DELIVERING VALUE FOR CANADA

STANDARDS COUNCIL OF CANADA

Summary of Corporate Plan 2016-2017 to 2020-2021
Summary of Operating Budget for 2016-2017
Summary of Capital Budget for 2016-2017

Canada

DELIVERING VALUE FOR CANADA

OUR MANDATE

To promote efficient and effective standardization in Canada, where standardization is not expressly provided for by law.

OUR MISSION

To lead and facilitate the development and use of national and international standards and accreditation services in order to enhance Canada's competitiveness and well-being.

OUR VISION

To be a global leader driving prosperity and well-being for Canada through innovative standardization solutions.

How to Reach Us

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EXECUTIVE SUMMARY

Standards play a more important role today than ever before. Standards continuously work behind the scenes to enhance Canada's economy and safeguard our citizens. In fact, standards are the underpinning of our society on so many levels. Having standards in place ensures that many of the products, services and systems we depend on every day work properly—from Wi-Fi systems to medical tests to the cars we drive. Today, there are approximately 5,000 standards referenced in Canadian regulations. Without these standards in place, products and services would not work as they should and the health and safety of Canadians would be at risk. Standardization activities directly support plans for a strong and competitive Canada.

The Standards Council of Canada (SCC) is the leader of Canada's standardization network, and as such, is mandated to deliver state-of-the-art standardization solutions that protect Canadians and also promote domestic and international trade, drive innovation, support sustainable development and fuel our economy. And as we look to the future we know we can do even more. As the organization moves forward, it does so with a desire, commitment and determination to create an even stronger standardization network for Canada—a network that facilitates global market access for Canadian innovators and helps break down trade barriers both within Canada and between our nation and the United States. We have come far in recent years, but going forward we know we can do even more to provide value to Canada and advance our nation's best interests.

SCC will build on our strong foundation to ensure Canada is a standardization leader and cement our leadership position at the domestic, regional and international level. We will continue to forge relationships with both government and industry and collaborate to identify and better support the priorities and sectors that matter most to Canada. The organization will also work hard to reach our long-term goal of "one standard, one test…accepted everywhere," a goal that will help make products and services more affordable for Canadian consumers and generate considerable savings for our companies.

To create the strong standardization network we envision for the future, SCC will continue our three priorities of providing value to Canada, entrenching our place as an international leader and fostering innovation. To accomplish this, SCC will adhere to its strong vision and strategic priorities from 2016-2017 to 2020-2021.

VISION:

To be a global leader driving prosperity and well-being for Canada through innovative standardization solutions.

STRATEGIC PRIORITIES:

•   Value to Canada

•   International Leader

•   Innovation

VALUE TO CANADA

International studies demonstrate a clear link between standardization, labour productivity and economic growth. In fact, it is estimated that standardization contributed roughly $3 billion of the $39 billion increase in Canada's real gross domestic product (GDP) in 2014.[1] To ensure standardization continues to help fuel a more competitive and innovative economy, SCC will develop a business case that identifies the actions and resources needed to support the sectors that matter most to Canada's economic well-being. SCC has already developed strong relationships with key stakeholders to ensure they fully understand the benefits of standardization and will continue to work with these stakeholders to strengthen Canada's standardization network over the next five years. Through collaboration, we are confident we will be able to reduce inconsistencies in the network,

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1 The Conference Board of Canada. Getting Aligned. How Adopting Standards Affects Canada's Productivity and Growth (2015). International studies referenced include: BSI (British Standards Institute) 2015, DTI (Department of Trade and Industry, Great Britain. The Empirical Economics of Standards), DTI Economics Paper no. 12, June, 2005, DIN (German Institute for Standardization), 2000, AFNOR (Association Française de Normalisation), 2009 and others. The list of such reports can be found here:
http://www.bsigroup.com/en-GB/standards/benefits-of-using-standards/research-reports/previous-research/

improve regulatory oversight, and align the use of standards across jurisdictions. Canadian companies of all sizes now have the ability to reach customers around the world, but to do so effectively they need to understand and embrace standardization. In fact, about 60 per cent of Canada's GDP is dependent on trade. But differing regulations and standards between countries— and even within Canada—cause delays and create market barriers, keeping our companies from reaching their full potential. Removing barriers to trade—not only internationally, but also those within our own borders—is critical to Canada's future prosperity.

Varying provincial and territorial regulations and standards within Canada result in chronic economic inefficiencies and lost opportunities. Removing these internal trade barriers through the update of the *Agreement on Internal Trade* (AIT) is important to Canada and SCC is doing its part to support these efforts. Through the organization's involvement in the Provincial-Territorial Advisory Committee (PTAC) and the National Public Safety Advisory Committee (NPSAC), SCC is helping federal, provincial and territorial governments establish new language that could be included in the updated AIT that will help align standards and regulations across Canada, and reduce the barriers that are creating unnecessary costs for Canadian companies and consumers.

SCC will also continue to assist government departments with updating standards referenced in federal regulations in order to facilitate trade, promote economic prosperity and protect the health and safety of Canadians. In the coming years, SCC will work even more closely with federal departments and agencies to implement a strategy that will help ensure that standards referenced in regulations are relevant and up-to-date, and that federal departments have standardization priorities embedded in their business plans. We will also continue our work with provinces and territories to complete inventories of standards referenced in their regulations. By creating these provincial and territorial inventories, SCC will take another important step towards helping to reduce internal trade barriers and enhance coordination across Canada—from coast to coast to coast.

We are also currently helping to develop standards to address the impact of climate change in Canada's North. As part of the Northern Infrastructure Standardization Initiative (NISI) – SCC will complete the development of five National Standards of Canada (NSC) that will assist in the adaptation of northern infrastructure to changes in temperature and precipitation patterns. This will ensure the stability of existing and future infrastructure in northern communities and protect the safety of those who live there. It is just one of the many ways SCC is working collaboratively with governments to provide tangible solutions that improve the daily lives of Canadians, including those living in the North.

In this Corporate Plan, SCC has also included "Adapting to Climate Change Impacts" funding as announced in Budget 2016. Through this funding, SCC will work with Canada's national standardization network to develop and implement standardization solutions that boost infrastructure resilience and create stronger communities for Canadians.

SCC is also committed to fostering innovation within our own organization. To maintain the high performance teams necessary to lead SCC's technical and knowledge-based work, the organization will work to further build a supportive, healthy, and respectful workplace culture that focuses on staff development, training, and succession planning. SCC will also continue to develop new and innovative processes and modernize our business infrastructure to enable the organization to better meet the needs of our employees, stakeholders and customers in the years to come.

INTERNATIONAL LEADER

Approximately 80 per cent of the world's trade today is affected by standards[2] and countries around the world have come to understand that using—and developing—standards can give them a competitive advantage. To ensure Canada can compete in the global marketplace and protect Canada's interests in the economic sectors that matter most to this country, SCC will continue its efforts to provide a strong voice for Canada in the international arena. We will recruit the country's best and brightest business experts, scientists, engineers, technologists and standardization professionals to sit on key technical committees of the International Organization for Standardization (ISO) and the International Electrotechnical Commission (IEC). These experts will inject a Canadian perspective into international standards and their participation is key to promoting trade, stimulating our economies and protecting the health and safety of citizens here in Canada, and around the world.

Under SCC's leadership and with our strong emphasis on international participation, the number of Canadian experts volunteering on ISO committees has already increased by over 15 per cent in the last two years—jumping from 2,628 in 2013 to 3,049 in 2015. The organization is determined not only to increase this number, but to ensure effective participation in the international standards committees that are strategically important to Canada. SCC participates in 376 of 750 ISO technical committees (approximately 50%). We will continue to coordinate, align and support experts sitting on key technical committees of ISO and IEC to ensure they can inject a Canadian perspective into new international standards and secure a competitive advantage for Canadian industries.

We will also continue our work with Canadian industry to determine just where Canada's expertise lies in order to drive innovation and ensure long-term growth for Canada. The organization has launched several initiatives to determine which sectors could benefit most from standards and provide a competitive edge in the global marketplace.

Exports and imports account for more than half of our country's GDP and Canada's continued economic growth is dependent on our ability to get our products into the global marketplace. SCC is aligned with the Government's priority to support Canadian business exporting to international markets and to attract foreign direct investment. The organization is collaborating with Canadian

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2 ISO International Standards: Today's State-of-the-art Global Solutions for CEOs, ISO (2009) p. 2
http://www.iso.org/iso/ceo_brochure.pdf

companies, large and small, to help them get the most out of standards and to bring their innovative ideas and products to the world. To advance trade opportunities for Canadians, SCC will continue to build relationships with key trading partners such as the United States and Mexico. Through cooperation agreements and alignment of standards with these countries, SCC will help set the stage for Canada's long-term growth.

By playing a role in the formation of international trade agreements, such as the Canada-Ukraine Free Trade Agreement (CUFTA), SCC is also helping to further reduce trade barriers and create new investment opportunities for Canadian industries. SCC is collaborating with its European counterparts, the European Committee for Standardization (CEN), the European Committee for Electrotechnical Standardization (CENELEC), and the European Accreditation (EA), to plan for the implementation of the standards- and conformity assessment- related provisions of the Canada-European Union (EU) Comprehensive Economic and Trade Agreement (CETA). In addition, through standardization-related capacity-building projects, SCC will work to further trade opportunities with emerging countries such as China.

SCC is also opening the doors of trade for Canadian companies through collaboration with standards organizations in Latin America, Europe and Asia, sharing our expertise and knowledge to create strong and modern standardization infrastructures. In the years ahead, we will build on our global reputation as a standardization leader by assisting regional standardization organizations such as the Pacific Area Standards Congress (PASC) and the Pan American Standards Commission (COPANT) to implement standardization strategies that align with Canadian priorities. This will further promote the use of international standards, and ultimately, enhance trading opportunities for Canada.

We will also continue our efforts to build a more innovative and integrated standardization network across North America, getting us closer to the goal of "one standard, one test…accepted everywhere". SCC is collaborating with our industry stakeholders and U.S. counterparts to minimize regulatory overlap between Canada and the United States and increase the number of joint Canadian-U.S. standards. Having one standard that is used by industry across North America—or even around the world—and one test to ensure compliance with that standard, is the way of the future—and SCC is working hard to identify and develop standardization solutions to meet this priority.

INNOVATION

In a world that is increasingly interconnected, not only are our economies linked, so too are the technologies we rely on every day. Simply put, innovation drives the modern economy and countries are focusing their attention and resources on research and development and commercializing innovative technologies. Canada now ranks 22nd in the world in innovation according to the World Economic Forum's annual Global Competitiveness Report—down from 12th in 2009. If we want to

succeed in today's competitive global economy, it is vital that we be first out of the gate in producing and commercializing new technologies. Standards can play a critical role in making sure this happens.

If we want to grow our economy and to maintain the quality of life that Canadians now enjoy, we must make innovation a priority. If we don't, we may find ourselves reliant on standards developed by other countries that are making innovation a priority like China, India and Japan. To ensure Canada succeeds, SCC will continue to develop standardization solutions that will help Canada become a nation of innovators. We are committed to working hand-in-hand with government and industry to help our nation kick-start the development of new and innovative technologies, so that Canada can remain competitive in today's global economy and thrives in the years to come.

