

CANADIAN COAST GUARD

2003-2006 BUSINESS PLAN



FINAL
September 2003

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Executive Summary

In 2002, the Canadian Coast Guard (CCG) celebrated its 40th anniversary, an important milestone that afforded an opportunity to reflect upon the significant achievements of the organization and its people, who work tirelessly from coast to coast to provide service in maritime safety, protection of the marine and freshwater environment and the facilitation of maritime commerce, all in support of Canada's maritime priorities and departmental strategic objectives.

While the Coast Guard as a national institution has only been in place for four decades, the work of government civilian fleets, now the Coast Guard fleet, is as old and diversified as Canada itself. Today's fleet is a strong, diversified, multi-mission, multi-tasked system capable of operating in all areas of the country. Its personnel are well trained and experienced in delivering a suite of federal responsibilities on Canada's oceans and waterways.

Coast Guard Marine Programs are intended to provide the marine public with safe, efficient and accessible waterways, while protecting marine areas from environmental damage. An average of 2,500 people a year are saved from life-threatening circumstances thanks to the Search and Rescue program. Distress calls are heard and addressed because of Coast Guard communications systems. Tens of thousands of aids to navigation assist mariners (commercial and recreational) in navigating through often dangerous waters. Ships have safe passage through ice-infested waters due to the efforts of Coast Guard ice-breakers. Working closely with operators of pleasure craft, Coast Guard initiatives deliver prevention-based programs to reduce safety risks, including the regulation of small vessel construction, as well as environmental impacts of boating across all waters of Canada. These are just some of the many accomplishments that exemplify the Coast Guard motto, "Safety First, Service Always."

But while Coast Guard is proud of its past accomplishments, there is no doubt that this is an organization with its gaze fixed firmly on the future. In today's tough fiscal environment, it is becoming increasingly difficult to maintain service levels and standards within current resources. Increasing and changing client demands, combined with increasing costs, necessitate continual evaluation and evolution of programs and services in order to deliver *Value for Canadians*.

During this planning period, headquarters and regions will continue to work collaboratively on a number of high-priority Strategic Initiatives, the aim of which is to take advantage of emerging opportunities and address the sustainability gaps identified through the Departmental Assessment Phase I, which examined the vision, programs and services of Coast Guard, within the context of legislation, policies and international commitments. This work will, in turn, contribute to the on-going Departmental Assessment and Alignment Project. While these initiatives will add demands to an already heavily work-laden workforce, they are necessary if the organization is to achieve sustainable financial stability.

The Coast Guard must rebuild and restructure its asset base if the organization is to continue to efficiently deliver and support government programs and priorities. Key vessels of the Government of Canada civilian fleet have deteriorated past the point of economic and operational effectiveness due to rust-out, technological obsolescence and insufficient reinvestment funding over the past fifteen years. This crisis was recognized in the federal government's Budget 2003, with the allocation of up to \$47.3 million per year, on an on-going basis, to be used to advance Coast Guard's capital plans for vessels and other infrastructure. A Cabinet submission is currently being developed to address the additional requirement of new vessel construction.

The purpose of this business plan is to communicate the direction of the Sector for the next three years and to provide a linkage between the Coast Guard Strategic Plan and its programs and services in order to achieve the Department's Strategic Outcomes.

Introduction

Given the importance of Canada's oceans and waterways, the federal government plays a lead role in ensuring their sustainable use and development. In turn, Canadians expect the federal government to protect the marine environment, to facilitate economic growth, to ensure public safety on the water, and to exert a strong federal presence to ensure Canadian sovereignty and security.

It is within this context that the Canadian Coast Guard has become a key national institution by which Canada exerts its influence over its waters and its coasts and delivers on public expectations of clean, safe, secure, healthy and productive waters and coastlines. A nationally and internationally recognized symbol of safety, Canadian sovereignty and identity, the Coast Guard serves and protects on three Oceans, the St. Lawrence and Great Lakes systems and other major waterways, and it is the only federal presence in many rural, remote, Aboriginal and Arctic communities.

A cornerstone in marine service delivery, the Coast Guard is essential to both Fisheries and Oceans Canada and to other federal departments that rely on the Fleet to deliver their marine mandates and meet public expectations for government services. Coast Guard's work also has an international dimension and obligations in safety, security and environmental protection – such as the International Conventions on Oil Pollution Preparedness, Response and Co-operation, on Prevention of Pollution from Ships, and on Safety of Life at Sea – are fulfilled through Coast Guard programs and activities. As an organization of highly skilled and highly regarded technical and policy experts on marine safety, emergency response, search and rescue and marine communications, Coast Guard exercises its influence and creates and shares opportunities globally to affect changes that positively affect Canadians – environmentally, economically, politically and socially – and that contribute to improved marine safety and environmental protection worldwide.

Canadian Coast Guard Vision Framework

The Vision

The broad mandate of the Coast Guard is captured in the organization's renewed vision statement:

As an essential component of Canada's sovereignty, the Canadian Coast Guard is a national institution providing service in:

- *Maritime safety (preparation, prevention and response);*
- *Protection of the marine and freshwater environment;*
- *Facilitating maritime commerce and sustainable development;*
- *Support of marine scientific excellence; and*
- *Support of Canada's maritime priorities.*

The Canadian Coast Guard is uniquely placed to support this vision by providing maritime expertise, Canada's civilian fleet and a broadly distributed shore infrastructure – ready to respond and deliver on services to all who use our waters.

Strategic Objectives

In support of its Vision, the Coast Guard has established six Strategic Objectives to provide focus and to promote effectiveness and efficiency in an environment characterized by rapid change.

1. **Operational Readiness** – Coast Guard will have the ability to effectively respond to Canadians’ needs on and along Canada’s vast, and often remote, coastline and waters, including a maritime response capability and appropriate presence to meet the needs of our citizens;
2. **Maritime Safety and Access** – Coast Guard will have programs to maintain the highest international standards in support of safe, accessible Canadian waters;
3. **Core Competencies** – Coast Guard will develop and maintain the highest competencies in our operational and technical personnel at both national and regional levels, and meet international standards through training, research and management of corporate knowledge;
4. **Partnerships** – Coast Guard will apply its expertise, knowledge and leadership in proactively seeking partnering arrangements to deliver on our shared responsibility for safe, efficient, effective and accessible waterways;
5. **Financial Stability** – Coast Guard will ensure that assets and other resources are obtained and used efficiently and effectively in the accomplishment of the organization’s purpose and objectives; and
6. **Organizational Effectiveness** – Coast Guard will develop and maintain a motivated workforce, working within a management structure that promotes the delivery of service to within national standards.

Strategic Initiatives

If the Coast Guard is to achieve its vision and accompanying strategic objectives, the organization must continue to strive to increase internal efficiencies. Part B of this document outlines the nine key strategic initiatives that Coast Guard is undertaking as priorities for this planning period. Most of the nine — which comprise the Fleet Management Renewal Initiative (FMRI); Fleet Recapitalization; the Integrated Technical Support (ITS) Strategy Project; Marine Aids Modernization; the Lightkeeper Options Project; Marine Communications and Traffic Services Strategic Review Phase II; Marine Services Fees Strategy; Automatic Identification System; and the Financial Management Framework — evolved from Phase I of the Departmental Assessment and are being further refined during the Departmental Assessment and Alignment Project (DAAP).

PART A – Day to Day Operations

Outcomes for Canadians – Safe and Accessible Waterways

As a key player in the maintenance of a sustainable national marine transportation and safety system, the Coast Guard provides to mariners and Canadians the necessary programs, services and associated assets to facilitate Canada's global and domestic water borne trade, ensure safety to mariners and ships at sea and on inland waters, and protect the marine environment. Many of the safeguards now in place emerged from a number of incidents and initiatives, both domestic and international, which occurred over the past 30 years. Today, Coast Guard obligations are mandated in myriad acts and legislation, including the *Constitution Act*, the *Canada Shipping Act*, the *Navigable Waters Protection Act* and the *Oceans Act*. The Coast Guard, as a national institution, must be – and is – ready to respond and deliver services to all who use Canadian waters.

Services to Canadians are delivered by means of eight distinct yet interrelated marine programs:

- Aids to Navigation,
- Navigable Waters Protection,
- Marine Communications and Traffic Services,
- Search and Rescue,
- Environmental Response/Protection,
- Boating Safety,
- Icebreaking, and
- Waterways Development and Maintenance.

An expanded portrayal of the benefits to Canadians achieved through the delivery of Coast Guard programs and services can be found in the Strategic Outcomes Plans, located in Part C of this document.

