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(Revised Draft with Costed Options)

**LICENSING, RESOURCE ALLOCATION, COMPLIANCE,
PACIFIC SALMONID ENHANCEMENT PROGRAM**

REPORT OF PROGRAM REVIEW TEAM

Department of Fisheries and Oceans

(August 10, 1994)

Report

DFD-MISC-94-4

OVERVIEW OF KEY FINDINGS

The Review Team developed options that are described in detail in the text of the report. Highlights of these options are summarized below although the reader is cautioned to examine the options in more detail by consulting the body of the report.

- 1) Conservation would be the core focus for the future function and would determine policy and the nature of interaction with stakeholders. For the Conservation and Protection and Resource Allocation and Licensing functions, core activities related to conservation would determine what things DFO continues to do and what things are no longer done by the department.
- 2) There would be a move toward the direct involvement of stakeholders in the management of the fishery with DFO's role in the process prescribed in terms of its core conservation mandate.
- 3) Stakeholders would participate fully in management processes and would assume many of the roles traditionally performed by DFO in the past that do not involve DFO's basic conservation mandate. DFO would retain the essential focus on conservation of fish and fish habitat and be responsible for auditing and monitoring compliance with conservation aspects.
- 4) The need for "empowerment" both internally of staff and decision-makers, and externally, in terms of user groups, would be endorsed and reflected in processes and procedures.
- 5) DFO would retain its intergovernmental and international responsibilities related to resource conservation and also its legal responsibilities toward Aboriginal peoples.
- 6) Emphasis would be on economical, self-sustaining, fisheries and, where required, a move to rationalize those fisheries which are overcapitalized in order to achieve economically viable fisheries
- 7) Options are presented which address devolution/involvement of stakeholders in the development and implementation of fisheries management plans. Under all options, plans would be developed in full partnership with stakeholders. In some areas, local boards or groups would be involved in such a process on a community-based or similar scale.
- 8) More use would be made of binding processes for fishing plan decision making involving stakeholders, with failure to achieve consensus resulting in the fishery not opening.
- 9) Users of the resource would be encouraged to cover the costs of resource management through a variety of mechanisms possibly including increased license fees, fines, forfeitures,

sanctions, royalties, auction of TAC's, conservation stamps and sales taxes on fishing gear. DFO would charge back consultation costs, information provision, search and rescue, tags, log books and purchase slips, prosecution and storage costs and legal costs associated with prosecutions.

10) Observer programs would be fully cost recovered.

11) Options are presented regarding the Salmonid Enhancement Program which would see streamlining the program for a total savings from revenue generation and A-base reduction of \$7.85 Million (27% A-base reduction) from 1997-2000. Alternately, creation of a new agency for SEP, an independent non-profit Corporation, is proposed.

12) Full delegation to provinces of management authority for land-locked species, marine plants, oysters and clams should be considered.

13) Shared responsibilities with DOE for Section 36 of the Fisheries Act would be examined and rationalized with the objective of deciding which Department should assume full jurisdiction for the activities related to that part of the Act.

14) With respect to allocation and licensing policy development, several options are presented that would be dependent on the structure of the proposed Licensing and Allocation Boards. These options involve various degrees of devolution of the policy development function. Similarly, options are presented for transfer of licensing administration and "non-core" policy to others. Activities which could remain and which could be devolved are defined.

15) The conservation role of the department would be separated from a social role and the latter role dealt with by appropriate socially oriented departments and agencies.

16) DFO would confine its aquaculture responsibilities to a focus on conservation-related aspects of aquaculture, ie.- the habitat and wild fisheries impacts of aquaculture.

17) Departmental policies and processes would respect regional needs and differences in the nature of the fishery with decision-making decentralized and moved to the lowest level practical and closest to where the fisheries take place.

18) There would be stronger and more formalized linkages and accountabilities between the Fisheries Management function and Science, Habitat, Aquaculture, Statistics, Informatics, Vessel Acquisition and Management, Inspection and other functions.

19) Linkages to the Science function would be strengthened and formalized with accountabilities established for timely provision of advice. Overall, there would be more partnerships between the department and the Industry directed at joint acquisition of information.

- 20) Fishers registration and vessel/vehicle registration would be dropped by the department as they serve no conservation objectives. Only enterprises would be licensed and that crew members would not be registered. Vessels are registered or licensed by other government agencies and the responsibility for ensuring individuals in Canada are authorized to work in Canada rests with other departments. While harvesters wish to organize and identify "professional" status, this would be done by industry at arms length from DFO.
- 21) The Conservation and Protection function would be streamlined and focused on the core conservation activities of the department with the removal of much of the non-conservation duties currently performed by field staff. Current C&P personnel would be subdivided into specialty roles (C&P, habitat management, admin./licensing, fish mgt., etc.) as is now the case in Pacific Region, in order to provide focused, efficient services. Activities that would be delivered by DFO-industry partnerships or by industry alone are summarized.
- 22) The national enforcement program would be restructured and detailed options for delivery and streamlining the process, together with implementation suggestions, are provided.
- 23) Vessel and aircraft support operations, which constitute nearly 50% of the DFO C&P budget, would be rigorously examined to achieve consolidation and rationalization, including partnerships with other departments, full or partial fleet mergers, contracting or leasing of vessels, rationalization of depots and fleet management arrangements, multi-tasking (Science and C&P) of DFO ships, and there would be purchase of vessels on the free market rather than building new ones. More flexible platform acquisition planning involving user involvement would be supported. Regional and HQ infrastructure would be consolidated and streamlined.
- 24) Regional and Ottawa organizations and infrastructure would be rationalized and consolidated with HQ functions assessed on a "value added" basis. The question of four Atlantic Regions would be examined with a view to having fewer regions and an Atlantic Zone consolidation. DFO would consolidate shared services such as Personnel, Finance, Material and Vessel Management and other support services and some services would be contracted out.
- 25) Office locations, and number of offices would be examined and streamlined, where appropriate, with every effort made to combine offices with other groups, either internal or external to DFO.
- 26) Every effort would be made to obtain "real time" statistical information, utilize the latest technology for acquisition and transmission of fisheries information and to improve data quality and other aspects of the informatics functions. Similarly, new technology used for fleet surveillance and other important functions would be utilized.

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REVIEW TEAM MEMBERS AND AFFILIATIONS

John Davis-	Team Leader. Regional Director of Science, Pacific Region
Hank Scarth-	Subteam Leader, Conservation and Protection Area Manager, Scotia-Fundy Region
Willie Bruce-	Subteam Leader, Resource Allocation and Licensing Area Manager, Newfoundland Region
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Tim Surette-	Area Manager, Central and Arctic Region
Grant Pryzyk-	Fisheries and Habitat Management, Central and Arctic Region
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Michelle James-	Policy and Program Planning (Economics), Pacific Region
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Bob Barnes-	Field Supervisor, S.W. Nova Scotia, Scotia-Fundy Region
Peter Zahrndt-	Area Chief, Conservation and Protection, PEI, Gulf Region
Morley Knight-	Area Chief, Protection and Conservation, Newfoundland Region
Brian Hume-	Conservation and Protection, Pacific Region
Dick Carson-	Area Manager, Fraser River, Pacific Region
Chris Dragseth-	Area Manager, North Coast, Pacific Region
Dennis Brock-	Director, Regulations and Enforcement Branch, Ottawa
Mike Murphy-	Coordinator From Core Group (Gulf Region)

A) OVERALL APPROACH

1) INTRODUCTION AND GENERAL APPROACH TO THE REVIEW:

A program Review Team was assembled in July of 1994 to carry out a review of the Department's resource allocation, licensing, and conservation and protection function in accordance with the overall exercise being carried out across the Department and the Government of Canada. These activities comprise the core of the fisheries management function in DFO and are intimately related to the way clients access the fisheries resource, are licensed to fish, and to the conservation activities of the department which are exercised on behalf of the people of Canada. Given the magnitude of the Pacific Salmonid Enhancement Program (SEP) and its impact on management of the Pacific salmon resource, this program was added to the terms of reference of the Review Team. The overall approach to the review was consistent with the instructions provided to all DFO teams and will not be repeated here.

Given the magnitude of the functions reviewed by the team, it was necessary to divide the team into two major subteams- the Resource Allocation and Licensing Subteam and the Conservation and Protection Subteam. In addition, several team members also addressed the Salmonid Enhancement Program as a separate sub-activity. In all cases, the findings of the subteams were reported on and reviewed periodically by the entire team throughout the exercise to integrate the process. Team membership and members affiliations are summarized on page 7.

Given that resource allocation, licensing, conservation and protection, as well as the Salmonid Enhancement Program are activities with many functional components, one outcome of the review process could have been to concentrate on those activities while possibly losing sight of the larger matter of overall fisheries management policy. In other words, definition of the functions under review, if strictly applied, could have resulted in inadequate consideration of the overall policy context. The team, in its activities and in drafting this report, has included a number of future fisheries management policy options but has not had sufficient time to thoroughly explore all possible policy options in depth. It is hoped that the options herein, during subsequent phases of the review, can be addressed in more detail along with other possible considerations, as part of the overall integration of the departmental exercise. Indeed, it is suggested that future fisheries management policy options be a major element of phase two of the exercise in addition to those aspects covered by the options summarized herein.

2) SPECIFICS OF TEAM APPROACH AND CONSULTATIONS WITH REGIONS:

In approaching its task, the Review Team followed a process which involved agreeing on what activities were specifically involved in the resource allocation, licensing, and compliance functions as well as the Salmonid Enhancement Program. The outcome of that process resulted in the section of this report (pages 10-11) describing the program. It is supplemented by a description of the organization of the function in each region (Appendix I), and financial

information on program expenditures (Resource Summary- Appendix II). The team summarized current and future issues in describing the climate for present and future fisheries management program delivery (pages 16-17), in order to set the stage for consideration of future options. Team members carried out internal consultations in each region, to the best of their ability considering the very tight time constraints of the exercise and the time of year. In carrying out those consultations, Team members were asked to pose the following questions to regional contacts:

- what parts of our business are essential to maintain?
- what things could be dropped, transferred or changed?
- how could we do things differently and more efficiently?
- what would we need to do to change things or make them more efficient?

Besides posing these basic questions, in some cases, team members conducted an exercise in their respective region which involved applying the six tests and an exploration of cost recovery opportunities with their regional contacts.

3) MEETINGS OF THE REVIEW TEAM:

Two full meeting sessions of the Review Team were held:

The first meeting on July 5 and 6th in Ottawa consisted of exploring the task and terms of reference for the Review Team, determining what activities were within the terms of reference for the Team, and defining the present and future climate affecting fisheries management in DFO. In addition, a briefing of the Team on the Salmonid Enhancement Program was provided, tasks for consultations with staff in each region were assigned and a preliminary application of the six tests including the cost recovery question was carried out. Finally, at the first meeting, the Team commenced work on defining a vision for the resource allocation and licensing and conservation and protection functions for the year 2000, guided by the DMC "Mission, Mandate, Vision, Values, Principles, Role and Business Framework" document.

A second meeting of the Review Team took place in Ottawa July 18-22, 1994. New team members (S. Fagnan, D. Brock, C. Dragseth, R. Carson) were included in that meeting to supplement the group. The objective of the second meeting, based upon the outcomes of the first session and the results of consultations carried out in regions, was to focus heavily on application of the program review tests and development of options for consideration of the Steering Committee in the second phase of the Program Review. A focus for the group, was examining what functions could be cut, changed or transferred to others, how to improve efficiency and what cost recovery potential existed. As a target, the Team used reductions of 20-25% of the overall expenditure envelope as a guide to preparing options, including the support costs necessary to maintain the program such as vessel operations and air surveillance.

4) LINKAGES TO OTHER TEAMS:

The Team examined the linkages to other Program Review Teams and determined that there are many linkages to much of the department's activities. Strong linkages exist between the fisheries management function and science, habitat, aquaculture, inspection, policy and economic analysis, vessel management and information management functions. Aboriginal and recreational fishing matters are core components of the function, as is commercial fishing. Information on the oceans is needed to understand ocean effects on fish stocks and fish habitat and various support and infrastructure programs have significant effects on the function. Internal support is important for program delivery, hence virtually every other team is linked to the function. Some dialogue was possible with other teams through the team leaders but due to the parallel process and the time limitations on the exercise, full integration was not possible, particularly as many teams simultaneously developed options in the final week of the first phase of the exercise. It is suggested that the Steering Committee focus on integration of the findings of the various teams in the second phase of the review process.

PROGRAM COMPONENT PROFILE

DESCRIPTION OF THE PROGRAM FUNCTIONS:

NATIONAL OVERVIEW:

Resource allocation, licensing, and compliance functions are major components of the delivery of the overall fisheries management functions of the Department of Fisheries and Oceans pursuant to legislation under the Fisheries Act and other relevant statutes. The licensing function includes development of licence policy and procedures, licensing administration and a number of aspects thereof, dispute resolution (licence Appeal Boards), licence fees, licence format development, and the acquisition and storage of licensing data. Resource allocation involves ensuring compliance with TAC's (total allowable catches) and development of management plans which allow users access to the fisheries resource, consultation with the users, possible partnerships and co-management arrangements with the users, all aspects of the development and implementation of fish management plans, and the implementation and monitoring of the management plans, including in-season adjustment of the plans, and dealing with foreign allocations and international agreements. Fisheries management methods and policy related to the nature of management plans and the way users access the resource is included. Appendix I provides further details of these activities.

The conservation and protection function is the vehicle for delivery of the Department's conservation and resource protection programs. It includes all aspects of enforcement of regulations, monitoring and compliance-related activities, surveillance, and the application of regulations in support of the Fisheries Act. Included are legal processes including court procedures, development and enforcement of regulations, observer programs to ensure compliance, partnerships, regulating the conduct of fisheries and the nature of fisheries through openings, closures, and issuance of variation orders, enforcement of the habitat provisions of the Act and regulations and licence sanctions, and licence investigations. The

function also involves collection of information used to manage the resource such as landings, catch, and effort, spawning escapement, and economic data where applicable.

Fishery officers serve as the front line contact with clients, responding to questions on a wide variety of departmental business and concerns and are thus key contacts with the Department's clients and the public.

The Salmonid Enhancement Program is a Pacific Region program which was launched in 1977 in response to chronic declines in some Pacific salmon stocks. The work, which is carried out in cooperation with the Province of British Columbia, is concerned with production of Pacific salmonids, including anadromous steelhead and cutthroat trout. Production is intended to help rebuild stocks or to increase or maintain fisheries. The program operates government staffed hatcheries, spawning channels and fishways and contracts Community Economic Development facilities with communities, many of which are Native bands. In addition, the Program provides technical support to a large number of volunteer enhancement programs. There is significant activity in the program related to habitat improvement projects, most of which are jointly funded with the province, B.C. Hydro, Green Plan resources or under the Aboriginal Fisheries Strategy. A major component of the Program is the Lake Enrichment Program which is aimed at increasing survival and production of selected sockeye stocks. SEP plays a significant role in education in B.C. and the Yukon through provision of a school curriculum package and a Classroom Incubator Program. Further details on the program are provided in Appendix I and IV.

PROGRAM DESCRIPTION BY REGION:

Regions provided more detailed information on the activities and organization in each Region, including the National Capital Region. These summaries are included in Appendix I and have a listing of clients attached, along with a description of involvement of other agencies in the function for each of the regions.

RELATIONSHIP TO MANDATE OF THE DEPARTMENT

The Program Review Team examined the resource allocation, licensing and conservation and protection function from the perspective of the DMC document "Mission, Mandate, Vision, Values, Principle, Role and Business Framework (the "DFO Charter") as directed in the terms of reference for the Review. The Team is of the opinion that at the core of the fisheries management business, there is a clear responsibility for conservation of the resource and its habitat for which the Minister and the Department are held accountable. This responsibility for conservation cannot be delegated although administrative responsibility for some aspects of fisheries management and habitat management can be delegated, particularly where Canada's international relationships are clearly not involved- ie. - for non-tidal waters and those waters not related to international boundaries. Indeed, it is the Team's opinion that the public of Canada expects and holds the Government of Canada accountable for conservation of Canada's fisheries resources.

The Team is of the view, that the core conservation responsibility of the Minister for ensuring conservation of the resource and its habitat must be maintained by the Government of Canada. There are however, a number of different arrangements involving delegation of administrative responsibility, partnerships with others, co-management arrangements and direct user involvement in the management, conservation and protection of fisheries resources that are both possible and desirable. This change in role of the Department is in keeping with the "DFO Charter" which envisions the Department playing a role in the conservation, protection and sustainable utilization of fisheries resources and fish habitat for the benefit of Canadians and fundamentally changing the way it does business. Envisioned is a Department that engages in facilitating and assisting, coordinating and leading, developing and sharing, establishing partnerships, setting standards and guidelines, monitoring and verifying, educating and advising and acquiring, analyzing and disseminating information.

The options developed by the Team and summarized herein are driven by the above perspective on DFO's mandate.

PROGRAM CLIENTS

Program clients for each of the regions and for the National Capital Region have been summarized in Appendix I of the report. Clearly, there is a great diversity of clients and the diversity reflects the contacts, linkages with other groups and geographic and resource diversity of the different regions as well as arrangements in place in those locations. There is an overall responsibility as stewards of the resource to the public of Canada, based on the Constitutional responsibilities of the federal government and the accountability of the Minister of Fisheries and Oceans for conservation of fisheries resources and fish habitat. Thus the people of Canada constitute a primary client for the function. Secondly, the users of the resource, be they Aboriginal people, commercial, recreational or non-consumptive users (eg.- whale watchers), and all of the infrastructure, industry or value-added users, constitute another vitally important group of clients with highly significant economic and social interests in the fishery. These clients are directly served and are intimately affected by the degree to which resource allocation, licensing and conservation and protection actions affect them in terms of livelihood and lifestyle as well as in a cultural sense. With respect to First Nations, the Department has a special responsibility, recognized in legal and constitutional terms, to First Nation people. Aboriginal people constitute a special type of client for the Government of Canada and the Department and the nature of that client relationship must be respected. The fisheries of Canada affect a vast number of areas and communities, large and small and play a significant role in the social, cultural and economic fabric of Canada.

As indicated in the description of other groups or agencies involved and the description of client groups, most of the Department's relationships in the fisheries management function with the primary clients, the users of the resource, are consultative rather than of a nature where the clients are empowered to play a direct role in fisheries management through conservation actions or self-management. In most cases, the Department acts on behalf of the primary users and often finds itself embroiled as arbiter in conflicts between user groups. There are some exceptions, notably co-management arrangements with Aboriginal groups, Aboriginal Fishery Guardian programs, advisory and management boards in Canada's north, arrangements with private freshwater fishing organizations in Quebec, dockside monitoring

programs in the Atlantic and delegated administrative responsibility for inland fisheries to some provinces but in most instances, particularly for coastal marine fisheries in the Atlantic and Pacific, there is little empowerment of users.

In terms of the total cost of delivering the function in Canada (Appendix III), although precise cost estimates are difficult, only a tiny fraction of the cost of program delivery is paid for through licence fees and other payments. Some fisheries are economically sound and the return to users is high. On the other hand, some fisheries in Canada are in a desperate situation. The ability of users to pay for the services, given the collapse of major groundfish stocks in the Atlantic, and the low salmon prices and poor economic conditions of the fishing industry in the West, coupled with the major overcapitalization in the commercial industry, suggests that a significant commercial industry rationalization will be required on both coasts before cost recovery is feasible for those fisheries thus affected.

With respect to the Salmonid Enhancement Program in British Columbia, the primary clients are the users who benefit from the production of additional salmonids- the people of Canada, Aboriginal, Commercial and Recreational users. Other clients include the public, international fishers, the education community, volunteer groups, the province, municipalities, B.C. Hydro and the logging industry. Internal clients within DFO include fisheries management operations, habitat management, the Green Plan programs, programs under the Aboriginal Fisheries Strategy and Biological Sciences Branch.

Like the fisheries management function, the SEP program is not directly cost recovered and the primary benefits flow in terms of fish which contribute to economic wealth, cultural, recreational and social values. The Enhancement Program contributes 19 % of the commercial catch and 34 % of the recreational catch in British Columbia (1992 figures). Public consultations are carried out, there is extensive community involvement in the program and some Aboriginal groups operate hatcheries and other facilities on contract to the Department. Like the fisheries management function, there is little direct empowerment of users in influencing the outputs of the program and the program no longer utilizes an advisory board process in determining future program directions.

LINKAGES OF THE PROGRAM TO OTHER PROGRAMS

The Resource Allocation, Licensing and conservation and protection functions are linked to many other aspects of the Departments programs. Science provides essential inputs to the development of harvesting regimes and management plans, evaluation of the effects of various types of fishing gear, habitat research, information on ocean conditions affecting stocks, pollution investigation and contaminants information of direct relevance to the function. Conservation and Protection staff collect important fisheries and resource information which is a key part of the assessment function for many stocks. The habitat function is intimately linked to the habitat responsibilities of the conservation and protection function and there are important linkages to habitat research, habitat policy and other government departments such as Environment Canada, DIAND and Coast Guard on habitat issues. The function deals with databases and statistics and relies on the informatics function for support and advice. Indeed, there is a pressing need for the application of new technology and

approaches for dealing with resource data, licensing and other key responsibilities of the program. Vessels and aircraft are important platforms for the delivery of the compliance function and indeed vessel costs, air surveillance and observer programs constitute a major portion of the cost of delivering the service. Thus decisions regarding the type, availability and nature of these platforms have a highly significant affect on the program and on the budget devoted to the function.

Licensing, resource allocation and conservation and protection functions are closely linked to one another and it is very important that enforcement plans and fishing plans be fully integrated. There are important linkages to the Department's advisory and consultative processes for all sectors including a variety of committees, and Boards, including the FRCC. In some areas and for certain fisheries, the Economics function of the Department provides input on integrated plan development and socio-economic advice. DFO's Communications function plays a key role in providing information to ensure clients understand fishing plans and fish and habitat management policies and processes, licensing arrangements and a myriad of other information relative to the management and conservation fisheries. The Department's Aquaculture function is linked to fisheries management plans for many species and there is a need to provide information on aquaculture operation impacts on wild stocks and fish habitat.

On the West Coast, the SEP program is linked to fisheries management through the influence of fish of SEP fish production on management plans and through the potential impact of enhanced salmonid stocks on wild stocks or weak stocks in mixed stock fisheries. The program offers opportunities to deflect harvesting pressure from some wild stocks to enhanced stocks. It also has the potential to exacerbate mixed stock fishery problems involving artificial and wild stocks if production is not planned with wild stock considerations in mind. SEP plays a key role in the acquisition of information through monitoring of returns of salmon to SEP program facilities and thus contributes to the management information database in many systems and for a number of stocks, including stocks involved in international arrangements under the Canada-USA Salmon Treaty. The program is also linked to habitat management activities through restoration and compensation activities. There are links to Science through "experimental management" programs, studies of the chinook and coho carrying capacity of the Strait of Georgia and other initiatives. There are linkages to the Aboriginal Fisheries Strategy through provision of project advice and project coordination with Native bands and strong linkages to the Province of B.C. with respect to enhancement and habitat programs as the program is cooperative in nature with the province.

Industry support programs, infrastructure such as commercial and recreational harbours, the Department's inspection program and the role played by inspectors, and the support provided by DFO support branches and functions are all important and influence the delivery of the function. Overall, the fisheries management function, is closely linked to many of the Department's other programs, owing to the fundamental relationship it has to the core mandate of the Department and the widespread nature of the management function.

RESOURCE SUMMARY

Resources associated with the delivery of the Conservation and Protection, Resource Allocation and Licensing functions, and the Salmonid Enhancement Program, based on 1993-1994 budgets are detailed in Appendix II. The figures utilized are those provided by Headquarters Financial Advisory Services and Team members were generally able to verify the figures as an accurate representation of costs in their regional consultations.

Overall, delivery of the functions across the Department, in 1993-4, required the following total resource expenditures (including AFAP)(\$000s- rounded to nearest 000):

	# FTEs	S&W	O&M	Capital	Total\$
Conservation and Protection	1,046	45,740	37,301	959	84,000
Resource Allocation, Licensing	223	11,550	8,022	647	20,222
Salmonid Enhancement Program*	202	10,067	17,133	5,108	32,307

* (incl. Green Plan, Can-USA)

These figures can be compared with the overall DFO main estimates figures which amount to 6,075 FTEs and a total Departmental budget of \$955,792,000 in 1993-94.

Some important points concerning the budget have been summarized in the budget documentation associated with the 1993-94 Conservation and Protection:

The program:

- is **highly decentralized** with 98% of FTE's and 85% of financial resources in regions;
- is **personnel oriented** (54.4 % of resources in salaries and wages);
- uses 34% of its resources for vessel operations with an additional 17% tied to contracted services for air surveillance and observers;
- is **highly dependent on sunset funding**, particularly in O&M, a significant portion of which sunsets at the end of 1994-95. In 1993-94, 44.4% (or \$37.3 M) of the resource base is O&M of which 40% (\$15M) is sunset funding.

This financial situation, coupled with the impact of recent budget reductions and the implications of the current exercise, highlight the need for the Department to find new ways to deliver many of its programs and to consider ways of dealing with the impact of loss of sunset resources. **Indeed, having a significant component of the program supported by sunset resources is a major problem that must be addressed on a priority basis.** The analysis also indicates that major budget components are associated with vessel operations, air surveillance, observer programs and personnel costs. These activities utilize the bulk of the

conservation and protection budget. At the present time, budget constraints are seriously impacting the delivery of the conservation and protection function in all regions, again highlighting the need for a new approach in the light of fiscal constraints.

With respect to the Salmonid Enhancement Program, the budget is spread more evenly amongst personnel costs, O&M and Capital, and is capital intensive owing to the fact that a number of facilities and works are involved in the program.

PROGRAM ENVIRONMENT AT PRESENT AND IN THE YEAR 2005

Canada's economic situation and stability and the severe constraints on funding in relation to the deficit overshadow future program considerations and dictate a very serious examination of the function. Government money will be scarce and programs of all kinds will be constrained by this reality for the foreseeable future. Global economics are affecting fish prices and markets and recent trends in aquaculture production have created economic constraints and competitive situations for wild-capture fisheries on some species such as salmon. Expanding global population and problems of global food supply will place additional pressures on fishery resources and increase international competition for finite fish resources, thus heightening both conservation concerns and the need for effective international arrangements on fishing and fish conservation. Stocks are declining in some areas, notably Northern cod, lobster, Atlantic salmon, Pacific abalone and Strait of Georgia chinook and coho. Other stocks are healthy and/or rebuilding but for some species, prices and returns to fishers and processors are low and international competition is severe (ie.- Pacific salmon) creating economic hardship in the commercial industry and the potential for major industry restructuring.

