



Fisheries and Oceans Canada

Performance Report

For the
period ending
March 31, 1996

Improved Reporting to Parliament –
Pilot Document

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Foreword

This document was prepared as phase two of the Improved Reporting to Parliament Project which has been established within the Treasury Board Secretariat to improve the Expenditure Management information provided to Parliament, and to update the processes used to prepare this information. This is part of a broader initiative known as “Getting Government Right” to increase the results orientation and increase the transparency of information provided to Parliament.

During the period from August 1995 to June 1996, extensive consultations were held with Members of Parliament and other key stakeholders to examine options to improve the information provided to Parliament. A clear requirement was identified to provide a focus on departmental performance and actual results achieved.

In June, 1996 the House of Commons gave its concurrence to tabling, on a pilot basis, separate performance reports from sixteen departments and agencies. These pilot documents will be evaluated, and if Parliament and others endorse the approach, Parliament will be asked to formally approve the introduction of separate performance reports for all departments and agencies beginning in the fall of 1997.

These documents are also available electronically from the Treasury Board Secretariat Internet site: <http://www.tbs-sct.gc.ca/tb/key.html>

Comments or questions about this document, or the Improved Reporting to Parliament Project, can be directed to the TBS Internet site, or to:

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**DEPARTMENT OF FISHERIES AND OCEANS
PERFORMANCE REPORT
FOR THE PERIOD ENDING
MARCH 31, 1996**

PILOT DOCUMENT

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SECTION 1

THE MINISTER'S MESSAGE

This past year was one of considerable success for the Department of Fisheries and Oceans (DFO) despite significant reductions in human and financial resources.

Following its recent merger with the Canadian Coast Guard (CCG), DFO is building on the strengths of the two organizations. The year has been marked by great change as the two departments integrated their established cultures, strong traditions and long histories. It is from this alliance that a new, streamlined organization is emerging. To this end, the Department's structure — formerly made up of 12 regions — now consists of 5.

The merger does bring with it echoes of days past as we witness the re-establishment of Canada's principal civilian fleet under one federal organizational entity, dedicated to the safety of seafarers and the preservation and development of Canada's ocean resources.

Amalgamation of the two fleets of vessels has resulted in greater flexibility whereby vessels may be used for multiple tasks. Furthermore, Canada has a stronger surveillance and enforcement arm, a reality that was clearly demonstrated during the dispute with the European Union (EU) over turbot.

In response to the public's demand for better and more affordable government, economies and efficiencies have already begun to be realized. While cost reduction is a priority, it will be attained in balance with the department's enduring commitment to marine safety. Safety standards will be upheld, but at a lower cost, as the organization implements alternate methods of program delivery; exciting innovations with modern, more efficient technologies and implementation of fees for some direct services.

Conservation and rebuilding of fish stocks are among the highest priorities of fisheries policy as committed to by this government.

Steps have been taken to revitalize the West Coast fishery and to conserve West Coast stocks that are fragile.

Strict measures previously put in place to conserve the resource on the East Coast are still in effect. Also, the moratoria on many groundfish stocks enacted some time ago have all been maintained. In addition to carrying out its regular stock assessments, the Department has initiated sentinel fisheries. These involve fishers working with DFO scientists in the collection of data on the status of groundfish stocks currently under moratoria.

Earlier last year, the Department was successful in reaching agreement with the EU on conservation measures that were implemented for fisheries in the Northwest Atlantic Fisheries Organization's (NAFO) regulatory area. Many of the measures, including having

THE MINISTER'S MESSAGE

observers on all Canadian and EU fishing vessels, were later accepted by NAFO for its member states. The adoption of an agreement by the United Nations Conference on Straddling and Highly Migratory Fish Stocks is another major step for conservation of stocks outside the 200-mile limit. Canada, a signatory to the agreement, has made its early ratification and entry into force a priority. These measures are having a beneficial effect on resources inside and outside the exclusive 200-mile fishing zone.

DFO has been working more closely with its stakeholders to improve the delivery of programs. Collaborating with First Nations under the Department's Aboriginal Fisheries Strategy (AFS) remained a priority. This is an area of substantial progress. Fisheries agreements were reached with 90 per cent of First Nations involved in the AFS prior to the 1995 fishing season. On both coasts, improved collaboration marked the relationship between DFO and First Nations for proper management of fisheries and implementation of fishing agreements.

DFO's core functions are clearly defined and in the future its work force will be fully integrated, with the capacity to fulfill a number of functions. The focus for the medium term is on working with stakeholders and sharing the responsibility for determining and furnishing services.

This pilot report, initiated under the government's Improved Reporting to Parliament Project, documents the Department's performance. We welcome the views of those who are interested in the Department and look forward to having the benefit of their perspective.

The Honourable Fred J. Mifflin

SECTION 2

DEPARTMENTAL OVERVIEW

MANDATE

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

The jurisdictional framework in Canada is such that all levels of government have some responsibility in the country's fishery, coastal and marine resources. Provincial governments contribute significantly to fisheries and oceans issues. Aboriginal groups and fisheries and marine industries are also important contributors to fisheries and oceans management, as are universities and scientific institutions. The mandate, program objective, long-term priorities and goals, and business lines described in this document refer to those responsibilities that fall under federal jurisdiction.

VISION AND MISSION

The departmental **vision** is

- to be a world leader in oceans and aquatic resources management.

The departmental **mission** is

- to manage Canada's oceans and major waterways so that they are clean, safe, productive and accessible, to ensure sustainable use of fisheries resources and to facilitate marine trade and commerce.

LONG-TERM PRIORITIES AND GOALS

Manage and Protect the Fisheries Resource: To manage, protect and allocate living ocean resources supporting self-reliant fisheries by conserving Canada's fisheries resources and ensuring sustainable utilization.

Manage and Protect the Marine and Freshwater Environment: To achieve an integrated, cohesive approach to the management of the marine and freshwater environment through stewardship and protection of productive fish habitat and reduction in the risks and impacts of oil and chemical spills at sea.

Understand the Oceans and Aquatic Resources: To acquire, apply and communicate knowledge on Canada's oceans, as well as on marine and freshwater resources, to support the activities of clients, partners and the operational branches of DFO.

Maintain Maritime Safety: To improve the safe use of the marine and freshwater environment in order to reduce the number and severity of incidents such as collisions and groundings, and to provide aid to persons in distress or imminent danger, thereby minimizing loss of life and damage to property.

Facilitate Maritime Trade, Commerce and Ocean Development: To develop the requisite policy and regulatory framework, and to provide the operational services that support commercially sustainable maritime industries.

In support of these goals, the Department will maintain the infrastructure and service base required to provide staff with the information, technology and support needed to achieve DFO's vision and mission, in Canada and abroad, in a timely and cost-effective manner. DFO will also encourage employees in the achievement of their goals through an atmosphere characterized by effective communications and clear accountabilities and through the implementation of training and development programs. As DFO seeks to harmonize its programs with those of the provincial and territorial governments, the Department will also be placing greater emphasis on consultation with all stakeholders to ensure that its decision-making is responsive to their needs. As well, DFO continues to remain committed to cost recovery of appropriate services and activities providing benefits to users.

ORGANIZATION AND PROGRAM COMPOSITION

The Assistant Deputy Ministers (ADMs) and the Commissioner of the Canadian Coast Guard (CCG) are accountable to the Deputy Minister for the key results of the business lines for which they are responsible.

The program is delivered in five regions, each headed by a Regional Director General (RDG). The RDGs have the responsibility for the day-to-day activities in the region. As part of the planning process, each RDG develops a regional plan that reflects undertakings agreed to with each ADM.

The following table outlines the contribution of DFO business lines to departmental priorities and indicates the ADM (or Commissioner) responsible.

DFO Business Lines: Contribution to Departmental Priorities

Business Line	Departmental Priorities					Accountable Manager
	Understand the oceans and aquatic resources	Manage and protect the fisheries resource	Manage and protect the marine and freshwater environment	Maintain maritime safety	Facilitate maritime trade, commerce & ocean development	
Marine Navigation Services			✓	✓	✓	Commissioner, CCG
Marine Communications and Traffic Services			✓	✓	✓	Commissioner, CCG
Icebreaking Operations			✓	✓	✓	Commissioner, CCG
Rescue, Safety and Environmental Response			✓	✓	✓	Commissioner, CCG
Hydrography	✓			✓	✓	ADM, Science
Fisheries and Oceans Science	✓	✓	✓		✓	ADM, Science
Habitat Management and Environmental Science	✓	✓	✓		✓	ADM, Science
Fisheries Management		✓	✓			ADM, Fisheries Management (1)
Fish Product Inspection					✓	ADM, Industry Services
Harbours					✓	ADM, Industry Services
Fleet Management	✓	✓	✓	✓	✓	Commissioner, CCG
Policy and Internal Services	✓	✓	✓	✓	✓	ADM, Corporate Services ADM, Policy

(1) Within Fisheries Management, accountability for Special Capacity Reduction Programs rests with ADM Policy.

SECTION 3

CORPORATE PERFORMANCE

Corporate performance should be linked to DFO's strategic goals and priorities over the longer term. In the shorter term, corporate performance is linked to the initiatives undertaken for the successful merger of the CCG and DFO during 1995-96 and beyond.

The table on page 5 shows the relationship between departmental goals and priorities and the business lines. Business line performance, as it relates to each goal or priority, can provide a measure of corporate performance. There are also corporate-level performance indicators that are linked more directly to long-term goals or priorities by providing information on trends in maritime safety, and the overall status of the industry. These demonstrate a more global view of departmental performance, providing some context for business line performance and for situating the Department within its environment. Long-term goals and priorities do not have resources allocated to them, so corporate-level performance indicators need to be related to total departmental expenditures. It should also be noted that corporate indicators are almost always affected by factors outside the control or influence of the Department. It may be difficult to attribute changes in performance to departmental actions alone.

DFO is at an early stage in developing both corporate and business line performance indicators. This work is essential if a sound performance measurement regime linked to resources is to be used for key policy and program decisions. The Department is committed to developing a performance measurement system. It will be using tools such as the Fall Performance Report to promote a multi-year strategy to implement performance-based management.

COMMITMENT

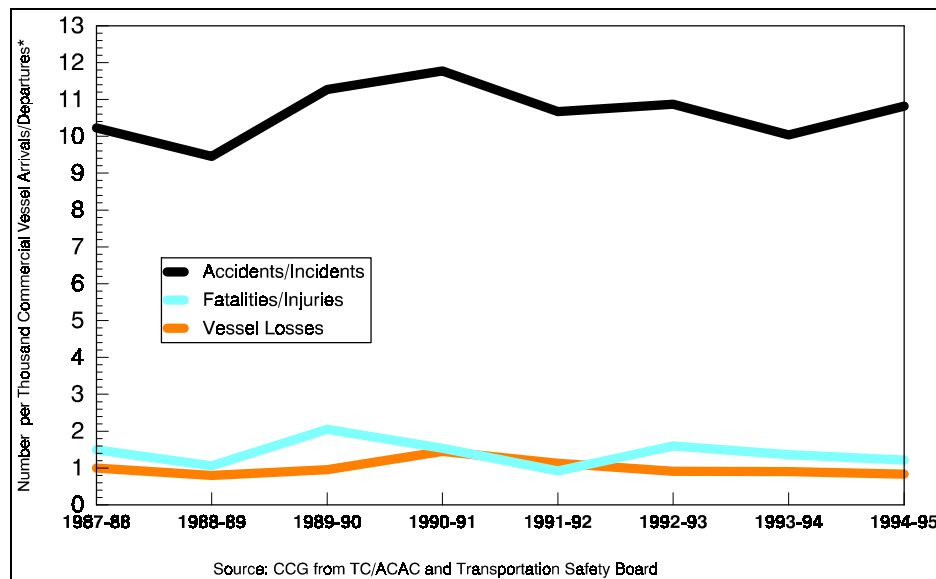
DFO is working on a multi-year strategy to implement performance-based management

DFO can report the following corporate-level performance information.

