Standards Council of Canada
Conseil canadien des normes

ENABLING INNOVATION THROUGH STANDARDIZATION

SUMMARY OF CORPORATE PLAN 2017-2018 TO 2021-2022
SUMMARY OF OPERATING BUDGET FOR 2017-2018
SUMMARY OF CAPITAL BUDGET FOR 2017-2018

Canada

ENABLING INNOVATION
THROUGH STANDARDIZATION

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

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

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

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1. Executive Summary

The world around us is changing at a rapid rate. New technologies are altering the way we think, work, and play. Today, we can pay for a coffee with a smartphone, automatically park our cars with the press of a button, and even receive a life-saving transplant with an organ made from our own stem cells. These technologies offer Canadians—and people around the globe— new opportunities, more choice and greater convenience. And the forces that drive these innovations are fueled by the presence of standards.

Standards act as a launching pad for innovation because they establish a common language for new concepts and technologies. From regenerative medicine to nanotechnology to management systems, standards create the conditions for innovation to take root and grow. They also help companies get their products to market more quickly by providing a framework for drawing up patents and removing unnecessary trade barriers.

As the leader of Canada's standardization network, the Standards Council of Canada (SCC) is committed to delivering state-of-the-art standardization solutions that not only protect the health and safety of Canadians, but also foster and sustain the kind of innovation that is critical to gaining a competitive advantage for Canada and ensuring our long-term economic prosperity.

Over the coming year, the organization will drive forward with an ambitious and energetic agenda to advance Canada's standardization network, and in the process, open the doors to new and exciting opportunities for our nation. We will also continue to work hard toward achieving our objective of "one standard, one test, accepted everywhere", so that we can help Canadian companies be more competitive and make products and services more affordable for Canadian consumers.

To achieve these ambitious goals, SCC will focus on the following three strategic priorities:

- Innovation
- Canadian Leadership – National, Regional, International
- Value to Canada

We are confident that as an organization we have the drive, knowledge and expertise needed to advance these priorities and create the strong, flexible and efficient standardization network we envision for the future—one that does even more to promote and protect the best interests of all Canadians.

INNOVATION

Approximately 80 per cent of the world's trade today is affected by standards. That means countries, industries and companies can gain a competitive advantage if they are first to the table in developing international standards for their innovative technologies. In fact, innovation is what propels many companies past their peers, what drives industries forward, and what fuels economies. Therefore, if Canada is going to take advantage of opportunities for growth we need to be leaders in developing standardization solutions that will help commercialize innovative technologies that are Canadian-made.

SCC will continue its efforts to embed standardization earlier in Canada's innovation ecosystem by engaging innovators in areas that have the greatest potential economic value for Canada. To do this, SCC engages stakeholders on using standards as a strategic instrument for setting international market policies and establishing future technology platforms. SCC is working to ensure standardization is considered early in the development phase of a new technology to ensure Canadian companies can build critical mass to set new standards and accelerate a technology's time to market. We also remain focussed on fostering critical partnerships with government, research institutions, businesses and industries to develop initiatives that will help propel innovative Canadian products and services to the global stage.

In fact, SCC is currently working on three projects to facilitate the development of international standards in sectors of strategic importance to Canada, and as a result, we are helping to shape key global marketplace rules in Canada's favour. One project is to create standardized graphical building blocks for the Human Machine Interface (HMI) applications used in power plants; the second sets out a standardized method for measuring nanoscale objects in 3 dimensions using tomography in Transmission Electron Microscopy (TEM); and, the third is a marine sensing performance standard that will be critical to climate change scientists in the years ahead.

To ensure Canada is a leader in today's ever-evolving technological environment, SCC is also aligned with the Government of Canada's Innovation and Skills Plan, to help to identify—and assist in the development of—standardization solutions for innovative technologies in sectors of priority for Canada that have high growth and export potential. If Canada can set the international standards for the technologies we develop, we will gain a position of leadership and a competitive market advantage.

CANADIAN LEADERSHIP – NATIONAL, REGIONAL, INTERNATIONAL

To ensure that our innovative ideas, products and services succeed in today's highly competitive global market, it is critical that Canada has a place of leadership at the standardization table. That is why SCC remains focused on providing a strong Canadian voice nationally, regionally and internationally—and on ensuring we have the most qualified experts to speak on Canada's behalf. And with global uncertainty resulting from recent events around the world, standards continue to provide a framework of stability and certainty.

As the representative for Canada at both the International Organization for Standardization (ISO) and the International Electrotechnical Commission (IEC), SCC is looking for ways to encourage and increase the influence of Canadian industry leaders, technical experts, scientists, government policy and regulatory representatives, and consumers on the committees that matter most to Canada. We are also focusing our efforts on strategically coordinating, aligning and acquiring financial support for the participation of these experts.

SCC will work with Canadian stakeholders to identify standardization priorities and then find the best, most suitable candidates to represent Canada on these international committees. Similarly SCC will look for opportunities at the regional level to influence and push forward Canada's agenda.

As one of the most trade-dependent G-7 nations, Canada's continued economic growth is also heavily dependent on our ability to get our exports into the global marketplace—and standards play a critical role in making sure this happens. In fact, research supports a clear link between standards, productivity, and economic growth. In 2015, SCC commissioned The Conference Board of Canada to do an independent assessment of the economic value of standards for Canada. The research found that increases in the number of Canadian standards accounted for $3 billion of the $39 billion increase in real GDP in 2014. SCC will continue to strengthen its relationships with stakeholders in key trading partner countries through existing cooperation agreements. In particular, we will help bolster Canada's relationship with China by having SCC's CEO assume an advisory role on the China Standardization Expert Committee (CSEC). This will give us the unique opportunity to provide input into China's future standardization plans, and ultimately, help open the door to new trade opportunities for Canada.

We will also increase opportunities for Canadian companies by assisting regional standardization organizations such as the Pacific Area Standards Congress (PASC) and the Pan American Standards Commission (COPANT) to develop strategies that are mutually beneficial to these countries and Canada. SCC is also committed to maintaining its signatory status with the International Accreditation Forum (IAF) and the International Laboratory Accreditation Cooperation (ILAC) to help facilitate trade through an efficient system of conformity assessment at the regional and international levels. SCC is a signatory member, representing Canada in a number of international and regional accreditation associations (IAF, ILAC, and IAAC) and has signed multi-lateral agreements (MLA) with other member countries to recognize each other's accreditation. This means that an accreditation by SCC is accepted as equal by the accreditation body in these member countries. This helps remove trade barriers across nations with an efficient system of conformity assessment accepted globally. Accreditation bodies are also peer evaluated and exposure to best practices that are then adopted also leads to efficiencies.

SCC will continue to focus on strengthening our ties with the European Committee for Standardization (CEN) and the European Committee for Electrotechnical Standardization (CENELEC). We will take advantage of a newly launched partnership that provides Canadian experts with the opportunity to participate in the development of European standards, thus, providing Canadian companies with increased access to European markets. In addition, the organization will work with stakeholders to understand the requirements of the *Canada-European Union: Comprehensive Economic and Trade Agreement* (CETA) and pursue ways that standardization can bolster trade between Canada and the European Union.

Differences in standards referenced in regulations not only create marketplace obstacles but also increase costs for Canadian consumers. As required by industry, SCC will continue to facilitate the development of joint standards between Canada-U.S., Canada-Mexico, and trilaterally where possible. SCC will also identify opportunities to update its requirements and guidance documents so that they are better aligned with standards development requirements at the regional level.

VALUE TO CANADA

Creating a strong standardization network that delivers real value to Canada is a team effort. As the leader of Canada's standardization network, we will continue to bring together all members of the network to develop and implement standardization solutions and initiatives that better protect consumers, promote domestic and international trade, support sustainable development and fuel our economy. To do this, the organization must remain flexible and nimble so that we are responsive to the needs of stakeholders, while continuing to support Canada's strategic priorities.

