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Growth and prosperity through standardization

2024–2025 **Annual Report**

Standards Council of Canada

Open a world of possibilities.

Canada 



As rapid change continues to shape the global landscape, future-proofing the Canadian economy takes on ever greater importance. Standardization is a critical tool for achieving that goal, offering a path to greater resilience by facilitating both domestic and international trade.

In 2024–2025, the Standards Council of Canada (SCC) worked to dismantle internal trade barriers, making it easier to do business across the country. At the same time, we reached beyond our borders to strengthen trade relationships around the world and build new partnerships, enabling us to foster **growth and prosperity through standardization.**



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VISION

To put the power of standardization to work for all.



MISSION

To lead and facilitate the use of standardization to improve the lives of people living in Canada.



MANDATE

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



VALUES

- > We are people focused
- > We are purposeful
- > We are forward-thinking
- > We work as one

Four strategic pillars



1

ENHANCE UNDERSTANDING AND USE OF STANDARDIZATION IN KEY COMMUNITIES

Promote standardization and its benefits in the development of policies, initiatives and programs.



2

DELIVER SCC'S PRIORITY AREAS ALIGNED TO THE NATIONAL STANDARDS STRATEGY

Implement action plans for each SCC priority area to enhance competitiveness and the well-being of people in Canada.



3

ENHANCE SERVICE DELIVERY

Coordinate and align functions, build partnerships and secure resources to proactively respond to the priorities of interested parties and maximize the impact of our services.



4

DRIVE ORGANIZATIONAL EXCELLENCE

Build lean, integrated IT, HR and internal governance systems that support a high-performing culture.

A strong and diverse culture drives our work

As part of our ongoing commitment to inclusion, diversity, equity and accessibility, last year we offered training to all staff to help them better understand and navigate these principles and mitigate bias. This contributes to our people-centric focus that provides opportunity and belonging for all, which helped us once again be named one of **Canada's Most Admired Corporate Cultures** by Waterstone Human Capital for 2024–2025.



151
employees

61%
of our workforce identify as women

44%
of our leadership team identify as women (directors and above)

34%
of those who completed the self-identification survey identify as Indigenous or belonging to a visible minority

Canada's international voice on standardization

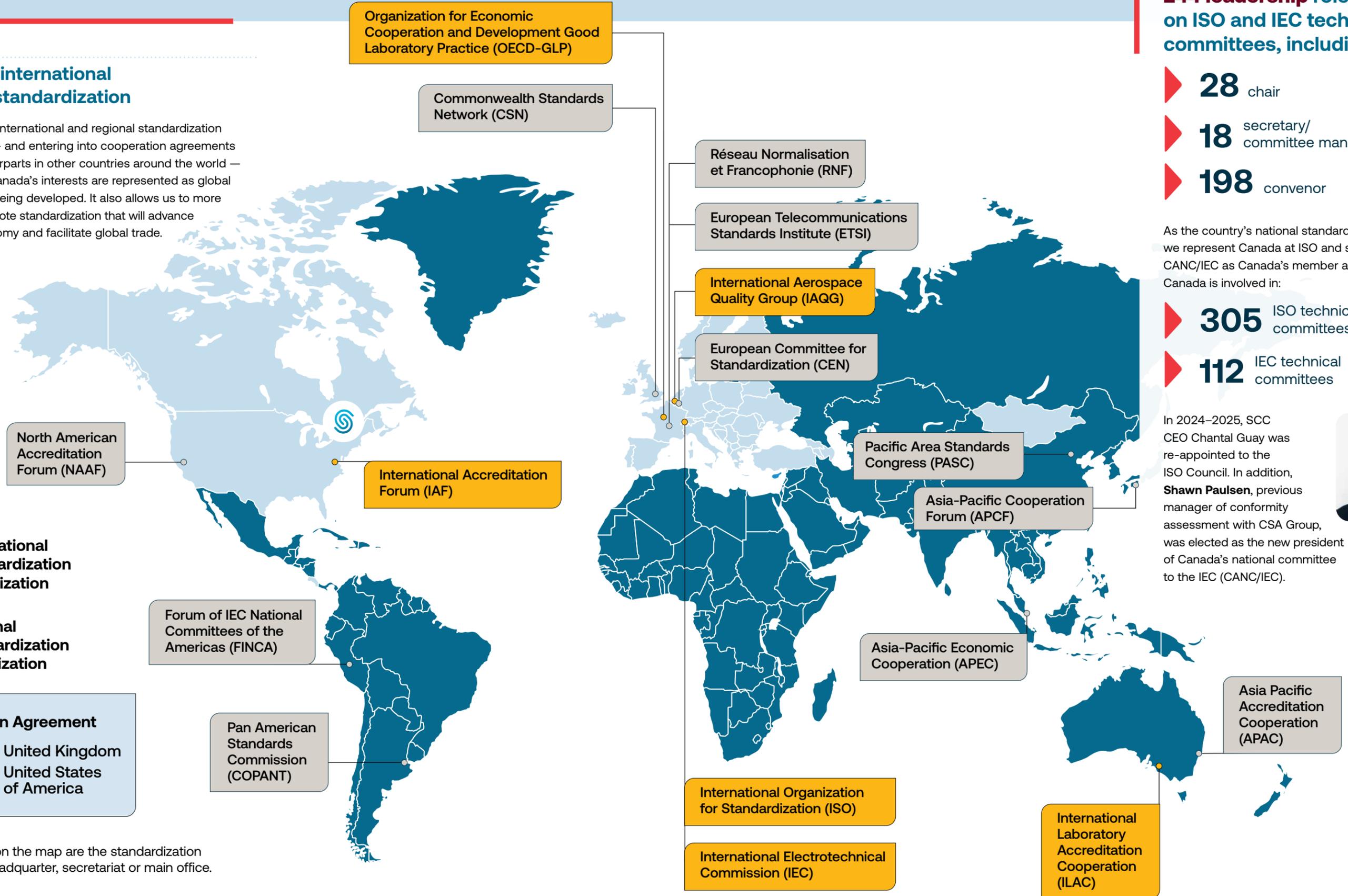
Participating in international and regional standardization organizations — and entering into cooperation agreements with our counterparts in other countries around the world — helps ensure Canada's interests are represented as global standards are being developed. It also allows us to more effectively promote standardization that will advance Canada's economy and facilitate global trade.

- ◆ International Standardization Organization
- ◆ Regional Standardization Organization

Cooperation Agreement

Europe	United Kingdom
Mongolia	United States of America

Note: Indicated on the map are the standardization organizations' headquarter, secretariat or main office.



Canada holds 244 leadership roles on ISO and IEC technical committees, including:

- ▶ 28 chair
- ▶ 18 secretary/committee manager
- ▶ 198 convener

As the country's national standards body, we represent Canada at ISO and sponsor CANC/IEC as Canada's member at IEC. Canada is involved in:

- ▶ 305 ISO technical committees
- ▶ 112 IEC technical committees

In 2024–2025, SCC CEO Chantal Guay was re-appointed to the ISO Council. In addition, **Shawn Paulsen**, previous manager of conformity assessment with CSA Group, was elected as the new president of Canada's national committee to the IEC (CANC/IEC).



Putting standards to work through accreditation

We are Canada's national accreditation body, accrediting conformity assessment organizations such as testing laboratories and certification bodies to internationally recognized standards. Conformity assessment determines that a product, service or system meets the requirements of a particular standard.



635
accreditation
customers

36
new applicant
customers in
2024–2025

12
accreditation
programs offered —
making us the largest
accreditation body
in Canada

94%
customer
satisfaction rate

Message from the CEO and the chair of the Governing Council

Standardization is foundational to a strong and stable economy. It brings consistency to business relationships and reduces barriers to trade. It ensures the safety, reliability and performance of the products and services people use every day. As a rapidly changing geopolitical situation leads to greater instability in global markets, it's vital for Canada to play a leading role in shaping and applying standards and conformity assessment, particularly in the sectors where our companies are poised to compete and lead.

At SCC, that's what we do. As part of the federal government family, we work with partners throughout the Canadian and international standardization, conformity assessment and regulatory systems to build consensus and break down trade barriers. In 2024–2025, our work supported a more connected, competitive and forward-looking Canada, both within our borders and beyond.

Domestically, we advanced internal trade through our Provincial-Territorial Advisory Committee, working with government and industry to harmonize requirements across jurisdictions and support a stronger, more unified Canadian economy. Internationally, we strengthened Canada's relationships, particularly in the Indo-Pacific region, supporting trade diversification and promoting Canadian leadership in key global standards forums. And we continued to lead the way in emerging areas like AI, giving companies across Canada the guidance they need to develop and use this innovative new technology safely and responsibly.

We also looked inward, continuing to modernize our operations to better serve our partners and deliver greater impact. Over the past year, we developed a roadmap to transform how we deliver our services and put in place a financial sustainability plan, ensuring we remain a reliable, high-performing partner well into the future.

As we look ahead to that future, we thank our entire team and Governing Council, our experts and customers, as well as every one of our partners across the standardization system. Your contributions have been instrumental in meeting our objectives this year — and will be a key part of our efforts in the coming year as we continue to grow and enhance the impact of standardization across Canada and around the world.



Chantal Guay

Chantal Guay, ing. P.Eng.
FCAE, ICD.D
CEO



François Coallier

François Coallier, ing. P.Eng
Chair of the Governing Council

Standardization expands trade and grows the economy

Market access enables business success. Standardization helps unlock that access by simplifying requirements and enabling companies to compete on an even footing. In 2024–2025, we worked to reduce trade barriers within Canada and around the world, supporting economic growth and resilience for Canadian businesses.

Aligning requirements across Canada

Inter-provincial trade is a key part of a strong Canadian economy. Inter-provincial mobility is a right of every citizen and permanent resident of Canada. But differing regulations and requirements between jurisdictions can make both trade and mobility challenging in practice. Our Provincial-Territorial Advisory Committee (PTAC) was established to look at standardization from the perspective of provincial and territorial governments, and to promote cooperation and standardization alignment between provinces and territories. Last year, our work focused on gasfitter certification and the Canadian Electrical Code.

In 2024–2025, PTAC worked through the Canadian Free Trade Agreement’s Regulatory Reconciliation and Cooperation Table (RCT) to lead 2 agreements that reduce trade and mobility barriers within Canada. The Reconciliation Agreement to Improve Interjurisdictional Commerce and the Mobility of Gasfitters makes it easier for gasfitters trained or certified in one part of the country to find work in another. It also makes it easier for Canadian businesses to hire the gasfitters they need.

A lack of consistency in when and how provinces and territories adopt new editions of the Canadian Electrical Code can also create technical barriers to trade. Inconsistent requirements and adoption timelines make it harder for builders to keep track of which code is being enforced, adding complexity and uncertainty to construction projects. Throughout 2024–2025, PTAC led the negotiation of a Reconciliation Agreement under the RCT to support more timely and aligned adoption of new editions of the code, which will help reduce regulatory discrepancies.



“PTAC’s work is about solving problems and looking for tangible opportunities to reduce trade barriers and increase labour mobility across our country. As the world changes around us and will continue to change, it’s imperative that we harness PTAC to deliver the most value and support SCC’s mandate by bringing the provincial and territorial perspectives to the table. We’re always learning and exploring the realm of what’s possible to improve the standardization system in Canada along with our economy, and that’s what helps us deliver better outcomes.”

— Steve Murphy
Chair, Provincial-Territorial
Advisory Committee



“Building standardization capacity in the Indo-Pacific region is so important to increasing diversification, both for the region and for the Canadian businesses that want to trade there. MSMEs are already working with impossibly thin margins. When they need different certifications and have to meet different requirements in every market, it’s really hard to be competitive. The more standardization that can be introduced, the more requirements can be aligned, the better it is for everyone.”

