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Comments - Commentaires
Smart Procurement Strategy for Language Training
Services

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Request for Information

Draft Smart Procurement Strategy for Language Training Services



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DRAFT SMART PROCUREMENT STRATEGY FOR LANGUAGE TRAINING SERVICES

1 INTRODUCTION

1.1 BACKGROUND

Public Works and Government Services Canada (PWGSC) is reviewing how it purchases language training services on behalf of federal government departments and agencies, with the objective of developing a Smart Procurement Strategy (SPS).

Included in this Request for Information is a Draft Smart Procurement Strategy for Language Training Services. The draft strategy includes proposed scenarios to help initiate a discussion to determine which scenarios are realistic, appropriate and if others should be considered.

Consultations with key stakeholders on the draft strategy will help address issues and concerns as well as explore and help standardize processes. Engaging key stakeholder groups, including federal government departments and agencies and suppliers is part of a detailed review of how language training services will be procured, and will assist PWGSC in developing a strategy to align supply and demand while still ensuring value for Canadians.

1.2 OBJECTIVES OF THE REQUEST FOR INFORMATION

The purpose of this Request for Information (RFI) is for PWGSC to engage government departments and agencies as well as suppliers to assess their needs and concerns in language training services and to standardize a national approach that responds to the needs of all government departments.

The intent is to create a strategy that will be applied nationally, while respecting specific regional and departmental needs. It will also be used to validate the proposed scenarios and give departments and agencies and suppliers the opportunity to provide additional feedback. Once the strategy is determined, PWGSC will put in place procurement tools that align with the strategy.

1.3 NATURE OF THE REQUEST FOR INFORMATION

This RFI is not a bid solicitation and will not result in the award of any contract. Therefore, potential suppliers of any goods and services described in this RFI should not earmark goods or facilities, nor allocate resources, as a result of any information contained in this RFI. Nor will this RFI result in the creation of a list of suppliers. Therefore, whether or not a potential supplier responds to this RFI will not preclude that supplier from participating in any future procurement process. Also, this RFI will not necessarily result in the procurement of any of the services that it describes. It is simply intended to solicit feedback with respect to its content.

Nothing in this RFI shall be construed as a commitment from Canada. Canada may use any non-proprietary information obtained as part of this review or in the preparation of future requirements.

2 INSTRUCTIONS FOR RESPONDING TO THE REQUEST FOR INFORMATION

2.1 CONTENT OF THE REQUEST FOR INFORMATION

This RFI contains a draft Smart Procurement Strategy (SPS) for Language Training Services. The draft SPS includes: a review of federal expenditures, market analysis, proposed scenarios representing federal government demands for exploration of potential opportunities, stakeholder feedback, current purchasing practices, and relevant legislation and policies to improve the procurement of language training services for federal government departments and agencies.

In addition to the SPS, this RFI includes electronic questionnaires for federal government departments and agencies and for industry.

2.2 RESPONDING TO THE REQUEST FOR INFORMATION

a) Electronic Questionnaires

Two questionnaires were developed to better understand the needs of the Government of Canada, as well as market capacity to satisfy language training services requirements:

- Federal Government Department and Agency Questionnaire: <http://tpsgc-pwgsc1.sondages-surveys.ca/surveys/osmepd/lts-federal-government-department-and-agency/>
- Industry Feedback Questionnaire: <http://tpsgc-pwgsc1.sondages-surveys.ca/surveys/osmepd/language-training-services-industry-feedback/>

Respondents are asked to complete the questionnaire in electronic format and submit their responses electronically. Should respondents encounter technical difficulties with the electronic questionnaire, respondents can contact the Smart Procurement Strategy team by email at TPSGC.strategiesfl-strategylts.PWGSC@tpsgc-pwgsc.gc.ca.

b) Additional information or comments

In addition to the electronic questionnaires, respondents are encouraged to provide their comments, concerns and, where applicable, alternative recommendations regarding the draft SPS by submitting an email to TPSGC.strategiesfl-strategylts.PWGSC@tpsgc-pwgsc.gc.ca. Respondents should explain any assumptions they make in their responses.

When sending additional information or comments, respondents are asked to include the title "RFI Response - SPS Language Training Services" in the subject line of their email.

c) Deadline for submitting a response

All those who are interested in submitting a response to this RFI are asked to complete the electronic questionnaire and provide any additional information or comments by the closing date found on the first page of this Request for Information.

2.3 TREATMENT OF RESPONSES

a) Use of responses

Canada intends to use the responses to not only amend the draft SPS but to also structure the topics of discussion for future consultations. Canada will review all responses received by the RFI closing date. However, Canada may, at its discretion, review responses received after the RFI closing date.

b) Review team

A review team consisting of representatives of PWGSC public servants will review the responses received. Canada reserves the right to hire independent consultants or use any Government resources that it deems necessary to review any response. Not all members of the review team will necessarily review all responses.

c) Confidentiality

Information provided may be used by Canada in the preparation of the final SPS and for other future procurement requirements. As a result, respondents are advised not to include any proprietary information in the response submitted. All responses will be handled in accordance with the *Access to Information Act*.

d) Follow-up activity

At its discretion, Canada may:

- i) contact any respondents to follow up with additional questions or for clarification of any aspect of a response;
- ii) convene with any or all respondents in order to discuss any aspect of a response.

