

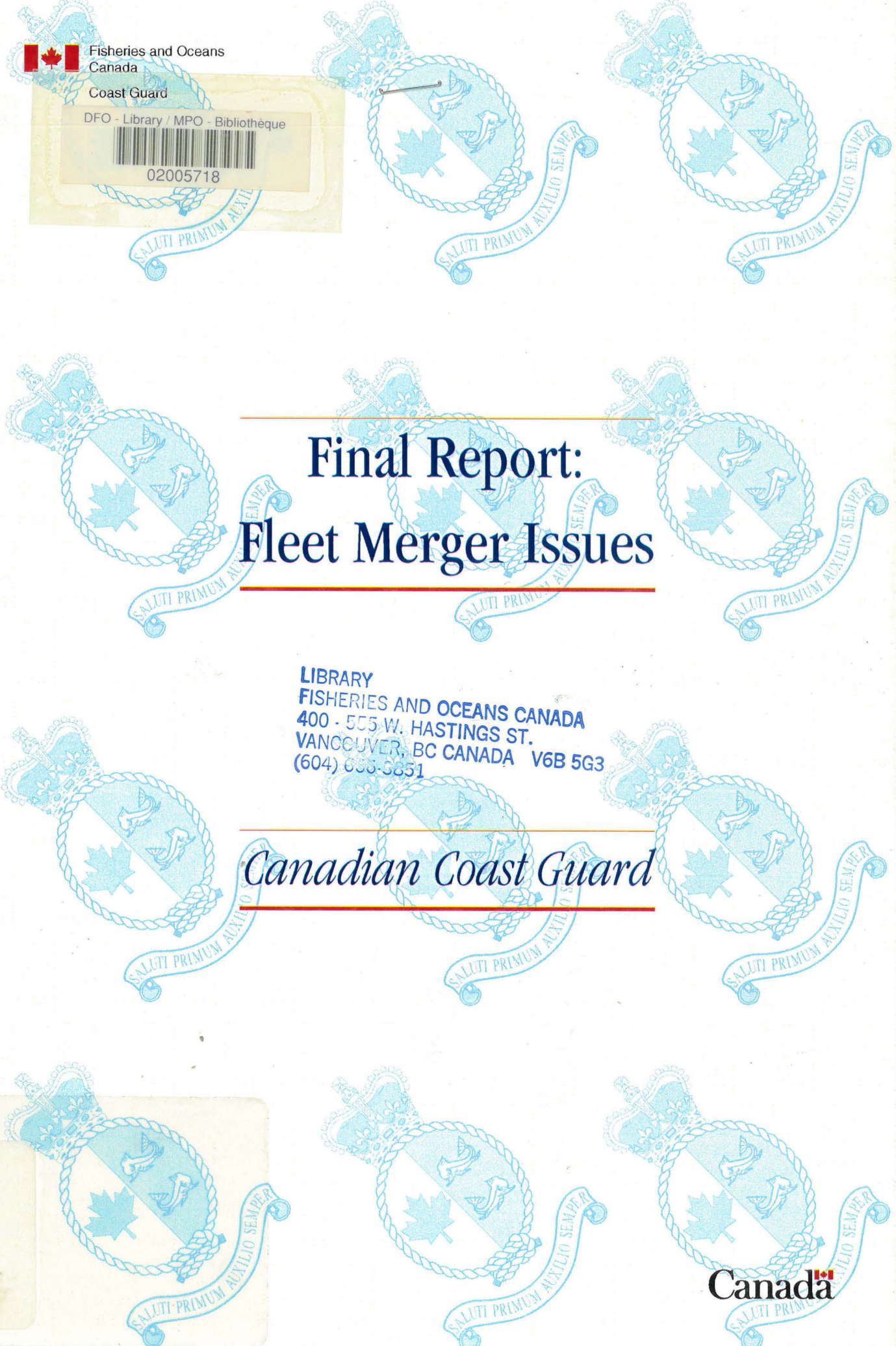


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Final Report: Fleet Merger Issues

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Final Report:
Fleet Merger Issues

Canadian Coast Guard

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Acknowledgement

I would like to take this opportunity to thank the Directors of Operational and Technical Services in the regions and the headquarters Directors of MTSS for their help and support in this report. Together we have identified many of the issues requiring resolution as a result of the merger of the two fleets, and have developed solid recommendations to resolve these issues. I am pleased to report that we have received support for *all* of the recommendations contained in this report by *all* of the Operational and Technical Services Directors in *all* regions.

Thank you,

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Aim

This report was completed at the request of senior management in the Department of Fisheries & Oceans. Its goals are to review the merger of the two former fleets (Department of Fisheries & Oceans and the Canadian Coast Guard), identify issues not resolved, and recommend appropriate corrective action.

The thrust of the report is to provide closure on a number of outstanding issues and move forward with the full integration of the Canadian Coast Guard as the “marine operational arm” of the Department of Fisheries & Oceans.

Background

In January 1995, the Minister of Transport (The Honourable Douglas Young, P.C., MP) and the Minister of Fisheries & Oceans (The Honourable Brian Tobin, P.C., MP), recommended to the Prime Minister of Canada (The Right Honourable Jean Chrétien, P.C., MP) that the Canadian Coast Guard be integrated with the Department of Fisheries & Oceans.

In recommending this action, the Ministers were “...struck by significant complementarities in the respective ocean roles and operations of the Canadian Coast Guard and the Department of Fisheries & Oceans”. Their examination included amalgamating the respective fleets of the two organizations, and the adoption of an ‘agency’ concept for the Canadian Coast Guard. Taken even further, amalgamating most or all of the

Canadian Coast Guard with the Department of Fisheries & Oceans would achieve the same, or increased, savings, and perhaps more importantly, strengthen policy-making and program management capacity.

The decision to integrate the Canadian Coast Guard into the Department of Fisheries & Oceans was announced in the February 1995 federal budget, and on April 1st, 1995, the Commissioner of the Canadian Coast Guard began reporting to the Deputy Minister of Fisheries & Oceans. Full integration was to take place by April 1st, 1996, and included consolidating 12 Regions into five and two large fleets into one.

This report deals with the merger of the two fleets in particular, and provides recommendations to close off a number of outstanding issues associated with this merger.

Approach

The approach to this project was to solicit input from Headquarters and all Regions involved with the operation of the new merged fleet. Issues were identified by Regional and Headquarters Directors, consolidated, then grouped into various categories. A lead Region/Branch was identified for each issue and tasked to develop a detailed briefing note.

A total of 38 issues were identified for resolution. Briefing notes on the various issues were consolidated and distributed to each Region/Branch. These were discussed and adjusted via conference calls and at regularly scheduled National/Regional Technical and Operational Services meetings.

Once this process was completed, each Region was visited and all issues and

proposed recommendations were discussed. Upon completion of these consultations, the various briefing notes and recommendations were revised to reflect a national perspective. The revised notes and recommendations were then reviewed in detail and agreed to by all Directors of Technical and Operational Services in Regions and Headquarters during their national meeting in Ottawa, October 21 to 23, 1997.

Following this meeting, and the unanimous consent achieved, a detailed action plan was prepared in order to implement the recommendations.

The approach taken is illustrated in the table below.

Activity

1. Conducted document review.
2. Identified fleet merger and related issues.
3. Identified lead Region/Branch for each issue.
4. Detailed issues and developed Briefing Notes on each issue/task force.
5. Consolidated issues and distributed to Regions and HQ.
6. Discussed issues at MTSS/Region meeting.
7. Identified other issues.
8. Visited each Region and HQ Branch to discuss issues and solutions.
9. Re-did Briefing Notes based upon consultations.
10. Discussed and reviewed recommendations with Directors of Operations, Technical Services, and MTSS Directors.
11. Prepared draft report, implementation schedule and action plan.
12. Presented Action Plan to Coast Guard Management Board.

Summary of Fleet Merger Issues

Since 1990, the two former fleets have undergone significant changes and reductions. From a massive *Fleet Restructuring Plan* in the CCG fleet, to continuing reductions in program demands and developing alternative ways of delivering the science and fisheries programs on the DFO side, the fleets have been reduced significantly. The program review exercises in CCG and DFO have accelerated reductions and the merger of the two fleets into one has brought about another round of reductions. In total, 38 vessels and 569 positions, and over \$50 million, have been removed from the two merged fleets over the past 4 years.

The pace of change and reductions has been rapid and demanding, especially to a traditionally stable organization like the CCG fleet. This pace of change is, of course, not unique to either the government, or the marine industry.

In compiling this report, I have been truly impressed with the professionalism and pride of our seagoing personnel and their ability and desire to get the job done. The recommendations contained in the main body of this report provide a detailed blueprint for resolving many of the outstanding fleet-related issues associated with the merger.

Major Issues

A total of 38 issues were identified and recommendations have been made in this report. Detailed briefing notes are provided on each issue, along with a detailed action plan. Some of the major issues are summarized below.

The Culture

In the former DFO fleet, vessels were viewed as platforms providing a base of operations from which to conduct the program. Generally, program personnel were provided by the program to carry out the assigned tasks (i.e. hydrographic work, etc.). Programs were centrally controlled and funding for vessels was provided by the programs.

In the former CCG fleet, the ships and their crews delivered the programs. Ships were funded as individual units which could carry out a variety of programs. Program personnel were not normally carried on-board, since the crews had been trained to carry out the various programs. (SAR, Icebreaking, Aids to Navigation, etc.)

The merger of the two fleets has combined these two cultures aboard the vessels. Moving officers across the fleet is helping to blend the two cultures on-board vessels, and efforts to make the fleet more client and service oriented are working. On the shore side, changes to the culture are occurring more slowly and many either do not seem to have accepted the merger, or have not been forced to change the way they approach business.

Multi-Tasking

The CCG Fleet was restructured in the early 1990's on the basis of retaining vessels that could deliver more than one program. The three main programs were: Aids to Navigation; Icebreaking; and Search and Rescue. Adopting this philosophy resulted in a smaller, more fully utilized fleet that is less

expensive than operating three separate fleets.

In the former DFO fleet, with the exception of some fisheries patrol vessels that were multi-tasked to search and rescue, the specific nature of the science and fisheries management programs resulted in special purpose vessels.

The new fleet has adopted a multi-tasking philosophy following the merger. This concept, however, is in direct conflict with the departmental management model of program funding.

As a consequence, the CCG needs to better market the concept of multi-tasking to its program clients. Creating Regional Fleet/ Program Committees, along with Tasking Protocol Committees, will bring program and fleet personnel together, formalize relationships and promote a better understanding of the multi-tasking and fleet operational planning processes.

Program Funding

The concept of program funding used by the department translates into programs buying time from fleet management. The rationale for this “marketplace” model is both increased efficiency and allowing programs the flexibility to use their funding in the most appropriate method for maximizing program delivery. When this concept is applied along with multi-tasking, the situation becomes much more complicated. The end result is that fleet management is held accountable for the management of the Department’s fleet without any long term control over the resources required to operate it.

Program funding is a short-sighted approach to efficiently managing the Department’s most expensive major capital assets. Stable long term funding must be provided to operate the new merged fleet efficiently.

Fleet Management

Numerous re-organizational changes made within the CCG prior to the merger, and separating parts of the former CCG (i.e. Ship Safety, Harbours & Ports, etc.) in conjunction with the merger, have shifted the focus of fleet management. The merger has created one of the largest and most diverse civilian fleets in the world; however, organizational changes in recent years have served to fracture accountability for fleet management ashore. The fleet is now a much greater component of the CCG that it was in the past. The CCG has recently embarked on a project to implement an internationally recognized safety and quality management system in its fleet. The system will follow the parameters of the ISO 9000 series of quality management standards and will incorporate the requirements of the International Safety Management (ISM) Code, an internationally recognized standard for ship operations developed by the International Maritime Organization. As part of this project, a baseline assessment was recently conducted by an outside consultant to look at the current fleet management structure as it relates to the practical application of the ISM Code.

It is clear that organizational changes will be required in order to ensure that there is clear accountability for the operation of our vessels, and to ensure that there is a good safety management system in place for our fleet. Adopting the ISM Code provides an excellent opportunity to ensure the operating procedures of the two former fleets are harmonized to an internationally accepted standard and that safe practices and procedures currently in place are validated by an independent third party.

Vessel Management

Prior to the merger, the two fleets had very different concepts of on-board vessel management. Very little was delegated to

DFO vessels, while in the CCG, operating funds were delegated to Commanding Officers.

Once appropriate training has been provided, delegation practices should be reviewed to ensure that departmental principles of downward delegation are respected. Items which are more appropriately managed from ashore should be identified on a Regional basis. Shipboard input is essential in determining what needs to be managed ashore and what is best done on-board.

The Creation of a National and Regional Fleet Advisory Boards will formalize current seagoing input into the decision making process.

Identity

When businesses merge in industry, one of the first items to be resolved is corporate identity and company logo. Most vessels have been painted in the new colour scheme; however, wordmarkings still need to be completed on many ships. There have been delays experienced in obtaining decisions with respect to the paint schemes and wordmarkings for the new fleet. As well, delays have been experienced in obtaining new uniforms for the combined fleet personnel.

All vessels in the new fleet are to be painted to comply with the Commissioner's Memorandum on Fleet Identity (including wordmarkings) by June 30, 1998. All shipboard personnel are to have the new uniform by this same date.

Training

The two former fleets had considerably different philosophies regarding training. Initial comparisons show that CCG officers had considerably more formal training

courses and opportunities than their colleagues in DFO. As well, it appears that CCG officers had more opportunity to participate in DFO programs than DFO officers had to participate in CCG programs. Program familiarization training requirements vary from Region to Region.

It is recommended that training priority be afforded to former DFO officers and that Regions undertake program familiarization training as appropriate.

Safe Operation of Program Boats

The merged fleet consists of a wide variety of craft, from small vessels to the largest and most powerful ships in Canada. While the portion of the fleet that is crewed by the CCG is maintained and operated to certain standards, there is a huge inventory of vessels which are operated by program personnel as required. These personnel are highly qualified in their area of expertise, however, their training and experience in the safe operation of vessels varies considerably.

Responsibility for the safe operation of program boats must be clarified and appropriate training standards developed for the departmental personnel who operate/ crew them.

Morale

Reductions in the former DFO and CCG fleets have been underway since the mid-1980s and early 1990s respectively. These reductions have been, in most cases, part of an overall government reduction program. From the perspective of our seagoing personnel, these reductions are seen to have had an unfair impact on our fleet. While significant reductions took place prior to the merger, program review and fleet merger initiatives have substantially increased the pace of reductions and resulted in a significant loss of seagoing personnel. The

most critical impact on morale appears to be the uncertainty of the future of the fleet within the department.