SCC will continue its project with industry to identify two innovations of strategic importance to the Canadian economy. The goal is to provide Canadian innovators and entrepreneurs with the strategic assistance they need to take a lead role in the development of international standards, and ultimately, help to shape global marketplace rules to Canada's benefit. By supporting innovation in the sectors where Canada has expertise, and a natural advantage, SCC will help to nurture the kind of new ideas and knowledge needed to transform our nation's innovators into "global standards makers".

FINANCIAL SUMMARY

SCC has an established record of prudently managing its operations, which includes regular review and control of expenses, in alignment with our strategic priorities. The organization is also experienced in keenly reviewing annual expenses, given that annual appropriations have not provided for additional inflationary expenses for some time. Our goal is to ensure cost-effectiveness in all of our expenditures, to maximize impact for, and value to, our stakeholders.

The organization will continue to selectively allocate funding to support initiatives that are in Canada's best interest and provide the greatest value to Canada. Accumulated surplus will be reinvested into SCC's strategic investments and infrastructure.

SCC's operating budget for 2016-2017 will be $22.5 million and its capital budget will be $0.7 million, a total of $23.2 million. The total appropriations from the Government of Canada in 2016-2017 are $10.3 million. Revenue to be generated for 2016-2017 from operations, including accreditation services, SCC eStore, and advisory services is budgeted at $10.1 million. The plan for 2016-2017 forecasts a deficit of $2.1 million, which will be funded out of accumulated surplus as SCC manages its financial position to enable utilization of its resources and delivery against its strategic priorities.

Key strategic investments included in the 2016-2017 spending amount of $4.2 million, which will address targeted execution of SCC's priorities, are as follows:

INITIATIVE	DELEGATE SUPPORT	PROFESSIONAL FEES	OTHER EXPENSES	CAPITAL	TOTAL INVESTMENT	DELIVERABLE
Technical Committee Participation	1,300	-	-	-	**1,300**	Subsidy to support the expenditures of approximately 175 delegates that participate on about 376 committees
Adapting to Climate Change Impacts	-	800	145	-	**945**	Project to support Government of Canada's climate change agenda that will facilitate the development of new and updated standards
IM-IT Modernization	-	-	-	600	**600**	Development and implementation of document and records management, customer relationship management and assessment scheduling software
Innovative Services	-	480	-	-	**480**	Standards-related contract management and consulting services provided to stakeholders
Pilots to support innovation	-	363	-	-	**363**	International standards developed for two emerging Canadian technologies
NISI	-	137	-	-	**137**	Completion of module to educate stakeholders on climate risks inherent in Northern infrastructure design, planning and management
Industry Engagement	-	122	-	-	**122**	Increasing the participation of industry in the standards development process
Research project	-	100	-	-	**100**	Evaluation of technical barriers to trade within Canada for specific industry sectors
Capacity Building	-	-	58	-	**58**	Sharing best practices with foreign national standards bodies that are aligned with Government of Canada priorities
MSR	-	53	-	-	**53**	Inventories of standards (including status of each) that are referenced in federal, provincial and territorial regulations
Standardization Solutions	-	40	-	-	**40**	Solutions for updating standards referenced in regulations
Total Strategic Initiatives	**1,300**	**2,095**	**203**	**600**	**4,198**	

2.

OPERATING ENVIRONMENT

SCC monitors national and global trends, as well as social, economic and political factors that impact on its operating environment and ability to deliver against strategic priorities. Business and government priorities—such as reducing trade barriers to expand market access within Canada and internationally, fostering innovation and improving economic performance—all continue to be essential to strengthening Canada's standardization network. Delivering value to consumers through increased product choice and reduced cost is of paramount importance to Canadians.

DELIVERING VALUE

Standardization has long been a pillar that supports economic prosperity, enhances competitiveness and fosters innovation and growth. As a tool that influences many public policy objectives, including the economy, domestic and international trade, the environment and healthcare, standardization activities directly support the federal government's plan for a strong and competitive Canada.

Federal, provincial and territorial government regulators turn to SCC for standardization solutions that support their regulatory objectives. SCC will continue to work closely with Canadian regulators to offer standardization solutions as policy alternatives and to track and advise on the status of standards, codes, and inspection and certification requirements referenced in regulations. The Assistant Deputy Minister (ADM) Committee on Standardization is helping SCC work with federal

regulators to further identify and align standardization priorities that are of the greatest benefit to Canada.

Although Canadians can travel freely between provinces and territories, many goods and workers cannot. The mobility of some products, tradespeople and professionals between Canadian jurisdictions is subject to certain restrictions. As a result, internal barriers to trade have been created between Canadian provinces and territories. Requirements such as educational qualifications and certifications, paperwork to meet provisions, or product-specific manufacturing and testing differs between jurisdictions.

For example, different Canadian Registration Number (CRN) requirements between provinces and territories for boilers, pressure vessels, and fittings, create extra costs and burdensome registration requirements for industry, as each province and territory has its own registration requirements.

In addition, in certain sectors, products must also adhere to standards in various jurisdictions, or undergo duplicative testing requirements for identical standards. There are a number of conflicting and duplicative requirements between jurisdictions with which Canadian water heater manufacturers must comply. This is because of differences between federal, provincial, territorial and municipal requirements, as well as differences in how provinces and territories adopt federal requirements.

For Canadian consumers, these trade barriers translate into higher costs and reduced choice. SCC will continue its work to identify and support the alignment of standards in order to break down these internal barriers to trade.

SCC continues to engage industry leaders to ensure that they have a solid understanding of how participation in the standardization network can contribute to their bottom line. To further strengthen Canada's standardization network, the organization must continue to work with leaders in industry sectors that are key to Canadian competitiveness to make them fully aware of how standardization supports and advances their priorities, delivers returns on investments and enhances Canada's economic and social well-being. As an example, SCC will leverage its participation in the Canadian National Committee of the IEC to ensure Canadian interests are considered in the development of the next IEC plan.

The increasingly competitive and complex international trade arena has had a significant impact on smaller-sized exporters. For these businesses, becoming certified to standards and establishing credentials with global customers greatly enhances the probability of long-term growth and success. Third-party conformity assessment is a way these small- and medium-sized enterprises (SMEs) to demonstrate that they have met the criteria necessary for doing business in a given market. By being certified to these standards, SMEs can become suppliers of choice and gain a competitive edge in markets around the world.

Canada's marketplace framework is structured to encourage entrepreneurship, innovation, investment and competitiveness, while protecting the interest of Canadian citizens. The move toward standards alignment across the globe is opening the doors to both regulated and non-regulated markets for a growing number of accreditation service providers. As such, SCC must support this marketplace framework by continuing to provide value to its customers. The Accreditation Services branch continues to prioritize its programs for delivery, and review its pricing model for all programs so that fees continue to remain activity-based, transparent and fair.

SCC is a knowledge-based organization. Its success rests on its ability to attract and maintain a skilled and engaged staff, equipped with modernized tools and processes, to efficiently respond to customer requirements in ever-changing market trends. To keep pace with the competitive market for highly skilled workers, SCC is focused on maintaining a stigma-free healthy workplace, focused on respect, integrity and professionalism, and an employee-focused strategy to attract and retain the most qualified staff. This strategy will foster a culture of excellence through training and development, improve leadership skills and ensure succession planning strategies that reduce organizational risk.

LEADING INTERNATIONALLY

The world of trade is changing: the international trade arena is more competitive and complex than ever before. As Canadian organizations enter new export markets, they face more stringent legal, technical and regulatory requirements. At the same time, the world of standardization is adapting to this changing landscape to better support the needs of both exporters and importers. By supporting Canadian businesses as they enter new and expanding markets, standardization plays a key role in promoting global trade and helping Canada to reach its full potential.

Having standards and accreditation services in place ensures that products and services meet regulatory requirements. This limits risks, improves safety and increases the marketability of Canadian products across the country and around the world. Through standardization, organizations are able to stay abreast of the latest technological trends and improve processes and production, which leads to increased consumer confidence.

Canada must adhere to a broadening and evolving spectrum of standards and conformity assessment requirements needed to access U.S. and global markets. SCC recognizes that a more responsive and effective standardization network is required to provide the flexibility necessary to adjust to the realities of a shifting marketplace. The organization will work to further align standardization practices to help improve economic opportunities for Canadians.

The adoption of international standards further eases the entry of products and services into foreign markets, leading to increased opportunities for Canadian businesses. By working closely with its stakeholders, SCC has taken significant steps towards improving Canada's policies on adopting international standards and other international deliverables (i.e. technical reports or specifications) making these adoptions more timely and cost-effective. For example, SCC has implemented a new Requirements and Guidance document specifically geared to assist in adopting international standards as National Standards of Canada, and has provided flexibility in the rules to allow for the parallel development of an international standard and the adoption of the same standard as a NSC.

ADVANCING THROUGH INNOVATION

Countries around the world are strategically positioning themselves to gain a global competitive edge and achieve greater economic benefits. Many of these countries adopt standards and seek positions on international technical committees to promote their own technologies and to influence the marketplace in their favour. As the global economy further aligns, SCC is working to ensure that Canada has a strong voice on international committees that are of strategic importance to our country and will have the greatest benefit to our economy and our citizens.

To maintain Canada's place as a leader at the international level, SCC must attract our nation's best experts to participate in international standards development, especially in those sectors that are most important to Canada's economy. With input from its stakeholders, SCC continues to update its policies and procedures to reduce barriers to participation on international technical committees and ease the way for qualified young professionals to replace retiring experts on key international committees.

Innovation and international standards-setting increasingly go hand-in-hand. For a new technology to secure its place in a global supply chain or a growth position in an emerging economy, significant advantage can be gained by shaping new standards around the technology. As such, SCC is collaborating with Canadian innovators with emerging technologies that have potential economic value for Canada and where standards could strategically support market entry or growth. Examples of emerging technologies can include: boron nitride nanotubes in advanced materials manufacturing, which is a large fraction of Canada's future high-value manufacturing, and Geotube dewatering technology, a geotextile technology that has the potential to save Canada billions of dollars a year through the reduction of wastewater volume.

CANADA'S ECONOMIC LANDSCAPE

SCC pays attention to Canada's economic landscape to further assess where standardization can provide benefits for Canada. Canada is one of the most trade dependent nations in the world. Foreign trade accounts for more than 60% of GDP and is heavily weighted towards the U.S. market, the destination of over 70% of exported goods and services. Natural resources make up a significant part of Canada's traded goods and its economy more generally. The sector accounts for close to one-fifth of GDP, 1.8 million jobs and more than half of merchandise exports. Almost 80% of natural resources and 97% of energy exports go to the U.S.[3].

Canada's reliance on selling energy and other commodities to the U.S. and a small number of other nations (e.g., United Kingdom and China) is increasingly impacted by technological change and shifting markets. Advances in extraction methods and stable output by traditional producing countries are boosting gas and oil supplies, driving down prices and reducing investment in domestic exploration and oil sands development. As well, worldwide demand for other commodities has been shrinking for several quarters[4].

