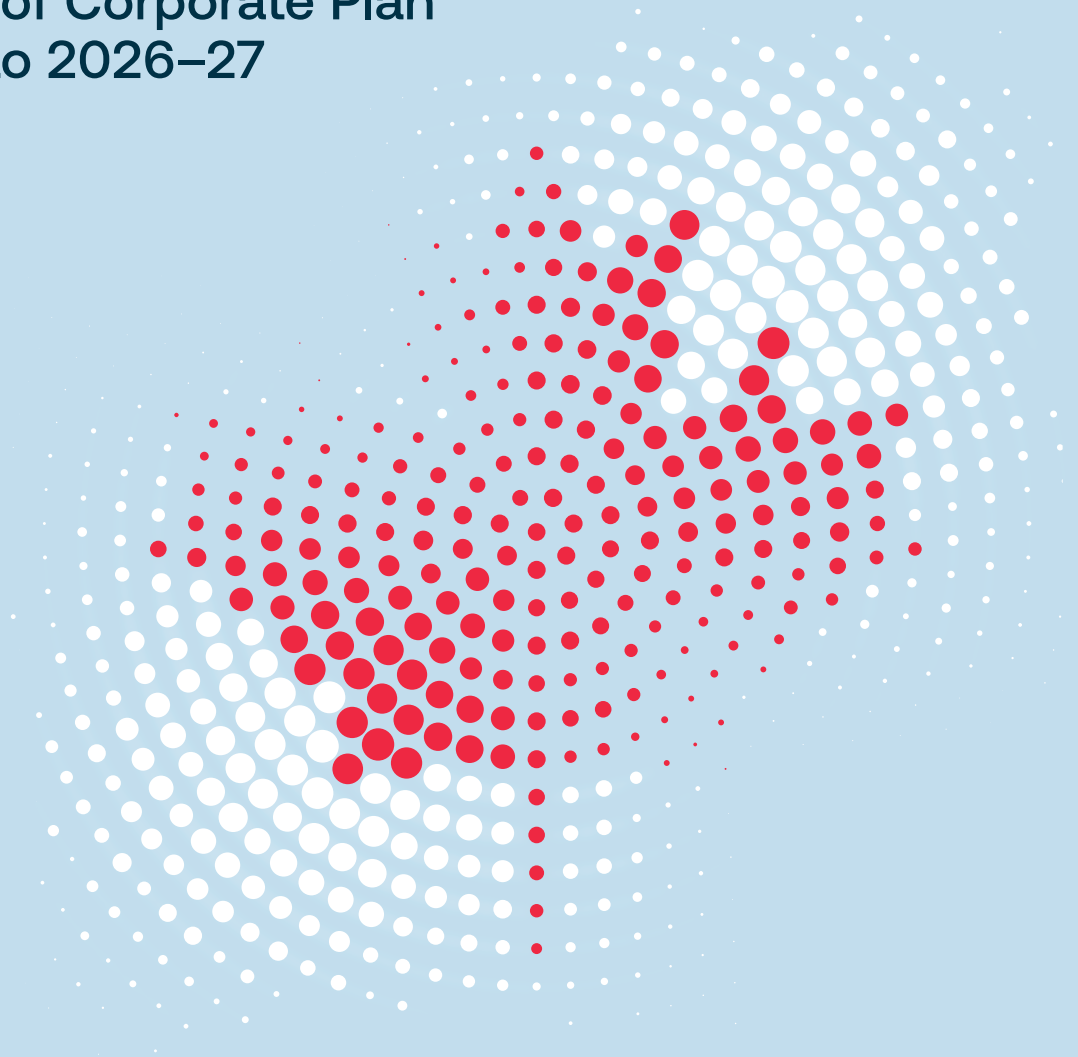


# Recovery & Resilience

› Summary of Corporate Plan  
2022–23 to 2026–27



Standards and conformity assessment are critical enablers of the 21st-century knowledge economy, providing for effective, safe, reliable and interoperable products, services and processes.

As it continues to respond to the COVID-19 pandemic, the **Standards Council of Canada** will play its role in supporting Canada's recovery by using standardization to build social, economic and environmental resilience across the country. It will also prepare for a new chapter in the proliferation of the benefits of standardization through the upcoming National Standards Strategy, which will establish a 10-year plan for strengthening and adapting Canada's standardization system to unlock its full potential.



# Contents

<b>Executive summary</b>	<b>2</b>	<b>Objectives and activities</b>	<b>18</b>
<b>Overview</b>	<b>4</b>	<b>Risk overview</b>	<b>31</b>
<b>Operating environment</b>	<b>9</b>	<b>Financial overview</b>	<b>33</b>
<b>Challenges and opportunities</b>	<b>16</b>		
<b>Appendix A:</b> Corporate governance structure	<b>37</b>	<b>Appendix D:</b> Compliance with legislative and policy requirements	<b>60</b>
<b>Appendix B:</b> Planned Results 2022–2023 to 2026–2027	<b>40</b>	<b>Appendix E:</b> Government priorities and direction	<b>62</b>
<b>Appendix C:</b> Financial statements and budgets	<b>54</b>	<b>Glossary</b>	<b>65</b>

# Executive summary

Standardization is a key tool to ensure the health, safety, security and prosperity of Canadians. As Canada emerges from the COVID-19 pandemic, the Standards Council of Canada (SCC) recognizes and takes pride in its role to ensure the standardization system is resilient and fully mobilized in support of Canada's recovery. In alignment with Government of Canada priorities in the recovery effort as well as key considerations from stakeholders in Canada's standardization system, SCC will work over the 2022–23 to 2026–27 planning period to ensure a coordinated and effective approach is used to deliver its mandate.

SCC is a federal Crown corporation dedicated to promoting standardization in Canada, helping Canadian businesses access new markets and advancing the country's interests internationally. SCC collaborates closely with accredited standards development organizations (SDOs) and conformity assessment bodies, as well as governments at all levels and Canadian experts.

Continuing the work done in the prior year responding to the COVID-19 pandemic, SCC remained focused on delivering on established priorities and commitments to support a resilient and effective recovery. This was done at the same time it started work to chart a path for the future that will open a world of possibilities for standardization and further Canada's leadership in this space.

In its corporate plan for 2022–23 to 2026–27, SCC proposes a suite of objectives that will support the use of standardization as a tool for recovery from the COVID-19 pandemic, while at the same time putting in place the foundation for a resilient and future-thinking standardization system that is responsive, adaptable and inclusive.

## Supporting Canada's recovery

The COVID-19 pandemic has had deep economic and societal impacts for Canada and the world. This crisis has amplified the need to address many issues including environmental, health, economic, technological and cyber security, diversity and equity, and the future of work, among many others. Ensuring a fulsome and sustained recovery will require partnership across public and private spheres. Given its unique vantage point over Canada's standardization system, SCC is focused on supporting government priorities related to Canada's recovery from the pandemic, as well as identifying other ways the standardization system can achieve the same end.

Supporting Canada's health sector is a key priority for SCC and for Canada's recovery from the pandemic. In the planning horizon, SCC will be furthering its work to support the delivery of standards to increase the safety of long-term care in Canada, which was highlighted as a significant challenge during the onset of the pandemic. It will also play a significant role to support Health Canada in delivering the Budget 2021 announcement for the development of national standards for mental health services, by developing specific standardization strategies to address mental health and substance use.

To ensure a resilient recovery, a focus on sustainability and climate change is necessary. SCC will demonstrate leadership in these spaces during the planning horizon and ensure Canada's standardization system factors sustainability and climate change as part of the benefits it provides. Through the renewed Standards to Support Resilience in Infrastructure Program announced in Budget 2021, SCC will respond to specific climate change hazards, develop frameworks and systemic approaches to climate change adaptation, and address climate change issues specific to communities in the North. It will also contribute to wider government commitments to advance the United Nations Sustainable Development Goals (SDGs) through various standardization strategies.

Addressing changes in technology is also an area of priority for the recovery. Budget 2021 announced funding for SCC to advance the development and adoption of standards and conformity assessment programs related to artificial intelligence as part of the government's commitment to renew the Pan-Canadian Artificial Intelligence Strategy. SCC is also preparing to continue its work related to the Canadian Data Governance Standardization Collaborative and the related roadmap to build a safer and more secure digital infrastructure founded on quality, trust and ethics.

## Recovery and resilience

SCC enters the 2022–23 to 2026–27 planning period with a renewed focus and line of sight on its resource availability and how it will leverage its various partnerships and relationships in Canada's standardization network to enable a systemic approach to support Canada's recovery from the pandemic. With an eye to what the future holds and the potential of standardization through the National Standards Strategy, SCC is completely aligned to support immediate Government priorities and chart a path for its long-term strategy.

## Prioritizing and setting a foundation for the future

The impact of standardization is far-reaching and wide. SCC is entrusted to oversee Canada's standardization system, and given its limited resources, it must be intentional where it directly participates and contributes to the development of standardization products. It must also enable and influence stakeholders within the system to play an active role in advancing Canadian priorities. In recognition of this, SCC undertook a significant transformational project in 2021–22 to develop a National Standards Strategy (NSS) to ensure the Canadian standardization system proactively responds to the needs of stakeholders and anticipates the challenges and opportunities it will be relied upon to address. Following extensive consultation, the NSS and supporting implementation plan will be presented to the SCC Council for approval in 2022–23 and will chart a path forward for SCC's activities and objectives.

To prepare to deliver the NSS and to keep Canada positioned similarly to other national standardization bodies, SCC placed a strong focus on planning and prioritization in 2021–22, in addition to exploring a sustainable funding model for the organization. This work has uncovered what is required to ensure SCC is well resourced and has the appropriate infrastructure to deliver on existing commitments and obtain the necessary resources to increase its volume of activity.

To demonstrate the value standards and conformity assessment strategies can bring, SCC will engage in a comprehensive review in 2022–23 and beyond to further develop its results framework for standardization strategies in line with its operating model. This formal review will provide stakeholders a more thorough view of the value proposition of the standardization strategies SCC develops. At the same time, SCC will pursue the growth of its accreditation services by implementing the formal marketing plan it developed in 2021–22, with the goal of expanding and optimizing its market presence as appropriate and providing an increasingly strong service.

# Overview

Standards and conformity assessment contribute to social value, reduce trade barriers, and spur innovation and competitiveness. As a responsive, resilient and forward-thinking organization, SCC works with partners across various levels of government, industry and throughout its national and international networks to ensure Canadians reap the benefits of standardization.

Standardization is an economic driver and a powerful tool for improving health, safety, security and prosperity in Canada and around the world. Since its establishment in 1970 as a registered non-profit charity and non-agent federal Crown corporation, SCC has promoted efficient and effective voluntary standardization in Canada where the law does not expressly provide for standardization

activities. SCC also promotes the uptake of standards by advocating their incorporation in regulations and policies. SCC represents and advances Canada's interests on the global stage and provides comprehensive strategies that allow Canadian businesses and innovators to access established and emerging markets — opening a world of possibilities.



## Mandate

As set out in its governing legislation, the *Standards Council of Canada Act*, SCC's mandate is to:

- Promote the participation of Canadians in voluntary standards activities
- Promote public- and private-sector cooperation in voluntary standardization in Canada
- Coordinate and oversee the efforts of people and organizations involved in Canada's network of standardization professionals
- Function as Canada's national accreditation body
- Foster quality, performance and technological innovation in Canadian goods and services through standardization-related activities
- Develop standardization-related strategies and long-term objectives to:
  - Advance the national economy
  - Support sustainable development
  - Benefit the health, safety and welfare of Canadians
  - Assist and protect consumers
  - Facilitate domestic and international trade
  - Further international cooperation in relation to standardization



## Mission

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



## Vision

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

## Canada's standardization network

To deliver standardization strategies for Canada, SCC collaborates closely with SDOs, accredited conformity assessment bodies, governments at all levels (federal, provincial-territorial, municipal) and Canadian experts. The broader standardization network also engages industry members, businesses, non-governmental

organizations, academia and the general public in standards development and conformity assessment. Employers who support individual contributors to standardization activities are also important players in the standardization network. SCC serves, enables and coordinates network activities.

**Figure 1. Canada's standardization network**



## Representing Canada internationally

Participation and leadership on the international scene are one of SCC's critical strategic priorities to ensure that Canada's voice is well represented when shaping international standards. As the International Organization for Standardization (ISO) and the International Electrotechnical Commission (IEC) representative in Canada, SCC provides Canadians with a gateway to international standards development and conformity assessment. Canada holds 207 leadership roles on ISO and IEC technical committees, including International Chair, Secretary and Convenor. SCC also engages more than 2,800 Canadian experts to champion Canadian interests on technical committees for international standards development.

SCC's CEO, Chantal Guay, represents Canada on the ISO Council, and SCC holds a governance role on the ISO Technical Management Board. SCC also holds governance roles within the IEC, the Forum of IEC National Committees of the Americas (FINCA), the Pan American Standards Commission (COPANT), the Pacific Area Standards Congress (PASC), chaired by SCC's CEO, the Asia-Pacific Economic Cooperation (APEC) and the InterAmerican Accreditation Cooperation (IAAC).

## Advancing trade

SCC proactively enhances international trade, promotes global adoption of Canadian technologies and innovations, and coaches Canadian businesses and innovators in the international standards development process. Its expertise is leveraged in the negotiation of international free trade agreements such as the Canada–United States–Mexico Agreement (CUSMA) and the Canada-EU Comprehensive Economic & Trade Agreement (CETA).

Domestically, SCC works closely with provincial and territorial partners to reduce internal trade barriers and is actively engaged with the Regulatory Reconciliation and Cooperation Table as part of the Canadian Free Trade Agreement (CFTA).

## Maintaining a balanced financial position

SCC's operations are funded by government appropriations and revenue from operations. The financial plan presented in this corporate plan reflects the announcements of funding for SCC made in the Government of Canada's Budget 2021: A Recovery Plan for Jobs, Growth and Resilience. Specifically, this includes funding to advance the development and adoption of standards related to artificial intelligence as part of the renewal of the Pan-Canadian Artificial Intelligence Strategy (PCAIS) and the renewal of the Standards to Support Resilience in Infrastructure Program. SCC continues to work with central agencies to secure funding to advance industry-wide data governance standards.

SCC has rigorous financial controls and management and a balanced five-year financial plan that draws down on an accumulated surplus resulting from timing differences between the inflow of temporary funding and program execution. The organization also maintains a targeted reserve, which will be increased from \$1.5 million to \$3.5 million to mitigate the risk of unforeseen circumstances as it pursues new business development initiatives.

### Recovery and resilience

SCC is focused on fostering a strong and resilient standardization system that evolves collectively as needs change. Through effective outreach and engagement, SCC will collaborate with all stakeholders (existing and new) in Canada's standardization system to be a key enabler supporting Canada's post-pandemic recovery and positioning Canada for a strong and resilient future.



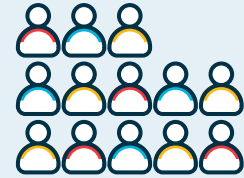
**Figure 2. SCC's areas of expertise**



# SCC at a glance

## Governing council

The SCC Governing Council is appointed by the federal government and reports to Parliament through the Minister of Innovation, Science and Industry. It is composed of up to 13 members who represent a broad spectrum of stakeholder interests. Council members review, approve and advise on SCC's strategic direction.



## Office of the CEO

*Including Corporate Secretariat, Legal Services and Communications.*  
Provides oversight and strategic direction for SCC's plans, operations, activities, programs and services.



## Strategy and stakeholder engagement

Leads the development of standardization strategies that enable SCC and its stakeholders to achieve their overarching results, and provides standardization-related policy advice to the federal, provincial/territorial and municipal governments.



## Standards and international relations

Facilitates Canada's participation in standards development activities of ISO and IEC, oversees Canadian standards development activities, and represents Canada's interests in regional standards organizations.



## Accreditation services

Accredits conformity assessment bodies such as testing laboratories and product certifiers to internationally recognized standards.



## Human resources

Handles talent management, recruitment, compensation and employee benefits.



## Corporate services

Provides professional services to support the organization in the areas of strategic and corporate planning, enterprise risk management, financial management and control, information technology, privacy and security, and procurement.

# Operating environment

## External environment

SCC's activities touch virtually every aspect of Canadian life, from health care and climate change to data privacy and trade. To meet the country's evolving needs, SCC proactively monitors national and global trends related to its strategic priorities and remains agile to adapt as needed to contribute to Canada's economic, social and environmental resilience.

In the context of recovery and resilience for the 2022–23 to 2026–27 planning period, the following elements have been identified as key considerations in the external environment affecting SCC's strategy.

### COVID-19

The COVID-19 pandemic continued to affect Canada and the world in 2021, having significant impacts on public health, economic activity and social cohesion. The effects of the pandemic have been immediate but will also be felt for many years to come when considering the “legacy of high public debt, displaced workers and lost trust”<sup>1</sup> it is leaving behind. At the time of writing of this corporate plan, Canada is recognized as being in the fourth wave of the pandemic. Vaccination has accelerated across the world and in Canada. At the time of the writing of this plan, approximately 84%<sup>2</sup> of the Canadian population aged 12 years and older has been fully vaccinated, and 69%<sup>3</sup> of the US population aged 12 years and older has been fully vaccinated. Just over half (51.6%)<sup>4</sup> of the world's population has received at least one dose of the COVID-19 vaccine. While the vaccination rate is high among the G7 countries, there is still a significant disparity between developed and developing countries, which will affect the overall global recovery from the pandemic.<sup>5</sup> The pandemic had an impact on the way SCC does business and how stakeholders engage Canada's standardization system. SCC has factored into this corporate plan its pandemic response as well as expectations about the global recovery from COVID-19.

### Recovery and resilience

SCC rose to the challenges raised by the pandemic and continues to adapt its business model to address immediate needs related to the well-being of Canadians. It has successfully transitioned to remote assessments for its accreditation business and facilitated remote work for its employees. It has also delivered on its commitments to support the development of new standards to improve the safety and quality of long-term care in Canada, and to strengthen capacity to certify and test personal protective equipment (PPE). SCC is now working to support Health Canada by developing standardization strategies to address mental health and substance use, and to identify gaps with supporting standardization recommendations for other areas of mental health and substance use work to support the challenges placed on the mental health of Canadians during the pandemic. At the same time, SCC has been actively identifying and anticipating where the standardization system can play a role to support Canada's economic recovery by working with stakeholders and thought leaders in the standardization system.

1 Eurasia Group. (2021) Eurasia Group's Top Risks 2021. Retrieved from: <https://www.eurasiagroup.net/files/upload/top-risks-2021-full-report.pdf>, accessed 2021-10-20.

2 Public Health Agency of Canada. (2021) COVID-19 vaccination in Canada. Retrieved from: <https://health-infobase.canada.ca/covid-19/vaccination-coverage/>, accessed 2021-11-05.

3 Centers for Disease Control and Prevention. (2021) COVID-19 Vaccinations in the United States. Retrieved from: [https://covid.cdc.gov/covid-data-tracker/#vaccinations\\_vacc-total-admin-rate-total](https://covid.cdc.gov/covid-data-tracker/#vaccinations_vacc-total-admin-rate-total), accessed 2021-11-05

4 Our World in Data. (2021) Coronavirus (COVID-19) Vaccinations. Retrieved from: <https://ourworldindata.org/covid-vaccinations>, accessed 2021-11-05

5 Export Development Canada. (2021) Global Economic Outlook | The Fork in the Road | EDC Economics. Retrieved from: <https://www.edc.ca/content/dam/edc/en/non-premium/global-economic-outlook-sept-2021.pdf>, accessed 2021-10-20.

## Global geopolitical and economic landscape

The geopolitical and economic landscape has been subject to significant volatility and uncertainty due to the effects of the COVID-19 pandemic, political changes and related diplomatic tensions, stressors on global supply chains, impacts of climate change, social unrest, and many other factors.