The future of the fleet in the department must be clarified, and communicated, to all seagoing personnel.

Role of the CCG in DFO

The role of the CCG in providing fleet and assets management and support services to the Department does not appear to have been well accepted within the Department, nor does the CCG appear to have been particularly pro-active in promoting its role. This is evidenced by the fact that many programs appear to continue to provide their own services by chartering aircraft and operating vessels, and do not utilize existing CCG resources and personnel to the extent of their potential.

The creation of a Program Committee in each Region will help formalize the relationship between the CCG as a service provider and the programs as clients. The CCG must take a more pro-active approach in promoting its place within the Department.

Aviation Issues

While helicopters and supporting equipment are CCG assets, the CCG does not presently manage them. The Aircraft Services Organization of Transport Canada continues to be responsible for managing helicopters and fixed wing resources, and employs the pilots, engineering and support staff associated with these operations.

Furthermore, other departmental programs charter aircraft as required in order to meet their requirements. The role of the CCG with respect to aviation management is unclear and not well accepted by programs.

A review should be conducted to determine if CCG should manage aviation resources on behalf of the Department, as they do vessels.

Technical Issues

The former DFO and CCG fleets had very different practices with respect to the maintenance of electronic and computer equipment on-board vessels.

With the merger now complete, one standard will have to be developed, with funding adjusted to provide an equitable level of maintenance and equipment across the merged fleet.

Briefing Notes

The briefing notes in this section were compiled by the various Regions/Headquarters indicated in the action plan.

Once the briefing notes were completed by the lead Region/branch, they were reviewed by all Regions.

Through Regional visits, the Project Director then reviewed all recommendations with each Region.

The briefing notes were revised to reflect the national perspective and presented to all Directors of Technical and Operational Services, as well as the Headquarters Directors of MTSS.

Unanimous agreement was reached on the recommendations contained in this section of the report.

Section I: Operational Issues

I-1

Issue:

Multi-tasking — Operational and Program concerns.

Background:

- The CCG fleet was restructured based upon the principle of multi-tasking in 1991.
- Multi-tasking was related to the CCG programs the fleet was delivering at that time.
- DFO vessels were much more program specific due to the technical nature of their programs and the sector specific nature of their program funding model.
- The Joint Task Force on Vessel Management, Fleet Mix and Fleet Merger focused on improving the efficiency of the fleet through “multi-tasking”.
- During the same period the departments were dealing with program review reductions which reduced funding available to operate the fleet. These reductions were in addition to those which had to be obtained from the operation of the fleet itself.
- False expectations were created on the part of DFO programs with respect to the availability of ex CCG vessels to take on additional taskings.
- The concept of multi-tasking and program funding work in opposite directions. One is sector or program specific while the other is designed to

deliver a variety of programs from one specific departmental vessel or aircraft.

- While the concept of multi-tasking is well understood by former CCG personnel it has not been well explained or justified on a business case basis to our clients.
- Specialized training and equipment is often required in order to make multi-tasking effective.
- The effectiveness of multi-tasking is highly dependent upon the area of operation, the suitability of the platform and the training of the crew.

Current Status:

- Cross assignment of officers and crews are helping to alleviate problems associated with merging two different cultures and enhancing skills and experience.
- Equipment and alterations to vessels are occurring slowly; however, when they do occur they have a positive impact on attitudes about the concept of multi-tasking.
- Programs are gaining a better appreciation on the amount and severity of the cuts imposed on the merged fleet.

There is a greater understanding of each others needs in most Regions.

- The HQ Fleet Program Committee is helping to give programs and fleet at the national level a better appreciation of each others problems.
- Multi-tasking is still not being accepted by some DFO programs and Marine Programs are challenging the concept in some areas.

In many cases, although programs reduced funding to the fleet, they expect the same level of service.

Problem Areas to be Resolved:

- Better and more effective communications are required between programs and service providers in most Regions.
- Enhanced use of resources needs to be achieved where it is in the best interest of the department.
- Acquisition of equipment/alterations to vessels to enhance multi-tasking needs to be afforded a greater priority.
- Training of shipboard personnel to enhance effectiveness of the platforms on which they serve.
- Decisions with respect to which program takes priority need to be taken.

Recommended Action:

1. Regional Fleet/Program committees be established in each Region to formalize the planning process and sign off the Operational Plan. (suggested TORs and Committee attached).
2. Business cases be made in relation to the effectiveness of multi-tasking in each Region and Headquarters.
3. Multi-tasking needs to be marketed to programs. (Refer to Marketing Plan)
4. A Tasking Protocol Committee be established in each Region, under the authority of the Fleet Program Committee, to identify tasking priorities for use by the Operations Centre.

5. Tasking Protocols be signed off by the RDG DFO in each Region.
6. Alterations, additions and equipment acquisitions which enhance the multi-taskability of vessels be afforded a high priority. (Eg. Next to safety)
7. Program specific training which enhances multi-tasking for shipboard personnel be identified in a training plan.

I-1

(Attachment 1)

**Regional Fleet Program Committees
Terms of Reference
Draft**

Issue:

- The Creation of Regional Fleet Program Committees

Background:

- These Regional committees would complement the National Fleet Advisory Board and will facilitate planning in a multi-client environment.

Proposal:

- To create Regional Fleet Program Committees to provide a Director level forum for the interaction between those responsible for programs and those who provide the platforms (aircraft and vessels) and deliver marine and aircraft services on behalf of the department.

Specific responsibilities will include:

- To provide an opportunity to discuss the provision of aircraft and vessel support to the various programs;

- To provide a review and sign-off of the operational planning process;
- To discuss and resolve cross-sectoral program delivery difficulties;
- To review and discuss platform requirements;
- To ensure the roles and responsibilities of members are clear in relation to the operation of vessels and aircraft in the Region;
- To review budget program reductions as they impact the fleet operational plan;
- To exchange information and update members on changes in programs and changes in the fleet; and
- To review and challenge program delivery.

Structure:

Regional Fleet Program Committees will be comprised of the following representatives:

Regional Director CG — Chair
Regional Director Operational Services
Regional Director Fish Management
Regional Director Science
Regional Director Hydrography
Regional Director Marine Programs
Regional Director Technical Support Services
Regional Superintendent Operational Planning
Additional resource personnel, as required.

Frequency Of Meetings:

At the call of the Chair but once every six months as a minimum.

Issue:

Fleet identity.

Background:

- Transition Newsletter no. 19, 19 May 1996, communicated DMC decision for a common fleet identity of red hull with a white slash and a white superstructure. The newsletter also indicated that vessels would be brought into conformance with the common fleet identity per scheduled maintenance painting.
- DM's memo of 3 October, 1996, entitled "Corporate Identity" confirmed DMC decision and provided additional guidance vis-a-vis the placing of signature and wordmarks.
- April, 1997, the Commissioner — CCG promulgated a memorandum to all Regions with guidelines on Fleet Identity.

Current Status:

- With the exception of one or two vessels in some Regions, all vessels have been painted red and white.
- Due to the late approval of wordmarking, nor all vessels that are red and white have the proper wordmarks.
- While the colour scheme for hull, superstructure and wordmarks are sorted out there are other areas of the paint scheme which could use some standardization. (Eg. bottom, decks, bulwarks, etc.)

Problem Areas to be Resolved:

All vessels need to comply with the guidelines on fleet identity.

-
- There should be some standardization in the overall scheme.

Recommended Action:

1. All vessels comply with the Commissioner's memorandum on Fleet Identity (including wordmarkings) by 30 June, 1998.
2. Standardization of other colours on board the vessels be reviewed.

I-3

Issue:

Uniform and Protective Clothing. Standard CCG uniforms, scale of issue, and distribution system for all uniformed CCG employees are required. CCG representation on the National Clothing Committee is required.

Background:

- The two constituent parts of the current CCG Fleet, DFO and Transport, had different uniforms, scales of issue, and distribution systems prior to merger.
- Prior to merger, C&P took a lead role in uniform clothing issues. As an interim measure after merger, the DFO National Clothing Committee was expanded to include CCG representation, including CCG Regional representatives.

Current Status:

- Clear national direction and policy have not been established regarding uniforms and protective clothing.
- Many fleet personnel have not received complete and proper uniform (blue or tan) since before merger, consequently

uniform standards are not being maintained.

- Standards for protective clothing differ among the various parts of DFO.
- Each CCG Region has a responsibility to provide appropriate uniform and protective clothing. Operations personnel comprise the majority of uniformed CG employees in each Region.

Problem Areas to be Resolved:

- Employee morale, CCG public image and presentation, and occupational safety and health are being negatively impacted by uniform and protective clothing issues.

Recommended Action:

1. A standard, common uniform and scale of issue be established as soon as possible.
2. An acceptable and efficient distribution system be established and uniforms distributed as soon as possible.
3. Regional CCG representatives be included in the National Clothing Committee on a permanent basis
4. All CCG shipboard personnel have the new uniforms by June 30, 1998.

Additional Costs: Unidentified.

I-4

Issue:

The reporting relationships between ships and shore as well as the vessel management structure ashore.

Background:

- Within CCG and DFO there has been considerable change in the organizational structure over the past few years.
- Several years ago the shore based management structure with respect to vessels was similar in both old CCG and old DFO. In CCG ships were under the authority of the Regional Manager, Fleet Systems while on the DFO side they reported to the Chief of the Marine Division.
- With the merger of CCG into DFO came an organizational change coupled with the integration of two very different fleets along with two quite different management structures merged into one.
- With the new CCG structure being accepted as the management model, the resources and responsibilities of the Chief, Marine Division, were split between Operations and Technical Services in CCG.

Current Status:

- All Regions have adopted the new organizational structure with respect to vessels.
- There is still a strong belief that Vessel Support Services belong in the Operational Services Directorate of CCG.
- Lines of accountability are unclear in some cases.
- With the implementation of ISM and ISO across the fleet, many feel we will not be able to obtain a Document of Compliance with our current vessel management structure.

- There is confusion in most Regions about responsibilities, even within the Operational Services section (Marine Superintendent, Superintendent Operational Planning, Superintendent ROC, etc.)
- In some Regions, communications difficulties are being experienced between the ship and shore based management.

Recommended Action:

1. The existing reporting relationship and shore-based management structure with respect to vessels be assessed to determine the CCGs' ability to obtain a Document of Compliance under ISM.
2. The structure be amended to ensure we are able to obtain a Document of Compliance.
3. Within each Region the Technical and Operations Directorates review and develop a matrix of responsibilities with respect to vessel management.
4. Creation of Fleet Advisory Boards be considered as a means of improving ship/shore communications and ensuring current seagoing personnel input to the decision making process.

I-5

Issue:

Chartering of Coast Guard vessels.

Background:

- The Canadian Coast Guard recently underwent a rationalization of the entire fleet and the current configuration was deemed sufficient to provide present levels of service. Due to the cyclical nature of most programs and ongoing fiscal restraint however, the fleet has

periods of available capacity during which programs either do not require or cannot afford the resources.

Current Status:

- Both DFO and CCG vessels have been chartered in the past, but recently the combined effect of budget constraints, non-operational periods and increased interest in Coast Guard resources from the private sector have resulted in an enhanced level of urgency to promulgate a national policy to guide Regions in responding to and managing these requests.
- Regions have been responding to requests for charters in the absence of any defined policy in an ad hoc manner.
- There is currently no proactive plan to actively market Coast Guard resources to potential charterers.
- The current trend in business is towards partnering arrangements in an effort to streamline operations and reduce costs. A corporation will seek to “partner” with another organization which offers needed resources or capabilities in order to achieve objectives. Government is also exploring these types of relationships with commercial organizations.
- Fleet Services recently compiled a draft policy on chartering.

Problem Areas to be Resolved:

- The proposed policy raised concerns as to the division of responsibility and authority between Regions and Headquarters as Fleet Services is identified as being the OPI for all charter requests with the Regions responsible for implementation only.

- Regions feel strongly that they are better able to respond to requests as they are more aware of operational requirements, vessel capability, industry activity and potential charters.
- Regions also feel that the centralization of all revenue will serve to eliminate motivation to actively pursue charters.
- In an environment which recognizes the value and need for downward delegation, this centralized approach is considered inappropriate.
- The department requires increased delegation from Treasury Board to manage charter revenues internally.
- The current trend in industry is towards “partnering” arrangements

Recommended Action:

1. A national policy on chartering to ensure consistency in approach be developed.
2. Any such policy must clearly identify the Regions as the focal point for the management of chartering.
3. Appropriate authority must be sought from Treasury Board to collect and expend revenues from chartering.
4. The policy must be flexible enough to deal with the full range of relationships into which the fleet might enter, such as partnering, strategic alliances, etc.
5. A marketing plan be developed for the fleet. (Please refer to section III-6)

Issue:

Aviation Issues and Helicopters

Background:

- The issue to be discussed can be subdivided into two distinct areas:
 1. Helicopters
 2. Fixed Wing Operations.

These will be dealt with separately:

Helicopters

- DFO/CCG looks to Transport Canada Aircraft Services to fly and maintain the helicopter fleet. CCG owns the aircraft and all the associated infrastructure (hangars, etc.). Funds are transferred from CCG to TC to fulfill these functions. The actual cost of providing these services has never been satisfactorily explained, but for the current FY (1997/98), TC has requested an additional \$1 million to cover their overhead costs and \$600K to cover increased maintenance costs. This \$1.6M can only adversely affect CCG's helicopter operations through reduction in affordable flying hours. For some time, the question of "own and operate" has been looked at, but no satisfactory solution has been forthcoming.

Fixed Wing

- DFO/CCG has a requirement to use fixed wing resources for these purposes:
 1. Fisheries patrol
 2. Pollution surveillance
 3. Ice reconnaissance

- To perform these tasks, aircraft from two different sources are utilized. Departmental aircraft (DASH-8 and Twin Otter) are used and aircraft are chartered from Provincial Air Lines. The government-owned aircraft are based in Vancouver (Twin-Otter) and Ottawa (DASH-8), and are utilized in the pollution surveillance role in British Columbia, the Great Lakes and the Gulf and Maritimes areas. Pollution surveillance in Newfoundland waters is conducted by the Provincial Air Lines King Air 200 under charter to CCG.
- Provincial Air Lines also uses the King Air 200 to conduct fisheries patrol. Aircraft based in Halifax and St. John's perform this task. The Provincial Air Lines aircraft are equipped to a much higher level than the government owned aircraft, and with their sophisticated search radar are able to cover a much greater area during their patrols.