How the CCG is organized

To support CCG programs and services and to deliver on its strategic outcomes, CCG is structured under 3 main areas of Marine Programs, CCG Fleet and the Technical Community, in 5 regions and the Headquarters:

Marine Programs

Marine Programs manages, designs, develops, maintains and monitors policies, standards and levels of service for the CCG programs that support the Department's strategic outcomes in response to the needs of citizens and mariners for safe, efficient and accessible waterways as well as protecting Canada's marine areas from environmental damage. The mission of Marine Programs Directorate is to develop and provide a national framework for the provision of CCG marine programs.

Fleet

CCG Fleet, a system consisting of professionals, management structure, assets and equipment necessary to remain effective and operationally ready to deliver core marine services to Canadians, provides support to departmental programs in the delivery of strategic outcomes. Within available resources, Fleet additionally provides augmentation capabilities for additional sea and air support to other government departments (OGD) as per Treasury Board (TB) cost recovery policies. The CCG Fleet has

undergone significant changes in the past years to maintain an operational readiness capability, which is critical, given the extent to which it supports the Department in achieving its five strategic outcomes.

Technical Services

The Technical Community is committed to ensuring the availability and reliability of Coast Guard assets through a national Technical Program consisting of a Life Cycle Materiel Management (LCMM) system and a Technical Business Management (TBM) System. The delivery of this Technical Program is fundamental in achieving operational readiness, maritime safety and access, and financial stability.

The Coast Guard Technical Program is responsible for providing a breadth of services to Coast Guard, DFO and other clients, including the development of technical solutions to operational challenges; the planning, acquisition, in-service support and disposal of ships and shore-based systems; and the development of the competencies, knowledge and infrastructure essential to delivering effective and efficient technical support.

Organizational Effectiveness

Coast Guard activities are supported by bases and communications centres across Canada, a fleet of vessels and helicopters, regional offices that deliver services and programs, a technical community that supports the asset base and a national headquarters to provide guidance and policy direction.

The Coast Guard management model is designed to ensure effective, focused and flexible service delivery that responds to clients' changing needs, while retaining the distinction between Headquarters' role of policy-setting and the Regions' role of service delivery. The recent DFO management initiative to have Coast Guard Regional Directors report directly to the Commissioner enhances the operational integrity of the organization while allowing it to continue to take advantage of departmental administrative efficiencies.

Integrated development and delivery – from the identification of program requirements through to Fleet and Technical operations – is critical to the ultimate effectiveness of programs and services in realizing the Coast Guard vision, meeting public needs and expectations, and delivering on departmental strategic outcomes.

Strategic Outcomes

The Canadian Coast Guard plays an important role in all five DFO Strategic Outcomes:

1. Protect marine and freshwater environment,
2. Maintain maritime safety,
3. Facilitate maritime commerce and ocean development,
4. Manage and protect fisheries resources, and
5. Understand oceans and aquatic resources.

While Marine Programs plays a direct role in supporting and delivering the first three strategic outcomes, the Fleet has a direct role in the provision of all five. Implicit in the outcomes, since without it fleet cannot deliver on its responsibilities, is operational readiness. The renewed vision reaffirms Coast Guard's commitment to departmental objectives, including its vital role as an operationally ready national institution by which Canada exerts its influence over its water and its coasts in support of Canada's maritime priorities.

Challenges and Opportunities

Increasing Service Demand

Since its inception, the Coast Guard has had to overcome the challenges of geography and climate in delivering services to a diversity of clients, including commercial shipping interests, recreational boaters, the fishing industry, ferry services, cruise lines, private sector shippers, provincial, municipal and territorial governments as well as federal government departments, and the public at large.

The past few years have seen significant expansion in the organization's client base, with a resultant increasing demand for programs and services. As just one example, with the inception of *Bill C-14* in 2001, the Department assumed regulatory responsibility for recreational boating in all Canadian waters, including the requirement to inform the public of new regulations, conduct inspections, and monitor to verify compliance. Failure to meet obligations under the new regulatory framework due to a lack of capacity could pose a serious risk to program integrity and the safety of Canadian waters.

Given their potential to increase the risk of marine accidents and oil spills, the increase in offshore oil and gas activities, particularly on the east coast, also impacts upon the Coast Guard in its role as lead agency of Canada's national system of oil spill preparedness and response. While the full ramifications of global climate change are not known, the effects of global warming will likely lead to greater ship access to the far north for exploration, development and tourism, thereby demanding more Coast Guard presence in the Arctic. Additionally, although the sophistication of commercial vessels should allow them to become more self-reliant with respect to navigation and safety, increasing global ship traffic will increase the necessity for a strong Government presence in Canadian waters from coast to coast.

Additionally, conservation and protection, terrorism and migrant smuggling concerns have resulted in the establishment of new security measures aimed at meeting federal obligations to ensure safe and secure Canadian waters. While the Coast Guard is neither an enforcement nor a security agency it plays a key role in support of the federal security agenda by means of the collection and dissemination of marine information, and the provision of marine platforms, infrastructure and expertise.

All these drivers will continue to place large and increasing pressures on Coast Guard resources – both operations and maintenance, and capital infrastructure.

Increasing Costs

While service demand is increasing, so too are costs. Fuel prices have risen considerably, and the ageing infrastructure is expensive and cost-ineffective to maintain, not to mention potentially unsafe. Program demand for the fleet and, by extension, technical services, exceeds notional allocations. Workforces have been built to address additional workload without sufficient long-term human resource planning.

The cumulative effects of these pressures are substantial. Close attention to safety, human resources planning and service standards are required if Coast Guard is to meet its program and service mandate.

Partnerships and Alliances

One means of alleviating these pressures is by forming strategic alliances. Coast Guard has entered into partnering arrangements through memoranda of understanding (MOUs) and agreements that outline the co-operation between the Coast Guard and its respective partners, which include volunteer organizations, private agencies, other government departments, other levels of government, and international organizations or bodies.

While partnering arrangements are too numerous to list individually, key achievements include:

- The Search and Rescue Program represents one of Coast Guard's greatest success stories in establishing and maintaining partnerships. The Canadian Coast Guard Auxiliary, to which Coast Guard provides direction and financial assistance, responds to approximately 20% of Search and Rescue calls each year. A national, non-profit volunteer organization, the Auxiliary represents a very cost-effective alternative to the establishment of federal resources in the areas it serves. Auxiliarists volunteer both their time and their vessels to help rescue mariners in distress and to assist in safety awareness activities.
- As with Search and Rescue, Boating Safety relies on partnerships to realize the benefits of the program. For example, local police forces are engaged in enforcement of regulations; marinas have become agents for distribution of boating safety promotional material; and private entities and associations have become authorized administrators of the Boating Safety training and certification program.
- Coast Guard is engaged in partnerships and contracts for deployment and retrieval of floating aids to navigation, thereby lessening the demand on buoy tenders.
- Canada's national system of oil spill preparedness and response is built upon an essential affiliation between government and industry. The *Canada Shipping Act* now requires shipping companies and oil-handling facilities (OHFs) to have arrangements in place with a Coast Guard-certified response organization to ensure that the industry has the capability to clean up its own spills. As lead agency for an effective Canadian oil spill preparedness and response regime, the Coast Guard also provides a year-round aerial surveillance program – in conjunction with Transport Canada and Environment Canada – conducting pollution surveillance patrols over waters of Canadian jurisdiction.

Measuring for Success

A performance measurement framework adaptable to changing business environments has been developed that focuses on measuring Coast Guard contributions to the delivery of departmental strategic outcomes. Key business indicators will be monitored and results delivered annually by means of the Departmental Performance Report. Further details of Coast Guard delivery against the department's high level performance measurement framework can be found in the Strategic Outcomes Plans in Part C of this document.

PART B – The Search to Find Efficiencies [The Change Agenda]

Context

Coast Guard must persist in finding efficiencies throughout the organization and working better and smarter if the organization is to continue to adapt its business to the changing needs and demands of clients and stakeholders. Recommendations of the Office of the Auditor General (AG) are being taken seriously, and the organization is working to improve its business in areas identified in the December 2000 (Fleet management) and December 2002 (Marine Programs) AG reports.

Coast Guard recognizes it must develop strategies that demonstrate how specific services will respond to changing client and stakeholder demands in a cost-effective manner that addresses new fiscal pressures, while at the same time maintaining service level targets.

Our Commitments

Departmental Assessment, Phase I Findings

By means of the recent Departmental Assessment, the Coast Guard revisited its vision for the future, and reviewed programs and services within the context of the legislation, policies and international commitments in support of which the programs and services are provided. Furthermore, Coast Guard quantified both its operating and maintenance (O&M) and capital sustainability gaps in light of current and emerging priorities and examined the challenges and potential opportunities represented by its employee demographics.