— **Stephen Head**
Director, Policy Standards Council of Canada

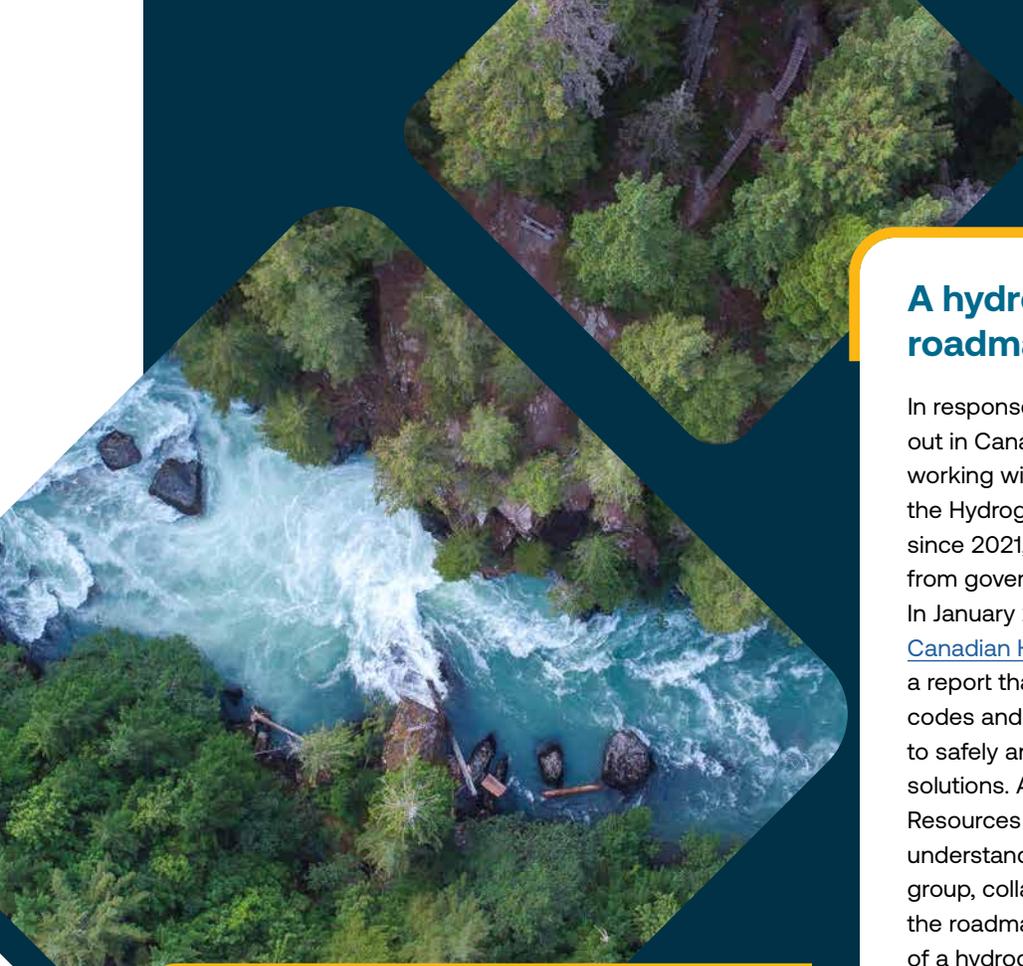


Strengthening international trade

In 2024–2025, we continued to support [Canada’s Indo-Pacific Strategy](#), expanding our work with the Asia-Pacific Economic Cooperation (APEC) Sub-Committee on Standards and Conformance (SCSC) and establishing bilateral agreements with more countries in the region.

In February 2025, we organized a workshop to build awareness of the importance of micro, small and medium-sized enterprise (MSME) participation in standards development, and to explore how APEC member economies can support that participation. At the workshop, which was held in South Korea with 35 participants from 15 countries, we highlighted how participation in standards development benefits MSMEs and their regional economies, and presented a pathway for MSMEs to build their capacity for this work and gain greater access to global markets.

Also in February 2025, SCC and the Mongolian Agency for Standardization and Metrology (MASM) took a step forward in our existing cooperation agreement, which supports information-sharing and collaboration in areas of mutual interest, including digitalization, climate change and sustainability. At a meeting in Canada, we signed a new workplan that underpins our agreement and outlines the principles of cooperation. Potential future work includes ongoing exchanges on ISO activities, Mongolian adoption of more National Standards of Canada and SCC support for building the capacity of the MASM technical committee secretariats, particularly in areas related to digital and AI. Alongside our work with Mongolia, we are also in the process of establishing an agreement with Vietnam and are exploring possible future agreements with other Indo-Pacific partners, such as South Korea, Japan and others.



The link between standards and innovation

In 2024, SCC researchers published a paper in the *Journal of Standardization* titled, “[Two sides of the same coin? A panel data approach to the innovation-standard relationship.](#)” The research aimed to determine whether standards hinder or foster innovation — a topic on which past studies have shown mixed results. With a robust methodology, the study looked at 81 countries and found that, between 1993 and 2019, national level certifications under ISO 9001 on quality management systems were associated with greater innovation, as measured by patent applications. In general, doubling the number of ISO certificates led to a 1.3–2.2% increase in patent applications. Importantly, the research found that standards can play an important role in fostering innovation.

A hydrogen-based roadmap to net-zero

In response to one of the recommendations set out in Canada’s [Hydrogen Strategy](#), we have been working with Natural Resources Canada to co-chair the Hydrogen Codes and Standards Working Group since 2021, bringing together almost 200 experts from government, industry, academia and society. In January 2025, the working group published the [Canadian Hydrogen Codes and Standards Roadmap](#), a report that outlines the critical gaps in existing codes and standards that will need to be addressed to safely and effectively deploy hydrogen-based solutions. At the same time, SCC and Natural Resources Canada signed a memorandum of understanding to continue co-chairing the working group, collaborate in outreach and dissemination of the roadmap, and explore the potential development of a hydrogen certification scheme.

Through this work, we can ensure Canadian hydrogen can drive us toward net-zero by 2050, support a sustainable, homegrown clean economy, and open new domestic and global trade opportunities.

Strengthening cyber resilience through accreditation

To help protect Canada’s defence supply chain, we launched a new accreditation scheme under the [Canadian Program for Cyber Security Certification](#). This accreditation, offered through our [Inspection Bodies Accreditation Program](#), supports the Government of Canada’s initiative to protect sensitive government information in defence contracts. As Canada’s sole accreditation body for this program, we play a key role in strengthening national security and enhancing cyber resilience. This accreditation aligns with international best practices, helping businesses securely manage government information and expand their access to global defence procurement opportunities.

Standardization supports productive partnerships

Standardization is most effective when it's done collaboratively, with the global standardization ecosystem coming together to streamline processes and align requirements. In 2024–2025, we worked with partners around the world to ensure Canadian interests were represented and standards met the needs of those who use them.

Simplifying cross-border laboratory compliance

SCC and the American Association for Laboratory Accreditation (A2LA), a multi-disciplinary accreditation body in the United States, have developed a first-of-its-kind dual accreditation program for testing and calibration laboratories. This collaboration enables laboratories to meet the accreditation requirements of both Canada and the US through a single assessment process, reducing redundant effort and cost.

International mutual recognition arrangements (such as those established through International Laboratory Accreditation Cooperation) have helped reduce duplication in many cases by recognizing accreditation from one country as valid in another. However, some highly regulated industries, such as defence and food safety, require specific accreditation in Canada or the US. Our program responds to those realities by decreasing the administrative and operational burden on laboratories needing both Canadian and American accreditations to meet local or sector-specific requirements. Under this program, a laboratory is assessed by the primary accreditation body (either SCC or A2LA), which makes its decision and then shares the information used with the other body to make its own decision.

Recognizing the compatibility between our accreditation practices and the needs of North American laboratories, we began collaborating with A2LA in mid-2024. From initial discussions to a draft cooperation agreement to the official program launch in December, our organizations worked in lockstep to build a program that enhances efficiency while maintaining the highest standards of competence, impartiality and rigour. The program currently focuses on organizations assessed under ISO/IEC 17025 — Testing and calibration laboratories.



For AGAT Laboratories, the first to be accredited under the new program, the choice to pursue dual accreditation was simple:

“The dual accreditation process with SCC and A2LA has proven exceptionally efficient for our teams. Our ability to quickly adapt while maintaining the highest standards of quality is crucial to our continued growth across North America. The dual accreditation will provide both current and future clients with access to an expanded range of services across the regions we serve, all while ensuring that quality remains at the forefront of our operations.”

— **Marissa Reckmann**
CEO, AGAT Laboratories



“Many people think accreditation has to be contained within economic borders, but that’s not meeting our clients’ needs. At A2LA, we pride ourselves on being there for our end users. This program brings it to another level, showing that accreditation can reach farther and offer more opportunities for our customers in both the US and Canada.

You don’t typically see this kind of cooperation between competitors, but we’ve worked with SCC before and we really appreciate their customer-first approach and philosophies on accreditation, which align really well with our own. And they demonstrate the highest integrity and ethics, so working with them on this program has been a great experience.”

— Trace McInturff
Vice President, Accreditation Services, A2LA



“As conversations about trade and geopolitics become more common in our daily lives, it’s more important than ever to find practical solutions that work across borders. This program does just that. It gives laboratories in both Canada and the US an easier way to access new markets without going through duplicate audits or adding unnecessary costs.

This is the first time two accreditation bodies have come together to offer this kind of joint program. The response from our customers has been really positive. They’re telling us it saves them time and money, and it helps them stay focused on what matters — delivering high-quality services. It’s exciting for SCC, A2LA, our customers and, ultimately, the people and industries we support in both countries.”

— Nadine Ghie
Manager, Account Management, SCC





Leading the way on AI standardization

Throughout 2024–2025, we continued to play a pivotal role in shaping AI standards through our leadership within ISO/IEC JTC 1/SC 42, the global committee responsible for AI standardization. In February 2025, we fully launched [ISO/IEC 42001 — Information technology — Artificial intelligence — Management system](#), providing customers with a framework for managing AI-related risks and opportunities, while ensuring transparency and trust. This followed the September 2024 publication of our [report on the lessons learned from our successful AI accreditation pilot](#) that tested emerging AI management systems certification requirements and their relationship with conformity assessment.

Two new Canadian-led international projects were approved for development this year, both designed to support the implementation of ISO/IEC 42001 also led by Canada. The first is an ISO Guide, that will clarify *what* the standard requires and *why* each requirement matters. The second is an international standard that will provide practical guidance on how to implement ISO/IEC 42001 effectively. Together, these initiatives will help organizations apply the standard with confidence while reinforcing Canada’s leadership in the responsible development and use of artificial intelligence.

At home, we advanced two foundational tools to support Innovation, Science and Economic Development Canada in advancing Canada’s priorities for trustworthy, responsible, and innovation-enabling artificial intelligence. The first is a forthcoming Standardization Toolbox, scheduled for launch in 2026, which will help Canadian organizations — particularly MSME — implement the six core principles of the Government of Canada’s Voluntary Code of Conduct: accountability, safety, fairness and equity, transparency, human oversight and monitoring, and validity and robustness. The Toolbox will include plain-language guides, a starter kit to standardization, and more advanced resources for organizations already familiar with ISO 9001 principles.

Complementing this, SCC and Statistics Canada will launch the AI and Data Governance Standardization Hub in May 2025, a centralized online platform offering curated access to AI and data governance standards, plain-language guidance, training materials, and tools to support implementation and conformity. Together, these tools provide the practical infrastructure needed to scale ethical AI practices, reduce technical barriers, and reinforce Canada’s global leadership in digital governance.

A new standards development organization joins the network

In May 2024, we welcomed the Institute of Electrical and Electronics Engineers Standards Association (IEEE SA) as the newest standards development organization. These are the organizations accredited to develop and submit standards for our approval as National Standards of Canada. IEEE SA brings a wealth of expertise to Canada's standardization network, with experience in developing standards-related solutions in areas including autonomous and intelligent systems, AI, child online safety, sustainability, and health care.



A workplan to enhance National Model Codes

The National Model Codes provide guidance on how to construct buildings safely, protect them from fire, and correctly design and install electrical and plumbing systems. That makes it important for these codes to be adopted in a consistent way by all provinces and territories. In 2024–2025, we formalized the partnership between the National Research Council of Canada, which oversees the codes system, and our organization, which governs the standardization system, building on our recent work with the provinces and territories to improve the code adoption process. The partnership includes a proactive joint workplan that will enable us to identify the commonalities among provincial and territorial requirements so those can be addressed at a high level in new editions of the codes, which will bring agility to the system by speeding the adoption of common standards, reducing deviations and making the adoption process smoother. From there, we will continue to work with federal and provincial/territorial partners to further align requirements, supporting better and faster construction and related supply chains across the country.

Contributions to regulatory authority advisory bodies

In 2024–2025, we supported the work of regulatory authority advisory bodies in Canada. These are the provincial, territorial, and federal organizations responsible for making sure products are safe and energy efficient. We presented at the annual general meetings of the Canadian Advisory Council on Electrical Safety (CACES), the Interprovincial Gas Advisory Council (IGAC) and the Canadian Regulatory Council on Plumbing (CRCP). We shared updates on the status of key trade agreements, our work with international accreditation bodies and the National Standards Strategy. We are also working closely with CACES to keep people in Canada safer by developing a National Workshop Agreement to prohibit online sales of unapproved consumer electrical products, which can present risks of shock, fire or other safety hazards. A National Workshop Agreement is a formal agreement document that is often developed as a precursor to a full, consensus-based standard.

