



DOCUMENTS

DFO - Library / MPO - Bibliothèque



09055684

RECEIVED

NOV 05 2004

LIBRARY  
BEDFORD INSTITUTE OF  
OCEANOGRAPHY

ESTIMATES

# Fisheries and Oceans Canada

2004-2005  
Estimates

Part III - Report on Plans and Priorities

Canada

# **Fisheries and Oceans Canada**

## **2004–2005 Estimates**

### **A Report on Plans and Priorities**

**Approved**

---

**The Honourable Geoff Regan, P.C., M.P.**  
**Minister of Fisheries and Oceans**

# Table of Contents

<b>Section 1 — Messages .....</b>	<b>1</b>
Minister’s message .....	2
Management representation .....	4
<b>Section 2 — Departmental Overview .....</b>	<b>5</b>
DFO at a glance .....	6
Part of a larger agenda .....	7
Working toward planned results .....	9
Planning context.....	11
A comprehensive response to DFO’s challenges.....	15
<b>Section 3 — Financial Overview .....</b>	<b>19</b>
Net planned spending .....	20
<b>Section 4 — Departmental Plans and Priorities by Strategic Outcome .....</b>	<b>25</b>
Continuing to serve Canadians: A summary of priorities.....	26
Supporting all strategic outcomes: DFO’s Fleet.....	28
Management and protection of fisheries resources .....	29
Protection of the marine and freshwater environment.....	37
Maritime safety .....	43
Maritime commerce and ocean development.....	47
Understanding of the oceans and aquatic resources.....	53
<b>Section 5 — Consolidated Reporting .....</b>	<b>57</b>
Management improvements.....	58
<b>Section 6 — Departmental Structure and Other Information ....</b>	<b>61</b>
Organizational structure .....	62
Statutes, regulations and statutory reports .....	64
Contacts for further information.....	66

---

<b>Section 7 — Financial Information .....</b>	<b>67</b>
Overview .....	68
Financial tables .....	68
<b>Section 8 — Index .....</b>	<b>78</b>

## List of Tables

Table 2-1: DFO's Contribution to the Federal Government's Horizontal Areas, by Main Theme.....	8
Table 3-1: Departmental planned spending (Main Estimates, net planned spending, and total cost of Program).....	21
Table 3-2: Net planned spending by strategic outcome, business line, and accountability for 2004–2005.....	24
Table 4-1: Departmental Plans and Priorities by Strategic Outcome .....	26
Table 7-1: Summary of capital spending by business line .....	68
Table 7-2: Details on major capital project spending by business line .....	69
Table 7-3: Summary of transfer payments (grants and contributions) .....	71
Table 7-4: Details on transfer payments programs (grants and contributions) .....	72
Table 7-5: Sources of spendable and non-spendable revenue.....	73
Table 7-6: Net cost of program for 2004–2005.....	74
Table 7-7: Legislative and regulatory initiatives .....	75
Table 7-8: External charging .....	76
Table 7-9: Major initiatives .....	76

## List of symbols

In this document, readers will encounter the following symbols:



Indicates a link to an Internet site where more information can be obtained



Indicates a link to the Department's *Sustainable Development Strategy: Progress Report on 2001–2003 Strategy*



"HORIZONTAL AREA"

Indicates initiatives delivered in collaboration with other federal government departments, other jurisdictions and other stakeholders (see pages 8 and 9)

---



# Section 1 — Messages



## ***In this section:***

- ◆ *Minister's message* *Page 2*
- ◆ *Management representation* *Page 4*

## Minister's message



As Canada's Minister of Fisheries and Oceans, it gives me great pleasure to present my department's *Report on Plans and Priorities* for 2004–2005. I am very excited about working with people throughout Canada's fisheries and oceans sector to ensure that these key resources benefit Canadians and are protected for future generations.

Canada's fisheries and oceans sector makes a number of important contributions to Canadian life. It represents an important economic engine, employing hundreds of thousands of Canadians and injecting billions of dollars into the national economy. The sector is also an important part of our national heritage, and continues to play a central role in communities throughout the country.

As this sector has evolved and become more interconnected with other sectors over the years, so too has Fisheries and Oceans Canada. Today, the Department delivers a wide range of services in support of this key Canadian sector. Fisheries and Oceans Canada plays a number of crucial roles in Canada's fisheries and oceans: managing and protecting our fisheries resources and habitats, providing high-quality maritime safety and emergency response services through the Canadian Coast Guard, building on our scientific understanding of oceans and waterways, and fostering the development of maritime commerce and the oceans economy.

Over the coming year, we will continue to provide these services, while focusing on a number of key priorities:

- ❑ advancing fisheries conservation objectives, both nationally and internationally;
- ❑ improving how our fisheries and oceans are managed, by working closely with people throughout the sector and with other levels of government;
- ❑ leading the government in the development of an Oceans Action Plan;
- ❑ modernizing the Canadian Coast Guard by implementing the special operating agency and renewing the fleet;
- ❑ developing Canada's oceans in a sustainable manner;
- ❑ enhancing the conservation of Canada's marine and freshwater fish habitat;
- ❑ providing a wide range of marine services to keep Canada's waterways safe and accessible;
- ❑ leading the world in the provision of high-quality scientific advice about our oceans, waterways and the resources they hold;
- ❑ increasing Aboriginal participation in the fishery;



- ❑ strengthening the Department's relationship with other levels of government;
- ❑ helping to develop energy resources in Canada's marine environment in a sound and cost-effective manner;
- ❑ working to ensure safe and efficient harbours;
- ❑ creating an environment that supports a competitive and sustainable aquaculture industry;
- ❑ responding to evolving legislative requirements, such as the *Species at Risk Act*.

To continue playing an effective role into the future, we need to ensure that the Department's programs and policies are tied as closely as possible to the everyday needs of Canadians. We are emerging from a period of significant assessment, which is bringing forward a number of initiatives to provide a better match between the services we provide and the need for these services in communities throughout Canada. This is in keeping with the Government of Canada's overall approach of finding new ways of doing business and reallocating limited resources to the highest priorities so that the services Canadians need are delivered as efficiently and cost-effectively as possible.

Through its work, and its ongoing commitment to matching its resources to the needs of Canadians, my department is making an important contribution to Canada's fisheries and oceans community. As Minister, I look forward to working closely with this community in the time ahead, and finding more ways to play an active and meaningful role in the development of Canada's fisheries and oceans sector, for the benefit of all Canadians.

---

**The Honourable Geoff Regan, PC, MP**

**Minister of Fisheries and Oceans**

## ***Management representation***

I submit, for tabling in Parliament, the *2004–2005 Report on Plans and Priorities* for Fisheries and Oceans Canada.

This document has been prepared based on the reporting principles and disclosure requirements contained in the Treasury Board of Canada Secretariat *Guide to the Preparation of the 2004–2005 Report on Plans and Priorities*:

- It accurately portrays the organization's plans and priorities.
- The planned spending information in this document is consistent with the directions provided in the Minister of Finance's Budget and by the Treasury Board of Canada Secretariat.
- It is comprehensive and accurate.
- It is based on sound underlying departmental information and management systems.

The reporting structure on which this document is based has been approved by Treasury Board Ministers and is the basis for accountability for the results achieved with the resources and authorities provided.

Name: \_\_\_\_\_

Larry Murray

Title: Deputy Minister

Date: \_\_\_\_\_

## Section 2 — Departmental Overview



### ***In this section:***

- ◆ *DFO at a glance* *Page 6*
- ◆ *Part of a larger agenda* *Page 7*
- ◆ *Working toward planned results* *Page 9*
- ◆ *Planning context* *Page 11*
- ◆ *A comprehensive response to DFO's challenges* *Page 15*

## ***DFO at a glance***

### **Mandate**

Fisheries and Oceans Canada, on behalf of the Government of Canada, is responsible for policies and programs in support of Canada's economic, ecological and scientific interests in the oceans and freshwater fish habitat; for the conservation and sustainable utilization of Canada's fisheries resources in marine and inland waters; and for safe, effective and environmentally sound marine services responsive to the needs of Canadians in a global economy.

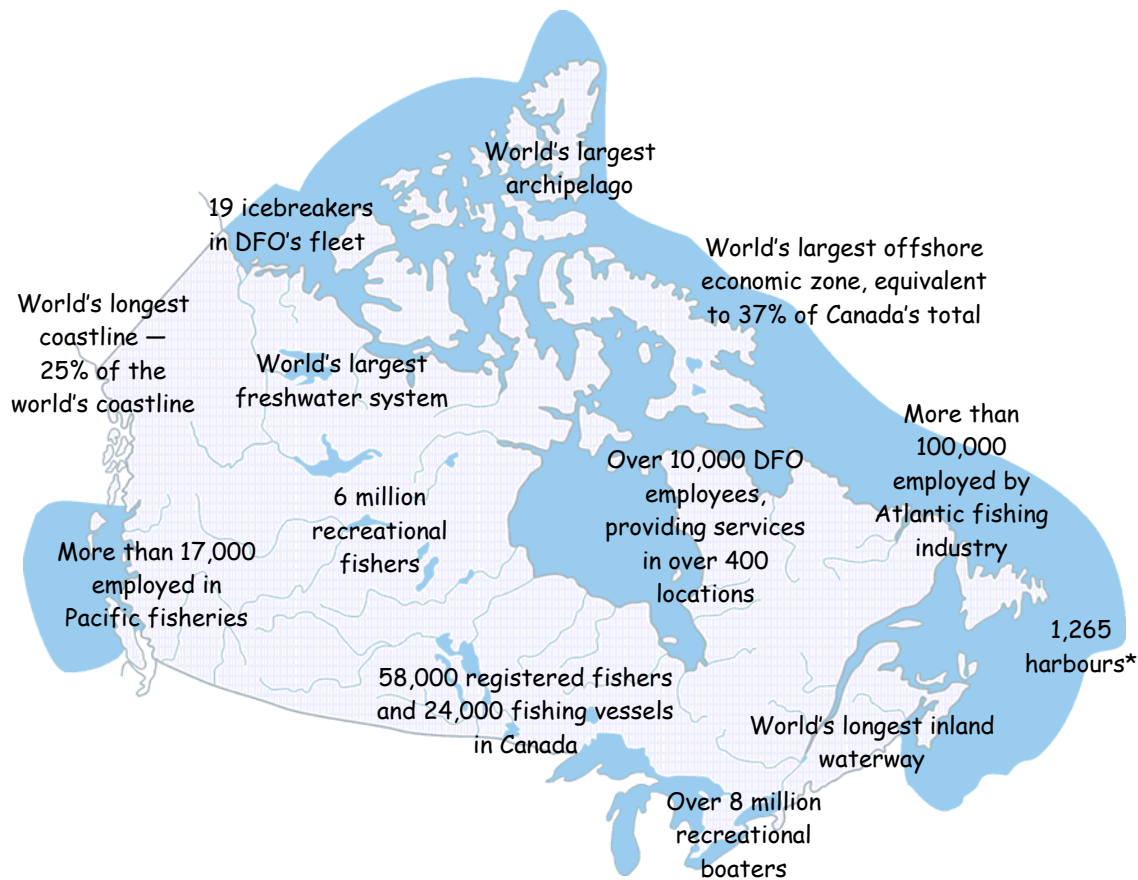
Canada's fisheries and oceans have long played an important role in Canada's development and growth as a nation. They are central elements of the historical, economic and cultural fabric of Canada's coastal communities, providing a strong and reliable resource base around which Canada's national economy and sense of nationhood grew. Today, they continue to provide employment and opportunity for thousands of Canadians in communities, large and small, throughout the country.

Fisheries and Oceans Canada is widely known as the Department of Fisheries and Oceans (DFO). Its mandate, programs and services play key roles in the many facets of this sector — from fishing and marine transportation to tourism and recreation. DFO seeks to maintain the productivity of Canada's fisheries and oceans, protect marine and freshwater resources, ensure public safety and efficient vessel traffic along Canadian waterways, and provide the scientific knowledge that policy makers need to make informed decisions about Canada's oceans and their resources.

Meeting these goals in the years ahead means striking a delicate balance between the sector's need to grow and remain competitive, and the need to ensure that this growth never comes at the expense of Canada's fisheries and oceans.

It also means working to ensure that DFO's programs and policies are tied as closely as possible to the everyday needs of Canadians, in keeping with the Government of Canada's overall approach of finding new ways of doing business so that the services Canadians demand are delivered as efficiently and cost-effectively as possible.

Above all, it means working closely with people throughout Canada — and around the world — to ensure that Canada's fisheries and oceans sector remains an important part of Canadian life for generations to come.



\* The inventory of 1,265 harbours is composed of 1,021 commercial fishing harbours and 244 recreational harbours — 683 of the commercial fishing harbours are managed by Harbour Authorities.

## Part of a larger agenda

Every year, the President of the Treasury Board presents a report on government performance to Parliament. The report seeks to engage Canadians in discussions on broad policy issues and directions by improving the availability and quality of performance information on federal programs and initiatives, and providing parliamentarians with a context for reviewing the performance of federal departments and agencies. The most recent report, *Canada's Performance 2003*, presents data on four main themes that reflect a balance of social, economic and environmental interests. It also identifies 26 horizontal areas in which federal departments are actively involved.

The multitude and diversity of the benefits that DFO provides for Canadians is illustrated by the fact that the Department plays an important role in 9 of these 26 horizontal areas.

[http://www.tbs-sct.gc.ca/report/gov-ev/03/cp-rc\\_e.asp](http://www.tbs-sct.gc.ca/report/gov-ev/03/cp-rc_e.asp)



"HORIZONTAL AREA"

**Table 2-1: DFO's Contribution to the Federal Government's Horizontal Areas, by Main Theme**

Economic Opportunities and Innovation in Canada	The Health of Canadians	The Canadian Environment	The Strength and Safety of Canadian Communities
<ul style="list-style-type: none"> <li>• A competitive economy</li> <li>• An effective regulatory regime</li> </ul>	<ul style="list-style-type: none"> <li>• Protection from preventable risks</li> </ul>	<ul style="list-style-type: none"> <li>• Canadian biodiversity is conserved</li> <li>• A pollution-free environment</li> <li>• Sound environmental decisions</li> <li>• Sustainable natural resources</li> </ul>	<ul style="list-style-type: none"> <li>• Strong and self-sufficient First Nation, Inuit, and Northern Communities</li> <li>• Safe communities</li> </ul>

## Horizontal initiatives

Horizontal initiatives represent the collaborative efforts of two or more organizations working together to achieve shared outcomes. While they often include arrangements between or among federal departments or agencies, they can also involve parties from the private and third sectors.

DFO partners with a number of federal departments and agencies on horizontal initiatives, including the Canadian Biotechnology Strategy, the Youth Employment Strategy, Team Canada Incorporated, Public Security and Anti-Terrorism; and Canada's Oceans Strategy.

Over the past few months, significant advancements associated with Canada's Oceans Strategy have occurred: One such advancement is the appointment of a Parliamentary Secretary to the Minister of Fisheries and Oceans, whose objective is the development and implementation of an Oceans Action Plan.

Implementation of such an initiative was re-affirmed on February 3, 2004 as a priority item for action in the Government's Speech from the Throne. The Plan places an increased emphasis on pursuing opportunities that 1) add greater value to natural resource development through the application of advanced technology, 2) develop Canada's energy resources and 3) promote Canada's role as a leader in environmental stewardship.

Although the implementation of an action plan for oceans is a government-wide responsibility, it also seeks to build on the authorities and activities currently laid out in the *Oceans Act* and Canada's Oceans Strategy, in which the Minister of Fisheries and Oceans is afforded the legislative authority to "lead and facilitate" a national strategy for the oceans.

[http://www.tbs-sct.gc.ca/rma/eppi-ibdrp/hrdb-rhbd/profil\\_e.asp](http://www.tbs-sct.gc.ca/rma/eppi-ibdrp/hrdb-rhbd/profil_e.asp)



[http://www.cosoc.gc.ca/doc/im-gi/policy\\_e.asp](http://www.cosoc.gc.ca/doc/im-gi/policy_e.asp)



As this initiative is at the most preliminary stage of development, it is premature to specify or estimate approximate resource requirements for the Department and its partners in this undertaking.



## ***Voluntary Sector Initiative***

In December 2001, the federal government signed an accord with the voluntary sector in a joint undertaking to promote partnerships between the Government of Canada and the voluntary sector.

DFO and the voluntary sector have a long history of working together for the benefit of Canadians. DFO has a relationship with many voluntary organizations across Canada that assist the Department in such efforts as environmental stewardship, habitat restoration, scientific activities, small craft harbour maintenance, and search and rescue operations.

<http://www.vsi-isbc.ca/eng/index.cfm>



DFO will continue to participate in the Voluntary Sector Initiative in 2004-2005 through the development of an action plan that is based on the Department's strategy to implement the accord between the Government of Canada and the voluntary sector. To assist in bringing this plan to life, an implementation plan and departmental communications strategy will be devised to promote the Accord and its related Codes of Good Practice.

## ***Working toward planned results***

DFO is committed to delivering five long-term and enduring benefits to Canadians, which are derived from the Department's vision of "safe, healthy, productive waters and aquatic ecosystems, for the benefit of present and future generations." These benefits, also known as strategic outcomes, are achieved through the Department's programs, activities, major initiatives (see Table 7-9), and collaborative efforts with other government departments, voluntary organizations and international organizations.

DFO's five strategic outcomes and the current challenges associated with the achievement of these outcomes are as follows:

### ***Management and protection of fisheries resources***

Managing and protecting Canada's fisheries resources involves working with stakeholders to conserve and make sustainable use of these resources and their habitats for the benefit of present and future generations. Challenges include:

- staying the course in the reform of fisheries management policies;
- increasing Aboriginal participation in the fisheries;
- modernizing Canada's fisheries;
- advancing Canada's international interests.

## ***Protection of the marine and freshwater environment***

Protection of Canada's marine and freshwater environment is central to the Government's commitments to environmental and habitat protection, safe navigation, fisheries management and the health of aquatic species. Canada's oceans, lakes and waterways have become busy places, and its aquatic resources are an integral component of the Canadian economy. Ensuring their sustainable use requires the Department to respond to challenges, some of which are as follows:

- ❑ changing demands on and uses of marine spaces;
- ❑ increasing public concern over freshwater issues;
- ❑ increased need for co-operation with others;
- ❑ increasing economic development;
- ❑ climate change;
- ❑ legislative reform;
- ❑ new demands for marine services.

## ***Maritime safety***

DFO strives to make Canada's waterways safe — reducing the number and severity of accidents, helping people in distress and danger, and preventing loss of life and damage to property. DFO provides up-to-date, timely and accurate navigational products and services; maintains a comprehensive marine communications and traffic services network; maintains effective aids to navigation. In doing so, the Department must respond to the following challenges:

- ❑ increased demand for geographic coverage;
- ❑ increased activities in uncharted waters;
- ❑ changing trends in technology;
- ❑ partnering with other government departments to support maritime security;
- ❑ ensuring that harbours that are critical to the fishing industry are in good repair;
- ❑ managing departmental activities with existing resources despite efforts to fund additional demands and priorities that fall out of the realm of "regular" business.

## ***Maritime commerce and ocean development***

DFO is committed to strengthening maritime commerce and ocean development activities — activities that have a real and lasting impact on Canada's economy. To achieve this goal, the Department must respond to the following:

- ❑ growing demands for marine transport security;
- ❑ increased demands for economic development;



- ❑ growing need for international co-operation;
- ❑ the growing importance of aquaculture;
- ❑ demands to increase competitiveness;
- ❑ sovereignty and “Canadian presence” issues, particularly as Arctic activity increases.

## ***Understanding of the oceans and aquatic resources***

Making decisions in all of the above areas requires the best scientific advice to be available. The Department has a long and proud history of providing sound, cutting-edge science that helps shape the policies and programs that keep Canada’s fisheries and oceans healthy and productive. Providing high-quality and timely new knowledge, products and scientific advice are made more challenging by:

- ❑ increased demand for scientific information, advice, products and services;
- ❑ increased complexity of science-based issues;
- ❑ the increasing costs of conducting science, especially in the North;
- ❑ the need to integrate and align research efforts across federal departments and agencies to address horizontal issues of importance to Canadians;
- ❑ technological change.