MARITIME SAFETY TRENDS

DFO promotes maritime safety by improving the safe use of the marine and freshwater environment to reduce the number and severity of accidents such as collisions and groundings, and to provide aid to persons in distress or imminent danger, thereby minimizing loss of life and damage to marine property. Figure 1 provides a long-term view of marine safety for commercial shipping as indicated by accident, vessel loss and fatality rates.

Figure 1: Reported Marine Accidents, Vessels Lost and Fatalities per Thousand Commercial Vessel Movements



* Includes total commercial vessel arrivals and departures at Canadian ports as reported to Statistics Canada and excludes Canadian fishing vessels and pleasure craft.

There is some year-to-year variation in the safety indicators for commercial shipping shown above; however, trends have remained relatively stable going back to 1987-88. It can therefore be concluded that there has been neither a significant improvement nor deterioration in Canada's marine safety record from 1987-88 through 1994-95. Safety indicators using search and rescue data that include fishing and pleasure craft can be seen in Figure 2 to Figure 5, starting on page 15.

FISHERIES, MARINE TRANSPORTATION, OCEANS SECTOR TRENDS

Available information on the state of Canada's fisheries, its marine transportation and its oceans sector provides some context for the Department's role in developing an appropriate policy and regulatory framework, and providing the operational services that support commercially sustainable maritime industries.

- ❑ Despite the problems experienced in some fisheries, the fishing sector as a whole is doing well. In 1990 the total value of fish landed during the year was \$1.5 billion. By 1994 this had increased to \$1.7 billion, the highest value on record.
- ❑ Growth in the shellfish sector is the main factor in the increased values of landings: they increased from 36% of the total value in 1990 to 60% in 1994.

FISHERIES IMPACT

- *1994 total landings — \$1.7 billion, highest on record*

- ❑ In the fish harvesting and processing sectors, there are 67,150 active fishers, 1,100 importers, and 75,250 workers in 1,300 plants.
- ❑ There are 5,200 jobs in the aquaculture sector. In addition, over six million recreational fishers generate 150,000 full-time jobs.
- ❑ There have been major long-term improvements in the value of output from Canada's commercial aquaculture operations, from \$7 million in 1984 to \$290 million in 1993.
- ❑ The marine transportation and manufacturing sector generates \$3.4 billion a year in revenues and employs 37,000 Canadians.
- ❑ Canada transports 41% of its imported and exported freight by water.
- ❑ Goods valued at \$84 billion were transported by water.
- ❑ In the oceans manufacturing and services industries, there are approximately 450 firms, with 8,100 employees making major contributions to strategic sectors of the ocean economy, such as offshore petroleum development.
- ❑ The oceans sector generates more than \$7.9 billion of Canada's gross domestic product (GDP). About 60% of this is generated by the marine shipping (33%), shipbuilding (14%), manufacturing and services (10%) and oil and gas industries (4%).
- ❑ The remaining 40% is primary and secondary production in fisheries and aquaculture, which contributes \$3.2 billion to GDP. It provided a surplus of \$1.5 billion to Canada's international trade balance in 1993.

MARINE TRANSPORTATION

- *\$84 billion in goods moved*
- *41% of freight transported by water*

OCEANS SECTOR

The oceans sector generates more than \$7.9 billion of Canada's GDP

TRANSITION ACHIEVEMENTS

The April 1995 merger of DFO and the CCG created a new department with approximately 11,700 full-time equivalents (FTEs) and a budget of \$1.3 billion. During 1995-96, there have been major efforts to integrate the two components of the new Department of Fisheries and Oceans. At the same time, DFO is implementing and refining the results of the review of federal programs (Program Review) to reduce net spending by 32% for the four-year period ending in 1998-99. To this end, net savings of \$173 million were achieved in 1995-96.

A key achievement for the Department has been the merger of the CCG and DFO fleets to create a single, multi-tasked fleet that efficiently delivers quality services to clients. While fleet reduction was already under way, the merger has accelerated and facilitated this process. The result will be a fleet almost one third smaller and a 40% reduction in fleet personnel over the period 1990 to 2000. Prior to the merger there were three fleets: the white Science fleet, the gray Fisheries Enforcement fleet, and the red and white Coast Guard fleet. In the new fleet, all vessels are progressively moving to red and white markings. To minimize costs, this is being done as part of regular maintenance and refit schedules.

KEY ACHIEVEMENT

Merger of the CCG and DFO fleets to improve efficiency and quality of service delivery

Shortly after the merger, several projects were identified as essential for the Program Review and the merger, including the following, which were completed in 1995-96.

- ❑ The 12 regions of DFO have been reduced to 5.
- ❑ A management model outlining the role and responsibilities of headquarters and the regions has been developed and put in place.
- ❑ The transfer of corporate support from Transport Canada to DFO was completed with Treasury Board Secretariat support.
- ❑ The issue of ship safety was resolved through agreement that responsibility would rest with Transport Canada.
- ❑ Operational support for the CCG, Fisheries Management and Science fleets is now functioning under one authority.

Other transition achievements worthy of note are as follows.

- ❑ A National Advisory Committee with a mandate to provide employees a conduit to send feedback to senior management on issues related to Program Review and the merger has been established with representatives in each region.
- ❑ A strategic framework giving the Department a vision, mission, objectives and long-term goals has been put in place.
- ❑ Corporate Services Redesign is under way with a target to reduce 45% in overhead.
- ❑ Program Review targets for the first two years are on track, and plans for future years have been drafted.
- ❑ The Departmental Organizational Structure is 90% complete with the staffing of senior positions and restructuring of the management committee.

FINANCIAL INFORMATION BY AUTHORITY

The following table summarizes the Department's expenditures in 1995-96.

Vote	(thousands of dollars)	Main Estimates 1995-96*	Actuals 1995-96
1	Operating expenditures	508,437	954,730
5	Capital expenditures	84,783	149,446
10	Grants and contributions	266,114	78,846
(S)	Minister of Fisheries and Oceans — Salary and motor car allowance	49	46
(S)	Liabilities under the <i>Fisheries Improvement Loans Act</i>	200	—
(S)	Contributions to employee benefit plans	36,922	69,421
(S)	Refunds of amounts credited to revenues in previous years	—	100
(S)	Collection Agency Fees	—	17
(S)	Spending of proceeds from the disposal of surplus Crown assets	—	974
Total Department		896,505	1,253,580

* The 1995-96 Main Estimates exclude an amount of \$575,849,000 related to the transfer of responsibilities for the Canadian Coast Guard to the Minister of Fisheries and Oceans; this amount was included in the 1995-96 Main Estimates for Transport Canada.

SECTION 4

BUSINESS LINE PERFORMANCE

The Department's business line performance is based on objectives and commitments for key results for each business line. For 1995-96, it includes global performance information for the Canadian Coast Guard (CCG).

PERFORMANCE COMMITMENTS

The following table outlines the DFO performance commitments that appear in the 1996 Treasury Board President's report to Parliament, *Getting Government Right: Improving Results Measurement and Accountability*.

DFO Performance Commitments

To provide Canadians with —	To be demonstrated by —
<p>Marine Navigation Services Efficient operation of aids to navigation to assist mariners in determining their position in relation to land and hidden dangers, in order to reduce navigation risk and vessel transit time, in support of a safe and environmentally sound national transportation system.</p>	<ul style="list-style-type: none"> Minimized risks for injury, loss of life, threats to the environment, loss of property or undue economic loss resulting from impediments and obstructions to navigation.
<p>Marine Communications and Traffic Services Communications and traffic services for the marine community and for the benefit of the public at large to ensure: safety of life at sea in response to international agreements; protection of the environment through traffic management; efficient movement of shipping; information for business and national interests.</p>	<ul style="list-style-type: none"> Access to a comprehensive, efficient, timely, and responsive marine communications and traffic services network which reduces the risk and incidence of marine accidents, marine pollution, and lives lost at sea and enhances the economic/operational performance for both marine industry and government programs.
<p>Icebreaking Operations Support for economic activities by facilitating safe and efficient movement of marine traffic through ice-covered waters in the Arctic and in southern waters which includes the Great Lakes and east coast of Canada; a decrease in the risk of flooding in areas prone to or threatened by it as a result of ice build-up; assurance that Northern settlements and military sites are resupplied annually.</p>	<ul style="list-style-type: none"> Minimized risks for injury, loss of life, loss of property, threats to the environment, or undue economic loss, due to ice for vessels travelling in Canadian waters.

DFO Performance Commitments (cont'd)

To provide Canadians with —	To be demonstrated by —
<p><i>Rescue, Safety and Environmental Response</i> Life saving and the protection of the marine environment.</p>	<ul style="list-style-type: none"> • Acceptable levels of risk for injury, loss of life, threats to the environment and loss of property through timely, efficient and effective response to marine search and rescue incidents; timely, efficient and effective response to marine oil and chemical emergencies; and safe recreational boating through safety promotion and regulatory activities.
<p><i>Hydrography</i> A reliable scientific basis to enhance the safety and efficiency of navigation for vessels operating in Canadian and bordering international waters.</p>	<ul style="list-style-type: none"> • Improved scientific understanding of, and improved accessibility to information on water depths, tides, currents, water levels, and geographic relationship between Canadian waters, adjacent waters, and the Canadian landmass to enhance safe and efficient transportation and to satisfy other client needs.
<p><i>Fisheries and Oceans Science</i> A reliable scientific basis for the conservation of marine and anadromous fishery resources, and for the sustainable development of aquaculture; scientific information on ocean and coastal waters and ecosystems in support of integrated resource management, offshore development, climate prediction, marine services, coastal engineering, defense and shipping.</p>	<ul style="list-style-type: none"> • Achievement of a reliable scientific basis for fisheries resource conservation. • For aquaculture, the transfer of knowledge and technology from research projects to make possible the cultivation of new species, and success in preventing the spread of fish diseases.
<p><i>Habitat Management and Environmental Science</i> Achievement of marine environmental and fish habitat protection and conservation through an integrated approach.</p>	<ul style="list-style-type: none"> • Healthy and productive aquatic ecosystems through improved scientific understanding and effective management.

