



**Apprenticeship Capital Grant  
Program Guidelines  
2024-25, 2025-26, 2026-27**

**Ministry of Labour, Immigration, Training and Skills Development**  
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## 1.0 Program Elements

### 1.1 Context

One of the Government's key commitments is to modernize the skilled trades and apprenticeship system. This vision includes improving the quality of apprenticeship in-class training that is delivered by ministry-approved Training Delivery Agents (TDAs).

TDAs play an important role in Ontario's apprenticeship system as they deliver the in-class portion of an apprenticeship, which represents approximately 10% to 15% of total apprenticeship training. The remaining 85% to 90% of apprenticeship training is on-the-job.

### 1.2 Overview & Purpose

Through the Apprenticeship Capital Grant (ACG), the Ministry of Labour, Immigration, Training and Skills Development ("the ministry") recognizes the need for Colleges of Applied Arts and Technology (CAATs) TDAs and non-college TDAs to update their equipment and facilities in order to deliver relevant, high-quality training in support of Ontario's workplace-based apprenticeship programs. This investment supports TDAs to meet the evolving needs of the workplace with innovative technology that increases training capacity, upgrades the skills of Ontario's skilled trades workforce and contributes to an adequate supply of skilled journeypersons to meet demand and growth. Enhancing the apprenticeship system is essential to increasing the number of certified tradespersons Ontario needs to compete in today's economy.

There are two sources of funding available through the ACG:

1. ACG base allocation ("ACG Base")
2. ACG annual call for proposals ("ACG CFP")

#### 1.2.1 ACG Base Allocation

The ministry will commit to three years of funding for eligible college and non-college TDAs based on a funding formula. The formula reflects the hours of apprenticeship training provided by each approved TDA and includes all delivery modes. Each approved TDA will be advised of their allocation amount by letter.

An ACG base allocation is provided to all college and non-college TDAs that are approved and receive funding for apprenticeship in-class training and meet the eligibility criteria set out in section 1.4 of these guidelines.

**This guideline is only for the 2024-27 ACG Base. To view the ACG CFP guidelines, please refer to the ACG CFP guidelines on the [Employment Ontario Partners Gateway \(EOPG\)](#).**

In the event of any conflict or inconsistency between this Guideline and any terms or

conditions in the ACG Capital Transfer Payment Agreement (“TPA”), the TPA shall prevail.

### **1.2.2. ACG – Annual Call for Proposals (CFP)**

Additional funding will be awarded through an annual CFP and will be open to both college and non-college TDAs who meet the eligibility criteria. Separate guidelines and application process for the CFP will be issued each year.

Through an annual CFP process, the ministry welcomes applications for proponents to submit project proposals for additional funding, separate from the ACG Base allocation. The CFP funding can be used to supplement the existing approved base funding or for special initiatives announced in the CFP, as determined by the ministry.

Please note – applications for funding through the ACG CFP are separate from funding allocations provided through the ACG Base. More details about the ACG CFP each year will be posted on [Employment Ontario Partners Gateway](#).

## **1.3 Program Objectives**

The objectives of the program are to support TDAs to deliver relevant, high-quality in-class training by:

- modernizing and/or expanding training equipment and facilities to enhance the apprenticeship in-class training experience and meet the needs of employers;
- increasing capacity to deliver training for trades that are in demand based on local labour market information and/or apprenticeship demand for in-class training;
- improving the health and safety, condition and efficiency of apprenticeship instruction and/or facilities; and
- improving access to in-class training, including removing accessibility barriers and addressing gender equity.

## **1.4 Applicant Eligibility**

ACG Base funding is designated for ministry-approved apprenticeship in-class training activities. College and Non-college TDAs that are approved and receive funding for apprenticeship in-class training may be eligible if they:

- demonstrate three consecutive years of in-class training activity (2020-21, 2021-22, 2022-23).

For ACG Base 2024-27, the eligibility criteria will continue to require TDAs to have three years of in-class activity. However, due to COVID-19 impacts on in-class training, the

funding formula has been updated to consider an eligible TDA's best 3 of 5 years of in-class training activity.