Shifts in programs, Government priorities and new initiatives are impacting program delivery and altering the fundamental nature of the work, requiring skills which are often new and different for staff. Social reform, Unemployment Insurance and special assistance programs, and the Aboriginal Fisheries Strategy provide examples of this sort of change which has influenced program delivery, workload and priorities. In some areas such as the West Coast, expansion of the recreational fishery is dramatic and intensifying. The Department has special legal responsibilities to Aboriginal people that must be reflected in policy and Departmental activities and processes. In addition, the impact of existing and future Claims settlements will have a major effect on the relationship between the Department and Native people and future arrangements will be governed by the nature of such settlements.

Environmental change is affecting fisheries and the interaction of environmental factors such as ocean conditions is not well understood. Our ability to predict effects of such phenomena needs strengthening. There is a need for more and better focused scientific support for the management function and for new approaches and technologies that can be applied to fisheries management. The public is increasingly concerned about environmental damage and habitat issues which intensify as population increases, urban settlement and land and foreshore use intensifies, water quality deteriorates and conflicts develop over water and land-use practices. With respect to environmental aspects of the fishery, the public is increasingly concerned about biodiversity, gear selectivity, by-catch and discard problems,

humane aspects of capture fisheries, alternate uses of the oceans (eco-tourism and non-consumptive use) and all aspects of marine mammal welfare and management as well as the impact of marine mammal predation on fish species.

Within government, there is a strong focus on efficiency and effectiveness and on the need for cost recovery. Our consultative process is complex and challenging and is often ineffective in producing outcomes that are satisfactory to users as well as those concerned with conservation and future sustainability of fisheries resources. Overall there is a lack of mutual trust and cooperation at present between the Department and many of its clients and there is a need for fundamental changes in the way the Department interacts with its clients and does business.

OPTIONS FOR THE FUTURE ORIENTATION OF THE PROGRAM FUNCTIONS

1) PROPOSED OPTIONS FOR OVERALL APPROACH

The Review Team developed a "vision" of what the fisheries management function could look like in five to ten years (defined as encompassing resource allocation, licensing, compliance and the Salmonid Enhancement Program for purposes of this review). This "vision" was based on the "DFO Charter document- Mission, Mandate, Vision, Values, Principles, Role and Business Framework", input from Team members following consultations in their respective regions, and upon the expected challenges and opportunities of the future in a time of government resource constraints.

Definitions:

Conservation

Conservation is defined as the protection and maintenance of fishery resources for the future. It includes the protection of fish habitat and water quality and implies that harvesting be carried out in a sustainable manner which produces benefits for users while respecting the sustainability of the resource.

Stock Assessment

Stock Assessment comprises any scientific studies to determine the productivity of a fisheries resource, the effect of fishing on that resource, and the impact on the resource of changing patterns of fishing. Stock assessment could also include the utilization of traditional information such as that provided by Native people in the fisheries management process.

Fisheries Management

Fisheries management is the orderly conduct of fisheries and allocation of identified harvestable surplus stocks. A stock is defined as surplus when it is judged surplus to conservation needs.

PROPOSAL:

The following options are proposed for consideration:

- Conservation would be a core focus for the Department in future and this focus would determine policy and interactions with stakeholders. Protection of the resource and its habitat would be at the forefront of the Departmental approach. DFO would be fully accountable for conservation but open to new arrangements and processes provided that accountability was preserved. Where doubts exist about stock status or effects of environmental change, a conservative approach would be adopted towards stock management decisions.
- There would be a move towards direct involvement of stakeholders in the management of the fishery recognizing that DFO's core conservation responsibility would be retained. Partnerships with other groups would require readiness on the part of those groups to become effectively involved, their economic viability and ability to participate fully, and accountability to deliver by all participants.
- With respect to its international responsibilities, there would be a continuing need for DFO to address international aspects of fish stock management and resource conservation, particularly with respect to straddling stocks and highly migratory species;
- Emphasis would be on economical, self-sustaining fisheries and, where required, a move towards fishery rationalization to place fisheries on a self-sustaining footing. In fisheries where there is excess fishing capacity, fishing capacity would be rationalized to create a smaller, economically viable fishery, with capacity based on conservation considerations as well as economic viability.
- Users of the resource would be encouraged to cover the full costs of resource management, recognizing that full cost recovery would need to involve the users who pay in decision-making and development of cost recovery initiatives. A transition plan and process to move towards full cost recovery would need to be developed and some fisheries would have to undergo rationalization before being placed on a full cost recovery basis. Users paying the costs of fisheries management would need to see the future benefits and "buy in" to the process.
- The conservation role of the Department would be separated from any social role and any such social role strictly defined and justified in policy terms. Wherever possible, social programs would be devolved to other appropriate agencies having a social mandate. The fishery would not be viewed as a social "safety net" but rather as a self-sustaining economically driven activity. Stakeholders would be encouraged to address social issues through appropriate processes that were not within the direct responsibilities of DFO.
- The obligations of DFO to Aboriginal peoples would be viewed as a legal responsibility as defined by the Constitution Act rather than as a social responsibility. These obligations would be dealt with through allocation processes, treaty and agreement provisions and the requirement to consult on the basis on conservation decisions.

- The need for "empowerment" both within and outside the Department would be recognized and reflected in processes and established procedures. Subject to conservation provisions stipulated by DFO, stakeholders would be encouraged to participate fully in the development of management plans and other activities with authority to influence outcomes. Decisions taken within the Department would occur at a level as close as possible to delivery of the initiative. The internal approval and delivery system would be de-layered and streamlined with much more local authority and accountability.
- More use would be made of processes for decision-making that involve stakeholders entering a binding process utilizing, where appropriate, internal or external facilitators or mediators. For example, fisheries management plans could involve a process whereby DFO stipulates the allowable harvest, surplus to conservation needs, and a mediated process involving all users determines the plan. Failure to agree on a plan would result in the fishery not being opened, thus making the process binding.
- Where processes for consultation, decision-making and information exchange were prescribed in formal agreements or claims settlements with First Nations peoples, those processes would be respected in accordance with the agreements;
- Departmental policies and processes would reflect regional differences in the nature of the resources and the structure of the fisheries, etc. Policies and processes would be structured to respect this regional flexibility.
- A process based on local area management should be pursued. DFO would retain the overall responsibility to intervene on conservation grounds at any point. This would rely on a more community-based approach which would involve all stakeholders and empower them to address and develop fisheries plans for their area. This would include the elements of stock assessment, development of localized fishery management plans, allocation concerns, and involvement in Conservation and Protection programs.
- There would be stronger and more formalized linkages established between the fisheries management activities of the Department and other Departmental activities such as Science, Habitat, Aquaculture, Statistics and Informatics, Vessel acquisition and management, Inspection and other functions. The roles and responsibilities of the groups would be defined and accountability accords established.

To implement a number of these changes, some fundamental changes both inside, and as appropriate outside of the Department are needed. These include:

- Departmental and Ministerial approval of the proposed options;
- Receptivity on the part of both users and DFO staff to changes;
- Alteration of Government of Canada policies and processes regarding revenue retention, vote netting, other impediments to facilitation of cost recovery;

- Rationalization of overcapitalized fishing fleets and fundamental restructuring to foster economic viability;
- Integration and refocussing of overall federal government responsibilities which affect or overlap the responsibilities of DFO- involved are HRD, DIAND, Coast Guard, DND, Justice, RCMP, DOE (EPS/Parks Canada), Treasury Board, Finance, ACOA, Western Economic Diversification;
- Discussions with provinces on roles, responsibilities, devolution, Boards, etc.
- Development of cost recovery initiatives and options, new funding mechanisms, conservation funds, new tax and revenue generation initiatives, court awards, etc.

NARRATIVE ANSWERS TO SIX BASIC TESTS FOR EACH SUBCOMPONENT OF THE REPORT:

PART 1- RESOURCE ALLOCATION AND LICENSING

Resource Allocation and Licensing covers a broad array of activities that relate to the conservation, management, and distribution of benefits associated with fisheries. As outlined in the Vision of the Future developed herein, the Department should reassess its long term priorities and concentrate on functions related to the core mandate of the Department. DFO's role in Resource Allocation and Licensing would become more focused and would concentrate on the core mandate of conservation, meeting fiduciary responsibilities to Aboriginal people, and dealing with international and intergovernmental issues.

DFO must work with stakeholders, new Board structures, and other governments to make decisions, however the goal should be to devolve those responsibilities which relate solely to the distribution of economic and social benefits for individuals involved in the fishery.

THE SEVEN TESTS

1. **PUBLIC INTEREST TEST** - Does the program area or activity continue to serve a public interest?
 - i) Does the program or activity deliver a good/service that is essential to meeting the future needs of Canadians?
 - Yes, particularly in the context of the core mandated responsibilities of the Department for conservation of the fisheries resources.
 - ii) Is the program or activity necessary to fulfil the legal mandate of the Department?
 - Yes, with respect to conservation, fiduciary obligations to First Nations, International and Intergovernmental roles and responsibilities.
 - iii) How would you compare the relative contribution to the public interest of this program or activity based on its overall societal benefits and its costs?

-The Resource Allocation and Licensing policies of the Department presently have many social and economic elements. These add significantly to the cost of the program and have at times impaired the Department's capability to respond to the core mandate of conservation. These aspects of the policies and programs are generally viewed as being very important by the users, however, options presented in this paper reflect that the stakeholders in the fishery should collectively determine the relative need to maintain social and economic policies which have no relationship to conservation. All costs to maintain these policies should also be borne by those who seek to have them continued.

2. THE ROLE OF GOVERNMENT TEST - Is there a legitimate and necessary role for government in this program area or activity?

i) Is this an appropriate role for government to play?

-Yes, with respect to core mandated responsibilities for DFO. Some aspects of policies and programs which relate solely to social and economic concerns may be the responsibility of other Federal Government Departments than DFO. For example, policies which impact fishermen's eligibility for social programs such as UIC should be addressed by HRD.

ii) What would be the impact of abandoning the activity or program?

-It is not legally possible for DFO to abandon its core mandated responsibilities without legislative change. Were such changes to be considered, the expected long term consequences would be severe damage to the fisheries resources which are the common property of the people of Canada.

-Abandonment by the Department of non-core responsibilities would have some social and economic impacts to the resource users, if these were not taken up and addressed in some other forum such as the proposed Resource Allocation and Licensing Boards.

-Fishers registration and vessel/vehicle registration should be dropped by the Department as they serve no conservation objectives. Vessels are registered or licensed by other government agencies and the responsibility for ensuring individuals in Canada are authorized to work in Canada rests with other departments. Where harvesters wish to organize to identify "professional" status, this would be done by industry at arms length from DFO.

3. THE FEDERALISM TEST - Is the current role of the federal government appropriate, or is this activity a candidate for realignment with the provinces?

- i) Why must the federal government be present in this area?
 - Most elements of Resource Allocation and Licensing are jurisdictional responsibilities of the Federal Government as set out in the BNA Act however there are a number of areas which can be delegated or transferred with full legal authority to the Provinces.
 - ii) Could satisfactory results be achieved if the program was delivered by another order of government- the provinces or local authorities - and at what cost?
 - Those components of the program which can be transferred to another order of government could certainly achieve satisfactory results and potentially with similar or reduced delivery costs. All options considered contemplate no ongoing costs to be incurred by the federal government for transferred functions.
 - For example, there are some opportunities to delegate licensing administration to provinces where management of fisheries is also delegated, such as oysters, clams, land locked species, and marine plants.
 - DFO should reconfirm roles of provinces and territories to ensure clear role division and avoid duplication or overlap..
4. THE PARTNERSHIP TEST -What activities or programs should or could be provided in whole or in part by the private/voluntary sector?
 - i) Could satisfactory results be achieved through private/voluntary sector action and at what cost?
 - All program elements which are not regarded as core responsibilities as well as some which are, could be addressed by the private/voluntary sector. Fully satisfactory results should be expected and costs should be equal to or less than currently expended if user-pay strategies also apply.
 - Some core policies and programs can be delivered in partnership with stakeholders in the fishery and fully satisfactory results can be expected. Costs may be lessened where cost recovery systems can be implemented.
 - Partnerships in the delivery of licensing services might remain with the Department.
 - Partnerships designed to improve enforcement of requirements such as trip limits, quota and dockside monitoring will help considerably to improve resource allocation and licensing program delivery.
 - Partnerships established through Land Claim settlements have altered DFO's role as each claim has been implemented. DFO is an advisor and resource department for meeting the conservation objective. It may participate in research and stock assessment if requested by the respect-

ive management boards. In some cases the activity is partially or fully funded by DFO or the Board or other outside agencies. (e.g. World Wildlife Fund).

- ii) Under what conditions and at what cost could/should the activity or program be transferred?

-For non-core aspects of the program there should be very limited or no preconditions placed upon the transfer. Core mandated responsibilities could be delegated with the understanding that the Department must still retain overall accountability. This would require direct involvement by the Department both in the delivery and in ensuring that core programs are addressed as required.

-Since these activities are recommended to be placed on a fully cost recoverable footing, once devolved there will be no further costs incurred by the Department.

-Setting of licence fees would be done in consultation with Boards and stakeholders.

5. THE EFFICIENCY TEST - If the program or activity continues, how could its efficiency be improved?

- i) What changes would you make to provide equal or better service at lower cost?

-Program efficiency will improve where better structures and processes can be developed which are empowering and recognize differences among regions and among individual fisheries.

-Efficiencies could be gained through the use of improved information technologies at some initial cost but with predictable long term savings.

-Fishermen's organizations could be encouraged to communicate important information about management plans.

-There are many efficiencies to be gained in the administration and issuance of licences. Some examples are the use of new information technologies (ie. PC utilization for printing licence forms), smart cards (related to catch information gathering), credit cards for payment of fees, different methods to deal with licence specific conditions, and fees for licence services (transfers, designations, appeals etc.)

-Technology can be used to improve catch monitoring. This includes catch reporting (electronic transmission of data directly to DFO), dockside monitoring, observers, enforcement, and log books. Monitoring and auditing of these activities would be carried out by DFO.

-Making Management Plans enforceable as regulatory instruments, as well as streamlining the regulatory process, will help to improve efficiency.

-Efficiency in development and approval of fisheries management plans would be improved by streamlining consultation processes (Boards, self-management committees), streamlining internal DFO approval processes, introducing multi-year plans where appropriate, and reducing the number of in-season changes that are not conservation oriented.

-There are opportunities for implementation of fisheries management plans including licence conditions through third parties, particularly for parts of the plans that are for the sole benefit of the harvesters and are not related to the core mandate of the Department. This could also be pursued for cost recovery elements.

6) THE AFFORDABILITY TEST - Is the resultant package of activities/programs affordable within the fiscal constraints?

- i) Are the programs/activities that are considered essential to serve the public interest and represent an appropriate and necessary role for the federal government affordable given available financial resources?

-The Resource Allocation and Licensing functions that would remain with DFO dealing with the core mandate are not high cost. However, those activities which would be transferred to the Board processes, if this option is chosen, have the potential to generate a significant amount of revenue through increases in licence fees, resource rents, and other cost recovery mechanisms.

- Affordability of Fisheries Management (Licensing & Allocation, C&P, and SEP) can only realistically be tested on a fishery by fishery basis, looking at the benefits generated by the fishery versus the cost of management. For example, the total science, management, enforcement, and enhancement cost that can directly be attributed to commercial salmon fisheries in Pacific Region were \$45 million in 1991/92 - compared to a total landed value of salmon of about \$200 million. This level of government cost is not sustainable or fully cost recoverable from industry as it represents a large percentage of the total landed value. In contrast, the costs associated with many fisheries are less than 10% of the landed value and could realistically be totally cost recovered from industry.

7. ADDITIONAL DEPARTMENT TESTS

- i) Should the delivery of the services be shared with other Departments?
-No
- ii) Should the delivery of the services be transferred to another Department?

-No, Resource Allocation and Licensing involves activities which are integral to the Department of Fisheries and Oceans.

- iii) Are there opportunities to increase the level of cost recovery?
-Yes, there are a range of opportunities to improve cost recovery. One of the primary methods of achieving this for all aspects of fisheries management is through increasing licence fees.
- iv) How can the delivery of the services become more effective or efficient?
-See response to question 5.

ACTIVITIES THAT WOULD REMAIN IN RESOURCE ALLOCATION AND LICENSING OR WOULD BE TRANSFERRED / DELEGATED TO OTHERS.

Policy Development Options

- 1) DFO keeps all policy setting and uses industry or other structures (ie. Boards) to implement policy directives and make individual decisions.
- 2) Delegate all policy setting related to distribution and economic issues into the hands of stakeholders through a variety of mechanisms (ie. self-management committees, Licensing and Allocation Board).
- 3) Provide for flexible structures that allow for a range of distribution and economic policy setting between DFO and stakeholders depending on regional, stakeholder, and fishery specific differences. For example, where fisheries management, science and enforcement are fully cost recovered, a greater degree of autonomy in policy setting may be appropriate.

Options to address Licensing

- 1) Retain all responsibility for administration and policy development for Licensing in the Department. (Status Quo)
- 2) Devolve only administrative responsibilities to the proposed Resource Allocation and Licensing Boards. Retain all licensing policy development in the Department.
- 3) Transfer full responsibility for administration and non-core licence policy development to the proposed Boards or other structures such as self management committees.

Activities remaining in DFO related to Resource Allocation and Licensing would include:

- Administration of international and communal Aboriginal licences and licensing administration in the NWT and Yukon not delegated under land claims agreements.

- Licences for introductions and transfers (transplants), approved by Science and issued by Fisheries Management.
- Attaching licence conditions related to conservation.
- Setting licence fees for fisheries under DFO's jurisdiction.
- Development of licensing policy (e.g. Limited Entry)

-The responsibility for commercial licensing administration, appeals and sanctions in Atlantic and Pacific would rest with the proposed Boards. If the Licensing administration component could be dealt with more cost efficiently by DFO, this function could be delegated back on a cost recoverable basis. The Boards would be responsible for attaching conditions to licences required in management plans. Issuance of experimental licences after review by Science and with conditions set by DFO will also be done by the Boards.

Options to address Management Plans

- 1) Retain all development of Management Plans as a DFO responsibility including determination of resource allocations. (Status Quo)
- 2) Devolve responsibility for determining allocations through establishment of Resource Allocation and Licensing Boards, but retain development of Management Plans in DFO.
- 3) Delegate all responsibility for development of Management Plans to stakeholders through self management committees. In this option, DFO would retain only its core mandate responsibilities.

Under all three options Fisheries Management plans should be developed in full partnership with stakeholders. DFO would continue to define escapement needs, requirements to meet fiduciary obligations to First Nations, and remaining amounts available for harvest as a Total Allowable Catch (TAC). DFO would retain the ultimate approval of fisheries management plans related to conservation and cost effectiveness for government and would facilitate the communication of management plans once approved.

Under options 2 and 3 the Department would retain responsibility to address and act as an advisor during consultations with stakeholders for all required conservation measures to be included in Management Plans. This will be a role reversal for DFO staff to serve as resource/conservation advisors rather than the reverse which has traditionally been the case.

Options to address Management Plan Implementation

- 1) DFO retains full responsibility for all aspects of fisheries management plan implementation. (Status Quo)

- 2) DFO continues to implement and enforce management plans, but facilitates partnership roles and increases involvement of stakeholders.

Responsibility for proper implementation and enforcement of management plans and licence conditions related to conservation would stay with the Department.

PART II- CONSERVATION AND PROTECTION

Much of fisheries management today, (and, as a result, the activities of the C+P group) is aimed toward the maximization of benefits for individuals. Enforcement staff spend significant portions of their time attempting to enforce extremely complex management plans, most of the provisions of which have little to do with conservation. As the front line of the department, they are also expected to be, among other things, the contact for information on the full range of DFO activities as well as being the primary vehicle for the delivery of a wide and very diverse range of DFO programs and services. The result has been that enforcement officers spend the majority of their time on non-enforcement related activity, thereby greatly limiting enforcement/compliance effectiveness.

As concluded earlier in the presentation of options, Conservation and Protection programs would be sharply focused on the primary conservation mandate of the department. This would require a significant change in current duties of Area personnel (as is already being implemented in the Pacific Region) leading to specialization of activities in the key areas of: fisheries and habitat enforcement (C+P), habitat management, fisheries management (including native fisheries, recreational fisheries, aquaculture), and administration (licensing, statistics, public information, etc).

Proposed Options

Based on a review of the current roles and activities of the C+P in the context of the 7 tests and taking into consideration the conclusions of the proceeding options dealing with the future perspective, the following options are proposed for consideration.

Activities That Would Remain in Conservation and Protection:

In general terms, C+P would concentrate on enforcement/compliance (enforcement/compliance is defined as prevention-education, surveillance-monitoring, detection, apprehension, prosecution and sanctioning) of the conservation elements of Fishery and Habitat Management Plans (FHMPs) and regulations or assuring that such enforcement is effectively carried out by others. Key activities would include, for example:

- Assurance of compliance with fundamental conservation measures in FHMPs
- Enforcement of habitat protection sections of the Fisheries Act
- Leading prevention initiatives through conservation education programs
- The regulatory/legislative role
- The training of fishery officers

This fundamental role would be delivered by a highly professionalised enforcement group through much closer links to the community served. That is, C+P officers will indeed be "steering" the enforcement/compliance activities through community/sector based partnerships.

APPLICATION OF THE TESTS

The 7 tests were applied to this vision of the future role of the C+P group:

1. **PUBLIC INTEREST TEST** - Does the program area or activity continue to serve a public interest?
 - i) Does the program or activity deliver a good/service that is essential to meeting the future needs of Canadians?
 - Yes, there is conservation of public resource that provides social, cultural economic, aesthetic benefits to Canadians, and others.
 - ii) Is the program or activity necessary to fulfil the legal mandate of the department?
 - Yes, Constitution Act, Fisheries Act; as the role of C+P has been defined herein.
 - iii) How would you compare the relative contribution to the public interest of this program or activity based on its overall societal benefits and its costs?
 - Protects renewable resources at a level that provides significant benefits to Canadians (social, cultural, economic and aesthetic benefits).
2. **THE ROLE OF GOVERNMENT TEST** - Is there a legitimate and necessary role for government in this program area or activity?
 - i) Is this an appropriate role for government to play?
 - Yes, government has a legal mandate to ensure that conservation objectives for the fishery resource and the fish habitat are met.
 - ii) What would be the impact of abandoning the activity or program?
 - Exploitation of the fisheries resource would be increased. The long term sustainability of the fisheries resources would be put into jeopardy. This would have a negative impact on the benefits to all Canadians.
3. **THE FEDERALISM TEST** - Is the current role of the federal government appropriate, or activity a candidate for realignment with the provinces?
 - i) Why must the federal government be present in this area?
 - It is a constitutional responsibility entrenched in the Constitution Act.
 - The international role for the federal government is clear as is that for native fisheries activities).

- The federal lead role for the conservation and protection of the fish habitat has been confirmed by the courts.
- ii) Could satisfactory results be achieved if the program was delivered by another order of government - the provinces or local authorities - and at what cost?
 - No. The effective delivery of international aspects of fisheries management and conservation can be effectively delivered only at the federal level.
 - The federal Minister of Fisheries and Oceans cannot fully delegate his basic conservation authority or accountability.
 - Management/enforcement of aquatic resources that solely lie within one jurisdiction (province, local) could be delegated (eg: clams, land-locked sport fish).

4. PARTNERSHIP TEST - What activities or programs should or could be provided in whole or in part by the private/voluntary sector?

- i) Could satisfactory results be achieved through private/voluntary sector action and at what cost?
 - The overall conservation mandate and accountability remains with DFO. The delivery of the program could be achieved in partnership with others provided conservation prerequisites are addressed and met and that program integrity is confirmed by DFO audit.
 - Conservation and Protection observers must be maintained - DFO to perform audit function.
- ii) Under what conditions and at what cost could/should the activity or program be transferred?

Aspects of the delivery programs could be transferred, provided that conservation objectives are not put at risk. Others delivering aspects of conservation enforcement would have to satisfy DFO standards and be subject to audit by DFO.

5. THE EFFICIENCY TEST - If the program or activity continues, how could its efficiency be improved?

- i) What changes would you make to provide equal or better service at lower cost?
 - Focusing on primary goal:
 - consolidation of operations
 - defining roles
 - shedding non-conservation activities
 - specialization of Fishery Officers
 - career progression training
 - modifying training programs to optimize productivity
 - The decentralization of fisheries management and enforcement decisions and activities as close as possible to the clients would reduce costs (duplication) and improve effectiveness.
 - improved information management through technology

- shared/integrated services with other agencies
- create a "business" environment that allows accountability at all levels

6. THE AFFORDABILITY TEST - Is the resultant package of activities/programs affordable within the fiscal constraints?
- i) Are the programs/activities that are considered essential to serve the public interest and represent an appropriate and necessary role for the federal government affordable given available financial resources?
 - Yes. \$84M for 1993/94. Provided that effective partnerships (as described later in this document) are developed, these expenditures could be reduced while delivering the a C&P program that effectively assures conservation of marine resources.
 - ii) If not, what programs/activities would be abandoned?
 - The proposed core mandate is considerably smaller and more focused than the role at present; there are considerable opportunities for cost savings (see later sections).

ADDITIONAL DEPARTMENT TESTS

- i) Should the delivery of the services be shared with other departments?

Yes. There is a need to develop, refine and update MOUs with other agencies (notably DOE (fed. and prov.) and provincial natural resources departments) to assure elimination of duplication and overlap.
- ii) Should the delivery of the services be transferred to another department?

No. The refined conservation based focus of the C+P function falls fully under the mandate and scope of DFO.
- iii) Are there opportunities to increase the level of cost recovery?

Yes. See following section for more detailed description of opportunities.
- iv) How can the delivery of the services become more effective or efficient?

See efficiency test and following sections.

Activities that could be done by others external to DFO

As noted, many activities now carried out by C+P could or should be delivered by stakeholders at a considerable saving to tax payers and allowing for the focusing of limited departmental resources on the key conservation based compliance activities noted above.