DFO Performance Commitments (cont'd)

To provide Canadians with —	To be demonstrated by —
<p><i>Fisheries Management</i> Conservation and protection of Canada’s fishery resource and, in partnership with stakeholders, assurance of its sustainable utilization.</p>	<ul style="list-style-type: none"> • Enhanced conservation and biological sustainability of fish stocks both within and adjacent to Canada’s 200-mile zone through an integrated approach to resource management; • An industry characterised by a reduced number of vessels and professional participants who will share responsibility and accountability for the co-management of the resource; • An integrated monitoring and enforcement regime which contributes to the conservation and sustainability of the resource by enforcing compliance with regulations promulgated under the Fisheries Act.
<p><i>Fish Product Inspection</i> Reasonable assurance that fish and fish products for domestic and export trade meet Canadian or foreign country grade, handling, identity, process, quality and safety standards.</p>	<ul style="list-style-type: none"> • Domestic and imported fish and fish products that meet appropriate national and international safety, quality and identity standards.
<p><i>Harbours</i> Harbours critical to the fishing industry open for business and in good repair; divestiture of recreational harbours from inventory.</p>	<ul style="list-style-type: none"> • A locally managed network of core fishing harbours that are safe, accessible and operable.
<p><i>Fleet Management</i> Efficient sea and air support to the DFO program areas of Marine Navigation Services; Marine Communications and Traffic Services; Icebreaking Operations; Rescue, Safety and Environmental Response; Fisheries Management; Fisheries and Oceans Science; and Hydrography.</p>	<ul style="list-style-type: none"> • Access to appropriate, cost efficient, effective sea and air platforms for the delivery of marine operational activities.
<p><i>Policy and Internal Services</i> To support the above business lines, the Department will maintain the infrastructure and service base required to provide staff with the information, technology and support needed to achieve DFO vision and mission, in Canada and abroad, in a timely and cost effective manner.</p>	<ul style="list-style-type: none"> • A department fully supported by policy, communications and other corporate services such as finance and human resources, based on quality service delivery, appropriate infrastructure and functional expertise.

GLOBAL PERFORMANCE INDICATORS FOR THE CANADIAN COAST GUARD

The long-term outcome of all CCG business lines (Marine Navigation Services; Marine Communications and Traffic Services; Icebreaking Operations; Rescue, Safety and Environmental Response; and Fleet Management) is to contribute to the provision of a safe, efficient and environmentally sound marine transportation system. The long-term or strategic effectiveness of all these business lines can be measured by the following:

- ❑ trends in the number of marine accidents, fatalities and vessels lost per thousand commercial vessel arrivals and departures (Figure 1, on page 7);
- ❑ safety trends as indicated by search and rescue statistics (Figure 2 to Figure 5, starting on page 15);
- ❑ changes in key economic marine indicators (Figure 6, on page 17); and
- ❑ client satisfaction with levels of service (Exhibit 1, on page 18).

Canadian Coast Guard performance indicators for marine safety and economy and client satisfaction cross CCG business lines

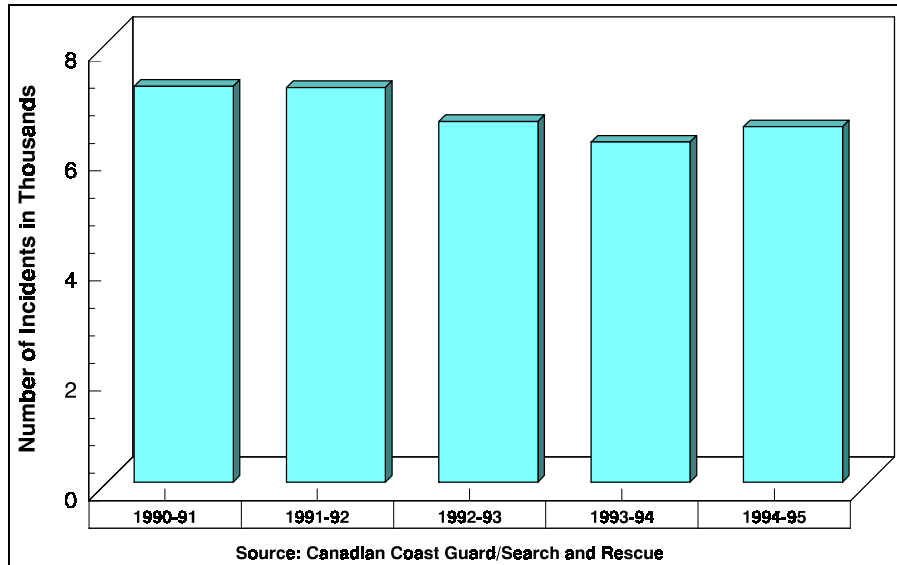
The following 1995-96 achievements, all crossing CCG business lines, have contributed significantly to the accomplishment of key results and the management of change.

- ❑ New technologies: working closely with industry and other government departments, CCG has tested and proven successful new technologies such as the Automatic Ship Identification System, the Differential Global Positioning System, infrared technology in support of oil spill response and enhanced ice reconnaissance technology.
- ❑ To improve services and make them even more cost effective and useful to stakeholders, CCG has accomplished extensive consultations: CCG has conducted more than 150 hearings with the marine sector and other interested citizens and community groups.
- ❑ Regional restructuring has been completed to improve marine operations and technical service delivery and to ensure the cohesive implementation of the new Department of Fisheries and Oceans.

PERFORMANCE INDICATORS

CCG plays an important role in ensuring safe passage of marine traffic in Canadian waters. Trends in the number of marine accidents, fatalities and vessels lost per thousand commercial vessel arrivals and departures are presented in Figure 1. These safety indicators focus on commercial shipping. See Figure 2 through Figure 5 for a more detailed consideration of safety in the context of fishing and pleasure craft.

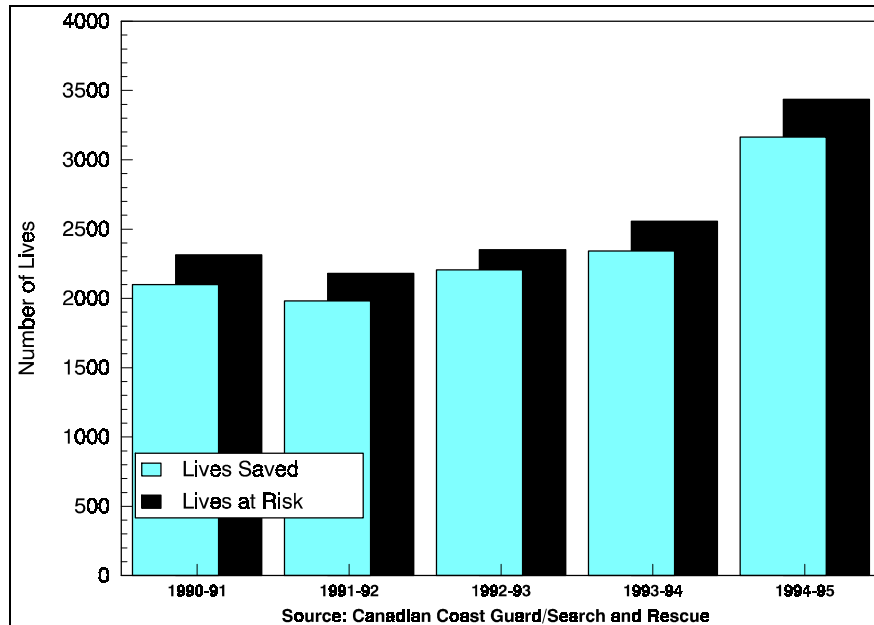
Figure 2: Marine Search and Rescue Incidents



Note: Includes marine and non-marine incidents reported in all Coast Guard Regions.

Figure 2 shows that the 6,465 incidents handled by Search and Rescue (SAR) in 1994-95, the most recent year for which there is complete data, represent a 4.5% increase over the 6,185 incidents in 1993-94.

Figure 3: Marine Search and Rescue, Lives Saved versus Lives at Risk



As shown in Figure 3, lives at risk in incidents where SAR personnel were called upon totalled 3,436 in 1994, the most recent year for which there is complete data. This figure compares to 2,557 lives at risk in the previous year. Lives lost as a result of these incidents rose to 273 in 1994 from 214 the year before, an increase of 27.5%.

Figure 4: Number of CCG Marine Search and Rescue Taskings

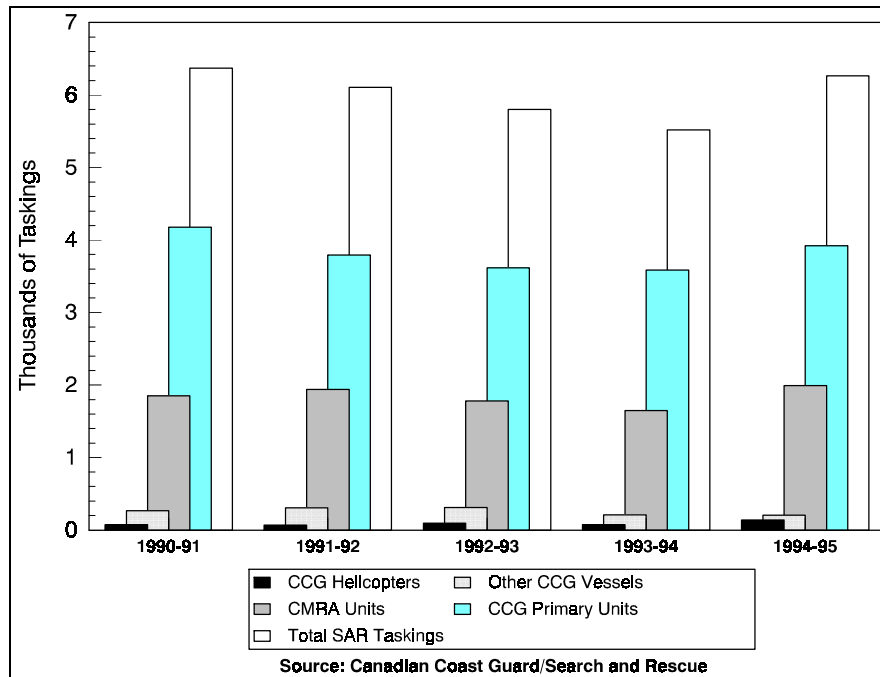
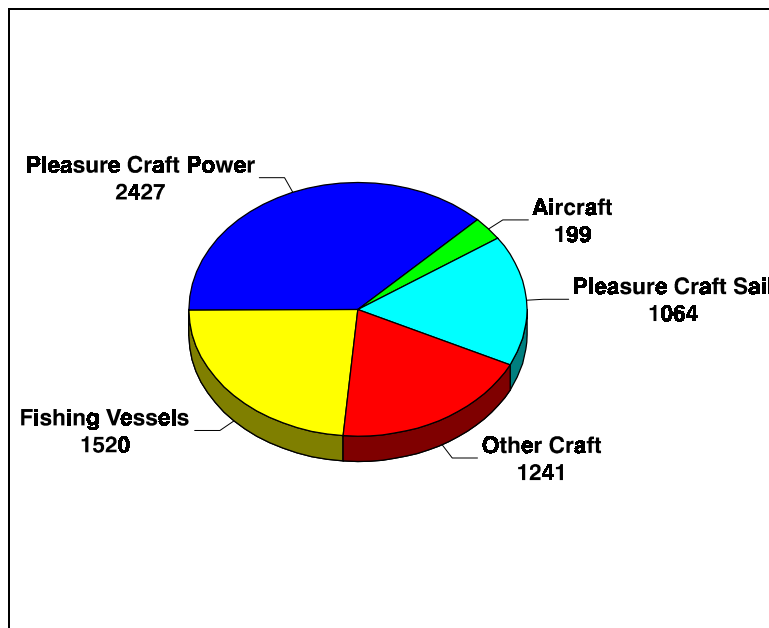


Figure 4 shows the breakdown of SAR taskings among the participating entities. In 1994, the most recent year for which there is complete data, SAR taskings totalled 6,263, a 13% increase over 1993. Of the total number of taskings undertaken in 1994, almost two thirds were undertaken by CCG SAR's Primary Units, while the remaining one third were handled by Canadian Marine Rescue Auxiliary (CMRA) Units, figures that mirror those seen in the previous year.

Figure 5: Types of Craft Assisted, 1994



The SAR system has a Canadian client base of approximately 4,000 commercial vessels, 40,000 fishing vessels and between 1.9 and 2.1 million pleasure craft. Added to these vessels are international vessels transiting or visiting Canada and the tens of millions of air travellers who pass over marine areas. Figure 5 provides a national breakdown of the types of craft that received assistance in 1994.