## 1.5 ACG Project Eligibility and Activities

ACG Base provides funding for eligible expenses directly associated with eligible capital projects that support the objectives of the ACG Base. TDAs can submit a maximum of one business plan for ten projects per region. The following are eligible capital activities:

- Purchase of equipment (equipment may be new and/or used or replacement of existing)
- Facility improvement
- Addition to building

In order for a project to be eligible for ACG funding, TDAs must have:

- Been approved to deliver the primary trade at the training location/campus associated with the project for the last three full years (2020-21, 2021-22 and 2022-23); **and**,
- Received funding through the In-Class Enhancement Fund to deliver apprenticeship in-class training in the primary trade associated with the project for two of the last three fiscal years.
  - Note: For the 24-27 cycle, this requirement has been reduced from three consecutive years to two of three years as a one-time measure to reduce the impacts of COVID-19 related class cancellations.

## 1.6 Eligible Expenditures

The ACG Base is a capital acquisition program. ACG-approved projects are meant to support apprenticeship in-class training, including Level 1 in-class training provided to Ontario Youth Apprenticeship Program (OYAP) and Pre-Apprenticeship Training Program participants. ACG projects must align with curriculum standards for the trade.<sup>1</sup>

Eligible expenditures can include:

- Construction of **additions to buildings** to accommodate additional training space (please refer to Section 1.8 for more detail);
- Alterations, renovations and enhancements to existing facilities, including mobile apprenticeship training units that are used for hands-on apprenticeship training and will improve the condition and efficiency of apprenticeship training facilities overall;
  - Mobile training units may only be used to deliver training that supports a TDA's approved in-class training activity.

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<sup>1</sup> Please find the curriculum standards for each trade on the STO website: <https://www.skilledtradesontario.ca/about-trades/trades-information/>

- Purchase of equipment to support alternate delivery methods for in-class training, such as online and/or simulated training, including:
  - Purchase of online learning, simulator and/or virtual reality software;
  - Purchase of videoconferencing equipment and software
  - Purchase of hardware and software (e.g., servers, networking equipment) to operate Virtual Private Networks or other supports for online learning;
  - Purchase of off-the-shelf externally created digital content, such as training videos, learning modules, etc.;
  - Purchase of hardware, such as laptops, videoconferencing equipment, equipment to support simulator/virtual reality training, etc.
- Replacement of existing equipment to meet industry standards and support growth in apprenticeship enrolment and completions;
- Purchase of equipment that supports:
  - Training capacity growth;
  - Program delivery efficiencies (i.e., affecting more than one training program);
  - Improvements to remove accessibility barriers;
  - Inclusion of women in trades.

ACG Base funding may be used to finance the purchase of equipment used in leased facilities, but the TDA must confirm the new location of the equipment prior to the expiry of the lease, and the equipment must continue to be used for apprenticeship training. Minor modifications to leased facilities to install equipment are permissible.

TDA's that receive ACG Base funding may also apply to the CFP to top-up their program funding or request a new project. This additional funding is to provide TDA's with the opportunity to pursue and develop larger-scale projects. The ACG CFP is a competitive process with no guarantee that an application will be approved. More details about the ACG CFP each fiscal year will be posted on [Employment Ontario Partners Gateway](#).

## 1.7 Ineligible Expenditures

Examples of ineligible expenditures include:

- Financing projects in areas that are not used for hands-on apprenticeship in-class training (e.g. student residences, automobile parking, recreation facilities, faculty space, classrooms) or that primarily accommodate administrative functions;
- Duplication of already-funded activities or replacement of non-Ontario Government funding sources already committed to such projects;
- Replacement of any institutional or partnership contributions for projects previously approved for the TDA unless special approval is granted by the ministry;
- Funds cannot be used to purchase land, buildings, portables or finance the construction of a **new free-standing building** (i.e., constructing a new building from the ground up that requires a foundation);
- Purchase of online learning software licenses;

- Internal development of digital content such as online training videos, learning modules etc.;
- Auditing costs;
- Costs eligible under the apprenticeship in-class training agreement; and
- Curriculum development.

## 1.8 Additions to Building Projects

In certain circumstances, TDAs can request ACG Base funding for a project that involves the construction of an addition to a building to accommodate additional training space. An addition is a part added to an existing building and generally requires demolition, an architect, contractor and a building permit.