Should Canada request any or all respondents to meet to discuss their response, any request shall be optional and participation shall be at the respondent's expense.

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e) Consultations

PWGSC will consult stakeholders including federal government departments and agencies and industry across Canada in person or by video/teleconference, in one-on-one meetings, in focus groups, by webinars or through other formats. Consultations are planned to be held in fall 2015.

If respondents are interested to participate in future consultations, they are encouraged to provide their contact information by email to:

TPSGC.strategiesfl-strategylts.PWGSC@tpsgc-pwgsc.gc.ca.

2.4 ENQUIRIES

Since this is not a bid solicitation, Canada will not necessarily respond in writing to enquiries or distribute the responses. However, respondents with questions regarding this RFI may send an email to the following address:

TPSGC.strategiesfl-strategylts.PWGSC@tpsgc-pwgsc.gc.ca

2.5 RESPONSE COSTS

Canada will not reimburse respondents for expenses incurred in responding to this RFI.

2.6 OFFICIAL LANGUAGES

Responses to this RFI may be submitted in either of Canada's official languages.

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3. OVERVIEW OF FUTURE SOLICITATION STRATEGY

3.1 NEXT STEPS

Once the feedback has been considered, PWGSC plans to conduct national consultations with federal government departments and agencies, industry and other stakeholders. Following the consultations, PWGSC will apply the comments and feedback to the SPS. If required, PWGSC may develop a second Draft Smart Procurement Strategy for Language Training Services for consultation purposes.

Once federal government departments and agencies, industry and stakeholders have provided all their feedback on the proposed strategy, PWGSC will post the final Smart Procurement Strategy for Language Training Services on <https://buyandsell.gc.ca/procurement-data/tenders>.

As a result, PWGSC will develop the necessary procurement tools that are in line with the final Smart Procurement Strategy.

3.2 ESTIMATED SCHEDULE

PWGSC proposes the following schedule:

Consultations:	September to November 2015
Post summary of feedback:	February 2016
Post final Smart Procurement Strategy for Language Training Services:	April 2016
Develop Procurement Tools:	Fiscal year 2016-2017



Draft

Smart Procurement Strategy for Language Training Services



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Executive Summary

Introduction

Public Works and Government Services Canada (PWGSC) is reviewing how Federal government departments and agencies procure Language Training Services (LTS). The objective of the review is to develop a Smart Procurement Strategy (SPS). A key aspect of the review includes engaging government departments and agencies as well as suppliers to assess their needs and concerns. The purpose of the SPS for LTS is to standardize a national approach that responds to the needs of all Government departments. The implementation of a national program will improve the procurement process, as well as align the particular requirements of the departments with specialized suppliers.

The importance of LTS for Government of Canada (GC) employees is to aid in career advancement, and improve communication in both official languages to the citizens of Canada.

Effective April 1, 2012, the Canada School of Public Service (CSPS) no longer provides Language Training Services for federal government employees which represents the final step in the implementation of a 2006 Treasury Board decision. Consequently, government departments are now responsible for managing their respective language training requirements. In an effort to ensure that procurement of services responds to departmental needs, PWGSC proposes nine strategic language training scenarios within this draft SPS for departments and agencies and suppliers to consider and provide feedback on as follows:

- 1 Dedicated Local School
- 2 Shared Dedicated Local School;
- 3 Block Time Training;
- 4 Distance Learning;
- 5 Adaptive Training;
- 6 Self-directed E-learning;
- 7 Intensive/Immersion Training;
- 8 Standard Language Training Services; and
- 9 Management Support

This draft SPS seeks to ensure that PWGSC's procurement process meets the current and future LTS needs of federal government departments and agencies by simplifying their access to language training opportunities, while leveraging suppliers' knowledge and expertise.

Departments and agencies will be able to maximize operational requirements and opportunities, shape employees career paths, develop easy to follow processes, increase performance, standardize Statements of Work, and maximize student and teacher time. On the other hand, suppliers will be able to plan more effectively, incorporate departments and agencies lexicons into their curriculum, provide comparable pricing as well as focus on adequately providing services to the government.



Draft Smart Procurement Strategy for Language Training Services

Definition

Language Training Services (LTS) is characterized by various formats of teaching one or the other of Canada's official languages, namely English or French.

The delivery of language training services encompasses various types of demands such as language skill improvement, localization (instructions using the Canadian dialect), student progress reporting and ongoing performance measurement of the program.

Excluded services

- Language training in languages other than English and French; and
- Second Language Evaluations (performed by the Public Service Commission).

Background

CSPS has changed from providing in-house direct training to online language training services nation-wide through the Language Training Centre. In its role of ensuring that all federal employees receive quality language training, compliant with the requirements of the Commission of Official Languages, the CSPS is the official technical authority for performing technical assessments and quality standards for PWGSC's Official Languages Training Services Standing Offers for the National Capital Area (NCA).

The Government of Canada spends approximately \$52.5M a year on LTS based on a five-year average Fiscal Year 2009/2010 – Fiscal Year 2013/2014.