## ***Planning context***

Several ongoing challenges influence all the results DFO delivers and priorities it establishes in an overarching way. For example, the Department has adopted a corporate strategic approach to communications aimed at ensuring that the public receives government information and that the views and concerns of the public and stakeholders are taken into account in the planning, management, and evaluation of policies and programs. In the face of better targeted and more transparent communication, consultation and collaboration have become critical in addressing the concerns of diverse stakeholders.

## ***The overall state of Canada’s fishery***

Canada’s fisheries have been through a decade of challenge and adjustment. Increased demands for access continue to highlight the need to strike a balance between harvesting and protecting the resource to ensure its sustainability.

Canada is the fifth largest exporter of fish and seafood products in the world. The primary fisheries industry in Canada generated a record \$2.8 billion in 2002, providing 59,192 direct jobs and thousands more in related industries.

Overall, fewer fish are being caught in Canada, but the value of the catch is higher. Although overall landings in the commercial fisheries declined by 19%

between 1992 and 2002, the value of the catch increased by 52% during the same period.

## ***Expanding responsibilities***

Recent federal legislation has expanded DFO's role as an environmental steward in the areas of fish habitat, biodiversity, sustainable aquaculture, protection of endangered species and their habitats, and hazardous substances. For example, the *Oceans Act* and the Department's contribution to national security and sovereignty have become prevalent issues in day-to-day operations. More recently, the Department has seen its responsibilities expand in two areas:

### **Did you know?**

To date, DFO's Species at Risk Program has developed 22 recovery strategies covering 36 aquatic species at risk. The Department has also directed \$14 million toward recovery implementation projects benefiting over 30 of these and other high-priority species.

### ***Species at Risk Act***

The recent entry into force of the *Species at Risk Act* (SARA) has provided DFO with an additional tool to reinforce its environmental protection and sustainable development efforts. As the department with authority for aquatic species under this Act, DFO will continue to carry out activities that directly support the implementation and enforcement of this important piece of legislation.

SARA will require the Department to increase its efforts to assess the status of species at risk; engage in consultations with Canadians on species to be considered for listing; develop and implement recovery strategies, actions and management plans, and enforcement mechanisms; and identify habitats that are critical to the survival and recovery of species at risk.

### ***Environmental assessment***

The Department's responsibilities also expanded under Bill C-9, *an Act to Amend the Canadian Environmental Assessment Act* (CEAA), which came into force on October 30, 2003. The amendments provide for some streamlining of the environmental assessment process, but they also include increased requirements for responsible authorities to conduct environmental assessments. The major amendments included:

- ❑ creation of a Federal Environmental Assessment Coordinator for all environmental assessments;
- ❑ increased requirements for information on the Canadian Environmental Assessment Registry (Internet site);
- ❑ new public participation requirements for comprehensive studies;
- ❑ mandatory follow-up program requirements for projects subject to comprehensive studies, panel review and mediation.

## ***The Aboriginal Fishery***

Assisting Aboriginal people to build the capacity to participate more effectively in the multi-stakeholder processes used for aquatic resources and oceans



management will help to avoid separate management solitudes. Building their capacity to take advantage of opportunities to participate in commercial fisheries and aquaculture development will contribute to the broader government agenda of improving the overall socio-economic conditions of Aboriginal groups.

The Department is continuing to take steps to engage Aboriginal peoples in the fisheries management process and to address land claims and treaty rights.

In 2003, DFO announced two new Aboriginal programs — the Aboriginal Aquatic Resource and Oceans Management (AAROM) program and the Aboriginal Inland Habitat Program (AIHP). The AAROM program is designed to provide Aboriginal groups, where DFO manages the fishery, with the capacity to participate effectively in the multi-stakeholder processes used for aquatic resources and oceans management. The AIHP will provide similar capacity building support to inland Aboriginal groups related to habitat management, where DFO is responsible for fish habitat. These two programs are intended to put in place the structures and expertise to support the engagement of Aboriginal groups in areas of DFO responsibility over the long term.

### ***International co-operation***

As the lead federal department possessing expertise in oceans and aquatic resources sciences, DFO works with the international scientific community to advance and share scientific knowledge. The Department also contributes to the work of the scientific advisory committees of a number of international organizations that Canada belongs to, such as the International Council for the Exploration of the Sea, the Northwest Atlantic Fisheries Organization, and the International Hydrographic Organization.

Fisheries resources inhabit both national and international waters, and the Government of Canada is committed to protecting and conserving the sustainable harvest of fisheries resources. To assist with this commitment, DFO promotes effective harvest management regimes in international waters to help achieve domestic objectives and to ensure equitable benefits from anadromous, straddling, highly migratory and transboundary fish stocks. It does so by advancing departmental sustainable development objectives bilaterally with foreign states and in international forums.

DFO also helps to develop more effective governance models for international fisheries management organizations to improve decision making and provide a solid base for enhanced fisheries organizations' monitoring, surveillance and enforcement roles to deal with foreign overfishing, flags of convenience vessels, and illegal, unreported and unregulated fishing.

Other aspects of the Department's mandate also involve co-operative efforts on an international scale. The *Oceans Act* has broadened DFO's role, requiring the Department to participate in international forums to promote stewardship and

sustainable development. To achieve greater coherence and less overlap in its international activities, the Department is now completing an International Action Plan and revising its International Business Development Strategy.

DFO provides secretariat services and expert advice on usage rights to the International St. Lawrence River Board of Control and is the Canadian Chief Delegate to the International Navigation Association. The Department also seeks to influence international standards and is involved with the International Association of Lighthouse Authorities, the International Association of Ports and Harbours, the International Association of Hydraulic Engineering and Research, and the International Maritime Organization. Those obligations that carry with them an international component within DFO's programs and activities include safety, security and environmental protection. This requires the Department to fulfil its response role for the International Conventions on Oil Pollution Preparedness, Response and Co-operation on Prevention of Pollution from Ships, and Safety of Life at Sea.

Working co-operatively with Transport Canada, DFO is also responsible for representing Canada on international bodies that address other operational and technical concerns, such as the International Maritime Satellite System and International Joint Commission. The Department uses these forums to influence international maritime rules. Also, it adopts appropriate resolutions, which allows international shippers to better understand and abide by the legislation and regulations when operating in Canadian waters.

## ***The impact of technology***

Emerging technologies are changing the way Canadians work and communicate in all facets of life, as well as their expectations of how the Government does business. Changing technology offers tremendous opportunities for DFO to be more efficient and effective in program delivery and to improve the efficacy of its decisions, based on better information.

New tools are beneficial for acquiring and analyzing information, and for improved information management and dissemination. For example, vessel monitoring systems help the Department to play a lead role in international and domestic efforts to sustain the world's aquatic resources. Electronic navigational charts, in conjunction with the Differential Global Positioning System (DGPS), allow mariners to plot their position in Canadian waters more accurately and to navigate more safely. The Automatic Identification System allows for increased surveillance of vessels, including "near real-time" identification of those vessels approaching and operating within the Exclusive Economic Zone. Increased computer literacy has led to expanded demands for real-time access to data from an increasing number of stakeholders.



The introduction of technological changes requires time and effort to integrate the emerging technologies into operations, obtain user acceptance and continue delivering the existing program.

## ***A comprehensive response to DFO's challenges***

In today's tough fiscal environment, it is becoming increasingly difficult to maintain service levels and standards with current resources. Increasing and changing client demands, combined with increasing costs, make it necessary for the Department to continually evaluate and update its programs and services to deliver value for Canadians.

The Department is working to revitalize itself as a more dynamic organization capable of adapting to new circumstances, setting clear priorities, and developing innovative practices to ensure quality services and financial stability.

DFO was one of four departments to participate in the Expenditure and Management Review (EMR) process, announced by Treasury Board in 2003, to ensure better management of resources for maximum program results for Canadians. In December 2003, the Government of Canada announced a further extensive review of government spending and immediate measures to control costs to ensure that the Government has the flexibility to meet the priorities of Canadians. The Department will implement the recommendations from these reviews once approved by Treasury Board Ministers.

## ***Departmental Assessment and Alignment Project***

DFO has had a comprehensive Departmental Assessment and Alignment Project (DAAP) under way since November 2002 to assess all its policies, programs and activities. The Department is therefore well positioned to demonstrate its commitment to managing resources in a way that maximizes program results for Canadians building the Department that Canadians need now and in the future.

The fundamental aims of the DAAP are to:

- ❑ improve financial stability — enabling DFO to live within its means while addressing chronic financial pressures, identifying a permanent source of funds for contributing to government-wide reallocation, and generating financial flexibility to address new or higher priorities;
- ❑ modernize management practices — making DFO a leader in modern management;
- ❑ renew policies and programs — providing DFO with clearly defined priorities and well-aligned programs and services for Canadians.

The DAAP has been working to build on a number of reform initiatives undertaken in recent years, for example the Atlantic Fisheries Policy Review, Canada's Oceans

Strategy, Canadian Coast Guard Modernization and the Department's Aquaculture Policy Framework. The DAAP has involved every sector and region of the Department and has included drawing linkages between programs to build on synergies, combining efforts, and laying the groundwork for a renewed organization and Strategic Plan. In considering options for changing the way DFO does business, the emphasis has been on identifying internal efficiencies and improving service delivery, so that DFO programs respond to the needs of Canadians and are affordable within the resources currently at the Department's disposal.

As a result of the DAAP, DFO undertook a number of measures in 2003 to improve management practices and realize savings on internal operations for reallocation to program priorities. Funds were identified for DFO's \$9 million contribution to the 2003 government-wide \$1 billion reallocation exercise, and the DAAP helped to ensure the Department's effective participation in the 2003 federal EMR process. DFO is also well positioned to respond to the comprehensive analysis of expenditures in relation to program priorities that will be expected of all federal departments in 2004.

The DAAP has been a top priority for DFO. It has proceeded on an ambitious time line and concluded in 2004. When the DAAP and its assessment of policies, programs and expenditures has been completed, the focus will shift to the implementation of changes to improve operations and service delivery — including changes already started in 2003.

## ***Human resources planning***

DFO is taking significant steps to develop a culture of human resources (HR) planning, both to ensure that salary expenditures align with salary allocations and prepare the Department for HR Modernization. Historically, DFO has needed to respond quickly to crises and dynamic situations, leading to short-term staffing decisions that have created some budgetary pressures.

As the *Public Service Modernization Act* comes into force and creates the conditions for more strategic HR management, it will become increasingly important to ensure that the Department's HR decision making is guided by well-designed, longer term plans. To lay the groundwork for this shift, DFO implemented a department-wide staffing plan process in fall 2003.

## ***Governance and performance measurement***

Post-DAAP, DFO will focus on implementing a comprehensive management, policy and program renewal agenda. Change initiatives arising from the DAAP will be incorporated into an action framework that establishes priorities and management accountabilities for implementation over the short, medium and long term. The framework will include options for realigning resources with priorities, as well as



any adjustments to the Department's management and program delivery structures that may be required for more effective service delivery to Canadians.

As well, the results of the DAAP will be situated within — and guided by — the Treasury Board of Canada Secretariat Management Accountability Framework (MAF), which describes standards for departments to adopt for achieving excellence in program outcomes. DFO remains committed to performance measurement and an appropriate process will be developed to assess the achievement of outcomes in relation to departmental priorities and the broader government agenda.

In line with this commitment to performance measurement, the Department will be implementing business intelligence tools to structure and facilitate the integration of data contained across various databases; developing frameworks to illustrate the link between the resources consumed and the results achieved: devising national Results-based Management and Accountability Frameworks (RMAFs) for each DFO programs; and publishing a national performance report for the CCG — the first in an ongoing series of reports dedicated to demonstrating results and ensuring transparency and accountability.

## ***Strategic Plan renewal***

In 2004–2005, DFO will develop and implement a renewed Strategic Plan to guide departmental policy and program priorities over the next three to five years. The Strategic Plan provides a framework of corporate objectives and strategic priorities to enable the Department to ensure that its programs and policies are focused toward the achievement of its corporate vision and mandate.

The findings of the DAAP will be integral to the Strategic Plan renewal process. In addition, the development of the Strategic Plan will be guided by an environmental scan highlighting drivers of change and opportunities, policy priorities of the Government of Canada, and a national fiscal priority to ensure that financial resources are targeted toward policies and programs that focus on results for Canadians.

The Department will also be developing and tabling a new Sustainable Development Strategy (SDS) in 2004–2005. In February 2004, federal departments and agencies tabled their third generation of SDSs. At this time, DFO elected to table a progress report on its 2001 SDS. The report, *Sustainable Development Strategy: Progress Report on 2001-2003 Strategy*, outlines progress on the 41 planned activities to which the Department committed in its 2001 SDS, and points the way toward DFO's new SDS.



[http://www.dfo-mpo.gc.ca/sds-sdd2004/Index\\_e.htm](http://www.dfo-mpo.gc.ca/sds-sdd2004/Index_e.htm)

The decision to table a progress report, made in consultation with the Office of the Commissioner of the Environment and Sustainable Development (CESD), ensures that DFO's new SDS will be fully aligned with the policy and program priorities and outcomes of the renewed Strategic Plan. Strengthened by DFO's renewed

policy and program direction, the next SDS will set forth commitments that are consistent with DFO's vision to "work with Canadians to ensure the sustainable development and safe use of Canadian waters."

## ***Strategic initiatives of the Canadian Coast Guard***

The past year has been one of great change for the Canadian Coast Guard (CCG), starting in June 2003 when the Deputy Minister redefined the lines of authority and accountability with the regions and continuing with the December 12, 2003 announcement by Prime Minister Paul Martin that the CCG would operate as a special operating agency (SOA) within Fisheries and Oceans Canada. SOAs are operational organizations within existing departmental structures that are mainly involved in the delivery of services.

These changes provide an opportunity for the CCG to continue to work effectively and collaboratively with the Department and to further demonstrate that it is able to build a truly national, cohesive institution that has consistent practices and can deliver on its planned priorities in a financially responsible fashion. Details as to how this will affect both the CCG and DFO as a whole are yet to be determined.

In December 2003, it was also announced that Transport Canada would be responsible for the marine safety and security policy. Discussions have begun with Transport Canada to communicate the details, the impact on departmental business and implications of this announcement.

The Department will continue to make progress on its high-priority strategic initiatives, to become more effective as an organization and to gain efficiencies where possible. These initiatives, which evolved from Phase I of the Departmental Assessment and are being refined during the DAAP, are as follows: the Fleet Management Renewal Initiative, Fleet Modernization Initiative, Integrated Technical Support Strategy Project, Marine Aids Modernization, Lightkeeper Options Project, Marine Communications and Traffic Services Strategic Review Phase II, Marine Services Fees Strategy, Automatic Identification System, and Financial Management Framework.

## Section 3 — Financial Overview



### ***In this section:***

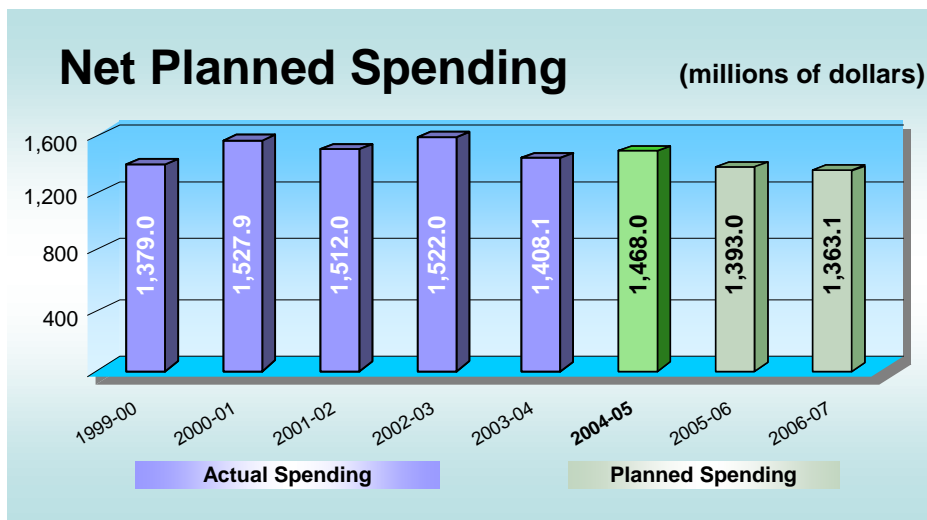
- ◆ *Net planned spending* *Page 20*
- Historical trends* *Page 20*
- The planning period 2004–2005 to 2006–07* *Page 20*
- Strategic outcomes* *Page 22*

## Net planned spending

Net planned spending for Fisheries and Oceans Canada for the 2004–2005 fiscal year totals \$1,468.0 million.

## Historical trends

### Net planned spending, 1999–2000 to 2006–2007



### The planning period 2004–2005 to 2006–2007

The net planned spending figure of \$1,468.0 million for 2004-2005 in the graph above reflects Main Estimates for Fisheries and Oceans Canada (\$1,470.8 million) and a net reduction of \$2.8 million for adjustments.

Table 3-1 presents information on planned spending for the coming three years. The first column presents actual spending for 2003–2004 and is based on Public Accounts. The lower portion of the table includes an adjustment to actual spending and reflects approvals received after the Main Estimates cut off date and will be included in subsequent Supplementary Estimates exercises.

The first adjustment, which occurs across all fiscal years, is the effect of the changes to government machinery announced on December 12th, 2003. Actual spending for 2003-2004 and planned spending for the upcoming three fiscal years have been reduced as a result of the Order in Council that transfers responsibility for those portions of the *Canada Shipping Act* and *Navigable Waters Protection Act* and associated regulations presently managed by the Canadian Coast Guard to Transport Canada.

Remaining adjustments, affecting the next three planning years, reflect future updates to reference levels.