Figure 6: Annual Percentage Change in Key Economic Indicators

Indicator	1991-92	1992-93	1993-94	1994-95
Expenditures per Million Tonnes of Cargo (\$)	-4.6	4.7	3.6	-6.8
Expenditures per Million Tonnes of Cargo Handled by CCG Region (\$)	-4.0	5.5	4.2	-8.3
Expenditures per Vessel Movement (\$)	-0.6	1.6	11.8	-12.8
Gross Operating Expenditures	-4.8	-1.2	3.0	-3.9

With only four years of data for the economic indicators in Figure 6, it is difficult to determine trends. Data suggest that declining marine traffic levels in 1992 and 1993 may have undermined a trend toward improved efficiency in CCG operations in support of commercial shipping, as indicated by annual percentage changes in CCG expenditures per vessel movement and per million of tonnes of cargo handled.

EXHIBIT ONE: CLIENT SATISFACTION

SYNOPSIS OF NATIONAL INPUT, COAST GUARD LEVELS OF SERVICE CONSULTATIONS

Attendance at most of the public consultation sessions across the country was low. Possible reasons for this low attendance included limited advance notification of the sessions, the opening of various fishing seasons and perhaps a general level of apathy or cynicism towards “being consulted.” The low attendance diminished the overall credibility of the consultation process in some regions. However, the Coast Guard engaged in lively and useful discussions with its principal stakeholders, even in cases where few participants did turn out. Most participants noted that they view the Coast Guard as a professional organization for which they have great respect. They were pleased to be invited to the consultations, but in many cases did not feel that the timing was right.

Many participants felt comfortable discussing which services could be maintained, improved, abolished or streamlined to adapt to the new financial conditions. Some participants felt that current Coast Guard services were at a minimal level, and that any reductions would severely compromise safety. Many wanted to recommend where the Coast Guard should, in fact, increase services. Some were eager to challenge existing services without necessarily considering the impact on other users. While most participants understood the need to reduce government expenses, many believed the Coast Guard should not be a target. A majority of participants favoured the imposition of user fees over cuts to services. Some had the perception that operations were being targeted unfairly and that cuts in regional and national headquarters staff should continue.

Session participants often noted that the Coast Guard’s services are interrelated. A cut in one area may affect another. An example raised at a number of sessions was that a reduction in the number of aids to navigation would likely cause more boating accidents, thus increasing the number of Search and Rescue taskings. A number of participants noted that further cuts to services or charging user fees could have a detrimental impact on tourism and the marine industry. Overall, many of the recommendations for streamlining or eliminating various services — for instance, transferring environmental response programs to private contractors — were already being considered or implemented by the Coast Guard. The public consultations were useful to confirm the need for and acceptance of these initiatives, and provide further ideas on how to increase their effectiveness.

SPECIFIC BUSINESS LINE PERFORMANCE

1) MARINE NAVIGATION SERVICES

OBJECTIVE

To provide and ensure efficient operation of aids to navigation to assist mariners in determining their position in relation to land and hidden dangers, in order to reduce navigation risk and vessel transit time, in support of a safe and environmentally sound national transportation system.

DESCRIPTION

Marine Navigation Services (MNS) provides, operates and maintains a system of aids to navigation, provides waterways development and maintenance, and ensures protection of the public right to navigation and protection of the environment.

1995-96 RESOURCES UTILIZATION

\$175 million and 1,617 FTEs (see Appendix A).

PERFORMANCE

KEY RESULTS

- Minimize the risks for injury, loss of life, threats to the environment, loss of property or undue economic loss resulting from impediments and obstructions to navigation.

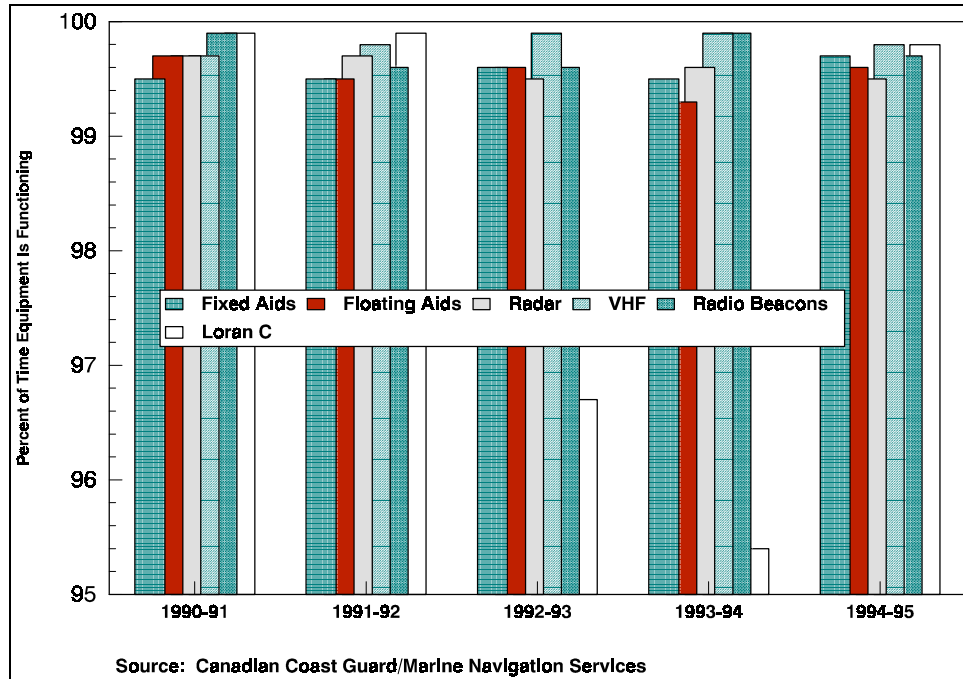
Analyses of long-term or strategic effectiveness, as shown in the CCG global indicators, continue to play a meaningful role in assessing the effectiveness of the national marine transportation system; however, because this is a shared outcome, quantitative performance measures of MNS's specific contribution are difficult to extract. In future, measures may include:

- quantifying established MNS levels of service. At the same time, as service levels continue to be rationalized, performance could be measured through changes in demand and resulting decreases in system costs;
- measuring ship movements and the costs of using the system (e.g., enhanced costing models for short-range aids and associated usage by client group and geographical area);
- indicators that provide a more meaningful measure of the broader socio-economic impacts of the MNS business line; and
- qualitative descriptions or anecdotal information.

Gauging the level of decreased risk specifically attributable to the MNS business line is equally problematic to quantify. Nevertheless, over time, the value of decreased risk may be measured by alternative economic indicators such as relevant changes in insurance rates. Nonetheless, specific data are available that measure the effectiveness of MNS tools that *contribute* to reduced risk. For example, marine buoys, beacons, range-lights and other visual

aids are put in place, in accordance with internationally accepted standards, for marine users. These reduce risk by permitting users to move through navigable waters more safely and effectively than if the aids were not there. A trend analysis of the reliability of this equipment, by proxy, may reflect an annual level of risk avoidance (Figure 7).

Figure 7: Functioning Time for Marine Aids to Navigation



1995-96 achievements that have significantly contributed to the accomplishment of key results and change management: In partnership with Indian and Northern Affairs Canada, the Government of Saskatchewan and the Prince Albert Grand Council, CCG helped establish a surface supply route to communities in the Athabasca region as an alternative to the river barging, which relies mainly on CCG dredging.

MNS CHANGE MANAGEMENT SUMMARY

- ❑ CCG has started phasing out dredging services on the Fraser, Saint John and St. Lawrence rivers. CCG is continuing to withdraw from dredging responsibility for main channels supporting self-sufficient Port Authorities; to withdraw from all dredging responsibilities with the exception of those related to obligations made under existing treaties; and to assist local groups to provide navigational aids for minor inland waters.
- ❑ Advisory boards have been established to provide ongoing advice on service requirements. Ultimately, costs and service levels for aids to navigation will be lowered by reducing or eliminating equipment and maintenance requirements.

- ❑ CCG is implementing satellite technology to enhance navigation and environmental protection and to substantially reduce the costs of the national, main channel buoy system. Installation of the first 11 stations has been completed.
- ❑ CCG is implementing a marine services fee to commercial shipping to recover a portion of the full cost of providing navigational services, and implementing a fee for examination of applications under the *Navigable Waters Protection Act*. The first phase of the marine services fee was implemented on June 1, 1996.

MNS CHANGE MANAGEMENT

- *Withdrawal from some dredging responsibilities*
- *Lowered costs and reduced service levels for aids to navigation*
- *New satellite technology to enhance navigation and environmental protection*
- *A portion of full cost of service recovered from commercial shipping*

2) MARINE COMMUNICATIONS AND TRAFFIC SERVICES

OBJECTIVE

To provide communications and traffic services for the marine community and for the benefit of the public at large to ensure: safety of life at sea in response to international agreements; protection of the environment through traffic management; efficient movement of shipping; information for business and national interests.

DESCRIPTION

Marine Communications and Traffic Services (MCTS) provides distress and safety communications and coordination, vessel screening to prevent entry of unsafe vessels into Canadian waters, regulation of vessel traffic movements, and management of an integrated system of marine information and public correspondence services. In addition to ensuring safe marine navigation, MCTS supports economic activities by optimizing traffic movements and port efficiency, and by facilitating industry ship-to-shore communications. All of the functions are derived from a regulatory framework based primarily on the *Canada Shipping Act* and the Safety of Life at Sea Convention.

1995-96 RESOURCES UTILIZATION

\$67 million and 811 FTEs (see Appendix A).

PERFORMANCE

KEY RESULTS

- ❑ Access to a comprehensive, efficient, timely, and responsive marine communications and traffic services network which reduces the risk and incidence of marine accidents, marine pollution, and lives lost at sea and enhances the economic/operational performance for both marine industry and government programs.

Analyses of long-term or strategic effectiveness, as shown in the CCG global indicators, continue to play a meaningful role in assessing the effectiveness of the national marine transportation system. However, because this is a shared outcome, quantitative performance measures of MCTS's specific contribution are difficult to extract. In future, measures of efficiencies, comprehensiveness, responsiveness, timeliness and accuracy of MCTS may include:

- ❑ quantifying compliance with established MCTS levels of service. At the same time, as service levels continue to be rationalized, performance can be measured through changes in demand and resulting decreases in system costs;
- ❑ indicators that provide a more meaningful measure of the broader socio-economic impacts of the MCTS line; and
- ❑ qualitative descriptions or anecdotal information.

Gauging the level of decreased risk specifically attributable to the MCTS line is equally problematic to quantify. Nevertheless, over time, the value of decreased risk may be measured by alternative economic indicators such as relevant changes in insurance rates and the compliance and recidivism rates of ships entering Canadian waters.

MARINE COMMUNICATIONS AND TRAFFIC SERVICES ACHIEVEMENT
Five CCG radio stations and vessel traffic centres have been successfully integrated

1995-96 achievements that have significantly contributed to the accomplishment of key results and change management: Essential groundwork has been completed for integration of CCG radio stations and vessel traffic centres. Five sites have been successfully integrated.

MCTS CHANGE MANAGEMENT SUMMARY

- ❑ CCG is exploring the use of Automatic Identification Systems (AIS) for ships to help lower overall traffic management costs and the National Information System on Marine Navigation — a real-time information system that will automate the collection, processing, display and distribution of timely and accurate marine information. Testing of AIS started in 1995-96.

