Standards Council of Canada
Conseil canadien des normes

Summary of Corporate Plan
2007–2008 to 2011–2012

Summary of Operating Budget
2007–2008

Summary of Capital Budget
2007–2008

Canada

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.

Vision: To be recognized by Canadians and members of the international community as the body responsible for leading Canada's voluntary National Standards System.

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Executive Summary

Each year, Standards Council of Canada (SCC) develops a Corporate Plan to assist its governing Council in fulfilling SCC's mandate. The plan covers a five-year period.

SCC has simplified its planning by grouping activities and initiatives under four strategic priorities. This will be outlined in greater detail in Section 5.

The four strategic priorities for the period FY 2007–2008 to 2011–2012 are:

1. Increase national awareness

2. Sustain strategic international and regional leadership positions and relationships

3. Balance current programs and services with emerging standards and accreditation opportunities

4. Enhance organizational effectiveness

These priorities will guide SCC's activities and initiatives over the course of the five-year planning period. These strategic priorities also align with the Canadian Standards Strategy (CSS) Update 2005–2008. (See Appendix 2)

STRATEGIC PRIORITY 1:

Increase national awareness

The central theme at SCC's 2006 strategic planning sessions was "the need to sell itself effectively". Increased national awareness among key stakeholders (industry, government and consumer organizations) will ensure the sustainability of Canada's standards system. Support among these stakeholders is vital to ensuring the participation of individuals and organizations that comprise the system.

Major activities and initiatives to be pursued in support of this priority include:

*   renewing SCC's brand;

*   targeting industry, government and consumer organizations in its communication and marketing activities;

- implementing results from the study on the economic value of standardization;

- determining the feasibility of a Canadian Centre for Standardization Research using the input received from SCC's November 2006 Academic Conference;

- reaching out to the academic community so that standardization materials can be incorporated into curricula at colleges and universities; and

- strengthening SCC's member program.

STRATEGIC PRIORITY 2:

Sustain strategic international and regional leadership positions and relationships

Sustaining SCC's strong international reputation remains important. Leadership and involvement at the international level provides SCC with the credibility and respect needed to best assist nationally.

Creating efficient supply chains to increase the flow of goods and services in our global market-place cannot be achieved without standardization activities and linkages to international and regional partners.

Leadership and participation in international and regional standards bodies ensures that Canadian interests are considered in the development of voluntary standards. This makes it easier for standards to be adapted in Canada and for industry to gain and retain global market access and credibility.

Major activities and initiatives to be pursued in support of this priority include:

- evaluating and strategically participating in international and regional standards development and conformity assessment bodies and fora;

- Strengthening global accreditation networks:
    - o retaining leadership positions at International Accreditation Forum (IAF), Pacific Accreditation Corporation (PAC) and InterAmerican Accreditation Cooperation (IAAC);
    - o negotiating and signing agreements where it would be of strategic interest to Canada; and
    - o ensuring continued recognition in international and regional Mutual Recognition Agreements (MRAs) and Multilateral Recognition Agreements (MLAs).

- identifying and responding to emerging standards-related issues including efforts to facilitate the seamless trade of goods and services through harmonization of standards with emerging markets such as Brazil, India, and China;

- providing training and development to developing countries through technical assistance initiatives; and

- developing and implementing an International Electrotechnical Commission (IEC) strategy for North America.

STRATEGIC PRIORITY 3:

Balance current programs and services with emerging standards and accreditation opportunities

Given the multi-sectoral nature of standardization and broad scope of SCC's mandate, it is important for SCC to focus on its core programs and services as well as provide support for key government initiatives. With the limited resources available, SCC must ensure that it balances core programs and services with emerging opportunities within available budgets.

Major activities and initiatives to be pursued in support of this priority include:

- supporting key government initiatives: engagement in the government's good regulatory practice initiative, the development of the Trilateral Regulatory Cooperation Framework under the North American Security and Prosperity Partnership (SPP) initiative and providing input to improve Chapter Four of the Agreement on Internal Trade (AIT);

- supporting key public policy areas such as trade, good regulatory practice, the environment and healthcare;

- enhancing recruitment, training and retention of individuals to participate on standards development committees;

- involving Canadians both in managing the technical committees and influencing international bodies at the governance level;

- balancing current programs and services while meeting the demands of the marketplace for new accreditation programs in: occupational health and safety, information security and food safety management systems;

- developing accreditation partnerships with government and private organizations for expansion into new programs; and

- increasing the breadth and depth of SCC's current accreditation programs by introducing more technical expertise to facilitate assessments and ensuring that appropriate partner-ships are in place to facilitate sharing of resources.

STRATEGIC PRIORITY 4:

Enhance organizational effectiveness

SCC's success will heavily depend on its staff and SCC's ability to attract and retain staff.

One of the key priorities for the Government of Canada is enhancing accountability. SCC's own quality management system (QMS) underpins its good governance, transparent and customer-focussed operations.

Major activities and initiatives to be pursued in support of this priority include:

- maintaining a corporate succession plan with direct linkages to the corporate training program;

- implementing an enterprise-wide risk management strategy;

- leveraging the QMS to enhance overall delivery of programs and services and ensure high levels of service; and

- implementing governance practices to ensure alignment with the Federal Accountability Act.

② Overview

2.1 INTRODUCTION

Standardization plays a fundamental role in Canada's society and its economy. It provides solutions for consumers, industry, and government by:

- helping save time and money;
- increasing public confidence in health, safety and security issues;
- reducing overlap and duplication;
- assisting with regulatory reform; and
- easing trade barriers both domestically and internationally.

While often invisible to consumers, standards help protect the health and well-being of Canadians by working to ensure the quality and safety of products and services. For example, they help ensure the safety of drinking water and the safety and quality of our food. Adherence to standards and verification by a credible third-party gives the public confidence that the products or services they purchase meet the health and safety requirements of the applicable standards and should not cause harm when used as intended.

Standardization is an important component to industry competitiveness. For virtually every industry there are standards that deal with the technical aspects of products and services. The implementation of standards can reduce costs and increase productivity. International standards can help exporters gain access to global markets and help importers bring new products and services to Canadians.

Standards are also important tools in helping governments meet their policy objectives while lessening the burden of regulatory compliance on industry. In many cases, when government references a standard in regulation, businesses are already voluntarily meeting these requirements. Like regulations, standards are developed with input from stakeholders through a well-established process. By participating in this process, government can ensure that resulting standards are consistent with regulatory and public policy requirements.

In its simplest form, a *standard* is an agreed upon set of criteria or rules against which things are measured or compared. Though we often speak of "voluntary standards", many standards are referenced in regulation making adherence to them mandatory.

Standards Council of Canada (SCC) promotes the use of formal standards that detail technical requirements for products, services and systems.

Conformity assessment is the activity related to the verification of conformance to a standard. This can include accreditation and certification.

Standardization is the process of developing, applying and verifying conformance to standards.

NATIONAL **STANDARDS** SYSTEM
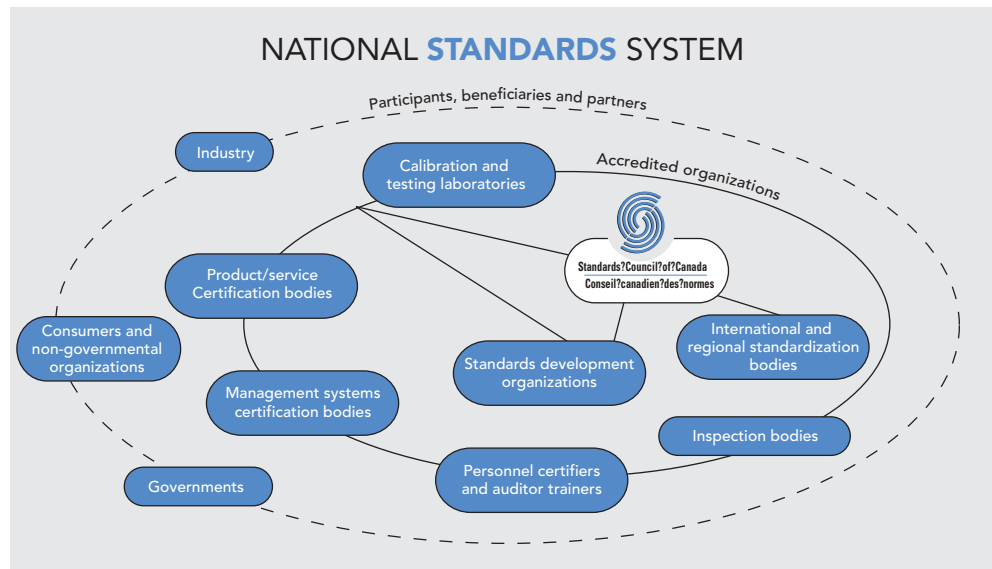
SCC coordinates and oversees the work of the National Standards System, which includes organizations and individuals, involved in voluntary standards development and conformity assessment activities. Some 15,000 Canadian volunteers and more than 400 organizations contribute to the work of committees that develop national and international standards.

2.2 CORPORATE PROFILE

The SCC is a federal Crown corporation that takes its mandate from the Standards Council of Canada Act, its governing legislation:

2.2.1 Mandate

The mandate of the Standards Council is to promote efficient and effective voluntary standardization in Canada, where standardization is not expressly provided for by law and, in particular, to:

a) promote the participation of Canadians in voluntary standards activities,

b) promote public–private sector cooperation in relation to voluntary standardization in Canada,

c) coordinate and oversee the efforts of the persons and organizations involved in the National Standards System,

d) foster quality, performance and technological innovation in Canadian goods and services through standards-related activities, and

e) develop standards-related strategies and long-term objectives,

in order to advance the national economy, support sustainable development, benefit the health, safety and welfare of workers and the public, assist and protect consumers, facilitate domestic and international trade and further international cooperation in relation to standardization.[1]

2.3 STRUCTURE

2.3.1 Governing Council

Council is appointed by the federal government, and reports to Parliament through the Minister of Industry. Council is comprised of 15 members and is responsible for setting the strategic direction of the organization, ensuring the fulfillment of SCC's mandate and providing direction on governance matters.

This work includes accreditation of standards development and conformity assessment organizations, approval of standards submitted as National Standards of Canada, adoption of relevant policies to support SCC programs and services, and approval of budgets and audited financial statements. Council also works closely with the organization's executive director and management in the development of policy items and relevant strategic plans.

2.3.2 Committees of Council

The Council's Committees include the Audit, Governance and Appointments Committees which all play an important role in supporting governance approaches.
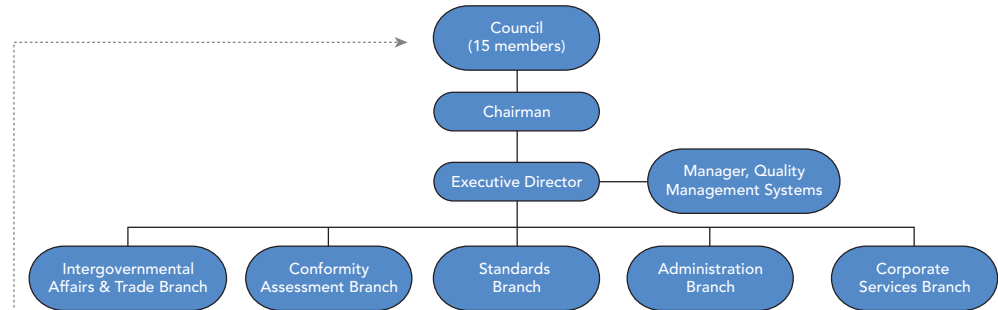
2.3.3 Advisory Committees

A number of SCC advisory committees, which report to the Council, ensure that it has access to a wide variety of advice, information and viewpoints. In order to ensure that input from advisory committees reflects the diversity of Canadian stakeholders, all advisory committees are required to have a balanced membership matrix that includes representatives from different regions in the country and from varied professional backgrounds. Two of these committees, the Provincial-Territorial Advisory Committee (PTAC) and the Standards Development Organizations Advisory Committee (SDOAC), are established in the Standards Council of Canada Act. The rest have been created by Council.

Standards Council of Canada (SCC) represents Canada at the world's principal standards organizations: the International Organization for Standardization (ISO) and through the sponsorship of the Canadian National Committee, the International Electrotechnical Commission (CNC/IEC). SCC's involvement ensures the Canadian perspective is included into developing international standards and that the views of industry, government and consumer organizations are effectively represented.

SCC represents Canada at international accreditation such as: International Laboratory Accreditation Cooperation (ILAC) and International Accreditation Forum (IAF).

