year operating in an economically challenging environment. SkilledTradesBC exercised careful fiscal management to address system pressures, including a targeted reorganization early in the year to ensure resources remained focused on core priorities.

Following two years of record growth in apprenticeship registrations, including increases among youth, women and Indigenous Peoples, levels began to stabilize in 2025/26, consistent with broader population trends in the province. Against a backdrop of ongoing economic uncertainty, the number of youth, women and Indigenous Peoples entering the trades declined modestly over the year. These trends were reflected in our performance results. While SkilledTradesBC continued to make meaningful progress, the organization did not meet or exceed all performance measures for the first time in several years.

The decline may be attributed, in part, to changes in federal programs. The federal Canadian Apprenticeship Service Grant, which provided incentives to employers hiring first-year apprentices from equity-deserving groups, ended in March 2025.

Despite these challenges, the year ended with significant momentum for the future. In November 2025, the BC Government announced a historic $241 million investment in trades training as part of its Look West Jobs and Prosperity strategy. As part of this commitment, SkilledTradesBC's operating grant will double by 2028/29.

With this funding commitment on the horizon, SkilledTradesBC adjusted its fiscal management approach during the latter part of the year and was able to increase training capacity. In 2025/26, SkilledTradesBC delivered nearly 29,000 training seats across public and non-public training institutions throughout British Columbia, 1,244 more than the previous year and the highest number since 2010/11.

As we look ahead, we remain confident in the strength of B.C.'s skilled trades system. Increasing funding beginning in 2026/27 will help stabilize, expand and modernize the system to support more British Columbians in achieving Red Seal certification and help build a strong and resilient trades workforce.

In the coming year, SkilledTradesBC will update its Strategic Plan for 2026/27 through 2028/29. The plan will align organizational priorities and performance measures with the expanded mandate and increased investments that will support British Columbia's skilled trades training system.

Paul Vogt Board Chair July 27, 2026	Shelley Gray CEO July 27, 2026

Purpose of the Annual Service Plan Report

This annual service plan report has been developed to meet the requirements of the Budget Transparency and Accountability Act (BTAA), which sets out the legislative framework for planning, reporting and accountability for Government organizations. Under the BTAA, a Minister Responsible for a government organization is required to make public a report on the actual results of that organization's performance related to the forecasted targets stated in the service plan for the reported year.

Strategic Direction

The strategic direction set by Government in 2024 and the Board Chair's Mandate Letter from the Minister Responsible shaped the goals, objectives, performance measures and financial plan outlined in the SkilledTradesBC 2025/26 – 2027/28 Service Plan and the actual results reported on in this annual report.

Purpose of the Organization

SkilledTradesBC is the Crown corporation that advances British Columbia's skilled trades training system. Together with employers, industry and training partners, SkilledTradesBC upholds the highest standards for training, issues credentials, supports apprentices, funds programs and promotes a wide range of rewarding careers in the trades. SkilledTradesBC is building the most diverse and sustainable workforce in Canada by supporting equitable access to skilled trades programs and helping British Columbians unlock their potential — creating a world-class workforce, one career journey at a time.

Under the Skilled Trades BC Act, SkilledTradesBC's purpose is: a) to manage and support an industry training and apprenticeship system in British Columbia; b) to ensure that the industry training and apprenticeship system meets the Province's need for skilled workers; c) to work with the Government to achieve their objectives respecting the industry training and apprenticeship system; d) to promote apprenticeship and industry training programs by encouraging employers and individuals to participate in those programs; and, e) to promote participation of Indigenous people in the industry training and apprenticeship system.

Other authorities are defined in the Skilled Trades BC Act. SkilledTradesBC's mandate and accountabilities are developed through a Mandate Letter, which is signed by the Minister of Post-Secondary Education and Future Skills and each member of the SkilledTradesBC Board.

Economic Statement

Economic activity in British Columbia advanced in 2025, after modest growth in 2024, despite facing notable headwinds. Last year, homebuilding activity in the province continued at a steady pace, and lower interest rates and easing inflation supported household spending. Meanwhile, high uncertainty around the impacts of U.S. tariffs and significantly lower population growth tempered economic activity in B.C., and across many provinces. Overall, B.C.'s real GDP rose by 2.0 per cent in 2025, up from 1.2 per cent growth in 2024. B.C. was one of only two provinces that saw an increase in the rate of real GDP growth from 2024 to 2025. On an industry basis, B.C.’s economic growth in 2025 was led by real estate, rental and leasing; health care and social assistance services; mining, quarrying, and oil and gas extraction; and construction.

B.C.’s labour market moderated in 2025, amid slower population growth and trade-related economic uncertainty. Total employment rose by 1.1 percent (+32,200 jobs), while wages and salaries rose by 3.1 percent. The unemployment rate averaged 6.2 percent in 2025, up from 5.6 percent in 2024, as labour force growth outpaced job creation. Despite rising last year, B.C.’s unemployment rate remained below the national average of 6.8 percent. B.C. housing starts totalled 44,193 units in 2025, down 3.6 percent from 2024, but remained above the 10-year historical average. Meanwhile, B.C. home sales activity declined by 5.7 percent compared to 2024, with muted demand contributing to a 2.9 percent decrease in the average home price. Inflationary pressures continued to moderate in 2025, reflecting slower price growth for services and subdued inflation for goods. Shelter inflation was the largest contributor to headline inflation last year but slowed substantially for both rented and owned accommodation compared to recent years. Lower gasoline prices, partly due to the removal of the B.C. consumer carbon tax, also helped ease headline inflation. Overall, B.C.’s consumer price inflation averaged 2.1 percent in 2025, down from 2.6 percent in 2024. Lower inflation and easing interest rates supported robust retail sales, which grew by 6.4 percent in 2025. On the trade front, B.C.’s merchandise exports remained relatively flat as markets adjusted to shifting global trade conditions. Overall, the value of B.C.’s goods exports edged down 0.1 percent compared to 2024 as increased exports to non-U.S. destinations were offset by a continued decline in goods exports to the U.S.

Report on Performance: Goals, Objectives, and Results

The following goals, objectives and performance measures have been restated from the 2025/26 – 2027/28 service plan. For forward-looking planning information, including current and future performance targets, please see the latest service plan.