Recommended Action:

1. A comprehensive study be conducted to determine once and for all whether CCG should adopt the "own and operate" concept for the operation of the helicopter fleet. An integral part of this study should review the current allocation of helicopter resources to the Regions and establish an equitable distribution based upon actual Regional needs and requirements. (NB: Regions need to be involved in the study).
2. Once the above referenced study has been completed, it be implemented in a timely fashion.
3. A study be conducted to examine the existing fixed wing operation and determine which direction we should follow in the delivery of the service.

Issue:

The role of the Regional Operations Centre in program delivery

Background:

- With the DFO/CCG merger, the organizational structure of the Canadian Coast Guard was modified. The “new” Coast Guard fleet was to be managed in a way that reflected a client orientation. Discussions surrounding the design of the new fleet management structure centered around the need to be proactive in meeting client needs and ensuring a minimum level of bureaucracy with which programs had to contend in order to achieve goals. This implied a “one-stop-shopping” approach to fleet management given that the newly merged fleet was then the primary delivery arm for all of the marine operations of the department. The responsibility for coordinating the program delivery process using the fully integrated fleet was assigned organizationally to the Regional Operations Centre.

Current Status:

- Currently, the Regional Operations Centre functions as the program neutral coordination point for program delivery. To accomplish this, the Operations Centre acts as a focal point for communications to and from the fleet. Program requirements are fed into the Operations Centre, decisions are made regarding the deployment of appropriate resources and then distributed to the fleet in the form of sailing orders.
- The focal point concept also facilitates the multi-tasked approach to fleet utilization which permits the provision of

a higher level of service with fewer fleet resources as multiple programs can be delivered simultaneously within certain limitations.

- In conjunction with Operational Planning, the Regional Operations Centre also plays an important role in regularly reviewing the effectiveness and efficiency of resource utilization and program delivery which permits the provision of feedback to programs.
- The co-location in the Operations Centre of key operational personnel from programs such as Search and Rescue, Ice, Marine Communications and Traffic Services, and Enforcement encourages the team concept and enhances the quality of service the department is able to deliver. The “one-stop-shopping” concept for CCG and DFO services is therefore extended to external clients.

Problem Areas to be Addressed:

- There has been some resistance in some Regions to the role of the Operations Centre as described above — particularly with respect to the coordination of program vessels such as those operated by Rescue, Safety and Environmental Response, Enforcement and the Canadian Hydrographic Service.
- There has also been an indication that some program clients would prefer to interact directly with vessels and their Commanding Officers and that the Operations Centre does not add value to the program delivery process in the “focal point” role.

Recommended Action:

1. The current mix and composition of fleet resources was designed based on a model of multi-tasked vessels able to deliver more programs with fewer platforms. As long as the department is committed to this approach, in contrast to program specific platforms, there will be a critical need for some form of central coordination of program requirements and assignment of resources. This delicate balancing act can only be achieved by a program-neutral structure. In this respect, the responsibilities currently assigned to the Regional Operations Centre represent the department's recognition of this requirement.
2. The role of the Operations Centre be clearly communicated to all program clients - clearly identifying the value added to program delivery by the central coordination of program requests. The value added for the external client should also be emphasized.

(The attached note describes the role envisaged for a departmental operations centre in each Region.)

I-7

(Attachment)

Role of Regional Operations Centres

Background:

- Regional Operations Centres (ROCs) are responsible for managing and prioritizing the day-to-day deployment, promulgating the annual Science schedule, and tracking resources in accordance with departmental program priorities. The Operations Centres provide, in both official languages, a 24-hour, 7-day a

week focal point for initiating and coordinating responses to non-SAR related marine and fisheries incidents, and for alerting response agencies of all incidents occurring within the ROC's area of responsibility. The Operations Centre also provides marine information for dissemination and departmental information upon request.

Roles:

ROCs are a one-phone number contact, on a twenty-four hour basis for reports or queries concerning the following:

- Tactical coordination, deployment and tracking of departmental resources (land, sea, air and personnel) to meet the requirements of operational programs. This incorporates the use of state of the art computer tracking equipment for instantaneous updating of location and operation of departmental resources;
- Provision of a response centre for the receipt of all marine incidents within the Region. These reports are followed immediately by the coordination of departmental, governmental and inter-governmental response to these incidents i.e. shipping casualties (in coordination with the RCC), land, sea, and air pollution;
- Dissemination of *Notices to Shipping* in response to reports of hazards to navigation or problems with aids to navigation;
- Provision of a 24-hour information and response centre for all Fisheries related incidents;
- Provision of 24-hour access to: police (CPIC); DND INTRANET; departmental; and inter-departmental databases;

- Provision of governmental access to information concerning merchant shipping operating within the waters of Eastern and Northern Canada;
- RCMP Coastal Watch centre for the receipt and dissemination of reports concerning suspicious vessel activities;
- Provision and promulgation of ice and appropriate routing information for shipping plying ice infested waters;

Conclusion:

- The enhancement of the responsibilities of the Regional Operations Centre has resulted in an overall increase in departmental efficiency, while reducing costs both to the department and OGD's. It has achieved:
 - a) Optimal utilization of departmental resources in a multi-tasking environment;
 - b) Initial point of contact for all clients;
 - c) Provides a complete follow-up on services to ensure client satisfaction; and
 - d) Provides an instant 24-hour response and notification to any incident within the Region's area of responsibility.

Sample Provided by: Maritimes Region

I-8

Issue:

Consolidation of CG Fleet Orders (CGFOs) and Departmental Fleet Instructions and Guidelines (DFIGs).

Background:

- Since the CCG/DFO merger, vessels from the "old DFO" fleet have been sailing

with a confusing mixture of responsibilities and direction. These vessels were supposed to have been integrated into the fleet of "old CCG" vessels, all the way down to the red and white paint job, but a large number of them were not yet in receipt of CGFOs or CCG administrative training. The last two years were transition years for a lot of these "old DFO" vessels; a lack of definite direction left some crews wondering which directives were currently acceptable, others feeling that they were going to use DFIGs no matter what and some feelings of frustration were inevitable.

- One solution seemed to be the consolidation of directives through consolidation of the policy manuals, thus bringing together different vessels of different types through a common standard.

Pros:

- Most, if not all, Regions already have their own Standing Orders which are common to all their vessels. It makes sense to have a common national standard for the same reason; directives to promote safe, efficient operation of all vessels regardless of size, type or program.
- Common national directives will lead to uniformity in operation and condition of all DFO vessels, factors which are desirable, and necessary, under future ISM certification.

Cons:

- Some of the valuable information in the directives, which are being replaced, may be lost or undervalued in a consolidated version.

- Some of the common national directives might not be specific enough for some Regional situations.
- Some of the common national directives may specify that funds be spent on certain equipment or procedures which may seem unnecessary on certain specific vessels or in certain areas.

Current Status:

- Currently, the MTSS office in Ottawa has incorporated the DFIGs into the Coast Guard CGFOs and distributed them to its fleet. It was determined that eleven DFIGs covered material not presently in CGFOs. These have become new CGFOs.
- With the initiation of the QSES initiative and the CCGs desire to obtain ISM/ISO certification, a new Quality and Safety Management System is being developed. This will have a significant impact on what CGFO will look like in the future.
- Some concern is being expressed with respect to the usefulness of the current CGFO/DFIGs and how they were developed.

Recommended Action:

1. Continue with CGFO/DFIG consolidation and send the results out to the vessels as soon as possible.
2. Once the QSES policy and procedures manuals are developed, review the need and format for the CGFOs.

Issue:

Vessel Equipment in the new Merged CCG Fleet.

Background:

- With the merger of the two fleets the standardization of equipment that was partially evident in the old CCG Fleet has been deleted across the new merged fleet.

Current Status:

- In some cases CCG vessels were equipped to a certain standard (eg SAR equipment) while former DFO vessels may or may not have been equipped to a similar standard (multi-tasked SAR vessels were, others were not).
- Procedures for changing/adding/deleting equipment vary across the new merged fleet. Equipment is being added which was not requested or felt necessary while necessary equipment is not being obtained.
- The A&A process is being ignored in some cases.
- Equipment is being purchased and installed with no sign off.

Recommended Action:

1. Review and formalize the A&A process in all the Regions, for all vessels
2. Operational Services and Technical Services Directors co-chair A&A committees.
3. The Capital Planning Process needs further improvement.

-
4. Next to safety items, equipment which enhances multi-tasking of the platform should be given priority.
 5. All permanent equipment to be installed on-board a vessel should be signed off by a department head/C.O.

I-10

Issue:

Logistics Support to the Merged Fleet.

Background:

- The merger of the two fleets has brought together two very different operated, maintained and managed fleets.
- In the large vessels there is a dramatic difference in how logistic support is provided to our vessels. This is reflected in the crew complements especially the supply or logistic complement aboard the vessels.
- With smaller crews and in some cases increased workload, lay up periods, central stores and a number of other variables on board each vessel, it is difficult to quantify exactly what support is required on board.

Current Status:

- The operational challenges with the management of the combined Fleet are growing in number and complexity, however our overall processes to meeting these new challenges are not evolving proportionately.
- There has been review initiated by Headquarters (Task Force #13 Best Practices - Logistics) which will outline the roles and responsibilities of Logistics. While the objective of this review is to

determine the future roles of Logistics, it is fundamentally flawed because it uses the specific individuals performing the tasks (i.e. cooks, stewards, storekeepers, etc.) to define their own roles and responsibilities, rather than looking at the organizational objectives to formulate the basic requirements. (This is viewed by many as a self study).

- The former Coast Guard Fleet is providing full logistics services on board their ships while some larger ex DFO ships are beginning to utilize logistics Officers. The remainder of the DFO Fleet remains status-quo with only cooks and stewards and in some cases these are combined with other duties.
- Many required administrative practices and requirements are not being performed on vessels without dedicated logistics personnel.

Problem Areas to be Resolved:

- There is an increasing demand for overall accountability with the increased delegation of authority to line management that has created new and demanding administrative requirements for operational personnel. This coupled with the upcoming requirements of ISO/ISM and new information systems (such as ABACUS, MIMS, etc) will leave little time for both Navigational and Engineering personnel to focus on their core areas of responsibility - the day-to-day operation of the vessel and program delivery.
- Removal of the Logistic Support Services from the vessels will result in errors, higher costs due to wasted time, deviations from best administrative practices and requirements, larger than necessary inventories and a consequent reduction in the overall operating budget.

- Without dedicated personnel to perform all of the administrative requirements it will be increasingly difficult for both Navigational and Engineering personnel to ensure these requirements are maintained over their own essential core activities, which will hinder management's efforts to identify and correct overall problem areas.
- Without logistics personnel, many administrative tasks perceived to be unimportant by individuals will be avoided due lack of time and other priorities. This will breakdown the flow of information needed for overall general accountability and reporting.

Recommended Action:

1. Logistics roles and responsibilities be clearly defined and applied to the combined DFO/CCG Fleet.
2. Logistics Officers be utilized based upon vessel size and requirements.
3. Logistics functions and support for smaller vessels be provided through a shore-based focal point to provide all the necessary logistics services and functions.
4. The Logistics Study currently underway be forwarded to Regional Directors of Operations/Technical Services for review. (An update be provided at regular intervals as the study progresses).
5. Information Systems used on-board vessels in support of administrative functions should meet basic requirements of operational personnel, rather than shipboard personnel changing their processes, practices and procedures to meet the specific systems requirements.

Issue:

Vessel categorization.

Background:

- Coast Guard vessels are classified under a structure adopted from the old Fleet Capital Investment plan (FCIP). The FCIP categorized vessels by size and type, resulting in some 16 categories from Type 100 to Type 1300.
- The merger between Coast Guard and DFO resulted in a greater number of different kinds of vessels which posed a challenge for categorizing.

Current Status:

- Under the new Fleet Portfolio Investment Plan (Dec. 1996) there now exists 25 categories of ships, reflecting the newly merged CCG/DFO Fleet of 124 vessels (down from 164 at the start of the merger).

Problem Areas to be Resolved:

- The categorization between the old CCG and the old DFO needs to be harmonized.

Recommended Action:

1. Develop a more concise, logical manner of classifying the present merged fleet, which will be easy to use, yet convey sufficient information to succinctly describe the vessels.

Issue:

The role of the Commanding Officers', Chief Engineers', and Logistic Officers' Networks.

Background:

- In 1994 the Commissioner of the CCG approved the creation of Commanding Officers', Chief Engineers', and OICs Networks. The main reason for the creation of the networks was to ensure staff involvement in the decision making process. (Later OICs were deleted and Logistics Officers added.)
- The two objectives of the networks were:
- To ensure the involvement of personnel on CCG vessels in the CCG renewal process through focus groups and continuous communications.
- To have the networks act as advisory groups to Senior management on issues relating to ships.
- The networks originally reported to the Strategic Planning Group in Ottawa and after the merger to the Director General Program Planning and Coordination. The future of the networks was discussed at a SMEC meeting in Dartmouth (Nov. 21-22, 1996) where it was decided that the networks would continue. Since that time there have not been any individuals occupying the network positions at the national level. The intent and objectives of the network are not being realized.
- During the same period of time covered by the networks the Director General MTSS also established numerous task forces (19 in total), which involved a variety of representation from vessels (Officers and Crew) in the decision

making process. These groups also involved the network representatives.

Current Status:

- At the present time most Regions have senior ships officers working ashore.
- The networks do not appear to be functioning as intended and are creating false expectations.
- The requirement to involve seagoing personnel in the decision process is not being achieved.
- The objective of enhancing two way communication is not being realized.
- The advisory role of the networks to Senior Management is not functioning.

Problem Areas to be Resolved:

- Difficulty in attracting officers to fill network positions in Headquarters.
- The reporting relationship through Program Planning and Coordination does not involve vessel personnel in the daily decision making process.
- A shortage of staff in some Regions is hampering the ability to provide network representation.
- Lack of a formal process to involve vessels senior management in the decision making process.
- Equitable representation across the merged Fleet.
- Compensation and expenses associated with national network representation continue to inhibit the effectiveness of the network.

Recommended Action:

1. A formal structure (Fleet Advisory Board) be established at the Regional and Headquarters' level to integrate current vessel expertise into the decision making process. (Draft National TORs attached. Regional sample TORs available upon request).
2. Use of appropriate vessel expertise through task forces continue to be used and recognized as an effective method of obtaining staff input in the decision making process.

Additional Costs:

- It is anticipated that the creation of a Fleet Advisory Board with 4-5 representatives per Region, meeting once per year would save approximately 3-4 FTEs and travel status for 4 people annually.

