

# ANNUAL REPORT



Fiscal Year 2008

Canadian Supply Chain Sector Council

April 2007 to March 2008 – The Year in Review



**Canadian  
Supply Chain  
Sector Council**

**Conseil canadien  
sectoriel de la chaîne  
d'approvisionnement**

1100 Central Parkway West, Suite 17-1

Mississauga, Ontario L5C 4E5

Telephone: 905-897-6700 ● Toll-free: 1-866-616-3468 (Canada only)

Fax: 905-897-1100

Email: [info@supplychaincanada.org](mailto:info@supplychaincanada.org) ● Website: [www.supplychaincanada.org](http://www.supplychaincanada.org)

Executive Director: Kevin A. Maynard, CAE

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**Canada** 

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## MESSAGE FROM THE CHAIRMAN

In the last year, we have crossed over from studying the skills and scope of Canadian supply chain careers to working on projects that will produce meaningful worker and workplace knowledge systems.

As you will see in our FY2008 Annual Report, the Canadian Supply Chain Sector Council (CSCSC) is relatively new. We have been actively engaged in our sector for approximately two years. Our Board of professionals from within the supply chain sector has energetically stayed the course to ensure that we meet our mandate to provide value to all of our stakeholders.

By definition and through practice, the supply chain is a component of and touches most industries and sectors in our economy. Through our activities at the CSCSC, we are creating an increasingly relevant list of tools to help our constituents recognize the quality and breadth of career possibilities in this sector. In the last year, we have crossed over from studying the skills and scope of Canadian supply chain careers to working on projects that will produce meaningful worker and workplace knowledge systems.

One of the pillar concepts in the supply chain is that of collaboration. The CSCSC is adamant that this concept is foremost in all of our relationships, with the stakeholders within both our sector and those adjacent to us. We remain committed to working with all important parties and associations that share our spirit of collaboration. We continue to reach out to all interested parties in order to expand our value proposition within the supply chain and in other sectors.

Our Board of Directors is an engaged group of volunteers who give freely of their time and resources to ensure we continue to meet the mandate of a proper sector council. They provide the leadership and energy to support this sector council program, both from a strategic view of our sector and from a practical sense of providing more tactical and credible support to our planned initiatives. Our Executive Director and our staff are consistently focused on bringing the strategic value to life for our sector. This past year's activities and accomplishments demonstrate a strong advancement in working on human resource issues in the Canadian supply chain. We are well poised to make FY2009 a great year for meaningful results for our sector's workers and businesses, as well as our supporting institutions.

Don Borsk  
Chairman, Canadian Supply Chain Sector Council  
COO, *Metro Retail Supply Chain Solutions*

# MESSAGE FROM THE EXECUTIVE DIRECTOR

Collaboration and engagement are the highlights of the past year and the keys to our success over the long term. As a forum for action on human-resource issues facing our sector, the CSCSC has encouraged active participation in the development of strategic areas of emphasis, and in the execution of activities to address those issues that are fundamental to the human-resource needs of all players involved in the supply chain.

At a governance level, collaboration has enabled us to harness the energy, enthusiasm and dedication of key professional associations, and their volunteers, members and senior staff to assist us in our mission. Our “pillar associations” have been instrumental in their support of the Council and the projects that have been initiated over the past year. They have enabled us to set the foundation for further work that takes us beyond the “bricks and mortar” of building an organization into the realm of impacting change within the sector.

And now, through the efforts of all of our stakeholders, we have gained a reputation as the organization that can work with a multitude of perspectives and viewpoints to move a shared agenda forward. This agenda has focused on five key strategic areas where the activities that you will read about in this report have been focused. These include:

- Sector governance,
- Training development and education,
- Marketing the sector and the profession,
- Policy implication, and
- Human-resource processes and practices.

We are proud to say that the CSCSC has been active on all fronts, with a great deal of groundwork having been laid for up to six funded projects in the coming year, three of which are confirmed and outlined later in this report. In addition to these HRSDC-funded special projects, we continue to look for ways to leverage our core funding and investments of resources from other partners in activities that make a difference.