Goal 1: Skilled trades are resilient, adaptive and a valued career of choice

Objective 1.1: Grow the apprenticeship population to help address the province’s skills gap, through recruitment efforts focused on youth and underrepresented groups.

Increased participation of youth and underrepresented groups in skilled trades ensures B.C.’s workforce is sustainable and responsive to the future needs of the labour market.

Key results

- In the 2024-25 school year, Youth Train in Trades enrolment increased by 11%, surpassing pre-pandemic levels. Youth Explore Trades Sampler saw a record-breaking year, with a 24% increase in registrations.
- In collaboration with industry partners and training providers, completed and published the Raising the Profile of Skilled Trades – A Snapshot of Skilled Trades Marketing Across B.C. a review of the marketing strategies and activities promoting skilled trades training and careers across the province.

Summary of progress made in 2025/26

SkilledTradesBC worked with the Ministry of Education and Child Care to provide K-12 students with opportunities to explore skilled trades and start their apprenticeship journeys in schools across the province. Participating schools offered one or more of the four SkilledTradesBC Youth programs – Discover, Explore, Train and Work, which range from early hands-on experiences to dual credit programs that help students earn credit towards their high school diploma and Level 1 of their apprenticeship. SkilledTradesBC's youth team and Apprenticeship Advisors connected with educators, career counsellors, community service providers, students and parents through webinars, conferences and school visits to raise awareness of the rewarding career path of skilled trades.

Objective 1.2: Modernize B.C.'s apprenticeship and trades system to align with technological advancements and evolving labour market needs.

Technology change continues to accelerate, making it imperative that apprentices receive up to date training in-class and on the job so that they stay current and can apply the latest technology and learnings on the job site.

Key results

- Initiated the process to designate Crane trades as Skilled Trades Certification trades, starting with six engagement sessions across the province.
- Nearly 2,200 Certificate of Qualifications were issued to apprentices and experienced workers in Skilled Trades Certification trades, a 21% increase from the last fiscal year.
- Processed 544 Employer Workforce Submissions from employers, verifying compliance of supervision ratios in Skilled Trades Certification trades.

Summary of progress made in 2025/26

SkilledTradesBC initiated an engagement process for Skilled Trades Certification to collect information and gain better understanding of the needs and concerns of the crane industry. Engagement sessions resulted in good representation from the crane industry, including training providers, labour and other industry partners. These engagements will inform policy and approach for implementing Skilled Trades Certification to Tower and Mobile Crane Operators.

SkilledTradesBC's approach to Skilled Trades Certification transitioned to compliance monitoring and Certification Advisors increased proactive efforts to connect with employers of Skilled Trades Certification trades with the goal of education and support towards compliance. Certification Advisors have been verifying and tracking progress toward compliance through tools such as employer spot checks and site visits. Remediation plans have been created for employers with reported non-compliances to better document progress toward achieving compliance.

Continued conversations between Certification Advisors and employers have contributed to building meaningful relationships and increased entries of Employer Workforce Submissions, an employer's record of the number of apprentices and journey people on their workforce. The information collected has been valuable in tailoring the level and types of supports and resources to the needs of the employers, apprentices and experienced workers in Skilled Trades Certification trades.

Performance measure(s) and related discussion

Performance Measure	2024/25 Actual	2025/26 Target	2025/26 Actual
1.a Increase in youth participating in skilled trades [1,2]	11,034	>11,200	10,205

Data source: Direct Access Information System
[1] PM 1.a targets for 2026/27 and 2027/28 were stated in the 2025/26 service plan as '>2025/26 Actual' and '>2026/27 Actual', respectively.
[2] Youth are defined as between the ages of 16 to 26.

Youth (ages 16 to 26) participation indicates how appealing and accessible the trades training and apprenticeship system is to young people and is measured by the number of new registrations in apprenticeship and youth programs.

The service plan target for this measure was not met. Youth participation decreased by 8 percent between 2024/25 and 2025/26. Construction Electrician, Plumber and Sheet Metal Worker trades programs saw the largest decreases in youth registration.

Performance Measure	2024/25 Actual	2025/26 Target	2025/26 Actual
1.b New apprenticeship registrations in Skilled Trade Certification trades[1,2]	5,202	>5,350	4,471

Data source: Direct Access Information System
[1]PM 1.b targets for 2026/27 and 2027/28 were stated in the 2025/26 service plan as '>2025/26 Actual' and '>2026/27 Actual', respectively.
[2] Skilled Trades Certification was legislated in B.C. in 2022, with seven trades in effect December 2023.

The number of new apprenticeship registrations in Skilled Trades Certification trades is an indicator of success in implementing the new regulatory requirements for workers in these trades to be either a registered apprentice or certified journeyperson.

As anticipated, new apprenticeship registrations in Skilled Trades Certification trades decreased by 14 percent between 2024/25 and 2025/26. This decline follows an initial surge after the requirements were introduced in 2023/24; however, registrations in the seven trades are still 10 percent higher than in 2022/23.

Goal 2: We will focus on strengthening our partnerships on the journey towards Truth and Reconciliation

Objective 2.1: Increase meaningful and accessible opportunities for Indigenous Peoples in the skilled trades.

A strong and responsive skilled trades workforce is inclusive and diverse. Enhancing accessibility to skilled trades training and careers for Indigenous people is imperative to the continued growth and sustainability of B.C.'s workforce.

Key results

- Funded 250 seats for Indigenous apprentices through 23 Community Based Training programs across the province.
- Invested in nine Indigenous Peoples in Trades Training programs, serving 109 Indigenous participants.

Summary of progress made in 2025/26

SkilledTradesBC worked closely with Indigenous communities, industry partners and training providers to bring trades training into communities, enhancing training accessibility for Indigenous people. The Community Based Training programs created opportunities for Indigenous people to receive training that is culturally inclusive and situated in their own communities. Community Based Training programs offer a unique pathway to skilled trades training and continue to attract interest from Indigenous communities across B.C.

Funded by the Canada-British Columbia Workforce Development Agreement, SkilledTradesBC partnered with eight Indigenous community service providers to deliver nine programs, specifically built for Indigenous participants. The programs offered employment readiness training and opportunities to explore a variety of trades in a safe and welcoming setting.

Objective 2.2: Demonstrate our ongoing commitment to lasting and meaningful reconciliation through the evolution of trades training delivery and programs.