Due to the known risks associated with new construction projects, any TDA applying to ACG Base for the construction of an addition to a building must:

- **Contribute 50% of total project costs;**
- Perform their due diligence to assess the building envelope and land involved in the project for potential risks that could cause cost or time overruns, e.g., asbestos in the walls, hidden oil tanks in the ground etc.;
- Prior to signing an agreement with the Province, provide proof of enough funding for the TDA share of the project budget;
- Provide evidence of value for money;
- Make every effort to pay for and complete the project by March 31st of the next fiscal year. The ministry will not pay for any costs overruns nor make provisions for when the project is not completed within 12 months or goes beyond March 31<sup>st</sup>; and
- Provide a contingency plan to address cost or time delays should these occur, including evidence that monies have been set aside to complete the project.

Please note, ministry payments will be adjusted according to project billings.

## 1.9 Accessibility

TDAs are expected to comply with all applicable federal, provincial and municipal statutes and codes.

## 2.0 Program Activities and Accountability

### 2.1 Payment Schedule

TDAs approved for funding will receive written confirmation of approval and will be required to enter into a Transfer Payment Agreement (“the agreement”) with the province prior to receiving any funding or commencing any portion of their project. The ministry will begin to release funds upon the signing of the Transfer Payment

Agreement by both parties. For projects that are additions to buildings, payments will be adjusted to project billing and there will be no upfront payment.

TDA's will be required to comply with all terms of the agreement. The project proposal requires the signature of the Senior Financial Officer of the TDA.

All costs and expenditures for approved projects must occur as per the approved delivery plan. The ministry reserves the right to adjust the payment schedule if the project progress does not conform to the schedule in the agreement.

## **2.2 Reporting Requirements**

TDA's in receipt of ACG Base funding will be subject to reporting requirements on its project(s), expenditures and reports by the ministry. This will provide the ministry with the opportunity to determine how effectively the TDA is completing approved project(s) as outlined in their signed Transfer Payment Agreement with the Province. The overall success of the project(s) will be determined through ongoing year-round monitoring, submission of reports and completion of risk assessment(s), if necessary.

The ACG Base Transfer Payment Agreements will contain further instructions about reporting requirements. Reports can be submitted prior to the due date if completed early.

## **2.3 Roles and Responsibilities**

**Role of the Training Delivery Agent (TDA)** approved for ACG Base funding is to:

- Oversee project activities to ensure completion within the timelines indicated in the agreement;
- Ensure that objectives and outcomes stated in the agreement are being met, keeping a record of progress and accomplishments to-date, and maintaining accurate financial records to ensure that funding is being used for its intended purpose;
- Manage the agreement with the ministry, submitting required reports and participating in monitoring and project evaluation;
- Acquire equipment or complete training facility/lab improvements, including any construction project, through a process that promotes the best value for money;
- Ensure there is a contingency plan to address cost or time delays should these occur including evidence that monies have been set aside to complete the project;
- Ensure their facilities are maintained in good repair, and that they provide a safe environment for faculty, staff, and students;
- Ensure that their facilities are accessible to persons with disabilities and that they are in compliance with all applicable federal, provincial and municipal statutes and codes; and,
- Comply with the Fire Code (Retrofit Section) while undertaking projects funded under this program.



**The role of the Ministry** is to facilitate the ACG Base project by contributing funding, information about program guidelines, and requirements to the TDAs. To this end, the ministry will:

- Review and approve proposed projects in accordance with the ACG Base Guidelines;
- Negotiate, complete and administer an agreement with approved TDAs. Administration will include:
  - Receiving and commenting on project reports; and
  - Monitoring progress and performance against agreement activities and outcomes;
- Collect and review reports and outcome data to evaluate the project; and,
- Provide direction on reporting.

## **2.4 Performance Management**

Performance management will be undertaken through monitoring and reporting updates which all TDAs are required to complete. Performance management for all TDAs will also be undertaken as part of the Apprenticeship In-Class Training program.

## **2.5 Additional Considerations**

Given the need for TDAs approved for ACG Base to update their equipment and facilities to deliver relevant high-quality training in support of apprenticeship training programs, the ministry does not expect in-year program spending surpluses to occur. However, it is also recognised that good business practice and sound project management techniques can result in lower than anticipated final project costs.