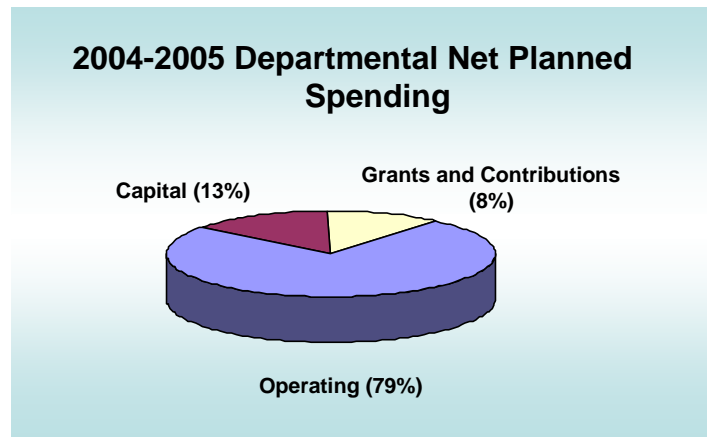


**Table 3-1: Departmental planned spending  
(Main Estimates, net planned spending, and total cost of Program)**

(in millions of dollars)	Actual Spending 2003-04	Planned Spending 2004-05	Planned Spending 2005-06	Planned Spending 2006-07
Marine Navigation Services	116.7	124.3	135.9	136.1
Marine Communications and Traffic Services	80.0	88.5	78.3	78.5
Icebreaking Operations	49.9	58.0	58.0	58.3
Rescue, Safety and Environmental Response	113.3	118.6	118.6	118.7
Fisheries and Oceans Science	173.9	167.9	167.5	161.8
Habitat Management and Environmental Science	92.7	89.6	88.9	88.7
Hydrography	34.1	31.2	30.7	31.0
Fisheries Management*	280.1	298.9	232.7	235.1
Harbours	97.8	91.5	86.5	86.5
Fleet Management	144.7	166.1	143.2	139.6
Policy and Internal Services*	283.3	283.4	258.3	262.9
Budgetary Main Estimates (gross)	1,466.5	1,518.0	1,398.6	1,397.2
Non-Budgetary Main Estimates (gross)	-	-	-	-
Less: Respendable Revenue	41.0	47.2	47.2	47.2
<b>Total Main Estimates</b>	<b>1,425.5</b>	<b>1,470.8</b>	<b>1,351.4</b>	<b>1,350.0</b>
<i>Adjustments**</i>				
Effect of the December 12th announcements:				
Transfer to Transport Canada ***	(17.4)	(20.3)	(19.3)	(18.3)
TBS Planned Spending Adjustments for Planning Years:				
Fisheries Access Program	-	-	28.5	-
Marine Safety	-	11.4	4.6	1.4
Marine Security	-	-	3.8	-
Aboriginal Programming Framework	-	8.0	10.0	14.0
Automatic Identification System	-	(7.0)	3.0	7.0
Proceeds of Real Property Sales	-	2.3	-	-
Capital Carry Forward	-	0.3	-	-
Framework Agreements with Mi'kmaq and Maliseet, and Incremental Treaty Arrangements	-	0.2	0.2	0.2
Inuvialuit Final Agreement	-	0.1	0.1	0.1
Canada's Relationship with Metis Community - Powley's Interim Response from Supreme Court Decision	-	0.1	-	-
Contaminated Sites	-	1.3	2.6	2.3
Addressing Foreign Overfishing Outside Canada's 200 Mile Zone	-	12.0	-	-
Investing in Offshore Development	-	0.3	1.4	1.6
ACV Quebec Project	-	(11.5)	6.7	4.8
<i>Total Adjustments</i>	<i>(17.4)</i>	<i>(2.8)</i>	<i>41.6</i>	<i>13.1</i>
<b>Net Planned Spending</b>	<b>1,408.1</b>	<b>1,468.0</b>	<b>1,393.0</b>	<b>1,363.1</b>
Less: Non-Respendable Revenue	53.4	49.6	49.2	49.1
Plus: Cost of Services Received Without Charge	91.9	91.2	91.6	92.6
<b>Net Cost of Program</b>	<b>1,446.6</b>	<b>1,509.6</b>	<b>1,435.4</b>	<b>1,406.6</b>
<b>Full Time Equivalents</b>	<b>10,600</b>	<b>10,400</b>	<b>10,200</b>	<b>10,200</b>

- \* The Main Estimates by business line have been adjusted for the three planning years. Fisheries Management has increased by \$3.1 million in 2004-05 and by \$4.3 million in 2005-06 and 2006-07 while Policy and Internal Services has been reduced by the same amounts. This is to provide an accurate reflection of the Department's business lines in light of a reduction taken for the Government-Wide Reallocation exercise.
- \*\* Adjustments are to accommodate approvals obtained since the Annual Reference Level Update (ARLU) exercise.
- \*\*\* The amounts showing for the transfer of DFO marine functions to Transport Canada include direct costs only. These numbers are not final as the MOU is not yet signed.

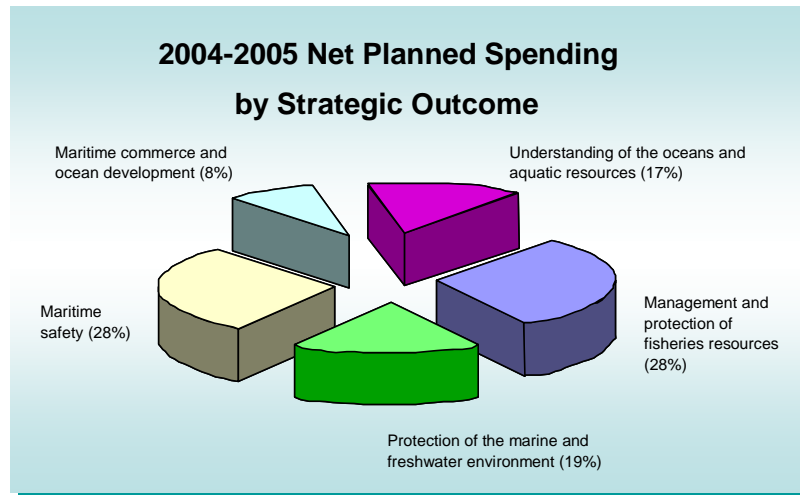
Full-time equivalents (FTEs) reflect the human resources that the Department uses to deliver its programs and services. This number is based on a calculation that considers full-time, part-time, term and casual employment, and other factors such as job sharing. While the Department is no longer required by central agencies to formally control the number of FTEs it uses, it will introduce internal FTE tracking for 2004-2005 and 2005-2006 to ensure that salary expenditures come into line with salary budgets and to foster a culture of longer-term HR planning which is well-integrated with business planning.



### ***Strategic outcomes***

The Department manages its resources to deliver five strategic outcomes. The chart below shows how departmental resources for 2004–2005 are allocated across these strategic outcomes.

To focus on benefits to Canadians, this document has been structured by strategic outcome rather than by business line. The financial systems currently in place do not report a precise allocation of resources to strategic outcomes. More detailed information on the resources associated with each business line is presented in Section 7.



The following table provides an approximation of business line resources by strategic outcome for the 2004–2005 fiscal year.

Figures provided for business lines represent Net Planned Spending (gross planned spending minus spendable revenues) and consequently are different from the figures shown in Table 3-1, which provides gross budgetary Main Estimates for each business line. The figures provided below show the effects of spendable revenues of \$47.2 million and a net reduction of \$2.8 million for adjustments. The departmental total for Net Planned Spending remains identical in both tables.

**Table 3-2: Net planned spending by strategic outcome, business line, and accountability for 2004-2005**

Business Line (millions of dollars)		Departmental Strategic Outcome					Accountability Total \$	
		Management and protection of fisheries resources	Protection of marine and freshwater environment	Maritime safety	Maritime commerce and ocean development	Understanding of the oceans and aquatic resources		
Marine Navigation Services	87.1	13.3	161.2	233.2	72.4	5.0	ADM, Marine Services/ Commissioner, Canadian Coast Guard	485.1
Marine Communications and Traffic Services	92.7							
Icebreaking Operations	44.2							
Rescue, Safety and Environmental Response	106.5							
Fleet Management	154.6							
Fisheries and Oceans Science	168.2	-	-	31.2	-	168.2	ADM, Science	199.4
Hydrography	31.2							
Habitat Management and Environmental Science*	89.1	-	66.7	-	-	22.4	ADM, Science	22.4
							ADM, Oceans	66.7
Fisheries Management	319.3	319.3	-	-	-	-	ADM, Fisheries Management	319.3
Harbours	91.5	-	1.0	67.5	23.0	-	ADM, Human Resources and Corporate Services	91.5
Policy and Internal Services**	283.6	79.7	54.8	79.5	22.8	46.8	ADM, Human Resources and Corporate Services ADM, Policy	283.6
<b>Total \$</b>	<b>1,468.0</b>	<b>412.3</b>	<b>283.7</b>	<b>411.4</b>	<b>118.2</b>	<b>242.4</b>		

Notes:

- \* The Environmental Science component of the Habitat Management and Environmental Science business line is shown under the responsibility of ADM, Science as a result of the 2002 consolidation of the Department's scientific program.
- \*\* The resources allocated to Policy and Internal Services include \$4.5 million for CCG college and \$100.6 million for Real Property and Environmental Coordination.



## Section 4 — Departmental Plans and Priorities by Strategic Outcome

### ***In this section:***

- ◆ *Continuing to serve Canadians:  
A summary of priorities* *Page 26*
- ◆ *Supporting all strategic outcomes: DFO's fleet* *Page 28*
- ◆ *Management and protection of fisheries  
resources* *Page 29*
- ◆ *Protection of the marine and freshwater  
environment* *Page 37*
- ◆ *Maritime safety* *Page 43*
- ◆ *Maritime commerce and ocean development* *Page 47*
- ◆ *Understanding of the oceans and aquatic  
resources* *Page 53*

## ***Continuing to serve Canadians: A summary of priorities***

The Department of Fisheries and Oceans (DFO) is examining its business, the resources that are required to deliver its mandate, and the way benefits are delivered to Canadians. DFO must continue to support the key benefits it provides to Canadians through this time of transition. In short, the Department must focus on business as usual — and continue to do it in an efficient and effective manner: to protect the fisheries resource, aquatic environment, and public safety while ensuring efficient vessel traffic and marine services that are responsive to the needs of Canadians in a global economy.

Most of DFO's priorities are interconnected and serve to further the delivery of more than one strategic outcome. Table 4-1 provides a summary of the key priorities that are linked to each strategic outcome.

**Table 4-1: Departmental Plans and Priorities by Strategic Outcome**

<b>Strategic Outcome</b>	<b>Summary of Priorities for 2004–2005</b>	<b>Type of Priority</b>
Management and protection of fisheries resources (\$412.3 million)	DFO will —	Ongoing
	• Continue to ensure that its governance frameworks reflect the requirements of today's fisheries (\$139.8 million)	Ongoing
	• Continue to strengthen its relationship with Aboriginal peoples (\$123.3 million)	Ongoing
	• Continue to advance conservation through its international activities (\$22.1 million)	Ongoing
	• Continue to modernize operations through the Fisheries Management Renewal Initiative (\$7.2 million)	Ongoing
	• Other (\$119.9 million)* * Support of management and protection of fisheries resources (\$79.7 million), Salmonid Enhancement Program (\$26.3 million), Canadian Coast Guard (CCG) support to the Fisheries Management Program (\$13.3 million), Special Capacity Reduction Program (\$0.6 million)	
Protection of the marine and freshwater environment (\$283.7 million)	DFO will —	Ongoing
	• Continue to enhance the conservation, restoration, and development of marine and freshwater fish habitat through consistent application of the Fish Habitat Management Program (\$48.7 million)	Ongoing
	• Continue to conserve and sustainably develop Canada's oceans through its progress on Canada's Oceans Strategy (\$134.3 million)	Ongoing
	• Continue to conserve and sustainably develop Canada's oceans through its progress on international co-ordination (\$2.0 million)	Ongoing



Strategic Outcome	Summary of Priorities for 2004–2005	Type of Priority
	<ul style="list-style-type: none"> <li>• Continue to act as the lead federal response agency to ensure an appropriate response to marine spills in waters under Canadian jurisdiction (\$42.9 million)</li> <li>• Other (\$55.8 million)*</li> </ul> <p>* Support of protection of the marine and freshwater environment (\$54.8 million), Harbours (\$1.0 million)</p>	Ongoing
Maritime safety (\$411.4 million)	<p>DFO will —</p> <ul style="list-style-type: none"> <li>• Continue to ensure safe and accessible waterways (\$223.2 million)</li> <li>• Continue to enhance maritime safety through its ongoing modernization initiatives (\$10.0 million)</li> <li>• Continue to provide high-quality hydrographic information (\$31.2 million)</li> <li>• Other (\$147.0 million)*</li> </ul> <p>* Support of maritime safety (\$79.5 million), Harbours (\$67.5 million)</p>	Ongoing Ongoing Ongoing
Maritime commerce and ocean development (\$118.2 million)	<p>DFO will —</p> <ul style="list-style-type: none"> <li>• Continue to facilitate commercial activity through the provision of efficient and accessible waterways (\$72.4 million)</li> <li>• Continue to advance Canada's international trade agenda (\$1.1 million)</li> <li>• Continue to manage and research the issues surrounding the development of a responsible, sustainable aquaculture industry (\$21.7 million)</li> <li>• Continue to develop a long-term agreement with industry with respect to marine services fees on navigation services (nil – less than \$1.0 million)</li> <li>• Other (\$23.0 million)*</li> </ul> <p>* Harbours (\$23.0 million), support of maritime commerce</p>	Ongoing Ongoing Ongoing Ongoing
Understanding of the oceans and aquatic resources (\$242.4 million)	<p>DFO will —</p> <ul style="list-style-type: none"> <li>• Continue to support its strategic outcomes through the provision of high-quality, timely new knowledge, products and scientific advice (\$190.6 million)</li> <li>• Begin implementation of selected realignment initiatives identified through the assessment of the Science Program to ensure alignment of knowledge requirements with departmental and government-wide priorities (cost to be determined based on future realignment decisions)</li> <li>• Other (\$51.8 million)*</li> </ul> <p>* Support of understanding of the oceans and aquatic resources (\$46.8 million), CCG support of the Science Program (\$5.0 million)</p>	Ongoing Previous

## ***Supporting all strategic outcomes: DFO's Fleet***

[http://www.ccg-gcc.gc.ca/fleet-flotte/main\\_e.htm](http://www.ccg-gcc.gc.ca/fleet-flotte/main_e.htm)



### **Integrated Technical Support Strategy Project**

This project will instill the principles of Modern Comptrollership in the management of the CCG's asset base. The objectives of the project, to be realized over the next four years, include the implementation of a Life Cycle Material Management System, implementation of a Technical Business Management System, and fulfilment of asset reliability and availability targets (as established by Marine Programs, Fleet Operations and other DFO clients) at a minimum life cycle cost.

DFO's Fleet is a system consisting of the professionals, organizational structures, assets and equipment necessary for it to remain effective and operationally ready to deliver core marine services to Canadians. The Fleet provides sea and air support to all five of the Department's strategic outcomes by acquiring, maintaining and scheduling the Department's fleets. In its role as the Government of Canada's civilian marine fleet, it also supports other government departments as per Treasury Board cost recovery policies. A sustainable Canadian Coast Guard (CCG) and a reliable, operationally ready civilian marine fleet are cornerstones in marine service delivery. They are also essential to the Government's delivery on its safety, security and sovereignty responsibilities.

The DFO Fleet has undergone significant changes in past years. In the face of those changes, Fleet is taking steps to facilitate the route toward its more effective management through the following two top priorities: the Fleet Management Renewal Initiative and Fleet Modernization.

Fleet, through the Fleet Management Renewal Initiative, is continuing to modernize the way in which it is operated, managed and funded. It is anticipated that improvements in the management of the Fleet will be achieved through a series of processes and frameworks aimed at enhancing management practices. Key deliverables will include an organizational structure and accountability; effective financial planning and control; improved management practices, service levels and performance measurement; and improved human resources management, stewardship reporting, information management and departmental oversight. Its successful implementation, by the end of 2004–2005, will ensure that the Department remains compliant with the recommendations set out by the Office of the Auditor General in December 2000.

It is critical that the Department rebuild and restructure its asset base due to rust-out, technological obsolescence and insufficient reinvestment. The Fleet Modernization initiative was launched in 2001 to review fleet requirements, anticipated funding levels and current fleet capacity, as well as to develop and present a business case in 2004 for new, ongoing and increased capital funding levels for CCG vessels. Recognizing that asset refurbishment of the CCG is one of DFO's top priorities, the 2003 federal Budget announced that up to \$47.3 million per year would be allocated to the CCG for new capital funding. Treasury Board approval has been received to access these funds and advance CCG's capital plan.



---

## ***Management and protection of fisheries resources***

**Conservation of  
Canada's fisheries  
resources**

**Sustainable utilization of  
Canada's fisheries  
resources**

**Environmental and  
economic stability in the  
fisheries**

---

### ***Context: What's involved?***

Day-to-day operations and activities account for the majority of the Department's resources used to support the management and protection of fisheries resources and related current priorities. To support this strategic outcome, DFO:

- ❑ fosters the protection, conservation and sustainable use of fisheries resources;
- ❑ provides for the fair allocation and distribution of fisheries resources among appropriate users;
- ❑ manages surveillance and enforcement programs in support of the *Fisheries Act* and the *Coastal Fisheries Protection Act*;
- ❑ ensures that Aboriginal and treaty rights are addressed in the formulation and implementation of fisheries management policies, plans and programs;
- ❑ conducts international negotiations to advance conservation of and assert Canadian interests in internationally managed fish stocks;
- ❑ supports the protection of wild salmon stocks in the Pacific and the enhancement of biodiversity, consistent with current conservation policies;
- ❑ ensures implementation of the *Species at Risk Act* and that its requirements are reflected in the Department's management plans.

During the current planning period, DFO will continue to provide these services, while moving forward on the implementation of a strategic renewal agenda with outcomes that are expected to include fundamental changes to departmental relationships with client groups as well as institutional reforms.

The Department supports the development of policies and programs for the management and protection of fisheries resources. Conservation and sustainable use of the resource require an understanding of the contribution that the use — and the management measures that guide the use — makes to the economic and social fabric of Canada. The Department identifies emerging economic and social issues related to fisheries management and the conservation of the resource. It also conducts specialized policy research and economic analysis to improve

understanding and decision making, for the benefit of Canadians and protection of the resource.

To support the management and protection of fisheries resources, the Department will focus on the following four key priorities throughout 2004–2005:

***DFO will continue to ensure that its governance frameworks reflect the requirements of today's fisheries***



To deliver the programs and services needed to ensure the sustainable use of the fisheries resource for future generations of Canadians, DFO must continue the reform of fisheries management policies that was initiated in the late 1990s. These renewal efforts in the areas of policy and governance frameworks are designed to both direct operational change and address the Department's legal obligations to Aboriginal peoples. In the current planning period, DFO will continue to advance the National Policy Framework, the Atlantic Fisheries Policy Review, Pacific New Directions, and Aboriginal policy and governance.

The **National Policy Framework** was initiated in 2001 to serve as an overarching set of policy principles for fisheries management in Canada. This framework will inform regionally and locally based initiatives and outline future directions for fisheries management in Canada. This initiative is integral to DFO's policy work in the areas discussed below (Atlantic Fisheries Policy Review, Pacific New Directions and Aboriginal policy), as well as to other broad fisheries issues. The timeframe for the development of the National Policy Framework is also linked to the successful completion of these policy efforts.

The **Atlantic Fisheries Policy Review** was initiated in 1999. Its objectives are to build a consistent and cohesive policy framework for the management of Canada's East Coast fish stocks, clarify direction where goals conflict with one another, and commit to principles that will guide fisheries management decision making over the long term.

[http://www.dfo-mpo.gc.ca/afpr-rppa/home\\_e.htm](http://www.dfo-mpo.gc.ca/afpr-rppa/home_e.htm)



Phase I of this review will conclude with the release of a new policy framework in 2004. Following this, Phase II of the initiative will involve implementation of the new framework, part of which has been accelerated by the Independent Panel on Access Criteria. The Minister's formal response to the panel's recommendations was released in November 2002. In December 2003, a discussion document, entitled *Preserving the Independence of the Inshore Fleet in Canada's Atlantic Fisheries*, was released and widely distributed throughout Atlantic Canada, Quebec and Nunavut. This document formed the basis for public consultations that were held in January 2004 in those regions. In the coming months, a summary of comments received will be posted and the Department will finalize and release *Guidelines for the Application of the Owner-Operator and Fleet Separation Policies*.

The **Pacific New Directions** initiative was undertaken in the late 1990s to clarify policy direction for Pacific salmon fisheries. The policies developed through

this initiative reflect the principles of the promotion of conservation-based fisheries, community-based stewardship initiatives, restoration and enhancement work for fish habitat, and an improvement in consultation processes to ensure that all parties can participate in fisheries management decision making. The policy on wild salmon, slated for completion in fall 2003, has been deferred to 2004. More broadly, and to ensure an integrated and economically viable Pacific fisheries sector, a two-member task group will be exploring fishery arrangements that will bring greater clarity to all participants in a "post-treaty era."



The **Aboriginal Fisheries Strategy (AFS)** was introduced in 1992, mainly to assist in managing fisheries in a manner consistent with the *Sparrow* decision of the Supreme Court of Canada. This decision affirmed an Aboriginal right to fish for food, social and ceremonial purposes. Under the AFS, the Department negotiates fisheries agreements with First Nations for the management of their food, social and ceremonial harvest. Most of these agreements also provide funding to support First Nations participation in stock assessment, monitoring, enforcement and habitat enhancement. The AFS also provides commercial fisheries opportunities through the Allocation Transfer Program.



In July 2003, the B.C. Provincial Court — in the case of *R.v. Kapp* (Kapp) — found that the Pilot Sales fisheries under the AFS were discriminatory under Section 15 (the equality rights provision) of the *Canadian Charter of Rights and Freedoms*. The Pilot Sales fisheries provided a limited sale of fish for some First Nations in British Columbia. Following the decision, the Department terminated existing agreements for 2003, in accordance with the provisions of those agreements, and discontinued negotiations on other Pilot Sales fisheries for 2003.