I-12**(Attachment)****National Fleet Advisory Board
Draft Terms of Reference****Issue:**

The creation of a National Fleet Advisory Board.

Background:

- In line with the initiatives of the Deputy Minister on downward delegation and empowerment the Director General Marine Technical and Support Services is seeking to increase the role of seagoing personnel in the operation and management of the fleet, while, at the same time, improving communications with shipboard personnel. In recent years

seagoing personnel have provided input to the national decision making process through a variety of task forces (19) created on various issues. These Task Forces were structured around issues dealing with the merger of the two Fleets. While there may be, from time to time, the need for task forces, we are seeking to standardize and formalize the input of seagoing personnel and shipboard management in the decision making process. It should also be recognized that in the organizational structure Commanding Officers are considered the equivalent to superintendents; however, they do not have the same opportunity to interact with their functional heads.

Proposal:

Specific responsibilities include:

- To create a National Fleet Advisory Board to enhance communication between Headquarters and seagoing personnel.
- To provide seagoing personnel the opportunity to have direct input into national fleet policies, procedures and guidelines affecting their operations.
- To establish direct feedback between the managing owner of the fleet and shipboard management personnel.
- To enhance communication between Headquarters, Regions and vessels.
- To provide direct feedback on the QSES initiative.
- To provide input into the Fleet Marketing Plan.

Structure:

- The National Fleet Advisory Board will be comprised of the following representatives:

Co-chairs	Director General MTSS/Regional Directors CCG (rotational)	
Secretariat	Director Fleet Services	
Members	5 Commanding Officers	(One per Region selected by peers)
	5 Chief Officers	(”)
	5 Chief Engineers	(”)
	5 Logistics Officers	(”)
	5 Small Vessel COs	(”)
	Director Technical Training	

- Co-chairs report to CCG Management Board.

* These representatives will be members of their respective Regional Fleet Advisory Boards.

Frequency Of Meetings:

At the call of the Chair but once per year as a minimum.

Section II: Human Resources Issues

II-1

Issue:

Classification of Small Vessel Commanding Officers; the classification assigned to officers in charge of small craft (Type 100 to 300 A&B)

Background:

- The issue with respect to the classification of our small vessel Coxswains/Commanding Officers has been with us for many years. There are many arguments for and against having all small vessel OICs certified and classified in the SO-MAO group. The first Type 300, I believe, was established in Clarkes Harbour, N.S. in 1966. At that time a 40 ton certificate was stipulated as the requirement, since the target recruitment group was primarily fishermen with local knowledge.
- On the DFO side of the house, I believe the situation started out the same way; however, once the Coxswain obtained a higher certification, the position and incumbent were reclassified to the SO-MAO-4 level. I believe the higher certificate was also desirable from a fisheries enforcement point of view. (Court testimony.) At the present time, Aruns are replacing 44 ft. lifeboats and in most cases the Coxswains have obtained the required certification and been reclassified to the SO-MAO-04 level.

Current Status:

- Former 42 ft. DFO cutters docked at the same dock as 44 ft. CCG cutters multi-tasked to do similar jobs. It should also be noted in most cases that the CCG

Coxswain at the lower level is responsible for the station as well as the cutter.

- In the vast majority of cases where Coxswains have been provided the opportunity to upgrade their certification, they have been successful.
- Maritimes Region has reclassified existing Coxswains of 44 ft. cutters to the SO-MAO-04 level. All Coxswains have the required certification.
- Programs (Rescue, Safety and Environmental Response) have expressed concern that the requirement for certification could result in a reduction of the local knowledge factor.
- The acquisition of the 47 ft. cutter will complicate the situation even further.
- There is concern about placing small vessel COs in a pool with the larger vessel ships officers.

Recommended Action:

(Note: The decision on this issue rests with the DG, MTSS; however, it is recognized that programs have an interest in this issue.)

1. All small vessels (Type 100-300) be designated as Class A vessels. (This will result in all vessels in this category requiring the same certification and being the same level.)
2. The certification standard will be Watchkeeping Mate (or higher) with a CCG Small Vessel Command Endorsement or the Masters 350T with the CCG Coxswains course (details attached).
3. Coxswains without the required certification be provided an opportunity and assistance to upgrade their certification. Until certification is

obtained, they would remain at the DED level. Unsuccessful personnel be grandfathered in their present level and position.

4. The requirement for local knowledge be reviewed in conjunction with the certification requirement and the operating area.
5. Small Vessel COs/crews may be sub-pooled, by location, where appropriate.

II-2

Issue:

Classification and Staffing of the Marine Superintendents' positions.

Background:

- The position of Marine Superintendent was established when the CCG re-organized prior to the merger of the CCG and DFO. At this time, the Operational Programs branch was split into Operational Services and Marine Programs.
- With the merger of CCG and DFO, the two fleets came together and the vessel management structures rationalized. The crewing and management responsibilities were integrated into Operational Services, while logistics and engineering support were consolidated in Technical Support Services.
- The Marine Superintendents positions were classified at the GT 07 level; however, there have been difficulties experienced in staffing the positions with the appropriate experience and certification.

Current Status:

- In some Regions the Marine Superintendents positions are staffed on a rotational basis (As frequently as 3-4 months).
- In one Region the position is staffed at the GT 07 level, another one is out for competition at the GT 07, another at the MAO 12 level, and two are filled by secondments.
- Several Regions feel they are unable to attract suitably qualified and experienced candidates and as a consequence have not been able to fill the position on a continuing basis.
- The position is a key element in ensuring the Fleet Merger is completed successfully.
- There is a considerable difference in the duties performed by the Marine Superintendents from Region to Region.
- Many Regions now feel the Marine Superintendent's position should not be rotational.
- There continue to be difficulties in attracting ships officers to shore positions.

Suggested Strategy:

A suggested approach to staffing the positions in order to ensure appropriate certification and experience follows:

- Establish the position at the equivalent level to that of the most senior seagoing position, within each Region, to ensure that the responsibilities as the senior officer of the Region are recognized.

- Using this approach as a benchmark for each Region also roughly corresponds to the relative size of the fleet under the jurisdiction of the Marine Superintendent.
- The ship's officer category will ensure that individual qualifications are commensurate with the requirements of the position.
- The senior level will attract individuals with the appropriate background and qualifications to deal with issues and initiatives relative to the requirements of today's CCG fleet.
- This approach will also allow for rotation; however, it is strongly suggested that the rotation be over a three year period. As well, this approach will provide an excellent career track for ships' officers pursuing management experience.

Recommended Action:

1. This approach be discussed with Regions, as suggested at Merrickville, and if supported, a strategy for its implementation be pursued with Personnel.
2. The SO MAO 12 competition in Newfoundland Region be evaluated.
3. The group and level of the position be reviewed.
4. Shore assignments become a condition of employment for ship officers.
5. In the longer term, shore-based experience (2 years or more) become a requirement for MAO 10 (deck) and MAO 9 (E) positions.

Issue:

Harmonization of Shipboard Position Terminology

Background:

- Prior to merger, each constituent part of the current fleet, DFO and Transport, employed different terminology when referring to shipboard positions, e.g. Commanding Officer/Master; Chief Officer/Mate.
- Historically, some CCG Regions do not employ standard terminology for the same or similar positions, e.g. DED-03 Leading Seaman/Quartermaster.
- Regional interpretations of petty officer level differ; a national CCG policy had established petty officers as ships crew (SC's) in the DED-05, STD-05, and ERD-05 categories and above.
- An AWT memorandum dated 15 August 1996, established standard terminology for shipboard officer positions.

Current Status:

- Awaiting national and/or Regional direction.

Problem Areas to be Resolved:

As above.

Recommended Action:

1. Standard shipboard position terminology be established.
2. Regions provide a list of terminology (include group and level) used, indicating areas requiring resolution.

3. National Fleet Advisory Board provide final recommendations to AWT on new Shipboard Position Terminology.

Additional Costs:

None.

II-4

Issue:

Training and Cross-Training in the Merged Fleet.

Background

- The two former fleets had considerably different philosophies when it came to training. Initial comparisons show that on average, the CCG officers had considerably more formal training courses and opportunities than their colleagues in DFO.
- In addition, it appears that CCG officers had more of an opportunity to participate in DFO programs than DFO officers had to participate in CCG programs.

Current Status:

- Cross assignment of officers and, to a lesser extent, ships crew, is helping the cross-training of ship personnel.
- Former DFO ships officers are now attending much of the training that was previously only available to CCG officers.
- Most Regions have started some form of on-the-job cross-training.
- Although former DFO ships officers are now attending the CCG Command Ops Module, which now includes Fish

Management and Science modules, many of those who have completed the Module have not had access to this portion of the training.

- In some Regions, lack of cross-training has the potential to limit career opportunities for ships' officers in the former DFO fleet.
- Most Regions feel that additional training in specific program areas would allow the ships and their personnel to play a more effective role in the delivery of programs.
- Most former ships officers from DFO have limited financial and administrative training.

Problem Areas to be Resolved:

As above.

Recommended Action:

1. Priority for CCG Command Ops Module courses be afforded to former DFO officers.
2. Program familiarization training be arranged on a Regional basis (Ref: Marketing Plan).
3. Regional-specific training plans be developed to identify training shortfalls and recommendations to close these shortfalls.
4. Greater use be made of opportunities for on-board training, especially where program expertise is already, or could be placed, on-board.

II-5

Issue:

Pooling of SO/SC Groups.

Background:

- Prior to the merger of CCG with DFO, the Coast Guard fleet was crewed through a pooling concept for the SO group only which had been in place since the late eighties, however the SO group assigned to former DFO vessels were not pooled in some Regions. The SC group has not been pooled in CCG Regions; however, some were treated as if they were in a pool.
- Discussions with Regional union representatives have failed to clearly identify the main causes of concern, but pooling continues to be largely resisted by SCs.
- Consultations at the national level have failed to obtain the required support for implementation of pooling.
- Pooling appears to be resisted due to the perceived potential for mismanagement and lack of consistency and continuity.
- It is a wide accepted view amongst fleet management that pooling is the preferred option for crewing all Coast Guard vessels given that it:
 - permits greater flexibility in assigning personnel to vessels which allows the movement of employees from non-operational to operational vessels,
 - facilitates training and development objectives,
 - ensures the efficient management of personnel costs, and
 - ensures the retention of the most qualified of all fleet personnel in cases of downsizing.

Current Status:

- In Regions, greater demands than ever are being placed on seagoing personnel which requires them to be trained in a variety of program areas and disciplines if the fleet is to be responsive to our program clients at a reasonable cost.
- While pooling has been officially rejected by the SC group, the employees are supportive of our practices aimed at maximizing employment periods during non-operational times which includes assignments to other vessels in the Regional fleet. It is unlikely that employees would support a move by management to strictly adhere to assignment to vessels.
- The position taken by SCs and PSAC could be an indicator of continuing strained employer/employee relations and the fact that collective bargaining is currently underway.
- In most Regions SCs were treated as if they were in a pool when reductions were made.

Problem Areas to be Resolved:

- We have obviously not done a good job in communicating to SCs and their representatives the benefits of pooling.
- Regional management have difficulty in addressing concerns regarding pooling as local union representatives seem to be leaving the issue to their national people to deal with.

Recommended Action:

1. If the Coast Guard is serious about the need for pooling as a tool for efficient management of fleet human resources, all avenues be explored to implement this

system; otherwise we continue with business as usual.

2. Regional management must continue to be fully appraised of the status of discussions at the national level if any influence is to be exercised over Regional employees and their representatives. This includes the points of contention.
3. Management consider implementing pooling as their employer right.

Additional Costs:

- It is accepted that a pooling system would allow management to better manage and control human resources costs with a minimal increase in the administration required. We need to assess the cost of not proceeding with pooling.

II-6

Issue:

Morale of Seagoing Personnel Within the Merged Fleet.

Background:

- Reductions in the former Fisheries and Oceans and Canadian Coast Guard fleets have been underway since the mid 80s (DFO) and early 90s (CCG). While these reductions have been, in most cases, part of an overall government reduction program they, in the view of seagoing personnel are seen to have had an unfair impact on our fleet personnel. While there were significant reductions prior to the merger the program review and fleet merger reductions have substantially increased the pace of reductions and resulted in a significant loss of seagoing personnel.

- In addition to the loss of personnel is the uncertainty of the future of the fleet within the department and the unknown impact of future reductions on the remaining personnel.
- The flexibility afforded by Treasury Board to SOs and SCs have helped ease the pain on those leaving and increased the number of volunteers who were able to leave. While this assists those to wish to leave it does leave those remaining in a position that they cannot leave and should further reductions occur they may not have the same options.

Current Status:

- Most of the reductions that affect the fleet have been implemented. (As these reductions are achieved the “survivors” seem more at ease.)
- To date 139 SOs and 134 SCs have departed the merged fleet. (April 1, 1995 to March 31, 1997.)
- Departures have resulted in opportunities, for those remaining, for advancement earlier than would have otherwise have been the case. (However, in some cases these promotions have been to seasonal positions.)
- There remains uncertainty about further reductions while, outside the department, the opportunities are increasing for Ships’ Officers.

Problem Areas to be Resolved:

- A better understanding of the future of the fleet within DFO.
- Better understanding of known reductions and their impact on personnel in the fleet.

-
- Improved communication to fleet personnel with respect to their future and that of the fleet.

Recommended Action:

1. The future of the fleet in the department be clarified and communicated to all seagoing personnel by shore-based and shipboard management.
2. A morale and culture survey be conducted to determine the morale of seagoing personnel in the department, and areas requiring improvement. (Maritimes Region to pilot). This should be coordinated with Personnel.
3. Known and/or anticipated fleet reductions be communicated to seagoing personnel in a timely manner.
4. Create National and Regional Fleet Advisory Boards to improve communications and the decision making process in the fleet.
5. Increase the visibility of the fleet and its personnel through better marketing techniques within the department and to the public. (Refer to marketing plan).

II-7

Issue:

Qualifications of Technical and Operations Groups' Positions

Background:

- It was decided to determine the competency profiles for these groups to assess the qualifications required.
- Some qualifications and competencies have been identified in CGFO's for both

officers and crew however these did not reflect the new, post-merger Fleet.

Current Status:

- AWTM staff are currently gathering information on the competencies for the SO, SC and EL groups. The EL competencies have already had Regional review and are nearly complete. The SC competencies are ready for initial Regional review and comments. SO competencies require further elaboration especially for Deck Officers in the Program areas.

Problem Areas to be Resolved:

- Certification levels for SO's and SC's (Coxswains) must be established.
- The level of program activity that SO's will be involved in is still to be decided.