Inclusive and culturally relevant approaches to trades training builds more opportunities and access for Indigenous people, increasing their participation in skilled trades training and opportunities to pursue rewarding careers in trades.

Key results

Strengthened partnerships with Indigenous communities, organizations and Métis Nation British Columbia, and engaged the Indigenous Advisory Council to inform the delivery of culturally relevant skilled trades training and supports.

Summary of progress made in 2025/26

Demonstrating SkilledTradesBC's commitment to working with all Indigenous partners and communities, we connected with Metis Nation British Columbia to discuss and explore the opportunities of collaborating on the Skills Training, Employment and Post Secondary programs. These programs are specifically designed for Metis trainees, complete with job readiness programs, support for job seekers and financial supports.

SkilledTradesBC's Indigenous Advisory Council continued to play an important role in sharing the skilled trades training system in B.C. They provided valuable guidance on how to best support Indigenous apprentices and communities to increase participation in trades and strengthen retention and certification outcomes.

Performance measure(s) and related discussion

Performance Measure	2024/25 Actual	2025/26 Target	2025/26 Actual
2.a Progression of Indigenous apprentices[1,2]	56%	>56%	54%

Data source: Direct Access Information System
[1]PM 2.a targets for 2026/27 and 2027/28 were stated in the 2025/26 service plan as '>2025/26 Actual' and '>2026/27 Actual', respectively.
[2] Voluntary self-identification as Indigenous.

Progression through an apprenticeship program signals that an apprentice has achieved one or more training requirements necessary to attain final certification within the fiscal year.

At the start of the fiscal year, 4,185 Indigenous apprentices were enrolled in an apprenticeship program. By year end, 2,268 of these apprentices, representing 54 per cent, had met at least one requirement of their training programs. The requirements include work-based training hours, achieved by 45 per cent of the apprentices; technical training, completed by 26 per cent; and other criteria such as passing the final exam, accomplished by 9 per cent.

At 54 per cent, the service plan target for this measure was not met. SkilledTradesBC's long-term goal is to close the gap between progression rates for Indigenous and non-Indigenous apprentices (64 per cent).

Performance Measure	2024/25 Actual	2025/26 Target	2025/26 Actual
2.b Indigenous apprentice training environments are free of racism and discrimination[1,2]			
- Technical Training	92%	100%	89%
- On-the-Job-Training	75%	100%	80%

Data source: Annual survey conducted by Goss Gilroy

[1]PM 2.b targets for 2026/27 and 2027/28 were stated in the 2025/26 service plan as 100% and 100%, respectively.

[2]Voluntary self-identification as Indigenous.

This measure indicates the level of racism and discrimination that Indigenous apprentices report experiencing in skilled trades training environments and helps identify areas where additional efforts might be needed to foster more inclusive spaces.

As indicated in the survey results, Indigenous apprentices continue to face unacceptable racism and discrimination in technical training and on the job. The ideal target of 100 per cent for this measure was not met. This data is important in informing and reinforcing continued efforts with system partners to change learning and workplace environments so that they are welcoming and safe for all to participate.

Data is sourced through an annual survey that asks apprentices specific questions regarding skilled trades training and experiences related to racism and discrimination. Research best practices and quality assurance methods are applied throughout the process, including margin of error assessment. This fiscal year, 236 self-identifying Indigenous apprentices participated in the survey, representing a response rate of 7.3 per cent.

Goal 3: Fostering a skilled trades workforce that better reflects B.C.'s people and communities

Objective 3.1: British Columbia's skilled trades workforce is strengthened through diversity.

Skilled trades offer opportunities for everyone and drawing on the province's diverse talent strengthens the workforce needed to meet the demands on the growing labour market.

Key results

- Partnered with 12 service providers and Indigenous organizations to deliver a total of 13 skills development and employment programs focused on meeting the needs of women and equity-deserving groups.

Summary of progress made in 2025/26

Through the Canada-British Columbia Workforce Development Agreement program, SkilledTradesBC partnered with 12 community service providers and Indigenous organizations to deliver 13 skills development and employment readiness programs for women and equity-deserving groups. A total of 1,037 participants were served through these programs and two-thirds of them have successfully entered the workforce or continued with their training.

These programs support people who might not otherwise have access to opportunities in the skilled trades. The programs provide wraparound supports, including skills training, trades exploration opportunities, employment readiness supports, job and apprenticeship placement and personal supports.

Objective 3.2: Create a more inclusive, diverse, and equitable skilled trades training culture.

Building an inclusive and diverse skilled workforce ensures that we continue to attract and retain Indigenous people, women and other under-represented people in skilled trades.

Key results

- Delivered four Equity in Trades programs to over 200 women, supporting them in attaining the knowledge and skills needed to enter skilled trades apprenticeships.
- Leveraged our social media channels to highlight and demonstrate the value of inclusion and diversity in the workforce, prioritizing representation of women and underrepresented groups and showcasing skilled trades as a viable, achievable and rewarding career path for everyone.

Summary of progress made in 2025/26

SkilledTradesBC completed an equity, diversity and inclusion review of industry resources, processes and policies to identify opportunities for enhancements in the trades training system. Collected information is under review and will guide next steps for how we collaborate with industry partners and training providers to build more inclusion and diversity in trades training and work environments.

Performance measure(s) and related discussion

Performance Measure	2024/25 Actual	2025/26 Target	2025/26 Actual
3.a New women apprenticeship registrations in under-represented trades[1,2]	979	>1,000	845

Data source: Direct Access Information System

[1]PM 3.a targets for 2026/27 and 2027/28 were stated in the 2025/26 service plan as '>2025/26 Actual' and '>2026/27 Actual', respectively.

[2]Under-represented trades are those where women represent less than 25 per cent of the apprenticeship population.

Following a period of strong growth, the number of women entering under-represented trades apprenticeships declined after 2023/24. New registrations fell by 27 percent between 2023/24 and 2024/25, followed by a further 14 percent decrease in 2025/26, resulting in performance 16 percent below the service plan target. Despite these recent declines, new registrations in 2025/26 remain 7 per cent above 2021/22 levels, indicating sustained gains relative to the pre-growth baseline.

Construction Electrician, Automotive Service Technician and Sheet Metal Worker trades programs saw the largest decreases in registration.