Our success in the past year and, indeed, in our future depends on the continued collaboration of those currently engaged in our activities, and the involvement of others that have indicated an interest in connecting to our work and the Council. The Board, through a special committee, is exploring options for more effectively working with associations and their members that are not formally part of our organization. Our work with post-secondary institutions continues to gain traction with the Supply Chain Affinity Group, and improved relationships with government round out our efforts.

Collaboration is only effective if there is engagement and activity that has impact. We will require the ongoing involvement of all partners to continue moving forward. Over the coming year, our organizational and project-related activities are expected to involve over 910 volunteers from the sector. Our success is the sector’s success, and by continuing to work together, we can make a difference!

Kevin A. Maynard, CAE  
Executive Director

# OVERVIEW

## THE SUPPLY CHAIN SECTOR IN CANADA

- As of 2004, there were approximately 701,880 people working in the supply chain sector within Canada (excluding truck drivers).
- The annual revenue growth rate of the supply chain sector was 5.8% from 1991 to 1997.
- Overall, the supply chain sector workforce is expected to grow annually by approximately 1.7% as a result of new job creation. Additional supply chain sector employees will also be required to fill existing positions that are predicted to become vacant as a result of retirements and turnover. Based on the sector population in 2004/2005, the total annual demand for employees to fill new jobs, as well as anticipated vacancies resulting from retirements and turnover, is estimated to be approximately 86,330 employees annually, or 12.3% in the subsequent three to five years.
- The main human resources issues facing the supply chain sector relate to:
  - Attraction
  - Education and training
  - Keeping pace with technology
  - Succession and career planning
- Most organizations are not prepared for the level of technological integration that will be required to compete successfully. In general, Canadian organizations lag in both investing in and implementing new technologies. Despite the number of organizations that indicate that technology is applied in their organization, few (<12%) indicate they currently have the requisite skills to fully employ technology.

Source: *Strategic Human Resources Study of the Supply Chain Sector Final Report*, published fall 2005

## COUNCIL PROFILE

### CSCSC Mission Statement

The Canadian Supply Chain Sector Council brings together partners in the sector to develop solutions to the human resource challenges faced by stakeholders. Recognizing the vital role of the supply chain to Canada's economy, the Council is committed to enhancing the sector's ability to attract and retain workers at all levels and across the full range of functions, and to advancing the skills of those workers.

## Background

The CSCSC was created in November 2005, following the release in October of that year of a sector-study report that recommended, among other things, the formation of “a nationally focused integrating mechanism or sectoral forum...[that] could take the form of a human resources sector council.” The sector study itself was the result of several years of effort from participants in industry, academia and various federal-government departments, including Industry Canada and Human Resources and Skills Development Canada (now Human Resources and Social Development Canada).

Executive Director Kevin Maynard joined the Council in June 2006. The first two projects of the Council – an Education/Certification Phase I project and a Labour Market Information Phase I project – were undertaken beginning in the winter of 2006/2007; both were completed in the summer of 2007.

## Sector Council Program

The CSCSC is one of 32 sector councils funded by the Government of Canada’s Sector Council Program. Sector councils are permanent organizations that bring together representatives with different perspectives from key stakeholder groups in an industrial sector. Sector councils deal with human resources issues and share a commitment to identify and act on the skills needs that are most important to a given sector. By acting as a bridge between firms, and permitting collaboration and collective action on skills issues, sector councils promote economies of scale in addressing human resources challenges, which benefits all industry partners. The Government of Canada supports these initiatives as a facilitator, helping these groups come together and take ownership of their human resources issues. This sectoral approach is also an important platform for industry to engage the learning system on a national level, ensuring that the skills being developed are responsive and relevant to the needs of employers. More information about the Sector Council Program can be found at [http://www.hrsdc.gc.ca/en/hip/hrp/corporate/init\\_sector.shtml](http://www.hrsdc.gc.ca/en/hip/hrp/corporate/init_sector.shtml).