The overall objectives of the Departmental Assessment remain to restore long-term sustainability by ensuring the organization can deliver on its responsibilities within its financial means, while at the same time identifying areas where additional resources, legislative changes, or other measures must be pursued. This work will further contribute to and integrate with the expanded and ongoing Departmental Assessment and Alignment Project announced by the Deputy Minister in December 2002.

Strategic Initiatives

Throughout this planning period, the Coast Guard will pursue the nine key strategic initiatives identified by senior management as priorities. Under the umbrella of those initiatives, outlined below, the organization will continue to address current sustainability gaps, take advantage of emerging opportunities, and correct inefficiencies.

1. Fleet Management Renewal Initiative (FMRI)

Overview

The Fleet Management Renewal Initiative (FMRI) was created to examine and address several important issues raised in the Auditor General's report of December 2000. FMRI's goal is to lay a solid foundation for the future by increasing the effectiveness and efficiency of fleet vessels, operations, management and funding, to provide clear accountability in terms of results to Canadians.

In December 2002, following a comprehensive review of FMRI recommendations, the Departmental Management Committee reaffirmed DFO's commitment to improving Fleet management and endorsed a number of changes to the operation of the Fleet. Those changes include: an enhanced governance structure; a zonal approach to delivering programs; stronger functional direction from Headquarters; an integrated planning process to maximize vessel usage; and a clear financial framework for funding and accountability.

The integrated planning process, which will be implemented over the next two years, will contribute to addressing the gap between funded and unfunded departmental program levels for ship days. It is anticipated that considerable improvements in the delivery of fleet services will be achieved through the development of a series of processes and frameworks addressing multi-year planning, fleet management, life cycle material management, accountability, human resources, service accords and financial management. Implementation is scheduled for year end 2004/05.

The Director of FMRI is overseeing planning for the implementation of all elements of this change initiative. While needs are not yet quantified, resource implications are anticipated.

Key deliverables

- Organizational structure and accountability – Zonal program delivery to be introduced with supporting governance models
- Financial planning and control – Standardized costing
- Management practices – Service levels and performance measurement
- Human resources management – Human resources frameworks and crewing systems review
- Stewardship reporting
- Information management
- Departmental oversight

Milestones

- Implementation scheduled End of 2004/05

2. Fleet Recapitalization

Overview

It is critical that Coast Guard rebuild and restructure its asset base, which has been degrading due to rust-out, technological obsolescence and insufficient reinvestment funding. A sustainable Coast Guard with a reliable, operationally ready civilian fleet is critical to effective marine service delivery and essential to meeting federal responsibilities with respect to safety, security, environmental protection, facilitation of maritime commerce, and sovereignty.

The fleet recapitalization initiative was launched to review Fleet requirements, anticipated funding levels and current base fleet capacity, and to develop and present a business case for new, increased capital funding levels for vessels. The current situation reflects a reduction in the Fleet capital

reference level to \$31.5M in FY 2005-06, a sum insufficient to maintain Fleet vessel capacity. If this situation continues, ships and other vessels and assets will be stretched well beyond their effective life expectancy. The inevitable result will be asset failure, which will in turn jeopardize programs to the point where Coast Guard simply will not be able to deliver on some of its responsibilities.

Analysis is underway to identify methods of addressing this unsustainable situation. In development is a proposal for an infrastructure renewal program at a recapitalization rate of 4% of the approximately \$3.5 billion replacement value of the current fleet. This new on-going capital will extend the life of vessels through mid-life modernization, and replace those vessels beyond the point of economical repair.

A recently completed long-term needs analysis study utilized the Base Fleet concept to determine the most effective fleet size and composition. Consultations were undertaken with the breadth of Fleet clients and stakeholders, including regional personnel, sectoral program clients and clients from other government departments and agencies. The scope of the analysis was restricted to the large vessel component, which represents close to 80% of the replacement value of the Fleet. The study recommended reducing the number of types of vessels from approximately 28 to nine, to address all actual and anticipated needs and provide the right mix of types for the future. A further study, aimed at examining the requirement of the small vessel component of the Fleet, is currently underway.

Recognising that asset refurbishment of the Coast Guard is one of Minister Thibault's top priorities, the Minister of Finance announced in the 2003 federal budget up to \$47.3 million per year for two years in new capital funding for Coast Guard.¹ It is anticipated that the new capital funding will be extended on an on-going basis into the future. Treasury Board approval has been secured to access these funds and advance Coast Guard's national capital spending plan. The next key step is to present the business case for Fleet Recapitalization to Ministers. Ministers' approval in principle must also be obtained, either concurrently or subsequently, for the department to bring forward a series of major vessel refit/life extension projects and new vessel construction projects. Work is continuing on the development of this Cabinet submission.

Key deliverables

- Memorandum to Cabinet on Fleet Recapitalization Strategy

Milestones

- Treasury Board submission Completed May 2003
- Presentation to Cabinet..... 2003/2004

3. ITS Strategy Project

Overview

Launched in April 2000 to develop and implement a national strategy for life cycle management, this five-year project is devoted to addressing the key challenges of Integrated Technical Support (ITS) as a whole. The key project initiatives are the Life Cycle Materiel Management (LCMM) system, Integrated Logistics Support (ILS)/Asset Class Management, and the Technical Businesses Management System (TBMS).

By means of the ITS Strategy Project, the Technical Community is adopting the principles and philosophy of Modern Comptrollership – that the stewardship of public resources must become a

¹ During the May 2003 departmental budget review, \$5 million of the first year allocation, which was found to be in excess of monies that could be spent due to lead times, was returned to the centre.

management function. The project instils the rigorous stewardship of the Coast Guard asset base by introducing the concepts of LCMM. It integrates financial and non-financial performance information to resource management, establishes improved accountability through the introduction of accountability accords and business rules, and promotes mature risk management by the development of project, risk, knowledge, service delivery, and quality management methodologies. New partnerships are also being forged between functional specialists and program managers, based on mutual commitment to integrated management decision-making.

The TBMS is linked to Modern Comptrollership by ensuring that decisions at every level integrate risk, performance, appropriate controls, and ethics. It meets the requirements for Modern Comptrollership by establishing a results-based organization, applying a strategy-based Balanced Score Card, linking priorities/results/risks/resources (strategic cost management), and integrating financial and operational information. It will not only assist in managing the Technical Program over the one to three year timeline but it will also provide critical asset investment advice over the longer-term.

Key deliverables

ITS Strategy 1.0 – the introduction and continuous improvement of processes and tools for the Technical Community:

- Processes to define delivery of technical support – technical community planning process and the technical community work processes;
- Controls and enablers to define boundaries for processes – integrated systems, service level agreements, life cycle management system guidance, and management framework; and
- Tools necessary to operationalize processes – maintenance information management system (MIMS), national costing model, Abacus projects, and class plans.

Milestones

- ITS Strategy 1.0 delivery commitment..... Completed
- ITS Strategy 2.0 deliverables formation.....October 2003
- ITS Strategy 2.0 delivery commitment..... Mid-2004

4. Marine Aids Modernization (MAM)

Overview

The overall goal of MAM is to ensure that Coast Guard has the right, modern mix of electronic and conventional aids to navigation to meet the changing needs of mariners, to improve efficiency, and to modify management and program monitoring practices.

MAM is an ongoing initiative with several achievements to date. Technological evolution has enabled Coast Guard to introduce plastic buoys, solar-powered light-emitting diode lanterns, and solar energy to improve power systems on lighted buoys and replace higher-maintenance steel units. With the introduction of more advanced aids such as Differential Global Positioning System (DGPS) and the subsequent removal of selected conventional aids to navigation, inventories have also been reduced.

The scope of the MAM project has been expanded to include other initiatives directed toward introducing further efficiencies and improvements in the delivery of aids to navigation services. These include risk management to assess service levels, conversion of seasonal buoys to year-round buoys where applicable, evaluation of alternative service delivery for maintenance, and modernization of standards and directives.

The goal in realizing financial stability is to find the correct balance between client needs and the mix of aids to navigation provided. This could result in a decrease in aids program demand on the

Fleet as ship time requirements are reduced. The examination of outsourcing aids maintenance may also prove to be a viable alternative, which may in turn reduce demands for related shore support.

Key deliverables and milestones

- Update national and regional action plans Fall 2003
- Review Levels of Service (LOS)
- – Management Board approval Winter 2004
- Accelerate contracting out and divestiture of aids..... Winter 2004
- Notice to Mariners review project Winter 2004

5. Lightkeeper Options Project

Overview

The overall objective of this project is to evaluate the options for the remaining lightkeepers in Canada. There are currently 262 lightstations in Canada, all of which were automated in the 1980s and 1990s. Between 1970 and 1998, the Canadian Coast Guard deployed staff at 211 of those 262 lightstations with no compromise to safety services. Resistance from mariners and the general public to the elimination of staff at the remaining 51 lightstations – located in British Columbia, Newfoundland and New Brunswick – led to a 1998 Prime Ministerial decision to keep the remaining lightkeepers in service.