The global economic recovery may be prolonged and may need to be balanced with potential austerity measures to offset deficits from government support programs. In addition, recovery momentum differs from sector to sector: some are generating more revenue today than pre-pandemic, some are looking at years of recovery and some will simply not recover). All these factors must be accounted for in how SCC supports the economic recovery.

SCC sees significant drivers of change stemming from:

- The urgency required by global, national and regional stakeholders to address the current impacts of climate change and mitigate future impacts. (Human-induced climate change is already contributing to weather and climate extremes in every region across the globe. There is evidence of observed changes in extremes such as heatwaves, heavy precipitation, droughts and tropical cyclones, and of their attribution to human influence.<sup>6</sup>)
- Lasting impacts from the response to COVID-19 and related issues. These include the growth of the digital economy; the impact of the pandemic on the present and future workforce, technological accessibility and competition; impacts on health-care systems; impacts on mental health; and the exacerbation of inequality for minorities, women, poor, disabled and migrant populations.<sup>7</sup>
- Technology and innovation, including digital platforms that are shaping geopolitics. (e.g., social media influence on elections, shifting powers).

- The regulation of artificial intelligence (AI). The European Union is taking a risk-based approach to regulating AI. This may affect the type of standards developed and their utility as a regulatory tool.
- Increasing oversight and interest in sustainability and the environmental, social and governance (ESG) footprints of organizations, as well as movement to hold organizations accountable beyond profit.
- Growth and trust in the digital economy. The effects of the pandemic have increased participation in the digital economy and data sharing. Standards can be used to further foster trust and reliability of supporting systems.

The continued challenges of COVID-19 have also highlighted the need for better risk management for supply chains. Pandemic outbreaks in critical links of global supply chains have resulted in longer-than-expected supply disruptions globally.<sup>8</sup>

There are also national technology programs such as 5G and beyond rollouts, which could result in “infrastructure inequality” between countries/regions. These will need to be addressed through coordinated and concerted strategies within the standardization system to enable further equity and availability across nations for technological compatibility.

## Domestic economic landscape

As widespread vaccination took hold and pandemic-related support programs expired, Canada’s labour force participation reached 65.5% in September 2021, which matches the rate observed in February 2020.<sup>9</sup> Notwithstanding, Canada was already experiencing labour force pressures pre-pandemic because of its aging population and the related declining labour force participation, further exacerbated by a mismatch of skills to available employment opportunities.<sup>10</sup> The pandemic amplified this pressure, and now firms are experiencing difficulties in hiring and retaining employees as the economy recovers.

6 Intergovernmental Panel on Climate Change. (2021) Climate Change 2021 | The Physical Science Basis | Summary for Policymakers. Retrieved from: [https://www.ipcc.ch/report/ar6/wg1/downloads/report/IPCC\\_AR6\\_WGI\\_SPM\\_final.pdf](https://www.ipcc.ch/report/ar6/wg1/downloads/report/IPCC_AR6_WGI_SPM_final.pdf), accessed 2021-11-05.

7 Goldin, I. and Muggah, R. (2020) COVID-19 is increasing multiple kinds of inequality. Here’s what we can do about it. World Economic Forum. Retrieved from: <https://www.weforum.org/agenda/2020/10/covid-19-is-increasing-multiple-kinds-of-inequality-here-s-what-we-can-do-about-it/>, accessed 2021-11-05.

8 International Monetary Fund. (2021) World Economic Outlook October 2021. Retrieved from: <https://www.imf.org/en/Publications/WEO/Issues/2021/10/12/world-economic-outlook-october-2021#Chapters>, accessed 2021-11-05.

9 Statistics Canada. (2021) Labour Force Survey, September 2021. Retrieved from: <https://www150.statcan.gc.ca/n1/daily-quotidien/211008/dq211008a-eng.htm>, accessed 2021-10-20.

10 Bouchard, I. (2021) How to Adapt to the Labour Shortage Situation | Hiring Difficulties Are Not Going Away | Study September 2021. Business Development Bank of Canada. Retrieved from: [https://www.bdc.ca/globalassets/digizuite/32075-study-labour-shortage.pdf?utm\\_campaign=Labour-Shortage-Study-2021--download--EN&utm\\_medium=email&utm\\_source=Eloquaz](https://www.bdc.ca/globalassets/digizuite/32075-study-labour-shortage.pdf?utm_campaign=Labour-Shortage-Study-2021--download--EN&utm_medium=email&utm_source=Eloquaz), accessed 2021-10-20.

The consumer price index rose 4.7% year-over-year as of October 2021 and reflects the fastest pace of increase since February 2003.<sup>11</sup> This was primarily driven by year-over-year increases in transportation (+10.1%), housing (+4.8%) and food prices (+3.8%).<sup>12</sup> Inflationary pressures will impact Canada's economic recovery and will be a key consideration for resource allocation and spending for businesses and households alike. During the global economic crisis in 2008, demand for conformity assessment services actually increased, speaking to the importance of this service even in times of financial pressure. This pandemic has highlighted the importance of standardization, although the full effects remain to be seen.<sup>13</sup>

### Domestic political landscape

The federal government's response to the pandemic continued into 2021 and was effective at helping avert a deeper crisis. This was done, however, at a significant cost, and there will be a lasting impact post-pandemic to address it. The focus at all levels of government (federal, provincial/territorial, municipal) remains on rebuilding their economies in a safe and sustainable way as the country emerges from the safety measures implemented in response to the effects of COVID-19. The standardization system is a key lever to support the economic recovery, and SCC recognized the opportunity to provide better integration and coordination so all levels of government understand and can realize (i.e., develop, adopt, enforce) the benefits of standardization. A holistic approach is also being used to provide a deeper focus on ESG, health care, climate change, and digital equality (access to technology and services) through standards development and implementation to support a fulsome and equitable recovery from the pandemic.

### Domestic and international trade

Adverse impacts to trade because of COVID-19 are still being experienced across the world. However, global trade has rebounded and global supply chains have remained important as companies recognize that reshoring plans can result in raising costs without improving resilience. To keep pace with the recovery, the demand for shipping has increased significantly and industry has been unable to meet this demand, resulting in significant bottlenecks and upward pressures on prices and supply shortages.<sup>14</sup> Energy and commodity prices have also risen significantly causing inflationary pressures and generally increasing costs across the product value chain.

Despite concerns about rising nationalism, governments have opened their markets by signing and implementing major trade agreements, including CUSMA and the African Continental Free Trade Agreement (AfCFTA). Importantly, these agreements have public support, with majorities in several countries agreeing that they want more international cooperation.

Deeper integration is also required between provinces and territories to eliminate trade and labour barriers. Further research in this area will be key to identifying which specific sectors and industries can benefit most from integration across jurisdictions.

### Changes to the standardization system

The standardization system is undergoing significant change, including a shift to the "intangible" world of digital services, AI, Internet of things (IoT), and bio-digital convergence. The system needs to respond with agility, including accelerating the pace of development of standards and other standardization solutions. This rapid change may also affect the foundation of market economies.

11 Statistics Canada. (2021) Labour Force Survey, October 2021. Retrieved from: <https://www150.statcan.gc.ca/n1/daily-quotidien/211020/dq211020a-eng.htm?HPA=1>, accessed 2021-11-10.

12 Statistics Canada. (2021) Labour Force Survey, October 2021. Retrieved from: <https://www150.statcan.gc.ca/n1/daily-quotidien/211020/dq211020a-eng.htm?HPA=1>, accessed 2021-11-10.

13 Standards Council of Canada. (2018) Conformity Assessment in Canada: Understanding the Value and implications for Internal Trade. Retrieved from: [https://www.scc.ca/en/system/files/publications/SCC\\_RPT\\_Conformity\\_Assessment\\_in\\_Canada\\_Understanding\\_the\\_Value\\_and\\_Implications\\_for\\_Internal\\_Trade.pdf](https://www.scc.ca/en/system/files/publications/SCC_RPT_Conformity_Assessment_in_Canada_Understanding_the_Value_and_Implications_for_Internal_Trade.pdf), accessed 2021-10-20.

14 Export Development Canada. (2021) Global Economic Outlook | The Fork in the Road | EDC Economics. Retrieved from: <https://www.edc.ca/content/dam/edc/en/non-premium/global-economic-outlook-sept-2021.pdf>, accessed 2021-10-20.

Regionalization, self-promotion and disruption could run counter to harmonization and must be proactively considered and addressed to ensure alignment among stakeholders in the standardization system. SDOs are under pressure to provide access to standards at no fee, and there is a wide range of industrial and non-state standardization organizations globally, which represent both a threat and an opportunity.

To ensure Canada remains a leader in standardization and that its needs are being represented, Canada's participation at international standardization tables is crucial and will require investment in supporting infrastructure and resources to sustain this.

There is also an international movement toward self-declaration (where manufacturers self declare their compliance with standards rather than seeking third-party certification). This will need to be addressed with international standards bodies to ensure the optimal use of the standardization system and to avoid duplication of efforts.

As the demands on Canada's standardization system undergo significant change, there is a recognized need for expanded scope and continued oversight and guidance of a responsive national standardization system relevant to Canadians. Given the breadth of impact the system provides for Canadians, a concerted and targeted approach for maximum effect and capacity-building within the system is required. This is currently being drafted with the National Standards Strategy.

Furthermore, there is an opportunity to be more inclusive and expand the participation and contributions from groups who have been traditionally underrepresented in standards developments including consumers, youth, women, Indigenous peoples and others. Consideration must be given on how to ensure their participation so the standardization system effectively represents its constituents and those it is designed to serve. Access to virtual solutions for participation and a more connected world through the Internet will afford the necessary platforms for this to be achieved.

## Societal, technological and behavioural changes

The fourth industrial revolution (4IR or Industry 4.0) is unfolding and is described as “shifting the economy from simple digitization to innovation based on combinations of technologies that are forcing companies to re-examine the way they do business. It is characterized by a fusion of technologies that is blurring the lines between the physical, digital and biological spheres. In its scale, scope and complexity, the transformation will be unlike anything humankind has experienced before.”<sup>15</sup> New technologies are also disrupting how “value” is created and distributed through the economy. The 10 main technologies driving these profound value shifts include IoT, and automation software, robotics, telepresence, virtual and augmented reality, decentralized production technologies (e.g., 3D printing), biodigital technologies, advanced materials, blockchain and high-speed connectivity.<sup>16</sup>

This shift has been accelerated by COVID-19, and SCC has already seen significant advancement in the “future of work” with widespread adoption and advancement of remote work and automation, which have had immediate impacts on the workforce. It will also have future implications on how firms produce value for clients and expectations workers have for employers. There is a significant opportunity for the standardization system to ensure these new expectations are supported by fair and equitable access, as well as a consistent experience.

Technological acceleration and ubiquity in day-to-day living is also driving demand for new services and products with new lifecycles and mass market shifts. As a driver for economic prosperity, standardization has a significant role to play in facilitating and enabling the success and proliferation of this acceleration.

The pandemic highlighted Canada's digital divide. As indicated by the Centre for International Governance and Innovation, “the pandemic has had highly uneven consequences for Black Canadians, Indigenous people and people of colour, as well as for unhoused people, precariously employed, rural and otherwise marginalized

15 Schwab, K. (2016) The Fourth Industrial Revolution: what it means, how to respond. Retrieved from: <https://www.weforum.org/agenda/2016/01/the-fourth-industrial-revolution-what-it-means-and-how-to-respond/>, accessed 2021-10-20.

16 Policy Horizons Canada. (2021) The Future of Value | How emerging technologies shift value in the economy. Retrieved from: <https://horizons.gc.ca/en/2021/08/09/the-future-of-value/>, accessed 2021-11-10.

people. And the costs of being on the wrong side of the digital divide are disproportionately borne by these same communities. In terms of both the capital required to access digital infrastructure, and the capacity required to realize the full benefits of connectivity, digital injustices are layered and complex, and reflect the systemic and structural barriers to full participation that have been baked into Canada's disconnected digital policies."<sup>17</sup> There is a need to address this to ensure Canadians across the country can participate in Canada's economic recovery in an equitable manner. Also, if standards development continues to rely more on virtual participation, the lack of broadband access will continue to hinder participation and inclusivity.

The online marketplace and ubiquity of platforms such as Amazon has resulted in a shift in consumer behaviour to online purchasing from locations around the world. Consideration needs to be provided through a standardization lens on how to respond to this and ensure risks to safety and quality can be managed. Although this issue is national in nature, it will require direct intervention by the provinces and territories with support from the federal government.

### **Education, research and awareness**

Despite the breadth of the impact of standardization, its utility and value are not always consistently understood. Canada has an advanced and high-quality standardization infrastructure. SCC has an opportunity to raise further awareness by quantifying and articulating the benefits of standardization so it is appreciated and understood by all stakeholder groups — specifically policy and decision makers in both the public and private spheres. By bringing this visibility, it will also educate those unaware of the value of standards about how they can benefit from participating in the standardization system.

One approach to address this is to further the representation of standardization in academia and curricula, increasing awareness in the C-suite, and actively reaching out to underrepresented groups in the standardization system to encourage their participation.

### **Stakeholder expectations**

Needs of stakeholders in the standardization system vary, and given the current global and domestic economic, technological and social landscape, their needs are subject to rapid change. Nonetheless, SCC is well equipped and positioned to lead the system nationally and internationally to support trade and provide tools to optimize standardization use and raise awareness of its value.

One of the primary expectations right now is for SCC to lead the way in coordinating the response of the standardization system to address issues brought to light during the pandemic as well as ensuring a strong and sustainable recovery. This includes building the resilience of supply chains; supporting the digital economy; strengthening long-term care and supportive care; and developing national standards for mental health services, adaptation and mitigation of climate change, transition to net-zero and circular economy.

Sustainability considerations, including ESG are quickly becoming mainstreamed. The standardization system has an important role to play in ensuring companies have the right tools to inform their operations and align them with non-financial disclosure reporting requirements. The standardization system has a variety of tools to ensure trust, accountability and inclusivity in efforts to align incentives, reporting and operations for a sustainable future. SCC is playing a significant leadership role in these efforts.

Budget 2021 announced funding for SCC to actively participate in advancing industry-wide data governance standards and support the development and adoption of standards related to AI. SCC recognizes the importance of Canadian leadership in this space and is well positioned to make the necessary impact during the planning horizon.

SCC is also expected to support the development of standardization tools in new areas of safety and protection including cybersecurity, intellectual property (IP)/copyright and privacy.

17 Weeden, S.A., Kelly, W. (2021) The Digital Divide Has Become a Chasm: Here's How We Bridge the Gap. Centre for International Governance Innovation. Retrieved from: <https://www.cigionline.org/articles/the-digital-divide-has-become-a-chasm-heres-how-we-bridge-the-gap/>, accessed 2021-10-20.

Trade partners expect SCC to be proactive and aware of the broader context, use resources efficiently, and behave differently than a government department. Regulators want tools to improve the efficiency of regulatory regimes.

Accredited customers expect SCC to adapt its service delivery model to be both virtual and in-person (when possible and appropriate) in the context of the pandemic. The Provincial and Territorial Advisory Committee (PTAC) members expect SCC to facilitate internal Canadian trade dialogue and support the standardization needs of the provinces and territories.

As proven during the COVID-19 pandemic, standards can be developed remotely and at a faster pace. Stakeholders expect a more responsive and agile standards-development process, and SCC, in partnership with the SDOs, is developing ways to address this need. This is an area of focus of the National Standards Strategy being developed.

SCC is also expected to deliberately ensure inclusive and balanced representation in Canada's standardization system. Finding a sustainable model to allow civil society voices to be represented at the standardization table is key going forward.

## Internal environment

### Government priorities

SCC aligns itself with a wide range of government priorities and is committed to being responsive to Canada's needs. Being resilient and focused on supporting Canada's recovery from the pandemic is a top priority, and SCC will be focused on supporting key issues as outlined in the 2021 Speech from the Throne.

### Focus and prioritization

Given the growth of SCC over the past three years and increased demand for SCC's services, it is important to ensure SCC's focus and resources are aligned to its strategy with outcomes-based objectives. This plan has been developed following a thorough analysis of current commitments, and government priorities, with its goals being to respond to current and anticipated needs of Canada's standardization system and to ensure alignment of resources with priorities. Prioritization and integrated planning are key pillars of this approach. The NSS (currently in development) will also serve as a key guiding compass for SCC's strategic activities. In recognition of this, the organization is building capacity to be able to plan, implement and sustain proposed initiatives and projects stemming from the NSS.

SCC also recognizes the need to build greater agility to deliver on commitments with a new and distributed workforce. Creating space for delivering on existing commitments, while also being able to innovate and ideate new concepts, is important. This will be explored in enhancements to the integrated planning framework over the planning period.

Another area of focus will be to build capacity to articulate the value of standardization to potential new stakeholders, stakeholders who currently benefit from standardization but don't know it, and stakeholders who are aware of but don't fully appreciate the benefits of standardization. The greater the stakeholder engagement, the stronger the system becomes and the more partners in the system can support each other, thereby leveraging economies of scale in the delivery of standardization strategies and solutions.



## Growth and sustainability implications

SCC's funding remains a key consideration moving forward. Budget 2021 announcements will ensure continuation of existing programming and the addition of some new programming for a fixed period of time. However, SCC is constrained with resources over the short and long term with respect to its base funding levels. SCC recognizes that post-pandemic funding pressures on government and industry may present a challenge.

There is a high demand for SCC's services, and SCC is progressively taking on more responsibility. To support this, SCC will require more resources (infrastructure and personnel), as well as a sustainable growth plan so it can sustain current demands on its operations and scale up in an appropriate way. SCC will need to be judicious in its use of resources. SCC will respond to requests for its services only if funding is available to ensure it has the capacity to respond adequately.

Demands on PTAC are also high, and SCC is actively exploring ways to strengthen PTAC and ensure its long-term effectiveness and efficiency. The Fall 2021 changes to the PTAC terms of reference will help to:

- Promote and support participation and enshrine the value of standardization at the provincial/territorial level
- Support increased coordination and dialogue across provinces and territories to achieve increased standards alignment
- Increase bilateral communication between provincial/territorial stakeholders and SCC

## The need for technical expertise

Canada's prosperity relies on the efforts of world-class experts who dedicate their time and expertise to lead standardization efforts and to ensure Canadian perspectives are reflected in standards and conformity assessment. As SCC's pool of technical experts is aging, and the emergence of new technology requires different expertise, the organization needs to continue its efforts to recruit the next generation of professionals into the standardization field to uphold Canada's international leadership position and to maintain a sufficient body of qualified assessment personnel to deliver on accreditation activities.

## Future of work, workplace culture, and talent recruitment and retention

The ongoing COVID-19 situation continues to have an impact on the mental health of the workforce. SCC has made significant strides in adopting technology, processes and systems appropriate for the new workforce reality. At the same time, SCC continues to monitor the impact of this new working reality as it tests a workplace reintegration plan and a sustainable workplace strategy for when pandemic restrictions lift. SCC is planning a return to the workplace in 2022–23. Various activities and sessions will continue to be delivered to employees to support staff mental health in the workplace.

The shift to remote work has given SCC the opportunity to look beyond the Ottawa market and recruit from the national talent pool. However, Canada's labour market is very competitive and SCC is a small organization with relatively limited opportunities for career progression. It must ensure its employee value proposition is a fit for the talent required to deliver its strategy.

SCC's culture is a competitive advantage in this area: it is recognized as one of Canada's Most Admired Corporate Cultures. SCC is committed to sustaining this culture, nurturing employee engagement, and treating its employees with compassion, flexibility, and agility.

# Challenges and opportunities

The realities of SCC’s operating environment present distinct challenges and unique opportunities for the planning period. SCC proactively scans the environment to identify, plan and prioritize how it will continue to make meaningful and lasting impacts for Canada and Canadians. SCC is ready to respond and mitigate risks and challenges and convert them into opportunities. SCC empowers its employees through its culture and supporting information frameworks to raise key considerations affecting its business.