In 2010 PWGSC began a review of how it procures LTS for federal government departments and agencies. The feedback received from departments and suppliers identified key factors that would successfully improve the process and, consequently the outcomes of LTS for government, suppliers and Canadians at large. The three key factors consist of quality of training, flexibility, and ease-of-use of training which will be taken into consideration in the SPS for LTS.

As interim measures, PWGSC issued multiple Standing Offers in the spring of 2013 to address particular requirements for second language training services in the NCA. Similar Standing Offers were issued in the regions in the fall of 2014. These Standing Offers address Standard Language Training Services which is one of the nine strategic language training scenarios. In addition to PWGSC's Standing Offers for the NCA, many others, as well as contracts, have been posted throughout Canada by federal government departments and agencies to meet specific language training requirements.

The CSPS continues to be a subject matter expert for the training requirements of federal government employees and organizations. The goal for implemented strategy would be to encourage innovation and supplier engagement, while also ensuring adherence to Government of Canada Standards.



Draft Smart Procurement Strategy for Language Training Services

Next Steps

Federal government departments and agencies have primarily focused on “employee x” or “group x” for LTS, without aligning their needs with the types of services provided by suppliers. PWGSC will endeavor to improve its strategy for aligning supply and demand of LTS by consulting industry and federal government departments and agencies on the nine (9) strategic language training scenarios.

The draft SPS and accompanying questionnaires will be published on www.Buyandsell.gc.ca/tenders. Concurrent to the publications of the draft SPS and questionnaires, PWGSC will again engage suppliers as well as Federal government departments and agencies to discuss scenarios and work towards finalizing a strategy for ensuring best value and balance between the three key factors of improvement below, which formed part of the previous engagement conducted in the 2010 review:

- Flexibility: Strategies for aligning LTS to respond to specific needs.
- Quality: Language training schools that are qualified to deliver specific objectives.
- Ease of Use: Maximize the cost-effectiveness of LTS for Federal government departments and agencies by providing an efficient procurement process, including a suite of tools (e.g. sample statements of work, evaluation criteria) that are easy to access and use.



Draft Smart Procurement Strategy for Language Training Services

1 Purpose

Public Works and Government Services Canada (PWGSC) is conducting an analysis of how it purchases Language Training Services on behalf of federal government departments and agencies, with the objective of developing a Smart Procurement Strategy (SPS). The draft SPS includes: a review of federal expenditures, market analysis, proposed scenarios representing federal government demands for exploration of potential opportunities, stakeholder feedback, current purchasing practices, and relevant legislation and policies to improve the procurement of LTS for federal government departments and agencies. PWGSC is seeking feedback on the menu of nine recommended strategic language training scenarios outlined below. These scenarios represent the vast majority of the government's language training needs catering to both large and small organizations. As an example, a large department in a highly-populated city would have different needs than a small department in a remote area.

Consultations with key stakeholders on the draft strategy will help address issues and concerns as well as explore and help standardize processes. Engaging key stakeholder groups, including federal government departments and agencies and suppliers is part of a detailed review of how Language Training Services will be procured, and will assist PWGSC in developing a strategy to align supply and demand.

The intent is to have the strategy applied nationally, while respecting specific regional and departmental needs. Its purpose is to provide departments with the tools to meet their language training needs. It will also be used to validate the scenarios and give departments and agencies and suppliers the opportunity to provide additional feedback.

The draft strategy outlines recommendations for the procurement of Language Training Services. Federal government departments and agencies and suppliers are encouraged to review in detail and provide comments by completing the online questionnaire. The draft SPS proposes new and innovative solutions which could significantly enhance a department's ability to better manage these services across the Government of Canada.

It will help departments and agencies improve employee performance, meet technical requirements of the job, assist with career management, efficiently manage processes and improve morale. Two questionnaires have been developed for the purpose of soliciting feedback: one focuses on federal government departments and agencies and the other on suppliers. All comments will be taken into consideration and summarized in a consultation summary report. The results of the questionnaires will be used when finalizing the SPS for Language Training Services.

Through the analysis of Language Training Services requirements and industry capability, suppliers will be in a better position to align with federal government departments' and agencies' needs which will contribute to increased flexibility, quality, and ease of use.

2 Scope

The draft SPS focuses on LTS for Canada's official languages, namely English and French. It aims to provide a twofold flexible approach: first, to gain insight on the needs of Federal government departments and agencies when obtaining LTS; second, to learn how suppliers can assist in fulfilling these needs through the proposed scenarios.

Under this Strategy, federal government departments and agencies will continue to offer LTS to their employees. Training services will be expanded to include the following aspects: block-time training, services for employees with learning challenges, and high-quality remote training for employees who are unable to access standard services.



Draft Smart Procurement Strategy for Language Training Services

The proposed SPS is a dynamic process that will adapt to the needs of employees, departments and industry over time. PWGSC is focused on achieving further efficiencies and standardization in accessing LTS by:

- **Improving alignment of supply and demand:** The SPS proposes 9 scenarios to help departments develop and maintain a sound, flexible approach for LTS.
- **Implementation of a standardized national process:** SPS will ensure the implementation of a standardized national approach for acquiring LTS. The objective is a consistent procurement process across all regions, while granting flexibility in offering the broad range of services supported by the private sector, universities and colleges.