Recommended Action:

1. These competencies be given a wide and thorough review within Regions and be used to re-evaluate the training and development of these groups.
2. Shore-based positions which require a marine background be assessed for their competency requirements. (This should be looked at in the ISM Baseline Assessment).

Additional Costs:

1. Cross-training costs will be incurred once the level of multi-tasking is determined.
2. The departmental core supervisory and management courses and the CG Harassment course will require additional funding once they are fully developed and available.

efficient to seasonalize employees where it is feasible to utilize them elsewhere during non-operational periods.

Issue:

Seasonalization

Background:

- With reduced funding, the Fleet is no longer able to provide full-time employment for as many of its IFT employees as it has done in the past. Many of our vessels have a seasonal operation and clients are looking harder at our operations for cost savings.
- Treasury Board has indicated in the past that the employer cannot unilaterally change the conditions of work. There have been some federal court decisions on this issue.
- The Commissioner CCG had said that we want to have the largest core possible of indeterminate full-time employees. There was a realization that CG has a seasonal operation generally but does not want the whole CG to be seasonal.

Current Status:

1. In Fall of 1996, confirmation was given by TB to CG concerning the option of seasonalization. When under a review of positions within the Fleet, a person's position was determined to be seasonal, this would be considered a Workforce Adjustment situation and the person is entitled to the options under the WFAD. An offer of a seasonal position was not considered a "reasonable job offer" in this case.
2. Regions have identified those positions which are to be considered seasonal.
3. CCG considers it efficient to seasonalize operations (in some cases) but not

Problem Areas to be Resolved:

1. Status of indeterminate full-time versus indeterminate seasonal employees.
2. Are criteria for option of seasonalization nationally consistent?
3. Focal Point for Human Resource Issues at Headquarters?

Recommended Action:

1. **Development of Fleet Human Resource Framework**

Section III: Cross-Sectoral Program Delivery Issues

III-1

Issue

Responsibilities of Programs vs. Operations.

Background

- In the past several years there have been numerous changes to the CCG's organizational structure. With respect to the management of the fleet we have moved from one focal point for fleet management (RMFS under CCG and CMD under DFO) to a Director of Operational Programs under CCG to a Director of Operational Services with fleet management responsibilities split between Technical and Operational Services.
- While the foregoing has created some confusion with respect to responsibilities, the fact that the Headquarters structure has little similarity to the Regional structure (particularly in CCG) causes even further confusion. (In the Regions, all Marine Programs fall under one Director, while at HQ there are four DGs/Directors accountable for the programs. In Tech and Ops, there are two Directors in the Regions and one DG MTSS in HQ.)

Current Status

- Confusion over the roles and responsibilities of operations, technical services and Marine Programs were especially evident in the area of vessel management responsibilities;
- some confusion over what is a HQ and a Regional responsibility;

- while these items are confusing, within CCG, they would be even more confusing to other departmental clients;
- Fleet management responsibilities were well established under Priority 1 document (revision is Priority 4).

Recommended Action:

1. Each CCG Region establish a working group to review the responsibilities of the three Directorates in relation to fleet/vessel management.
2. A matrix of responsibilities be developed (using Priority 4 as a model) to clarify responsibilities for fleet management within the current organizational structure.
3. Regional/Headquarters' responsibilities be reviewed by the CCG Management Board once items 1 & 2 have been completed.
4. A baseline assessment of the fleet management structure be conducted to determine modifications necessary, if any, to the management structure, in order to obtain a Document of Compliance under the ISM Code.

III-2

Issue:

Boating Safety and Enforcement. Traditional law enforcement agencies (RCMP, Provincial and Municipal Forces) cannot provide the enforcement and safety services the public expect in 1997.

- Seafaring Coast Guard personnel are not certified to respond to Boating Safety infractions (F/V and Pleasure Craft), however, the boating public generally have the perception that CG Fleet

Officers can enforce the small craft regulations.

Proposal:

- It is proposed that Operation Client, Education-Enforcement and Safety (OCEANS); a complete education and enforcement training program intended for Coast Guard Seafaring Personnel, be designed with a trial program run in each Region.

Background:

- Multi-tasking shipboard personnel is not new. Senior Coast Guard personnel occupying senior shipboard management positions are already trained and certified as Pollution Prevention Officers (PPO's) to respond to pollution infractions against Canada's Oceans. Authority: terms and conditions of Canada's Pollution Prevention Act and the Arctic Waters Pollution Prevention Act. In addition to PPO's, certain CG personnel have also been multi-tasked to Rescue Specialist and Boating Safety and Prevention activities.
- CCG Officers and Crews have been trained to carry out C&P enforcement duties at sea similar to DFO Fishery Officers.
- Seafaring CG personnel are highly motivated, skilled and educated in all aspects of water safety; on large and small vessels alike. Upgrading their professional marine qualifications to fulfill safety, education and enforcement duties under the Small Craft Regulations should be formally evaluated before a comprehensive similar program is developed for non-mariners.
- Due to the transient nature of the CG Fleet, the opportunity to conduct random

boating education, enforcement and safety operations would be easy accomplished. Presently, many boating violations are often in plain view of CG vessels, publicly undermining CG and the Canada Shipping Acts' credibility.

- Increasing efforts by CG and the Small Vessel Partnerships program will see Small Craft Operator licensing and registration in the foreseeable future. The OCEANS project would fulfill perceived public expectations.
- CG personnel have historically been cross-trained with success; i.e. PPO's, Small F/V Inspectors, SAR Specialists.
- Currently, more than 50 CCG Officers and Crews are trained as Marine Fishery Officers and others will be trained in this role as well as more limited role of Observe Record Report (ORR) in support of C&P activities on the water.
- OCEANS Officials mandate by definition could be expanded to include other multi-tasking, such as conservation and other similar services with appropriate training modules.

Problem Areas to be Resolved:

- Possible resistance by certain personnel towards new duties involving law enforcement.
- Possible reluctance of Enforcement agencies to hand over responsibilities, although this is anticipated to be minimal.
- Court Duty appearances increasing scheduling workloads and relief cost.
- Additional funds required for the OCEANS project.

Recommended Action:

1. Regions should prepare business cases where fisheries enforcement training of ships' officers/crews is felt to be a cost effective method of enhancing program delivery.
2. Observe, record and report training should be initiated immediately to familiarize ships' officers/crews with the enforcement component of DFO/CCG programs.

III-3

Issue:

Training and Cross-Training in the Merged Fleet.

See Section II-4

III-4

Issue:

The Safe Operation of Program Boats within DFO.

Background:

- The merged fleet consists of a wide variety of small vessels (cartoppers) to the largest and most powerful vessels in Canada. While the portion of the fleet that is crewed by CCG officers and/or crews is maintained, operated and crewed to a certain standard there is a huge inventory of vessels which are operated by program personnel as required. These vessels are required to support the program. While the personnel who crew these vessels are highly qualified in their respective area of expertise their training and experience in the safe operation of vessels vary considerably.

- It is estimated that there are over 1600 program operated boats under 10GRT and over 2500 motors with a combined value of over \$27 millions, there is little in the way of documented procedures on how these boats are operated, maintained, purchased or crewed.
- The Canada Labour Code places the responsibility on the department to ensure the safe well being of each employee. Due diligence has placed the onus on the employer to enact procedures that would ensure all necessary steps are taken to protect the safety and health of our employees.
- The CCG as the marine operational arm of DFO is responsible for setting the standard for the safe operation of vessels.

Current Status:

- Over 1600 vessels in the department have no standards with respect to their safe operation, maintenance or training requirements of their operators.
- The exact number of program boats is unknown.
- Level of training of the operators for these vessels is unknown.
- The department is liable for accidents arising from unsafe operation of these vessels.

Recommend Action:

1. An inventory of program boats be conducted by Regions.
2. Training standard be developed which outlines the required training to ensure safe operation of these vessels.

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3. Program prioritize personnel for training.
 4. Training funds be provided to ensure a training plan can be developed.
 5. A CGFO\SMS be developed to ensure safe operation of these vessels.
 6. If the CCG is not responsible to ensure these vessels are operated safely, the responsibility for the safe operation of these vessels be clearly communicated to programs.

III-5

Issue:

Multi-tasking — Operational and Program concerns.

See Section I-1.

III-6

Issue:

- CCG Marketing Strategy/Plan
- Acceptance within the Department of CCG's multi-tasking approach and its role in providing fleet, assets management and support services.

Background:

- The merger of DFO and CCG has resulted in fundamental changes in ways of doing business for both organizations. This note specifically addresses communications difficulties associated with:
 - a) CCG's multi-tasking versus DFO's program approach to funding management; and

- b) CCG's responsibility for fleet and assets management and support services to the Department.

- As per May 9, 1997 Briefing Note on the Fleet Merger Issue, neither of these changes appear to have been accepted by all organizations within the Department. Program Directorates within DFO do not use CCG resources to their full potential and in fact continue to seek equipment outside the Department. CCG, on the other hand, is simultaneously undergoing operating budget reductions while some capital equipment is being under-utilized.
- There is therefore an opportunity for CCG to offset some of its budget reductions through leasing surplus capital equipment both internally and externally. Success of this strategy requires convincing internal DFO clients to use CCG resources for their needs, rather than lease equipment from outside the Department. Any further surplus could then be chartered out.

Current Status:

- Under the direction of Director, Special Projects, a *Project Marketing Officer* has been contracted to develop and implement a *Marketing Strategy/Plan* for CCG to market itself internally with regard to the departmental acceptance and usage of resource issues, and externally with regard to surplus resources available for lease.
- This project began May 8, 1997 and a Draft Marketing Plan has been prepared.
- Internal clients and stakeholders have been consulted regarding their perceptions and needs. These needs will be reconciled with available resources and other internal and external considerations. A marketing plan has

been developed to market CCG's equipment and expertise and to position the organization as an integral part of the DFO team.

Problem Areas to be Resolved:

- Acceptance issues need to be overcome internally.
- CCG needs to be positioned and marketed as a value-added resource organization within the DFO and to become the first 'shopping stop' for internal clients in need of equipment and expertise.

Recommended Action:

1. All Regions and Directorates within CCG provide support to the development of this marketing strategy. (done).
2. A marketing plan be developed and presented to Operations and Technical Services Directors and CCG Senior Management.
3. Recommendations be implemented once accepted by the Management Board.
4. Options other than chartering be explored (eg. Partnering, Strategic Alliances, etc.)

III-7

Issue

DFO/CCG helicopter and fixed wing support and management.

Background

- While helicopters and supporting equipment are Coast Guard assets, the Coast Guard does not presently manage them. The Aircraft Services organization

of Transport Canada is presently responsible for the management of helicopter and fixed wing resources and employ the pilots, engineers and support staff associated with these operations.

Problem Areas to be Addressed

- There is a duplication in that two separate infrastructures exist. The existing infrastructure within Coast Guard to manage vessels could easily incorporate helicopters with few additional resources required.
- The management of the budget for helicopter resources is done within Aircraft Services. There is therefore no incentive for Regions to operate the resources in a more efficient manner as any savings are returned to another organization.
- There is currently little correspondence between program requirements for helicopter support and the resources allocated to each Region.

Recommended Action

1. As with the vessels, the Canadian Coast Guard manage the aviation resources used to support DFO and other government and commercial clients with helicopter funding provided to Regions directly from Coast Guard Headquarters.
2. Coast Guard have responsibility to manage the budgets associated with helicopter operations and realize the benefits of any efficiencies achieved.
3. Overhauls of aircraft continue to take place in Ottawa to eliminate any possible duplication of support equipment.
4. A zero-based review of aviation requirements be conducted to ensure an

appropriate distribution of resources amongst Regions.

5. The deployment of all aviation resources be coordinated within Coast Guard to achieve the efficiencies and operational results possible through multi-tasking.

Section IV: Financial Issues

IV-1

Issue:

The Impact of Program Funding on Fleet Management.

Background:

- The Vessel Scheduling and Resource Allocation Process is a funding model where vessel operating budgets reside with DFO program sectors who “buy” vessel time from the fleet management group within the Canadian Coast Guard – Operational Services. The rationale for this “marketplace” model was increased efficiency due to competition from alternate methods of program delivery and the maximization of multi-tasking opportunities. The principle of multi-tasking was key to the restructuring of the fleet during the merger and fleet managers are held accountable for ensuring that the new, streamlined fleet is used to its maximum capacity through multi-tasking.
- The Vessel Scheduling and Resource Allocation Process is based on two commitments: that the fleet provides programs with cost effective vessel support and the programs commit to providing stable, long term funding levels to the fleet.

Current Status/Problem Areas to be Resolved

- The implementation of program funding during fiscal year 1997/98 has illustrated that program funding is not conducive to the achievement of effective and efficient fleet management or of operating the fleet on a multi-tasked basis. The problems observed are two-fold:
 1. Funding for delivery of programs was not delegated in a timely manner. In the case of Science and Fisheries Management, nearly half of the operational plan had been implemented before funding was transferred to Operational Services.
 2. When funding was delegated, actual amounts in some cases differed from those originally negotiated.
- The effect on fleet management has been extremely disruptive. Directors of Operational Services are being held accountable for the management of the department’s fleet without any control over the resources meant to operate the Fleet. The unilateral decisions made by program clients to reduce funding levels with little or no notice (in some cases after services have been provided), result in the following areas of concerns:
 - Salary and other personnel costs. Reductions to an indeterminate workforce is a time consuming process which cannot be achieved quickly or for short periods. Crews are maintained on vessels during “non-operational” or “refit” periods for a variety of reasons, therefore costs to the department continue to be incurred even when vessels are not required by programs.
 - Loss of flexibility. The unilateral, unplanned reduction to funding levels

will mean that any flexibility to provide additional service to programs during the operational year will be lost. Such action on the part of individual programs has a domino effect on other programs in a multi-tasked fleet. The model, when used in this manner, does not lend itself to multi-tasking of vessels.

- Lack of delegation. The micro-management of Regional vessel operating budgets by programs in Headquarters is inconsistent with an environment of delegation which the department professes to support.
- Assignment of costs to programs. The FAIS system is now being used to track vessel utilization for the purposes of assigning fleet costs to individual programs. This becomes problematic in a multi-tasked environment. How costs should be allocated when a vessel assigned to a program is called to respond to a SAR case is one example of issues that require resolution. Another problem is the absence of a standard per diem charge out rate for fleet vessels. There are currently multiple figures being used which impacts of costing of operational schedules and the delegation of vessel funds.