Written ministry approval, is required prior to any of the following events:

- Spending of surplus funds;
- Substitution of new project(s) for previously approved projects;
- Material changes to the projects; and
- Disposition of assets funded under the program.

TDA use of funding for any project that has not received ministry approval may result in the recovery of funding by the ministry at its discretion, through a request for repayment. This may also affect the approval of funding in future years.

In situations where ACG Base funding is being provided along with other programs and services, ACG Base funds must only be used to cover costs directly related to the delivery of ACG Base-approved projects; this must be managed by applying Project Accounting principles.

## **3.0 Business Plan Process**

### 3.1 Overview

TDA's will receive written confirmation of their three-year allocations and will determine ACG Base priority projects for this funding in consultation with ministry staff during the in-class training planning process.

TDA's approved for ACG Base must submit their project proposals to the ministry for review and approval as per the ACG Base Program Guidelines, by completing the ACG Base Business Plan. TDA's must acquire equipment or complete training facility/lab improvements, including any construction projects, through a process that promotes the best value for money.

### 3.2 Application Requirements

TDA's approved for ACG Base funding must complete and submit all sections listed in the Apprenticeship Capital Grant Business Plan, and provide all required attachments, before the due date and time in order for projects to be considered eligible under ACG Base.

The ministry may, at its discretion, request additional requirements or supporting documentation in the ACG Business Plan (beyond what is set out below) to assess a ACG project proposal.

- **Project Description and Delivery Plan**
  - TDA's are to provide a detailed description of the proposal and delivery plan, project name, and include the sector, primary and secondary trade(s) (trade name and code) that will benefit from the project.
  - Projects are limited to the following activities:
    - Purchase of equipment (equipment may be new and/or used or replacement of existing)
    - Facility improvement
    - Addition to building
  - Activities and projects must align with curriculum standards for the trade.<sup>2</sup>
  - The Project Delivery Plan for each proposal must include a contingency plan to address cost or time delays should these occur.
- **Project Impact**
  - TDA's are to provide a description of how each project proposal meets at least one objective of the ACG program (see Section 1.3).
- **Budget**
  - TDA are to provide expenditure details to support the ministry's assessment of each budget item.

- All costs must be directly associated with capital expenditures that adhere to the ACG Program Guidelines and must not be funded by any other government source. Overhead costs and office and instructional supplies related to Apprenticeship In-Class Enhancement Fund are covered under the per diem and are not to be included.
- Total ministry requested budget should not exceed the TDAs approved allocation.
- Applications for an addition to a building that do not include a 50% financial contribution by the TDA for associated costs will be deemed ineligible and will not be reviewed.
- If in kind or funding contributions are an element of the project proposal, a letter of support must also be included in the submission.
- **Required supporting documentation for Addition to Building projects**
  - Documentation from technical consultations such as architects, engineers and/or copies of municipal records
  - Three written quotes
  - Documentation of TDA's financial contribution of 50% of the total project budget.

The completed business plan informs the ministry as to how the TDA will use funding that will be received under the ministry funding formula. This enables the ministry to ensure that funds will be utilized for the intended purpose and that anticipated expenditures are captured.

Amendments to the ACG Base Business Plan may be made at the discretion of the ministry.

TDAs can submit a maximum of one business plan for ten projects per region. Separate business plans must be submitted for sites located in a different region. Activities and projects must align with curriculum standards for the trade.<sup>2</sup>

### **3.3 Schedule of Events**

See the Employment Ontario Partners' Gateway for a schedule of events. Amendments to the timelines may be made at the discretion of the ministry.

## **4.0 Program Evaluation**

The ministry will analyse data related to capital investments and the delivery of in-class training. Data will be used for both internal reporting and public announcements. All TDAs approved for funding are required to participate in any performance measurement/program evaluation exercises undertaken by the ministry.

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<sup>2</sup> Please find the curriculum standards for each trade on the STO website: <https://www.skilledtradesontario.ca/about-trades/trades-information/>

## **5.0 Administration**

### **5.1 Acknowledgement of Ontario Government Support**

It is expected that full acknowledgement of Ontario government support will be provided in all published material and on TDA websites. Instructions on how to communicate using the [Visual Identity and Communications Guidelines for Employment Ontario Services](#)

### **5.2 Additional Considerations**

The guidelines may be amended or cancelled at any time at the sole discretion of the ministry.