Standardization has an impact on every facet of life

In addition to facilitating both domestic and international trade, standards and conformity assessment have an impact on many other areas of society: from ensuring products work well and are safe to use to providing consistent ways to measure the performance and value of assets and systems. In 2024–2025, we were active in a range of standardization initiatives that supported that growth and prosperity of people and cities across the country.

Bringing consistency to the valuation of natural assets

[Getting Nature into Financial Reporting: Natural Asset Disclosures for Local Governments](#) is a new guide that gives municipalities a way to calculate and report on the financial value of natural assets like forests, wetlands and waterways. These assets do more than just add beauty and provide residents places to hike or walk their dogs. In many cases, they also provide windbreaks and protection against soil erosion, absorb water to mitigate against flooding, and reduce temperatures during hot summer days. Achieving the same effects with built infrastructure would be difficult and costly, which means these assets have real financial value beyond aesthetics.

Although some municipalities have acknowledged these benefits and taken steps to include them in their financial reporting, it's typically been done inconsistently — and many municipalities are hesitant to even try. That's why we supported the Intact Centre on Climate Adaptation as it developed guidance for municipalities that want to include their natural assets in their financial reporting. In addition to providing financial assistance for the project, we worked closely with the Intact Centre to ensure the process ran smoothly, including providing support for workshops with interested parties. Published in January 2025, the guide builds on existing national and international guidance and standards to provide municipalities with a framework and recommended metrics to report on natural assets. It includes recommendations, resources and examples of what other municipalities are doing in this area, and was developed with the input of local governments as well as accountants to ensure maximum usability and usefulness.



“Formally accounting for natural assets in financial disclosures is of tremendous benefit, because the reality is that something with acknowledged financial value is more likely to be taken care of and protected. And the reverse is also true: if their value is not acknowledged, the important services these assets provide can be ignored. That can lead to the degradation and loss of wetlands and other assets, exposing a city to more climate risks, such as floods.

This guide gives local governments a place to start and could make a real difference. If it convinces a government to preserve a wetland instead of developing the area, that's a tangible impact that I'm really proud to be a part of.”

— **Stephanie Poirier**
Senior Policy Analyst, Climate Change and Sustainability, SCC



A new standard for environmental, social and governance metrics in cities

In November 2024, we worked alongside the World Council on City Data and Standardized Urban Metrics to launch [ISO 37125 — Sustainable cities and communities — Environmental, social and governance \(ESG\) indicators for cities](#), the first international standard for environmental, social and governance data for cities. The standard enables cities to consistently measure their progress across 107 indicators in areas including climate action, social inclusion and transparent governance. It will help cities attract vital investment to drive sustainable action, including essential infrastructure, affordable housing and green energy.

Getting ahead of extreme weather in Canada

As the impacts of extreme weather grow, Canada must modernize its water management practices. Traditional methods for predicting rainfall and designing infrastructure are no longer enough in a changing climate. To support more climate-resilient decision-making, we supported the development of a new national standard from CSA Group: CSA W231 – Developing and interpreting intensity-duration-frequency (IDF) information under a changing climate. This standard provides guidance on how to develop and interpret IDF curves, which are key tools for assessing the likelihood of extreme rainfall events and supporting informed infrastructure design. By integrating climate change considerations, this standard offers a robust framework to help engineers, planners, and water managers design infrastructure that is better equipped to withstand the impacts of extreme weather.

Better performance through gender diversity

Our researchers conducted a study looking at how the performance of international technical committees might be influenced by their gender composition. They found that committees that included at least 1 woman scored higher on their annual evaluations compared to those with no women, showing a positive association between gender diversity and improved performance. Their results were published in a paper called [“Not enough of a good thing: Understanding the relationship between the gender composition of technical committees and performance”](#) in *Standardization: Journal of Research and Innovation*. We also led work with IEC to develop [guidance to help national committees improve their gender diversity](#).

Driving results from within

Along with our work with external partners, we work internally to ensure we are well positioned to make the greatest difference for people in Canada and beyond. In 2024–2025, we started the process of modernizing our approach to service delivery, took steps to protect our financial sustainability and launched a new website to better meet the needs of our clients and partners.

Adapting to deliver better service

As standards and the way people use them evolve, the need for our services continues to grow. To better meet that demand, in 2024–2025, we launched our multi-year service delivery modernization process. Although we have visibility into the entire standardization process, the way our organization is structured can sometimes isolate our different functionalities. As a result, we might miss opportunities to provide a truly comprehensive service that leverages our unique vantage point.

We want to deliver our services in a way that is aligned with our organizational values of working as one, focusing on people, acting purposefully and being forward-looking. We worked with the leadership of key service areas to identify strengths, gaps and challenges their clients were facing and the factors that were preventing the integration we want to create. From there, we developed a 3-year roadmap that clearly sets out what we do, what we want to achieve and what we need to do to get there. We also started to move forward on some of those actions, including the development of a more centralized government relationships and partnerships function.

The goal is for our service offering to maximize the overall value derived from our collective efforts by becoming:

- › **integrated**, effectively bringing together our capabilities and the different parts of standardization to deliver a better client experience.
- › **scalable and agile**, enabling us to adapt quickly to changes in the market and our clients' evolving needs.

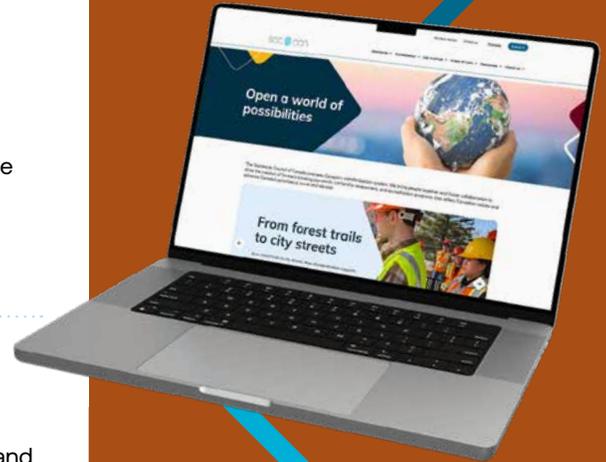


“We fulfill a role no one else in Canada does, so it’s vital that we enhance our impact to make it easier for organizations to partner with us and leverage the unique value we can provide.

When we’ve achieved true integration of all our components, that’s when we’ve been at our best and delivered the most for our clients. This roadmap will help us get to a place where we can achieve that all the time.”

— Brady Allin
Director, Strategy and Integration,
SCC

- › **responsive** to our clients' needs, removing barriers to access, providing options and addressing issues promptly.
- › **client-centred and impactful**, tailoring our services to meet the unique needs of every client and providing the best possible outcomes for their specific situations.



Setting ourselves up for financial sustainable success

Continuing to deliver on our mandate and respond to shifting priorities and fiscal pressures requires careful planning and prioritization. To ensure we are set up for long-term success, we launched a financial sustainability transformation program, which we'll implement over the next 3 years. The goal of the program is to implement cost-containment strategies and optimize processes in areas such as business development, budget forecasting, resource utilization and cost recovery. The transformation will also include exploring new sources of revenue, increasing base funding permanently, and ensuring we achieve targeted growth rates for existing revenue and contribution.

Enhancing our website

Our website showcases the breadth of our work and initiatives with more than 1.3 million visitors every year. In May 2024, we launched our new website, featuring engaging content developed based on the principles of inclusive writing, accessibility and plain language. The completion of this project marks a milestone in modernizing our communications and customer-facing business infrastructure.



Recognizing excellence in standardization

SCC and experts representing Canada received the following awards for their notable contributions to advancing standardization on the world stage in 2024–2025:



IAAC Distinguished Service Recognition – Elias Rafoul

Elias Rafoul, SCC Vice-President, Accreditation Services, received this award at the Inter-American Accreditation Cooperation (IAAC) general assembly in Medellín,

Colombia. The award acknowledges his contribution to strengthening the region and his commitment to excellence over the 2 terms he served on the IAAC Executive Committee.

Lord Kelvin Award – Elias Ghannoum

At the IEC General Meeting in October 2024, Montréal-based engineer Elias Ghannoum received the 2024 Lord Kelvin Award in recognition of his exceptional and long-term contributions to global

electrotechnical standardization. Ghannoum is the second Canadian to receive this prestigious honour, highlighting Canada's leadership in international standards development.

IEC 1906 Awards

The IEC grants the 1906 Awards in recognition of exceptional individual achievements that advance standardization in the electrotechnical space. This year, 2 experts representing Canada were honoured:

- › **Horia Popovici**, expert on the IEC international special committee on radio interference
- › **Howard Sedding**, expert on IEC technical committee 112: Evaluation and qualification of electrical insulating materials and systems



Jo Cops (left), IEC president, and Elias Ghannoum, Lord Kelvin Award recipient.

Photo credit: IEC



ISO Excellence Awards

The ISO Excellence Awards recognize individuals who have made major contributions to advancing standardization. This year, 2 SCC members were honoured:



- **Joël Marier**, for his work on ISO 31031:2024 Managing risk for youth and school trips



- **Peter Merrill**, for his work on ISO 56001:2024 Innovation management system — Requirements



Remembering Peter Merrill

Peter Merrill was a visionary in standards and innovation who served for years on ISO technical committees and was a leading expert in quality and innovation for decades. He was instrumental in the development of multiple ISO standards, and was actively involved with the American Society for Quality, CSA Group and ISO committees until his passing in January 2025. His charisma, passion, energy and exceptional competence will be deeply missed.



Corporate deliverables



Pillar 1: Enhance understanding and use of standardization in key communities

Strategic objective: Promote standardization and its benefits in the development of policies, initiatives and programs.

Key initiative:

- 1.1 Provide standardization advice and support to safeguard Canada’s economic and social interests, enhance market access and trade, and promote the development of responsible regulations

Outcome	Results indicators	2024–2025 targets	Status	Results
1.1.1 Regulators understand the value of standardization and have information to assess the status of standards referenced in their regulations.	Number of federal departments engaged to discuss the status of the standards referenced in their regulations every 2 years.	5 federal departments.	Achieved 	5 federal departments were actively engaged during the year.
	Level of uptake by regulators for standardization solutions.	A research proposal for measuring the level of uptake by regulators of standardization solutions, including methodology, is developed and approved internally by December 31, 2024.	Achieved 	An internal review completed by the December deadline confirmed the adequacy of SCC’s current methodology and tool. This target was thus deemed to be met.

Outcome	Results indicators	2024–2025 targets	Status	Results
1.1.2 A process is established between the National Model Codes and the standardization system to enhance collaboration, alignment and efficiency.	Uptake of recommendations from the Advisory Council on Harmonized Construction Codes' (ACHCC) Agility and Referenced Standards-related work in National Model Codes workplans.	Recommendations from the Agility and Referenced Standards-related work are included in the 2025–2030 code cycle work plan.	Achieved 	A work plan was established with Codes Canada in support of ACHCC's recommendations, and operationalization began in Q4 as part of the 2025–2030 code cycle. A draft roadmap for proposal to the Canadian Board for Harmonized Construction Codes in line with ACHCC recommendations was also agreed upon.
1.1.3 Provinces and territories are engaged in demonstrating and harnessing the benefits of standardization.	Satisfaction level of provincial and territorial partners in their engagement with SCC through PTAC.	80%.	Surpassed 	100% of provincial and territorial partners expressed satisfaction with their engagement with SCC.
1.1.4 Continued reduction of technical barriers to trade to support market access for Canadian businesses.	Number of SCC initiatives underway in support of negotiation and implementation of Canada's trade agreements, regulatory cooperation, and multilateral and bilateral priorities.	5 initiatives underway at any given time.	Surpassed 	A total of 11 initiatives were completed during the year.