[1] Subsection 4.(1), Standards Council of Canada Act, R.S.C. 1970, c. 41 (1st Supp.), amended 1996, c. 24

CORPORATE, COUNCIL AND COMMITTEE STRUCTURE

Council (15 members)

Chairman

Executive Director

Manager, Quality Management Systems

Intergovernmental Affairs & Trade Branch	Conformity Assessment Branch	Standards Branch	Administration Branch	Corporate Services Branch

Operational

• Intergovernmental affairs • International trade • Information and research services • Policy • WTO/NAFTA Enquiry Point • Technical Document Centre	Accreditation programs: • Auditor course providers • Inspection bodies • Management systems registration bodies (EMS/QMS) • Personnel certification bodies • Product certification bodies • Testing and calibration laboratories	• International Organization for Standardization (ISO) • International Electrotechnical Commission (IEC) • ISO/IEC Joint Technical Committee (JTC1) • Member program • National Standards of Canada • Standards development organizations accreditation program	• Finance • Human resources • Administration • Information systems • Translation	• Council secretariat • Communications • Marketing • Graphics • Corporate planning • Event coordination

Policy & Advisory Committees

• Provincial-Territorial Advisory Committee (PTAC) • Advisory Committee on Trade (ACT) • Canadian advisory committee on the ISO committee on conformity Assessment (CAC/CASCO) • Canadian advisory committee on the ISO committee on developing country matters (CAC/DEVCO)	Advisory Committee on Conformity (ACCA): • Regulatory subcommittee • Task group on certification • Task group on laboratories • Task group on training course providers • Task group on environmental management systems registration organizations • Task group on quality management systems registration • Task group on the certification of personnel	• Advisory Committee on Standards (ACS) • Standards Development Organizations Advisory Committee (SDOAC) • Consumer and Public Interest Committee (CPIC) • Canadian advisory committee on the ISO committee on consumer policy (CAC/COPOLCO) • Canadian National Committee on the International Organization for Standardization (CNC/ISO) • Canadian National Committee of the International Electrotechnical Commission (CNC/IEC)		• Corporate Governance Committee (CGC) • Audit Committee (AuC) • Appointments Committee (ApC) • Chairs & Secretaries Committee

2.4 STAFF AND ACTIVITIES

The strategies and policies established by Council are implemented by a staff of approximately 90. The Standards Council's operational work falls into three principal areas, organized into branches.

2.4.1 Standards

Internationally, the Standards Council manages Canada's participation in ISO and IEC, two of the world's most important voluntary standardization bodies, and participation in regional standards organizations. It encourages the adoption and application of international standards in Canada. The Standards Council accredits organizations that develop standards in Canada. Its accreditation programs are based on internationally-recognized guides and standards. Accredited standards development organizations may submit their standards for approval as National Standards of Canada. This designation indicates that a standard is the official Canadian standard on a particular subject. It also shows that the development process met certain specified criteria. National Standards of Canada may be developed in Canada or adopted, with or without changes, from international standards.

2.4.2 Conformity Assessment

Conformity assessment is the practice of determining whether a product, service or system meets the requirements of a particular standard. The Standards Council operates six types of accreditation programs:

- product service certification bodies;
- calibration and testing laboratories;
- management systems certification bodies;
- inspection bodies;
- auditor training course providers; and
- personnel certification bodies.

The Standards Council is also a member of several international and regional organizations that are developing agreements to ensure international acceptance of conformity assessment results, including: IAF, PAC, APLAC, IAAC and ILAC. (see Appendix 3)

2.4.3 Intergovernmental Affairs and Trade

The Standards Council advises federal, provincial and territorial governments, industry organizations and non-governmental bodies on standards and conformity assessment related aspects of trade and regulatory policy. SCC encourages the increased use of the National Standards System in regulatory activities and trade agreements.

The Standards Council offers Canadians comprehensive information on standards, technical regulations and conformity assessment in Canada and around the world. The Standards Council also serves as Canada's World Trade Organization and North America Free Trade Agreement (WTO/NAFTA) Enquiry Point.

SCC takes direction for its QMS from ISO 9001:2000. This commits its senior management to manage the organization in a systematic and visible manner and thus provide value and stability. ISO 9001:2000 provides for the integration of eight key principles of quality management:

1. Client Focus

2. Leadership

3. Involvement of People

4. Process Approach

5. System Approach to Management

6. Continual Improvement

7. Factual Approach to decision-making

8. Mutually beneficial supplier relationship

2.5   PRODUCTS AND SERVICES

SCC offers bilingual custom research services, including personalized information on a growing range of standards, legislation, and certification issues in many world markets. SCC also offers a number of services to help disseminate this information to its stakeholders:

As the **WTO NAFTA/Enquiry Point**, SCC serves as the central point of contact in Canada for WTO member countries to obtain information on standardization-related market entry requirements.

Export Alert! is a unique automated e-mail notification service that helps exporters keep abreast of regulatory changes in global markets, before they become the law.

Reg Watch is a database of Canadian, foreign and international standards referenced in Canadian federal law.

Standards Alert! is a database that informs subscribers about changes to Canadian and international standards.

StandardsStore.ca is a joint initiative between the Standards Council of Canada (SCC) and IHS Canada. The web site offers customers a single-point of entry for the purchase of standards, standards collections and related information products.

SiteScape Hosting Services is the online collaboration and document sharing tool of choice to support the Standards Council of Canada's internal business functions. The SCC also uses Sitescape to support external collaboration initiatives covering accreditation program activities, national and international standards collaboration efforts. Several government departments and standards development organizations have chosen to use the SCC's Sitescape hosting services for their activities too.

Technical Document Centre is SCC's on-site technical library. It houses the country's most comprehensive standards collections. A virtual library has also recently been made available, providing centralized electronic access to a variety of SCC resources.

2.6   QUALITY MANAGEMENT SYSTEM (QMS)

SCC provides support for all of its major programs and services through a Quality Management System (QMS). This system provides confidence to all stakeholders – both internal and external that SCC systems and practices conform to the internationally recognized standard for quality – ISO 9001. Key functions are covered by the system and are clearly identified within the systems documents with related descriptions, procedures and instructions identified. QMS documentation not only provides the procedures for each staff position but for overall organizational procedures, such as SCC's customer satisfaction program. These documents also act as an important tool for training of new staff.

As SCC moves forward with an enterprise-wide risk management strategy, it will begin with a survey of QMS documentation which already includes a risk analysis. All documents are found on SCC's intranet and are accessible to all staff.

2.7   LINK WITH PUBLIC POLICIES

Many of SCC's activities and initiatives are directly linked with key public policies objectives. Standards and accreditation can be used as an effective instrument to advance public policy objectives such as: good regulatory practice, healthcare, trade, clean water and the environment.

Trade

SCC's input of standards and conformity assessment perspectives into various trade agreements is important to ensuring that Canada remains competitive globally. SCC encourages governments and industries to make greater use of the National Standards System in regulatory activities and trade agreements. For many years, SCC has advocated for the inclusion of voluntary standardization perspectives in national, bi-national, regional and international trade agreements and proposals. SCC has also contributed to inter-provincial (e.g. Agreement on Internal Trade), bi-lateral (e.g. Canada-US, Canada-Costa Rica, Canada-Korea) and multilateral government-to-government trade relationships and agreements (e.g. NAFTA, FTAA, WTO).

SCC continues to promote the necessary relationship between standardization and trade as Canada enters new international trade relationships, particularly as it relates to emerging markets. As a member of the Canadian delegation to the WTO-Technical Barriers to Trade Committee, SCC will identify trade opportunities with emerging markets such as Brazil, India, and China. SCC's Agreement on Cooperation with the Standardization Administration of China (SAC) is an example of how SCC has already paved the way for collaboration with emerging markets.

As the Government of Canada seeks to reduce overlap and duplication of regulations and standards among federal, provincial and territorial governments, SCC's input into the Agreement on Internal Trade (AIT) will be important. Over the current planning period, SCC will concentrate on providing input into Chapter Four of the AIT. SCC will also continue to promote the relationship between standardization and trade for new and existing trade relationships.

Good regulatory practice

Significant potential exists for government to save time, money and effort by using Canada's existing standards system. SCC has played a vital role in ensuring the inclusion of standards components into the draft Government's Directive on Regulating (GDR). SCC has also participated in a number of good regulatory practice activities related to environmental sustainability, safety and security, and international regulatory cooperation. SCC could play an important role in helping government enhance regulatory practices.

Healthcare

The use of standards in healthcare benefits patients, healthcare workers, government and industry. Standards help improve patient safety, regulation of professional standards, enhance healthcare delivery, reduce administration and encourage medical innovation.

A memorandum of understanding signed in 2005 with the Ontario Medical Association (OMA) will make it possible for medical laboratories to achieve both OMA recognition and SCC accreditation without having to undergo separate assessments or conform to different sets of criteria. This process will provide broader recognition for those laboratories and provide better assurances to the public on medical labs and the tests being conducted.

To illustrate how standards can benefit healthcare delivery, SCC for example, participates in the Canada Health Infoway governance committee that oversees the development of a pan-Canadian Electronic Health Record. Interoperable systems will play a critical role in facilitating data sharing at a national level. The compatibility of Electronic Health Record systems gives doctors immediate access to potentially life-saving information about their patients. The long-term impact is better patient care and reduced health care costs. SCC will continue to promote the increased use of standardization in the healthcare area.

Environment

There are a number of standards-based solutions that can assist the Government as it moves forward with environmental initiatives. SCC supported Canada's participation in the recently published ISO 14064 standards for greenhouse gas accounting and verification, this standard has the potential to provide government and industry with an integrated set of measurement tools. This can be used for programs aimed at reducing greenhouse gas emissions, as well as for emissions trading.

SCC is currently exploring how best to apply these standardization tools to assist with greenhouse gas verification initiatives.

Going Forward FY 2007–2008
SCC's Operating Environment

3

3.1 STRATEGIC ISSUES

During the strategic planning sessions held in the spring of 2006, staff, management and Council provided feedback about the most important issues they believe should influence SCC's corporate strategy.

The following section describes critical issues that will affect SCC over this planning period. It describes initiatives SCC will undertake to address them.

3.1.2 External Issues

National Awareness and Branding

SCC has long held a strong international presence yet nationally awareness of SCC remains low, as confirmed by recent research. With limited resources and multiple organizations vying for attention, SCC faces increasing challenges in trying to raise awareness. Substantial work has been done in the area of branding and national awareness. SCC will continue to increase understanding and demonstrating the value of its programs and services to key stakeholder groups. SCC's value proposition, together with its renewed branding strategy, senior-level executive interview project, and study on the value of standardization in Canada will provide SCC with the collateral needed to effectively "sell" the benefits of the NSS. Generating greater awareness will ultimately influence participation of stakeholders in the system and ensure its long-term sustainability.

International Influencer and regional partner

SCC's effective representation and targeted leadership in international and regional standardization bodies will ensure SCC's continued influence in markets which are vital to Canada's economy. With Canadian exports reaching a record-breaking $516 billion in 2005, and markets continuing to globalize, making sure Canada's products and services are in-line with international standards has never been so important. SCC will continue to promote the relationship between standardization and trade for existing and new international trade relationships. Standardization issues are essential components to international trade agreements such as NAFTA.

Good regulatory practice

As the government advances good regulatory practice, SCC will have a pivotal role to play. Tremendous potential exists for government to save time, money and effort using the existing standards and accreditation systems. SCC will continue to assist government in supporting this priority. SCC has already participated in many activities including participation on related "Theme Tables" including: environment sustainability, safety and security, a healthy Canada, improving coordination and cooperation, and strengthening regulatory governance. SCC also ensured standards concerns were considered in the Security and Prosperity Partnership of North America. SCC also previously provided a written submission to the External Advisory Committee on Smart Regulation (EACSR) to assist with regulatory reform.

Emerging markets

In support of the Government's policy objective to deepen links with emerging markets, SCC will continue to identify and respond to emerging standards-related issues with emerging markets such as Brazil, India, and China. Standards harmonization initiatives with these markets have the potential to increase market access for Canadian products and services. SCC's contributions that can be made through standardization with emerging markets such as China directly support the Government's stated objective of improving corridors and gateways to the Asia-Pacific region. Opportunities with emerging markets are set to enhance Canada's prosperity and position in international commerce. In FY 2007/2008, SCC will continue to identify standardization opportunities within these markets.

Demographics

With an ageing population, there will be a smaller pool of technical experts who will be able to participate in standardization committees. With fewer professionals able to populate the Canadian mirror committees to ISO and IEC, outreach and recruitment initiatives are being pursued on a number of fronts. This includes: outreach to senior executives in industry and government by SCC's governing Council members, forging academic partnerships and linkages, providing students free access to international standards and initiating regulator engagement. By targeting these different stakeholders, SCC will be able to tap into the wealth of knowledge and expertise that is so important to sustaining the NSS and SCC's volunteer base. This will be increasingly important to the newer less traditional sectors that are now being addressed by international as well as national standards: social responsibility, health, environment and professional services.