It is the intent of DFO to determine options for the remaining 128 lightkeepers employed in Canada, which must then be presented to the Minister of DFO, to Treasury Board and, possibly, to Cabinet.

Key Deliverables and milestones

- Define lightkeeper options including evaluation costs Fall 2003
- Obtain decision by Minister/Cabinet December 2003
- Implementation of decision 2004/05

6. Marine Communications and Traffic Services (MCTS) Strategic Review Phase II

Overview

The goal of this initiative is to examine options for service improvements and operational efficiencies. The immediate focus is to further explore variations of proposed scenarios by developing a national strategic investment plan to determine overall requirements for delivery of mandated MCTS services.

The objectives of MCTS Strategic Review Phase II are to:

- Exploit new technology;
- Improve efficiency; and
- Achieve financial stability

Deliverables and milestones

- Project initiation and planning.....Completed April 30, 2003
- Business case and recommendations October 30, 2003
- Implementation November 2003 – March 2008

7. Marine Services Fees (MSF) Strategy

Overview

This is an ongoing cost recovery activity within Marine Programs. The MSF is vote netted revenue, meaning it is a direct source of funds for Coast Guard. Current inability to meet revenue targets are creating growing financial pressures. A sustainable fee structure is important in the development of a successful long-term arrangement between Coast Guard and industry with respect to fees.

DFO will continue to work towards a long-term arrangement with the commercial shipping industry for the imposition of Marine Services Fees. This will include the preparation of a business case to support policy, fee levels and structure, and other elements of a long-term approach to the fees. In addition, DFO will examine the Marine Services Fees and Ice Services Fees schedules under the *Oceans Act*.

Key deliverables and milestones

- Treasury Board submission (for \$12M shortfall) Approved
- Development of a future direction for MSF To be determined

8. Automatic Identification System (AIS)

Overview

Coast Guard's contribution to enhanced marine security includes the installation of a national Automatic Identification System (AIS) shore infrastructure and the implementation of a Long Range Vessel Identification and Tracking capability. The Coast Guard will then be able to increase surveillance of vessels, including "near real-time" identification of those vessels approaching and operating within the Exclusive Economic Zone. Funding from the Marine Security Contingency Reserve has been identified for this project totalling \$27.5M (consisting of capital and O&M dollars) commencing in 2003/04.

Key deliverables and milestones

- Preliminary Project Approval (PPA) for project definition phase..... Received June 2003
- Operational and technical Statements of Requirements (SOR) completed Fall 2003
- Effective Project Approval (EPA) for project implementation January 2004
- Request for Proposal approval..... May 2004
- Contract awarded..... November 2004
- Project finalized..... March 2008

9. Financial Management Framework

Overview:

The objective of this project is to develop a financial management framework that will:

- meet the planning, measuring and reporting needs of the Coast Guard for all aspects of financial management;
- integrate seamlessly with the departmental financial management structure and systems;
- provide costing principles; and
- provide consistency of information for decision-making.

Under consideration is the establishment of a cost centre management structure that will reinforce clear and simple lines of accountability within Programs, Fleet, and Technical, in order that funding

is allocated to each of the three operational directorates to fulfil their respective mandates in support of approved operational requirements.

Key deliverables

- Consultation on draft definitions of levels of financial information and requirements for information roll-up
- Synthesize consultations
- Corporate Services and corporate systems
- High-level business rules, roles and responsibilities

Milestones

- Complete draft definitions and roll-up requirements October 2003
- Develop business rules, roles and responsibilities January 2004
- Complete consultations and finalize framework March 2004

Impact Statement for Change Initiatives

It is important to note that no decisions will be taken without extensive risk and other analysis to determine impacts on Service to Canadians.

Continuing Challenges

Legislative Reform

The Coast Guard's challenge is to ensure that no delays occur in amending the *Canada Shipping Act* (CSA) or *Navigable Waters Protection Act* (NWPA). It is essential to provide clients with clarified legislation expediently to ensure their ability to comply with new regulations.

Technological Changes

- Introducing new technological changes requires investing time and effort into emerging technologies by integrating and obtaining user acceptance into operations at the same time delivering the existing program. Examples include:
- Canada will be one of the first countries to integrate Automatic Identification System (AIS) into a vessel traffic management system on a national basis.
- Coast Guard will also be modernizing the marine aids to navigation system including the use of new cost-saving technologies such as lower maintenance buoys and implementation of a Differential Global Positioning System (DGPS).
- The MCTS Strategic Review, Phase II will explore evolving technologies to better meet the challenges of continued funding pressures, ageing equipment and infrastructure to ensure the most efficient service delivery model that responds to current and future user needs.

Investment in technological change, while challenging, promotes an improved service to partners and clients and improved internal efficiency and effectiveness.

Human Resources

The Coast Guard continues to face significant human resource (HR) challenges. Placing an increased burden on the system are issues such as capacity gaps, excessive workload, and recent amendments to Central Agency policies (i.e. salary shortfalls due to incorrect funding allocations and implementation of a new Term Employment Policy). Contributing to the pressures is the need to manage the projected exodus of retiring baby-boomers from the workforce – of particular concern to the Coast Guard, whose mandate obligations demand highly specialized technical skills and corporate knowledge.

For Fleet operations specifically, Coast Guard faces the added challenges of increased competition from the private sector and other government departments for Ship's Officers and Crew, greater difficulty in recruiting employees with the proper skills and certification as per the International Safety Management (ISM) code, as well as the continued reliance on Term and Casual employment due to the seasonal nature of much of the Fleet's functions. Coast Guard has identified the next step in tackling its challenges as the development of a *National Fleet HR Plan*, which will focus on recruitment, training, Employment Equity, relief pools and costing, in light of the distinct characteristics of human resources management.

There is also a significant ongoing effort to develop a national organizational model for the Technical Community to address a number of long-outstanding classification issues. This activity is consistent with the intent of the Government's Classification Reform initiative in that it will provide the basis for nationally consistent work descriptions, the development and application of competency profiles, and a rationalized training requirement.

To meet all of its HR challenges, Coast Guard has established six inter-related HR priorities:

1. Recruitment and Retention;
2. Employment Equity;
3. Official Languages;
4. Career Development and Learning;
5. Competency-Based Management; and
6. Development of National Organizational (generic) Models.

The realization of these vital priorities is critical to the organization. Accountability for assisting in their development and implementation belongs to all Coast Guard managers.

The overarching goal is to realize these six HR priorities in a competent, professional and efficient workforce that contributes effectively to the objectives of the Government of Canada. Coast Guard will advance this medium- to long-term goal by:

- Strategically framing its HR values, objectives and priorities within current planning practices, while placing special emphasis on the nine Strategic Initiatives [*to be completed in Year One of this business plan*]; and,
- Developing a practical HR planning process and appropriate templates based on the defined context of the strategic HR framework [*to be addressed in Years Two and Three of this planning period*].

Measuring for Success

Measures will be developed to assist with determining advancements made for each initiative. In accordance with Modern Comptrollership, performance information is intended to be used by managers in their day-to-day decision-making and to institutionalize continuous improvement.

Fleet has completed the development of its performance measurement frameworks, including indicators to measure Fleet's performance. Fleet will implement business intelligence tools to structure and facilitate the integration of data contained in the various Fleet databases, as well as other DFO systems, in order to populate its first performance measurement dashboard. With the information contained therein, Fleet will begin identifying risks inherent to its mandate and activities. In an effort to better manage these risk elements, Fleet will be following the evolution of risks using indicators on a specific risk dashboard.

The Technical Program will publish its performance management framework, complete with a number of indicators, early this year. While the framework is based on the strategic objectives of the Coast Guard Technical Community and is aligned with the Coast Guard Vision, it will do more than report on the results of the Technical Program. It will illustrate the Technical Community's link between the resources consumed and the results achieved, and thus provide a critical management tool. The framework will use financial and non-financial information to provide a comprehensive life cycle approach to management. Not only will the performance management framework improve decision-making, but it will drive change targeted to continuous improvement. Furthermore, building on the success of Fleet's dashboard, the development of a dashboard for the Technical Community will commence this year.

Marine Programs has developed national Results-based Management and Accountability Frameworks (RMAFs) for each program. Each RMAF is structured for planning, measuring, analysing, and reporting on performance, and consists of a program profile, logic model, ongoing performance measurement strategy, monitoring and evaluation strategy and reporting provisions.