Non-conservation Aspects of FHMPs

As proposed in the Resource Allocation and Licensing component of this report, most Fisheries and Habitat Management Plans (FHMPs) should be developed in full partnership with stakeholders on the basis of conservation prerequisites set by the department and allocations confirmed by Boards. C+P would be a full stakeholder in

this process with the ultimate role of "signing off" on the enforceability of the FHMPs. They could also input to the process by advising stakeholders of the enforcement costs and related factors (eg: affordability) of delivering the fundamental conservation components of the plan. Stakeholders would be free to make proposals to more closely manage the fishery for commercial reasons. Such "micro-management" components of FHMPs might be implemented jointly on a DFO-industry cost shared basis (where there is some conservation value) or could be funded or carried out uniquely by stakeholders (where there is only commercial benefits accruing to stakeholders). This could occur in any of a number of ways (see "Cost Recovery, Cost/Activities Transfer Opportunities" section, below) provided that the ability to deliver on the conservation prerequisites is not impaired. C+P would act as advisor and facilitator in the planning process and as auditor of the industry delivered components to assure that the overall conservation objectives are being achieved.

Examples of non-conservation based FHMP components for joint DFO-industry or industry alone delivery include:

- measures to spread the catch out over a full fishing season (eg: trip limits, weekly limits)
- measures designed to equitably allocate catches (eg: trap limits in lobster fisheries)
- ITQ's, EA's.
- measures to prevent gear conflicts (eg: gear specific closed areas, avoidance of pre-set gear)
- measure designed to maximize marketing potential (eg: seasons set to capitalize on meat or roe yield)

Cost Recovery, Cost/Activities Transfer Opportunities

There are two principal methods by which the department and stakeholders can engineer partnerships to assure that conservation is met (DFO's interest) and additional "non-essential for conservation" measures can be added to FHMPs for wider social or commercial benefits (the stakeholder's interest). Firstly, DFO could carry out the activity, with stakeholders providing all or part the resources to the department to fund them (cost recovery). Secondly, stakeholders could fund and carry out the activities themselves (costs/activity transfer) subject to the DFO standards that are established to assure conservation objectives are met.

Many examples of both types of partnerships are now operating in Canada and abroad (see reference in Appendix II for an overview of the restructuring of the Australian fisheries management system); many others are being explored and yet many more are obvious candidates for implementation. For example:

- The B.C. Halibut IVQ fishery contracts DFO to deliver enforcement services on their behalf by providing resources for fishery officers (cost recovery);
- Many Atlantic Dockside Monitoring Programs (usually in support of ITQ's) are funded and operated by stakeholders under DFO standards and audit (cost/activity transfer).
- Many voluntary, community based, programs support DFO enforcement and management activities including Conservation Watch and River Watch programs in recreational fisheries.

Specific Cost Recovery, Cost/activities Transfer Methods and Options

Resources to fund all or a portion of enforcement related activities carried out by DFO (ie: those associated with the core conservation mandate) could be recovered through a number of methods as noted below. Some of these options could be put in the hands of stakeholders to raise resources with which they could contract DFO or carry out enforcement related activities on their own (subject to conservation standards and audits). Many of these would require changes to, or relaxation of, T.B. and DFO rules and regulations.

- fines, forfeitures or sanctions penalties could be applied to enforcement activities
- royalties on landings as a percentage of value could be charged
- direct charges for services where DFO would deliver specific enforcement activities under contract to stakeholders
- licence fees could be increased to represent a percentage value of the fishery (eg: 1-3%); license transfers could be taxed at a percentage of the estimated market value, and new licenses could be introduced for salt-water angling (Atlantic)
- auctions of portions of TACs by DFO (or given to stakeholders to auction)
- DFO authorized fisheries off the top of the TAC by stakeholders to raise resources for delivery of programs by either DFO or stakeholders
- conservation stamps
- sales taxes on fishing gear

DFO should be recovering costs for many specific activities, such as:

- direct charges by DFO for
 - consultation costs (committee, phone, fax)
 - provision of information costs
 - search and rescue (towing in of disabled vessels by FPVs)
- trap and gear tags, log books, purchase slips, etc (could also be provided by industry as a cost transfer option)
- costs incurred in prosecution (eg storage of seized vessels)
- DFO legal costs associated with prosecutions

Appendix III references various documents prepared throughout the department that describe methods for determining what are conservation based components of FHMPs and the related compliance activities and provide options for cost transfer, cost recovery, self-management or elimination. Included are "Fisheries Management Planning Document", Scotia Fundy, 1993; "The MCS Review", Scotia-Fundy, 1992, and "Results of Consultation" documents derived from regional staff consultations relative to options for consideration under the Program Review.

Activities That Could Be Done By Others Inside DFO

As noted earlier, the proposal suggests the specialization of field personnel into enforcement, fisheries management, habitat management, administration and so on. This will allow each group to focus on its primary mandate, thereby leading to increased efficiency and effectiveness. Some resources now in C+P, along with many of the generalist roles now carried out by enforcement officers, would be transferred to other restructured units in the Areas. Notable examples follow.

Licensing Activities Currently Delivered by C+P

Tasks associated with licensing and registration, particularly in the Atlantic regions, are complex and time consuming and, as such, detract from the ability of enforcement officers to carry out the primary conservation enforcement role. Licensing tasks remaining following the Program Review and the implementation of the Boards should be carried out by licensing/administrative specialists in central locations (Areas, RHQs). This would require amended organizational structures (see later). Such tasks currently include:

- licensing mechanics including assisting fishers in application procedures, filing appeals conducting registration/ license transfers, etc
- notating, explaining and issuing conditions of licenses
- collecting, maintaining and submitting revenue and licensing data/statistics
- issuing special licenses and permits (eg: for shellfish and depuration and relaying)

Stock Assessment

Notably in the Pacific Region, fishery officers are often key participants in stock assessment detracting from the ability to carry out conservation based enforcement activity. Specialization of field personnel roles (as noted for licensing in the preceding paragraph) would see this function carried out by Stock Assessment personnel or stakeholders (eg: aboriginal groups); or through a transitional period, by fishery officers operating under protocols with Science.

Statistics and Data Collection

Similarly, the collection, compilation and forwarding of statistics, log records and supplemental information would be removed from Conservation and Protection and carried out by Area administrative specialists.

Public Information

C+P officers cannot be expected to be up-to-date on all aspects of fisheries management plans, licensing, and general business of the department. This role will be conducted by fisheries management and administrative personnel in the field.

Internal Administration

Administrative activities not associated with enforcement and compliance will be handled by administrative specialists. Examples include purchasing, financial administration etc.

Restructuring to Achieve Efficiencies

The primary role of the department, and specifically the C+P Program, is to assure the conservation of the fishery resources and fish habitat. To be successful, particularly in light of reduced resources, the department must improve the efficiency and effectiveness of its enforcement programs. The Review Team believes that the C+P program must be delivered in a highly focused and professional manner consistent with successful policing programs elsewhere in Canada. This will require a recognition and acceptance throughout the department of the unique nature of enforcement programs and the need to firmly establish this component as a central activity of the department.

The Review Team identified a pressing need to address structural and coordination issues in order to greatly enhance the opportunity for the professionalization and enhancement of the department's enforcement program. Policing (enforcement) is a specialized and highly technical operational activity that requires specific structures and reporting/management protocols.

The Review Team believes the national enforcement activity and the national regulations activity should be consolidated and structured in the Operations group at the National Headquarters level. The resources available for enforcement activities should be identified in a national "envelope". Mechanisms to assure the effective accountability for the delivery of enforcement programs should be in place at all management levels in the organization. The budgeting and allocation of resources down into regional structures should be accompanied by Accountability Accords (or similar contracts) that would include defined annual enforcement programs at the Regional and Area/Divisional level. The Accords must prescribe the protocols to allow for the shifting of enforcement resources between Areas/Divisions and between Regions as required to address emerging enforcement priorities. That is, resources identified for enforcement programs should be directed fully to enforcement

activities. Regional and Division/Area managers should be held accountable for delivering agreed upon enforcement programs within their area of accountability; and mechanisms must be in place to allow for the prompt and effective assignment of enforcement personnel and platforms to address priority demands.

While the Review Team was in full agreement with the foregoing, achieving consensus on the design of actual line reporting relationships between Area/Division enforcement units and the C+P function at the Regional level was not possible given differing visions of participants on the delivery of the department's field programs. A discussion of this issue follows the next section of this report.

Specialization of Field Delivery Units

As noted, the current role of the C+P officer is highly generalized. The result is a failure to effectively and efficiently deliver either the basic conservation enforcement objective (as much as 75% of a Fishery Officers' time is spent in office related duties) or the plethora of other responsibilities expected. The proposal calls for the restructuring of Area programs by creating more specialized roles for field personnel. Generally, the current C+P component would be restructured in all regions on the basis of the model now in place in the Pacific Region. This would include a specialized fisheries and habitat enforcement group (C+P), and, depending on Regional needs and priorities, a specialized habitat management group, an administrative, statistical, licensing group, and a fisheries management (including native and recreational fisheries) group. While smaller than today's complement, a C+P dedicated program would greatly enhance conservation enforcement effectiveness.

Of many possible models, the following two options for the reporting relationship for the specialized C+P program are recommended for consideration:

- 1) The "Area Management Model". The reporting relationship would remain through the Area Management concept with strengthened technical direction of enforcement activities and standards.
- 2) The "C+P Model". The reporting relationship would be a direct line from Area C+P units to the Regional Directors/Chiefs of Conservation and Protection.

Appendix V of the full report provides considerations respecting each of the two options.

Other Opportunities for Enhancing Efficiency and Effectiveness

Many initiatives to identify restructuring opportunities were carried out during and since the 1993 Restructuring initiative. Among options identified, the department should continue with:

- Consolidation of field offices, personnel, vehicles, equipment and services into field service centres (detachments)
- Sharing services with other branches, departments, governments and agencies
- Decentralizing decision making and empowering managers and staff to move forward on all aspects of the business from the provision of enforcement services to internal administrative activities (eg: financial and personal matters)
- Full field utilization of current information management systems (E-Mail for informing and direction, MIS systems for work activities, prosecution management, etc.)

Implementation

Appendix VI provides considerations for the implementation processes associated with the C+P options.

PART III- SALMONID ENHANCEMENT PROGRAM

The Salmon Enhancement Program delivers a wide range of activities and serves a diverse client base. The activities vary greatly in type, relative benefit-cost and who the beneficiaries may be. For example, spawning channels produce sockeye primarily for commercial fishers and the benefits far outweigh the costs, whereas most hatcheries produce Chinook and coho for a mixture of commercial, recreational and aboriginal fishers at a lower benefit:cost. Some community economic development facilities operate at a low benefit to cost ratio but provide employment and training for aboriginal communities in remote areas. The following review identifies those activities that are necessary to support DFO's mandate for fisheries conservation and explores options that will realign strategic program planning, project implementation, and funding to support DFO's primary mandate. Integration of SEP activities with fisheries management can be improved by assigning priority to those projects that directly assist in conservation and ensuring that weak, natural stocks are not compromised by enhancement.

The following is a description of current budget allocation to program activities:

Hatcheries	60.5%
Spawning Channels	7.2%
Habitat Restoration	1.9%
Lake Fertilization	5.7%
Community Development Program	18.1%
Public Involvement Program	5.5%
Public Education	1.0%

Application of the Tests

Public Interest Test

SEP serves the public interest in several ways. SEP promotes fisheries conservation through rebuilding of depressed stocks, habitat restoration and wild stock protection. For example, Robertson Creek hatchery produces enhanced chinook that contribute to the Alaskan fishery that takes pressure off wild B.C. stocks.

SEP provides production and enhancement of fish to assist in supply of food fish to Aboriginal communities. To communities, commercial and recreational fishermen, SEP offers increased fish production to meet growing demands for increased harvests. The program also promotes public involvement in conservation through its community education programs, and active public involvement in enhancement, and habitat restoration projects.

Role of Government

There is an important role for government in guiding enhancement decisions to support conservation, stock rebuilding and stock assessment, particularly in areas of international or aboriginal interest. It is critical that government, as stewards of the wild resource, perform the specific function of setting standards for fish culture. Species introduction and the quality of the fish produced can have a profound impact on publicly owned fish and fish habitat. Where conservation is a concern government must be responsible for the location, species selection and numbers for enhancement.

Government can also bring a long term focus to enhancement activities and thus perform a strategic planning and evaluation role.

The primary impact to abandoning SEP would be significantly reduced commercial, recreational and aboriginal harvests of fish. In 1992 enhanced fish production contribute 19% of commercial harvests and 34% of recreational harvests.

Biological, scientific and engineering capability, technical expertise and specific knowledge of the fisheries resource would also be lost. Curtailing the marking program would reduce fisheries management flexibility and compromise managers abilities to assess the Pacific Salmon Treaty and stock rebuilding programs such as Georgia Strait Chinook.

Public awareness of fisheries resource stewardship would also be compromised. Many enhancement facilities provide the public and opportunity to learn about vital fish resource issues first hand.

Federal Role

As long as conservation of pacific salmon is the Constitutional responsibility of the Minister of Fisheries and Oceans and there are programs related to conservation, international and aboriginal issues it remains appropriate for the federal government to continue with SEP. However,

administrative authority for parts of the program could be delegated to the provincial government.

Some enhancement facilities could also be effectively operated by a local authority if benefits and revenues could be identified and agreed to.

Partnerships

SEP has partnerships in several program areas (eg. enhancement and habitat restoration with industry; volunteer fish production and habitat projects). Industry and community groups share project financing with SEP at various levels. For example in River Inlet a group of salmon fishing resort owners pay for and operate a hatchery in its entirety. Also, in Prince George a logging company pays one half the cost of operating a community hatchery.

Stakeholders could provide more funding and operate fish production facilities. Development of new production projects could be contingent on stakeholder or community partnerships. Education and public awareness components could be delivered by private sector. Significant gains can also be made through corporate nonprofit organizations such as the Pacific Salmon Foundation.

For effective partnerships with other public agencies DFO must maintain responsibility for fish culture standards, fish production strategies (species, area, levels, etc.) that protect its conservation mandate.

Efficiency

Some fish production facilities have been identified as inefficient (high unit cost for fish) and are targeted for closure. In the past, the unquantifiable social and environmental benefits have been weighted heavily and resulted in some low performing facilities remaining open. Engineering and biological support functions can be consolidated.

On a broader scale, incentive programs for performance, application of the operating principles of PS2000 and flexibility in staffing and recruitment could yield significant efficiency gains.

Legislative changes should also be considered to allow revenue to be directed to specific projects, profits to be carried forward and costs to be recovered from users.

Affordability

With some fiscal flexibility and provisions to generate revenues, SEP could meet current and increased targets at reduced levels of government funding. Permitting SEP to make good business decisions will also promote affordability.

Sharing delivery with other departments

While there are no visible efficiencies or gains that would come from a complete transfer of SEP to another department, there are program activities that should be shared. Some habitat services

could be shared with the B.C. government and DFO Habitat Management. AFS could contribute to training and employee development. CEDP training aspects could be shared with DINA and CEIC.

3. PROPOSED STRUCTURE AND DELIVERY

The following options propose ways of restructuring SEP's administration, funding and program delivery so that the primary activities of fisheries management, conservation, public education and Aboriginal fish supplies are addressed as core priorities. It is expected that all future production and enhancement activities will undergo rigorous multi-accounts analysis and DFO funding will support only those projects aligned with these priorities and are of high economic value. Stakeholder demand for projects to expand production and enhancement for increased economic returns to fishermen and communities will involve stakeholders in planning, funding and implementing those projects.

Option 1 Streamlined SEP

The Salmonid Enhancement Program would remain a branch, reporting to the RDG, Pacific. Public and user input would continue in an advisory capacity through the Salmonid Enhancement Task Group. Implementation of cost recovery initiatives would be developed and increased over three years since changes to policy and legislation would be expected to take time to allow proper consultation and administration.

All current activities would continue, however, in 1995/96 SEP would save 3% (\$870K) by dropping less productive facilities. SEP would also seek approval to vote-net and for legislative change to allow revenue generation to be applied directly to program initiatives.

Further, in 1996/97 SEP would save an additional 3% (\$850K) through non-legislative cost recovery mechanisms using existing third party opportunities (Pacific Salmon Foundation) and vote-netting type arrangements.

In 1997/98 and beyond there would be an increase in revenue generation by vote-netting, revolving fund flexibility, license fee increases and/or landing fees. The total savings from 1997 to 2000 from revenue generation and A-Base would be \$7.85 million (27% of the 1995/96 A-Base).

Option 2 New Agency

SEP would gradually transfer responsibilities for the enhancement effort from DFO to beneficiaries in the fishing community and public representatives. This would be done through an independent non-profit Corporation which would be empowered to enter into agreements with local or other fishing groups to take over existing enhancement facilities and develop new ones. The federal government would maintain seats on the board of directors of this organization

commensurate with its responsibilities for conservation, education, public involvement, native development and other non-production activities.

This "Corporation" would be managed by a board of directors representing fishing interests, governments and others in proportion to their financial contributions to the program. The number of government's non-production activities.

The Corporation and Treasury Board would enter into an agreement that provides an annual contribution of cost recovery revenues from commercial and recreational fishing licenses. It is proposed that \$16 million in contributions should be achieved by increasing sport license fees by \$20 and commercial license fees by \$800 for small gillnetters and \$3,200 for seiners. Out of the current \$29 million program, \$13M would remain as a government contribution, of which some portion would be sought from the province. Finally, a landing tax/royalty would be levied on commercial landings of salmon at a rate of 1%, generating \$2M annually (current landed value is \$200M).

Other additional enhancement work would be possible by negotiating contributions with proponents. Examples could be communities that wish to increase local catches; Science who wish to conduct management experiments; and so on.

The Corporation would operate the business aspects of enhancement with production plans ultimately subject to DFO approval based on conservation needs. One scenario might have the DFO setting production targets by area/species and the Corporation doing the reconnaissance and establishing the best method to achieve the targets.

DISCUSSION OF PROGRAM COMPONENT OPTIONS AND IMPLICATIONS

There are a number of activities, organizational elements, processes and structures which affect program delivery, efficiency and the overall cost of delivering government services in relation to the focus of this report. The Team developed the following options for consideration on these topics:

Decentralization, Streamlining the Fisheries Management Function:

This option would see a focus on decentralization of decision-making and streamlining of approval processes, infrastructure, and a downward movement of accountability to the level closest as possible and practical to the impact of the decision. This would involve empowerment of regional fisheries managers for decision-making and would also involve empowerment of stakeholders in playing a meaningful role in such decisions. Budgets and resources appropriate to the activity would be controlled at the decision-making level and cost accounting systems would be designed to support those activities, as would information systems such as compliance monitoring, program effectiveness assessment, etc. The team considers cost accounting at the delivery level as essential for cost recovery initiatives.

Cost savings would be possible through personnel and organizational delayering, and simplification of the infrastructure and approvals process.

Changing the Nature of and Delivery of Platforms in support of DFO Operations:

Both Science and the Conservation and Protection functions of the Department make extensive use of platforms in the form of vessels and aircraft for program delivery. Indeed, vessel costs make up a major proportion of the Department's budget as well as the cost of ensuring compliance. In this option, strong emphasis would be placed on achieving consolidation and efficiencies in this area through developing partnerships with other government departments such as DND, Coast Guard and the RCMP, with fishermen and owners of vessels and by exploring the cost effectiveness of contracting or leasing vessels rather than operating them internally. A full or partial merger of our fleet with other government departments would be explored and implemented if it could be fully justified based on a cost effectiveness and satisfaction of an assessment of impact on program delivery.

Vessels operated by DFO would be multi-tasked and suitably equipped to cover both an enforcement and at the very least, a basic Science role. Designs of new vessels would be carefully explored to meet the needs of the program and there would be flexibility in vessel acquisitions so that vessels could be purchased easily rather than designed from basic specifications. This latter point is considered an important cost saving initiative for certain classes of vessel in that a number of fishing vessels will likely come available due to industry restructuring and economic conditions. The utility of certain types and sizes of vessels used by DFO needs to be carefully assessed in relation to program needs and other types of options (smaller, faster vessels, aircraft rather than vessels, radar fleet surveillance, vessel location transponders or transmitters (black boxes) should be actively explored with a view to achieving cost savings and improving program effectiveness. Regional and Headquarters vessel acquisition and management would be consolidated and streamlined, both internally and externally with other government departments.

Observer Programs:

Observer Programs constitute a major element in the DFO budget (\$4.0 M) and under this option would be moved to a full cost recovery basis for both the Science and Operations functions. Cost recovery would force efficiency in design of such programs. The role of observers would be carefully defined and focused.

Regional and Ottawa Headquarters Organization/Infrastructure:

Under this option, in keeping with decentralization of decision-making, empowerment, and a more focused role for DFO program delivery on core activities, significant rationalization and consolidation of Headquarters functions, both in Ottawa and in Regional Headquarters, would take place. The necessity of Headquarters functions would be assessed on a "value added" basis with a move to delayering and streamlining through personnel reductions and cessation of non-essential activities. Under this option the question of whether we need four Atlantic Regions

would be assessed with the objective of achieving savings through having fewer Regions and organizing more on an "Atlantic Zone" basis. Wherever possible, DFO would combine with other government departments in the provision of shared services such as Personnel, Finance, Material Management, vessel maintenance, etc., and some support services would be contracted out rather than delivered internally. In the Atlantic Zone concept, "Centres of Expertise" would be developed for delivery of various functions such as vessel support, Corporate Services, Science, etc. This elimination of duplicate organizations could be expected to achieve considerable savings.

Office locations for fisheries management would continue to be decentralized but efforts would be made to consolidate locations with other internal or external groups, reduce the overall number of locations, and to locate personnel, particularly larger groups, away from costly urban centres. Linkages between locations would be strengthened by making the best use of E-mail and other modern communications technology.

Options related to the Role of Other Government Departments, Other Governments:

With respect to the Habitat protection function and the overlap in roles and responsibilities between DFO and DOE, there would be exploration of the roles and responsibilities now shared regarding Section 36 of the Fisheries Act dealing with deleterious substances.

One option would be to repatriate Section 36 as a DFO responsibility while the alternate option would involve full devolution to DOE. These options should be explored with a view to cost and workload implications in keeping with the Department's core responsibilities for protection of fish habitat.

In keeping with options presented earlier, if the option of reducing DFO's role in social programs was endorsed, the Department would move away from social aspects of work relating to the role of other government departments such as HRD, DIAND, etc.

In the Yukon and NWT options exist to improve working relationships with DIAND and resolve conflicting licensing conditions for water and land use. Both DFO have conflicting jurisdictions and interests in this area and there would be benefits from resolution.

Options exist to delegate management responsibilities for certain species and the supporting Science to provinces as summarized earlier. Under this option, there would be a need to clarify jurisdiction, roles, and avoid overlaps on matters such as environmental protection. M.O.U.'s would require negotiation or updating. There are opportunities for increased joint enforcement with provincial conservation and protection personnel, sharing of facilities and capital assets, and increased cross-delegation between DFO and the provinces as well as with other federal agencies.

Aquaculture:

There is an option to confine the Department's aquaculture role to a focus on the habitat and fisheries impacts of aquaculture operations and devolve the aquaculture responsibilities to others such as the provinces or the aquaculture industry. From a DFO perspective, it is important to maintain a focus on potential habitat impacts, fish disease concerns and effects on wild stocks, and the impact of escaped aquaculture stocks on wild stocks in keeping with the conservation role of the Department described herein.

Statistics, Informatics:

There is a much needed option to focus attention on the acquisition of "real time" fisheries management information based on applying the latest technology to data acquisition in the field. Data such as hauls, landings, effort information, etc. could be input to satellite or transmitter-linked systems to provide real time information using existing technology. There is a need to improve databases and standardize data acquisition and storage methods and to provide the necessary training in staff to enable full utilization and confidence in the application of such technology. Central Informatics staff could be organized and mandated to provide overall central policy and guidance but any approach taken needs to reflect the needs of users, involve users fully in system design and be regionally flexible. Only needed data would be collected under this approach and partnerships would be explored with other government departments in the collection of information to avoid duplication. Stakeholders would play a key role in self-monitoring collection of some statistical information with DFO providing a quality control and audit function.

Application of New and Existing Technology:

The fisheries management function could be significantly strengthened by utilization of existing new technology or the development of specialized technology for program application. Under this option, the Department would actively explore options such as placing "black boxes" on fishing vessels, requiring foreign vessels operating in or near our zones to utilize such devices or utilize other methods such as fixed radars or aircraft or vessel mounted devices to monitor fleet disposition and movement. Surveillance equipment could be shared with DND, DOT and Customs and surveillance activities of federal departments combined.

With respect to achieving savings in communications, more use of fishermen's organizations could be made to distribute information on fisheries, and modern methods of fax broadcasting and other distribution systems, organized in the most cost-effective way, could be utilized.

More effort could be made to have clients subscribe to information distribution networks (E-mail, 1-800 numbers, computer-served information networks). Such networks could be cost-recoverable in whole or in part. A requirement to seek information rather than have the onus on the Department to advertise it could be explored as a condition of licensing. New technology could be used to streamline and make licence distribution more efficient.

Linkages to FRCC, Licensing and Allocation Boards, Science:

There is a need to clearly define the linkages between the Licensing and Allocation boards, the FRCC and the department in order that the fisheries management planning process can proceed in a coordinated and timely fashion. The department should develop a Fisheries Management Planning Framework that would define the roles of the various contributors and the time lines by which science, licensing/allocation and management inputs would be available, the processes and time lines for consultation and the dates by which Fisheries Management Plans must be published.

Overall, there would be more partnerships developed between industry and Science and fisheries managers would have a formalized role in the development of Science program priorities and workplans.

POTENTIAL COST SAVINGS AND COST RECOVERY OPPORTUNITIES DERIVED FROM OPTIONS:

The options presented in this report provide opportunities to generate revenue as well as reduce government expenditures in a number of ways. Some options generate savings through increased efficiency, streamlining and delayering, and cooperation and partnerships with others. Other options are targeted at revenue generation opportunities. The savings or revenue figures given in the following section should be treated cautiously at this time as more work will be required to refine estimates over the coming months. Suggestions are made as to which areas require further detailed examination as part of the next and subsequent stages of the departmental Program Review. It is also important to note that the following cost estimates have been based on considerations related to Atlantic and Pacific fisheries, in keeping with the option proposed to devolve all land-locked fisheries to provinces. Thus inland fisheries values are not considered in the following options. Savings from such devolution of freshwater responsibility have not been estimated at this time nor is it clear if such savings are possible.

1) REVENUE GENERATION THROUGH LICENCE FEES, ROYALTIES, AND OTHER MEANS BASED UPON THE VALUE OF THE FISHERIES RESOURCE

Resource management jurisdictions in a number of parts of the world cover the costs of government expenditures through revenue generation measures of various types. Recently, the Government of Australia implemented cost recovery measures in the federal system. The Government made a conscious decision to reduce the cost of fisheries management and begin a process of cost recovery, as a general government policy applied to all sectors based on budgetary pressures. Frustration with the previous system was also a factor. The industry was not financially viable, management costs were very high and resource users were unhappy with a system they felt was not working adequately.