Issues affecting standards development

There are three major issues affecting standards development and their use within Canada.

1. *Use of standards in Canada:* A significant issue that needs to be addressed is the viability of Canadian standards committees deciding Canadian technical requirements. Regulators increasingly look to direct use of foreign standards, mostly U.S. in origin and international standards. These standards have not been collectively reviewed by all affected Canadian interests and therefore are not representative of Canadian stakeholders. Canadian contributions at the international level are therefore increasingly important to ensure that Canadian views are reflected in these international standards.

2. *Strategic plans of ISO and IEC:* These include many elements of the Canadian Standards Strategy (CSS) and will result in the establishment of international "best practices" for individual national members to adopt. Canada has been at the lead in establishing this strategy and is a welcome player in assisting ISO and IEC achieve their goals. The challenge for SCC is to

achieve its own goals while influencing the development of "best practices" to Canada's future advantage. This should be done without diminishing the ongoing work at the technical level to ensure international standards are conducive to Canada's interests.

3. *Regional Influence:* Europe with 25 members is a dominant influencer at IEC and ISO. Although Canada maintains friendly relations with the European countries, it has relatively lower levels of trade with Europe. Canada's major trade is within NAFTA and growth areas are in South America and Asia. Canada has an effective voice at COPANT, PASC, and the Americas' IEC arrangements. Canada is seen as a consensus builder by SCC's regional and European colleagues. The issue is known as "global relevance" and Canada needs to continue to strongly promote the concept and endeavour to see it fully implemented by ISO and IEC technical committees. Canada is well positioned to act as a bridge between different regions, and to leverage that position to Canada's advantage.

Issues affecting conformity assessment

The conformity assessment branch is addressing a number of issues that is shaping its business environment.

1. *Globalization:* Globalization continues to drive international and regional conformity assessment (CA) organizations to support the vision of a "one standard, one test, one certification recognized and accepted globally". SCC is committed to a global accreditation system that reduces the need for products produced by Canadian industry to undergo duplicate testing when crossing borders. This system will help to ensure reciprocity of Canadian products and services. Globalization however brings a challenge of being able to effectively assess foreign locations of conformity assessment bodies.

2. *Increased recognition of MRAs and MLAs:* In support of SCC's commitment to a global accreditation system, SCC has entered into a number of MLAs and MRAs. Recognition and acceptance of these MRAs and MLAs by regulators and specifiers are increasing. To ensure that this recognition continues to improve, it is imperative that SCC's programs continue to meet the changing international requirements. Any changes in requirements however results in the need to update program policies and documentation and training for staff and contract assessors.

3. *Increased demand:* ISO's present policy precludes the development of sector specific standards, particularly in the management systems areas. Some industry groups with varying needs have developed industry specific program requirements independent of ISO within their industry sectors. SCC continues to raise awareness of SCC and its accreditation programs and must look for ways to expand its accreditation programs both to new ISO standards and to industry sector programs.

This demand will continue to draw on SCC's existing resources. SCC must balance its existing programs with these new emerging opportunities. In the coming year, SCC staff will be working to implement new areas of accreditation such as the new Chain of Custody for sustainably grown forest-based products. Under this initiative, SCC will accredit organizations to certify that wood found in manufactured products comes from sustainable forests.

Standards and Academia

One strategy for achieving greater awareness and involvement in the NSS, is promoting standardization at the university and college level. Stronger links with academics involved in standardization-related research in Canada and internationally will help to determine if SCC should

pursue the creation of a Canadian Centre for Standardization Research. SCC held an academic conference in November 2006 to determine the scope of standardization research in Canada and to determine support for such a Centre. Efforts to promote standardization in education provide an opportunity for recognized educational institutions to have free access to ISO and IEC standards. This strategy has already resulted in seven Canadian universities using standards in their curricula. SCC will continue to promote this initiative throughout 2007/2008. The strategy includes making the technical document centre resources more readily available to meet the growing demand for use of standards in the academic community.

3.1.3 Internal Issues

Canadian Standards Strategy (CSS)

SCC activities are guided by the SCC *Act* and the Canadian Standards Strategy (CSS). This strategy is a blueprint for enhanced standardization activity in Canada. Implementation of the strategy is key to securing the long-term sustainability of the NSS. Updated in 2005, the Strategy provides direction and leadership on how to use standardization to best advance the social and economic well-being of Canadians in a global economy. In 2007/2008, SCC will work with Advisory Committees on specific CSS activities and provide regular updates to governing Council and NSS stakeholders on the implementation of the CSS Update. Renewal of the CSS is scheduled to begin in 2008.

Funding

Appropriate levels of funding are needed to support the growing work of the NSS. SCC, through its recent outreach activities and through the economic benefits of standardization study will be better positioned to increase participation in standardization activities nationally and internationally. This study should provide the evidence that is needed to demonstrate to industry and government that increased funding is required for effective Canadian participation in standardization activities both nationally and internationally. Additional resources will be essential to ensure that Canada is a recognized contributor to standards development work. As SCC builds stronger links to government, industry and the academic community, SCC may be better positioned to secure alternate sources of funding.

Training and succession planning

Given the highly technical staff required to deliver SCC's programs and services, it is important that SCC provide staff with access to training and professional development opportunities. This is why SCC attributes 1.8 per cent of its salary budget to such opportunities. SCC will continue to refine the QMS to ensure that it conforms to all international requirements and is updated as changes are made.

Governance

SCC has a set of good governance practices in place which are continually being benchmarked against other recognized practices. Governance practices at SCC have always been proactive and are routinely monitored to determine areas where practices may be enhanced. As the government implements its Federal Accountability Act, SCC will ensure that it is fully aligned with the Act and make amendments to governance measures and corporate policies and procedures as required.

4 Strategic Priorities

This section identifies SCC's four strategic priorities for FY 2007–2008.

The key activities and initiatives which will support the following four strategic priorities are outlined in the tables in Section 5.

STRATEGIC PRIORITY 1:

Increase national awareness

SCC's primary strategic priority will be to increase awareness amongst its key national stakeholders: industry, government and consumer organizations. A recent research project on SCC brand awareness confirmed that those not involved in the NSS have low levels of awareness of SCC. Low brand recognition poses challenges when trying to engage new stakeholders, retain existing ones, and reach out to Canadian organizations and individuals who might benefit from or contribute to the NSS. SCC has long held a strong international presence, yet nationally, awareness of SCC remains relatively low. By focusing on national awareness and promoting the value of standardization, SCC's vision of being recognized as the primary organization responsible for coordinating Canada's standards system may be further realized. With an increased national focus, Canadians can easily leverage standards to enhance Canadian productivity and competitiveness.

By increasing national awareness, SCC will be more effectively fulfilling the goals of its mandate:

- promoting the participation of Canadians and public-private sector cooperation;
- advancing the national economy;
- supporting sustainable development;
- benefiting the health, safety and welfare of workers and the public;
- assisting and protecting consumers;
- facilitating domestic and international trade and international cooperation; and
- promoting social well-being for all Canadians.

SCC Strategic Priorities
2007–2008

1. Increase national awareness

2. Sustain strategic international and regional leadership positions and relationships

3. Balance current programs and services with emerging standards and accreditation opportunities

4. Enhance organizational effectiveness

STRATEGIC PRIORITY 2:

Sustain strategic international and regional leadership positions and relationships

SCC's strong international reputation remains critical. SCC's involvement at the international level provides it with the credibility and respect needed to best assist nationally. SCC's second strategic priority is to sustain these strategic partnerships and relationships.

SCC has achieved consistent success with its partners and relationships both regionally and internationally. Never before in the history of SCC, have there been as many Canadians on international standardization bodies and governance level committees. Leadership in these bodies ensures that Canadian interests are considered in the development of voluntary standards and conformity assessment practices. This makes it easier for the Canadian perspective to be included, enabling industry to gain and retain global market access and a competitive advantage. Another advantage to participation is the commercial intelligence that is gathered to better assist in market development activities at home.

In today's internationally focused economy, Canadian industry and governments need to focus on ways to be more competitive. One significant way they can do this, is through the application of standards, conformity assessment and accreditation practices. SCC's role in helping government and industry work in this global marketplace can be achieved through its influence at international and regional standardization bodies.

This strategic priority also fulfils a core requirement of the SCC Act:

*   representing Canada as the Canadian member of ISO and IEC and other similar organizations;
*   ensuring effective Canadian participation in ISO and IEC and other similar organizations;
*   providing advice and assistance to Government of Canada in the negotiation of standards-related aspects of international trade agreements; and
*   promoting cooperation and entering into arrangements with other countries for the exchange of information and cooperation in standardization-related activities.

STRATEGIC PRIORITY 3:

Balance current programs and services with emerging standards and accreditation opportunities

Continued delivery of SCC's core programs and services are essential but responding to emerging opportunities will be a strategic priority for SCC for the next fiscal year. SCC's core programs and services include: participation in international standards development, the accreditation of standards development organizations, conformity assessment organizations, and the approval of national standards.

Increased demand for new sector-specific accreditation programs will provide an opportunity for SCC to evaluate new opportunities as they arise. SCC must retain strong delivery in core conformity assessment programs while managing emerging sector-specific services that are needed in the marketplace.

SCC will focus on strengthening its position in the Canadian marketplace with its conformity assessment services, managing regional and international accreditation partnerships, and implementation of mutual recognition arrangements.

New conformity assessment programs are being pursued in the areas of health and the environment, food safety, information security and occupational health and safety.

This strategic priority also fulfils a core requirement of the SCC Act:

- promote cooperation among voluntary standardization organizations in Canada;

- promote cooperation between voluntary standardization organizations in Canada and government at all levels for maximum common usage;

- establish or recommend criteria and procedures relating to the preparation, approval, acceptance and designation of voluntary standards in Canada;

- accredit in Canada or elsewhere organizations that are engaged in conformity assessment;

- accredit organizations in Canada that are engaged in standards development;

- approve standards submitted by organizations accredited by the Council as national standards; and

- provide for the identification and evaluation of the need for new standards, revisions to existing standards and additional conformity assessment services, and arrange for that need to be satisfied.

STRATEGIC PRIORITY 4:

Enhance organizational effectiveness

Ensuring overall organizational effectiveness is SCC's fourth strategic priority. The most important is attracting and retaining qualified staff, particularly for required technical positions. On-going maintenance of a corporate succession plan with direct linkages to the corporate training program will be one of the key initiatives to support this strategic priority.

SCC will leverage the quality management system (QMS) to enhance overall delivery of programs and services and ensure high levels of customer satisfaction.

SCC's quality management system not only provides support for SCC programs and services but also serves as a risk management tool. As SCC moves forward with implementation of an enterprise-wide risk management strategy, it will begin with a survey of QMS documentation which already includes a risk analysis.

Other areas of focus will be to enhance the strategic planning process, including key performance indicators and ensuring closer alignment with SCC's mandate and strategic priorities.

5 SCC Balanced Scorecard

SCC has translated its vision and strategic priorities into measurable objectives. As SCC implements its FY 2007–2008 Corporate Plan, it will measure performance using a balanced scorecard approach. Based on the following four perspectives: 1) national; 2) international and regional; 3) client; and 4) organizational and financial; SCC will evaluate its performance.

SCC has introduced this balanced scorecard approach of setting objectives, monitoring performance and reporting performance to ensure a better mix of indicators, including outcome and process-oriented ones. These performance indicators will better reflect the performance assessment of the entire organization and are representative of all of SCC's key stakeholder groups. This objective and balanced approach to performance management will enable SCC to better monitor and improve performance reporting. SCC's four perspectives will be measured on the following basis:

1. NATIONAL PERSPECTIVE
SCC strives to increase awareness and meet the needs of all of its key stakeholders: industry, government and consumer organizations. Through effective communication and marketing strategies, SCC's objective is to increase national awareness.

2. INTERNATIONAL AND REGIONAL PERSPECTIVE
SCC strives to influence international standards and conformity assessment practices through its Canadian leadership positions, governance and technical-level positions at major standardization bodies. SCC strives to maintain a high-level of Canadian strategic positions at international and regional standardization bodies.

3. CLIENT PERSPECTIVE
SCC strives to be client focused in delivery of all programs and services. By providing standardization information and research services, serving as the WTO/NAFTA Enquiry Point and providing accreditation services to its various clients, SCC continually seeks way to improve service among its various client bases.

4. ORGANIZATIONAL AND FINANCIAL PERSPECTIVE
SCC strives to continually improve its organizational effectiveness by leveraging its own quality management system (QMS) and focusing on training and professional development of staff. SCC strives to maintain good financial stewardship and deliver all of conformity assessment programs on a cost-recovery basis. SCC manages its programs and services in a financially responsible way within available budgetary envelopes.