As a result of a series of workshops, updates and enhancements will be made to the RMAF logic models and performance measures and indicators. In addition, a gap analysis, with respect to performance measurement data capacity and requirements, is being conducted that will also examine whether sound program management principles, such as service standards and levels of service, are in place. The next step will be to implement the performance measurement system.

Marine Programs will be launching an inaugural national performance report in the near future, the first in an ongoing series of reports dedicated to demonstrating results and ensuring transparency and accountability.

The Coast Guard will continue the development and implementation of a risk management policy framework and management tools in order to integrate risk management principles and concepts in the decision-making process.

PART C – Improved Decision Making

Modern Comptrollership

In addition to being a communication tool, the business plan's subsequent purpose and goal is to promote good resource and program management and improved budgetary decision-making practices. In recognition of the importance of modern management and implementing *Results for Canadians*, the business plan also respects the various elements – as well as the management philosophy – of Modern Comptrollership, including upholding strong values and ethics in order to best serve Canadian interests.

O&M, capital and human resource challenges facing the organization are significant. While implementation of the measures recommended in the Departmental Assessment and Departmental Assessment and Adjustment Projects will lead to long-term sustainability, it will take several years both to complete and to realize efficiencies.

Working Collaboratively

The Coast Guard continually faces a struggle to deliver its programs and services within available resources. In the upcoming year, Headquarters and the Regions will work collaboratively to find solutions towards bridging this gap.

Aligning Resources with Priorities

In all areas of Coast Guard's business, there are unresolved funding pressures, demands that outweigh supply, inadequate funding, cost increases, and other challenges. Taking corrective measures to improve these situations will be a priority for this planning period. Coast Guard will continue to strive to better align resources to priorities, and address ongoing workload pressures and human resource issues.

During this three-year Business Plan, Coast Guard will:

- Plan the strategic initiatives resulting from the DA as priorities, with appropriately allocated budgets; and
- Provide programs and services within available resources [allocations by Region and Strategic Outcome are found in Annexes A and B respectively]

Non-mandate related activities shall not be undertaken. It is acknowledged that the reallocation of funds will affect some on-going commitments, but it should be noted that security and safety levels will be upheld.

The resources shown in Annexes A, B and C are the perimeters within which delivery plans will be constructed. No external additional resources will be available.

Capital Planning

In response to the injection of funds through the 2003 Federal Budget, the National Capital Spending Plan has been developed. The following priorities were endorsed as a guide to building this plan:

- Refurbishing the existing asset base to bring it back to a “baseline” condition; and
- Refurbishing / replacing the infrastructure required to continue to support the asset base, including both the physical infrastructure and the supporting management systems.

Additionally, Coast Guard Long-Term Capital Plans for Marine Programs and Fleet include replacing obsolete communication and navigation systems and equipment, both ashore and afloat, and replacing fleet units.

Strategic Initiative Reporting Requirements

A formal system of periodic progress reports will be introduced.

Strategic Outcome Plans

The following are the Coast Guard Strategic Outcome Plans for the departmental Strategic Outcomes of: Maintain Maritime Safety, Protect Marine and Freshwater Environment, and Facilitate Maritime Commerce.

Strategic Outcome Plan for: Maintain Maritime Safety	
Overview (what)	The Canadian Coast Guard strives to continually improve safety in Canada's waterways by reducing the number and severity of collisions and groundings, helping people in distress and in danger, and preventing loss of life and damage to property.
Strategy (how)	To support the Strategic Outcome, "Maintain Maritime Safety," Coast Guard will: • Provide a system of Aids to Navigation at levels of service and within available resources. Over the next five years, it will pursue the modernization of this program through the development and implementation of a national strategic approach to provide the right mix of aids to navigation, to ensure that the needs of today's mariners are met and delivered efficiently and effectively. Coast Guard will monitor waterway depths to national standards, provide this information to mariners and ensure that owner/operators take appropriate action. This service will be provided within available resources. • Provide a distress and safety communications and coordination capacity to detect ships in distress situations. Coast Guard will screen vessels to prevent unsafe vessels from entering Canadian waters and regulate vessel traffic movements for marine risk reduction. Coast Guard provides these services on a 24 hour/seven day a week basis within standards. Over the next five years, Coast Guard will implement modern communication and navigation technology for a more effective vessel identification and distress alerting system. This service will be provided within available resources. • Maintain Maritime Safety by providing Icebreaking Services through the dissemination of ice information and the timely deployment of vessels within the Levels of Service and within available resources. • Manage interference with navigation on Canadian waterways through the application of the <i>Navigable Waters Protection Act</i> and within available resources. • Promote good boating safety practices through regulatory frameworks and partnership arrangements, and within available resources. • Maintain Search and Rescue coverage at the national standard through the coordination and delivery of primary and secondary inshore and offshore Search and Rescue services and within available resources. Over the next two years, Coast Guard will continue the restructuring of Search and Rescue.
Monitoring	Coast Guard has established the link, through its Sector level performance measurement framework, to the DFO performance measurement framework and therefore directly supports the five Departmental Strategic Outcomes. Coast Guard HQ Directorate-level frameworks will also link and support the Coast Guard Sector and Departmental frameworks as necessary.

Coast Guard Delivery against DFO High Level Performance Measurement Framework	- Expected Outcomes: - Public/Stakeholder confidence - Minimize loss of life and property - Reduce number and severity of maritime incidents - Safe vessel movements and access to ports	- Performance Measures: - Public confidence in Marine Safety - Safe Recreational Boating - Maritime Search and Rescue Effectiveness - Maritime search and rescue incidents - Safe and efficient movement of marine traffic - Safe navigable waters	- Indicators: - Survey of public confidence - Boating fatalities - Boating fatalities per 10,000 licensed boats - Lives saved versus lives at risk - Percentage distress incidents for all maritime incidents - Shipping accidents – collisions, groundings and strikings - Vessels damaged by ice - Number of NWPA inspections
Risks	- To determine the ways and means of integrating emerging technology into operations, while securing user support and acceptance. The development and implementation of a strategic approach is crucial to meeting the needs of navigators if Coast Guard hopes to realize expected savings with a more efficiently run operation. - To respond to departmental legislative and regulatory obligations vis-a-vis recent <i>Canada Shipping Act</i> and <i>Navigable Waters Protection Act</i> mandatory amendments, and to absorb the associated costs from within Coast Guard available resources (Departmental Assessment). - Experiencing a lack of resources to both balance the pressing priorities on Coast Guard program requirements and ensure efficient program delivery.		
Resources			

Strategic Outcome Plan for: Protect Marine and Freshwater Environment			
Overview (what)	The Canadian Coast Guard assists in the protection of the marine and freshwater environments and ecosystems to support their sustainable use for eco-tourism, recreational boating, drinking water, fishing and other activities. To achieve this goal, Coast Guard must take a proactive, coherent, results-oriented approach that includes working with clients, partners and other levels of government to reduce the effect of pollution on marine ecosystems.		
Strategy (how)	To support the Strategic Outcome, "Protection of Marine and Freshwater Environment," Coast Guard will: - Minimize environmental damage by monitoring and interacting with shipping to prevent accidents, provide safety information to mariners, take steps to limit the effects of pollution and help in identifying the sources of pollution. In addition, there is mandatory reporting of vessels to mitigate the risk of pollution incidents. Coast Guard will deliver this service within the levels of service and within available resources. - Prevent flooding within the St. Lawrence, St. Clair, Detroit and Restigouche Rivers, through the provision of an effective ice management program within levels of service. Provision of ice routing and escort services to minimize damage to vessels, thereby reducing environmental damage. This service will be provided within available resources. - Act as the lead agency for an effective Canadian oil spill preparedness and response regime and continue to initiate measures to improve and enhance the effectiveness of the regime. Ensure an effective and appropriate response to all marine pollution incidents. Improve or develop, with partners, effective measures to address illegal discharges of oil from ships. Contribute to international preparedness and response mechanisms and provide leadership both nationally and internationally. This service will be managed at the levels of service and within available resources.		
Monitoring	The Canadian Coast Guard has established the link, through its Sector level performance measurement framework, to the DFO performance measurement framework and therefore directly supports the five Departmental Strategic Outcomes. Coast Guard HQ Directorate-level frameworks will also link and support the Coast Guard Sector and Departmental frameworks as necessary.		
Coast Guard Delivery against DFO High Level Performance Measurement Framework	Expected Outcomes: Mitigate environmental damage due to marine pollution incidents	Performance Measures: - Marine pollution sightings of illegal discharges - Marine spill incidents response	Indicators: - Number of vessel overflights - Number of pollution sightings by patrol aircraft - Pollution sightings per 100 vessel overflights - Accidental spill incidents and their volume