In Canada, construction of new infrastructure to transport crude to American and emerging markets has slowed, while the U.S. is moving towards energy self-sufficiency. Renewables, excluding hydro, are expected to make up a fifth of global power generation by 2030[5]. Recent initiatives by the U.S.[6] and China[7,8] on climate change may accelerate this.

The Canadian manufacturing sector has also tapered off, part of a generalized trend amongst advanced economies. Accounting for 18% of GDP in 2000, manufacturing now stands at about 10%[9,10]. Many lower skilled jobs have been shed or replaced by automation.

Canada's productivity growth, which is behind the U.S. and other top performing economies, has impacted international competitiveness. Improving Canada's productivity will therefore require increased and diversified export activities and additional actions to build the country's innovation capacity[11,12].

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4 The World Bank. *Overview of commodity markets*. (2015).
5 *The Economist*. Renewable energy: not a toy. (April 11, 2015).
6 *The Economist*. Obama's clean energy plan. (August 3, 2015).
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9 *The Economist*. Canada's economy: the new rustbelt. (August 29, 2015).
10 Lawrence National Centre for Policy and Management. *The Future of Canadian Manufacturing: Learning from Leading Firms*. (Ivey Business School, 2014).
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12 Drummond, Don, Evan Capeluck and Matthew Calver. *The Key Challenge for Canadian Public Policy: Generating Inclusive and Sustainable Economic Growth*. (Centre for the Study of Living Standards. Research Report, 2015).

KEY FACTS AND FIGURES

In addition to economic trends, SCC closely monitors its database of facts and figures that are continuously updated and have been compiled from: SCC-accredited SDO standards catalogues; data published by ISO, IEC and the International Telecommunications Union (ITU); and SCC's own database of international technical committee participants. Below are some examples of what is monitored in this database.

KEY FACTS AND FIGURES	AS OF MARCH 31, 2013	AS OF MARCH 31, 2014	AS OF MARCH 31, 2015	TREND	WHAT DOES THIS MEAN?
Number of Canadian standards	2940	2901	2944	→	The need for uniquely Canadian standards is diminishing as Canada and the world moves towards more global alignment. SCC must keep pace with this global shift by working to more quickly influence and adopt international standards.
Number of standards maintained by key international standardization organizations (ISO, IEC, ITU)	30,358	30,334	31,958	↑	With global alignment, there has been an increase in standards being maintained by international organizations. International standards lessen trade barriers easing entry into international markets.
Number of NSCs approved by SCC	143	116	182	↑	SCC must efficiently adopt international standards, to ensure Canada's competitive edge on the global stage.
Number of standards incorporated by reference in federal regulations	1066	1118	1354	↑	SCC must continue to work with federal departments to ensure standards incorporated by reference in federal regulations are relevant and up-to-date in order to protect the economic and social well-being of Canadians.
Number of Canadian volunteer members participating on international standardization committees	2628	2849	3049	↑	To effectively influence marketplace rules to benefit Canada, SCC must continue to attract and retain Canadian volunteers, and must strategically target the committees on which these volunteers participate.

3.

STRATEGIC PRIORITIES

Value to Canada

Innovation

International Leader

3.1 Value to Canada

Strategic Outcome: Modernized standardization governance in Canada, where standardization solutions are implemented that directly benefit the economic and social well-being of Canadians.

Objective	Plan
Modernized standardization governance	• Standards strategy and funding plan to build a more competitive and innovative economy (SCC Business Case) • Standardization principles and alignment across Canadian jurisdictions • Integrate other recognized documents (ORDs) into the standardization governance structure

Standardization solutions for national priorities	• Monitor standards in regulations (MSR):
	    ○ Update standards referenced in federal regulations
	    ○ Inventories of standards completed for all 13 provinces and territories
	
	• Phase 3 research project in support of the *Agreement on Internal Trade* (AIT)
	
	• Northern Infrastructure Standardization Initiative

Culture of excellence and innovation in delivery of SCC's mandated activities	• Strong organizational governance and fiscal management • High performance teams and enhanced employee engagement • Modernized business infrastructure • Value-added Accreditation Services • Effective communications and stakeholder engagement
Adapting to Climate Change Impacts	• Implement standardization solutions that boost infrastructure resilience

Everything SCC does is in support of its mandate to lead a strong standardization network that protects consumers, promotes domestic and international trade, supports sustainable development and advances our national economy. To position itself and Canada for the future, SCC has prioritized its objectives to advance standardization for the ultimate benefit to Canada, and to feature standardization prominently and permanently into strategies of governments and industry.

To advance SCC to the position of a leading standardization organization that can deliver the optimal value for Canada, SCC will develop a **business case** that identifies the actions and resources required to establish a **standards strategy to place standards centrally in Canada's efforts to build a more competitive and innovative economy**. An accompanying communications strategy will advance the proposal to key decision-makers within government.

As Chair of the ADM Committee on Standardization at the federal government level, SCC will work even more closely with federal departments and agencies to ensure that standards referenced in regulations are relevant and up-to-date.

Under NISI, the fifth of five standards will be completed by the end of fiscal year 2017 to help **combat the effects of climate change** and mitigate the need for expensive retrofits and **prolong the usability of critical Northern infrastructure**. The following standards cover permafrost management of new and existing buildings, snow load management, community drainage plans and soil characterization:

- CAN/CSA-S500-14 Thermosyphon foundations for buildings in permafrost regions

- CAN/CSA-S501-14 Moderating the effects of permafrost degradation on existing building foundations

- CAN/CSA-S502-14 Managing changing snow load risks for buildings in Canada's North

- CAN/CSA-S503-15 Community drainage system planning, design, and maintenance in northern communities.

- (In development) CAN/BNQ 2501-500 Geotechnical Site Investigations for Building Foundations in Permafrost

SCC will also implement the terms of a signed memorandum of agreement with the Canadian Advisory Council on Electrical Safety (CACES) and work with other regulatory bodies **to integrate the development of ORDs into the standardization governance structure**. This means that SCC is working with CACES to better coordinate activities and decisions pertaining to standards, conformity assessment procedures and ORDs in the electrical safety sector. This is a necessary step towards ensuring that standards, conformity assessment procedures and ORDs referenced in regulations are up-to-date and aligned across jurisdictions in Canada.

SCC is also working to reduce internal trade barriers and assist with the update to the *Agreement on Internal Trade*. SCC is working through the Provincial-Territorial Advisory Committee (PTAC) and with the National Public Safety Advisory Committee (NPSAC) to recommend language to be included in the updated AIT that **supports efforts to align standards, conformity assessment practices, and regulations across Canada**. SCC will also **complete inventories** for the remaining 3 provinces and territories and continue its work with all 13 to assist with keeping inventories up-to-date and relevant. The organization will also continue its work in support of AIT, on **Phase 3 of SCC's research project** to **identify internal trade barriers** in select industry sectors, to **quantify the value of aligning standards and removing duplicate processes**. Industry sectors researched in Phase one of the project included tower cranes, water heaters, liquefied natural gas, and recreational vehicles. Phase two, currently underway, covers electronic products and Canadian Registration Number (CRN) requirements from the plumbing and heating sector. The sectors for Phase three will be determined at the start of the next fiscal year.

SCC's financial plan ensures that **risk is carefully managed**, focused on areas of strategic investment, and that all available **assets are utilized to maximum capacity** with an ongoing focus on **retaining the highest level of governance**. The organization will continue to improve its financial position **through strict cost-containment**, maximizing efficiencies through streamlined procurement processes and improved performance tracking.

The organization will focus on **staff development**, training and succession planning to ensure it maintains **high performance teams** that have the skills and competencies to **serve Canadians effectively** in the future. SCC's Statement of Values: **Respect, Integrity and Professionalism** and associated Code of Conduct demonstrate the organization's **commitment to** foster a **healthy, supportive, and respectful workplace** that **does not tolerate harassment or discrimination** and where **all employees are respected**.

SCC will continue its plan to **modernize its business infrastructure** to enable SCC to expand its outreach and better meet the needs of customers, key stakeholders and employees. In line with this, SCC will work to update its current business applications and enhance its system for monitoring standards referenced in regulations to ensure government **stakeholders are provided with quality and timely service**.

Over the planning period, SCC will focus on renewed strategic initiatives that **maximize the value of its accreditation services**. SCC's Accreditation Services branch will ensure it remains in good standing and **meets all of the requirements and obligations** set out in its mutual recognition agreements (MRAs) and multi-lateral agreements (MLAs), and the Organization for Economic Co-operation and Development's (OECD) monitoring authority for Good Laboratory Practices (GLPs). The branch will implement a revised fee structure and explore new services to support our customers' needs and facilitate free trade within Canada. SCC's Accreditation Services branch accredits conformity assessment bodies, such as testing laboratories and product certification

bodies, to internationally recognized standards. SCC operates accreditation and recognition programs for:

- calibration and testing laboratories

- good laboratory practice

- greenhouse gas validators and verifiers

- inspection bodies

- management systems certification bodies

- medical laboratories

- personnel certification bodies

- product and service certification bodies

- proficiency testing providers

- SDOs

SCC will work to ensure a **collaborativ**e, **adaptive, responsive and innovative standardization network** that works collaboratively under SCC's leadership and is **positioned to seize opportunities** that **benefit Canada's economic and social well-being**.

SCC will also further **enhance its communications profile** to more proactively **communicate the economic value of standardization** to Canadian stakeholders. The organization will also focus on communications tactics that align with SCC's strategic priorities.

ADAPTING TO CLIMATE CHANGE IMPACTS

In support of the Government of Canada's objective to adapt infrastructure to climate change impacts, SCC will work to:

- help develop **climate information standards** for use and interpretation of weather data and future climate change projections by design professionals.

- initiate a program to support the update of a broad range of existing critical standards to ensure infrastructure projects across Canada are **climate-ready**; and,

- continue to invest in new standards to support **Northern infrastructure**.

Climate information standards: Intensity-Duration-Frequency (IDF) curves are developed from historical weather data to predict the intensity of future precipitation events. Climate models predict that these historical norms will not hold true in the future and, as a result, their outputs can no longer be used in isolation at a scale appropriate for designing infrastructure. Over the next two years, and working closely with Environment and Climate Change Canada, provincial and territorial officials, design professionals, and standards development organizations, SCC will facilitate the development of standards that provide a methodology for factoring in expected climate change conditions into design specifications for infrastructure. This will include four standards pertaining to the:

- generation of data necessary to develop IDF curves;

- methodology for developing IDF Curves;

- methodology for developing future-looking IDF information; and

- principles for assessing and communicating the risks associated with the use of future-looking IDF information.

In subsequent years, SCC will facilitate the development of climate data standards that outline methodologies for generating and interpreting information related to climate change impacts such as extreme wind, temperature, snow loads, ice and urban heat.