This can be achieved through:

- Improving understanding of various needs;
- Planning, and forecasting accordingly;
- Streamlining and standardizing the procurement process;
- Adapting a procurement process that responds to new technologies and trends; and
- Anticipating and responding to the needs of all stakeholders.

Implementation of the Language Training SPS includes:

- Making language training more efficient and cost effective;
- Creating accessible and user-friendly tools for the federal government and suppliers;
- Assisting the federal government in realizing efficiencies;
- Adapting to departments' and agencies' specific needs;
- Improving the quality of procurement services to the federal government; and
- Providing suppliers with improved competitive opportunities for doing business with the government in an open, fair and transparent manner.

3 Environmental Scan

Market and Spend Information

The demand for language training from the federal government is strong due to the Government of Canada's obligations and commitments of the Official Languages Act and the Roadmap for Canada's Linguistic Duality (*Canadian Heritage and Official Languages, 2013*).

This industry has 605 enterprises across Canada, mainly in Ontario (37%), British Columbia (27%) and Québec (24%) for a total of 10,216 employees in 2014, most of them having fewer than 50 employees (Statistics Canada, 2014). British Columbia has a high share of enterprises compared to its population given the proportion of individuals with Asian origins and the significant ethnic diversity that contributes to the demand for language training services (IBISWorld Canada, 2014).

Competitive Landscape

Canada's language training industry is fragmented and the degree of rivalry is high because there is a large number of small businesses and it is easy to enter the market (*Statistics Canada, 2013; IBISWorld, 2012*). Large firms benefit from economies of scale and have the capability to serve multinational clients and provide online training services while small companies can compete by focusing on niche markets. Traditional language schools are facing competitive pressure from language software publishers who offer cheaper and more flexible alternatives to classroom training (*IBISWorld, 2012*).

Language training schools primarily compete on the basis of the range of courses offered, fee structure, quality, and reputation. Convenience is also an important factor; language schools may offer flexible schedules and localities to accommodate their participants. This is particularly important in the corporate market in order to gain market share and lucrative contracts. Tuition fees vary with the diversity and complexity of the programs provided; schools are able to demand higher prices by improving the added value of their course offerings. In order to attract more clients, schools diversify to cover a broader range of business functions and also develop client specific programs, such as combining remote online courses with classroom based learning (*IBISWorld, 2012*).

For more detailed information refer to Annex A.

3.1 Industry Trends

Technological advances, along with the wide use of computers and the internet have changed the way language training is delivered, by expanding the client base and increasing market penetration for language schools (e.g., companies such as Berlitz and Rosetta Stone). For instance, the Berlitz training centre provides a virtual classroom program which allows participants to interact with native language instructors in real-time using technologies such as Voice over Internet Protocol and visual communications over the internet (*IBISWorld, 2012*).

In years to come, markets for web-based programs, as well as for language training software, are expected to expand at a fast pace as more potential participants adopt these high-tech learning products. As international trade and foreign participants continue driving the industry, language schools will deliver more online courses and also open campuses overseas to market their services in other countries (*IBISWorld, 2012*). Although there is increasing consolidation and globalization among large companies, the language training industry is likely to remain fragmented due to the large number of small and self-employed establishments (*First Research, 2012*). For more detailed information refer to Annex A.

Spend

According to information obtained from the Spend Cube¹, the Government of Canada spends an average of approximately \$52.5M annually on LTS (for additional information refer to Annex B).

¹ The Spend Cube contains expenditure data collected from departmental financial systems. Currently the Spend Cube contains more than 50 clients or 95% of GC Spend



Draft Smart Procurement Strategy for Language Training Services

3.2 Current Situation

Each year, an average of more than 26,000 federal government employees receive language training in both official languages in Canada. Language training is managed by most Federal government departments and agencies and on occasion by PWGSC. Federal government departments and agencies are responsible for coordinating their respective language training needs through the PWGSC procurement process or through the procurement tools of their respective departments or agencies.

Federal Government employees are served exclusively by private language schools, universities, and colleges since the responsibility of delivering LTS to them by CSPS shifted in 2012.

To fill the gap left by the cessation of services provided by CSPS, in the spring of 2013, PWGSC issued multiple Standing Offers to address urgent requirements for language training services in the NCA. Similar Standing Offers were issued in the regions in the fall of 2014.

4 Summary of Analysis

In the course of developing the draft SPS for LTS, extensive data was analyzed, including information on contracting, expenditures, demand, trends and current procurement practices. Applicable statutes, regulations and policies were also examined.

A number of consultation sessions were held by PWGSC, including the ones listed below:

1. Consultations with officers of the Office of the Commissioner of Official Languages and representatives from 20 Federal government departments and agencies between 2008 and 2012;
2. Consultations with human resources officials from the 10 largest federal government department and agency users in June 2012; and
3. Requests for information (RFI) were posted in 2010 and again in 2012 for a one-year period to gather information on industry capability.