Risks	• Failure within the Canadian waterways' infrastructure will jeopardize navigation safety and waterway effectiveness. In addition, finding ways to obtain user acceptance of and commitment to emerging technologies to ensure efficient program delivery. • Ensure stakeholder expectations are managed within a framework of client consultation to reflect a renewed and reinforced icebreaking requirement strategy. • Continue to respond to departmental responsibilities under the Canadian Spill Regime Governance framework.
Resources	

Strategic Outcome Plan for: Facilitate Maritime Commerce and Ocean Development	
Overview (what)	The Canadian Coast Guard supports commercial activity through the provision of policies, regulatory frameworks, operational services and infrastructure resulting in economic benefits to marine industries and the Canadian economy.
Strategy (how)	To support the Strategic Outcome, "Maritime Commerce and Ocean Development," Coast Guard will: • Maintain efficient and accessible waterways through the provision of clearly marked, properly designed and maintained waterways at the level of service and within available resources. • Provide radio communication and vessel traffic services to improve efficiency of vessel traffic at the level of service and within available resources. • Provide timely icebreaking and escort services, harbour and channel breakouts, and ice routing information services at the level of service and within the available resources. • Develop, within available resources, a marine information technology for the provision of integrated electronic navigation services by means of a marine information electronic network – (2003-2006). • Develop, within available resources, a long-term agreement with the industry with respect to the Marine Services Fees – (2003-2004). • Develop, within available resources, a compliance and enforcement strategy – (2003-2005).
Monitoring	The Canadian Coast Guard has established the link, through its Sector level performance measurement framework, to the DFO performance measurement framework and therefore directly supports the five Departmental Strategic Outcomes. Coast Guard HQ Directorate-level frameworks will also link and support the Coast Guard Sector and Departmental frameworks as necessary.

Coast Guard Delivery against DFO High Level Performance Measurement Framework	Expected Outcomes: Facilitate year-round maritime trade and commerce	Performance Measures: - Effective vessel movements and access to ports - Ensure shared use of Canada's waters	Indicators: - Number of vessels - Number of vessel movements - DGPS availability in double coverage areas - Number of vessels escorted (winter) - Number of commercial harbour breakouts (winter) - Number of approved NWPA applications
Risks	- To ensure channel structures continue to perform their functions of maintaining safe channels and safe movement of ships while meeting the needs of navigators. - To integrate and obtain user acceptance of emerging surveillance and communication technology into operations. - To ensure continued availability of fleet resources to support the icebreaking program. - To connect with clients, through technology, to ensure more transparency and provide better access between the marine community and Coast Guard services. - To strengthen Coast Guard's relationship with industry while in concert developing a revised fee structure critical to meeting revenue targets. - To ensure a balance between flexible means of protecting public rights to safe navigation and the aquaculture industry viability.		
Resources			

Annex A – Resources by Region

Planning Year: 2003-2004

Region	Operating ¹ (000)	Respendable Revenue (000)	Major Capital (000)	Grants and Contributions (000)	Total (000)
Headquarters	76,738.80	(42,028.70)	45,005.40	4,187.00	83,902.50
Newfoundland	56,251.80	14.70	3,685.00	105.00	60,056.50
Maritimes	69,315.90	0.00	2,670.20	100.00	72,086.10
Quebec	58,791.30	(1,500.00)	2,383.00	100.00	59,774.30
Central & Arctic	52,814.90	(27.00)	4,330.00	75.00	57,192.90
Pacific	62,052.00	(148.00)	3,869.00	125.00	65,898.00
<i>Total (000)</i>	375,964.70	(43,689.00)	61,942.60	4,692.00	398,910.30

Planning Year: 2004-2005

Region	Operating ¹ (000)	Respendable Revenue (000)	Major Capital (000)	Grants and Contributions (000)	Total (000)
Headquarters	96,652.90	(42,038.80)	68,290.00	4,187.00	127,091.10
Newfoundland	50,547.70	14.70	0.00	105.00	50,667.40
Maritimes	67,626.10	0.00	0.00	100.00	67,726.10
Quebec	56,638.00	(1,500.00)	0.00	100.00	55,238.00
Central & Arctic	51,608.60	(27.00)	0.00	75.00	51,656.60
Pacific	58,403.00	(148.00)	0.00	125.00	58,380.00
<i>Total (000)</i>	381,476.30	(43,699.10)	68,290.00	4,692.00	410,759.20

Planning Year: 2005-2006

Region	Operating ¹ (000)	Respendable Revenue (000)	Major Capital (000)	Grants and Contributions (000)	Total (000)
Headquarters	96,521.90	(41,807.70)	3,940.00	4,187.00	62,841.20

Newfoundland	50,547.70	14.70	0.00	105.00	50,667.40
Maritimes	67,626.10	0.00	0.00	100.00	67,726.10
Quebec	56,638.00	(1,500.00)	0.00	100.00	55,238.00
Central & Arctic	51,508.60	(27.00)	0.00	75.00	51,556.60
Pacific	58,403.00	(148.00)	0.00	125.00	58,380.00
<i>Total (000)</i>	381,245.30	(43,468.00)	3,940.00	4,692.00	346,409.30

NOTE: this does not includes regional transfers for work done on non-CCG Business lines.

ANNEX B - RESOURCES BY STRATEGIC OUTCOME

Planning Year: 2003-2004

Strategic Outcome	Operating ¹ (000)	Respendable Revenue (000)	Major Capital (000)	Grants and Contributions (000)	Total (000)
Understanding Oceans and Aquatic Resources	1,559.90	0.00	1,558.28	0.00	3,118.17
Protection of Marine and Freshwater Environment	122,278.47	(12,330.50)	20,141.06	1,876.80	131,965.82
Management and Protection of Fisheries Resources	4,159.72	0.00	4,155.41	0.00	8,315.13
Maritime Safety	184,020.16	(18,925.90)	26,815.89	2,815.20	194,725.35
Maritime Commerce and Ocean development	63,946.46	(12,088.60)	9,271.96	0.00	61,129.82
Unallocated	0.00	(344.00)	0.00	0.00	(344.00)
<i>Total (000)</i>	375,964.70	(43,689.00)	61,942.60	4,692.00	398,910.30

Planning Year: 2004-2005

Strategic Outcome	Operating ¹ (000)	Respendable Revenue (000)	Major Capital (000)	Grants and Contributions (000)	Total (000)
Understanding Oceans and Aquatic Resources	2,272.03	0.00	1,748.70	0.00	4,020.73
Protection of Marine and Freshwater Environment	124,075.94	(12,332.10)	22,235.70	1,876.80	135,856.34
Management and Protection of Fisheries Resources	6,058.75	0.00	4,663.20	0.00	10,721.95
Maritime Safety	184,191.65	(18,928.30)	29,481.80	2,815.20	197,560.35
Maritime Commerce and Ocean development	64,877.93	(12,088.60)	10,160.60	0.00	62,949.93
Unallocated	0.00	0.00	0.00	0.00	0.00
<i>Total (000)</i>	381,476.30	(43,349.00)	68,290.00	4,692.00	411,109.30

Planning Year: 2005-2006

Strategic Outcome	Operating ¹ (000)	Respendable Revenue (000)	Major Capital (000)	Grants and Contributions (000)	Total (000)
Understanding Oceans and Aquatic Resources	2,272.03	0.00	118.20	0.00	2,390.23
Protection of Marine and Freshwater Environment	124,006.64	(12,332.10)	1,300.20	1,876.80	114,851.54
Management and Protection of Fisheries Resources	6,058.75	0.00	315.20	0.00	6,373.95
Maritime Safety	184,076.15	(18,928.30)	1,654.80	2,815.20	169,617.85
Maritime Commerce and Ocean development	64,831.73	(12,088.60)	551.60	0.00	53,294.73
Unallocated	0.00	0.00	0.00	0.00	0.00
<i>Total (000)</i>	381,245.30	(43,349.00)	3,940.00	4,692.00	346,528.30

NOTE: this does not includes regional transfers for work done on non-CCG Business lines.