Climate-ready infrastructure: Working with stakeholders, SCC will help to ensure critical infrastructure standards incorporate resiliency. Specific emphasis will be placed on updating existing standards in sectors such as:

- highways, major roads and highway bridges, intelligent transportation systems, including communications antenna and towers, and

- energy distribution systems, including electricity, oil, and natural gas.

Design professionals (i.e. engineers, planners, and architects) will be able to reference and utilize these updated, climate-ready, infrastructure standards. During the first two years of this program, SCC will inventory national, regional and international infrastructure standards and begin the systematic update of relevant standards to ensure it factors in climate resiliency. Two standards will be updated during this two-year period. Over the five-year program, SCC will work to update seventeen critical infrastructure standards in total.

Northern Infrastructure Standardization Initiative (NISI): SCC will continue to build on the success of NISI by facilitating the development and deployment of two additional standards by the end of 2018. Over the five-year program, six new standards will be developed and deployed to bolster the resiliency of northern infrastructure.

3.2 International Leader

Strategic Outcome: Canada is strategically positioned to lead globally to create opportunities for Canadian business.

Objective	Plan
Support competitive advantage and economic prosperity through international standardization leadership	• Effective representation at ISO and IEC • Regional leadership of standardization plans for the Pacific-Area Standards Congress(PASC) and the Pan-American Standards Commission (COPANT) • Key trading partners
Canada-U.S. alignment	• 2 joint Canada-U.S. standards • Joint conformity assessment program • Action plan proposal for North American Competitiveness Work Plan (NACWP)

Canada's long-term economic prosperity depends on its ability to leverage opportunities in the global market and secure a competitive advantage for Canadian companies. SCC remains focused on strategically positioning Canada within key international standards spheres to lead globally and give Canada a competitive edge.

As the **member body for Canada at both the International Organization for Standardization (ISO) and the International Electrotechnical Commission (IEC)**, SCC must ensure Canadian participation reflects a balance of national interests in the subject matter to which international standardization activity relates. SCC continues to coordinate, align and secure financial support for **Canadian experts** attending international standardization meetings and to target expert participation in technical meetings that matter most to Canada, to **ensure Canadian interests are well represented on the global stage**.

SCC coordinates Canadian input into the development of international standards through Canadian mirror committees. These mirror committees provide the Canadian position to the international committee. SCC establishes a mirror committee comprised of a representative group of stakeholders (i.e. Health Canada, industry stakeholders, or provincial/federal government participants) to assist with Canada's position in the development of a standard. For example, when Canada participates on the international committee developing a standard on risk, the input into the development of that standard comes from the stakeholders that sit on SCC's Canadian mirror committee for risk. SCC has policies and procedures in place for the establishment of SCC Mirror Committees: by providing the committee an electronic platform (Sitescape) to discuss and vote on international ballots, by nominating and accrediting experts to participate at international meetings and through SCC's Requirements and Guidance for Committee Accreditation and Financial Assistance.

To continue expanding its world class contingent of Canadian experts, SCC will introduce additional incentives, benefits and rewards to SCC's membership to increase participant entry, retention and investment into international standards development activities. Over the planning period, SCC is also committed to **advancing a membership model** that will increase both the participation of technical experts from key economic sectors and increase their funding support for standardization activities to further boost Canada's investment and influence in shaping market place rules that benefit Canada on the global stage.

SCC will build on its strong reputation and **leadership in assisting select regional standardization organizations** (PASC, COPANT) to develop strong plans and priorities that align with those being pursued internationally and that ultimately **enhance trading opportunities for Canadians**. SCC will continue to participate based on areas of alignment with national priorities to maximize Canada's voice and influence.

The organization will continue its **relationships in key countries** such as China, the U.S. and Mexico through cooperation agreements to build a more integrated standardization network that is **mutually beneficial** to each country and will **further trade opportunities for Canada business**.

Duplicative regulatory requirements are an impediment to trade, both within Canada, and between Canada and other countries. In fact, differences in standards referenced in regulations, and the subsequent conformity assessment practices can create marketplace obstacles and add costs for Canadian consumers.

SCC will work towards **2 joint Canada-U.S. standards and 1 conformity assessment initiative** in key sectors in order to reduce the price gap of Canadian consumer products compared to those sold in the U.S. and **enhance the competitiveness of Canadian businesses** by reducing costs. SCC has three active projects for the development of joint Canada-U.S. standards:

- Safety for Marine Lifesaving Appliances: Lifejackets (to be completed in 2018)

- Safety for Marine Lifesaving Appliances: Immersion Suits (to be completed in 2018)

- Balloon-type Ball Backwater Valves (to be completed in 2017)

The organization is also working with industry leaders to identify priority areas that would benefit from the publication of joint Canada-US standards for existing and new products. Currently, SCC is working with the Canadian Institute of Plumbing and Heating (CIPH) and the Heating, Refrigeration and Air Conditioning Institute of Canada (HRAI) to identify 5 potential joint standards.

Canada, Mexico and the United States are collaborating on a North American Competitiveness Work Plan to promote prosperity across North America and to strengthen North America's position as the most economically competitive region in the world.

SCC will work to advance its proposal for an action plan towards the **alignment of standards** with the American National Standards Institute (ANSI) and the Dirección General de Normas – DGN (Mexico) as part of the **North American Competitiveness Work Plan** lead by Global Affairs Canada.

3.3 Innovation

Strategic Outcome: Canada's standardization network is committed to helping Canadian innovators lead the development of international standards, effectively shaping key global marketplace rules to Canada's benefit.

Objective	Plan
Canadian innovation to the global stage	• Canadian Innovation Standards Plan o 2 innovative industry sector proposals advanced internationally

SCC is committed to fostering innovation and innovation solutions within Canada's standardization network to maximize value for Canada. The organization must therefore position Canada's standardization network to deliver maximum value to government, industry and consumers and ensure Canada is strategically represented to lead on the global stage.

Generating and commercializing new technologies is **fundamental to a country's economic health** and SCC is committed to working with government and industry to ensure that Canada remains competitive and assumes leadership in key areas in the development of new and emerging technologies.

To support and foster **Canadian innovation**, SCC has made industry engagement a priority. SCC will work with Canadian industry to **identify two innovations** of strategic importance to the Canadian economy that can benefit by becoming a *"global standards maker"* for their sector. SCC will strategically assist these Canadian innovators to influence and lead the development of international standards, effectively shaping key global marketplace rules to Canada's benefit. What this means is that SCC will work with industry to identify and prioritize Canadian innovations that would be brought forward to ISO and IEC as new work item proposals. These innovations would be expected to demonstrate economic potential such as: job creation, market growth, savings and efficiencies, international relevance and alignment with federal science, technology and innovation priorities.

SCC is also further exploring opportunities where experts can take a leadership role to further strengthen Canada's voice on the global stage. These leaders will work within **regional and international** fora to inject Canadian perspectives into standardization activities.

3.4 Measuring Performance

Over the planning period, SCC will measure its performance against planned objectives using the following indicators under each strategic priority. The status of each action item will be reported to, and reviewed by senior management on a monthly basis to share progress and discuss any needed contingencies or mitigation plans.

STRATEGIC PRIORITY	PLAN	KEY PERFORMANCE INDICATOR				
		2016-2017	2017-2018	2018-2019	2019-2020	2020-2021
VALUE TO CANADA	Standardization principles and alignment across Canadian jurisdictions	Criteria for alignment of standards approved by PTAC and work has begun in one area	1 additional area identified and progress continued	1 additional area identified and progress continued	1 additional area identified and progress continued	1 additional area identified and progress continued
		In support of NPSAC's efforts, MOUs signed with 3 additional FPT advisory bodies in the public safety sector and contribute to their activities				
	MOUs with regulatory advisory bodies to integrate other recognized documents (ORDs) into the standardization governance structure	ORDs integrated into standardization governance				
	MSR: Inventories of standards completed for all 13 provinces and territories (10 completed)	Inventories provided for 3 additional provinces/ territories	Inventory updates provided for 3 provinces/ territories	Inventory updates provided for 3 provinces/ territories	Inventory updates provided for 3 provinces/ territories	Inventory updates provided for 3 provinces/ territories
	Phase 3 research project in support of the Agreement on Internal Trade (AIT)	Phase 3 of research project in support of AIT complete				

STRATEGIC PRIORITY	PLAN	KEY PERFORMANCE INDICATOR				
		2016-2017	2017-2018	2018-2019	2019-2020	2020-2021
VALUE TO CANADA	High performance teams and enhanced employee engagement		73% achieved in employee engagement	Within 1 point of global benchmark	Achieve global benchmark	Achieve global benchmark
		Less than 10% voluntary staff attrition	Maintain less than 10% voluntary staff attrition	Maintain less than 10% voluntary staff attrition	Maintain less than 10% voluntary staff attrition	Maintain less than 10% voluntary staff attrition
		1.5% of base salary invested in staff training and development	1.5% of base salary invested in staff training and development	1.5% of base salary invested in staff training and development	1.5% of base salary invested in staff training and development	1.5% of base salary invested in staff training and development
	Modernized business infrastructure	100% complete	Maintained and updated regularly	Maintained and updated regularly	Maintained and updated regularly	Maintained and updated regularly
	Quality Management System (QMS)	Audits findings resolved within 6 months	Audits findings resolved within 6 months	Audits findings resolved within 6 months	Audits findings resolved within 6 months	Audits findings resolved within 6 months
	Value-added Accreditation Services	Successful peer evaluation: Inter-American Accreditation Cooperation (IAAC) / Asia Pacific Laboratory Accreditation Cooperation (APLAC) recognition on laboratory accreditation program (LAP)	Successful peer evaluation: Organization for Economic Co-operation and Development (OECD) on GLP	Successful peer evaluation: Canadian Food Inspection Agency (CFIA) certification of recognition	Successful peer evaluation: IAAC/APLAC recognition on conformity assessment bodies, management systems and LAP	
			80% in customer satisfaction achieved	Meet or exceed previous year's customer satisfaction	Meet or exceed previous year's customer satisfaction	Meet or exceed previous year's customer satisfaction
	Climate Information Standards		4 climate information standards developed			
	Climate-Ready Infrastructure		2 existing infrastructure standards updated			15 standards updated
	NISI		2 standards developed			4 standards developed

STRATEGIC PRIORITY	PLAN	KEY PERFORMANCE INDICATOR				
		2016-2017	2017-2018	2018-2019	2019-2020	2020-2021
INTERNATIONAL LEADER	Effective representation at ISO and IEC		Meet or exceed 67% member satisfaction rate	Exceed previous year's membership satisfaction rate	Exceed previous year's membership satisfaction rate	Exceed previous year's membership satisfaction rate
	Key trading partners	1 proposal to develop joint standards and/or fast-track the acceptance process of Canadian standards internationally	1 proposal to develop joint standards and/or fast track the acceptance process of Canadian standards internationally	1 proposal to develop joint standards and/or fast track the acceptance process of Canadian standards internationally	1 proposal to develop joint standards and/or fast track the acceptance process of Canadian standards internationally	1 proposal to develop joint standards and/or fast track the acceptance process of Canadian standards internationally
	In collaboration with industry, development of 2 joint Canada-U.S. standards	2 joint Canada-U.S. standards developed	2 joint Canada-U.S. standards developed	2 joint Canada-U.S. standards developed	2 joint Canada-U.S. standards developed	2 joint Canada-U.S. standards developed
	Joint conformity assessment program in 1 industry sector	1 joint conformity assessment program developed	1 joint conformity assessment program developed	1 joint conformity assessment program developed	1 joint conformity assessment program developed	1 joint conformity assessment program developed
INNOVATION	Canadian Innovation Standards Plan: 2 innovative industry sector proposals advanced internationally	2 innovative industry sector proposals advanced internationally	2 innovative industry sector proposals advanced internationally	2 innovative industry sector proposals advanced internationally	2 innovative industry sector proposals advanced internationally	2 innovative industry sector proposals advanced internationally
		2% increase in industry sector participants representing Canada on international standards committees	2% increase in industry sector participants representing Canada on international standards committees	2% increase in industry sector participants representing Canada on international standards committees	2% increase in industry sector participants representing Canada on international standards committees	2% increase in industry sector participants representing Canada on international standards committees

4.