5.1 STRATEGIC PRIORITY 1

"Increase National Awareness"

Key Initiative or Activity	Objective	Expected Outcome/Measurement FY 2007–2008
Marketing and outreach initiatives targeted at key SCC stakeholder groups	Complete SCC brand strategy and related communications pieces	1) Renewed branding strategy 2) Implementation of Marketing and Communications Plan 3) Implementation of government and industry outreach plans
	Participate in various outreach initiatives to raise awareness of and attract new users to the NSS and address stakeholder issues	1) Information on the social and economic benefits of standardization disseminated e.g. speeches, trade shows, conferences, information exchange sessions with key government and industry representatives 2) Product Recall Database developed to increase SCC's relevance among regulatory and consumer stakeholders
	Use findings from senior-level executive interview project	Position paper on outcome of interviews and on the future vision of SCC and NSS. Findings used as part of SCC's strategic planning sessions and as part of overall value proposition
	Host events and organize meetings to promote standardization in Canada	1) Plan for the National Standards System Conference in June 2008. 2) Host 3rd Canadian Leadership Forum for Canadians leading technical work at ISO and IEC
Economic value of standardization	Highlight the benefits of standardization and concretely demonstrate the socio-economic value attached to standardization to engage new stakeholders and to retain existing partners	1) Quantification of the value of standardization in Canada study 2) Establish indicators and benchmarks to evaluate the value of standardization in Canada on on-going basis 3) Disseminate findings from study to key stakeholder groups and include in marketing and communication initiatives to increase awareness of SCC
Implement a comprehensive strategy for SCC's member program.	The member program working group is developing a strategy which covers: retention and recruitment, recognition, training and the structure of program.	Develop and complete member program strategic plan and begin implementation. The strategy will include key indicators to measure effectiveness by March 2008.
Strategy for the educational sector	Foster the use of standards in curricula across Canadian universities and follow-up on outcomes of the Academic Conference	1) Recommendations implemented from the Academic Conference on Standardization Research held in Canada held on 2006-11-20 2) Potential external partner identified for a Canadian Centre for Standardization Research 3) Standards curricula integrated into Canadian universities and colleges

5.2 STRATEGIC PRIORITY 2

"Sustain Strategic International and Regional Leadership Positions and Relationships"

Key Initiative or Activity	Objective	Expected Outcome/Measurement FY 2007–2008
Evaluate and strategically partici-pate in international and regional standards development and conformity assessment bodies	Influence Canadian perspective at international and regional standardization bodies: • President IEC • President of COPANT • Governance position on ISO Council • IEC Council Board • IEC Standardization management Board • ISO Technical Management Board (TMB) • Chair of PAC • Vice-Chair of IAF • Vice-Chair of IAAC • PASC • PASC SB • IEC/CAB	Demonstrated Canadian influence/impact in shaping policy on both international and regional governance standardization bodies
Canadian impact on and participa-tion in regional and international standardization organizations	Develop Canadian positions to IAF, PAC, IAAC, ISO/CASCO and aim to increase cooperation, as measured by the percentage of Canadian resolutions made at the regional level that are successful	80% of proposed Canadian policy positions achieved on IAF/PAC/IAAC and ISO/CASCO letter ballots for FY 2007–2008
Canadian participation and contribution to ISO and IEC	Influence Canadian perspectives at ISO and IEC: 1) As of 2006-09-01, 100% voting performance for draft interna-tional standards (DIS) and final draft international standards 100% (FDIS) 2) As of 2006-09-01, the ratio of Canadian participation in work programs of ISO and IEC was 500 out of a possible 894, representing, 55.9%	1) 100% voting performance for DIS and FDIS vote 2) 50%+ Canadian participation in work programs of ISO and IEC
Strategic participation by Canadians in relevant ISO/IEC committees	Seek opportunities for Canadians on ISO/IEC committees The current status as of 2005-12-31: 1) There are 155 (2005) Canadians managing IEC/ISO/JTC Committees/Working Groups. 2) There are 55 (2005) Canadians elected/appointed to IEC/ISO policy management committees. 3) There are 10 (2005) Canadians leading IEC/ISO policy management committees	Targets for FY 2007–2008, membership on important ISO/IEC working groups: 1) 155 Canadians managing IEC/ISO/JTC Committees 2) 50 Canadians elected/appointed to IEC/ISO policy and management committees 3) 12 Canadians leading IEC/ISO policy/management committee

5.2 STRATEGIC PRIORITY 2 (CONTINUED)

Key Initiative or Activity	Objective	Expected Outcome/Measurement FY 2007–2008
Emerging markets	Identify standardization opportunities with emerging markets such as Brazil, India, and China.	1) Policy proposals to support emerging standards-related issues to facilitate the seamless trade of goods and services with emerging markets. e.g. paper on the assessment of how Canada would engage India in standardization related work 2) Continue to work with China under SCC's Agreement on Cooperation with the Standardization Administration of China (SAC)
North American IEC strategy	Develop and implement a strategy for joint use by Canada, Mexico and U.S. in their approach to IEC	1) Strategy approved by CNC/IEC and partners followed by implementation 2) Host IEC multinational group of the Americas to develop terms of reference and set agenda. This meeting will formalize the IEC regional group for the Americas
Implement Cross-Frontier Policy	Implement IAF/ILAC/PAC/APLAC/IAAC requirements and maintain MRA signatory status	Agreements with peer accreditation bodies to effectively implement IAF/ILAC cross-frontier policy in place
Training/Development opportunities for developing countries	Provide training or development assistance in standardization bodies to developing countries.	1) Complete project to assist members of Costa Rica's National Quality System through the CIDA Canada-Costa Rica Competitiveness Development Fund by December 2007 2) Provide development assistance through ISO/DEVCO where strategically relevant to do so

5.3 STRATEGIC PRIORITY 3

"Balance Current Programs and Services With Emerging Standards and Accreditation Opportunities"

Key Initiative or Activity	Objective	Expected Outcome/Measurement FY 2007–2008
Contribution and support for Government of Canada initiatives	Provide formal submissions into various government initiatives	1) Input into Chapter Four of the AIT with particular emphasis on problem sector areas 2) Standardization references included in Government of Canada's good regulatory practice initiative 3) Evidence of SCC's input into the Trilateral Regulatory Cooperation Framework 4) Promote increase use of standardization, particularly in healthcare
Conformity Assessment	Introduce more technical expertise to facilitate assessments and auditing of all client locations	Increase the breadth and depth of SCC's current accreditation programs
	Balance current programs and services while meeting the demands of the marketplace for new accreditation programs	1) Business plan and strategy for the following accreditation programs: occupational health and safety, information security, food safety, greenhouse gas, accreditation for forest-based products that have been sustainably grown 2) Accredit 5 medical labs under the new SCC-OMA partnership
	Develop accreditation partnerships with government and private organizations for expansion into new programs	Pursue agreements with Environment Canada, Canadian Food Inspection Agency, Health Canada and provincial occupational Health and Safety regulators and Canadian Lumber Standard Accreditation Board (CLSAB) and National Environmental Laboratory Accreditation Conference (NELAC)
	Expand client base in existing accreditation programs from: • Laboratory (PALCAN): 346 • Product Certification: 30 • Management Systems: 29 • Auditor Training: 0 • Personnel Certification: 3 • Inspection Bodies: 7 Total: 415	Expected Target levels • Laboratory (PALCAN): 362 • Product Certification: 32 • Management Systems: 29 • Personnel Certification: 6 • Inspection Bodies: 15 Total: 444
National Standards of Canada (NSCs)	1) Approve adoptions/adaptions of ISO/IEC standards as NSCs 2) Harmonize international technical committees with standards development organization (SDO) committees	1) 70% + adoptions/adaptions of international standards as NSCs 2) 40% + of international technical committees harmonized with SDO committees
Canadian Standards Strategy (CSS)	Update the CSS	Revised CSS with stakeholder buy-in
Client Satisfaction	1) Web site visitors: 62% overall satisfaction achieved (2004) 2) Develop action plans to formally address issues raised in customer satisfaction surveys	1) Web site visitors: achieve minimum 70% overall satisfaction 2) Action plans developed and measurable targets developed based on previous surveys

5.4 STRATEGIC PRIORITY 4

"Enhance Organizational Effectiveness"

Key Initiative or Activity	Objective	Expected Outcome/Measurement FY 2007–2008
Funding/Resources	Increase resources for succession planning for SCC's volunteer base Achieve cost-recovery targets set for all conformity assessment programs. FY 2005–2006 Combined cost-recovery for conformity assessment programs was 94%	1) Increased participation of stakeholders in standards development work, thereby securing increased volunteer base 2) Achieve combined cost-recovery for conformity assessment programs of 95% 3) Implement revised fees schedules for conformity assessment programs
Quality Management System (QMS)	Refine and update QMS documents as required and conduct QMS audits of all SCC branches	1) Integrate QMS with strategic planning 2) QMS audits of all SCC branches and improve records on corrective actions based on client feedback
	Enterprise-wide risk management strategy: integrate all of SCC's risk analysis information from QMS documentation and other audits into one document.	Implementation of an enterprise-risk management strategy, managed through SCC's QMS process
	Corporate Workplan Priorities: refine mechanisms for developing and implementing corporate workplan priorities	Corporate priority- setting mechanism implemented and incorporated into SCC's quality management system (QMS)
Governance	Align SCC with Government's Federal Accountability Act	Alignment with Federal Accountability Act
Employee Satisfaction	Establish a benchmark for employee satisfaction through survey	Establish a benchmark for employee satisfaction
Staff training	Enhance professional development and training opportunities for staff and management 1.37% of salary budget (FY 2005–2006)	1.8% of salary budget spent on staff training
An unqualified financial audit opinion	SCC has never received a qualified financial audit opinion	An unqualified financial audit opinion received
Employee turnover	As of 2006-10-31, 5.6%	Achieve < 5%
At year-end the net income will be within 1.5% of the budget	As of 2006-08-31, SCC is 1.36% within the net budgeted result	At year-end, the net income/loss will be within 1.5% of budget

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Appendix 1:
Performance Against FY 2006–2007 Objectives

T he FY 2006–2007 Corporate Plan identified four strategic goals with a number of supporting objectives.

The strategic goals were:

* SCC branding and awareness building
* Organizational sustainability and effectiveness
* National Standards System infrastructure development
* Strategic international and regional participation

HIGHLIGHTS OF FY 2006–2007 PERFORMANCE

FY 2006–2007 was an active year. SCC achieved the majority of its goals and objectives. SCC will continue to build upon the initiatives and activities it undertook in FY 2006–2007. Highlights of SCC performance up to October 30, 2006 are discussed as follows.

SCC branding and awareness building

In FY 2006–2007, SCC shifted from an international focus to more of a national one. SCC began focussing on branding and increasing awareness among relevant stakeholders. SCC carried out a number of initiatives in support of this goal. Research was conducted on the views of SCC and NSS by current and potential stakeholders. Based on these results, SCC's brand plan and visual identity are being updated. This phase of the project is expected to be complete by March 2007.

SCC decreased its focus on secondary and tertiary audiences to target resources on raising awareness among the three most relevant stakeholder groups: industry, government, and consumer organizations.

As part of its marketing and communications plans, SCC developed an outreach plan to target two of these three groups: industry and government. The outreach plan implemented in FY 2007–2008 will in effect tie into the senior-level interview project already completed by Council. This project to interview Canadian senior executives was launched to ascertain the current scope of standardization

in Canada. It was also conducted to assess levels of awareness and the needs of industry and government executives. SCC will be using these interviews as opportunities for possible future collaboration and partnership.

Other awareness building initiatives included SCC's provincial and territorial standardization "road show" forums to help raise awareness amongst regulators and policy makers. Outreach targeting key Canadian industry associations has also assisted in raising awareness. A joint mailing with the Canadian Chamber of Commerce of SCC's *Consensus* magazine is one such example of SCC's outreach activities to industry associations.

Organizational sustainability and effectiveness

SCC continued to refine its quality management system (QMS). This system will permit SCC to develop a stronger corporate culture. Internal audits carried out throughout the year were vital to ensuring SCC was well managed and that any identified areas for improvement were followed-up. For example, SCC updated QMS documentation to ensure conformance of its programs to recently updated ISO standards for some of its conformity assessment programs. Improvements were also made to QMS documentation to clarify job expectations and facilitate succession planning.

SCC made training and professional development for staff a priority in FY 2006–2007. Employees undertook workshops on such topics as: leadership, coaching, communication and performance management.

In response to the need identified during strategic planning sessions to better balance SCC's programs and services, SCC began the process of developing management tools to help manage competing priorities. One such tool is the corporate priority-setting mechanism.

In order to remain responsive to industry and government's needs, SCC for example, laid the groundwork for new accreditation programs and partnerships in occupational health and safety, information security and food safety management systems. These programs are expected to be launched by January, 2007.