The approach taken involved devolution of power from the government to the industry while maintaining Ministerial authority. A corporate board, the Australian Fisheries Management Authority (AFMA), manages the fishery and has significantly fewer employees than the former government administrative structure. Costs for administering the AFMA are shared between government and industry. Cost recovery was phased over a three-year period commencing in 1988, at increasing degrees from 45-100% of one half the total cost of fisheries management. Since introduction of cost recovery, the costs of management have been cut in half to \$ 450 million. At present the federal government is responsible for conservation-related scientific research, enforcement, patrol of the foreign fleets, and aboriginal fisheries management while the commercial industry is responsible for surveillance and all management costs, including consultation and meetings.

In Canada, there are examples of situations where government agencies generate resource revenues which exceed government expenditures. The following table illustrates the situation for provincial agencies in British Columbia (1990/91 fiscal year) vs. DFO:

Agency	Resource Value (\$ M)	Govt. Revenue (\$ M)	Govt. Expenditure (\$ M)
Min. of Forests	\$4,940	\$600	\$522
Min. of Environment	\$1,650	\$246	\$144
Energy, Mines, & Resources	\$4,120	\$463	\$37
D.F.O. - Pacific	\$1,000	\$14	\$186

In Canada, recent figures (1991-1993) place the commercial landed value of seafisheries to commercial fishermen at \$ 406-422 Million for the Pacific and \$ 936 Million to \$ 1.008 Billion for the Atlantic. In 1993, the total landed value for seafisheries on both coasts was \$ 1.358 Billion. The value of recreational fisheries nationally is difficult to precisely estimate. The report of the Recreation Program Review Team cites a total value for recreational fisheries of around \$ 7.0 Billion in Canada when all spin-off benefits are considered. A draft report prepared by the Hickling Corporation in 1992 identified direct expenditures on recreational fishing in Canada of \$ 4.3 Billion. This figure includes expenditures for lodging, campsites, food, travel, costs of vessel ownership, boat rentals, fishing supplies, guide services, licence fees and other expenditures and is likely high relative to the proportion of these expenditures that can be directly attributed to recreational fishing.

Regardless of the choice of exactly which numbers are used to value the fisheries, **it is evident that DFO's licence fees, administrative charges and other revenue generation processes, constitute only a tiny percentage of the total commercial landed value or recreational value of the resource**. Some comparisons for 1987, while somewhat out of date, are illustrative of the situation:

Fishery	Landed value (\$ M)	Limited Entry and access fees/revenue (\$)	Total fees collected as % of landed value
<u>Atlantic:</u>			
Offshore groundfish	\$135.4	\$2,200,000 (revenue)	1.6 %
Nfld. inshore groundfish	9.2	\$30 (fee)	0.3 %
Gulf midshore crab	288.7	\$200 (fee)	0.07 %
P.E.I. lobster	31.4	\$30 (fee)	0.1 %
N.S. groundfish	110.6	\$30 (fee)	0.03 %
Total Atlantic (except offshore groundfish)	991.6	\$2,500,000 (revenue)	0.3 %
<u>Pacific:</u>			
Salmon seine	\$152	\$1,600 (fee)	0.6 %
Herring gillnet	29	\$200 (fee)	0.7 %
Groundfish trawl	226	\$10 (fee)	0.004 %
Total Pacific	438.7	\$4,200,000 (revenue)	1.0 %

While there have been some recent licence fee increases since these data were compiled for the 1987 fishery, the fact remains that the Government of Canada still recovers less than 1% of the total landed value of the commercial fishery. With respect to the recreational fishery, the percentage of value recovered is even smaller.

As summarized earlier, an option of implementing recovery of the full costs of fisheries management has been proposed recognizing that such an approach would need to fully involve the users of the resource in decisions as to how costs would be recovered. Given the collapse of major Atlantic groundfish stocks and poor salmon prices in British Columbia, it is recognized that a cost recovery approach would have to involve the following elements:

- development of specific cost recovery strategies and a transition plan whereby cost recovery is phased in over time based on moving first in lucrative fisheries and adding other fisheries as economic viability improves;

-moving to rationalize currently unprofitable fisheries by fleet reduction, licence retirement and other methods in order to make them economically viable;

-phasing in cost recovery based on a formula of moving towards recovery of 10% of the commercial landed value by the year 2005. Based on a total commercial landed value for Atlantic and Pacific seafisheries of \$ 1.4 Billion (1992), this could be expected to generate the following savings if phased over 10 years:

1995-6 Recover 2.5% of landed value - generates \$ 35 M;

1998-9 Recover 5.0% of landed value - generates \$ 70 M;

2001-2 Recover 7.5% of landed value - generates \$ 105 M;

2004-5 Recover 10.% of landed value - generates \$ 140 M;

-alternately, or as a part of the above, commercial licence fees in all fisheries could be doubled, yielding a savings of \$10.8 Million, based upon the 1993/4 fee structure;

-consideration of auctioning off a portion of each TAC to recover management and enforcement costs. For example, in the offshore scallop fishery 1% of the TAC could be as much as \$ 1.0 Million. This option could be used in addition to or separate from other cost recovery options. A detailed examination of TAC/ITQ managed fisheries would have to be undertaken to determine the full potential of this option. For East Coast scallops, offshore lobster, snow crab and groundfish alone, revenues to licence holders are in the \$250 Million range. A 2% recovery through auction on these fisheries could yield \$5.0 million. - if other lucrative fisheries on both coasts were included this option would generate in excess of \$ 5.0 Million.

-investigate and implement increased licence fees for foreign fisheries and foreign fishing vessels as follows (revenue generation implications to be determined):

Increase in foreign fishing licence fees to fish national allocations inside the Canadian zone;

Increase in foreign licence fees to fish international allocations (ie- NAFO, ICCAT) inside the Canadian zone;

Introduction of licence fees for foreign fishing vessels to enter Canadian ports and for participating in joint venture arrangements such as developmental programs and direct sales;

-moving to substantively increase revenues and benefits derived from the recreational fishery over time as follows:

Double recreational licence fees in all fisheries administered by DFO in 1995-6. This generates \$ 5.4 Million in B.C.; approx. \$ 9 Million in the Atlantic if introduced there at \$ 20/licence (assumes 450,000 anglers in the Atlantic provinces) Total revenue generated- \$9.4 Million;

Based on the 95-96 fee structure, double recreational licence fees in all fisheries administered by DFO in 1999-2000- generates \$ 18.8 Million;

Introduce a special licence category for recreational guides and outfitters with licence fees equivalent to major classes of commercial fishing licences based upon species involved- (revenue potential to be determined);

Implement special taxes on fishing gear and recreational equipment with revenues going into a special fund administered by a non-profit entity with the money used to offset costs of managing recreational fisheries. Firm cost estimates are not available at present, but should be developed on the basis of existing management costs and the value of recreational fishing in Canada. For example if the recreational fishery is worth \$ 4.3 Billion, a 1 % tax could generate \$ 43 Million which could be used to manage the recreational fishery. Creation of a special fund with money flowing directly to the management of the recreational fishery is thought to be a concept that would be supported by recreational fishers in preference to revenues flowing to the Consolidated Revenue Fund. Note- this is a very simplistic calculation as the \$ 4.3 Billion is derived from a diversity of activities. Attribution of this amount is questionable.

2) COST RECOVERY OF OBSERVER PROGRAMS, TAGS AND LOG BOOKS:

Options have been proposed for charging directly for specific services such as provision of tags and logbooks. Observer programs constitute a major cost to DFO and could be moved to a "user pay" system. Savings would be as follows:

- implement full "user pay" approach for all observer programs beginning in 1995-96 -generates a savings of \$3.3 Million;
- beginning on April 1, 1995, charge for the full cost of lobster, aquaculture, tuna and other tags, logbooks- generates a savings of roughly \$ 0.4 Million;

3) GENERATION OF REVENUE/COST RECOVERY FOR NON-COMPLIANCE

Given the ability to retain funds and changes in procedures and regulations regarding use of funds, money from fines and disposal of forfeited assets could be returned to the fisheries management function to offset expenditures or supplement the program. Specifically, this option would envision:

- violators would be required to cover the direct cost associated with prosecutions and sanctioning (eg. legal support, vessel and equipment seizure, storage costs). Fines and disposal of forfeited assets would be returned to the Department to offset costs. A very rough estimate of savings is \$ 1.0 Million.

- implementation of this option would require considerable investigation and changes in government revenue handling procedures.

4) CONTRACTING IN OF PROFESSIONAL ENFORCEMENT/MANAGEMENT SERVICES

Should DFO opt to focus primarily on doing what is essential to assure the conservation and sustaining of the fishery, it is conceivable that stakeholders may wish, or be required, to contract DFO to deliver enforcement or fisheries management services. Using the B.C. halibut IVQ example, it is clear that such arrangements can be put in place with the industry, using revenue derived from the resource, covering the costs of management. A very rough estimate of the potential revenue, split between the cost of delivering existing services and delivering new refinements of the IT/IVQ systems requested by industry, suggests revenue generation potential of \$ 3-5 Million.

5) IMPROVING EFFICIENCY, STREAMLINING, ORGANIZATIONAL AND INFRASTRUCTURE OPTIONS YIELDING POTENTIAL COST SAVINGS

Considerable savings are possible if a major effort is made to streamline delivery of departmental programs by simplifying the organization, delayering, moving accountability close to the point of decision-making, empowering employees, sharing facilities and support services with others, entering new partnerships, simplifying Headquarters and regional office locations and structures and other similar initiatives. These approaches need considerable additional study in themselves but savings of the order listed below are considered possible under this option (considerable impact on future budgets and the ability of the Department to implement certain options related to resource allocation and licensing is dependant on the nature of proposed new Boards currently under discussion and the manner in which they will be administered and funded):

- consideration of moving to an Atlantic zonal model with fewer regions, streamlined support functions, shared or common services, fewer staff would lead to savings of a substantial nature- possibly 10-20 % less than the cost of delivering such services now= potential savings, 10-20% of combined cost of operating the four regions. (actual savings require more study and confirmation). Note- this statement applies to the concept of an overall Atlantic consolidation, not just to a consolidation of the Resource Allocation, Licensing and Conservation and Protection functions.

-a hard look must be taken at the size and complexity of regional and Ottawa headquarters functions with a view to conducting substantive streamlining, delayering and reducing the size of the salary and wage component in these locations. Salaries and wages constitute 54.4 % of the budget in the conservation and protection function and are in excess of 50 % in the resource allocation and licensing budget. Achieving a 10 % reduction in this area, would yield a savings of \$ 5.8 Million. Such a reduction would entail a loss of 127 FTE employees spread across the conservation and protection and resource allocation and licensing functions.

-vessel and air surveillance costs utilize 45 % of the total conservation and protection budget nationally. Options have been provided that involve streamlining and consolidation of the DFO fleet and fleet operations and maintenance functions, partnerships with others, contracting and leasing of vessels, exploration of different types of platforms for the future, and application of radars and other surveillance technologies to fleet surveillance. Given, the magnitude of expenditures in this area, a major study of potential savings seems warranted, drawing on the options provided in the Program Review. A savings of 10 % of existing costs would generate \$ 3.82 Million (1993-94 budget) and a savings of 20 % would generate \$ \$ 7.64 Million.

-with respect to licensing, two major areas of current expense are data base administration (computerization, data entry, programming, printing, communications) and appeals. Data base administration could be improved through application of existing technology with added up-front cost but long term savings. The appeal process, including the Atlantic Fisheries Licensing Appeal Board (AFLAB) and the Pacific Fisheries Licensing Appeal Board (PFLAB), together with regional appeal committees represent expenses in excess of \$0.6 Million. There could be potential cost savings with streamlining of this process or transfer to the new Boards.

6) IMPLEMENTING COST RECOVERY FOR ALL CONSULTATION ACTIVITIES

The Department expends considerable resources in consulting with stakeholders in the form of meeting costs, travel expenditures, re-embursement of expenditures, honoraria, provision of support and secretariat services, communications, and other related expenditures. In the Pacific Region alone, there are in excess of 36 DFO Fisheries Advisory Groups operative and the cost to DFO exceeds \$ 3.5 Million. On the East Coast there are some 100 resource management advisory Committees (cost estiamte to come). Even partially recovering these costs and streamlining the process on a national basis could be expected to generate savings of at least \$ 2-3 Million and perhaps considerably more.

7) OPTIONS RELATED TO THE SALMONID ENHANCEMENT PROGRAM

Two options have been proposed for the SEP program as outlined in detail in the Review Team's report. It should be noted that these options involve cost recovery utilizing licence fees and royalties from the Pacific salmon fishery and thus are not mutually exclusive of the cost recovery initiatives summarized above:

- option 1- Streamlining SEP, dropping less productive facilities, vote-netting and revenue generation, cost recovery through licence fee increases/landing fees:
Savings/Revenues- \$.870 Million in 1995/6; \$.85 Million in 1996/7 through cost recovery; \$ 7.85 Million in 1997-2000 through vote-netting, revolving fund, licence fees/landings charges (27 % of A-base);
- option 2- Formation of an independent, non-profit Corporation utilizing revenue increases from commercial and recreational fishing licences to offset costs.
Savings/Revenues- Of the \$ 29 Million dollar program cost, \$ 16 Million would be generated through licence fee increases, with \$ 13 Million remaining as a government contribution- Savings to government- \$ 16 Million;

8) SUMMARY OF OVERALL REVENUE POTENTIAL OR SAVINGS FROM THE ABOVE OPTIONS

The table which follows summarizes the revenue potential/savings that could be generated from the proceeding options. It is emphasized that many of the estimates given are preliminary and require more investigation and evaluation, given that the Team had little time to fully develop these concepts or consult with others. In any event, it is obvious that very little of the full value of the fisheries resources is recovered by the federal government and used to offset the costs of managing and conserving the fishery under current practices. Considerable potential exists in this area. Policy change, Ministerial support and direction, and full involvement of stakeholders in implementation are essential elements of successful implementation.

Table 1: SUMMARY OF REVENUE GENERATION POTENTIAL/COST SAVINGS FROM OPTIONS

A) Revenue Generation Options:

-Increased licence fees, royalties, cost recovery, based on landed value of Atlantic and Pacific commercial fisheries;	-1995/6- 2.5% = \$ 35 M -1998/9- 5.0% = \$ 70 M -2001/2- 7.5% = \$ 105 M -2004/5- 10 % = \$ 140 M
(Doubling of 93/4 commercial fees yields \$10.8 M)	
-Auction of portions of selected TAC's;	- in excess of \$ 5.0 M
-Double recreational licence fees in 1995/6;	-\$ 9.4 M
-re-double recreational licence fees in 1999/2000;	-\$ 18.8 M
-implement special tax on recreational fishing gear and equipment and use to offset costs of managing recreational fishing;	-\$ 43 M (soft estimate)
-recover costs of observer programs, tags, logbooks;	-\$ 3.7 M
-contracting in of enforcement, management services;	-\$ 3-5 M
-partial cost recovery of consultative processes;	-in excess of \$ 2-3 M
-Streamline the Salmonid Enhancement Program and implement revenue generation;	-1996/7- \$.85 M -1997-2000 \$ 7.85 M
-Implement SEP non-profit Corporation and generate revenues;	-\$ 16 M

B) Cost Savings Options:

-Streamline DFO Atlantic operations, Zone Concept, fewer regions, downsizing, consolidation;	-savings estimated at 10-20 % of the cost of operating four regions
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-Reducing Ottawa and Regional Headquarters functions in Conservation and Protection and Resource Allocation and Licensing by 10%;	-reduction of 127 FTE's-	\$ 5.8 M
-Streamline and deliver vessel support, air surveillance in more efficient ways;	-10 % savings-	\$ 3.82 M
	-20 % savings-	\$ 7.64 M
-Streamline Salmon Enhancement Program through closure of less productive facilities;	-1995/6	\$ 0.87 M

C) Options with Savings/Revenues to be Determined:

- Increase foreign vessel licence fees to fish national allocations and international allocations in the Canadian zone;
- Introduce fees for foreign vessels entering Canadian ports and entering into joint ventures;
- Streamline database administration and appeals procedures in the Resource Allocation and Licensing function- potential savings of a portion of in excess of \$.6 Million currently expended.
- Increase licence fees for guides and outfitters with fees equivalent to similar classes of commercial licences.

APPENDIX I- DESCRIPTION OF THE FUNCTIONS IN EACH REGION (ORGANIZATION, CLIENTS, INVOLVEMENT OF OTHER AGENCIES)

NEWFOUNDLAND REGION:

The Newfoundland resource allocation function uses a government-industry advisory committee(s) process as a consultative framework for resource allocation and the development of integrated species management plans. The regional advisory committees are chaired by a DFO representative. These government-industry committees provide advice to the Minister of Fisheries and Oceans, the Assistant Deputy Minister for Fisheries Operations and the Regional Director-General on matters related to the management of specific species, including the condition of stocks; allocation of the resource among fleet and gear sectors, conservation measures including method of harvesting, research needs, licensing policy and economic analysis. Representation varies from committee to committee but generally includes fishermen's association or union representatives, processors or their representatives, provincial government officials and representatives of Native groups or associations for certain fisheries. None of the resource management advisory committees has decision-making authority. All are advisory bodies which function by means of consensus as the preferred approach to the resolution of issues and provision of advice. With or without consensus, the decision-making responsibility for all issues resides with the Department or the Minister.

Staff officers, located at the Regional Headquarters in St. John's, each have responsibility for a group of related species. These officers serve as advisory and resource personnel to the different regional advisory committees and are also members of Atlantic-wide government-industry advisory committees and Departmental working groups.

The management process is continuous throughout the year and does not stop with the announcement of the management plan. Licensing and allocation staff are in constant contact throughout the year with fishers and their associations, processors and their representatives, and other departmental staff including those from Enforcement, Statistics, Industry Services, Science, and Economics concerning the day-to-day management of the fishery.

With respect to the regional licensing function, the Regional Headquarters Office is responsible for the overall development, administration and coordination of licensing policy in the Region. Area and District offices are responsible for the administration and coordination of licensing policies within their defined areas. The Regional Office maintains files on all registered fishers and administers the computer system used in issuing licences and registrations. Annual renewals are handled through the Regional Office. Statistics on numbers of fishers, licences by species, areas, and special ad hoc reports are prepared by Regional Office staff. This office also handles all experimental licences, licences for vessels greater than 65 feet LOA, and foreign licences. Requests for new licences, amendments, reissuance and renewals are handled by Area and District Office staff.

In the Newfoundland Region, Conservation and Protection staff (C&P) are currently involved in a wide range of duties relating to the overall delivery of Fisheries and Habitat Management programs. Additionally, as C&P staff are the front line "troops" in the Department, they are involved in other duties including the delivery of response programs such as NCARP (Northern Cod Adjustment and Recovery Program) and TAGS (The Atlantic Groundfish Strategy).

Under the umbrella of fish management, C&P staff carry out duties in several primary areas- monitoring; control and surveillance of commercial fishing activities; habitat protection; recreational fisheries; and aboriginal fisheries. These duties are carried out to ensure conservation measures are adhered to and, on an ever increasing basis, to that the complex measures in fisheries plans, such as trip limits, are complied with. These enforcement activities range from prevention-related education and public relations to compliance monitoring and surveillance, and apprehending and prosecuting violators. Licensing duties carried out by staff include: providing information to numerous fishers on licensing policy; completing investigations to determine categorization or eligibility for various licences; assisting fishers in obtaining annual licences; and issuing numerous licence conditions. Another major activity includes quota monitoring and statistical collection. Many fisheries have such small quotas or fleet allocations that fishing activities must be closely monitored to ensure quotas can be closed without significant overruns.

While C&P staff in the Newfoundland Region have always been highly involved in activities classified as assistance to others, there has been a dramatic increase in the last three years. Traditionally, officers have assisted by helping deliver fisheries development programs, carrying out cost and earnings surveys and providing front line assistance for many of the department's programs. In the past three years, due to fishery closures, C&P staff have been heavily involved in licence retirement programs (Salmon and Groundfish) and the delivery of fisheries assistance programs, such as the NCARP and TAGS Programs which have required investigations and information flow to and from fishers. C&P staff have a heavy workload dealing with inquiries from fishers related to the licensing programs, details of "micro-managed" fisheries and fisheries response programs.

Involvement of Other Agencies in Newfoundland Region:

Other agencies are involved in the conservation and protection function in the Newfoundland Region, both directly and as supporting organizations. The Department of National Defence and Transport Canada (Coast Guard) support the function by providing access to vessels and aircraft as patrol platforms. The Provincial Wildlife Department in Newfoundland carries out directed patrols of inland fishing activities and enforces both provincial and federal legislation governing recreational fishing activities. The RCMP, through an MOU with DFO, takes action on Fisheries Act violations encountered through their patrols.

Other groups are also involved in the C&P function through partnership arrangements. The Aboriginal Fisheries Strategy is an example, where aboriginal fisheries guardians carry out conservation and protection functions in relation to activities of the aboriginal community. Other examples include both paid and non-paid representatives of conservation groups who carry out monitoring of recreational fisheries. Some of these activities are funded under the Federal/Provincial Recreational Fisheries Cooperation Agreement (CASEC). In the commercial fisheries, parts of the C&P function are carried out through industry-funded Dockside Monitoring Programs which is, in effect, self monitoring. All of the above functions involving partnerships with non-enforcement related groups require a departmental presence to provide the prosecution and deterrence element when the monitoring group detects non-compliance. Conservation and protection expertise is also required to coach and steer these groups.

Program Clients- Newfoundland Region

External Clients:

General public
Fishers, (Native, commercial, recreational), fishers organizations
Foreign fisheries representatives in Canada (ie.- Japan) whose fleets fish Canadian waters
MP's, MHA's
Processors, processors organizations
Plant workers and their organizations
Other federal departments
Fisheries Resource Conservation Council (FRCC)
Media
Provincial and municipal governments
Fisheries institutions and representatives of related industries (ie.- suppliers, boatbuilders)

Internal Clients:

Other Branches of DFO

SCOTIA-FUNDY REGION:

In Scotia-Fundy Region the Resource Allocation and Licensing (Division?) Branch's activities apply to all Scotia-Fundy wild finfish and shellfish stocks. The activities include development of strategies and policies for fisheries management and development of fisheries management plans to ensure effective utilization and distribution of the fisheries resource harvest. Plan components include conservation measures, allocation/distribution, socio-economic measures and wealth-generating measures. The (Division) Branch is involved in the implementation of fisheries management plans and integration of cross-Branch activities to ensure effective delivery of management plan components. An additional activity involves development of appropriate delivery mechanisms for fishery management plans such as licensing controls, and legislative controls. In-season, there is a requirement for adjustments to fisheries management plans and post-season, there is a need to assess fisheries management plans and evaluate performance against objectives. The services delivered by the (Division) Branch include delivery of integrated management plans to the Minister and to the clients. Also involved, is the facilitation of industry consultation on fisheries management strategies and management plans, integration of multi-sector user input from commercial, recreational and Native sectors. In addition, the Branch (Division) is concerned with facilitation of industry initiatives on self-management.

There is a linkage between the region and Ottawa Headquarters related to consideration of inter-regional implications and consolidation of regional advice for Atlantic-wide management plans and to the role Headquarters plays in development of national standards for fisheries management plans. The region is concerned with development of regional fishery management plans, some of which are approved by the RDG at the regional level, provision of input into Atlantic-wide management plans and with the administration of foreign and domestic licensing systems.

The Resource Allocation and Licensing Branch (Division) is organized along species lines with fisheries management officers located at Regional Headquarters responsible for a group of related species. The licensing program is delivered by a centrally located Licensing Unit and

three Area Licensing Administrators located in the field. Fishery officers deliver many of the sub-activities of the Resource Allocation and Licensing programs.

Fisheries allocation, commercial fisheries management and commercial fisheries licensing is delivered entirely by the Department in this region. Development of some management strategies and delivery of some programs associated with recreational fisheries is undertaken cooperatively with the provinces.

In Scotia-Fundy Region, the conservation and protection mandate is viewed as the delivery of the enforcement program for fisheries management in the pursuit of renewable/sustainable fishery resources in the freshwater and marine environments. This mandate is achieved by ensuring compliance through an active enforcement program which focuses on prevention and presence and also providing deterrence through the court process. In this region, 9 Field Supervisors direct full time and seasonal Fishery Officers. The region is divided into 3 Management Areas wherein a Chief Enforcement Officer reports to an Area Manager, who in turn reports to the Director of Fisheries and Habitat Management.

Involvement of Other Agencies in Scotia-Fundy Region:

In Scotia-Fundy Region DND and Coast Guard provide important support to the program through provision of access to vessels and aircraft. There is a Search and Rescue partnership with Coast Guard with both departments having multi-tasked vessels. The New Brunswick Department of Natural Resources and (Environment?) and the Nova Scotia Department of Lands and Forests share inland fisheries enforcement duties with DFO. The New Brunswick Department of Fisheries and Aquaculture and the Nova Scotia Department of Fisheries play a role in licensing, leasing and enforcement of aquaculture and marine plant activities. Native communities have Fishery Guardian programs and Federal and Provincial Departments of Environment work closely with DFO staff on habitat matters and environmental enforcement.

Program Clients- Scotia-Fundy Region:

External Clients:

- Minister of Fisheries and Oceans
- Senior DFO management
- Enforcement managers
- Fisheries Resource Conservation Council (Internal or External Client?)
- Fishing Industry (commercial harvesters and processors, recreational fishery)
- Foreign fishing industry harvesting in Canadian waters
- Provincial governments
- Native people
- Public

Internal Clients:

- Minister/RDG
- Conservation and Protection function
- Aquaculture Coordination Office

Economics Branch
Quota Monitoring and Statistics
Science
Licensing Appeal Committees (including Atlantic Licensing Appeal Board)

GULF REGION:

The resource allocation and licensing function in this region includes management and licensing policy development and interpretation. There is consultation with industry and provincial governments on management and licensing policy, annual fishing plans, Aboriginal food fisheries, recreational fisheries, and foreign fisheries. Aboriginal groups are represented on consultative committees. Management plans are developed in cooperation with the enforcement arm of the department to ensure integrity of the regulatory parameters of the fishing plans. Plans are developed for recreational and Aboriginal food fisheries as well as commercial fisheries. Following development, the function is involved in implementation of the plans, including communication of plan contents to clients. The work involves resolution of regional and inter-regional management issues. It also includes development of terms and conditions of various licences and final preparation of a draft regulatory impact analysis statement required to amend regulations for area, regional and inter-regional specific fisheries. Advice is provided and recommendations are formulated on new exploratory and developmental licences. Also included, is the monitoring of quotas, including development and implementation to coordinate a dockside monitoring program. Due to complexity of the fisheries and the fact that the region touches three provinces, the resource allocation structure has a core group in the Regional Office in Moncton and there are Resource Allocation Officers in the three Area Offices. There is a Licensing Officer in Tracadie.