RISK MANAGEMENT

4.1 Risk Management

SCC's overall risks are annually determined as part of its corporate planning process. The organization uses the international standard ISO 31000, *Risk Management —Principles and Guidelines,* to guide its risk management process, ensuring SCC has the right risk mitigation strategies in place.

Corporate risks are linked directly to the organization's performance. These indicators are closely monitored and updated using SCC's corporate risk and performance reporting framework. This framework is updated monthly and regularly reported to governing Council. As part of SCC's risk management plan, the organization also reviews salient quarterly financial impacts, with a view to assessing these impacts against ongoing corporate risk areas.

4.2 Performance and Risk

In fulfilling its mandate, SCC's strategic priorities are directly aligned with government public policy priorities. To ensure effective risk management, SCC is increasingly looking to maximize opportunities to link risk and performance. This approach provides for a more coordinated and aligned accountability structure within the organization.

SCC's risk management approach was developed in support of the Standards Council of Canada (SCC)'s corporate objectives and risk management program. It establishes an enterprise-wide approach to risk management, and facilitates a sustained corporate commitment to identify, assess, treat and report on risks that affect the organization. The approach takes into account that SCC is both a Canadian Crown corporation with a public role and a commercial enterprise operating in a global market place.

RISK APPETITE

SCC's Risk Appetite is the broad-based amount of risk that the SCC is willing to accept in pursuit of its mandate. Pursuant to SCC's risk policy, the Risk Appetite of SCC is moderate. Risks exceeding the moderate level must have Council and/or Audit Committee approved risk management strategies and/or controls. The risk tolerances of SCC are confirmed annually for each identified significant risk that reflects the MODERATE level of risk appetite set by the Council and/or Audit Committee. Risk Tolerances are outlined as below:

Low	**Minor (0-1)** = no noticeable disruption to results; manageable
Medium	**Moderate (2**) = material deterioration in results; may not be acceptable; management involvement would be considered
High	**Major (3)** = significant deterioration in results; not acceptable; senior management involvement required
High	**Severe (4)** = fundamental threat to operating results; Council involvement required
High	**Worst Case (5)** = results threaten survival of company in current form; government involvement required

For 2016-2017, SCC's key areas of strategic focus and risk mitigation include:

STRATEGIC:

- **CEO and Council Succession.** This impacts the strategic direction in support of SCC's mandate. Response: Succession strategies have been put in place.

- **Effective Stakeholder Engagement**: This impacts SCC's ability to meet its mandated objectives and lead Canada's standardization network. Response: Effective communications, governance and leadership of Canada's standardization network. Through open and transparent communication and ongoing consultation with customers, and stakeholders from both government and industry, SCC will ensure that its strategic goals are aligned with government priorities to add value for Canada.

- **International participation:** This impacts Canada's ability to shape and influence marketplace rules that impact economic prosperity for Canadians. Response: Through its member program, SCC is working to attract, train and retain experts to participate on committees of strategic importance to Canada. SCC assesses candidates and has criteria in place to measure both participation and influence on these committees in order to ensure Canadian interests are considered in shaping marketplace rules.

OPERATIONAL

- **Employee Engagement:** This impacts SCC's ability to offer optimal programming to stakeholders. Response: SCC has focused on staff development and training and on succession planning for all key positions. An action plan has also been put in place to improve employee engagement in the areas of professional development, performance management and communications.

- **Modernized business tools and processes:** This impacts SCC's ability to meet customer needs and optimize internal processes. Response: SCC continues to modernize its Information Management/Information Technology (IM-IT) infrastructure and update its Quality Management System (QMS) processes.

FINANCIAL

- **Optimize SCC funding and equity position (reserve).** This impacts SCC's ability to complete planned objectives in support of mandate. Response: SCC continuously monitors its resources through strict cost-containment measures, streamlined procurement processes, performance tracking and maximizes efficiencies to ensure delivery against SCC's strategic objectives.

SCC'S RISK AND PERFORMANCE DASHBOARD

SCC has developed an integrated approach to performance and risk. This approach, based on current best practices, links risk tolerances and performance in order to monitor areas that may impede SCC from fulfilling its mandate.

INDICATORS	KRI	APPETITE THRESHOLDS		
		Low	**Medium**	**High**
STRATEGIC				
CEO succession	X	6 months before OIC termination date	3 months before OIC termination date	term of CEO ended - no successor has been named
Council succession	X	13 Council members (full complement)	between 12 and 8 Council members	less than 8 Council members
Stakeholder engagement: -Federal Departments/ agencies -Industry sectors -Accreditation Services' customers	X	more than 6 industry sectors engaged through federal departments /agencies	4 to 6 industry sectors engaged through federal departments /agencies	less than 4 industry sectors engaged through federal departments /agencies
	X	AS customer satisfaction greater than 80%	AS customer satisfaction between 75% and 80%	AS customer satisfaction less than 75%
	X	Canada's voting submission rate in ISO and IEC standards development is between 100% and 80%	Canada's voting submission rate in ISO and IEC standards development is between 79% and 65%	Canada's voting submission rate in ISO and IEC standards development is less than 65%
	X	Member customer satisfaction greater than 70%	Member customer satisfaction between 65% and 70%	Member customer satisfaction less than 65%

INDICATORS	KRI	APPETITE THRESHOLDS		
		Low	**Medium**	**High**
OPERATIONAL				
Employee Engagement - engagement survey -staff attrition	X	greater than 75% results on employee engagement survey	between 70% and 75% results on employee engagement survey	less than 70% results on employee engagement survey
	X	less than 5% in staff attrition	between 5% and 10% in staff attrition	greater than 10% in staff attrition
Modernized business tools and processes -QMS -IM/IT	X	QMS audit findings resolved in less than 4 months	QMS audit findings resolved in between 4 and 6 months	QMS audit findings resolved in greater than 6 months
	X	Modernized business tools (IM/IT) greater than 95% complete	Modernized business tools (IM/IT) between 80% and 95% complete	Modernized business tools (IM/IT) less than 80% complete
Audit verification - conformance as an international accreditor	X	no non-conformance	only minor non-conformances that are easily addressed	1 or more major non-conformances
FINANCIAL				
Optimize SCC's financial position -AS cost-recovery	X	accumulated surplus is between 1.0 and 2.5 times the targeted accumulated surplus	accumulated surplus is between 2.5 and 5.5 times the targeted accumulated surplus	accumulated surplus is less than the targeted accumulated surplus or accumulated surplus greater than 5.5 times the targeted accumulated surplus
	X	AS cost recovery greater than 95% of target	AS cost recovery between 90% and 95% of target	AS cost recovery less than 90% of target

- KRI: Key Risk Indicator

5. FINANCIAL PLAN

5.1 Overview

SCC is a charitable non-profit organization by statute within the *Standards Council of Canada Act*. About four years ago, the organization received a permanent increase in its appropriations, however contract and spending delays deferred the implementation of some programs resulting in an accumulated surplus of funding. Recent deficits reflect the catch-up of deferred program spending. These planned deficits across the corporate plan timeframe reflect the organization's plan to balance its accumulated surplus while investing in Canada's standardization system.

SCC remains focused on providing value and being cost-effective in all areas of its operations while focusing on its strategic investments. This includes implementing a modernized information management/information technology (IM/IT) platform, maintaining a robust quality management system, and providing the tools required to more effectively carry out the organization's activities. The net result will be transformative to SCC's manner of operation. While reducing administrative costs, the impact of the changes will be to increase the effectiveness and efficiency of SCC's processes and enhanced customer service. Additionally, SCC has tightened its reporting framework and metrics in order to effectively communicate key result areas.

SCC is re-investing its accumulated surplus from prior years into its strategic investments and infrastructure to create a firm foundation going forward to advance SCC's key initiatives. SCC has re-organized to better accommodate these initiatives and will utilize its accumulated surplus, along with planned revenues to support strategic priorities as outlined in this plan.

SCC's financial plan and its capital budget are developed based on planned operating activity and include the following assumptions:

- inflationary effects on costs, including salaries and benefits, of 1% per year;

- no increase in headcount;

- employee turnover ratio included at 5%;

- no increase in employee incentives;

- SCC eligible employees contribute to the Public Service Pension Plan. SCC's responsibility with regard to the pension plan is limited to its contributions. Actuarial surpluses or deficiencies are recognized in the financial statements of the Government of Canada.

5.2 2015-2016 Operating Forecast vs. 2014-2015 Actual Results

For the current fiscal year, SCC forecasts a deficit from operations of $11.5 million. This represents a $336 thousand decrease compared to prior year's operating deficit of $11.9 million. This operating deficit decrease is due to the organization's continued focus on ensuring that resources are aligned with strategic investments that are consistent with SCC's vision and mandate. Increases to operating expenses ($419 thousand) are driven by increases in Canadian delegate financial support as well as increases in recoverable travel and assessor fees related to additional activity within accreditation services. Professional fees decrease as SCC's contractual commitments to update standards and NISI are near completion.

More than offsetting the increase in expenses is an increase in operating revenue ($755 thousand) stemming from additional assessment activity within Accreditation Services.

SCC forecasts a year-over-year decrease in appropriations of $3.1 million. Due to timing delays with SDO contractual commitments to deliver standardization activity, SCC moved $2.0 million of its 2013-2014 appropriations into the 2014-2015 fiscal year. SCC undertook this "reprofile" of government funding to ensure proper cash management of contracts in alignment with the *Financial Administration Act* and Treasury Board requirements regarding the draw-down of appropriations. Also during the fiscal year 2014-2015 SCC received nearly $1.0 million of government reimbursement for one-time expenditures. Partially offsetting the year-over-year decrease was incremental funding for SCC's initiative in support of the *Agreement on Internal Trade*.

After combining its operating deficit with appropriations, SCC is forecasting a deficit of $1.7 million for the 2015-2016 fiscal year which is a $2.7 million decrease in relation to the surplus of $1.0 million reported for fiscal 2014-2015.