[http://www.dfo-mpo.gc.ca/communi/c/fish\\_man/afs\\_e.htm](http://www.dfo-mpo.gc.ca/communi/c/fish_man/afs_e.htm)



DFO is now working to establish a new Aboriginal commercial fisheries framework that would see commercial opportunities for First Nations within an integrated fisheries management framework in 2004–2005.

The **Species at Risk Act** (SARA) will require the development of recovery plans and prohibitions on killing, harming or harassing legally listed species (e.g., leatherback turtles and wolffish, which are currently listed, and Cultus and Sakinaw Lake sockeye, which are candidates for listing). The Committee on the Status of Endangered Wildlife in Canada has assessed 2GH, 2J3KL and 3NO cod as endangered, and 3Pn4Rs and 3Ps cod as threatened. If these cod stocks are added to the legal list created under SARA, the preparation of recovery strategies and action plans will be required.

The legal listing of species may be challenging for fisheries management as it may have an impact on the harvest of many other non-listed species (i.e., bycatch restrictions or harvest prohibitions on listed species may severely restrict harvests of non-listed species), resulting in significant economic and social consequences for fishing communities. As more species are listed, DFO's response needs to be more comprehensive and co-ordinated, especially in the areas of management,

enforcement, consultation and administration. An effective response to SARA will include the adoption of ecosystem-based and precautionary approaches.

SARA must also be viewed in an Aboriginal context. Aboriginal groups need to be involved in the processes for listing aquatic species and developing and implementing recovery strategies. They must also be fully informed of the implications that listing may have on their fishing activities — in particular fishing for food, social and ceremonial purposes under the AFS; access to commercial fisheries under the AFS and under the *Marshall* response initiative; and fisheries access provided under comprehensive land claim agreements.

### ***DFO will continue to strengthen its relationship with Aboriginal peoples***



Assisting Aboriginal people to obtain the capacity to participate more effectively in the multi-stakeholders processes used for aquatic resources and oceans management will help to avoid separate management solitudes. Building their capacity to take advantage of opportunities to participate in commercial fisheries and aquaculture development will contribute to the broader government agenda of improving the overall socio-economic conditions of Aboriginal groups.

[http://www.dfo-mpo.gc.ca/home-accueil\\_e.htm](http://www.dfo-mpo.gc.ca/home-accueil_e.htm)



The Department is continuing to take steps to engage Aboriginal peoples in the fisheries management process and to address land claim and treaty rights. Regarding the *Marshall* decision, for example, DFO has signed long-term fisheries agreements with a majority of the 34 First Nations affected by the decision. These agreements both provide Aboriginal communities with increased access to commercial fisheries and equip them for success through arrangements involving capacity building and training. The target for signing fisheries agreements with the remaining First Nations was March 31, 2004, and the target for delivering on commitments within the agreements is March 31, 2006.

The goals of achieving an orderly fishery and of reconciling Aboriginal and treaty rights require that DFO participate fully in land claims negotiations. On the West Coast, new treaty processes may lead to more interim fisheries agreements with First Nations: this year, DFO expects to reach a treaty agreement with the Snuneymuxw First Nation. The Department also expects to conclude agreements this year with the Tlicho (Dogrib) First Nation, in the North, and the Labrador Inuit Association on the East Coast.

In July 2003, Canada (DFO) and British Columbia established the B.C. Joint Task Group on the Post Treaty Fishery to provide recommendations on post-treaty integrated fisheries management. Consultation is a key element of this initiative. The Joint Task Group will seek input from a variety of commercial and recreational fishing representatives and First Nations organizations, including the B.C. Aboriginal Fisheries Commission. The Department is working with the B.C. First Nations Summit and the B.C. Aboriginal Fisheries Commission on a related

process that will enable Aboriginal groups and First Nations to participate in the process as well.



On October 9, 2003, DFO announced two new Aboriginal programs — the Aboriginal Aquatic Resource and Oceans Management (AAROM) program and the Aboriginal Inland Habitat Program (AIHP). The AAROM program is designed to provide Aboriginal groups, where DFO manages the fishery, with the capacity to participate effectively in the multi-stakeholder processes used for aquatic resources and oceans management. The AIHP will also provide capacity building support to inland Aboriginal groups related to habitat management, where DFO is responsible for fish habitat.



[http://www.dfo-mpo.gc.ca/sds-sdd2004/Index\\_e.htm](http://www.dfo-mpo.gc.ca/sds-sdd2004/Index_e.htm)

The programs are intended to put in place the structures and expertise to support the engagement of Aboriginal groups in areas of DFO responsibility over the long term. They recognize that DFO's relationship with Aboriginal groups is evolving (fisheries joint stewardship and Oceans Integrated Management) and expanding (*Canadian Environmental Assessment Act*, *Species at Risk Act* and a presence inland related to habitat). At the same time, these groups desire a greater role in the decisions that affect them.

In 2003–2004, DFO sought Aboriginal input into the design and implementation of the AAROM program.

### ***DFO will continue to advance conservation through its international activities***

The Department's international activities play a major role in Canada's capacity to manage and protect its fisheries resources. In the current planning period, DFO will focus on advancing international fisheries agreements, policies and instruments.

One step in this regard will be the promotion of increased membership in the *United Nations Fisheries Agreement*, which is a framework agreement for the effective conservation and management of straddling and highly migratory fish stocks on the high seas. Canada continues to work toward full and effective implementation of the Agreement, which involves the adoption of its principles, rights and obligations domestically, regionally and globally.

Another step is to improve the effectiveness of conservation measures and the overall level of compliance for vessels participating in fisheries managed by the North Atlantic Fisheries Organization (NAFO). This organization consists of 18 contracting parties and is the forum for international co-operation in scientific research, as well as in the conservation and management of groundfish and shrimp resources in the high seas of the Northwest Atlantic Ocean outside Canada's 200 nautical-mile limit.

While there have been significant improvements in NAFO's conservation and enforcement efforts, wilful non-compliance with the organization's management

measures is increasing among certain contracting parties. There is growing pressure for Canada to take tougher action and to address the deficiencies in NAFO. However, the solutions proposed, such as extending the Canadian fisheries jurisdiction, are inconsistent with international law and cannot be advanced in the short term.

Canada is committed to fixing these problems and to working constructively with all NAFO contracting parties to improve this international organization and its performance. DFO will therefore continue to participate actively in negotiations and to advocate the effective and efficient administration of international treaties and agreements affecting the conservation and allocation of straddling, highly migratory and transboundary fish stocks.

On December 9, 2003, DFO announced amendments to the *Coastal Fisheries Protection Regulations*, which will enable Canada to better control and manage the activities of foreign fishing vessels in Canadian waters and ports. The key amendment is the removal of the list of eligible countries from the Regulations and the inclusion of criteria for granting access to individual foreign fishing vessels. Based on these criteria, DFO will list those countries that have good fisheries relations with Canada and whose vessels could be granted access. The Department will then set up a process for including vessels or countries on that list.

### **DFO will continue to modernize operations through the Fisheries Management Renewal Initiative**



A number of initiatives are under way to modernize Canada's fisheries management programs and practices. In the current planning period, DFO will continue to implement Objectives-Based Fisheries Management (OBFM), a structured, systematic and inclusive approach to fisheries management. Under this approach, resource users and the Department work together to develop clear, measurable, long-term fisheries management objectives for each individual fishery.

OBFM provides a framework for quantifying fisheries management objectives and risk analysis processes. This makes possible the development of management strategies designed to manage risks effectively and to achieve specific objectives. OBFM also tracks the progress made in achieving objectives through a formal process of performance measurement and post-season analysis.



[http://www.dfo-mpo.gc.ca/sds-sdd2004/Index\\_e.htm](http://www.dfo-mpo.gc.ca/sds-sdd2004/Index_e.htm)

The Department will continue to update Integrated Fisheries Management Plans both to incorporate new interests into the fisheries management planning process and to adopt an ecosystem-based approach to resource management. As part of this process, there will be a need to migrate from mere data collection to improved information management as well as to focus increasingly on promoting knowledge management as a fundamental departmental resource.

DFO will also continue to:

- ensure transparent and fair licensing and allocation decisions;



- ❑ establish strong working relationships with stakeholders to achieve shared responsibility and accountability for resource stewardship;
- ❑ evaluate the potential of new technologies and surveillance equipment to enhance the effectiveness of the existing monitoring, control and surveillance program;
- ❑ focus on using technologies to capture data at source and create an integrated information management system to strengthen the Department's decision support system. Examples include the expansion of vessel monitoring, the introduction of speech for data collection, and improved field access to and collection of data by field staff;
- ❑ enhance service to Canadians through expanded use of electronic access, e.g., for licensing.

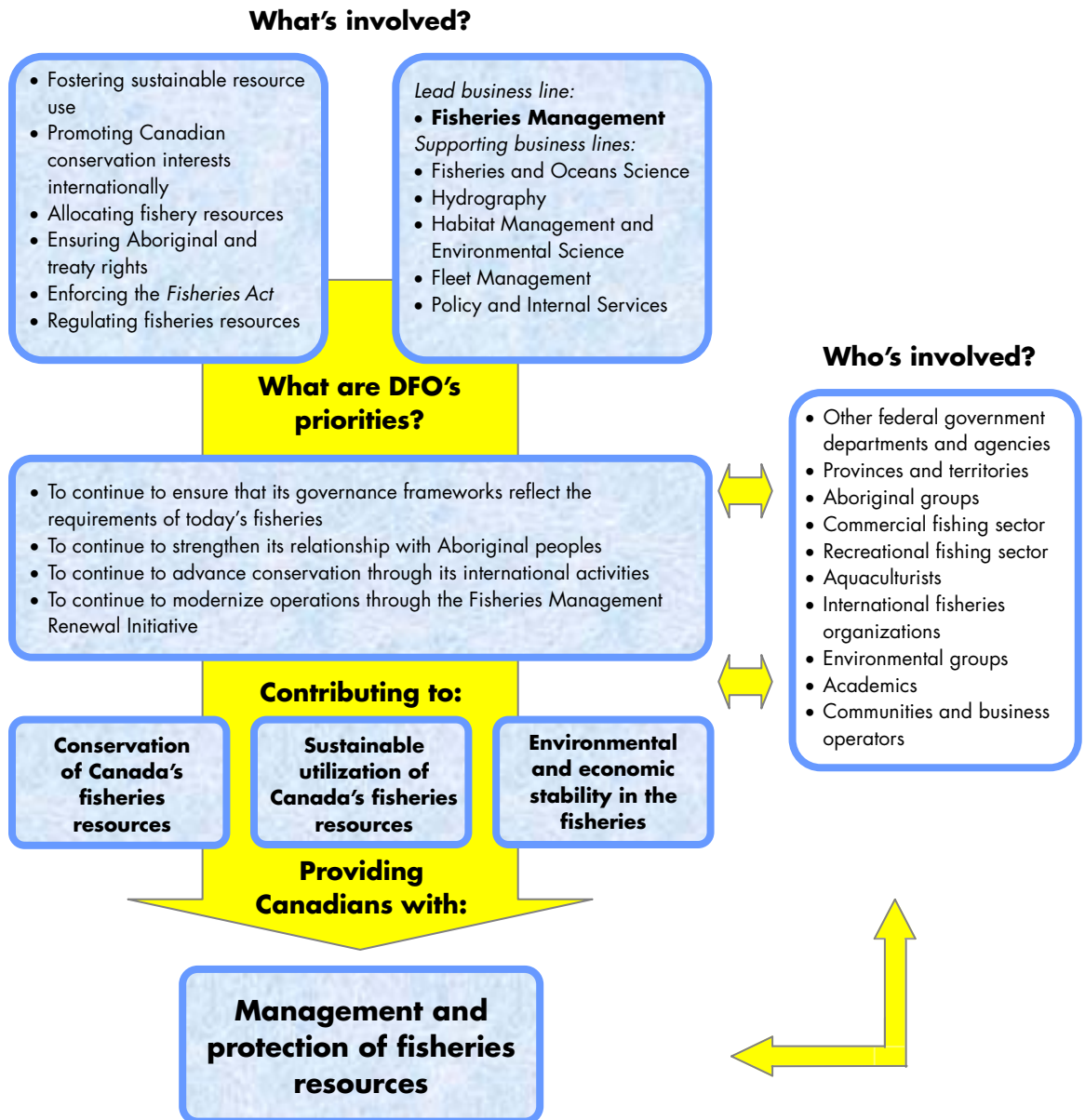
### ***DFO will assess its progress toward these priorities***

The Department will evaluate its progress toward these priorities through established internal monitoring mechanisms, including setting criteria to evaluate progress on key business plan priorities. The Department will also continue to develop and apply performance measures to specific initiatives that support the delivery of its priorities. For example, once performance measures have been established, they will become — with the post-season evaluation criteria DFO already uses — an integral part of Integrated Fisheries Management Plans.

The Department will also continue to work with the provinces and territories, the fishing industry, First Nations and other Aboriginal people, environmental groups, communities and other stakeholders to ensure collectively that strategic challenges are met.

Any shift in the Department's resource base would compromise its ability to carry out the four key priorities described above.

# Management and protection of fisheries resources: How does it happen?





---

## ***Protection of the marine and freshwater environment***

**Conservation and sustainable development of Canada's oceans**

**Responsible environmental stewardship of marine resources**

**Protection, restoration and development of marine and freshwater habitat**

---

### ***Context: What's involved?***

Protection of Canada's marine and freshwater environment is central to the Government's commitments to Canada's oceans, environmental and habitat protection, safe navigation, fisheries management and the health of aquatic species. Canada's oceans, lakes and waterways have become busy places and its aquatic resources are an integral component of the Canadian economy. DFO supports the protection of the marine and freshwater environment pursuant to the *Fisheries Act* (mainly Section 35) and the *Oceans Act*.

Day-to-day operations and activities account for the majority of departmental resources used to achieve this strategic outcome. These activities are crucial to the sustainable management of the marine and freshwater environment, as well as to the current priorities related to the conservation and protection of fisheries resources, fish habitat and navigation. To support this strategic outcome, DFO:

- ❑ administers and enforces the fish habitat protection provisions of the *Fisheries Act*;
- ❑ assesses the environmental impacts of certain projects under the *Canadian Environmental Assessment Act*;
- ❑ strives to ensure that all harbours under its jurisdiction meet environmental standards;
- ❑ continues to act as the lead federal response agency to ensure an appropriate response to marine spills in waters under Canadian jurisdiction;
- ❑ provides vessel screening, communications, traffic and information services to support the safe and efficient movement of vessels within Canada's areas of responsibility;
- ❑ reduces the risk of flooding within the St. Lawrence River waterway by providing an effective ice management program, thereby minimizing damage to vessels and reducing environmental damage;
- ❑ administers the *Oceans Act*, including developing ecosystem-based management approaches to the conservation and protection of the marine

environment, designating Marine Protected Areas, and developing regulations, guidelines and standards for the protection of marine environmental quality;

- as the lead federal response agency, ensures that there is an appropriate response to marine spills and maintains a response capacity as part of its contribution to the Canadian Marine Spill Response Regime. Through preparedness, monitoring and responding, DFO takes measures to improve and enhance its effectiveness to minimize the impact of marine pollution incidents and reduce environmental damage;
- assesses current and potential impacts of climate change on the freshwater and marine environment, and works with other federal departments and agencies to identify mitigation and adaptation approaches.



[http://www.dfo-mpo.gc.ca/sds-sdd2004/Index\\_e.htm](http://www.dfo-mpo.gc.ca/sds-sdd2004/Index_e.htm)

DFO will continue to provide the above services during the current planning period.

To support the protection of the marine and freshwater environment, the Department will focus on the following four key priorities for 2004–2005.

### ***DFO will continue to enhance the protection, restoration, and development of marine and freshwater fish habitat in the context of sustainable development***

Through its Departmental Assessment and Alignment Project (DAAP), DFO has developed three key change initiatives: Risk Management Frameworks, Innovative Approaches to Regulation and Integrated Management. These initiatives support practical and affordable policy and programs (smart regulations) within the ongoing DFO priority of protecting, restoring and developing marine and freshwater habitats.

#### *Risk management frameworks*

National risk management frameworks will support innovative approaches to regulation and integrated management. The frameworks will create a more structured, transparent and consistent approach to setting priorities where there are growing program demands and limited resources. The Department's efforts will be focused on activities that constitute a greater threat to habitat and aquatic ecosystems, on critical and sensitive habitats, through Integrated Management programs and the establishment of Marine Protected Areas (MPAs). Some key priorities/targets in support of risk management include the development of decision making tools, best practices guides and performance measurement systems.

#### *Innovative approaches to regulation*

This initiative promotes increased program effectiveness and efficiency within the *Fisheries Act* and the *Oceans Act*. Key areas of work for 2004–2005 include streamlining the existing referral process for low impact projects, continuing to

[http://www.dfo-mpo.gc.ca/canwaters-eauxcan/infocentre/legislation-lois/policies/fhm-policy/index\\_e.asp](http://www.dfo-mpo.gc.ca/canwaters-eauxcan/infocentre/legislation-lois/policies/fhm-policy/index_e.asp)



[http://www.dfo-mpo.gc.ca/sds-sdd2004/Index\\_e.htm](http://www.dfo-mpo.gc.ca/sds-sdd2004/Index_e.htm)



develop partnerships and other collaborative arrangements, and ensuring consistent national program delivery.

Streamlining the referral process will include:

- ❑ development of tools and training guidelines for staff, in consultation with provinces and territories and industry stakeholders;
- ❑ proactive client education/communication.

Partnership and other collaborative arrangements will include the following:

- ❑ completion of the development of formal agreements with key sectors (e.g., energy and provincial and territorial governments);
- ❑ implementation of the habitat component of the Aboriginal Aquatic Resource and Oceans Management Program and Aboriginal Inland Habitat Program;
- ❑ development of new business practices and institutional mechanisms within regions, to increase collaborative planning and program delivery;
- ❑ increased collaboration in Integrated Management for coastal areas.

Ensuring consistent national program delivery will require:

- ❑ an expanded national habitat training program and redesigned courses to reflect risk management frameworks and the smart regulation agenda;
- ❑ development of new governance models aimed at consistency and timeliness;
- ❑ improved efficiency and effectiveness of training opportunities;
- ❑ refinements to the Results-based Management and Accountability Framework (RMAF) performance indicators.

Integrated Management is discussed in the following key priority.

***DFO will continue to conserve and sustainably develop Canada's oceans through its progress on Canada's Oceans Strategy***

Canada's oceans and freshwater resources are under enormous pressure: declining fish populations, habitat degradation, species at risk, pollution and climate change are but some of the challenges. At the same time, these resources are critical to Canada's current and future economic prosperity.

Canada's growing and increasingly diverse oceans economy is currently valued at over \$20 billion, with considerable potential for growth in areas such as offshore oil and gas, and oceans technologies. Across the country, industries such as forestry, mining, hydro-electric power generation and agriculture — major drivers of the Canadian economy — operate in or around Canada's aquatic environment. These resources are important to Canadians not only from an economic perspective but also in terms of culture, recreation, environment and human health.

The *Oceans Act* provides the Minister of Fisheries and Oceans with the mandate to lead on managing Canada's oceans through three key programs: Integrated Management planning, MPAs and Marine Environmental Quality guidelines.

[http://www.cos-soc.gc.ca/dir/cos-soc\\_e.asp](http://www.cos-soc.gc.ca/dir/cos-soc_e.asp)



The Minister's ability to deliver on the Integrated Management mandate is further strengthened by existing legislative instruments that fall within DFO's responsibility, including the *Fisheries Act* and *Species at Risk Act*, as it applies to aquatic species. In addition, the *Oceans Act* requires the Minister to develop and implement, in collaboration with others, a national oceans management strategy based upon three guiding principles: sustainable development, Integrated Management and the precautionary approach. To meet this legislative requirement, the Government of Canada released Canada's Oceans Strategy in 2002. The Strategy represents the Government's vision and direction for modern oceans management, with the overarching goal to ensure healthy, safe and prosperous oceans for the benefit of current and future generations of Canadians.