Varying provincial and territorial regulations and standards within Canada have created internal trade barriers that have resulted in chronic economic inefficiencies and lost opportunities. Removing these barriers through the *Canadian Free Trade Agreement* (CFTA) is a priority for the Government of Canada and SCC is doing its part to support these efforts. Through SCC's Provincial-Territorial Advisory Committee (PTAC) and as Secretariat to the National Public Safety Advisory Committee (NPSAC), SCC is helping to align standards and regulations across Canada. We will also work with the provinces and territories to develop a plan for the future implementation of the CFTA.

SCC remains focused on providing standardization solutions at both the federal and provincial/territorial levels. We will continue to partner with federal departments and agencies to implement strategies to ensure that standards referenced in regulations are relevant and up-to-date. We will also provide support to the provinces and territories as they complete inventories of standards referenced in their regulations. This will ensure standardization principles are implemented in their long-term plans, thus reducing internal trade barriers and enhancing coordination across Canada.

Dealing with the impacts of climate change is another priority for the federal government, particularly in Canada's North. To support this objective, SCC is leading the development of standardization solutions that will help adapt infrastructure to our changing climate. SCC is currently pioneering a new program to develop standardization guidance for weather data, climate information and climate change projections. SCC will also continue to invest in updating a broad range of existing critical standards that ensure infrastructure is climate-ready in Canada's North—and across the country.

SCC will also focus on outreach so that key stakeholders fully understand the benefits of standardization. We are modernizing our business infrastructure to better meet the needs of stakeholders, customers and staff. The organization is developing an improved standards management system with a dynamic collaboration platform that will be more intuitive and user-friendly, enabling SCC stakeholders to play a more influential role in standards development. We will also offer a refined and enhanced online presence to ensure we can reach more people—so that all Canadians better understand the value of standardization.

Our ability to deliver value to Canada also depends on SCC's team of highly skilled and knowledgeable staff. To ensure we retain the expert staff necessary to effectively execute and deliver on SCC's ambitious plan, the organization will focus on training and succession planning for all critical positions. We will also continue to foster a culture of innovation and high performance by encouraging skills such as leadership, teamwork, trust and transparency at all levels of the organization. By working together, we are confident SCC can continue to deliver value to Canada and help ensure we become a stronger, more competitive, and innovative nation in the years ahead.

FINANCIAL SUMMARY

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

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

SCC's operating budget for 2017-2018 will be $24.9 million and its capital budget will be $0.7 million, for a total of $25.6 million. The total appropriations from the Government of Canada in 2017-2018 are $12.8 million. Revenue to be generated for 2017-2018 from operations, including accreditation services, SCC eStore, and innovative services are budgeted at $10.0 million. The plan for 2017-2018 forecasts a deficit of $2.0 million, which will be funded out of accumulated surplus as SCC manages its financial position to enable utilization of its resources and delivery against its strategic priorities.

2.
Operating Environment

SCC continuously monitors national and global trends, as well as social, economic and political factors that impact on its ability to deliver against its strategic priorities. This enables us to adapt to the environment we operate in, so we can continue to help fuel Canada's economy by fostering innovation, reducing trade barriers and expanding market access—both within Canada and internationally. We know that following through on these priorities is essential to strengthening Canada's standardization network and providing Canadian consumers with increased product choice at reduced cost.

DRIVING INNOVATION

Countries around the world are seeking positions on international governance and technical standardization committees to promote their own technologies and gain a competitive advantage. SCC is working hard to ensure that Canada has a strong voice on these committees that are of strategic importance to our country and will have the greatest benefit to our economy—and our citizens.

To cement Canada's place as an international leader, SCC must attract our nation's most skilled and knowledgeable experts to participate in international standards development, especially in those sectors that are critical to Canada's economy. To ensure this occurs,

SCC—with input from its stakeholders—continues to update programs to eliminate barriers to participation and ease the way for qualified young professionals to replace retiring experts on key international committees.

Spearheading the development of international standards is key to supporting and driving innovation. For Canadian-made technologies or innovations to succeed and secure their place in global supply chains—or growth positions in an emerging economy—Canada must shape the standards around these new technologies. That is why SCC is exploring opportunities to collaborate with Canadian innovators within emerging sectors that have potential economic value for Canada and where standards could strategically support market entry or growth.

SCC supports these Canadian innovators in the development of standards and conformity assessment programs to effectively shape global marketplace rules to Canada's advantage. SCC's support in bringing Canadian innovators to the table includes, but is not limited to: analyzing key trends, opportunities and stakeholder dynamics; advising, orienting and training Canadian innovators on standardization, the standards development process and deliverables; accrediting Canadian experts and innovators to attend international standardization meetings; nominating Canadian innovators to international committee leadership positions; and coordinating Canada's national positions.

CANADIAN LEADERSHIP- NATIONAL, REGIONAL, INTERNATIONAL

The world of trade is changing: the international trade arena is more competitive and complex than ever before. As Canadian businesses enter new export markets, they face more stringent legal, technical and regulatory requirements. At the same time, the world of standardization is adapting to this changing landscape to better support the needs of both exporters and importers. By supporting Canadian companies as they enter new and expanding markets, standardization plays a key role in promoting global trade and helping Canada to reach its full potential. For example, through SCC's agreement with the European Committee for Standardization (CEN) and the European Committee for Electrotechnical Standardization (CENELEC), SCC was able to work with CEN to ensure that revisions to a European lumber grading standard did not adversely impact access to the European market for Canadian lumber companies.

Having effective standards and accreditation services in place ensures that products and services meet regulatory requirements. This reduces risk, improves safety and increases the marketability of Canadian products—here in Canada and around the world. Through standardization, organizations are able to stay at the forefront of the latest technological trends and improve processes and production, which leads to increased consumer confidence.

To access U.S. and global markets, Canada must adhere to a broadening, and ever-evolving, spectrum of standards and conformity assessment requirements. SCC recognizes that a more responsive and effective standardization network is needed to allow the organization to adjust to the realities of a shifting marketplace. To provide this flexibility, and help increase economic opportunities for Canadians, the organization will continue its work to align standards nationally, regionally and internationally.

DELIVERING VALUE

Standardization is critical to our nation's economic prosperity. Standards also influence many public policy objectives, including domestic and international trade, the environment and healthcare. They directly support the federal government's plan to build a strong and competitive nation. That is why regulators at all levels turn to SCC to provide standardization solutions that will help them achieve their regulatory objectives.

SCC continues to work with federal, provincial and territorial representatives, through both the Provincial-Territorial Advisory Committee (PTAC) and the Assistant Deputy Minister (ADM) Committee on Standardization, to offer innovative standardization solutions that promote the use of up-to-date standards in regulations. SCC also encourages regulators to consider the alignment of standards in regulations to reduce barriers to trade within Canada.

Requirements such as educational qualifications and certifications, paperwork to meet provisions, or product-specific manufacturing and testing can differ between Canadian jurisdictions, impeding the mobility of some products, tradespeople and professionals. As a result, internal trade barriers have been created, even within our own borders.

For example, differing Canadian Registration Number (CRN) requirements for boilers, pressure vessels, and fittings across the country create extra costs and burdensome registration requirements for industry. In certain sectors (such as the water heater industry) differences between federal, provincial, territorial and municipal requirements—as well as differences in how provinces and territories adopt federal requirements—also mean manufacturers face conflicting and duplicative requirements. As a consequence, products must adhere to different standards in various jurisdictions, or undergo duplicative testing requirements to identical standards. These trade barriers increase costs for industry and translate into higher prices and reduced choice for consumers. In order to eliminate these impediments to trade, SCC continues to identify and support the alignment of standards from coast to coast.

To further strengthen Canada's standardization network, the organization needs to also continue to work with industry leaders in the sectors that are key to Canadian competitiveness. We must make these leaders fully aware of how standardization supports and advances their priorities, delivers returns on investments and enhances Canada's economic and social well-being. For example, SCC will take advantage of its Canadian National Committee of the International Electrotechnical Commission (IEC), whose members include top senior leaders of Canada's eletrotechnical sectors from hydroelectricity, renewable energies, electrification of cars, to electrical products and consumer electronics, to ensure Canadian interests are considered in the development of future IEC plans.