In the Gulf Region, the licensing function includes implementation and administration of licensing policy and procedures, issuance of and renewal of limited entry fishery licences and conditions, fishermen and vessel registration, and experimental/developmental licensing. Licences are issued, fees collected, transfers of licences and vessels processed, and limited fishery licences, specific fishery licences, temporary licences, and substitute vessel and operator applications are also handled. The group provides updates on policy and procedural changes, administers the enforcement policy relative to licence suspension and cancellations, and provides statistical data and reports on fishermen, vessel registrations and licences. The work also includes designing and developing forms, licences, registrations and conditions, searching files, and provision of information for court purposes. There is a responsibility for controlling and maintaining vessel class numbers for the Gulf fisheries licences and for the coordination and administration of licence appeals for all cases within the Gulf Region. In addition, there is a requirement for the issuance of permits as specified in the Contaminated Fishery Regulations, issuance of tags to control the amount of gear, coordination of IQ/ITQ transfers, and for co-ordination of the DFO input into provincial aquaculture leasing programs (in Prince Edward Island, leasing is a federal responsibility).

The conservation and protection function in the Gulf Region is aimed at conserving and protecting fisheries resources and fish habitat. The program is aimed at achieving responsible management and promoting recognition and protection of Canadian rights and interests in these fisheries resources. The function aims to promote and achieve compliance with Canadian and

International management and legislative regimes governing the conservation and protection of fish and fish habitat. It also supports public awareness of the management of fisheries. The C&P function promotes and achieves compliance through Acts, regulations, and policies related to the conservation of fish and fish habitat. This includes a full range of activities ranging from proactive/preventative enforcement such as education and public awareness programs to active/reactive enforcement measures such as seizures, forfeitures, licence sanctions and prosecutions. In addition to the above responsibilities, there is activity related to public health and safety, where compliance is obtained through publication and enforcement of contaminated fisheries prohibition orders.

Conservation and protection provides input into all aspects of fisheries management, conservation and protection, and harvesting of all fisheries resources. Fisheries officers serve as the front line employees of the Department and have a broad range of knowledge and experience. Activities include obtaining information by meeting with user groups, industry, unions, associations, recommending management controls, communicating fishing plans to the above groups and ensuring compliance to the applicable legislation and regulations. There is also a responsibility to ensure compliance, provide information, investigate referrals, and monitor conservation and protection and restoration of fish habitat in keeping with DFO's habitat responsibilities. The work includes pollution investigations, fish kills, monitoring forestry operations and other environmental issues related to fish and fish habitat.

Fishery Officers provide information and services to clients and the public relative to all aspects of fisheries and habitat management as well as DFO programs and activities.

Involvement of Other Agencies- Gulf Region:

A number of other federal, provincial and municipal agencies are involved in the Gulf Region. The Provincial Department of Fisheries is involved in advisory committees that develop fish management plans. DFO works with ACOA to provide information on the resource in relation to the provision of grants to fish plants. Environment Canada is involved in pollution referrals and other environmental matters affecting fish and fish habitat. The Coast Guard regulates ship safety, deals with search and rescue and marine safety and responds to oil spills. Indian and Northern Affairs has a major role in dealing with Aboriginal groups and the Department of National Defense provides information on fishing vessels, security, etc. The Department of Justice is closely linked through input into prosecutions and court decisions and through the provision of legal advice. Human Resources and Labour provide information on fishing activities and directed programs affecting the industry and the RCMP is involved in enforcement actions through an MOU with DFO. Public Works Canada plays a role in fishing activities via the provision of local wharves and other services. Parks Canada has an interest in fishing activity in, and areas adjacent to federal parks. The provincial Environment Ministry deals with water issues, habitat referrals and pollution concerns and the provincial Natural Resources and Energy Ministry plays a role in enforcement issues and forestry operations. The provincial Department of Transportation is involved in highway construction and habitat referrals and the provincial Ministry of Fisheries and Aquaculture is involved in fish processing, aquaculture and management issues. Municipal police and town managers also play a role in conservation and protection matters.

Program Clients- Gulf Region:

External Clients:

The general public	Provincial Departments of Fisheries
Commercial fishers	Processors and fish buyers
Aboriginal fishers	Media
Recreational fishers	Other government departments- federal and
Fishermen's organizations	provincial

Internal Clients:

Other Branches of DFO

QUEBEC REGION:

In the Quebec Region, the Department is responsible for the conservation and protection of fisheries resources and their habitats, via the Fisheries Act and regulations thereunder, for the St. Lawrence Estuary, the Northern part of the Gulf of St. Lawrence, and Northern Quebec (James Bay, Ungava Bay, Hudson Bay). The work involves the commercial, recreational and subsistence fisheries of these areas as well as regulation whale and seal watching activities. Activities include monitoring, control and surveillance operations, observer program activities, fishery officer training, regulation and regulation modification, licence sanction application, as well as conservation and protection operational procedures and policies.

The fisheries conservation and protection function is divided into four sector areas, has 11 district offices, 2 offshore and 2 coastal patrol vessels, utilizes aircraft and chartered helicopters, employs 35 observers and 50 Fishery Officers.

The resource allocation and licensing function in Quebec Region involves the delivery of fishery management plans, policies and programs that protect the biomass to ensure self-generation of stocks and the fair distribution of harvestable surpluses among user groups in order to ensure an orderly and equitable harvest. Management measures include fisheries quotas, gear restrictions, season closures and licensing conditions. Collection and analysis of harvest data and stock assessments permit in-season management and the development of future-year fishing plans. Licensing is the means for regulating participation in and access to the fishery to ensure that the harvest remains within conservation limits and promotes economic viability for individual participants. Activities include issuance of licences for fishermen and vessel registrations, processing of licence transfers and appeals, and the development of licensing policy and guidelines.

Involvement of Other Agencies- Quebec Region:

The Province of Quebec manages salmon and trout fishing, along with other freshwater species, and delegates the management of recreational salmon fishing through partnerships with outfitters and non-profit organizations, such as the ZEC (Zone Exploitation Contrôlée). The Dockside Monitoring Program is managed by the commercial fishing industry.

Program Clients- Quebec Region:

External Clients:

Commercial fishers	The fishing industry, processors
Aboriginal fishers	Whale watching industry
Recreational fishers	Tourism interests
The public of Canada	Province of Quebec
Transport Canada	Environment Canada
Fauna Canada	Fishing boat tour operators

Internal Clients:

Scientists	Other DFO branches, other regions
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NATIONAL CAPITAL REGION:

Resource allocation and licensing functions within Headquarters fall within the responsibility of the Assistant Deputy Minister Operations. These functions relate to three geographic areas: Atlantic, Pacific and Arctic and Inland. Responsibilities under both functions involve providing advice to the Minister and senior management on a wide range of operational and policy issues, serving a liaison function with Regional officials and developing policies and procedures for application regionally, in several regions (ie.- Atlantic), or nationally. While other areas of the Department develop broad ranging national policies (eg.- Aboriginal Fisheries Strategy, Recreational Fisheries Policy), resource allocation and licensing by its' nature also involves the development of more regional allocation and licensing policies. Included in the function is a Correspondence Unit which, based on allocation and licensing officer input, responds to approximately 2000 Ministerial dockets annually (1992, 1993). Dockets have doubled in 1994.

Resource allocation functions involve participation in regional management processes, including consultations with industry, for upwards of 40 commercially fished species in addition to marine mammals and recreational fisheries. Generally between 15 to 20 commercial fishery plans which are controversial or which involve conservation concerns are submitted for Headquarters review annually. Following preparation by regional proponents, each plan is thoroughly reviewed and analyzed in the context of current DFO policy applicable to the fishery, related policy in place in other fisheries, conservation concerns and socio/economic/political considerations. Recommendations on the plan and implementation strategies are provided to senior management. In consultation with regional officials, in-season implementation of fishing plans is monitored and senior management advised through oral and written briefings of emerging issues and controversy.

In Atlantic fisheries, the offshore groundfish fishery is managed directly from Headquarters. Similarly, the Atlantic Seal Management Plan is also developed in Headquarters after industry consultation in the Regions. Headquarters staff are the Departmental spokespersons for policy aspects of seal issues which, like other marine mammal issues, focus mainly on the public reaction to harvesting and DFO policy, rather than allocation of the resource. Resource allocation staff are required to maintain a broad knowledge base on all fisheries, and to be current on all on-going and emerging issues, in order to provide briefings to the Minister, his staff, and other senior managers on short notice. Management plans for inland provinces

(Ontario, Manitoba, Saskatchewan and Alberta) are reviewed to ensure conformity with the federal Minister of Fisheries and Oceans' responsibilities.

Resource allocation functions focus specifically on ensuring conservation of the stocks within parameters established by scientific experts, recommending or providing advice to facilitate management or allocation decisions, attempting to ensure the integration of fishing plans (ie.- aboriginal, commercial, recreational), ensuring that government priorities (ie- Section 35) are met and ensuring that plans are legally sound and enforceable.

Regulatory proposals affecting resource allocation are assessed, and if ascertained to be feasible, are coordinated or initiated from Headquarters. Current cost recovery initiatives have been facilitated and approved as resource allocation initiatives. The resource allocation function also includes providing advice on fishing operations and allocation policies during negotiation of international treaties and agreements.

For northern fisheries, where Management Boards established under land claims recommend management regimes to the Minister, Headquarters reviews these recommendations to ensure consistency with conservation, international obligations and DFO policies.

Licensing functions in Headquarters focus on two specific components: the development and application of licensing policy for Atlantic and Pacific fisheries and the coordination of Atlantic and Pacific Licence Appeal Boards.

Headquarters staff sit on a variety of regional committees that establish licensing policy and deal with operational issues. The majority of licensing issues arise coincidental to resource allocation issues and are not dealt with in isolation. Overall, commercial licensing policy is addressed in the specific policies for the Atlantic and Pacific coasts. Headquarters expertise in the history, background and application of these policies lies within Fisheries Operations groups. Under these two umbrella policies, new licensing initiatives (ie.- licence limitation) are developed regionally and submitted to Fisheries Operations for review and recommendation to senior management. Headquarters staff chair the Atlantic Licensing Officers Committee which addresses and provides recommendations to senior management on Atlantic inter-regional issues. Through the participation of a headquarters representative of Pacific, Arctic and Inland Fisheries, this Committee also provides a mechanism to address national licensing issues and to ensure consistency of licensing rules and policies where possible on a national basis.

Enterprise Allocation transfers in the Atlantic offshore\midshore groundfish fishery are administered from Headquarters. In addition applications for licences to undertake fishing activities outside of Canadian fisheries waters must be approved in Headquarters. For Atlantic licence appeals, Headquarters arranges appeals for clients who have been turned down at the regional level, writes up the Board reports including recommendations to the Minister, and subsequently advises the appellants of the Minister's decision. For the Pacific Board, the Headquarters function is to forward Board recommendations to the Minister and to advise the appellants of the final decision. The Headquarters function also includes recommending Board appointments in consultation with the regions and making recommendations for changes in licensing policy.

In National Headquarters, the Enforcement Branch is made up of four components- enforcement programs, enforcement policy, enforcement and inspection training and emergency preparedness.

Within the enforcement programs key activities include establishing national enforcement priorities, overseeing the development of enforcement plans for fisheries, and analyzing the effectiveness of those plans. Proposed regulations and fisheries management strategies are assessed for enforceability and development of enforcement data bases and systems are coordinated. The group monitors and provides advice on enforcement issues and coordinates National, air, ship and observer programs. In addition, duties include overseeing the evaluation and or testing of new technologies and their application to enforcement strategies. There is participation in, or hosting of, international fora to exchange information on enforcement issues and strategies. A major task involves coordination of the preparation of briefing notes and responses to Ministerial correspondence on enforcement program issues as well as policy matters.

With respect to enforcement policy, the Headquarters group establishes and coordinates the development and distribution to regional enforcement personnel of National policies, procedures, and standards governing the enforcement of fisheries legislation. There is coordination of the preparation and negotiation of MOU's and agreements with other government departments, preparation of Memorandums to Cabinet, Treasury Board Submissions, Requests for Proposals in support of enforcement programs. This group coordinates the evaluation, purchase and distribution of enforcement-related equipment and also coordinates and participate in operational reviews and investigations to determine the degree of adherence to National policies, procedures and standards.

This group coordinates the development and delivery of National training programs for Fishery Officers and Inspectors (FOTP, NITP) in consultation with the regions. This involves development of National course training standards and training modules, determining training needs in relation to shifts in knowledge and skills required, instructor coordination, and coordination of development of standards for recruiting Fishery Officers and Inspectors. The group coordinates the development and delivery of enforcement training programs for Aboriginal Fisheries Guardians as part of the Department's Aboriginal Fisheries Strategy. Also involved, is the liaison with related training components of other National/Provincial/International agencies on training needs and techniques and the coordination of briefing notes and responses to Ministerial correspondence on training issues.

Finally, the Headquarters group plays a key role in the coordination of the Departmental response to National Emergency Preparedness programs related to war and natural disasters. This involves coordinating the development of the Departmental National Emergency Response Framework aimed at delineating areas of responsibility within the department in response to emergencies. Assistance is provided in the development of mock situations to test the capability of the Department to respond as part of the overall federal response to simulated emergencies.

Involvement of Other Agencies- National Capital Region:

Other agencies and provinces are involved or linked as follows:

Treasury Board	-financial systems, cost recovery
Dept. of Justice	-legal advice
Privy Council Office	-regulatory measures
Auditor General	-program reviews
DIAND	-Native issues

Transport Canada	-licensing issues
Coast Guard	-licensing (safety) issues
ACOA	-financial assistance (seals)
RCMP	-enforcement issues, training
DOE	-marine, freshwater protected areas
International Commissions	-allocation advice
Management Boards(approx 6)	-management of northern fisheries
Provinces*	-consultation on management issues, plans -advice on allocation policies -strategic advice
Provinces**	-review of provincial management plans

*Newfoundland, Nova Scotia, New Brunswick, Prince Edward Island, Quebec, British Columbia, Government of Northwest Territories and Yukon.

**Ontario, Manitoba, Saskatchewan and Alberta.

Clients- National Capital Region:

External Clients:

General public	Animal welfare groups
Fishers, all sectors	Fishers' associations
Provinces (inland)	Other federal departments (DOE)
U.S. management agencies (inland)	International fisheries commissions
MP's and their staff	Processors
Consultants, business advisors	Other enforcement agencies

Internal Clients:

Minister, Ministerial staff	DFO Senior Management
Other sectors within DFO	
Non-consumptive users	

CENTRAL AND ARCTIC REGION:

The Central and Arctic Region covers 64% of Canada, contains 67% of the country's freshwater including seven of the world's largest lakes, is bounded by 71% of Canada's coastline and encompasses about 65% of Canada's marine waters. The majority of Canada's population lives in the Region. The Region represents over 95% of Canada's commercial freshwater fishery and 47.5 million days of recreational fishing annually. The fisheries resources of the Central and

Arctic Region contribute to the Canadian economy directly through subsistence, recreational and commercial fishers and also provide significant social and cultural benefits to aboriginal peoples.

The Department of Fisheries and Oceans, through the Central and Arctic Region, has overall responsibility for the fish and marine mammal resources and their habitat in Ontario, Manitoba, Saskatchewan, Alberta, the Northwest Territories and the Yukon North Slope. Certain management responsibilities have been delegated to the four provincial governments. In the Northwest Territories and the Yukon North Slope, land claims settlements have ushered in an era of co-management between the Government of Canada and Aboriginal people who are legally established as partners in the management of the fisheries resources. Central and Arctic Region has a major role to play with the various management boards resulting from land claim legislation in the delivery of legal, technical and policy advice, resource assessment and monitoring and enforcement programs.

The Region is directly involved in resource allocation and licensing in the Northwest Territories and the Yukon North Slope. The NWT is administratively divided into three areas representing three geographically and ethnically distinct regions, the Western Arctic (Inuvialuit), South Central (Dene/Metis) and the Eastern Arctic (Inuit). Four land claims have been legislated within the NWT. Fishery resources are allocated through interaction with co-management boards established through land claims settlement. Allocation in areas outside of land claim settlement areas is accomplished through interaction with advisory boards, local Dene bands and fish and game clubs. The three area managers and area fish management biologists along with the Winnipeg Regional Headquarters Fish Management Division interrelate with the boards in developing management plans. These plans are then implemented through the Area Offices requiring Fishery Officer participation in the licensing, variation orders, statistics collection and quota monitoring as well as the provision of assistance to the various Hunters' and Trappers' Associations.

Fishery Officers issue the majority of licences through the area offices. The Government of the Northwest Territories administers the recreational fishing licence program. Special licences such as scientific and exploratory licences are issued through Regional Headquarters. Conservation and Protection and Native Affairs coordinate development of licensing policy and procedures and licence formats.

The Conservation and Protection program is delivered through the three area offices with functional coordination through the Coordinator, C&P in Yellowknife, and functional direction through Regional Headquarters. Eleven Fishery Officers are posted to five northern communities for program delivery. Biological support is provided by management biologists who carry out stock assessment programs, conduct harvest and biological monitoring and investigate specific biological problems. Given the vast geographical area, assistance is required from both the communities and the Renewable Resource Officers of the Government of the Northwest Territories who are located in most every community. Most conservation and protection officers are designated inspectors (Fisheries Inspection Act and Fisheries Act, Section 38) and carry out those related duties as well.

Fishery Officers conduct inspections, monitor harvest levels, conduct air, sea and land patrols on sensitive fisheries and conduct investigations of suspected violators. They are actively involved in public awareness programs and act as advisors to the Hunters and Trappers' Associations or other organizations.

Other Agency Involvement- Central and Arctic Region

The primary partners with DFO in the management process are the various management advisory boards, either established or in the process of being set up under settled land claims. As these boards become legal entities, the co-managers assume responsibility for the allocation decisions and DFO's role becomes advisory. Once boards decide on the management plan, DFO acts as the vehicle for plan implementation and ensures that the legal and monitoring regimes are in place. The Conservation and Protection Program utilizes the services of the Renewable Resources Officers of the Government of the Northwest Territories to carry out some aspects of the program in the communities, particularly in remote and isolated areas. These officers will carry out routine licensing and statistical collection under the guidance of DFO Fishery Officers.

Clients- Central and Arctic Region

External Clients:

Fisheries Joint Management Committee
Great Slave Lake Advisory Committee
Nunavut Wildlife Management Board
Kitikmeot Wildlife Federation
Keewatin EDA Subcommittee on Fisheries
Baffin Hunters and Trappers' Coordinating Committee
Govt. of Ontario, Manitoba, Saskatchewan
Govt. of Denmark, Greenland
Govt. of Northwest Territories
Canada Greenland Joint Commission on Narwhal, Belugas and Walrus
Fishers, all sectors
Band and Tribal Councils
NWT Fishermans' Federation
Mining, petroleum and forest companies
Department of Environment, EP

Gwich'n Renewable Resources Board
Government of Northwest Territories
Keewatin Wildlife Federation
Baffin EDA Subcommittee on Fisheries
Sahtu Renewable Resources Board
DIAND

State of Alaska
U.S. Fish and Wildlife Service
Great Lakes Fisheries Commission
Local, regional hunters and trappers
Councils, associations, organizations
Renewable Resources Councils
Fish and Game clubs
NWT Wildlife Federation
Municipal governments

Internal Clients: National HQ, Regional HQ, other DFO Regions

PACIFIC REGION:

In the Pacific Region resource allocation and licensing is defined as a number of activities related to fisheries management. These include allocation of fisheries resources, development of policies for allocation and management of fisheries, consultation with clients, development of integrated management plans and commercial fishing plans in consultation with clients and other sectors of DFO. The integrated management plans, which are currently being strengthened in the Region, will include fishing plans for all sectors, enforcement and monitoring plans, cost recovery plans, licensing provisions, accords for data collection and assessment and outline any cooperative ventures with clients. Given the nature of the salmon fisheries of the region, there is a strong in-season management requirement, where fishing plans may be modified as run

returns progress throughout the season and attainment of escapement targets is monitored. There is pre-season promulgation of plans, in season monitoring of plans, and post-season review of fisheries management activities as well as conduct of specific programs in support of the management function and acquisition of information used for management. Licensing is used to manage access to the resource with the attendant duties of licence policy development, licence administration and all that the administrative function entails, and the setting of licence fees.

In this region the Fisheries Management sector of the Operations Branch is responsible for all of the above activities taking as inputs advice and assistance from other Branches as well as coordinating integrated management plans with the Recreational and Native Affairs Divisions of the Branch. The Fisheries Management Sector is comprised of the Fisheries Management Divisions in Regional Headquarters, Vancouver, and each of the four areas: North Coast, South Coast, Fraser River and Yukon. In Regional Headquarters, Fisheries Management Division is comprised of the Commercial Licensing Unit, Species Coordinators for Salmon, Herring and Shellfish, and a Groundfish Coordination Unit. The commercial licensing function is delivered by three licensing offices located in Headquarters- Vancouver, Nanaimo, and Prince Rupert and directly by the Fisheries Management sector in the Yukon. Only fishermen registration cards and commercial clam licenses are available in other field offices. Species coordinators in Regional Headquarters are responsible for coordinating the development of fishing plans, management approaches, and licensing policies for that species, which are then approved by the Regional Director General or sent to Ottawa for approval if potentially controversial. In Shellfish, Herring and Groundfish, this is done through standing working groups with participation of area management and enforcement staff, Science, and Program Planning and Economics Branches. Fisheries Management staff in the areas deliver the management plans, assess in-season requirements and complete variation orders, working with in-season advisors, recording activities and reviewing post-season performance.

With respect to management of the fishery, conservation and protection staff assist in providing information to clients from all sectors regarding fishing plans and changes to fishing plans and there is a major in-season role due to the nature of the salmon fishery and the way it is managed. Officers carry out investigations, prepare information for court and make court appearances, prepare sanction case information, and conduct violations database management. The group is involved in regulations development, assessment and forwarding of draft regulations for approval. There is a monitoring role associated with Free Trade Agreement (FTA) requirements for landing unprocessed roe herring and salmon in Canada. In addition, there is a role for the group in the training of fisheries officers and in coordination and cooperation with other law enforcement agencies.

The conservation and protection function in the Pacific Region is primarily responsible for ensuring compliance with various Acts, regulations and fishing plans. Specific roles include participation in the development of fishing plans, direct implementation of fishing plans, i.e. opening and closing fisheries, ensuring compliance, and promulgation of variation orders. Specific information is collected by C&P staff such as harvest and stock enumeration data. This group is responsible for providing the primary response to incident reports, dealing with habitat emergencies, including Section 36 issues, on a first response basis, and for the provision of local resource information to fisheries and habitat managers. Duties include habitat patrols and investigations and taking legal samples for evidence. C&P staff develop enforcement protocols with Aboriginal communities and are involved in the training of Aboriginal guardians and technicians.

In the Pacific Region, the Conservation and Protection sector of the Operations Branch is responsible for the above activities in cooperation with other branches and divisions of Operations Branch. The C&P sector is comprised of the Conservation and Protection Division in Regional Headquarters, Vancouver, and the C&P Divisions in each of the four areas- North Coast, South Coast, Fraser River and Yukon. Headquarters is responsible for coordination of enforcement activities, planning and coordination of fishery officer training, FTA monitoring and regulations assessment and development. C&P staff in decentralized areas undertake the enforcement and fisheries implementation responsibilities indicated above.

Involvement of other Agencies- Pacific Region

There are few exceptions to DFO's exclusive delivery of the above functions. The Pacific Salmon Commission, set up under the Pacific Salmon Treaty, makes recommendations regarding in-season management of Fraser River sockeye and pink salmon. The management of the oyster fishery has been delegated to the Province of B.C. Specific co-management agreements with Aboriginal groups put some functions into the hands of those groups. Enforcement activities are often carried out in cooperation with others, such as Provincial conservation officers and the RCMP as well as Aboriginal groups under specific co-management arrangements.

Program Clients- Pacific Region:

External Clients:

The general public
Commercial fishers (17,000 commercial fishers)
Recreational fishers (421,000 tidal licences, 1972)
Aboriginal fishers (large number of bands, tribal councils)
Processors
Communities

Internal Clients:

Fisheries and habitat management functions (for C&P function)
Science for resource information
Other DFO Branches

THE SALMONID ENHANCEMENT PROGRAM- PACIFIC REGION

Overview

- SEP was launched as federal-provincial initiative in 1977 in response to chronic declines in pacific salmon stocks.

- SEP's major business is the production of Pacific salmon, including anadromous steelhead and cutthroat, in cooperation with the province.
- Production is intended to help rebuild specific stocks or to increase or maintain fisheries.
- SEP operates 22 government staffed hatcheries, 60 spawning channels and 46 fishways. In addition, SEP contracts 25 Community Economic Development facilities with communities, 17 of which are native bands, and provides technical support to about 190 volunteer enhancement projects.
- SEP also designs, implements and , where necessary, maintains habitat improvement projects, ranging from water storage and side channel development to bank stabilization and estuary improvement. Currently there are over 50 new projects scheduled, most of which are joint funded with the province, B.C. Hydro, Green Plans and the Aboriginal Fisheries Strategy.
- SEP also funds the Lake Enrichment Program to increase survival and production of selected sockeye salmon stocks.
- About 600 million juvenile salmon are released from SEP projects annually.
- Catch of enhanced salmon in 1992 was 5.1 million fish in B.C. recreational and commercial fisheries. Additional fish are harvested in U.S. waters and in aboriginal fisheries. There is also significant contributions to the spawning grounds.
- SEP also developed and continues to support a Ministry of Education approved, and awarded, curriculum package, Salmonids in the Classroom. It is estimated that some 1 million children throughout B.C. and the Yukon have studied this material. SEP supports the Classroom Incubator program where over 800 classrooms incubate and rear live salmonids.
- A new Streamkeepers Program has been initiated to empower citizens to contribute knowledgeably to resource decisions in their respective communities. This is similar to, and works closely with, the "Adopt-a-Stream Program" in Washington State.

Organization

SEP Engineering

The major emphasis for SEP engineering activities is to provide support and technical advice to DFO and native groups in preparation of fisheries-related agreements and implementation of approved projects under the Green Plan and the Aboriginal Fisheries Strategy. No large developmental projects have been undertaken in recent years, except for those previously committed and jointly funded by other agencies and those that fall within the Green Plan and AFS.