**Integrated Management** is a spatially based planning process that results in the endorsement by regulators, stakeholders and interested parties of an Integrated Management plan for a specific planning area. Integrated Management acts as a vehicle for planning and delivering a broad range of DFO responsibilities within defined oceans and coastal management areas. Immediate priority activities are focused on Large Oceans Management Areas: the Scotian Shelf, Gulf of St. Lawrence, Beaufort Sea and North-Central Coast of British Columbia.

[http://www.dfo-mpo.gc.ca/canwaters-eauxcan/oceans/im-gj/index\\_e.asp](http://www.dfo-mpo.gc.ca/canwaters-eauxcan/oceans/im-gj/index_e.asp)



As a valuable conservation and protection tool, **Marine Protected Areas** contribute to the overall health and viability of our marine and coastal environments and help to address widespread global conservation concerns. Under Section 35 (1) of the *Oceans Act*, MPAs can be established to conserve and protect critical fisheries, marine mammals and their habitats, endangered marine species, unique features and areas of high biological productivity or diversity. MPAs allow for much broader protection of the marine environment than fisheries closures do, and they allow for the management of all activities impacting on the environment. To date, 12 Areas of Interest have been identified, involving all three of Canada's coasts. In March 2003, the Endeavour Hydrothermal Vents were designated as Canada's first MPA under the *Oceans Act*.



[http://www.dfo-mpo.gc.ca/sds-sdd2004/Index\\_e.htm](http://www.dfo-mpo.gc.ca/sds-sdd2004/Index_e.htm)

One of the distinguishing aspects of Canada's approach to oceans management is its focus on ecosystem-based management, which signifies that oceans-based activities are managed consistently against a backdrop of ecosystem considerations and given effect through the Integrated Management process.

**Marine Environmental Quality** elements are built into MPA and Integrated Management Plans and may become a key regulatory force for giving effect to many required management actions arising from the Integrated Management or MPA planning processes.

[http://www.dfo-mpo.gc.ca/canwaters-eauxcan/oceans/meg-qmm/index\\_e.asp](http://www.dfo-mpo.gc.ca/canwaters-eauxcan/oceans/meg-qmm/index_e.asp)



[http://www.dfo-mpo.gc.ca/sds-sdd2004/Index\\_e.htm](http://www.dfo-mpo.gc.ca/sds-sdd2004/Index_e.htm)



***DFO will continue to conserve and sustainably develop Canada's oceans through its progress on international co-ordination***

The capacity to support Canada's domestic interests through international oceans leadership depends on having a strategic framework to guide the Department in setting priorities and carrying out its international activities. The DFO International Strategy provides this guidance to the Department, and ensuring that it remains timely and effective will provide Canadians with better value for money in international programming and more effective international leadership.

In 2004-2005, DFO will focus on developing options and a strategy to address foreign overfishing outside Canada's 200 mile limit by working with European and other international partners to strengthen the international governance regime. Aligned with this, the Department will also complete a National Plan of Action to Prevent, Deter, and Eliminate Illegal, Unreported, and Unregulated Fishing as part of its international commitments.

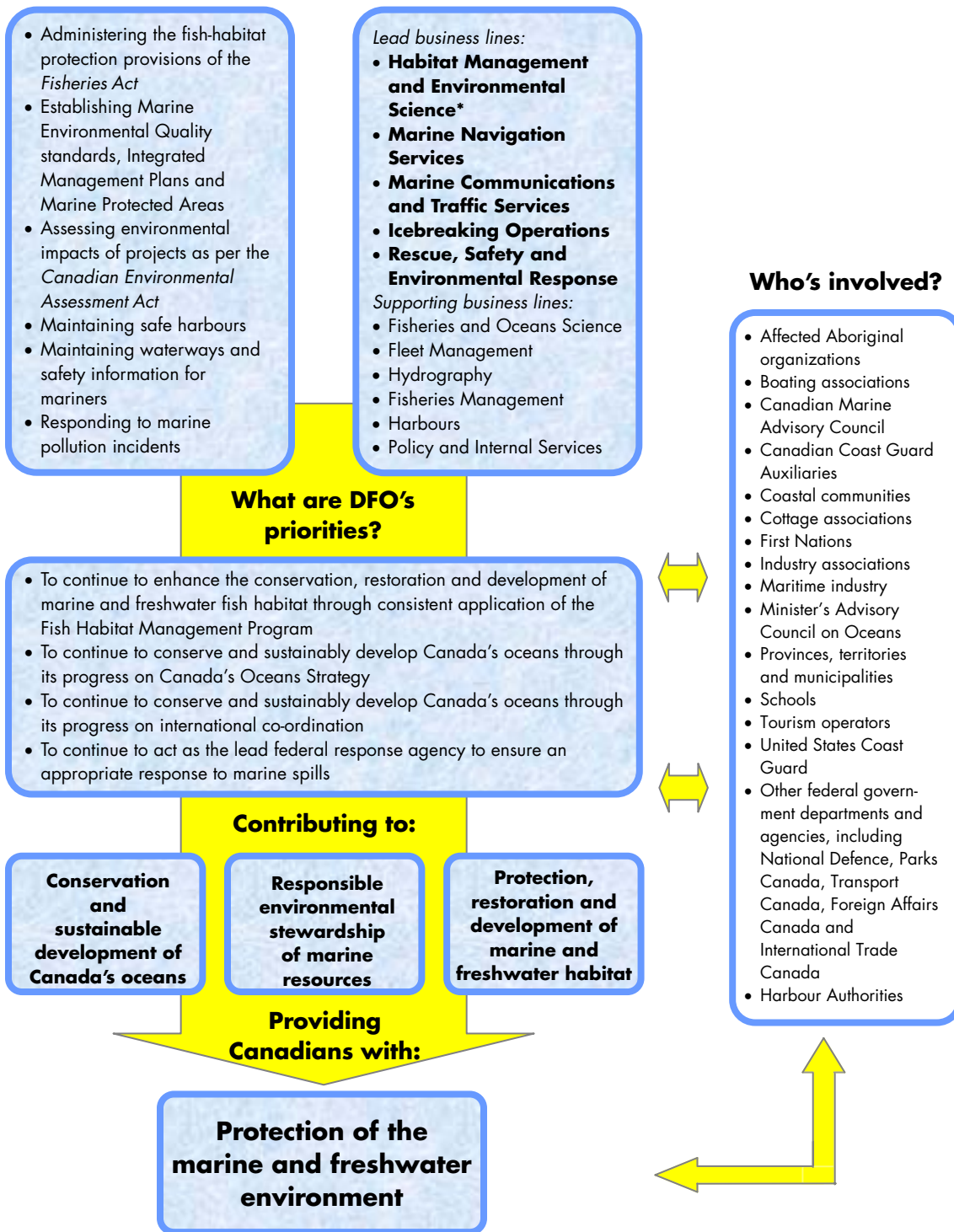
Following on Canada's ratification in 2003 of the United Nations Convention on the Law of the Sea (UNCLOS), the Department will work with partners to advance Canada's interests in international oceans governance through institutions such as the United Nations Informal Consultative Process on Oceans and the Law of the Sea, and the meeting of States Parties to Law of the Sea. DFO, in cooperation with Natural Resources Canada, will also commence mapping of the seabed beyond Canada's 200 mile Exclusive Economic Zone in preparation for delimiting the outer extent of Canada's jurisdiction over the continental shelf under UNCLOS.

***DFO will continue to act as the lead federal response agency in maintaining a response capacity as part of its contributions to the Canadian Marine Spill Response Regime***

As the lead federal response agency DFO will continue to ensure an appropriate response to marine spills in waters under Canadian jurisdiction. This will ensure effective and appropriate response to all marine-pollution incidents. The Department will also continue to support its partners to improve or develop effective measures to address illegal discharges of oil from ships. DFO maintains its own response capacity as part of its contribution to the Canadian Marine Spill Response Regime.

# Protection of the marine and freshwater environment: How does it happen?

## What's involved?



\* The habitat management component of this business line has a lead role, the environmental science component a support role.



---

## Maritime safety

Safe and efficient  
movement  
of marine traffic

Effective response  
to marine  
search and rescue incidents

---

### Context: What's involved?

Day-to-day operations and activities account for the majority of the resources used to maintain maritime safety. These activities are crucial to the delivery of both maritime safety and the current priorities related to it. To support this strategic outcome, DFO

- ❑ provides and maintains a system of aids to navigation;
- ❑ ensures safe navigation and environmentally sustainable shipping channels;
- ❑ produces up-to-date, timely and accurate navigational products;
- ❑ provides distress and safety communications response and co-ordination capacity to help ships in distress situations;
- ❑ screens vessels to prevent unsafe vessels from entering Canadian waters;
- ❑ regulates vessel traffic movements for marine risk reduction;
- ❑ provides ice information services and timely deployment of vessels for navigating in ice-covered waters;
- ❑ responds to marine incidents;
- ❑ manages an integrated marine information system;
- ❑ ensures that harbours critical to the fishing industry are kept in good repair.

To support maritime safety, the Department will continue to provide these services, while focusing on the following three key priorities in 2004–2005:

#### **DFO will continue to ensure safe and accessible waterways**

DFO will continue to provide the programs, services and assets (vessels, equipment and infrastructure) necessary to ensure safe and accessible waterways. Various programs will support this priority, including Aids to Navigation, Marine Communications and Traffic Services, Maritime Search and Rescue, Environmental Response, Icebreaking and Waterways Development. Through these programs, the Department works to reduce the number and severity of collisions and groundings, help people in distress and in danger, and prevent loss of life and damage to property. These responsibilities are outlined in legislation such as the *Oceans Act* and *Canada Shipping Act*. By providing these programs, DFO



[http://www.dfo-mpo.gc.ca/sds-sdd2004/Index\\_e.htm](http://www.dfo-mpo.gc.ca/sds-sdd2004/Index_e.htm)

#### **Did you know?**

On average, the Canadian Coast Guard saves over 3,000 lives a year.



remains a key player in maintaining a sustainable national marine transportation and safety system.

The Department will need to conduct an assessment of existing Canadian Coast Guard levels of service against the "agreed to" standards, in conjunction with an analysis of the needs of mariners. Then DFO will be able to clarify the extent and quality of services to be provided. Tough decisions will need to be made in relation to how services are to be provided in the future, the different ways of delivering these services and at what cost.

Demands from the Cabinet Committee on Security, Public Health and Emergencies and from the Interdepartmental Marine Security Working Group require the Department to contribute to national security. In response, DFO directs Canada's efforts to safeguard coastal marine infrastructure; promotes awareness activities of the vessels, cargo, crews and passengers transiting through Canada's marine system; and provides leadership and management of the marine security file.

### ***DFO will continue to provide high-quality hydrographic information***

This priority will continue to support the safe and efficient navigation of Canadian waterways. The portfolio of hydrographic products and services (see sidebar) provided by the Canadian Hydrographic Service (CHS) is extremely large and reflects over 100 years of charting efforts. During that time, there have been significant changes in the navigational requirements of mariners and in technology. Approximately 55% of the existing navigational charts require updating to reflect changes in the marine environment since they were last surveyed, and 25% of Canadian navigable waterways have not been surveyed.

The size of the portfolio continues to dictate a strategic approach to the maintenance of navigational charts, based on risk classification. This risk-based approach ensures that appropriate levels of service and resources are applied to navigational charts and products, through the assessment of risks to navigation and maritime safety. Charts for areas posing elevated risks to safe navigation will receive a higher level of service, whereas those judged to present minimal risk will receive a lower level of service. Adjustments to the levels of service provided by the CHS will be made in consultation with the marine community. The CHS will continue to develop this risk-based approach and to apply it to the management of the hydrographic portfolio and surveying priorities. It will also enhance its data management and data integration capabilities to better serve the commercial shipping industry, recreational boaters, fishers and Canadians at large.

In 2004–2005, the CHS will:

- direct 55% of chart production activities to high-risk areas;
- evaluate opportunities for improved efficiency of chart distribution activities;

#### **Canadian Hydrographic Service products and services**

- 950 paper charts
- 573 electronic navigational charts
- 651 raster charts
- 25 volumes of sailing directions
- 7 volumes of tide tables; 3 current atlases
- Hydrographic source databases
- 78 permanent water level stations
- Real-time water level and forecast system in the St. Lawrence River
- Pacific Tsunami warning system



[http://www.dfo-mpo.gc.ca/sds-sdd2004/Index\\_e.htm](http://www.dfo-mpo.gc.ca/sds-sdd2004/Index_e.htm)

<http://www.charts.gc.ca>





- ❑ undertake consultations with the marine community on proposed adjustments to levels of service associated with the risk-based approach to navigational charts and products;
- ❑ pursue private and public sector partnerships to undertake hydrographic surveys and other elements of program;
- ❑ allocate resources for the collection of hydrographic data on a priority basis to areas possessing the highest risk to maritime safety.

### ***DFO will continue to enhance maritime safety through its ongoing modernization initiatives***

Efficient operational and information systems are essential to maritime safety. The Department has undertaken significant modernization initiatives in the past several years, and these efforts remain a priority. In the current planning cycle, DFO will focus on four initiatives as follows.

DFO will develop and implement a workable and affordable **Automatic Identification System**. This project was one of several marine security initiatives, announced in 2003 by the federal government, designed to increase Canada's capacity to prevent, detect and manage security threats. The Automatic Identification System will improve the Department's ability to identify and track vessels approaching and operating in Canadian waters. This new technologically advanced ability to automatically and continuously track vessels will also contribute to existing Canadian Coast Guard objectives related to marine safety and environmental protection. This project is expected to be completed in 2006–2007.

<http://www.ccg-gcc.gc.ca/mns-snm>



The Department will continue the modernization and rationalization of the **Aids to Navigation** program, through the implementation of a national strategic approach to the program.

DFO will devise a comprehensive implementation plan for the national **Marine Communications and Traffic Services** system of the future, based on the decisions that will be made following the now completed Marine Communications and Traffic Services Strategic Review – Phase II project.



[http://www.dfo-mpo.gc.ca/sds-sdd2004/Index\\_e.htm](http://www.dfo-mpo.gc.ca/sds-sdd2004/Index_e.htm)

The **Lightkeeper Options Project** will continue. The emergence of new technologies has provided mariners with affordable aids to navigation, thus greatly lessening the role of lightkeepers in Canada. The objective of this project is to evaluate options for the remaining lightkeepers in Canada. This project is in the early stages of options analysis.

# Maritime safety: How does it happen?

## What's involved?

- Providing and maintaining aids to navigation
- Maintaining safe waterways
- Producing hydrographic charts and related information
- Providing distress and safety communications
- Screening vessels
- Regulating vessel traffic movements
- Escorting vessels through ice-covered waters
- Responding to marine incidents

- Lead business lines:*
- **Marine Navigation Services**
  - **Marine Communications and Traffic Services**
  - **Icebreaking Operations**
  - **Rescue, Safety and Environmental Response**
  - **Hydrography**
- Supporting business lines:*
- Fisheries and Oceans Science
  - Fleet Management
  - Harbours
  - Policy and Internal Services
  - Habitat Management and Environmental Science

## Who's involved?

- Other federal government departments and agencies, including National Defence, Transport Canada, Foreign Affairs Canada and International Trade Canada
- Provinces, territories and municipalities
- Maritime industry
- Schools
- Canadian Marine Advisory Council
- Coast Guard Auxiliaries
- Cottage associations
- Tourism operators
- United States Coast Guard
- Canadian Shipowners Association
- Commercial fisheries
- Oil and gas companies
- International shipping companies
- Recreational fisheries
- First Nations
- Power squadrons
- Yacht clubs
- Chart dealers
- Marina owners/operators
- Chambers of commerce
- Harbour Authorities

## What are DFO's priorities?

- To continue to ensure safe and accessible waterways
- To continue to provide high-quality hydrographic information
- To continue to enhance maritime safety through ongoing modernization initiatives

## Contributing to:

**Safe and efficient movement of marine traffic**

**Effective response to marine search and rescue incidents**

## Providing Canadians with:

**Maritime safety**





---

## **Maritime commerce and ocean development**

**Economic and operational benefits through marine trade and commerce**

**Protection of property from flood damage caused by ice build-up**

**Harbours critical to the fishing industry kept open and in good repair**

---

### **Context: What's involved?**

Day-to-day operations and activities account for the majority of the Department's resources that are used to facilitate maritime commerce and ocean development. These activities are crucial to achieving this benefit for Canadians, as well as to the current priorities related to this benefit. The challenge is to carefully balance the needs of commercial user groups with the general public's interests. To support this strategic outcome, DFO:

- facilitates year-round maritime trade and commerce in Canada;
- provides aids to navigation, water depth forecasts, and harbour and channel breakouts;
- provides direction and ice information on routes, and escort services in ice-covered waters;
- regulates vessel traffic movements;
- ensures the shared use of Canada's waterways;
- develops policy and regulatory frameworks;
- advances the Department's international agenda;
- works with partners and stakeholders to support the global competitiveness of the fisheries and oceans sector;
- ensures that harbours critical to the fishing industry are kept open;
- continues its divestiture of recreational and less active fishing harbours, while seeking to increase and strengthen the sites managed by Harbour Authorities;
- supports the sustainable development of aquaculture.

During the current planning period, DFO will continue to provide these services. The Department will also focus on the following four key priorities.

### **DFO will continue to facilitate commercial activity through the provision of efficient and accessible waterways**

DFO will continue to facilitate commercial activity by:

- maintaining efficient and accessible waterways through the provision of clearly marked, properly designed and properly maintained waterways;

[http://www.dfo-mpo.gc.ca/sch/home-accueil\\_e.html](http://www.dfo-mpo.gc.ca/sch/home-accueil_e.html)



- ❑ providing timely icebreaking and escort services, routing, harbour and channel breakouts, and ice routing information;
- ❑ developing marine information technologies for the provision of an integrated electronic navigation service, through an electronic marine information network;
- ❑ providing radio communications and vessel traffic services to improve the efficiency of vessel traffic;
- ❑ working with groups (such as the commercial shipping industry, mariners, the tourism industry, aquaculturists, commercial users' organizations, coastal communities and other government departments) to provide safe and usable waterways, as well as to prevent pollution in Canada's oceans and freshwater environments;
- ❑ consulting with clients and partners on an ongoing basis to ensure that the program's services meet client needs. This is in keeping with the changes in weather and the availability of sturdier vessels that will result in greater ship access to the far North for exploration, development and tourism;
- ❑ collaborating with a number of international agencies and commissions to regulate internationally shared waterways to ensure adequate water flows and safe navigation channels. For instance, DFO provides secretariat services and expert advice on usage rights to the International St. Lawrence River Board of Control and is the Canadian Chief Delegate to the International Navigation Association.



[http://www.dfo-mpo.gc.ca/sds-sdd2004/Index\\_e.htm](http://www.dfo-mpo.gc.ca/sds-sdd2004/Index_e.htm)



### ***DFO will continue to advance Canada's international trade agenda***

To provide Canadians with better value for money spent in international programming through effective and coherent international activities at DFO, the Department will fulfil Canada's domestic and international oceans obligations and provide oceans leadership through the following:

- ❑ employing mechanisms that will support and co-ordinate crosscutting and strategic approaches to international policy development and priority setting;
- ❑ developing guidelines for carrying out the international aspects of the Department's agenda. An International Strategy has been developed and an International Action Plan will be completed in 2004–2005. As part of this Plan, DFO will partner with other government departments, business and academia, and a framework will be prepared to track the results of the Plan;
- ❑ strengthening the International Business Development Strategy;
- ❑ representing Canadian interests in the development of the United Nations Food and Agriculture Organization International Plan of Action to combat illegal, unreported and unregulated fishing initiatives.