### Benefits of the Sector Council Program

#### *For workers*

- Practical and relevant on-the-job training;
- Adaptability to changing and/or new workplace environments;
- Improved job mobility; and
- Fuller participation in the workforce.

#### *For business*

- New services for their workers;
- A strong voice in developing training to meet their needs;
- Increased industry relationships, nationally and internationally; and
- A competitive edge in the knowledge-based economy.

#### *For learning institutions*

- Effective industry relationships;
- Curricula responsive to industry needs; and
- Expanded enrolment.

*Information from the Government of Canada’s Sector Council Program website.*

## The Alliance of Sector Councils

The CSCSC is also a member of The Alliance of Sector Councils (TASC), a forum for sector councils. Information about TASC is available at [www.councils.org](http://www.councils.org).

## OBJECTIVES AND CORE ACTIVITIES

The Council's objectives are to:

- Increase awareness of training and employment opportunities in the supply chain sector;
- Identify and clarify human resource management processes and best practices;
- Develop proactive initiatives to increase competitiveness of the sector through human resource management;
- Encourage development of uniform national occupational standards to ensure greater consistency of training, as well as worker mobility and transferability of skills;
- Identify current and future industry needs in human resource management, and practical solutions for addressing them; and,
- Develop career information to market the supply chain sector as a viable career choice.

These goals are approached through six main lines of business:

1. Identification and clarification of training opportunities and encouragement of employee training in the sector;
2. Development of common occupational standards;
3. Career development and awareness;
4. Intelligence and research on human resource management issues facing the sector;
5. Partnership development; and,
6. Communications, marketing, information-sharing and support of positions favourable to meeting CSCSC goals.

# THE YEAR IN REVIEW – FY2008

## THE REAL WORK BEGAN

### RESEARCH PROJECTS

The Canadian Supply Chain Sector Council completed its first two research projects in July 2007.

- The Education/Certification project resulted in a compendium of the educational programs and courses available throughout Canada in the supply chain arena. The offerings of post-secondary institutions and designation- or certificate-granting associations are included.

The project's final report included a recommendation that the Council review "the scope, depth and currency of industry programs with a view to recognizing the better programs and encouraging consolidation," in order to "increase the perceived value of individual designations and make it simpler for employees to choose a training program." Further, the report suggested that the CSCSC "contribute to a more-professional overall image of the sector by recognizing [the institutions/organizations] with the most-pedagogically-sound practices, and by encouraging associations to implement suggested improvements."

This project is to be followed up with a Phase II project, beginning in the spring of 2008 (see page 11).

More information about the project is available in the Research area of the CSCSC website; the education compendium can be accessed from the site's Education Information page.

- The Labour Market Information project was designed to gather stakeholders' input regarding the types of LMI that the Council should develop in order to support the people, businesses and organizations involved in supply chain activities in Canada. The project's final report provides the following recommendations:
  - The CSCSC should develop a regionally based network to aid the development of LMI and sector HR generally.
  - LMI products should be developed to increase the current level of awareness of LMI, and any gaps that should be filled should be identified.
  - The CSCSC should begin to develop key tools in areas such as project supply and demand for specific occupations, occupational (skill profile and wage) data, and awareness promotion.

This project will also be followed up with a Phase II project that will start in the spring of 2008 (see page 11).

The final report of the Phase I project can be seen in the Research section of the CSCSC website.

## COMMUNICATIONS

### Website

The Council's website, [www.supplychaincanada.org](http://www.supplychaincanada.org), is a source of much information for both supply chain professionals and those who are seeking the fundamentals: what supply chains are and where to get a supply chain education, for example. Website traffic steadily increased throughout the year, from 1,657 visits in April 2007 to 2,614 visits in March 2008.