We are also aware that today's increasingly competitive and complex international marketplace has created challenges for small and medium-sized enterprises (SMEs). For these smaller-sized exporters, third-party conformity assessment is a way to meet the criteria necessary for doing business in any given market. By being certified to these standards, SMEs can become suppliers of choice and gain a competitive edge in markets around the world—enhancing their bottom-line and ensuring their long-term growth.

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

KEY FACTS AND FIGURES

SCC continuously updates and monitors its database of facts and figures. These have been compiled from several sources, including: SCC-accredited SDO standards catalogues; data published by ISO, IEC and the International Telecommunications Union (ITU); and, SCC's own database of international technical committee participants. Below are some examples of what is monitored in this database.

KEY FACTS AND FIGURES	AS OF MARCH 31, 2013	AS OF MARCH 31, 2014	AS OF MARCH 31, 2015	AS OF MARCH 31, 2016	TREND	WHAT DOES THIS MEAN?
Number of Canadian standards (NSCs)	2940	2901	2944	2953	→	The need for uniquely Canadian standards is diminishing as Canada and the world moves towards more global alignment. SCC must keep pace with this global shift by working to influence and adopt international standards more quickly.
Number of standards maintained by key international standardization organizations (ISO, IEC, ITU)	30,358	31,095	31,958	32,988	↑	With global alignment, there has been an increase in standards being maintained by international organizations. International standards reduce trade barriers, easing product entry into international markets.
Number of NSCs approved by SCC	143	116	182	182	↑	SCC must efficiently adopt international standards, to ensure Canada's competitive edge on the global stage.
Number of standards incorporated by reference in federal regulations	1066	1118	1354	1377	↑	SCC must continue to work with federal departments to ensure standards incorporated by reference in federal regulations are relevant and up-to-date to protect the economic and social well-being of Canadians.
Number of Canadian volunteer members participating on international standardization committees	2628	2849	3049	3153	↑	To effectively influence marketplace rules to Canada's benefit, SCC must continue to attract and retain Canadian volunteers, and must strategically target the committees on which these volunteers participate.

3.
Strategic Priorities

SCC will drive forward with an ambitious and energetic agenda to advance Canada's standardization network toward achieving our objective of: "one standard, one test, accepted everywhere" under the following strategic priorities:

VALUE TO CANADA

CANADIAN LEADERSHIP – NATIONAL, REGIONAL, INTERNATIONAL

INNOVATION

Innovation

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

OBJECTIVE	PLAN

Create First to Market Advantage through International Standardization	• Targeted Agenda for Innovation
	    ○ Continue pilot: 3 innovative projects managed through international standards development process
	    ○ Influence international standardization to support the Innovation Supercluster Initiative

The quick pace of industrial transformation in today's world demands that every Canadian asset be leveraged to create unique opportunities for enhancing Canada's competitiveness. SCC will remain nimble so that it can promote standardization solutions and accreditation programs that reflect the latest technologies. We will support government and industry initiatives in Canada's priority sectors to help bring those products and services to the global stage.

CREATE FIRST TO MARKET ADVANTAGE THROUGH STANDARDIZATION

Canada's Innovation and Skills Plan is providing opportunities to position Canada as a **leader in innovation on the world stage**. SCC is doing its part to support this most important objective to cultivate a confident nation of innovators—one that is **globally competitive**, accelerating business growth and propelling entrepreneurs toward international success.

SCC is working to, and actively promoting the need to, embed standardization earlier in Canada's innovation ecosystem. Through its outreach, SCC is **engaging Canadian innovators** of emerging technologies that have potential economic value for Canada, where standards would strategically accelerate business growth and propel these innovators towards international success, in an effort to give Canada a **first to market advantage**.

In fact, standards commercialize research results and help to embed intellectual property into new products and processes. A standard built around a new technology can confer credibility, attract investment and stimulate complementary research and development. Standards established around emerging technologies have the potential to create whole new industries. The three projects include: 3-D tomography in a transmission electron microscope (TEM), marine performance sensors, and human machine interfaces (HMIs) used in power plants.

Entire industries are being transformed as markets and businesses race to adapt to an ever-emerging technological environment. SCC is doing its part to ensure **Canada is on the leading edge** of these changes. SCC will identify and support the development of international standards for **new Canadian innovative technologies** with **high growth and export potential**, as aligned with Canada's Innovation and Skills Plan.

Influence international standardization to support the Innovation Supercluster Initiative

The Government has committed to a bold new plan, **Canada's Innovation and Skills Plan**, to propel Canada to the forefront of the economy of the future and achieve its vision for a more innovative country and prosperous middle class. Budget 2017 made available $950 million over five years starting in 2017-18, to support Innovation, Science and Economic Development Canada's (ISED) Innovation Superclusters Initiative (ISI). ISI aims to foster the growth and development of world-leading superclusters that translate Canada's technology strengths into commercial opportunities.

With the ISI partners, SCC will **lead the development of new international standards and conformity assessment schemes**, thereby ensuring the interests and priorities of Canadian businesses are promoted and protected within those standards and schemes, as well as ensuring Canadian intellectual property and technical approaches are increasingly embedded in them.

Canadian Leadership – National, Regional, International

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

OBJECTIVE	PLAN
Create Competitive Advantage and Economic Prosperity	• Increase Canadian influence in regional and international standards and conformity assessment bodies • Maintain signatory status as internationally recognized accreditation body • Strengthen Collaboration with CEN/CENELEC • Research/consultation with Canadians to identify and prioritize key sectors for Canada-EU alignment in support of the implementation of the *Canada-European Union: Comprehensive Economic and Trade Agreement* (CETA) conformity assessment protocol through the SCC-European Cooperation for Accreditation Agreement • Support Canada's engagement with China
Support North American Harmonization	• Engage bilaterally with counterparts in both the United States and Mexico • Facilitate projects for joint standards initiated by industry associations • Identify opportunities to align requirements and guidance documents with those of regional counterparts

Leveraging **opportunities in the global market** to secure a **competitive advantage** for Canadian companies is key to Canada's long-term economic prosperity. Standards continue to provide a solid, consistent and stable framework for effective and efficient international trade, despite any uncertainty arising from recent global developments. SCC remains focused on providing strong Canadian influence nationally, regionally and internationally.

CREATE COMPETITIVE ADVANTAGE AND ECONOMIC PROSPERITY

Canada **relies on the efforts of world-class experts** who dedicate their time and expertise at the **governance and technical levels** of standards development to ensure Canadian perspectives are embedded into international standards and conformity assessment processes. It is through these experts that marketplace rules are influenced to Canada's benefit.

As the Canadian member body to both the ISO and the International Electrotechnical Commission (IEC), SCC must ensure Canadian leadership and participation in international standardization activities in areas of priority to Canada. SCC will **coordinate, align** and acquire financial support for Canadian experts, **targeting participation** in technical meetings that strategically matter most to Canada. SCC will **optimize and strengthen its member program** through **improved business tools** and program collateral to equip members to deliver maximum value for Canada.

Through **leadership positions** and involvement in key standardization committees, Canada can have considerable input into **governance and policy** directions at the international level. Canada currently holds governance positions at **the executive level at ISO and ISO/CASCO** and on **four IEC committees**. SCC also actively participates on the various committees and task forces of the Inter American Accreditation Cooperation (IAAC) and the Asia Pacific Laboratory Accreditation Cooperation (APLAC) to promote mutual recognition and acceptance of national and regional conformity assessment systems. SCC must **maintain its signatory status** with the IAAC and the APLAC, as this system of mutual recognition of conformity assessment results enables **trade among the economies.**

SCC will also continue work to **adopt international standards and conformity assessment** practices that align with Canadian priorities. The organization will build on its strong leadership reputation to help **regional standardization organizations,** such as PASC, COPANT, and others, develop strong plans that align with, and enhance trading opportunities for Canada. SCC will continue to participate based on areas of alignment with national priorities to maximize Canada's voice and influence. SCC will also further collaborate with the European Committee for Standardization (CEN) and the European Committee for Electrotechnical Standardization (CENELEC) to ensure Canadian experts have the opportunity to participate in the development of European standards, providing easier access to European markets for Canadian companies.

The organization will also assess opportunities to update its requirements and guidance documents to align with essential requirements for standards development at the regional level.