5.3 2015-2016 Operating Forecast vs. 2015-2016 Budget

For March 31, 2016, SCC forecasts a deficit from operations of $11.5 million which is a $394 thousand decrease compared to its budgeted operating deficit of $11.9 million. The majority of this variance can be attributed to reduced expenses. Salaries and benefits decreased by $226 thousand due to the timing of vacancies. Also amortization, insurance and other expenses decreased by $252 thousand due to a delay in the anticipated implementation of modernized IM/IT software.

Total revenue from operations is forecast at $9.3 million, which is in line with its budgeted amount of $9.3 million.

SCC forecasts appropriations of $9.8 million, which is in line with its budgeted amount of $9.8 million. Included within the appropriations figures is approved funding for SCC's project to help address barriers to internal trade within Canada.

After combining its operating deficit with appropriations, SCC is forecasting a deficit of $1.7 million for the 2015-2016 fiscal year which is a $394 thousand decrease relative to its budgeted deficit for the same time-frame.

SCC is forecasting an ending accumulated surplus of $4.6 million at March 31, 2016. Although significant for SCC, this surplus is temporary as next year's planned deficit will utilize a significant portion of its accumulated surplus.

5.4 2015-2016 Forecast to 2016-2017 Corporate Plan

For the fiscal year 2016-2017, SCC has planned a deficit from operations of $12.4 million, which is $844 thousand higher than its forecast of $11.5 million for fiscal year 2015-2016.

Overall, revenue from operations is planned in 2016-2017 at $10.1 million, which reflects an increase of $837 thousand or 9% from the revenues forecasted for 2015-2016. This change is due primarily to Accreditation Services revenue which increases $681 thousand, or 9% year-over-year due to a planned increase in the number of assessment activities and revised pricing model to more accurately reflect assessment costs. Advisory services income has increased by $87 thousand due to a focus on delivering advisory services to SCC stakeholders that assist with the delivery of standards-related solutions.

Overall, expenses from operations are planned in 2016-2017 at $22.5 million, a $1.7 million or 8% increase from the 2015-2016 forecasts of $20.8 million. This increase is driven primarily by an increase in salaries and benefits, professional fees as well as, an increase in amortization. Recoverable travel expenses are billable to customers and do not result in a net cost to SCC. These are growing (in relation to accreditation revenues) due to an increase in the number of assessment activities that SCC undertakes. All other expenses are growing because of increased strategic activity and being at full complement of staff. To ensure cost containment and effective fiscal management, SCC has documented policies for procurement and contracting that are aligned to similar Government of Canada policies. Salaries and benefits are planned to increase by $437 thousand due to the filling of vacant positions and inflation. Amortization is planned to increase by $343 thousand based on the anticipated implementation of modernized IM/IT software. Recoverable travel costs and professional fees related to accreditation services assessment activity have also increased ($249 thousand and $71 thousand respectively); however, these increases are more than offset by the increase in accreditation services revenue. Professional fees have also increased by $279 thousand as SCC begins its climate-change adaptation project and completes contractual commitments related to the updating of standards.

Appropriations are planned at $10.3 million and have increased by $445 thousand versus the $9.8 million included in SCC's 2015-2016 forecast. This increase is due to an incremental $945 thousand for its climate-change adaptation project. Offsetting the increase is the completion of approved funding for its Northern Infrastructure Standardization Initiative (NISI). Under the NISI program, SCC received $ 500 thousand per year over the last five years for a total of $2.5 million.

After government appropriations, SCC has planned a net deficit of $2.1 million which will be funded out of accumulated surplus. The annual deficit is $399 thousand higher than SCC's forecasted deficit of $1.7 million for 2015-2016.

SCC is forecasting an ending accumulated surplus of $2.4 million as at March 31, 2017. After $1.0 million is internally restricted to be consistent with SCC's Accumulated Surplus Target, there is a remaining balance of $1.4 million. This balance will be used to fund planned future strategic investments, such as Canadian participation on priority international technical committees, as well as planned deficits in future years as SCC continues to rebalance its financial position to enable optimal delivery of its mandate. Most line items on SCC's statement of financial position are current in that they are expected to be used within one year. Tenant Improvement Allowance and Tangible Capital Assets are the only items that are planned to last longer than one year. SCC is planning to increase industry participation in international standards development. Contributions received are funds that SCC takes in and spends on behalf of standards development committees. This means that the increase in contributions received is reflective of anticipated increase in industry participation. Planned deficits and additions to tangible capital assets are driving an overall decrease in cash across SCC's corporate plan timeframe.

5.5 2015-2016 Capital Expenditures Forecast

Total capital expenditures of $2.3 million in 2015-2016 are forecasted to be on budget.

The lease for SCC's office space in Ottawa expired in June 2015, at which time the organization moved to a new, modernized facility. The net effect of the use of new technology, modern construction techniques, joint-fit-up collaboration with the landlord and a reduced environmental footprint is a cost savings to SCC such that its annual accommodation costs in the new facility are below SCC's prior accommodation costs. $1.1 million of the $2.3 million capital forecast is related to facilities modernization: leasehold improvements ($661 thousand), furniture ($376 thousand) and equipment ($105 thousand).

$978 thousand of the $2.3 million is related to IM/IT software and hardware modernization. 2015-2016 represents year 4 of a 5-year plan to modernize SCC's IM/IT architecture. Work on the new architecture in 2015-2016 focused on the development and implementation of a new solution for managing the Accreditation Services business activities, and the implementation of new backup hardware and software. The 2015-2016 capital forecast relates primarily to those two initiatives.

SCC's capital policy with respect to IM/IT projects software development states that any and all costs incurred during the application and development phase of a project will be capitalized; effectively deemed to be assets, not expenses of SCC. The application development phase starts once the following activities have occurred:

- determination of the existence of needed technology,

- conceptual formulation of alternatives, and

- evaluation and selection of the solution.

The balance of capital spend in the current forecast relates primarily to replacement projects, such as hardware/software scheduled refresh.

5.6 2016-2017 Capital Budget and 5-Year Capital Investment Plan

SCC's 2016-2017 total capital investment budget is planned at $744 thousand.

The 2016-2017 plan year is an extension of the 2015-2016 forecast year with respect to the IM/IT vision and project work.

Capital related to IM/IT projects is planned to be $600 thousand. The functional IM/IT areas of focus for capital related projects will be the continued implementation of accreditation services business management solution and the replacement of SCC's workflow, collaboration and documents management tool (Sitescape). Concurrently, IM/IT will work to upgrade SCC's financial, contracting and standards monitoring databases. Focus in these areas will drive future operational efficiency for which a cost savings estimate has been included within SCC's Corporate plan.

CAPITAL INVESTMENT PLAN

YEAR ENDED MARCH 31 (in thousands of dollars)	ACTUALS 2014-2015	FORECAST 2015-2016	PLAN				
			2016-2017	2017-2018	2018-2019	2019-2020	2020-2021
IM/IT infrastructure equipment	47	24	24	24	24	24	24
Software & other	502	1,153	670	70	70	70	70
Furniture & small office equipment	3	426	50	50	50	50	50
Leasehold improvements	334	661	-	-	-	-	-
Total Capital Investment Plan	**886**	**2,264**	**744**	**144**	**144**	**144**	**144**

PRO FORMA STATEMENT OF OPERATIONS

Revenue from Operations							
Accreditation revenue	6,689	7,380	8,061	8,142	8,223	8,305	8,388
SCC e-Store	1,032	976	1,000	1,010	1,020	1,030	1,040
Advisory services	405	374	461	757	982	1,250	1,305
Other income	425	576	621	626	627	628	629
Total Revenue from Operations	**8,551**	**9,306**	**10,143**	**10,535**	**10,852**	**11,213**	**11,362**
Total Expenses	**20,424**	**20,843**	**22,524**	**21,632**	**23,258**	**23,832**	**23,586**
Surplus / (Deficit) from Operations	**(11,873)**	**(11,537)**	**(12,381)**	**(11,097)**	**(12,406)**	**(12,619)**	**(12,224)**
Parliamentary Appropriations	**12,890**	**9,829**	**10,274**	**10,706**	**12,110**	**12,409**	**12,443**
Net Surplus / (Deficit) for the year	**1,017**	**(1,708)**	**(2,107)**	**(391)**	**(296)**	**(210)**	**219**
Accumulated Surplus / (Deficit), Beginning of year	**5,245**	**6,262**	**4,554**	**2,447**	**2,056**	**1,760**	**1,550**
Accumulated Surplus / (Deficit), End of year	**6,262**	**4,554**	**2,447**	**2,056**	**1,760**	**1,550**	**1,769**

PRO FORMA STATEMENT OF FINANCIAL POSITION

FOR THE YEAR ENDED MARCH 31 (in thousands of dollars)	ACTUALS 2014-2015	FORECAST 2015-2016	PLAN				
			2016-2017	2017-2018	2018-2019	2019-2020	2020-2021
Assets							
Financial Assets							
Cash	4,045	3,396	1,446	1,300	1,413	1,461	1,517
Accounts receivable:							
Federal departments and agencies	362	366	370	374	378	382	386
Other accounts receivable	4,504	3,292	3,086	3,211	3,313	3,428	3,476
Total Financial Assets	**8,911**	**7,054**	**4,902**	**4,885**	**5,104**	**5,271**	**5,379**
Liabilities							
Accounts payable and accrued liabilities	2,610	2,710	2,816	2,596	2,675	2,622	2,477
Contributions received	92	292	345	348	351	355	359
Deferred revenue	1,813	2,218	2,214	2,418	2,443	2,467	2,492
Tenant Improvement Allowance	-	1,099	1,023	948	872	796	720
Total Liabilities	**4,515**	**6,319**	**6,398**	**6,310**	**6,341**	**6,240**	**6,048**
Net Financial Assets	**4,396**	**735**	**(1,496)**	**(1,425)**	**(1,237)**	**(969)**	**(669)**
Non-Financial Assets							
Prepaid expenses	851	860	869	878	887	896	905
Capital assets (net)	1,015	2,959	3,074	2,603	2,110	1,623	1,533
Total Non-Financial Assets	**1,866**	**3,819**	**3,943**	**3,481**	**2,997**	**2,519**	**2,438**
Accumulated Surplus/(Deficit)	**6,262**	**4,554**	**2,447**	**2,056**	**1,760**	**1,550**	**1,769**

PRO FORMA STATEMENT OF CHANGES IN NET ASSETS

FOR THE YEAR ENDED MARCH 31 (in thousands of dollars)	ACTUALS 2014-2015	FORECAST 2015-2016	PLAN				
			2016-2017	2017-2018	2018-2019	2019-2020	2020-2021
Net Surplus / (Deficit) for the year	1,017	(1,708)	(2,107)	(391)	(296)	(210)	219
Acquisition of tangible capital assets	(777)	(2,264)	(744)	(144)	(144)	(144)	(144)
Amortization of tangible capital assets	332	320	629	615	637	631	234
(Increase) / decrease in prepaid expenses	-	(9)	(9)	(9)	(9)	(9)	(9)
Increase / (Decrease) in Net Assets	**572**	**(3,661)**	**(2,231)**	**71**	**188**	**268**	**300**
Net Assets / (Debt), Beginning of Year	**3,824**	**4,396**	**735**	**(1,496)**	**(1,425)**	**(1,237)**	**(969)**
Net Assets / (Debt), End of Year	**4,396**	**735**	**(1,496)**	**(1,425)**	**(1,237)**	**(969)**	**(669)**