### Events – Trade Shows, Career Fairs, Conferences

The CSCSC participated throughout the year in industry and human-resource-related trade shows, and career and education fairs, and presented to audiences at numerous conferences and meetings of supply chain-sector associations. A sampling of events includes:

- Society of Purchasing Executives Round Table (SPERT), April 2007
- APICS AGM and conference, June 2007
- Industry Canada's Global Value Chains conference, September 2007
- CITT conference, November 2007
- Haldimand-Norfolk County "Destination...Success 2007" youth career fair, November 2007
- NATCON 2008, January 2008
- Vancouver Education and Career Fair, February 2008
- Women in Logistics open house, March 2008

Promotional materials of the sector's pillar associations – APICS – The Association for Operations Management, the Canadian International Freight Forwarders Association, CITT, the Purchasing Management Association of Canada and Supply Chain & Logistics Association Canada – are included with the Council's information at our booth at most events.

### Brochure

To promote awareness of the supply chain among high-school students, the Council created a brochure utilizing a sleuth-discovering-the-supply-chain theme. The brochure is to be provided to students via guidance counsellors at schools across Canada. It will also be available at the Council's booth at all career and education fairs.



# THE YEAR AHEAD – FY2009

## PROJECTS

The Council has received funding for three projects to be undertaken beginning in the spring of 2008. Another three proposals are currently being considered by HRSDC.

The three approved projects are:

### Education/Certification Standards Development Project

This project follows up on the results of the Phase I Education/Certification project – an industry research and analysis project – completed in 2007.

A consultation process with a broad group of representatives from the sector's associations and academia will establish a set of standards outlining commonly understood and accepted education and training requirements in the sector, and a marketing plan to promote the standards and accreditation approach to the sector.

A voluntary submission process by learning-program providers (professional associations, post-secondary educational institutions and private providers of programs) to have their programs reviewed will identify those programs that meet the standards defined by industry stakeholders as crucial to the needs of the sector, and can thus be accredited by the CSCSC; and any gaps that exist in submitted programs in order that the institution can work with the sector to revise programs where required.

In addition, this project will publicize the availability of education and training resources through the development of a portal on the CSCSC website that will house the compendium of recognition tools and resources developed in the Phase I project, a feature on the compendium that recognizes those programs that have been accredited by the CSCSC, and a process to enable the annual updating of the compendium to ensure its ongoing relevance and currency.

### Labour Market Information Project

This is also a Phase II project; information resulting from the Phase I project, completed in 2007, will be utilized to design and implement the initial framework or elements of a labour market information system that will enable the supply chain sector to effectively deal with its principal human resources issues in a pan-Canadian context, taking regional realities into account. Elements of the LMI system may include:

- Compensation surveys completed on a metropolitan, provincial or regional basis;
- Clarification related to occupations, and NOC and NAICS codes that are associated with each sub-function within the sector;
- Essential skills and workplace/language competency requirements for occupations in the sector;

- Trends and forecasting relating to supply and demand issues for occupations in the sector; and,
- Creation/identification of distinct career paths within the sector to encourage recruitment and retention.

A key element of this project is the establishment of a number of Regional Labour Market Information Working Groups that will be responsible for the identification and development of a key product or service that meets their needs. These Working Groups will be part of a pan-Canadian network that will utilize local perspectives to define the products, and develop useful responses that will be shared with stakeholders across Canada.

## Development of Occupational Profiles

Through this project, the Council will develop a foundation for the process of creating occupational profiles for the sector. The process will aim to achieve representation of the sector's functions, and prioritize high-demand occupations or those that require an increased emphasis on training or skills development due to, for example, the impacts of technological change. Utilizing a best-practices approach, the Council will develop a model in which occupational profiles can be written and validated more quickly than is normal through consultation with key stakeholders in the sector. With stakeholder input, we will develop a prioritized list for each of the sector's seven functional areas to identify which among the 26 occupations in the supply chain sector are most in need of occupational standards to assist in developing job descriptions, competency profiles and job-performance tools that will help to address our labour shortages. Resources will be applied first to the development of profiles of those occupations.