National and regional advisory groups, lead by the Acquisitions Branch of PWGSC and represented by the procurement service delivery (Services and Technology Acquisitions Management Sector and Quebec Region) as well as the Business Management Sector and Acquisitions Program Transformation (BMS (APT)) and CSPS, were established in 2008 to ensure that the needs expressed by federal government departments and agencies and suppliers are properly identified in the SPS.

Previous consultations and engagement with senior management on LTS resulted in the following observations:

Flexibility:

- Different service providers are contracted by separate government departments to resolve their language training needs.
- The previous method of procurement restricted the ability of federal government departments and agencies to select a specific supplier for a specific participant.
- Call-ups were unevenly distributed among suppliers.

Draft Smart Procurement Strategy for Language Training Services

Quality:

- Inability to manage and improve quality when contracts are granted on a participant-by-participant basis versus a comprehensive service delivery channel that would include consistent quality requirements for all participants.
- Broad variation of requirements by the regions.
- Lack of a standardized training program, supported by quality assurance expertise, resulting in unsatisfactory grades in many Federal government departments and agencies.
- Inability to manage suppliers who perform poorly.
- Difficulty in finding teaching resources and pedagogical advisers that meet the requirements and qualifications, particularly in the regions where there is a shortage of teaching resources.
- Training programs of the previous Standing Offer (Programme de français langue seconde (PLF2) and Communicative English at Work Program) are not broadly used by the private sector.
- Varying success rate for learners on the Public Service Commission exams.
- Perception that the focus of the Government of Canada is the lowest price of the transaction versus the ability to manage value for the LTS.

Ease-of-Use:

- Lack of clarity of the contracting process, leading to confusion among federal government departments and agencies as well as suppliers.
- Lack of standardized business rules relating to procurement process, forcing federal government departments and agencies to invest time and effort, resulting in lengthier procurement timelines, increased workload and higher sourcing costs.
- Higher bid preparation costs for suppliers due to lack of standardization process.
- Lack of well-defined, client-oriented procurement process relating to accessibility of resources for dealing with complex human resources and training issues.
- Long, timely and resource intensiveness of current solicitation process.
- Lack of client and supplier collaboration that would simplify the procurement process and facilitate better understanding of requirements and capabilities.

Consultations in the past with second language training coordinators, advisors and managers of federal government departments and agencies confirmed that a standardized training program would ensure high quality delivery of LTS.

The members from these advisory groups concluded that the CSPS “Programme de français langue seconde (PLF2)” for French and “Communicative English at Work Program (CEWP)” for English are the preferred programs for second language training. The quality standards and broad-based usage of the programmes by the Federal government departments and agencies contributed to the selection. Suppliers may use additional programs to supplement or enhance those of CSPS.

Given that the CSPS is no longer the Government of Canada’s centralized language training service provider, a strategic procurement process is required to ensure that the language training needs of federal government departments and agencies continue. In addition, the level of quality must be maintained by implementing a menu of services as described below.

5 Recommendations

PWGSC recommends establishing multiple training approaches to satisfy not only immediate and interim needs but also to transform the way language training is acquired and managed in the long term across the Government of Canada.

The strategic language training scenarios are:

1. Dedicated Local School
2. Shared Dedicated Local School
3. Block Time Training
4. Distance Learning
5. Adaptive Training
6. Self-directed E-learning
7. Intense / Immersion Training
8. Standard Language Training Services
9. Management Support

The basis of the recommendations is a continuous improvement strategy. Details on the recommendations associated with each strategic element are provided in the following sub-sections.

5.1 Strategic Language Training Scenarios

The scenarios described below provide increased flexibility to Federal government departments and agencies in meeting their specific LTS needs. Through the SPS, PWGSC will work with Federal government departments and agencies and suppliers to clarify and identify the types of program development and assessment services that industry may be able to provide to support Language Training Services requirements. These requirements include the following types of strategic language training scenarios that will be supported by PWGSC based on stakeholder feedback:

5.1.1 Dedicated Local School

A dedicated local school is an option when a federal government department or agency has a sufficient number of participants in a geographical area to commit to having a language training service strategic supplier dedicated to supporting the department's or agency's language training requirements in that location.

Scenario: Dedicated Local School

A federal government department has one or more geographical locations in close proximity. The department forecasts three years of demand for LTS to sufficiently support one strategic school (i.e. provide a variety of training services, including full, part-time, group and individual; using a single supplier). During that period, the supplier dedicates resources for specific language training at the government department's site(s) creating a strategic partnership in one location for a department or agency.

5.1.2 Shared Dedicated Local School

A shared dedicated local school is an option when, on the whole, the number of participants in a particular government department or agency is insufficient to support a training program. However, when a sufficient number of participants from multiple federal government departments and agencies, located in a common geographical area commit to LTS, the departments or agencies can jointly contract the same service supplier to provide training that responds to the particular needs of each.

Scenario: Shared Dedicated Local School

A shared dedicated local school is feasible when multiple departments forecast sufficient combined participants in a particular geographic location (e.g. Vancouver). By combining the needs of multiple departments the supplier is able to provide different training levels for interdepartmental groups. The departments and agencies have the flexibility of working together in moving participants as deemed necessary.