The decrease may be attributed, in part, to the ending of the federally distributed Canadian Apprenticeship Service grant incentivizing employers to hire first-year apprentices from equity-deserving groups, including women (available from 2022/23 to 2023/24).

Performance Measure	2024/25 Actual	2025/26 Target	2025/26 Actual
3.b Increase the proportionality of women in under-represented trades1,2	6.6%	6.7%	6.3%

Data source: Direct Access Information System
[1]PM 3.b targets for 2026/27 and 2027/28 were stated in the 2025/26 service plan as '>2025/26 Actual' and '>2026/27 Actual', respectively.
[2]Under-represented trades are those where women represent less than 25 per cent of the apprenticeship population.

The proportion of women in under-represented trades is an indicator of progress in addressing barriers such as sexism, bullying and harassment, shifting culture and changing stereotypes associated with a workforce predominately composed of men. This measure also reflects the level of racism, sexism and discrimination that women in under-represented trades report experiencing in skilled trades training environments and helps identify areas where additional efforts are needed to foster more inclusive spaces.

This measure decreased by 0.3 percentage points between 2024/25 and 2025/26, falling short of the service plan target. Trades programs which have seen a decline in the proportion of women registered in apprenticeships include Carpenter, Construction Electrician, and Plumber.

Performance Measure	2024/25 Actual	2025/26 Target	2025/26 Actual
3.c Women in under-represented trades training environments are free of racism, sexism and discrimination[1,2]			
- Technical Training	83%	100%	82%
- On-the-Job-Training	61%	100%	74%

Data source: Annual survey conducted by Goss Gilroy
[1]PM 3.c targets for 2026/27 and 2027/28 were stated in the 2025/26 service plan as 100% and 100%, respectively.
[2]Under-represented trades are those where women represent less than 25 per cent of the apprenticeship population.

The results for 2025/26 indicate modest improvements from the previous fiscal, particularly for technical training environments; however, the ideal target of 100 per cent for this measure was not met. Substantial work is still needed to change learning and workplace environments so that they are welcoming and safe for all to participate. This data is important in informing and reinforcing continued efforts with system partners.

Data is sourced through an annual survey that asks apprentices specific questions regarding skilled trades training and experiences related to racism, sexism and discrimination. Research best practices and quality assurance methods are applied throughout the process, including margin of error assessment. This fiscal, 297 women apprentices in under-represented trades participated in the survey, representing a response rate of 12 per cent.

Goal 4: Customers and clients value the service we provide as leaders in the skilled trades

Objective 4.1: Provide exceptional quality information and services that advances SkilledTradesBC's leadership role across the skilled trades training system.

Ensuring customers have timely access to the right information and supports helps position them for success at every stage of their apprenticeship journey.

Key results

- Streamlined self-serve functions across many customer touchpoints, including the website, portal and phoneline.
- Conducted a customer journey mapping exercise that analyzed the customer experience in interacting with SkilledTradesBC, resulting in streamlining of information on the website and enhancements to the portal guide and resources.

Summary of progress made in 2025/26

Recognizing the varying work hours for skilled trades workers, SkilledTradesBC enhanced self-serve functions on our website and portal. Apprentices and employers can now access their records more easily through practical improvements (e.g., online password reset, access to transaction history to retrieve payment receipts, and an easier way to submit work-based training hours). These updates reduce barriers for apprentices and employers, support timely record-keeping, and help keep customers engaged throughout their apprenticeship journey.

We conducted a customer journey mapping exercise, which uncovered opportunities for improvement in how information is shared on our website and portal. SkilledTradesBC reviewed how information and resources are accessed and distributed throughout the website and streamlined some of the pages, consolidating information with the user experience in mind. The portal guide and resources page also underwent a refresh, to support easier access to and navigation of the portal.

Performance measure(s) and related discussion

Performance Measure	2024/25 Actual	2025/26 Target	2025/26 Actual
4.a Satisfaction with SkilledTradesBC service and supports[1,2]			
- Apprentices	81%	≥80%	81%
- Sponsor Employers	82%	≥80%	83%

Data source: Annual survey conducted by Goss Gilroy

[1]PM 4.a targets for 2026/27 and 2027/28 were stated in the 2025/26 service plan as ≥80% and ≥80%, respectively.

Employers and apprentices reported high satisfaction with SkilledTradesBC's staff support and online services, with results exceeding the 80 percent service target. They also believe that SkilledTradesBC is consistently delivering high-quality service, supporting successful apprenticeship journeys for employers and apprentices.

It is notable that SkilledTradesBC's Customer Support Representatives and Apprenticeship Advisors met rising service demands reflective of the record-breaking levels of apprenticeship registration of the last two years, maintaining support and service for apprentices, trade workers, employers and communities.

Data is sourced through an annual survey that asks apprentices and employers specific questions regarding satisfaction with SkilledTradesBC service and supports. Research best practices and quality assurance methods are applied throughout the process, including margin of error assessment. The survey response rate for apprentices was 6 per cent and for employers, 14 per cent.

Financial Report

For the auditor's report and audited financial statements, see Appendix. These documents can also be found on SkilledTradesBC's website.

Discussion of Results

2025/26 Surplus

SkilledTradesBC reported a surplus of $3.0 million, representing 2.5 per cent of total revenues, for the fiscal year ended March 31, 2026. The surplus reflects organizational efficiencies, driven by a targeted re-organization early in the fiscal year, combined with higher-than-budgeted revenue later in the fiscal year. The surplus was retained to support future planned capital programming to enhance apprenticeship registration and completion.

Revenues

Total annual revenues of $117.6 million were $0.8 million (0.7 per cent) higher than budget, mainly due to receipt of an additional $0.3 million and $0.5 million for the Shared Recovery Mandate as well as the Balanced Measures Mandate respectively.

- SkilledTradesBC's 2025/26 revenues consisted primarily of provincial contributions, including $107.2 million in core funding and $0.5 million for the Balanced Measures Mandate from the Ministry of Post-Secondary Education and Future Skills. SkilledTradesBC also received $8.2 million in funding through the Canada-British Columbia Workforce Development Agreement to continue targeted training of under-represented and multi-barriered groups in the trades.
- SkilledTradesBC generated $1.7 million in revenues from investment income and through operations, representing 1.5 per cent of total revenues.

Expenses

Total annual expenses of $114.6 million were $2.1 million (1.8 per cent) lower than budget, with 90.0 per cent of expenditures before amortization incurred in training investment, operations and engagement.