Key initiative:

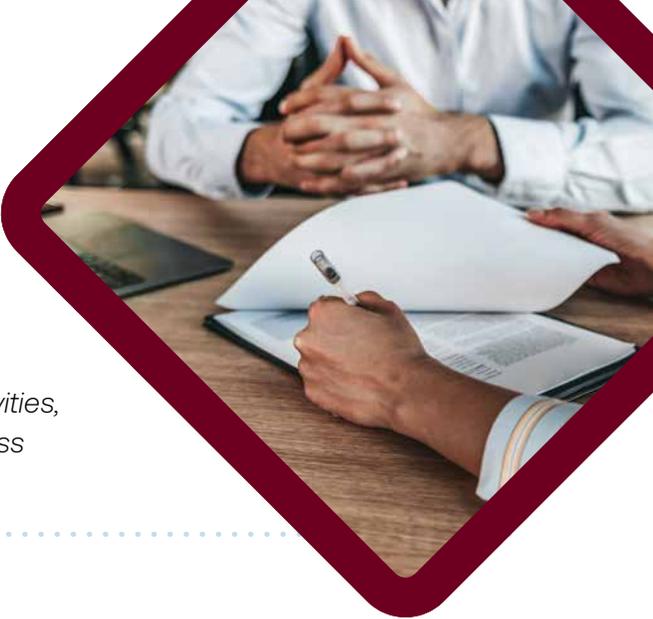
1.2 Implement a communications and outreach strategy aligned with the priority sectors in the National Standards Strategy

Outcome	Results indicators	2024–2025 targets	Status	Results
<p>1.2.1 Key communities understand the value and use standardization strategies in the development of policies, initiatives and programs.</p>	<p>Progress against the communications and outreach strategy.</p>	<p>A communications and outreach strategy is developed, including a phased implementation plan starting in 2024–2025, in 2 NSS priority areas (climate change and AI/data governance). [Note: Year 1 of a 2-year commitment]</p>	<p>Achieved</p> 	<p>Year 1 targets were met. Development of the communications and outreach strategy was completed by March 31, 2025.</p>
	<p>Research reports in support of evidence-based communications.</p>	<p>Research reports to support 2 NSS priority areas (climate change and AI/data governance) are developed and integrated into the key messages in the communications strategy. [Note: Year 1 of a 2-year commitment]</p>	<p>Achieved</p> 	<p>Year 1 targets were met. Proposed research questions and progress to date were presented in March 2025.</p>
	<p>Development of a results framework for the measurement of the impact of the communications and outreach strategy.</p>	<p>A results framework to measure the impact of the communications and outreach strategy is developed, and targets are identified. [Note: Year 1 of a 2-year commitment]</p>	<p>Achieved</p> 	<p>Year 1 targets were met. SCC’s results measurement framework was approved in March 2025.</p>



Pillar 2: Deliver SCC’s priority areas aligned with the National Standards Strategy

Strategic objective: Design and implement a prioritization framework for national and international standardization activities, including conformity assessment, to enhance competitiveness and the well-being of Canadians.



Key initiative:

2.1 In consultation with key interested parties, design and establish an evergreen process to identify Canada’s standardization priorities

Outcome	Results indicators	2024–2025 targets	Status	Results
2.1.1 SCC has a detailed and robust process in place to review standardization priorities regularly and effectively for the organization.	An evergreen documented process developed in Year 1 to identify priorities.	A process for identifying priorities is established. Potential gaps between interested parties priorities and current standardization activities are identified through consultations.	Achieved 	SCC’s renewal process for the NSS was approved in March 2025.
	Interested parties consultations established and conducted every second year, with emphasis on SCC’s statutory committees and other communities of interest.	Methodology for assessing interested parties engagement, baseline and targets is developed.	Achieved 	SCC’s methodology for assessing the engagement of interested parties, baseline and targets were approved as part of the renewal process for the NSS.

Key initiative:

2.2 Deliver sector and system priorities as identified in the 2022 NSS to advance Canadian priorities at the national and international levels

Outcome	Results indicators	2024–2025 targets	Status	Results
2.2.1 Action plans in the sector and system priority areas identified in the NSS are developed, implemented and systematically monitored to meet identified outcomes.	Number of NSS priorities converted into action plans under implementation.	2 action plans in support of NSS priority areas are under implementation.	Achieved 	Action plans for the first 2 NSS priority areas (climate change and digital economy) were approved and under implementation at March 31, 2025.

Outcome	Results indicators	2024–2025 targets	Status	Results
2.2.2 New relationships are forged with standardization bodies in the Indo-Pacific region, providing Canadian business with market access opportunities.	Number of new formalized relationships and new work plans jointly developed with national standards bodies and accreditation bodies in the region.	1 new cooperation agreement is signed, and 1 new work plan is initiated (i.e., scope of work is defined, and terms of reference and/or project charter are agreed).	Partially achieved 	1 work plan was formally agreed to during the fiscal year. There was a minor delay in the signing of a new cooperation agreement. The finalization of the agreement is anticipated to occur early in 2025–2026.
2.2.3 The Canadian Program for Cyber Security Certification is established to enhance the resilience of Canada’s defence procurement supply chain.	Accreditation for cybersecurity certification bodies offered in Canada.	Accreditation program is launched with current available standards.	Achieved 	The accreditation program was launched in March 2025.
2.2.4 Standards-based solutions and a conformity assessment scheme are developed and delivered through the AI and data governance programs in support of the Digital Charter and Pan-Canadian Artificial Intelligence Strategy.	Number of standardization strategies initiated (i.e., scope of work is defined and a work plan is agreed) per year to address the development and trustworthiness of AI and data governance.	14 standardization strategies are initiated (cumulative target 21/65).	Achieved 	14 standardization strategies were advanced in support of the data governance and AI programs.
	Launch of an AI accreditation program based on ISO/IEC 42001 AI Management System.	AI accreditation program is launched.	Achieved 	The accreditation program was launched in March of 2025.
2.2.5 Standardization strategies that address adaptation and low-carbon resilience for infrastructure and buildings are initiated through the Standards to Support Resilience in Infrastructure program.	Number of standardization strategies initiated (i.e., scope of work is defined and a contract is signed with, for instance, a standards development organization) per year to address climate change adaptations for infrastructure and buildings through the Standards to Support Resilience in Infrastructure program.	19 standardization strategies are initiated (cumulative target 48/86).	Surpassed 	As of March 31, 2025, 21 standardization strategies had been advanced.
2.2.6 Standardization initiatives of strategic importance to Canada are promoted internationally.	Number of new Canadian proposals accepted internationally in areas of strategic importance to Canada per year.	3 proposals are accepted.	Surpassed 	4 new Canadian proposals were accepted internationally during the year.

Outcome	Results indicators	2024–2025 targets	Status	Results
2.2.7 Gender equity in standardization is promoted through the implementation of SCC's Gender Workplan.	Progress against milestones identified in SCC's Gender Workplan.	Determination made as to whether to conduct additional research and/or take action to address barriers to women's participation, including how to attract and retain women. [Note: Year 1 of a 2-year commitment]	Achieved 	Results of the research conducted did not find significant differences in the satisfaction of men and women participating on technical committees. Based on these findings, SMC agreed in March that SCC does not need to conduct additional research on the participation of women on technical committees at this time.



Pillar 3: Enhance service delivery

Strategic objective: Coordinate and align functions, build partnerships and secure resources to proactively respond to interested parties priorities and maximize the impact of SCC's services.

Key initiative:

3.1 Design and implement and integrated, scalable and responsive service delivery model to increase impact in national priority areas

Outcome	Results indicators	2024–2025 targets	Status	Results
3.1.1 A service delivery model that integrates the full value chain of standardization activities (from needs identification to application) is implemented to enhance coordination and maximize the impact of SCC's services.	Progress against Service Delivery Modernization Roadmap milestones.	The Service Delivery Modernization Roadmap is finalized and the early phases of its implementation have begun.	Achieved 	SCC's Service Delivery Modernization Roadmap was finalized and implementation was started in Q4.
	Interested parties/member satisfaction.	An impact measurement framework is developed.	Achieved 	SCC's results measurement framework was approved in March 2025. Guidance on measuring service delivery has been incorporated into the framework.

Outcome	Results indicators	2024–2025 targets	Status	Results
3.1.2 A proactive business, partnership and program development function is established to secure resources to sustainably deliver standardization services in priority areas.	% increase in revenue generated per year.	An updated service offering and business development framework (targets, pipeline, etc.) is established.	Achieved 	An updated service offering was finalized and presented in Q4. A business development gap analysis and framework were also developed, including affirmation of targets for 2025–2026, and corresponding updates to the business development pipeline tool.

Key initiative:

3.2 Align roles, responsibilities, and business and financial processes around an integrated service delivery model

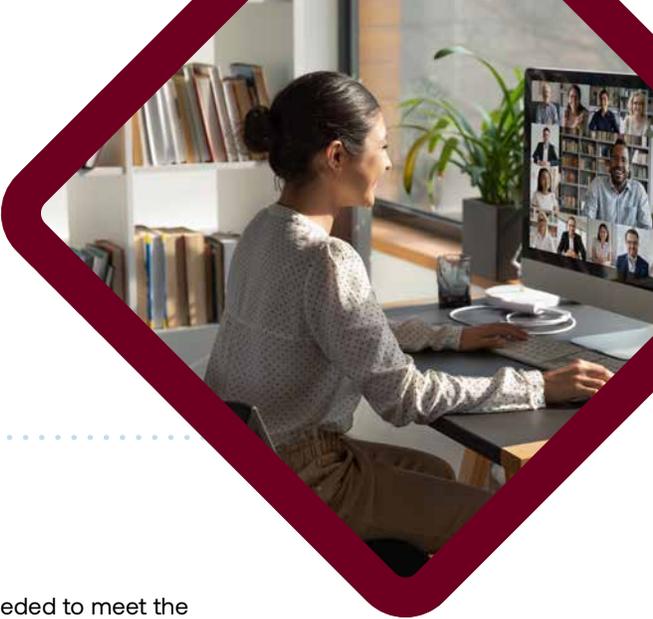
Outcome	Results indicators	2024–2025 targets	Status	Results
3.2.1 Key business and financial processes are updated to enable an integrated, scalable and responsive service delivery model.	Progress against Service Delivery Modernization Roadmap milestones.	Business systems enhancement objectives and activities are included in the Service Delivery Modernization Roadmap.	Achieved 	Key business systems enhancement objectives have been incorporated into the Service Delivery Modernization Roadmap.

Outcome	Results indicators	2024–2025 targets	Status	Results
<p>3.2.2 Organizational design is updated to enable SCC's new delivery model.</p>	<p>Progress against project plans.</p>	<p>Job descriptions are reviewed and updated.</p>	<p>Partially achieved</p> 	<p>All job descriptions affected by the new service delivery model that have been identified to date have been reviewed, updated and completed. However, as the model is refined and finalized, some job descriptions may need to be further updated or new ones may need to be created.</p>
		<p>Recommendations from organizational service delivery reviews are implemented.</p>	<p>Achieved</p> 	<p>Achieved through the finalization of SCC's Service Delivery Modernization Roadmap.</p>
		<p>A change management and communications strategy is developed.</p>	<p>Partially achieved</p> 	<p>Communications activities have supported the service delivery modernization project running in parallel with its progress. However, the completion of the organizational change plan and communications strategy have been delayed, as this required the completion of the Service Delivery Modernization Roadmap, which was finalized at the end of March.</p>



Pillar 4: Drive organizational excellence

Strategic objective: Build lean, integrated IT, HR and internal governance systems that support a high-performing culture at SCC



Key initiative:

4.1 Develop a workforce plan to ensure SCC has the capacity and skillset needed to meet the changing and increased scope of SCC’s responsibilities

Outcome	Results indicators	2024–2025 targets	Status	Results
4.1.1 A steady and stable workforce able to respond to varying program funding cycles is maintained over the long term.	A workforce plan is developed, implemented and maintained year-over-year.	Workforce plan is developed.	Achieved 	The workforce plan was completed by March 31, 2025.
	Staff satisfaction regarding job characteristics, organizational climate and teamwork are maintained and possibly improved.	Baseline is established from 2024 staff survey results, and targets for improvement are set.	Achieved 	The staff engagement survey was conducted in 2023–2024. In 2024–2025, the results for this survey were reviewed to establish a baseline, and targets for the 2026 engagement survey have been set.