5.1.3 Block Time Training

A block time language training scenario is when a supplier is on-site within a federal government department or agency to provide a set block of time allocated in advance to teach several co-located participants through one-on-one sessions specialized for each participant's language level and training needs.

Scenario: Block Time Training

A federal government department has a number of co-located employees who have various levels of proficiency in their second language. A block of time for a set period would be provided by a single teaching resource, with each employee allocated a set block of time. (e.g., a group has five employees who need one hour of second language training per week. A teacher is hired for five hours a week, but, if one of the employees cannot make their timeslot, one of the other employees can fill in with no issues or additional cost). This training is low cost, will improve morale and provides exposure to new students requiring LTS. Each employee would receive training specialized for their individual needs. Participants will be allowed to exchange their times with others, thus maximizing the benefits to all involved.

5.1.4 Distance Learning

Employees are unable to physically attend a language training course, the distance learning approach allows employees access to a teaching resource physically situated in a different location.

Scenario: Distance Learning

An employee requires language training but due to operational demands and time constraints is unable to attend classroom LTS. The department or agency can benefit, as can employees, because distance learning is more flexible in terms of time and can be delivered virtually on or off the job.

5.1.5 Adaptive Training

Adaptive training is an option specifically for participants with learning difficulties and/or physical impairments that requires specialized learning materials, techniques and tools. An employee will be accommodated under the federal Employment Equity Act. Personal learning sessions to the individual by a specialized language training supplier will be offered.

Scenario: Adaptive Training

An employee has a learning disability that requires accommodation. The employee is assessed and assigned to a specialized teaching resource who will develop a program and provide personalized one-on-one language training sessions to meet the employee's learning needs.

5.1.6 Self-directed E-Learning

Self directed E-learning supports learning through instructions delivered to students using interactive, computer-assisted instructions such as web-based modules. It comprises of all forms of electronically supported learning and teaching material with drills and practice, tutorial or simulation activities.

Virtual training program that responds to the specific needs of the individual via electronic equipment and tools. Training could be delivered via the internet or intranet using a web browser. Assignments and tests can be completed online.

Scenario: Self-directed E-Learning

An employee wants to improve his second language skills for career development using self-directed learning tools. A supplier could provide a variety of online and electronic tools specific to the employee's learning needs. In turn, the employee would have the flexibility to learn at their own pace without a fixed schedule.

5.1.7 Intensive / Immersion Training

An intensive / immersion language training approach is high concentration (i.e.the supplier will provide live-in conditions for the students 24 hours per day / seven days per week.), individual second language training, for one or more concurrent sessions, based on operational needs. This approach is used mostly to train employees who have a short turnaround time to complete training and can be performed by a single supplier.

Scenario: Intensive / Immersion Training

A federal government employee with a highly technical skills-set, (a scarce resource) needs to meet the language requirement for a position in a short period of time. To respond to this need, the employee is relocated in a region or environment that commonly uses the second language. A teaching resource accompanies the employee for the duration of the immersion period to accelerate the learning progress and ensure a constant exposure to the second language.

5.1.8 Standard Language Training Services

Typical LTS that are easily available and commonly used by the Federal government departments and agencies fall within the following pre-determined categories:

- Full-time group training;
- Full-time individual training;
- Part-time group training; and
- Part-time individual training.

In spring 2013, PWGSC initiated a procurement process to respond to the urgent need for the Standard Language Training Services by issuing multiple language training Standing Offers for the NCA. Regional Standing Offers for similar language training services were issued by PWGSC in the fall of 2014.

In its role as Technical Authority for ensuring quality assurance of the Standing Offers, the CSPA is responsible for determining the quality of training in compliance with the CSPA standardized tools, conducting technical assessments of proposals, monitoring learner's progress, and assuring ongoing quality of LTS by suppliers. CSPA is also responsible for preparing learning plans for full-time training, or upon request from federal government departments and agencies.

CSPA is looking into the possibility of allowing private schools to propose their own language training programs as opposed to using the PFL2 and CEWP programs. The CSPA would continue to act as the Technical Authority and would evaluate each proposed program for acceptance.

Ongoing engagement with all stakeholders involved in LTS is a key component of the success of the SPS.

5.1.9 Management Support

PWGSC is committed to supporting departments to efficiently use public funds in the delivery of LTS. Performance measurement is integral to the efficiency and effectiveness of acquiring LTS. Management support tools include an assessment of departmental delivery of LTS, clear and integrated reports on employees' progress, including tracking the time dedicated to any form of language training by employees throughout their career, and tools and plans to support the departmental improvement of language training services.

The Government of Canada will work to improve coordination and sound management of LTS procurement activities in an effort to strengthen its official languages capacity.

Scenario: Management Support

A senior official in a government department would like to assess the effectiveness of their departments delivery of language training services, including items such as have the opportunity to track the performance of all students over any given period of time; number of employees on training; pass and failure rate; quality of the course material; frequency of testing; and the effectiveness and efficiency and impact on departmental operations. This would be a professional review of the current status and forward business plan.