CHALLENGES	
<p><b>COVID-19</b></p> <p>The pandemic continues to threaten the health and well-being of Canadians, requiring a concerted and sustained response. Governments, regulators, companies and other organizations need access to tools to respond without straining their own resources. The impact of COVID-19 may not be fully understood for some time, so the implications of the pandemic will need to be monitored closely and SCC will need to be nimble to respond to upcoming consequences.</p>	<p><b>Protectionist behaviour</b></p> <p>Standardization relies on international cooperation, which has been threatened by global uncertainty. The erosion of public confidence in certain institutions could also affect views on standardization.</p>
<p><b>Resource constraints</b></p> <p>Standards development relies on volunteers, many of whom are sponsored to participate by the organizations they work for. In many cases, their availability has been constrained by the pandemic and could be further constrained if there are further pressures arising from the post-pandemic recovery.</p> <p>Furthermore, the pandemic has been extremely costly for governments and it is unlikely that they will be able to continue spending on stimulus measures as they have. Austerity measures to pay for the pandemic relief may become a reality in the planning period.</p> <p>A significant portion of SCC’s appropriated funding has expired with the sunset of temporal government programming. While the federal government has committed to extending certain programs and launching new ones over the planning horizon, SCC is challenged to address a mismatch in funding to respond to the recent demands and expectations placed on the organization.</p>	<p><b>Pandemic-related stresses and long-term recruitment</b></p> <p>The pandemic has brought stress and mental health concerns to the wider workforce that could affect SCC. There is also a labour shortage and higher than expected rates of resignation across various industries and areas of specialization stemming from impacts of the pandemic work environment (high workloads, hiring freezes, other pressures).<sup>18</sup> This is compounded by increased demand from firms for talent as well as higher employee mobility stemming from virtual work arrangements, thus ensuring retention and attraction of a qualified and engaged workforce will be key.</p> <p>SCC’s size and need for high-calibre talent in a competitive market may make it difficult to recruit and retain needed personnel.</p>

18 Cook, I. (2021) Who Is Driving the Great Resignation? Harvard Business Review. Retrieved from: <https://hbr.org/2021/09/who-is-driving-the-great-resignation>, accessed 2021-10-20.

## OPPORTUNITIES

### **Develop the National Standards Strategy**

The NSS represents a significant opportunity to set a long-term strategy to realize the potential of Canada's standardization system.

SCC will conduct a comprehensive analysis of the current state and work with stakeholders to set the strategic direction for the Canadian standardization system for the coming years.

### **Reduce costs and make health-care services more accessible**

Standardization helps reduce the cost of public services such as health care. With lower costs, more resources can be put toward meeting Canadians' needs.

### **Accelerate standards development**

Given the accelerating rate of change, standards development and maintenance is very important. The standardization process presents an opportunity to adapt and take into consideration emerging trends such as technological convergence and requirements for more diverse skill sets to support standardization. SCC can start to explore open-source and crowdsourced solutions to support this.

### **Raise awareness and drive standards adoption**

SCC can deepen government and corporate understanding of the value of standardization for Canada and the international community based on real-world, demonstrated results — securing support for standards development and uptake.

### **Boost productivity gains and increase trade**

Standardization can be promoted as a tool to meet economic goals, based on its proven ability to increase productivity and facilitate trade. Greater integration among provinces/territories will also reduce domestic trade barriers.

### **Facilitate remote work and service delivery**

SCC's shift to remote work, business model adjustments and new modes of service delivery all stand to make the organization more agile and cost-effective — not only during the pandemic period but also in the long term.

### **Collaborate**

SCC is uniquely positioned to convene the standardization system and its stakeholders to address challenging issues and co-create solutions. By facilitating greater collaboration, SCC can foster greater synergy among stakeholders in Canada's standardization system and enable great integration among provinces/territories and municipalities when it comes to adopting and enforcing standards. The needs of SCC's partners are also changing, and the NSS will enable SCC to refresh its stakeholder mapping and engage stakeholders to identify their areas of need.

### **Leverage the quality infrastructure to advance sustainability goals**

Standardization tools have strengths that are predisposed to advance sustainability goals (including ESG best practices, SDGs, and net-zero commitments). Leveraging standardization tools and strategies effectively can create a coherent, transparent, verifiable and accountable market infrastructure and market framework that will deliver the desired sustainable outcomes for humanity and our planet.

# Objectives and activities

SCC's initiatives for fiscal years 2022–23 to 2026–27 are organized around three strategic priorities:



## 1 Innovation and competitiveness

SCC leads the development of standardization strategies that enable Canadian businesses to compete at the national, regional and international levels delivering economic growth, health and safety, and well-being for Canadians.



## 2 Canadian leadership

SCC creates opportunities for Canada by leading nationally, regionally and internationally to deliver on Canada's priorities through standardization.



## 3 Organizational excellence

SCC provides stakeholder focused services through high-performing knowledge employees and strong collaboration with Canadian experts, governments, industry and standardization network partners.



## STRATEGIC PRIORITY 1 Innovation and competitiveness

### TARGET OUTCOMES:

- 1.1 Canadian interests and priorities are embedded in standards and conformity assessment to improve Canadian prosperity, resilience, and health and safety.
- 1.2 Canada's digital environment is improved through standardization strategies that support individual Canadians and organizations and provide greater transparency and trust.

Ensuring innovation and competitiveness are facilitated through the standardization system is foundational to how SCC will support Canada's economic recovery and enable it to stay resilient on the road ahead. SCC is committed to fostering innovation and competitiveness in the spirit of ensuring Canadian interests, priorities and overall prosperity are supported and sustained. During the planning period, SCC will have a particular focus on supporting the health sector and the digital economy, and on establishing the NSS.

### Advancing Canadian prosperity through standardization and intellectual property

Canada is a nation of innovators. However, small and medium-sized businesses across the country often struggle to leverage their valuable IP to influence their industries and support commercial growth, especially in the context of standardization. SCC's Intellectual Property and Standards Setting Program drives Canadian innovation in emerging technologies (such as digital and cleantech) into market leadership positions by advancing standardization strategies that support commercialization and market access of Canadian IP.

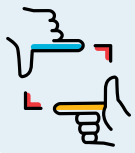
To facilitate Canada's recovery and long-term economic resilience, SCC will deliver on 18 standardization strategies in 2022–23 through the Intellectual Property Program to continue to help Canadian businesses create jobs, and access markets. By developing a coherent and coordinated

standard-setting approach in this space, SCC will effectively support the shaping of national and global marketplace rules in support of Canadian competitiveness.

### Supporting priorities in Canada's health sector

SCC will continue its work to support the delivery of standards to increase the safety of long-term care in Canada. In year one of the planning period, two standards will be published, and SCC will actively promote their incorporation in regulations, guidance and/or use by long-term care facilities in partnership with provincial/territorial governments.

Pre-pandemic, almost one in ten Canadians reported their mental health care needs were not met, and this was only exacerbated by the pandemic. Ensuring strategies are in place to address mental health and substance use is key to Canada's recovery from the pandemic and will ensure long-term resilience in this area of health priority for Canada. In consideration of this, Budget 2021 announced the development of national standards for mental health services. Health Canada has enlisted the services of SCC to support the development of six standardization strategies to address mental health and substance use, and to identify gaps with supporting standardization recommendations for other areas of mental health and substance use work.



**IN FOCUS:**  
**Standardization strategies to address  
mental health and substance use**

Leveraging SCC's unique vantage point and capability to convene input from multiple stakeholder groups, a comprehensive approach is planned to address mental health and substance use considerations by way of the following six standardization strategies:

- Integration of mental health and/or substance use in primary care settings
- Digital mental health and/or substance use apps for children and youth
- Access to integrated community-based services for youth (aged 11–25) and people with complex needs
- Integrated mental health and/or substance use services for Canadians (aged 16+) with complex needs
- Treatment centres
- Substance use workforce

### **Supporting the Pan-Canadian Artificial Intelligence Strategy**

As part of its commitment to renew the PCAIS in Budget 2021, the federal government announced \$8.6 million over five years to advance the development and adoption of standards and conformity assessment programs related to AI. To deliver on this commitment, SCC will be launching the AI Standardization Program in 2022–23, which will have two streams: an AI standardization collaborative and an AI conformity assessment program. The AI Standardization Program will increase the number of standardization solutions available to support safe Canadian advancement and adoption of AI technologies, facilitate broader stakeholder consultation and strategic alignment, and

identify opportunities for international technological leadership. This program will benefit all Canadians, including governments, industry, academics, civil society organizations and consumer interest groups. The AI conformity assessment program will develop an accreditation program to bring clarity and structure to the AI industry in Canada, as well as provide federal regulators with tools for regulating AI. Given the current absence of regulations in the AI landscape, the conformity assessment program will help regulators respond to emerging AI concerns and challenges. This program will support the Canadian-led international AI quality management standard under ISO/IEC JTC 1/SC 42 Artificial Intelligence and develop Canadian-specific conformity assessment requirements to help regulators respond effectively to the rapidly developing AI domain, taking into consideration regulatory and market needs for safe AI use and commercialization. SCC will work in consultation with the department of Innovation Science and Economic Development (ISED) regarding Bill C-11 (the *Consumer Privacy Protection Act*) to ensure alignment of the two initiatives and bolster their respective intended impacts.

This work builds on the Canadian Data Governance Standardization Collaborative and its recently published roadmap. The Collaborative brought together more than 220 stakeholders across Canada to develop a roadmap describing the current and desired Canadian data governance landscape. The roadmap makes 35 recommendations to address gaps and explore new areas where standards and conformity assessment are needed to support Canada's Digital Charter. The solutions identified in the roadmap will help build a safer and more secure digital infrastructure founded on quality, trust and ethics. A key component of this roadmap focuses on providing Indigenous perspectives on data governance in Canada, and provides recommendations for future engagement with First Nations, Inuit and Métis organizations in support of truth and reconciliation in a digital age. SCC is ready and engaged with the right stakeholders to now take the recommendations of the roadmap and put them into action.

## Harmonizing digital credentials / digital trust services in Canada

As of the writing of this plan, there is no way to verify if digital credentials meet national or international standards. To address this lack of a harmonized system for digital credentials / digital trust services in Canada, SCC is facilitating the development of national standards and/or technical specifications in support of Canada’s digital trust infrastructure to promote efficient and effective voluntary standardization in Canada. SCC will develop supportive programs for its accredited certification bodies for public and private sector digital trust services. This will enable the certification of digital trust services, including digital wallets, to ensure seamless

support for digital credentials and alignment with the Digital Charter. Any new or existing national standards will be aligned with international standards to ensure digital credentials issued in Canada will be supported in other countries, and vice-versa, and aligned with Canada’s World Trade Organization (WTO) Technical Barriers to Trade (TBT) obligations, as well as the CFTA to ensure internal alignment.

SCC will also continue its work to support the adoption of a National Standards of Canada on cybersecurity for small and medium sized enterprises (SME) and to equip firms with the knowledge and processes they need to protect their IT assets and data.

OUTCOME	OBJECTIVES
<p>1.1 Canadian interests and priorities are embedded in standards and conformity assessment programs to improve Canadian prosperity, resilience, and health and safety.</p>	<ul style="list-style-type: none"> <li>● A <b>National Standards Strategy</b> is developed to identify priorities and sectors the Canadian standards system should focus on in coming years.</li> <li>● Standardization strategies to help Canadian businesses create jobs, access markets and generate revenue are created through the <b>Intellectual Property Program</b>.</li> <li>● <b>Standards to improve the safety and quality of long-term care in Canada</b> are developed and promoted for incorporation in regulations, guidance and/or use by long-term care facilities.</li> <li>● Standardization strategies to address mental health and substance use are delivered through the <b>Standardization Strategy to Address Mental Health &amp; Substance Use Program</b>.</li> </ul>
<p>1.2 Canada’s digital environment is improved through standardization strategies that support individual Canadians and organizations and provide greater transparency and trust.</p>	<ul style="list-style-type: none"> <li>● <b>Canadian priorities in AI are supported</b> through the development of a standardization collaborative, standardization strategies and conformity assessment program.</li> <li>● <b>Technical specifications for public and private digital credentials and digital trust services</b> are developed to ensure they meet the minimum requirements for interoperability and the safety, privacy and well-being of Canadians are developed.</li> </ul>



## Featurette: National Standards Strategy

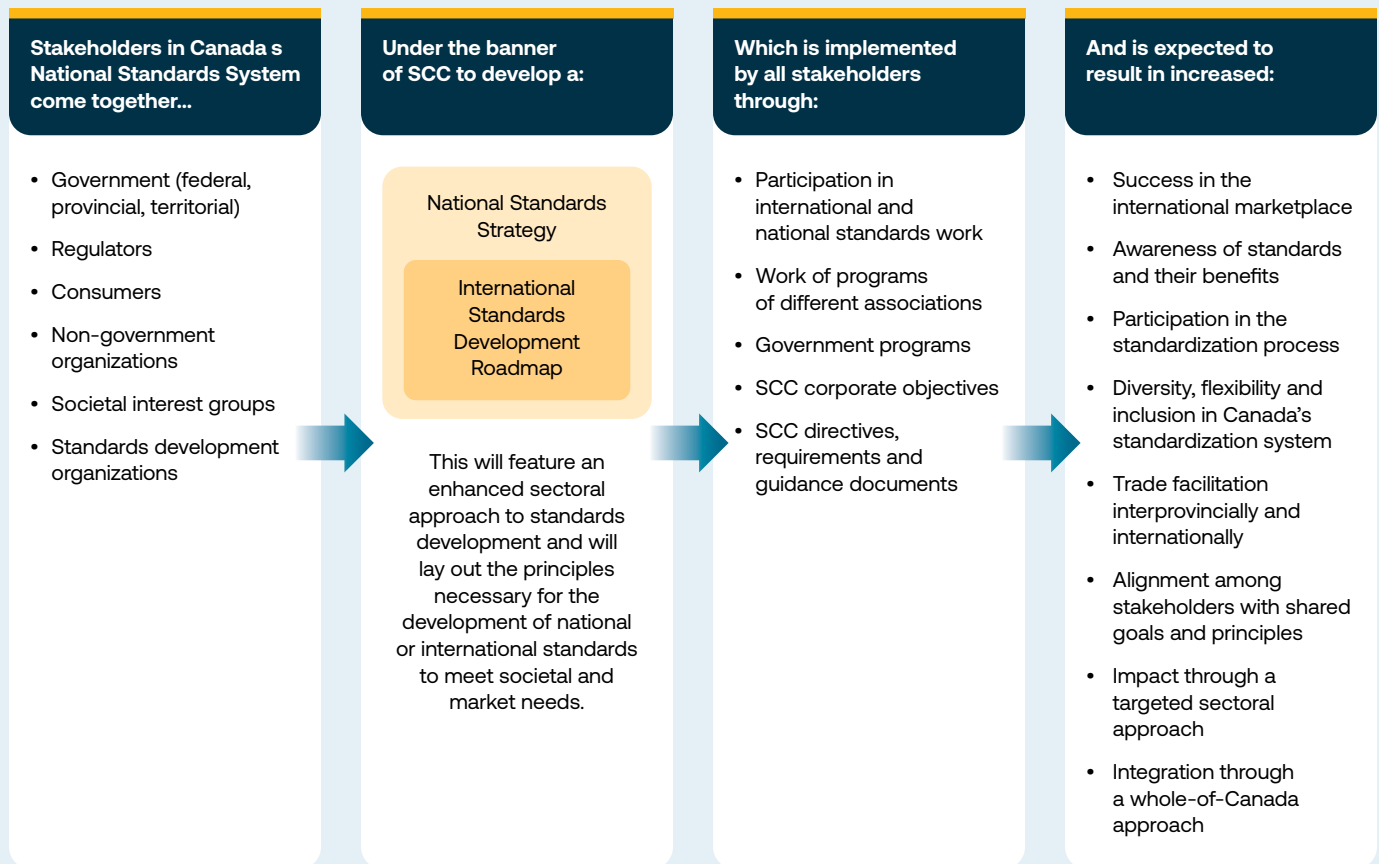
SCC will be seeking approval of a NSS in 2022–23 that will ensure the Canadian standards system proactively responds to the needs of industry, businesses, governments and consumers. Its goal is to identify the priorities and sectors the Canadian standards system should focus on in the coming years.

The strategy will lay out the necessary principles for the development of national standards to meet societal and market needs. It will also outline a strategic vision for implementing these principles nationally and internationally. An international standards development roadmap will be drafted as part of the strategy and will identify the key priorities at the international level to advance Canada's interests on the world stage.

Such discussions will address Canada's position domestically, within North America and internationally.

This concerted strategy, which is being developed in consultation with SCC's extended network of stakeholders, will be a keystone to guide and inform SCC's approach to support Canada's recovery from the pandemic, while ensuring the right considerations and proactive measures are in place to build a resilient and future-ready standardization system for Canada.

Significant transformational work will be undertaken during the planning period to prepare for and start delivering the strategy, which will enable SCC to further open a world of possibilities related to the benefit standards can deliver for Canadians.







## STRATEGIC PRIORITY 2 Canadian leadership

### TARGET OUTCOMES:

- 2.1** Canada's national standardization system is easy to use and work with and is responsive to the changing needs of Canadian regulators, the economy and society.
- 2.2** Canadian interests are represented and inform the development of international standards.
- 2.3** Canadian Sustainability and climate change policies incorporate Canadian and international standardization strategies to address the sustainability of Canadian infrastructure, businesses and communities.

Having a voice in the development of international standards contributes to Canadian economic resilience by providing opportunities to shape standards to Canada's needs and access global markets. International standardization activities also contribute to the evolution of Canada's own standardization system and industries.

SCC will continue its strategic effort to uphold Canada's reputation as a trusted advisor and influencer in international standardization. This effort will be aided by the 2020 appointment of SCC's CEO to the ISO Council, which builds on SCC's ongoing role on ISO's Technical Management Board and roles within the IEC, FINCA, COPANT, PASC, APEC and IAAC.

### Embedding standardization in academia

The incorporation of standards into curricula increases the participation of faculty and researchers in standards development and related activities. SCC will continue to promote the value of standardization to academia in the coming planning period through its academia standardization engagement framework, which guides how and where to engage academia to increase the use of standards by students. Academic use of and involvement with standards has increased in the past few years, and SCC is targeting a year-over-year increase of 20% in both the medium- and long-term windows of the planning period.

### Advancing inclusive standards

As the standardization system evolves, it must take into consideration the diversity of the stakeholders it services as well as emerging Canadian priorities. SCC is committed to continuing its work promoting gender-responsive standards and to dedicating resources to support greater awareness and recruitment of those underrepresented in the development of standards. Through its recruitment process for committees, SCC will maintain the baseline of 24% female representation on technical and governance committees. There will also be significant work conducted by way of SCC's *Gender and Standardization Research Plan*, which will explore and review the current set of activities and initiatives SCC is engaged in to advance inclusive standards with supporting recommendations. This work will also identify opportunities to leverage the United Nations Economic Commission for Europe (UNECE) guidelines on gender-responsive standards and the ISO/IEC Joint Strategic Advisory Group (JSAG) to increase awareness and provide training on gender responsive standards development.

## Engaging the next generation into standards development

Standardization in Canada depends on a vast network of more than 2,800 Canadian experts who participate in regional, national and international committees. Yet recruiting and retaining Canadian experts is a challenge. Without concerted action to attract next-generation talent, Canada could fall behind internationally. SCC will continue to provide revamped tools and training to current experts so they are equipped and supported to contribute. The organization will also maintain its young professionals recruitment initiative with its framework for engaging future volunteer professionals in standards development.

## Reducing internal trade barriers

The Government of Canada is committed to streamlining internal trade through the CFTA — an undertaking with a distinct role for the provinces and territories. Building on its successful reconciliation agreement for pressure vessel Canadian registration numbers (CRNs), SCC's PTAC will take stock to determine the economic impact of the agreements that have been struck. PTAC's next focus is on the reconciliation agreement under the Regulatory Reconciliation and Cooperation Table (RCT) for the Canadian Electrical Code.