Recommended Action

1. **Program funding as currently implemented appear to reflect a lack of commitment to the department's fleet and a short-sighted approach to the management of the department's major capital assets. If allowed to continue, it will be impossible to manage the fleet in a way which is consistent with the original principles upon which it was structured. If fleet management is to be held accountable for the provision of cost-effective vessel support to programs, programs must fulfill their commitment**

to providing stable, long term funding for this purpose.

IV-2

Issue:

Fleet Merger Reductions.

Background:

- Prior to the merger of the two fleets, Government wide reductions initiatives for downswing (rightsizing) government had begun. Fleet identified reductions as a result of the Joint Task Force on Vessel Management and Fleet Mix studies. As well, each Regional Director may have tasked the Operational Services Directorates with additional reductions. This in itself has caused difficulty tracking reductions and assigning reductions to specific initiatives.
- Then the fleet merger of DFO and CCG Fleets came about. This created increased difficulty in tracking reductions to specific initiatives.
- Various groups are tracking the reductions initiatives for varying purposes. Specifically, the Business Management Services groups at both the Regional and national levels are tracking reductions in order to obtain the CCG history, current status and future plans. Finance and Administration groups both Regionally and nationally are gathering and reporting on reductions for all sectors of Department of Fisheries and Oceans. Finance and Headquarters, Finance and Administration have both a Departmental requirement and an accountability to Treasury Board for the audibility and reporting of reductions.
- In an effort to derive a common set of goals for CCG reductions, Kevin

Hamilton (BMS-HQ's) has visited all Regions to review, identify and discuss discrepancies. This initiative has resulted in the preparation of a document called the "Expenditure Reduction Strategies and 1997-98 Final Budget Allocations". This document was distributed at a CGMT meeting held in Grand Bend in mid-May.

Current Status:

- All Regions are meeting their known targets for fleet reductions.
- Fleet/Base integration target (\$11M) is currently being addressed nationally as a multi-sector initiative. (Resolution expected by Dec. 31, 1997).
- MNS fleet reductions are currently being reviewed and pose difficulty for some Regions.

Recommended Action:

1. Known fleet reductions be communicated to fleet personnel in a timely manner.
2. Ship costing figures must be known and agreed to across programs.
3. A policy must be established which sets out the criteria for multi-tasked ship time costs. This should be worked on in conjunction with the Tasking Protocol Committees.

IV-3

Issue:

Delegation of Funding to Vessels in the Merged Fleet.

Background:

- Previously, the old DFO fleet was funded for operations by the programs that it supported based on the annual number of delivered days planned for each vessel, and the CCG fleet was formula funded for annual operations with cost attributed to each program after it was delivered.
- As we look at moving into a new fiscal year as one fleet, we are receiving the delegation to vessels consistent with the philosophy of downward delegation or empowerment. In order to make logical well informed decisions, a full discussion of the subject must be carried out with the pros and cons of the various issues.
- In addition to the philosophy of downward delegation it is important to consider the size and capability of the unit receiving the delegation as well as the accountability of the Director of Operational Services for the entire fleet delegation.

Current Status:

- The Deputy Minister has established a Committee to review delegation with a view to enhancing/increasing delegations to the front line where it makes sense. It is understood as well that the CCG Management Board has this item on its agenda for the next meeting.

Recommended Action:

1. Each Region review the current delegation of funding to vessels (large and small) and proposes what level of delegation should be provided to vessels in the merged fleet.

Expected Outcome:

- A more consistent approach to the delegation of funds to vessels in the merged fleets.
- Each Region is to review the Delegate to Vessel discussion paper from Laurentian Region and provide comments to AWTR.

Section V: Organizational Issues**V-1**

Issue:

- Shore Based Management Structure.
- The current CCG shoreside fleet management structure may not be consistent with ISM requirements.

Background:

- Vessel support functions (Engineering and Logistics) report in a different Directorate from the line management of operations.
- Regional fleet management (Director of Operations) reports to the Regional Director, Coast Guard, who reports to the Regional Director General, DFO. The Director General, Marine Technical & Support Services does not have a line reporting relationship to Regional fleet management. The role of CCG HQ in fleet operational management is unclear.
- The role of the Fleet Management Board in providing functional direction is unclear.
- There should be greater involvement of shipboard management personnel in the decision making process.

Recommended Action:

1. A baseline assessment be conducted to review the current structure and make recommendations regarding possible changes to the structure and/or the basis for ISM certification (i.e. national or Regional).

2. Organizational changes and issues be submitted to CCG Management Board and DMC members for consideration as soon as possible.
3. Regional and National Fleet Advisory Boards provide a more formal input into the decision-making process by seagoing personnel.

V-2

Issue:

Shipboard Management Requires Appropriate Levels of Authority, Accountability, and Support to Perform Fleet Tasks.

Background:

- The department is committed to the principles of downward delegation.
- The CCG has been criticized for maintaining expensive assets (ships) alongside performing administrative functions.
- Support functions should not be off-loaded from shoreside personnel to expensive seagoing positions.
- There is insufficient funded ship time available to meet the demands of client programs.
- Vessel support functions (Engineering and Logistics) report in a different Directorate from the line management of operations.

Objective:

- Maximize the availability of vessels for tasking to client programs (i.e. at sea) while providing shipboard management

with the tools, authority and responsibility to function effectively.

Recommended Action:

1. Devolve authority and accountability to the lowest practical level. (Commanding Officers, department heads).
2. Provide shore-based support to shipboard management so that administrative functions are performed ashore under shipboard direction. Functions performed on-board be restricted to those which are operationally necessary.
3. Identify items which are appropriately managed ashore on a Regional basis (e.g. uniform and protective clothing requirements for pooled personnel.)
4. Consolidate ship management functions under Operations and clarify roles of support personnel ashore.
5. Regions to review Nov '96 *Delegation to Vessels* discussion paper from Laurentian Region and provide comments to AWTR.

V-3

Issue:

The role of the Canadian Coast Guard (CCG) in Fisheries and Oceans Canada (DFO) with respect to Vessels and Aircraft.

Background:

- The integration of the CCG with the DFO was announced by the Prime Minister in the February, 1995 budget.

The reasons for the decision were as follows:

- Improve and strengthen oceans policy-making and program management.
- Integrate safety and environmental protection.
- Facilitate ocean commercial development.
- Streamline resources and reduce costs.
- With the announcement made, the Commissioner of the CCG began reporting to the Deputy Minister of DFO on April 1, 1995. Following this date, the two fleets were merged over the 1995/96 fiscal year while Regions were rationalized from 12 to 5. The pace of the change was rapid. In addition to changes in reporting relationships, the CCG and DFO had differing ways of managing, funding and delivering their programs. While we have moved to the Department Program Funding Model, there have been problems associated with the acceptance of the multi-tasking approach used by the CCG. While this approach was one of the main reasons for the merger of the fleets, it would appear that the concept is not receiving much support from the programs. As well, the role of the CCG in providing fleet and assets management and support services to the Department does not appear to have been well accepted in the Department. It does not appear that the CCG has been particularly pro-active in promoting its role or gaining acceptance of its role with the new Department. This is evidenced by the fact that many programs appear to continue to provide their own services by chartering aircraft and operating vessels and do not utilize existing CCG resources and personnel to the extent of their potential.

Current Status:

- Multi-tasking initiatives vary from Region to Region.
- Programs have, in some areas, not accepted the CCG's role in the Department. This is particularly relevant in the area of fixed wing and aviation expertise.
- Programs lack trust in methods of operational program delivery and need demonstrated results that they are getting the best "bang for the buck". The role of the CCG is not understood and/or accepted within the Department and greater consultation is necessary.
- There is considerable duplication in some areas and employees are often confused about who they are working for.

Problem Areas to be Resolved:

- The role of the CCG needs to be communicated to employees and programs within the Department.
- Most efficient use needs to be made of scarce resources.
- Senior Management needs to set the example of teamwork and how to operate in the new DFO by showing acceptance of the new structure and reporting relationships.
- CCG needs to demonstrate its commitment to clients other than Marine Programs.

Recommended Action:

1. Each Region establish a Fleet/Program committee to formalize the relationship between CCG as a service provider and

the programs as clients/customers. TORs attached at Section I-1.

2. In relation to program delivery, the role of the CCG be articulated to the programs at the Regional and HQ Fleet/ Program committees.
3. Business agreements between Technical and Operational Services and clients clearly stipulate the role of the CCG in terms of providing services to our clients.
4. The role of the CCG be clearly articulated by Management Board and communicated to DMC members. Once this is done, DMC members should communicate this across the Department.
5. Implementation of marketing plan initiatives. (CCG needs to become part of DFO team for unified department mandate & goals).
6. Better information on performance must be demonstrated by Operations & Technical Support Services to programs.

Section VI: Technical Issues

VI-1

Issue:

Inadequate funding for Electronic Maintenance of the new combined Fleet.

Background:

- When the two fleets were merged together there was no identifiable budget transferred to Technical Services for the Electronic Maintenance to be carried out on the “old DFO” ships.
- The practice within DFO was to maintain the ships electronic equipment via the use of local contractors and therefore the Department only had a limited in house electronic technical capability. When the fleets were merged the Coast Guard system was applied to all of the maintenance onboard the ships, including the electronic work. There was, however, no identifiable budget within DFO for this work and therefore it was rolled in to the existing Coast Guard workload.
- This problem was compounded by the integration of the EL and INM groups in response to a Program Review initiative since this activity was restricted to Coast Guard only and when allocating the cuts we were not able to identify this new increase in the groups workload.
- This has resulted in significant under resourcing for the amount of electronic work now required by the combined fleet.

Current Status:

- The cuts required by the Program Review initiative have been finalized and work is

underway to implement the other integration issues such as common job descriptions etc. The work required by the addition of the DFO ships is being assessed against the reductions caused by the decommissioning of some Coast Guard ships. The net increase in work is being identified by the Regional Superintendents. The results of this investigation will be discussed at the upcoming National meeting in September 97.

Recommended Action:

1. Coast Guard secure all of the available funding for Electronic Maintenance from all sources. These will include previous budgets within the “old” DFO. These budgets are believed to be held within the Science and C&P programs.
2. The remaining shortfall will be covered off by efficiencies derived from a review of the current Maintenance processes.

VI-2

Issue:

Funding for Electronic Installations on Vessels

- With the merger of the CCG with DFO and the amalgamation of the two fleets, there has been a sharp increase in the electronic equipment workload. The Electronic and Informatic Systems Divisions (EIS) in each Region has now assumed responsibility for the new larger fleet and increasingly over the last 8 months has been taking on the workload for the larger fleet with no associated adjustment in staff or O&M. Furthermore, there is the additional need to stabilize the electronics on the old DFO vessels. This situation is such that there is no longer an assurance that

important Fleet Operational requirements, which rely on these installations, will be met.

Background:

- Funding for ship electronics in the old CCG was obtained from Headquarters from two sources. The principal one was the Ship Electronic Replacement Plan (SERP), which is put together by the Regions through a requirements survey and meetings with stakeholders. This list is sent to HQ for allocation of funding the next May/June depending on the total funding available to them. Delegated funding has always been less than the identified requirements. The other sources of funds are specific capital projects put together for bulk procurements, e.g. radar, ECPINS, etc.
- In contrast, at DFO, Marine Superintendent offices funded a large portion of the fleet electronic purchases and installations costs directly through requisitions and by accepting JV's incurred by Engineering and Technical Services at DFO. With the integration of the fleet, however funding used by the Marine Superintendent offices has not been transferred to EIS for the appropriate installation efforts.
- In some Regions, staff from DFO were merged with Coast Guard TSS staff to provide electronic shore support. However, most Regions received no additional support although the fleet increased significantly. In these Regions, A-base shore support resources have not been adjusted to reflect the reality of the enlarged consolidated fleet.

Current Status and Problem Areas to be Resolved:

- The SERP was submitted last December to Headquarters and includes all the requirements of the newly amalgamated fleet. On a National Scale, the total capital acquisition identified for the Regions is \$7,826 K, of which the majority is for the old DFO fleet; the total installation funds requested is \$2,248 K of which the majority is again required to install systems on the old DFO fleet.
- The dollar amounts set for procurements and installations are rough estimates that change throughout the year. The submitted list and associated funding will be reduced to match HQ available funding and priorities. The amount of funding available nationally has already been reduced. What was finally issued nationally was \$1,918 K for capital and \$ 585.1 for installations. Generally HQ will purchase most of the equipment in bulk procurements and have it delivered to the Regions. The installation funds are delegated to the Regions to be used to purchase installation materials and to contract out work that complements the Region's own staff.
- Until last year, DFO vessel electronic equipment was obtained "on demand" and the funding came from DFO with the request. Now, the expectations have grown to meet CCG stabilized standards, yet the SERP budget is now smaller and shared amongst more vessels. Three priorities confront us:
 1. standardization and modernizing the electronics on old DFO vessels,
 2. fitting several vessels for their new multi-task roles, and
 3. upgrading the equipment required to comply with new regulations, meet

changing operational requirements, take advantage of technology, and replace equipment that is too costly to maintain or non-functional.

- The SERP was intended to address only the third priority, but increasingly it is expected to do all. In addition, there is a backlog of equipment delivered last fiscal year that still needs to be installed.

Recommended Action:

1. Capital and O&M funding for replacement electronics on vessels is a national issue and should be addressed and resolved within MTSS at the HQ level. Additional funds should be sought, based on requirements generated by the SERP process in the context of the increased fleet size since the merger. However, if new funds cannot be allocated, the priorities for existing budgets should recognize that the merged fleet needs demand an increased SERP capital and O&M funding level.
2. It must be recognized that SERP cannot address all fleet electronic equipment needs. Funding for standardization and modernization of former DFO vessels and fitment of new systems on all vessels must be pursued on a national basis by MTSS-initiated, fully justified and supported capital projects outside the SERP envelope.

Additional Costs:

- A recent consultant study was executed on behalf of the Regions, to calculate a rough order of magnitude for ship electronic installation costs including all Regions. Three models were presented for national total costs and the results ranged from \$869 K to \$1,593 K concluding with a recommended figure of \$1,013 K. Identified costs are for salary

and personnel support in the form of electronic technologists and O&M for travel and other related support costs.

VI-3

Issue:

Funding for the refit of DFO Small Craft

Background:

- As part of the merger, CCG took on the responsibilities for the maintenance and refit of an assortment of small craft. Funds were to be provided by the programs which had, until that time, carried these responsibilities.
- The experience of every Region in this process has been somewhat different. It has been suggested that, in some Regions, not all of the funds normally expended on the vessels were transferred, with the difference being retained by the programs and offered up explicitly or otherwise as a contribution to Program Review cuts.
- In any event, as a result CCG has the responsibility for this work, but has insufficient resources to carry it out. If not corrected, the consequences will be a deterioration of the condition of the small craft fleet and reduced support to programs at a rate that will reflect the condition of the inventory at the time it was turned over to CCG, and the extent of the withheld funding.
- Even if all of the historical resources were turned over, it is not necessarily true that they would be adequate to permit the necessary level of maintenance and refit.