Key initiative:

4.2 Provide employees with modern, digital tools to foster collaborative and virtual work and enhance interested parties engagement, while maintaining robust IT security

Outcome	Results indicators	2024–2025 targets	Status	Results
4.2.1 SCC employees and partners can leverage scalable, reliable, and accessible solutions that are secure and adapted to new business requirements.	90% of SCC’s critical solutions running in the cloud.	Standards Data Fabric is in production and CRM phase 2 is complete.	Achieved 	As of March 31, 2025: <ul style="list-style-type: none"> Standards Data Fabric is in production. CRM phase 2 is complete.
	80% of SCC’s standards related data moved to the cloud and readily available through application programming interfaces; data stored in a data fabric as opposed to information silos.	An electronic records management system project is initiated, including analysis of corporate files, data owners and records.	Achieved 	The EDMRS project was initiated this year and included analysis of files, data owners, and records.
	AI readily used throughout the organization in a safe and reliable manner.	AI tools are introduced in existing solutions (Microsoft 365).	Achieved 	AI (Microsoft CoPilot) tools were introduced in Q1 of 2024–2025.

Key initiative:

4.3 Promote a people-focused culture:

- Strong employee engagement and well-being (including mental health) is fostered
- SCC’s diversity strategy, including ongoing alignment with government reporting requirements, is implemented

Outcome	Results indicators	2024–2025 targets	Status	Results
4.3.1 SCC’s healthy, motivated and engaged workforce is aligned with SCC’s core values.	Employee engagement survey score, including % of employees reporting having positive well-being in the workplace per year.	Ranking in the top 25% of employers is maintained.	Achieved 	The employee engagement survey was conducted in 2023–2024. Results from the survey have been analyzed and actions taken to leverage opportunities to maintain our results in the next survey, to be done in 2026.
4.3.2 Improved systems to support inclusivity, diversity, equity and accessibility (IDEA) principles are implemented.	Project plan milestones achieved.	Improved systems are implemented in accordance with SCC’s IDEA framework.	Achieved 	SCC implemented improved systems to support inclusivity, diversity, equity, and accessibility in line with its IDEAs framework.
	Staff engagement survey inclusion score.	Diversity and inclusion score from the 2023–2024 staff engagement survey is maintained.	Achieved 	The employee engagement survey was conducted in 2023–2024. Results from the survey have been analyzed and actions taken to leverage opportunities to maintain our results in the next survey, to be done in 2026.

About our organization

Our business units

Standardization Services

Oversees Canadian standards development activities and facilitates Canada's involvement in international standards development and bilateral partnerships, provides policy guidance to governments, and leads initiatives for effective public policy solutions.

Accreditation Services

Accredits conformity assessment bodies such as testing laboratories and product certifiers to internationally recognized standards. Training, offered independently of accreditation, is available to anyone seeking a deeper understanding of standardization.

Corporate Services

Provides support in the areas of strategic and corporate planning, financial management and control, enterprise risk management, information technology, information management, quality management, facilities, and procurement.

Human Resources

Leads talent management, recruitment, compensation, employee benefits and organizational development, while cultivating and enhancing a strong internal culture within our workplace.

Office of the CEO

Fosters alignment and coordination of all SCC activities, including corporate governance, legal matters, business development, government relations, research and communications. This ensures the organization is advancing toward the same strategic goals, ultimately driving better decisions that lead to better results.





Our Executive Team



Chantal Guay,
Chief Executive Officer



Christine List,
Vice-President,
Chief Legal Officer and
Corporate Secretary



Brady Allin,
Director, Strategy
and Integration, Special
Advisor to the CEO



Elias Rafoul,
Vice-President,
Accreditation Services



Pierre Bilodeau,
Vice-President,
Standardization Services



Annie Roy,
Vice-President and Chief
Communications Officer



Dominique Dallaire,
Vice-President, Culture,
and Chief Human
Resources Officer



Melanie Travers,
Vice-President, Corporate
Services, and Chief
Financial Officer



Our Governing Council

SCC's Governing Council reports to Parliament through the Minister of Industry and Minister responsible for Canada Economic Development for Quebec Regions. It is composed of up to 13 members, 10 of whom are appointed by the federal government and 3 others who are members via the chair or vice-chair positions they hold on statutory advisory committees established pursuant to the *Standards Council*

of Canada Act. Members represent a broad spectrum of interested parties and, together, bring the required mix of skills and experience needed to guide management to deliver on SCC's mandate and corporate objectives. The Governing Council also plays an important role in setting SCC's strategic direction and ensuring alignment with the priorities of the Government of Canada.



François Coallier,
Professor,
Department of
Software and
IT Engineering, École
de technologie
supérieure — Chair



Dennis Hogan,
Chief Executive
Officer, St. John's
International
Airport Authority



Dianne Salt,
Former Chief
Communications
Officer, Sodexo



Mike Burns,
Former Assistant
Deputy Minister,
Asset Management,
Northwest Territories
Department of
Infrastructure —
Vice-Chair



Steve Murphy,
Executive Director,
Community and
Technical Support,
Government of
Alberta; Chair of the
Provincial-Territorial
Advisory Committee



**Ahmed Fathi
Shalabi**,
professional
engineer (retired)



Brent Schacter,
Professor,
Department of
Internal Medicine,
University of
Manitoba



Colin Clark,
Chief Technical
Officer, Brookfield
Renewable; Chair
of the Corporate
Governance
Committee



Ralph M. Paroli,
Director, Parnassa
Building Envelope
Standards and
Technology; former
Director of R&D,
National Research
Council – Metrology
(retired)



Marc Y. Tassé,
Professor, University
of Ottawa and McGill
University; President
and Chief Executive
Officer, Sira
International
Risk Advisors



William Hawkins,
Executive Director,
Building and
Technical Standards,
Government of
Saskatchewan
Ministry of
Government
Relations; Vice-Chair
of the Provincial-
Territorial Advisory
Committee



Mark Ramlochan,
Head of Standards
Planning, UL
Standards and
Engagement; Chair
of the Standards
Development
Organizations
Advisory Committee



Tayt Winnitoy,
Chief Operating
Officer, Consumer
Protection BC;
Chair of the Audit
Committee

Financial performance

During 2024–2025, SCC progressed against its four strategic pillars and continued to focus on the continuity of important programs in priority areas such as climate and sustainability, and the digital economy, accreditation services as well as business development.

Throughout the year, SCC regularly examined its allocation of resources. This was to ensure sustained delivery on corporate priorities and to maintain balanced financial performance in line with its objectives. Additionally, SCC maintained its focus on a five-year planning horizon, consistent with its Corporate Plan, to plan for future resource needs and proactively manage potential areas of risk. This strategic financial management approach, combined with resilience, enabled SCC to optimize resource management and deliver on its objectives.

SCC ended its fiscal year with an annual surplus of \$5.8 million, representing a favorable variance of \$4.8 million compared with the planned surplus of \$1.0 million, and an increase of \$4.4 million over the prior year's annual surplus of \$1.4 million. This favorable year-end surplus is primarily due to lower than forecasted professional services costs related to innovative services revenues which did not materialize and program spending which is expected to be realized over the remaining term of the programs.

SCC's total revenue in 2024–2025, excluding federal government appropriations, was \$15.9 million, representing an increase of \$0.2 million or 1 per cent, versus planned revenue of \$15.7 million, but a decrease of \$2.4 million or 13 per cent compared with the \$18.3 million recorded during fiscal year 2023–2024. This reduction is primarily due to lower innovative services revenue, driven by a slowdown in government activity resulting from the federal election and by SCC's focus on establishing its business development function and building a longer-term pipeline to replace larger programs.

Revenue from accreditation services activities was \$11.4 million, an increase of \$1.3 million or 12 per cent over the \$10.1 million recorded during 2023–2024, and \$0.6 million or 6.0 per cent higher than its plan of \$10.8 million. This growth in accreditation revenue was driven by an increased demand for services, improved pricing, and higher recoverable costs associated with travel and assessment activities. Travel-related activities continued to increase steadily, although at a slower pace, as we gradually return to pre-pandemic levels.





The accreditation services branch closely monitors its activities to deliver its planned contribution and conducts regular analysis to assess the impact of inflation and other changes on program pricing, with the goal of maintaining reasonable growth and contribution levels.

Innovative services revenue was \$1.6 million, a decrease of \$3.8 million or 70 per cent compared to last year's result of \$5.4 million and was also \$0.9 million or 36 per cent lower than the planned amount of \$2.5 million. The reduction in revenue compared to the plan was primarily driven by a slowdown in government activity resulting from the federal election and by SCC's focus on establishing its business development function and building a longer-term pipeline to replace larger programs. Also, 2024 was an unusually strong year as the average over the last 4 fiscal years is \$2.7 million.

Royalties from the sale of standards totaled \$2.2 million, representing a modest increase of \$0.1 million or 5 per cent, over last year's results of \$2.1 million. This amount also exceeded the planned amount of \$1.9 million. Royalties have exceeded expectations due to sustained demand and stable sales volume generated through SCC's licensing and distribution agreements. SCC continues to leverage its licensing partnerships and actively seek opportunities to improve access to standards.

Revenue from other income amounted to \$0.7 million, which was \$0.1 million or 17 per cent higher than the \$0.6 million recognized during the prior fiscal year. It also exceeded the planned amount of \$0.3 million by \$0.4 million or 133 per cent. This increase was primarily driven by higher than anticipated interest income from SCC's term investments and deposits.

Operating expenses were 10 per cent lower than planned expenses and 4 per cent lower than the prior fiscal year. This variance was primarily due to the deferral of professional services associated with programs, as well as professional services related to forecasted revenue from innovative services which did not materialize.

Operating expenses totaled \$35.7 million, which was \$4.0 million or 10 per cent lower than planned expenses of \$39.7 million. This reduction was primarily due to:

- a \$4.4 million reduction in professional services, largely due to program spending which is expected to be realized over the remaining term of the programs.
- an increase of \$0.7 million in travel and meeting expenses, reflecting the increased volume of in-person assessment and rising travel costs as operations returned to near pre-pandemic levels.
- no significant variance in the remaining expense categories.

Operating expenses of \$35.7 million were \$1.6 million or 4 per cent lower than prior fiscal year expenses of \$37.3 million. Key differences include:

- a \$2.0 million decrease in professional services spending, consistent with delays in milestone-based projects work within innovative services, where activity levels were lower than forecasted.
- a \$0.6 million increase in travel expenses, reflecting additional assessment activity (\$0.3 million) and non-recoverable travel expenses (\$0.3 million).
- a \$0.5 million reduction in salaries and employee benefits, driven by delays in filling vacant positions due to staff turnover and retirements.
- no significant variance in the remaining expense categories.

As of March 31, 2025, SCC's accumulated surplus was \$16.2 million. The increase in accumulated surplus this fiscal year is primarily the result of program delays and timing differences, a recurring challenge for SCC, given that approved levels of government funding are often adjusted in-year. While the surplus provides a degree of financial stability, it should not be interpreted as excess capacity. Rather, it reflects SCC's prudent financial management approach and its efforts to prepare for future financial pressures. SCC's current Corporate Plan outlines a balanced approach to funding and expenditure over

the next five years. Within this planning timeframe, SCC's accumulated surplus is fully committed to:

- ▶ Program commitments carried over into future fiscal years (\$8.2 million).
- ▶ A risk reserve in accordance with SCC's Target Reserve Policy (\$2.0 million).
- ▶ Strategic investments, including IM/IT modernization, security enhancements, and allocations to offset inflationary pressures over the coming years (\$6.0 million).

Accumulated surplus (\$16.2M)



In 2024–2025, SCC recognized \$25.6 million in parliamentary appropriations, representing an increase of \$0.6 million or 2 per cent over the planned amount of \$25.0 million, and \$5.2 million or 25 per cent, higher than prior year’s appropriations of \$20.4 million.

The overall increase was primarily due to enhanced funding for previously approved programs, including:

- › \$3.6 million in new investments for critical operating requirements
- › \$1.5 million increase to the infrastructure program
- › \$0.2 million increase for the Cyber Security Certification Initiative.