## Strengthening climate resiliency

Climate change continues to pose an existential crisis for humanity and demands a concerted global effort to develop and implement solutions. Canada's climate is changing and warming twice as fast as the rest of the world; in the North, temperatures are rising three times as fast. Floods, wildfires, heat waves, coastal erosion, permafrost thaw and other weather-related events are already having significant impacts on our society and our economy. Addressing climate change and building resiliency is a top priority for the government and Canadians. SCC will continue to work with domestic and international stakeholders to ensure Canada's standardization system is part of global action in response to this threat.

For instance, much of today's buildings and infrastructure are designed, built and operated according to standards that were developed with a stable climate in mind. But as Canada's climate changes, so must the infrastructure standards Canadians rely on to keep safe. To address this challenge, SCC will continue to lead national efforts to mobilize the development of standards and related guidance to help communities, businesses, builders and infrastructure operators adapt. Budget 2021 announced \$11.7 million in funding over five years through Infrastructure Canada to renew the Standards to Support Resilience in Infrastructure Program. Starting in 2021–22, the renewed program will have three areas of focus: responding to specific climate change hazards, developing frameworks and systemic approaches to climate change adaptation, and addressing climate change issues specific to communities in the North. SCC will advance 36 standardization strategies and continue to promote the uptake of existing and new strategies in these focus areas.

## Standards for a sustainable future

SCC's work extends beyond addressing climate resiliency and advancing clean technology innovation. As a Crown corporation within the ISED portfolio, SCC's activities contribute to wider federal government commitments to advance the United Nations SDGs. Standards have always played an important role in ensuring coherent, transparent, verifiable and accountable markets for goods and services. In light of the global 21st century challenge of redesigning economic frameworks to account for environmental and social externalities that have long been under-addressed, standards and conformity assessment can and must play a role in the transition.

SCC is taking new action in three areas to help ensure Canada's standardization system rises to the challenge of sustainable development: net-zero strategies, plastic waste and the circular economy, and the alignment of standardization strategies with sustainable market disclosure frameworks.

## Net-zero strategies

Governments and businesses around the world are responding to the need for climate action by making important commitments to achieve net-zero greenhouse gas (GHG) emissions in the coming decades. They will require plans as well as systems, standards and tools to meet them. SCC will continue to work with stakeholders to develop the standardized tools and guidance needed to enable net-zero plans and strategies for key sectors of Canada's economy, including through its leadership of activities under the recently announced industry-government partnership to support the development of a roadmap to net-zero carbon concrete. The partnership, announced on May 31 2021 by the Minister of Innovation, Science and Industry and the Cement Association of Canada (CAC), will champion the decarbonization of the cement and concrete sector and also explore and action new and innovative economic opportunities across the value chain, including opportunities to drive innovation through codes and standards for low-carbon resilient buildings and infrastructure.

## Plastic waste and the circular economy

Globally, more than 11 million tonnes of plastic flow into the oceans each year, a volume that is expected to triple over the next 20 years. Canada generates approximately 3 million tonnes of plastic waste per year, of which only 9% is recycled, a loss of approximately \$8 billion in value to the Canadian economy. To address this gap, Canadian government is taking action through the Oceans Plastics Charter, the Canada-Wide Zero Plastic Waste Strategy and Action Plans, and various other initiatives. Standards and conformity assessment will be essential to enabling the transition to a circular economy, and SCC intends to take on increased leadership on this agenda. SCC is developing proposals for a new comprehensive program, in partnership with government stakeholders, to identify and advance standards and conformity assessment solutions that help Canada transition to a circular economy for plastics.

SCC will continue to work with key stakeholders to identify the standardization strategies necessary to address interests related to compostability, recycled content, recyclability, value-retention processes, circular economy measurement and other topic areas.

## Alignment of standardization strategies with sustainable market disclosure frameworks

Standards and conformity assessment form key building blocks of the national and international quality infrastructure that supports the safety and well-being of communities and people around the world. They provide key tools for achieving organizational and societal objectives related to sustainability, including environmental impact management, sustainable social development and inclusive governance. Global momentum is building around efforts to advance and incentivize climate action and sustainability through new market frameworks and standards. There is a role for existing standardization systems to play in articulating how sustainability can be more deeply integrated into the operations and strategic frameworks of Canadian firms. SCC will work to advance and support harmonized ESG approaches that align with national and international standards to ensure they deliver concrete impacts on the operations of organizations and society. To achieve this, SCC will actively explore and develop a strategy to articulate how standards and activities within Canada's standardization system can play a meaningful role in advancing these outcomes. The development of this strategy will complement the national and international work SCC is currently leading at ISO through the recently established Strategic Advisory Group on positioning international standards and ISO's work in the ESG ecosystem. It will also facilitate Canadian businesses' competitiveness and access to markets as ESG considerations become more prominent.



OUTCOME	OBJECTIVES
<p>2.1 Canada’s national standardization system is easy to use and work with and is responsive to the changing needs of Canadian regulators, the economy and society.</p>	<ul style="list-style-type: none"> <li>● Federal regulators are <b>equipped with insight and direction</b> on how to use standards and conformity assessment to <b>support modern, agile and responsive regulations</b>.</li> <li>● <b>Internal trade is facilitated</b> through standardization alignment initiatives.</li> <li>● <b>Academia is engaged and supported</b> in the use of standards through agreements with SCC.</li> <li>● <b>Gender inclusivity</b> in standardization is assessed and <b>advanced</b>.</li> </ul>
<p>2.2 Canadian interests are represented and inform the development of international standards.</p>	<ul style="list-style-type: none"> <li>● An <b>international standards strategy roadmap</b> is developed to identify areas of priority and participation in standardization activities for SCC.</li> <li>● Standardization initiatives of strategic importance to Canada are <b>promoted internationally</b>.</li> <li>● The <b>participation of young professionals on technical committees</b> is maintained.</li> <li>● Representation in <b>regional and international strategic governance roles</b> is maintained.</li> </ul>
<p>2.3 Sustainability policies incorporate Canadian and international standardization strategies to address the sustainability of Canadian infrastructure, businesses and communities.</p>	<ul style="list-style-type: none"> <li>● Standardization strategies under the <b>renewed Standards to Support Resilience in Infrastructure Program</b> are initiated (defined as contracts being signed and work starting to roll ahead).</li> <li>● A <b>strategy for incorporating sustainability considerations</b> into Canada’s standardization system is developed.</li> </ul>



## STRATEGIC PRIORITY 3 Organizational excellence

### TARGET OUTCOMES:

- 3.1** SCC has an engaged, healthy and diverse workforce, equipped with effective work tools and practices to deliver SCC's programs and services.
- 3.2** SCC's delivery model is adapted to provide greater efficiency for stakeholders and meet their evolving needs with remote assessments, digitized service delivery and agile collaborative tools.
- 3.3** SCC's impact grows through increased demand for its programs and services.

### Ensuring an engaged, healthy, equipped and diverse workforce

Employee engagement is vital to the success of any organization. It reduces staff turnover, improves productivity and contributes to higher customer retention, all of which help build resilience and drive evolution. Most importantly, engaged employees are happier, both at work and in their lives. SCC is committed to having an engaged workforce and will focus on addressing the results of the 2021–22 employee engagement survey in 2022–23. SCC is also committed to providing a healthy workplace, including mental health, and actively surveys employees to understand their level of well-being in the workplace.

Diversity is also core to SCC's HR strategy, and the organization will actively deliver against its diversity strategy in 2022–23 by providing diversity training and ensuring SCC continues to be recognized as an equitable employer by Employment and Social Development Canada (ESDC).

### Reintegrating back into the workplace

As public health restrictions ease and COVID-19 evolves from being a pandemic to an endemic threat, SCC will continue its phased return to the workplace. In 2022–23, a design and budget plan based on the 2021–22 return-to-work pilot project will be developed, with a planned office re-opening dependent on public health guidelines.

### Workforce of the future

As a knowledge-based professional services organization, SCC relies on a diverse, expert team equipped for today's complex, service-oriented economy. SCC will continue its expanded recruitment efforts, aiming to attract and retain employees with the right mix of skills to lead Canada's standardization network. SCC prides itself on its ability to operate with respect, integrity, professionalism and service excellence, and all staff receive values and ethics training. Over the planning period, SCC will enhance and strengthen staff capacity through personal and professional development and will implement a renewed five-year talent management strategy focused on creating an enhanced culture of innovation, diversity and high performance.

SCC will be providing dedicated focus to workforce planning to ensure it has a methodology to address current labour market pressures, and to make sure it can proactively anticipate its skills needs and engage the related labour market pools so it can deliver against future needs.

## Modernizing SCC's business tools and service delivery and ensuring robust security

SCC needs business processes and tools to meet its mandated objectives, maintain its status as an international accreditor, combat cybersecurity threats, complete its digital transformation, and support flexible, collaborative remote work across mixed discipline "matrix" teams. All of this depends on implementing a renewed enterprise architecture and modernization roadmap to advance SCC's digital transformation and provide a sustainable, achievable path to replacing end-of-life systems with suitable long-term alternatives.

Beyond new tools, SCC will continue to evolve its ways of working to reflect the post-COVID-19 reality and the changing needs of stakeholders within the standardization system. A key area of focus will be continuing to enable remote and virtual assessments to ensure business continuity and effective service delivery.

To increase its impact and manage the greater demand for its offerings, SCC will implement a customer relationship management system and leverage the enhanced functionality this will bring to business development and stakeholder engagement.

## Certification to ISO 9001

SCC's own quality management system defines policies, processes and procedures for planning and executing business activities in line with a lean process approach. SCC is continuing its work on this and will focus on defining the scope of SCC's services and scope of certification, as well as the scope of its internal audit program.

## Supporting government priorities

Proactively, SCC will continue to make recommendations to the Minister on standardization-related matters and support the Minister's mandated efforts to grow the Canadian economy in the COVID-19 era. As well, SCC regularly engages with other federal departments to align standardization strategies with government priorities, such as for climate change, international and domestic trade, innovation, and all things related to the digital economy and data governance. Outreach and inclusion of the provinces and territories is coordinated through SCC's PTAC. Standardization is applicable across almost all policy areas and priorities, and demand for SCC services has been steadily growing. As such, as a small organization, starting in 2022-23, SCC will have to assess incoming requests against the organization's resource availabilities. (refer to Appendix E for a more detailed view of how SCC is supporting Government priorities.)

## Growing demand for accreditation services

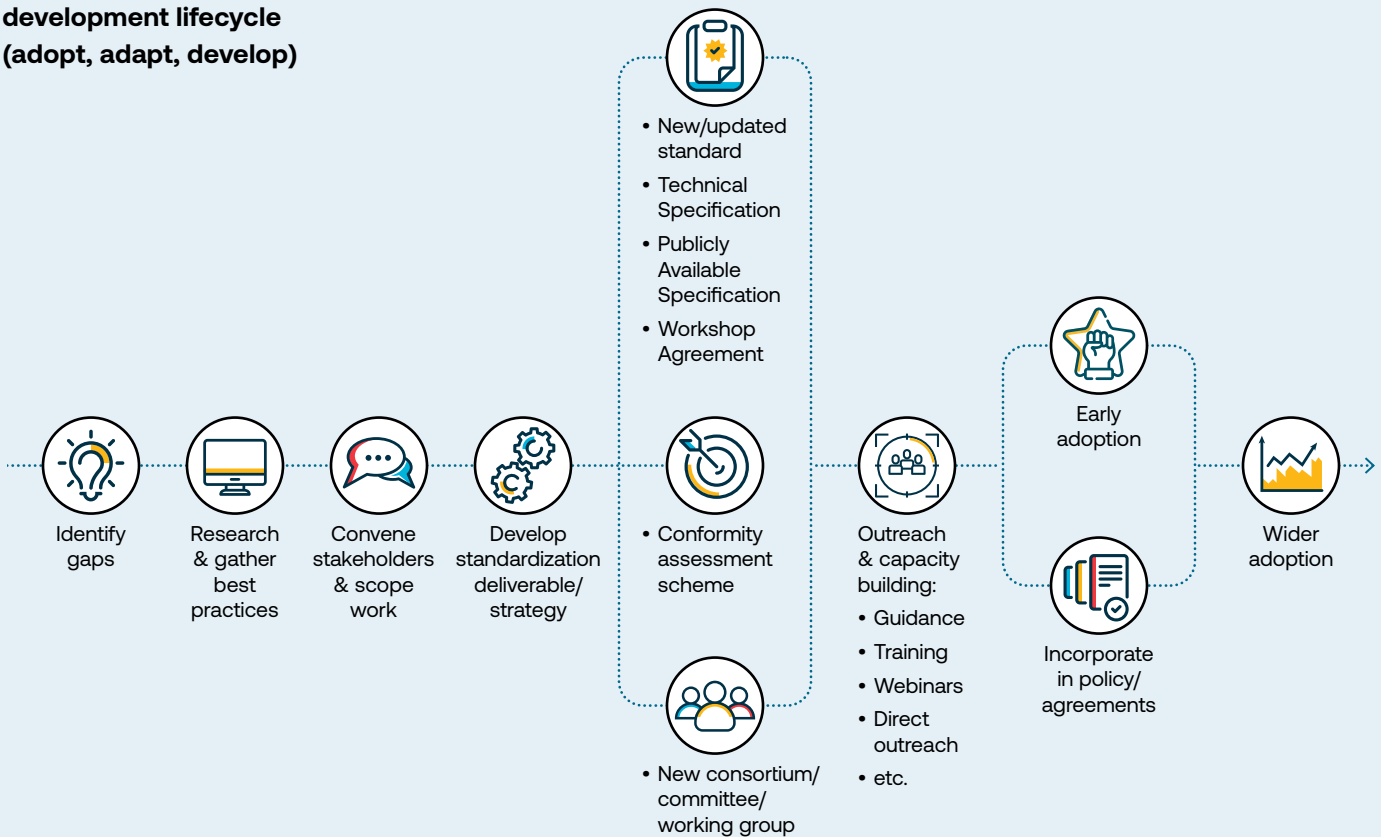
SCC is well positioned to further represent the interests and well-being of Canadians through its work in the accreditation services sphere. At the time of writing of this plan, a comprehensive market analysis and marketing plan was being drafted to identify how best to grow SCC's accreditation business and to refine its program and scheme offerings to maximize impact. This work will also uncover where improvements can be made to existing offerings to retain customers, where it is appropriate to expand and offer new services and/or a wider service offering in spaces SCC already has a market presence, and how to optimize its service offerings where it is not effective for SCC to participate. By enacting this strategic approach to growing accreditation services, SCC will realize its vision of reaching a wider audience and increasing its competitiveness. In doing so, SCC will be able to self-fund the growth of the accreditation program as a whole to provide an increasingly strong service.

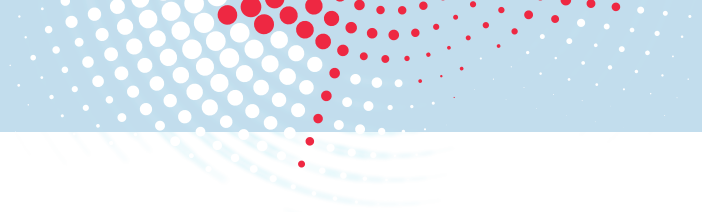
### Creating results for standardization strategies

It is important to demonstrate and articulate what standards and conformity assessment strategies can deliver, so current and new stakeholders can see the value in engaging with SCC and the wider standardization system. For example, a standardization strategy can be the development of a new certification scheme for rail transportation safety, or a new Canadian standard for personal protective equipment to ensure robust Canadian supply chain during a crisis such as COVID-19.

Measuring the impact of standardization strategies is key to fully understanding the results they bring to Canadians. Therefore, SCC will engage in a comprehensive review in 2022–23 and further develop its results framework for standardization strategies, aligned with SCC’s operating model. As well, the target for next fiscal year is to present three strategies to one or more federal departments. This work complements the development of the NSS and will be integral for future outreach and business development.

**Figure 3. Standardization strategy development lifecycle (adopt, adapt, develop)**





OUTCOME	OBJECTIVES/RESULTS
<p>3.1 SCC has an engaged, healthy and diverse workforce, equipped with effective work tools and practices to deliver SCC’s programs and services.</p>	<ul style="list-style-type: none"> <li>● A <b>flexible workplace model</b> and strategy is implemented.</li> <li>● SCC’s <b>workplace fosters strong employee engagement</b>.</li> <li>● SCC’s <b>diversity strategy</b>, including ongoing alignment with government reporting requirements and an employment equity and recruitment plan, is implemented.</li> <li>● SCC <b>employees well-being</b>, including mental health, is <b>supported</b>.</li> <li>● SCC has a <b>workforce planning methodology</b> to better align future resource needs and build competencies and capabilities of its workforce.</li> <li>● SCC’s <b>corporate values are refreshed</b> to support SCC’s strategy.</li> </ul>
<p>3.2 SCC’s delivery model is adapted to provide greater efficiency for stakeholders and meet their evolving needs with remote assessments, digitized service delivery and agile collaborative tools.</p>	<ul style="list-style-type: none"> <li>● Staff are provided with <b>modern digital tools for collaborative and virtual work</b>, improved stakeholder engagement and robust security.</li> <li>● Progress is made towards <b>ISO 9001:2015 Quality Management certification</b>.</li> <li>● <b>Sustainable strategies for remote/virtual accreditation</b> services are established.</li> </ul>
<p>3.3 SCC’s impact grows through increased demand for its programs and services.</p>	<ul style="list-style-type: none"> <li>● <b>Results framework for delivery of standardization strategies is developed</b> to align to SCC’s operating model and stakeholder needs.</li> <li>● Standardization strategies are developed to <b>support key policy and regulatory priorities</b> of federal, provincial-territorial, and municipal government stakeholders.</li> <li>● SCC’s <b>Accreditation Services has a market assessment and growth plan</b> for service delivery.</li> </ul>



# Risk overview

SCC assesses its overall risks as part of its corporate planning process and reviews and updates them regularly using the international standard ISO 31000 *Risk management* as the basis for that assessment. SCC also aligns its risk management practices with Treasury Board guidelines to ensure the organization has appropriate strategies in place.

SCC is partly funded from appropriations and partly from revenue generated from its operations. In accordance with the Financial Administration Act, SCC applies rigorous financial management practices to safeguard those resources. To remain relevant, SCC recognizes the importance of maintaining the confidence of governments, industry and other stakeholders in the value of standardization and the role SCC plays to advance it. That confidence requires SCC to meet its organizational requirements and manage its risks effectively to maintain its status as a trusted advisor and representative on international and regional standardization regimes and bodies.

Below are the key risks SCC will be monitoring and managing in the coming planning period.

## **Pandemic response plan**

The operating environment shaped by the COVID-19 crisis has fundamentally changed the focus of standardization. SCC has responded by establishing internal controls and plans to address potential staff reductions due to illness. Teams have been equipped with key tools for remote work and collaboration

(ensuring productivity and work-from-home resilience), and mental wellness programs and activities such as yoga and virtual coffee chats have been established.

The senior leadership team reviews SCC's business continuity plans on a bi-monthly basis to ensure the organization can respond effectively to the impact of the pandemic. Externally, SCC is acting on requests for standardization strategies to alleviate the immediate health and safety impacts of the crisis. As the nation embarks on the road to recovery, the standardization system will be relied upon to provide tools and strategies.

## **Virtual Culture and the Future of Work**

An engaging and caring workplace culture has many positive impacts on staff morale and productivity as well as on SCC's ability to attract and retain staff, deliver on its mandate, and maintain a trusted reputation. SCC will continue to survey employee engagement and implement a healthy workplace strategy that includes mental health components to ensure a vital and vibrant SCC culture. SCC's shift to virtual work is being supported by external experts, and the organization is in the process of designing its workplace of the future.