To advance Canada's international trade policy agenda and obtain the best possible global access for Canadian goods and services, DFO will work with





Foreign Affairs Canada, International Trade Canada, Finance Canada, Industry Canada, Transport Canada, Agriculture and Agri-food Canada (including the Canadian Food Inspection Agency), Canada Revenue Agency, provincial and territorial governments and industry stakeholder groups (mainly representing the interests of processors and exporters) to ensure Canadians benefit from trade. Future initiatives for the Department include the following:

- ❑ participating in the World Trade Organization (WTO) Doha Development Round of Trade negotiations. These negotiations seek to reform world agriculture trade; open markets in areas of key Canadian export interest for both fish and seafood and oceans industry goods and services; and strengthen the rules that are used to respond to actions that distort international trade;
- ❑ representing the interests of the Canadian fisheries sector in discussions on the development of a Free Trade Area of the Americas (FTAA). The FTAA will open up new market opportunities by lowering tariffs on Canadian products, a particularly difficult barrier found in non-NAFTA FTAA markets;

The risks associated with the WTO and FTAA trade negotiations are minimal as the negotiations have been mandated, and agreed to by all parties.

***DFO will continue to manage and research the issues surrounding the development of a responsible, sustainable aquaculture industry***

Aquaculture is the fastest growing food production industry in the world, and it is an important part of the seafood continuum. In Canada, the sector is growing rapidly and has become a significant national contributor to fish production, and to the country's rural and coastal economies. This industry, which is found in every province and territory, is characterized by a strong rural base, an export orientation and a high degree of technological innovation.



DFO has developed a comprehensive action plan to facilitate the sustainable development of aquaculture in Canada, and to ensure that the aquaculture industry is internationally competitive and has the confidence of Canadians. The plan consists of the following:

- ❑ strategic investments to increase scientific knowledge, protect human health, and improve policy and regulatory co-ordination in relation to aquaculture development;
- ❑ an improved regulatory and policy framework for implementation, to ensure the Department's actions support the social, economic and environmental aspects of sustainable aquaculture development;
- ❑ targeted programs to address industry needs and position Canada as a world leader in sustainable aquaculture development;



[http://www.dfo-mpo.gc.ca/sds-sdd2004/Index\\_e.htm](http://www.dfo-mpo.gc.ca/sds-sdd2004/Index_e.htm)

### Did you know?

The aquaculture industry in Canada currently employs over 14,000 people, and approaches \$1 billion annually in direct and indirect economic activity. Its products represent nearly one-quarter of the value of Canadian fish and seafood production.

- ❑ improved inter-jurisdictional co-operation with other federal government departments, and with provincial and territorial governments — both bilaterally and through the Canadian Council of Fisheries and Aquaculture Ministers — to address key issues;
- ❑ an initiative to improve communications and access by aquaculture stakeholders to sound information regarding sustainable aquaculture development.

Aquaculture is a transformative file for DFO — one that gives meaning to a department of sustainable development for the oceans and shifts the departmental paradigm from solely a traditional harvest fishery to a new way of benefiting from the aquatic resource. Focus is also devoted to national consistency, and policy and program coherence, given that this is a horizontal file.

In the current planning year, DFO will continue to implement the Aquaculture Action Plan. New activities will include:

- ❑ increasing information sharing among federal agencies and with provinces and territories;
- ❑ reviewing and streamlining the site review process;
- ❑ continuing to develop a national aquatic animal health program proposal and options to fund it;
- ❑ working with other government departments to identify and facilitate industry access to existing federal programs in support of aquaculture development;
- ❑ supporting industry development of a national code system to guide its operations;
- ❑ continuing to work with departmental sectors and regions to implement the Aquaculture Policy Framework.

Creating a climate conducive to responsible aquaculture development involves numerous challenges. Given that it is a shared responsibility between the federal and provincial and territorial governments, maintaining the relationships needed to address key aquaculture development issues in a timely manner can be challenging. The public understanding of the challenges and opportunities associated with the sustainable aquaculture industry is essential.

### ***DFO will continue to develop a long-term agreement with industry with respect to marine services fees on navigation services***

This is an ongoing cost recovery activity within the Canadian Coast Guard (CCG). Marine services fees are vote netted revenue, meaning they are a direct source of funds for the Department. Current inability to meet revenue targets are creating growing financial pressures.

<http://www.marine-services.gc.ca>



DFO will continue to work toward a long-term arrangement with the commercial shipping industry for the imposition of marine services fees. A sustainable fee structure is important in the development of a successful long-term arrangement between the CCG and industry. 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. When a decision is taken on the fee revenue level, DFO will examine the Marine Services Fees schedule and the Icebreaking Services Fees schedule under the *Oceans Act*.

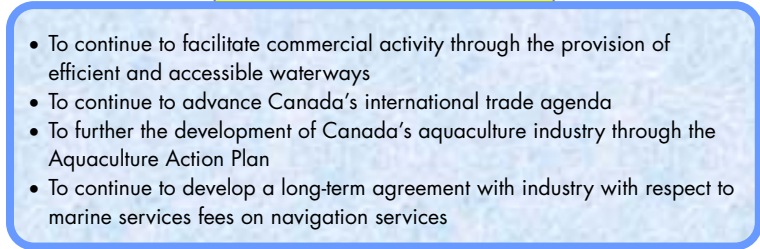


# Maritime commerce and ocean development: How does it happen?

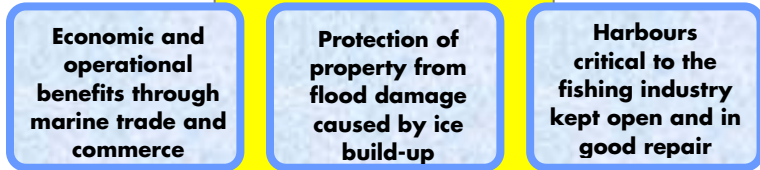
## What's involved?



## What are DFO's priorities?



## Contributing to:



## Providing Canadians with:



## Who's involved?





---

## ***Understanding of the oceans and aquatic resources***

**High-quality and timely new knowledge, products and scientific advice**

**Integration of information to ensure healthy and productive ecosystems**

**Canadian excellence in oceans and aquatic resources science and technology research**

---

### ***Context: What's involved?***

DFO conducts scientific research and related activities that are vital to the understanding and sustainable management of Canada's oceans and aquatic resources. This scientific knowledge assists in decision making and in the development of policy, regulations and standards. The Department undertakes research and related activities — including the management and dissemination of data, information and knowledge — in these major program areas:

- ❑ fisheries research – providing advice on the status of fish stocks and on conservation objectives, as well as information on marine ecosystem issues and species at risk;
- ❑ environmental and biodiversity science – monitoring chemical, physical and biological conditions that affect the aquatic environment and biodiversity;
- ❑ oceanography – conducting physical and biological oceanographic research (including ocean climate studies), providing environmental descriptions and providing advice on environment/ecosystem interactions;
- ❑ aquaculture – monitoring wild and cultured stocks of finfish and shellfish for disease, conducting research on biological and sustainable production, conducting research on fish health and environmental interactions, and transferring technology to Canada's aquaculture industry;
- ❑ hydrography – surveying, measuring, describing and charting the physical features of Canada's oceans, seas, rivers and lakes.

During the current planning period, DFO will also focus on the following two key priorities:

### ***DFO will continue to support its strategic outcomes through the provision of high-quality, timely new knowledge, products and scientific advice***

The primary challenge facing science within the Department is to strike an appropriate balance between the science undertaken in support of traditional departmental responsibilities (such as the assessment of stocks to manage



Canada's fishery) and newer emerging science-based issues (such as aquatic alien invasive species).

While the Department continues to evaluate options for realignment arising from the recent assessment of the Science Program, it will continue to provide high-quality, timely new knowledge, products and scientific advice in support of all the Department's strategic outcomes. It will also advance the understanding of the following newer and emerging science-based issues through the actions and initiatives described below.

- ❑ **Species at risk.** The Department will provide information on the status of approximately 18 species at risk and contribute to the development and implementation of recovery strategies and action plans for approximately 12 of the species currently listed in Schedules 1 and 2 of the *Species at Risk Act*. The Science Program will also undertake research to identify habitats that are critical to the survival and recovery of species at risk, to determine the feasibility of recovery, and to support informed dialogue in consultations with Canadians on the recovery strategies and species being considered for listing under Schedules 1 and 2.
- ❑ **Application of genomics and biotechnology.** DFO will continue to develop genomic and biotechnology applications for use in stock identification, harvest management, preservation of genetic diversity, selection of brood stock in aquaculture development, identification and control of aquatic animal diseases, monitoring recovery of habitat, and the assessment of potential environmental impacts of transgenic fish in support of the development of regulations under the *Fisheries Act*.
- ❑ **Impact of seals on fish stocks.** To better understand this issue, the Department has initiated a two-year research program on the interaction between seals and fish. This research program focuses on the three principal Atlantic seal species: grey, harp and hooded seals. In addition to estimating their abundance, research will be conducted on the distribution and diet of seals. The results of this work will be used to estimate fish consumption by seals and assess their potential impact on the various fish stocks. This research program will be conducted in collaboration with Canadian universities and the commercial fishing industry.
- ❑ **United Nations Convention on the Law of the Sea.** Following Canada's recent ratification of the United Nations Convention on the Law of the Sea, hydrographic information will be needed to support Canada's territorial claim to the continental shelf beyond the current 200-mile limit. The Canadian Hydrographic Service will continue to work with Natural Resources Canada, Foreign Affairs Canada and International Trade to evaluate and identify information and funding requirements so that Canada can prepare and defend its claim within the prescribed 10-year time frame following ratification.
- ❑ **Energy exploration and development.** The Department will strengthen its marine environmental and oceanographic research to further support its

[http://www.dfo-mpo.gc.ca/science/aquaculture/biotech/biotech\\_e.htm](http://www.dfo-mpo.gc.ca/science/aquaculture/biotech/biotech_e.htm)



provision of advice about offshore oil and gas activities, especially the impacts of seismic surveys on living marine resources. Peer-reviewed scientific advice on the effects of seismic survey operations on marine living resources will provide the scientific underpinning required for the development of standards for marine noise related to seismic operations under the Marine Environmental Quality provisions of the *Oceans Act*.

- ❑ **Aquatic alien invasive species.** DFO will provide scientific advice to the Canadian Council of Fisheries and Aquaculture Ministers in support of the development and implementation of a National Plan on Aquatic Invasive Species, intended to protect Canadian marine and freshwater ecosystems and resources. The Science Program will also provide scientific support to the development of the International Maritime Organization's convention on ballast water and domestic regulations. The Science Program will also continue to build national scientific capacity through a horizontal research network initiative supported by the DFO-funded Aquatic Invasive Species Research Chair at the University of Windsor.
- ❑ **Sustainable aquaculture development.** The Department's research and development efforts will continue under the Aquaculture Collaborative Research and Development Program. This program supports sustainable development of the aquaculture industry through the competitive allocation of funds to research projects proposed and jointly funded by the aquaculture industry. The research and development objectives of the program are to optimize fish production and health, and to improve the environmental performance of the industry. A review and evaluation of the program will be conducted in 2004–2005.

The Department will continue to pursue formal and informal collaborative research arrangements with partners in the national and international science community. These collaborative arrangements will lead to an increase in the knowledge base required for informed decision making, development of policy, and development of regulations and standards on these and other marine and freshwater issues of importance to Canadians.

***DFO will begin implementation of selected realignment initiatives identified through the assessment of the Science Program to ensure alignment of knowledge requirements with departmental and government-wide priorities***

To ensure that high-quality, timely and relevant scientific knowledge is provided in support of DFO's long-standing responsibilities and emerging science-based issues, the Department completed a review of its Science Program in 2003–2004. The review has identified approximately 30 options and initiatives for optimizing delivery of the program. These options and initiatives are currently being evaluated within the context of the Departmental Assessment and Alignment Project (DAAP). In 2004–2005, the Science Program will begin to implement selected options and initiatives.



[http://www.dfo-mpo.gc.ca/science/coo-ger-crepge/main\\_e.htm](http://www.dfo-mpo.gc.ca/science/coo-ger-crepge/main_e.htm)

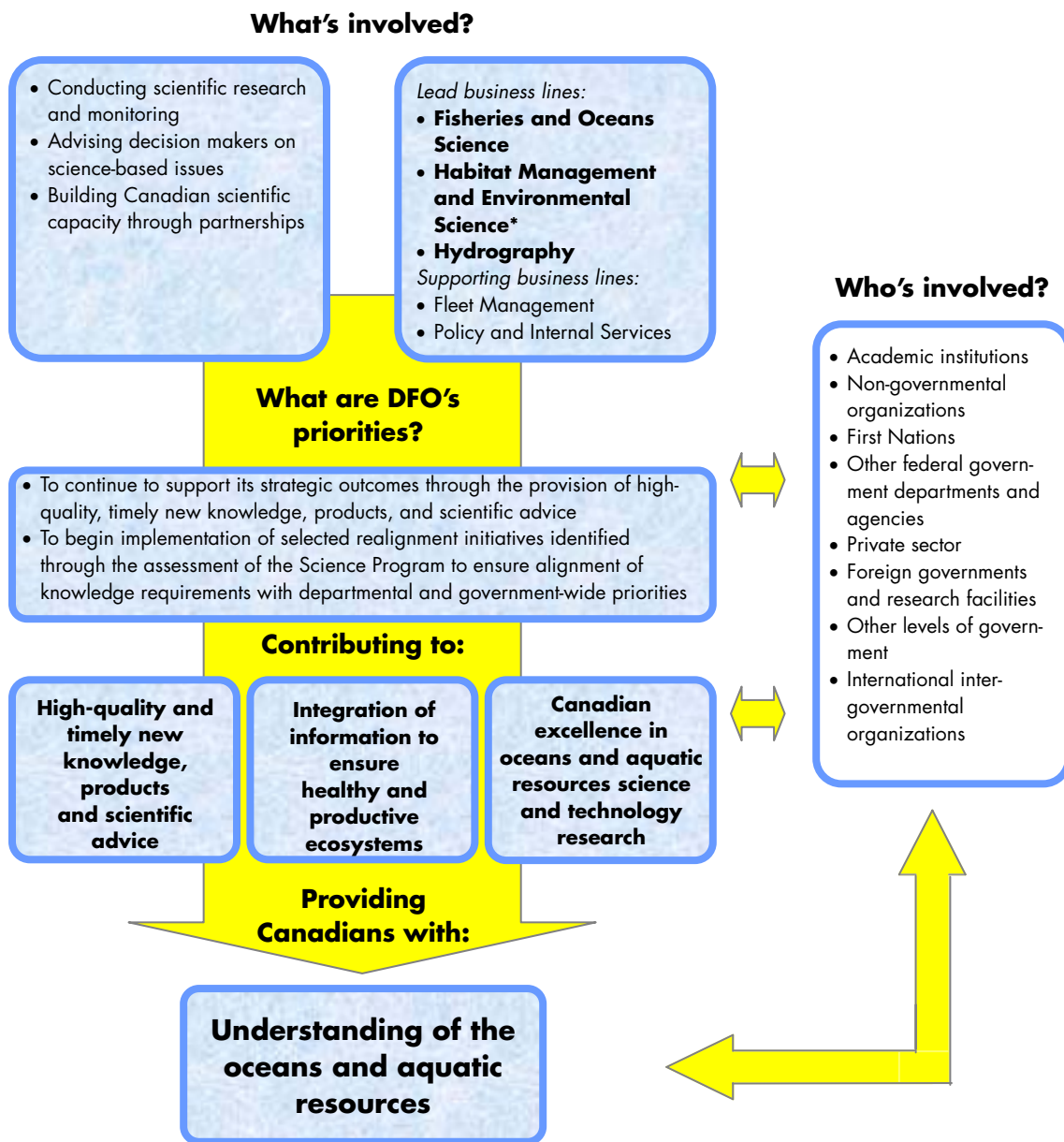


[http://www.dfo-mpo.gc.ca/science/aquaculture/acrdp\\_e.htm](http://www.dfo-mpo.gc.ca/science/aquaculture/acrdp_e.htm)



[http://www.dfo-mpo.gc.ca/sds-sdd2004/Index\\_e.htm](http://www.dfo-mpo.gc.ca/sds-sdd2004/Index_e.htm)

# Understanding of the oceans and aquatic resources: How does it happen?



\* The environmental science component of this business line has a lead role, the habitat management component a support role.

## Section 5 — Consolidated Reporting



### ***In this section:***

- ◆ *Management improvements* *Page 58*
- Modern Comptrollership* *Page 58*
- Internal audit* *Page 58*
- Improving service delivery to Canadians* *Page 59*
- Sustainable Development Strategy* *Page 59*
- Human resources renewal* *Page 60*

## ***Management improvements***

### ***Modern Comptrollership***

Modern Comptrollership is the foundation of the Government of Canada's long-term integrated and comprehensive agenda for management improvement. This has now been articulated in the Treasury Board's Management Accountability Framework (MAF) for Deputy Ministers. The Department of Fisheries and Oceans (DFO) will be integrating its efforts from Modern Comptrollership into a Modern Management Agenda that will also include outcomes from the Departmental Assessment and Alignment Project (DAAP), which was completed in 2003–2004. The Modern Management Agenda will also be influenced by the outcomes of DFO's participation in the first round of the Expenditure and Management Review.

Within DFO, the modernizing management agenda is one of the principal outputs of the DAAP (together with governance and policy/programs). Through the DAAP, DFO has identified some 70 initiatives in support of the modernizing management agenda. These are expressed in a comprehensive DFO renewal agenda action framework, which is contextualized to the MAF themes and prioritized for implementation. The development of this work was overseen by the DFO Modernizing Management Team and endorsed by the Departmental Management Committee (DMC). The overall objective of this effort was to ensure that management initiatives would be in place to support financial stability and that the Department is set on a solid footing for the future.

### ***Internal audit***

Consistent with the Treasury Board's Policy on Internal Audit, the Department — through its Audit and Evaluation Directorate — will develop objective assessments of the design and operation of its management practices, control systems, risk management, and financial and non-financial information, in keeping with Modern Comptrollership principles. In accordance with the Treasury Board's Evaluation Policy, DFO's policies, programs and initiatives will be designed, managed and evaluated through the development of Results-based Management and Accountability Frameworks (RMAFs). Evaluations will also be conducted to assess the relevance, success and cost-effectiveness of these policies, programs and initiatives. These efforts will contribute to DFO's decision making, continuous management improvement and accountability for results.

Internal audit and evaluation projects will be conducted based on an assessment of departmental and government-wide priorities and related risks. Internal audits and evaluations are described in the Department's Risk-based Audit and Evaluation Plan. The implementation of this Plan will assure senior management that the departmental management control framework provides for the safeguarding and efficient use of human, financial and materiel resources, as well as for reporting on



the Department's actual performance in achieving its strategic outcomes. This will contribute to the identification, design, and implementation of alternatives and improvements to the management control framework and departmental performance.

## ***Improving service delivery to Canadians***

Through its participation in the Government On-Line (GOL) initiative and Service Improvement Initiative, DFO seeks to provide Canadians with access to federal government information and services via the Internet while trying to achieve a significant, quantifiable improvement in client satisfaction.

A key element of DFO's GOL strategy is to improve services to recreational fishers by developing a National Recreational Licensing System (NRLS). The purpose of the NRLS is to develop additional delivery channels through which the public can buy recreational fishing licences for areas under DFO jurisdiction. The system is being piloted in the Pacific Region, with the intention of expanding it to include a future Atlantic recreational groundfish licence. Some technical problems relating to user authentication and privacy are being resolved, and a public launch of the system could occur in 2004–2005.

A second element of the strategy is the Maritime Safety Information Service. It provides commercial and recreational vessel operators (among others) with access to information resources and services they require to conduct their business or recreational activities on national waterways responsibly, safely and efficiently. Currently, many information services are stand-alone because of the regional structure of the Department. These information holdings will be rationalized to eliminate duplication and to ensure compliance with Government of Canada Web publishing and official languages requirements. In some instances, opportunities to merge services and share infrastructure are being explored. In the meantime, efforts will continue to be focused on the accuracy, reliability and timeliness of information holdings.