Program (\$ million)	Plan vs. Actual			Current Year vs. Prior Year		
	Plan	Actual	Variance	2025	2024	Variance
Base / Main estimates	\$ 11.5	\$ 11.5	–	\$ 11.5	\$ 11.5	–
Infrastructure	2.6	2.6	–	2.6	2.2	(0.4)
Infrastructure III	2.6	2.6	–	2.6	1.5	(1.1)
Pan-Canadian artificial intelligence strategy	1.9	1.9	–	1.9	1.9	–
Data governance / Digital credentials	1.8	1.8	–	1.8	1.8	–
Cyber security II – CMMC	0.6	0.6	–	0.6	0.4	(0.2)
Indo-Pacific strategy	0.4	0.4	–	0.4	0.4	–
50–30 challenge: standardization strategy	–	–	–	–	0.4	0.4
Critical operating requirements	3.6	3.6	–	3.6	–	(3.6)
One-time expenditure recovery	–	0.6	0.6	0.6	0.3	(0.3)
Total appropriations	\$ 25.0	\$ 25.6	\$ 0.6	\$ 25.6	\$ 20.4	(\$ 5.2)

Financial overview

2020–2021 to 2024–2025

Financial overview	2020–2021	2021–2022	2022–2023	2023–2024	2024–2025 Plan	2024–2025 Actual
Revenue						
Accreditation fees	\$ 6,629,232	\$ 7,332,138	\$ 9,069,342	\$ 10,124,942	\$ 10,778,000	\$ 11,359,445
Royalties from standards sales	1,704,836	1,754,649	1,953,943	2,116,253	1,895,000	2,163,475
Innovative services	641,491	1,066,526	3,898,605	5,362,348	2,482,000	1,633,960
Delegate support contributions	847	–	66,816	59,450	203,000	40,400
Other income	285,759	209,193	483,323	645,525	333,000	708,084
	9,262,165	10,362,506	15,472,029	18,308,518	15,691,000	15,909,364
Expenses						
Accreditation services	5,443,756	5,913,703	7,331,153	8,293,470	9,000,000	8,522,064
Standards solution and strategy	11,508,725	11,164,823	12,227,177	15,627,460	16,811,000	13,091,211
Management and administrative services	10,785,333	11,325,534	12,922,093	13,373,093	13,874,000	14,089,889
	27,737,814	28,404,060	32,480,423	37,294,023	39,685,000	35,703,164
Deficit from operations	(18,475,649)	(18,041,554)	(17,008,394)	(18,985,505)	(23,994,000)	(19,797,800)
Government funding						
Parliamentary appropriations	18,578,854	19,271,621	17,967,928	20,420,236	25,032,000	25,591,120
Annual surplus	\$ 103,205	\$ 1,230,067	\$ 959,534	\$ 1,434,731	\$ 1,038,000	\$ 5,793,320

Enterprise risk management

SCC assesses organizational risks as part of its corporate planning process, regularly reviewing and updating its risks in alignment with the international standard ISO 31000-Risk management and the Treasury Board of Canada Secretariat's guidelines. These standards help ensure SCC's mitigation strategies remain robust and are effectively tailored to SCC's risk environment.

The following key risks were actively monitored in 2024–2025 and will continue to be prioritized in 2025–2026.

Financial sustainability

SCC's reliance on fixed-based funding, combined with inflationary pressures, continues to pose a challenge to its long-term financial sustainability. While temporary funding provided through Budget 2024 offered short-term relief, this support will expire in 2025–2026.

To mitigate this risk, SCC maintains strong internal controls, including proactive monitoring of expenses and cost containment measures, and regularly rebalances its five-year financial plan. The organization is also advancing its business development activities to diversify revenue streams.

To manage this risk over the long term, SCC has launched a Financial Sustainability Transformation Program, to address structural challenges. This program features:

- Enhancing business development through a formalized pipeline and proactive outreach.
- Advancing a business case for a permanent increase to A-base funding.
- Evaluating organizational structure and culture to align with long-term sustainability goals.
- Redefining the financial framework to improve costing models and support more informed pricing and cost-recovery decisions.

Standards accessibility and intellectual property risk

Growing public demand for access to standards referenced in regulations, coupled with legal challenges to the intellectual property (IP) rights of Standards Development Organizations (SDOs), is placing increasing pressure on the traditional standards-based business model.

These challenges threaten the sustainability of the standardization system and may affect the ability of regulators to meet policy objectives and uphold Canada's international trade commitments.

To mitigate this risk, SCC is actively engaging with federal partners including Innovation, Science and Economic Development Canada, the Treasury Board of Canada Secretariat, the Department of Justice, and Transport Canada to explore policy solutions that support broader accessibility while safeguarding SDO copyright.

SCC is also collaborating with members of the Standards Development Organizations Advisory Committee, including the Canadian Standards Association and the Canadian General Standards Board, as well as the Provincial-Territorial Advisory Committee. At the international level, SCC continues to engage with ISO and IEC in support of global efforts to protect IP rights.

Workforce capacity and staffing positions

The ability to attract and retain staff in key positions remains an ongoing risk for SCC. In response, the organization has updated its workforce plan and is currently refreshing its succession plan. The identification of critical positions across the organization is underway and is expected to be completed in 2025–2026. Attrition rates are also being actively monitored by the Human Resources Branch.

A specific area of concern is the availability of qualified assessors. SCC’s accreditation services branch is actively addressing this risk through a combination of short- and long-term strategies. In the short term, measures include the use of term positions to meet immediate needs, prioritizing recruitment in high-demand areas, and cross-training staff on secondary programs and schemes. In the longer term, SCC is implementing an Assessor Resource Plan aimed at attracting and retaining staff for these highly specialized positions.

Additionally, changes to the *Official Languages Act* in 2025 introduced stricter bilingualism requirements for key management positions and some staff members. SCC is supporting affected staff with tailored development plans and regularly tracking progress towards meeting new language profile requirements.

Technical and governance committee experts

SCC relies on a broad pool of technical and governance experts to participate on international committees ensuring that Canadian perspectives are reflected in the development of international standards. However, risks have been identified with respect to SCC’s ability to attract and retain these experts, as well as to provide sufficient technical and financial support to enable meaningful Canadian participation.

To maintain its pool of experts, SCC is developing a recruitment and onboarding plan for future committee members, while also supporting current members with access to modern tools, learning materials, training, and ongoing guidance. In early 2025, ISO and IEC transitioned to a new digital platform for standards development, and SCC is actively managing this change through a comprehensive training and support initiative.

The organization regularly monitors participation needs to maximize Canada’s influence on both existing and emerging technical committees. A full review of SCC’s international standards activities was recently completed, and an action plan is being developed to prioritize and allocate Canadian resources more effectively in alignment with strategic priorities.

Management responsibility for financial statements

The accompanying financial statements and all information in the Annual Report are the responsibility of SCC. The financial statements were prepared by management in accordance with Canadian public sector accounting standards and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all of the notes to the financial statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements. The information included in these financial statements is based on management's best estimates and judgment.

SCC management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced. These controls and procedures are also designed to provide reasonable assurance that transactions are within SCC's mandate as stated in the *Standards Council of Canada Act*.

SCC's Governing Council, through its Audit Committee, is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal controls. Comprised solely of independent Council members, the Audit Committee meets with management to review

the financial statements on a quarterly basis and the audited financial statements and Annual Report annually and reports on them to the Governing Council which approves the financial statements.

The Auditor General of Canada, the external auditor of SCC, conducts an independent audit, in accordance with Canadian generally accepted auditing standards, and expresses an opinion on the financial statements. The Office of the Auditor General of Canada has full and free access to financial management of SCC and meets with SCC when required.



Melanie Travers, CPA, CMA
Vice-President, Corporate Services
and Chief Financial Officer



Chantal Guay, ing., P. Eng., FCAE, ICD.D
Chief Executive Officer

Ottawa, Canada
June 12, 2025



Office of the
Auditor General
of Canada

Bureau du
vérificateur général
du Canada

INDEPENDENT AUDITOR'S REPORT

To the Minister of Industry

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the Standards Council of Canada (the SCC), which comprise the statement of financial position as at 31 March 2025, and the statement of operations, statement of changes in net financial assets and statement of cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the SCC as at 31 March 2025, and the results of its operations, changes in its net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

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

Other Information

Management is responsible for the other information. The other information obtained at the date of this auditor's report is the Financial Performance section included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the SCC's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the SCC's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the SCC to cease to continue as a going concern.

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

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

Report on Compliance with Specified Authorities

Opinion

In conjunction with the audit of the financial statements, we have audited transactions of the Standards Council of Canada coming to our notice for compliance with specified authorities. The specified authorities against which compliance was audited are Part X of the *Financial Administration Act* and regulations, the *Standards Council of Canada Act* and regulations, the by-laws of the Standards Council of Canada, and the directive issued pursuant to section 89 of the *Financial Administration Act*.

In our opinion, the transactions of the Standards Council of Canada that came to our notice during the audit of the financial statements have complied, in all material respects, with the specified authorities referred to above. Further, as required by the *Financial Administration Act*, we report that, in our opinion, the accounting principles in Canadian public sector accounting standards have been applied on a basis consistent with that of the preceding year.

Responsibilities of Management for Compliance with Specified Authorities

Management is responsible for the Standards Council of Canada's compliance with the specified authorities named above, and for such internal control as management determines is necessary to enable the Standards Council of Canada to comply with the specified authorities.

Auditor's Responsibilities for the Audit of Compliance with Specified Authorities

Our audit responsibilities include planning and performing procedures to provide an audit opinion and reporting on whether the transactions coming to our notice during the audit of the financial statements are in compliance with the specified authorities referred to above.



Mimma Venema, CPA, CA, CGA
Principal
for the Auditor General of Canada

Ottawa, Canada
12 June 2025

Standards Council of Canada Statement of financial position

As at March 31,	2025	2024
Financial assets		
Cash and cash equivalents (Note 4)	\$ 12,270,458	\$ 6,751,528
Accounts receivable (Note 4)	3,140,671	2,686,966
Federal government departments and agencies receivable (Note 15)	1,447,679	2,526,773
Parliamentary appropriations receivable (Note 15)	104,511	551,873
	16,963,319	12,517,140
Liabilities		
Accounts payable and accrued liabilities (Note 6)	3,862,539	4,313,318
Deferred contributions (Note 7)	74,219	88,619
Deferred revenue (Note 8)	46,245	130,974
Deferred lease inducement (Note 9)	449,456	531,176
	4,432,459	5,064,087
Net financial assets	12,530,860	7,453,053
Non-financial assets		
Tangible capital assets (Note 5)	2,001,745	1,585,343
Prepaid expenses	1,711,861	1,412,750
	3,713,606	2,998,093
Accumulated surplus	\$ 16,244,466	\$ 10,451,146
Contractual rights (Note 12)		
Contractual obligations (Note 13)		

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

Approved by the Governing Council:



François Coallier, PhD, ing. P.Eng.
Chair, Governing Council

Approved by Management:



Chantal Guay, ing., P. Eng., FCAE, ICD.D
Chief Executive Officer

Standards Council of Canada Statement of operations

For the year ended March 31,	2025 Budget (Note 16)	2025	2024
Revenues from operations			
Accreditation services fees	\$ 10,778,000	\$ 11,359,445	\$ 10,124,942
Royalties from sales of standards	1,895,000	2,163,475	2,116,253
Delegate support contributions	203,000	40,400	59,450
Innovative services	2,482,000	1,633,960	5,362,348
Other income	333,000	708,084	645,525
	15,691,000	15,905,364	18,308,518
Expenses (Note 1f)			
Accreditation services	9,000,000	8,522,064	8,293,470
Standards solution and strategy	16,811,000	13,091,211	15,627,460
Management and administrative services	13,874,000	14,089,889	13,373,093
	39,685,000	35,703,164	37,294,023
Deficit before parliamentary appropriations	(23,994,000)	(19,797,800)	(18,985,505)
Parliamentary appropriations	25,032,000	25,591,120	20,420,236
Surplus	1,038,000	5,793,320	1,434,731
Accumulated surplus, beginning of year	9,328,000	10,451,146	9,016,415
Accumulated surplus, end of year	\$ 10,366,000	\$ 16,244,466	\$ 10,451,146

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

Standards Council of Canada Statement of changes in net financial assets

For the year ended March 31,	2025 Budget (Note 16)	2025	2024
Surplus	\$ 1,038,000	\$ 5,793,320	\$ 1,434,731
Acquisition of tangible capital assets	(1,580,000)	(868,052)	(618,701)
Loss on disposal of tangible capital assets	–	3,510	8,357
Amortization of tangible capital assets	773,000	448,140	440,264
Increase in prepaid expenses	(40,000)	(299,111)	(26,767)
Increase in net financial assets	191,000	5,077,807	1,237,884
Net financial assets at beginning of year	6,319,000	7,453,053	6,215,169
Net financial assets at end of year	\$ 6,510,000	\$ 12,530,860	\$ 7,453,053

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

Standards Council of Canada Statement of cash flow

For the year ended March 31,	2025	2024
Operating transactions:		
Surplus	\$ 5,793,320	\$ 1,434,731
Adjustments for non-cash items:		
Amortization of tangible capital assets	448,140	440,264
Amortization of deferred lease inducement	(81,720)	(81,719)
Loss on disposal of tangible capital assets	3,510	8,357
Changes in:		
Prepaid expenses	(299,111)	(26,767)
Deferred revenue	(84,729)	(238,343)
Accounts receivable	(453,705)	(182,666)
Federal government departments and agencies receivable	1,079,094	(1,563,361)
Parliamentary appropriations receivable	447,362	1,262,719
Accounts payable and accrued liabilities	(449,416)	935,925
Deferred contributions	(14,400)	(46,989)
Cash provided by operating transactions	6,388,345	1,942,151
Capital transactions:		
Additions of tangible capital assets	(869,415)	(577,073)
Cash applied to capital transactions	(869,415)	(577,073)
Net increase in cash and cash equivalents	5,518,930	1,365,078
Cash and cash equivalents, beginning of the year	6,751,528	5,386,450
Cash and cash equivalents, end of the year	\$ 12,270,458	\$ 6,751,528

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

Notes to the financial statements

March 31, 2025

1. Authority, mandate and activities

SCC was created by Parliament as a corporation under the *Standards Council of Canada Act* in 1970 (last revised in 2019) to be the national coordinating body for voluntary standardization. SCC is a Crown corporation named in Part I of Schedule III to the *Financial Administration Act* and, for the purposes of the *Income Tax Act*, is deemed to be a registered charity.