These projects will range in duration from nine to 18 months.

## OTHER PROJECTS

The Council is also involved in four projects for which any required funding is provided through our core agreement with HRSDC.

### Education/Sector Council Partnership Project

Along with the Canadian Automotive Repair and Service Council (CARS), the CSCSC is partnered with Etobicoke's Lakeshore Collegiate, a high school in the Toronto District School Board, through the TDSB's Education/Sector Council Partnership Project (ESCPP). The ESCPP is a three-year pilot project, funded by the Government of Canada's Sector Council Program. Its objective is to develop, implement, test and evaluate the potential of replicable education/industry partnerships that can advantage school programs and provide students with better essential skills, job-relevant courses and up-to-date career and labour-market resources. The long-term goal of the project is to roll out the model in schools across Canada.

Still in the early stages of developing the relationship with Lakeshore, we're currently determining how we can best work together to meet the needs of students at Lakeshore and, ultimately, at schools across Canada.

Each school/sector council partnership is unique. Ours with Lakeshore is being developed through the working together of Lakeshore's principal and a group of teachers, and the staff of the two sector councils, guided by

the ESCPP Consulting Manager and Project Coordinator. Discussions have yielded a list of possibilities to be explored, including:

- Work-site visits
- Job shadowing
- Work-experience opportunities
- Presentations to students by industry
- Additions to curriculum

The partnership team will have a program in place for the school year starting in September 2008.

### **MicroSkills Project**

The Council is helping MicroSkills to put internationally trained individuals to work in the supply chain sector. As part of this project, APICS is to provide training and student memberships that will give participants access to professional networks and a first step toward a certification. Up to 350 people are expected to be placed in jobs in the supply chain sector through this program.

### **North Etobicoke Revitalization Project**

The Council's role in this project is in its effort to create templates for SMEs that will provide a standardized interviewing checklist, a tool that can also be added to the Council's own VHRD. In addition, the Council will help to train employees to the competencies identified as required in the checklists.

### **Virtual Human Resources Department Project**

Through this project, the Council is working with other sector councils to create an HR toolkit for SMEs. Each council's VHRD will be specific to its own sector.

## BOARD OF DIRECTORS

The CSCSC board of directors was carefully put together to achieve representation of the full spectrum of the Canadian supply chain sector. Small, medium-sized and large corporations in a variety of industries, as well as relevant associations and educational institutions – from across Canada – are represented on the board. In addition, the directors are individuals recognized for their knowledge of, experience in and commitment to the supply chain field. Collectively, the group is well situated to understand the diverse needs of the Canadian supply chain labour market at all levels, and to delineate appropriate and realistic ways to meet those needs.

Jim Bergeron	Director of Distribution	Lafarge Canada Inc.	Calgary, Alta.
Don Borsk (Chair)	Chief Operating Officer	Metro Retail Supply Chain Solutions	Concord, Ont.
Darren Christle <sup>1</sup> (Vice Chair)	Executive Director, Motor Carrier Division	Manitoba Infrastructure and Transportation	Winnipeg, Man.
Dwayne Hihn (Vice Chair)	President	Paltainer Freight Forwarders Ltd.	Mississauga, Ont.
Jim Hudson <sup>2</sup>	Vice President, Supply Chain	Kohl & Frisch Limited	Concord, Ont.
Frances Humphreys	Manager, Career Services, School of Business & Economics Graduate Programs	Wilfrid Laurier University	Waterloo, Ont.
Philippe Leblanc (Vice Chair)	Director, Business Development	Metro Canada Logistics Inc.	Dorval, Que.
Marie LeLoup	Director—Supply Chain Operations, Director General Materiel Systems and Supply Chain	National Defence Headquarters	Ottawa, Ont.
Maria Lindenberg	Vice President, Procurement	Chevron Global Downstream LLC	San Ramon, Cal.
David McCormick	Managing Partner	Pivotal ACTION FORCE Industrial Staffing Solutions	Mississauga, Ont.