Habitat Restoration Monitoring and maintenance of joint projects with provincial and other agencies. A significant number of projects will be funded through Green Plan, by BC Hydro, and possibly by the B.C. Forest Renewal Program.

Facility Maintenance Provision of professional and technical engineering services and inspections, evaluation of the condition of capital assets and of maintenance procedures, and implementation of capital repairs in order to maintain the asset base and to ensure continued safe, effective and efficient operation of existing manned and unmanned facilities, including those mandated under the Pacific Salmon Treaty. Special efforts will be made to complete a maintenance review of CEDP facilities and DFO fishways this fiscal year.

SEP Operations

Coastal, Fraser River and Northern B.C. Production Facilities Management and operation of eighteen major hatcheries, two minor hatcheries, thirteen spawning channels, one pilot facility, and a number of facility-linked release and net pen sites, and conduct of a joint Canada/U.S. transboundary sockeye enhancement project to meet International and DFO objectives for fish production. Six of the facilities are completely contracted out to native bands or the private sector. Emphasis will be placed on continuing the development of systemic links between large hatcheries and local community and volunteer projects, and increasing native involvement in SEP.

Program Coordination and Assessment Coordination of production from enhancement facilities with regional fisheries management strategies, ensuring that fisheries researchers and managers are informed of projected returns in order to permit rational planning of harvest and escapement management. Participation in the development and implementation of regional plans for fish production and the effective and efficient use of funds for assessment of salmonid stocks and SEP contributions to the fisheries. EDP support will be provided to SEP staff.

Lake Enrichment Application of fertilizer to four selected lakes. Design and implementation of research studies to determine the effectiveness of the application of fertilizers to improve sockeye production in coastal and interior lakes.

SEP-Related Research Design and implementation of research and assessment studies to address questions of early marine survival of salmonids in the Strait of Georgia; research directed at new outbreaks of fish disease, particularly IHN and PKD; development of alternate methods for anaesthetizing and disease treatment of fish to minimize use of drugs and chemicals; and participate in a cooperative study on the Campbell River estuary.

SEP Special Projects

Resource Restoration Provision of bio-engineering support to community and volunteer projects, development of semi-natural enhancement facilities, implementation of habitat restoration and improvement projects, participation in joint ventures with industry, private organizations and other government agencies and development of new enhancement technology in order to meet DFO objectives. SEP will investigate new technologies for counting-fences and fish incubation

and rearing, repairs to unmanned small fishways, channels and streams, and construct fifteen new small spawning/rearing channels and habitat improvement works.

Community Involvement Development, operation and management of public involvement projects, educational initiatives, information dissemination activities and community economic development projects in order to meet DFO objectives for fish production, efforts to increase public understanding of DFO and SEP activities and provide social, economic and training benefits to remote, especially native, communities. Provision of funding support on a joint-venture basis to six public involvement projects which are capable of substantial levels of fish production. Technical and seed level funding support to 190 volunteer projects, 800 school projects and Storm Drain Marking activities. Initiation of the stewardship program Streamkeepers, coordination of the Salmonid Enhancement Task Group advisory process and liaison with the corporate, non-profit Pacific Salmon Foundation. Represent SEP on Green Plan committees and provincial Watershed Restoration Program stewardship initiatives.

Program Management

Director's Office Direction of SEP to achieve operational and developmental goals within approved resource levels. Coordination of SEP activities with various governmental, client and public advisory groups. Special focus and work assignments for the Director include membership in the Project Steering Committee for the departmental Program Review. Chairmanship of the regional Information Management Committee, and participation in regional executive committees dealing with the Green Plan, the Aboriginal Fisheries Strategy and Stock Assessment.

SEP Program Clients

External Clients:

- | | |
|------------------------|--------------------|
| -fishers, all sectors | -B.C. Hydro |
| -public of Canada | -logging industry |
| -international fishers | -Province of B.C. |
| -educational community | -municipalities |
| -volunteer groups | -Aboriginal groups |

Internal Clients:

- | | |
|----------------------------------|-----------------------------|
| -fisheries management operations | -Native Affairs Division |
| -Green Plan program | -Biological Sciences Branch |
| -habitat management | |

APPENDIX II- LIST OF KEY REFERENCES

- 1) Documents (16 in number) -Program descriptions and budget verification documents from each region for the Resource Allocation and Licensing function, Conservation and Protection and the Salmonid Enhancement Program, Pacific Region (Summarized in Appendix I).
- 2) Summaries (5 in number) of internal regional consultations on the future delivery of functions (Used by Team in process of developing options).
- 3) Talk- Bulmer, R. President, Fisheries Council of Canada. Fisheries Management in the 90's. Department of Fisheries and Oceans, Senior Manager's Conference, Cornwall, Ontario, Jan. 1994.
- 4) Workshop Summary- Chamut, P. Reorienting DFO's Policies and Programs. Department of Fisheries and Oceans, Senior Manager's Conference, Ottawa, Oct. 1993.
- 5) Document "Fisheries Management Planning Document", Scotia-Fundy Region, 1993.
- 6) Document "Australian Fisheries Management Innovations" and accompanying descriptive information.
- 7) Document "Conservation and Protection Into the 21st Century" on concept of a single Federal police force- prepared by Ottawa Headquarters, Regulations and Enforcement Branch.
- 8) Document "Conservation and Protection Business Plan" - prepared by Ottawa Headquarters, Regulations and Enforcement Branch.
- 9) Document "Enforcement Time by Field Officers, Scotia-Fundy"- prepared by Program Coordination and Economics group, Scotia-Fundy Region.
- 10) Table "Estimation of workload for three DFO Sub-District F/S Areas in SW Nova Scotia during the Recent Time Period (Early 1990's).
- 11) Document in tabular form "Program Review, Monitoring, Control, Surveillance, Scotia-Fundy Region" dated Nov. 1992.
- 12) Document- "Department of Fisheries and Oceans Program Review- Project Report for the Salmonid Enhancement Program" - SEP Pacific Region document.
- 13) Documents evaluating the SEP Program- ARA Report; Pearse Report- "Salmon Enhancement: An Assessment of the Salmon Stock Development Program on Canada's Pacific Coast"; Departmental document- "Response to Pearse Evaluation Report".
- 14) Documents (2)- "1993-1994 Conservation and Protection Resource Profile," and tables summarizing resource allocations to Licensing and Resource Allocation- prepared by Financial Management Advisory Services, Ottawa.
- 15) Draft Report- "The Economic Impact of Recreational Fishing in Canada, Sept. 1992. Hickling Corporation.

16) Draft Program Review Team Report- Recreational Fisheries, July, 1994

APPENDIX III- FINANCIAL INFORMATION ON THE PROGRAMS

The pages which follow, provide summary information on the budgets and resource allocations to the program functions for the 1993-94 fiscal year. The information does not reflect the application of program budget reductions made in the 1994-95 fiscal year. Further detail is available in reports prepared by Financial Management Advisory Services, Ottawa.

Three groupings of resource information follow:

- Allocations to Conservation and Protection, 1993-94;
- Licensing and Resource Allocation Overhead and Direct Resources, 1993-94;
- Budgets for the Salmonid Enhancement Program, including Green Plan and Canada-USA Treaty resources, 1993-94;

**1993-94 TOTAL RESOURCE PROFILE FOR CONSERVATION AND PROTECTION
INCLUDING AFAP**

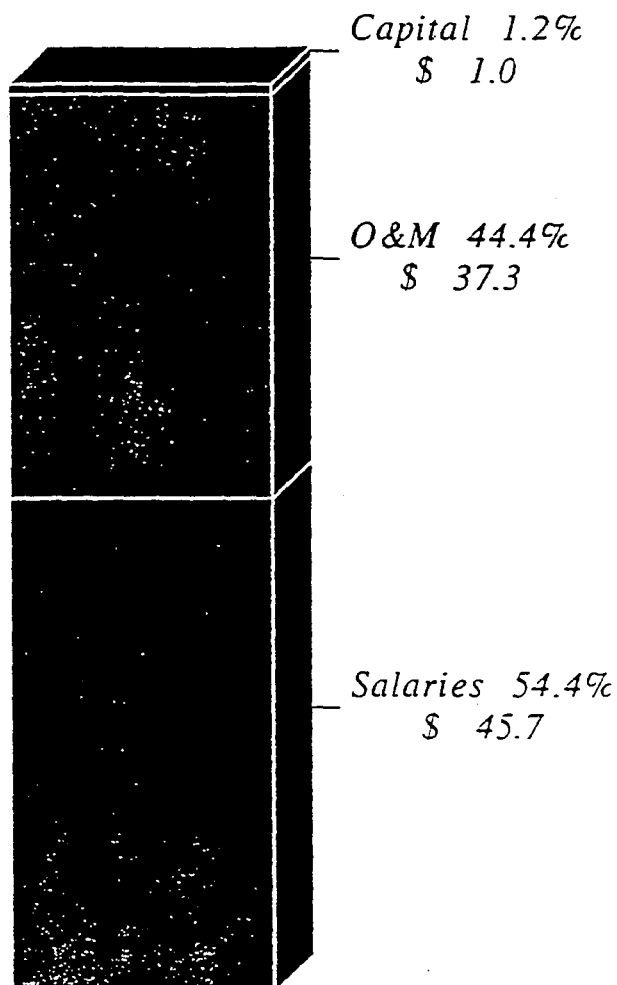
This section provides a graphical presentation of the resource base including AFAP as allocated in 1993-94 (i.e. \$9.8M) and the Air Surveillance Sunset resources (\$6.5M fixed wing and \$1.0M Helicopter).

- The resources are split 55% salaries (\$45.7M), 44% O&M (\$37.3M) and 1% capital (\$1.0M).
- The major program components are area office operations and vessel operations.
- The O&M resources (\$37.3M) were further distributed by A-base (\$22.3M or 60%) and sunset (\$15M or 40%) elements.
- The sunset resources are made up of two elements.
 - The Air Surveillance component (\$7.4M) is due to sunset on March 31, 1994, a loss of 20% of the total O&M base.
 - The AFAP component (\$7.6M in 1993-94) was reduced by 10% from the original program profile. The program sunsets on March 31, 1995, a loss of 20% of the total 1994-95 O&M base.
 - A table indicating the 1993-94 AFAP resource allocation by AFAP component and by region is included in this section.

CONSERVATION & PROTECTION

1993-94 RESOURCE PROFILE BY RESOURCE TYPE / INCLUDING AFAP

Total Resource Base = \$ 84.0 Million

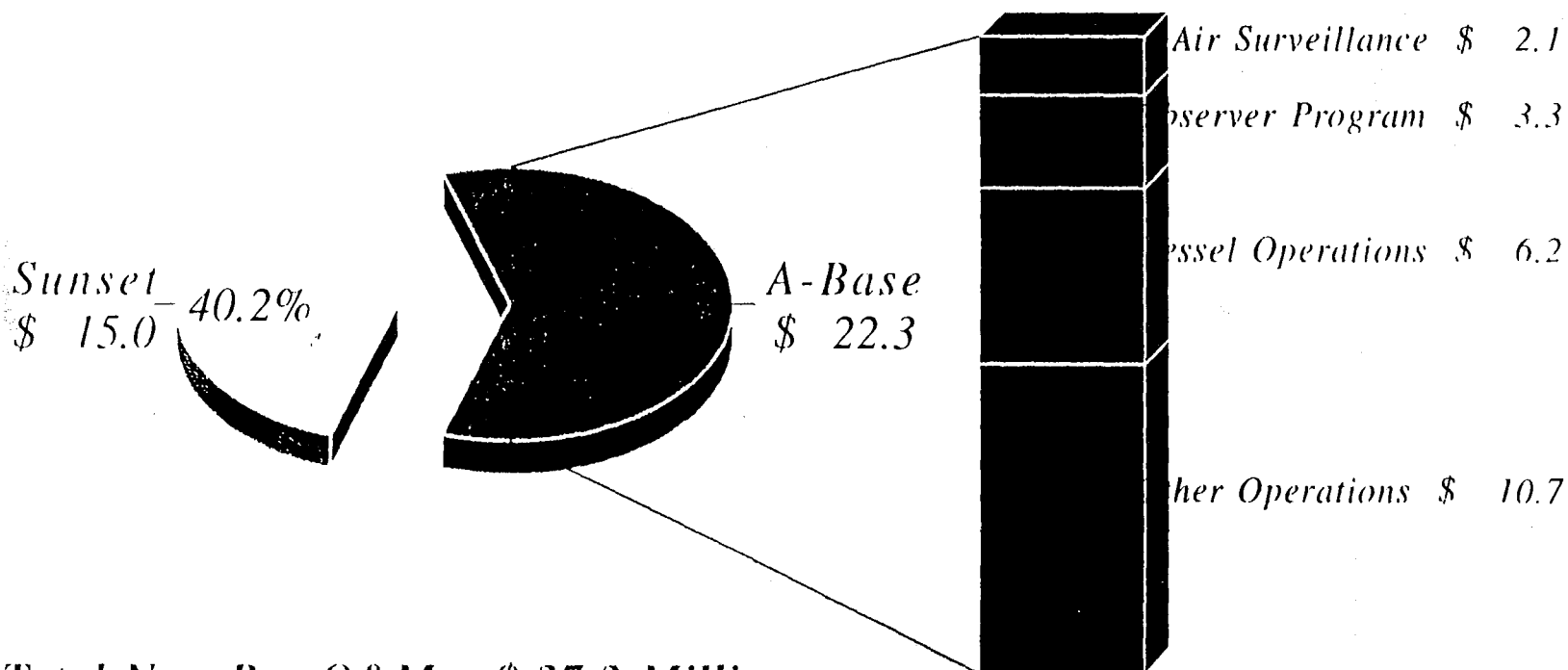


(\$ Millions)

CONSERVATION & PROTECTION

1993-94 RESOURCE PROFILE

NON-PAY O&M A-BASE vs SUNSET PROGRAMS



Total Non-Pay O&M = \$ 37.3 Million

(\$ Millions)

**CONSERVATION
& PROTECTION**
RESOURCE BASE* INCLUDING AFAP

02/02/94

**1993-94 Resource Profile by Program Component
(\$000s)**

	FTEs	SLW	DLW	CAPITAL	TOTAL	%
1993-94 DM ALLOCATIONS	1,046.2	45,739.5	37,300.9	958.7	83,999.1	
PROGRAM COMPONENTS:						
Vessel Operations	378.2	17,044.9	11,022.1	517.7	28,584.7	34%
Observer Program	13.2	508.9	4,165.9	261.0	4,935.8	6%
Air Surveillance	3.0	120.0	9,514.5	0.0	9,634.5	11%
Legal Costs	1.0	55.9	1,436.8	0.0	1,492.7	2%
Training (Incl FOCP)	11.5	554.6	1,018.1	0.0	1,572.7	2%
Area Office Operations	601.6	25,621.2	9,398.6	141.0	35,160.8	42%
Other (Incl HQ Ops.)	37.8	1,834.0	744.9	39.0	2,617.9	3%
TOTAL	1,046.2	45,739.5	37,300.9	958.7	83,999.1	100%

* Resource Base = A-Base + Sunsets

**CONSERVATION
& PROTECTION**
RESOURCE BASE* EXCLUDING AFAP

1993-94 Resource Profile by Program Component
(\$000s)

	FTEs	SLW	SLM	CAPITAL	TOTAL	%
1993-94 DM ALLOCATIONS	1,011.0	43,677.5	29,723.9	762.7	74,164.1	
PROGRAM COMPONENTS:						
Vessel Operations	361.2	16,229.9	6,190.1	330.7	22,750.7	31%
Observer Program	6.0	259.9	3,263.9	261.0	3,784.8	5%
Air Surveillance	3.0	120.0	9,514.5	0.0	9,634.5	13%
Legal Costs	1.0	55.9	765.8	0.0	821.7	1%
Training (Incl FOCP)	11.5	554.6	1,018.1	0.0	1,572.7	2%
Area Office Operations	590.6	24,623.2	8,226.6	132.0	32,981.8	44%
Other (Incl HQ Ops.)	37.8	1,834.0	744.9	39.0	2,617.9	4%
TOTAL	1,011.0	43,677.5	29,723.9	762.7	74,164.1	100%

* Resource Base = A-Base + Sunsets

A-BASE PROFILE

FISHERIES & OCEANS
WORKPLAN BUDGET 1993-94

02/02/94

FISHERIES & HABITAT MANAGEMENT WORK ACTIVITY
CONSERVATION & PROTECTION
(\$000's)

ORGANIZATION	FTEs	S&W	O&M	CAPITAL	ELC	TOTAL
Pacific	293.35	12,337.9	6,663.8	150.4	0.0	19,152.1
Central & Arctic	10.80	516.4	183.8	0.0	0.0	700.2
Québec	80.75	3,692.0	2,713.8	100.5	0.0	6,506.3
Gulf	122.62	4,855.0	1,061.9	261.0	0.0	6,177.9
Scotia-Fundy	263.53	11,284.8	3,727.7	29.5	0.0	15,041.8
Newfoundland	216.61	10,063.6	3,439.8	184.8	0.0	13,688.2
Headquarters	20.37	806.0	4,553.1	36.5	0.0	5,397.6
TOTAL	1,004.03	41,505.60	22,341.00	782.70	0.00	64,635.30

- Excludes - Air Surveillance: \$120K S&W and \$6360K O&M
- Helicopter: \$1,000K O&M
- AFAP (held centrally)

FISHERIES & OCEANS
WORKPLAN BUDGET 1993-94

02/02/94

FISHERIES & HABITAT MANAGEMENT WORK ACTIVITY
CONSERVATION & PROTECTION
(\$000's)

ORGANIZATION	FTEs	S&W	O&M	CAPITAL	G&C	TOTAL
Pacific	293.35	12,337.9	7,613.8	150.4	0.0	20,102.1
Central & Arctic	10.80	516.4	183.8	0.0	0.0	700.2
Québec	81.25	3,712.0	2,713.8	100.5	0.0	6,526.3
Gulf	123.12	4,875.0	1,061.9	261.0	0.0	6,197.9
Scotia-Fundy	264.53	11,324.6	4,727.7	29.5	0.0	16,081.8
Newfoundland	217.81	10,103.6	3,439.8	184.8	0.0	13,728.2
Headquarters	20.37	808.0	9,983.1	36.5	0.0	10,827.6
TOTAL	1,007.23	43,677.40	26,723.80	762.75	0.00	71,164.95

- Includes - Air Surveillance: \$120K S&W and \$6380K O&M
- Helicopter: \$1,000K O&M
- Excludes - AFAP (held centrally)

PACIFIC
CONSERVATION & PROTECTION

02/02/94

1993-94 Resource Profile by Program Component
(\$000s)

	FTEs	\$&W	O&M	CAPITAL	TOTAL	%
1993-94 DM ALLOCATIONS	293.3	12,337.9	7,613.8	150.4	20,102.1	
PROGRAM COMPONENTS:						
Vessel Operations	123.8	5,611.2	1,500.3	150.4	7,261.9	36%
Observer Program					0.0	0%
Air Surveillance			905.5		905.5	5%
Legal Costs			566.3		566.3	3%
Training (Incl FOCP)					0.0	0%
Area Office Operations	155.2	6,190.3	4,330.2		10,520.5	52%
Other (Incl HQ Ops.)	14.4	536.4	311.5		847.9	4%
TOTAL	293.4	12,337.9	7,613.8	150.4	20,102.1	100%

FISHERIES & OCEANS
WORKPLAN BUDGET 1993-94

02/02/94

FISHERIES & HABITAT MANAGEMENT WORK ACTIVITY
Conservation & Protection – Pacific Region
(\$000's)

ORGANIZATION	FTEs	SEW	O&M	CAPITAL	GEC	TOTAL
Sinclair	14.25	948.3	171.1	16.5	0.0	1,135.9
Tanu	33.50	1,252.6	191.7	31.5	0.0	1,475.8
Lewis Reef	6.00	229.8	73.9	3.7	0.0	307.4
Arrow Post (old vessel)	0.00	0.0	0.0	0.0	0.0	0.0
Atlin Post	4.20	194.7	76.3	1.5	0.0	272.5
Babine Post	0.00	0.0	14.5	11.6	0.0	26.1
Bejo Reef	3.10	150.8	36.6	0.0	0.0	187.4
Beaver Rock	2.60	114.6	47.6	4.7	0.0	166.9
Bonilla Rock	1.90	76.7	26.6	3.9	0.0	107.2
Chilco Post	8.00	337.1	96.1	6.5	0.0	439.7
Comox Post	3.50	191.4	78.9	1.6	0.0	271.9
Cutter Rock	0.00	0.0	5.0	22.0	0.0	27.0
Falcon Rock	0.00	0.0	0.0	0.0	0.0	0.0
Kitimat II	4.20	203.5	74.2	10.2	0.0	287.9
North Rock	0.00	0.0	12.4	3.3	0.0	15.7
Pillar Rock	2.80	109.2	40.7	5.3	0.0	155.2
Seal Rock	1.90	100.5	25.6	3.1	0.0	129.2
Sooke Post	3.30	149.6	62.2	8.8	0.0	220.6
Stuart Post	3.00	144.0	47.0	0.5	0.0	191.5
Surge Rock	6.00	263.9	47.1	0.0	0.0	311.0
Temple Rock	2.00	85.1	34.6	9.4	0.0	129.1
Robson Reef	3.00	136.4	56.9	0.0	0.0	193.3
Petrel Rock	1.90	83.7	36.1	3.0	0.0	122.8
Gull Rock	0.00	0.0	10.2	1.3	0.0	11.5
Brama	0.00	0.0	0.0	0.0	0.0	0.0
Star Rock	0.00	0.0	5.0	0.0	0.0	5.0
Vedder Rock	0.00	0.0	0.0	0.0	0.0	0.0
Anchor Rock	0.00	0.0	0.0	0.0	0.0	0.0
Herron Rock	1.70	84.5	27.8	2.0	0.0	114.3
Estovan Reef	3.10	145.5	69.3	0.0	0.0	214.8
Arrow Post (new vessel)	12.40	515.8	107.2	0.0	0.0	623.0
Otter Bay	1.70	93.5	25.7	0.0	0.0	119.2
Chief, Conservation & Protection	3.00	174.5	34.1	0.0	0.0	208.6
Regulations & Enforcement	6.20	233.3	127.2	NOTE 1	0.0	360.5
– Air Surveillance	0.00	0.0	905.5	0.0	0.0	905.5
Regulations & Enforcement – Legal	0.00	0.0	566.3	0.0	0.0	566.3
Operations Room	3.20	122.7	166.3	0.0	0.0	289.0
Conservation & Protection – Fraser South – GIS	6.40	265.0	76.0	0.0	0.0	341.0
Conservation & Protection – Fraser North	13.10	600.7	140.0	0.0	0.0	740.7
Conservation & Protection – Fraser South	32.50	1,249.7	284.8	0.0	0.0	1,534.5
Coastal Enforcement Unit	5.00	180.4	18.0	0.0	0.0	198.4
Conservation & Protection – North Coast	36.00	1,588.2	446.0	0.0	0.0	2,034.2
Conservation & Protection – Operations	40.80	1,597.1	484.8	0.0	0.0	2,081.9
Conservation & Protection – Field Offices – PC&S	14.90	402.5	287.5	0.0	0.0	690.0
FTA Mgmt – Fraser River	2.30	80.0	107.0	0.0	0.0	187.0
FTA Mgmt – South Coast	3.90	146.5	1,430.0	0.0	0.0	1,576.5
FTA Mgmt – North Coast	2.30	86.1	1,040.0	0.0	0.0	1,126.1
TOTAL	293.35	12,937.9	7,613.8	150.4	0.0	20,102.1

NOTE 1 : The Capital is being held by the Operations Branch Director and will be allocated out based on priorities.