3) ICEBREAKING OPERATIONS

OBJECTIVE

To support economic activities by facilitating safe and efficient movement of marine traffic through ice-covered waters in the Arctic and in southern waters which includes the Great Lakes and east coast of Canada. To decrease the risk of flooding in areas prone to or threatened by it as a result of ice build-up. To ensure Northern settlements and military sites are resupplied annually.

DESCRIPTION

Icebreaking Operations are those activities such as icebreaking escort, channel maintenance, flood control, harbour breakouts, and ice routing and information services for marine traffic navigation through or around ice-covered waters, and for the general public. It also coordinates the movement of cargo for the annual resupply of northern settlements and military sites using contracted commercial carriers.

1995-96 RESOURCES UTILIZATION

\$57 million and 632 FTEs (see Appendix A).

PERFORMANCE

KEY RESULTS

- Minimize the risks for injury, loss of life, loss of property, threats to the environment, or undue economic loss, due to ice for vessels travelling in Canadian waters.

Analyses of long-term or strategic effectiveness, as shown in the CCG global indicators, continue to play a meaningful role in assessing the effectiveness of the national marine transportation system; however, because this is a shared outcome, quantitative performance measures of Icebreaking Operations' specific contribution are difficult to extract. In future, measures of efficiencies for Icebreaking Operations in terms of comprehensiveness, responsiveness, timeliness and accessibility may include:

- quantifying established levels of service for icebreaking. At the same time, as service levels continue to be rationalized, performance can be measured through changes in demand and resulting decreases in system costs;
- indicators that provide a more meaningful measure of the broader socio-economic impacts of the Icebreaking line; and
- qualitative descriptions or anecdotal information.

Gauging the level of decreased risk specifically attributable to the Icebreaking business line is equally problematic to quantify. Nevertheless, over time, the value of decreased risk may be measured by alternative economic indicators such as relevant changes in insurance rates and monitoring trends in flooding and increased use of commercial, ice-strengthened ships.

ICEBREAKING OPERATIONS CHANGE MANAGEMENT SUMMARY

- ❑ The CCG has begun negotiations to transfer responsibility for the Eastern Arctic Sealift to the Government of the Northwest Territories.
- ❑ Advisory boards have been established to provide ongoing advice on service requirements. Ultimately, costs and service levels for ice-breaking will be lowered.
- ❑ A socio-economic impact analysis is currently being conducted to assess the impact of marine-related user fee initiatives and other government policy changes. The results will provide input to the initiative to recover a portion of the full cost of icebreaking services for commercial shipping.

ICEBREAKING OPERATIONS CHANGE MANAGEMENT

- *Transfer Eastern Arctic Sealift to Government of the Northwest Territories*
- *Advisory boards on service requirements to lower costs and service levels*
- *Impact analysis as input to cost-recovery initiatives*

4) RESCUE, SAFETY AND ENVIRONMENTAL RESPONSE

OBJECTIVE

To save lives and protect the marine environment.

DESCRIPTION

Rescue, Safety and Environmental Response (RSER) is composed of the following major program areas: marine search and rescue (SAR); environmental response and departmental national emergency preparedness; and the promotion of boating safety to the marine public through prevention and regulation.

1995-96 RESOURCES UTILIZATION

\$142 million and 1,453 FTEs (see Appendix A).

PERFORMANCE

KEY RESULTS

- ❑ Acceptable levels of risk for injury, loss of life, threats to the environment and loss of property through timely, efficient and effective response to marine search and rescue incidents; timely, efficient and effective response to marine oil and chemical emergencies; and safe recreational boating through safety promotion and regulatory activities.

Analyses of long-term or strategic effectiveness, as shown in the CCG global indicators, continue to play a meaningful role in assessing the effectiveness of the national marine transportation system; however, because this is a shared outcome, quantitative performance

measures of RSER’s specific contribution are difficult to extract. In future, measures of efficiencies, comprehensives, responsiveness, timeliness and accessibility of RSER may include:

- ❑ quantifying established RSER levels of service. At the same time, as service levels continue to be rationalized, performance can be measured through changes in demand and resulting decreases in system costs;
- ❑ indicators that provide a more meaningful measure of the broader socio-economic impacts of the RSER business line; and
- ❑ qualitative descriptions or anecdotal information.

Gauging the level of decreased risk specifically attributable to the RSER business line is equally problematic to quantify. Nevertheless, over time, the value of decreased risk may be measured by alternative economic indicators, such as relevant changes in insurance rates, or other indicators, such as compliance and recidivism rates of oil-spill response facilities; the number of pollution incidents that are successfully responded to, expressed as a ratio of incidents recorded against incidents responded to; or trends in the usage of the Ships’ Oil Pollution Fund.

1995-96 achievements that have significantly contributed to the accomplishment of key results and change management:

- ❑ In partnership with the industry, CCG implemented the initial stage of the new oil-spill preparedness and response regime. This initiative will result in a privately funded and enhanced response capability for Canadian waters.
- ❑ The Office of Boating Safety was established to bring a client focus to recreational boating and small vessel initiatives.

RSER MANAGEMENT OF CHANGE SUMMARY

- ❑ Small Vessel Initiative: CCG is enhancing — in partnership with recreational boaters, governments and enforcement agencies —efficient, affordable and self-funded improvements in the recreational boating safety system.
- ❑ CCG consulted with recreational users on how best to develop and implement a modern, boat licensing system, as well as new operator proficiency standards.
- ❑ CCG is designing a structure for a boating licence fee to contribute to the cost of services provided to the recreational boating community.

RSER ACHIEVEMENTS

- *Partnership with industry for new oil-spill preparedness and response regime*
- *Client focus for recreational boating safety provided by the Office of Boating Safety*

5) HYDROGRAPHY

OBJECTIVE

To provide a reliable scientific basis to enhance the safety and efficiency of navigation for vessels operating in Canadian and bordering international waters.

DESCRIPTION

Hydrographic surveys measure the parameters necessary to describe the precise nature and configuration of the seabed and the floors of inland navigable waters, their geographic relationship to the landmass, and the characteristics and dynamics of these waters. Parameters measured include water depth, bottom type, near-surface currents, tides and water levels. Data collected are published as navigational charts and other publications such as Tide and Current Tables, Sailing Directions, Small Craft Guides, and Water Level Bulletins. Hydrographic information is also used for the determination of the seaward limits of national jurisdiction and the delimitation of maritime boundaries.

1995-96 RESOURCES UTILIZATION

\$36 million and 380 FTEs (see Appendix A).

PERFORMANCE

KEY RESULT

- Improved scientific understanding of, and improved accessibility to information on water depths, tides, currents, water levels, and the geographic relationship between Canadian waters, adjacent waters and the Canadian landmass to enhance safe and efficient transportation and to satisfy other client needs.

Although there were no out-of-stock situations for paper charts during the review period, there were numerous client requests for new surveys for areas in need of survey because of silting and changing traffic patterns. There were also many requests for electronic navigation charts.

Several surveys were conducted in the Arctic.

- Surveys for a new port east of Coppermine were completed.
- The first of a two-year program to survey a new port at Melvin Bay was carried out successfully.
- The harbour serving the settlement on Broughton Island was surveyed.
- Year three of a four-year program to survey a route through the southern Northwest Passage from Dolphin and Union Strait to Victoria Strait was completed successfully.
- The first year of a two-year program to survey a route into Rankin Inlet was completed successfully.
- Surveys were carried out for a number of small ports and shipping routes in Newfoundland and Labrador.

In its 1995 Annual Report to Parliament, the Transportation Safety Board of Canada (TSB) noted that “the number of reported accidents in the marine mode declined from the previous year.” The 1995 total of 685 marine shipping accidents reported to the TSB represents a decrease of 14% from the figure for 1994. It is also 20% lower than the annual average for the previous five years (1990-1994) and is a 10-year low. Some of this decrease can be accounted for by a decrease in overall traffic volumes. There is no accurate measure of what proportion of this decrease may be due to improvements in charting.

To continue improving the safety of shipping, a program is currently under way to provide continuous water levels to allow vessels to operate with minimal keel clearance in the St. Lawrence from Quebec to Montreal. To provide the opportunity for deeper draft resupply, ongoing surveys along the southern coast of Newfoundland are replacing surveys done by the British Admiralty between 1861 and 1889. In addition, the

introduction of electronic navigation charts by the Canadian Hydrographic Service and differential global positioning by the CCG shows tremendous promise in allowing vessels to operate in adverse conditions and more efficiently through better route planning.

SERVICE ACHIEVEMENT

Electronic navigation charts and the Differential Global Positioning System allow vessels to operate more efficiently and more safely under adverse conditions

6) FISHERIES AND OCEANS SCIENCE**OBJECTIVE**

To provide a reliable scientific basis for the conservation of marine and anadromous fishery resources, and for the sustainable development of aquaculture, and to provide scientific information on ocean and coastal waters and ecosystems in support of integrated resource management, offshore development, climate prediction, marine services, coastal engineering, defence and shipping.

DESCRIPTION

Marine ecosystems are monitored and assessed through research vessel surveys, monitoring of fisheries and cooperative programs with fishers. Measurements of ocean parameters such as temperature, salinity, water levels and wave heights come from many sources within and outside DFO. Scientists work in multidisciplinary teams in collaboration with fishers and university-based scientists to assess fish stocks in a broader ecosystem and environmental context. Climate-related studies focus on the effects of climatic changes in the ocean on fish species such as cod and salmon, and the role of the oceans in the world climate system.

Aquaculture science is focused on making new fish species viable for culture in Canada and improving the efficiency of culture of existing species. The introduction and spread of fish diseases to wild and cultured stocks is combated through fish health protection regulations requiring certification of fish production facilities before fish may be transported from such facilities into Canada or across provincial boundaries.

1995-96 RESOURCES UTILIZATION

\$135 million and 1,436 FTEs (see Appendix A).

PERFORMANCE

It may take several years for the outcome of a science program or project to become evident. In the shorter term, research activities provide a measure of performance, as shown in this section. Over the next year, DFO will be addressing the need to provide outcome as well as activity performance information. It will draw on work under way in other government science departments to develop a strategy to monitor outcomes. This information can ultimately be used in setting research priorities and allocating resources.

KEY RESULT

- Achievement of a reliable scientific basis for fisheries resource conservation.

Indicator of Achievement: The extent to which stock assessments meet the needs of fishery managers. The following efforts demonstrate how DFO Science has met the needs of clients and enabled Canada to fulfill its obligations to international organizations.

- Stock assessments were carried out for all species of commercial importance in the Atlantic, Arctic and Pacific Oceans to support the needs of fishery managers.
- Expertise and advice were provided to various international organizations such as NAFO, the International Commission for the Exploration of the Seas, the North Pacific Marine

SERVICE ACHIEVEMENTS

- *Clients' information needs are met*
- *Canada's obligations to international organizations are fulfilled*

Science Organization and the International Commission for the Conservation of Atlantic Tuna.

- ❑ Scientific support was provided to international negotiations by Canada such as those in connection with the Canada-U.S. Pacific salmon issue and the Canada-France Consultative Committee for the management of the fish stocks on the St. Pierre Bank.
- ❑ Surveys of marine resources were conducted on the major banks off the East and West coasts to provide updates on stock abundance.
- ❑ Sentinel surveys, carried out by fishers in collaboration with scientists, were started in early 1996 to monitor fish stocks affected by Atlantic moratoria.

Indicator of Achievement: Increased scientific and technical knowledge of ocean waters and ecosystems relevant to sustainable development of ocean resources, coastal and marine industries. The following initiatives were undertaken in response to current issues and addressed long-term priorities.