## Availability of core business systems

Some of SCC's core systems, applications and databases are beyond their current lifecycle, making them increasingly difficult to support and maintain. The skillsets required to support these services are difficult to find in today's market. As such, these services cannot be protected from possible cyber events using modern security tools, and SCC has had to take steps to provide alternate ways of protecting them. To address this issue, SCC has developed an IT enterprise architecture and integrated roadmap for IM/IT that includes IT operations and maintenance and has put in place capability through a project management office to support the timely and effective execution of the roadmap. The IT team is also cross-training staff to eliminate single points of failure on aging systems. As well, a threat risk assessment has been completed and an action plan is being developed to address any medium or high cybersecurity risks. A partnership agreement has been reached with a third party to expand SCC's internal IM/IT staff and cybersecurity skillsets. All employees are required to complete cybersecurity awareness training.

## Resource capacity

SCC's ability to carry out its core functions and achieve impact depend on having a full complement of key personnel and a right-skilled workforce. To address the risks of long-term absences or position vacancies, SCC has developed a succession plan for all critical positions. Furthermore, SCC is working on developing a workforce planning methodology to integrate its planning and personnel needs. To ensure the availability of qualified assessment personnel to deliver on accreditation activities and meet customer needs, SCC has implemented a long-term assessor resource plan to attract and retain competent and qualified assessors, complemented by new tools and training. In the context of COVID-19, SCC's Accreditation Services has implemented remote and online assessments to mitigate risks to its revenue base, and to safeguard national supply chains for critical personal protective equipment and laboratory testing.

# Financial overview

SCC is listed under Schedule III of the *Financial Administration Act* (FAA) and conforms to the obligations under Part X of the FAA, with policies and procedures in place to ensure it meets or exceeds its legislated obligations (see Appendix D for more detail).

SCC has demonstrated resilience with strong financial management practices to enable the optimal use of resources. As it recovers from the pandemic, SCC is taking a deliberate approach to revisit priorities and plan resources as effectively as possible.

SCC is funded in part by contributions and recovery from accreditation services, the sale of international standards and Government of Canada appropriations. Since 2016, SCC has received \$36 million in temporary funding for initiatives in support of climate change adaptation, innovation, intellectual property protection and cybersecurity. With the financial support for these programs now well into the winddown phase of their cycle, SCC is advocating for the importance of continuing to invest in these areas to not lose the recent momentum Canada has gained. To that effect, in the Federal Budget 2021, the government announced the renewal of the Standards to Support Resilience

in Infrastructure Program. It further proposed new funding specifically to support SCC’s work to advance the development and adoption of standards related to artificial intelligence as part of the renewal of the PCAIS. Over the coming months, SCC will continue to work with central agencies to secure funding related to advancing industry-wide data governance standards.

As the pandemic persists, the alternative work arrangements, travel restrictions and efficiencies gained in response to COVID-19 have not only reduced SCC’s expenses and helped maintain its financial position, but have also exposed opportunities to gain efficiencies in the future. Management recognizes, however, that the future workplace will require additional investments in facilities and remote working capabilities.

The following table provides an overview of the anticipated appropriation funding over the next five years:

## Appropriation funding

For the year ended March 31 (in \$ millions)	Actual 2020–21	Plan 2021–22	Forecast 2021–22	Plan				
				2022–23	2023–24	2024–25	2025–26	2026–27
<b>Baseline appropriations</b>	9.5	9.2	9.5	9.2	11.5	11.5	11.5	11.5
<b>Temporary appropriations</b>	9.1	5.8	9.4	6.4	4.5	4.5	4.8	0.0
<b>Total appropriations</b>	<b>18.6</b>	<b>15.0</b>	<b>18.9</b>	<b>15.6</b>	<b>16.0</b>	<b>16.0</b>	<b>16.3</b>	<b>11.5</b>

SCC is presenting a plan that aims to sustain its recent growth through the introduction and renewal of programs and targeted growth in its accreditation services revenues. Over the planning horizon,

SCC will conclude the delivery of its sunsetting programs and prudently invest in areas to increase the social and economic benefit it delivers to Canadians through programs and activities.

To financially support these objectives, SCC intends to complement appropriated funding further by expanding its accreditation services offerings and by developing standardization strategies to support areas of strategic importance for regulators and policy makers. In the short term, SCC's unprecedented growth will slowly level off. In the medium term, guided by the NSS,

SCC's sustainable funding plan will help drive further momentum and enable greater opportunities for reinvestment. Over the planning horizon, the proportion of SCC's funding from self-generated revenue will increase to support these goals as illustrated in the following table.

### Funding source

Funding source (as a percentage of total funding)	Actual 2020-21	Plan 2021-22	Forecast 2021-22	Plan				
				2022-23	2023-24	2024-25	2025-26	2026-27
<b>Contributions from services</b>	26%	34%	34%	45%	40%	45%	46%	56%
<b>Sales of international standards</b>	6%	6%	6%	6%	6%	6%	6%	6%
<b>Appropriations</b>	68%	60%	60%	49%	54%	49%	48%	38%

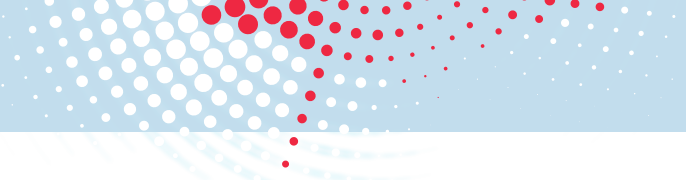
SCC remains aligned with its strategic priorities by proactively managing its operations, which includes regularly reviewing and maintaining control of its expenses.

### Significant items

Implementing this plan will enable SCC to maintain its ongoing investments to ensure the interests, values and diversity of Canada are reflected in both the national and international standardization development spheres. SCC will develop and implement an adapted sustainable funding model to support its world-class experts and governance activities in the post-pandemic context and will pursue new strategies to engage a more diverse pool that includes next-generation professionals and academia. SCC will also buttress its recent investments and advance its roadmap by completing key digitization and cybersecurity projects

that advance its information technology infrastructure. Over the next five years, SCC will spend an additional \$10 million in operating and capital expenditures combined, to provide SCC staff with modern digital tools for more efficient and effective work. This will include the modernization of its facilities for increased collaboration, virtual work, stakeholder engagement and security upgrades. In addition, to ensure its workforce is well supported and engaged over the planning period, SCC will make measured investments to operationalize the components of its existing and renewed talent management strategy.

SCC has received increased temporary appropriation funding in recent years to support the delivery of innovation, infrastructure, intellectual property, artificial intelligence and CyberSecure programs. SCC has received:



Active	Expired
\$11.7M over 2021–26 to renew the Standards to Support Resilience in Infrastructure Program	\$11.7M over 2016–21 to develop standardization strategies to adapt infrastructure to climate change
\$11M over 2018–23, with \$2.3M ongoing per year to develop standardization strategies in support of Canada’s Intellectual Property Program	\$14.4M over 2017–22 to develop standardization strategies in support of Canada’s Innovation and Skills Plan and Innovation Superclusters
\$8.4M over 2021–26 to advance the development and adoption of standards related to artificial intelligence as part of the renewal of the PCAIS	\$1.6M over 2019–22 to develop an accreditation program in support of CyberSecure Canada

Expenditures related to commitments made under the various programs will significantly decrease in fiscal year 2022–23 and ramp up again as the renewed funding for the Standards to Support Resilience in Infrastructure Program and funding to advance the development and adoption of standards related to artificial intelligence as part of the renewal of the PCAIS are onboarded. Over the same period, SCC will begin to bolster its management system accreditation program with new schemes, add a new National Cybersecurity Accreditation program and a new pricing strategy for all accreditation programs allowing the branch to operate on a full cost recovery basis and generating \$5M in additional revenue over the next five years. The organization will also target revenue growth resulting from new business opportunities in the development of standardization strategies which will generate a total of \$9M in revenues in five years.

**Target reserve**

As a non-profit organization, at the direction of Council, SCC sets a target reserve in accordance with its target reserve policy to safeguard against unforeseen events. In fiscal year 2021–22, SCC started to increase its

target reserve to account for a shift in funding sources. Accordingly, SCC’s reserve target will increase progressively from \$1.5 million in 2021–22 to \$3.5 million in 2026–27 and onwards, recognizing increased uncertainty in SCC’s funding sources.

The funds recently received for programs have contributed to a temporary surplus; however, upon full execution of the programs, these amounts are shown in the plan to be redistributed and consumed in the short term. The balance of the surplus is being used for a multi-year planned program of reinvestment into the organization and infrastructure, advancing SCC’s mandate and initiatives over the current and planned horizon. Consequently, SCC expects to run deficits over the next three years as it draws down on the investments from temporary funding programs, and will level off in the following years with an increasing reserve target supported by new initiatives. Beyond the targeted reserve, SCC will use the funds to make modest investments to sustain its operations.

## Accumulated surplus

For the year ended March 31 (in thousands of dollars)	Actual 2020–21	Plan 2021–22	Forecast 2021–22	Plan				
				2022–23	2023–24	2024–25	2025–26	2026–27
<b>Net surplus/ (deficit) for the year</b>	100	-3,194	2,964	-4,059	-2,892	-648	955	334
<b>Accumulated surplus, open</b>	6,727	7,328	6,827	9,791	5,732	2,840	2,192	3,147
<b>Accumulated surplus, end</b>	6,827	4,134	9,791	5,732	2,840	2,192	3,147	3,481
<b>Target reserve for risk</b>	-	-	1,500	1,500	1,500	2,000	3,000	3,500
<b>Accumulated surplus for program commitments and other strategic opportunities</b>	-	-	8,291	4,232	1,340	192	147	-19

## Key assumptions

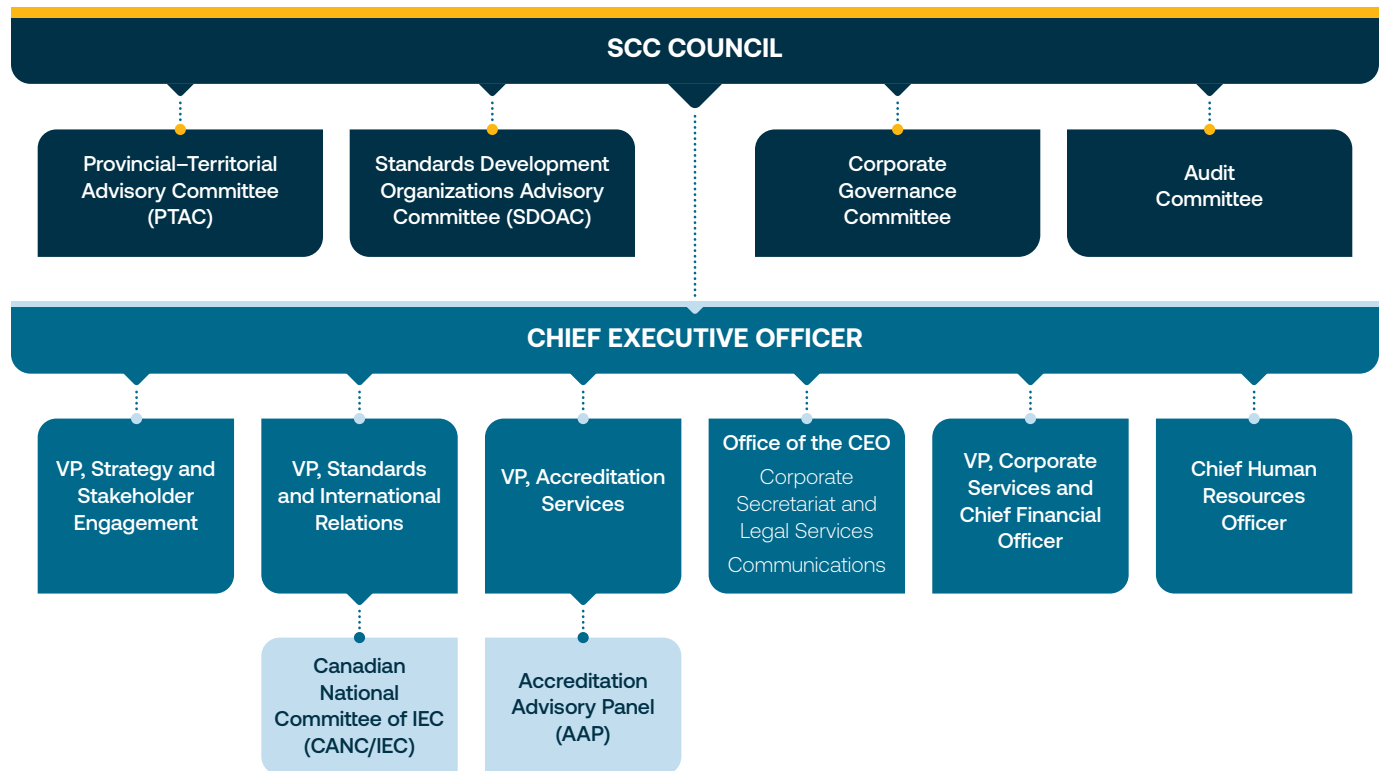
SCC's operating and capital budgets are developed based on planned operating activity within the constraints outlined above and include the following assumptions:

- Salaries and expenditures experience inflationary effects of 3% in the first two fiscal years and 2% onwards.
- Headcount growth levels off as full-time equivalent (FTE) dedicated to sunsetting programs are reallocated to renewed or new programs.
- Employee vacancy rate is 7% across the entire period.
- SCC's eligible employees contribute to the Public Service Pension Plan; SCC's responsibility regarding the plan is limited to its contributions. Actuarial surpluses or deficiencies are recognized in the financial statements of the Government of Canada.
- Investment in IM/IT initiatives increase to \$2.3 million in year 1 from a forecasted \$1.3 million in 2021–22 then gradually reduce to \$1.7 million in year 5.
- Support to Canadian volunteers representing Canada in ISO/IEC technical committees at 40% of historic investment of \$1.0 million, increasing to 50% in years 2 to 5, reflecting a significant shift to a virtual/remote context.
- Travel, hospitality, conferences and events expenditures decrease by 60% of historical expenditures, to account for the post-pandemic landscape.
- Accreditation revenue growth of \$5.8 million from fiscal year 2022–23 to fiscal year 2026–27, on the basis of a combined 6% growth resulting from the recovery of COVID-19 deferrals (2%) and SCC historical growth rate of 4%, in addition to a 2% growth in years 2 to 5 supported by the marketing strategy currently under development, a 10% gain from pricing strategy realized in fiscal year 2023–24, and the development of 12 new scheme offerings (four in year 1 and two each year thereafter), which translates to an annual growth rate of 4% per year starting in year 2.
- In addition to the above, revenues from the cybersecurity accreditation program will generate an additional total of \$1.3 million in revenues over the planning period. This is significantly reduced (by 75%) from the previous planning period as a result of consultation and direction from ISED.

SCC's detailed financial statements and budgets can be found in Appendix C.

# Appendix A: Corporate governance structure

SCC’s Governing Council is supported by two standing committees and two advisory committees as established in the *Standards Council of Canada Act*. It is also supported by an executive team of eight, as well as an additional committee and panel as shown below:



The Chief Executive Officer (CEO) oversees four Vice-Presidents (VPs), one Chief Human Resources Officer (CHRO), the Corporate Secretary and Legal Counsel, and the Senior Director of Communications.

Each VP leads a branch with between 22 and 34 staff and has one or two Directors reporting to them.

The CHRO leads a branch of four with one Manager reporting to them.

The CEO’s compensation is determined by the Privy Council Office. The VPs and CHRO are classified at an SCM4 level, with a salary range of \$159,100–\$198,600.

In addition to their salaries, the CEO, VPs and CHRO also receive an annual performance bonus, health assessment coverage, health and dental coverage, and monthly parking expenses.

SCC is supported by one advisory panel and one committee:

- **Accreditation Advisory Panel:** A body representing stakeholders in SCC's accreditation services (customers, regulators, industry experts, scheme owners, assessors, etc.) that provides advice to help ensure fairness and impartiality in relevant SCC policies and programming. The panel falls under the purview of SCC's Accreditation Services.
- **Canadian National Committee for the International Electrotechnical Commission:** CANC/IEC provides strategic and policy advice to SCC on Canada's priorities for companies in the energy, electrotechnical and electrical sectors, and on other IEC-related matters. The committee falls under the purview of SCC's Standards and International Relations.

## SCC Council

SCC is governed by a Council that reports to Parliament through the Minister of Innovation, Science and Industry. The Council has overall responsibility for the oversight of SCC, holds management accountable for achieving SCC's statutory mandate and corporate objectives, and ensures significant risks to the Corporation are identified and well managed. It also plays an important role in setting SCC's strategic direction and ensuring alignment with the priorities of the Government of Canada.

The Council is composed of up to 13 members, of whom 10 are appointed by the federal government and three others are members of the Council by virtue of their Chair/Vice-Chair positions on advisory committees established pursuant to the *Standards Council of Canada Act* (SCC Act). Council members are appointed to represent a broad spectrum of stakeholder interests in the private and public sectors and bring a broad range of knowledge and experience to support the fulfilment of SCC's mandate.

The Council has two standing committees: the Audit Committee and the Corporate Governance Committee.

- **Audit Committee (AC):** The AC helps the Council oversee the financial management of the organization, including financial reporting; internal accounting; and financial controls, budgets, internal and external audit processes, risk management, continuous disclosure, compliance with ethics-related and statutory requirements, and other oversight responsibilities.
- **Corporate Governance Committee (CGC):** The CGC ensures the Council fulfills its responsibilities regarding governance policy development, recruitment strategies, training programs, monitoring of Council activities, evaluation of Council members' performance, and oversight of the CEO's objectives and performance.



## Council membership

Name	Start of current term	End of term	Order-in-Council appointee	Committee
1. <b>Clark, Colin</b> <i>Acting Council Chair</i>	2018-10-03	2022-10-02	√	CGC/AC
2. <b>Milsom, Kathy</b>	2017-11-09	2020-11-08	√	CGC Interim Chair
3. <b>Burse, Tom</b>	2018-10-03	2022-10-02	√	AC Chair
4. <b>Dolan, Jeff</b>	2021-11-24	2024-11-23		PTAC Chair,
5. <b>Hawkins, William</b>	2022-01-05	2025-01-04		Vice-Chair of PTAC
6. <b>Cianchetti, Mary</b>	2017-10-14	2023-10-14		SDOAC Chair
7. <b>Burns, Michael</b>	2018-10-03	2021-10-02	√	AC
8. <b>Coallier, François</b>	2018-10-03	2022-10-02	√	AC
9. <b>Kassam, Zakiah</b>	2018-10-03	2022-10-02	√	CGC
10. <b>Reid, Glenda</b>	2018-10-03	2022-10-02	√	CGC
11. <b>Schacter, Brent</b>	2018-10-03	2021-10-02	√	CGC
12. <b>Winnitoy, Tayt</b>	2019-02-05	2021-02-04	√	AC

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

- Provincial-Territorial Advisory Committee (PTAC):** PTAC promotes cooperation and communication between the provinces, territories and SCC, and supports provincial and territorial participation in Canadian standardization activities.
- Standards Development Organizations Advisory Committee (SDOAC):** SDOAC promotes collaboration and cooperation between SCC and SCC-accredited SDOs.

Kathy Milsom's term as Chair ended on November 8, 2020. Pursuant to the Order in Council appointing her and the relevant provisions of the *Financial Administration Act*, she will remain on Council as a member and is serving as Interim Chair of the Corporate Governance Committee. Until such time as a new Chair is appointed by the Governor in Council, our Vice-Chair Colin Clark will act as Chair. One position is currently vacant.

# Appendix B:

## Planned Results 2022–2023 to 2026–2027

### STRATEGIC PRIORITY 1: Innovation and competitiveness

#### OUTCOME 1.1: Canadian interests and priorities are embedded in standards and conformity assessment to improve Canadian prosperity, resilience, and health and safety.