In support of the *Canada-European Union: Comprehensive Economic and Trade Agreement* (CETA), SCC will work with stakeholders to leverage the agreement and assess **opportunities where standardization can benefit Canadians**, and bolster trade between Canada and the European Union.

The organization will strengthen its relationships with stakeholders in **China**, the **U.S.** and **Mexico** through existing cooperation agreements to build a more aligned standardization network. Canada will have the unique opportunity to provide input into China's standardization plans to create further trade opportunities for Canada, as SCC's CEO assumes the role of **advisor on the China Standardization Expert Committee** (CSEC). SCC will also **participate in the Canada-China Joint Committee (CCJC) on Science, Technology and Innovation Cooperation**, which was established to facilitate collaboration and cooperation between the governments, private enterprises and academia of both countries within defined priority sectors (e.g. clean and renewable energy, environmental technologies, health and life sciences, etc.).

SUPPORT NORTH AMERICAN HARMONIZATION

As a trade-dependent participant among G-7 nations, standardization is critical to Canada's economy. Duplicative regulatory requirements can therefore be an impediment to trade, both within Canada, and between Canada and other countries. Differences in standards referenced in regulations not only create marketplace obstacles but also add costs for Canadian consumers.

The organization is working with industry leaders to identify areas that would benefit from the publication of **joint Canada-US standards** for existing and new products. In particular, SCC is working with industry associations, such as the Canadian Institute of Plumbing and Heating (CIPH) and the Heating, Refrigeration and Air Conditioning Institute of Canada (HRAI) to identify products and services for potential joint standards. SCC will leverage existing best practices to further improve our success rate and streamline process for the development of joint standards.

The 2016 North American Competitiveness Work Plan (NACW), the implementation of which may be impacted by the 2016 U.S. Presidential election, includes standards cooperation activities between **Canada, Mexico, and the U.S**. Under the NACW, SCC and the American National Standards Institute (ANSI) committed to provide annual updates to appropriate U.S. and Canadian government representatives on the status of **ongoing alignment activities**, and SCC and Mexico's Dirección General de Normas (DGN) committed to explore opportunities for **standards alignment between Canada and Mexico** in key sectors of the economy.

Value to Canada

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

OBJECTIVE	PLAN
Enhance Standardization Governance	• Support the Provincial-Territorial Advisory Committee's (PTAC) efforts towards alignment of standards in regulations across Canada • Inventories of standards completed for all provinces and territories • Implement memoranda of understanding (MOU) with the Canadian Advisory Council on Electrical Safety (CACES), the Interprovincial Gas Advisory Council (IGAC), and the Canadian Regulatory Council on Plumbing (CRCP) • Implement the new Other Recognized Document (ORD) process including dealing with legacy ORDs • Define a framework for incorporating non-consensus documents into Canada's standardization network

Advance Standardization Solutions	• Deliver Infrastructure Program - Adapting to Climate Change Impacts
	
	   o 1-2 Climate Change standards underway (focusing on extreme precipitation)
	
	   o Complete inventory of infrastructure standards
	
	   o Updating of 2 Critical Infrastructure standards underway
	
	   o 2 Northern Infrastructure standards underway
	
	• Implement new framework facilitating a self-declaration process for approval of National Standards of Canada (NSCs)

Maintain Culture of Excellence	- High-performing, knowledge-based workforce - Strong governance and fiscal management - Value-added Accreditation Services 1 new and/or expanded program - Modernized business infrastructure

ENHANCE STANDARDIZATION GOVERNANCE

SCC's primary obligation is to provide **value to Canada and as such all priorities are ultimately focused on achieving this objective**. As mandated, the organization will **lead a strong standardization network** that promotes domestic and international trade, protects Canadians, supports sustainable development and advances our national economy. To position Canada for the future, SCC has prioritized its objectives to advance standardization for the ultimate benefit of Canada, and to feature standardization prominently in government strategic objectives.

Standards, at both the **federal and provincial levels**, must be **monitored and updated** in order to respond to technological and commercial advancements, support federal regulations and keep Canadians safe. SCC will continue its work with federal departments and agencies to ensure standardization priorities are considered in their business plans.

The Federal and Provincial/Territorial governments are committed to implementing the *Canadian Free Trade Agreement* **(CFTA)** in order to remove internal trade barriers. By working through the Provincial-Territorial Advisory Committee (PTAC) and the National Public Safety Advisory Committee (NPSAC), SCC is supporting efforts to **align standards and regulations across Canada**, in support of CFTA implementation.

The organization also continues its **work with provinces and territories** to complete **inventories of standards referenced in regulations**. Comparing and analyzing the data in these inventories enables provinces and territories to support economic objectives and ensure standards are **up-to-date and aligned** to **reduce internal trade barriers** through enhanced coordination across Canada.

An Other Recognized Document (ORD) is a document developed by a certification body, in the absence of a recognized Canadian standard, in order to establish safety and performance criteria for a new product. SCC will implement **a new ORD process including dealing with legacy ORDs.** The organization will also **define a framework,** with greater SCC oversight, **for incorporating non-consensus documents into Canada's standardization network**.

SCC will **implement the terms of signed memoranda of agreement** with the Canadian Advisory Council on Electrical Safety (CACES),the Interprovincial Gas Advisory Council (IGAC), and the Canadian Regulatory Council on Plumbing (CRCP), and work with other regulatory bodies) to enhance governance and management of non-consensus documents such as ORDs.

ADVANCE STANDARDIZATION SOLUTIONS

In support of the Government of Canada's objective to **adapt infrastructure to climate change impacts**, SCC has obtained funding and is pioneering a new program to help develop standardization guidance on weather data, climate information and climate change projections. SCC will also initiate a program to support the update of a broad range of existing standards to ensure infrastructure across Canada is climate-ready, and will continue to invest in new standards that support Northern infrastructure.

MAINTAIN CULTURE OF EXCELLENCE AND INNOVATION

SCC's success is contingent on a team of **high-performing technical and knowledge-based staff**, that ensures the organization **maintains its capability to be flexible and nimble** in order to **efficiently respond to stakeholder changing needs** and to **continue alignment with government priorities**. As such, the organization will focus efforts to enhance and strengthen staff capacity through staff development and training plans, and succession planning for all critical positions. Over the planning period, the organization will focus efforts **on succession planning for key leadership positions** that have terms ending, including SCC's CEO and Council Chair. SCC will effectively plan to ensure maximum organizational success in the transition from current to new Chair and CEO.

SCC will also continue to foster a **culture of innovation and high performance**, by putting in place the foundation needed to further develop skills such as leadership, teamwork, trust and transparency at all levels of the organization. Through ongoing development and **heightened employee engagement**, SCC will ensure the organization retains the expert staff necessary to effectively execute and deliver on its **ambitious agenda**.

Continuing its **leading role as Canada's national accreditation body**, SCC will focus its programming in areas that support customers' needs and facilitate **free trade within Canada**, and in support of the *Canada-European Union: Comprehensive Economic and Trade Agreement*. Over the planning period, SCC will explore potential new accreditation services to meet the needs of stakeholders and develop **new and/or expand existing accreditation programs**.

SCC's financial plan will be prudently managed and related spending focused on supporting initiatives that are aligned with Canada. SCC will closely monitor progress against its strategic initiatives to ensure they are balanced against established financial targets. The organization will continue to focus on its plan for ongoing **cost-effectiveness** in all areas of programming and will leverage its quality management processes to **maximize efficiencies**. SCC will continue to ensure that risk is well-managed and all available assets are leveraged to capacity with an ongoing focus on retaining overall **strong fiscal governance**.

SCC continues to **modernize its business infrastructure**, and policies and procedures within its quality management system**,** to expand its outreach and better meet the needs of stakeholders, customers and staff. The development will include a solution for managing Accreditation Services activities and its customer relationships, as well as, an improved standards management system with a **dynamic collaboration platform.** The collaboration platform will be more intuitive and user friendly, enabling SCC stakeholders to effectively carry out their duties in standardization development.