National Standards System (NSS) infrastructure development

To ensure the sustainability of the NSS, SCC will continue to recruit members to participate in SCC activities through its member program. The members are of vital importance to the NSS. It was determined that in order to attract new partners, the quantitative benefits from standardization would be necessary to attract organizations to participate more fully in standards development work.

In response to this need, SCC contracted the Conference Board of Canada to conduct research on the economic value of standardization in Canada. By demonstrating the intrinsic value of standards with empirical evidence, SCC will be better able to articulate the standardization contribution to Canadian competitiveness. SCC will use data to enhance domestic promotion on the value of standards and accreditation to industry, government and consumer organizations. The study will be completed by the end of FY 2006–2007.

As another avenue to increase participation, SCC has forged closer ties with the academic community. SCC signed seven agreements with Canadian universities and colleges, permitting the free use of ISO and IEC standards in course curriculum under specified conditions. SCC also hosted an academic conference in November 2006 to gauge interest in the possible creation of a Canadian Centre for Standardization Research. SCC will use the input received from the conference to determine next steps in the development of such a centre.

Strategic international and regional participation

While SCC's focus was primarily a national one in FY 2006–2007, continued efforts are required to maintain and promote Canadian positions in international and regional governance bodies. SCC's involvement at the international level provides it with the credibility and respect needed to best assist nationally. Within the international community, Canada's standardization system is considered to be effective and well-coordinated. This provides for a solid and secure base for Canadians to participate internationally. Participation internationally also ensures that practices related to standards development, conformity assessment and accreditation are developed in a coherent manner so as to support international trade.

SCC has been effective in securing positions on international standardization bodies and is represented internationally at a number of policy, management and executive committees including: ISO, IEC, PASC, COPANT, IAF, PAC, ILAC and IAAC.

During FY 2006–2007 two Canadians were elected to international positions: Jacques Régis, as President of the IEC and SCC Executive Director, Peter Clark as President of COPANT.

SCC's hosting of the ISO General Assembly (GA) in September 2006 was a significant event for Canada. The success of the ISO GA once again solidified Canada's position within ISO and the international standardization community. The event attracted over 400 delegates from approximately 100 countries.

SCC's work with developing countries, from hosting visiting delegations to funding the participation of standards professionals in international standards work provides mutual benefits to SCC and the developing country. As part of the Canadian International Development Agency's (CIDA) Canada-Costa Rica Competitiveness Development Fund, SCC has provided assistance to members of Costa Rica's National Quality System. This project will be completed by December 2007.

The following tables represent SCC's performance to date against the goals and objectives summarized in SCC's FY 2006–2007 Corporate Plan. The tables serve as a "scorecard" identifying progress made to date. The performance assessment reflects the activity up to October 30, 2006. SCC anticipates achieving the majority of its performance targets. It should also be noted that many of the objectives in the tables below are those of the National Standards System. These objectives can be cross-referenced with the goals and objectives of the Canadian Standards Strategy found in Appendix 2.

"Develop new and leverage existing relationships and partnerships within the National Standards System to raise awareness and promote the value and importance of the development and use of standards and accreditation in Canada"

Goal 1: Branding and Awareness Building

Objectives 2006–2007	Expected Results	Performance Assessment	
Strengthen SCC brand within Canada and in doing so, raise awareness of SCC and standards and conformity assessment in Canada	Renewed branding strategy that includes short and long-term tactics for the promotion of SCC	First phase of a branding renewal exercise is complete. Second phase of branding update is underway and will be complete by March 2007. Outreach awareness tactics under development	◑
	Benchmark measure of SCC brand awareness for target audiences	Qualitative research finalized. Suggests lower levels of awareness with those not involved in NSS.	◑
	Implementation of the Annual SCC Marketing and Communications Plan	Implementation of the annual SCC Marketing and Communications Plan is on track	◑
Increase SCC key stakeholders groups' understanding about the role and activities of SCC	Delivery of Speeches/Presentations (Success Stories/Value Proposition) to target audiences	SCC continues to deliver speeches, make presentations and distribute information on the benefits of standardization to its key stakeholders. SCC delivered six SCC "RoadShow" presentations.	◑
		Outreach activities undertaken with key Canadian Industry Associations: Canadian Association of Importers and Exporters, Canadian Chamber of Commerce, Canadian Manufacturers and Exporters and Canadian Council of Chief Executives	◑
Encourage the development and implementation of standardization education and training in Canada, particularly in post-secondary and trade sectors	Develop new strategic partnerships by pursuing opportunities with educational institutions and other key industry and government groups	New strategic partnerships with seven universities provide for the free use of ISO and IEC standards in course curriculum (as of 2006-06-30)	◑
	Research to determine organizations to engage in pursuit of a Centre for Excellence in Standardization Research	Hosted an academic conference on 2006-11-20 to gain an appreciation of the current state of standardization-research in Canada and evaluate the possibility of creating a Canadian Centre for Standardization Research.	◑
Support the collection and dissemination of research on the value and importance of standardization in Canada	Research economic and other benefits quantifying the value of participation in Canadian voluntary standardization	Engaged the Conference Board of Canada to conduct research on the benefits and value of standardization to the Canadian economy. Report to be completed by March 2007	◑

Performance Legend

◑ On-track and within budget

◑ Partially complete and/or budget variance or variance from expected outcome

✕ Postponed or cancelled

* See Appendix 2 for corresponding CSS

Objectives 2006–2007	Expected Results	Performance Assessment	
Promote the use of the National Standards System (NSS)*	Implementation of Future Vision Task Force (FVTF) recommendations	Interviews with over 25 Canadian senior-executives are complete. These interviews will lay the ground work for future collaboration and partnering	◑
		Concluded negotiations with Canada Revenue Agency (CRA) on inclusion of standards participation as R&D tax credit	◑
	Development of business case seeking additional funding for participation in voluntary standardization and translation of National Standards of Canada (NSCs) to be developed and used to seek additional funds	A new initiative through collaboration with the Bureau de Normalisation de Quebec (BNQ), Association Française de Normalisation (AFNOR) and SCC to ensure all ISO standards are available in the French language. Exceptions may be made in the case of technology standards where time is of the essence.	◑
	Pursue opportunities for NSS involvement in health-care and other areas	Awareness was increased about NSS involvement in healthcare at the ISO General Assembly's Open Session on Healthcare in September 2006	◑
		A memorandum of understanding (MoU) with the Ontario Medical Association (OMA) to accredit medical testing laboratories was signed in 2005. The program will be implemented by March 2007.	◑
		SCC continues to sit on the Canada Health Infoway governance committee that oversees the development of a pan-Canadian electronic health record.	◑
Support the further development of SCC Member Program*	Development of a workplan to address retention, recruitment and training strategy for SCC Member Program	The Member Program working group is developing a strategy which will cover: retention and recruitment, recognition, training and the structure of program.	◑
	Action Plan to address recommendations from SCC's Standards survey (including member program) results	Proposal under development for workshops including: "technical assessors and leaders"; "good regulatory practices and standards", and, "international secretaries, chairs and conveners"	◑
	Evaluate effectiveness of the cadre of trainers introduced in FY 2005–06	SCC staff members provided on-going assessment of trainers' delivery of workshops. In addition, participants provided feedback on content and delivery of trainers' workshops. Based on these two methods of evaluation, the cadre of trainers' workshops continue to be effective and relevant.	◑
	Establish a benchmark for recruiting participants from target audiences	No benchmark has been established	⊗
	Delivery of Member Program Awards	SCC held a successful Awards Ceremony in September 2006 and honoured Canadians involved in standards and conformity assessment initiatives	◑

Performance Legend

◑ On-track and within budget

◐ Partially complete and/or budget variance or variance from expected outcome

⊗ Postponed or cancelled

* See Appendix 2 for corresponding CSS

"Improve upon and develop practices and policies for NSS and SCC sustainability and effectiveness"

Goal 2: Organizational Sustainability

Objectives 2006–2007	Expected Results	Performance Assessment	
Employ innovative and sustainable funding mechanisms to support future activities*	At year-end, the net financial result will be within 1.5% of the budgeted net result	As of 2006-08-31, SCC is 1.36% within the net budgeted result	◑
	Achieve cost-recovery targets set for all conformity assessment programs	As of 2006-08-31 year-to-date cost-recovery in conformity assessment programs is 97%, slightly lower than the target level of 99%	◑
Develop and implement training and mentoring practices and enhance professional development opportunities	Institutionalize organizational mentoring practices	SCC continues to develop a formal corporate mentoring program, including overview presentations and training workshops. Corporate training and professional development opportunities for staff in leadership, coaching, communication and performance management are being implemented.	◑
	1.8% of salary budget spent on staff training	As of 2006-08-31, 0.2% salary budget had been expended. The training and professional development opportunities for staff in leadership, coaching communication and performance management are being implemented.	◑
Monitor the effectiveness and sustainability of SCC's products, programs and services on an on-going basis	Implementation of recommendations from annual financial, internal and quality audits and results from customer satisfaction surveys	A total of 16 QMS audits were completed within all SCC branches. In the Conformity Assessment Branch, corrective action requests (CARS) resulted from a new international requirement (ISO/IEC 17011). SCC is now in conformance with the new international requirement.	◑
	Achieve SCC Customer Satisfaction targets as measured by SCC Customer Satisfaction Surveys	Customer Satisfaction survey results were as follows:	
	PALCAN: target was a 2% increase to 3.83	PALCAN: 3.67 – decline of 2.4%	✗
	Member program: target was a 3% increase to 3.76	Member program: 3.51 – decline of 3.8%	✗
	Web Site: 3.31	Web site survey will occur after the majority of the web site strategy is implemented.	✗
	Management Systems: 3.31 Certification Bodies: 3.24 Information and Research: 3.71 Enquiry Point: 3.83 Trade and Policy: 3.78	Surveys of these client groups have not yet been completed but will be completed by March 31, 2007.	◐

Objectives 2006–2007	Expected Results	Performance Assessment	
Monitor the effectiveness and sustainability of SCC's products, programs and services on an on-going basis *(continued)*	Information and Research Services 2006/2007 target: meet established service standards in 97% of cases (provide a first response to incoming information enquiries within one business day, and complete research on all enquiries in three business days)	As of 2006-06-30, Information and Research Services responded to enquiries within established service standards within 99.8% of the cases.	◑
	Enhance and promote WTO/NAFTA Enquiry Point services, Information Research Service and Technical Document Centre to ensure continued relevancy to clients	SCC's Export Alert! hosting arrangement with Trinidad and Tobago Bureau of Standards to disseminate WTO notifications to domestic stakeholders has now been implemented. Discussions have taken place regarding hosting with Costa-Rica, Bhutan, Caribbean Community (CARICOM), Ghana, India, Nicaragua, the Philippines and Vietnam.	
		Contract expected to be re-negotiated with Foreign Affairs and International Trade Canada for continued operation of the WTO/NAFTA Enquiry Point by March 2007. Assisted developing countries establish a WTO Enquiry Point and ISONET information centre to Costa Rican delegates	◑
	Standards Alert! user base by 15%	Standards Alert! user base by 12% as of 2006-08-31	◑
	Export Alert! user base by 5%	Export Alert!user base by 5% as of 2006-08-31	◑
	Use of QMS in business case development to support proposed new areas of work	Drafted SCC business case for SCC Conformity assessment ISO 22000 accreditation and food safety management system.	◑
		Supported Government of Canada climate change initiatives and the negotiations with Environment Canada for the use of the NSS in potential Greenhouse Gas (GHG) programs, drafting of business case for SCC CA ISO 22000	◑
Develop a corporate priority-setting mechanism to assist Council, management and staff in determining where to focus SCC's resources and efforts	Implementation of priority-setting mechanism, and incorporation into SCC's quality management system (QMS)	A first draft of the corporate-priority setting mechanism has been prepared.	◐

Performance Legend

◑ On-track and within budget

◐ Partially complete and/or budget variance or variance from expected outcome

✕ Postponed or cancelled

*   See Appendix 2 for corresponding CSS

Objectives 2006–2007	Expected Results	Performance Assessment	
Support and continue to implement effective governance practices	Governance policies, procedures and effective reporting in annual report, corporate plan, parliamentary/ government submissions	SCC continues to incorporate/update governance policies/procedures and enhance reporting in government submissions	◑
	Council Succession Planning implemented	Succession planning underway	◑
	Proactive incorporation of best practices for governance as determined by the Office of the Auditor General of Canada (OAG), Privy Council Office (PCO) and Treasury Board Secretariat (TBS) and industry practices, as relevant to Crown Corporations	A set of governance practices were prepared based on benchmarks established by Treasury Board and other government organizations.	◑
	An unqualified financial audit opinion	Receipt of an unqualified financial audit for FY 2006–2007	◑
	Implementation of annual Corporate Governance Committee workplan	Implementation of annual Corporate Governance Committee work plan is underway	◑