Craig McKay <sup>3</sup> Vice President		Rutherford Global Logistics/Adanac International Forwarders	Richmond, B.C.
John McPherson	Program Manager, Global Trade Management	Export Development Canada	Ottawa, Ont.
Hervé Pilon <sup>4</sup>	Directeur général	Cégep André Laurendeau	Montreal, Que.
Kenneth Rawson <sup>5</sup>	Vice-President	Supply Management Group Inc.	Calgary, Alta.
Lesley Smith	VP, Supply Chain	Wal-Mart Canada Corp.	Mississauga, Ont.
Pam Somers <sup>6</sup>	Director, Canadian District	APICS – The Association for Operations Management	Waterdown, Ont.
<b>Observers:</b>			
Ademola Adebisi	Analyst, Sector Partnership Division	Human Resources and Social Development Canada	Gatineau, Que.
My-Tu Kaan	Analyst, Sector Partnership Division	Human Resources and Social Development Canada	Gatineau, Que.
Philippe Richer	Associate Director, Service Industries and Consumer Product Branch	Industry Canada	Ottawa, Ont.
<b>Ex officio Member:</b>			
Kevin Maynard	Executive Director	Canadian Supply Chain Sector Council	Mississauga, Ont.

1. representative of CITT
2. representative of Supply Chain & Logistics Association Canada
3. representative of Canadian International Freight Forwarders Association
4. representative of Association of Canadian Community Colleges
5. representative of Purchasing Management Association of Canada
6. representative of APICS – The Association for Operations Management

Information about CSCSC committees and staff is available on the Council's website, at [www.supplychaincanada.org](http://www.supplychaincanada.org).

# FINANCIAL STATEMENTS

## BALANCE SHEET

As at March 31	2008	2007
<b>Assets</b>		
Current		
Cash	\$ -	\$ 86,154
Due from Human Resources and Social Development Canada	-	30,160
GST receivable	14,976	9,765
Prepaid expenses	8,143	12,110
	<b>23,119</b>	138,189
Capital assets	<b>29,358</b>	37,450
	<b>\$ 52,477</b>	\$ 175,639
<b>Liabilities and Retained Earnings</b>		
Current		
Bank indebtedness	\$ 9,919	\$ -
Accounts payable	2,846	114,502
Deferred HRSDC contribution	8,143	23,756
	<b>20,908</b>	138,258
Deferred HRSDC capital contribution	<b>29,358</b>	37,450
Net assets (deficit)	<b>2,211</b>	(69)
	<b>\$ 52,477</b>	\$ 175,639

To see a full copy of the Council's audited financial statements for FY2008, including notes, contact the Council office.

## STATEMENT OF OPERATIONS

Year ended March 31	2008	2007
<b>Revenue</b>		
HRSDC contribution	\$ 467,007	\$ 406,369
Other contributions	3,872	-
Interest	92	12
Amortization of deferred capital contributions	10,842	5,284
	<b>481,813</b>	<b>411,665</b>
<b>Expense</b>		
Accounting and data support	29,510	31,663
Amortization	10,842	5,284
Bank charges	1,208	910
Communication	71,710	29,179
Facilitation	1,000	15,400
GST expense	7,925	7,909
Hospitality	8,185	5,623
Meeting-room rental	2,481	2,960
Office	9,283	11,307
Occupancy	26,759	13,078
Printing	4,796	5,843
Project consultants	37,920	61,880
Project coordinator	28,250	43,815
Professional fees	7,715	6,133
Salaries and wages	153,555	111,005
Translation	9,968	9,972
Travel	64,575	44,806
Training and development	3,851	4,967
	<b>479,533</b>	<b>411,734</b>
Excess (deficiency) of revenue over expenses for the year	<b>2,280</b>	(69)
Net assets (deficit), beginning of year	(69)	-
Net assets (deficit), end of year	\$ 2,211	\$ (69)