The organization will intensify its **outreach to key stakeholders** to **communicate the value of standardization** and to strengthen Canada's standardization network. To support SCC's strategic agenda, SCC will boost its communications profile in line with its priority objectives, and offer a **refined and enhanced online presence**. SCC will continue efforts to quantify, validate and communicate how **value is delivered through Canada's standardization network.**

Measuring Performance

This Corporate Plan aims to achieve three main outcomes. These are outlined below with the associated Strategic Priorities, Performance Indicators and Targets. SCC will measure its performance against planned objectives using the following indicators under each strategic priority. The status of each action item will be reviewed monthly to share progress and discuss any needed contingencies or mitigation plans.

INNOVATION

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

Description: To advance Canadian innovators, SCC will in the **short term**, continue its pilot to strategically assist three Canadian innovators to influence and lead the development of international standards, and develop and advance 6 new proposals in order to shape key global marketplace rules to Canada's benefit. Over the **medium term**, SCC will complete its pilot and develop and advance an additional 24 proposals. Over the **long-term** SCC will develop and advance an additional 30 proposals.

STRATEGIC PRIORITY	PLAN	KEY PERFORMANCE INDICATORS		
		Short-term 2017-2018	**Medium-term 2018-2020**	**Long-term 2020-2022**
INNOVATION	Create First to Market Advantage through International Standardization	Engagement strategy developed identifying sectors aligned with Canada's Innovation and Skills Plan Pilot project continued: 3 innovative projects leading the development of new international standards	Pilot project completed: 3 innovative projects managed through international development process	
		6 new proposals developed and advanced internationally	Additional 24 proposals developed and advanced internationally	Additional 30 proposals developed and advanced internationally

CANADIAN LEADERSHIP – NATIONAL, REGIONAL, INTERNATIONAL

Outcome: Canada is strategically positioned to lead nationally, regionally and globally to create opportunities for Canadian business.

Description: To advance Canadian leadership in standardization development within Canada, regionally and internationally, SCC will in the **short term** establish a baseline of the technical committees Canada currently participates on and leads. Over the **medium term**, SCC will target participation on additional technical committees that align with government priorities, and in the **long term**, will increase its leadership positions on additional committees.

In relation to standardization harmonization across North America, SCC will continue to collaborate with industry on the standardization development activities for additional products and services.

STRATEGIC PRIORITY	PLAN	KEY PERFORMANCE INDICATORS AND TARGETS		
		Short-term 2017-2018	**Medium-term 2018-2020**	**Long-term 2020-2022**
CANADIAN LEADERSHIP – NATIONAL, REGIONAL, INTERNATIONAL	Create competitive advantage and economic prosperity	Baseline confirmed for number of **technical committees** and **leadership positions**	Participation targeted to additional **technical committees** that are aligned with government priorities	Participation targeted to **leadership positions** on technical committees that are aligned with government priorities
		CEN/CENELEC technical committees identified for Canadian participation	Participation targeted to additional **technical committees** that are aligned with government priorities	Participation targeted to **leadership positions** on technical committees that are aligned with government priorities
		67% standards technical committee member satisfaction	Member satisfaction rate maintained or exceeded	Member satisfaction rate maintained or exceeded
	Support North American Harmonization	Joint standards development activities underway for 2 products and/or services identified by industry	Joint standards development activities underway for 4 additional products and/or services identified by industry	Joint standards development activities underway for 4 additional products and/or services identified by industry

VALUE TO CANADA

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

Description: To enhance standardization governance in Canada, in the **short term**, SCC will work with federal, provincial and territorial governments to develop inventories of standards referenced in regulations and identify the status of those standards (relevant, current). Over the **medium term**, SCC will work through its Provincial-Territorial Advisory Committee (PTAC) to facilitate discussions on alignment efforts in support of *Canada's Free Trade Agreement* (CFTA). And in the **long term,** inventories of standards will be updated as needed and industry sectors will be identified for alignment efforts in support of the CFTA.

With regard to standardization solutions, over the **short term**, SCC will implement a new program to help develop standardization guidance on weather data, climate information and climate change projections. An inventory of Canadian infrastructure standards will be completed and two additional northern infrastructure standards under development. Over the **medium term**, 8 climate change standards will be developed (focusing on wind, ice, snow loads, and urban heat), 10 existing infrastructure standards will be updated and 3 additional standards will be developed to bolster resiliency of northern infrastructure. In the **long term**, all standards under development will be complete and SCC will begin the process to update 5 additional infrastructure standards and 3 additional standards will be developed to bolster resiliency of northern infrastructure.

STRATEGIC PRIORITY	PLAN	KEY PERFORMANCE INDICATORS AND TARGETS		
		Short-term 2017-2018	**Medium-term 2018-2020**	**Long-term 2020-2022**
VALUE TO CANADA	Enhance Standardization Governance		Sectors identified that align with government priorities in support of the *Canadian Free Trade Agreement*	Additional sectors identified that align with government priorities in support of the Canadian Free Trade Agreement
		Inventories of standards completed for all provinces and territories	Inventories updated as required	Inventories updated as required
		Conditions implemented in memoranda of understanding (MOU) with the Canadian Advisory Council on Electrical Safety (CACES) ,the Interprovincial Gas Advisory Council (IGAC), and the Canadian Regulatory Council on Plumbing (CRCP)		
		New ORD process including dealing with legacy ORDs has begun implementation	Implementation of new ORD process dealing with legacy ORDs complete	
		Framework defined for incorporating non-consensus documents into Canada's standardization network	Framework implemented for incorporating non-consensus documents into Canada's standardization network	Framework effectively delivered for non-consensus documents

STRATEGIC PRIORITY	PLAN	KEY PERFORMANCE INDICATORS AND TARGETS		
		Short-term 2017-2018	Medium-term 2018-2020	Long-term 2020-2022
VALUE TO CANADA	Advance Standardization Solutions	2 Climate Change standards underway (focusing on extreme precipitation) Inventory of infrastructure standards completed	8 climate change standards developed (focusing on wind, ice, snow loads, urban heat)	Funding proposal completed for permanency of the Infrastructure Program Standards under development completed
		Updating of 2 Critical Infrastructure standards underway	Updating of 10 existing infrastructure standards has begun	Updating of 5 existing infrastructure standards has begun Standards under development completed
		2 Northern Infrastructure standards underway	Development of 3 standard related to bolstering resiliency of northern infrastructure has begun	Development of 3 standards related to bolstering resiliency of northern infrastructure has begun Standards under development completed
		New framework implemented facilitating a self-declaration process for approval of National Standards of Canada (NSCs)	Self-declaration process effectively managed	Self-declaration process effectively managed

STRATEGIC PRIORITY	PLAN	KEY PERFORMANCE INDICATORS AND TARGETS		
		Short-term 2017-2018	Medium-term 2018-2020	Long-term 2020-2022
VALUE TO CANADA	Maintain Culture of Excellence and Innovation	Less than 10% voluntary staff attrition	Less than 10 % voluntary staff attrition	Less than 10 % voluntary staff attrition
		1.5% of base salary invested in staff training and development	1.5% of base salary invested in staff training and development	1.5% of base salary invested in staff training and development
		>=75% employee engagement	>=77% employee engagement	>=80% employee engagement
		Fiscal year financial results within 5% of Corporate Plan expenditures overall Quarterly financial management –planning, forecasting, and reporting implemented	Fiscal year financial results within 5% of Corporate Plan expenditures overall	Fiscal year financial results within 5% of Corporate Plan expenditures overall
		Audits findings resolved within 6 months	Audits findings resolved within 6 months	Audits findings resolved within 6 months
		Value-added Accreditation Services -1 new and/or expanded program	2 new and/or expanded program	2 new and/or expanded program
		80% in accreditation services customer satisfaction achieved	Customer satisfaction rate maintained or exceeded	Customer satisfaction rate maintained or exceeded
		Primary business infrastructure / applications modernized Fulfillment of Committed IM/IT Roadmap	Business infrastructure / applications maintained and updated	Business infrastructure / applications maintained and updated
		Annual Threat Risk Assessment Completed for IM/IT	Annual Threat Risk Assessment Completed for IM/IT	Annual Threat Risk Assessment Completed for IM/IT

SCC recognizes the Government of Canada's focus on expected results and the recently implemented Policy on Results. SCC intends to respect the spirit presented in this policy and plans to include additional results information in future Corporate Plans.