Goal 3: *"Focus efforts and resources on strengthening the national infrastructure for standards development and accreditation in Canada"*

Goal 3: National Standards System Infrastructure

Objectives 2006–2007	Expected Results	Performance Assessment	
Attract accreditation partners and increase accredited clients to solidify SCC's position as the national accreditation body	Increase in number of accredited clients by 37 (all programs and accreditation partners combined)	The number of accredited clients year-to-date 2006-09-30 is 415; an increase over the 408 clients achieved in FY 2005–2006. This is an increase of 7.	◐
Engage new industry stakeholders in the work of the NSS	Increase in number of active industry stakeholders on standardization committees	SCC has been working to increase industry participation in the work of the NSS through the use of value proposition, member program initiatives and SCC marketing and communication activities.	◐
Pursue strategic standardization partnerships, projects and processes that support social policy objectives (including health, safety and the environment)*	Research and recommendations on the development of a national database of health and safety incidents related to products, systems and services	Collaborated with SmartRisk, the Canadian Institute for Health Information and the National Public Safety Advisory Committee on an initiative to establish a national database of incidents and injuries, which will help identify areas for new standards and regulations	◐
	Research and recommendations on the strategic application of standardization in healthcare and security	Memorandum of understanding was signed with the Canadian Council on Health Accreditation Services and involvement in the Pan-Canadian *Infoway* and Electronic Health Record.	◐
Enhance the strategic coordination and oversight capacities of CNC/ISO and CNC/IEC*	Canadian impact on international standards policy/management and technical decisions at ISO and IEC Targets: 100% voting performance 50%+ participation	As a membership requirement, SCC must reply to all voting documents. Being active in the technical program is essential to the maintenance of Canada's credibility and to ensuring appropriate Canadian influence in the work of ISO and IEC. As of 2006-09-01, the target of 100% voting performance was achieved for draft international standards (DIS) and final draft international standards 100% (FDIS) with 91 staff abstentions. (As a membership requirement of ISO and IEC, SCC must reply to all voting documents.) As of 2005-09-01, the ratio of Canadian participation in work programs of ISO and IEC was 500 out of a possible 894 committees, representing, 55.9%.	◐
	Canadian participation in international standards development, policy and management committees	The target of 160 Canadians managing IEC/ISO/JTC1 Committees/Working Groups is expected to be reached. The target of 55 Canadians elected/appointed to IEC/ISO policy management committees is expected to reached. The target of 12 Canadians leading IEC/ISO policy management committees is expected to be reached.	◐

Performance Legend

◐ On-track and within budget

◐ Partially complete and/or budget variance or variance from expected outcome

✖ Postponed or cancelled

* See Appendix 2 for corresponding CSS

Objectives 2006–2007	Expected Results	Performance Assessment	
Enhance the strategic coordination and oversight capacities of CNC/ISO and CNC/IEC* *(continued)*	Suitability of international standards for Canadian use, as measured by percentage of National Standards of Canada (NSCs) approved as adoptions/ adaptations of ISO/IEC standards	FY 2006–2007 (target) 70% out of 200+ NSCs is expected to be reached	◑
Research and analyze new and ongoing standardization issues*	Policy papers and/or briefings on new and ongoing issues, including: • Discussion paper containing a list of opportunities for the application of existing standards and conformity assessment measures that could overcome trade-related obstacles in Canada's existing network of multi-lateral and bi-lateral trade agreements • Discussion paper of best practices that could be applied to improve Canadian trade-related activities • Discussion paper containing a list of recommendations on the development of a "Centre for Excellence in Standardization Research" that would conduct, collect and disseminate research on the value and importance of standardization in Canada	Based on Chapter Four of the Agreement on Internal Trade (AIT), a discussion paper is under development to identify areas of common trade-related difficulties among Provinces and Territories and promote standardization approaches as solutions	◑
		Over the last five years SCC has advocated the inclusion of voluntary standardization perspectives in national, bi-national, regional and international trade agreements and proposals.	◑
		Paper prepared on the feasibility of a Canadian Centre for Standardization Research and corresponding Academic conference organized	◑
Support inter-jurisdictional standardization-based cooperation*	Identify areas of common trade-related difficulty among Provinces and Territories and promote standardization approaches and/or solutions for these trade impediments (PTAC)	Provided input to Industry Canada revision of the standards component of the Agreement on Internal Trade (AIT), specifically Chapter 4, Annex, 405.1 – Standards and Related Measures.	◑
	Conduct research to identify sectors from a Provincial and Territorial perspective that could benefit from the use and acceptance of accreditation-based MLAs	SCC has provided recommendations and examples of 'national best practices' in the area of SCC-regulatory cooperation in addition to the provision of suggested text and regular comments on the text as it continues to evolve.	◑
Engage regulatory and public policy officials regarding the applicability of standardization approaches*	Increase in number of active regulators on standardization committees	Although SCC through its outreach activities, has been successful in increasing regulators on standardization committees, no specific measure has been developed to capture this increase.	⊗
	Engage in good regulatory practice activities specifically advocating the adoption of Government of Canada policy statement regarding the usage of standards and conformity assessment procedures in federal regulations	Several references to standardization incorporated into final draft on International Regulatory Cooperation Framework and Government Directive on Regulating (September 2005). SCC participated in the Privy Council Office/Treasury Board Secretariat -organized Good regulatory practice implementation activities. This support included participation at "theme tables" to guide good regulatory practices input and related initiatives: environmental sustainability, safety and security, a healthy Canada, improving coordination and cooperation and strengthening regulatory governance.	◑

"Maintain Canada's International reputation and effectiveness as a leader in standardization while prioritizing SCC's participation in international and regional standards development and accreditation efforts"

Goal 4: Strategic and international participation

Objectives 2006–2007	Expected Results	Performance Assessment
Adapt SCC's conformity assessment for markets where appropriate	Research and business cases prepared to support expansion of existing programs into markets in response to stakeholder needs/Extension of management system programs	A new Chain of Custody program for forest products was introduced. This is an extension of SCC's existing Certification Body Accreditation program, and is based on international standards developed by industry stakeholders and environmental organizations.
		Development of a full suite of programs including: • Quality management system : occupational health and safety, information security and food safety • Environmental management system: greenhouse gases • Expansion of the good laboratory practices program
		The multilateral conformity accreditation agreement (MCAA) was developed to facilitate the implementation of the IAF Cross Frontier Policy. The agreement has been expanded to include the Korean Accreditation Board (KAB) and the Mexican Accreditation Entity (EMA).
		Expanded an existing agreement with the American National Standards Institute (ANSI) to conduct joint assessments of product certification bodies.
		SCC became a signatory to the joint Conformity Testing and Certification of Electrical Equipment (IECEE)/ International Laboratory Accreditation Program (ILAC). A memorandum of understanding to conduct joint assessment of labs was established.
		Successful IAF audit of SCC's Management systems and certification bodies programs assessed by the international community to the requirements of ISO/IEC 17011. Self-declaration of conformity to 17011 was accepted by the Asia Pacific Laboratory Accreditation Cooperation (APLAC).
Evaluate and strategically participate in international and regional standards development and conformity assessment bodies	Development and application of a measurement tool(s) to assess impact of existing and/or proposed voluntary accreditation-based arrangements on the Canadian marketplace	A simple survey tool is under development to assess existing and/or proposed voluntary accreditation-based arrangements on the Canadian marketplace.

Performance Legend

◑ On-track and within budget

◑ Partially complete and/or budget variance or variance from expected outcome

✗ Postponed or cancelled

* See Appendix 2 for corresponding CSS

Objectives 2006–2007	Expected Results	Performance Assessment	
Evaluate and strategically partici-pate in international and regional standards development and conformity assessment bodies *(continued)*	Effective leadership at ISO Council, ISO/TMB, IEC CB, SMB, IEC CAB, IAF, PAC, IAAC, ILAC, APLAC where relevant	President IEC, President of COPANT, Governance position on ISO Council, IEC Council Board, IEC Standardization management Board, ISO Technical Management Board (TMB), Chair of PAC, Vice-Chair of IAF, Vice-Chair of IAAC, PASC ,IEC/CAB	◑
	Support Canadian Candidate for IEC Presidency	Jacques Régis was acclaimed the first Canadian President to lead the IEC. Mr. Régis's 3-year term will begin on 2007-01-01.	◑
Continue to engage targeted developing countries in interna-tional standardization*	Measurement tool to assess the effectiveness, impact(s) and outcomes of SCC's standardization-related development assistance activities	Measurement tool is under development to track effective use of resources in CAC/DEVCO	◐
	Enhanced system for data collection and assessment with regard to assessing the suitability of countries and/or regions for standardization-related development assistance from CAC/DEVCO		
	Explore opportunities and strate-gies for hosting Export Alert! in targeted developing countries	SCC's Export Alert! hosting arrangement with Trinidad and Tobago Bureau of Standards to disseminate WTO notifications to domestic stakeholders has now been implemented. Discussions have taken place regarding hosting with Costa-Rica, Bhutan, Caribbean Community (CARICOM), Ghana, India, Nicaragua, the Philippines and Vietnam.	◑
	CAC/DEVCO vision statement to guide future standardization-related development assistance activities	Vision statement is under development and is due to be completed by the end of the fiscal year.	◐
		SCC has been involved in the development of ISO/DEVCO strategic directions.	◑
	Training in the operation of a WTO Enquiry Point and Standards Information Service provided to targeted developing countries	Hosted Chinese internship in May 2006 and delivered workshop on the operation of an Information Service Centre to Costa Rican delegates.	◑
	Provide IAF, IAAC & PAC standardization-related training activities	SCC provided a number IAF, IAAC & PAC standardization-related training activities.	◑

Objectives 2006–2007	Expected Results	Performance Assessment	
Continue to engage targeted developing countries in international standardization* *(continued)*	Other:	SCC is involved in a multi-year CIDA sponsored project to supply standardization-related assistance to Costa Rica.	◑
		Opportunities for "twinning" arrangements continue to be sought; a ISO Technical Management Board (TMB) group looking at used goods was created in 2006 and is co-convened by Canada and China.	◑
Continue to strengthen global accreditation networks*	Hosting of ISO General Assembly in 2006	SCC successfully hosted the week long ISO General Assembly with 400 delegates from over 100 countries. Part of the meeting included a one-day open session on healthcare and voluntary standardization.	◑
	Rationalization paper to Council that examines and provides recommendations on voluntary accreditation-based arrangements/ agreements	A paper was submitted to Council on the Rationalization of Accreditation Agreements/Arrangements. This paper resulted in the termination of: 1) The National Cooperation for Laboratory Accreditation (NACLA) Bilateral Recognition Agreement 2) The European Cooperation for Accreditation of Laboratories (EAL) Contract of Cooperation. 3) The Pan American Health Organization (PAHO)/SCC/Canadian Association for Environmental Analytical Laboratories (CAEAL) Framework Arrangement	◑
	Effective leadership within the International Accreditation Forum (IAF), Pacific Accreditation Cooperation (PAC) arrangements and InterAmerican Accreditation Cooperation (IAAC), Asia Pacific Laboratory Accreditation Cooperation (APLAC), International Laboratory Accreditation Cooperation (ILAC)	For IAF and PAC 100% of proposed Canadian positions were achieved on resulting voting ballots For IAAC, 90% of proposed Canadian positions were achieved on resulting voting ballots	◑
	Develop Canadian positions via the CAC/CASCO and promote Canadian positions at the ISO/CASCO	100% proposed Canadian positions were achieved on resulting voting ballots	◑

Performance Legend

◑ On-track and within budget

◐ Partially complete and/or budget variance or variance from expected outcome

✖ Postponed or cancelled

* See Appendix 2 for corresponding CSS

Objectives 2006–2007	Expected Results	Performance Assessment
Support the reduction of stan-dardization-related trade barriers*	SCC and voluntary standardization perspectives included in associated government initiatives (e.g. good regulatory practice)	Supported the use of standards as alternative instruments through engagement in the Good regulatory practice activities Government Directive on Regulation-(GDR), International Regulatory Cooperation Framework, Safety and Security Theme Tables and SPP initiatives Trilateral Regulatory Cooperative Framework
	SCC and voluntary standardization perspectives included in trade-related activities (e.g. World Trade Organization's Technical Barriers to Trade WTO/TBT, Asia-Pacific Economic Cooperation)	Lead the creation of an APEC SRB (Specialist Regional Bodies, PASC, APLAC, APLMF, APMP) delivered to the August meeting of APEC SCSC for moving forward to ABAC (APEC Business Advisory Council)
Facilitate consumer input into national, regional and international standardization fora	Implementation of the Consumer and Public Interest Committee (CPIC) Priorities Setting Mechanism	Canadian National Committee/ISO has adopted the CPIC priority-setting mechanism and is looking to implement the process by fiscal year-end.
	Recommendations on alternative methods and approaches to facili-tate consumer input	Through SCC's Consumer and Public Interest Committee and Canada's active participation in ISO's Committee on Consumer Policy, consumers are well represented.