- ❑ Oceanographic and ecological research was conducted in support of living resources, including environmental monitoring and modelling.
- ❑ Research was carried out on ocean circulation, water mass properties, ocean fronts and other ocean features that affect fisheries recruitment, abundance, distribution and fish stock migration.
- ❑ Projects were undertaken dealing with the marine environment to support offshore development, coastal engineering marine services, shipping and defence. These included studies such as wave interaction with structures, transportation and coastal infrastructure, and trajectory models in support of SAR and oil-spill response.
- ❑ Laboratory and field studies were conducted of phycotoxins and other harmful effects of marine algae blooms and the organisms producing them, including bloom forecasting and determining biological pathways of toxins, their fate and effects on the food web.
- ❑ Daily updates of marine environmental data, including tide and water level data, were provided to scientists and other users.

RESPONSIVE RESEARCH
Research to increase scientific and technical knowledge has addressed current issues and long-term priorities

Indicator of Achievement: Increased knowledge of the climate of the ocean and its role in climate change. The following efforts have effectively addressed priorities stemming from current issues in global change.

- ❑ Canada's access to extensive data collected by other countries was ensured by DFO's continued role as the lead agency for Canada's participation in international organizations such as the World Ocean Circulation Experiment and the Joint Global Ocean Flux Study.

- ❑ Ocean-monitoring surveys were carried out to describe average and extreme conditions, seasonal, yearly and long-term variability and trends; a CD-ROM of oceanographic data was produced as a part of the Global Temperature-Salinity Profile Project; and a directory of oceanographic data sets has been created and is available to the user community.

KEY RESULT

- ❑ For aquaculture, the transfer of knowledge and technology from research projects to make possible the cultivation of new species, and success in preventing the spread of fish diseases.

Indicator of Achievement: Extent to which biological obstacles to the culture of new species are overcome.

- ❑ DFO supported research of triploid salmonids, which are reproductively sterile, to minimize the risk that fish escaping from fish farms will interbreed with local wild fish populations. Using sterile triploids will permit aquaculturists to have access to local wild fish populations and to specially selected strains of salmonids, without the risk of escaped fish affecting the balance in wild fish.

Indicator of Achievement: Increases in efficiency with which feed is turned into salable fish for currently farmed species.

- ❑ DFO conducted research with different salmonid diets to improve feed performance and reduce feed conversion rates, thus improving the efficiency of growing fish.

BENEFITS TO INDUSTRY

Research has contributed to efficiency and productivity improvements for the aquaculture industry

Indicator of Achievement: Extent to which introduction and spread of fish diseases in Canada is prevented.

- ❑ Amendments to the *Fish Health Protection Regulations* facilitated the transfer of salmonids with minimal risk of introducing and spreading diseases.

7) HABITAT MANAGEMENT AND ENVIRONMENTAL SCIENCE

OBJECTIVE

To achieve marine environmental and fish habitat protection and conservation through an integrated approach.

DESCRIPTION

Habitat Management and Environmental Science develops and implements policies, plans and programs and administers statutes related to the protection and conservation of aquatic habitats and the environment. It also:

- ❑ investigates and monitors chemical and physical conditions that affect the quality of aquatic environments;
- ❑ collects, analyzes and interprets information to support the sustained economic utilization of Canada's renewable aquatic resources; and
- ❑ assesses, approves and monitors activities that affect the quality and quantity of fish habitat.

1995-96 RESOURCES UTILIZATION

\$48 million and 406 FTEs (see Appendix A).

PERFORMANCE

KEY RESULT

- ❑ Healthy and productive aquatic ecosystems through improved scientific understanding and effective management.

ENVIRONMENTAL SCIENCES

The following initiatives were carried to meet Environmental Science's 1995-96 performance target to develop defensible and useful measures for productive capacity of fish habitats.

- ❑ A quantitative framework has been developed for assessing no net loss and potentially harmful alteration, disruption, or destruction of fish habitat. The framework provides a defensible middle ground between the extremes of no habitat conservation and no development. Habitat managers will be able to make consistent and scientifically based fish habitat management decisions using this tool.
- ❑ Fish habitat sensitivity research continues at the Experimental Lakes Area of northwestern Ontario. Changes in fish habitat productivity as a result of specific physical disturbances are being examined. Studies of the environmental impacts of reservoir creation are also continuing. The knowledge gained from this research supports the implementation of the Department's Policy for the Management of Fish Habitat.

HABITAT PROTECTION IMPROVED
More effective assessment of no net loss and potentially harmful alteration, disruption or destruction of fish habitat is now possible

The following initiatives have improved the scientific basis, including freshwater management, in those regions that retain responsibility.

- ❑ Assessments of the state of contamination in major commercial, recreational and subsistence fisheries in freshwater and marine ecosystems were conducted. Such assessments are in support of the habitat provisions of the *Fisheries Act*, as well as international agreements such as the Great Lakes Water Quality Agreement. The results of assessments are used to determine whether human consumption advisories should be issued, whether fisheries should be restricted or whether fishing areas previously contaminated should be re-opened.
- ❑ Major studies on reservoir development and mercury contamination of freshwater fish have shown that the flooding of wetlands is the primary cause of elevated levels of mercury in fish. In some areas, the human consumption of fish is restricted due to mercury contamination. The results of these studies have been used to prepare models to predict the severity and duration of mercury contamination in reservoirs. Such models will be of use to government agencies and industry in planning future developments and in amelioration programs.
- ❑ A major initiative to design and implement a user-friendly database is nearing completion. This database will permit researchers and policy makers to access the latest scientific information on current contaminant issues. Data on contaminants from regional studies are currently being incorporated into the nationally distributed database. The database is being used as an international model for the development of other environmental databases.

HABITAT MANAGEMENT

Productive fish habitat is the basis for all sustainable, commercial, Aboriginal and recreational fisheries. Many activities (e.g., mines, dams, linear developments such as roads, pipelines and hydro lines) have the potential to damage fish habitat. The *Fisheries Act*, administered by DFO, requires that fish habitat be protected from physical damage. In 1995-96, this was demonstrated by the following activities:

- ❑ reviewed development proposals, including road construction and hydroelectric developments, for potential impacts to fish habitat in accordance with the “no net loss” guiding principle in the Policy for the Management of Fish Habitat;
- ❑ assessed the environmental impacts of projects as required under the *Canadian Environmental Assessment Act*. Major projects included Kemess South Mine, in British Columbia; BHP Diamond Mine, in the Northwest Territories; and Cheviot Coal, in Alberta;
- ❑ developed a strategy to delegate certain fish habitat management responsibilities to provinces to provide for an effective and comprehensive national fish habitat management program;

- ❑ provided advice to community groups undertaking habitat restoration and improvement projects (e.g., Dauphin Lake, Manitoba, and Clean Annapolis River Project, Nova Scotia); and
- ❑ provided advice and recommendations to proponents to reduce the impacts of projects on fish habitat. Examples include advice on construction methods to avoid or mitigate damage and ways to improve or create new fish habitat to compensate for destruction.

SERVICE ACHIEVEMENT

Advice has been provided to the public on how to protect and enhance fish habitat for the overall benefit of the community

MARINE ECOSYSTEMS CONSERVATION

Protection and conservation of the marine environment and its resources requires the integrated planning and management of human activities in the oceans. An action plan has been developed to facilitate integrated coastal zone management in Canada. Studies of existing community-based management approaches have provided regional options for implementation of this action plan. The identification of marine resources and habitats requiring additional protection is a focus of the Department's Marine Protection Areas initiative.

8) FISHERIES MANAGEMENT

OBJECTIVE

To conserve and protect Canada's fishery resource and, in partnership with stakeholders, assure its sustainable utilization.

DESCRIPTION

Fisheries Management is responsible for fisheries management functions in all provinces and territories in Canada, and within or adjacent to Canada's 200-mile fisheries zones. This includes the inland river systems and lakes in all provinces and territories, except where authority for the management of inland fisheries has been delegated to the province or territory. This includes management in Canadian portions of transboundary rivers, shared management of interception fisheries in international waters and management of the Aboriginal, recreational and commercial fishing effort in Canadian coastal waters. Fisheries Management is also responsible for negotiating international arrangements to advance Canada's fisheries conservation interests in cooperation with other government departments, and the negotiation and administration of international treaties and agreements affecting bilateral and multilateral fisheries relations with other countries.

The objectives of Fisheries Management are complemented through the delivery of capacity-reduction programs such as the Atlantic Groundfish Strategy (TAGS) and the Northern Cod Adjustment and Recovery Program (NCARP). These special programs address specific needs for a specific period.

1995-96 RESOURCES UTILIZATION

\$265 million and 1,751 FTEs (see Appendix A).

PERFORMANCE

Fisheries Management is engaged in a number of initiatives with clients to enhance co-management and ensure the timely development of integrated fishing plans. The sector developed and published national service standards in March 1996 and embarked on a joint project with the Department's Corporate Review, Evaluation and Audit Directorate to map out a multi-year strategy for performance measurement. In the interim, preliminary key results and performance measurement strategies have been developed.

KEY RESULTS

- ❑ Enhanced conservation and biological sustainability of fish stocks both within and adjacent to Canada's 200-mile zone through an integrated approach to resource management;
- ❑ An industry characterised by a reduced number of vessels and professional participants who will share responsibility and accountability for the co-management of the resource; and
- ❑ An integrated monitoring and enforcement regime which contributes to the conservation and sustainability of the resource by enforcing compliance with regulations promulgated under the *Fisheries Act*.

Activities during 1995-96 that have contributed to these key results are as follows.

- ❑ Integrated fisheries management plans were prepared for a significant number of stocks in consultation with licence holders. The plans recognize conservation as the first priority and includes appropriate management measures to support it.
- ❑ Consultations were completed in the industry-based Pacific Round Table. Recommendations were developed to deal with fleet overcapacity and other institutional changes required to ensure conservation and sustainability of Pacific salmon while maintaining economic viability within the industry.

- ❑ Implementation began of the five-point action plan announced by the Minister in response to the Fraser River Sockeye Public Review Board report, released in March of 1995. The report deals with a more conservative approach to fisheries management, increased enforcement and compliance, better integration of science and management priorities, a tough stance on Aboriginal Fisheries Strategy agreements, and a process to generate an industry solution for fleet capacity issues.
- ❑ After unsuccessful negotiations with the United States on treaty arrangements, Canada participated in the successful court action by southern U.S. Aboriginal groups to close the highly controversial Alaskan chinook fishery. The long-standing equity issue was subsequently submitted to mediation, but that was unsuccessful.
- ❑ The Department adopted a more conservative, risk-averse approach to managing West Coast salmon fisheries, which resulted in an overall harvest rate reduction of 50% for the West Coast of Vancouver Island in 1995.
- ❑ Fisheries Management established an industrial training program in responsible fishing, developed a strategy to resolve the problem of ghostfishing by lost and abandoned fishing gear, and began work on the development of a Canadian Code for Responsible Fishing Operations.
- ❑ Principles and examples of partnership agreements were developed. However, implementation was delayed pending changes to the *Fisheries Act*. Co-management arrangements (up to five years) are being developed in the interim.
- ❑ A revised licence fee structure was implemented on both coasts effective January 1996.
- ❑ A new Atlantic Commercial Licensing Policy was adopted that recognizes a limited number of multi-species enterprises and that will result in reduced capacity and number of participants in the fishery over time.