A third element of the strategy is Understanding Canada's Waters and Aquatic Resources. This service disseminates scientific and socio-economic data, data products and services. It also provides statistical information regarding fish stocks, oceanographic physical/chemical profiles, surface wave and remote sensing data, ecosystem research and protection, information about the effects of climate change on aquatic systems and other reference material. The Department will increase the amount and quality of information available on-line, providing clients with easier access to the information they require.

## ***Sustainable Development Strategy***

Sustainable development is fundamental to DFO's legal mandate, programs and policies. The Department is responsible to Canadians for maintaining the

economic and social benefits from Canada's oceans and freshwater resources, while conserving the ecological integrity of the nation's aquatic ecosystems.



[http://www.dfo-mpo.gc.ca/sds-sdd2004/Index\\_e.htm](http://www.dfo-mpo.gc.ca/sds-sdd2004/Index_e.htm)

DFO, in consultation with the Office of the CESD, elected to table a progress report on its 2001 SDS. The report outlines how 36 of the 41 planned activities have been achieved or are well on their way to being achieved. Following the progress report, DFO will table a new and comprehensive SDS, pending the completion of a comprehensive departmental review that is currently under way.

While completing its review and preparing to develop its new SDS over the coming months, DFO will continue to pursue its ongoing SDS commitments and begin to frame future commitments in accordance with its emerging policy and program outcomes and with a renewed Strategic Plan. Strengthened by DFO's renewed policy and program framework, the next SDS will set forth further commitments that will be consistent with DFO's vision to work with Canadians to ensure the sustainable development and safe use of Canadian waters.

## ***Human resources renewal***

The Human Resources and Corporate Services sector will support the Department in building an adaptive, high-performing work force for the 21st century that is representative of Canadian society and that promotes a continuous and enhanced capacity to learn and adjust to change. In achieving this objective, the challenge will be to attract and retain the best employees, given the loss of human and intellectual capital associated with having a large percentage of DFO's work force eligible for retirement. In light of these challenges, the Department will continue to improve human resources services, prepare the groundwork required for the implementation of the *Public Service Modernization Act* and continue to respond to issues raised in the 2002 Public Service Employee Survey.

## Section 6 — Departmental Structure and Other Information



### ***In this section:***

- ◆ *Organizational structure* *Page 62*
- ◆ *Statutes, regulations and statutory reports* *Page 64*
- ◆ *Contacts for further information* *Page 66*

## ***Organizational structure***

Fisheries and Oceans Canada is a largely decentralized department with almost 9 of every 10 employees situated in regions outside the National Capital Region. The Department operates across Canada from six regional offices, as well as from the national headquarters in Ottawa. The regions are as follows.

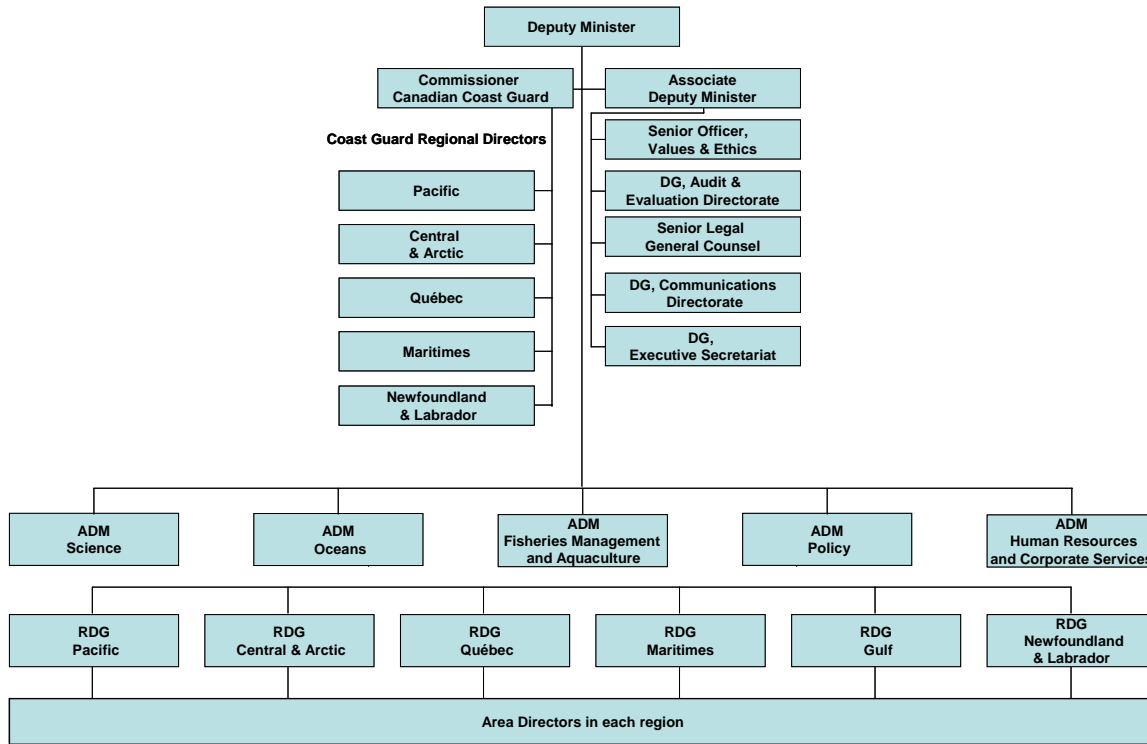


Each of the six regions is headed by a Regional Director General (RDG) in a regional headquarters. The RDGs are responsible for organizing and managing the delivery of programs and activities in their regions through area offices, in accordance with national and regional priorities and within national performance parameters set for each program and activity.

The national headquarters in Ottawa — under the leadership of the Deputy Minister (DM), Associate Deputy Minister (Associate DM), Commissioner of the Canadian Coast Guard and five Assistant Deputy Ministers (ADMs) — is responsible for establishing national objectives, policies, procedures and standards. It also runs some national programs and monitors departmental activities nationwide to ensure the quality and consistency of service delivery. The DM, Associate DM, ADMs and RDGs work closely together in managing the Department and its operations. The ADMs are responsible for establishing national objectives, policies, procedures and standards for their respective business lines.



As of June 2003, Canadian Coast Guard Regional Directors report directly to, and are accountable to, the Commissioner of the Canadian Coast Guard. This was implemented to enhance operational integrity and the delivery of services, following recommendations from the Auditor General.





## Statutes, regulations and statutory reports

### Statutes

*Atlantic Fisheries Restructuring Act*,<sup>1</sup> R.S.C. 1985, c. A-14  
*Canada Shipping Act*,<sup>2</sup> R.S.C. 1985, c. S-9  
*Coastal Fisheries Protection Act*, R.S.C. 1985, c. C-33  
*Department of Fisheries and Oceans Act*, R.S.C. 1985, c. F-15  
*Fisheries Act*, R.S.C. 1985, c. F-14  
*Fisheries Development Act*, R.S.C. 1985, c. F-21  
*Fisheries Improvement Loans Act*, R.S.C. 1985, c. F-22  
*Fishing and Recreational Harbours Act*, R.S.C. 1985, c. F-24  
*Freshwater Fish Marketing Act*, R.S.C. 1985, c. F-13  
*Great Lakes Fisheries Convention Act*, R.S.C. 1985, c. F-17  
*National Energy Board Act*,<sup>3</sup> R.S.C. 1985, c. N-7  
*Oceans Act*, S.C. 1996, c. 31  
*Resources and Technical Surveys Act*,<sup>4</sup> R.S.C. 1985, c. R-7  
*Species at Risk Act*<sup>5</sup>

- 1 Certain sections of this Act are also the responsibility of the Ministers of Industry, Finance and State (Privatization and Regulatory Affairs).
- 2 The Minister of Fisheries and Oceans shares responsibility to Parliament with the Minister of Transport.
- 3 The Minister of Fisheries and Oceans may in some instances administer Section 108 of this Act.
- 4 The Minister of Fisheries and Oceans has some powers under this Act. However, those powers also exist under the *Oceans Act*.
- 5 The Minister of Fisheries and Oceans is a competent Minister with respect to some aquatic species.

Subsequent changes in statutes falling under the Department will be reflected in the 2004 *Departmental Performance Report (DPR)*.



## **Regulations**

*Aboriginal Communal Fishing Licences Regulations, SOR/93-332*  
*Aids to Navigation Protection Regulations, C.R.C., c. 1405*  
*Alberta Fishery Regulations, 1998, SOR/98-246*  
*Atlantic Fishery Regulations, 1985, SOR/86-21*  
*British Columbia Sport Fishing Regulations, 1996, SOR/96-137*  
*Carrier Exemption Regulations, C.R.C., c. 803*  
*Coastal Fisheries Protection Regulations, C.R.C., c. 401*  
*Confederation Bridge Area Provincial (P.E.I.) Laws Application Regulations, SOR/97-375*  
*Eastern Canada Vessel Traffic Services Zone Regulations, SOR/89-99*  
*Endeavour Hypothermal Vents Marine Protected Area Regulations, SOR/2003-87*  
*Ferry Cable Regulations, SOR/86-1026*  
*Fish Health Protection Regulations, C.R.C., c. 812*  
*Fish Toxicant Regulations, SOR/88-258*  
*Fisheries Improvement Loans Regulations, C.R.C., c. 864*  
*Fishery (General) Regulations, SOR/93-53*  
*Fishing and Recreational Harbours Regulations, SOR/78-767*  
*Foreign Vessel Fishing Regulations, C.R.C., c. 815*  
*Kenney Dam and Skins Lake Spillway Orders Regulations, SOR/87-723*  
*Management of Contaminated Fisheries Regulations, SOR/90-351*  
*Manitoba Fishery Regulations, 1987, SOR/87-509*  
*Marine Mammal Regulations, SOR/93-56*  
*Maritime Provinces Fishery Regulations, SOR/93-55*  
*Newfoundland Fishery Regulations, SOR/78-443*  
*Northwest Territories Fishery Regulations, C.R.C., c. 847*  
*Ontario Fishery Regulations, 1989, SOR/89-93*  
*Pacific Fishery Management Area Regulations, SOR/82-215*  
*Pacific Fishery Regulations, 1993, SOR/93-54*  
*Private Buoy Regulations, SOR/84-804*  
*Quebec Fishery Regulations, 1990, SOR/90-214*  
*Sable Island Regulations, C.R.C., c. 1465*  
*Saskatchewan Fishery Regulations, 1995, SOR/95-233*  
*Vessel Traffic Services Zone Regulations, SOR/89-98*  
*Yukon Territory Fishery Regulations, C.R.C., c. 854*

Subsequent changes in regulations falling under the Department will be reflected in the 2004 *Departmental Performance Report (DPR)*.

## ***Statutory reports***

*Atlantic Fisheries Restructuring*  
*Fish Habitat Protection and Pollution Prevention*  
*Fisheries Development*  
*Fisheries Improvement Loans*  
*Freshwater Fish Marketing Corporation Annual Report*  
*Privacy and Access to Information*

## ***Contacts for further information***

### ***Departmental contacts***

For more information, contact the following Communications personnel:

<b>Region</b>	<b>Name</b>	<b>Telephone</b>
Newfoundland and Labrador	Jan Woodford	(709) 772-7622
Maritimes	Kathy Kieley	(902) 426-3866
Gulf	Terrance Boucher	(506) 851-7757
Quebec	Marcel Thérien	(418) 648-7316
Central and Arctic	Andrea Cyr	(519) 383-1830
Pacific	Deborah Phelan	(604) 666-8675
Headquarters	Anne Lamar	(613) 990-0219

## Section 7 — Financial Information



### ***In this section:***

◆ <i>Overview</i>	<i>Page 68</i>
◆ <i>Financial tables</i>	<i>Page 68</i>
<i>Summary of capital spending by business line</i>	<i>Page 68</i>
<i>Details on major capital project spending</i>	<i>Page 69</i>
<i>Summary of transfer payments</i>	<i>Page 71</i>
<i>Details on transfer payments programs</i>	<i>Page 72</i>
<i>Sources of spendable and non-spendable revenue</i>	<i>Page 73</i>
<i>Net cost of program for 2004–2005</i>	<i>Page 74</i>
<i>Legislative and regulatory initiatives</i>	<i>Page 75</i>
<i>External charging</i>	<i>Page 76</i>
<i>Major initiatives</i>	<i>Page 76</i>

## Overview

The financial tables presented in this section have been compiled using the Department's accountability structure as approved by Parliament. DFO is required to report to Parliament under this structure.

## Financial tables

**Table 7-1: Summary of capital spending by business line**

(in millions of dollars)	Actual	<b>Planned</b>	Planned	Planned
Business Line	Spending 2003-04	<b>Spending 2004-05</b>	Spending 2005-06	Spending 2006-07
Marine Navigation Services	9.2	<b>6.2</b>	19.2	20.1
Marine Communications and Traffic Services	12.6	<b>28.0</b>	25.0	22.0
Icebreaking Operations	0.1	-	-	-
Rescue, Safety and Environmental Response	-	-	-	-
Fisheries and Oceans Science	1.5	<b>0.5</b>	-	-
Habitat Management and Environmental Science	-	-	-	-
Hydrography	0.5	<b>0.5</b>	-	-
Fisheries Management	1.2	-	-	-
Harbours	34.1	<b>27.0</b>	22.0	22.0
Fleet Management	82.8	<b>70.5</b>	65.9	60.0
Policy and Internal Services	53.8	<b>65.9</b>	41.2	41.2
<b>Total</b>	195.8	<b>198.6</b>	173.3	165.3

The capital spending table presents the actual spending for 2003-2004, based on Public Accounts, as well as the Department's planned spending by business line for the upcoming three fiscal years. The figures presented in this table reflect the Main Estimates plus all adjustments that have been approved since the date of the Main Estimates.

The overall decrease in capital spending from 2004-2005 to 2005-2006 is due primarily to the conclusion of the Rust-Out funding initiative (\$42 million in 2004-2005) which was allocated to the Department of Fisheries and Oceans each year from 2000-2001 to 2004-2005. Rust-Out funding was provided to correct the degradation the Department's asset base in an attempt to bring it back to a baseline operating condition.

The increases in the capital spending of Marine Navigation Services and Marine Communications and Traffic Services (MCTS) are related to additional funding that has been allocated to the Department through inception of the Canadian Coast Guard's (CCG) Capital Spending Plan. The Plan began in fiscal 2003-2004 due to a Federal budget allocation to CCG of \$47.3 million per year. This Federal allocation was created in order to refurbish CCG's Fleet and shore based infrastructure on a national basis. Prior to 2004-2005, all of the projects contained within this plan were managed within the Fleet Management business line.



The Departmental business lines of Fisheries & Oceans Science and Hydrography currently each have one capital project. Both of these projects will be completed in fiscal 2004-05.

The decrease in Fleet Management's planned spending over the course of the planning period is a result of two principal factors. These two factors are based on the termination of the Rust-Out funding in 2004-2005 and the transfer of projects from the Fleet Management business line to the Marine Navigation Services and MCTS business lines in fiscal 2004-2005.

**Table 7-2: Details on major capital project spending by business line**

<b>(millions of dollars)</b>						
<b>Province/ Project Description</b>	<b>Current Estimated Total Cost</b>	<b>Actual Spending to March 31, 2004</b>	<b>Planned Spending 2004-05</b>	<b>Planned Spending 2005-06</b>	<b>Planned Spending 2006-07</b>	<b>Future Years Spending Require- ment</b>
<b>FISHERIES AND OCEANS SCIENCE</b>						
<b>Multi-Province</b>						
SDMI – Science Data Management Infrastructure (S-EPA)	2.3	1.8	0.2	0.2	0.1	-
<b>HYDROGRAPHY</b>						
<b>Multi-Province</b>						
HIN – Hydrographic Information Network Infrastructure (S-EPA)	2.4	1.5	0.9	-	-	-
<b>FLEET MANAGEMENT</b>						
<b>Quebec</b>						
Acquisition of Air Cushion Vehicle (I-PPA)	23.4	-	0.3	10.7	11.3	1.1
<b>Multi-province</b>						
Search and Rescue Lifeboat Replacement - Phase II (S-EPA)	41.1	16.0	12.6	8.9	2.8	0.8
Program Integrity – Search and Rescue Stations and Vessels (S-EPA)	31.3	31.3	-	-	-	-
Replacement of Conservation and Protection Post Class Vessels (Atlin, Comox, Sooke, Kitimat II) (I-PPA)	20.9	0.1	0.5	-	0.2	20.1
<b>POLICY AND INTERNAL SERVICES</b>						
<b>Multi-Province</b>						
IMIT – Security Enhancements (S-EPA)	6.8	-	2.0	3.1	1.0	0.7
WinOffXP - Windows XP and Office XP Migration Project (S-EPA)	11.9	9.8	2.1	-	-	-
RIIR - Regional Informatics Infrastructure Replacement (S-EPA)	19.5	11.2	1.3	2.0	0.6	4.4
DirServ - Directory Services (I-PPA)	2.2	0.8	-	-	-	1.4

<b>(millions of dollars)</b>						
<b>Province/ Project Description</b>	<b>Current Estimated Total Cost</b>	<b>Actual Spending to March 31, 2004</b>	<b>Planned Spending 2004-05</b>	<b>Planned Spending 2005-06</b>	<b>Planned Spending 2006-07</b>	<b>Future Years Spending Require- ment</b>
EKME - Electronic Knowledge Management Environment Systems (S-EPA)	7.6	5.5	1.3	0.7	0.1	-
FIMP - Fisheries Information Management Program (S-EPA)	8.6	7.1	1.5	-	-	-

The major capital projects table illustrates all planned and ongoing major capital projects which exceed the Department's project approval authority. The Department's project approval authority is:

[http://www.dfo-mpo.gc.ca/rpp2004/ltcp\\_e.htm](http://www.dfo-mpo.gc.ca/rpp2004/ltcp_e.htm)



- \$2 million for new Information Technology projects
- \$5 million for replacement Information Technology projects
- \$20 million for all other projects

The phase of each project is identified according to the following Treasury Board definitions:

- Indicative Estimate (I) – This is a low quality order of magnitude estimate that is not sufficiently accurate to warrant Treasury Board approval as a cost objective.
- Substantive Estimate (S) – This estimate is one of sufficiently high quality and reliability so as to warrant Treasury Board approval as a cost objective for the project phase under consideration.
- Preliminary Project Approval (PPA) – This defines Treasury Board's authority to initiate a project in terms of its intended operational requirement, including approval of, and expenditure authorization for, the objectives of the project definition phase. Sponsoring departments and agencies are to submit for PPA when the project's complete scope has been examined and costed, normally to the indicative level, and when the cost of the project definition phase has been estimated to the substantive level.
- Effective Project Approval (EPA) – Treasury Board's approval of, and expenditure authorization for, the objectives of the project implementation phase. Sponsoring departments and agencies are to submit for EPA only when the scope of the overall project has been defined and when the estimates have been refined to the substantive level.