- Training investment provides funding for training providers to deliver trades training and support apprentice, foundation and other training. These expenditures, which totalled $85.9 million, were $0.9 million higher than budget and accounted for 76.2 per cent of total expenses, excluding capital asset amortization.
- Operations activities support customers throughout their apprenticeship journey, and includes program development, exam management, trade qualifier assessments and learner resources, as well as supports through the customer service call centre, regional Apprenticeship Advisors and apprentice completions support.
- Operations spending totalled $13.5 million, $1.3 million (9 per cent) lower than budget. The reduction primarily reflects a targeted re-organization conducted early in the year in response to global cost pressures, as well as lower exam administration costs tied to strike action in the fall.
- Engagement expenditures, which includes trades inclusion and access, truth and reconciliation and external relations activities, totalled $2.0 million and were $0.5 million (21.3 per cent) lower than budget due to deferred projects.
- Business support expenditures totalled $11.4 million (10.1 per cent of total costs) and were $1.1 million lower than budget due to project re-sequencing and strategic vacancy management.

- Capital asset amortization totalled $1.9 million and was $0.1 million (4.6 per cent) lower than budget due to the timing of asset additions and a lower than budgeted starting asset base.

Liabilities

Total liabilities of $3.4 million was $1.0 million (22.9 per cent) lower than budget due to the timing of invoices received and the related payments occurring before the end of the fiscal year.

Capital

Annual capital expenditure of $1.9 million was $0.3 million (13.8 per cent) lower than budget, with information technology programming investments lower than anticipated. SkilledTradesBC funds capital expenditures from its accumulated surplus and does not receive specific capital funding.

Accumulated Surplus

Accumulated surplus was $13.3 million at year end, with $10.1 million comprising of investment in tangible capital assets.

Financial Summary

($millions)	2024/25 Actual	2025/26 Budget	2025/26 Actual	2025/26 Variance
Revenues				
Contributions from Province	107.220	106.960	107.707	0.747
Recoveries from Province	8.127	8.198	8.181	(0.017)
Other Income & Recoveries	2.187	1.615	1.714	0.099
Total Revenue	**117.534**	**116.773**	**117.602**	**0.829**
Expenses				
Training Investment	87.981	85.020	85.931	(0.911)
Operations	14.091	14.814	13.474	1.340
Engagement	2.241	2.497	1.965	0.532
Business Support	11.298	12.469	11.390	1.079
Capital Asset Amortization	1.861	1.973	1.882	0.091
Total Expenses	**117.472**	**116.773**	**114.642**	**2.131**
Annual Surplus	**0.062**	**-**	**2.960**	**2.960**
Total Liabilities	**4.105**	**4.382**	**3.377**	**(1.005)**
Capital Expenditures	**1.740**	**2.250**	**1.939**	**(0.311)**
Accumulated Surplus	**10.326**	**10.326**	**13.286**	**2.960**

[1] The above financial information was prepared based on current Generally Accepted Accounting Principles.

Variance and Trend Analysis

SkilledTradesBC's 2025/26 financial results reflect the organization's response to longstanding cost pressures, combined with events affecting the operating environment. Spending variances were primarily shaped strategic decisions to strengthen services, re-sequence key initiatives and build capital capacity in complement to the forthcoming Look West Strategy operating grant increase.

Risks and Uncertainties

SkilledTradesBC faces continued operating pressures due to the success of significantly growing B.C.'s apprenticeship system in recent years. While the forthcoming Look West Strategy will significantly strengthen the organization's financial capacity to transform and modernize the system for the long term, it also brings heightened demand, stakeholder expectations and ambitious priorities which must all be strategically aligned.

Appendix A: Progress on Mandate Letter Priorities

The following is a summary of progress made on priorities as stated in the 2025 Mandate Letter from the Minister Responsible.

2025 Mandate Letter Priority	Status as of March 31, 2026
Work closely with government to continue supporting Skilled Trades Certification and to continue engaging with employers and workers to help them navigate and comply with requirements.	• Shifted Skilled Trades Certification to a compliance monitoring approach, with Certification Advisors providing proactive employer outreach, education and support, and tracking progress through spot checks, site visits and remediation plans. • Strengthened employer relationships and increased Employer Workforce Submissions, helping SkilledTradesBC better tailor supports and resources for employers, apprentices and experienced workers in Skilled Trades Certification trades. • Initiated the process to designate crane trades as a Skilled Trades Certification trade, starting with engagement with industry partners and training providers to inform policy and implementation.
Continue working closely with post-secondary institutions and trades training organizations to support regional access to accessible and relevant trades training so more British Columbians have the skills they need for a career in the trades now and in the future.	• Worked with Indigenous communities, industry partners and training providers to deliver Community Based Training programs that brought culturally inclusive trades training into communities and improved accessibility for Indigenous participants.

2025 Mandate Letter Priority	Status as of March 31, 2026
Work with government, trainers and industry to help more people, including women and underrepresented groups, choose a career in the trades, complete their apprenticeships and achieve certification, reinforcing the government's commitment to address shortages of skilled tradespeople that may be constraining economic growth.	• Partnered with 12 community service providers and Indigenous organizations to deliver 13 skills development and employment readiness programs for women and equity-deserving groups. • Served 1,037 underrepresented participants, with two-thirds entering the workforce or continuing their training, supported by wraparound services including skills training, trades exploration, employment readiness, placements and personal supports. • Used social media to promote inclusion and diversity in skilled trades, with a focus on women and equity-deserving groups and on showcasing trades as a rewarding career path for everyone.
Continue working with Indigenous partners to ensure their voices are reflected in trades training decision-making that impacts Indigenous workers, businesses and communities.	• Through the Canada-British Columbia Workforce Development Agreement, partnered with eight Indigenous community service providers to deliver nine programs that offered Indigenous participants employment readiness training and opportunities to explore trades in a safe and welcoming setting. • Connected with Métis Nation British Columbia to explore collaboration on Skills Training, Employment and Post-Secondary programs for Métis trainees. • Continued to work with the Indigenous Advisory Council, whose guidance helped inform supports to increase Indigenous participation, retention and certification in the trades.