4.

Risk Management

4.1 Risk Management

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

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

4.2 Performance and Risk

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

SCC's risk management approach was developed in support of SCC's corporate objectives and risk management program. It establishes an enterprise-wide approach to risk management, and facilitates a sustained corporate commitment to identify, assess, treat and report on risks that affect the organization.

RISK APPETITE

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

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

SCC'S RISK AND PERFORMANCE DASHBOARD

SCC relies heavily on effective leadership, engaged employees utilizing modern business tools, and stakeholder engagement nationally, regionally and internationally to ensure the disciplined execution of initiatives that promote the benefits of standardization for Canada.

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

INDICATORS	KRI	APPETITE THRESHOLDS		
		Low	**Medium**	**High**
STRATEGIC				
CEO succession	X	6 months before Order in Council (OIC) termination date	3 months before OIC termination date	Term of CEO ended - no successor has been named
Council succession	X	13 Council members (full complement)	Between 12 and 8 Council members	Less than 8 Council members
Stakeholder engagement	X	AS customer satisfaction greater than 80%	AS customer satisfaction between 75% and 80%	AS customer satisfaction less than 75%
	X	Canada's voting submission rate in ISO and IEC standards development is greater than 95%	Canada's voting submission rate in ISO and IEC standards development is between 85% and 95%	Canada's voting submission rate in ISO and IEC standards development is less than 85%
	X	Standards member customer satisfaction greater than 70%	Standards member customer satisfaction between 65% and 70%	Standards member customer satisfaction less than 65%

INDICATORS	KRI	APPETITE THRESHOLDS		
		Low	SCC's risk appetite Medium	High

OPERATIONAL

	KRI	Low	Medium	High
Employee Engagement	X	Greater than 75% results on employee engagement survey	Between 70% and 75% results on employee engagement survey	Less than 70% results on employee engagement survey
	X	10% or less in voluntary staff attrition, excluding retirements	Between 10% and 15% in voluntary staff attrition, excluding retirements	Greater than 15% in voluntary staff attrition, excluding retirements
Modernized business tools and processes	X	QMS audit findings resolved in less than 4 months	QMS audit findings resolved in between 4 and 6 months	QMS audit findings resolved in greater than 6 months
Audit conformance as an International Accreditor	X	All findings with low risk score	Some findings with a medium risk score, and none with a high risk score	Any findings with a high risk score

FINANCIAL

	KRI	Low	Medium	High
Optimize SCC's financial position	X	Forecasted (or actual) year-end Accumulated Surplus is between 50% and 75% or between 150% and 250% the Corporate Plan Accumulated Surplus	Forecasted (or actual) year-end Accumulated Surplus is less than 50% or greater than 250% of the Corporate Plan Accumulated Surplus	Accumulated surplus is less than the targeted accumulated surplus or accumulated surplus is greater than 5.5 times the targeted accumulated surplus
	X	AS cost recovery greater than 95% of target	AS cost recovery between 90% and 95% of target	AS cost recovery less than 90% of target

- KRI: Key Risk Indicator

5.
Financial Plan

5.1 Overview

SCC remains focused on providing value and being cost-effective in all areas of its operations. Standards are an increasingly vital part of the national and international agenda to drive innovation, prosperity and safety. SCC has been rising to this challenge. New programs and new capabilities are required to foster continually improved benefits for all Canadians. To this end, Canada continues to invest into its standardization system.

SCC is increasingly proactive in its financial outlook and ensuring its financial resources are more responsively committed and engaged to achieving its strategic goals. Resource management improvements will seize opportunities and address gaps sooner. SCC remains focused on providing value and being cost-effective. SCC continues to invest in modernizing its processes, systems, and tools. These investments will drive improvements for customers, partners, service providers, and the standardization network as a whole.

SCC is re-investing its accumulated surplus from prior years into its operations and infrastructure as part of its forward-looking plan. SCC has prioritized its spending to the accomplishment of key initiatives and will utilize its accumulated surplus, along with planned revenues to support strategic priorities as outlined in this plan.

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

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

- employee vacancy rate based on a combination of historical and expected future norms.

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

5.2 2016-2017 Operating Forecast vs. 2015-2016 Actual Results

For the current fiscal year, SCC forecasts a deficit from operations of $12.1 million. This represents a $1.0 million increase compared to prior year's operating deficit of $11.1 million. The change in operating deficit is due primarily to increases in the areas of staffing and non-recoverable travel as SCC prepares to deliver against its goal of driving forward its national and international standards related innovation agenda. Accommodations expense decreased $0.1 million and was a result of SCC's facility renewal late last fiscal year. Amortization and other costs decreased $0.4 million primarily due to a write down of assets that occurred last year and is not expected to repeat in 2016-2017.

Revenue from operations increased by $0.7 million and was driven primarily by increased activity within accreditation services. The increase in assessment activity also drove an increase in recoverable travel costs of $0.2 million and assessment services fees of $0.4 million.

SCC forecasts a year-over-year increase in appropriations of $0.2 million. The year-over-year increase is driven by a reduction of $0.5 million for the end of SCC's Northern Infrastructure Standardization Initiative (NISI) funding and a reduction of $0.2 million in re-imbursements for one-time expenditures not expected to repeat. These reductions are more than offset by an increase of $0.9 million related to SCC's Infrastructure: Laying the Foundation initiative.

After combining its operating deficit with appropriations, SCC is forecasting a deficit of $1.7 million for the 2016-2017 fiscal year which is a $0.7 million increase in relation to the deficit of $1.0 million reported for fiscal 2015-2016. SCC's resources will be balanced for ongoing operations.

5.3 2016-2017 Operating Forecast vs. 2016-2017 Budget

For March 31, 2017, SCC forecasts a deficit from operations, but before appropriations, of $12.1 million which is a $0.3 million decrease compared to its budgeted operating deficit of $12.4 million. The majority of this variance can be attributed to reduced expenses. Professional fees have decreased by $0.6 million due to timing delays on the start of strategic investments for the development of standards and guidance for climate resilient infrastructure, and standardization solution pilots and projects. Amortization, insurance and other expenses decreased by $0.4 million due to a delay in the anticipated implementation of modernized IM/IT software. Partially offsetting these decreases is a $0.3 million increase in salaries and benefits as SCC invests to drive forward initiatives that are related to the Government of Canada's innovation agenda.

Total revenue from operations is forecast at $10.1 million, which is $0.4 million lower than its budgeted revenue of $10.5 million. This decreased revenue stems from accreditation services which have an offsetting reduction in recoverable travel and assessor expenses as a result of a focus on cost management.

SCC forecasts appropriations of $10.4 million, which is in line with its budgeted amount of $10.3 million. The increase in appropriation stems from the re-imbursements of un-planned one-time expenditures.

After combining its operating deficit with appropriations, SCC is forecasting a deficit of $1.7 million for the 2016-2017 fiscal year which is a $0.4 million decrease relative to its budgeted deficit of $2.1 million for the same time-frame.

SCC is forecasting an ending accumulated surplus of $3.7 million at March 31, 2017. Although significant for SCC, this surplus is temporary as next year's planned deficit will utilize a significant portion of its accumulated surplus. SCC expects to fully utilize any excess available funds while pursuing Government of Canada priorities in the context of this multi-year Corporate Plan.

5.4   2016-2017 Forecast to 2017-2018 Corporate Plan

For the fiscal year 2017-2018, SCC has planned a deficit from operations, but before appropriations, of $14.8 million, which is a $2.7 million increase compared to its forecast of $12.1 million for fiscal year 2016-2017.

Overall, revenue from operations is planned in 2017-2018 at $10.0 million, which is fairly consistent with the $10.1 million of revenue forecasted for 2016-2017.

Total expenses from operations are planned in 2017-2018 at $24.9 million, a $2.7 million increase from the 2016-2017 forecast of $22.2 million. This increase is driven primarily by an increase in salaries and benefits and amortization. Salaries and benefits, including training, are planned to increase by $1.3 million due to the filling of vacant approved positions and inflation. Amortization is planned to increase by $0.6 million based on the anticipated implementation of modernized IM/IT software.