**Table 7-3: Summary of transfer payments (grants and contributions)**

(in millions of dollars)	Actual	Planned	Planned	Planned
Business Line	Spending 2003-04	Spending 2004-05	Spending 2005-06	Spending 2006-07
<b>Grants</b>				
Marine Navigation Services	-	-	-	-
Marine Communications and Traffic Services	-	-	-	-
Icebreaking Operations	-	-	-	-
Rescue, Safety and Environmental Response	-	-	-	-
Fisheries and Oceans Science	0.2	-	-	-
Habitat Management and Environmental Science	-	-	-	-
Hydrography	0.1	<b>0.1</b>	0.1	0.1
Fisheries Management	-	-	-	-
Harbours	0.5	<b>0.5</b>	0.5	0.5
Fleet Management	-	-	-	-
Policy and Internal Services	-	<b>0.1</b>	0.1	0.1
<b>Total Grants</b>	<b>0.8</b>	<b>0.7</b>	<b>0.7</b>	<b>0.7</b>
<b>Contributions</b>				
Marine Navigation Services	0.2	-	-	-
Marine Communications and Traffic Services	-	-	-	-
Icebreaking Operations	-	-	-	-
Rescue, Safety and Environmental Response	4.7	<b>4.6</b>	4.6	4.5
Fisheries and Oceans Science	1.7	<b>0.9</b>	0.9	0.9
Habitat Management and Environmental Science	0.5	-	-	-
Hydrography	-	-	-	-
Fisheries Management	71.1	<b>107.9</b>	73.0	48.6
Harbours	0.4	-	-	-
Fleet Management	-	-	-	-
Policy and Internal Services	0.3	<b>0.2</b>	0.2	0.2
<b>Total Contributions</b>	<b>78.9</b>	<b>113.6</b>	<b>78.7</b>	<b>54.2</b>
<b>Total Grants and Contributions</b>	<b>79.7</b>	<b>114.3</b>	<b>79.4</b>	<b>54.9</b>

The summary of transfer payments table presents the actual spending for 2003-2004, based on Public Accounts, and planned spending for the three future fiscal years by business line. The figures presented in this table reflect Main Estimates plus any adjustments approved since Main Estimates.

The 2003-2004 actual spending on transfer payments for the Fisheries Management business line is considerably lower than the planned spending for 2004-2005 as a result of a surplus in the Fisheries Access Program. This surplus will be used by the Department to fulfil all Fisheries Access Program commitments under signed Fisheries Agreements until 2005-2006. The Department has the authority to roll over available program funds to fulfil commitments in future years to remain cost effective.

The overall decrease in transfer payments from 2004-2005 to 2006-2007 is due to decreasing funding for the Fisheries Access Program. A two-year extension to the Fisheries Access Program was approved, changing the sunset date from March 31, 2004 to March 31, 2006. The corresponding funding of approximately \$64

million and \$28 million in 2004-2005 and 2005-2006 respectively was rolled over. There is no planned spending for the Fisheries Access Program in 2006-2007, as agreements are at this time expected to be concluded.

**Table 7-4: Details on transfer payments programs (grants and contributions)**

<b>Program</b>	<b>Objective</b>	<b>Planned Results</b>	<b>Milestones</b>
Fisheries Management \$107.3 million	<ul style="list-style-type: none"> <li>To provide contributions to First Nations to assist in building the skills and management capacity necessary to be successful in the fishery.</li> </ul>	<ul style="list-style-type: none"> <li>Integration of Aboriginal people into the management of the fishery and providing them with economic benefits.</li> <li>Increased participation of Aboriginal people in the fishery while maintaining the conservation principle.</li> <li>An orderly harvest while accommodating Aboriginal fishing interests.</li> </ul>	<ul style="list-style-type: none"> <li>Number of agreements signed compared to eligible list of First Nations.</li> <li>Number of licences transferred to eligible First Nations.</li> <li>Number of First Nations graduates of training and mentorship programs.</li> <li>Number of Aboriginal people in the fishery and related activities.</li> </ul>
Fisheries Management \$0.6 million	<ul style="list-style-type: none"> <li>To provide contributions to older groundfish fishermen for early retirement under Atlantic Fishery Adjustment programming.</li> </ul>	<ul style="list-style-type: none"> <li>Reduction in participation in the Atlantic Groundfish fishery</li> </ul>	<ul style="list-style-type: none"> <li>Annuity payments to retired fishers.</li> </ul>
<b>Total \$107.9 million</b>			

The table above further explains (in terms of objective, planned results, and milestones) the contributions of \$107.9 million related to the Fisheries Management business line.



**Table 7-5: Sources of responsible and non-responsible revenue**

(in millions of dollars)	Actual Revenue 2003-04	Planned Revenue 2004-05	Planned Revenue 2005-06	Planned Revenue 2006-07
<b>Responsible Revenue</b>				
<b>Marine Navigation Services</b>				
Maintenance Dredging Services Tonnage Fees in the St. Lawrence Shipping Channel *	3.6	1.5	1.5	1.5
Marine Navigation Service Fees	28.4	27.8	27.8	27.8
Sundries	0.2	-	-	-
	32.2	29.3	29.3	29.3
<b>Marine Communications and Traffic Services</b>				
Coast Guard Radio Tolls	0.1	0.1	0.1	0.1
Employee Deductions for Employee Housing	0.1	0.1	0.1	0.1
	0.2	0.2	0.2	0.2
<b>Icebreaking Operations</b>				
Icebreaking Services Fees	4.5	13.8	13.8	13.8
<b>Rescue, Safety and Environmental Response</b>				
Small Vessels Regulations for Capacity Plates				
Construction Decals	0.2	0.2	0.2	0.2
Sundries	0.3	-	-	-
	0.5	0.2	0.2	0.2
<b>Policy and Internal Services</b>				
Canadian Coast Guard College	3.6	3.7	3.7	3.7
<b>Total Responsible Revenue</b>	<b>41.0</b>	<b>47.2</b>	<b>47.2</b>	<b>47.2</b>
<b>Non-responsible Revenue**</b>				
<b>Marine Navigation Services</b>				
Aids to Navigation Services in the Deep Water Channel between Montreal and Lake Erie	-	0.2	0.2	0.2
<b>Marine Communications and Traffic Services</b>				
Rental of Land, Buildings, and Equipment	0.2	0.2	0.2	0.2
<b>Fisheries and Oceans Science</b>				
Technology Transfer Licenses	0.1	0.1	0.1	0.1
<b>Hydrography</b>				
Sale of Charts and Publications	2.4	2.4	2.4	2.4
Technology Transfer Licenses	0.6	0.5	0.5	0.5
	3.0	2.9	2.9	2.9
<b>Fisheries Management</b>				
Commercial Licences	30.2	17.6	17.3	17.3
Individual Vessel Quotas	10.7	20.1	20.1	20.1
Sportfish Licences	5.6	5.0	5.0	5.0
Conservation Stamps	1.5	1.6	1.6	1.6
Rental of Land, Building, and Equipment	0.2	0.2	0.2	0.2
	48.2	44.5	44.2	44.2
<b>Harbours</b>				
Small Craft Harbour Revenue	1.7	1.5	1.4	1.3
<b>Habitat Management and Environmental Science</b>				
Rental of Land, Building, and Equipment	0.1	0.1	0.1	0.1
<b>Policy and Internal Services</b>				
Rental of Land, Building, and Equipment	0.1	0.1	0.1	0.1
<b>Total Non-responsible Revenue</b>	<b>53.4</b>	<b>49.6</b>	<b>49.2</b>	<b>49.1</b>
<b>Total Responsible and Non-responsible Revenue</b>	<b>94.4</b>	<b>96.8</b>	<b>96.4</b>	<b>96.3</b>

Note: For comparison purposes, the table does not include unplanned revenues collected in 2003-2004.

\*As a result of a new fee arrangement, which was agreed to with industry, the revenue for Maintenance Dredging will be approximately \$4.0 million for 2003-2004 and future years. This change is not reflected in this table because the agreement was signed late in the year. This change will be reflected in the next year's Main Estimates and RPP.

\*\*These amounts are subject to revisions in light of the External Charging Review.

Table 7-5 presents the actual revenues for 2003-2004, based on Public Accounts, and planned revenues for the three future years by business line.

Respendable revenues refer to funds collected for the recovery of the cost of DFO services. These are collected mainly by the Canadian Coast Guard (CCG) in regard to Marine Navigation Services, Icebreaking Services and the management of the maintenance dredging program for the St. Lawrence Ship Channel on behalf of industry. The Department is permitted to spend the sums received as respendable revenues. This explains why Table 3-2 is shown net of respendable revenue.

Actual revenue collected for Icebreaking Services Fees is well below the planned amounts for the three future planning years. Historically, actual revenue collection for Icebreaking Service Fees has not achieved planned revenue figures. The planned revenues for Icebreaking Service Fees are based on a fee structure that has been only partially implemented.

Non-respendable revenues refer to funds collected for fishing licenses, hydrographic charts and various other departmental products and services. The Department is not allowed to respend these revenues.

The Rental of Land, Building, and Equipment shown under the Marine Communications and Traffic Services business line is for ongoing rental of tower space to Nav Canada for communication and radar equipment for the aviation industry.

The decrease in small craft harbour revenue is due to the decline in the number of harbours as a result of the recreational harbour divestiture program.

**Table 7-6: Net cost of program for 2004-2005**

(in millions of dollars)	Total
<b>Net Planned Spending</b>	1,468.0
<b>Plus: Services Received without Charge</b>	
Accommodation Provided by Public Works and Government Services Canada (PWGSC)	39.9
Contributions Covering Employers' Share of Employees' Insurance Premiums and Expenditures Paid by Treasury Board Secretariat	45.4
Workers' Compensation Coverage Provided by Social Development Canada	1.4
Salary and Associated Expenditures of Legal Services Provided by Justice Canada	4.5
Total Services Received Without Charge	91.2
<b>Less: Non-respendable Revenue</b>	49.6
<b>2004-2005 Net Cost of Program</b>	1,509.6

The above table provides the net cost of the Department's activities. The Department receives accommodation services from Public Works and Government Services Canada, legal services from the Department of Justice, and worker's compensation coverage from Social Development Canada. In addition, Treasury



Board Secretariat covers the cost of the employer’s share of employees’ insurance premiums. These services received without charge are added to the net planned spending for the year, and the planned non-responsible revenue is deducted to arrive at the net cost of the program.

**Table 7-7: Legislative and regulatory initiatives**

<b>Legislation and Regulations</b>	<b>Planned Results</b>
<b>Contravention Regulations</b> <ul style="list-style-type: none"> <li>• Add schedules of offences &amp; fines to various regulations</li> </ul>	<ul style="list-style-type: none"> <li>• Decriminalize DFO regulatory offences and reduce and simplify prosecutions for offences</li> </ul>
<b>Species at Risk Regulations</b>	<ul style="list-style-type: none"> <li>• Development of Regulations and management planning</li> </ul>
<b>Amendments to Provincial and Territorial Fishery Regulations</b> <ul style="list-style-type: none"> <li>• To improve fisheries management</li> </ul>	<ul style="list-style-type: none"> <li>• Improved fisheries management and enforcement</li> </ul>
<b>Nunavut Fishery Regulations</b> <ul style="list-style-type: none"> <li>• Development of Fishery Regulations for the new Nunavut Territory</li> </ul>	<ul style="list-style-type: none"> <li>• Regulate fishing in the new territory</li> </ul>
<b>Marine Recreation Fishing Licences (Atlantic)</b>	<ul style="list-style-type: none"> <li>• Extend Newfoundland Marine Recreational Fishing Licence to the rest of Atlantic Provinces</li> </ul>
<b>Marine Protected Areas</b> <ul style="list-style-type: none"> <li>• Establishment of selected Marine Protected Areas in Canada’s three oceans</li> </ul>	<ul style="list-style-type: none"> <li>• Conservation and protection of distinctive areas of the marine environment</li> </ul>
<b>Coastal Fisheries Protection Regulations</b> <ul style="list-style-type: none"> <li>• Domestic implementation of United Nations Fish Stock Agreement</li> </ul>	<ul style="list-style-type: none"> <li>• To meet international obligations under the <i>United Nations Fish Stocks Agreement</i></li> </ul>
<b>Fisheries Act &amp; Related Regulations</b> <ul style="list-style-type: none"> <li>• Aboriginal Communal Fishing Licence Regulations, Atlantic Fishery Regulations, BC Sportfishing Regulations, Coastal Fisheries Protection Regulations, Fishery (General) Regulations, Manitoba Fishery Regulations, Marine Mammal Regulations, Maritime Provinces Fishery Regulations, Newfoundland Fishery Regulations, Northwest Territories Fishery Regulations, Ontario Fishery Regulations, Pacific Fishery Regulations, Quebec Fishery Regulations, Saskatchewan Fishery Regulations, Yukon Territory Fishery Regulations</li> </ul>	<ul style="list-style-type: none"> <li>• Amend certain provisions in various regulations to align with amendments to the <i>Fisheries Act</i> proposed in Bill C-43</li> </ul>
<b>Fish Health Protection Regulations</b>	<ul style="list-style-type: none"> <li>• Bring regulations into compliance with International Standards for better protection of Canadian aquatic resources</li> </ul>

**Table 7-8: External charging**

The Department does not plan on amending or introducing new fees in 2004-2005. However, DFO has begun an External Charging Review that will include:

- ❑ a review of the functioning of the current revenue streams;
- ❑ a review of the targets from the current revenue streams;
- ❑ the identification of new opportunities for charging consistent with TB External Charging Policy;
- ❑ the development of a revenue management framework.

**Table 7-9: Major initiatives**

<b>Strategic Outcome</b>	<b>Initiative and Purpose</b>	<b>Program Lead</b>	<b>Planned Spending 2004-05</b>	<b>Planned Spending 2005-06</b>	<b>Planned Spending 2006-07</b>
<b>Maritime Safety</b>  <b>Maritime Commerce and Ocean Development</b>	<b>CCG Modernization</b>	Canadian Coast Guard	\$10.0 million	\$12.0 million	\$14.0 million
<b>Management and protection of fisheries resources</b>	<b>Marine Security</b> (aerial surveillance)	Fisheries Management (Conservation and Protection)	\$2.0 million	\$2.0 million	\$2.0 million
<b>Management and protection of fisheries resources</b>	<b>Marshall</b>	Fisheries Management (Aboriginal Policy and Governance)	\$69.88 million	\$33.88 million	
<b>Management and protection of fisheries resources</b>	<b>Aboriginal Fisheries Strategy</b>	Fisheries Management (Aboriginal Policy and Governance)	\$33.88 million	\$33.88 million	\$33.88 million
<b>Management and protection of fisheries resources</b>	<b>Fisheries Management Renewal</b>	Fisheries Management (Atlantic Fisheries Policy Renewal, Conservation and Protection & Program Planning and Coordination)	\$7.2 million	\$7.2 million	\$7.2 million



Strategic Outcome	Initiative and Purpose	Program Lead	Planned Spending 2004-05	Planned Spending 2005-06	Planned Spending 2006-07
<p><b>Maritime Commerce and Ocean Development</b></p> <p><b>Understanding of the oceans and aquatic environment</b></p>	<p><b>Program for Sustainable Aquaculture (PSA)</b></p> <p>The objectives of the Program for Sustainable Aquaculture, which reflects 60 per cent of aquaculture funding (Aquaculture Science is allocated a further 40 per cent), are to foster growth of a sustainable and internationally competitive aquaculture industry in Canada, and to increase public confidence in the sustainability of aquaculture.</p>	<p>Administration and evaluation of the PSA is undertaken nationally, within the Policy sector, by the Office of Sustainable Aquaculture (OSA).</p>	<p>\$22.0 million</p> <p>(\$12.0 million from PSA and \$11.0 million from Aquaculture Science)</p>	<p>\$22.0 million</p> <p>(\$12.0 million from PSA and \$11.0 million from Aquaculture Science)</p>	<p>\$22.0 million</p> <p>(\$12.0 million from PSA and \$11.0 million from Aquaculture Science)</p>
<p><b>Maritime Safety</b></p>	<p><b>Small Craft Harbours Infrastructure Repair Program</b> (the ongoing \$100 million to repair active fishing harbours)</p>	<p>Small Craft Harbours</p>	<p>\$20 million</p>	<p>\$20 million</p>	<p>\$20 million</p>

## Section 8 — Index



---

### A

Acts · 37, 64  
Aids to Navigation · 47, 65, 73  
Aquaculture · 11, 47  
Aquatic Resources · 10, 11, 24, 25, 53, 56  
Arctic · 11, 66  
Assessment · 37  
Atlantic · 64, 65, 66

---

### B

Benefits · 7, 9, 23, 26, 47  
Biodiversity · 8

---

### C

Canada Shipping Act · 64  
Canadian Coast Guard · 24, 73  
Canadian Coast Guard College · 73  
Canadian Environmental Assessment Act · 37  
Canadians · 7, 8, 10, 11, 23, 24, 25, 26, 37, 47, 73  
Capital Expenditures · 67, 68, 69  
Central and Arctic · 66  
Charts · 73  
Climate · 10  
Communications · 10, 21, 24, 37, 66, 68, 71, 73  
Communities · 8  
Communities SafeCommunities · 8  
Conservation · 33, 37, 73, 75  
Consolidated Reporting · 57  
Corporate Services · 24

---

### D

Divestiture · 47

---

### E

Environment · 7, 8, 10, 21, 24, 25, 26, 27, 37, 42, 68, 71, 73, 75  
Environmental Response · 21, 24, 68, 71, 73  
Expenditures · 74

---

### F

First Nations · 8  
Fish Habitat · 10, 21, 24, 37, 42, 66, 68, 71, 73  
Fisheries · 1, 4, 9, 10, 11, 20, 21, 24, 25, 26, 29, 32, 34, 36, 37, 47, 62, 64, 65, 66, 68, 71, 73, 75, 76  
Fisheries Act · 37, 64  
Fisheries and Oceans Science · 21, 24, 68, 71, 73  
Fisheries Improvement Loans Act · 64  
Fisheries Management · 21, 24, 34, 68, 71, 73  
Fisheries Resources · 9, 24, 25, 26, 29, 36, 37  
Fleet · 21, 24, 28, 68, 71  
Fleet Management · 21, 24, 68, 71

---

### G

Governments · 7, 10, 74  
Grants and Contributions · 72  
Great Lakes · 64  
Gulf · 66

---

### H

Habitat Management · 42  
Habitat Management and Environmental Science · 21, 24, 68, 71, 73  
Habitat Management Program · 37  
Harbour Authorities · 47  
Harbours · 21, 24, 37, 47, 64, 65, 68, 71, 73  
Human Resource Renewal · 57  
Human Resources Development Canada · 74  
Hydrography · 21, 24, 68, 71, 73

---

### I

Icebreaking Operations · 21, 24, 68, 71, 73  
Icebreaking Services Fees · 73  
Industry · 47, 50, 64  
Internal Audit · 57  
International Affairs · 9, 11, 13, 33, 41, 47, 48



---

## **L**

Legislation · 75  
Licence · 65, 73

---

## **M**

Management Improvements · 58  
Marine Communications and Traffic Services  
· 21, 24, 68, 71, 73  
Marine Environment · 75  
Marine Navigation Service Fees · 73  
Marine Navigation Services · 21, 24, 68, 71,  
73  
Marine Protected Areas · 75  
Marine Services · 26, 50  
Maritimes · 66  
Modern Comptrollership · 57

---

## **N**

Navigation · 10, 21, 24, 37, 47, 50, 65, 68,  
71, 73  
Newfoundland · 65, 66  
Non-responsible Revenue · 67, 73, 74  
Nunavut · 75

---

## **O**

Oceans · 1, 4, 10, 11, 20, 21, 24, 25, 27,  
38, 39, 41, 47, 52, 53, 56, 62, 64, 68,  
71, 73, 75  
Oceans Act · 64  
Oceans Strategy · 38, 39

---

## **P**

Pacific · 65, 66  
Participation · 9  
Performance Measurement · 16

Policy and Internal Services · 21, 68, 71, 73  
Pollution · 66  
Priorities · 1, 4, 25, 26, 27, 35, 37, 43, 47,  
62  
Protection · 9, 10, 24, 25, 26, 29, 36, 37,  
42, 64, 65, 66, 75, 76  
Provinces · 65, 66, 69, 75

---

## **Q**

Québec · 66

---

## **R**

Regions · 61, 62, 65, 66  
Regulatory Framework · 47  
Rescue, Safety and Environmental Response ·  
21, 24, 68, 71, 73  
Responsible Revenue · 21, 73  
Results · 4, 5, 9, 61, 72, 75  
Revenue · 21, 22, 67, 73, 74

---

## **S**

Salary Expenditures · 22  
Science · 11, 21, 24, 42, 68, 71, 73  
Stakeholders · 9, 47  
Statutory Reports · 66  
Strategic Plan · 17  
Sustainable Development · 47, 59  
Sustainable Development Strategy · 57

---

## **T**

Technology · 14

---

## **W**

Waterways · 10, 37, 43, 47