Appendix B: Auditor’s Report and Audited Financial Statements

Financial Statements of SkilledTradesBC
for the year ended March 31, 2026

SkilledTradesBC
Management's Report
for the year ended March 31, 2026

Management's Responsibility for the Financial Statements

THE FINANCIAL STATEMENTS HAVE BEEN PREPARED BY MANAGEMENT IN ACCORDANCE WITH CANADIAN PUBLIC SECTOR ACCOUNTING STANDARDS AND THE INTEGRITY AND OBJECTIVITY OF THESE STATEMENTS ARE MANAGEMENT'S RESPONSIBILITY.

Management is also responsible for all of the notes to the financial statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements. A summary of the significant accounting policies are described in Note 2 to the financial statements. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced. The internal controls are designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the financial statements.

The Board of Directors is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and exercises these responsibilities through the Board. The Board reviews internal financial statements at every meeting and external audited financial statements yearly. The Board also discusses any significant financial reporting or internal control matters prior to their approval of the financial statements.

The external auditors, BDO Canada LLP, conduct an independent examination, in accordance with Canadian auditing standards, and express their opinion on the financial statements. The external auditors have full and free access to financial management of SkilledTradesBC and meet when required. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the financial statements.

On behalf of SkilledTradesBC

Shelley Gray
Chief Executive Officer

Adam Bale
Chief Financial Officer

May 14, 2026

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BDO Canada LLP
Royal Centre, 1055 West Georgia Street
Unit 1100, P.O. Box 11101
Vancouver, British Columbia
V6E 3P3

Independent Auditor's Report

To the Board of Directors of SkilledTradesBC

Opinion

We have audited the financial statements of SkilledTradesBC, which comprise the statement of financial position as at March 31, 2026, and the statements of operations and changes in accumulated surplus, changes in net financial assets (debt), and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of SkilledTradesBC as at March 31, 2026, and its results of operations, changes in net financial assets (debt), and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of SkilledTradesBC in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing SkilledTradesBC's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate SkilledTradesBC or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing SkilledTradesBC's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of SkilledTradesBC's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on SkilledTradesBC's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause SkilledTradesBC to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

BDO Canada LLP
Chartered Professional Accountants

Vancouver, British Columbia
May 14, 2026

SkilledTradesBC
Statement of Financial Position
As at March 31, 2026
in thousands of dollars

	Note	2026	2025
Financial Assets			
Cash		5,118	2,679
Accounts receivable		43	50
Due from government	*3*	1,026	1,353
		6,187	4,082
Liabilities			
Accounts payable and accrued liabilities	*4*	2,218	2,329
Due to government and other government organizations	*5*	595	1,136
Deferred revenue	*6*	39	121
Obligations under capital lease	*11*	9	19
Asset retirement obligations	*7*	516	500
		3,377	4,105
Net financial assets (debt)		**2,810**	**(23)**
Non-financial assets			
Tangible capital assets	*10*	10,107	10,050
Prepaid expenses		369	299
		10,476	10,349
Accumulated surplus		**13,286**	**10,326**
Contractual obligations	*11*		

The accompanying notes are an integral part of these financial statements.

Paul Vogt
Paul Vogt
Board Chair

Corrine Storey
Audit & Risk Committee Chair

SkilledTradesBC
Statement of Operations and Changes in Accumulated Surplus
For the year ended March 31, 2026
in thousands of dollars

	Note	Budget (Note 14)	2026	2025
Revenues				
Provincial core operating grant		106,960	107,707	107,220
Provincial project based funding		8,198	8,181	8,127
Fees		601	823	849
Interest income		772	647	995
Royalties		200	210	301
Other		42	34	42
		116,773	117,602	117,534
Expenses	*12*			
Training Investment		85,020	85,931	87,981
Operations		14,814	13,474	14,091
Engagement		2,497	1,965	2,241
Business Support		14,442	13,272	13,159
		116,773	114,642	117,472
Annual surplus		**-**	**2,960**	**62**
Accumulated surplus, beginning of year			10,326	10,264
Annual surplus			2,960	62
Accumulated surplus, end of year			**13,286**	**10,326**

The accompanying notes are an integral part of these financial statements.

SkilledTradesBC
Statement of Changes in Net Financial Assets (Debt)
For the year ended March 31, 2026
in thousands of dollars

	Budget (Note 14)	**2026**	**2025**
Annual surplus for the year	-	2,960	62
Addition of tangible capital assets	(2,250)	(1,939)	(1,740)
Amortization of tangible capital assets	1,973	1,882	1,861
	(277)	(57)	121
Change in prepaid expense	-	(70)	53
(Decrease) increase in net financial assets	(277)	2,833	236
Net debt, beginning of year	(23)	(23)	(259)
Net financial assets (debt), end of year	**(300)**	**2,810**	**(23)**

The accompanying notes are an integral part of these financial statements.

SkilledTradesBC
Statement of Cash Flows
For the year ended March 31, 2026
in thousands of dollars

	2026	2025
Operating activities		
Annual surplus for the year	2,960	62
Non-cash items included in annual surplus:		
Amortization	1,882	1,861
Asset retirement obligation accretion expense	16	17
Change in non-cash operating items		
Change in prepaid expenses	(70)	53
Change in receivables	334	382
Change in payables and accrued liabilities	(662)	92
Change in deferred revenue	(82)	(42)
Cash provided by operating transactions	4,378	2,425
Capital transactions		
Cash used to acquire tangible capital assets	(1,939)	(1,740)
Increase in cash during the year	2,439	685
Cash, beginning of year	2,679	1,994
Cash, end of year	**5,118**	**2,679**

The accompanying notes are an integral part of these financial statements.

1. Nature of Operations

SkilledTradesBC, a Crown corporation of the Government of the Province of British Columbia, was established on January 2, 2004 and operates under the authority of the *Skilled Trades BC Act.* SkilledTradesBC reports to the Legislative Assembly through the Ministry of Post-Secondary Education and Future Skills. The mandate of SkilledTradesBC is to lead and manage B.C.'s skilled trades training and apprenticeship system, including ensuring the system meets the province's need for skilled trades workers. Working with employers, apprentices, industry, labour, training partners, schools, Indigenous and other B.C. communities, and government, SkilledTradesBC funds training, issues credentials, supports apprenticeships, sets program standards, and works to increase opportunities in the skilled trades. These services are grouped into the following key areas: training investment, operations, engagement and business support.