Appropriations are planned at $12.8 million and have increased by $2.4 million versus the $10.4 million included in SCC's 2016-2017 forecast. This increase is consistent with the approved profile of funding for SCC's Infrastructure Program - *Adapting to Climate Change Impacts* as well as Budget 2016 funding for the development of new international standards and conformity assessment programs. After government appropriations, SCC has planned a net deficit of $2.1 million which will be funded out of accumulated surplus. The annual deficit is $0.4 million higher than SCC's forecasted deficit of $1.7 million for 2016-2017.

SCC is forecasting an ending accumulated surplus of $1.6 million as at March 31, 2018. After $1.0 million is internally restricted to be consistent with SCC's Accumulated Surplus Target, there is a remaining balance of $0.6 million. This balance will be used to fund planned deficits in future years as SCC continues to rebalance its financial position to enable optimal delivery of its mandate.

5.5   2016-2017 Capital Expenditures Forecast

Total capital expenditures of $0.8 million in 2016-2017 are forecasted to be in line with its budget of $0.7 million.

Nearly all of the forecast is related to IM/IT software and hardware modernization. 2016-2017 represents the fifth year of SCC's plan to modernize its IM/IT architecture. Work on the new architecture in 2016-2017 focused on the development and implementation of a new solution for managing the Accreditation Services business activities as well as the replacement of SCC's workflow, collaboration and documents management tool (SiteScape). The 2016-2017 capital forecast relates primarily to those two initiatives.

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

- determination of the existence of needed technology,

- conceptual formulation of alternatives, and

- evaluation and selection of the solution.

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

5.6 2017-2018 Capital Budget and 5-Year Capital Investment Plan

SCC's 2017-2018 total capital investment budget is planned at $0.7 million.

Capital related to IM/IT projects is planned to be $0.4 million. $0.2 million will be set aside for software related to the development of new international standards and conformity assessment programs. The remaining $0.2 million will be used for functional IM/IT areas of focus for capital related projects for the enhancement and increased functionality of accreditation services business management solution. Concurrently, IM/IT will work to upgrade SCC's financial, contracting and standards monitoring databases. Focus in these areas will drive future operational efficiency for which a cost savings estimate has been included within SCC's corporate plan.

Furniture, small office equipment life cycle upgrades and other minor capital investments such as hardware/software scheduled refresh are planned at a cost of $0.2 million per year starting in 2017-2018 and carrying through for all five years of the Plan.

STANDARDS COUNCIL OF CANADA
CAPITAL INVESTMENT PLAN

YEAR ENDED MARCH 31 (in thousands of dollars)	2015-2016 ACTUALS	2016-2017		FIVE-YEAR PLAN				
		BUDGET	FORECAST	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022
IM/IT infrastructure equipment	47	24	75	202	84	101	50	50
Software & Other	502	670	650	475	775	125	125	125
Furniture & small office equipment	3	50	25	25	25	25	25	25
Leasehold Improvements	334	-	-	-	-	-	-	-
Total Capital Investment Plan	**886**	**744**	**750**	**702**	**884**	**251**	**200**	**200**

STANDARDS COUNCIL OF CANADA
PRO FORMA STATEMENT OF OPERATIONS

FOR THE YEAR ENDED MARCH 31 (In thousands of dollars)	ACTUAL 2015-2016	BUDGET 2016-2017	FORE-CAST 2016-2017	PLAN				
				2017-2018	2018-2019	2019-2020	2020-2021	2021-2022
Revenue from Operations								
Accreditation Revenue	7,288	8,341	8,032	8,064	8,645	8,726	8,808	8,891
SCC eStore	1,398	1,151	1,205	1,300	1,313	1,326	1,339	1,552
Innovative Services	385	511	343	142	143	144	145	246
Other Income	449	500	550	530	532	534	536	638
Total Revenue from Operations	**9,520**	**10,503**	**10,130**	**10,036**	**10,633**	**10,730**	**10,828**	**11,327**
Total Expenses	**20,639**	**22,884**	**22,180**	**24,865**	**24,713**	**26,183**	**26,452**	**24,225**
Deficit from Operations	**(11,119)**	**(12,381)**	**(12,050)**	**(14,829)**	**(14,080)**	**(15,453)**	**(15,624)**	**(12,898)**
Parliamentary Appropriation	10,195	10,274	10,399	12,785	14,943	15,503	15,572	12,532
Net Surplus / (Deficit) for the year	**(924)**	**(2,107)**	**(1,651)**	**(2,044)**	**863**	**50**	**(52)**	**(366)**
Accumulated Surplus, Open	6,263	5,339	5,339	3,688	1,644	2,507	2,557	2,505
Accumulated Surplus, End	**5,339**	**3,232**	**3,688**	**1,644**	**2,507**	**2,557**	**2,505**	**2,139**

STANDARDS COUNCIL OF CANADA
PRO FORMA STATEMENT OF FINANCIAL POSITION

FOR THE YEAR ENDED MARCH 31 (in thousands of dollars)	ACTUAL 2015-2016	FORECAST 2016-2017	PLAN				
			2017-2018	2018-2019	2019-2020	2020-2021	2020-2021
Financial Assets:							
Cash	3,000	2,741	1,786	2,458	3,476	3,623	3,291
Accounts Receivable:							
Federal Departments and agencies	344	366	370	374	378	382	386
Other	4,298	3,752	3,513	3,722	3,756	3,790	3,964
Total Financial Assets	**7,642**	**6,859**	**5,669**	**6,554**	**7,610**	**7,795**	**7,641**
Liabilities:							
Accounts Payable and Accrued Liabilities	2,320	3,432	3,737	3,778	4,070	3,576	3,560
Contributions Received	97	152	204	206	208	210	212
Deferred Revenue	2,403	2,502	3,027	3,057	3,088	3,119	3,150
Tenant Improvement Allowance	1,114	1,038	962	886	810	734	658
Total Liabilities	**5,934**	**7,124**	**7,930**	**7,927**	**8,176**	**7,639**	**7,580**
Net financial assets / (debt)	**1,708**	**(265)**	**(2,261)**	**(1,373)**	**(566)**	**156**	**61**
Non-Financial Assets:							
Prepaid Expenses	1,137	993	1,003	1,013	1,023	1,033	1,043
Tangible Capital Assets (Net)	2,494	2,960	2,902	2,867	2,100	1,316	1,035
Total Non-Financial Assets	**3,631**	**3,953**	**3,905**	**3,880**	**3,123**	**2,349**	**2,078**
Accumulated Surplus	**5,339**	**3,688**	**1,644**	**2,507**	**2,557**	**2,505**	**2,139**

STANDARDS COUNCIL OF CANADA
PRO FORMA STATEMENT OF CHANGES IN NET ASSETS

FOR THE YEAR ENDED MARCH 31 (In thousands of dollars)	ACTUALS 2015-2016	FORECAST 2016-2017	PLAN				
			2017-2018	2018-2019	2019-2020	2020-2021	2021-2022
Total Annual Surplus / (Deficit)	(924)	(1,651)	(2,044)	863	50	(52)	(284)
Acquisition of tangible capital assets	(1,803)	(750)	(702)	(884)	(251)	(200)	(200)
Amortization of tangible capital assets	324	284	841	919	1,018	984	399
(Increase) / Decrease in Prepaid Expenses	(285)	144	(10)	(10)	(10)	(10)	(10)
Increase / (Decrease) in Net Financial Assets / (Debt)	**(2,688)**	**(1,973)**	**(1,996)**	**888**	**807**	**722**	**(95)**
Net Financial Assets / (Debt) Beginning of year	**4,396**	**1,708**	**(265)**	**(2,261)**	**(1,373)**	**(566)**	**156**
Net Financial Assets / (Debt) End of year	**1,708**	**(265)**	**(2,261)**	**(1,373)**	**(566)**	**156**	**61**