Current Status:

- The extent of the problem is not clear. In particular, it is not known:

- what falls into the “small craft fleet”;
- what resources would be required to maintain and refit the fleet;
- what portion of the shortfall between required and available resources is attributable to the withholding of resources by DFO programs.

Recommend Action:

1. Care should be taken to limit the scope of the problem by avoiding the premature application of a standard definition across the board which would “include in” vessels that are not currently the maintenance and refit responsibility of CCG. For example, in Pacific Region, CCG does not currently maintain or refit the large C&P small craft fleet, and we should be careful not to take on this responsibility inadvertently by definition. Instead, each Region should assess its particular situation with respect to the identification of small craft that are in its care, and the determination of the extent of the gap between funding required to carry out our responsibilities, and those available.
2. Similarly, each Region should identify situations where it feels that the shortfall in funding is a direct consequence of funding being withheld by programs.
3. A national position can be considered once it is clear what the situation is in each Region.

VI-4

Issue:

Standardization of Computer Technology on DFO Vessels.

Background:

- CCG prior to the merger with DFO has been struggling over the last number of years to establish and implement shipboard computer standards with varying degrees of success. Headquarters have established standards for fitment of computers for desktop, laptop and servers purposes; have established a wiring standard and have selected Token Ring as the LAN standard up until this past year. Using these standards along with Fleet's operational requirements, the Electronic Engineering Division of MTSS submitted the SINTACS PAD over two years ago initially. This project would provide for fitment of all vessels (an amendment was made to include the old DFO vessels) with the standard computer configuration; develop a strategy for ship/ shore data communications and then fit the Fleet with the necessary communications systems to implement this strategy. This project has not yet been approved, yet there is still a demand for modernizing the vessels with computer and data communications systems to meet today's needs.

Current Status and Problem Areas to be Resolved:

- With the merger of the CCG with DFO and the amalgamation of the two fleets, there has been a sharp increase in the electronic equipment workload in general, and in particular, there has been identified a significant workload and funding requirement to address the computer requirements of the old DFO vessels. The little funding available, if any, comes from the Ship Electronic Replacement Plan which enables the Regions to address very minor computer system needs; there is not sufficient funding to upgrade present computers to

meet today's software requirements. This situation cannot continue much longer if it is expected that important Fleet Operations' requirements will be met.

Recommended Action:

1. The Electronic Engineering Division in Headquarters have a contract underway to update the shipboard computer standards taking into consideration the newly merged DFO/CCG fleet. One of the main impediments to the standardization of computers and associated equipments within Fleet is the lack of coordination between the various entities who fund these systems. Every new system today is based on computer technology and there is an increasing level of integration required. It is imperative that the new standards recognize the needs of all users and that all involved in the procurement process recognize the computer standards in order for CCG to obtain best value for its investment.
2. Until the SINTACS project is approved, recommend that a minimum fitment standard also be developed to meet the vessel's very basic needs, i.e., email, and that a source of funding be identified to fulfill this need. Also, suggest that work begin on developing a ship/shore data communications strategy to best meet the vessels' increasing requirements and to give direction to those procuring shipboard systems to maximize utilization of these systems.

Additional Costs:

To be developed.

Issue:

Standardization & Leveling of Electronic Navigational & Communications Equipment Onboard DFO Vessels

Background:

- Due to non existence of standards, vessels used in the « pre-merger DFO Fleet » were not equipped with standardized electronic equipment packages;
- CCG vessels were normally provided with navigational and communications equipment purchased through the Electronic Equipment Procurement Capital Plan and tended to be outfitted to a standard by class of vessel.

Current Status and Problem Areas to be Resolved:

- Vessels are being multitasked across all DFO sectors and distinction between “old DFO vessels” and “CCG vessels” is becoming less apparent;
- Department is moving toward CCG practices related to maintenance and overall life cycle management of electronic equipment;
- Lack of standardization of equipment presents challenges in equipment sparing, knowledge/expertise of maintenance and engineering personnel on operational systems, & ease of mobility of ship crews and ships officers among vessels;
- Lack of standardization between “two fleets” is a barrier to acceptance of vessels as “one fleet”.

Recommended Action:

1. In consultation with Operational Services and Programs, adopt standard for electronic navigational and communications equipment for each “class” of vessel in Departmental Fleet;
2. Develop one-time major capital project to provide stabilization (based on analysis conducted by AWTJ, it is estimated this project would cost 3.5M in current dollars);
3. Adjust the O&M and minor capital budgets of shore support branches to adequately support the consolidated Fleet;
4. Establish current level of service required for the consolidated Fleet.

Action Plan

Issues	Recommendations	Lead Region/ Branch	Responsible	Deadline
I. Operational				
1. Multi-Tasking	1. Regional Fleet/Program committees be established in each Region to formalize the planning process and sign off the Operational Plan.	Maritimes, Laurentian	RDs-CCG	Jan 31/ 98
	2. Business cases be made relating to the effectiveness of multi-tasking in each Region and Headquarters.		Directors of Operations AWTF	Mar 31/ 98
	3. Multi-tasking needs to be marketed to programs. (Refer to Marketing Plan)		Directors of Operations AWT	Commence immediately
	4. A Tasking Protocol Committee be established in each Region under the authority of the Fleet Program Committee to identify tasking priorities for use by the Operations Centre.		RDs-CCG	Mar. 31/ 98
	5. Tasking Protocols be signed off by the RDG DFO in each Region.		RDs/RDGs	Mar. 31/ 98

Issues	Recommendations	Lead Region/ Branch	Responsible	Deadline
I. Operational				
	<p>6. Alterations, additions and equipment acquisitions which enhance the multi-taskability of vessels be afforded a high priority. (Eg. Next to safety)</p> <p>7. Program specific training which enhances multi-tasking for shipboard personnel be identified in a training plan.</p>		<p>Directors of Operations / Technical Services AWT</p> <p>Directors of Operations</p>	<p>Ongoing</p> <p>Mar. 31/98</p>
2. Vessel Identification	1. All vessels comply with the Commissioner's memorandum on Fleet Identity (including wordmarkings) by 30 June, 1998.	Headquarters	Directors of Operations/ Technical Services AWT	Jun 30/98
	2. Standardization of other colours on board the vessels be reviewed.		AWTF	Mar 31/98
3. Uniforms	1. A standard, common uniform and scale of issue be established as soon as possible.	Pacific	AWT	Dec. 31/97
	2. An acceptable and efficient distribution system be established and uniforms distributed as soon as possible.		AWTF, Directors of Operations/ Technical Services	Feb.28/98
	3. Regional CCG representatives be included in the National Clothing Committee on a permanent basis.		Regions	Mar. 31/98

Issues	Recommendations	Lead Region/ Branch	Responsible	Deadline
I. Operational				
	4. All CCG shipboard personnel have the new uniforms by June 30, 1998.		AWT Regions	June 30/98
4. Reporting Relationships	1. The existing reporting relationship and shore-based management structure with respect to vessels be assessed to determine the CCGs' ability to obtain a Document of Compliance.	Maritimes	AWTR	Dec. 31/97
	2. The structure be amended to ensure we are able to obtain a DOC.		CCG Management Board	Mar. 31/98
	3. Within each Region, the Technical and Operations Directorates review and develop a matrix of responsibilities with respect to vessel management.		Directors of Operations / Technical Services	Mar. 31/98
	4. Creation of Fleet Advisory Boards be considered as a means of improving ship/shore communications and ensuring current seagoing personnel input to the decision making process.		Directors of Operations AWT	Mar. 31/98
5. Chartering Policy	1. A national policy on chartering to ensure consistency in approach be developed.	Newfoundland	AWT	Mar. 98

Issues	Recommendations	Lead Region/ Branch	Responsible	Deadline
I. Operational				
	<p>2. Any such policy clearly identify the Regions as the focal point for the management of chartering.</p> <p>3. Appropriate authority be sought from Treasury Board to collect and expend revenues from chartering.</p> <p>4. The policy be flexible enough to deal with the full range of relationships into which the fleet might enter, such as partnering, strategic alliances, etc.</p> <p>5. A marketing plan be developed for the fleet. (Please refer to section III-6)</p>		<p>AWT</p> <p>AWT</p> <p>AWT Directors of Operations</p> <p>AWTR</p>	<p>Mar. 31/98</p> <p>Mar. 31/98</p> <p>Mar. 31/98</p> <p>Done</p>
<p>6. Aviation Issues & Helicopters</p>	<p>1. A comprehensive study be conducted to determine once and for all whether CCG should adopt the “own and operate” concept for the operation of the helicopter fleet. An integral part of this study should review the current allocation of helicopter resources to the Regions and establish an equitable distribution based upon actual Regional needs and requirements.</p>	<p>Newfoundland</p>	<p>AWT Regions</p>	<p>March 98</p>

Issues	Recommendations	Lead Region/ Branch	Responsible	Deadline
I. Operational				
	<p>2. Once the above referenced study has been completed, it be implemented in a timely fashion.</p> <p>3. A study be conducted to examine the existing fixed wing operation and determine which direction we should follow in the delivery of the service.</p>		<p>AWT Regions</p> <p>AWT Regions</p>	<p>March 98</p> <p>March 98</p>
<p>7. Role of the Operations Centre in Program Delivery</p>	<p>1. The current mix and composition of fleet resources was designed based on a model of multi-tasked vessels able to deliver more programs with fewer platforms. As long as the department is committed to this approach, in contrast to program specific platforms, there will be a critical need for some form of central coordination of program requirements and assignment of resources. This delicate balancing act can only be achieved by a program- neutral structure. In this respect, the responsibilities currently assigned to the Regional Operations Centre represent the department's recognition of this requirement.</p>	<p>Newfoundland</p>		

Issues	Recommendations	Lead Region/ Branch	Responsible	Deadline
I. Operational				
	2. The role of the operations centres be clearly communicated to all program clients - clearly identifying the value added to program delivery by the central coordination of program requests. The value added for the external client should also be emphasized.		Directors of Operations	Mar. 31/98
8. Fleet Orders	1. Continue with CGFO/DFIG consolidation and send the results out to the vessels as soon as possible.	Central & Arctic	AWTF	Done
	2. Once the QSES policy and procedures manuals are developed, review the need and format for the CGFOs.		AWT	Ongoing
9. Vessel Equipment	1. Review and formalize the A&A process in all Regions, for all vessels.	Pacific, Laurentian	Directors of Operations / Technical Services	Mar 31/98
	2. Operational Services and Technical Services Directors co-chair A&A committees.		Regions	Mar 31/98
	3. The Capital Planning Process needs further improvement.		AWTF	Mar 31/98
	4. Next to safety items, equipment which enhances multi-tasking of the platform should be given priority.		AWTF Regions	Immediately

Issues	Recommendations	Lead Region/ Branch	Responsible	Deadline
I. Operational				
	5. All permanent equipment to be installed on-board a vessel be signed off by a department head/CO.		Regions COs	Mar 31/ 98
10. Logistics	<p>1. Logistics roles and responsibilities be clearly defined and applied to the combined DFO/CCG Fleet.</p> <p>2. Logistics Officers be utilized based upon vessel size and requirements.</p> <p>3. Logistics functions and support for smaller vessels be provided through a shore-based focal point to provide all the necessary logistics services and functions.</p> <p>4. The Logistics Study currently underway be forwarded to Regional Directors of Operations/Technical Services for review. (An update be provided at regular intervals as the study progresses).</p>	Maritimes	<p>AWT</p> <p>AWTF in conjunction with Regions</p> <p>Regions</p> <p>AWTF</p>	<p>Feb 28/ 98</p> <p>Ongoing</p> <p>TBD</p> <p>Dec 31/ 97</p>

Issues	Recommendations	Lead Region/ Branch	Responsible	Deadline
I. Operational				
	5. Information Systems used on-board vessels in support of administrative functions should meet basic requirements of operational personnel, rather than shipboard personnel changing their processes, practices and procedures to meet the specific systems requirements.		AWTF Regions	Immediate
11. Category of Vessels	1. Develop a more concise, logical manner of classifying the present merged fleet, which will be easy to use, yet convey sufficient information to succinctly describe the vessels.	Headquarters	AWTF	Feb 28/ 98
12. Networks	<p>1. A formal structure (Fleet Advisory Board) be established at the Regional and Headquarters' levels to integrate current vessel expertise into the decision making process.</p> <p>2. Use of appropriate vessel. Expertise through task forces continue to be used and recognized as an effective method of obtaining staff input in the decision making process.</p>	Headquarters	<p>AWT Regions</p> <p>AWT Regions</p>	<p>Mar 31/ 98</p> <p>Ongoing</p>

Issues	Recommendations	Lead Region/ Branch	Responsible	Deadline
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II. Human Resources				
1. Classification of Small Vessel Commanding Officers	1. All small vessels (Type 100-300) be designated as Class A vessels. (This will result in all vessels in this category requiring the same certification and being the same level.)	Headquarters	AWT	Mar 31/ 98
	2. The certification standard be Watchkeeping Mate (or higher) with a CCG Small Vessel Command Endorsement, or the Masters 350T with the CCG Coxswains course (details attached).		AWT	Mar 31/ 98
	3. Coxswains without the required certification be provided an opportunity and assistance to upgrade their certification. Until certification is obtained, they remain at the DED level. Unsuccessful personnel be grandfathered in their present level and position.		AWT Directors of Operations	Ongoing
	4. The requirement for local knowledge be reviewed in conjunction with the certification requirement and the operating area.		Directors of Operations	Ongoing
	5. Small Vessel COs/crews may be sub-pooled, by location, where appropriate.		Directors of Operations	Ongoing