#	Objective/result	ST indicator 2022–23 Year 1	ST target 2022–23 Year 1	MT indicator 2023–24/2024–25 Years 2 & 3	MT target 2023–24/2024–25 Years 2 & 3	LT indicator 2025–26/2026–27 Years 4 & 5	LT target 2025–26/2026–27 Years 4 & 5	Data source/ methodology
1	A National Standards Strategy (NSS) is developed to identify priorities and areas of focus for Canada's standardization system	Development of the NSS and supporting implementation plan	The NSS is approved and published  Implementation plan for the NSS is developed	To be identified as part of the NSS	To be identified as part of the NSS	To be identified as part of the NSS	To be identified as part of the NSS	To be identified as part of the NSS
2	Standardization strategies are created through the Intellectual Property (IP) Program to help Canadian businesses create jobs, access markets and generate revenue	Number of standardization strategies delivered through the IP Program to help Canadian businesses create jobs, access markets and generate revenue per year	Nine (9) standardization strategies delivered through the IP Program to help Canadian businesses create jobs, access markets and generate revenue  Baseline: 90 standardization strategies since inception of programs, 108 total program deliverables (Innovation and IP)	Number of standardization strategies delivered to help Canadian businesses create jobs, access markets and generate revenue	Nine (9) standardization strategies delivered through the IP Program to help Canadian businesses create jobs, access markets and generate revenue by March 31, 2024  Baseline: 99 standardization strategies since inception of programs, 108 total program deliverables (Innovation and IP)	Program is renewed	Program is renewed	Internal sources: count the number of strategies
		Percentage of Canadian businesses for whom standardization strategies have been created through the IP Program and which report that standardization strategies have improved job creation, access to market or revenue generation within two years	66% by March 31, 2023  Baseline: 53% in 2020-21	To be identified as part of the <i>Standardization Strategies Framework Review</i> (objective under Outcome 3.3)	To be identified as part of the <i>Standardization Strategies Framework Review</i> (objective under Outcome 3.3)	To be identified as part of the <i>Standardization Strategies Framework Review</i> (objective under Outcome 3.3)	To be identified as part of the <i>Standardization Strategies Framework Review</i> (objective under Outcome 3.3)	Internal sources: Innovation & Intellectual Property Survey: supported businesses report that standardization work has impacted one of the following: job creation, access to market (national/international) or revenue generation

#	Objective/result	ST indicator 2022–23 Year 1	ST target 2022–23 Year 1	MT indicator 2023–24/2024–25 Years 2 & 3	MT target 2023–24/2024–25 Years 2 & 3	LT indicator 2025–26/2026–27 Years 4 & 5	LT target 2025–26/2026–27 Years 4 & 5	Data source/methodology
3	Standards to improve the safety and quality of long-term care in Canada are developed and promoted for incorporation in regulations, guidance and/or use by long-term care facilities	Standards to improve safety and quality of long-term care in Canada are developed	Two (2) standards are published	To be identified as part of the <i>Standardization Strategies Results Framework Review</i> (objective under Outcome 3.3)	To be identified as part of the <i>Standardization Strategies Results Framework Review</i> (objective under Outcome 3.3)	To be identified as part of the <i>Standardization Strategies Results Framework Review</i> (objective under Outcome 3.3)	To be identified as part of the <i>Standardization Strategies Results Framework Review</i> (objective under Outcome 3.3)	External sources, progress against project plan
4	Standardization strategies to address mental health and substance use are delivered through the Standards to Address Mental Health & Substance Use Program	Number of standardization strategies delivered per year to address mental health and substance use	Six (6) standardization strategies delivered	Program extension	Program extension	Program extension	Program extension	Internal sources: count the number of strategies
		Gaps and standardization recommendations for other areas of mental health and substance use for future implementation are identified	Roadmap is published	Program extension	Program extension	Program extension	Program extension	Internal sources: progress against project plan

**OUTCOME 1.2: Canada’s digital environment is improved through standardization strategies that support individual Canadians and organizations and provide greater transparency and trust.**

#	Objective/result	ST indicator 2022–23 Year 1	ST target 2022–23 Year 1	MT indicator 2023–24/2024–25 Years 2 & 3	MT target 2023–24/2024–25 Years 2 & 3	LT indicator 2025–26/2026–27 Years 4 & 5	LT target 2025–26/2026–27 Years 4 & 5	Data source/ methodology
1	Canadian priorities in AI are supported through the development of a standardization collaborative, standardization strategies and a conformity assessment program	Areas of priority identified through collaborative	AI standardization roadmap published	Percentage of prioritized recommendations resulting from the AI standardization roadmap that have implemented plans in place	50%	Percentage of prioritized recommendations resulting from the AI standardization roadmap that have implemented plans in place	100%	Internal sources: count the number of strategies
		AI conformity assessment program sandbox pilot completed	AI conformity assessment program sandbox pilot completed	AI conformity assessment program developed and launched	AI conformity assessment program developed and launched	Number of AI conformity assessment program assessors trained	2025–26: Three (3) AI conformity assessment program assessors trained 2026–27: Three (3) AI conformity assessment program assessors trained	Internal sources: progress against project plan, count the number of program assessors trained
2	Technical specifications for public and private digital credentials and digital trust services are developed to ensure they meet the minimum requirements for interoperability and the safety, privacy and well-being of Canadians	Technical specification developed with input from ISED; federal, provincial and territorial governments; and private industry stakeholders	Technical specification published	Conformity assessment program sandbox (pilot) completed	Conformity assessment program sandbox (pilot) completed by March 31, 2025	Conformity assessment program launched	Conformity assessment program launched by March 31, 2027	Internal sources: progress against project plan

**STRATEGIC PRIORITY:** Canadian leadership

**OUTCOME 2.1:** Canada’s national standardization system is easy to use and work with and is responsive to the changing needs of Canadian regulators, economy and society.

#	Objective/result	ST indicator 2022–23 Year 1	ST target 2022–23 Year 1	MT indicator 2023–24/2024–25 Years 2 & 3	MT target 2023–24/2024–25 Years 2 & 3	LT indicator 2025–26/2026–27 Years 4 & 5	LT target 2025–26/2026–27 Years 4 & 5	Data source/ methodology
1	Federal regulators are equipped with insight and direction on how to use standards and conformity assessment to support modern, agile and responsive regulations	Number of opportunities to incorporate standards in regulations identified per year	A minimum of two (2) opportunities for the standardization system to support modern, agile and responsive regulations	To be identified as part of the <i>Standardization Strategies Results Framework Review</i> (objective under Outcome 3.3)	To be identified as part of the <i>Standardization Strategies Results Framework Review</i> (objective under Outcome 3.3)	To be identified as part of the <i>Standardization Strategies Results Framework Review</i> (objective under Outcome 3.3)	To be identified as part of the <i>Standardization Strategies Results Framework Review</i> (objective under Outcome 3.3)	Internal sources: progress against project plan
2	Coordination with public safety and provincial/territorial and municipal regulators is strengthened	Engagement strategy with municipal regulators is developed	Engagement plan is developed and initial engagement with three (3) municipal regulators started	To be identified as part of the <i>Standardization Strategies Results Framework Review</i> (objective under Outcome 3.3)	To be identified as part of the <i>Standardization Strategies Results Framework Review</i> (objective under Outcome 3.3)	To be identified as part of the <i>Standardization Strategies Results Framework Review</i> (objective under Outcome 3.3)	To be identified as part of the <i>Standardization Strategies Results Framework Review</i> (objective under Outcome 3.3)	Internal sources: progress against project plan
		SCC provides advice and guidance on standardization issues to Regulatory Authority Advisory Bodies (RAABs) in the public safety network	Two (2) strategic initiatives are identified to support RAABs					
3	Internal trade is facilitated through standardization alignment initiatives with provinces and territories	Number of new standardization alignment initiatives underway per year	At least one (1) new standardization alignment initiative	Number of new standardization alignment initiatives underway per year	At least one (1) new standardization alignment initiative	Number of new standardization alignment initiatives underway per year	At least one (1) new standardization alignment initiative	Internal sources: count the number of initiatives underway

#	Objective/result	ST indicator 2022–23 Year 1	ST target 2022–23 Year 1	MT indicator 2023–24/2024–25 Years 2 & 3	MT target 2023–24/2024–25 Years 2 & 3	LT indicator 2025–26/2026–27 Years 4 & 5	LT target 2025–26/2026–27 Years 4 & 5	Data source/ methodology
4	Gender inclusivity in standardization is assessed and advanced	Progress against SCC's Gender Work Plan	Review of implementation plan for SCC Young Professionals Standardization Framework	Progress against SCC's Gender Work Plan	SCC policy document review, including requirements and guidance documents are complete, to increase access to standardization	To be identified with update of Gender Work Plan in 2022–23	To be identified with update of Gender Work Plan in 2022–23	N/A
			Thematic session at SDOAC is delivered to increase awareness on how to address gender equity in standards development		Research (focus group / survey) to identify barriers to female participation in technical committees is completed			
			Preliminary research that examines the impact of increased gender balance on standards development is completed		Research report on GBA+ (intersectionality) implications on standards is completed			
			Opportunities are identified to leverage the UNECE guidelines on gender responsive standards and the ISO/IEC Joint Strategic Advisory Group to increase awareness and provide training on gender responsive standards development					

#	Objective/result	ST indicator 2022–23 Year 1	ST target 2022–23 Year 1	MT indicator 2023–24/2024–25 Years 2 & 3	MT target 2023–24/2024–25 Years 2 & 3	LT indicator 2025–26/2026–27 Years 4 & 5	LT target 2025–26/2026–27 Years 4 & 5	Data source/ methodology
5	Academia is engaged and supported in the use of standards through agreements with SCC	Number of agreements established with academia and research communities for the use of international standards per year	10 agreements established	Number of agreements established with academia and research communities for the use of international standards per year	2023–24: 12 agreements established 2024–25: 14 agreements established	Number of agreements established with academia and research communities for the use of international standards per year	2025–26: 16 agreements established 2026–27: 18 agreements established	Internal sources: count the number of agreements established
		Approach to further engagement with academia and research community on standardization in Canada is established	Action plan for engagement with academia and research community on standardization in Canada completed	N/A	N/A	N/A	N/A	N/A
		Promotion and/or development of capacity-building standardization content for use in academia	To be identified in action plan for engagement with academia and research community on standardization in Canada	To be identified in action plan for engagement with academia and research community on standardization in Canada	To be identified in action plan for engagement with academia and research community on standardization in Canada	To be identified in action plan for engagement with academia and research community on standardization in Canada	To be identified in action plan for engagement with academia and research community on standardization in Canada	To be identified in action plan for engagement with academia and research community on standardization in Canada

## OUTCOME 2.2: Canadian interests are represented and inform the development of international standards.

#	Objective/result	ST indicator 2022–23 Year 1	ST target 2022–23 Year 1	MT indicator 2023–24/2024–25 Years 2 & 3	MT target 2023–24/2024–25 Years 2 & 3	LT indicator 2025–26/2026–27 Years 4 & 5	LT target 2025–26/2026–27 Years 4 & 5	Data source/ methodology
1	An international standards strategy roadmap is developed to identify areas of priority and participation in standardization activities for SCC	Development of a strategy for Canadian representation on international technical committees	Strategy and International Standards Development Roadmap (ISDR) approved by SCC Council	Percentage alignment of Mirror Committees with the ISDR	80% alignment with the ISDR  *Additional targets to be identified with finalization of the ISDR	Percentage alignment with the ISDR	90% alignment with ISDR  *Additional targets to be identified with finalization of the ISDR	Internal sources: Progress against strategy.
2	Standardization initiatives of strategic importance to Canada are promoted internationally	Number of new Canadian work item proposals submitted internationally in an area of strategic importance to Canada per year	Five (5) new Canadian work item proposals submitted internationally	To be identified as part of the NSS	To be identified as part of the NSS	To be identified as part of the NSS	To be identified as part of the NSS	Internal sources: count the number of new Canadian work item proposals submitted internationally in an area of strategic importance to Canada
3	The participation of young professionals on technical committees is maintained	Overall percentage of members that are young professionals per year	19% of technical and governance committee members are young professionals  Baseline: 18% (established in fiscal year 2020–21)	Overall percentage of members that are young professionals	20% of technical and governance committee members are young professionals  Baseline: 19% (established in fiscal year 2021–22)	Overall percentage of members that are young professionals	20% of technical and governance committee members are young professionals  Baseline: 19% (established in fiscal year 2021–22)	Internal sources: percentage of young professional members on technical committees
4	Representation in regional and international strategic governance roles is maintained	Representation in regional and international strategic governance roles	Representation in 51 governance roles  Baseline: 51 governance roles	To be identified as part of the NSS	To be identified as part of the NSS	To be identified as part of the NSS.	To be identified as part of the NSS	Internal sources: count the number of governance roles on regional and international bodies



**OUTCOME 2.3: Canadian sustainability and climate change policies incorporate Canadian and international standardization strategies so Canada has resilient infrastructure, businesses and communities**

#	Objective/result	ST indicator 2022–23 Year 1	ST target 2022–23 Year 1	MT indicator 2023–24/2024–25 Years 2 & 3	MT target 2023–24/2024–25 Years 2 & 3	LT indicator 2025–26/2026–27 Years 4 & 5	LT target 2025–26/2026–27 Years 4 & 5	Data source/ methodology
1	Standardization strategies that address climate change adaptations for infrastructure and buildings are initiated through the renewed Standards to Support Resilience in Infrastructure Program (SSRIP)	Increase in number of downloads and unique webpage views of each developed standardization strategy per year	Three-year baseline for uptake completed	Increase in number of downloads and unique webpage views of each developed standardization strategy per year	To be determined in consideration of three-year baseline	Increase in number of downloads and unique webpage views of each developed standardization strategy per year	To be determined in consideration of three-year baseline	Internal sources: count the number of strategies
		Increase in number of references per year to standardization strategies developed under SSRIP in procurement documents, building requirements and/or guidance and external		Increase in number of references per year to standardization strategies developed under SSRIP in procurement documents, building requirements and/or guidance and external		Increase in number of references per year to standardization strategies developed under SSRIP in procurement documents, building requirements and/or guidance and external		
		Number of standardization strategies initiated to address climate change and adaptations for infrastructure and buildings through the renewed SSIRP per year		Nine (9) standardization strategies initiated (cumulative against program target: 9/36)		Number of standardization strategies initiated to address climate change and adaptations for infrastructure and buildings through the renewed SSIRP per year		
2	A strategy for incorporating sustainability into Canada's standardization system is developed	Strategy to incorporate sustainability into Canada's standardization system is developed	Strategy is developed and presented to SCC Council	To be identified as part of strategy development	To be identified as part of strategy development	To be identified as part of strategy development	To be identified as part of strategy development	Internal sources: progress against development of strategy

**STRATEGIC PRIORITY:** Organizational excellence

**OUTCOME 3.1:** SCC has an engaged, healthy and diverse workforce, equipped with effective work tools and practices to deliver SCC’s programs and services.

#	Objective/result	ST indicator 2022–23 Year 1	ST target 2022–23 Year 1	MT indicator 2023–24/2024–25 Years 2 & 3	MT target 2023–24/2024–25 Years 2 & 3	LT indicator 2025–26/2026–27 Years 4 & 5	LT target 2025–26/2026–27 Years 4 & 5	Data source/ methodology
1	A flexible workplace model and strategy is implemented	Progress made against milestones of the workplace reintegration and sustainable workplace strategy	Office reconfiguration design and budget plan based on 2021–22 pilot is approved	Progress made against milestones of the workplace reintegration and sustainable workplace strategy	Supporting policies for workplace reintegration and sustainable workplace strategy are approved by March 31, 2024	Corporate culture is adapted to new flexible workplace model	Flexible workplace model is fully normalized	Internal sources: progress against project plan and employee engagement survey
			Supporting policies for workplace reintegration and sustainable workplace strategy are proposed		Office reconfiguration for workplace of the future complete (dependent on public health guidelines)		To be determined — employee satisfaction targets as monitored via engagement survey	
			Office reopening during fiscal year (dependent on public health guidelines)		Flexible workplace model is fully implemented			
2	Strong employee engagement is fostered	Feedback from the 2021–22 employee engagement survey results are addressed	To be identified through the results of 2021–22 employee engagement survey	Employee engagement survey score is maintained or increased	Industry’s 25th percentile Baseline: 25th percentile (January 2020)	Employee engagement survey score is maintained or increased	Industry’s 25th percentile Baseline: 25th percentile (January 2020)	Based on best available industry results from sourced data and actual results of SCC’s biennial employee engagement survey
				Survey feedback is addressed	To be identified through the results of 2023–24 employee engagement survey	Survey feedback is addressed	To be identified through the results of 2025–26 employee engagement survey	

#	Objective/result	ST indicator 2022–23 Year 1	ST target 2022–23 Year 1	MT indicator 2023–24/2024–25 Years 2 & 3	MT target 2023–24/2024–25 Years 2 & 3	LT indicator 2025–26/2026–27 Years 4 & 5	LT target 2025–26/2026–27 Years 4 & 5	Data source/ methodology
3	SCC's diversity strategy, including ongoing alignment with government reporting requirements and an employment equity and recruitment plan, is implemented	Progress against diversity strategy	<p>SCC continues to be recognized as an equitable employer by ESDC</p> <p>Diversity training is provided to all employees</p> <p>Additional targets to be identified based on the diversity (employment equity) strategy workplan to be completed by March 31, 2022</p>	Progress against diversity strategy	<p>Diversity (employment equity) strategy is fully implemented</p> <p>SCC is recognized as an equitable employer by ESDC</p>	Progress against diversity strategy	SCC is recognized as an equitable employer by ESDC	Internal sources: progress against strategy
4	SCC employees' well-being, including mental health, is supported	Percentage of employees reporting having positive well-being in the workplace per year	Baseline to be established	Percentage of employees reporting having positive well-being in the workplace	To be determined in consideration of baseline	Percentage of employees reporting having positive well-being in the workplace	To be determined in consideration of baseline	Internal sources: responses to bi-annual Employee Pulse survey questions ("SCC cares about me and my well-being"; "SCC equips me with tools that support my mental health at work")
5	A workforce planning methodology to better align future resource needs and build competencies and capabilities of the workforce is developed	Workforce planning methodology is developed and right-sized for SCC's current and future needs	Workforce planning methodology developed	<p>SCC's workforce planning methodology is operationalized</p> <p>SCC's workforce plan enables its key deliverables and mandate</p>	<p>Workforce planning methodology is implemented</p> <p>Workforce plan is developed and approved</p>	Workforce planning methodology is stabilized	Workforce plan is updated annually	Internal sources: progress against project plan
6	SCC's corporate values are refreshed to support SCC's strategy	Corporate values are refreshed and aligned to SCC's future vision	<p>Corporate values are updated and communicated internally</p> <p>Employees are trained on refreshed corporate values</p>	N/A	N/A	N/A	N/A	TBD

**OUTCOME 3.2: SCC’s delivery model is adapted to provide greater efficiency for stakeholders and meet their evolving needs with remote assessments, digitized service delivery and agile collaborative tools.**