ANNEX C – RESOURCES BY BUSINESS LINE

Planning Year: 2003-2004

Business Line	Operating ¹ (000)	Respendable Revenue (000)	Major Capital (000)	Grants and Contributions (000)	Total (000)
<i>CCG Business Lines:</i>					
Marine Navigation Services	115,577.60	(29,339.00)	0.00	0.00	86,238.60
Marine Communication & Traffic Services	51,782.70	(344.00)	10,000.00	0.00	61,438.70
Icebreaking Operations	51,544.20	(13,824.00)	0.00	0.00	37,720.20
Rescue, Safety and Environmental Response	105,063.70	(182.00)	0.00	4,692.00	109,573.70
Fleet Management	51,996.50	0.00	51,942.60	0.00	103,939.10
<i>Total GCC Business Lines (000)</i>	375,964.70	(43,689.00)	61,942.60	4,692.00	398,910.30
<i>Non-CCG Business Lines:</i>					
Real Property	1,856.20	0.00	0.00	0.00	1,856.20
Fisheries	1,452.80	0.00	0.00	0.00	1,452.80
C&P	9,094.30	0.00	263.00	0.00	9,357.30
Science	18,283.20	0.00	1,013.00	0.00	19,296.20
<i>Total Non-GCC Business Lines (000)</i>	18,283.20	0.00	1,013.00	0.00	19,296.20
Total Anticipated Budget Managed (000)	394,247.90	(43,689.00)	62,955.60	4,692.00	418,206.50

Planning Year: 2004-2005

Business Line	Operating ¹ (000)	Respendable Revenue (000)	Major Capital (000)	Grants and Contributions (000)	Total (000)
<i>CCG Business Lines:</i>					
Marine Navigation Services	100,888.20	(29,339.00)	0.00	0.00	71,549.20
Marine Communication & Traffic Services	52,755.90	(350.10)	10,000.00	0.00	62,405.80
Icebreaking Operations	52,325.10	(13,824.00)	0.00	0.00	38,501.10
Rescue, Safety and Environmental Response	99,772.70	(186.00)	0.00	4,692.00	104,278.70
Fleet Management	75,734.40	0.00	58,290.00	0.00	134,024.40
<i>Total GCC Business Lines (000)</i>	381,476.30	(43,699.10)	68,290.00	4,692.00	410,759.20

Planning Year: 2005-2006

Business Line	Operating ¹ (000)	Respendable Revenue (000)	Major Capital (000)	Grants and Contributions (000)	Total (000)
<i>CCG Business Lines:</i>					
Marine Navigation Services	100,888.20	(29,339.00)	0.00	0.00	71,549.20
Marine Communication & Traffic Services	52,524.90	(119.00)	0.00	0.00	52,405.90
Icebreaking Operations	52,325.10	(13,824.00)	0.00	0.00	38,501.10
Rescue, Safety and Environmental Response	99,772.70	(186.00)	0.00	4,692.00	104,278.70
Fleet Management	75,734.40	0.00	3,940.00	0.00	79,674.40
<i>Total GCC Business Lines (000)</i>	381,245.30	(43,468.00)	3,940.00	4,692.00	346,409.30

Resources by Business Line: Regions

[National Capital Region](#)

Planning Year: 2003-2004

Business Line	Operating ¹ (000)	Respendable Revenue (000)	Major Capital (000)	Grants and Contributions (000)	Total (000)
<i>CCG Business Lines:</i>					
Marine Navigation Services	25,958.10	(27,723.00)			(1,764.90)
Marine Communication & Traffic Services	4,416.70	(299.70)	10,000.00		14,117.00
Icebreaking Operations	12,233.10	(13,824.00)			(1,590.90)
Rescue, Safety and Environmental Response	18,602.50	(182.00)		4,187.00	22,607.50
Fleet Management	15,528.40		35,005.40		50,533.80
<i>Total GCC Business Lines (000)</i>	76,738.80	(42,028.70)	45,005.40	4,187.00	83,902.50
<i>Non-CCG Business Lines:</i>					
None					0.00
<i>Total Non-GCC Business Lines (000)</i>	0.00	0.00	0.00	0.00	0.00
Total Anticipated Budget Managed (000)	76,738.80	(42,028.70)	45,005.40	4,187.00	83,902.50

Planning Year: 2004-2005

Business Line	Operating ¹ (000)	Respendable Revenue (000)	Major Capital (000)	Grants and Contributions (000)	Total (000)
<i>CCG Business Lines:</i>					
Marine Navigation Services	16,619.10	(27,723.00)			(11,103.90)
Marine Communication & Traffic Services	5,175.70	(305.80)	10,000.00		14,869.90
Icebreaking Operations	12,678.70	(13,824.00)			(1,145.30)
Rescue, Safety and Environmental Response	16,326.10	(186.00)		4,187.00	20,327.10
Fleet Management	45,853.30		58,290.00		104,143.30
<i>Total GCC Business Lines (000)</i>	96,652.90	(42,038.80)	68,290.00	4,187.00	127,091.10

Planning Year: 2005-2006

Business Line	Operating ¹ (000)	Respendable Revenue (000)	Major Capital (000)	Grants and Contributions (000)	Total (000)
<i>CCG Business Lines:</i>					
Marine Navigation Services	16,719.10	(27,723.00)			(11,003.90)
Marine Communication & Traffic Services	4,944.70	(74.70)			4,870.00
Icebreaking Operations	12,678.70	(13,824.00)			(1,145.30)
Rescue, Safety and Environmental Response	16,326.10	(186.00)		4,187.00	20,327.10
Fleet Management	45,853.30		3,940.00		49,793.30
<i>Total GCC Business Lines (000)</i>	96,521.90	(41,807.70)	3,940.00	4,187.00	62,841.20

Resources by Business Line: Regions

[Newfoundland](#)
Planning Year: 2003-2004

Business Line	Operating ¹ (000)	Respendable Revenue (000)	Major Capital (000)	Grants and Contributions (000)	Total (000)
<i>CCG Business Lines:</i>					
Marine Navigation Services	17,947.00	59.00			18,006.00
Marine Communication & Traffic Services	8,330.40	(44.30)			8,286.10
Icebreaking Operations	5,295.40				5,295.40
Rescue, Safety and Environmental Response	17,539.00			105.00	17,644.00
Fleet Management	7,140.00		3,685.00		10,825.00
<i>Total GCC Business Lines (000)</i>	56,251.80	14.70	3,685.00	105.00	60,056.50
<i>Non-CCG Business Lines:</i>					
Science	8,057.00		1,013.00		9,070.00
C&P	4,884.70		263.00		5,147.70
<i>Total Non-GCC Business Lines (000)</i>	12,941.70	0.00	1,276.00	0.00	14,217.70
Total Anticipated Budget Managed (000)	69,193.50	14.70	4,961.00	105.00	74,274.20

Planning Year: 2004-2005

Business Line	Operating ¹ (000)	Respendable Revenue (000)	Major Capital (000)	Grants and Contributions (000)	Total (000)
<i>CCG Business Lines:</i>					
Marine Navigation Services	15,540.20	59.00			15,599.20
Marine Communication & Traffic Services	7,978.60	(44.30)			7,934.30
Icebreaking Operations	5,105.30				5,105.30
Rescue, Safety and Environmental Response	16,855.80			105.00	16,960.80
Fleet Management	5,067.80				5,067.80
<i>Total GCC Business Lines (000)</i>	<i>50,547.70</i>	<i>14.70</i>	<i>0.00</i>	<i>105.00</i>	<i>50,667.40</i>

Planning Year: 2005-2006

Business Line	Operating ¹ (000)	Respendable Revenue (000)	Major Capital (000)	Grants and Contributions (000)	Total (000)
<i>CCG Business Lines:</i>					
Marine Navigation Services	15,540.20	59.00			15,599.20
Marine Communication & Traffic Services	7,978.60	(44.30)			7,934.30
Icebreaking Operations	5,105.30				5,105.30
Rescue, Safety and Environmental Response	16,855.80			105.00	16,960.80
Fleet Management	5,067.80				5,067.80
<i>Total GCC Business Lines (000)</i>	<i>50,547.70</i>	<i>14.70</i>	<i>0.00</i>	<i>105.00</i>	<i>50,667.40</i>

Resources by Business Line: Regions

Maritimes

Planning Year: 2003-2004

Business Line	Operating ¹ (000)	Respendable Revenue (000)	Major Capital (000)	Grants and Contributions (000)	Total (000)
<i>CCG Business Lines:</i>					
Marine Navigation Services	17,639.50				17,639.50
Marine Communication & Traffic Services	7,535.80				7,535.80
Icebreaking Operations	11,077.00				11,077.00
Rescue, Safety and Environmental Response	21,558.00			100.00	21,658.00
Fleet Management	11,505.60		2,670.20		14,175.80
<i>Total GCC Business Lines (000)</i>	69,315.90	0.00	2,670.20	100.00	72,086.10
<i>Non-CCG Business Lines:</i>					
					0.00
<i>Total Non-GCC Business Lines (000)</i>	0.00	0.00	0.00	0.00	0.00
Total Anticipated Budget Managed (000)	69,315.90	0.00	2,670.20	100.00	72,086.10