SkilledTradesBC is exempt from income taxes under the *Income Tax Act*.

2. Summary of Significant Accounting Policies

a. Basis of accounting

The financial statements are prepared in accordance with Canadian public sector accounting standards established by the Public Sector Accounting Board.

b. Tangible capital assets

Tangible capital assets are recorded at cost, which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of assets.

The cost, less residual value, of the tangible capital assets, is amortized on a straight-line basis over their estimated useful lives as follows:

Furniture and equipment	5 years
Capital lease – printers	8 years
Computer hardware and software	3-10 years
Leasehold improvements	Until the end of the lease term

Amortization is charged from the date the asset is put into use until it is taken out of use. Assets under construction are not amortized until the asset is put into productive use.

Tangible capital assets are written down when conditions indicate that they no longer contribute to SkilledTradesBC's ability to provide credentials and services. The net write-downs are accounted for as an expense in the Statement of Operations.

2. Summary of Significant Accounting Policies – continued

c. Employee future benefits

i. The employees of SkilledTradesBC belong to the Public Service Pension Plan, which is a multi-employer joint trusteed plan. This plan is a defined benefit plan, providing a pension on retirement based on the member's age at retirement, length of service and highest earnings averaged over five years. Inflation adjustments are contingent upon available funding. The joint trustee board of the plan determines the required plan contributions annually. The contribution of SkilledTradesBC to the plan is recorded as an expense for the year.

ii. The costs of insured benefits reflected in these financial statements are the employer's portion of the insurance premiums owed for the coverage of employees during the period.

d. Prepaid expenses

Prepaid expenses include payments for rent and other operational expenses and are charged to expense over the periods expected to benefit from the prepayment.

e. Revenue recognition

Revenues are recognized in the period when the transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis, except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is impractical.

Government transfers are recognized as revenues when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability and are taken into revenue in the statement of operations as the stipulation liabilities are settled.

Contributions from other sources are deferred when restrictions are placed on their use by the contributor, and are recognized as revenue in the period when they are used for the specific purpose.

Revenue related to fees or services received in advance of the fee being earned or the service is performed is deferred and recognized when the fee is earned or service performed.

f. Expenses

Expenses are reported on an accrual basis. The cost of all goods consumed and services received during the year is expensed. Grants and transfers are recorded as expenses when the transfer is authorized and eligibility criteria have been met by the recipient.

g. Foreign currency translation

Foreign currency transactions are translated at the exchange rate prevailing at the date of the transactions.

2. Summary of Significant Accounting Policies – continued

h. Financial instruments

Cash, accounts receivable and accounts payable are measured at cost or amortized cost. The carrying amount of each of these financial instruments is presented on the statement of financial position. For financial instruments measured using amortized cost, the effective interest rate method is used to determine interest revenue or expense. All financial assets are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the statement of operations. Transaction costs are added to the carrying value for financial instruments measured using cost or amortized cost. Transaction costs are expensed for financial instruments measured at fair value.

i. Measurement uncertainty

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions. This affects the reporting amounts of assets and liabilities, and disclosure of contingent assets and liabilities, at the date of the financial statements and the reported amounts of the revenues and expenses during the period. Items requiring the use of estimates include: collectability of accounts receivable and due from government/other government organizations, the useful life of tangible capital assets, asset retirement obligations and rates for amortization.

Estimates are based on the best information available at the time of preparation of the financial statements and are reviewed annually to reflect new information as it becomes available. Measurement uncertainty exists in these financial statements. Actual results could differ from these estimates.

j. Asset retirement obligation

A liability for an asset retirement obligation is recognized when there is a legal obligation to incur retirement costs in relation to a tangible capital asset; the past transaction or event giving rise to the liability has occurred; it is expected that future economic benefits will be given up; and a reasonable estimate of the amount can be made.

The liability is recorded at an amount that is the best estimate of the expenditure required to retire a tangible capital asset at the financial statement date. This liability is subsequently reviewed at each financial reporting date and adjusted for the passage of time and for any revisions to the timing, amount required to settle the obligation or the discount rate.

Upon the initial measurement of an asset retirement obligation, a corresponding asset retirement cost is added to the carrying value of the related tangible capital asset if it is still in productive use. This cost is amortized over the useful life of the tangible capital asset. If the related tangible capital asset is unrecognized or no longer in productive use, the asset retirement costs are expensed.

in thousands of dollars

3. Due from Government

	2026	2025
Provincial government	959	1,297
Federal government	67	56
	1,026	**1,353**

4. Accounts Payable and Accrued Liabilities

	2026	2025
Accounts payable and accrued liabilities	1,811	1,987
Accrued vacation payable	246	265
Salaries and benefits payable	161	77
	2,218	**2,329**

5. Due to Government and Other Government Organizations

	2026	2025
Federal government	-	1
Provincial government	388	700
Other government organizations	207	435
	595	**1,136**

SkilledTradesBC's liabilities to government and other government organizations are all payable within 30 days. Other government organizations includes: colleges, universities and school districts that are controlled by the province.

in thousands of dollars

6. Deferred Revenue

SkilledTradesBC received $530 (fiscal 2012) and $814 (fiscal 2016) in tenant inducements for leasehold improvements to the Richmond office. This revenue is being deferred and recognized over the term of the lease.

The Ministry of Post-Secondary Education and Future Skills provided $240 (fiscal 2024) to continue supporting Skilled Trades Certification policy development and implementation.

	Balance 2025	Receipts	Transferred to revenue	Balance 2026
Tenant inducement Richmond Office	73	-	(34)	39
Skilled Trades Certification Policy Development	48	-	48)	-
	121	**-**	**(82)**	**39**

7. Asset Retirement Obligation

SkilledTradesBC has recorded an asset retirement obligation associated with lease obligations for the estimated costs of removal and restoration of fixtures and improvements to the premise's original state. The following is a reconciliation of the changes in the asset retirement obligation during the year:

	2026	2025
Balance at beginning of year	500	483
Add: Accretion expense	16	17
Balance at end of year	**516**	**500**

The accretion expense is included with amortization expense (Note 12). The undiscounted estimated cash flows required to settle the obligation are approximately $577 (2025 – $522) to be incurred at the expiration or earlier termination of the lease. SkilledTradesBC extended the lease on its head office for an additional 3 years. The new lease expires on December 31, 2029. The estimated cash flows were discounted using the government average long term borrowing rate of 3.00% (2025 – 3.55%).