**CENTRAL & ARCTIC
CONSERVATION & PROTECTION**

02/02/94

**1993-94 Resource Profile by Program Component
(\$000s)**

	FTES	SAW	O&M	CAPITAL	TOTAL	%
1993-94 DM ALLOCATIONS	10.8	516.4	183.8	0.0	700.2	
PROGRAM COMPONENTS:						
Vessel Operations			45.0		45.0	6%
Observer Program					0.0	0%
Air Surveillance					0.0	0%
Legal Costs					0.0	0%
Training (Incl FOCP)			38.8		38.8	6%
Area Office Operations	10.8	516.4	100.0		616.4	88%
Other (Incl HQ Ops.)					0.0	0%
TOTAL	10.8	516.4	183.8	0.0	700.2	100%

**FISHERIES & OCEANS
WORKPLAN BUDGET 1993-94**

02/02/94

**FISHERIES & HABITAT MANAGEMENT WORK ACTIVITY
Conservation & Protection - Central & Arctic Region
(\$000's)**

ORGANIZATION	FTE's	S&W	CEM	CAPITAL	BEO	TOTAL
Fisheries Officer Career Prg.	0.00	0.0	38.8	0.0	0.0	38.8
Vessels	0.00	0.0	45.0	0.0	0.0	45.0
Area Office Operations	10.8	516.4	100.0	0.0	0.0	616.4
TOTAL	10.80	516.40	183.80	0.00	0.00	700.20

QUEBEC
CONSERVATION & PROTECTION

02/02/94

1993-94 Resource Profile by Program Component
(\$000s)

	FTEs	\$AM	O&M	CAPITAL	TOTAL	%
1993-94 DM ALLOCATIONS	81.3	3,712.0	2,713.8	100.5	6,526.3	
PROGRAM COMPONENTS:						
Vessel Operations	21.4	1,050.5	794.6	100.5	1,945.6	30%
Observer Program			469.5		469.5	7%
Air Surveillance	0.5	20.0	150.0		170.0	3%
Legal Costs					0.0	0%
Training (incl FOCP)			25.0		25.0	0%
Area Office Operations	59.3	2,641.5	1,274.7		3,916.2	60%
Other (incl HQ Ops.)					0.0	0%
TOTAL	81.3	3,712.0	2,713.8	100.5	6,526.3	100%

FISHERIES & OCEANS
WORKPLAN BUDGET 1993-94

02/02/94

FISHERIES & HABITAT MANAGEMENT WORK ACTIVITY
Conservation & Protection – Québec Region
(\$000's)

ORGANIZATION	FTEs	S&W	O&M	CAPITAL	GEO	TOTAL
Gestion Des Navires – Pêches	0.00	50.5	30.0	60.0	0.0	140.5
Pierre Fortin – 100'	9.96	475.0	90.0	0.0	0.0	565.0
E. P. Quebecois – 93'	9.96	475.0	220.0	38.0	0.0	733.0
J. Willie Deraspe – 42'	0.00	0.0	258.6	2.5	0.0	261.1
F.X. Ross – 42'	0.00	0.0	115.0	0.0	0.0	115.0
Denis Riverin – 42'	1.50	50.0	23.0	0.0	0.0	73.0
Petits Navires – Pêches	0.00	0.0	58.0	0.0	0.0	58.0
Chef, Protection Et Reg	5.00	250.0	345.0	0.0	0.0	595.0
– Air Surveillance	0.00	0.0	150.0	0.0	0.0	150.0
Chef, Protection Et Reg – Que	2.80	155.0	24.0	0.0	0.0	179.0
– Air Surveillance	0.50	20.0	0.0	0.0	0.0	20.0
Programme Des Observateurs	0.00	0.0	489.5	0.0	0.0	489.5
Programme National – Formation GT	0.00	0.0	25.0	0.0	0.0	25.0
Système De Radios	0.00	0.0	225.0	0.0	0.0	225.0
Direction – Gaspésie	5.80	245.0	125.3	0.0	0.0	370.3
Chef, Protection Et Reg – Gaspésie	1.00	55.0	7.5	0.0	0.0	62.5
Chef, Protection Et Reg – St-Anne des Monts	4.15	165.0	32.2	0.0	0.0	197.2
Chef, Protection Et Reg – Grande Rivière	6.25	275.0	40.0	0.0	0.0	315.0
Chef, Protection Et Reg – Riv. – au – Renard	4.95	220.0	33.0	0.0	0.0	253.0
Chef, Protection Et Reg – Bonaventure	2.65	125.0	29.7	0.0	0.0	154.7
Direction – Côte Nord	1.00	67.5	16.6	0.0	0.0	84.1
Administration – Côte Nord	0.00	0.0	107.4	0.0	0.0	107.4
Chef, Protection Et Reg – Côte Nord	3.85	125.0	43.5	0.0	0.0	168.5
Agent Principal – Sept Îles	6.44	275.0	40.4	0.0	0.0	315.4
Agent Principal – Baie Comeau	3.81	120.0	29.0	0.0	0.0	149.0
Agent Principal – Blanc-Sablon	2.20	100.0	56.8	0.0	0.0	156.8
Direction Du Secteur – Îles De La Madeleine	2.75	127.0	66.6	0.0	0.0	195.6
Protection – Îles De La Madeleine	3.50	170.0	27.6	0.0	0.0	197.6
Agent Principal – Cap-aux-Meules	3.58	167.0	23.1	0.0	0.0	190.1
TOTAL	11.75	1712.0	1273.8	100.0	0.0	3085.8

GULF
CONSERVATION & PROTECTION

02/02/94

1993-94 Resource Profile by Program Component
(\$000s)

	FTE	SEW	O&M	CAPITAL	TOTAL	%
1993-94 DM ALLOCATIONS	123.1	4,875.0	1,061.9	261.0	6,197.9	
PROGRAM COMPONENTS:						
Vessel Operations	15.4	567.6	76.8		644.4	10%
Observer Program	1.0	36.8	132.4	261.0	430.2	7%
Air Surveillance	0.5	20.0	150.0		170.0	3%
Legal Costs			96.1		96.1	2%
Training (Incl FOCP)	1.0	47.0	30.4		77.4	1%
Area Office Operations	102.2	4,084.0	477.5		4,561.5	74%
Other (Incl HQ Ops.)	3.0	119.6	98.7		218.3	4%
TOTAL	123.1	4,875.0	1,061.9	261.0	6,197.9	100%

**FISHERIES & OCEANS
WORKPLAN BUDGET 1993-94**

02/02/94

**FISHERIES & HABITAT MANAGEMENT WORK ACTIVITY
Conservation & Protection – Gulf Region
(\$000's)**

ORGANIZATION	FTEs	SAW	OSW	CAPITAL	GLC	TOTAL
Chief, Conserv. & Protection, West Mfd	0.00	0.0	0.0	0.0	0.0	0.0
MV Gander Bay Patrol Vessel	0.00	0.0	0.0	0.0	0.0	0.0
Chief, Conserv. & Protection, N.E.N.B.	29.17	1,198.6	121.5	0.0	0.0	1,320.1
Chief, Conserv. & Protection, S.E.N.B.	35.51	1,370.2	156.6	0.0	0.0	1,526.8
Patrol Vessels, N.E.N.B.	4.71	175.3	22.6	0.0	0.0	197.9
Patrol Vessels, S.E.N.B.	4.75	180.7	28.2	0.0	0.0	208.9
Chief, Conserv. & Protection, Gulf Shore	16.57	651.9	66.0	0.0	0.0	717.9
Patrol Vessels, Gulf Shore	1.26	43.8	6.4	0.0	0.0	50.2
Chief, Conserv. & Protection (4742)	18.40	751.9	106.3	0.0	0.0	858.2
Patrol Vessels, P.E.I.	4.70	167.8	19.6	0.0	0.0	187.4
Chief, Conserv. & Protection Div. (4780)	2.55	111.4	27.1	0.0	0.0	138.5
Regulation & Policy Development	2.00	71.6	96.4	0.0	0.0	168.0
Surveillance & Operational Planning	1.00	36.8	132.4	261.0	0.0	430.2
– Air Surveillance	0.50	20.0	150.0	0.0	0.0	170.0
Training & Professional Development	1.00	47.0	30.4	0.0	0.0	77.4
Head, Special Programs	1.00	48.0	2.3	0.0	0.0	50.3
Fishery Officer Career Program	0.00	0.0	0.0	0.0	0.0	0.0
Legal Fees	0.00	0.0	96.1	0.0	0.0	96.1
AFAP – Inshore Patrol Vessels	0.00	0.0	0.0	0.0	0.0	0.0
TOTAL	122.12	4,370.0	1,165.9	261.0	0.0	5,596.9

SCOTIA-FUNDY
CONSERVATION & PROTECTION

02/02/94

1993-94 Resource Profile by Program Component
(\$000s)

	FEED	SAW	DEM	CAPITAL	TOTAL	%
1993-94 DM ALLOCATIONS	264.5	11,324.6	4,727.7	29.5	16,081.8	
PROGRAM COMPONENTS:						
Vessel Operations	103.3	4,666.2	1,808.9	29.5	6,504.6	40%
Observer Program	3.0	130.9	582.0		712.9	4%
Air Surveillance	1.0	40.0	1,000.0		1,040.0	6%
Legal Costs	1.0	55.9	103.4		159.3	1%
Training (incl FOCP)	4.5	208.3	26.4		234.7	1%
Area Office Operations *	150.7	6,181.3	1,188.0		7,369.3	46%
Other (incl HQ Ops.)	1.0	42.0	19.0		61.0	0%
TOTAL	264.5	11,324.6	4,727.7	29.5	16,081.8	100%

* Includes an internal allocation of \$482.1K towards funding of the Yarmouth Helicopter.

FISHERIES & OCEANS
WORKPLAN BUDGET 1993-94

02/02/94

FISHERIES & HABITAT MANAGEMENT WORK ACTIVITY
Conservation & Protection – Scotia-Fundy Region
(\$000's)

ORGANIZATION	FTEs	SAW	CEM	CAPITAL	OEC	TOTAL
Quota Monitoring Unit	6.00	202.3	17.0	0.0	0.0	219.3
Cygnus	36.05	1,780.7	872.0	4.0	0.0	2,656.7
Chebucto	41.20	1,695.6	700.8	0.0	0.0	2,396.4
Teabor	3.80	152.1	19.0	0.0	0.0	171.1
Cumella	8.00	345.4	92.6	17.5	0.0	455.5
Cobequid Bay	3.75	162.6	48.5	8.0	0.0	219.3
North Bar	2.00	82.7	19.0	0.0	0.0	101.7
Vigilance	6.50	328.0	38.0	0.0	0.0	366.0
Aquariel	2.00	118.9	19.0	0.0	0.0	137.9
20A1153	1.00	42.0	19.0	0.0	0.0	61.0
CEO ENS	3.00	136.9	68.0	0.0	0.0	204.9
C & P, Halifax	9.24	374.8	41.0	0.0	0.0	415.8
C & P, North Sydney	10.69	442.9	50.0	0.0	0.0	492.9
C & P, Sherbrooke	11.27	455.6	45.5	0.0	0.0	501.1
CEO SWNS	5.00	226.0	24.3	0.0	0.0	250.3
C & P, Yarmouth	10.00	452.7	38.9	0.0	0.0	491.6
C & P, Digby	12.83	532.8	47.4	0.0	0.0	580.0
C & P, Barrington Passage	12.34	511.2	51.7	0.0	0.0	562.9
C & P, Bridgewater	14.48	579.8	58.9	0.0	0.0	638.7
CEO SWNB	2.00	91.0	76.2	0.0	0.0	167.2
C & P, Fredericton/Saint John	18.87	696.8	76.5	0.0	0.0	773.3
C & P, St. George	14.50	580.4	54.2	0.0	0.0	634.6
Director, C & P	2.00	122.0	46.3	0.0	0.0	168.3
Investigation & Legal Affairs	1.00	55.9	103.4	0.0	0.0	159.3
Enforcement & Training	4.50	206.3	26.4	0.0	0.0	232.7
Surveillance Operations*	18.50	774.3	492.1	0.0	0.0	1,266.4
– Air Surveillance – Helicopter	1.00	40.0	1,000.0	0.0	0.0	1,040.0
Observer Program	3.00	130.9	507.0	0.0	0.0	637.9
Int. Observer Research	0.00	0.0	75.0	0.0	0.0	75.0
Fishery Officer Career Program	0.00	0.0	0.0	0.0	0.0	0.0
TOTAL	264.5	11,321.5	4,727.7	29.5	0.0	16,080.7

* Includes an internal allocation of \$492.1K towards funding of the Yarmouth Helicopter.

**NEWFOUNDLAND
CONSERVATION & PROTECTION**

02/02/94

**1993-94 Resource Profile by Program Component
(\$000s)**

	FTEs	S&W	O&M	CAPITAL	TOTAL	%
1993-94 DM ALLOCATIONS	217.6	10,103.6	3,439.8	184.8	13,728.2	
PROGRAM COMPONENTS:						
Vessel Operations	97.3	4,334.4	1,964.5	50.3	6,349.2	46%
Observer Program	2.0	92.2	580.0		672.2	5%
Air Surveillance	1.0	40.0			40.0	0%
Legal Costs					0.0	0%
Training (incl FOCP)	5.0	229.3			229.3	2%
Area Office Operations	112.3	5,009.7	856.2	132.0	5,997.9	44%
Other (incl HQ Ops.)		398.0	39.1	2.5	439.6	3%
TOTAL	217.6	10,103.6	3,439.8	184.8	13,728.2	100%

FISHERIES & OCEANS
WORKPLAN BUDGET 1993-94

02/02/94

FISHERIES & HABITAT MANAGEMENT WORK ACTIVITY
Conservation & Protection – Newfoundland Region
(\$000's)

ORGANIZATION	FIES	S&W	O&M	CAPITAL	S&C	TOTAL
Regional Director General	0.00	398.0	39.1	2.5	0.0	439.6
Cape Roger	38.00	1,569.0	727.0	0.0	0.0	2,296.0
L.J. Cowley	38.00	1,773.3	677.6	50.3	0.0	2,501.1
Groswater Bay	4.00	221.2	150.0	0.0	0.0	371.2
Goose Bay	3.00	190.0	106.0	0.0	0.0	296.0
Pistolet Bay	2.00	97.0	60.0	0.0	0.0	157.0
Burin Bay	3.10	163.8	106.0	0.0	0.0	268.8
Centennial	2.00	90.2	60.0	0.0	0.0	170.2
Craters	2.00	89.4	60.0	0.0	0.0	149.4
Relief Pool	5.20	120.6	0.0	0.0	0.0	120.5
Resource Management – East	25.38	1,135.4	140.7	33.0	0.0	1,309.1
Resource Management – South	20.38	925.1	124.9	33.0	0.0	1,083.0
Resource Management – Central	26.86	1,206.2	148.7	33.0	0.0	1,386.9
Resource Management – Goose Bay	14.89	729.4	152.3	33.0	0.0	914.7
Enforcement – Offshore	24.80	1,008.4	33.4	0.0	0.0	1,041.8
Inland Surveillance & Enforcement	0.00	6.2	17.0	0.0	0.0	23.2
– Air Surveillance	1.00	40.0	0.0	0.0	0.0	40.0
Training & Development	5.00	229.3	0.0	0.0	0.0	229.3
Enforcement – Guardian Contract	0.00	0.0	239.2	0.0	0.0	239.2
Enforcement – Observer Contract	2.00	92.2	590.0	0.0	0.0	672.2
TOTAL	217.51	19,103.6	3,439.6	164.8	0.0	14,725.2

HEADQUARTERS
CONSERVATION & PROTECTION

02/02/94

1993-94 Resource Profile by Program Component
(\$000s)

	FTEs	SAW	O&M	CAPITAL	TOTAL	%
1993-94 DM ALLOCATIONS	20.37	808	9983.1	36.5	10,827.6	
PROGRAM COMPONENTS:						
Vessel Operations				0.0	0.0	0%
Observer Program			1,500.0		1,500.0	14%
Air Surveillance			7,309.0		7,309.0	68%
Legal Costs				0.0	0.0	0%
Training (Incl FOCP)	1.0	70.0	897.5		967.5	9%
Area Office Operations				0.0	0.0	0%
Other (Incl HQ Ops.)	19.4	738.0	276.6	36.5	1,051.1	10%
TOTAL	20.4	808.0	9,983.1	36.5	10,827.6	100%

**FISHERIES & OCEANS
WORKPLAN BUDGET 1993-94**

02/02/94

**FISHERIES & HABITAT MANAGEMENT WORK ACTIVITY
Conservation & Protection - National Capital Region
(\$000's)**

ORGANIZATION	FTEs	S&W	O&M*	CAPITAL	G&C	TOTAL
DG Enforcement Issues	2.70	0.0	0.0	0.0	0.0	0.0
Dir. Enforcement Branch	3.00	79.0	60.0	36.5	0.0	175.5
Fisheries & Habitat - Enforcement	13.67	659.0	216.6	0.0	0.0	875.6
- Air Surveillance	0.00	0.0	7,309.0	0.0	0.0	7,309.0
Training & Enforcement Std	1.00	70.0	897.5	0.0	0.0	967.5
Radio Plan	0.00	0.0	0.0	0.0	0.0	0.0
Northern Cod Observer Program	0.00	0.0	1,500.0	0.0	0.0	1,500.0
TOTAL	20.37	805.0	8,993.1	36.5	0.0	10,827.6

* O&M includes Atlantic fixed-wing air surveillance costs of \$6.8 million.

1993-94 SECTOR OVERHEAD AND DIRECT RESOURCES
ASSIGNED TO LICENCING AND RESOURCE ALLOCATION
(PROGRAM-MANAGEMENT-AND-SUPPORT)
(\$000'S)

22-Jul-94

REGION/SECTOR/THIRD LEVEL COMPONENT		FTE'S	S&W	OOO	CAPITAL	G&C	TOTAL
NFLD	DIRECT PROGRAM RESOURCE	11.0	813.0	263.0	42.0		1,118.0
	SECTOR OVERHEAD	0.5	24.4	4.1	0.6		29.1
	TOTAL FOR NEWFOUNDLAND	11.5	837.4	267.1	42.6		1,147.1
SCF	DIRECT PROGRAM RESOURCE	20.0	912.0	216.0			1,128.0
	SECTOR OVERHEAD	0.7	36.1	6.1	0.9		43.1
	TOTAL FOR SCOTIA FUNDY	20.7	948.1	222.1	0.9		1,171.1
GULF	DIRECT PROGRAM RESOURCE	27.0	1,512.0	289.0	33.0		1,834.0
	SECTOR OVERHEAD	1.7	90.3	15.3	2.4		108.0
	TOTAL FOR GULF	28.7	1,602.3	304.3	35.4		1,942.0
QUE	DIRECT PROGRAM RESOURCE	16.0	803.0	200.0			1,003.0
	SECTOR OVERHEAD	1.6	83.5	14.1	2.2		99.8
	TOTAL FOR QUEBEC	17.6	886.5	214.1	2.2		1,102.8
C&A	DIRECT PROGRAM RESOURCE	4.0	206.0	125.0			331.0
	SECTOR OVERHEAD	2.5	133.0	22.5	3.5		159.0
	TOTAL FOR CENTRAL & ARCTIC	6.5	339.0	147.5	3.5		490.0
PAC	DIRECT PROGRAM RESOURCE	96.0	4,676.0	6,414.0	546.0		11,636.0
	SECTOR OVERHEAD	2.0	103.8	17.6	2.7		124.1
	TOTAL FOR PACIFIC	98.0	4,779.8	6,431.6	548.7		11,760.1
NCR	DIRECT PROGRAM RESOURCE	30.0	1,628.0	345.0			1,973.0
	SECTOR OVERHEAD	10.0	532.0	90.0	14.0		636.0
	TOTAL FOR NATIONAL CAPITAL REGION	40.0	2,160.0	435.0	14.0		2,609.0
TOTAL	DIRECT PROGRAM RESOURCE	204.0	10,550.0	7,852.0	621.0		19,023.0
	SECTOR OVERHEAD	19.0	1,003.1	169.7	26.3		1,199.1
		223.0	11,553.1	8,021.7	647.3		20,222.1

1993-94 SECTOR OVERHEAD AND DIRECT RESOURCES
ASSIGNED TO LICENCING AND RESOURCE ALLOCATION
(PROGRAM MANAGEMENT AND SUPPORT)

22-Jul-94

REGION/SECTOR/THIRD LEVEL COMPONENT	P.A.S.	FTE'S	S&W	CEBP	OC	CAPITAL	G&C	TOTAL
NEWFOUNDLAND								
FISHERIES & HABITAT MANAGEMENT - DIRECT PROGRAM RESOURCE								
LICENSING AND RESOURCE ALLOCATION	211	11.0	813.0		263.0	42.0		1,118.0
REGULATIONS & ENFORCEMENT	212	221.0	10,185.0		3,455.0	185.0		13,825.0
HABITAT MANAGEMENT	213	8.0	339.0		102.0	18.0		459.0
NATIVE AFFAIRS	214	0.0	0.0		0.0	0.0		0.0
TOTAL FISHERIES FISHERIES & AHBITAT MGMT. (EXCL. PM&S)		240.0	11,337.0	0.0	3,820.0	245.0	0.0	15,402.0
PROGRAM MANAGMENT AND SUPPORT (PM&S)								
PROGRAM MANAGMENT	215	10.0	532.0		90.0	14.0		636.0
DISTRIBUTION OF PROGRAM MANAGEMENT RESOURCES BASED ON FTE'S BY THIRD LEVEL COMPONENT								
LICENSING AND RESOURCE ALLOCATION	211	4.58%	0.5	24.4	4.1	0.6		29.2
REGULATIONS & ENFORCEMENT	212	92.08%	9.2	489.9	82.9	12.9		585.7
HABITAT MANAGEMENT	213	3.33%	0.3	17.7	3.0	0.5		21.2
NATIVE AFFAIRS	214	0.00%	0.0	0.0	0.0	0.0		0.0
TOTAL		100.00%	10.0	532.0	0.0	90.0	14.0	636.0

1993-94 SECTOR OVERHEAD AND DIRECT RESOURCES
ASSIGNED TO LICENCING AND RESOURCE ALLOCATION
(PROGRAM MANAGEMENT AND SUPPORT)

22-Jul-94

REGION/SECTOR/THIRD LEVEL COMPONENT	P.A.S.	FTE'S	S&W	CEBP	OOO	CAPITAL	G&C	TOTAL
SCOTIA FUNDY								
FISHERIES & HABITAT MANAGEMENT - DIRECT PROGRAM RESOURCE								
LICENSING AND RESOURCE ALLOCATION	211	20.0	912.0		216.0			1,128.0
REGULATIONS & ENFORCEMENT	212	265.0	11,324.0		4,728.0	30.0		16,082.0
HABITAT MANAGEMENT	213	10.0	626.0		124.0			750.0
NATIVE AFFAIRS	214	0.0	0.0		0.0	0.0		0.0
TOTAL FISHERIES FISHERIES & AHBITAT MGMT. (EXCL. PM&S)		295.0	12,862.0	0.0	5,068.0	30.0	0.0	17,960.0
PROGRAM MANAGMENT AND SUPPORT (PM&S)								
PROGRAM MANAGMENT	215	18.0	1,668.0		564.0	122.0		2,354.0
DISTRIBUTION OF PROGRAM MANAGEMENT RESOURCES BASED ON FTE'S BY THIRD LEVEL COMPONENT								
LICENSING AND RESOURCE ALLOCATION	211	6.78%	0.7	36.1	6.1	0.9		43.1
REGULATIONS & ENFORCEMENT	212	89.83%	9.0	477.9	80.8	12.6		571.3
HABITAT MANAGEMENT	213	3.39%	0.3	18.0	3.1	0.5		21.6
NATIVE AFFAIRS	214	0.00%	0.0	0.0	0.0	0.0		0.0
TOTAL		100.00%	18.0	1,668.0	0.0	564.0	122.0	2,354.0

1993-94 SECTOR OVERHEAD AND DIRECT RESOURCES
ASSIGNED TO LICENCING AND RESOURCE ALLOCATION
(PROGRAM MANAGEMENT AND SUPPORT)

22-Jul-94

REGION/SECTOR/THIRD LEVEL COMPONENT	P.A.S.	FTE'S	S&W	CEBP	OOB	CAPITAL	G&C	TOTAL
GULF								
FISHERIES & HABITAT MANAGEMENT - DIRECT PROGRAM RESOURCE								
LICENSING AND RESOURCE ALLOCATION	211	27.0	1,512.0		289.0	33.0		1,834.0
REGULATIONS & ENFORCEMENT	212	122.0	6,112.0		1,230.0	261.0		7,603.0
HABITAT MANAGEMENT	213	10.0	567.0		133.0	32.0		732.0
NATIVE AFFAIRS	214	0.0	0.0		0.0	0.0		0.0
TOTAL FISHERIES FISHERIES & AHBITAT MGMT. (EXCL. PM&S)		159.0	8,191.0	0.0	1,652.0	326.0	0.0	10,169.0
PROGRAM MANAGMENT AND SUPPORT (PM&S)								
PROGRAM MANAGMENT	215	68.0	1,589.0		434.0			2,023.0
DISTRIBUTION OF PROGRAM MANAGEMENT RESOURCES BASED ON FTE'S BY THIRD LEVEL COMPONENT								
LICENSING AND RESOURCE ALLOCATION	211	16.98%	1.7	90.3	15.3	2.4		108.0
REGULATIONS & ENFORCEMENT	212	76.73%	7.7	408.2	69.1	10.7		488.0
HABITAT MANAGEMENT	213	6.29%	0.6	33.5	5.7	0.9		40.0
NATIVE AFFAIRS	214	0.00%	0.0	0.0	0.0	0.0		0.0
TOTAL		100.00%	68.0	1,589.0	0.0	434.0	0.0	2,023.0

1993-94 SECTOR OVERHEAD AND DIRECT RESOURCES
ASSIGNED TO LICENCING AND RESOURCE ALLOCATION
(PROGRAM MANAGEMENT AND SUPPORT)

22-Jul-94

REGION/SECTOR/THIRD-LEVEL COMPONENT	P.A.S.	FTE'S	S&W	CEBP	OC	CAPITAL	G&C	TOTAL
QUEBEC								
FISHERIES & HABITAT MANAGEMENT - DIRECT PROGRAM RESOURCE								
LICENSING AND RESOURCE ALLOCATION	211	16.0	803.0		200.0			1,003.0
REGULATIONS & ENFORCEMENT	212	79.0	3,775.0		1,745.0	60.0		5,580.0
HABITAT MANAGEMENT	213	4.0	235.0		42.0			277.0
NATIVE AFFAIRS	214	3.0	172.0		58.0	0.0		230.0
TOTAL FISHERIES FISHERIES & AHBITAT MGMT. (EXCL. PM&S)		102.0	4,985.0	0.0	2,045.0	60.0	0.0	7,090.0
PROGRAM MANAGMENT AND SUPPORT (PM&S)								
PROGRAM MANAGMENT	215	4.0	255.0		33.0	154.0		442.0
DISTRIBUTION OF PROGRAM MANAGEMENT RESOURCES BASED ON FTE'S BY THIRD LEVEL COMPONENT								
LICENSING AND RESOURCE ALLOCATION	211	15.69%	1.6	83.5		14.1	2.2	99.8
REGULATIONS & ENFORCEMENT	212	77.45%	7.7	412.0		69.7	10.8	492.6
HABITAT MANAGEMENT	213	3.92%	0.4	20.9		3.5	0.5	24.9
NATIVE AFFAIRS	214	2.94%	0.3	15.6		2.6	0.4	18.7
TOTAL		100.00%	4.0	255.0	0.0	33.0	154.0	442.0

1993-94 SECTOR OVERHEAD AND DIRECT RESOURCES
ASSIGNED TO LICENCING AND RESOURCE ALLOCATION
(PROGRAM MANAGEMENT AND SUPPORT)

22-Jul-94

REGION/SECTOR/THIRD LEVEL COMPONENT	P.A.S.	FTE'S	S&W	CEBP	OOC	CAPITAL	G&C	TOTAL
CENTRAL & ARCTIC								
FISHERIES & HABITAT MANAGEMENT - DIRECT PROGRAM RESOURCE								
LICENSING AND RESOURCE ALLOCATION	211	4.0	206.0		125.0			331.0
REGULATIONS & ENFORCEMENT	212							0.0
HABITAT MANAGEMENT	213	12.0	653.0		300.0			953.0
NATIVE AFFAIRS	214				967.0			967.0
TOTAL FISHERIES FISHERIES & AHBITAT MGMT. (EXCL. PM&S)		16.0	859.0	0.0	1,392.0	0.0	0.0	2,251.0
PROGRAM MANAGMENT AND SUPPORT (PM&S)								
PROGRAM MANAGMENT	215	42.0	2,338.0		1,282.0	108.0		3,728.0
DISTRIBUTION OF PROGRAM MANAGEMENT RESOURCES BASED ON FTE'S BY THIRD LEVEL COMPONENT								
LICENSING AND RESOURCE ALLOCATION	211	25.00%	2.5	133.0	22.5	3.5		159.0
REGULATIONS & ENFORCEMENT	212	0.00%	0.0	0.0	0.0	0.0		0.0
HABITAT MANAGEMENT	213	75.00%	7.5	399.0	67.5	10.5		477.0
NATIVE AFFAIRS	214	0.00%	0.0	0.0	0.0	0.0		0.0
TOTAL		100.00%	42.0	2,338.0	0.0	1,282.0	108.0	3,728.0

1993-94 SECTOR OVERHEAD AND DIRECT RESOURCES
ASSIGNED TO LICENCING AND RESOURCE ALLOCATION
(PROGRAM MANAGEMENT AND SUPPORT)

22-Jul

REGION/SECTOR/THIRD LEVEL COMPONENT	P.A.S.	FTE'S	S&W	CEBP	OOC	CAPITAL	G&C	TOTAL
PACIFIC								
FISHERIES & HABITAT MANAGEMENT - DIRECT PROGRAM RESOURCE								
LICENSING AND RESOURCE ALLOCATION	211	98.0	4,678.0		6,414.0	546.0		11,636.0
REGULATIONS & ENFORCEMENT	212	315.0	15,112.0		8,830.0	226.0		24,168.0
HABITAT MANAGEMENT	213	72.0	3,474.0		4,276.0	1,509.0		9,259.0
NATIVE AFFAIRS	214	9.0	433.0		412.0	25.0		870.0
TOTAL FISHERIES FISHERIES & AHBITAT MGMT. (EXCL. PM&S)		492.0	23,695.0	0.0	19,932.0	2,306.0	0.0	45,933.0
PROGRAM MANAGMENT AND SUPPORT (PM&S)								
PROGRAM MANAGMENT	215	48.0	2,305.0		1,342.0	676.0		4,323.0
DISTRIBUTION OF PROGRAM MANAGEMENT RESOURCES BASED ON FTE'S BY THIRD LEVEL COMPONENT								
LICENSING AND RESOURCE ALLOCATION	211	19.51%	2.0	103.8		17.6	2.7	124.1
REGULATIONS & ENFORCEMENT	212	64.02%	6.4	340.6		57.6	9.0	407.2
HABITAT MANAGEMENT	213	14.63%	1.5	77.9		13.2	2.0	93.1
NATIVE AFFAIRS	214	1.83%	0.2	9.7		1.6	0.3	11.6
TOTAL		100.00%	48.0	2,305.0	0.0	1,342.0	676.0	4,323.0

1993-94 SECTOR OVERHEAD AND DIRECT RESOURCES
ASSIGNED TO LICENCING AND RESOURCE ALLOCATION
(PROGRAM MANAGEMENT AND SUPPORT)

22-Jul-94

REGION/SECTOR/THIRD LEVEL COMPONENT	P.A.S.	FTE'S	S&W	CEBP	OC	CAPITAL	G&C	TOTAL
NCR								
FISHERIES & HABITAT MANAGEMENT - DIRECT PROGRAM RESOURCE								
LICENSING AND RESOURCE ALLOCATION	211	30.0	1,628.0		345.0			1,973.0
REGULATIONS & ENFORCEMENT	212		130.0		202.0			332.0
HABITAT MANAGEMENT	213							0.0
NATIVE AFFAIRS	214							0.0
TOTAL FISHERIES FISHERIES & HABITAT MGMT. (EXCL. PM&S)		30.0	1,758.0	0.0	547.0	0.0	0.0	2,305.0
PROGRAM MANAGEMENT AND SUPPORT (PM&S)								
PROGRAM MANAGEMENT	215	24.0	1,329.0		813.0	100.0		2,242.0
DISTRIBUTION OF PROGRAM MANAGEMENT RESOURCES BASED ON FTE'S BY THIRD LEVEL COMPONENT								
LICENSING AND RESOURCE ALLOCATION	211	100.00%	10.0	532.0	90.0	14.0		636.0
REGULATIONS & ENFORCEMENT	212	0.00%	0.0	0.0	0.0	0.0		0.0
HABITAT MANAGEMENT	213	0.00%	0.0	0.0	0.0	0.0		0.0
NATIVE AFFAIRS	214	0.00%	0.0	0.0	0.0	0.0		0.0
TOTAL		100.00%	24.0	1,329.0	0.0	813.0	100.0	2,242.0

APPENDIX IV- REPORT ON SALMONID ENHANCEMENT PROGRAM

A detailed report on the Salmonid Enhancement Program follows. This report was produced in the Pacific Region during the Team's consultative phase and was reviewed in detail by the Sub-team during the review process. Accordingly, this document is a working paper of the Sub-team and is reproduced here.