Planning Year: 2004-2005

Business Line	Operating ¹ (000)	Respendable Revenue (000)	Major Capital (000)	Grants and Contributions (000)	Total (000)
<i>CCG Business Lines:</i>					
Marine Navigation Services	16,845.90				16,845.90
Marine Communication & Traffic Services	7,655.20				7,655.20
Icebreaking Operations	11,292.00				11,292.00
Rescue, Safety and Environmental Response	21,709.20			100.00	21,809.20
Fleet Management	10,123.80				10,123.80
<i>Total GCC Business Lines (000)</i>	<i>67,626.10</i>	<i>0.00</i>	<i>0.00</i>	<i>100.00</i>	<i>67,726.10</i>

Planning Year: 2005-2006

Business Line	Operating ¹ (000)	Respendable Revenue (000)	Major Capital (000)	Grants and Contributions (000)	Total (000)
<i>CCG Business Lines:</i>					
Marine Navigation Services	16,845.90				16,845.90
Marine Communication & Traffic Services	7,655.20				7,655.20
Icebreaking Operations	11,292.00				11,292.00
Rescue, Safety and Environmental Response	21,709.20			100.00	21,809.20
Fleet Management	10,123.80				10,123.80
<i>Total GCC Business Lines (000)</i>	<i>67,626.10</i>	<i>0.00</i>	<i>0.00</i>	<i>100.00</i>	<i>67,726.10</i>

Resources by Business Line: Regions

Quebec

Planning Year: 2003-2004

Business Line	Operating ¹ (000)	Respendable Revenue (000)	Major Capital (000)	Grants and Contributions (000)	Total (000)
<i>CCG Business Lines:</i>					
Marine Navigation Services	16,865.40	(1,500.00)	0.00	0.00	15,365.40
Marine Communication & Traffic Services	9,952.70	0.00	0.00	0.00	9,952.70
Icebreaking Operations	13,822.70	0.00	0.00	0.00	13,822.70
Rescue, Safety and Environmental Response	12,565.50	0.00	0.00	100.00	12,665.50
Fleet Management	5,585.00	0.00	2,383.00	0.00	7,968.00
<i>Total GCC Business Lines (000)</i>	58,791.30	(1,500.00)	2,383.00	100.00	59,774.30
<i>Non-CCG Business Lines:</i>					
Fisheries	1,452.80	0.00	0.00	0.00	1,452.80
Science	2,274.30	0.00	0.00	0.00	2,274.30
<i>Total Non-GCC Business Lines (000)</i>	3,727.10	0.00	0.00	0.00	3,727.10
Total Anticipated Budget Managed (000)	62,518.40	(1,500.00)	2,383.00	100.00	63,501.40

Planning Year: 2004-2005

Business Line	Operating ¹ (000)	Respendable Revenue (000)	Major Capital (000)	Grants and Contributions (000)	Total (000)
<i>CCG Business Lines:</i>					
Marine Navigation Services	15,426.30	(1,500.00)			13,926.30
Marine Communication & Traffic Services	10,116.30				10,116.30
Icebreaking Operations	13,934.70				13,934.70
Rescue, Safety and Environmental Response	12,332.30			100.00	12,432.30
Fleet Management	4,828.40				4,828.40
<i>Total GCC Business Lines (000)</i>	56,638.00	(1,500.00)	0.00	100.00	55,238.00

Planning Year: 2005-2006

Business Line	Operating ¹ (000)	Respendable Revenue (000)	Major Capital (000)	Grants and Contributions (000)	Total (000)
<i>CCG Business Lines:</i>					
Marine Navigation Services	15,426.30	(1,500.00)			13,926.30
Marine Communication & Traffic Services	10,116.30				10,116.30
Icebreaking Operations	13,934.70				13,934.70
Rescue, Safety and Environmental Response	12,332.30			100.00	12,432.30
Fleet Management	4,828.40				4,828.40
<i>Total GCC Business Lines (000)</i>	56,638.00	(1,500.00)	0.00	100.00	55,238.00

Resources by Business Line: Regions

Central and Arctic Region

Planning Year: 2003-2004

Business Line	Operating ¹ (000)	Respendable Revenue (000)	Major Capital (000)	Grants and Contributions (000)	Total (000)
<i>CCG Business Lines:</i>					
Marine Navigation Services	18,888.00	(27.00)			18,861.00
Marine Communication & Traffic Services	8,760.00				8,760.00
Icebreaking Operations	8,848.50				8,848.50
Rescue, Safety and Environmental Response	9,712.90			75.00	9,787.90
Fleet Management	6,605.50		4,330.00		10,935.50
<i>Total GCC Business Lines (000)</i>	52,814.90	(27.00)	4,330.00	75.00	57,192.90
<i>Non-CCG Business Lines:</i>					
Real Property	1,856.20				1,856.20
Science					0.00
<i>Total Non-GCC Business Lines (000)</i>	1,856.20	0.00	0.00	0.00	1,856.20
Total Anticipated Budget Managed (000)	54,671.10	(27.00)	4,330.00	75.00	59,049.10

Planning Year: 2004-2005

Business Line	Operating ¹ (000)	Respendable Revenue (000)	Major Capital (000)	Grants and Contributions (000)	Total (000)
<i>CCG Business Lines:</i>					
Marine Navigation Services	18,928.60	(27.00)			18,901.60
Marine Communication & Traffic Services	8,888.50				8,888.50
Icebreaking Operations	8,794.60				8,794.60
Rescue, Safety and Environmental Response	9,909.10			75.00	9,984.10
Fleet Management	5,087.80				5,087.80
<i>Total GCC Business Lines (000)</i>	51,608.60	(27.00)	0.00	75.00	51,656.60

Planning Year: 2005-2006

Business Line	Operating ¹ (000)	Respendable Revenue (000)	Major Capital (000)	Grants and Contributions (000)	Total (000)
<i>CCG Business Lines:</i>					
Marine Navigation Services	18,828.60	(27.00)			18,801.60
Marine Communication & Traffic Services	8,888.50				8,888.50
Icebreaking Operations	8,794.60				8,794.60
Rescue, Safety and Environmental Response	9,909.10			75.00	9,984.10
Fleet Management	5,087.80				5,087.80
<i>Total GCC Business Lines (000)</i>	51,508.60	(27.00)	0.00	75.00	51,556.60

Resources by Business Line: Regions

Pacific

Planning Year: 2003-2004

Business Line	Operating ¹ (000)	Respendable Revenue (000)	Major Capital (000)	Grants and Contributions (000)	Total (000)
<i>CCG Business Lines:</i>					
Marine Navigation Services	18,279.60	(148.00)			18,131.60
Marine Communication & Traffic Services	12,787.10				12,787.10
Icebreaking Operations	267.50				267.50
Rescue, Safety and Environmental Response	25,085.80			125.00	25,210.80
Fleet Management	5,632.00		3,869.00		9,501.00
<i>Total GCC Business Lines (000)</i>	62,052.00	(148.00)	3,869.00	125.00	65,898.00
<i>Non-CCG Business Lines:</i>					
Science	7,951.90				7,951.90
C&P	4,209.60				4,209.60
<i>Total Non-GCC Business Lines (000)</i>	12,161.50	0.00	0.00	0.00	12,161.50
Total Anticipated Budget Managed (000)	74,213.50	(148.00)	3,869.00	125.00	78,059.50

Planning Year: 2004-2005

Business Line	Operating ¹ (000)	Respendable Revenue (000)	Major Capital (000)	Grants and Contributions (000)	Total (000)
<i>CCG Business Lines:</i>					
Marine Navigation Services	17,528.10	(148.00)			17,380.10
Marine Communication & Traffic Services	12,941.60				12,941.60
Icebreaking Operations	519.80				519.80
Rescue, Safety and Environmental Response	22,640.20			125.00	22,765.20
Fleet Management	4,773.30				4,773.30
<i>Total GCC Business Lines (000)</i>	58,403.00	(148.00)	0.00	125.00	58,380.00

Planning Year: 2005-2006

Business Line	Operating ¹ (000)	Respendable Revenue (000)	Major Capital (000)	Grants and Contributions (000)	Total (000)
<i>CCG Business Lines:</i>					
Marine Navigation Services	17,528.10	(148.00)			17,380.10
Marine Communication & Traffic Services	12,941.60				12,941.60
Icebreaking Operations	519.80				519.80
Rescue, Safety and Environmental Response	22,640.20			125.00	22,765.20
Fleet Management	4,773.30				4,773.30
<i>Total GCC Business Lines (000)</i>	58,403.00	(148.00)	0.00	125.00	58,380.00