#	Objective/result	ST indicator 2022–23 Year 1	ST target 2022–23 Year 1	MT indicator 2023–24/2024–25 Years 2 & 3	MT target 2023–24/2024–25 Years 2 & 3	LT indicator 2025–26/2026–27 Years 4 & 5	LT target 2025–26/2026–27 Years 4 & 5	Data source/ methodology			
1	Employees are provided with modern digital tools for collaborative and virtual work, improved stakeholder engagement, and robust security	Cybersecurity posture as indicated by progress against milestones identified in SCC’s Cybersecurity Strategy and Cybersecurity Roadmap	All known critical and high vulnerabilities in the SCC architecture are resolved Document classification policy for SCC is finalized Data centre architecture is redesigned to eliminate vulnerabilities	Cybersecurity posture is improved as indicated by progress against milestones identified in SCC’s Cybersecurity Strategy and Cybersecurity Roadmap	All medium-level vulnerabilities in the SCC architecture are resolved Cybersecurity projects from the roadmap are implemented	Cybersecurity posture is improved as indicated by progress against milestones identified in SCC’s Cybersecurity Strategy and Cybersecurity Roadmap	SCC is certified to the CyberSecure Canada program Cybersecurity projects from the roadmap are implemented	Internal sources: progress reported against IM/IT roadmap			
		Virtual work and stakeholder engagement is improved as indicated by progress against SCC’s Information Management/ Information Technology (IM/IT) Strategic Plan and Enterprise Roadmap to modernize its business toolset	Digital signatures are implemented	Virtual work and stakeholder engagement is improved as indicated by progress against SCC’s IM/IT Strategic Plan and Enterprise Roadmap to modernize its business toolset	Modernization of document and records management is underway	Virtual work and stakeholder engagement is improved as indicated by progress against SCC’s IM/IT Strategic Plan and Enterprise Roadmap to modernize its business toolset	Virtual work and stakeholder engagement is improved as indicated by progress against SCC’s IM/IT Strategic Plan and Enterprise Roadmap to modernize its business toolset		Modernization of document and records management is complete		
			Quality management system (QMS) and IT helpdesk are migrated from legacy platforms								
			SCC’s website and related business applications are upgraded							CRM capabilities for broader use across SCC are expanded	SCC’s cloud gateway is complete
			Customer relationship management (CRM) system is implemented							Data warehouse and business intelligence strategy work is underway	
SCC’s Information Management Strategy and supporting policy is updated	Modernization of SCC’s finance system is underway	Modernization of SCC’s finance system is complete									

#	Objective/result	ST indicator 2022–23 Year 1	ST target 2022–23 Year 1	MT indicator 2023–24/2024–25 Years 2 & 3	MT target 2023–24/2024–25 Years 2 & 3	LT indicator 2025–26/2026–27 Years 4 & 5	LT target 2025–26/2026–27 Years 4 & 5	Data source/ methodology
2	Progress is made toward ISO 9001:2015 Quality Management certification	SCC’s services and scope of certification are defined	SCC’s services and scope of certification are defined	Identified non-conformities from internal audit are addressed	100% of non-conformities from internal audit are addressed	ISO 9001 certificate renewal	Successful surveillance audit and recertification audit by March 31, 2027	Internal sources: progress against internal project plan and notice of certification from ISO
		Internal audit program is structured around defined scope	Internal audit program for defined scope is created	ISO 9001 certification achieved	ISO 9001 certification by March 31, 2025			
3	Sustainable strategies for remote/virtual accreditation services are established	Pilot (test) phase of implementation plan completed	All witness activities completed on-site for Certification Bodies, Management Systems and Greenhouse Gas Accreditations programs	Sustainable remote assessment and virtual accreditation services plan is fully implemented	Plan is fully implemented	Sustainable remote assessment and virtual accreditation services plan is stabilized	25–50% of all accreditation programs are delivered remotely 25–50% of all accreditation services training is delivered remotely	Internal sources: progress against implementation of strategy for remote/virtual accreditation services, internal financial data, internal data for program delivery
			Inspections for Good Laboratory Practice program done on-site					
			Blended model is piloted for testing labs and office audits					

**OUTCOME 3.3: SCC's impact grows through increased demand for its programs and services.**

#	Objective/result	ST indicator 2022–23 Year 1	ST target 2022–23 Year 1	MT indicator 2023–24/2024–25 Years 2 & 3	MT target 2023–24/2024–25 Years 2 & 3	LT indicator 2025–26/2026–27 Years 4 & 5	LT target 2025–26/2026–27 Years 4 & 5	Data source/ methodology
1	Results framework for delivery of standardization strategies is developed to align to SCC's operating model and stakeholder needs	Results framework for delivery of standardization strategies is complete (including methodology for developing indicators and setting targets)	Results framework for delivery of standardization strategies is complete (including methodology for developing indicators and setting targets)	N/A	N/A	N/A	N/A	Internal sources: report on project progress
2	Standardization strategies are developed to support key policy and regulatory priorities of federal, provincial-territorial, and municipal government stakeholders	Number of strategies presented per year	Three (3) strategies presented to one or more government stakeholders	To be identified as part of the standardization strategies results framework review	To be identified as part of the standardization strategies results framework review	To be identified as part of the standardization strategies results framework review	To be identified as part of the standardization strategies results framework review	Internal sources: count the number of strategies presented
3	Accreditation Services has a market assessment and growth plan for service delivery	Accreditation Services, marketing plan (including market analysis, strategies and tactics) is implemented with existing resources	Strategies, activities and tactics outlined in the marketing plan are fully implemented	Marketing plan, including market analysis, strategies and tactics, is implemented	The strategies, activities and tactics outlined in the marketing plan are fully implemented	Marketing plan, including market analysis, strategies and tactics, is implemented	The strategies, activities and tactics outlined in the marketing plan are fully implemented	Internal sources: progress against project plan
			Accreditation Services, marketing plan (including market analysis, strategies and tactics) is implemented with existing resources		The marketing plan is revised to include the activities and tactics for fiscal years 2023–24 and 2024–25		The marketing plan is revised to include the activities and tactics for fiscal years 2025–26 and 2026–27	
		Percentage increase in revenue from existing business per year	6%* *2–3% of this growth is related to the end of the pandemic and clients coming back online	Percentage increase in revenue from existing business per year	2023–24: 6% 2024–25: 6%	Percentage increase in revenue from existing business	2025–26: 6% 2026–27: 6%	
	Percentage increase in revenue resulting from new fee structure by 2023–24	N/A (new fee structure to be implemented by March 31, 2023)	Percentage increase in revenue resulting from new fee structure by 2023–24	2023–24: 10%	N/A	N/A	Internal sources: SCC financial reporting	

#	Objective/result	ST indicator 2022–23 Year 1	ST target 2022–23 Year 1	MT indicator 2023–24/2024–25 Years 2 & 3	MT target 2023–24/2024–25 Years 2 & 3	LT indicator 2025–26/2026–27 Years 4 & 5	LT target 2025–26/2026–27 Years 4 & 5	Data source/ methodology
3	Accreditation Services has a market assessment and growth plan for service delivery	Percentage increase in revenue generated by new service offerings per year	N/A* *new schemes begin to generate revenue in the following year	Percentage increase in revenue generated by new service offerings per year	2023–24: 4% 2024–25: 4%	Percentage increase in revenue generated by new service offerings per year	2023–24: 4% 2024–25: 4%	Internal sources: SCC financial reporting
		Number of new accreditation services schemes and/or programs made available per year	Four (4) new schemes made available: <ul style="list-style-type: none"> <li>Reference Materials (ISO / IEC 17034)</li> <li>Aerospace (AS 9100)</li> <li>Artificial Intelligence (ISO 42001)</li> <li>Business Continuity (ISO 22301)</li> </ul> *Schemes to be made available in 2022–23 are carryover from schemes originally to have been launched in 2021–22	Number of new accreditation services schemes and/or programs made available per year	Two (2) new schemes and/or programs	Number of new accreditation services schemes and/or programs made available per year	Two (2) new schemes and/or programs	Internal sources: count the number of new scheme offerings

# Appendix C:

## Financial statements and budgets

### Basis of accounting

SCC's financial statements are prepared in accordance with Canadian Public Sector Accounting Standards (PSAS) as established by the Canadian Public Sector Accounting Board.

### Standards Council of Canada – Pro forma statement of operations

For the year ended March 31 (in thousands of dollars)	Actual 2020–21	Plan 2021–22	Forecast 2021–22	Plan				
				2022–23	2023–24	2024–25	2025–26	2026–27
<b>Revenue from operations</b>								
Accreditation revenue	6,629	7,319	7,160	8,216	9,883	10,974	12,228	13,653
SCC eStore	1,705	1,558	1,758	1,811	1,866	1,903	1,941	1,980
Delegate support contributions	1	74	31	187	233	233	233	233
Innovative services	641	1,343	3,612	6,254	2,186	3,436	3,443	3,450
Other income	286	363	317	341	346	352	357	362
<b>Total revenue from operations</b>	<b>9,262</b>	<b>10,657</b>	<b>12,878</b>	<b>16,809</b>	<b>14,514</b>	<b>16,898</b>	<b>18,202</b>	<b>19,678</b>
<b>Expenses</b>								
Salaries & benefits	17,984	17,851	18,187	18,824	19,503	19,200	18,967	18,526
Training & development	281	391	277	395	401	392	389	381
Travel—recoverable	(9)	511	18	651	766	836	914	1,001
Travel—non-recoverable	28	193	46	395	430	460	491	523
Canadian delegate financial support	9	280	88	560	700	700	700	700
Postage & telecommunication	105	128	127	123	126	128	131	134
Conferences & events	40	118	106	152	151	155	159	165
Assessment services & professional fees	5,681	6,074	6,368	11,392	7,047	7,184	7,262	4,900
Accommodation, equipment rentals & repairs	934	801	950	898	916	935	953	972
Corporate memberships	1,242	1,241	1,252	1,279	1,317	1,344	1,370	1,398
Office supplies & other corporate subscriptions	715	621	653	1,039	1,099	1,160	1,205	1,230
Amortization, insurance, bad debt & other	728	688	723	808	976	1,068	1,017	943
<b>Total expenses</b>	<b>27,738</b>	<b>28,897</b>	<b>28,795</b>	<b>36,516</b>	<b>33,432</b>	<b>33,562</b>	<b>33,558</b>	<b>30,873</b>
<b>Deficit from operations</b>	<b>(18,476)</b>	<b>(18,240)</b>	<b>(15,537)</b>	<b>(19,401)</b>	<b>(18,543)</b>	<b>(16,664)</b>	<b>(15,356)</b>	<b>(11,195)</b>
<b>Parliamentary appropriation</b>	<b>18,576</b>	<b>15,046</b>	<b>18,881</b>	<b>15,648</b>	<b>16,026</b>	<b>16,016</b>	<b>16,311</b>	<b>11,529</b>
<b>Net surplus/(deficit) for the year</b>	<b>100</b>	<b>(3,194)</b>	<b>2,964</b>	<b>(4,059)</b>	<b>(2,892)</b>	<b>(648)</b>	<b>955</b>	<b>334</b>
<b>Accumulated surplus, open</b>	<b>6,727</b>	<b>7,328</b>	<b>6,827</b>	<b>9,791</b>	<b>5,732</b>	<b>2,840</b>	<b>2,192</b>	<b>3,147</b>
<b>Accumulated surplus, end</b>	<b>6,827</b>	<b>4,134</b>	<b>9,791</b>	<b>5,732</b>	<b>2,840</b>	<b>2,192</b>	<b>3,147</b>	<b>3,481</b>
<b>Target reserve</b>		1,500	1,500	1,500	1,500	2,000	3,000	3,500
<b>Accumulated surplus for program commitments and other strategic opportunities</b>		<b>2,634</b>	<b>8,291</b>	<b>4,232</b>	<b>1,340</b>	<b>192</b>	<b>147</b>	<b>(19)</b>



## Standards Council of Canada – Pro forma statement of financial position

As at March 31 (in thousands of dollars)	Actual 2020–21	Plan 2021–22	Forecast 2021–22	Plan				
				2022–23	2023–24	2024–25	2025–26	2026–27
<b>Financial assets:</b>								
Cash	8,598	3,946	10,110	6,125	2,776	1,881	3,016	3,008
Accounts receivable:								
Federal departments & agencies	178	219	183	188	194	198	202	206
Other	1,987	2,131	2,576	3,362	2,903	3,380	3,640	3,936
<b>Total financial assets</b>	<b>10,763</b>	<b>6,296</b>	<b>12,869</b>	<b>9,675</b>	<b>5,873</b>	<b>5,459</b>	<b>6,858</b>	<b>7,150</b>
<b>Liabilities:</b>								
Accounts payable & accrued liabilities	3,105	2,072	1,977	3,377	2,591	2,659	2,715	2,281
Contributions received	62	2	64	66	68	69	70	71
Deferred revenue	3,085	2,045	3,178	3,273	3,338	3,405	3,473	3,542
Deferred revenue—tenant improvement allowance	776	694	694	612	530	448	366	284
<b>Total liabilities</b>	<b>7,028</b>	<b>4,813</b>	<b>5,913</b>	<b>7,328</b>	<b>6,527</b>	<b>6,581</b>	<b>6,624</b>	<b>6,178</b>
<b>NET FINANCIAL ASSETS/ (DEBT)</b>	<b>3,735</b>	<b>1,483</b>	<b>6,956</b>	<b>2,347</b>	<b>(654)</b>	<b>(1,123)</b>	<b>234</b>	<b>972</b>
<b>Non-financial assets:</b>								
Prepaid expenses	1,248	1,083	1,094	1,127	1,161	1,184	1,208	1,232
Tangible capital assets (net)	1,844	1,568	1,741	2,259	2,333	2,131	1,705	1,278
<b>TOTAL NON-FINANCIAL ASSETS</b>	<b>3,092</b>	<b>2,651</b>	<b>2,835</b>	<b>3,386</b>	<b>3,494</b>	<b>3,315</b>	<b>2,913</b>	<b>2,510</b>
<b>ACCUMULATED SURPLUS</b>	<b>6,827</b>	<b>4,134</b>	<b>9,791</b>	<b>5,732</b>	<b>2,840</b>	<b>2,192</b>	<b>3,147</b>	<b>3,481</b>

## Standards Council of Canada – Pro forma statement of changes in net assets

For the year ended March 31 (in thousands of dollars)	Actual 2020–21	Plan 2021–22	Forecast 2021–22	Plan				
				2022–23	2023–24	2024–25	2025–26	2026–27
Total annual surplus/(deficit)	100	(3,194)	2,964	(4,059)	(2,892)	(648)	955	334
Acquisition of tangible capital assets	(654)	(462)	(397)	(1,108)	(828)	(638)	(358)	(278)
Amortization & writedown of tangible capital assets	430	456	500	590	753	840	783	705
(Increase)/decrease in prepaid expenses	60	(21)	154	(33)	(34)	(23)	(24)	(24)
<b>Increase/(decrease) in net financial assets/(debt)</b>	<b>(64)</b>	<b>(3,221)</b>	<b>3,221</b>	<b>(4,610)</b>	<b>(3,001)</b>	<b>(469)</b>	<b>1,357</b>	<b>738</b>
<b>Net financial assets/(debt) beginning of year</b>	<b>3,799</b>	<b>4,704</b>	<b>3,735</b>	<b>6,956</b>	<b>2,346</b>	<b>(654)</b>	<b>(1,123)</b>	<b>234</b>
<b>Net financial assets/(debt) end of year</b>	<b>3,735</b>	<b>1,483</b>	<b>6,956</b>	<b>2,346</b>	<b>(654)</b>	<b>(1,123)</b>	<b>234</b>	<b>971</b>

## Standards Council of Canada – Pro forma statement of cash flows

For the year ended March 31 (in thousands of dollars)	Actual 2020–21	Plan 2021–22	Forecast 2021–22	Plan				
				2022–23	2023–24	2024–25	2025–26	2026–27
<b>Net cash from operations</b>								
Annual surplus/(deficit)	100	(3,194)	2,964	(4,059)	(2,892)	(648)	955	334
Adjustments for non-cash items:								
Amortization of tangible capital assets	430	456	500	590	753	840	783	705
Changes in:								
Prepaid expense	61	(21)	154	(33)	(34)	(23)	(24)	(24)
Deferred revenue	1,037	(42)	11	13	(17)	(15)	(14)	(13)
Accounts receivable	875	(429)	(594)	(791)	453	(481)	(264)	(300)
Payables and accrued liabilities	(735)	410	(1,128)	1,400	(786)	68	56	(434)
Contributions received	60	-	2	2	2	1	1	1
<b>Net change in cash from operations</b>	<b>1,828</b>	<b>(2,820)</b>	<b>1,909</b>	<b>(2,878)</b>	<b>(2,521)</b>	<b>(258)</b>	<b>1,493</b>	<b>269</b>
<b>Cash applied to capital transactions</b>								
Additions to tangible capital assets	(654)	(462)	(397)	(1,108)	(828)	(638)	(358)	(278)
<b>Cash applied to financing transactions</b>								
<b>Increase/(decrease) in cash and cash equivalents</b>	<b>1,174</b>	<b>(3,282)</b>	<b>1,512</b>	<b>(3,986)</b>	<b>(3,349)</b>	<b>(896)</b>	<b>1,136</b>	<b>(9)</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>7,425</b>	<b>7,228</b>	<b>8,599</b>	<b>10,035</b>	<b>6,064</b>	<b>2,702</b>	<b>1,881</b>	<b>3,017</b>
<b>Cash and cash equivalents, end of year</b>	<b>8,599</b>	<b>3,946</b>	<b>10,111</b>	<b>6,125</b>	<b>2,777</b>	<b>1,806</b>	<b>3,017</b>	<b>3,008</b>

## OPERATING BUDGET AND NOTES

### 2021–22 operating forecast vs. 2021–22 budget

For the year ended March 31, 2022, SCC forecasts a surplus of \$3.0 million, which is a \$6.2 million favourable variance from its planned operating deficit of \$3.2 million. An increase in appropriations of \$3.8 million (61% of total variance) for the renewal of the Standards to Support Resilience in Infrastructure Program (SSRIP) and funding allocated to SCC to advance the development and adoption of standards and conformity assessment programs related to artificial intelligence as part of the PCAIS are the main contributors to the surplus. Other contributing factors include an increase in innovative services of \$2.3 million coming from the Mental Health & Substance Use Program in partnership with Health Canada, underspends in travel and professional fees for programs impacted by COVID-19, and, to a lesser extent, activity delays, partially offset by increased revenues from accreditation services.

Total revenue from operations is forecast at \$12.9 million, which is slightly higher than the planned amount of \$10.7 million. This favourable revenue variance is explained by the increase in innovative services (\$2.3 million) and the sale of royalties (\$0.2 million), partially offset by lower accreditation revenue (\$0.2 million).

Total operating expenses are forecast at \$28.8 million, which is closely aligned with budgeted expenses of \$28.9 million. The most significant variances to planned expenditures include an increase in salaries and benefits (\$0.3 million), assessment services and professional fees (\$0.3 million), offset by reductions in training and development (\$0.1 million), travel (both recoverable and non-recoverable of \$0.6 million) and Canadian delegate support (\$0.2 million).

SCC forecasts appropriations of \$18.9 million, which is \$3.8 million higher than the budgeted amount, resulting from the increased funding from appropriations for the SSRIP and funding allocated to SCC to advance the development and adoption of standards and conformity assessment programs related to artificial intelligence as part of the PCAIS. SCC is forecasting a year-end accumulated surplus of \$9.8 million. This surplus is anticipated to be temporary, as planned deficits in future years will consume this surplus.

### 2021–22 operating forecast vs. 2022–23 corporate plan

For fiscal year 2022–23, SCC is planning a deficit from operations of \$19.7 million, and an overall deficit of \$4.1 million compared to the current year's forecasted deficit from operations of \$15.9 million, which results in an overall surplus of \$3.0 million. Revenues are planned to be \$16.8 million in 2022–23, compared to \$12.9 million of revenues forecast for 2021–22. This increase in revenue is driven mainly from an increase in innovative services of \$2.6 million coming from the Mental Health & Substance Use Program and also in accreditation services revenue of \$1.1 million resulting from a partial recovery and moderate increase of volume of activities following the pandemic (40% of the accreditation services revenue increase of \$1.1 million is attributable to cost-recovered travel). Further increases are also anticipated in annual fee revenue of \$0.1 million and \$0.2 million in delegate support contributions.