5.2 Potential Benefits

By adopting these recommended scenarios, there are a number of areas where government departments and agencies and suppliers could see benefits. Some of these benefits are:

- significant requirements that sufficiently supports long-term investments, remuneration and retention of quality staff;
- departments and agencies needs will be met;
- incorporating departments' and agencies' lexicons into the program;
- teaching the local French and English Canadian lexicon;
- comparable rates;
- optimizing a supplier's resources;
- Improved response time for short term LTS;
- flexibility in setting up personal learning schedule without fixed timelines;
- being able to track and record progress;
- availability of an online service provider;
- capability of learning at one's own pace;
- ability of employees to focus on their language training in a totally immersed environment;
- and
- flexibility of completing LTS on or off the work site

5.3 Enhance Communication

PWGSC will enhance communication by:

- Implementing mechanisms to collect data relating to patterns of demand by the GC and communicating that information back to the client departments;
- Engaging government departments and agencies early in the procurement process;
- Improving communication with government departments and agencies as well as industry and the regions by creating a LTS communication process (e.g. web presence).

Context

In order to foster a more proactive approach across all of the GC, PWGSC needs to communicate more frequently via a simpler system to explain the procurement process for LTS. Benefits include the involvement of PWGSC earlier on in the procurement planning process; and the ability to detect issues in a more timely manner, resulting in a better understanding of the needs of the end users of LTS. The development of stronger communication channels will ensure a smoother interaction between PWGSC's clients, as well as contracting authorities and industry.

5.4 Environmental Considerations

The Government of Canada's commitment to greening its supply chain was enforced by the Policy on Green Procurement, effective since April 2006. PWGSC implements appropriate measures to procure goods and services that have a lesser or reduced impact on the environment.

PWGSC demonstrates leadership in the greening of government policy by providing support to suppliers and federal government departments and agencies in identifying environmentally preferable goods, services and processes.

One of the key steps in accomplishing this objective is the publication of PWGSC's strategic environmental direction for LTS available on the Web site: <https://buyandsell.gc.ca/initiatives-and-programs/green-procurement/sell-green/green-scorecards>.

In support of the Greening of Government initiative, LTS requirements of suppliers are as follows:

- Written educational material, including (but not limited to) texts, assignments, reports and evaluations are provided in electronic format, whenever possible;
- Printers and photocopiers meet ENERGY STAR performance specifications and are programmed by default to print in black and white on both sides of the paper;
- Paper is certified as originating from a sustainably managed forest and contains at least 30% recycled materials;
- Environmentally preferable ink or recycled ink cartridges for printers and photocopiers; used ink cartridges are returned to the manufacturer for reusing or recycling
- Availability of recycling bins for paper and newsprint, as well as for plastic and aluminum containers are available, in accordance with local recycling programs.

In addition, options that minimize travel for employees should be made available and may be preferred (i.e. the instructor goes on location (i.e. in strategic school scenario), distance learning, self directed e-learning, choice of geographic locations made available, etc).

The Government of Canada reserves the right to conduct audits to assess the environmental efforts of suppliers while visiting their facilities.

5.5 Aboriginal Considerations

Aboriginal firms are offered the same potential as non-aboriginal firms to view and bid on opportunities. In collaboration with federal government departments and agencies and suppliers, PWGSC ensures that the objectives of the Procurement Strategy for Aboriginal Businesses (PSAB) and comprehensive Land Claims Agreements (CLCAs) are integrated within the procurement decision-making process.

PWGSC will continue to work with Federal government departments and agencies and suppliers to ensure that potential Aboriginal bidders are notified of bid solicitation periods, particularly when the opportunity is applicable to the PSAB and CLCAs. Consultations with Aboriginal Affairs and Northern Development Canada (AANDC) will continue as part of the current approval process for the procurement process of LTS.



Draft Smart Procurement Strategy for Language Training Services

6 Next Steps

The draft SPS for LTS and its associated questionnaires will be posted on www.Buyandsell.gc.ca/tenders, to solicit written feedback from suppliers and federal government departments and agencies.

The SPS will integrate comments from the consultation feedback into the report as appropriate. The SPS for LTS is expected to come into effect during Fiscal Year 2015 – 2016. Concurrent to the publications of the draft SPS and questionnaires, PWGSC will again engage suppliers as well as federal government departments and agencies to discuss scenarios and work towards finalizing a strategy to ensure best value, flexibility, quality and ease of use are all present in the SPS.

The SPS will be periodically reviewed and adapted to ensure that:

- Proper tools are provided;
- Best practices are exercised;
- The tools offer flexibility that support all federal government departments and agencies across Canada; as well as enhance service delivery wherever possible; and
- Federal government departments and agencies and suppliers assist PWGSC in eliminating barriers that impact the procurement process.

ANNEX A – Canadian Market for Language Training Services

Competitive Landscape

Barriers to entry are low primarily due to relatively low startup costs and light industry regulations. Operating a small language school does not require a lot of capital outlay since schools can rent facilities and hire teachers on an as-required basis. Accreditation is not mandatory for language schools but may help new schools gain reputations especially when targeting business and government clients. Large firms are generally in a better position than small ones to develop advanced online modules since they have access to the amount of money needed for these investments. Developing sophisticated and customized online training may prevent small operators from entering the market or gaining market share (*IBISWorld, 2012*).