PRO FORMA STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31 (in thousands of dollars)	ACTUALS 2014-2015	FORECAST 2015-2016	PLAN				
			2016-2017	2017-2018	2018-2019	2019-2020	2020-2021
Net Cash From Operations							
Net Surplus / (Deficit) for the year	1,017	(1,708)	(2,107)	(391)	(296)	(210)	219
Adjustments for non-cash items:							
Amortization of tangible capital assets	332	320	629	615	637	631	234
Changes in current liabilities and current assets other than cash	(940)	3,003	272	(226)	(84)	(229)	(253)
Net Change In Cash From Operations	**409**	**1,615**	**(1,206)**	**(2)**	**257**	**192**	**200**
Cash Applied To Capital Transactions							
Additions to tangible capital assets	(777)	(2,264)	(744)	(144)	(144)	(144)	(144)
Increase/(Decrease) In Cash And Cash Equivalents	**(368)**	**(649)**	**(1,950)**	**(146)**	**113**	**48**	**56**
Cash And Cash Equivalents, Beginning Of Year	**4,413**	**4,045**	**3,396**	**1,446**	**1,300**	**1,413**	**1,461**
Cash And Cash Equivalents, End Of Year	**4,045**	**3,396**	**1,446**	**1,300**	**1,413**	**1,461**	**1,517**

5.7 Travel, Hospitality, Events and Conferences Directive

On July 16, 2015, Crown corporations were directed by a Governor in Council (GIC) decision to align policies, guidelines and practices with Treasury Board Secretariat (TBS) policies, directives and related instruments on travel, hospitality, conference and event expenditures. SCC believes that the TBS directives are compatible with SCC's Crown corporation legal obligations.

PROGRESS ON IMPLEMENTATION

SCC's travel policy suite – covering travel, hospitality, meetings and events – was overhauled in April 2014 and approved by SCC's Audit Committee and Council. With some exceptions, the policy suite generally adhered to the TBS Travel Directive.

In response to the GIC decision, SCC developed a high-level implementation plan based on a phased approach. The plan will ensure SCC meets key elements for alignment by April 1, 2016, with complete alignment by March 31, 2017.

TRANSPARENCY AND COMMUNICATION

SCC's current practice is to report on travel, hospitality, meetings and events expenditures in its financial statements. With the alignment to TBS, there is now a requirement to reallocate expenditures into different categories, specifically isolating conference expenditures.

SCC will continue its current practice of proactively disclosing travel and hospitality expenses incurred by SCC's CEO and Council Chair.

REPORT ON ANNUAL EXPENDITURES FOR TRAVEL, HOSPITALITY, AND CONFERENCES:

SCC's total annual expenditures on travel, hospitality and conference fees will be reported in its financial statements and posted on SCC's website beginning April 2016. SCC's Corporate Plan includes forecasted expenditures in these categories over the planning period.

SCC will report on variances against planned expenditures and will include a brief explanation in its reports.

KEY CHALLENGES IN IMPLEMENTATION:

- Approvals

SCC will develop an approval process for events and conferences based on the TBS's total cost concept. This will impact SCC's accreditation services work, in particular, because assessment activities will now be defined as "events." Events must capture the combined travel costs of all individuals conducting an assessment.

SCC will also adjust its overall approval levels in its Delegation of Financial Authority and update any corresponding processes to capture TBS approval levels. In addition, SCC will develop a process for the Council Chair to approve hospitality in excess of $5,000 in the following cases: where alcohol is served; where entertainment is included; occurring in a private residence; where spouses or partners are in attendance; or where costs exceed the maximum per person allowable amount according to TBS defined rates.

- Expenditure Categorization

SCC will ensure that its definition of hospitality and all expenditure categories align with TBS definitions and reporting requirements.

- Reporting Requirements

Effective April 1, 2016, SCC's reporting will align with TBS definitions of travel, hospitality and conferences. SCC will subsequently develop a plan to report on the second level of data requirements, including such categories as core, engagement, and training.

- Professional Services Contracts

SCC's International Standards Development Delegates Program currently provides travel reimbursements to pre-authorized participants. The Program will be modified from a travel reimbursement agreement to a contractual funding agreement. Plans are developed and communicated in the third quarter of each year, and implemented the following fiscal year.

- Internal Process Re-engineering

SCC's operating environment is impacted by its multi-year IM/IT modernization project. This project will replace the existing application platform that operates SCC's travel request process. SCC is evaluating options to replace the current outdated platform and will ensure the overall solution meets any specified TBS Travel Directive requirements.

($000's)	2012 2013 ACTUAL	2013 2014 ACTUAL	2014 2015 ACTUAL	2015 2016 FORECAST	2016 2017 PLAN	2017 2018 PLAN	2018 2019 PLAN	2019 2020 PLAN	2020 2021 PLAN
Recoverable Travel	1,092	1,042	926	1,035	1,284	1,291	1,304	1,317	1,330
Non-Recoverable Travel	536	523	455	524	684	695	702	709	715
Hospitality	8	3	3	2	6	6	6	6	6

Note: Effective April 1, 2016 SCC will align its policies and reporting procedures for travel and hospitality to the Treasury Board directive

CORPORATE PROFILE

SCC was established in 1970 as a federal Crown corporation. Its mandate is set out in its governing legislation, the *Standards Council of Canada Act*.

6.1 Mandate

SCC's mandate is to promote efficient and effective voluntary standardization in Canada, where the law does not expressly provide for standardization activities. In particular, SCC has a mandate to:

- promote the participation of Canadians in voluntary standards activities;

- promote public- and private-sector cooperation in voluntary standardization in Canada;

- coordinate and oversee the efforts of people and organizations involved in Canada's network of standardization professionals;

- foster quality, performance and technological innovation in Canadian goods and services through standardization-related activities; and,
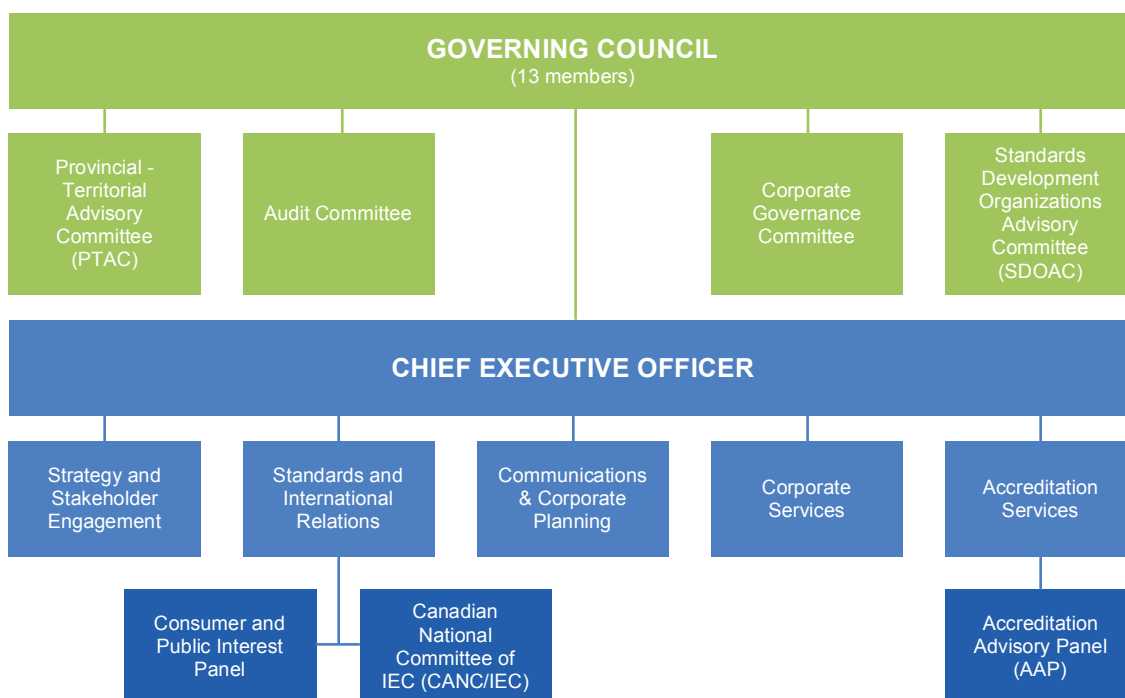
- develop standardization-related strategies and long-term objectives to advance the national economy; support sustainable development; benefit the health, safety and welfare of workers and the public; assist and protect consumers; facilitate domestic and international trade; and further international cooperation in relation to standardization.

ANNUAL PUBLIC MEETING

Through its Annual Public Meeting, held pursuant to Canada's *Financial Administration Act*, SCC invites stakeholders and members of the public to learn more about SCC 's mandate. During this meeting, SCC's stakeholders and members of the public are given the opportunity to ask questions, to make observations, and to interact with SCC's management team and governing Council.

6.2 SCC's Council Structure

SCC's governing Council and Executive Team is supported by standing and advisory committees and panels.

GOVERNING COUNCIL
(13 members)

- Provincial - Territorial Advisory Committee (PTAC)
- Audit Committee
- Corporate Governance Committee
- Standards Development Organizations Advisory Committee (SDOAC)

CHIEF EXECUTIVE OFFICER

- Strategy and Stakeholder Engagement
- Standards and International Relations
- Communications & Corporate Planning
- Corporate Services
- Accreditation Services

- Consumer and Public Interest Panel
- Canadian National Committee of IEC (CANC/IEC)

- Accreditation Advisory Panel (AAP)

GOVERNING COUNCIL

SCC's governing Council reports to Parliament through the Minister of Innovation, Science and Economic Development. The organization's CEO is appointed by the Governor-in-Council on the recommendation of the Minister and reports directly to SCC's governing Council. The Council is comprised of 13 members, 10 of whom are appointed by the Governor-in-Council through an Order-in-Council and the 3 other members sit on governing Council by virtue of the Chair/Vice-Chair positions they hold on statutory committees established in the *Standards Council of Canada Act*. The Council is responsible for overseeing the strategic direction of the organization, ensuring fulfillment of the mandate and for providing guidance on governance matters.

SCC's governing Council is appointed to represent a broad spectrum of stakeholder interests in the private sector and have the knowledge and experience necessary to assist the Council in setting the strategic direction of the organization, providing direction on governance issues and ensuring the fulfilment of SCC'S mandate. While Council members bring a variety of skill-sets, varying perspectives and expertise to the work of Council, members are responsible for ensuring that decisions are taken in the best interest of SCC.

As a matter of good governance, the SCC Council skills matrix is one element that SCC Council uses in conjunction with other relevant practices to ensure an appropriate mix of skill-sets on Council.