Expenses from operations are planned to be \$36.5 million in 2022–23, a \$7.7 million increase from 2021–22 forecasted spending of \$28.8 million. This increase is mainly due to increases in professional fees (\$4.8 million) with the funding for the renewed SSRIP and the funding allocated to SCC to advance the development and adoption of standards and conformity assessment programs related to artificial intelligence as part of the PCAIS, and the Mental Health & Substance Use Program. Additionally, expenses increased with respect to salaries and benefits, travel, assessment services, and delegate support. Salaries will increase by \$0.6 million from \$18.2 million to \$18.8 million, driven primarily by an anticipated cost of living and allowance adjustment, as well as positions currently in place being replaced by new hires at higher pay bands. Both recoverable and non-recoverable travel will see a significant increase over 2021–22 figures by \$0.6 million and \$0.4 million, respectively. This corresponds to an anticipated easing of travel restrictions in place during the pandemic; however, it is mitigated by a significant shift to more permanent virtual/remote capabilities. Professional fees are expected to increase to \$9.9 million in 2022–23 from a forecast of \$5.1 million in 2021–22, related to program spending as programs come to fruition and recover from shifting deliverables because of external capacity constraints and as new programs announced in Budget 2021 come online. Furthermore, SCC will see an increase in assessment services expenses of \$0.2 million

as a result of anticipated recovery in services offered through the second half of the year. Delegate support will also increase by \$0.5 million due to the same assumption.

Appropriations for fiscal year 2022–23 are planned to be \$15.7 million, a \$3.2-million decrease from 2021–22 forecasted appropriations of \$18.9 million, related to the profile of SCC’s temporary program funding. In 2022–23, appropriations will comprise \$9.2 million in base funding, as well as \$6.4 million for temporary program funding.

SCC’s planned year-end accumulated surplus for 2022–23 is \$5.7 million. The balance of SCC’s accumulated surplus will be used to fund planned deficits in the following two years in support of the delivery of temporary program activities and SCC’s multi-year planned program of reinvestment into the organization and infrastructure, all while advancing SCC’s mandate and initiatives over the planning horizon.

## Standards Council of Canada – Statement of operations (Cash basis)

For the year ended March 31 (in thousands of dollars)	Plan 2021–22	Forecast 2021–22	Plan 2022–23
<b>Revenue from operations</b>			
Accreditation revenue	7,319	7,160	8,216
SCC eStore	1,558	1,758	1,811
Delegate support contributions	74	31	187
Innovative services	1,343	3,612	6,254
Other income	363	317	341
<b>Total revenue from operations</b>	<b>10,657</b>	<b>12,878</b>	<b>16,809</b>
<b>Expenses</b>			
Salaries & benefits	17,851	18,187	18,824
Training & development	391	277	395
Travel—recoverable	511	18	651
Travel—non-recoverable	193	46	395
Canadian delegate financial support	280	88	560
Postage & telecommunication	128	127	123
Printing & publications	-	-	-
Conferences & events	118	106	152
Assessment services & professional fees	6,074	6,368	11,392
Accommodation, equipment rentals & repairs	801	950	898
Corporate memberships	1,241	1,252	1,279
Office supplies & other corporate subscriptions	621	653	1,039
Amortization, insurance, bad debt & other	776	2,175	735
<b>Expenses</b>	<b>28,985</b>	<b>30,247</b>	<b>36,443</b>
<b>Deficit from operations</b>	<b>(18,328)</b>	<b>(17,369)</b>	<b>(19,634)</b>
<b>Parliamentary appropriation</b>	15,046	18,881	15,648
<b>Surplus (deficit) for the year—cash</b>	<b>(3,282)</b>	<b>1,512</b>	<b>(3,986)</b>
<b>Adjustments for accrual basis</b>	<b>88</b>	<b>1,452</b>	<b>(74)</b>
<b>Surplus (deficit) for the year—accrual</b>	<b>(3,194)</b>	<b>2,964</b>	<b>(4,059)</b>

## CAPITAL BUDGET AND NOTES

### 2021–22 capital expenditures forecast

SCC forecasts total capital expenditures of \$0.4 million in 2021–22. SCC’s capital policy with respect to IM/IT projects states that any and all costs incurred during the application development and initiation phase of a project will be capitalized, effectively deemed to be assets, not expenses, of SCC. The application development phase starts once the following activities have occurred:

- Determination of the existence of needed technology
- Conceptual formulation of alternatives
- Evaluation and selection of the solution

Forecasted capital spend based on the above related to software purchases and development is \$0.3 million for the 2021–22 fiscal year. The balance of capital spend in the current forecast of \$0.1 million relates to lifecycle replacement projects, such as hardware and software scheduled refresh, and additional license purchases for existing software solutions. SCC remains focused on carefully monitoring the delivery of its IM/IT integrated business management solutions to upgrade essential tools needed to effectively deliver on key areas of SCC’s objectives.

### 2021–22 capital plan and five year capital investment plan

SCC’s 2022–23 total capital investment budget is planned at \$1.1 million, with a total of \$3.2 million being invested over the five-year period. Capital related to IM/IT is planned to be \$0.5 million in 2022–23 and \$1.4 million over the following four years. These investments are centred on improving SCC’s cybersecurity posture and modernizing business toolsets to improve virtual

work and stakeholder engagement. With a cloud-first approach, IM/IT areas of focus for capital-related spending will include the following projects:

- Enterprise end point protection
- Customer relationship management (CRM) solution
- Modernization and innovation of SCC business systems such as:
  - IT service management system
  - Collaboration environment — document and records management
  - SCC public website improvement and upgrade
  - Data warehousing
  - Document and records management
  - Enterprise resource planning
  - Integration opportunities for Standards Hub with document management solution
- Business innovation through data warehousing and business intelligence solutions

Capital investment toward IM/IT infrastructure will ensure scalability of the organization, accuracy of its information and resiliency of its business systems. Additionally, through to 2023–24, SCC will invest \$0.7 million in renovating office space and retrofitting workspaces and boardrooms to further enable remote capabilities.

Lastly, over the five-year planning period, SCC will continue to invest \$0.1 million per year for lifecycle upgrades and other minor capital investments such as hardware and software.

### Standards Council of Canada – Capital investment plan (cash basis)

For the year ended March 31 (in thousands of dollars)	Plan 2021–22	Forecast 2021–22	Plan				
			2022–23	2023–24	2024–25	2025–26	2026–27
IM/IT infrastructure equipment	70	70	270	270	70	70	70
Software & other	342	277	538	508	518	238	158
Furniture & small office equipment	25	25	275	25	25	25	25
Leasehold improvements	25	25	25	25	25	25	25
<b>Total capital investment plan</b>	<b>462</b>	<b>397</b>	<b>1,108</b>	<b>828</b>	<b>638</b>	<b>358</b>	<b>278</b>

# Appendix D:

## Compliance with legislative and policy requirements

SCC has a comprehensive suite of policies to address legislative and policy requirements relevant to its operations. It monitors the tabling of bills in Parliament to ensure it is prepared for continued compliance with new federal requirements.

### Access to Information Act

SCC is subject to the *Access to Information Act* and facilitates the public's right of access to SCC's records through its compliance with the request process as required by the legislation. SCC follows the principles for assisting requesters and endeavours to provide complete, accurate and timely responses to requests made under this act. SCC also delivers training and education on access to information to make its employees aware of their duties and legal responsibilities. As part of its commitment to clear and transparent governance, SCC voluntarily reports through its website annual summaries of all requests related to the *Access to Information Act*.

### Conflict of Interest Act

SCC ensures that Council members annually review and affirm their commitment to and compliance with the *Conflict of Interest Act and the Guidelines for Public Office Holders*. Council members are also required to declare any conflicts at each meeting. If any conflicts are raised, they are documented in the minutes of the relevant meeting along with the measures put in place to address each conflict.

### Canadian Human Rights Act

The *Canadian Human Rights Act* forms the basis of SCC's Code of Conduct and Respectful Workplace Policy. SCC's Statement of Values identifies the core values of respect, integrity and professionalism. Mandatory training sessions were conducted in 2019 to ensure current staff understand the policy, and new staff are trained on the policy through their on-boarding. In addition, SCC has a suite of policies that govern staffing, salary administration, and workplace violence and harassment prevention.

### Employment Equity Act

SCC maintains and administers policies to ensure it provides equitable employment opportunities for all job applicants. This is achieved through an employment policy and processes designed to ensure recruitment and selection rules and tools are non-discriminatory and that applications are reviewed and evaluated based on objective and established criteria.

## Official languages act

SCC is updating its official languages strategy, which is built on four principles: compliance, capacity, culture and coherence. The organization strives to create a work environment that is conducive to the effective use of both official languages. Employees and managers have a clear understanding of expectations with respect to language of work requirements and dealing with the public, and the public can communicate with SCC and receive services in accordance with the applicable legislation at all times. Other measures supporting official languages compliance include an in-house translation unit, regular attendance at official languages meetings with federal stakeholders, a two-person official languages champion team and official languages information sessions for all employees.

## Privacy act

SCC is subject to the *Privacy Act* and is committed to protecting and managing personal information with the utmost responsibility and care and takes steps to protect the information with available safeguards. Personal information collected and held by SCC is listed in Personal Information Banks and published annually in its Info Source chapter, which describes the purpose for the collection, notes any inconsistent uses, and specifies the retention and disposal standards of the information.

## Trade agreements

SCC's contracting policy establishes the guiding principles for the procurement of goods and services by the organization. Reflecting the principles of integrity, fairness and open competition, the policy takes into account SCC's obligations under various trade agreements that apply to it as a federal Crown corporation.

## Directive on travel, hospitality, conference and event expenditures

Pursuant to Section 89 of the FAA, in July 2015, SCC was issued a directive to align its travel, hospitality, conference and event expenditure policies, guidelines and practices with those of the Treasury Board's. In response, SCC implemented an updated Travel, Hospitality, Conference and Event Expenditures Policy that is fully compliant with the Treasury Board directive.

## SCC COVID-19 Vaccination policy

SCC is committed to ensuring the health and safety of its employees, its customers and the broader community. As a Crown corporation, SCC is responsible for ensuring its operations can be carried out safely and smoothly despite ongoing public health threats posed by COVID-19.

On October 6, 2021, the Government of Canada announced that it expects all federal institutions outside the core public administration, including Crown corporations, to align with the Policy on COVID-19 Vaccination for the Core Public Administration Including the Royal Canadian Mounted Police. The Minister has informed SCC that SCC is expected to ensure its vaccination requirements are fully aligned with this policy. SCC's own policy on COVID-19 Vaccination, which mirrors the requirements of the federal policy, came into effect on October 15, 2021, and SCC employees were required to attest to their vaccination status no later than October 29, 2021.

## Further legislative requirements

In addition to the above, SCC also has policies and procedures in place to meet its obligations under the *Canada Labour Code*, *Employment Insurance Act*, *Canada Pension Act*, *Canadian Multiculturalism Act* and *Public Servants Disclosure Protection Act*.

# Appendix E:

## Government priorities and direction

As a Crown corporation, SCC reports to Parliament through the Minister of Innovation, Science and Industry. SCC works to support federal government priorities through targeted actions and the promotion of standardization practices. In fall 2021, the Government of Canada set out its priorities for the current session of parliament. The following are some of the key areas where the Corporation is supporting these priorities.

### Supporting Canada's response to COVID-19

As announced in the fall 2021 Speech from the Throne, the Government's top priority is identified as getting the pandemic under control and managing the ongoing spread of COVID-19. SCC and Canada's standardization system are playing a significant role in support of this aim. For instance, a new standard CSA Z94.4.1, Performance of filtering respirators, in support of a national certification program in Canada has been published, and the development of new standards to improve the safety in long-term care homes is underway in response to deficiencies identified at the onset of the pandemic. SCC will also deliver against commitments made in Budget 2021 to support the development of standardization strategies to address mental health and substance use in consideration of Canada's support deficiencies for Canadians mental health needs, which have been exacerbated by the pandemic.

### Growing a more resilient economy

Economic recovery post COVID-19 will require even closer cooperation on the harmonization of standards and certification requirements across borders. SCC will continue to promote standardization as a tool to meet economic goals and facilitate trade resulting in increased productivity and growth.

It will also work with federal regulators to ensure they are equipped with insight and direction on how to

use standards and conformity assessment to support modern, agile, and responsive regulations which are conducive to a well-functioning society and economy.

Recognizing its integral role to reduce domestic trade barriers and increase economic integration among provinces and territories, SCC will work through PTAC to ensure that provincial and territorial stakeholder needs and concerns are addressed by Canada's standardization system. SCC will work through its other statutory committee, SDOAC, to ensure that the development of standards and other normative documents meet the needs of the economy of today and tomorrow.

### AI, digital services and cyber security

As part of its commitment to renew the PCAIS, Budget 2021 announced \$8.6 million over five years to SCC to advance the development and adoption of standards and conformity assessment programs related to AI. To deliver on this commitment, SCC will be launching an AI Standardization Program in 2022-23 based on two broad streams: an AI standardization collaborative and an AI conformity assessment program.

To address the lack of a harmonized system for digital credentials / digital trust services in Canada, SCC is facilitating the development of national standards and/or technical specifications in support of Canada's digital trust infrastructure to promote efficient and effective voluntary standardization in Canada.



During the planning period, SCC will also continue its work to support the adoption of a National Standards of Canada on cybersecurity for SME's and to equip firms with the knowledge and processes they need to protect their IT assets and data.

## Gender, diversity, inclusion and employment equity

SCC has various activities planned through delivery of its mandate as well as internal management to address the issue of gender, diversity and inclusion and is strongly aligned to the principles of Gender Based Analysis Plus (GBA+). SCC's current Gender and Standardization Strategy draws can be found on SCC's website.<sup>19</sup> Through its recruitment process for committees, SCC will maintain the baseline of 24% female representation on technical and governance committees and will maintain its young professional's recruitment initiative to ensure that a diversity of thought across generations is in place. SCC's Gender and Standardization Research Plan will explore and review the current set of activities and initiatives SCC is engaged in to advance inclusive standards with supporting recommendations. This work will also identify opportunities to leverage the UNECE guidelines on gender-responsive standards and the ISO/IEC Joint Strategic Advisory Group (JSAG) to increase awareness and provide training on gender responsive standards development.

While not driven by specific employee targets, SCC benefits from a broadly diverse workforce, for example its current workforce of 139 employees speaks more than 25 different languages. SCC also prides itself on being an organization of gender balance. 60% of SCC's overall staff identify as female, and of those 33% are managers and 57% are executive staff. 28% of staff have identified as visible minorities or as an Indigenous person.

SCC continues to develop its recruitment efforts around diversity, and posts opportunities on diversity focused recruitment outlets such as Ottawa Community Immigrant Services Organization, Careers., Indigenous. link, Aboriginal Finance Officers Association, Aboriginal Job Centre and, Government of Canada's Federal Internship for Newcomers Program.

## Climate change and sustainability

Taking strong climate action is identified as a key priority for the Government, and SCC is playing its part in realizing this objective. As part of Budget 2021, funding was renewed for the Standards to Support Resilience in Infrastructure Program; SCC will oversee the program to respond to specific climate change hazards, develop frameworks and systemic approaches to climate change adaptation and address climate change from coast to coast to coast, including issues specific to communities in the North.

SCC's work also addresses sustainability and how to use standards to secure a sustainable future for Canadians. During the planning horizon, work will be undertaken to develop a strategy for the incorporation of sustainability considerations into Canada's standardization system. Work will also be conducted related to net-zero strategies, plastic waste and the circular economy, and the alignment of standardization strategies with sustainable market disclosure frameworks. For example, SCC will support the development of the Roadmap to Net-Zero Carbon Concrete to provide the Canadian cement and concrete industry with technologies, tools, and policy needed to achieve net-zero concrete by 2050, and position Canada's cement and concrete industry to become a global leader in low-carbon cement and concrete production and related clean technologies.

## Accessibility

SCC undertook an accessibility audit three years ago with an external service provider. It was determined that SCC does not need to make any substantive changes to its physical workplace. SCC continues to monitor new accessibility standards introduced through regulation under the *Accessible Canada Act*.

<sup>19</sup> <https://www.scc.ca/en/about-sec/publications/other-publications/gender-and-standardization-strategy>



## Development of a National Standards Strategy

During the planning period, SCC will release a NSS to identify priorities and sectors where Canada's standardization system should focus its efforts in the coming years. With the intent to proactively respond to the needs of industry, businesses, governments and consumers, the NSS will guide the organization's future activities while aligning with government priorities.

A key component of the NSS, and the related international standards strategy roadmap, will be to identify how best to support Canada's economic interests through leadership and participation on select international standards

development technical committees. The work done to articulate this component of the NSS will form the basis for the definition and scoping of where Canada needs to lead internationally in order to contribute to our nation's economic strength and resiliency.

## Transparency and open Government

Within required timeframes, SCC openly publishes its annual and quarterly reports, summary corporate plans, and inquiries under the Access to Information Act. The Corporation aims to respond to all information requests and address concerns in a timely manner.

# Glossary

<b>AAP</b>	Accreditation Advisory Panel	<b>IAF</b>	International Accreditation Forum
<b>AB</b>	Accreditation body	<b>IEC</b>	International Electrotechnical Commission
<b>AC</b>	Audit Committee	<b>ILAC</b>	International Laboratory Accreditation Cooperation
<b>AfCFTA</b>	African Continental Free Trade Agreement	<b>IM/IT</b>	Information management/Information technology
<b>AI</b>	Artificial intelligence	<b>IoT</b>	Internet of Things
<b>APEC</b>	Asia-Pacific Economic Cooperation	<b>IP</b>	Intellectual property
<b>CAC</b>	Cement Association of Canada	<b>IRAP</b>	Industrial Research Assistance Program
<b>CANC/IEC</b>	Canadian National Committee for the International Electrotechnical Commission	<b>ISED</b>	Innovation, Science and Economic Development
<b>CETA</b>	Canada–European–Union: Comprehensive Economic and Trade Agreement	<b>ISO</b>	International Organization for Standardization
<b>CFTA</b>	Canadian Free Trade Agreement	<b>ITU</b>	International Telecommunications Union
<b>CGC</b>	Corporate Governance Committee	<b>JSAG</b>	ISO/IEC Joint Strategic Advisory Group
<b>COPANT</b>	Pan American Standards Commission	<b>LAP</b>	Laboratory Accreditation Program
<b>CRM</b>	Customer relationship management	<b>MSAP</b>	Management System Accreditation Program
<b>CRN</b>	Canadian registration numbers	<b>MSR</b>	Monitoring Standards in Regulations
<b>CUSMA</b>	Canada-United States-Mexico Agreement	<b>NSC</b>	National Standard of Canada
<b>ERM</b>	Enterprise risk management	<b>NSS</b>	National Standards Strategy
<b>ESDC</b>	Employment and Social Development Canada	<b>PASC</b>	Pacific Area Standards Congress
<b>ESG</b>	Environmental, social and corporate governance	<b>PCAIS</b>	Pan-Canadian Artificial Intelligence Strategy
<b>FAA</b>	Financial Administration Act	<b>PPE</b>	Personal protective equipment
<b>FINCA</b>	Forum of IEC National Committees of the Americas	<b>PTAC</b>	Provincial–Territorial Advisory Committee
<b>FTE</b>	Full-time equivalent	<b>RAAB</b>	Regulatory Authority Advisory Bodies
<b>GHG</b>	Greenhouse gas	<b>RCT</b>	Regulatory Reconciliation and Cooperation Table
<b>IAAC</b>	Inter-American Accreditation Cooperation		

<b>SCC</b>	Standards Council of Canada
<b>SDG</b>	United Nations Sustainable Development Goals
<b>SDOAC</b>	Standards Development Organizations Advisory Committee
<b>SDOs</b>	Standards development organizations
<b>SME</b>	Small and medium enterprises
<b>TBS</b>	Treasury Board Secretariat
<b>TBT</b>	Technical Barriers to Trade
<b>TCA</b>	Tangible capital assets
<b>UNECE</b>	United Nations Economic Commission for Europe
<b>WEF</b>	World Economic Forum
<b>WHO</b>	World Health Organization
<b>WTO</b>	World Trade Organization