Appendix 2:
Canadian Standards Strategy
Update 2005–2008
Goals & Objectives

INTERNATIONAL

1. Influence the formation, evolution and operation of standardization bodies that are important to Canada.

1.1 Enhance the strategic coordination and oversight capacities of the Canadian National Committees: CNC/ISO and CNC/IEC.

1.2 Facilitate consumer input into national, regional and international standardization fora.

2. Improve access to existing and new markets for Canadian goods and services

2.1 Continue to strengthen global accreditation networks.

2.2 Support the reduction of standardization-related trade barriers.

3. Build competitive advantage through technology and information transfer and global market intelligence

3.1 Continue to engage developing countries in international standardization.

NATIONAL

4. Meet the needs of an evolving regulatory and policy environment

4.1 Pursue strategic standardization partnerships, projects, and processes that support social policy objectives (including health, safety and the environment).

4.2 Support inter-jurisdictional standardization-based cooperation.

4.3 Engage regulatory and public policy officials regarding the applicability of standardization approaches.

4.4 Research and analyze new ongoing and standardization issues.

5. Represent fully the broadening range of standardization stakeholders

5.1 Support the further development of SCC Member Program.

5.2 Employ innovative and sustainable funding mechanisms to support future activities.

6. Communicate effectively the role and benefits of standardization and conformity assessment practices

6.1 Promote the use of the National Standards System (NSS)

Appendix 3:
Acronyms

A2LA	American Association for Laboratory Accreditation
ACCA	Advisory Committee on Conformity Assessment
AFNOR	Association française de normalisation
AIT	Agreement on Internal Trade
APEC	Asia Pacific Economic Co-operation
APEC SCSC	Asia Pacific Economic Cooperation on Standards and Conformance
APLAC	Asia Pacific Laboratory Accreditation Cooperation
APLMF	Asia Pacific Legal Metrology Forum
APMP	Asia Pacific Metrology Programme
BNQ	Bureau de normalisation du Québec
CAC/DEVCO	Canadian Advisory Committee on Developing Matters
CARICOM	The Carribean Community Secretariat
CIDA	Canadian International Development Agency
COPANT	Pan American Standards Commission
CNC/IEC	Canadian National Committee, the International Electrotechnical Commission
DFAIT	Department of International Affairs and Trade
DIS	Draft International Standard
FDIS	Final Draft International Standard
FTAA	Free Trade Area of the Americas
IAAC	InterAmerican Accrediation Cooperation
IAF	International Accreditation Forum
IC	Industry Canada

IEC	International Electrotechnical Commission
IEC/CAB	International Electrotechnical Commission/Conformity Assessment Board
IEEE	Institute of Electrical and Electronics Engineers
ILAC	International Laboratory Accreditation Cooperation
ISO	International Organization for Standardization
ISO/DEVCO	International Organization for Standardization/Committee on Developing Country Matters
ISO/GA	International Organization for Standardization/General Assembly
ISO/TMB	International Organization for Standardization/Technical Management Board
JTC	Joint Technical Committee (ISO/IEC)
MLAs	Multilateral Recognition Agreements
MRAs	Mutual Recognition Agreements
NACLA	National Cooperation for Laboratory Accreditation
NAFTA	North American Free Trade Agreement
NRC	National Research Council of Canada
NSS	National Standards System
PAC	Pacific Accreditation Cooperation
PALCAN	Program for the Accreditation of Laboratories/Canada
PASC	Pacific Area Standards Congress
PTAC	Provincial-Territorial Advisory Committee
QMS	Quality Management System
SAC	Standardization Administration of China
SCC	Standards Council of Canada
SDOAC	Standards Development Organizations Advisory Committee
SPP	Security and Prosperity Partnership of North America
TBT	Technical Barriers to Trade
TC	Technical Committee of ISO/IEC
TDC	Technical Document Centre
WG	Working Group
WTO	World Trade Organization

7 Financial and Resource Plans

This section presents the FY 2007–2008 planning budget, the FY 2007–2008 Capital Budget, the FY 2008–2009 to FY 2011–2012 operational plans and an overview of current financial performance. Resources have been based on the existing objectives of the organization, as outlined in the Corporate Plan.

7.1 FINANCIAL PERFORMANCE:

2005–2006 and 2006–2007

The SCC concluded the most recent fiscal year (FY 2005–2006) with total *Unrestricted Equity* of $2.47 million. Current assets, at that time, exceeded current liabilities by a ratio of just over 1.82:1. SCC's capital structure consists solely of furniture, equipment and leasehold improvements. The corporation does not own real property and does not carry debt. Cash balances, through the course of the fiscal year are held to a minimum, and for the last number of years were equal to approximately one month's operational requirements. The corporation has, over the past decade, operated within 0%–5% of its budgetary targets.

Operating funds are derived from three major sources: *Parliamentary Appropriation, Conformity Assessment Accreditation Fees*, and royalties from *Standards Sales.* Since FY 1989–1990, parliamentary appropriation as a percentage of gross revenues has fallen from 80% to 50% planned for FY 2007–2008, as SCC now delivers many of its programs on a cost recovery basis.

This subsection provides an overview of SCC's actual performance against its plan for the fiscal years ending March 31, 2006 and March 31, 2007, with an explanation of major variances.

Financial Performance 2004–2008 (in $'s)

	2003–2004 Actual	2004–2005 Actual	2005–2006 Actual	2006–2007 Forecast	2007–2008 Planning Budget
Revenue					
CA Accreditation fees	4,762,328	5,151,197	5,438,548	5,462,240	5,731,500
Royalties on Sale of Standards	709,504	537,062	561,764	562,819	560,000
WTO/NAFTA Enquiry Point	251,525	260,782	260,798	260,883	261,000
Net Parliamentary appropriation	7,101,179	6,944,447	7,084,089	7,625,864	7,188,000
Partnership/Sponsorship/ Registration	655,179	338,392	331,064	631,553	338,500
Other	366,429	478,647	462,528	413,229	406,300
	13,846,144	13,710,527	14,138,791	14,956,588	14,485,300
Expenses					
Conformity Assessment	3,401,876	3,833,047	4,064,677	4,116,112	4,276,800
Standards	4,251,742	3,581,520	3,857,269	4,300,978	3,669,300
Intergovernmental Affairs/Trade	956,200	870,929	913,540	1,153,960	1,086,300
Information Services	476,346	538,988	455,855	543,029	521,500
WTO/NAFTA Enquiry Point	251,525	260,782	260,798	260,883	261,000
Management & Administration	4,363,469	4,626,544	4,483,459	4,505,246	4,670,400
	13,701,158	13,711,810	14,035,598	14,880,208	14,485,300
Net Surplus	144,986	(1,283)	103,193	76,380	–

7.1.1 Explanation of Variances

FY 2005–2006 Budget vs. FY 2005–2006 Actual

Expenses

Expenses for FY 2005–2006 were $14.0 million in total, and $436 thousand under budget. A significant under expenditure in Travel was somewhat offset by higher than budgeted expenditures in Personnel and Meetings costs. Travel costs were under spent due to lower than anticipated activity in Conformity assessment as well as the postponement to 2006–2007, of three projects funded by CIDA for development work in Costa Rica. Higher Personnel costs were due to some additional temporary staffing in the latter part of the year. Additional Meetings costs were incurred in the hosting of several international technical committee meetings which were not anticipated, however these costs were offset by the related sponsorship revenue.

Revenues

Total revenues for FY 2005–2006 were $14.1 million, and $383 thousand under budget. Accreditation fees, although increased by 5% from the previous year, fell significantly short of budget due to slower than anticipated growth in new program areas. The significant shortfall in Partnership revenue results, as noted above, from delays in commencing projects related to CIDA-funded development work in Costa Rica. Higher revenues in the Other category relate to donations received to defray the costs of hosting international technical committee meetings.

Capital Expenditures

Lifecycle replacement of desktop workstations and servers was postponed until mid-year 2006 in order to provide new equipment for the hosting of the ISO General Assembly, specifically for the Cyber Café and on-site office requirements.

($ Thousands)

Expenses	Statement of Operations 2005–2006		Statement of Operations 2006–2007	
	Budget	**Actual**	**Budget**	**Forecast**
Personnel	7,018	7,130	7,495	7,441
Communications	201	173	189	170
Travel	2,151	1,623	2,124	1,929
Delegate and Secretariat Assistance	335	351	335	425
Information and Documentation	81	51	72	55
Public Relations	113	78	113	109
Professional and Special Services	1,496	1,410	1,378	1,514
Accommodation	695	675	698	682
Rental of Equipment	58	63	52	59
Printing and Duplication	53	24	45	67
Office Supplies	150	131	135	116
Meetings	173	309	173	209
Hosting of International Meetings	110	143	374	366
Membership Fees	1,121	1,089	967	967
Translation of National Standards	150	150	150	150
Training and Development	93	72	94	103
Other	223	262	254	256
Depreciation Expense	302	302	270	262
	14,522	14,036	14,918	14,880
Revenues				
Sales of Standards	500	562	530	563
Accreditation Programs – CA	5,806	5,439	5,881	5,462
Accreditation Programs – SDO	101	69	58	64
WTO/NAFTA Enquiry Point	261	261	261	261
Web Hosting Revenue	163	155	163	166
Partnership/Sponsorship/Registration	532	331	250	632
Other	143	238	126	182
	7,506	7,055	7,269	7,330
Net Cost of Operations	(7,016)	(6,981)	(7,649)	(7,550)
Net deferred/recognized government funding	92	155	120	97
Parliamentary Appropriation – Industry Canada	6,924	6,929	7,529	7,529
Net Surplus	**0**	**103**	**0**	**76**
Capital Budget	200	121	150	166

7.1.2 Explanation of Variances

FY 2006–2007 Budget vs. FY 2006–2007 Forecast

Expenses

Expenses are forecast at $14.88 million, just slightly under the budget of $14.92 million. The only significant under expenditure is in Travel. This shortfall is related again to significantly lower than anticipated activity in Conformity Assessment. Budgets were based on an assumed level of revenue growth, which has not materialized. This, and other minor under expenditures are offset

by additional investments in Delegate and Secretariat Travel in order to provide additional representation at international standards development committee meetings. In addition Professional fees as a whole will exceed budget due to costs (which were not budgeted for due to uncertainty), related to the development projects undertaken in Costa Rica, and funded by CIDA.

Revenues

Revenues are forecast at $14.96 million, $38 thousand over budget. As noted above, Conformity Assessment total revenues will be significantly under budget as program growth has not met expectations. Sponsorship Funding will however significantly exceed budget as three CIDA-funded projects in Costa Rica are well underway in the current fiscal year. Other Income will also exceed budget as contributions have been received to support the hosting of international technical committee meetings in Canada

Capital Expenditures

No significant variance is anticipated, though slightly higher investments relate to replacement of the UPS (uninterruptible power supply) system and a mirror server to provide redundancy for the financial system.

7.1.3 Performance against Plan – Highlights

Key Financial Highlights for the years ended March 31 ($ thousands)

	2005–2006		2006–2007		2007–2008
	Budget	Actual	Budget	Forecast	Budget
Standards Sales Royalties	500	562	530	563	560
Revenue from Conformity Assessment	6,130	5,616	6,042	5,721	6,012
Conformity Assessment Expenditures	4,244	4,065	4,409	4,116	4,277
Total Operating Expenses	10,017	9,552	10,369	10,375	9,815
Corporate & Administrative Expenses	4,505	4,483	4,549	4,505	4,670
Surplus	–	103	–	76	–
Capital Expenditures	200	121	150	166	150

Resource and Allocation Highlights for the years ended March 31

	2005–2006		2006–2007		2007–2008
	Budget	Actual	Budget	Forecast	Budget
% revenue from parliamentary appropriation	48%	50%	51%	51%	50%
% cost recovery in Conformity Assessment	98%	94%	96%	95%	96%
Person-Years	91.50	94.00	92.00	96.00	91.50
Corp and Admin costs per PY (in $'s)	75,395	73,199	76,775	71,229	79,159

7.2 FINANCIAL PLAN 2007–2008

The proposed budget for FY 2007–2008 is balanced, and has revenues and expenditures set at $14.5 million, a decrease of $0.4 million from the current year's budget. The decrease results from the removal of expenses related to the hosting of the ISO General Assembly in FY 2006–2007.