SCC's succession planning issues are routinely reviewed by the Corporate Governance Committee and reported at Council.

Governing Council Members:

Kathy Milsom
P.Eng., ICD.D
Chair

Dr. Sam Shaw
Vice-President*,*
Training Manning Centre
for Building Democracy
Vice-Chair
Corporate Governance
Committee Chair

Suzanne (Suzie) Gignac
Partner, Ernst & Young LLP
Audit Committee Chair

Claude Bédard,
ing. Ph. D., FACI
President, Adjuvants Euclid
Canada inc

Colin Clark
Chief Technical Officer
Brookfield Renewable
Energy Group

Kathryn Coll
President and Managing
Partner for HR Atlantic

G. Rae Dulmage
Director, Standards Department
ULC Standards and Underwriters
Laboratories of Canada

Dr. Glenn Feltham
Northern Alberta Institute of
Technology President and CEO

Merete Heggelund
Chief Administrative Officer
Municipal Services
City of Medicine Hat, Alberta

Paul Pierlot
Senior Manager,
Competitiveness Initiatives
Business Services Division
Entrepreneurship Manitoba
Government of Manitoba

Richard Raymond
Private Sector Representative

Sara Jane Snook, M.ENG.,
P.ENG., FCAE
SJD Management Ltd.
Principal

Jim Young, P. Eng.
Director of Environment
Department of Environment,
Labour and Justice Prince
Edward Island

The governing Council has two standing committees: the Audit Committee and the Corporate Governance Committee. The Audit Committee assists the SCC Council in fulfilling its oversight responsibilities with respect to the financial management of the organization, including financial reporting, internal accounting and financial controls, budgets, the internal and external audit process, risk management, continuous disclosure practices and compliance with ethics-related, legal and statutory requirements, and other related oversight responsibilities. The Corporate Governance Committee ensures that Council fulfills its legal, ethical, and functional responsibilities through governance policy development, recruitment strategies, training programs, monitoring of Council activities, evaluation of Council members' performance, and oversight of the Chief Executive Officer objectives and performance, as well as, Council Commitments.

Both committees play an important role in strategically supporting governance approaches for SCC's initiatives.

Governing Council is also supported by two advisory committees as established in the SCC Act:

PROVINCIAL-TERRITORIAL ADVISORY COMMITTEE (PTAC)

PTAC is established in the *Standards Council of Canada Act*. PTAC promotes cooperation and communication between the provinces, territories and SCC, and provincial and territorial participation in Canadian standardization activities.

STANDARDS DEVELOPMENT ORGANIZATIONS ADVISORY COMMITTEE (SDOAC)

SDOAC is also established in the *Standards Council of Canada Act*. SDOAC promotes collaboration and cooperation between SCC and SCC-accredited SDOs.

6.3 Staff and Activities

The strategies and policies established by SCC's governing Council are implemented by a staff of 93. The organization's work is led by its Chief Executive Officer (CEO), John Walter. The CEO is supported by SCC's Executive Team.

| JOHN WALTER |
| Chief Executive Officer |

| **Michel Girard** Vice-President Strategy and Stakeholder Engagement | **Sylvie Lafontaine** Vice-President Standards and International Relations | **Sandra Watson** Vice-President Communications, Corporate Planning & Corporate Secretary | **Jason Hergert** Vice-President Corporate Services and Chief Financial Officer | **Chantal Guay** Vice-President Accreditation Services |

SCC'S CORE ACTIVITIES ARE DESCRIBED AS FOLLOWS:

STRATEGY AND STAKEHOLDER ENGAGEMENT

The Strategy and Stakeholder Engagement Branch plays a leading role in the development of strategies that enable SCC to achieve results in key areas. Through the development of policy positions on cross-cutting national, regional and international issues, the branch provides advice and support to the CEO, senior management, the Governing Council, and other SCC branches. The Strategy and Stakeholder Engagement Branch also works to identify and define the conditions required for Canada to optimize its use of standardization.

To ensure that SCC meets its strategic priorities, the Strategy and Stakeholder Engagement Branch works with key stakeholders at senior-level meetings with representatives from federal departments, provincial and territorial governments, and industry. The branch provides secretariat functions for the PTAC and the National Public Safety Advisory Committee (NPSAC).

STANDARDS AND INTERNATIONAL RELATIONS

The Standards and International Relations Branch facilitates Canada's participation in the standards development activities of the International Organization for Standardization (ISO) and the International Electrotechnical Commission (IEC), two of the world's largest voluntary standardization bodies. The branch also coordinates Canada's interest in regional standards organizations such as:

- Pan American Standards Commission (COPANT),

- Pacific Area Standards Congress (PASC),

- Forum of the IEC National Committees of the Americas (FINCA) and,

- Réseau Normalisation et Francophonie (RNF).

In doing so, SCC engages in capacity building activities intended to strengthen the standardization infrastructures of key regional and international trade partners.

The Branch also:

- oversees Canadian standards development activities under SCC-accredited standards development organizations,

- sets recommended requirements used for the accreditation of standards development organization,

- provides process governance and guidance to ensure compliance with appropriate requirements for the development, adoption and publication of National Standards of Canada, and

- manages the sale of ISO and IEC standards and National Standards of Canada.

COMMUNICATIONS AND CORPORATE PLANNING

The Communications and Corporate Planning Branch provides corporate communications services for the organization that include communications planning, a full line of communications products, website and event management, social media and translation services.

The branch is also responsible for corporate planning, risk management, government reporting (including Access to Information and Privacy requests), research, and standards inventory monitoring. The Corporate secretariat role, which oversees secretariat and governance policy support to SCC's Governing Council, also falls under the purview of the branch.

CORPORATE SERVICES

The Corporate Services branch provides professional services support to the organization. The branch is responsible for financial management, human resources, investment planning and business advisory services, IM/IT, corporate administration, contracting and procurement (including travel services).

ACCREDITATION SERVICES

SCC's Accreditation Services branch provides accreditation services to various customers, including SCC-accredited SDOs, product, process and service certifiers, management system certifiers, inspection bodies, greenhouse-gas verifiers and validators, personnel certifiers and testing laboratories. The branch is also Canada's compliance monitoring authority that administers the Organization for Economic Co-operation and Development (OECD) Good Laboratory Practice (GLP) quality system.

The Accreditation Services branch is a signatory to several Mutual Recognition Agreements and Multilateral Agreements with international accreditation forums that foster the acceptance of one standard, one test… accepted everywhere. These forums have been created by accreditation bodies around the world to assist with international acceptance of conformity assessment results. The agreements are part of greater efforts to form a global accreditation system.

SCC is also supported by two advisory panels and one committee:

ACCREDITATION ADVISORY PANEL

The Accreditation Advisory Panel falls under the purview of SCC's Accreditation Services branch. The panel provides policy advice, with a view to ensuring fairness and impartiality in relevant SCC policies and programming.

CONSUMER AND PUBLIC INTEREST PANEL

The Consumer and Public Interest Panel provides strategic and policy advice on standardization matters that impact Canadian consumers and public interest groups, as well as, ISO Committee on consumer policy (COPOLCO). The panel falls under the purview of SCC's Standards and International Relations branch.

CANADIAN NATIONAL COMMITTEE FOR THE INTERNATIONAL ELECTROTECHNICAL COMMISSION

The Canadian National Committee of the IEC (CANC/IEC) provides strategic and policy advice to SCC on Canada's strategic priorities for companies operating in the energy, electrotechnical and electrical sector, as well as, IEC-related matters. The committee falls under the purview of SCC's Standards and International Relations branch.

GLOSSARY OF ACRONYMS

AAP (SCC) Accreditation Advisory Panel

ADM Assistant Deputy Minister

AHRI Air-Conditioning, Heating, and Refrigeration Institute

AIT *Agreement on Internal Trade*

ANS American National Standard

ANSI American National Standards Institute

APLAC Asia Pacific Laboratory Accreditation Cooperation

APM Annual Public Meeting

APS (SCC) Advisory Panel on Standards

CAC Canadian Advisory Committee

CACES Canadian Advisory Council on Electrical Safety

CANC/IEC Canadian National Committee of IEC

ISO/CASCO ISO Committee on Conformity Assessment

CASCO CPC ISO Committee on Conformity Assessment Chairman's Policy and Coordination Group

CATRTA Canada-Americas Trade-Related Technical Assistance

CCPSA Canada Consumer Product Safety Act

CEN European Committee for Standardization

CENELEC European Committee for Electrotechnical Standardization

CEO Chief Executive Officer

CEPA Canada and India Comprehensive Economic Partnership Agreement

CETA Canada-European-Union: Comprehensive Economic and Trade Agreement

CFIA Canadian Food Inspection Agency

CIPH Canadian Institute of Plumbing & Heating

COPANT Pan American Standards Commission

COPOLCO Consumer Policy Committee of ISO

CPIP (SCC) Consumer and Public Interest Panel

CUFTA Canada-Ukraine Free Trade Agreement

CWWA Canadian Water and Wastewater Association

DGN Dirección General de Normas

EA European Accreditation

EFC Electro-Federation Canada

ETV Environmental Technology Verification

EU European Union

FINCA Forum of the IEC National Committees of the Americas

FPT Federal, Provincial, Territorial

FTAs Free trade agreements

FTEs Full Time Equivalents

GDP gross domestic product

GHG Greenhouse gas

GIC Governor in Council

GLP Good Laboratory Practices

IAAC Inter-American Accreditation Cooperation

IAF International Accreditation Forum

IEC International Electrotechnical Commission

IECE Instituto Ecuatoriano de Crédito Educativo y Becas

IECEE IEC System of Conformity Assessment Schemes for Electrotechnical Equipment and Components

IECRE IEC Renewable Energy System

ILAC International Laboratory Accreditation Cooperation

IM/IT Information Management/ Information Technology

ISACC ICT Standards Advisory Council of Canada

ISED Innovation, Science and Economic Development Canada

ISD International Standards Development

ISO International Organization for Standardization

ISO/IEC International Organization for Standardization/International Electrotechnical Commission

ITU International Telecommunications Union

LAP Laboratory accreditation program

MLAs multi-lateral agreements

MOA Memorandum of Agreement

MOU Memorandum of Understanding

MRAs mutual recognition agreements

MSR Monitor standards in regulations

NACWP North American Competitiveness Work Plan

NFPA National Fire Protection Association

NISI Northern Infrastructure Standardization Initiative

NPSAC National Public Safety Advisory Committee

NSCs National Standards of Canada

OECD Organization for Economic Co-operation and Development's

ORDs other recognized documents

PASC Pacific Area Standards Congress

P/T Provincial/Territorial

PTAC (SCC) Provincial-Territorial Advisory Committee

QMS Quality management system

RCC Regulatory Cooperation Council

SCC Standards Council of Canada

SDOAC (SCC) Standards Development Organizations Advisory Committee

SDOs Standards development organizations

TBS Treasury Board Secretariat

TBT Technical Barriers to Trade

TCA Tangible Capital Assets

TPP Trans-Pacific Partnership

WSD World Standards Day

WTO World Trade Organization