KEY ACHIEVEMENTS

- *Recommendations for Pacific Salmon Fishery Revitalization strategy developed by industry-based Pacific Round Table*
- *Implementation begun on five-point action plan in response to Fraser River report*
- *Key control and enforcement elements of April 1995 Canada-EU Fisheries Agreement adopted by NAFO*
- *Capacity reduction initiatives undertaken on both coasts, including significant amendments to commercial licensing policies*

BUSINESS LINE PERFORMANCE

- ❑ The Report on Enterprise Allocations/Individual Transferable Quotas was completed. However, industry consultations are on hold in light of ongoing consultations on licensing policies, access fees and the proposed amendments to the *Fisheries Act*.
- ❑ Fisheries agreements were reached with 90% of First Nations before the start of the 1995 fishing season to ensure proper implementation and management of Aboriginal fisheries. This brings the total number of agreements in 1995-96 to more than 100.
- ❑ The management approach for the national Conservation and Protection Program was strengthened.
- ❑ An assessment was completed of the extent to which an administrative sanctions board (ASB) process, which decriminalizes the majority of violations under the *Fisheries Act*, will provide a faster and more efficient system for dealing with violations and licence sanctions at a lower cost. The assessment includes a review of structural and costing models for the establishment of the ASB.
- ❑ The Department implemented 100% observer coverage on vessels fishing the NAFO Regulatory Area (NRA) and new procedures for catch reporting and dockside inspections. NAFO adopted the key control and enforcement elements of the Canada-EU Fisheries Agreement of April 1995 designed to prevent overfishing of groundfish in the NAFO area, adopt satellite tracking and distribute quota shares of Greenland halibut.
- ❑ The United Nations Straddling and Highly Migratory Stocks Conference adopted a draft agreement (December 4, 1995) in line with Canadian objectives for effective conservation and management of straddling and highly migratory stocks on the high seas, precautionary approaches to management, effective enforcement against foreign vessels contravening conservation measures of regional management bodies, and compulsory binding settlement of disputes.
- ❑ Full implementation of the 10-year Canada-France Fisheries Agreement began as Canadian fishers started to fish their negotiated scallop quota in the zone around St. Pierre and Miquelon.

9) FISH PRODUCT INSPECTION

OBJECTIVE

To provide reasonable assurance that fish and fish products for domestic and export trade meet Canadian or foreign country grade, handling, identity, process, quality and safety standards.

DESCRIPTION

Fish Product Inspection includes the development, formulation and implementation of national policies, regulations and programs to ensure that Canadian-produced fish and fish products meet appropriate grade, handling, identity, process, quality and safety standards and that imported fish and fish products meet acceptable standards of identity, quality and safety.

1995-96 RESOURCES UTILIZATION

\$33 million and 437 FTEs (see Appendix A).

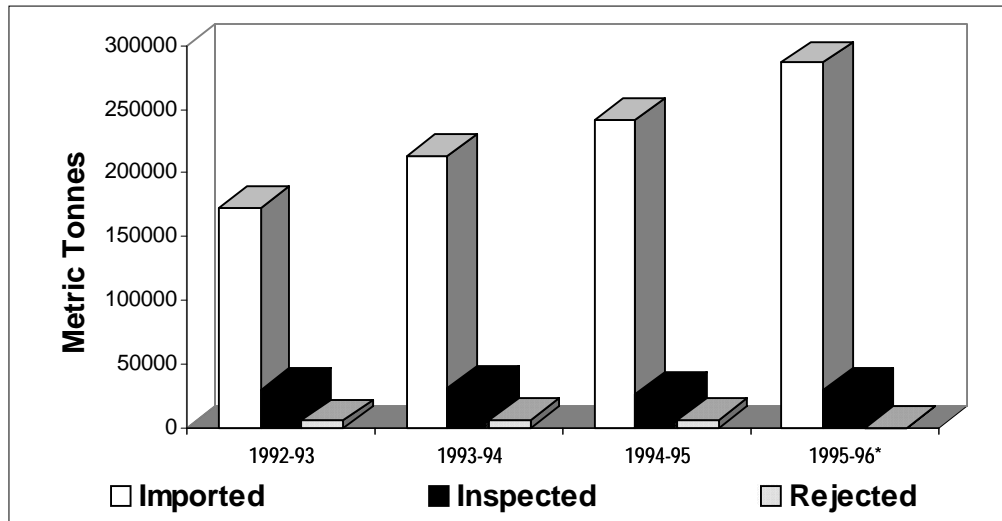
PERFORMANCE**KEY RESULT**

- ❑ Domestic and imported fish and fish products that meet appropriate national and international safety, quality and identity standards.

Inspection achieves its key result and contributes to the long-term goal of facilitation of marine trade, commerce and ocean development by developing and promoting appropriate product and process standards that contribute to the achievement of acceptable quality, safety and identity of fish and fish products and by providing reasonable assurance of compliance with these standards. This is indicated by the following achievements.

- ❑ Existing legislation is being or has been amended to provide modern food inspection legislation to better define the powers of an inspector, create realistic fines and penalties, enhance the ability to establish partnership agreements, and establish an effective cost-sharing regime with clients.
- ❑ As a result of actions taken in 1995-96, cost recovery for the domestic inspection program was implemented July 29, 1996, and increases to fees and charges were introduced for the import inspection program to ensure that users that benefit directly from services pay a fair share of the cost of providing these services.
- ❑ The Molluscan Monitoring and Control Program is providing industry with increased access to shellfish resources through the establishment of depuration facilities and memoranda of agreement for re-laying from closed areas to open areas. Continued monitoring of key sites ensures a safe, wholesome supply of products to both domestic and foreign markets.
- ❑ The Import Inspection Program is providing for a safe and wholesome supply of products that meet all Canadian requirements. A decrease in domestic supply of groundfish resulted in an increased demand for imported raw product — a large portion of which is re-exported to foreign markets as value-added Canadian product. Figure 8 presents data on total imports for 1992-93 to 1995-96.

Figure 8: Total Imports, 1992-93 to 1995-96



* Amount rejected not available for 1995-96.

- ❑ The Quality Management Program (QMP) facilitates market access for Canadian products and improves the cost-effectiveness of the inspection program by allowing resources to be directed at inspecting those processors that have a history of poor compliance with standards.

QMP INSPECTIONS

QMP inspections for the years 1993-94, 1994-95 and 1995-96 were as follows: 3,127, 3,432 and 2,613.

The decrease in QMP inspections for 1995-96 is the result of redirecting resources to a country-wide construction and operations inspection blitz of all federally registered fish-processing plants. The exercise was carried out to determine compliance status, in response to an audit of the Canadian QMP by EU inspectors.

10) HARBOURS

OBJECTIVE

To keep harbours that are critical to the fishing industry open for business and in good repair.
To divest recreational harbours from the inventory.

DESCRIPTION

The operation and maintenance of a national system of fishing and recreational harbours involves the construction and upkeep of wave protection structures and boat mooring and launching facilities as well as the dredging of harbour channels and basins to an adequate water depth. Additional activities include the provision and maintenance of service areas and equipment for fish and gear handling and various onshore services. Program management, including engineering and technical services, is provided regionally under national policy direction, with ongoing harbour management and administration, where applicable, provided locally.

1995-96 RESOURCES UTILIZATION

\$57 million and 111 FTEs (See Appendix A).

PERFORMANCE

KEY RESULT

- A locally managed network of core fishing harbours that are safe, accessible and operable.

There was a 5% overall reduction in the inventory of harbours resulting from the divestiture of 90 recreational harbours and divestiture or disposal of 25 inactive/derelict fishing harbours (including administrative deletions). A policy on divestiture and disposal of the remaining inactive and derelict fishing harbours will be finalized in 1996-97.

There was a 14% increase in sites managed by local Harbour Authorities, bringing the number of fishing harbours under local management to 234 out of a total of 1,308. Harbour Authorities must achieve operational self-sufficiency and cost share maintenance projects within five years, and work will commence on development of a cost-sharing formula in 1996-97.

PROGRESS ON KEY RESULTS

- *A 5% reduction in harbour inventory from divestiture and disposal*
- *A 14% increase in sites managed by local Harbour Authorities*

Approximately 2,000 maintenance projects were carried out to address priority safety repairs at 886 sites. Harbour Authorities received priority funding with 30% of the maintenance budget directed to those sites. Maintenance funding for unmanaged sites was greatly reduced. Access and load restrictions were instituted for structures where maintenance requirements

could not be met. There were only two claims against the Crown in 1995-96 for accidents related to structural integrity.

11) FLEET MANAGEMENT

OBJECTIVE

To provide efficient sea and air support to the DFO program areas of Marine Navigation Services; Marine Communications and Traffic Services; Icebreaking Operations; Rescue, Safety and Environmental Response; Fisheries Management; Fisheries & Oceans Science; and Hydrography.

DESCRIPTION

Fleet Management consists of the acquisition, maintenance and scheduling of DFO vessel and air fleets in support of the following DFO program areas of Marine Navigation Services; Marine Communications and Traffic Services; Icebreaking Operations; Rescue, Safety and Environmental Response; Fisheries Management; Fisheries and Oceans Science; and Hydrography. The funding to crew and operate the fleets is provided by the above program areas. Fleet Management also arranges for any augmentation of fleet capabilities by arranging for other government departments and the private sector to provide additional sea and air support to the programs.

1995-96 RESOURCES UTILIZATION

\$100 million and 403 FTEs (see Appendix A).

PERFORMANCE

KEY RESULT

- Access to appropriate, cost efficient, effective sea and air platforms for the delivery of marine operational activities.

For the period up to and including 1995-96, the reporting for the fleet was oriented toward inputs and processes. As a result, a new framework for performance measurement is being developed and a number of indicators have been identified. Some examples of the measures that will be assessed in the future are outlined in the table below.

Excerpt from Fleet Blueprint for Performance Reporting

Indicators/Measures	Systems
<ul style="list-style-type: none"> ● Client expectations are met ● Client perceptions of services (e.g., cooperative, cost-effective, value-added, and fair) ● Compliance with all standards ● Clients receive appropriate support to make business-like decisions ● National consistency and quality ● Optimal departmental asset inventory to meet client needs ● Fleet is perceived by external parties as leaders in safety and environmental protection 	<ul style="list-style-type: none"> ● Client/user feedback mechanisms ● Technical assessments/audits

1995-96 achievement that has significantly contributed to the accomplishment of key results and change management:

- The fleets of DFO and CCG were merged into Canada’s principal civilian marine fleet.

FLEET CHANGE MANAGEMENT SUMMARY

- A study to determine optimum fleet mix was begun.
- New, more efficient fleet management and maintenance processes began to be introduced to reduce the cost of fleet support.
- Development of a new Maintenance Information Management System began.
- The rationalization of facility and base-shore support to the fleet began.

12) POLICY AND INTERNAL SERVICES

OBJECTIVE

To support the above business lines, the Department will maintain the infrastructure and service base to provide staff with the information, technology and support needed to achieve DFO vision and mission, in Canada and abroad, in a timely and cost effective manner.

DESCRIPTION

The responsibilities of Policy and Internal Services include: executive direction of the Program; corporate and regional management; provision of administrative services; coordination of departmental policies, programs; and, development and promulgation of the Department’s national regulations.

1995-96 RESOURCES UTILIZATION

\$139 million and 1,194 FTEs (see Appendix A).

PERFORMANCE

KEY RESULT

- ❑ A department fully supported by policy, communications, and other corporate services such as finance and human resources, based on quality service delivery, appropriate infrastructure and functional expertise.