The following assumptions have been made in the preparation of the FY 2007–2008 operating budget:

a) Membership fees to ISO and IEC are paid in Swiss francs. This plan projects an average exchange rate of $ 0.92 Canadian, which is in line with the historical trading rate of between $0.88 and $1.13, and takes into account current trends in the money market.

b) Provision has been made for an average award of 4.5% in the annual performance/at risk pay, as well as a salary band increase of 2.5% to adjust for inflation. SCC also proposes to reduce its FTE's by one-half a PY.

c) On a budget to budget basis, revenues arising from conformity assessment activities are expected to decline based on current program growth trends.

d) CIDA-funded projects currently underway in Costa Rica will continue through the first three quarters of FY 2007–2008.

Balance Sheet (in thousands of dollars) 2007–2008

Assets

Cash and Short-Term Deposits	1,875
Accounts Receivable	
Federal Government Departments & Agencies	1,290
Other	1,392
Prepaid Expenses	980
Fixed Assets (net)	671
Total Assets	**6,208**

Liabilities

Accounts Payable and Accrued Liabilities	954
Customer and Other Deposits	65
Deferred Annual Accreditation Fees	1,995
Deferred Tenant Allowance	200
Deferred Government Funding	471
	3,685
Unappropriated Equity	2,523
Total Liabilities and Equity	**6,208**

Statement of Operations (in thousands of dollars) 2007–2008

Expenses

Personnel	7,774
Communications	180
Travel	1,913
Delegate and Secretariat Assistance	335
Information and Documentation	59
Public Relations	76
Professional and Special Services	1,304
Accommodation	701
Rental of Equipment	60
Printing	39
Office Supplies	124
Meetings	198
Membership Fees	957
Translation of National Standards	150
Training and Development	98
Hosting of International Meetings	–
Other	282
Depreciation Expense	235
	14,485

Revenues

Sales of Standards	560
Conformity Assessment Accreditation Programs	5,732
WTO/NAFTA Enquiry Point	261
Partnership/Sponsorship/Registration	338
Standards Development Organization Accreditation	65
Revenue from Web Hosting	185
Other	156
	7,297
Net Cost of Operations	(7,188)
Parliamentary Appropriation – Industry Canada	7,129
Net deferred/recognized government funding	59
Net Surplus	**–**
Capital Budget	150

Statement of Cash Flows (in thousands of dollars) **2007–2008**

Operating Activities

Net income	–
Adjustments for Non-Cash Items:	
Amortization of capital assets	235
Amortization of deferred revenue related to tenant allowance	(26)
Amortization of deferred government funding	(209)
Changes in current liabilities and current assets other than cash	(82)
Cash Flows from operating activities	(82)

Investing Activities

Additions to capital assets	(150)

Financing Activities

Funding for acquisition of assets:	
Parliamentary Appropriation	150
Decrease in cash during year	(82)
Cash at the beginning of the year	1,957
Cash at the end of the year	**1,875**

7.2.1 Explanation of Variances

FY 2007–2008 Budget vs. FY 2006–2007 Forecast

Expenses

Expenses for FY 2007–2008 are set at $14.5 million, about $395 thousand lower than is forecast for FY 2006–2007. This reduction is due most significantly to the removal of expenses related to the hosting of the ISO General Assembly in 2006. Other reductions can be found in Delegate and Secretariat Assistance as the budget returns to its traditional level and Professional Services, as the CIDA/Costa Rica projects wind down in FY 2007–2008. These reductions are offset by increased Personnel costs due to anticipated upward pay band adjustments and in-range performance based increases and higher benefit costs.

Revenues

Conformity Assessment accreditation fees are projected to rise modestly by $269 thousand over current year forecast due to new program growth and fee adjustments in Certification and PALCAN. Partnership/Sponsorship revenue will decline as the CIDA/Costa Rica project activity lessens and sponsorship funding from hosting the ISO General Assembly is removed. Parliamentary Appropriation falls to $7.1 million from $7.5 million as re-profiled appropriation, received in FY 2006–2007 to fund the ISO General Assembly, is removed.

Capital Expenditures

Capital expenditures in FY 2007–2008 will continue to support SCC's technological infrastructure.

Statement of Operations (in thousands of dollars)

	2007–2008 Budget	2006–2007 Forecast
Expenses		
Personnel	7,774	7,441
Communications	180	170
Travel	1,913	1,928
Delegate and Secretariat Assistance	335	425
Information and Documentation	59	55
Public Relations	76	109
Professional and Special Services	1,304	1,513
Accommodation	701	682
Rental of Equipment	60	59
Printing and Duplication	39	67
Office Supplies	124	116
Meetings	198	209
Hosting of International Meetings	0	366
Membership Fees	957	968
Translation of National Standards	150	150
Training and Development	98	103
Other	282	257
Depreciation Expense	235	262
	14,485	**14,880**
Revenues		
Sales of Standards	560	563
Accreditation Programs – Conformity Assessment	5,732	5,463
Accreditation Programs – Standards Development Organizations	65	64
WTO/NAFTA Enquiry Point	261	261
Web Hosting Revenue	185	167
Partnership/Sponsorship/Registration	338	632
Other	156	180
	7,297	**7,330**
Net Cost of Operations	(7,188)	(7,550)
Net Deferred/Recognized Appropriation Funding	59	97
Parliamentary Appropriation – Industry	7,129	7,529
Net Surplus	**–**	**76**
Capital Budget	150	166

7.2.2 The 2007–2008 Capital Budget and 2008–2012 Plan

The following are the Capital Budgets provided for each of the years covered by this document. (in $'s)

2005–2006	200,000
2006–2007	150,000
2007–2008	150,000
2008–2009	150,000
2009–2010	255,000
2010–2011	150,000
2011–2012	150,000

Variance Analysis

2005–2006 Actual Expenditures vs. 2005–2006 Capital Budget

$121,000 vs. $200,000

Lifecycle replacement of desktop workstations and servers was postponed until mid-year 2006 in order to provide new equipment for the hosting of the ISO General Assembly, specifically for the Cyber Café and on-site office requirements.

2006–2007 Forecast vs. 2006-2007 Capital Budget

$166,000 vs. $150,000

No significant variance is anticipated, though slightly higher expenditures relate to replacement of the UPS (uninterruptible power supply) system and a mirror server to provide redundancy for the financial system.

2006–2007 Forecast vs. 2007-2008 Capital Budget

$166,000 vs. $150,000

The budget represents ongoing technology upgrades, as well as planned minor leasehold improvements. The budget remains unchanged.

7.2.3 The Operating Plan 2007–2008 to 2011–2012

The following displays the operating plan based on the FY 2007–2008 planning budget:

Balance Sheet (thousands $)

	2005–2006	2006–2007	2007–2008	2008–2009	2009–2010	2010–2011	2011–2012
Assets							
Cash	1,969	1,957	1,875	1,800	1,709	1,648	1,605
Accounts Receivable:							
Federal Departments and agencies	1,263	1,283	1,290	1,301	1,322	1,325	1,341
Other	1,357	1,380	1,392	1,418	1,457	1,496	1,514
Prepaid Expenses	836	930	980	1,025	1,045	1,060	1,075
Fixed Assets (net)	852	756	671	603	636	582	533
Total Assets	**6,277**	**6,306**	**6,208**	**6,147**	**6,169**	**6,111**	**6,068**
Liabilities							
Accounts Payable and Accrued Liabilities	1,003	976	954	953	933	921	916
Contributions Received	69	65	65	65	65	65	65
Deferred Annual Fees	1,906	1,986	1,995	2,003	2,012	2,020	2,031
Deferred Revenue – Tenant Allowance	252	226	200	174	243	196	149
Deferred Government Funding	600	530	471	429	393	386	384
	3,830	3,783	3,685	3,624	3,646	3,588	3,545
Unappropriated Equity	2,447	2,523	2,523	2,523	2,523	2,523	2,523
Total Liabilities and Equity	**6,277**	**6,306**	**6,208**	**6,147**	**6,169**	**6,111**	**6,068**

Statement of Operations (in thousands of dollars)

	2005–2006 Actual	2006–2007 Forecast	2007–2008 Plan	2008–2009 Plan	2009–2010 Plan	2010–2011 Plan	2011–2012 Plan
Expenses							
Personnel	7,130	7,441	7,774	8,007	8,157	8,251	8,251
Communications	173	170	180	185	181	186	181
Travel	1,623	1,928	1,913	1,851	1,880	1,982	1,993
Delegate and Secretariat Assistance	352	425	335	335	335	335	335
Information and Documentation	51	55	59	59	59	59	59
Public Relations	78	109	76	107	107	88	95
Professional Services	1,410	1,513	1,304	1,325	1,379	1,430	1,475
Accommodation	675	682	701	701	719	719	719
Rental of Equipment	63	59	60	60	60	60	60
Printing	24	67	39	44	39	44	39
Office Supplies	131	116	124	131	135	142	145
Meetings	309	209	198	251	198	251	198
Membership Fees	1,089	968	957	957	957	957	957
Translation of National Standards	150	150	150	150	150	150	150
Staff Training and Development	72	103	98	99	100	101	101
Hosting of International Meetings	143	366	–	–	–	–	–
Other	261	257	282	289	301	312	322
Depreciation Expense	302	262	235	218	222	204	199
	14,036	14,880	14,485	14,769	14,979	15,271	15,279
Revenues							
Sales of Standards	562	563	560	570	580	590	600
Accreditation Programs	5,508	5,527	5,797	6,214	6,503	6,687	6,784
WTO/NAFTA Enquiry Point	261	261	261	261	261	261	261
Partnership/Sponsorship/Registration	331	632	338	205	105	215	115
Other	393	347	341	348	365	382	388
	7,055	7,330	7,297	7,598	7,814	8,135	8,148
Net Cost of Operations	(6,981)	(7,550)	(7,188)	(7,171)	(7,165)	(7,136)	(7,131)
Parliamentary Appropriation – Industry	6,929	7,529	7,129	7,129	7,129	7,129	7,129
Net Deferred/Recognized Government Funding	155	97	59	42	36	7	2
Net Surplus	**103**	**76**	–	–	–	–	–
Capital Budget	121	166	150	150	255	150	150

Statement of Cash Flows (in thousands of dollars)

	2005–2006	2006–2007	2007–2008	2008–2009	2009–2010	2010–2011	2011–2012
Operating Activities							
Net Income (Loss)	103	76	–	–	–	–	–
Adjustments for Non-Cash Items:							
Amortization of capital assets	302	262	235	218	222	204	199
Amortization of deferred revenue related to tenant allowance	(26)	(26)	(26)	(26)	(36)	(47)	(47)
Amortization of deferred government funding	(276)	(236)	(209)	(192)	(186)	(157)	(152)
	103	76	–	–	–	–	–
Changes in current liabilities and current assets other than cash	(237)	(88)	(82)	(75)	(91)	(61)	(43)
Cash Flows from operating activities	(134)	(12)	(82)	(75)	(91)	(61)	(43)
Investing Activities							
Additions to capital assets	(121)	(166)	(150)	(150)	(255)	(150)	(150)
Financing Activities							
Funding for acquisition of assets							
Parliamentary Appropriation	121	166	150	150	150	150	150
Tenant Improvement Allowance	–	–	–	–	105	–	–
Decrease in cash during year	(134)	(12)	(82)	(75)	(91)	(61)	(43)
Cash at the beginning of the year	2,103	1,969	1,957	1,875	1,800	1,709	1,648
Cash at the end of the year	**1,969**	**1,957**	**1,875**	**1,800**	**1,709**	**1,648**	**1,605**

APPENDIX A

Significant Accounting Policies

a) Capital assets

Capital assets are recorded at cost and amortized on a straight-line basis over the estimated useful life of the assets as follows:

Furniture	5 years
Equipment	4 years
Leasehold improvements	term of the lease

b) Revenues

Revenues from accreditation fees and royalties from sales of standards are recorded on an accrual basis in the year in which they are earned.

Funds received or receivable in respect of application fees and the annual portion of accreditation fees are recorded as deferred accreditation fees and are recognized as revenues in the year in which they are earned.

Recoveries of expenses in respect of an agreement for the operation of the World Trade Organization/North American Free Trade Agreement (WTO/NAFTA) Enquiry Point are recognized as revenue at the time the related expenses are incurred.

Contributions received for the hosting of international meetings or conferences are recognized as revenue at the time the related expenses are incurred.

c) Parliamentary appropriations

The Government of Canada provides funding to the Council. The portion of the parliamentary appropriation used to purchase depreciable capital assets is recorded as deferred government funding and amortized on the same basis and over the same periods as the related capital assets. The portion of the appropriation related to operations is recorded in the statement of operations in the year for which it was approved.

d) Employer Future Benefits

All eligible employees participate in the Public Service Pension Plan administered by the Government of Canada. The Council's contributions to the plan reflect the full cost as employer. This amount is currently based on a multiple of the employee's required contributions, and may change over time depending on the experience of the Plan. These contributions represent the total pension obligations of the Council and are charged to operations on a current basis. The Council is not currently required to make contributions with respect to any actuarial deficiencies of the Public Service Pension Plan.