STANDARDS COUNCIL OF CANADA PRO FORMA STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31 (in thousands of dollars)	ACTUALS 2015-2016	FORECAST 2016-2017	PLAN				
			2017-2018	2018-2019	2019-2020	2020-2021	2021-2022
Net Cash from Operations							
Annual Surplus / (Deficit)	(924)	(1,651)	(2,044)	863	50	(52)	(366)
Adjustments for Non-Cash Items:							
Amortization of tangible capital assets	324	284	760	919	1,018	984	481
Changes in:							
prepaid expense	(285)	144	(10)	(10)	(10)	(10)	(10)
deferred revenue	1,704	23	449	(46)	(45)	(45)	(45)
accounts receivable	224	524	235	(213)	(38)	(38)	(178)
payables and accrued liabilities	(290)	1,112	305	41	292	(494)	(16)
contributions received	5	55	52	2	2	2	2
Net Change in Cash from Operations	**758**	**491**	**(253)**	**1,556**	**1,269**	**347**	**(132)**
Cash Applied to Capital Transactions Additions to tangible capital assets	**(1,803)**	**(750)**	**(702)**	**(884)**	**(251)**	**(200)**	**(200)**
Increase / (Decrease) in Cash and Cash Equivalents	**(1,045)**	**(259)**	**(955)**	**672**	**1,018**	**147**	**(332)**
Cash and Cash Equivalents, Beginning of year	**4,045**	**3,000**	**2,741**	**1,786**	**2,458**	**3,476**	**3,623**
Cash and Cash Equivalents, End of year	**3,000**	**2,741**	**1,786**	**2,458**	**3,476**	**3,623**	**3,291**

6.
Corporate Profile

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

6.1 Mandate

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

- promote the participation of Canadians in voluntary standards activities;

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

- coordinate and oversee the efforts of people and organizations involved in Canada's network of standardization professionals;
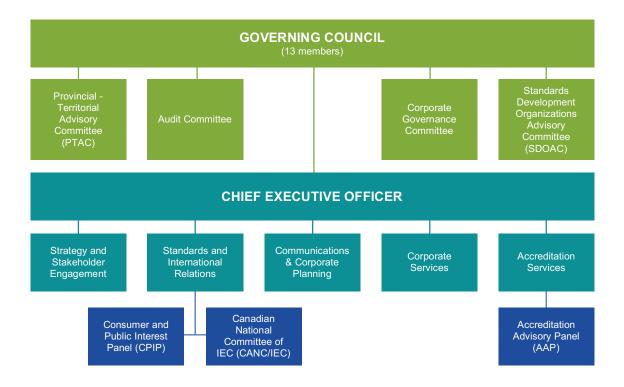
- foster quality, performance and technological innovation in Canadian goods and services through standardization-related activities; and,

- develop standardization-related strategies and long-term objectives to advance the national economy; support sustainable development; benefit the health, safety and welfare of workers and the public; assist and protect consumers; facilitate domestic and international trade; and further international cooperation in relation to standardization.

ANNUAL PUBLIC MEETING

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

6.2   SCC's Council Structure

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

GOVERNING COUNCIL

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

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

As a matter of good governance, the SCC Council skills matrix is one element that SCC Council uses in conjunction with other relevant practices to ensure an appropriate mix of skill-sets on Council. SCC's succession planning matters are routinely reviewed by the Corporate Governance Committee and reported at Council.

Governing Council Members:

Dr. Sam Shaw
President and Chief Academic Officer of Yellowhead Tribal College / Managing Partner at William Shaw & Associates
Acting Chair / Vice Chair Corporate Governance Committee Chair

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

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

Richard Raymond
Private Sector Representative

Colin Clark
Chief Technical Officer
Brookfield Renewable Energy Group

Kathryn Coll
President and Managing Partner HR Atlantic

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

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

Joseph Hosey
General Manager, ULC Standards and Underwriters Laboratories of Canada Inc.

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

Kathy Milsom
Corporate Director
P.Eng., ICD.D

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

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

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

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

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

PROVINCIAL-TERRITORIAL ADVISORY COMMITTEE (PTAC)

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

STANDARDS DEVELOPMENT ORGANIZATIONS ADVISORY COMMITTEE (SDOAC)

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

6.3 Staff and Activities

The strategies and policies established by SCC's governing Council are implemented by a staff of 98. The organization's work is led by its Chief Executive Officer (CEO), John Walter. The CEO is supported by SCC's Executive Team.

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

SCC'S CORE ACTIVITIES ARE DESCRIBED AS FOLLOWS:

Strategy and Stakeholder Engagement

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

To ensure that SCC meets its strategic priorities, the Strategy and Stakeholder Engagement branch develops engagement strategies and provides advice to address stakeholder objectives. The branch regularly interacts, and consults, with a variety of stakeholders including Federal, Provincial and Territorial governments, as well as industry, to drive the implementation of strategic objectives. The branch also provides secretariat functions to PTAC and NPSAC.

Standards and International Relations

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

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

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

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

The branch also manages the sale of ISO and IEC standards and National Standards of Canada, and coordinates Canada's interest in regional standards organizations such as:

- Pan American Standards Commission (COPANT),

- Pacific Area Standards Congress (PASC),

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

- Réseau Normalisation et Francophonie (RNF).

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

Accreditation Services

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

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

Corporate Services

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

Communications and Corporate Planning

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

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

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

Accreditation Advisory Panel

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

Consumer and Public Interest Panel

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

Canadian National Committee for the International Electrotechnical Commission

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

Glossary of Acronyms

AAP (SCC) Accreditation Advisory Panel

ADM Assistant Deputy Minister

ANS American National Standard

ANSI American National Standards Institute

APLAC Asia Pacific Laboratory Accreditation Cooperation

APM Annual Public Meeting

APS (SCC) Advisory Panel on Standards

CAC Canadian Advisory Committee

CACES Canadian Advisory Council on Electrical Safety

CANC/IEC Canadian National Committee of IEC

ISO/CASCO ISO Committee on Conformity Assessment

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

CEN European Committee for Standardization

CENELEC European Committee for Electrotechnical Standardization

CEO Chief Executive Officer

CEPA Canada and India Comprehensive Economic Partnership Agreement

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

CFTA Canadian Free Trade Agreement

CIPH Canadian Institute of Plumbing & Heating

CCJC Canada-China Joint Committee

COPANT Pan American Standards Commission

CPIP (SCC) Consumer and Public Interest Panel

CRCP Canadian Regulatory Council on Plumbing

DGN Dirección General de Normas

EA European Accreditation

EFC Electro-Federation Canada

EU European Union

FPT Federal, Provincial, Territorial

FTAs Free trade agreements

FTEs Full Time Equivalents

GDP Gross domestic product

GHG Greenhouse gas

GIC Governor in Council

GLP Good Laboratory Practices

HRAI The Heating, Refrigeration and Air Conditioning Institute of Canada

IAAC Inter-American Accreditation Cooperation

IAF International Accreditation Forum

IEC International Electrotechnical Commission

IGAC Interprovincial Gas Advisory Council

ILAC International Laboratory Accreditation Cooperation

IM/IT Information Management/ Information Technology

ISACC ICT Standards Advisory Council of Canada

ISED Innovation, Science and Economic Development Canada

ISD International Standards Development

ISO International Organization for Standardization

ISO/IEC International Organization for Standardization/International Electrotechnical Commission

ITU International Telecommunications Union

LAP Laboratory accreditation program

MLAs Multi-lateral agreements

MOA Memorandum of Agreement

MOU Memorandum of Understanding

MRAs mutual recognition agreements

MSR Monitor standards in regulations

NACWP North American Competitiveness Work Plan

NFPA National Fire Protection Association

NISI Northern Infrastructure Standardization Initiative

NPSAC National Public Safety Advisory Committee

NSCs National Standards of Canada

OECD Organization for Economic Co-operation and Development's

OIC Order in Council

ORDs Other recognized documents

PASC Pacific Area Standards Congress

P/T Provincial/Territorial

PTAC (SCC) Provincial-Territorial Advisory Committee

QMS Quality management system

SCC Standards Council of Canada

SDOAC (SCC) Standards Development Organizations Advisory Committee

SDOs Standards development organizations

TBS Treasury Board Secretariat

TBT Technical Barriers to Trade

TCA Tangible Capital Assets

TPP Trans-Pacific Partnership

WSD World Standards Day

WTO World Trade Organization