POLICY

Policy achievements are indicated by improved benefits to the industry and the Canadian economy through a decrease in the regulatory burden and the number of international trade barriers; and increases in the value of aquaculture products and in the number of species farmed, as demonstrated below.

- ❑ Under the government-wide initiative to significantly reduce regulations in six sectors of the economy, DFO was given the lead in aquaculture, and a supporting role in forestry and mining. Already, 12 action plans have been drawn up and are on a fast track to ease the regulatory burden. In addition, a major redrafting of the *Fisheries Act* was begun for implementation by the spring of 1997. This initiative will lead to a significant reduction in the number of regulations and will render those that remain simpler to understand.

- ❑ While there is growth in the shellfish segment of the Canadian aquaculture industry, production levels in other segments have been flat for two years. Total values have dropped slightly, reflecting the increasing global competitiveness of Chile and Norway, and a market saturation for salmonids, which represent 90% of the Canadian aquaculture industry.

SHELLFISH AQUACULTURE A GROWTH AREA

The shellfish segment has been growing, but production in other areas has been stagnant, with total values dropping slightly

Future opportunity lies in creating value-added products, like steaks and filets, and especially in new species development. DFO has released several policies and modified or eliminated several regulations to remove roadblocks to economic growth. The results of a joint business impact study with industry will lead to further deregulation initiatives in 1997.

- ❑ The number of species commercially farmed should increase in 1996-97 in light of regulatory and policy reforms that have taken place in the past year. Bass, sablefish, geoduck, cod, halibut and clams are among the recent additions.

COMMUNICATIONS

An in-depth review resulted in recommendations in the following areas: communications with the public, stakeholder communications, information technology, internal communications and media relations. Some key recommendations have already been implemented, led by improvements in the use of new technologies to disseminate information. These new technologies have allowed the Department to better target and tailor its messages

to stakeholder needs. This improvement was especially important for significant changes such as the merger and streamlining of DFO and CCG services, the introduction of marine service fees, the increase in licence or access fees, and the revitalization of the fishing industry on the East and West coasts.

The DFO Web site was upgraded. More information, including news releases and speeches, was made more widely available to the public via the Internet. On some days there were more than 1,500 visits to the DFO home page. The dissemination of news releases and backgrounders was enhanced through implementation of a fax-on-demand service. A survey found that 90% of DFO news releases are picked up by the media, an indication of the quality and efficiency of communications services and products.

Improved ways of measuring the level of public understanding and acceptance of the Department's policies and operations were introduced. One example is an early morning media analysis made available electronically to departmental staff throughout the country. The analysis has facilitated the tracking of issues and the planning of communications strategies. The process will be further enhanced with the conversion from a current paper-based media monitoring system to an electronic system. Research begun during the year will allow a pilot project to proceed in the fall of 1996.

COMMUNICATION ACHIEVEMENTS

- *New technologies to better target messages to stakeholder needs*
- *Fax-on-demand service for news releases and backgrounders*
- *More than 90% of DFO news releases picked up by the media*

CORPORATE SERVICES

In support of other business lines and internal to the Department, financial, human resource, informatics, review and access to information services are delivered by Corporate Services. These services provide staff with the information, technology and support needed to achieve the DFO vision and mission, in Canada and abroad, in a timely and cost-effective manner.

As part of the major activity in 1995-96 to merge CCG with DFO, corporate services for human and financial resources that served CCG in Transport Canada were transferred to DFO and then amalgamated with the existing corporate services organizations in DFO. As part of the merger, local area networks, wide area networks and electronic mail services to DFO and CCG staff were harmonized. The objective of having the two groups operating as one by the end of the fiscal year was accomplished. The success of this newly amalgamated service is measured by its cost and quality, including timeliness.

SUCCESSFUL MERGER OF CORPORATE SERVICES

Corporate services from Transport Canada were successfully integrated with DFO as part of the CCG merger with DFO

BUSINESS LINE PERFORMANCE

Integral to the merger was a comprehensive review of Corporate Services to radically reduce the cost and size of the function yet still provide effective support to the Department. Although the review was completed in 1995-96, implementation will continue over the next two years and will result in a reduction of the cost of services being provided by Corporate Services by about 45% from the 1995-96 level.

One of the major features of the new method of delivering corporate services is changing from a transaction-based to an advice-based approach. This includes, among other things, the provision of department-wide financial and human resource information systems. Projects to implement these systems were initiated in 1995-96.

To ensure that the services being provided continue to meet departmental expectations, all functions within Corporate Services are in the process of developing service standards which are expected to be finalized during the latter part of 1996-97 and early 1997-98. The measurement of success against these standards will be a significant measure of the quality of the services provided.

1995-96 Comparison of Main Estimates to Actuals (millions of dollars)

	Human Resources (Full-Time Equivalent)	Operating	Capital	Grants and Contributions	Total Voted Expenditures	Statutory Payments	Total Gross Expenditures	Less: Revenue credited to the Vote	Total Main Estimates*
Business Lines									
Marine Navigation Services	1,617	126	41	—	167	9	176	(1)	175
Marine Communications and Traffic Services	811	51	13	—	64	5	69	(2)	67
Icebreaking Operations	632	63	—	—	63	3	66	(9)	57
Rescue, Safety and Environmental Response	1,453	121	8	2	131	11	142	—	142
Hydrography	412	29	2	—	31	3	34	—	34
	380	30	3	—	33	3	36	—	36
Fisheries and Oceans Science	1,384	121	5	—	126	10	136	—	136
	1,436	121	5	—	126	9	135	—	135
Habitat Management and Environmental Science	471	46	2	1	49	3	52	—	52
	406	44	1	1	46	2	48	—	48
Fisheries Management	1,667	152	12	265	429	11	440	—	440
	1,751	173	6	75	254	11	265	—	265
Fish Product Inspection	484	28	1	—	29	3	32	—	32
	437	29	1	—	30	3	33	—	33
Harbours	95	40	21	—	61	—	61	—	61
	111	33	22	1	56	1	57	—	57
Fleet Management	77	3	23	—	26	—	26	—	26
	403	68	30	—	98	2	100	—	100
Policy and Internal Services	1,094	89	19	—	108	7	115	—	115
	1,194	109	19	—	128	12	140	(1)	139
Sub-Total	5,684	508	85	266	859	37	896	—	896
	10,631	968	149	79	1,196	71	1,267	(13)	1,254
Other Revenue and Expenditures									
Revenue Credited to the Consolidated Fund									(65)
									(41)
Estimated Cost of Services Provided by Other Departments									37
									37
Net Cost of the Program									868
									1,250

* The Main Estimates exclude an amount of \$576 million related to the transfer of responsibilities for the Canadian Coast Guard (CCG) to the Minister of Fisheries and Oceans; this amount was included in the 1995-96 Main Estimates for Transport Canada. The actual figures include CCG.

Shaded numbers are actuals.

APPENDIX B — REVENUES

(thousands of dollars)	Main Estimates	Actual
	1995-96*	1995-96
Non-Tax Revenue Credited to the Consolidated Revenue Fund (CRF)		
User Fee Revenue		
Commercial Licences	40,857	20,070
Individual Vessel Quotas (IVQ)	805	1,468
Foreign Licences	515	302
Sportfish Licences	4,950	4,248
Import Inspection Licences, Fees and Charges	793	852
Domestic Inspection Fees and Charges	—	—
Sale of Bait	680	788
Sale of Fish and Eggs	313	510
Small Craft Harbour Revenue	4,835	3,964
Sale of Charts and Publications	1,590	1,710
Charges for Oceanographic Services	6	4
Aids to Navigation Services in the Deep Water Channel	—	—
Other User Fee Revenue		
Rental of Land, Buildings and Equipment	326	253
Other Services and Service Fees	35	19
Lab Tests and Analysis	13	6
Technology Transfer Licences	45	57
Miscellaneous	139	64
	55,902	34,315
Other Revenue		
Proceeds from Sale of Surplus Assets	350	1,204
Return on Investment	150	148
Fines and Forfeitures	2,000	2,111
Refund of Previous Years' Expenditures	5,700	2,401
Other Non-Tax Revenue	—	284
	8,200	6,148
Total Non-Tax Revenue Credited to the CRF	64,102	40,463
Tax Revenue Credited to the CRF		
Goods and Services Tax	800	745
Total Tax Revenue	800	745
Total Revenue Credited to the CRF	64,902	41,208
Vote-Netted Revenue		
Revenues for optional services	—	89
Recoveries from Other Government Departments and Other	—	1,006
Arctic Resupply	—	8,462
Employee deductions for housing rentals	—	385
Prescott Shops Operations	—	47
Marine Radio Traffic	—	1,260
Miscellaneous	—	1,368
Total Vote-Netted Revenue	—	12,617
Departmental Revenue	64,902	53,825

* The 1995-96 Main Estimates exclude approximately \$31,739,000 for the Canadian Coast Guard; this amount was included in the 1995-96 Main Estimates of Transport Canada.

APPENDIX C — CONTINGENT LIABILITIES

As at March 31, 1996, contingent liabilities estimated at \$175.1 million were outstanding against the Department of Fisheries and Oceans:

- ❑ \$120.6 million relates to the insured value under the Fishing Vessel Insurance Plan administered by the Department to assist fishers in meeting abnormal capital losses. No new policies under the plan were issued after February 28, 1995 and coverage expired for all policy holders on March 31, 1996. Since policy holders have one year in which to make claims after an incident, the contingent liability will cease on March 31, 1997.
- ❑ \$3.8 million relates to guarantees approved by the Governor in Council for loans under the *Fisheries Improvement Loans Act* and to Seafreez Food Limited. No new loans were issued during the 1995-96 fiscal year.
- ❑ \$50.7 million relates to some 35 individual cases of pending or threatened litigation. Most of these claims are for losses of income, injuries sustained by persons and for damages to property.

While these cases are in various stages of litigation, it is not the policy of the Department of Fisheries and Oceans to comment on their expected outcomes. They must, however, be recognized as potential liabilities against the Crown and are therefore presented for information purposes only.

APPENDIX D — STATUTES ADMINISTERED BY THE DEPARTMENT

<i>Atlantic Fisheries Restructuring Act</i>	R.S., 1985, c. A-14
<i>Coastal Fisheries Protection Act</i>	R.S., 1985, c. C-33
<i>Fish Inspection Act</i>	R.S., 1985, c. F-12
<i>Fisheries Act</i>	R.S., 1985, c. F-14
<i>Department of Fisheries and Oceans Act</i>	R.S., 1985, c. F-15
<i>Fisheries and Oceans Research Advisory Council Act</i>	R.S., 1985, c. F-16
<i>Fisheries Development Act</i>	R.S., 1985, c. F-21
<i>Fisheries Improvement Loans Act</i>	R.S., 1985, c. F-22
<i>Fishing and Recreational Harbours Act</i>	R.S., 1985, c. F-24
<i>Great Lakes Fisheries Convention Act</i>	R.S., 1985, c. F-17
<i>Navigable Waters Protection Act</i>	R.S., 1985, c. N-22
<i>Canada Shipping Act</i>	R.S., 1985, c. S-9

APPENDIX E — REFERENCES

STATUTORY REPORTS

Atlantic Fisheries Restructuring
Fish Habitat Protection and Pollution Prevention
Fisheries Development
Fisheries Improvement Loans
Freshwater Fish Marketing Corporation Annual Report
Marine Oil Spill Preparedness and Response Regime
Privacy and Access to Information

These documents are available from —

Fisheries and Oceans
Publications Distribution
200 Kent Street
Ottawa, Ontario K1A 0E6
(613) 993-1516

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