SCC's mandate is to promote voluntary standardization activities in Canada, where standardization is not expressly provided for by law, in order 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.

In carrying out its mandate, SCC is engaged in the following activities:

- Foster quality, performance and technological innovation in Canadian goods and services through standards-related activities.
- Develop prioritized standards-related strategies and long-term objectives to advance Canada's economy; support sustainable development; benefit the health, safety and welfare of citizens; and assist and protect consumers.
- Accredit organizations engaged in standards development and conformity assessment.
- Represent Canada's interests internationally and regionally through membership in the International Organization for Standards (ISO), the International Electrotechnical Commission (IEC) and various regional standardization organizations.

- Approve National Standards of Canada.
- Provide innovative services, advice and assistance to the Government of Canada in the negotiation of standardization-related aspects of international trade and mutual recognition agreements.
- Work with international standards bodies to develop agreements that facilitate trade.
- Foster and promote a better understanding of the benefits and usage of standards and accreditation services.
- Act as the premiere source to collect and distribute information on standards activities.

In July 2015, SCC was issued a directive (P.C. 2015-1109) pursuant to section 89 of the *Financial Administration Act* to align its travel, hospitality, conference and event expenditure policies and practices with Treasury Board policies, directives and related instruments on travel, hospitality, conference and event expenditures in a manner that is consistent with its legal obligation. SCC's policies and practices are aligned with the most recent Treasury Board policies, directives and related instruments as required by the section 89 directive.

2. Significant accounting policies

A summary of the significant accounting policies used in these financial statements follows:

a) Basis of accounting

These financial statements have been prepared in accordance with Canadian Public Sector Accounting Standards (PSAS) established by the Canadian Public Sector Accounting Board.

b) Cash and cash equivalents

Consistent with the *Standards Council of Canada Act* and associated by-laws, SCC maintains a bank account in a chartered bank of Canada in which all receipts are deposited and through which all of SCC's financial business takes place. Funds surplus to immediate operating requirements are invested in bank certificates, with maturities of 120 days or less at acquisition, with a chartered bank bearing the current interest rate and are cashable at any time.

c) Tangible capital assets

Tangible capital assets are recorded at cost, which includes amounts that are directly related to the acquisition, design, construction, development, improvement, or betterment of the assets. Amortization is recorded on a straight-line basis over the estimated useful life of the assets:

- **Furniture:** 5 years
- **Equipment (including software):** 4 years
- **Leasehold improvements:** Lesser of term of the lease or expected useful life

Tangible capital assets that are under development are not subject to amortization. When work is completed, the tangible capital asset portion is reclassified to the appropriate line item of tangible capital assets and is amortized accordingly.

d) Prepaid expenses

Prepaid expenses include membership dues and are charged to expenses over the periods expected to benefit from them.

e) Revenue recognition, deferred revenue and deferred contributions

Accreditation services fees revenues are derived from application fees, annual accreditation fees and assessment fees. Application fees are recognized as revenue when the application is made. The annual portion of accreditation fees is calculated and invoiced based on customer accreditation agreements and the fees received or receivable are recorded as deferred revenue and then amortized to revenue on a straight-line basis over the period to which the accreditation obligation is

satisfied—which is monthly, beginning at the start of SCC's fiscal year of April 1. Funds received or receivable in respect of assessment fees are recognized as revenue at the time the related services are provided.

Royalties from sales of standards are recognized as revenue in the period during which the related sales have occurred. Royalties related to the sale of standards are generated from ISO and IEC since SCC is a member body. Additionally, SCC earns royalties on the sale of standards from independent distributors through National Copyright Exploitation Agreements. Since April 1, 1998, SCC has outsourced to an independent agent the fulfillment of sales made over its StandardsStore.ca website. This agreement requires the payment of royalties to SCC based on a revenue-sharing agreement of net sales.

Innovative services are fees that SCC collects in exchange for providing standards related solutions and expertise to customers. The rights to collect innovative services fees are created via contracts and revenue is recognized as performance obligations and/or milestones are reached.

Delegate support contributions are received from third parties to support delegate participation on technical committees. This restricted funding is initially recorded as "Deferred contributions" and is recognized as delegate support contributions revenue when the required performance obligation of meeting attendance along with its related expenditures are incurred.

Other income includes various items, most notably profit distributions from ISO and interest income. The profit distributions are recognized as revenue in the period in which the distributions are announced, and interest is recognized as it is earned.

f) Deferred lease inducement

SCC has received funds from its landlord to pay the cost of tenant improvements made to its office space. Additionally, SCC has received the benefit of tenant inducements related to its office space lease. The value of these items, calculated based on provisions in the lease agreement, is recorded as a deferred lease inducement. It is amortized on a straight-line basis over the duration of the lease and is recognized on the Statement of Operations as a reduction of rent expense.

g) Expenses

Expenses are reported on an accrual basis to ensure that the cost of all goods and services consumed in the year is expensed. Expenses are presented by function on the Statement of Operations. Accreditation services expenses relate to SCC accreditation programs where SCC accredits conformity assessment bodies and standards development organizations, such as testing laboratories and product certification bodies, to internationally recognized standards. Standards solutions and strategy expenses relate to the development and application of standards publications to ensure the effective and coordinated operation of standardization in Canada and representation of Canada's interests on standards-related matters in foreign, regional and international forums. Management and administrative services include the cost of general services, accommodations, insurance, network and telephone expenses, amortization, and facilities maintenance.

h) Parliamentary appropriations

The Government of Canada provides funding to SCC. Government transfers are recognized as revenues when the transfer is authorized, and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability.

i) Pension benefits

SCC employees are covered by the Public Service Pension Plan, a contributory defined benefit plan established through legislation and sponsored by the Government of Canada. Contributions are required from both the employees and SCC to cover current service costs. Pursuant to legislation currently in place, SCC has no legal or constructive obligation to pay further contributions with respect to any past service or funding deficiencies of the plan. Consequently, contributions are recognized as an expense in the year when employees have rendered service and represent the total pension obligation of SCC.

j) Employee benefit plan

SCC sponsors an employee benefit plan for health, dental, life and long-term disability insurance through a third-party provider. SCC's contributions to the plan are recorded at cost and charged to salaries and benefit expenses in the year incurred. These contributions represent SCC's total obligation to the employee benefit plan. This plan does not require SCC to make further contributions for any future unfunded liabilities of the employee benefit plan.

k) Vacation pay

Vacation pay is expensed as the benefit accrues to employees under their respective terms of employment. The liability for unused vacation benefit is calculated at the salary levels in effect at the end of the fiscal year.

l) Measurement uncertainty

The preparation of financial statements in accordance with Canadian PSAS requires management to make estimates and assumptions that affect the recorded and disclosed amounts of assets, liabilities, and contingent liabilities, at the date of the financial statements and the reported amounts of the revenues and expenses during the period. Items requiring the use of significant estimates include the useful life expectancy of tangible capital assets, certain employee-related liabilities, the accrual for assessment fees revenues, as well as contingent liabilities.

Estimates, such as the quarterly accrual for Royalties revenue, are based on the best information available at the time of financial statement preparation and are reviewed quarterly to reflect new information as it becomes available. Measurement uncertainty exists in these financial statements. Actual results could differ from these estimates.

m) Related party transactions

SCC is related, in terms of common ownership, to all Government of Canada departments, agencies and Crown corporations. Transactions with these entities are undertaken on terms and conditions similar to those adopted as if the entities were dealing at arm's length and are measured at the exchange amount. Related party receivables are recorded at SCC's normal terms whereby invoices are due within 30 days. Related party payables are recorded at terms agreed upon with its vendors and are usually due within 30 days of invoicing or upon receipt of invoice.

Related parties also include key management personnel (KMP) having authority and responsibility for planning, directing and controlling the activities of SCC, as well as their close family members. SCC has defined its KMP to be its Vice-Presidents, its Chief Executive Officer and members of its Governing Council. Transactions with KMP are measured at the exchange amount.

3. Accumulated surplus

SCC is subject to the *Standards Council of Canada Act* and the *Financial Administration Act* and any directives issued pursuant to the *Financial Administration Act*. These affect how SCC manages its capital; one of SCC's objectives is to effectively manage actual costs to budget on an annual basis and to ensure that it has adequate capital to deliver its mandate and to ensure that it continues as a going concern.

SCC targets to maintain a level of accumulated surplus that helps to minimize the impact of financial risks on the organization.

SCC is prohibited from issuing its own capital or its own debt to meet any financial requirements and is not subject to externally imposed minimum capital requirements. Its capital management is granted annually through the approval of its Corporate Plan and Operating and Capital Budget.

4. Financial instruments

SCC's financial instruments consist of cash and cash equivalents, accounts receivable, federal government departments and agencies receivable, accounts payable and accrued liabilities. For the year ended March 31, 2025, SCC's cash and cash equivalents balance of \$12,270,458 consisted of \$11,078,292 term-deposits and \$1,192,166 of cash (March 31, 2024 was \$6,751,528 and consisted of \$6,558,766 term-deposits and \$192,762 of cash). All accounts receivable, accounts payable and accrued liabilities are incurred in the normal course of business. All are generally due within 30 days. The carrying value of each financial instrument approximates its fair value because of the short maturity of the instruments. All financial assets and financial liabilities are measured at cost or amortized cost.

In the normal course of business, SCC is primarily exposed to credit risk and liquidity risk. There has been no change to the level of risk compared to the prior year and no changes to SCC's risk management practices. SCC's exposure and strategies to mitigate these risks are noted below:

Credit risk

Credit risk is the risk that the counterparty will not meet its obligations under a financial instrument leading to a financial loss. The maximum exposure that SCC has to credit risk is in relation to its cash and cash equivalents, accounts receivable and federal government departments and agencies receivable. The carrying amount of these financial assets represents the maximum credit risk exposure at the Statement of Financial Position date.

Cash and cash equivalents are held at a reputable Canadian bank. Credit is granted to customers in accordance with existing accreditation program policies and is automatically granted to employees for travel and also to government departments, agencies, Crown corporations, and government business enterprises. There is minimal potential risk of loss related to these receivables. SCC does not hold any collateral as security. There is no concentration of credit risk with any one customer.

As of March 31, the aging of SCC's receivables is as follows:

Non-related party accounts receivable (accounts receivable):

	Total	Current	30–60 Days	60–90 Days	90–120 Days	>120 Days
2025	\$ 3,140,671	\$ 2,490,247	\$ 462,092	\$ 22,109	\$ 69,137	\$ 97,086
2024	\$ 2,686,966	\$ 1,936,400	\$ 343,536	\$ 85,542	\$ 49,739	\$ 271,749

Related party accounts receivable (federal government departments and agencies and parliamentary appropriations receivable):

	Total	Current	30–60 Days	60–90 Days	90–120 Days	>120 Days
2025	\$ 1,552,190	\$ 591,047	\$ 946,591	\$ 395	\$ –	\$ 14,157
2024	\$ 3,078,646	\$ 2,187,885	\$ 878,319	\$ (6,486)	\$ 18,669	\$ 259

SCC assesses the requirement for an allowance for bad debts by considering the age of the overdue receivables and the likelihood of collection.

An account receivable is considered to be impaired and is either written-off or provided for when SCC determines that collection is unlikely and appropriate approvals for the write-down have been obtained.