DEPARTMENT OF FISHERIES AND OCEANS
PROGRAM REVIEW

PROJECT REPORT FOR THE SALMONID ENHANCEMENT PROGRAM

PROGRAM DESCRIPTION

1. Activities & Services

a) What is the scope of the program?

- Pacific Region (BC and Yukon).
- a joint federal-provincial program to conserve, protect, rebuild and enhance salmonids and salmonid habitat through various enhancement techniques and community involvement.

b) What activities are conducted?

- fish production from enhancement facilities and projects (fishways, spawning channels, hatcheries, lake enrichment) in consultation with fisheries managers
- facility renovation and maintenance to ensure the asset base of all SEP facilities is maintained and protected and health and safety requirements are met
- restoration and augmentation of natural fish habitat
- community involvement/education to increase understanding of the value of the fisheries resource and foster environmental awareness through participation, education and technical advice
- reconnaissance and feasibility studies to explore potential enhancement and habitat restoration opportunities
- design, survey, construction management for new projects (no new development currently planned). Facilitate and implement partnership opportunities
- assessment to determine the catch and spawning escapement of enhanced and wild salmon stocks to improve management effectiveness

- research, in cooperation with Science Branch, such as fish health diagnostics, genetics, factors limiting production (inland and coastal), assessment techniques to improve program efficiency and effectiveness and to provide scientific knowledge for management of the salmon resource
- consultation with stakeholders and the public.
- program management and planning

c) What services are provided?

- increase fishing opportunities and catch and rebuild specific stocks for Pacific salmon as directed by fisheries managers
- consultation, mitigation, compensation
- generate knowledge regarding stock assessment, etc.
- education
- providing information
- produce steelhead and cutthroat (managed by the province) at federal enhancement facilities under inter-agency agreement
- provide technical engineering/biological support to DFO activities and initiatives (eg. AFS, Fraser and Skeena Green Plans)
- investigate and implement projects such as design and construction of, counting fences, flood damage repair, landslide control, hydroacoustic installations, habitat restoration.
- similar support to external clients and partners including B.C. Hydro, Pacific Salmon Foundation and provincial initiatives such as the Habitat Conservation Fund (MELP), Community Salmonid Enhancement and Restoration Fund (MAFF) and the Watershed Restoration Program (MELP and MForests)

- provide biological advice, support, data and reports on a variety of issues including fish culture, enhancement strategies, stock assessment, salmonid biology, stock production and rebuilding plans, enhancement-related Canada-U.S. matters. Forecast returns of enhanced stocks (for fisheries management, AFS, etc.)
- public education (eg. access and interpretative displays at numerous projects); support for the SEP-developed Salmonids in the Classroom package (endorsed by B.C. Ministry of Education); opportunities for public involvement with hands-on fish culture, habitat inventory and restoration, and stock assessment activities at over 160 volunteer projects with support from decentralized staff and community advisors
- stock assessments, especially for chinook and coho salmon, used for domestic and international fisheries management are dependent on marking of juvenile hatchery salmon and spawner enumeration done by SEP staff
- conducts experimental management studies
- SEP facilities and fish are often used for research purposes (eg. effect of oil spills on ocean survival)

d) What are the Headquarters and regional responsibilities?

HQ

- program priorities via acceptance/rejection of program plans (eg. budget reduction proposals)
- expedite decisions on various issues (eg. supply of salmon through AFS; project proposals)
- Ministerial briefings and correspondence
- vehicle purchases

Region

- SEP is almost entirely a regionally planned and operated program

e) How is the program organized?

- Branch reporting to RDG

- internally by function (maintenance, habitat restoration, community programs, facility operations, lake enrichment, assessment/information management) and further by area
- core engineering and biological and management staff are located in Vancouver
- most staff are decentralized at project sites throughout B.C. or in 16 geographic areas (Community Advisors)

f) Are other federal/provincial agencies involved in the delivery of the same or similar services?

- agencies such as B.C. MELP have many similar activities (fish culture and logging related habitat restoration) under provincial jurisdiction and often rely on SEP for technical advice and implementation
- MOELP operates fish culture facilities for freshwater species
- Public Works provides general services but lacks fisheries and stream engineering expertise
- DINA/CEIC/provincial native affairs have training programs with native bands similar to CEDP, but not specific to salmonids

2. Relationship to Mandate

a) How does the program relate to DFO's mandate?

- integral part of the west coast fisheries management responsibilities to ensure the conservation, protection and sustainable utilization of the salmon resource and habitats for the benefit of all Canadians. For example, SEP is already taking steps to accelerate the rebuilding of Barkley Sound chinook stocks that are forecast to be low in 1995 and 1996. Further work in consultation with Operations and Science Branches is expected. In addition, the rebuilding plans for the Strait of Georgia wild coho which integrate fisheries management, habitat management and enhancement call for increased habitat restoration during the next several years and possible increased hatchery production in about 7 to 10 years.

- in the Pacific region, SEP acts as a strong implementer of activities and projects which contribute to increasing emphasis on environmental, economic and social sustainability through fish production, habitat restoration, community and public involvement, research and assessment, aboriginal relations, employment and training. Partnerships are continually being built with private and public sector clients with respect to fish habitat restoration and conservation of the resource, thus raising public interest and fostering stewardship

3. Program Clients

a) Who are the internal and/or external clients for the services?

Internal clients:

- Fisheries Operations- fishery managers and Fishery Officers; Fraser and Skeena Green plan initiatives; habitat management; AFS
- Biological Sciences Branch- research/stock assessment

External Clients:

- commercial fishers- income generated from salmon catch (19% of B.C. catch in 1992 was from Canadian enhancement)
- recreational fishers- sport and tourism industry benefits from salmon catch (SEP production 34% of B.C. catch 1992)
- aboriginal people- salmon catch for Indian food fishery, hatchery surplus fish, employment, training, cultural heritage, AFS, community involvement
- international fishers- salmon production through facilities and fish passage work, especially on the Fraser River, contribute to U.S. fishers through Canada/US treaty provisions (Canada to benefit directly through equity clause???)
- aquaculture industry- eggs supplied to industry; technical advice; joint projects
- the public- economic, social and environmental and fisheries management benefits

- government agencies- municipal (OCPs), provincial
- educational institutes/teachers and students
- volunteer groups running enhancement and habitat projects and undertaking stream stewardship
- community groups contracted to run projects (bioengineering support)
- BC Hydro
- Logging industry

b) To what degree are the clients empowered to influence the level of service provided?

Internal clients:

- major influence (SEP is a "service" organization/tool of management/research)
- fish production proposals are subject to initial approval of Operations Branch and the Provincial agencies

External clients:

- access to decision-making is provided via Salmonid Enhancement Task Group (official public advisory body for SEP reporting to the Minister (Federal and Provincial))
- at local level direct input to project staff and community advisors
- fish production proposals are subject to initial approval of Operations Branch, so SEP cannot respond directly

c) To what degree are the clients paying their full share of the cost of provision of services?

Internal clients:

- limited share, wages not recovered in most cases, but work often shares mutually objectives
- many habitat restoration projects are funded (O&M/capital) by client with work done by SEP staff

External clients:

- commercial and recreational fishers license fees \$3M per year to the CRF(SEP budget \$29.7M)

- some industry participants pay between 75% (BC Hydro) and 50% (logging companies)
- public involvement volunteers generally raise funds for everything except Community Advisor/Bio-engineering support (wages)

4. Resource Summary

a) What are the A-Base and B-Base costs of conducting the program?

- Budget 1993/94 SEP A-Base was \$29.7 million (salaries, capital, O&M)
Others: Canada/US projects were \$1.9 million and Green Plan projects were \$0.7 million.

b) How are these costs distributed across the department?

Pacific Region only, with some central costs for the employee benefits

c) Are there any hidden costs of conducting the program?

No, except general departmental administrative overhead

5. Links to Other Programs

a) What inputs does this program need from other DFO programs or programs of other agencies?

- watershed and stock management plans from Operations Branch
- stock production targets from Operations Branch
- prioritization of conservation and production requirements by Operations Branch
- MELP approvals process for project construction (Water Management) and species/production through biological input
- funding for some joint work (eg. some habitat projects; some stock assessment activities)
- research science support (experimental design and field expertise and resources)
- disease diagnostics support

b) Is the product or services of this program required by other DFO programs?

Yes:

- consultation, mitigation, compensation
- generate knowledge regarding stock assessment, etc.
- providing information
- technical engineering/biological support to DFO activities and initiatives (eg. AFS, Fraser and Skeena Green Plans)
- investigate and implement projects such as design and construction of, counting fences, flood damage repair, landslide control, hydroacoustic installations, habitat restoration.
- provide biological advice, support, data and reports on a variety of issues including fish culture, enhancement strategies, stock assessment, salmonid biology, stock production and rebuilding plans, enhancement-related Canada-U.S. matters. Forecast returns of enhanced stocks (for fisheries management, AFS, etc.)
- stock assessments, especially for chinook and coho salmon, used for domestic and international fisheries management are dependent on marking of juvenile hatchery salmon and spawner enumeration done by SEP staff
- conducts experimental management studies
- SEP facilities and fish are often used for research purposes (eg. effect of oil spills on ocean survival)

APPLICATION OF THE TESTS

1. Public Interest Test

a) Does the program area or activity continue to serve a public interest?

Yes

- meets conservation objectives through integration with research and fisheries and habitat management
- increases catch/generates wealth and employment
- large community and public involvement component serves public interest by providing citizens with the knowledge/training to make informed resource decisions - this fits with government's increased reliance on communities to self manage and practice stewardship
- preventative habitat protection through contribution to municipalities through Official Community Plans

b) Does the program or activity deliver a good/service that is essential to meeting the future needs of Canadians?

- SEP can offset the resulting stock decreases from increasing population - SEP provides services essential to maintain habitat capacity, salmon production and biological diversity
- SEP is well positioned to respond to changing client demands, fisheries management strategies (eg. selective fisheries for hatchery fish thus conserving wild stocks), environmental conditions (eg. global warming)
- means to help provide for Aboriginal food, social and economic development needs
- means to provide for recreational fishing opportunities

c) Is the program or activity necessary to fulfil the legal mandate of the department?

- Yes. SEP is a management tool used to assist DFO to meet its resource conservation and wealth generation and aboriginal mandates

d) How would you compare the relative contribution to the public interest of this program or activity based on its overall societal benefits and its costs?

- forecast of future benefit/cost ratio is positive (recent evaluations commissioned by Internal Audit and Evaluation) even without subscribing any economic benefits to activities that do not increase catch directly (eg. education, stock rebuilding, fishway projects, stock assessments, etc.)
- contributes to sustainable development through mitigation and compensation options

2. Role of Government Test

a) Is there a legitimate and necessary role for government in this program area or activity?

Yes: see 2.b) below

b) Is there an appropriate role for government to play?

Yes:

- government should set standards (fish culture, enhanced species, location and numbers)
 - government must guide enhancement decisions involving conservation, stock rebuilding and stock assessment, particularly in areas of international or aboriginal concerns
 - in strategic planning and evaluation
- c) What would be the impact of abandoning the activity or program?
- continued erosion of stock diversity, salmon abundance and habitat (particularly where stocks are depressed beyond the ability to recover naturally)
 - reduced catch with loss of economic, social, employment and environmental benefits. Enhanced production contributed 19% of the commercial and 34% of the recreational catch in 1992
 - foregone knowledge of the fisheries resource
 - public outcry with loss of a popular program

- loss of biological, scientific and engineering capability, as well as associated technical expertise
- reduced public awareness
- direct and indirect employment
- loss of ability to assess stock rebuilding programs (PST and Georgia Strait)

3. Federalism Test

- a) Is the current role of the federal government appropriate, or is the program or activity a candidate for realignment with the provinces?
 - as long as salmon are the Constitutional responsibility of the Minister of Fisheries and Oceans, and there are programs related to conservation, international and aboriginal issues, it remains appropriate for the federal government to continue operating SEP. A transfer of the program could only happen with constitutional change and a funds transfer to the province
- b) Why must the federal government be present in this area?
 - federal jurisdiction with international and aboriginal issues
 - salmon as an economic and social benefit to all Canadians
- c) Is it a constitutional or legal responsibility?
 - Yes, through the link with fisheries management and federal jurisdiction over coastal and inland waters
- d) What would be the consequences if the federal government withdrew from this activity?
 - more difficult to meet conservation goals and reduced fisheries management flexibility
- e) Could satisfactory results be achieved if the program was delivered by another order of government - the provinces or local authorities - and at what cost?

- possibly by the provincial government through delegated administrative authority - same cost or higher through loss of some linkages and efficiencies with stock management, habitat and research
- unlikely by local authority, unless benefits/revenues accrue locally
- some enhancement facilities may be effectively operated by a local authority - complex benefits accrued by many harvesters would have to be factored into the operating costs.

4. Partnership Test

a) What activities or programs should or could be provided in whole or in part by the private/voluntary sector?

- SEP now has partnerships in several program areas (eg. enhancement and habitat restoration with industry; volunteer fish production and habitat projects)
- stakeholders could provide more funding and operate fish product facilities - this embodies the gains of self-management
- development of new production projects could be contingent on new partnerships
- education/awareness components could be delivered by private sector

b) Could satisfactory results be achieved through private/voluntary sector action and at what cost?

- a greater partnership should be established with those who gain economically from fish production
- increased results could not be achieved through increased voluntary action alone, but significant gains may be made through high-level (corporate) voluntarism such as the Pacific Salmon Foundation

c) Under what conditions and at what cost could/should the activity or program be transferred?

- DFO must maintain responsibility for fish culture productions strategies (species, area, levels, etc.) and conservation
- fish production activities (costs) could be managed more by stakeholders, contingent on funding through license fees/royalties, etc.
- DFO would likely have to continue to fund some activities (eg. conservation and social initiatives like stock rebuilding projects and some CEDP projects)

5. Efficiency Test

- a) If the program or activity continues, how could its efficiency be improved?
- closure of inefficient fish production facilities. Note: facilities have value beyond fish production, such as social and environmental benefits. In the past, the value of these "soft" benefits have been weighted heavily, keeping some low performing facilities open
- general statement: financial, administrative and management of government should be changed to allow all program activities to explore efficiency gains, cost recovery/profit and user pay opportunities.
- b) What changes would you make to provide equal or better service at lower cost?
- provide incentives for performance (eg. job done at lower cost, manager keeps the savings for other tasks)
- introduce the operating principals of PS2000
- internal reorganization - consolidate engineering and biological support functions
- legislative change to allow directing revenue to specific projects, allowing profits and cost recovery and vote netting
- staffing/recruitment flexibility

6. Affordability Test

- a) Is the resultant package of activities/programs affordable within fiscal constraint?
- if SEP is allowed to make good business decisions
- SEP is a management tool and provides a service, those who what the service should pay (including government)
- b) Are the programs/activities that are considered essential to serve the public interest and represent an appropriate and necessary role for the federal government affordable given available resources?
- with some fiscal flexibility and provisions to generate revenues, SEP could meet current and increased production targets at a reduced cost
- c) If not, what programs/activities would be abandoned?
- lower priority projects - requires complete analysis of all benefits and costs

7. Additional Departmental Tests

- a) Should the delivery of the services be shared with other departments?
- no
- b) Should the delivery of the services be transferred to another department?
- no
- c) Are there opportunities to increase the level of cost recovery?
- increasing license fees, landing fees, etc.
- private corporation/public donations
- sell consulting services

- hatcheries could charge admission, sell products, sell publications, charge for tours and sport fishing opportunities, provide educational services
- sell surplus fish
- sell technology
- rent/lease facilities/labs to educational groups and provide instructors

d) How can delivery of the services become more effective or efficient?

- integrate habitat, harvest and production plans
- a new agency concept for the program should be explored
- consistent program priorities
- permit business decisions
- see 5.a) & b)

THE PROGRAM ENVIRONMENT IN THE YEAR 2005

What are the major external influences that may affect the program in the next ten or so years?

- government financial restraint
- environmental changes (el nino, global warming, habitat degradation) and biological changes (salmon population increases) are likely to result in reduced salmon abundance
- aboriginal issues
- increased scientific knowledge
- consumer tastes
- political forces
- increased recreational fishing demand (possible selective fishery on enhanced stocks)
- foreign fishing pressure

- population growth/food supply
- social reform
- changing federal/provincial relationships
- biodiversity commitment by federal government (UNCED)
- demands for new fisheries
- new technology
- public demand for consultation/involvement

THE PROPOSED PROGRAM

a) What should be the major features of the proposed program?

Option 1 Streamlined SEP

- remain operated by the Salmonid Enhancement Branch, reporting to the RDG, Pacific
- program savings would be found by dropping low priority/low B:C fish production facilities, shifting some program elements to the private sector and establishing cost recovery and user pay opportunities
- without legislative change, most new revenue and savings would go to the CRF with some limited opportunity to direct generated revenue through third parties (Pacific Salmon Foundation)

Option 2 New Agency - Fisheries Resource & Entrepreneurial Enhancement (FREE)

- would come under management by a private non-profit organization with a board of directors comprised of stakeholders, governments and public (see IAE evaluation recommendations by ARA, Pearce and Griggs)
- may employ instruments such as Special Operating Agency
- the management board would have to mesh with or anticipate board structures currently proposed through DFO Reform (salmon board may make SEP decisions but a SEP Board may make operating decisions)

- self-management feature would facilitate user-pay options (license fee increases or landing taxes), current license fees are at \$8 million, this could be increased to \$16 million (commercial and sport)
- the board would take responsibility for projects, budgets and operational decisions (ie. to close facilities or open new ones)
- contracts with the government would allow continuation of public interest, but non-production, activities
- over time a transition from mainly government funded and operated to more fishing interests funded and operated

APPENDIX V: DISCUSSION OF OPTIONS RESPECTING REPORTING RELATIONSHIPS FOR THE CONSERVATION AND PROTECTION PROGRAM

Two models for the reporting relationship for Conservation and Protection were identified. The following considerations are provided in respect of the options:

The "Area Management Model" is the current reporting relationship of field units through the Area Management Concept to the Regional Director of Fisheries and Habitat Management or Operations.

- The Area Management Model is premised on the notion that DFO programs are best delivered close to the clients.
- Empowering Area staff provides for the development of partnerships. Partnerships with stakeholders will require significant coordination between sectors to ensure their success.
- In this model, the Area Manager has overall accountability for program delivery within the areas subject to process protocols.
- Accountability accords between the Sector Directors at the regional level and the Area Managers are a key component of this model. The accountability accords would provide for the level and standards for C&P program delivery.
- For C&P program delivery within the Area management concept, there is a need for increased level of functional linkage between RHQ and NHQ.
- The linkages between the Areas and RHQ requires strengthening at the Director and Chief levels in the context of standards and approaches. This would provide for a level of consistent C&P program delivery and professionalism.
- Below the national level, there would be regional differences. However, there is a need for regional accountability for delivery of national core standards.
- Sector integration must be achieved to ensure that program delivery is achieved.
- Linkages between the sectors cannot be assured if line control exists only at the regional level.
- Regional C&P priorities must be developed in concert with the Area Managers and Area Chiefs. The area enforcement plans must fit within the context of regional and national priorities.
- Under the Area Management Model, there would be a need to strengthen the coordinating and corporate role of the Area Manager in the form of an audit and accountability function.

2: The "C+P Model": This Model would see a direct line reporting relationship with Regional Directors/Chiefs of C+P.

- Enforcement organizational structure needs to be delayered and professionally designed for effective delivery of Enforcement Programs (line vs functional mgmt.)
- The role of the enforcement sector would be strengthened through a line organization that reports from the field up through the Area Chief Enforcement

Officer, Regional director of C&P to a national Director General of Enforcement reporting to the Deputy Minister or the ADM of Fisheries Operations.

- All enforcement resources (including Ships and dockside monitoring resources) would be controlled and allocated by NHQ Enforcement Sector.

- Training of enforcement personnel should reflect requirements for the effective delivery of enforcement programs.

- The importance of the enforcement sector should be elevated/marketed both internally and externally.

- Only experienced enforcement personnel should be managing and directing enforcement operations.

- Communications linkages (vertical and horizontal) should be improved.

- An examination of the possibilities and opportunities arising from the creation of a federal enforcement program should be investigated .

- Regional Directors of Enforcement would be responsible for setting regional enforcement priorities and the allocation of resources.

- National and Regional Fish Management plans should receive the approval at the appropriate level from the enforcement sector.

- A national fisheries enforcement advisory board would be created representing all user groups, including aboriginal users, to provide advice to the Director General of Enforcement.

- A strong linkage should be created between the Enforcement Sector and the evolving management and advisory boards.

- Enforcement would be focused towards the community.

- The national enforcement program would include:

- Policy and Planning
- Training
- National Standards
- Research and Development
- Operational Reviews
- Regulations
- Education/Awareness
- Covert Operations

APPENDIX VI: CONSIDERATIONS FOR IMPLEMENTATION PROCESSES IN THE CONSERVATION AND PROTECTION PROGRAM

The transition to the "new" Conservation and Protection orientation would require:

- The acceptance of the advice by the department and the Minister through the Program Review Process (currently underway)
- Efforts to involve and engender the support of DFO affected employees (2 months)
- Development or clarification of MOUs with provinces and other departments (notably in the habitat management and enforcement area and in the management and enforcement of health and safety activities notably in the shellfish fisheries) to eliminate current areas of duplication.
- Consultations with stakeholders, generally by fishery sector, to describe the new mandate and role, to define the degree to which DFO can afford to enforce FHMPs and to build partnerships that will allow stakeholders to add non-conservation based programs that they believe are important to their interests. This would be carried out by focusing first on those fisheries where these processes are already underway (and increasing the pace of reform) or where fisheries are deemed profitable; and later in fisheries where downsizing is first required. (progressively over five years)
- The development of the organizational structures, work descriptions and reporting relationships to allow for specialization of field personnel (6 months, April 1, 1995).
- The transition to the new structures and roles, and including the passing of the non-enforcement roles to others, would follow immediately and would progress over the shortest time period possible under protocols between the C+P group and the group receiving the service.

It is suggested that the re-engineering of duties and the restructuring of the organization will be a complex task demanding considerable communication, consultations, analysis of appropriate staff levels in the specialized units, work description drafting, etc. It would appear appropriate that national and regional teams be established to lead this work, but given workload demands, consultant support should be hired to complete the activities. Specific project teams (with consultant support) should be put in place to further develop and refine the wide range of efficiency gain options associated with consolidation of offices, the sharing of services and the wide range of other cost recovery options.

Given the significant structural changes proposed in the specialization model, there will be considerable impact on the nature of peoples' jobs and, eventually on pay levels. The design/implementation teams should be directed to consider meaningful communications and team approaches as their first priority in the reengineering process.

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