8. Employee Future Benefits

Information about obligations for retirement benefits and other employee future benefits is as follows:

a. Retirement and other employee future benefits – pension plan

SkilledTradesBC and its employees contribute to the Public Service Pension Plan (a jointly trusteed pension plan). The Public Service Pension Board of Trustees, representing plan members and employers, is responsible for administering the plan, including investment of assets and administration of benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. As at March 31, 2025, the plan has about 80,000 active members and approximately 58,000 retired members.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the plan. The actuary's calculated contribution rate is based on the entry-age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the plan. This rate may be adjusted for the amortization of any actuarial funding surplus and will be adjusted for the amortization of any unfunded actuarial liability.

The latest actuarial valuation as at March 31, 2023, indicated a funding surplus of $4,491 million for basic pension benefits on a going concern basis. The next valuation will be as at March 31, 2026.

SkilledTradesBC paid $1,290 (2025 – $1,332) for employer contributions to the plan in fiscal 2026.

Employers participating in the plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the plan records accrued liabilities and accrued assets for the plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to individual employers participating in the plan.

b. Long-term disability life insurance and health care benefits

SkilledTradesBC provides life insurance, dental and health care benefits to employees on long-term disability leave for a period of two years after the date of disability. The insurance carrier waives the life insurance premium for employees on long-term disability; however, SkilledTradesBC is responsible for the payment of the premium costs of medical and dental under this plan.

These costs are event driven and are recorded when the long-term disability event occurs. The costs of salary compensation paid to employees on long-term disability leave are fully insured through employee paid contributions and are not included in this plan.

9. Fiscal Risk Management

a. Financial management risk objectives and policies

In the normal course of operations, SkilledTradesBC is exposed to financial risks that have the potential to negatively impact its financial performance. These risks may include credit risk and liquidity risk.

b. Credit risk

Credit risk is the risk that SkilledTradesBC's counterparties will fail to meet their financial obligations to SkilledTradesBC, causing a potential financial loss.

Cash is only deposited with one financial institution. Accounts receivable primarily consists of amounts due from other governments; therefore, collection risk is low. SkilledTradesBC does not consider its exposure to credit risk to be material.

c. Liquidity risk

Liquidity risk is the risk that SkilledTradesBC may be unable to generate or obtain sufficient cash or its equivalent in a timely and cost effective manner to meet its commitments as they come due. Payment for any such commitments are typically due within 30 days.

SkilledTradesBC has in place a planning, budgeting and forecasting process to determine the funds required to support SkilledTradesBC's normal operating requirements. SkilledTradesBC's annual budgets are approved by the Board of Directors, the Ministry of Post-Secondary Education and Future Skills and the Treasury Board.

in thousands of dollars

10. Tangible Capital Assets

2026 (in $ thousands)

	Furniture and equipment	Computer hardware and software	Leasehold improvements	Total
Cost				
Opening balance	1,586	25,245	2,157	28,988
Additions	20	1,919	-	1,939
Disposals	-	(317)	-	(317)
Closing Balance	**1,606**	**26,847**	**2,157**	**30,610**
Accumulated Amortization				
Opening balance	1,484	15,414	2,040	18,938
Additions	50	1,771	61	1,882
Disposals	-	(317)	-	(317)
Closing Balance	**1,534**	**16,868**	**2,101**	**20,503**
Net book value	**72**	**9,979**	**56**	**10,107**

2025 (in $ thousands)

	Furniture and equipment	Computer hardware and software	Leasehold improvements	Total
Cost				
Opening balance	1,566	23,679	2,157	27,402
Additions	30	1,710	-	1,740
Disposals	(10)	(144)	-	(154)
Closing Balance	**1,586**	**25,245**	**2,157**	**28,988**
Accumulated Amortization				
Opening balance	1,460	13,798	1,973	17,231
Additions	34	1,760	67	1,861
Disposals	(10)	(144)	-	(154)
Closing Balance	**1,484**	**15,414**	**2,040**	**18,938**
Net book value	**102**	**9,831**	**117**	**10,050**

in thousands of dollars

11. Contractual Obligations

a. Capital lease

Capital lease payments for lease copiers, including principal and interest are as follows:

Year	Amount
2027	9

b. Operating lease

SkilledTradesBC has entered into a number of multiple-year contracts for operating leases for premises. The lease commitments are for space costs and exclude operating costs. These contractual obligations will become liabilities in the future when the terms of the contracts are met. Disclosure relates to the unperformed portion of the contracts.

Year	Amount
2027	645
2028	618
2029	618
2030	467
	2,348

12. Expenses by Object

The following is a summary of expenses by object:

	Budget (Note 14)	2026	2025
Training provider services (including Youth)	77,021	78,000	80,073
Compensation and staff development	18,120	17,213	17,617
Workforce Development Agreement (WDA)	7,999	7,931	7,907
Information systems/telecommunications	3,684	3,732	3,703
Other operating costs	4,266	3,063	3,459
Amortization	1,989	1,898	1,878
Building occupancy	1,234	1,296	1,198
Other administrative costs	2,025	1,262	1,372
External relations	435	247	265
	116,773	114,642	117,472

in thousands of dollars

13. Related Party Transactions

SkilledTradesBC is related through common control to all Province of British Columbia ministries, agencies, school districts, health authorities, colleges, universities, and crown corporations. Transactions with these entities, unless disclosed separately, are considered to be in the normal course of operations and are recorded at the exchange amount.

	2026	2025
Revenues:		
Ministry of Post-Secondary Education and Future Skills		
- core funding	107,707	107,220
- projects	8,181	8,127
Ministry of Citizens' Services	210	301
	116,098	115,648
Expenses:		
Post secondary institutions	65,726	68,238
School districts	5,672	5,846
Ministry of Citizens' Services	1,388	1,751
Public Service Pension Plan	1,290	1,332
Ministry of Education and Child Care	275	315
Ministry of Finance	264	282
Ministry of Labour	19	21
	74,634	77,785

14. Budgeted Figures

Budgeted figures have been provided for comparison purposes and have been approved by the Board of Directors. These budgeted figures were included in SkilledTradesBC's 2025-26 Service Plan.