Issues	Recommendations	Lead Region/ Branch	Responsible	Deadline
II. Human Resources				
4. Training & Cross Training	<ol style="list-style-type: none"> 1. Priority for CCG Command Ops Module courses be afforded to former DFO officers. 2. Program familiarization training be arranged on a Regional basis (Ref: Marketing Plan). 3. Regional-specific training plans be developed to identify training shortfalls and recommendations to close these shortfalls. 4. Greater use be made of opportunities for on-board training, especially where program expertise is already, or could be placed on-board. 	Headquarters	<p style="text-align: center;">AWT Directors of Operations</p> <p style="text-align: center;">Directors of Operations</p> <p style="text-align: center;">Regions</p> <p style="text-align: center;">Regions</p>	<p style="text-align: center;">Ongoing</p> <p style="text-align: center;">Ongoing</p> <p style="text-align: center;">Ongoing</p> <p style="text-align: center;">Ongoing</p>
5. Pooling SOs/SCs	<ol style="list-style-type: none"> 1. If the Coast Guard is serious about the need for pooling as a tool for efficient management of fleet human resources, all avenues be explored to implement this system; otherwise we continue with business as usual. 2. Regional management continue to be fully appraised of the status of discussions at the national level if any influence is to be exercised over Regional employees and their representatives. This includes the points of contention. 	Newfoundland	<p style="text-align: center;">AWT</p> <p style="text-align: center;">AWTF</p>	<p style="text-align: center;">Ongoing</p> <p style="text-align: center;">Ongoing</p>

Issues	Recommendations	Lead Region/ Branch	Responsible	Deadline
II. Human Resources				
	3. Management consider implementing pooling as their employer right.	Headquarters	AWT Directors of Operations	Mar. 31/98
6. Morale	1. The future of the fleet in the department be clarified and communicated to all seagoing personnel by shore-based and shipboard management.	Headquarters	AWT Directors of Operations	Mar. 31/98
	2. A morale and culture survey be conducted to determine the morale of seagoing personnel in the department, and areas requiring improvement. (Maritimes Region to pilot). This should be coordinated with Personnel.		Director of Operations Maritimes	Mar. 98
	3. Known and/or anticipated fleet reductions be communicated to seagoing personnel in a timely manner.		AWT Regions	Ongoing
	4. Create National and Regional Fleet Advisory Boards to improve communications and the decision making process in the fleet.		AWT Regions	Mar. 31/98
	5. Increase the visibility of the fleet and its personnel through better marketing techniques within the department and to the public. (Refer to marketing plan).		AWT Regions	Ongoing

Issues	Recommendations	Lead Region/ Branch	Responsible	Deadline
II. Human Resources				
7. Qualifications for Positions	1. These competencies be given a wide and thorough review within Regions and be used to re-evaluate the training and development of these groups.		AWTM	Mar. 31/98
	2. Shore-based positions which require a marine background be assessed for their competency requirements. (This should be looked at in the ISM Baseline Assessment).		AWTM Regions	Ongoing
8. Seasonalization	1. Development of Fleet Human Resource Framework.		AWTM	To be completed during FY 98/99
III. Cross-Sectoral Program Delivery				
1. Responsibilities of Programs vs. Operations	1. Each CCG Region establish a working group to review the responsibilities of the three Directorates in relationship to fleet/vessel management.	Laurentian	RDs CCG	Feb. 28/98
	2. A matrix of responsibilities be developed (using Priority 4 as a model) to clarify responsibilities for fleet management within the current organizational structure.		RDs-CCG Directors of Operations / Technical Services Marine Programs	Feb. 28/98
	3. Regional/Headquarters' responsibilities be reviewed by the CCG Management Board once items 1 & 2 have been completed.		CCG Management Board	Mar/Apr/98

Issues	Recommendations	Lead Region/ Branch	Responsible	Deadline
III. Cross-Sectoral Program Delivery				
	4. A baseline assessment of the fleet management structure be conducted to determine modifications necessary, if any, to the management structure, in order to obtain a Document of Compliance under the ISM Code.		AWTR	Dec. 30/97
2. Enforcement Issues	<p>1. Regions should prepare business cases where fisheries enforcement training of ships officers/crews is felt to be a cost effective method of enhancing program delivery.</p> <p>2. Observe, record and report training should be initiated immediately to familiarize ships' officers/crews with the enforcement component of DFO/CG programs</p>	Newfoundland	<p>Directors of Operations</p> <p>Directors of Operations</p>	<p>Mar. 31/98</p> <p>Immediately</p>
3. Training	Refer to Section II-4.			
4. Operation of Program Boats	<p>1. An inventory of program boats be conducted by Regions.</p> <p>2. Training standard be developed which outlines the required training to ensure safe operation of these vessels.</p> <p>3. Programs prioritize personnel for training.</p>	Headquarters	<p>Directors of Operations / Technical Services</p> <p>AWTF Regions</p> <p>CCG & DFO Programs</p>	<p>Mar. 31/ 98</p> <p>Mar. 31/98</p> <p>Mar. 31/98</p>

Issues	Recommendations	Lead Region/ Branch	Responsible	Deadline
III. Cross-Sectoral Program Delivery				
	<p>4. Training funds be provided to ensure a training plan can be developed.</p> <p>5. A CGFO\SMS be developed to ensure safe operation of these vessels.</p> <p>6. If the CCG is <u>not</u> responsible to ensure these vessels are operated safely, the responsibility for the safe operation of these vessels be clearly communicated to programs.</p>		<p>AWTF Regions</p> <p>AWTF</p> <p>AWT</p>	<p>Mar. 31/98</p> <p>Mar. 31/98</p> <p>Mar. 31/98</p>
5. Multi-Tasking	Refer to Section I-1.			

Issues	Recommendations	Lead Region/ Branch	Responsible	Deadline
III. Cross-Sectoral Program Delivery				
6. Market- ing	<ol style="list-style-type: none"> 1. All Regions and Directorates within CCG provide support to the development of this marketing strategy. (done). 2. A marketing plan be developed and presented to Operations and Technical Services Directors and to CCG Senior Management. 3. Recommendations be implemented once accepted by the Management Board. 4. Options other than chartering be explored (eg. Partnering, Strategic Alliances, etc.) 	Headquarters	<p>Regions AWT</p> <p>AWTR</p> <p>AWT Regions</p> <p>AWT Regions</p>	<p>Dec. 31/97</p> <p>Done</p> <p>Feb. 28/98</p> <p>Ongoing</p>
7. Fixed Wing & Helicopter Support	<ol style="list-style-type: none"> 1. As with the vessels, the Canadian Coast Guard manage the aviation resources used to support DFO and other government and commercial clients with helicopter funding provided to Regions directly from Coast Guard Headquarters. 2. Coast Guard have responsibility to manage the budgets associated with helicopter operations and to realize the benefits of any efficiencies achieved. 	Newfoundland	<p>AWT</p> <p>AWT Regions</p>	<p>Apr. 1/98</p> <p>Apr. 1/98</p>

Issues	Recommendations	Lead Region/ Branch	Responsible	Deadline
III. Cross-Sectoral Program Delivery				
	<p>3. Overhauls of aircraft continue to take place in Ottawa to eliminate any possible duplication of support equipment.</p> <p>4. A zero-based review of aviation requirements be conducted to ensure an appropriate distribution of resources amongst Regions.</p> <p>5. The deployment of all aviation resources be coordinated within Coast Guard to achieve the efficiencies and operational results possible through multi-tasking.</p>		<p>AWT Regions</p> <p>AWT Regions</p> <p>Regions</p>	<p>Ongoing</p> <p>Mar 31/ 98</p> <p>Mar 31/ 98</p>
IV. Financial				
<p>1. Program Funding Issues</p>	<p>1. Program funding as currently implemented appears to reflect a lack of commitment to the department's fleet and a short-sighted approach to the management of the department's major capital assets. If allowed to continue, it will be impossible to manage the fleet in a way which is consistent with the original principles upon which it was structured. If fleet management is to be held accountable for the provision of cost-</p> <p><i>(Continued)</i></p>	<p>Newfoundland</p>	<p>AWT CCG</p>	<p>Mar 31/ 98</p>

Issues	Recommendations	Lead Region/ Branch	Responsible	Deadline
IV. Financial				
	effective vessel support to programs, programs must fulfill their commitment to providing stable, long term funding for this purpose.			
2. Tracking of Reductions	<ol style="list-style-type: none"> 1. Known fleet reductions be communicated to fleet personnel in a timely manner. 2. Ship costing figures be known and agreed to across programs. 3. A policy be established which sets out the criteria for multi-tasked ship time costs. This should be worked on in conjunction with the Tasking Protocol Committees. 		<p style="text-align: center;">AWT</p> <p style="text-align: center;">AWT</p> <p style="text-align: center;">AWT</p>	<p style="text-align: center;">Ongoing</p> <p style="text-align: center;">Mar. 31/98</p> <p style="text-align: center;">Feb. 28/98</p>
3. Delegation of funding to vessels in the merged fleet.	<ol style="list-style-type: none"> 1. Each Region review the current delegation of funding to vessels (large and small) and propose what level of delegation should be provided to vessels in the merged fleet. 	Headquarters	Directors of Operations	Mar. 31/98

Issues	Recommendations	Lead Region/ Branch	Responsible	Deadline
V. Organizational				
1. Shore-based Structure	<ol style="list-style-type: none"> 1. A baseline assessment be conducted to review the current structure and make recommendations regarding possible changes to the structure and/or the basis for ISM certification (i.e. national or Regional). 2. Organizational changes and issues be submitted to CCG Management Board and DMC members for consideration as soon as possible. 3. Regional and National Fleet Advisory Boards provide a more formal input into the decision-making process by seagoing personnel. 	Pacific	<p style="text-align: center;">AWT</p> <p style="text-align: center;">AWT Regions</p> <p style="text-align: center;">AWT Regions</p>	<p style="text-align: center;">Dec. 30/97</p> <p style="text-align: center;">Mar. 31/98</p> <p style="text-align: center;">Mar. 31/98</p>
2. Vessel Management Structure	<ol style="list-style-type: none"> 1. Devolve authority and accountability to the lowest practical level. (Commanding Officers, department heads). 2. Provide shore-based support to shipboard management so that administrative functions are performed ashore under shipboard direction. Functions performed on-board be restricted to those which are operationally necessary. 	Pacific	<p style="text-align: center;">Regions</p> <p style="text-align: center;">Regions</p>	<p style="text-align: center;">Mar. 31/98</p> <p style="text-align: center;">Mar. 31/98</p>

Issues	Recommendations	Lead Region/ Branch	Responsible	Deadline
V. Organizational				
	<p>3. Identify items which are appropriately managed ashore on a Regional basis (e.g. uniform and protective clothing requirements for pooled personnel.)</p> <p>4. Consolidate ship management functions under Operations and clarify roles of support personnel ashore.</p> <p>5. Regions to review Nov '96 <i>Delegation to Vessels</i> discussion paper from Laurentian Region and provide comments to AWTR.</p>		<p>Regions</p> <p>Regions</p> <p>Directors of Operations</p>	<p>Mar. 31/98</p> <p>Mar. 31/98</p> <p>Jan. 30/98</p>
<p>3. Role of CCG in DFO</p>	<p>1. Each Region establish a Fleet/Program committee to formalize the relationship between CCG as a service provider and the programs as clients/customers.</p> <p>2. In relation to program delivery, the role of the CCG be articulated to the programs at the Regional and HQ Fleet/Program committees.</p> <p>3. Business agreements between TOS and clients clearly stipulate the role of the CCG in terms of providing services to our clients.</p>	<p>Headquarters</p>	<p>Directors CCG</p> <p>AWT AW RDs CCG</p> <p>AWT Regions</p>	<p>Jan. 31/98</p> <p>Ongoing</p> <p>FY 98/99</p>

Issues	Recommendations	Lead Region/ Branch	Responsible	Deadline
V. Organizational				
	<p>4. The role of the CCG be clearly articulated by Management Board and communicated to DMC members. Once this is done, DMC members should communicate this across the Department.</p> <p>5. Implementation of marketing plan initiatives. (CCG needs to become part of DFO team for unified department mandate & goals).</p> <p>6. Better information on performance be demonstrated by Operations & Technical Support services to programs.</p>		<p>CCG Management Board AW</p> <p>AWT</p> <p>AWT Regions</p>	<p>Mar. 31/98</p> <p>Ongoing</p> <p>Mar. 31/98</p>
VI. Technical				
<p>1. Funding for Electronic Maintenance</p>	<p>1. Coast Guard secure all of the available funding for Electronic Maintenance from all sources. These will include previous budgets within the “old” DFO. These budgets are believed to be held within the Science and C&P programs.</p> <p>2. The remaining shortfall will be covered off by efficiencies derived from a review of the current Maintenance processes.</p>	<p>Headquarters</p>	<p>AWTD</p> <p>AWTD</p>	<p>Mar. 31/98</p> <p>Ongoing</p>

Issues	Recommendations	Lead Region/ Branch	Responsible	Deadline
VI. Technical				
<p>2. Funding for Electronic Installations on Vessels</p>	<p>1. Capital and O&M funding for replacement electronics on vessels is a national issue and should be addressed and resolved within MTSS at the HQ level. Additional funds should be sought, based on requirements generated by the SERP process in the context of the increased fleet size since the merger. However, if new funds cannot be allocated, the priorities for existing budgets should recognize that the merged fleet needs demand a increased SERP capital and O&M funding level</p>	<p>Headquarters</p>	<p>AWTJ</p>	<p>Mar. 31/98</p>
	<p>2. It must be recognized that SERP cannot address all fleet electronic equipment needs. Funding for standardization and modernization of former DFO vessels and fitment of new systems on all vessels must be pursued on a national basis by MTSS-initiated, fully justified and supported capital projects outside the SERP envelope.</p>		<p>AWTJ</p>	<p>Mar. 31/98</p>

Issues	Recommendations	Lead Region/ Branch	Responsible	Deadline
VI. Technical				
	<p>that work begin on developing a ship/shore data communications strategy to best meet the vessels' increasing requirements and to give direction to those procuring shipboard systems to maximize utilization of these systems.</p>			
<p>5. Standardization and Leveling of Electronic & Navigational Equipment on-board DFO Vessels</p>	<ol style="list-style-type: none"> 1. In consultation with Operational Services and Programs, adopt standard for electronic navigational and communications equipment for each "class" of vessel in Departmental Fleet; 2. Develop one-time major capital project to provide stabilization (based on analysis conducted by AWTJ, it is estimated this project would cost 3.5M in current dollars); 3. Adjust the O&M and minor capital budgets of shore support branches to adequately support the consolidated Fleet; 4. Establish current level of service required for the consolidated Fleet. 	<p>Central & Arctic</p>	<p>AWTJ</p> <p>AWTJ</p> <p>AWTJ</p> <p>AWTJ</p>	<p>Mar. 31/98</p> <p>Mar. 31/98</p> <p>Mar. 31/98</p> <p>Mar. 31/98</p>

Implementation and Follow Up

The Director General Marine and Technical Support Services will ensure that a monitoring and follow up system is put in place to ensure that the recommendations contained in this report and summarized in

the Action Plan are implemented. Progress reports with respect to the implementation of these recommendations will be provided on a regular basis.

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