Language textbooks and audio tapes may represent substitutes for language training since participants can learn at their own pace without attending classroom courses. Additionally, computer-based language training software and online training programs have been developed as a cheaper and more convenient alternative to language classes. With the shift to online training, traditional language training will be replaced by blended training incorporating computer-based self learning modules with classroom-based instruction (*IBISWorld, 2012*).

Demand Analysis

Demand determinants for language training services include individual disposable income, immigration trends, foreign student permits, as well as business and government operational requirements and budgets. In the years to come, large firms will diversify their services by developing online training courses customizing client needs to help boost profit margins. Business demand derived from international expansion is closely linked with the economic cycle; while globalization increased demand for language training, the recent recession has caused many companies to cut training budgets and put a pause on overseas expansion (*IBISWorld, 2012; Citizenship and Immigration Canada, 2012*).

The Canadian linguistic duality generates a strong demand from the federal government. The Government of Canada (GC) delivers services and programs in two official languages and the Official Languages Program includes activities to fulfill the obligations and commitments of the Official Languages Act and the Roadmap for Canada's Linguistic Duality. Approximately 40% of all Canadian federal jobs are bilingual and the percentage is higher (65%) in the National Capital Region (Canada School of Public Service, 2012). The status of immigrants and foreign students as major language training industry clients is supplemented by GC initiatives, such as the Recruitment and Integration of Immigrants Initiative, language rules for citizenship applicants, and other related programs. In 2011, there were 149,956 students in Languages Canada programs with 65% of the input from South Korea, Japan, Saudi Arabia, Brazil and China (*Languages Canada, 2012*).

Supply Analysis

The language training industry is labour intensive and language instructors are thus major inputs. Office supplies and equipment retailers, real estate agents, bookstores, and software developers are also important suppliers for language schools. Increases in operating costs, particularly for language books, office supplies, computers and classroom costs have a negative impact on the language training industry (*IBISWorld, 2012*). Sophisticated, user-friendly language training software and online training services may impact the growth of this industry. However, language instructors are expected to remain since student-teacher interactions are necessary for learning a language (*IBISWorld, 2012*).

Industry Outlook

Language training represents a multi-billion dollar industry in Canada (*Language Industry Association (AILIA), 2012*). Every year, 250,000 people immigrate to Canada, resulting in a regular influx of participants in enhanced language training programs (*Canadian Heritage and Official Languages, 2013*). Furthermore, foreign students enrolled in language training programs contribute nearly one billion dollars a year to the Canadian economy and support the employment of approximately 15,000 people (*AILIA, 2012*).

Industry Trends

Canada's linguistic duality and the Canadian Official Languages Act will continue to generate a strong demand from the federal government. For example, the Roadmap for Canada's Linguistic Duality 2013-2018 includes a renewed investment of \$1.1 billion, over five years, in two official language committed actions in education, immigration and services to communities (*Canadian Heritage and Official Languages, 2013*).

ANNEX B – Government of Canada Spend Analysis

Spend Analysis

According to the Spend Cube data, the Government of Canada spent an average of \$52.5 million annually on Language Training Services between FY09/10 to FY13/14. See Table 1 below.

Table 1 — Average Annual Spend

Fiscal Year	Total Spend
FY09-10	\$64.5M
FY10-11	\$58.8M
FY11-12	\$53.4M
FY12-13	\$46.6M
FY13-14	\$39.4M
5 Year Average	\$52.5M

All figures are based on categorized and normalized of financial data contained in the spend cube. The Spend Cube comprises of financial data from more than 55 client departments, accounting for 93% of GC spending (when compared against the Public Accounts of Canada).

Table 2 below shows that contracts and related amendments awarded to SMEs accounted for a significant proportion of the value (84%) and volume (90%) awarded for language training between FY2007-2008 and FY2011-2012. Large firms represented 16% and 10%, respectively, of the value and volume awarded.

Table 2 - Number of Documents and Value Awarded by Business Size (from FY 07-08 to FY11-12)

Business Size	FY07-08		FY08-09		FY09-10		FY10-11		FY11-12		5 Year Average	
	Volume	Value	Volume	Value	Volume	Value	Volume	Value	Volume	Value	Volume	Value
00 - SELF-EMPLOYED	2	\$0.03M	2	\$0.04M	2	\$0.03M	5	\$0.47M	4	\$0.17M	3	\$0.15M
01 - SMALL	39	\$32.89M	40	\$8.60M	44	\$19.84M	43	\$27.08M	46	\$19.98M	42.4	\$21.68M
02 - MEDIUM	9	\$8.64M	8	\$0.59M	14	\$4.90M	14	\$4.69M	11	\$0.00M	11.2	\$3.77M
03 - LARGE	5	\$7.15M	3	\$5.52M	6	\$3.60M	10	\$6.18M	6	\$2.79M	6	\$5.05M
Grand Total	55	\$48.73M	53	\$14.75M	66	\$28.37M	72	\$38.42M	67	\$22.94M	62.6	\$30.64M

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