As of March 31, 2025, the allowance for bad debts is estimated at \$18,875 (March 31, 2024 was \$9,293). The following table provides a reconciliation of the allowance for the year.

	March 31, 2025	March 31, 2024
Balance, beginning of year	\$ 9,293	\$ 42,706
Write-offs	(37,292)	(52,455)
Bad debt allowance expense	46,874	19,042
Balance, end of year	\$ 18,875	\$ 9,293

Liquidity risk

Liquidity risk can occur should SCC have difficulty in meeting its obligations associated with financial liabilities. SCC's financial liabilities have contractual maturities of less than 365 days. SCC's objective is to maintain sufficient cash and cash equivalents through drawdown of its voted parliamentary appropriations, collection of accreditation fees and other services, in order to meet its operating requirements. SCC manages liquidity risk through a detailed annual planning and monthly cash flow planning and billing process, which is structured to allow for sufficient liquidity from one billing period to the next. SCC's financial liabilities are not significantly exposed to liquidity risk.

Market risk

Market risk occurs when the fair value of future cash flows of a financial instrument fluctuates due to changes in financial markets. For SCC, market risk is comprised of interest risk and currency risk. SCC's financial instruments are not significantly exposed to market risk.

5. Tangible capital assets

March 31, 2025	Furniture	Equipment	Leasehold improvements	2025 Total
Cost				
Opening balance	\$ 742,590	\$ 2,922,578	\$ 1,218,593	\$ 4,883,761
Additions	4,127	841,406	22,519	868,052
Disposals	–	(34,839)	–	(34,839)
Closing balance	746,717	3,729,145	1,241,112	5,716,974
Accumulated amortization				
Opening balance	(739,261)	(1,919,277)	(639,880)	(3,298,418)
Amortization	(1,401)	(356,727)	(90,012)	(448,140)
Disposals	–	31,329	–	31,329
Closing balance	(740,662)	(2,244,675)	(729,892)	(3,715,229)
Net book value	\$ 6,055	\$ 1,484,470	\$ 511,220	\$ 2,001,745

The Equipment category includes \$877,059 of assets under development as of March 31, 2025, which were not being amortized at the time.

The additions of tangible capital assets in the Statement of Cash Flow have been adjusted for 2023–2024 additions of \$41,628 that was paid in 2024–2025 and for 2024–2025 additions of \$40,265 that will be paid in 2025–2026.

March 31, 2024	Furniture	Equipment	Leasehold improvements	2024 Total
Cost				
Opening balance	\$ 742,590	\$ 2,699,773	\$ 1,189,980	\$ 4,632,343
Additions	–	590,088	28,613	618,701
Disposals	–	(367,283)	–	(367,283)
Closing balance	742,590	2,922,578	1,218,593	4,883,761
Accumulated amortization				
Opening balance	(712,861)	(1,950,197)	(554,022)	(3,217,080)
Amortization	(26,400)	(328,006)	(85,858)	(440,264)
Disposals	–	358,926	–	358,926
Closing balance	(739,261)	(1,919,277)	(639,880)	(3,298,418)
Net book value	\$ 3,329	\$ 1,003,301	\$ 578,713	\$ 1,585,343

The Equipment category includes \$433,211 of assets under development as of March 31, 2024, which were not being amortized at the time.

The additions of tangible capital assets in the Statement of Cash Flow are adjusted for 2023–2024 additions of \$41,628 that were paid in 2024–2025.

6. Accounts payable and accrued liabilities

	March 31, 2025	March 31, 2024
Vendor payables and accrued liabilities	\$ 1,868,438	\$ 2,606,785
Salaries and benefits payable	1,562,928	1,254,386
Accrued vacation pay	431,173	452,147
	\$ 3,862,539	\$ 4,313,318

7. Deferred contributions

Changes made to the balance of this account are as follows:

	March 31, 2025	March 31, 2024
Balance, beginning of year	\$ 88,619	\$ 135,608
Contributions received (refunded)	26,000	52,450
Contributions credited (recognized)	(40,400)	(99,439)
Net Contributions	(14,400)	(46,989)
	\$ 74,219	\$ 88,619

8. Deferred revenue

Changes made to the balance of this account are as follows:

	March 31, 2025	March 31, 2024
Balance, beginning of year	\$ 130,974	\$ 369,317
Add: Fees due per agreements	3,868,022	3,697,063
Less: Fees recognized into revenue	(3,952,751)	(3,935,406)
Net fees	(84,729)	(238,343)
	\$ 46,245	\$ 130,974

9. Deferred lease inducement

Changes made to the balance of this account are as follows:

	March 31, 2025	March 31, 2024
Balance, beginning of year	\$ 531,176	\$ 612,895
Less: Inducements recognized	(81,720)	(81,719)
Net inducements	(81,720)	(81,719)
	\$ 449,456	\$ 531,176

10. Pension and employee benefits

Pension benefits

SCC and all eligible employees contribute to the Public Service Pension Plan. Pension benefits accrue up to a maximum period of 35 years at a rate of two per cent per year of pensionable service, times the average of the best five consecutive years of earnings. The benefits are fully indexed to the increase in the Consumer Price Index.

SCC's responsibility to the Plan is limited to its contributions. Actuarial surpluses or deficiencies are recognized in the financial statements of the Government of Canada. SCC's and employees' contributions to the Plan for the year were as follows:

	March 31, 2025	March 31, 2024
SCC's contribution	\$ 1,929,098	\$ 2,189,207
Employees' contributions	\$ 1,738,211	\$ 1,821,470

The rates of contribution to the Plan are determined on a calendar-year basis and were as follows:

	Calendar year	
	2025	2024
Employees (pre-2013) – Current service:		
On earnings up to yearly maximum pensionable earnings (YMPE)	9.06%	9.35%
On earnings exceeding YMPE: 2025-\$71,300 2024-\$68,500	11.64%	12.25%
Employees (post 2013) – Current service:		
On earnings up to yearly maximum pensionable earnings	7.95%	7.94%
On earnings exceeding YMPE: 2025-\$71,300 2024-\$68,500	10.53%	11.54%
Employer – Expressed as a multiple of employee contributions:		
For pre-2013 employee contributions on current and elective service on single-rate employee contributions	1.01	1.02
For pre-2013 employee elective service on double-rate contributions	0.005	0.01
For post 2013 employee contributions on current and elective service on single-rate employee contributions	1.00	1.00
For post 2013 employee elective service on double-rate employee contributions	nil	nil
For existing Retirement Compensation Arrangement on earnings that exceed: 2025-\$210,200 2024-\$202,000	5.09	4.63

Employee benefits

For the year ended March 31, 2025, SCC paid \$1,420,765 for its employees' benefits plan (March 31, 2024, was \$1,409,279).

11. Expenses

	2025 Budget (Note 16)		2025		2024	
Salaries and employee benefits	\$	22,421,000	\$	22,265,214	\$	22,820,280
Professional and special services		10,190,000		5,841,107		7,779,422
Travel		2,038,000		2,658,848		2,139,595
Memberships in international organizations		1,373,000		1,515,840		1,362,713
Office supplies		1,020,000		1,043,134		960,864
Office accommodation		926,000		842,807		789,261
Amortization of premises and equipment		603,000		448,140		440,264
Conferences & events		172,000		316,924		362,919
Insurance		168,000		163,619		122,769
Publications and printing		173,000		151,564		58,743
Offsite storage & other		130,000		103,255		94,790
Hospitality		95,000		115,385		102,457
Bank charges		87,000		80,499		63,460
Telecommunications and postage		169,000		58,711		88,730
Bad debt expense		26,000		46,874		19,042
Repair & upkeep		81,000		39,746		69,329
Rental of office equipment		13,000		7,987		11,028
Loss on disposal of tangible capital assets		0		3,510		8,357
	\$	39,685,000	\$	35,703,164	\$	37,294,023

12. Contractual rights

SCC has signed contractual agreements with its accreditation services customers. The multi-year accreditation services contracts include an annual fee portion that is payable yearly. As of March 31, 2025 SCC had contractual rights to \$3,900,415 of uncollected annual fees pertaining to fiscal year 2025–2026 (March 31, 2024 was \$3,746,717).

SCC also has contractual agreements to collect royalty fees from ISO, IEC and various other standards sellers like the Canadian Standards Association, Camelot Clarivate and Information Handling Services.

Since the revenue from these contracts is based on the volume of sales, the value of the contracts fluctuates, but is expected to approximate \$2.0 million annually, which is SCC's average revenue from these sources over the past three years. As of March 31, 2024, the expectation was \$1.9 million.

On March 14, 2025, SCC entered into an agreement with Quebec's Ministère de la Santé et des Services sociaux (MSSS) for the accreditation of medical biology laboratories, including the assumption of responsibilities previously held by Investissement Québec through the Bureau de normalisation du Québec (BNQ).

Under this agreement:

- SCC is entitled to \$1.5 million annually over the remaining life of the contract (four years) to support ongoing accreditation and support services;
- SCC also assumes responsibility for \$3.6 million of unused funds from BNQ (of which \$2.4 million has been transferred at publication) related to prior funding commitments for the same services.
- SCC may also recover additional fees for non-routine activities and incremental work, such as specialized evaluations or ministerially triggered scope changes.

March 31, 2025	MSSS		Annual Fees		Royalties		Total
2025–2026	\$	2,351,532	\$	3,900,415	\$	1,986,445	\$ 8,238,392
2026–2027		2,351,532		–		–	2,351,532
2027–2028		2,351,532		–		–	2,351,532
2028–2029		2,351,532		–		–	2,351,532
2029–2030		391,922		–		–	391,922
thereafter		–		–		–	–
	\$	9,798,050	\$	3,900,415	\$	1,986,445	\$ 15,684,910

There were \$312,048 of related party rights as of March 31, 2025 (March 31, 2024 was \$332,828).

13. Contractual obligations

SCC signed a 15-year office lease, effective July 2015, as well as a lease amendment for additional space effective December 2018 with the same term ending period.

SCC entered into agreements to lease office equipment. The future minimum annual rental payments under these

agreements, exclusive of operating expense and property tax, are included in the table below.

SCC has also entered into contracts with several standards development organizations to assist with standardization initiatives.

March 31, 2025	Office space		Office equipment		Standardization initiatives		Total
2025–2026	\$	491,224	\$	1,704	\$	5,816,408	\$ 6,309,336
2026–2027		517,637		–		1,230,960	1,748,597
2027–2028		517,637		–		–	517,637
2028–2029		517,637		–		–	517,637
2029–2030		517,637		–		–	517,637
thereafter		258,819		–		–	258,819
	\$	2,820,591	\$	1,704	\$	7,047,368	\$ 9,869,663

Commitments with related parties included in standardization initiatives were \$493,472 as of March 31, 2025 (March 31, 2024, was \$482,879).

14. Contingent liabilities

In the normal course of business, various legal claims have been brought against SCC. Where in the opinion of management, losses, which may result from the settlement of these matters, are determinable within a reasonable range and such losses are considered by management as likely to be incurred, they are charged to expenses. In the event management concludes that potential losses are indeterminable, no provision is recognized in the accounts of SCC. There are no significant legal claims against SCC.

During 2024–2025, SCC undertook an internal review of its processes with regard to its treatment of sales tax. As a result, SCC will take corrective actions regarding payments received under the *Public Service Bodies* rebate program. As of March 31, 2025, SCC has established a contingent liability of \$247,500, representing management's best estimate of anticipated repayment requirements, including amounts related to ineligible claims as well as applicable interest and penalties based on Canada Revenue Agency's rates. This estimate is based on an internal review of transactions over the last 4 fiscal years and reflects the information available to management as of the date of these statements.

15. Related party transactions

For the year ended March 31, SCC's related party transactions are summarized as follows:

	2025	2024
Federal government departments and agencies receivable and parliamentary appropriations receivable	\$ 1,552,190	\$ 3,078,647
Accounts payable and accrued liabilities	47,054	36,132
Parliamentary appropriations	25,591,120	20,420,236
Other revenues	2,385,756	6,059,764
Expenses	596,924	178,413

Related party revenues were derived primarily from innovative services and accreditation services fees while expenses were primarily related to telecommunications as well as professional and special services.

There were no significant transactions with KMP and their close family members; nor were there any transactions that have occurred at a value different from that which would have been arrived at if the parties were unrelated.

16. Budget figures

Budget figures have been provided for comparison purposes and have been sourced from SCC's 2024–2025 to 2028–2029 Corporate Plan approved by SCC's Governing Council and Treasury Board.