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**Atlantic
Fisheries
Restructuring
Act**

Annual Report

2000-2001



REPORT TO PARLIAMENT
BY THE
MINISTER OF FISHERIES AND OCEANS
RESPECTING THE ADMINISTRATION OF THE
ATLANTIC FISHERIES RESTRUCTURING ACT
FOR FISCAL YEAR 2000 – 2001

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Minister of
Fisheries and Oceans



Ministre des
Pêches et des Océans

Ottawa, Canada K1A 0E6

JUL 24 2001

To Her Excellency
The Right Honourable Adrienne Clarkson, C.C., C.M.M., C.D.
Governor General of Canada
Rideau Hall
Ottawa, Ontario
K1A 0A1

May it please your Excellency:

I have the honour herewith, for the information of your Excellency and the Parliament of Canada, to present the Annual Report on the administration of the Atlantic Fisheries Restructuring Act for the fiscal year ended March 31, 2001.

Respectfully submitted,

A handwritten signature in black ink that reads "Herb Dhaliwal".

The Honourable Herb Dhaliwal, P.C., M.P.

Canada



Fisheries and Oceans
Canada

Pêches et Océans
Canada

Deputy Minister

Sous-ministre

JUN 06 2001

The Honourable Herb Dhaliwal, P.C., M.P.
Minister of Fisheries and Oceans
House of Commons
Ottawa, Ontario
K1A 0E6

Dear Mr. Dhaliwal:

I have the honour to submit the Annual Report on the administration of the Atlantic Fisheries Restructuring Act for the fiscal year ended March 31, 2001.

Yours sincerely,

Wayne G. Wouters

TABLE OF CONTENTS

	Page
I. INTRODUCTION	1
II. ACQUISITION, PLEDGE AND DISPOSAL OF SHARES DURING 2000 – 2001	1
III. CONTRIBUTIONS	2
IV. LOANS	3
V. GUARANTEES	3
VI. APPROPRIATIONS	4
VII. FINANCIAL STATEMENTS	4

I. INTRODUCTION

The Atlantic Fisheries Restructuring Act was passed on November 30, 1983, for the purpose of restructuring fishery enterprises through investment and other financial assistance. Section 4 authorizes the Minister to acquire, to hold or dispose of or to otherwise deal with the shares, debentures or securities of any Atlantic fishery enterprise. Section 4 also authorizes the Minister to pledge, hypothecate or charge any shares, debenture or other security acquired or held. Section 5 authorizes the Minister to make a contribution or loan to a fishery enterprise. And finally, Section 6 authorizes the Minister, with the approval of the Governor in Council, to guarantee the repayment of any portion of the principal and interest owing on any loan made to a fishery enterprise.

II. ACQUISITION, PLEDGE AND DISPOSAL OF SHARES DURING 2000 – 2001

No shares were acquired, pledged or disposed of in 2000 – 2001.

III. CONTRIBUTIONS

The following contributions were made in 2000 – 2001 under Section 5 of the Atlantic Fisheries Restructuring Act.

The Atlantic Groundfish Strategy (TAGS)

TAGS was announced on April 19, 1994, and began on May 15, 1994, as a five year, \$1.9 billion comprehensive response to the Canadian Atlantic groundfish crisis. It replaced a number of previous adjustment programs including the Northern Cod Adjustment and Recovery Program (NCARP).

TAGS was designed to provide income support and adjustment measures to those fishery workers whose livelihood was most seriously affected by the collapse in groundfish resources that resulted in fishery closures and quota cuts beginning in 1992. TAGS was jointly administered by the Department of Human Resources Development (HRD) and the Department of Fisheries and Oceans (DFO).

The only components of TAGS authorized under the Atlantic Fisheries Restructuring Act were the Licence Retirement and Early Retirement programs.

In 2000 – 2001 only the Atlantic Fisheries Early Retirement Program continued; the only expenditures were in the Province of Newfoundland which opted for a pay as you go basis with benefit payments until 2005.

Northern Cod Adjustment and Recovery Program (NCARP)

NCARP, which expired on May 15, 1994, was put in place to provide for the development of a comprehensive plan for the recovery of the northern cod fishery, and was jointly administered between DFO and HRD. The only expenditure made in 2000 – 2001 was under the Northern Cod Early Retirement Program, the only remaining component of NCARP.

The Northern Cod Early Retirement Program – March, 1993, the Minister of Fisheries and Oceans entered into an agreement with the Province of Newfoundland for the purpose of establishing a federal/provincial income replacement program for older fishers, plant workers and trawlermen whose livelihood was adversely affected as a result of the northern cod moratorium. The estimated total federal costs of this program were \$73.4 million to be paid in the form of monthly benefit payments until 2003 when all recipients will have turned 65 years of age or have left the program.

IV. LOANS

No loans were made to a fisher enterprise in fiscal year 2000 – 2001.

V. GUARANTEES

No guarantees of loans were given in fiscal year 2000 – 2001.

VI. APPROPRIATIONS

Appropriations were made, as required, for program elements.

VII. FINANCIAL STATEMENTS

Audited statements are made public on an annual basis.